

**A guide to government functioning outside of Kabul:
Early observations based on missions to Herat and Faryab**

With the permission of government, this working draft is being shared to encourage debate and to elicit early reactions from government officials and the donor community. It does not necessarily represent the official views of government, the World Bank or of AREU. The working draft should be considered preliminary in nature and its recommendations provisional. It is subject to revisions following consultations with government bodies including the Civil Service Commission and relevant Ministries.

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1. Introduction

The purpose of this guide

There is still much to understand about the fiscal and administrative arrangements in Afghanistan. However, a picture is beginning to emerge from recent provincial assessments.

Most importantly, it seems that the state administration has not completely collapsed. The onset of conflict from 1978 onwards stopped any further consolidation of central authority, but the administrative structures of the state have proven to be fairly resilient. The arrangements are strongly centralized, but provide a coherent management and accountability framework. The administrative laws are basically sound, and those laws are well understood and generally adhered to.

The coherence of the fiscal and administrative systems, the common understanding of how they are intended to work, and the entrenched discipline of staff, are valuable resources. The overarching principle that must underpin all assistance to the public sector is to work with these strengths, nurturing the discipline that has remained despite the many years of conflict.

This guide attempts to set out these underlying strengths of the public sector, describing the evolution of the Afghan State and the administrative and organizational components of the current government. It sets out the legal basis and organizational responsibilities for key fiscal tasks including revenue collection, budget preparation and execution, and accounting and audit. It also describes the organizational structures in the provinces, the way in which the staffing establishment is determined and the structure of pay and grading. It looks in particular at the arrangements for service delivery in the education and health sectors.

A research project

This working draft is an early output from a continuing study coordinated by the World Bank and the Afghanistan Research and Evaluation Unit (AREU) in partnership with the Center on International Cooperation in New York University and the Adam Smith Institute.

The objective of the project is to assist in improving provincial and district delivery of some key services, including primary health, primary education, and water and sanitation.

The paper draws the bulk of its material from two initial case studies (Faryab and Herat) undertaken in December 2002. This is a very narrow sample, in that Herat is likely an atypical province, with access to a significant resource base, higher levels of education, and a relatively peaceful and stable political order; as a result the analysis should be read with some caution. However, the paper will be updated as additional cases are prepared. The paper has also benefited from additional research undertaken by AREU and the Center on International Cooperation.

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2. Glossary and acronyms

Dari terms

<i>Agir</i>	Government staff hired on fixed-term contracts
<i>'Alaqadar</i>	Sub-district administrator
<i>Karmand</i>	Permanent, tenured government staff
<i>Ma'arif</i>	Head of a Provincial Department
<i>Mafawk-i rutba</i>	Beyond grade
<i>Mustoufiat</i>	The provincial Department of Finance
<i>Mustoufie Velayat</i> or <i>Mustoufie</i>	The provincial agent of the Ministry of Finance
<i>Sharwali Uluswali</i>	Rural municipality
<i>Sharwali Wolayat</i>	Provincial municipality
<i>Shura</i>	Council or association
<i>Takhsis</i>	Budget allocation
<i>Tashkeel</i>	Staffing establishment/list of sanctioned posts
<i>Ulema</i>	Islamic scholar
<i>Uluswal</i>	District administrator
<i>Uluswali</i>	District administrations
<i>Wali</i>	Provincial governor
<i>Wolayat</i>	Province

Historical terms

<i>Hawza</i>	Region or Zone
<i>Mustoufie al-mamalik</i>	Head of Finance, in Kabul
<i>Ra'is-i tanzimiya</i>	Inspector General of a region

Acronyms

AACA	Afghan Assistance Coordination Authority
ABC	Afghan Basic Competency materials
ANA	Afghanistan National Army
ANHRA	Afghanistan National Health Resources Assessment
AREU	Afghanistan Research and Evaluation Unit
ARIs	Acute Respiratory Infections
CHWs	Community Health Workers
DAB	Da Afghanistan Bank (central bank)
EPI	Extended Programme of Immunization
HIS	Health Information System
ICRC	International Committee of the Red Cross
IDP	Internally Displaced People
MCH	Maternal and Child Health Clinics
MoE	Ministry of Education
MoPH	Ministry of Public Health
MoUs	Memoranda of Understanding
PED	Provincial Education Department
TB	Tuberculosis
TBAs	Traditional birth attendants
TISA	Transitional Islamic State of Afghanistan
UNO	University of Nebraska at Omaha

Technical terms

Terminology is notoriously difficult in relation to state institutions. In describing organizational aspects of the Transitional Islamic State of Afghanistan (TISA), this paper uses the following conventions:

- *Government* is used in the European rather than the US sense to refer to senior decision-makers in the executive, excluding the judiciary and (not relevant for Afghanistan currently, but in principle) the legislature. In other jurisdictions this group is often referred to as Cabinet or Council of Ministers.
- *Ministries* refer to central government entities headed by a member of Cabinet, or *minister*. They are without any separate corporate status, and are subject to the general provisions of civil service and public finance law. These features distinguish them from the various commissions and 'independent bodies' that are also considered government entities, as well as the many government enterprises.
- *Presidency* is the generic term for the principal administrative unit within Ministries.
- *Central agency* refers to the organizations in the executive that co-ordinate the activities of, and provide guidance to, the line ministries and agencies. Central agencies in Afghanistan are the President's Office, the Office of Administrative Affairs, the Ministry of Finance, the Ministry of Labor and Social Affairs, the Civil Service Commission and the AACA.
- *Department* refers to the provincial outposts of central government Ministries. Sometimes, for emphasis, these are referred to as *Provincial Departments*.
- *District sub-department* is used to refer to the outposts of Provincial Departments located in the districts.

3. Evolution of the Afghan State: Past and Present

Early state building

Afghanistan formed as a nation-state with its present boundaries in response to pressures from the expanding British Empire to the south and Russian Empire to the north. The country's efforts to resist subjugation were largely successful, although Britain for a time asserted the right to control Afghanistan's foreign policy. By 1919 this vestige of foreign interference was removed, and Afghanistan became a member (in many cases a founding member) of the UN and other international bodies.

State building in its modern sense began in Afghanistan during the last two decades of the nineteenth century during the reign of Abdur-Rahman Khan (1880-1901). He used military force to conquer all the territory of Afghanistan and attached it to the central state to collect revenue from traders and farmers. He put in place a strong and elaborate judicial system and used it to legitimize his state building efforts. He also created smaller provinces, reducing the opportunities for coalitions to form opposing his rule, and established a tradition of appointing administrators to serve in provinces other than their own, in order to ensure that their loyalties lay with central government.

Further building of the state structure occurred under Abdur-Rahman Khan's son Habibullah and particularly his grandson King Amanullah. However, Amanullah's attempt to use state administration to impose reforms, and to impose direct taxation of the peasantry and border trade to pay for them, led to a revolt in 1928, legitimized as a jihad against anti-Islamic reforms.

The rule of the royal family was restored by Nadir Shah (1929-1933), who was succeeded by his son Zahir Shah (1933-1973). Throughout this period, the state administration remained centralized, financed through indirect taxes on commercial agricultural exports: karakul, cotton, raisins and fruit. With the advent of the 1950s, cold war financial aid presented new opportunities for state expansion. Services were expanded, including education, roads, dams, policy and military, financed through taxation of foreign trade, foreign aid and (after 1968) exports of natural gas to the USSR.

Throughout its development, the centralized state structure has co-existed uneasily with a fragmented, decentralized traditional society, and the interplay and at times conflict between the two has been one of the recurrent themes of modern Afghan history.

The 1964 Constitution

The 1964 constitution provided for a presidential, one-party system, deepening the unitary political nature of the Afghanistan state. The ensuing laws and regulations enshrined the centralized administrative and fiscal arrangements. Section XIII, Article 108 of this constitution establishes the unitary nature of the administration, while Article 109 provides for provincial and district shuras or consultative bodies. The subsequent law establishing the provincial shuras was never passed and the concept was not fully applicable in all parts of the country, given the under-developed state of roads and telecommunications. Formalizing a traditional practice, the district and provincial administrations were designed as miniature replicas of their respective ministries in Kabul. Though in practice they did not always and in every corner of the country follow Kabul's orders in their daily work, they did maintain regular relations with the center by sending weekly, monthly or sometimes quarterly reports of their work to their ministries, and by asking for instructions from the center on issues that they could not solve. Most provincial capitals worked closely under Kabul's supervision.

A different but very important contribution of the 1964 Constitution to the structure of the state was its clarity in separating the executive, judiciary and legislative branches of the government. With the establishment of a bi-cameral parliament in 1964, the legislative branch provided the only medium for representatives from the country's districts and provinces to participate in the state's decision-making process.

From the Soviets to the Taliban

These formal developments were made less relevant from 1978 by more than two decades of war that undermined the legitimacy of all state institutions. By the 1980s few provinces were under the Kabul government's control. Although the central government retained the power to appoint governors, it could only protect its interests in the provincial capitals. The countryside—districts and villages—were, for the most part, either the domain of the mujahidin, or at best, constantly contested areas. Mujahidin commanders thus became rulers of the areas under their control, decentralizing governance. As the state structures gradually crumbled, various non-governmental organizations and the UN filled the gap in providing basic services to the population. The local commanders and warlords sought to attract or blackmail these organizations in order to legitimate their power over the population. In the absence of a reliable government to work through, the NGOs and UN agencies established their aid and development programs in communities, forging direct working relations with local leaders and commanders, thus establishing some de facto decentralization. A number of NGOs were deliberately set up at this time by anti Soviet powers using them as an arm of foreign policy, to counter Soviet influence in the country and to gain intelligence.

With the departure of the soviet troops by the beginning of the 1990s, soviet subsidies ended, and the regime collapsed. The regime militias and mujahidin reconfigured along ethnic lines, with regional power centers based on an economy of smuggling, and arms and drug trafficking. The Taliban established control in Kabul, centralizing its authority but without any capacity for or interest in governing or development. The Taliban appointed relatively few people to the administration, except in areas of security and law enforcement. Women were dismissed from the administration but most male staff remained in post.

The Current Government of Afghanistan

Following the collapse of the Taliban at the end of 2001, an Interim Administration was established through the Bonn Agreement, which was replaced by a Transitional Authority following an emergency Loya Jirga in the spring of 2002. The Bonn Agreement states that the provisions of the 1964 constitution are in effect; but work is currently underway to develop a new constitution, which will be discussed at a new Loya Jirga to be held next year.

The current structure of government is unitary with all political authority vested in the government in Kabul.¹ The powers and responsibilities of subnational administration are determined (and therefore may be withdrawn) by central government. Unitary governments can be decentralized, with administrative and fiscal discretion granted to subnational entities.

¹ One could argue that municipalities are, in principle, a separate level of government in that they appear to have some autonomy in budget execution and, probably, in budget preparation. However, since the Ministry of Interior controls their staffing establishment, and their budgets are to some degree overseen by the central government, this paper takes the view that they are not a separate level of government.

Afghanistan, however, is strongly centralized, both administratively and fiscally.² Table 1 provides a summary of these formal central/local relationships.

Table 1: Formal central/local relationships in Afghanistan³

	Administrative arrangements		Fiscal arrangements	
	Structure	Personnel	Revenue	Expenditure
Province	Departmental structure mirrors the ministry structure in Kabul - although not all Ministries have corresponding departments	The governor approves junior staff appointments and transfers (<i>karmand</i> grade 7 and below and all <i>agir</i> staff), the relevant Minister approves <i>karmand</i> staff from 3-6, and the senior staff (grade 2 and above) are appointed by the President.	All tax and customs levels set by central government statute. All revenues collected on behalf of Kabul. Subsequent fiscal transfers to the province are made as per line department budget allocations. Actual cash transfers reflect the difference.	The "ordinary" and development budgetary allocations for the provinces are the sum total of the administrative decisions that have been made by the various Kabul ministries concerning the allocations to their provincial departments.
District	Structure mirrors the departmental structure in the province - although not all departments have corresponding units in the district	The governor approves junior staff appointments and transfers (<i>karmand</i> grade 7 and below and all <i>agir</i> staff), the relevant Minister approves <i>karmand</i> staff from 3-6, and the senior staff (Uluswal and judge) are appointed by the President.	Districts collect minor business taxes; rates are reviewed by a district/provincial level review committee every three years. Revenues are remitted to the province.	The "ordinary" and development budgetary allocations for the districts are the sum total of the administrative decisions that have been made by the various provincial departments concerning the allocations to their district sub-departments.
Municipality	The municipality structure (departments and nos. of staff) is set by the Ministry of Interior, with the agreement of the governor.	The mayor approves appointment and promotion for <i>agir</i> grade 3 and below. The governor approves other junior staff appointments and transfers (<i>karmand</i> grade 7 and below ⁴ and <i>agir</i> grade 2 and above), the relevant Minister approves <i>karmand</i> staff from 3-6, and the senior staff (grade 2 and above) are appointed by the President.	All tax and fee rates are set in Kabul. Revenues remain in the municipality and fund all municipal expenditures. It is not clear whether excess revenues (i.e. over and above that agreed with the Ministry of Interior) remitted to Kabul.	The "ordinary" and development budgetary allocations for the municipality are set by the Ministry of Interior (Department of Organizations), with the agreement of the governor.
Rural municipality	The structure is set by the Ministry of Interior, with the agreement of the municipality and governor.	These are district staff, therefore the governor approves junior staff appointments and transfers (<i>karmand</i> grade 7 and below and all <i>agir</i> staff), the relevant Minister approves <i>karmand</i> staff from 3-6, and any senior staff are appointed by the President.	All tax and fee rates are set in Kabul. Revenues remain in the rural municipality and fund all expenditures.	No formal budgetary allocations other than salary payments. Development budget expenditures agreed ad hoc and administered by the municipality.

² Institutionally, any public sector can show varying degrees of political, fiscal and administrative decentralization. There is no intrinsic reason why decentralization must remain exactly in step in each of these dimensions. Annex 4 sets out the range of possibilities. The large proportion of the public sector workforce that is located within Kabul emphasizes this centralization.

³ Government enterprises could logically have been included in this table as the arrangements for their structure and staffing are identical to provincial departments (structure set by parent ministry in Kabul, hiring largely with the permission of the governor) and their fiscal arrangements are similar to those of the municipality.

⁴ The Mayor of Herat reported that the governor approves appointments and promotions for *karmand* grade 8 and below. This was assumed to be a mistake, but it merits further consideration.

Organizationally, central government in Afghanistan is comprised of 29 ministries⁵, 12 independent bodies and other central government agencies in Kabul⁶, and 2 agencies working under the direct authority of the President (the Office of the President and, pro tem, the Office of the Prime Minister).⁷ In addition, there are four types of subnational administration:

- 32 provinces (*Wolayat*)⁸
- Approximately 326 districts (*Uluswali*) – with each province containing between 5 and 20 districts⁹
- Provincial municipalities (*Sharwali Wolayat*) – with each province in principle containing one such municipality¹⁰
- Rural municipalities (*Sharwali Uluswali*) – with each district containing at most one rural municipality, but some with none.

Although provinces and districts are legally recognized units of subnational administration, they are not intended to be autonomous in their policy decisions other than through some flexibility in implementing centrally determined programs.¹¹

For example, on the expenditure side, there is little concept of a provincial or district budget, as the budgetary allocations for the provinces (ordinary and development) are simply the sum total of the administrative decisions that have been made by the various Kabul ministries concerning the allocations to their provincial departments. This situation is replicated at the district level, and budgetary allocations for the districts are the sum total of the administrative decisions that have been made by the various provincial departments concerning the allocations to their district sub-departments.

⁵ Although there seems to be some ambiguity about the separate existence of the Ministry of Repatriates. This could bring the total to 30.

⁶ AACA, Central Statistics Office (includes the Afghan Computer Center), Geodesy & Cartography Office, National Security Agency, Narcotics Eradication Agency, Science Academy, National Olympics Committee, Repatriates Agency, Supreme Court, Civil Service Commission, Human Right Commission and the Office of the Attorney General. There are ambiguities in the status of the Repatriates Agency (see footnote 5) and concerning the Attorney General (although the Attorney General was established as a separate office in the 1980s, the Minister of Justice disputes the constitutionality of this move).

⁷ See Annex 2 for a list of central government bodies.

⁸ Article 108 of the 1964 Constitution provides: "The unit of local administration is the province. The number, area, subdivisions, and organization of the provinces shall be fixed by law." The law enacted under these provisions and remaining in force during the period of the 1964 constitution is the Law of Basic Organization of Afghanistan, 20 Mizan 1344. Articles 34-46 deal with Local Administration. Article 42 names 28 provinces, as well each of the districts.

⁹ Article 108 of the 1964 Constitution indicates that "subdivisions are to be fixed by law", and this is elaborated in the Law of Basic Organization of Afghanistan.

¹⁰ Article 111 of the 1964 Constitution indicates that municipal councils are to be established by "free, universal, direct, secret election."

¹¹ Article 109 of the 1964 Constitution set out provisions concerning Provincial Councils, including that the councils shall take part in the "realization of development targets in a manner specified by law," and that members salaries shall be fixed by law. Article 43 of the Law of Basic Organization of Afghanistan, 20 Mizan 1344, provides for a Provincial Council whose members shall be elected by the residents of the province "in a free, direct and secret election." However, Article 44 provides that the organization and duties of the provincial jirga will be regulated by law, emphasizing that another implementing law would be needed - and no such law was later enacted. A previous Law of Advisory Councils, 8 Aqrab, 1336, was so neglected as to have been effectively repealed. Later the law of Provincial Administrative Councils, 28 Qaus 1343, enacted with the first laws after the 1964 Constitution, gave some of the authority of Advisory Councils under the previous laws to a council of provincial officials - the governor, the deputy governor, the Mustoufie and a security commander.

