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Government of Afghanistan

Natural Resource Management Public Investment Programme

**Submission to the Ministry of Finance
For the SY 1382-1384 National Development Budget**

Ministry of Agriculture and Animal Husbandry (MAAH)
Ministry of Irrigation, Water Resources and Environment (MIWRE)
Ministry of Rural Rehabilitation and Development (MRRD)

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Section 1 Programme Policy / Strategy

1.1 Overall Objective

To improve the livelihoods and economic well being of rural households, and to efficiently contribute to the national economy, through developing and improving the efficiency of sustainable agricultural, water, forestry and rangeland resource sub-sector activities, based on sound environmental practices.

1.2 Programme Background and Status

In the 1381 national budget, the national development framework strategies were incorporated into a natural resource management sector investment programme consisting of seven national sub-programmes and thirty five projects, with a total budget of US\$54.62 million.

To achieve the sector objective, the 1382 national programme builds on the experience from the 1381 programme, and incorporates nine national sub-programmes:

- Institutional Strengthening and Capacity Building
- National River Basin Management
- National Emergency Irrigation Scheme Rehabilitation
- National Long Term Irrigation/ Power
- Environmental Preservation and Regeneration
- Enhanced Performance in Food and Other Cash Crops sub-sector
- Enhanced Performance in Livestock Sub-sector
- Forest and Rangeland Management
- Policy Planning and Systems Development

The proposed budget for the 1382 program is Afs 6,617,290,000. It will be implemented by the Ministry of Agriculture and Animal Husbandry (MAAH) and the Ministry of Irrigation, Water Resources and Environment (MIWRE). While the Ministry of Rural Rehabilitation and Development (MRRD) is involved in sector activities and processes, it is included in its' natural resource management budget under the Livelihood and Social Protection Programme.

1.3 Guiding Principles

The National Development Framework (NDF) outlines the key strategies required for economic growth, improved rural livelihoods, and for sustainable use and management of natural resources. The strategies are based on community participation and management of resources, and private sector led growth and development, and provision of services. This will require a change in the role and functions of the sector public institutions, to institutions undertaking policy and regulatory functions, and involved in the delivery of core public sector services.

The natural resource management (NRM) sector activities are covered under Pillar II of the national development framework, Physical Reconstruction and Natural Resources, which has the objective to improve use of resources and their productivity to benefit afghan communities and households. As the NDF did not fully integrate the considerations for the environment as a cross cutting pillar for sustainable development, and as it is the key element to achieving the goal in this programme, it was agreed during the 1381 budget preparations to include a sub-programme for environment preservation and regeneration. Sustainable natural resource management systems need to be developed which will cover agricultural, water, land, forest and rangeland systems, and the environment.

Water is a critical constraint to improving rural livelihoods in both irrigated and rainfed farming systems. Sustainable water resource management systems are required, and will involve developing policies and strategies, institutional change and rationalisation in the number of institutions and

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mandates of institutions responsible for various aspects of water supply and use. The NDF states that a river basin management approach is required for efficient allocation and use. Further, the NDF indicates that a river basin commission or a single water authority may be the appropriate organisational structure. Linked with these reforms will be improved water use efficiency, improved catchment and on-farm water management, introduction of more drought tolerant farming systems, improved technologies for rainfed farming systems, improved agricultural services, increased crop diversification and cash crop enterprises, and improved livestock systems. Adoption of a river basin approach will involve integration of rangeland and forestry activities, with the farming activities in the basin. Developing systems to address the forestry and rangeland degradation will involve resolving land tenure and user right issues, policy and management systems, and the adoption of appropriate strategies for pastoral livestock households.

1.4 Problems to be Addressed

As a result of the long period of conflict and disorder, the natural resource sector has suffered major damage and resource degradation, damaged infrastructure and fragmented rural institutions. While the long period of drought worsened the degradation, other factors have caused the non sustainable resource use, poor management and production systems. Addressing these problems will require a short, medium and long term investment programme, which is based on clearly defined priorities.

The 1382 budget strategy is to address the short term rehabilitation problems while at the same time providing the basis for undertaking the preparatory work to solve the sector's long term development problems.

Improving livelihoods and adopting systems for sustainable use and management of natural resources will require interventions that address immediate short-term needs, while developing the framework for medium term development. Key problems in the sector that will be addressed through this national programme are:

- Low levels of on-farm productivity in irrigated and rainfed agricultural and livestock systems, and the limited capacity to improve performance, and to undertake cash crop and livestock enterprises, and the limited access to support services and inputs;
- Breakdown in traditional natural resource management practices and strategies, and the resulting forestry and rangeland degradation and loss of livelihoods;
- Non-sustainable water resource management and use practices, lack of a coherent policy, and low water use efficiency, lack of systems for monitoring groundwater use, and the large scale investment required for rehabilitating small, medium and large traditional irrigation systems, and for formal irrigation schemes;
- Weakened community and farmer organisation structures to manage natural resources and undertake traditional roles;
- Lack of effective quality assurance and certification systems;
- Weak private sector involvement in delivery of inputs and services;
- Limited institutional capacity to effectively and efficiently undertake core public functions, and deliver services;
- Absence of an environmental protection system, policy and regulations, and environmental standards;
- Lack of investment in maintaining the sector infrastructure, including irrigation, river protection systems, and institutional infrastructure;
- Lack of comprehensive natural resource management policy, strategy, regulatory and planning framework.

