

## ARTF RESULTS WORKSHOP

NOVEMBER 12, 2014

### SUMMARY DISCUSSION

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The ARTF Results Workshop was held on November 12, 2014 to highlight results from the ARTF 2014 scorecard as well as initiate discussions on a new financing strategy for the ARTF 2015-2017. The workshop was divided into two sessions. The first session focused on ARTF progress and results. The second session looked at distribution of funding (scenarios) between ARTF Recurrent Cost Window and Investment Window for the next Financing Strategy 2015-2017. A number of decisions were made in discussions of both sessions. A Ministry of Finance team led by Deputy Minister Dr. Mustafa Mastoor, representatives of donor countries and World Bank team consisting of Country Director, Operations Manager, Country Economist and ARTF Coordinator were among the several participants in the workshop.

**Summary of Discussions:** In the first session, ARTF results were presented and discussed. The participants praised the ARTF as an effective model for on-budget aid delivery and acknowledged robust results from the ARTF Recurrent Cost Window and Investment Window in 2014. Recognizing that 2014 was the second year of the scorecard, a number of additional indicators were identified to report on in the scorecard. The decisions are listed in the next section under “agreed actions”.

Noting that Government is faced with a fiscal deficit and that the recurrent cost needs of Government continue to increase, the second session looked at possible distribution of funding (scenarios) between ARTF Recurrent Cost Window and Investment Window for the next Financing Strategy. The Ministry of Finance reiterated the urgent need to meet the fiscal deficit and use whatever funding resources available. The gravity of the trade-offs between leaving the deficit unaddressed and compromising development funds for critical investment projects was acknowledged by all.

The discussion ended with a unanimous agreement that the ARTF has to align with the new Government’s priorities when these are finalized. This would allow the ARTF to focus in on one scenario. Government, the World Bank as ARTF administrator and the donors will continue the discussion on how best to support Government in addressing the fiscal gap and balancing between the different ARTF windows. This discussion will lay the foundation for the next ARTF Financing Strategy 2015-2017.

**Agreed Actions:** In terms of further improvements in results monitoring and the ARTF Scorecard, the following decisions were made:

- Donors' access to communication tools continues to be a priority area. The Administrator will continue to ensure that adequate information is available on the ARTF website, including regular updates of results stories;
- A new guidance note will be developed to provide donors with an overview of the various communication tools available under the ARTF;
- The ARTF Annual report or next year's ARTF Scorecard will include a discussion on fraud and corruption issues and how these affect the ARTF portfolio;
- Next year's ARTF Scorecard will include new indicators on:
  - Community feedback mechanisms;
  - The independent verification carried out by the ARTF Supervisory and Monitoring Agents; and
  - Nutrition.
- The Administrator will further explore the potential for the ARTF to provide guarantees to encourage private sector investment in Afghanistan.