This in effect gives Kabul considerable political authority over provincial expenditure policy. However, it must be kept in mind that the budgetary allocations are so limited, even before the last decade of conflict, that the room for maneuver in, say, prioritizing some health programs over some education programs, is very limited. Thus Kabul has control over expenditure policy – but the policy alternatives available are very few.

To a large extent this situation also applies at the municipal level, in that the "ordinary" and development budgetary allocations for the municipality are set by the Ministry of Interior (Department of Organizations). However, there is more political autonomy in policy-making at this level because the municipality also has some formal flexibility on the revenue side that is not available to the provinces or districts. Although all municipal tax and fee rates are set in Kabul, municipal revenues remain in the municipality and fund all municipal expenditures. Thus the municipality is able to increase its resource base, through improving its revenue collection, in a way that is not possible for the provinces or districts.

In other non-fiscal areas, provincial policy is less subject to direction from Kabul. However, even here the governor does not have a free hand. Although they do not hold formal power, influence is exerted by the various *shura*. *Shura* (best translated as council) are a long-standing feature of Afghan political society, they are both secular and religious. They are convened on an ad hoc basis and are rarely standing bodies with identifiable members. Typically, *shura* of the *ulema* and *shura* of elders are found at the provincial level (*shura* of the *ulema* in Herat are regional rather than provincial, and *shura* of elders exist even at village level). The recent history of *shuras* is complicated, as they became popular in NGO/UN programs after 1989, when having the apparent agreement of a *shura* became essentially a pre-requisite for projects. There are often competing *shuras* in a district, and there are some commander-run *shuras*.

In addition to the formal provincial and district administrative structures, there is some history of the use of regions or zones in Afghanistan (*Hawza*), primarily for military purposes.¹² In particular, the recent decree establishing the Afghanistan National Army (ANA) places the President as commander in Chief of the Army and prohibits any other military or paramilitary units that are not part of the ANA. This decree formally recognizes that the army is based on four regional commands. It does not specify exactly what the regions are.¹³ Thus, formally, the governor might be the coordinator of the civil administration and the chief of police, but the military units stationed in the provinces should be run by the military and report via a regional structure to the Ministry of Defense in Kabul.

Zones have no legal standing as an administrative unit and, unlike provinces, districts and municipalities, are not mentioned in the 1964 constitution. However, they have been used at times for administrative convenience. For the health sector, for example, the original national zonal structure was created around 1965 for the malaria program, after which it was also assumed by the smallpox eradication program, the Extended Programme of Immunization (EPI), and TB control program. A formal zonal structure did not exist outside of these

¹² The *Hawza* correspond largely to the pre-Abdur Rahman Khan provinces of Afghanistan (Kabul, Jalalabad, Qandahar, Herat, Turkistan, Qataghan-Badakhshan).

¹³ The decree (dated 2 December 2002) notes that: "The current organization of the army will gradually be transformed into four major commands. With the exception of the central command in Kabul, the location of the remaining commands will be determined on the basis of strategic and geographical factors. The TISA is committed to promote the earliest restoration of security, the rule-of-law and the full exercise of human rights throughout the country." The introductory section of the decree notes that TISA officials cannot hold military posts.

programs. Formally, this zonal structure no longer exists, although this has not been announced and there are seminars and other sectoral activities organized on a zonal basis. The tradition of inter-provincial coordination at the regional level continues (for example, the sign outside the Balkh PHD in Mazar-i Sharif reads "Office of Public Health, Northern Zone.")

While they have no formal political status, some regions or zones have re-emerged as de facto political units. Herat is at the center of such a region, including Ghor, Badghis and Farah. This de facto western region is sustained by loyal troops available to enforce order on a regional basis, and an independent source of income, in the form of customs revenues from cross-border trade. Herat has reinforced and extended its authority by paying some civil servants in neighboring provinces.¹⁴

To the extent that some governors are also significant regional figures, they combine military and civilian authority in a way that was not intended by the current constitutional arrangements. The governors of Herat and Qandahar are governors without official military positions, but are the *de facto* chiefs of the armed forces not only of their respective provinces, but also of their neighboring provinces.

Even in cases where there is a powerful regional figure that is not a governor, the military is closely related to the political structure. In the north, for example, military influence over the appointment of governors and other senior officials is clear.

¹⁴ This de facto political decentralization inevitably leads to fiscal decentralization when some provincial revenues are not remitted to Kabul and remain off budget. Some governors are thought to collect significant revenues, which are not remitted to the central budget, not even that part of the revenue derived from 'legitimate' taxes on farming and industries such as carpet making.

4. Fiscal relationships

Legal basis and organizational responsibilities

To assess fiscal centralization, one must look at both expenditures and revenues. From an expenditure perspective, it is difficult to develop good comparative statistics, since the amount of discretion is more relevant than simple cash transfers, and this can be difficult to judge and also can be variable between different sectors. However, by any standards, there is clearly very little discretion as to how expenditures are made at the local level in Afghanistan.

The structure of revenues provides a more robust picture of fiscal decentralization, and in the case of Afghanistan, this comes down to an assessment of the assignment of and control over taxes and charges as, formally, there are no other sources of revenue for districts or provinces: there is no access to loans at subnational level and there are effectively no fiscal transfers from central government.¹⁵ Outside of central government, the only tax autonomy is at the municipal level. Although all tax and fee rates are set in Kabul, the revenues remain in the municipality and fund all municipal expenditures. It is possible (but not clear) that excess revenues (i.e. over and above the level agreed with the Ministry of Interior) are intended to be remitted to Kabul.

Overall, the high degree of fiscal centralization in Afghanistan clearly sets it apart from most other countries. Drawing on available data, the only countries known to have very limited tax autonomy and minimal fiscal transfers are Latvia and Lithuania, but they are still considerably more decentralized than Afghanistan.¹⁶

There are three main pieces of legislation that govern the country's fiscal mechanisms. The existing organic Budget Law (1983) and Accounting Regulations (date uncertain),¹⁷ while somewhat complex, are essentially sound, providing appropriate checks and balances. The Budget Law provides some elements of very good practice, in particular in its requirement that the full costs of donor projects should be reflected in the Government's Budget. Arguably, the separation between the development and "ordinary" budgets, rather than a more straightforward distinction between recurrent and capital budgets, is one of the poorer features of the budget law. Historically, preparation of the ordinary budget has been the responsibility of the Ministry of Finance, while the Ministry of Planning is responsible for the preparation of the development budget. There is some current consideration of integrating the budgets.¹⁸

The Control and Audit Regulation (issued under the Budget Law in 1985) recognizes three types of audit:

¹⁵ Although there is of course government spending in the provinces, all district and provincial expenditures are made on behalf of central government.

¹⁶ See Ebel, Robert D. and Serdar Yilmaz. 2002. "On the Measurement and Impact of Fiscal Decentralization" Working Paper No. 2809. World Bank.

¹⁷ The only accounting manual in use establishes "...legal requirements, organization, policies, procedures and rules concerning the accounting system of the Royal Government of Afghanistan." No date appears but it was promulgated under an earlier version of the Budget law since it refers to the "Budget and Accounting Act." It makes reference to a loan issued in 1962. There is no separate Treasury Manual and the accounting manual refers to the "Treasury Department" and appears to cover its functions.

¹⁸ A major reason for integrating the development and recurring budgets is to ensure that the ongoing costs associated with development projects are properly factored into the recurrent budget. For example, in building a new hospital provision must be made for staffing and other operating costs once the hospital is completed.

- It makes the General Control and Inspection Department of the Council of Ministers the supreme audit authority for the whole of government, providing *ex post external audit*. This department audits the "Final Account" of the Ministry of Finance.¹⁹
- *Pre-audit* is undertaken by representatives from the Ministry of Finance who must pre-approve expenditures prior to distribution of salaries, procurements and purchase of supplies, and prior to signing of any contracts.
- Most ministries have an *internal audit* department which audits and controls the affairs of the Ministry in Kabul and the provincial departments.

Primary responsibility for implementing the Budget Law lies with the Ministry of Finance in Kabul, and the ministry's network of provincial agents (*Mustoufie Velayat*, also known just as *Mustoufie*). The organizational structure for the Ministry of Finance is unremarkable, including Presidencies for Financial and Economical Analysis (responsible for macro projections), Budget, Revenue, Customs, Treasury, and Accounting.²⁰

While central government ministries and institutions are primary budgetary units with specific budgets determined by law, the provincial departments of the central government ministries are secondary budgetary units and thus receive allocations at the discretion of the primary budget unit. The net effect of these arrangements is that, in principle, the budgetary allocations for the provinces are simply the sum total of the administrative decisions that have been made by the various Kabul ministries concerning the allocations to their provincial departments. There is no concept of a provincial budget.

Districts are tertiary budget units and as a result are even more dependent on administrative decisions, in that their budgetary allocations depend on the decisions made by the relevant provincial level departments (secondary budget units) of the Kabul ministries (primary budget units).

Municipalities are largely self-sustaining entities with responsibility for providing some services (trash collection, recreation and park services) and collecting minor revenues from local service charges and retail licenses. Generally, there is one provincial municipality in each province, and a rural municipality in each district. The rural municipalities are under the supervision of the provincial municipality (paralleling a district sub-department), and the Ministry of Interior approves the budget of the provincial municipality (paralleling a provincial department).

It appears that provinces do not have any independent authority to borrow.²¹

¹⁹ The "Final Account" contains the appropriations of the primary budgetary units, the allocations that are issued during the fiscal year, revenues collected and expenditures made by government entities. The Final Account is prepared by the Accounting, Treasury and Revenue departments of the Ministry of Finance, and in the past has been the primary source of information for the preparation of the budget for the following fiscal year.

²⁰ Other Presidencies in the Ministry of Finance include Internal Inspection, Government Enterprises, Administration, and Price analysis. There is also a Pension 'Office' in the ministry.

²¹ The Budget Law, sections 8.2 and 8.3, indicates that "local organs of government" can prepare a plan that includes borrowing as a resource, but this is submitted to central government in the budget preparation process (and thus presumably such proposals must be formulated on a sectoral basis). Government enterprises, however, are apparently authorized to borrow.

Revenue Collection

The organic Budget Law effectively requires that nearly all revenues be remitted to central government for inclusion within the single national budget:

- The *provinces* collect a range of locally generated revenues on behalf of the central government, the most significant of which is the customs tariff. All tax and customs rates are set by the central government. The revenues are held by the Mustoufiat in an account of the Afghanistan National Bank, and periodically remitted to Kabul.
- *The districts* collect minor taxes on business premises. The rates are based on location and property values, and are assessed every three years by a three-person committee (comprised of district and provincial staff), which reviews the value of each property. The revenues from this tax are sent to the provincial Mustoufiat.
- All tax and fee rates collected by *provincial municipalities* are set in Kabul. However, revenues remain in the municipality and fund all municipal expenditures. It is not clear whether excess revenues (i.e. over and above that agreed with the Ministry of Interior) are to be remitted to Kabul.
- The situation for *rural municipalities* is similar in that all tax and fee rates are set in Kabul, and revenues remain in the rural municipality and fund all expenditures.

On an operational level, central control of customs rates has presented significant difficulties, where there is a need to quickly respond to new products. For example, if the imported good is not on the list of rates provided by Kabul, the customs house generally sends a sample of the good to Kabul, requesting a new rate. It can take about twenty days to get an answer, since the request must be sent by post. In this case, either the imported goods in question are held at the customs house until the reply is received from Kabul, or the highest possible rate is charged, and the importer receives a refund of the difference later.²²

Despite this picture of centralized revenue collection, it is important to note that the fiscal authority of central government in Afghanistan has always been compromised by some de facto local autonomy. Even in the "golden years" of the 1950s and 60s, tribal independence meant that collection and remittance of revenues were the subject of constant negotiations.²³

For the future, property taxation is potentially a major and currently under-exploited source of revenues for district and municipal administrations.

Budget preparation

From the provincial perspective, the budget process for the "ordinary" or recurrent budget begins when the line ministries in Kabul send instructions to their respective departments in each province to prepare a request for funding for the upcoming fiscal year, along with any proposed changes to the department's organizational structure. These budget requests are then prepared and returned to the line ministries. The requests are prepared on two separate forms.²⁴

This is the only point of involvement for the provinces in the preparation of the recurrent budget. After this, according to provincial staff, line ministries compile the requests from all provinces along with their own needs, and submit a consolidated budget request to the Ministry of Finance.

²² It appears that in some, limited, situations the local Chamber of Commerce can be asked to define an appropriate rate. It is not clear when this is the case and when a request must be made to Kabul.

²³ For example, some Pashtun tribes were exempted from certain taxation and military conscription requirements.

²⁴ B4 contains the salary request, and B6 contains other expenses.

The Ministry of Finance then reviews each ministry's budget request in detail. Since the requests are inevitably more than can be afforded within the fiscal plan, this review results in the Ministry of Finance proposing significant reductions. The revised budget requests from all the line ministries are then discussed in detail at Cabinet, where the final decisions are made. The fiscal year commences on March 22nd.

For the upcoming budget year, SY1382, a somewhat different process is being tested. Ministries are required to first re-estimate their likely spending needs for 1381 and to then calculate the implications for SY1382 on the assumption of no policy changes.²⁵ Any changes to the estimated "ordinary" budget needs must then be justified by a separate estimate for each policy change along with some indicative performance information.²⁶ It is not clear how this new process will affect the provincial departments' input into the budget process.

Once the budgets for all ministries have been determined, each ministry prepares the budget allocations for each of their provincial departments, and sends this information to the provinces at the beginning of the year. How this allocation is determined is not clear at this point. However, the assignment of responsibilities to different levels of administration must present some challenges. In education, responsibilities are relatively clear (see Table 7, page 31). In health, on the other hand, the allocation of functional responsibilities is considerably more ambiguous (see Table 10, page 41). There is extensive overlap between the functions of hospitals at the provincial and district levels, and external funding from NGOs and donors is pervasive. The health sector also faces the potential confusion arising from the shadowy existence of the 'region' as a coordinating layer of administration. Thus, in preparing budgets and plans for the health sector, staff and managers face far more uncertainty and potential conflict in assigning responsibilities (and therefore budgets) and correspondingly more uncertainty about their accountabilities, than their colleagues in education.

The information on provincial department allocations contains two elements: an organizational chart detailing all staffing positions and levels; and the budget allocation for the first three months of the fiscal year. The budget allocation is given to the provinces on two different forms, one of which is provided to the line departments with a copy going from the line department to the provincial Mustoufiat (form B20), while the other goes directly to the Mustoufiat (form M39). Both forms appear to contain the same data: budget details by expenditure category, such as regular salaries, overtime, fuel, office supplies, etc. However, from the Mustoufiat's perspective, it is form M39 that constitutes the official authority to spend money. (It is noteworthy that the transmission of the official allocations to the Mustoufiat is the first point of involvement of the Mustoufiat in the budget process, as provincial departments provide budget requests directly to their respective ministries without the involvement of the Mustoufiat.)

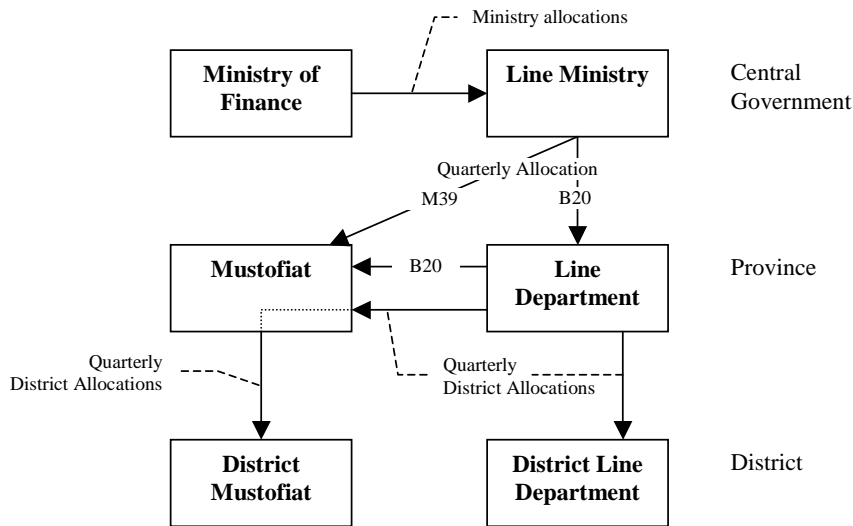
Once the provincial departments have received notification of their budget allocations, they prepare quarterly allocations for their district offices or sub-departments. These allocations are provided to the district office of the ministry, and a copy is also provided to the Mustoufiat. The Mustoufiat prepares a combined set of allocations for all the offices in a particular district, and then provides this information to the district finance office.

Figure 1 describes the communications flow for disseminating official budget allocations.

²⁵ Forms BP1 and BP2 respectively.

²⁶ Forms BP3 and BP4 respectively.

Figure 1: Approval Hierarchy for Budget Allocations



The development budget is prepared separately. There was no development budget this year (SY1381), but previous practice has been that, sometime early in the fiscal year, provincial departments submit to their respective ministries in Kabul a request for specific capital projects. The line ministry reviews these requests against their available development budget, and informs the provincial departments about which projects have been approved. The department then prepares detailed cost estimates that are submitted to the ministry in Kabul. The ministry reviews this and gives the department a specific allocation. The department then informs the respective districts, as appropriate.

There are surprisingly few provincial concerns expressed about the top-down and Kabul-centered process for preparing the budget. Provincial departments are well accustomed to a system in which they receive a request for proposals from their parent ministry, and have no further involvement in the budget process until they begin to receive their organizational charts with staffing levels, and their first quarter funding allocations. This is not to say that there is no appetite for a more participative style of budget preparation; but it does suggest that planning will be most effective if it is undertaken within clear, centrally determined budget and policy parameters.

Budget Execution

Provincial departments only have the authority to spend once the Mustoufiat has officially received the allocation for each of the line departments. Once this is in place, the main activity regarding budget execution is the payroll.