1.5 Budgeting Period

This investment programme covers fiscal year SY 1382 (March 21 2003 to March 20 2004). A medium term budget and expenditure framework is in operation and therefore this budget builds upon

the SY 1381 budget and forecasts budgets for SY1382 and SY 1384. In most cases, sub programmes run across budget years SY 1381-1383 as they represent multi-annual plans and expenditures. However, given the fiscal situation in the country, and the uncertain nature of donor assistance, expenditures planned and committed this year will be disbursed as and when funds become available and based on the funding priorities established below.

1.6 Purpose

The sector goal will be achieved through the national Public Investment Programme for the NRM sector, and for each sub-programme it will involve the following related purposes:

- **Institutional Strengthening and Capacity Building:** to restructure the existing MAAH, MIWRE and MRRD institutional structure in line with national government policy for sector government institutions, and build capacity for efficient delivery of core public functions and services in NRM.
- **National River Basin Management:** to establish improved water resource management systems, through adoption of river basin management approaches in the five river basins in Afghanistan.
- **National Emergency Irrigation Scheme Rehabilitation:** to improve rural livelihoods and agricultural production through supporting rehabilitation and reconstruction work on priority small, medium and large scale traditional irrigation schemes.
- **National Long Term Irrigation/ Power:** to improve livelihoods, agricultural production and electricity generation through rehabilitating, completing, and undertaking new priority large scale formal irrigation systems.
- **Environmental Preservation and Regeneration:** to develop a national capacity for environmental management, conservation and regeneration.
- **Enhanced Performance in Food and Other Cash Crops sub-sector:** to improve farm household capacity and returns through improved systems for production and marketing of food and other cash crops.
- **Enhanced Performance in Livestock Sub-sector:** to improve farmer and livestock producer capacity and returns through improved systems for production and marketing of livestock and livestock products.
- **Forest and Rangeland Management:** to establish sustainable community based forestry and rangeland management systems as an integral component of a watershed catchment and river basin management system.
- **Policy Planning and Systems Development:** to develop a policy, planning, institutional and regulatory framework for efficient land, water resource, agricultural, forestry, rangeland and other natural resource sub-sectors.

1.7 Policy Issues

To achieve the sub-programme purposes will require policy review and reform. A number of key policy reviews are needed, which will build on the NDF identified policy reforms, and a reform agenda prepared with a workplan over the next two years. The policy reviews and reforms will include the following:

- water resource management, to develop policy and strategies for sustainable use and management;
- forestry and rangeland management to develop policies, strategies and sustainable management practices and systems, including community management;
- agriculture, in terms of agricultural policy, commercialisation of agriculture, food security policy, approach and strategies for improving agricultural services, including agricultural marketing systems, rural finance policy, trade, and related land resource use and tenure issues.

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- environmental protection, involving developing a national environmental framework, which will include policy, strategies, regulations and standards to cover all sectors, and to address natural resource environmental management issues ;
- strategies to facilitate private sector participation and development in the sector;
- options to develop an efficient and cost effective agricultural research and technology transfer system, and community development.

In preparing the NRM framework, an important criteria will be harmonising the sub-sector policies. Further, given the critical need to establish a policy framework, brief issue based policies will be prepared, which will be revised on a needs basis. Institutional capacity will need to be strengthened to enable effective enforcement of regulations.

All irrigation rehabilitation work, and agricultural, forestry and rangeland activities are to be undertaken within the framework of the river basin management approach that the Government is planning to adopt for water resource management. Further, the irrigation work on traditional systems will support and facilitate community based management and ownership of the schemes. Also, Government has identified that in the medium term appropriate arrangements will need to be developed for transferring irrigation management of the large schemes.

To achieve the sector programme objectives, requires an understanding of gender issues, and the incorporation of a gender based assessment of planned activities, and implementation of gender strategies and action plans to improve gender equity in all programme and project activities. Vulnerable groups, and women headed households are a significant group in rural areas, and project interventions need to target these groups. The Government has noted that gender concerns cut across all sectors and programmes.

Section 2 Results and Activities by Sub Programme

2.1 Expected Results

A total of 9 sub programmes has been identified to improve the standards of living of Afghanistan's population through sustainable resource management

Sub-programme 1: Institutional Strengthening and Capacity Building. Strengthened and restructured public institutions with improved capacity to plan, prepare, implement and monitor national programs in line with national and sector policy objectives. Expected results by end 1382: MAAH and MIWRE institutional reorganisation plans prepared, and implementation of these reorganisation plans initiated; MAAH and MIWRE infrastructure and equipment improved for ministries to function effectively; training programme developed and implementation initiated in ministries for staff to undertake core functions; operational inter-ministerial technical working groups on natural resource management issues; and strategy, framework and implementation initiated for strengthening farmer organizations.

