

## ARTF Strategy Group Meeting

September 18, 2016

### Summary of Discussions

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An ARTF Strategy Group (SG) Meeting was held on September 18, 2016, and was attended by 12 donor country representatives<sup>1</sup>, the Ministry of Finance (MoF), and the World Bank. The meeting was chaired by Mr. Stephen N. Ndegwa (World Bank Operations Manager). The agenda items were: (i) ARTF 1395 Financing Strategy Update; (ii) ARTF Flexibility Paper; and (iii) Update on the 2016 ARTF External Review Terms of Reference (ToR); (iv) AOB.

1. **ARTF 1395 Financing Strategy Update:** The ARTF Administrator briefly summarised the contents of the revised 1395 Financing Strategy Update. The Administrator also emphasised that the Update should be read alongside the original Financing Strategy, as well as the monthly ARTF financial status reports. The SG members requested some additional information to be included in the document regarding the current cash position of the ARTF, and its ability to finance additional projects beyond those in the pipeline; the status of active ARTF projects; and main conclusions to be drawn from the update. It was agreed that the ARTF Administrator would send a revised document before the end of the month.
2. **ARTF Flexibility Paper:** the ARTF Administrator clarified that the Flexibility Paper was developed to document the ideas generated over the past months during discussions with the government, and SG. The SG were overall supportive of the ideas put forth in the paper, although some of the members stated their legislation would not allow them to adopt some of the ideas suggested. It was agreed that the SG would have more in-depth discussions on some of the new flexibility ideas proposed in the paper to gauge the acceptability, and feasibility of implementing the ideas, including next steps. The SG would have to present any new ideas agreed upon for endorsement by the ARTF Steering Committee (SC).
3. **ARTF External Review ToR:** The SG was briefed on the two issues outlined in the ToR that were pending resolution- review of the World Bank staffing, and the rating system for investment project performance. It was agreed that the MoF would have internal discussions on these two issues. The MoF, and the ARTF Administrator would propose new wording acceptable to both on these two points. The SG was also invited to send any additional comments on the ToR by the end of the week.
4. **AOB:** The Administrator informed the SG that: (a) the ARTF Management Committee would be meeting on September 21, 2016 to review the funding request for the new Citizens Charter Afghanistan Project (CCAP) (US\$400 million from the ARTF); and the Urban Development Support Program project preparation grant (US\$2.9 million); (b) the government and the Bank's technical team would hold a briefing on the CCAP for the SG on September 22, 2016; (c) a briefing on the summary findings of the 1394 annual report from

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<sup>1</sup> Australia, Canada, European Union, Finland, Germany, Italy, Japan, Netherlands, Norway, Switzerland, United Kingdom, USAID.

the recurrent cost window monitoring agent would be scheduled for October; (d) the Bank teams were working to finalise the anti-corruption frequently asked questions from the donors within the coming weeks; and ( e) a meeting of the ARTF SC would be scheduled after the Brussels Conference for endorsement of the 1395 Financing Strategy Update, and discussion of any issues emerging from the conference.