Processing payrolls in Kabul is a relatively new procedure introduced within the last year. Previously, payrolls were consolidated at the Mustoufiat and an aggregate request for payment made to Kabul. Payroll processing has now been centralized and all staff names and entitlement to salary are sent to the Treasury Presidency in the Ministry of Finance in Kabul. The payroll, which is prepared by each line department using form M41, provides detailed information on each employee, including position, grade, salary, and attendance record. The department submits the payroll to the Mustoufiat, and the provincial governor approves it. Once the governor’s approval is received, the payroll is then sent to the Treasury Presidency in the Ministry of Finance in Kabul for payment.

Similarly in the districts, the payroll is prepared by each district sub-department, which submits this information to the district finance office. The district finance office compiles the payroll information for all sub-departments, and gains the approval of the district administrator (*Uluswal*). The district payroll is then sent to the provincial Mustoufiat; once the governor has approved it, the payroll is sent on to the Treasury Presidency within the Ministry of Finance in Kabul.

In both cases, the Treasury Presidency in Kabul issues the checks to the province or district, and these are cashed at the local branch of the central bank (*Da Afghanistan Bank*). Each entity collects the cash from the Bank and pays the employees in a public forum, in front of witnesses.

For expenditures other than payroll, until a few years ago departments had the authority to approve purchases up to 1,000 Afs as long as the expenditures were within the approved allocation. Although this authority still seems to be in place, the limit is no longer specified, or it is unclear. As a result, the governor must approve virtually all purchases in advance.

For districts, there is no delegated authority to make purchases within their budget allocation; the governor must approve all purchases. Upon approval, districts may simply receive the requested goods, or they may be required to make the purchase and then submit the bill to the Mustoufiat for reimbursement. This approval process also applies to the development budget.

Significant delays arise in budget execution because Departments must wait until they have received their quarterly allocations before they can spend, and in the case of salaries must submit the payroll to Kabul for approval. Allocations are usually received by the departments well into the relevant quarter, usually the second month or later. Provinces report that Kabul ministries need several reminders and on occasion tell the provincial departments that it is their responsibility to make the trip to Herat to collect the allocation forms.

Cash management/treasury operations

Although all revenues are collected on behalf of Kabul, the system seeks to avoid the needless physical movement of cash. In essence, provinces spend cash that they have collected as revenue before seeking transfers from Kabul. Revenues from rural districts are placed in the provincial account. When the collected revenues are insufficient to cover expenses, the Treasury Presidency of the Ministry of Finance makes transfers from the account of the Ministry of Finance to the Mustoufiats *on request*. For many provinces with insufficient revenues, such cash transfers are necessary throughout the year. For others, cash transfers might not be necessary at all (if there is a net surplus) or only necessary towards the end of the year.²⁷

Transfers to Kabul arise when revenues raised in a province are in excess of the agreed budget, and these are transferred to the government budget account at the end of the fiscal year on the basis of the monthly income report provided by the Mustoufiat to the Ministry of Finance Revenue Presidency.²⁸ The Treasury Presidency in the Ministry of Finance can request that such surplus revenues be paid to the government account during the fiscal year.

Cash is, in principle, transferred through the central bank. Transfers from Kabul are placed in the Mustoufiat account in the central bank branch in the province. The Mustoufiat authorizes the drawing of cash from the central bank by issuing checks. In practice, the disarray in the

²⁷ Sections 33-3 and 33-4 of the Budget Law.

²⁸ On form M29.

central bank means that few provincial branches are operating effectively and provincial staff must travel to Kabul to collect cash. It would of course also create problems for any province that did attempt to remit excess revenues to the center.

Accounting and audit

If provinces have customs houses, they report to the Mustoufiat on collections once a month. Departments also report to the Mustoufiat once a month on actual spending, and this report includes a breakdown by district. Subsequent reporting to Kabul on budget execution is the responsibility of the provincial Mustoufiat, who submits reports on all actual expenditures and revenues to the Ministry of Finance Treasury Presidency within 10 days of the end of the month on monthly revenue and expenditures and within one month of the end of the fiscal year on annual spending. Districts are similarly required to report to the Mustoufiat within 10 days of the end of the month.²⁹

The existing clerical system for accounting for revenues and expenditures and for establishment control at the provincial and district level is remarkably resilient and appears to be largely intact and well understood by staff at every level. Formal limits imposed under the system, such as budgetary allocations and establishment limits, are also being respected. The overall state of telecommunications is, of course, appalling and is contributing very significantly to failures in the existing system.

The Mustoufiat undertakes pre-audit and ex-post auditing for the provinces, in its capacity as the provincial representative of the Ministry of Finance. Before 1979 the Office of the Prime Minister undertook ex-post audits.³⁰

Municipalities

Provincial municipalities are similar to provincial departments, in that they report to a parent ministry in Kabul (the Ministry of Interior). That ministry approves the municipality's budget, organizational structure and staffing numbers, via the governor. However, they differ in that the budget is completely financed by a range of local revenues.

As a result, the municipality is the only subnational administration that goes through any sort of budget planning process, beginning with estimating revenues, and then compiling a budget that fits within this constraint. This budget is then submitted to the Ministry of Interior for approval. It is unclear whether the municipality must remit any excess (i.e. over and above the level agreed by the Ministry of Interior) revenues to the province or to Kabul at the end of the year.

There is also a reporting relationship between the provincial municipality and the various district municipalities. The provincial municipality approves the budget, staffing levels and organizational structure for each of the district municipalities. However, as with the provincial municipality, district municipalities are financially self-sufficient. If they should run a surplus, by collecting more revenues than needed for their approved budget, it appears that they can hold this amount in their local bank account.

Although municipalities have the same requirements with respect to approval of payroll, in that they must submit a payroll to the Mustoufiat (and Kabul) for approval before payment can be

²⁹ On form M23.

³⁰ Sections 53-1 and 53-2 of the Budget Law. This was presumably undertaken by the General Control and Inspection Department of the Council of Ministers. The reason for the change is not clear.

made, they can otherwise proceed with spending once they have approved allocations from the Ministry of the Interior, because they have their own revenues. These revenues cover the "ordinary" budget - mainly salaries and some small capital projects.

5. Administrative relationships

Legal basis and organizational responsibilities

Afghanistan is a unitary state. As such, the provinces are not distinct political entities in any formal sense and have a very modest role, formally, in decisions concerning their own structure, recruitment of senior staff, size of establishment and in their own workforce composition. In effect, each province is a collection of deconcentrated branches of the central government ministries. All decisions on provincial staffing establishments are made in Kabul by the parent ministry in negotiation with the Ministry of Finance during preparation of the budget. Although the governor approves junior staff appointments and transfers (karmand grade 7 and below and all agir staff³¹), the relevant Minister approves karmand staff from 3-6, and senior staff (in the districts this is just the Uluswal and the judge) are appointed by the President.

Table 2: Employment Authorities for Karmand Staff

Grade	Central government		Province		District		Municipality	
	Selection	Appointment	Selection	Appointment	Selection	Appointment	Selection	Appointment
« beyond » « above » 1 2	Minister	President	Minister or Governor	President	Minister or Governor	President	Urban mayor (for rural municipality) or Governor	President
3 4 5 6	Minister	Cabinet	Provincial Head of Department or Governor	Minister	District Officer or Provincial Head of Dept. or Governor	Sector Minister	Mayor or Governor	Ministry of Interior
7 8 9 10	Dept. Head or Minister	Minister	Provincial Head of Department or Governor	Governor	District Officer or Provincial Dept. or Governor	Governor	Mayor or Governor	Governor

Administrative and fiscal arrangements between the province and districts replicate the center-provincial relationship. However, even at the district level there is little discretion for officials at the provincial level, as the central ministry in Kabul determines the staff allocation to the districts.³²

To complete the picture, rural (or district) municipalities fall under the tutelage of the provincial municipality (*Sharwali Wolayat*). The provincial municipality must first approve the staff structure and budgets of the rural municipalities, however meager. Then, the Ministry of Interior in Kabul must sanction the staffing numbers and budget of each municipality, despite the fact that municipalities are entitled to collect and retain their own tax revenues.

Annex 1 shows details of the regions, provinces and districts, when the population size by location was last estimated in 1975. This assessment probably remains broadly correct, but the situation is complicated by the on-going changes in the de facto boundaries of provinces and

³¹ See Section 2: Glossary and acronyms for explanation of these terms.

³² Personnel expenditure constitutes close to 100% of government's recurrent expenditures in the districts. A development budget has yet to be devised.

districts. For example, in Faryab a number of districts (or *Uluswalis*) (e.g. Bil Chiragh) have been subdivided, while others such as Andkhoy district have apparently been taken over by neighboring provinces. Some new districts seem to have been created but have no formal legal status.

There are no comparative data on administrative decentralization, but from recent work it would appear that Afghanistan is far from unusual in its administrative centralization.³³

The underlying arrangements for recruiting and promoting staff apparently stem from the 1970 (SY1349) Law on the "Status and Condition of Government Employees", as amended by the 1977 (SY 1356) Decree No. 1433.³⁴ This provided for a system of centralized recruitment and established a system of job classification and grading that provides the underpinning for managing pay policy within the public sector. There is however some uncertainty concerning the status of public sector employment legislation, as set out in Annex 5.

There is currently no independent oversight to ensure that merit is the basis for recruitment or promotion decisions.

It is important to note that employment within government is regarded as a homogenous whole. There is no distinction made between employees of a commercial government enterprise and those of a central government ministry. Similarly, there is little effective distinction between the terms and conditions of permanent staff and those on contracts. The result seems to be that all staff are effectively permanent, all pay levels are identical, and staff can, with permission, transfer between government enterprises and other positions in government.

No single agency or ministry has responsibility for managing the public service. Currently, human resource management functions including recruitment, promotion and staff placement are spread out among five different organizations – the Ministries of Labor and Social Affairs and Finance, the Administrative Affairs Office, the AACA and the nascent Civil Service Commission. In addition, there are other functions, such as organizational restructuring and public administration reform, which are not performed at all. Consequently, to date there has been no place within government where civil service policy is made, precluding any opportunity for considered policy action. In principle, all personnel records for all employees are maintained by the Ministry of Labor and Social Affairs (for Kabul staff) and by its provincial departments (for local staff).

Organizational structures in the provinces

Provinces have little latitude in determining their own structure. The parent ministry, in negotiation with the Ministry of Finance, determines the internal structure of each department

³³ From an admittedly ad hoc selection of 8 countries (Benin, India, Indonesia, Mexico, Pakistan, the Philippines, Poland, and Uganda), Evans concludes that only in Indonesia and the Philippines, and to a lesser extent Uganda and Poland, is there real decentralization of administrative arrangements as opposed to delegation or deconcentration in the sense that local government really is the employer, with the ability to hire, fire, assess performance, set establishment ceilings and to some limited extent set or influence pay scales. (Evans, Anne. December 28 2002. "Decentralization: A Review of Staffing Practices in Eight Countries - Draft Paper Prepared for the World Bank". Washington DC).

³⁴ This is murky legal territory however. Staff Regulation 12.3.1356 (1977) contains many regulations that duplicate the contents of the 1970 Law, particularly those that relate to salary and other benefits, promotion, resignation and so on. The Regulation cancels other regulations published in 1969, but it does not mention the 1970 Law. The Labor Law of 1987 appears to apply exclusively to the private sector enterprises and those companies with up to 50% of Government ownership. See Annex 5.

during the process of budget preparation. To the extent that most Kabul ministries have provincial departments, the overall array of departments in a province is largely a replica of the arrangements in Kabul. As was noted above, the structure of parent ministries in Kabul is somewhat over-elaborate, but not egregiously so, and consequently the pattern of Provincial departments is relatively standard.

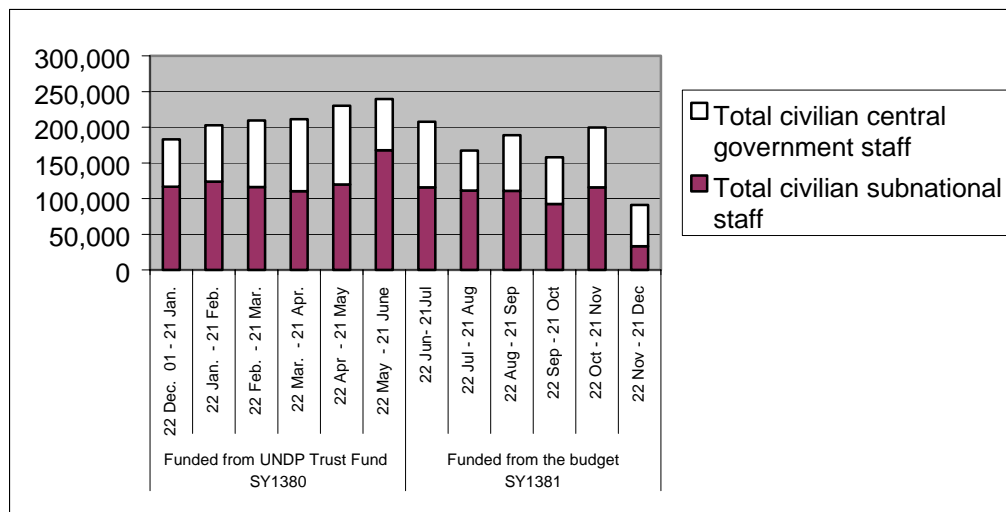
State enterprises report to the ministry or department in their respective sector. For example, the head of a coal mine would report to the provincial department of Mines and Industry as well as the ministry in Kabul. There are no provincially owned enterprises, as such.

Staffing establishment

In making requests for funding at the start of the budget preparation process, provincial departments also request changes to their organizational structure. These requests are prepared and returned to the line ministries in Kabul. The line ministries compile the requests from all provinces along with their own needs, and submit a budget request to the Ministry of Finance. After the budget has been passed by the Government, each ministry prepares the budget allocations for each provincial department, and sends an organizational chart detailing all staffing positions and levels, along with the budget allocation for the first three months of the fiscal year, to each of the provincial departments. Few positions have formal job descriptions.

Despite this formal process of determining establishment levels, the actual data on number of employees is poor. Figure 2 shows the total number of people for whom salary payments have been made in Afghanistan. It offers a reassuring picture, in that, even though the total number of staff for whom salaries were paid varies, it never exceeds a maximum of around 240,000. It shows a drop during the last pay period, primarily in subnational staffing totals, consistent with the problems that many provinces face in bringing their payroll to Kabul for processing.

Figure 2: Numbers of staff for whom salaries have been paid



Source: See footnote³⁵

³⁵ Requests for salary payments for the 6 pay periods from 22 December 2001 to 21 June 2002 (inclusive), and received before the July 31 2002, were processed and paid by the UNDP before they closed their payroll operation on August 15th. UNDP provided two datasets for payrolls submitted during this period:

- payments made prior to June 30;
- payments made between July 1 and August 15.

However, it is possible that the underlying totals might be somewhat larger, as there is considerable variation in the numbers of staff paid each month on each ministry or provincial payroll. These variations raise the possibility that there is a larger total of quasi-employees than had previously been realized, with only a subset of these getting paid in a given month. This in turn raises the possibility that these staff will gradually become regularized and staffing numbers will ultimately be locked in at a significantly higher level than the current totals. There are some grounds for concern about recent growth in staffing numbers.

It is indicative of the parlous state of personnel records that reasonable estimates can put the total civilian employment anywhere between 240,000 and 330,000. This is a very large range of uncertainty, but it remains important to emphasize that even the largest of these estimates places Afghanistan at the low end of public employment relative to population, at between 0.8% and 1.4% of the assumed population of 23 million.³⁶ However, this must be seen in the context of the weak capacity of government and, relative to its capability, this is not a small government. A large proportion (around 40%) of this relatively small workforce is located within Kabul.³⁷

Requests for salary payments for periods from June 22 onwards were processed by the Treasury Presidency in the Ministry of Finance and funded from the budget. These data, showing payments to 15 January 2003, were collated and provided by PriceWaterhouseCoopers.

³⁶ In recent years, general civilian government employment (i.e. public sector employment excluding the military and excluding state owned enterprises) has accounted for about 2.5% of the population in Asia and the Pacific. The estimates of employment for the provinces are not disaggregated between sectors and thus the data do not allow any assessment to be made of the proportion of public sector employment that is in the social sectors (education, higher education and health). 40% is typical except for the Former Soviet Union where social sector employment averages at around 70% of general civilian government.

³⁷ This is potentially very problematic as it suggests that any moves towards adequate staffing in the provinces without corresponding reductions in staff in Kabul could produce a large government, which would be both unnecessary and unsustainable.

Table 3: Presence of the state at provincial and district level				
State Function	Kabul level organization	Provincial level organization (if not a Department)	Provincial Staffing totals (1381)	
			Faryab	Herat
Executive Authority	President's Office (includes the Office of Administrative Affairs)	Governor's Office	212	115
	Prime Minister's Office			
Fiscal and economic policy	Ministry of Finance	Moustoufiat	85	290
	Ministry of Frontiers			
	Ministry of Planning			13
	Central Statistics Office (includes the Afghan Computer Center)	Central Statistics	3	9
	Geodesy & Cartography Office			
Foreign Affairs and Aid Management	Ministry of Foreign Affairs			13
	AACA			
Internal and external security	Ministry of Defense			
	Ministry of Interior	Police 1/	813	18
	National Security Agency			
	Narcotics Eradication Agency			10
	Office of the Attorney General			135
Legal advice to government	Ministry of Justice		129	42
Education and human resource development	Ministry of Education		2,990	7,174
	Ministry of Higher Education			254
	Science Academy			
Culture and heritage	Ministry of Information & Culture		72	135
	National Olympics Committee			8
Health	Ministry of Public Health		501	933
Welfare and social policy	Ministry of Labor and Social Affairs		82	146
	Ministry of Martyrs and Disabled		24	31
	Ministry of Refugees Return			81
	Ministry of Rural Development		46	97
	Ministry of Religious Affairs and Hajj		230	1,312
	Ministry of Women's Affairs		25	
	Repatriates Agency		9	
Industrial and trade policy	Ministry of Commerce		15	10
	Ministry of Light Industries and Food		54	
	Ministry of Mines and Industries			41
	Ministry of Water and Power		60	
Natural resources	Ministry of Agriculture		206	413
	Ministry of Irrigation and Water Resources		35	29
Infrastructure	Ministry of Transport		9	42
	Ministry of Civil Aviation		9	13
	Ministry of Communications		56	168
	Ministry of Urban Development			
	Ministry of Reconstruction and Rural Development		46	
	Ministry of Public Works		21	104
Judicial authority	Supreme Court	Judicial Court	108	137
Oversight Commissions	Civil Service Commission			
	Human Rights Commission 2/		44	
TOTALS			5,884	11,773

Source: Herat Mustoufiat, 2002, and Governor of Faryab, 2002. Faryab data were said to refer to the province and 13 districts, three of which are not yet approved.