Sub-programme 2: National River Basin Management Programme. The establishment of effective water resource management systems to enable equitable and sustainable access to the different water users in Afghanistan. At the end of 1382 it is expected national guidelines and institutional framework for the operation of river basin systems will be developed, that a feasibility study to develop an approach has been conducted for each of the five national river basins, and that at least one pilot river basin project will have started. The MIWRE wants to develop and implement an effective and efficient river basin management system. Further, it is expected that third of the national hydrological monitoring system will have been rehabilitated.

Sub-programme 3: Emergency Irrigation Schemes Rehabilitation Programme. Rehabilitation of existing small, medium and large scale traditional irrigation systems, and establishing sustainable operating and maintenance systems is required to improve Afghanistan agricultural production, and thereby improve people's livelihood. By the end of 1382, it is expected that the irrigation of approximately 378000 ha and the livelihood of 340000 families will have been secured through the rehabilitation and protection of irrigation schemes scattered among the five national river basin.

Sub-programme 4: National Long Term Irrigation and Power Programme. Rehabilitation and improvements to existing large-scale formal irrigation systems, as well as construction of new structures is central to increase Afghanistan agricultural and power production and improve the livelihoods in the long term. In 1382, the MIWRE plan to initiate the rehabilitation, completion and construction phase on 12 large irrigation infrastructures. When all these systems are complete, over a period of ten years, they will provide secure irrigation on approximately one million hectares, of which 0.5 million ha is incremental, and it will generate production of 1291 MW electricity. By the end of 1382, feasibility studies, designs and contract tenders will be completed for a number of these priority projects.

Sub-programme 5: Environment Preservation and Regeneration. A national environmental framework, and an established and operational environmental agency is required to reduce further degradation of the afghan's environment, and to assist in the process for regeneration of the damaged key natural resources that are essential for sustainable livelihoods. By the end of 1382, expected results are an established, staffed and operational environmental agency or body, with the initial national environmental framework developed. This will include policy and regulatory aspects, in both draft and final stages on environmental policies, laws and standards; environmental awareness an education; staff and related ministry training on the environmental assessment process; established framework for database systems; and environmental coordination centre established.

Sub-programme 6: Enhanced Performance in Food and other Cash Crops sub-sectors. By the end of 1382, expected results will include: improved efficiency in food and other cash crops production; seed and rootstock production improved, certification and marketing systems developed; access to production inputs and agricultural services strengthened; plant disease control and quarantine systems improved; farmer based applied research on key farmer production constraints; more drought tolerant cropping systems developed; crop forecasting systems established; and commodity market systems strengthened.

Sub Programme 7: Enhanced Performance in Livestock sub-sector. By the end of 1382, expected results will include: livestock assessment and census undertake; improved diary performance and increased production of other livestock enterprises, improved livestock systems efficiency; farmer based livestock research undertaken; efficient private sector led veterinary services system develop; dairy and other livestock technology transfer systems developed; improved small scale livestock breeding systems established; livestock rehabilitation systems established for Kutchis, animal disease surveillance (laboratory), trans border disease control systems established; assessment and implementation of improved livestock vaccine production and marketing systems.

Sub Programme 8: Forest and Rangeland Management. By the end of 1382, expected results will include: forestry and rangeland resource assessments completed in targeted project areas, and database systems established for these areas; pilot community based forestry management areas, and pilot rangeland management and regeneration areas established in the target areas; improved community adoption of sustainable forestry and rangeland management practices; pastoral/ rangeland livestock management systems improved; and strategy for control and management of desertification prepared.

Sub Programme 9: Policy Planning and Systems Development. By the end of 1382, expected results will include: issues based policy and strategies prepared for natural resource sub-sectors (water resources, agriculture, forestry and rangeland management); sector programmes developed and the

development budget process institutionalised and implemented by the Ministries; certification systems established for agricultural inputs and services; initial research and technology transfer strategy, plan, system prepared and implemented; regulatory framework needs identified, and implementation timeframe prepared; strategy on commercialisation of agriculture; private sector development strategy prepared; assessment of sector state assets, and preparation of appropriate commercialisation and privatisation plans for seed and fertiliser company; agricultural sector M&E indicators/benchmarks prepared as part of national M&E system; market information system established and implementation timeframe.

2.2 Work Plan

Once this investment plan has been approved by Cabinet, a workplan for implementation will be prepared by the various Ministries, and shared with donors, and NGOs.

Section 3 Investment Budget by Sub Programme and Project

3.1 Sub Programmes and Projects

Sub-programme 1: Institutional Strengthening and Capacity Building. Key activities in this sub-program will assist to reform the existing MAAH institutional structure in line with national government policy for sector government institutions, and build capacity for efficient delivery of MAAH core functions and services. This will be achieved with an MAAH institutional reorganization, capacity building and training programs in ministry core function areas, and with the establishment of effective sector inter-ministerial technical working groups to address key sector constraints and to develop comprehensive sector policies. This will involve a number of sub-sectors, and a key priority will be water resource management.

Sub-programme 2: National River Basin Management Programme. Key activities in this sub-program will assist in establishing improved and efficient water resource management systems, through adopting river basin management approaches in the five river basins in Afghanistan. This will be achieved through undertaking strategic river basin management and catchment development studies; pilot river basin project activities, preparing policy, legislation and regulations for river basins and supporting institutional arrangements; surveying and re-establishing the hydro-meteorological station network.

Sub-programme 3: Emergency Irrigation Schemes Rehabilitation Programme. Key activities in this sub-program will assist in rehabilitating and reconstruction work on priority small, medium and large scale traditional irrigation schemes. This will be achieved with selection of the schemes based on a selection and prioritisation criteria, preparing brief technical and feasibility reports, and implementation will be undertaken within a river basin management framework, and will involve community based management of the systems. In undertaking this work, cost effective labour intensive approaches will be adopted, and communities will be responsible for their traditional inputs (hashar) cleaning and other minor maintenance work.

Sub-programme 4: National Long Term Irrigation and Power Programme. Key activities in this sub-program will assist in the rehabilitation, completion and construction phase on the 12 large irrigation infrastructures. Depending on the state of the schemes, this will involve undertaking feasibility studies, preparing designs and initiating contract tenders for a number of the identified priority projects.

Sub-programme 5: Environment Preservation and Regeneration. . Key activities in this sub-program will assist in establishing a national environmental framework, and in establishing an operational environmental agency. To achieve this will require developing a national environmental framework, which will include policy, legislative and regulatory aspects, establishing agreed

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environmental standards, and environmental impact assessment procedures, and establishing an environmental agency, with staff and the capacity to raise environmental awareness, implement environmental policy and regulations.

Sub-programme 6: Enhanced Performance in Food and other Cash Crops sub-sectors. Key activities in this sub-program will assist in improving farm household capacity in production and marketing of food and other cash crops, through improving the efficiency of crop farming systems, which may involve improving on-farm productivity and adoption of other cash crop enterprises, access to improved seeds, agricultural inputs and services, on-farm technologies, applied farmer based crop research, and developing cropping systems that are more drought tolerant. To achieve these productivity improvements and ensure efficient allocation of resources, crop forecasting and market information systems, quality assurance and seed certification systems will need to be established, seed improvement programs expanded, horticulture rootstock and seed improvement programmes started, farmer based crop research and technology transfer/ extension systems established, plant disease and quarantine control systems strengthened, integrated pest systems established, and support provided to develop and strengthen private sector commodity processing and market systems.

Sub Programme 7: Enhanced Performance in Livestock sub-sector. Key activities in this sub-program will assist in improving farmer and livestock producer capacity in production and marketing of livestock and livestock products. This will be achieved through improving the efficiency of livestock systems that may involve improved livestock management, improved access to livestock inputs and services, and farmer based livestock research. To support the efficient allocation of resources, vaccine production systems, livestock certification systems, and animal disease surveillance systems will be established and strengthened, market information systems established, support provided to strengthen livestock services, including farmer based research, technology transfer/ extension, to establish small scale livestock breeding/ intensive systems, apiculture, sericulture and aquaculture enterprises, establish livestock rehabilitation systems for Kutchis, and the private sector provision of veterinary services, including vaccine production and marketing.

Sub Programme 8: Forest and Rangeland Management. Key activities in this sub-program will assist in establishing sustainable community based forestry and rangeland management systems as an integral component of watershed catchment and river basin management. This will be achieved through adopting sustainable forestry and rangeland management strategies, which mobilize communities to establish community based resource management systems in pilot areas, and establish resource assessment systems and databases.

- **Forestry Management** activities will involve the following: undertake forestry resource assessment (including pistachio forests) and establish database systems in project areas in east and southern regions, and in northern pistachio forest areas; identify priority forestry management and regeneration areas, and undertake awareness and community mobilization for improved forestry management in these areas; implement pilot community based forestry management in selected project areas, forestry regeneration and stapling production; and forest production marketing in these project areas.
- **Rangeland Management** activities will involve the following: review rangeland access, tenure arrangements and user rights, and conflicting use issues; undertake rangeland resource assessment, resource mapping and establish database systems; implement awareness and community mobilization for improved rangeland management; and implement rangeland regeneration in selected priority areas, using community based management approaches.

Sub Programme 9: Policy Planning and Systems Development. Key activities in this sub-program will assist in establishing a policy, planning, institutional and regulatory framework for efficient water, agricultural, land, forestry, rangeland and other natural resource sub-sectors. This will involve preparing brief issue based sector and sub-sector policy and strategies, and the framework for efficient implementation of sector activities, involving certification and regulatory systems, strategies to

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implement government policy on commercialization and private sector development and delivery of agricultural inputs and services, including rural finance policy, commercialisation and privatisation of sector state owned assets, market information systems, monitoring systems to assess sector performance, and as part of the national M&E system, and development planning, programming and budgeting.