Note - some translations from Faryab were unclear:

1/ The translation provided was "Provincial Security Main Office". This office was not working during three years of Taliban rule

2/ The translation provided was "Directorate of People Rights"

Table 3 shows the numbers of staff reported to be employed in Herat and Faryab provinces.

As an illustration of the typical 'spread' of grades, out of the total staff of nearly 12,000 employed in Herat, the province currently has 129 employees at grade 2 or above. The number in each grade is: "beyond" (2), "above" (4), grade 1 (38), grade 2 (85). Most likely, these are only the employees in civilian institutions at these grades.

Table 4 illustrates that although there is some uncertainty in the underlying employment totals, there is also some broad consistency. In comparing numbers of people considered paid by Kabul with those reported to be employed by the provinces themselves, Faryab shows a praiseworthy consistency, although Herat is probably now employing considerably more people than were originally claimed in the early payrolls submitted to Kabul a year ago. Provincial data on education is remarkably internally consistent in both provinces. In the health sector, provincial data within Herat is consistent, but seems to suggest that in the health sector, Village Level Workers and support staff are somehow not counted within the provincial staffing totals. Data from Faryab Health Department suggests a total that is considerably lower than that provided by the Mustoufiat.

Table 4: Uncertainties in measuring employment

Data source	Provincial totals		Health sector		Education sector	
	Faryab	Herat	Faryab	Herat	Faryab	Herat
Kabul	Two different estimates illustrate the range: (i) 2,914 (1/ (ii) 5,562 (2/)	6,895 (3/)	N/a (4/)	N/a (4/)	N/a (4/)	N/a (4/)
Provincial Mustoufiat	5,884	11,773	501	933	2,990	7,174
Provincial Departments	N/a	N/a	Provincial staff provided two different totals: (i) 256 (ii) 225	Provincial staff provided two totals: (i) 935 (of which 873 are professional staff) (ii) 3,285 community and support staff (6/)	Approx 3,000 (of which 2,300 teachers)	7,151 (of which 5,127 teachers)

Sources: As shown in the first column. Kabul data was provided by UNDP and PriceWaterhouse Coopers.

1/ Average of 6-month period ending 21 June 2002

2/ Average of 6-month period ending 21 December 2002

3/ This is the average of the four-month period ending 21 April 2002 when Herat claimed salaries from Kabul.

4/ Sector department totals cannot be calculated from aggregate provincial employment totals, as the payrolls are not currently disaggregated by ministry.

5/ "Professional staff comprise 180 doctors "on contract", 198 doctors, and 495 paramedical staff

6/ Community and support staff comprise 1,158 Village Level Workers and 2,127 support staff

Disaggregated employment data at the district level are very difficult to ascertain. Table 4 shows that it is probable that provincially-reported education staff include district teachers, while health data contain many ambiguities about whether district staff are included. This reflects the larger problems in planning and budget preparation for the health sector. Functional responsibilities are unclear and there is extensive ambiguity about who is the 'employer' of staff when salaries are subject to 'topping up'.

Pay and grading

Every public employee has a grade. This is true of employees based in Kabul, the provinces, or at district level.³⁸ Two scales – one for permanent staff (*karmand*) and one for "contract" (*agir*) staff – apply equally everywhere in Afghanistan. *Karmand* are regular, notionally permanent public employees, whereas *agir* are officially hired on fixed-term contracts. This contract employment provides some flexibility – as evident in the education sector, discussed below – but, in practice, most *agir* employees remain in government for many years and follow a career path very similar to that of *karmand* staff. The two pay scales are almost identical (see Table 5).³⁹ The same food allowances apply to both.

Table 5: Salary Grades/Steps and Base Pay (new Afs)

Grade/step (highest to lowest)	karmand	agir
beyond grade (<i>mafawq-i rutba</i>)	210	—
above grade	170	128
1	130	113
2	110	102
3	95	93
4	78	76
5	70	68
6	62	60
7	57	55
8	51	49
9	46	43
10	40	30

The key differences between *karmand* and *agir* employees are:

- *Agir* employees are meant to occupy lower-skilled and manual labor posts (e.g., drivers, cooks, painters, etc.).
- Advancement through the grade (and pay) structure for many *agir* positions is capped at a particular level (for instance, drivers are cannot be promoted beyond grade 4); however, higher skilled *agir* employees can advance to the top of the scale ("over" grade).
- *Agir* employees are not entitled to receive a professional bonus in addition to salary.

Pay policy is set centrally for all public employees in Afghanistan. The pay system emphasizes rank-in-person arrangements rather than the more common rank-in-post.⁴⁰ Thus, through years

³⁸ The current grading structure is imposed by the 1970 (SY1349) Law on the "Status and Condition of Government Employees" as amended by the 1977 (SY1356) Decree no 143. This provided for a centralized recruitment system and a rigid grading system. The grading structure is not designed to be flexible or to accommodate the diversity of needs in the Ministries, Administrative Units or State Enterprises.

³⁹ Article 10 of the 1970 Law of State Employees states that the grades of state employees are divided into four categories – A, B, C, and D. However Afghan government officials invariably refer to the specific grade range (e.g., "grades 3 to 7") and not to a letter designation. Article 10 also established a numbered grade 11 and 12. However, the current system in use has ten numbered grades and two named grades, for the same total of 12.

⁴⁰ Under a rank-in-person system, promotions can take an employee up through various grades while they remain in the same post. In rank-in-post systems, promotion is generally to a new job. All

of service and regular promotions (once every 3 years), staff in lower positions of authority can occupy a higher grade (and earn a higher salary) than their managers. Different terms are used which translate as "steps" for karmand and "grades" for agir positions.⁴¹ Different occupational groups have ceilings above which they cannot be promoted.⁴²

The underlying pay scale, established by the 1970 (SY1349) Law on the "Status and Condition of Government Employees", and as amended by the 1977 (SY1356) Decree No. 1433, offers a reasonably well-structured scale for base pay, as shown in Table 5. However, currently, the real salary scale for public employees is astonishingly compressed, as food allowances (given equally to all public employees) account for well over 90% of monthly pay.⁴³ This anomaly will have to be addressed in any pay reform. The current pay totals are set out in Table 6.

These salary levels present a serious problem. In the health sector, poor pay for doctors and other health professionals has led already to a proliferation of top-ups from donor agencies and NGOs. These incentive payments are important to keep doctors working for more than an hour or two within the public clinics and hospitals (rather than leaving to provide private services). However, the fact that doctors can receive incentive payments from NGOs and others that are far larger than their public sector salaries creates serious management difficulties for those in charge of the public health system. Outside of the health sector, salary-tops for province-based staff are rare. The low salaries are a source of concern, but estimates vary about the appropriate amount that to which they should be raised. Estimates vary between US\$100 and \$200 a month.⁴⁴

systems have some mixture of the two systems -- the issue is one of appropriate balance. This is masked by the wage compression, but in any pay reform this will need to be addressed.

⁴¹ Although in essence this refers to the same idea, namely that advancement is triggered through a combination of academic qualifications and years of experience, the distinction seemingly is designed to emphasize that the nature of the educational requirements differs between karmand and agir staff.

⁴² For agir staff, for example, drivers can apparently only be promoted up to grade 3. A skilled carpenter or mason could continue to rise to "above grade".

⁴³ Until September 2002, the World Food Programme (WFP) was also providing a foodbasket to most government employees. The value of the WFP Food basket was calculated from the International Committee of the Red Cross (ICRC) cost of living survey, January 2002. [12.5kg of pulses @ 21,000kg + 4.5kg (assume 8 liters) of oil @ 60,000ltr gives a grand total of 742.5 Afs.]. It was WFP policy to ensure that the allowance was always valued between US\$18 and US\$24. Market prices in May 2002 suggested the value of the food basket had fallen to approximately US\$16.

⁴⁴ Approximately 5,000 to 10,000 Afs based on an exchange rate of 51.55 Afs per US\$.

Table 6: Monthly Pay and Allowances by Grade (new Afs.) for Karmand Staff

steps	base pay	Food allowance	second food allowance 1/ (post May 5)	Transport allowance 2/	professional allowance 3/	additional professional allowance	scientific allowance	special allowance I 4/	special allowance II 4/	total pay
beyond	210	1,200	440	154	15	157.5	1,400	300	200	4,076.5
above	170	1,200	440	130	15					1,955
1	130	1,200	440	130	8					1,908
2	110	1,200	440	130	8					1,888
3	95	1,200	440	130	8					1,873
4	78	1,200	440	130	8					1,856
5	70	1,200	440	130	8					1,848
6	62	1,200	440	130	8					1,840
7	57	1,200	440	130	8					1,835
8	51	1,200	440	130	8					1,829
9	46	1,200	440	130	8					1,824
10	40	1,200	440	130	8					1,818

Notes:

1/ The second food allowance was introduced on May 5, 2002. This is not payable to teachers.

2/ Payable only to public employees in Kabul.

3/ There is no direct link between employment grade and the professional allowance. In the education sector, a professional allowance of 8 Afs. is paid to those who have completed secondary school; 12 Afs. for completing two additional years of schooling (grade 14); 15 Afs. for a university degree; 17.5 Afs. for an additional year beyond university; 20 Afs. for a Master's degree; and 25 for a doctorate. Only those who have completed high school can be hired as *karmand* teachers (others can be hired as *agir*). It is believed that the same rules for the professional allowance apply to government employees of other sectors.

4/ There is some uncertainty concerning the requirements for the two special allowances available only to "beyond" grade employees.

The 1970 Law on State Employees states the circumstances under which additional remuneration is possible for additional hours and work in extreme or dangerous conditions. In practice, public employees do not receive overtime pay in Afghanistan today. Hazard pay, if it exists, is extremely rare.

Daily paid employees are hired according to private market rates for their services, and are not hired against an establishment list or assigned an employment grade. There are generally very few daily paid employees in the provinces. An exception is those larger municipalities with substantial public works projects (e.g., Herat city).

Selection and appointment

Unsurprisingly, the question of how the merit principle in recruitment should be protected has been a source of some dispute. The 1970 Law on the Status and Condition of Government Employees (Article 6) established two bodies with responsibility for public administration: the Civil Service Commission (CSC) and the Civil Services Administration (CSA). This is a relatively orthodox arrangement in which an arms-length commission acts as a check on the executive in its hiring practices, while a body within the executive is responsible for administrative reform. This Act was amended in a 1977 Decree (1433) that seemingly merged both functions in the "Central Administration of Employees and Administrative Reforms", reporting to the Prime Minister and thus effectively ending the arms-length oversight.

This centralization of recruitment was exacerbated during the ensuing 10 years of Soviet occupation. It seems that the "Central Administration" was abolished, while the Office of Administrative Affairs within the Presidency grew in authority, with a responsibility to ensure that the line ministries under the Prime Minister did in fact implement "approved" policy. This undoubtedly allowed extensive political control over senior appointments. The Soviet period also saw an increasing role for the Ministry of Labor and Social Affairs, with its responsibility for maintaining full employment.

After the end of the Soviet occupation, the UN, in a report on public administration, suggested re-establishing the Civil Service Administration (1991). Seemingly, it was also the intention of Government at the time to merge the Administration Section of the Ministry of Finance with the re-established CSA – again the CSA was to report to the Prime Minister. However, nothing was implemented and, effectively, the CSA was dissolved again upon the arrival of the Taliban in 1996.

Centralized recruitment for more senior staff is appropriate given the pressures on line departments to provide patronage. However some external oversight is important. There are current attempts to re-establish a Civil Service Commission with responsibility for oversight of merit in recruitment and promotion, but the development of the Commission and its formal powers remains uncertain.

Currently, the rules for selecting and appointing public employees in a post vary according to the grade, as summarized in Table 2. In theory, the President must approve the appointment of the most senior staff in the province (grades 2 and above). The majority of these senior-grade staff are employed in the provincial capital. The *Uluswai* and district judge appear to be the only posts that fall within this grade range for districts. Many public employees are first "introduced" to the head of their department through the Ministry of Labor and Social Affairs (MLSA). Staff enter government employment at different grades/steps according to their occupational group and educational attainment.⁴⁵

Formally, all new graduate recruits should pass through MLSA.⁴⁶ But in practice, there are multiple routes to appointment to a vacancy in the public sector – including direct communication with the department director or the provincial governor. In selection and appointment, politics and connections clearly play their part.

Payroll arrangements

As noted in the section on Budget Execution (page 15), payroll processing has now been centralized and all staff names and entitlement to salary for provincial and district staff are sent to the Treasury Presidency in the Ministry of Finance in Kabul.

The timeliness of salary payments is a major concern. Many provinces have begun a practice of accumulating salary arrears for three months before requesting the financial disbursements from Kabul to pay the salaries. This payroll consolidation began at the district level with further consolidation occurring at the provincial level. The explanation that is provided is that

⁴⁵ For teachers, for example, the grade at entry associated with different educational qualifications is: completing high school - enter at grade 10; university degree - enter at grade 9 and also have 2 years service credit; masters degree - enter at grade 8; doctorate - enter at grade 8 with 2 years service credit

⁴⁶ In fact, the MLSA has a duty to find employment within government for all new graduates. Whether a graduate or otherwise, once a new employee is hired, the hiring unit should send a copy of their personnel file to MLSA, which provides a central storage house for all personnel records in the province.

the provincial Mustoufiat is reluctant to undertake a 2-3 week trip to Kabul that, although an improvement over conditions earlier in 2002, remains a tedious and costly expedition.

6. Education service delivery

National context

Nationally, the lack of opportunities for education and the disruption of service delivery caused by war, migration and economic hardship have created entire generations with limited or disrupted education. At the end of the conflict era, Afghanistan's education indicators ranked among the lowest in the world, with significant gender gaps and wide urban/rural and geographical disparities. The estimated gross enrollment rate of primary education was three percent for girls and 38 percent for boys in 1999, out of an estimated primary school age population of 4.5 million (UNESCO, Education for All Report, 2000).

Nevertheless, the potential of a revitalized education system to contribute to the resolution of Afghanistan's many difficult problems is immense. Education is at the core of the long-term program to rebuild Afghanistan, enabling progress in all other development arenas as well as facilitating national unity. While the challenges facing the education system are enormous, there is a prevailing atmosphere of excitement, expectation, and determination in schools and communities throughout the country. Impressive progress has been made since the inception of the Interim Authority and Transitional Islamic State of Afghanistan. Tapping into the communities' excitement and commitment for education, the government launched a back-to-school campaign with UNICEF support, which resulted in more than 3 million children in school (Grade 1-12) from March 2002 as opposed to the original estimate of 1.7 million. In the western region (Herat, Badghis, Ghor and Farah), the enrollment reached 377,000, compared to the target of 175,000.

Preliminary analysis of the recent national survey on learning spaces – primary, middle and high schools shows both positive trends and persistent disparities.⁴⁷ It indicates that out of the 2,900,000 students in school, 30 percent are girls; and out of the 73,000 teachers, 28 percent are female. Gender disparity varied significantly between geographic areas. At the lowest end of the scale is Uruzgan province, where there are no female teachers, and girls constitute only 2 percent of children in school. In the provinces of Paktya, Kapisa, Paktika, Kandahar, Uruzgan, Zabul and Ghor, girls make up less than 15 percent of children in school. In contrast, girls constitute 45 percent of the 500,000 students in Kabul city, and 65 percent of teachers there are female. At 38 percent, Herat ranks second after Kabul city in terms of girls' representation in school enrollment. The ratio of female teachers is 38 percent in Herat, which is fourth after Kabul city, Balkh and Jawzjan.

One of the startling findings is that approximately 50 percent of children enrolled in schools are in Grade 1, due to the massive return of children to schools after a gap of many years, which results in large classes of mixed age composition in Grade 1. Of all school going children, 92 percent are enrolled at the primary, and only 8 percent at the secondary level.

According to the national learning spaces survey, a variety of education delivery channels exist. Out of the 6,784 "learning spaces" assessed in 32 provinces, 4,686 (69 percent) are government schools and 2,098 (31 percent) are non-formal schools, including, community schools, home-based schools, mosques, and NGO schools. In Herat, out of the total of 332 "learning spaces" assessed, 35 are non-formal schools, constituting approximately 10 percent of school facilities available in the Province. The existence of non-formal schools points to a high commitment of

⁴⁷ Preliminary data analysis from learning spaces survey, MOE and UNICEF 2002

parents to education of their children, and the potential of flexible delivery mechanisms to meet the increasing demands.

The current education system has very limited capacity and resources to supply basic inputs – teachers, textbooks, materials and buildings. Management of the system is highly centralized, with few qualified educators, managers or technicians. There is a complete absence of any information technology, and there is no communication system to connect Ministry of Education and provincial education departments (PEDs). Physical facilities at provincial departments and district education sub-departments are very basic with little or no electricity, let alone communication, computers or transport to support school activities. Furthermore, institutional capacity in the provincial education departments and district education sub-departments is limited with little experience in management of service delivery, decision-making based on data, and priority setting.