3.2 The Budget for main Programmes

Refer to Programme Summary Table, Table A1, and Summary Programme Expenditure by Ministry Table, Table A4 on the following pages.

3.3 Budget Summary by Sub programme and Projects

Refer to the Programme Budget Summary by Sub-Programme and Projects Table, Table P1 on the following pages.

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A1	Programme Analysis - Natural Management Resource 1382 Budget Tables				
	Programme: [NRM 1382]				
A1 Program Summary		Expenditure Afs ('000)			
		SY 1382	SY 1383	SY 1384	Total
Program ceiling					
Sub-Program 1	Institutional Strenghtening and Capacity Building	754,995	769,500	634,500	2,158,995
Sub-Program 2	National River Basin Management Programme	196,969	309,375	309,375	815,719
Sub-Program 3	National Emergency Irrigation Schemes Rehabilitation Programme	862,245	609,525	568,125	2,039,895
Sub-Program 4	National Long Term Irrigation/power programme	1,327,500	9,315,000	16,290,000	26,932,500
Sub-Program 5	Environment preservation and regeneration	148,500	225,000	0	373,500
Sub-Program 6	Enhanced performance in food and other cash crops sub-sector	2,234,498	854,689	308,241	3,397,427
Sub-Program 7	Enhanced performance in livestock sub-sector	491,069	337,500	315,000	1,143,569
Sub-Program 8	Forest and rangeland management	297,000	747,000	900,000	1,944,000
Sub-Program 9	Policy planning and systems development	304,515	247,500	247,500	799,515
	TOTAL BID	6,617,290	13,415,089	19,572,741	40,506,577

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Programme expenditure by ministry- Natural resource Management- 1382 Budget Tables
 Programme: [NRM 1382]

A4 Program expenditure by ministry	Expenditure Afs ('000)			
	SY 1382	SY 1383	SY 1384	Total
Ministry of Agriculture and Animal Husbandry				
Sub programme 1	424,500	396,000	306,000	1,163,422
Sub-Program 6	2,234,498	854,689	308,241	3,536,441
Sub-Program 7	491,069	337,500	315,000	1,180,855
Sub-Program 8	297,000	747,000	900,000	1,990,980
Sub-Program 9	273,780	247,500	247,500	792,238
TOTAL	3,720,847	2,582,689	2,076,741	8,663,936
Ministry of Irrigation Water Resources and Environment				
Sub programme 1	330,495	373,500	328,500	1,064,175
Sub-Program 2	196,969	309,375	309,375	838,504
Sub-Program 3	862,245	609,525	568,125	2,106,125
Sub-Program 4	1,327,500	9,315,000	16,290,000	27,411,413
Sub-Program 5	148,500	225,000	0	373,500
Sub-Program 9	30,735	0	0	32,118
TOTAL	2,896,444	10,832,400	17,496,000	31,842,642
GRAND TOTAL	6,617,290	13,415,089	19,572,741	40,506,577

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Natural Resource Management: 1382 Budget Tables

Form P1 - Project Analysis

		Ministry	SY 1382	SY 1383	SY 1384	Total
Sub-Program 1	Institutional Strengthening and Capacity Building					
Project 1	Essential capacity building and training support to deliver core functions (research&extension,etc.)	MAAH	270,000	450,000	180,000	900,000
Project 1	Establishment of an external assistance management unit	MIWRE, MAAH	54,000	27,000	27,000	108,000
Project 2	Development and strengthening of farmers and community organisations	MAAH	112,500	112,500	112,500	337,500
Project 2	Essential support at central and provincial level to undertake core functions	MIWRE	90,000	225,000	180,000	495,000
Project 3	Technical training and capacity building	MIWRE	153,495	45,000	0	198,495
Project 4	Essential infrastructure and equipment support to undertake key technical functions	MIWRE	45,000	90,000	135,000	270,000
Project on going	Capacity building and reorganisation MIWRE, MAAH	MAAH,MIWRE	30,000	0	0	30,000
	<i>Sub Programme Total</i>		754,995	949,500	634,500	2,338,995
Sub-Program 2	National River Basin Management Programme					
Project 1	Rehabilitation of the 144 national Hydrological stations	MIWRE	67,500	78,750	78,750	225,000
Project 2	Developpement of river basin program in Kunduz/Baghlan/Samanghnan river basin (5 years)	MIWRE	61,969	140,625	140,625	343,219
Project 3	Assessment studies on 5 main river basin to developp river basin water management	MIWRE	67,500	90,000	90,000	247,500
	<i>Sub Programme Total</i>		196,969	309,375	309,375	815,719
Sub-Program 3	National Emergency Irrigation Schemes Rehabilitation Programme					
Project 1	Rehabilitation of Amu Darya river basin irrigation schemes	MIWRE	237,735	284,400	270,000	792,135
Project 2	Rehabilitation of Farahrud river basin irrigation schemes	MIWRE	45,000	33,750	22,500	101,250
Project 3	Rehabilitation of Helmand river basin irrigation schemes	MIWRE	150,345	59,625	39,375	249,345
Project 4	Rehabilitation of harirud river basin irrigation schemes	MIWRE	123,480	168,750	202,500	494,730
Project 5	Rehabilitation of Kabul river basin irrigation schemes	MIWRE	166,185	63,000	33,750	262,935
Project on going	Irrigation Rehabilitation/support to the min of irrigation	MIWRE	139,500	0	0	139,500
	<i>Sub Programme Total</i>		862,245	609,525	568,125	2,039,895
Sub-Program 4	National Long Term Irrigation/power programme					

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Project 1	Kunduz/Khanabad irrigation project	MIWRE,MWP	90,000	360,000	675,000	1,125,000
Project 2	Helmand Kajaki Gates project	MIWRE	45,000	450,000	405,000	900,000
Project 3	Ghazni Sardi irrigation project	MIWRE	22,500	270,000	270,000	562,500
Project 4	Herat Salma storage Dam and power plant project(five years project)	MIWRE,MWP	90,000	1,350,000	1,800,000	3,240,000
Project 5	Takhar Kockcha irrigation project (five years project)	MIWRE	90,000	1,035,000	1,620,000	2,745,000
Project 6	Nimroz Kamal Khan irrigation project (five years project)	MIWRE	90,000	990,000	1,125,000	2,205,000
Project 7	Helmand valley rehabilitation project (five years project)	MIWRE	450,000	1,125,000	1,125,000	2,700,000
Project 8	Kunduz upper amou reservoir, irrigation and power project (11 years project)	MIWRE, MWP	90,000	360,000	1,800,000	2,250,000
Project 9	Nangarhar Kama irrigation and power project(6 years project)	MIWRE, MWP	90,000	1,035,000	2,250,000	3,375,000
Project 10	Baghlan Kelagay storage dam (6 years project)	MIWRE, MWP	90,000	450,000	1,620,000	2,160,000
Project 11	Farah Rud irrigation and hydropower project (6 years project)	MIWRE, MWP	90,000	945,000	1,800,000	2,835,000
Project 12	Kabul Gut storage dam (5 years project)	MIWRE	90,000	945,000	1,800,000	2,835,000
	<i>Sub Programme Total</i>		1,327,500	9,315,000	16,290,000	26,932,500
Sub-Program 5	Environment preservation and regeneration					
Project 1	Capacity building and institutional development for environmental management	MIWRE	148,500	225,000	0	373,500
	<i>Sub Programme Total</i>		148,500	225,000	0	373,500
Sub-Program 6	Enhanced performance in food and other cash crops sub-sector					
Project 1	National plant disease&quarantine control laboratory and supporting services	MAAH	90,000	45,000	45,000	180,000
Project 2	Emergency horticulture (orchards) rehabilitation program	MAAH	80,550	22,500	22,500	125,550
Project 3	Horticulture marketing and production development program	MAHH	45,000	45,000	45,000	135,000
Project 4	National improved seed production and marketing	MAAH	319,500	180,000	90,000	589,500
Project 5	Farmer applied research for improved cropping system	MAAH	27,000	27,000	27,000	81,000
Project 6	Locust control program	MAAH	59,648	31,500	31,500	122,648
Project on going	Emergency distribution of farm inputs	MAAH	458,550	0	0	458,550
Project on going	Integrated rural recovery and farmers returnees resettlement (NGOs projects 1380-1384)	MAAH	1,154,250	548,689	47,241	1,750,180
	<i>Sub Programme Total</i>		2,234,498	854,689	308,241	3,397,427
Sub-Program 7	Enhanced performance in livestock sub-sector					
Project 1	Dairy development program (including AI)	MAAH	45,000	45,000	45,000	135,000