Provincial structures and responsibilities

In distinct contrast to the health sector, in education there is a general presumption that the principal provider remains the government. Functional responsibilities within the sector are set out in Table 7. Some educational services are provided by other agencies such as UNICEF, UNHCR, IOM, WFP and UNOPS as well as several NGOs. These external actors provide minor funding for building works for school rehabilitation and reconstruction, fund the printing of textbooks, and provide basic supplies. Local community participation provides some land and labor. However, all actors agree that the government holds overall responsibility for service delivery and for educational outputs.

Table 7: Functional responsibilities in education

Level of administration	Budget-funded	Funded externally	
Ministry of Education (Kabul)	Policy setting Approval of staff posts and school construction/rehab. Curriculum and Textbook selection Financing (teacher salary)	NGOs Donors	Funding Textbook printing TA
Provincial Education Department	Approval of employees Approval of budget (goods) Teacher deployment (approval) Supervision	NGOs	School rehab/ construction Teacher training Provision of supplies
District Education Sub-Department	Supervision of schools Teacher redeployment (request) Identification of needs for teachers and schools Textbook and Supply distribution Schools: Provision of educational service	NGOs	School rehab/ construction Teacher training Provision of supplies
		Community	Provision of land, labor

The government’s primary education structure consists of a Primary Education Presidency in the Kabul Ministry of Education, which is responsible for administrative management of the system, and a separate Presidency responsible for teacher training and curriculum development. Each province has an education department that is responsible for carrying out national policies and administering finances allocated by the central government.

The Provincial Education Departments are formally accountable to the Minister of Education in Kabul but clearly have some loyalty to the Provincial Governor. A Director heads the Provincial Education Department and the Minister of Education in Kabul approves the appointment to this position. Generally, PEDs have two or three Deputies (Administration, Academic Affairs), in charge of units that typically cover supervision, students' affairs, literacy and administration – the latter including planning, personnel, finance and logistics. The Deputies supervise Heads of Departments of which, typically, there are nine plus a general

secretary. The departments under the administrative Deputy Director are for Planning, Administration, Materials, Personnel and Recruitment and Construction. The departments under the Academic Affairs Deputy Director are Monitoring and Supervision, Student affairs, Sport and Adult Literacy. Each Department Head manages the work of a team of people – the largest team is likely to be the Monitoring and Supervision Department.

The Director also supervises the District Education Sub-Departments. In principle, these comprise a small team that includes school supervisors, a clerk, a peon and a storekeeper - a total allocation of between five and seven people.

Table 8 shows the allocation of management responsibilities in Herat, and this appears to mirror the more general position.

Table 8: Allocation of responsibilities for teaching in Herat

	Ministry in Kabul	Provincial Education Department	District Education Sub- Department	School	NGO/UN
PERSONNEL MANAGEMENT					
Teacher Recruitment (permanent)					
Prepare the posting (#) needs		X	X	X	
Approve posting (#) needs	X				
Prepare application			X		
Administer test		X	X		
Select & request for approval			X		
Approve	X	X			
Teacher Recruitment (contract)					
Prepare the posting (#) needs			X	X	
Approve posting (#) needs		X			
Prepare application			X	X	
Administer test		X	X		
Approve		X			
Teacher (re)Deployment					
Request for approval			X		
Approve		X			
Dismissal of Teachers					
Evaluation		X		X	
Decision	X	X			
Recruitment of Headmaster/mistresses					
Prepare the posting needs		X	X	X	
Approve posting needs	X				
Prepare application			X		
Administer test		X	X		
Select & request for approval			X		
Approve	X	X			
Teacher Training					
Planning & design	X				X
Implementation		X			X
Training of Sector Personnel					
Planning & design	X				X
Implementation		X			X
FINANCING & BUDGETING					
Recurrent Budget process					
Prepare the list of needs			X	X	
Consolidate the needs & submit		X			
Approve	X				
Development Budget process					
Prepare the list of needs			X	X	
Consolidate the needs & submit		X			
Approve	X				
Payroll process					
Payroll preparation		X	X	X	
Approve	X				
Cashing		X			
Payment			X		
ORGANIZATION OF INSTRUCTION					
Curriculum Development					
Development	X				X
Evaluation	X				
Textbook					
Design	X				X
Selection	X				X
Production	X				X
Distribution		X	X		X
SCHOOL MANAGEMENT					
Opening new school					
School Mapping					X
Needs identification			X		
Request		X	X		
Approve	X				
School calendar & hour					
Set the standard	X				
Implementation				X	
PTA, SMC, VEC, etc.				X	

An over-riding impression from discussions with education personnel is that the *structure* of the education service is strong and all staff are knowledgeable about how government education services should function.

The PED is required to report in writing on a quarterly basis to Kabul. District education sub-departments are required to report in writing on a monthly basis to the PED.

Planning and budget preparation

Consistent with the logic of fiscal centralization, officials in the provincial education departments are not involved in any aspects of budget preparation that would entail tradeoffs between sectors at the provincial level. Thus, for example, education and health officials are not 'competing' for budget allocations from the provincial governor. They are, however, engaged in dialogue with the Kabul Ministry of Education - but largely on the basis of how to implement national policy.

In the past, the Provincial Education Departments prepared a budget request or plan that were sent to the Ministry of Education in Kabul for approval. The subsequent approved budget would be allocated based on the original plan. During this winter vacation, districts have been asked to submit their budget requests SY1382 for incorporation into the larger provincial department budget submission.

A substantial amount of information passes from schools to district sub-departments, then to provincial departments, and then to Kabul, and so there is in theory a basis for future planning. However, there is very little, if any, formal analysis of information collected. There is no basis for comparing enrolment to population and no standard definition of school catchment areas, thus even gross enrolment ratios (the percentage of school age children attending school) are not calculated. If gross enrolment ratios were calculated and demographic information analyzed it is likely that low-cost, three-to-six room schools would be most appropriate given that populations tend to be small and scattered and parents prefer their children not to walk long distances to school. However, the favored model appears to be fewer but large, relatively high cost, 8-to-12 room schools.

Planning also appears to refer only to inputs such as buildings, teachers, children, books etc and not to processes such as teacher training or supervision or to outcomes such as number of children with the intended level of competency at each grade – or indeed the number of children passing an end of year exam.

Provincial education departments and district education sub-departments are not involved in curriculum development, and never have been. They do not make decisions about the school timetable (e.g. how many hours for each subject) or about school holidays and exam scheduling timings. Such decisions are all made in Kabul.

Staffing and salary payments

According to the Provincial Education Department in Herat, 5,827 teachers are in schools this year, of which 39 percent are female. They report a further 287 administrative and support staff, and unspecified others resulting in a total of 7,151 education staff employed in the province. There are around 3,000 people on the education payroll in total in Faryab province, of which some 2,300 are teachers.

The steps for the payment of teacher salaries in Herat is typical of the general process

- Prepare a form at each school listing the number of teachers for each Grade/Step;

- Consolidate all forms from schools at the district education sub-department;
- Consolidate all sub-departments at the district Mustoufiat;
- Take payroll forms to the provincial Mustoufiat;
- When the check is received, cash at the central bank branch in the provincial capital;
- Bring the cash to the District Cashier;
- Pay the cash to the Principal of each school (by a 3 person team from different sub-departments of the district);
- Pay the teachers (carried out by the Principal).

Government education employees reportedly receive between 1,200 and 1,300 Afs. per month, and this is considered to be the reason why work in education is accorded little status.⁴⁸

Although there is a view among staff that these salary levels are too low to attract qualified teachers, this has not prevented people joining the education service, as has been shown in the dramatic increase in the number of teachers recruited in 2003. There seem to be no top-ups or incentives for education positions given by NGOs but UNICEF pays top-ups for some administrative positions that were originally identified to implement the Back-to-School Campaign. Whether this will continue is not certain. Compared to the health sector, where doctors are able to earn a significant amount through private practice, teachers have no such source of private income. At the moment, it appears that most teachers are teaching one shift even if the schools operate double shifts. Those who actually teach double shifts receive some extra salary.

Management and staff development

Most teachers have a very narrow range of teaching skills and gaps in subject content knowledge. Rote learning methods predominate. These problems, along with the large numbers of over-aged students (especially in Grade 1), make the teaching-learning process challenging.

Teacher training – both pre-service and in-service – is inadequate. Most teachers have received little or no training since they began their career. Some teacher orientation, lasting half a day, took place earlier this year as part of the Back-to-School campaign. Training has not been provided for education administration or for head teachers and school management.

There is extensive formal monitoring of teaching standards by the provinces, but little formal community oversight. Supervisors/monitors are required to produce a report of each visit and to write in the school ‘inspection book’. Visits consist of checking student and teacher attendance, the school building, administration, student enrolment, academic performance and teaching, and sometimes even giving model lessons.

Promotion of teachers is based on a performance evaluation after 3 years of service. The headmaster gives points and the Provincial Education Department manager reviews the supervision reports. For the permanent staff of Steps 1-3, approval is required from the President, and for Steps 4-10, approval is required from the Ministry of Education. For ad-hoc staff of Grades 1-4, the approval is required from MOE, and for Grade 5-9, approval is required from the provincial governor and PED.

⁴⁸ This is below the lowest point on the pay scale described in Table 6 because the second food allowance, introduced on May 5, 2002, is not payable to teachers.

Recruitment

Teacher grades reflect the basic grading system found throughout the public sector (see Table 5, page 25). The rank-in-person arrangements mean that grade level is largely determined by seniority (length of service) rather than merit. Grade levels are not therefore fixed for various positions and in principle it is possible for a Director and a teacher to have the same grade level if they have the same length of service.⁴⁹ A new teacher who has completed high school will join at Grade 10⁵⁰, and after three years may ascend one grade level. It is seemingly very rare for a teacher not to advance a grade level for every three years of teaching. Even without a change of post, a teacher may ascend through Afghanistan's 12 public employment steps – one every three years for junior staff and one step every four years for more senior staff.⁵¹ School principals or administrators might therefore occupy a lower grade than some of the teachers they supervise. This is undoubtedly a deterrent to young people considering joining the education service.

The governor approves all new hires below grade 7. Thus if a head teacher wishes to appoint a teacher or head teacher the application is sent via the district education sub-department to the provincial education department and then to the governor. There is no selection process as such for positions in the education service: a person is recommended by a Principal, the district education sub-department, the Director, the governor or another influential person. Teachers often start work before approval is given despite the apparent absence of back pay. For more senior positions such as Director and Deputy Director in the provincial education department, as these are between grades 3 and 6, the Minister in Kabul must approve appointments. The Governor need not give formal approval but in practice he must be in agreement.

Every year the PED is given an allocation for appointments (*taksheel*). The Ministry of Education in Kabul must give permission before additional posts are created.

To achieve some room for maneuver, in some districts the names of staff of unapproved schools are placed on the pay roll of other schools.

Infrastructure and non-salary expenditures

The learning environment of all schools is still very basic in the best of cases, and overcrowding is rampant in many schools. According to the learning space survey, only 29 percent of schools function in a dedicated school building. Shelters, tents, mosques and private houses constitute another 27 percent, and 10 percent of the schools are held outside. Of the schools with buildings, 30 percent have been completely or mostly destroyed, 8 percent have sustained minor damage or only require cosmetic repair, and another 7 percent are partially destroyed. Fifty-two percent of the schools lack water facilities, and 75 percent lack sanitation facilities.

The very basic inputs for education – trained teachers, textbooks, teaching-learning materials and appropriate learning space – are severely lacking. Due to the underestimate of enrollment this academic year, many primary students do not have textbooks. Supply of textbooks is massively inadequate with, in Faryab, as few as 10 percent of children in some schools having textbooks, even at the end of the year. Both the textbooks developed originally by the UNO⁵²

⁴⁹ See footnote 40.

⁵⁰ See footnote 45.

⁵¹ The 1970 Law of State Employees established that 4 years of service were needed for promotion from grade 6 to 5, and for each subsequent grade increase.

⁵² Special textbooks were printed in Dari and Pashto, designed by the Center for Afghanistan Studies at the University of Nebraska at Omaha under a USAID grant in the early 1980s. Written by American

and by the ABC⁵³ are in use in Faryab – their prevalence tends to depend on what type were supplied and/or which type arrived first. In Herat, the availability of the textbooks for the lower grades is particularly problematic.

Some Provincial Education Departments have been renovated. Generally there are no communications except a telephone in the Directors office, and these can only make calls within the municipality.

There used to be a system of travel and daily allowances. Travel Allowance is apparently still supposed to be paid but it is an extremely small amount and although claims have been processed they have not been paid.

Locally generated revenues are reported to be small. Following a meeting of Directors in Kabul in September 2002 where Minister Qanuni launched the ‘maaref-qachkol’ initiative (literally the ‘education alms bowl’ initiative), the Faryab Provincial Education Department launched its own ‘Support to Education’ campaign and raised \$3000 (or 154,500 Afs based on current exchange rates). Money was used to buy floor covers and furniture and some remains unspent. The Director also mentioned a very recent \$10,000 (approximately 515,500 Afs) donation from General Dostum that will probably be used for furniture and District Education Sub-Departments.

There is said to be very little community contribution to education. This is partly attributed to poverty and partly to the strongly held belief that education should be free and provided by the state. However, some communities, or at least the wealthier members, have contributed to education with land, water, labor, and, in one school, 14 blackboards. Communities also pay mullahs (in cash or in kind) to educate their children in mosque schools, and increased attendance at mosque schools during the winter break is common.

The consequences for service delivery

Government has achieved much. There is an education service provided by government that functions - albeit inadequately - and most key positions are filled. There is thus a structure in place to deliver an education service, including a structure for monitoring and supervision, and there are regular salary payments and functioning local teacher recruitment processes.

There are also some short-term opportunities. There is a very high demand for education and communities are willing to contribute. In Herat Province, the Provincial Education Department and the District Education Sub-Departments have coped with the surging demand for teachers

Afghanistan experts and anti-Soviet Afghan educators, they aimed at promoting jihadi values and militant training among Afghans. USAID paid the University of Nebraska US\$51 million from 1984 to 1994 to develop and design these textbooks, which were mostly printed in Pakistan. Over 13 million were distributed in Afghan refugee camps and Pakistani madrasas. After the war ended, these textbooks were still used in Afghan schools. (Pakistan: Madrasas, Extremism and the Military ICG Asia Report #36 29 July 2002) Post `September 11th, the jihadi images and messages have been removed and the MoE with support from USAID has reintroduced these books for Afghan schools but their educational quality remains extremely poor. (Joe Stephens and David B. Ottaway, "The ABC's of Jihad in Afghanistan", The Washington Post, 23 March, 2002. Sec A, p.1.)

⁵³ The Afghan Basic Competency materials were developed by groups of Afghan educators, men and women, from more than twenty national and international NGOs in an 18-month process led by UNICEF and Save the Children with funding from DFID. They were based on a set of so-called basic competencies in math and language from grade 1-6 (also developed by Afghan educators) that describe intended learning outcomes according to grade in these two subjects. The materials were developed prior to the new dispensation and without the involvement of its Ministry of Education.

by relaxing the traditional requirement for teachers and hiring "ad-hoc" teachers through examination.⁵⁴ The reduction in teacher academic qualifications may mean that more young people, especially women, can join the education service.

However, improvements in the quality of the education service delivery will require well-trained teachers, a relevant and inclusive curriculum, *and* an administration that can support distribution of materials, recruitment and training of well qualified personnel, school supervision, an education management information system, and so forth. Although the structure is in place, systems are often weak. There is limited decision-making capacity to be responsive and 'tailor' the service to meet local needs – especially at school and district level. There is little or no analysis of information for planning education, and information flow is all towards the center, with little or nothing flowing back to districts and schools. Almost all attention is focused on inputs to education, with little attention paid to processes or outputs.

In the past, education administrations in Afghanistan have managed delivery of a service to a smaller number of children, largely in urban centers and, like many education systems around the world, it was skewed to serving higher education, males, and higher income groups. Today, Afghanistan is committed to basic education for all. There are many more children requiring access to education, especially in lower primary grades and a greater recognition of the diversity of need. This clearly has implications for education administration and funding. The extent to which systems can change to focus on providing low-cost, efficient basic education is questionable – as is the extent to which education personnel understand why, and agree that, this is important.

In consequence, for many children starting in grade 1 in 2002, quality learning outcomes are unlikely and they will move up through grades consistently underachieving. In particular, the continued absence of an operating budget results in minimal education resources across the board from vehicles to training opportunities to blackboards. However, the issue is not just resources and until a provincial education office is able to go through a process of planning for education development and then acquire and manage a reasonable operating budget it is difficult to assess which problems require a change in education policy and practice, which require reform or training, re-structuring, new personnel etc. and which require additional money and other resources.

Having had a massive expansion in enrolment in 2003, the poor quality of education available for many children may result in a 'backlash' and attendance and enrolment could fall

⁵⁴ For example, in Guzara district, they have more than doubled the number of teachers by hiring 318 (197 male and 121 female) ad hoc teachers this year. Possible candidates were identified at school level, the District Education Sub-Department conducted the examination, and based on the exam result the list of selected candidates are sent to the approval of PED and Provincial Governors Office. According to the Guzara District Education Sub-Department, the average time taken from the submission of application at school level to the approval by the Province was 15 days.

7. Health service delivery

National context

The health care needs for Afghanistan are enormous and urgent. The country's infant and maternal mortality rates are amongst the highest in the world, at 165 per 1,000 live births and 1,700 per 100,000 live births, respectively.

The context for these grim maternal mortality statistics is that a very high proportion of deliveries are at home and unassisted by a trained person. The fertility rate is high and contraceptive use low. The high maternal mortality is exacerbated by maternal under-nutrition related to anemia, young age at first pregnancy, prevalence of Pelvic Inflammatory Disease and infections due to poor hygiene. Referrals to hospitals are late and, while women are not prohibited from going to hospitals, geographic, climatic and infrastructure conditions often make the journeys too arduous.