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Project 2	Diversified other livestock enterprise development (sericulture, apiculture, aquaculture, poultry,furs)	MAAH	90,000	90,000	90,000	270,000
Project 3	Essential support for functioning livestock diseases control and veterinary services	MAAH	135,000	135,000	135,000	405,000
Project 4	Essential support for functioning livestock vaccine provision and marketing	MAAH	90,000	67,500	45,000	202,500
Project on going	Developpement of livestock activities in selected districts of Afghanistan	MAAH	51,209	0	0	51,209
Project on going	Livestock census	MAAH	24,300	0	0	24,300
Project ongoing	Emergency protection of Kutchis livelihoods	MAAH	17,910	0	0	17,910
Project on going	Improvement of local cattle breeds through AI	MAAH	10,350	0	0	10,350
Project on going	EC rural recovery and AUP NGOs projects 1380-1384	MAAH	27,300	0	0	27,300
	<i>Sub Programme Total</i>		491,069	337,500	315,000	1,143,569
Sub-Program 8	Forest and rangeland management					
Project 1	Community -based Pistachio forestry resource management project	MAAH	27,000	27,000	90,000	144,000
Project 2	Community-based forestry resource management project in eastern and southern regions	MAAH	135,000	450,000	450,000	1,035,000
Project 3	Control and management of desertification	MAAH, MIWRE	45,000	90,000	90,000	225,000
Project 4	Rangeland management program	MAAH	90,000	180,000	270,000	540,000
	<i>Sub Programme Total</i>		297,000	747,000	900,000	1,944,000
Sub-Program 9	Policy planning and systems development					
Project 1	Assessment and system development for agricultural research and technology transfer	MAAH	45,000	0	0	45,000
Project 2	Commercialisation and priv atization of fertiliser company	MAHH	22,500	0	0	22,500
Project 3	Facilitate private sector development for delivery agriculture and services	MAHH	45,000	45,000	45,000	135,000
Project 4	Development of essentials market informations systems	MAAH	22,500	22,500	22,500	67,500
Project 5	Development of crop production&food security assessment system	MAAH	90,000	45,000	45,000	180,000
Project 6	Natural Resource Management sector programming	MAAH	18,000	0	0	400,000
Project on going	Support for agricultural and natural resource policy planning	MAAH	30,780	0	0	30,780
Project on going	Support for water resource policy planning and management	MIWRE	30,735	0	0	30,735
	<i>Sub Programme Total</i>		304,515	112,500	112,500	529,515
	TOTAL		6,617,290	13,460,089	19,437,741	40,418,602

Section 4 Financial Management

Generally the Government will remain the executing authority, with direct implementation through various channels with development partners and the private sector, including NGOs. Accordingly, applicable financial management procedures will depend upon the mode of implementation. The Ministries responsible for the different investment programme will develop their financial management capacities in accordance with Ministry of Finance procedures. Accountable procedures and fiduciary controls will also be developed, and public accounts will be open to Government Audit. Audit reports will be made publicly available.

4.1 Appropriation

For the operating budget, appropriations will be made in accordance with established procedures. However, the majority of finance targeted in support of the development programmes will be channelled either through the Afghan Reconstruction Trust Fund (ARTF) or through contractual relations between donors and contractors. In most cases the responsibility for expenditure management will remain with the administrator of ARTF or with the relevant donor and NGO or private contractor.

The ARTF is administered by the International Development Association and has been established to allow donors to provide funds to the Government for recurrent and capital expenditures, for and training and project design. Donors wishing to support this investment plan are requested to establish an Agreement with the Trust Fund Administrator and deposit funds into accounts, nominated by the Administrator, against which delegated appropriations may be made. Donor funds for sub-projects can be earmarked for specific investments.

The Ministry of Finance has opened special accounts to receive funds from the ARTF in accordance with statement of expenditures furnished to the Administrator by the Government, and which are monitored by a independent Agent. Once funds are in the special accounts, they will be processed and accounted for by the Ministry of Finance, Treasury Department, using the new accounting system. The ministries can also call upon the ARTF feasibility fund, to develop its project proposals where no immediate donor has been identified to support a project or programme area.

Standard procurement procedures will apply to all projects. When undertaking tenders, a standard process will be launched, and a committee established to oversee the transparent and accountable selection of contractors. After award of contract, disbursements will be made in favour of the successful contractor on an imprest account basis, pending settlement and submission of financial and narrative reports.

4.2 Management

While integrated financial management of the programme and sub-programmes will remain the primary responsibility of the ministries involved, MAAH, MIWRE and MRRD, the programme will remain under the overall coordination and management of Government through the Ministry of Finance. Each Ministry will be the responsible executing authority for sub-programmes at that particular level. However, management responsibilities for implementation will remain with the contractors and implementers of sub-projects.

4.3 Accounting

Government accounting procedures apply for the management of both operating and investment expenditures under the direct management of the ministries. Where cooperation partners are responsible for the management of investment funds, external audits shall be routinely conducted in accordance with the appropriate rules. All public not for profit organisations shall make the audit report results of available upon request.

4.4 Monitoring

Financial monitoring will be undertaken by Government where direct appropriations are made under the budget, and narrative reporting conducted where funds are managed independently from Government.

Section 5 Performance Monitoring

5.1 Performance Indicators

Existing sector data and information reporting systems on basic indicators for natural resource management do not provide an adequate database to establish an effective performance monitoring framework and system. In preparing the performance monitoring system and indicators, the ministries will work with the Central Statistics Office and other organisations to establish the basic data requirements, and to ensure consistency with other government agencies. It is likely that use will also be made of MRRD, and other surveillance systems especially on poverty related indicators in the natural resources management area. The performance benchmarks that have been established for the development programme, are presented on a sub-programme basis.