A high proportion of children are chronically malnourished (stunted, low height for age) and many are acutely malnourished (wasted, low weight for height). For example, in Herat province the rates are 50% and 10% respectively. The vaccine-preventable problems of Pertussis and Measles are common among children. Acute Respiratory Infections (ARIs) are prevalent, including coughs and colds, Ear-Nose-Throat infections, and pneumonia. Skin infections are widespread among children, including Leishmaniasis. Acute diarrheas, urinary and reproductive tract infections, and worm infestations, are common.

There is a significant incidence of Pulmonary Tuberculosis (TB) among males and, especially (and unusually) females. TB prevalence among children is unknown but suspected to be significant. Internally Displaced People (IDPs) show high levels of these problems.

The Ministry of Public Health (MoPH) and its partners have developed a Basic Package of Health Services, construed as the essential services to be provided universally through public (including donor) funding.⁵⁵ The difficulties of doing so are immense, though not insurmountable. One particular supply-side challenge is that the primary health package is being introduced in a system that has been strongly physician and health center based, with a strong urban hospital focus. It will be necessary to increase the numbers and responsibilities of paramedical and community health staff to expand outreach while improving the abilities of doctors who run health facilities to become primary health managers. On the demand side, there are significant social and economic constraints on the use of health services, particularly by women.

Provincial Structures and Responsibilities

In health, by contrast to the situation in the education sector, the allocation of functional responsibilities is ambiguous. The Ministry of Public Health in Kabul has responsibility for policy-making overall, and more concretely for approving the organizational structures of the entities at subnational levels. The minister authorizes recruitment of all senior staff (grades 1-6).

In the western provinces, the region (Herat, Ghor, Badghis, Farah) is important in the health system because of the predominance of the regional hospital and the senior management role

⁵⁵ These are: Maternal and Newborn Care, Child Health and Immunization, Nutrition, Control of Communicable Diseases, Mental health, Disabilities, and Essential Drugs.

being played by the Herat Provincial Health Director among the surrounding Provincial Health Directors. The Provincial Director has the unofficial title of Regional Health Director. Historically, the Provincial Health Director played the role of senior manager among the four Provincial Health Directors of the contiguous provinces. The regional hospital serves all four provinces and includes a Primary Health Care department that manages the primary health facilities in the provinces and districts (including their planning, resource allocation, and capacity building). It is also responsible for collating and forwarding health reports to the MoPH in Kabul, and for aid coordination in the area.

In Faryab, except for the occasional zonal workshop or meeting organized in Mazar, there is no real regional or zonal structure.

The provincial health department reallocates staff between facilities, within the establishment authorized by the Ministry, hires staff from grades 7-10, and contracts for basic services. Procurement of drugs and supplies is in essence a provincial responsibility, but it appears that historically there was a centralized procurement process via Kabul. The region, the province and the districts all manage hospitals. Some districts also are responsible for a combination of Basic Health Centers, Sub-Health Centers, Maternal and Child Health Clinics (MCH), and Expanded Program of Immunization (EPI) Clinics. Table 9 illustrates the services that different facilities are intended to deliver. Municipal authorities have no health service responsibilities.

	Outpatient Services	Inpatient Services	Surgery (any)	Antenatal Care	Delivery	Postnatal Care	Immunization	Nutrition	Rehabilitation	Health Education	X-ray	Diagnostic Lab
Regional Hospital	x	X	x	x	x	x	x		x	x	x	x
District Hospital	x	X	x	x	x	x	x	some		x	some	x
Basic Health Center	x		some	x	some	x	x	some		x		some
Sub-Health Center	x		x	some		some	x			x		
Maternal and Child Health Clinic (MCH)	x			x		x	x	x		x		
Expanded Program of Immunization (EPI) Clinic							x	some				
Rehabilitation Center			x						x			

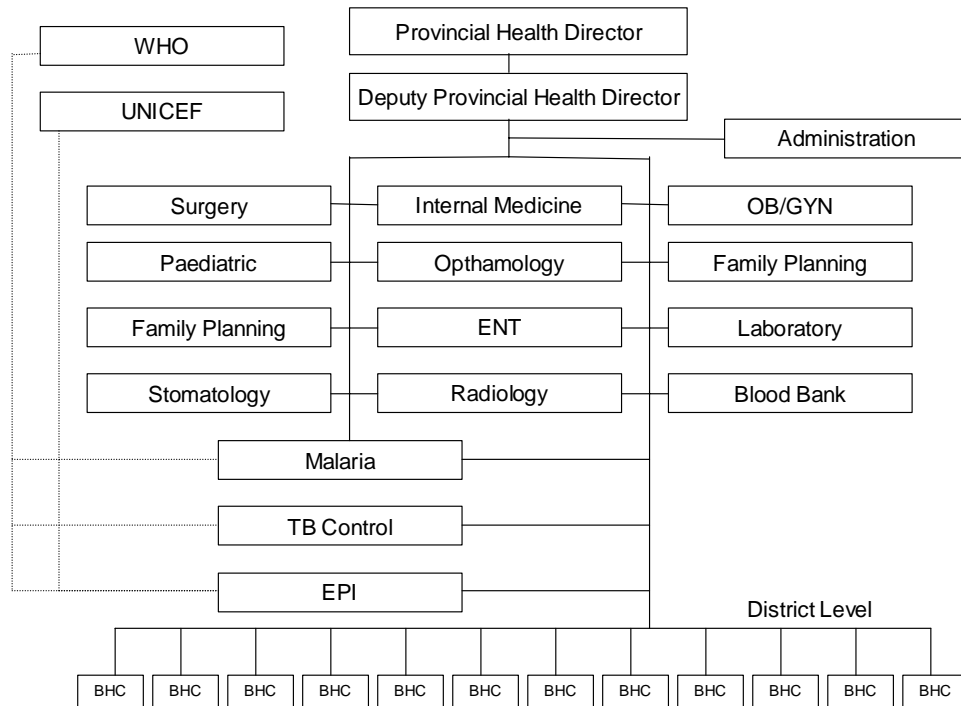
Table 10 illustrates the overlap between the functions of hospitals at the provincial and district levels, and emphasizes that external funding from NGOs and donors is pervasive. The health sector also faces the potential confusion arising from the shadowy existence of the 'region' as a coordinating layer of administration. Thus, in preparing budgets and plans for the health sector, staff and managers face far more uncertainty and potential conflict in assigning responsibilities (and therefore budgets) and correspondingly more uncertainty about their accountabilities, than their colleagues in education.

Table 10: Functional responsibilities in health

Level of administration	Budget-funded	Funded externally
Ministry of Health (Kabul)	Health Policy-making Authorizing "Organogram" (staffing) Recruitment of Staff: Grade 1-6 Contracts with NGOs Private Sector Regulation	External funding is pervasive across the sector and is found at all levels of administration and for all functions.
Regional Health Departments (western provinces only)	Aggregating health data Donor coordination (within the region)	
	Regional Hospital services: <ul style="list-style-type: none"> • Outpatient Services • Inpatient Services • Surgery • Antenatal Care • Delivery • Postnatal Care <ul style="list-style-type: none"> • Immunization • Rehabilitation • Health Education • X-ray • Diagnostic Lab 	
Province	Reallocation of staff between facilities Recruitment of Staff: Grade 7-10 Contracting of services Procurement of drugs and supplies Quality Control of Services Facilities Mgmt: Buildings, Vehicles Provincial Health Plans Collecting basic health data Quality Control of Services Primary Health Care	
	Provincial Hospital services: <ul style="list-style-type: none"> • Outpatient Services • Inpatient Services • Surgery • Antenatal Care • Delivery • Postnatal Care <ul style="list-style-type: none"> • Immunization • Rehabilitation • Health Education • X-ray (sometimes) • Nutrition • Diagnostic Lab 	
	Rehabilitation Facilities: <ul style="list-style-type: none"> • Surgery • Rehabilitation 	
District	District Health Plans	
	District Hospital services: <ul style="list-style-type: none"> • Outpatient Services • Inpatient Services • Surgery • Antenatal Care • Delivery • Postnatal Care <ul style="list-style-type: none"> • Immunization • Some nutrition services • Health Education • Some X-ray services • Diagnostic Lab 	
	Basic Health Centers: <ul style="list-style-type: none"> • Outpatient Services • Some limited surgery • Antenatal Care • Some delivery • Postnatal Care <ul style="list-style-type: none"> • Immunization • Some nutrition services • Health Education • Some diagnostic services 	
	Sub-Health Centers: <ul style="list-style-type: none"> • Outpatient Services • Some limited surgery • Some antenatal Care <ul style="list-style-type: none"> • Some postnatal Care • Immunization • Health Education 	
	Maternal and Child Health Clinics (MCH): <ul style="list-style-type: none"> • Outpatient Services • Antenatal Care • Postnatal Care <ul style="list-style-type: none"> • Immunization • Nutrition • Health Education 	
	Expanded Program of Immunization (EPI) Clinics: <ul style="list-style-type: none"> • Immunization • Some nutrition services 	

The organizational structure of provincial public health departments is roughly as described for Faryab (see Figure 3). This seems to be typical for other provinces. Although the organogram shows different "departments," in reality most of these consist of one or two persons. Moreover, in many cases (i.e., gastro-enterology, ophthalmology, laboratory) the departments do not exist, owing to lack of staff, equipment, or material. For instance, without electricity or cooling equipment, the blood bank function can only be fulfilled when the donor and patient are present at one time. In addition, there are no reagents for analyzing sub-groups. Similarly, the laboratory does not function, as there are no reagents for conducting tests.

Figure 3: Structure of Faryab Provincial Health Department



Source: Department of Public Health and mission members.

The Government has not permitted private hospitals to be set up. Both government and NGO staff feel that the Government does not currently have the capacity to monitor the private sector, although the Primary Health Care unit of the Provincial Health Department is responsible for quality control of the NGO sector. A legislative unit is responsible for overseeing drug quality, pharmaceutical practices and private practice, but is regarded as weak.⁵⁶ The private sector seems to be quite deficient in diagnostic facilities, and, not surprisingly, is accused of overcharging and overmedication, as elsewhere. There is no medical association in the country, and a pharmacists' association is just emerging.

There are four principal organizational and structural problems. First, recent staff recruitment has made the existing organograms outdated and they no longer provide a realistic guide for provinces and districts to work within, in terms of delivering the basic package of health services.

Second, there is a significant bias towards physician-based and hospital-based care, with a relative over-investment in in-patient facilities. There is certainly high need and demand for curative care, but the system is severely lacking in outreach. Many of the complaints with

⁵⁶ President Karzai has recently issued a decree regulating the distribution of medicines and the expansion of private clinics (Bakhtar News Agency report, January 20,2003). The decree stated that private clinic operations should strictly abide by the New Clinic Regulations issued by the government last year. Private clinics have to be closed if they could not improve their medical practices in accordance with the regulations within three months after the issuance of the decree. The presidential decree also called for effective governmental supervision on medicine distribution and production in the country, and requires that imported medicines should not be released from customs before experts from the Public Health Ministry make necessary examinations.

which patients come to health centers could be addressed through outreach more cost effectively in terms of financial and other material resources, patient time and opportunity costs, as well as human suffering. Community Health Workers (CHWs) and traditional birth attendants (TBAs) are being trained, largely by NGOs whose different capabilities and philosophies translate into training of various lengths and quality. But these important workers do not appear to be integrated into the health system and so lack the steady supplies, continuous 'supportive supervision', technical back-up, and refresher training necessary for their effective functioning.

This emphasis on physicians and hospital facilities leads to skewed distributions within provinces. For example, the population per doctor varies from a low of 1:2,305 in Herat district to 1:34,600 in Kushki-Kuhna district in the same province. Ten out of the 16 districts in Herat province have ratios over 1:10,000. Doctors are clearly concentrated in the area around Herat city but so, apparently, are health workers in general – eight of the 16 districts have only one health worker for over 5,000 people while the ratio in Herat district is 1:761.

Third, the shifting political and administrative boundaries of the districts make management difficult.

Fourth, as noted, the allocation of responsibilities both within government and between government and donors/NGOs is very unclear, with the former problem exacerbating the latter. Government/NGO agreements are in the form of Memoranda of Understanding (MOUs) and are apparently reached at the provincial level, although the central MoPH seem to have a say in according permission to external agencies' locations and activities and has a registration system. Although some contracts are being made in or sent to Kabul, the Provincial Health Director has the authority to enforce contracts.

This multiplicity of actors is leading to some policy conflicts. Provincial-level decisions such as staff reallocations, changes in the organogram, contracts with NGOs, and charging for drugs are ambiguous and are subject to being overruled by the Kabul Ministry of Public Health. Central policy requires that all health services be provided free, but many NGOs and donors insist on cost recovery either through consultation charges or part payment (40-60% of the market price) for the drugs dispensed although some may continue to provide drugs free to the poor. Similarly there is some confusion concerning charging for x-rays and laboratory tests. Government feels that this is inappropriate as people are too poor to pay. However, as they need money to address urgent health problems, some districts have decided to charge.

Planning and budget preparation

As with the education sector, officials in the provincial health departments are not involved in any aspects of budget preparation that would entail tradeoffs between sectors at the provincial level. Education and health officials are not in any sense contributing to a provincial budget and competing for budget allocations from the provincial governor. They are, however, engaged in dialogue with the Kabul Ministry of Public Health – related to the implementation of national policy. The last known national health policy was released in connection with President Daoud's Seven-Year Plan for socio-economic development, prior to the 1978 Communist takeover.

During various planning exercises, the Provincial Health Director submits an annual budget request to the MoPH that includes salaries, supplies, and equipment, as well as additional requests for new service delivery or administrative positions. All medical supplies are supposed to be sent from Kabul, but at present are not. In past years, the MoPH has consulted

with the provincial health departments on the location of basic health centers and other facilities at the district level.

Planning is of course challenged by the problems of communication. Communications between Kabul and the provinces are typically by pouch or traveler. In general, both WHO and UNICEF provincial/regional offices have been acting as links between Kabul and the provinces, using both phone and email. It seems that this system has become relatively formalized.

In western Afghanistan, provincial plans and budgets are compiled into "regional" plans then sent to Kabul on quarterly basis.⁵⁷

Staffing and salary payments

It is considered the responsibility of the central MoPH to ensure availability of human resources in terms of numbers, quality and funding. The Provincial Health Directors appoint, discipline and terminate junior staff, although even these actions may have to be validated by Kabul.

NGO staff are working in many government facilities, and most front-line staff receive supplementary payments from NGOs. In some cases, NGOs have recruited staff directly and placed them in health centers. These staff are either returnees or have resigned from government service. Some doctors manage to negotiate their transfers to provinces and facilities where NGOs are offering top-ups, or obtain leave without pay – the current rules allow up to three years. The Government has apparently not started recruiting additional staff.

Some agencies have expanded the number of staff in the health system through special programs. For example, under the MoPH structure, there is only one Vaccinator per district. UNICEF has increased this to a team of two per health facility or about five teams per district to meet the needs of the Expanded Program of Immunization.

Table 11 gives the reported salary levels for medical staff. These vary slightly from those quoted for government employment as a whole (see Table 6). However, the differences are of the order of 14% and this disparity is probably explicable by the under-reporting of minor allowances, specifically the second food allowance introduced on post May 5 2002, and some minor differences in the reported professional allowances. Staff also reported receiving a foodbasket comprising wheat (350 Afs.) and oil (125 Afs.). This is lower than the value of the foodbasket reported by the WFP (742.5 Afs.).⁵⁸ It is not clear whether the food basket has been discontinued, but if it has then it is probable that because of the delays in salary payments, provincial staff have not yet appreciated this.

⁵⁷ A series of provincial planning workshops is proposed as a follow-up to the Afghanistan National Health Resources Assessment (ANHRA) study. During these, each province would develop its health plans, which affords a good opportunity to rationalize available resources as well as to identify gaps, especially for community-based health care.

⁵⁸ See footnote 43.

Table 11: Salaries and allowances of medical staff (new Afs.)

Staff	Base pay	Food Allowance	Professional allowance	Total pay
Doctor (Sr.)	106.80	1,500.00	25.00	1,631.80
Doctor (Jr.)	82.80	1,500.00	20.00	1,602.80
Nurse	75.60	1,500.00	15.00	1,590.60
Assistant Nurse or Sanitarian	66.60	1,500.00	12.00	1,578.60
Vaccinator	75.60	1,500.00	8.00	1,583.60
Laboratory Technician	75.60	1,500.00	8.00	1,583.60
Administrator	75.60	1,500.00	8.00	1,583.60
Dentist	75.60	1,500.00	8.00	1,583.60
Vaccination Outreach	66.60	1,500.00		1,566.60
Storekeeper or Cashier	80.40	1,500.00		1,580.40

Source: Herat Health Department (but assumed to apply nationally)

Donor agencies and NGOs have been providing ‘top-ups’ or incentives. In the case of the Afghan Red Crescent Society (ARCS), the amounts paid to all staff were 50% more than their government salaries. Mostly, doctors’ salaries paid by other international NGOs/agencies appear to be around \$150-\$200 per month (including the government remuneration). Nurses and midwives get about \$120-130 per month, other paramedical staff about \$100-150, and support staff about \$80 per month. Project managers, e.g., in the MoPH, get about \$250-300 per month. UNICEF has an elaborate effort-based system for vaccinators involved in immunization campaigns or National Immunization Days, paying \$9 per campaign and \$24 per month.⁵⁹

Given this confounding situation, an effort is currently underway by Government and NGOs in Kabul to standardize the incomes of workers in the health sector. A draft document is pending with the program secretariat of the MoPH. There is a hope that there will be new norms (according to qualifications) and salaries will be corrected by March 2003. If this effort succeeds – which is currently still a question, given the range of agencies that would be affected, including NGOs, the UN, bilaterals and World Bank-assisted projects - this would have the effect of reducing some top-ups.