Sub Programme 1:

- Institutional reorganisation plans prepared within 6 months;
- Implementation in place by end of 1382 ;
- Ministries infrastructure improvements completed by end of 1382;
- Training programmes prepared and first batch completed by end 1382;
- Technical working groups established within one month;
- Interministerial high level committee meeting on quarterly basis;
- Programme established and funds allocated for farmer organisations development.

Sub Programme 2: River Basin Management

- Strategy of river basin management finalised and approved within 4 months;
- Initial strategy plans for river basins prepared within 6 months;
- Two river basin bodies ready for implementation by end of 1382;
- Feasibility studies for all river basins prepared by end of 1382;
- Hydro-meteorological networks planned and at least one third re-established.

Sub-Programme 3: National Emergency Irrigation Rehabilitation

- Surveys of all traditional irrigation systems for emergency repair completed within 6 months with programme and benchmarks prepared;
- Selection and prioritisation, and assessment for small, medium and large scale irrigation schemes completed within 6 months;

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- Emergency programmes underway by 9 months;
- Programmes for rehabilitation of irrigation works prepared, based on using labour intensive approaches, and implementation started by 6 months;
- Measurable increase in land cultivated and agricultural productivity in irrigation schemes (details to be developed).

Sub-programme 4: National Programmes for long term irrigation and power

- All projects previously prepared or under construction to be resumed with programme of work ready within 3 months;
- Project priorities to be determined within 3 months (expected to cover 12 projects);
- Pre-feasibility and feasibility studies, design and tender contract documents to be initiated on priority projects, and completed.

Sub-programme 5: Environmental Preservation and Regeneration

- Plan prepared for national environmental framework by 6 months;
- Environmental agency or body established and staffed;
- Initial legislation prepared by end of 1382;
- A programme of environmental education and awareness prepared and initiated by end of 1382;
- Staff training programme prepared within 6 months;
- Training programme to be implemented within 6 months;
- Environmental database to be established and functioning by end of 1382;
- Environmental Co-ordination Centre established.

Sub-programme 6: Enhanced performance in food and other cash (horticulture, tree, industrial) crop Sub-sectors

- Programme for food and cash crops productivity improvement developed within 3 months to include :
 - seed and rootstock production;
 - certification and marketing systems;
 - access to production inputs and agricultural services strengthened;
 - plant disease control and quarantine systems improved;
 - Various benchmarks will be developed with the programme;
 - Increased productivity in food and cash crops, indicators to be developed with programme;
 - Project planned to introduce more drought tolerant crop systems;
 - Crop forecasting system prepared and operational for following season;
 - Agricultural market information system established by end of 1382.

Sub-programme 7: Enhanced performance in Livestock Sub-sector

- Livestock assessment and census undertaken completed within 6 months,
- Programme for livestock improvement developed within 3 months to include:
 - improved diary performance and increased production of other livestock enterprises;
 - Improved livestock systems efficiency;
 - Farmer based livestock research;
 - Efficient private sector led veterinary services system developed;
 - Efficient livestock technology transfer systems developed;
 - Improved small scale livestock breeding systems established;
 - improved livestock processing and marketing systems.
- Increased productivity in livestock products - details also to be developed with programme;
- Animal disease surveillance (laboratory), trans border disease control systems established by end of 1382;
- Pastoral/ rangeland livestock management systems improved;

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- Livestock rehabilitation systems established for Kutchis;
- Assessment and implementation of improved livestock vaccine production and marketing systems by end of 1382.

Sub-programme 8: Forest and Rangeland Resource Management

- Issues based forestry and rangeland management policies and strategies prepared within 3 months;
- Forestry and rangeland resource assessment completed, and database systems established by end of 1382;
- Priority areas established for pilot forestry and rangeland community projects within 3 months;
- Pilot community based forestry management areas, and rangeland management and regeneration areas established;
- Improved community adoption of sustainable forestry and rangeland management practices;
- pastoral/ rangeland livestock management systems improved, indicators to be determined;
- strategy for control and management of desertification prepared within 6 months

Sub-programme 9: Policy, Planning and Systems Development

- Issues based policy and initial strategies prepared for natural resource sub-sectors in 9 months;
- Sector programmes, development budget institutionalised and implemented by ministries within 12 months (ready for 1383 budget);
- Certification systems established for agricultural inputs and services within 9 months;
- Initial research and technology transfer strategy, plan, system prepared (6 months) and implemented by end of 1382;
- Regulatory framework needs identified, and implementation timeframe prepared, 9 months;
- Strategy on commercialisation of agriculture and private sector development prepared, 9 months;
- Assessment of sector state assets, and preparation of appropriate commercialisation and privatisation plans prepared by end 1382;
- Agricultural sector M&E indicators/benchmarks prepared as part of national M&E system to be detailed through CG process;
- Market information system prepared and implementation timeframe within 12 month.

5.2 Reporting

Reporting systems will be developed, with 6 monthly and annual progress reports, detailing project outcomes and physical progress based on agreed indicators, and recording of financial disbursements, and comparison with estimated progress.