The current ad hoc approach to top-ups is generating some concern regarding reporting lines. Many staff feel – or are being made to feel – responsible to the donors rather than the Government. The medium-term consequence of this may be a move of staff away from government facilities to an emerging "private NGO sector", which would undermine one of the current strengths of the Afghan health system – the mandate and commitment of personnel trained in the country’s medical education institutions to public service.

An unusual feature of the public health system is the allowance of private practice. It is unclear whether this is formal policy. It applies to all employees, but is especially relevant to doctors. As long as a doctor puts in his/her hours (usually 8am-1pm) in the public facility to which he or she is assigned, he or she can run a private practice afterwards. While there are allegations that doctors often work fewer hours than required in the government system as a result of this allowance, the arrangement is widely supported because it is believed to benefit the public

⁵⁹ Daily rates are: Coordinators: \$3; Cluster Supervisors: \$3; Volunteers: \$2.5; Social Mobilizers: \$2. Each person is hired for about 15 days in the year. In Herat alone, there are over 4,000 volunteers.

system insofar as it ensures the availability of doctors, and reduces the pressure on the health system to pay high salaries because private practices are quite lucrative. "Top doctors" in the cities can apparently make \$2,000 to \$3,000 per month in private practice.⁶⁰ In Herat City, a private consultation costs about \$0.50, a lab test about \$0.50 to \$1.50, and an x-ray or ultrasound test about \$2.50. Nurses and other health staff are also known to have private practices (e.g. giving injections) but often engage in other non-health related work to make ends meet. Varying levels of training among paramedics may call some of their private practices into question. In situations where qualified medical practitioners are in very short supply, paramedics have both motive and opportunity to overstep their capabilities.

The Department of Public Health in Herat reports a total of 935 staff at different levels in the province and many paid by NGOs who are not "MoPH staff". Separately, the province reported that their professional staff comprise 180 doctors "on contract", 198 doctors, and 495 paramedical staff, suggesting a rather low figure of 62 non-medical staff. However, the Herat Mustoufiat validated the total, reporting 933 health staff in the province (see Table 4). Employment data at the district level are rather more uncertain. The provincial department reported that, in addition to the 935, total, Herat has 1,158 Village Level Workers and 2,127 support staff.

In Faryab, the provincial data are more ambiguous. The provincial department reports that there are 256 provincial staff working as service providers or administrators. Detailed breakdown of staffing suggested in fact a combined total between the provincial hospital and provincial health department of some 225 staff. Somewhat at odds with this total, the Faryab Governor reports that there are 483 staff in the provincial health department, and a further 18 in the Leishmaniasis and Malaria Control Unit.⁶¹

Management and staff development

Skills and capacity for both clinical and management work are weak, and those skills that are found, and the training of staff provided, are inconsistent with current public health needs. In the absence of adequate resources, it is accepted that local agencies and NGOs take responsible for capacity building.

Other agencies are training CHWs and TBAs to supplement health staff. In addition to creating outreach cadres, NGOs are providing training in Health Information Systems, Monitoring and Evaluation, etc. The quality of effort reportedly varies quite widely among NGOs.

One of the first casualties of the tight resource constraints is training. As a result, much-needed improvements in technical and managerial competence for all cadres of workers are delayed or simply not made. Many doctors, for example, have not been for refresher training or "exposure trips" for over 20 years, and are unfamiliar with modern medical technologies. Other than training provided by the NGOs, training for either clinical or management staff is extremely limited. In-service or on-the-job training is non-existent. Similarly, there is virtually no access to new technology or information, and new textbooks are not readily available. Even teachers are outdated in their information and techniques. Younger doctors also need training,

⁶⁰ Prior to the Transitional Government private practice was allowed only if a doctor was in government service. While this stipulation has apparently been removed, there seem to be three situations for doctors currently: (1) an MoPH appointment and private practice; (2) an MoPH appointment plus deputation to an agency with a top-up, and private practice; and (3) a salaried assignment with an agency with less opportunity for private practice because of agency requirements. There are about 6,400 doctors in Afghanistan altogether, and 700 medical graduates a year.

⁶¹ This constitutes the 501 staff reported by the Faryab Mustoufiat (see Table 4).

especially to strengthen preventive health knowledge and skills. Given the strong curative orientation of the system, it is unsurprising that public health skills are low.

Existing job descriptions and guidelines for staff are many years out-of-date and require revision. Work-plans exist only for special efforts such as the Expanded Program of Immunization (EPI). While absenteeism is believed to be low, there is no systematic monitoring of attendance at BHCs, etc.

Recruitment

Health sector appointments in the provinces and districts follow the same framework as for other sectors. In essence, the governor approves junior staff appointments and transfers (karmand grade 7 and below and all agir staff), the relevant Minister approves karmand staff from 3-6, and the senior staff (grade 2 and above) are appointed by the President. The Provincial Health Director can discipline staff by withholding or deducting from salary, and can fire a person in the event of major discipline problems. A staff member who is absent for more than 20 days without leave is automatically terminated. Once an adverse comment is recorded, it is "difficult to get rid of it".

It is very difficult to recruit staff to the rural areas. Despite the plethora of top-ups and incentives available, many health facilities are significantly understaffed. For instance, in Herat nine of ten nurse/mid-wife positions are vacant, and two of the clinics do not even have a nurse/mid-wife on their *tashkeel*. Similarly, only one of 19 CHW positions is filled, and not all facilities have CHW positions. On the other hand, each facility has two vaccinator positions and all of them are filled. This may reflect the national focus put on EPI and other vertical programs, and the resources and support provided by donors. Clinics have an administrator, whose job seems to be mainly paperwork, such as attendance records and correspondence.

Prior to 1979, incentives for serving in rural areas included a higher salary than in urban areas, housing and a vehicle. These are now replaced only by NGO incentives. While an existing rule requires medical graduates to work for two to three years in a rural area, the effectiveness of this has declined because of the availability of employment with NGOs. To increase human resources in rural areas, local staff advocated a rural: urban salary ratio of 2:1. It was felt that other staff (such as administrators and vaccinators) should get at least \$150-200, and more in remote areas. It should, however, be stressed that "pay alone would not be enough". As in other developing countries, Afghan doctors are an urban class and have high expectations, both professional and personal. Adequately staffed, equipped and supplied health centers, and technical support are critical to their satisfaction, and facilities such as vehicles, good housing and amenities, and schooling for children are among the basics expected. In the case of women professionals (both doctors and paramedics), there are the additional needs for personal security and spousal employment.

Infrastructure and non-salary expenditures

Vehicles and fuel are in desperately short supply. Some buildings have been recently rehabilitated, while others remain very dilapidated.

Local procurement is possible, however in practice the complete absence of any non-salary operating budget means that there are major shortages in drugs and medical supplies/equipment. When purchases are absolutely required (e.g. fuel to heat water for surgery), staff are purchasing goods on personal credit from local shopkeepers, under the assumption that cash will eventually arrive from Kabul. It also appears that patients and their families are bearing the load of purchasing essential supplies. In general, the NGOs and UN

agencies are supplying just about everything except the MoPH staff salaries, including food for patients, medicines (UNICEF, ICRC), equipment, training and, as noted, a variety of salary top-ups and salary "enhancements."

In some cases, individual clinics have been able to generate local in-kind contributions (e.g. land or mud bricks for clinic construction). The situation with respect to fees for service is murky with blurred distinctions between official fees and unofficial co-payments. Some clinics report that they collect fees and that the money goes to the local health committee for other activities.

The resulting supplies situation is very patchy. Visits to health facilities within Herat suggested that there was no shortage of drugs in the public health system, and similarly some district clinics in Faryab seem very well stocked with medicines from NGOs (e.g. Dawlatabad). This may in part be due to the recent influx of medical assistance from NGOs and donors and the relative underutilization of these facilities. But it is most likely also due to the inability of the system to 'push' care (including medicines) out to the population on the basis of which requirements are prepared, resulting in undersupply in outlying areas. A related problem, though possibly a temporary one, is that shipments of expired drugs are being received by NGOs from foreign sources. A protocol for the disposal of these needs to be devised and communicated to all.

Consequences for service delivery

The recent Afghanistan National Health Resources Assessment (ANHRA) survey⁶² sets out the somber service delivery basics:

- 70 percent of existing primary care clinics are unable to provide even basic mother and child services;
- 90 percent of hospitals do not have the complete equipment to perform C-sections;
- 40 percent of all basic health facilities do not have female staff;
- More than 25 percent of children die before their fifth birthday;
- 40 percent of child deaths are due to the preventable causes of diarrhea and acute respiratory infections.

Outreach services are limited with the exception of the Expanded Program of Immunization (EPI). The key personnel involved are vaccinators, who visit villages on appointed days (National Immunization Days) to provide polio drops and a day a month for measles, mumps and rubella immunization, TBAs and CHWs. Nutrition programs, which are usually village-based, appear to be center-based in Herat, probably because of the difficulty faced by providers in traveling into villages daily.

There is an imbalance of urban over rural facilities and curative over preventive services. This places the rural poor at an extreme disadvantage. The poor state of roads makes access to health services extremely difficult. People have to travel long hours by foot or mule-back to reach health centers and this deters all types of patients, but is particularly harsh on three groups: the wounded for whom physical movement is difficult but who need physiotherapy; the

⁶² Over a period of four months (June-September 2002), Management Sciences for Health trained and sent out more than 160 Afghan nationals to survey a total 1,038 health facilities, 2,915 community health workers and 1,445 pharmaceutical outlets in all 32 provinces. The comprehensive database created by the Afghanistan National Health Resources Assessment (ANHRA) will serve as a baseline for intensive province-by-province outreach, planning and workshops being undertaken in the coming months.

seriously ill or those who need continuous or repeated investigations or treatment such as TB patients; and on women who need emergency obstetric care. Children are also disadvantaged because they need to be accompanied by an adult.

Due to poor outreach to villages, immunization coverage has remained relatively low (40% of children covered by DPT vaccination, 20% of pregnant women by tetanus toxoid). Another reason for the low immunization rates is that there is currently no vaccination in the private health system as it is intended to be provided free to all through the government health system. As awareness has increased after the mass immunization campaigns, there is an opportunity now to expand coverage through the private system. Demand is probably not enough to leave this important service to be provided on the basis of "full private cost" – it is likely to require a subsidy or incentive to provider or acceptor (well worth its public goods nature and the impact it could have).

Media to assist in health education are extremely limited. The use of print media would be constrained by the low national literacy rate (35%) and significantly lower literacy rate among adult women.

The provincial health departments maintain at least a minimal level of functioning, in that they are generally aware of what is going on in the province and attempt to offer support where possible in determining the location of clinics and in mobilizing resources and other support from NGOs. With their existing resources and capacity, however, they have limited ability to either deliver or oversee services. Travel of health staff even between health centers and headquarters is extremely limited, as fuel allocations to the province, as well as travel and daily allowances are inadequate. There is very little scope for significantly improving health services without additional resources, and while some resources can be generated locally, they cannot be consistently mobilized to maintain a functioning health system.

There are some concerns about self-declared "doctors" who set up clinics in the bazaars without sufficient medical knowledge, training, or experience. This is clearly a response to the high unmet demand for medical services. Some of these "doctors" may have received low or mid-level training in Pakistan, and are simply inflating their credentials to the physician level.

There is some data collection. A formal Health Information System (HIS) exists under the MoPH, which is used at higher-level government health facilities, but "NGOs have their own formats." Incidence data are collected for each health facility and reports are sent to Kabul at the end of each month. However, there is no apparent use being made of these other data for planning or decision-making. At the facilities level, there is virtually no monitoring or evaluation of services or programs. Supervision is extremely limited if it exists at all, and tends to be enforcement rather than performance-related. Staff with supervisory authority do not have the needed skills. There is no functioning system of performance evaluation; in fact, there are no job descriptions according to which job performance could be evaluated.

Known future plans

Both government and donors are increasingly promoting "Shura" or village/community councils as health promoting bodies. Health Committees of five to seven people are involved in reporting emergencies and epidemics, selecting and overseeing Community Health Workers (CHWs) and traditional birth attendants (TBAs), and planning for village health.

Three on-going/future activities in Afghanistan's health sector will have a significant impact on health service delivery.

- Š The MoPH is formulating a National Health Policy. The current draft covers the role of the MoPH, the essential package of health services, a statement of links to basic needs beyond health, and detailed perspectives on: EPI, TB Control, Malaria, Reproductive Health, Management of Childhood Illness, Displaced and Disabled persons, Nutrition, Mental Health, Human Resource Development and Capacity building, Essential Drugs and Health Information Systems. Other topics such as partnerships, research and appropriate health technology are also expected to be included.
- Š MoPH has also started provincial planning exercises based on the data collected by the ANHRA. Planning Workshops are being held in each province.
- Š The MoPH is anticipating some expansion in the coverage of essential health services through the extensive use of 'performance-based partnership agreements' (PPAs) proposed by the World Bank.⁶³ The PPA approach basically involves the MoPH: (i) establishing an essential service package and a series of related performance indicators; (ii) defining the geographical area covered by the PPA; (iii) carrying out a competitive- bidding process among interested NGOs; (iv) signing an agreement with the winning NGO, based on a fixed price; and (v) carefully monitoring the performance of the NGO and relating payment to improved service delivery. This will entail a significant change in role for the government. Provincial administrations must recruit, retain and motivate staff with skills in contract management.⁶⁴ However, as many 'front-line' service delivery functions would be transferred to NGOs, this presents an opportunity to rationalize the confusion created by the extensive donor penetration into the health sector. Far better to have staff entirely employed by an NGO on a separate salary scale than maintain them in government but dependent on salary top-ups and other incentives. However, conversely, it raises the question of what to do with the staff that are less skilled, and unwanted by the NGOs, but no longer necessary within government.

⁶³ See the Aide Memoire of the Joint Donor Mission to Afghanistan on the Health, Nutrition and Population sector (March 29, 2002)

⁶⁴ A recent AREU Issues Paper emphasizes the scale of the contracting challenge that this implies for the health sector. See Waldman, R. and H. Hanif (2002) The Public Health System in Afghanistan, Afghanistan Research and Evaluation Unit, Kabul.

8. Working with the strengths of the system

The goals of the National Development Framework are vitally important

Given the self-evident historical socio-ethnic fragility of the "nation" of Afghanistan, the fiscal and administrative centralization of the state has some logic in that local and regional elites have to refer to the central government for financing and the authority to deliver public activities. However, the corollary is that central government should limit itself to a relatively minimal set of activities and functions. Using administrative and fiscal mechanisms to hold the state together is less feasible if the state is attempting extensive regulation of social and economic activity. Thus the National Development Framework vision of limited direct provision of services by the state is not just one policy preference out of several possibilities - it is in all probability the only approach that will make the underlying centralized arrangements work.

Devolution must come slowly

Devising reforms that will improve service delivery must acknowledge the realities of the existing culture within the bureaucracy, if change is to be managed effectively. Staff will have very little understanding of why or how more decentralized approaches could be developed. In addition, the existing fiscal and administrative arrangements are integrated and mutually interlinked. A change in any one aspect without considering all the consequential changes in other areas will lead to confusion and cynicism.

Thus 'heroic' solutions, involving radical devolution of power and accountability to provinces/districts/facilities or circumventing existing structures, are in for a rough ride.

Work with the administrative strengths

It is important to respect the formal logic of centralized staff appointments and remuneration, and to avoid as far as possible the distorting impact of uncoordinated top-ups and incentive payments. In the health sector in particular, poor pay for doctors and other health professionals has led already to a proliferation of top-ups from donor agencies and NGOs. When staff receives incentive payments from NGOs and others that are far larger than their public sector salaries, this creates serious management difficulties.

Respect the fiscal traditions

Respecting the traditions of the Afghanistan budget process means respecting the hierarchical authority of Kabul in budget formulation. This is not to say that there is no appetite for a more participative style of budget preparation. But it is to say that planning will be most effective if it is undertaken within clear, centrally determined budget and policy parameters.

It is vital to keep in mind that it is only central government ministries and institutions that are primary budgetary units with specific budgets determined by law. Provincial departments of the central government ministries are secondary budgetary units and thus should receive allocations at the discretion of the ministry.⁶⁵ Resources must be transferred through the

⁶⁵ A recent example of government's own discipline in this regard emerged during the recent UN Transitional Assistance Program for Afghanistan (TAPA) process; the TISA refused to allow government ministries to submit funding proposals, as this would have effect of fragmenting the national budget by allowing donors, rather than government, to choose priorities.

budget, in line with the law and with the expectations of staff.⁶⁶ The Local Consultative Groups provide a practical opportunity to demonstrate these principles in practice.⁶⁷

In audit, the General Control and Inspection Department of the Council of Ministers is the supreme audit authority for the whole of government, providing external audit. All adverse comments by this body on any agency that a donor is dealing with should be addressed seriously. As the capacity of that Department is gradually rebuilt, such comments are likely to be informal in the first instance. However, as formal reports start to emerge, donors should review the audit statements of the General Control and Inspection Department prior to working with partners in government and independent reports on donor projects should be made available to the General Control and Inspection Department.

⁶⁶ Government notes that there are three ways in which donors can fund Afghan programs: 1) by direct contribution for designated purposes, to be administered by the Ministry of Finance; 2) through Trust Funds administered by International Organizations before being channeled to the Ministry of Finance, e.g. The Afghanistan Reconstruction Trust Fund; and 3) by direct support to private sector organizations to carry out government identified priority projects. (See "Working Draft – Plan and Budget for 1381-82", National Development Programme, Ministries Of Planning, Reconstruction and Finance, Kabul, October 10, 2002)

The priorities for funding are 6 sub-programmes of the 12 National Development Programmes (bolded in the following list):

<p><i>Pillar 1 - Humanitarian/Human and Social Capital</i></p> <ol style="list-style-type: none"> 1. Refugee Return 2. Education and Vocational Training (Education Infrastructure) 3. Health and nutrition 4. Livelihoods and social protection (National Solidarity Program and Emergency Public Works) 5. Cultural heritage, media and sports 	<p><i>Pillar 2 - Physical Reconstruction and Natural Resources</i></p> <ol style="list-style-type: none"> 6. Transport and Communications (Transport Project) 7. Energy and Mining 8. Natural Resource Management (Water Resource Investment) 9. Urban management (Urban Infrastructure) 	<p><i>Pillar 3 - Governance and Security</i></p> <ol style="list-style-type: none"> 10. Trade and Investment 11. Public Administration (now including economic management but including physical infrastructure, land and management training) (National Governance Infrastructure Project) 12. Security and Rule of Law (Creation of a national army, Creation of a national police force, Justice System, Mine clearance and awareness and Demobilization)
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⁶⁷ These are sectoral coordination groups chaired by the relevant minister. A lead donor is designated as deputy chair and provides secretariat support for each group. Relevant UN agencies and key NGOs sit in the group. Donors are required to concentrate their efforts through this process by only being allowed to contribute to three sectors. Large donors are able to buy into additional sectors with a \$30 million contribution, if their commitment to their other three chosen sectors is at least that large.

Annex 1 Provinces and Districts

The 32 provinces and the 326 districts were divided into 4 grades by the "Provincial Gazette of Afghanistan, 1975". This refers to their size and the population covered with 1 = large, 4 = small.

Table 12: District Administrations by Province

Region/ Zone	Provinces	Provincial grade	Districts				Total districts
			grade 1	grade 2	grade 3	grade 4	
Central	Kabul	1	1	2	3	7	13
	Parwan	2	1	2	4	5	12
	Kapisa	3	1	1	1	3	6
	Wardak	3	1	2	2	3	8
	Logar	3	1	1	1	2	5
	Ghazni	1	1	3	4	8	16
	Bamyan	3	1	1	1	2	5
Eastern	Khost	2	1	3	3	5	12
	Pakria	1	1	2	2	6	11
	Paktika	3	1	3	4	7	15
	Laghman	3	1	1	1	2	5
	Kunar	3	1	2	4	5	12
	Nangrahar	1	1	4	6	9	20
	Nuristan	3	1	1	2	2	6
Northern	Badakhshan	2	1	2	4	6	13
	Takhar	2	1	2	3	6	12
	Baghlan	2	1	3	2	4	10
	Kunduz	2	1	1	2	3	7
	Smangan	3	1	1	2	2	6
	Balkh	1	1	3	4	6	14
	Jawzjan	2	1	2	2	4	9
	Saripul	3	1	1	1	3	6
	Faryab	2	1	2	3	6	12
Western	Badghis	3	1	1	2	3	7
	Herat	1	1	4	4	7	16
	Farah	2	1	2	3	5	11
	Ghor	3	1	1	3	2	7
Southern	Qandahar	1	1	3	4	5	13
	Nimroz	3	1	1	1	2	5
	Helmand	2	1	2	4	6	13
	Zabul	3	1	1	2	5	9
	Oruzgan	3	1	2	3	4	10
Totals			32	62	87	145	326

Annex 2 Central government bodies and political responsibilities⁶⁸

Function	Kabul level organization	Status	Cabinet members
Executive Authority	President's Office (includes the Office of Administrative Affairs)	Agency under Presidential authority	Chairman Hamid Karzai Vice Presidents: Mr. Khalili, Mr. Shahrani and Hedayat Amin Arsala, Prof. Rasool Amin, Deputy Security Adviser Taj Mohammad Wardak, Adviser on tribal issues and member of the National Security Council.
	Prime Minister's Office (seemingly including the General Control and Inspection Department of the Council of Ministers)	Agency under Prime Ministerial authority, pro tem under the President	
Fiscal and economic policy	Ministry of Finance	Ministry	Dr. Ashraf Ghani, Minister of Finance
	Ministry of Frontiers	Ministry	Arif Khan Noorzai, Minister of Border Affairs
	Ministry of Planning	Ministry	Haji Mohammad Mohaqiq, Minister of Planning
	Central Statistics Office (includes the Afghan Computer Center)	Independent body	
	Geodesy & Cartography Office	Independent body	
Foreign Affairs and Aid Management	Ministry of Foreign Affairs	Ministry	Dr. Abdullah Abdullah, Minister of Foreign Affairs
	AACA		
Internal and external security	Ministry of Defense	Ministry	Martial Faheem, Minister of National Defense and Vice-President
	Ministry of Interior	Ministry	Ahmad Ali Jalali, Minister of Interior
	National Security Agency	Independent body	
	Narcotics Eradication Agency	Independent body	
	Office of the Attorney General	Independent body	
Legal advice to government	Ministry of Justice	Ministry	Abdul Raheem Karimi, Minister of Justice
Education and human resource development	Ministry of Education	Ministry	Mohammad Younis Qanooni, Minister of Education & Security Adviser
	Ministry of Higher Education	Ministry	Dr. Sharif Fayeze, Minister of Higher Education
	Science Academy	Independent body	
Culture and heritage	Ministry of Information and Culture	Ministry	Sayed Makhdoom Raheen, Minister of Information & Culture
	National Olympics Committee	Independent body	
Health	Ministry of Public Health	Ministry	Dr. Suhaila Seddiqi, Minister of Public Health
Welfare and social policy	Ministry of Labor and Social Affairs	Ministry	Noor M. Qirqeen

⁶⁸ This table has been assembled from various sources, including a review of the new Chart of Accounts, analysis of payroll data, and interviews with senior staff. However, several ambiguities remain. First, although the Attorney General was established as a separate office in the 1980s, the Minister of Justice disputes the constitutionality of this move (International Crisis Group, 28 January 2003, "Afghanistan: Judicial Reform and Transitional Justice", Asia Report No. 45, Kabul/Brussels). Second, it is not confirmed that the official reporting line for the General Control and Inspection Department of the Council of Ministers is within the Office of the Prime Minister (although this would be logical). Finally, there are some references to the Repatriates Agency having the status of a Ministry, although this seems unlikely.

	Ministry of Martyrs and Disabled	Ministry	Abdullah Wardag, Minister of Martyr and Disabled
	Ministry of Refugees Return	Ministry	Innayattullah Nazari, Minister of Migration
	Ministry of Rural Development	Ministry	M. Haneef Atmar, Minister of Rural Development
	Ministry of Religious Affairs and Hajj	Ministry	M. Amin Nasiryar, Minister of Haj
	Ministry of Women's Affairs	Ministry	Habiba Sarabi, Minister of Women's Affairs Prof. Mahbooba Hoqoqmal, Minister of State for Women's Affairs
	Repatriates Agency	Independent body	
Industrial and trade policy	Ministry of Commerce (includes Chambers of Commerce)	Ministry	Mustafa Kazimi, Minister of Commerce
	Ministry of Light Industries and Food	Ministry	Alim Razim, Minister of Light Industries
	Ministry of Mines and Industries	Ministry	Eng. Juma M. Mohammadi, Minister of Mines & Industries
	Ministry of Water and Power	Ministry	Shakir Kargar, Minister of Water & Power
Natural resources	Ministry of Agriculture	Ministry	Sayeed Hussain Anwary, Minister of Agriculture
	Ministry of Irrigation and Water Resources	Ministry	Ahmad Yousuf Nooristani, Minister of Irrigation
Infrastructure	Ministry of Transport	Ministry	Sayeed M. Ali Jaweed, Minister of Transport
	Ministry of Civil Aviation	Ministry	Mirwais Sadiq, Minister of Civil Aviation
	Ministry of Communications	Ministry	Masoom Istanikzai, Minister of Communications
	Ministry of Urban Development	Ministry	Eng. Yousuf Pashtoon, Minister of Urban Development
	Ministry of Reconstruction and Rural Development	Ministry	M. Amin Farhang, Minister of Reconstruction
	Ministry of Public Works	Ministry	Eng. Abdullah Ali
Judicial authority	Supreme Court	Independent body	Mr. Fazel Hadi Shinwari, Chief Justice & Head of Supreme Court
Oversight Commissions ⁶⁹	Civil Service Commission	Independent body	
	Human Right Commission	Independent body	Dr. Sima Samar, Head of Afghanistan Human Right Commission

⁶⁹ The Bonn Agreement established four commissions that would be responsible for rebuilding the justice system, monitoring and investigating human rights violations, assisting in the preparation of a constitution, and maintaining the integrity of the civil service. The Civil Service Commission and the Human Rights Commission appear to be standing commissions that were intended to have a continuing functional task beyond the reform of existing constitutional and government structures.

Annex 3 Central government structures in perspective

Table 14: Comparison of Current Ministry Structures with Selected European Countries

Functions	UK	Germany	France	Hungary ²	Macedonia	Lithuania	Afghanistan
Core functions							
Fiscal and economic policy	Treasury	Federal Ministry of Finance	Ministry for the Economy, Finance and Industry	Ministry of Finance	Ministry of Finance	Ministry of Finance	Ministry of Finance Ministry of Border Affairs Ministry of Planning
Foreign Affairs	Foreign and Commonwealth Office Department for International Development	Federal Ministry for Economic Cooperation and Development Foreign Office	Ministry of Foreign Affairs State Ministry for Overseas Affairs	Ministry of Foreign Affairs	Ministry of Foreign Affairs	Ministry of Foreign Affairs	Ministry of Foreign Affairs
Internal and external security	Ministry of Defense Home Office	Federal Ministry of Defense Federal Ministry of the Interior	Ministry of Defense Ministry of the Interior	Ministry of Defense Ministry of Interior	Ministry of Defense Ministry of Interior	Ministry of Defense Ministry of Interior	Ministry of Defense Ministry of Interior
Legal advice to government	Attorney general, Advocate General, Solicitor General	Federal Ministry of Justice	Ministry of Justice	Ministry of Justice	Ministry of Justice	Ministry of Justice	Ministry of Justice
Relations with other levels of government					Ministry of Local Self Government		
Social sectors							
Education and human resource development	Department of Education and Employment	Federal Ministry of Education and Research	Ministry of National Education, Research and Technology	Ministry of Education	Ministry of Education	Ministry of Education & Science	Ministry of Education Ministry of Higher Education
Culture and heritage	Ministry of Culture, Media and Sport		Ministry of Culture and Communication Ministry for Youth and Sports	Ministry for National Cultural Heritage	Ministry of Culture Ministry of Information	Ministry of Culture	Ministry of Information and Culture
Health	Ministry of Public Health	Federal Ministry for Health	State Ministry for Health	Ministry of Public Health	Ministry of Public Health	Ministry of Public Health	Ministry of Public Health
Welfare and social policy		Federal Ministry of Labor and Social Affairs Federal Ministry for Family Affairs, Senior Citizens, Women and Youth	Ministry for Employment and Solidarity	Ministry of Social and Family Affairs	Ministry of Labor and Social Policy Ministry of Emigration	Ministry of Labor	Ministry of Labor and Social Affairs Ministry of Martyrs and Disabled Ministry of Refugees Return Ministry of Rural Development Ministry of Religious Affairs and Hajj Ministry of Women's Affairs

Economic resources										
Industrial and trade policy	Department for Trade and Industry	Federal Ministry of Economics and Technology	State Secretariat for Industry	Ministry of Economics	Ministry of Economy	Ministry of Economy	Ministry of Economy	Ministry of Commerce Ministry of Light Industries and Food Ministry of Mines and Industries Ministry of Water and Power	Ministry of Agriculture Ministry of Irrigation and Water Resources	29
Natural resources	Ministry of Agriculture, Fisheries and Food	Federal Ministry for Consumer Protection, Food and Agriculture Federal Ministry for the Environment, Nature Conservation and Nuclear Safety	Ministry of Agriculture and Fisheries State Ministry for Small and Medium-Size Businesses, Trade and Handicraft	Ministry of Agriculture and Regional Development Ministry of Environmental Protection	Ministry of Agriculture Ministry of Environment	Ministry of Agriculture Ministry of Environment	Ministry of Agriculture Ministry of Environment	Ministry of Agriculture Ministry of Irrigation and Water Resources	Ministry of Agriculture Ministry of Irrigation and Water Resources	29
Infrastructure	Ministry of Transport	Federal Ministry for Transport, Building and Housing	State Ministry for Postal Services, Telecommunication and Space Ministry of Civil Engineering, Transport and Housing	Ministry of Transport, Communications and Water Management	Ministry of Transportation	Ministry of Transportation and Communications	Ministry of Transportation and Communications	Ministry of Transport Ministry of Civil Aviation Ministry of Communications Ministry of Urban Development Ministry of Reconstruction and Rural Development Ministry of Public Works	Ministry of Transport Ministry of Civil Aviation Ministry of Communications Ministry of Urban Development Ministry of Reconstruction and Rural Development Ministry of Public Works	29
TOTALS	12	14	16	13	16	13	13	29	29	29

Annex 4 Degrees of decentralization⁷⁰

	Political Features	Fiscal Features	Administrative Features
Deconcentration (minimal)	<ul style="list-style-type: none"> • No locally-elected governmental authority. • Local leadership is vested in local officials, such as governor or mayor, who are appointed by and accountable to the central government. 	<ul style="list-style-type: none"> • Local government is a service delivery arm of the central government, and have little or no discretion over how or where service is provided • Funding is provided by central government through individual ministry budgets. • There are no independent revenue sources 	<ul style="list-style-type: none"> • Staff working at the local level are employees of the central government, and fully accountable to the center, usually through their respective ministries.
Delegation (intermediate)	<ul style="list-style-type: none"> • Government at the local level is lead by locally elected politicians, but they are accountable, or partially accountable, to the central government. 	<ul style="list-style-type: none"> • Spending priorities are set centrally, as well as program norms and standards; local government has some management authority over allocation of resources to meet local circumstances • Funding is provided by the central government through transfers, usually a combination of block and conditional grants • There are no independent revenue sources 	<ul style="list-style-type: none"> • Staff could be employees of the central or local government, but pay and conditions of employment are typically set by the center • Local government has some authority over hiring and location of staff, less likely to have authority over firing.
Devolution (substantial)	<ul style="list-style-type: none"> • Government at the local level of lead by locally elected politicians, and are fully accountable to their electorate 	<ul style="list-style-type: none"> • Subject to meeting nationally set minimum standards, local government can set spending priorities and determine how to best meet functional obligations. • Funding can come from local revenues, revenue sharing arrangements and transfers (possibly with broad conditions) from central government 	<ul style="list-style-type: none"> • Staff are employees of local government. • Local government has full discretion over salary levels, staffing numbers and allocation, and authority to hire and fire. • (Standards and procedures for hiring and managing staff, however, may still be established within an overarching civil service framework covering local governments generally)

⁷⁰ This table derives from Anne Evans, " Decentralization: A Review of Staffing Practices in Eight Countries", draft paper prepared for the World Bank, December 28 2002.

Annex 5 The legal basis for government employment

The Bonn Agreement decreed that the following legal framework would be applicable on an interim basis until the adoption of a new constitution:

- "i) The Constitution of 1964 a) to the extent that its provisions are not inconsistent with those contained in this Agreement and b) with the exception of those provisions relating to the monarchy and to the executive and legislative bodies provided in the Constitution; and
- ii) Existing laws and regulations, to the extent that they are not inconsistent with this agreement or with international obligations to which Afghanistan is a party, or with those applicable provisions contained in the Constitution of 1964, provided that the Interim Authority shall have the power to repeal or amend those laws and regulations"

The underlying arrangements for recruiting and promoting staff apparently stem from the 1970 (SY1349) Law on the "Status and Condition of Government Employees", as amended by the 1977 (SY 1356) Decree No. 1433. Staff Regulation 12.3.1356 (1977) contains many regulations that duplicate the contents of the 1970 Law, particularly those that relate to salary and other benefits, promotion, resignation and so on. The Regulation cancels other regulations published in 1969, but it does not mention the 1970 Law. In addition, the following legislation may or may not be wholly or partly applicable. The following list extends from SY 1305 (1926) to SY 1367 (1988):

- 1926 SY1305 Employee Leave (Vacations)
- 1926 SY1305 Regulations of Basic Organizational Structure of Afghanistan
- 1931 SY1310 Basic Principles of the Afghan State
- 1934 SY1313 Principles of Nationality
- 1935 SY1314 Principles of recruitment of Foreign Nationals in Afghanistan
- 1935 SY1314 Principles of Conscription for Scholars and Experts
- 1935 SY1314 Principles of Career
- 1949 SY1328 Principles of Attendance and Holidays of Employees
- 1950 SY1329 Principles of Paper Archives
- 1950 SY1329 Principles of Secretariat Offices
- 1951 SY1330 Principles of General Administrative Monitoring
- 1954 SY1333 Principles of Employees, Recruitment, Retirement, and Promotion
- 1960 SY1339 Principles of Marks and Medals
- 1960 SY1339 Principles of Budget and Accounting
- 1961 SY1340 Principles of Conscription of Professionals
- 1962 SY1341 Principles of Audit and Control – Office of the Prime Minister
- 1964 SY1343 Constitution of Afghanistan
- 1964 SY1343 Principles of Regular and Ad Hoc (?)
- 1970 SY1349 Law on the "Status and Condition of Government Employees"
- 1976 SY1355 Principles of Employees Health Insurance
- 1977 SY1356 Decree no 1433. State Employees Statute
- 1977 SY1356 Staff Regulation 12.3.1356
- 1987 SY1366 Constitution of Afghanistan Republic⁷¹
- 1987 SY1366 Law of Work of republic of Afghanistan (Labor Law)
- 1988 SY1367 State Employees Statute

⁷¹ Superseded by Bonn Agreement but nevertheless of interest.