

## ARTF Steering Committee Meeting

April 6, 2013

### Summary of Discussion

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The quarterly meeting of the ARTF Steering Committee was held in Kabul on April 6, 2013 with participation from Ministry of Finance and 14 donor countries.

The Minister of Finance, Omar Zakhilwal, opened the meeting by emphasizing the continued importance of the ARTF. He noted the need for the ARTF to continue responding to the needs of Afghanistan, including agriculture and higher education. The Minister suggested considering the transfer of certain responsibilities from the ARTF Administrator, the World Bank, to the Ministry of Finance to ensure sustainability and country ownership. Finally, the Minister noted that the Update to the ARTF Financing Strategy had gone through extensive consultations with Ministry of Finance and enjoyed their full support.

**Administrator's Report:** The Administrator provided a brief update on the financial status of the ARTF. The Administrator highlighted the significant pipeline to be funded during FY1392 and urged donors to submit their pledges for the coming fiscal years to strengthen predictability for both Ministry of Finance and the ARTF Administrator.

**ARTF External Review:** Following up on the ARTF External Review, the Administrator confirmed that most actions agreed in the Management Response had been delivered, including:

- Results Management Framework;
- ARTF Results Matrix;
- Research and Analysis Program;
- O&M Facility;
- NPP Mapping;
- Gender Working Group and Gender Specialist;

A couple of activities would be finalized in the coming months, including:

- Communications Strategy;
- New ARTF website;
- Mapping of administrative responsibilities;

Please find in the attached annex a full update on the status of deliverables.

**Financing Strategy Update 1391-1393:** The Administrator presented the Update to the Financing Strategy. A couple of areas were highlighted:

- The full program for 1392 values US\$1.3 billion, including US\$958 for the Investment Window and US\$359 for the Recurrent Cost Window. This represents an increase when compared to the

original allocation plan, mainly due to the delay of projects from 1391 to ensure that projects are ready for implementation by the time of approval. One new project has been added to the Financing Strategy; Resource Corridors, which builds on extensive analytical work already carried out.

- The new Research and Analysis Program (RAP) will be introduced to strengthen analytical work and impact evaluations in support of the ARTF.

Donors expressed their general support for the Financing Strategy Update and were appreciative of the progress made in terms of accomplishing many aspects of the external review. The following areas were agreed for further action:

- Gender: Gender was highlighted as an important issue for donors. It was agreed to revise the Financing Strategy Update to better reflect the progress made on gender and the importance of further action;
- Pipeline of projects: The need for additional information on the upcoming pipeline of projects was noted as it provides donors with helpful insights on future financing needs of the ARTF. The Administrator agreed to brief donors on the pipeline at the regular Strategy Group meetings
- Sectoral Approaches: Donors emphasized the importance of investigating further the potential for moving towards sector approaches. The Administrator and Ministry of Finance agreed that this is an important area that has already seen much progress, especially in health and education. The Administrator will look into options to provide further input and information for a continued dialogue on expanding sector approaches under the ARTF. The new Research and Analysis Program could potentially support further knowledge generation in support of this agenda.

The Update to the Financing Strategy was endorsed by the Steering Committee subject to revision to include a section on gender aspects. The Steering Committee endorsed also the new Research and Analysis Program.

## Annex 1: Update on Delivery of the Reform Agenda, April 2013

The following table outlines the deliverables as outlined and agreed in the Management Response as well as the progress and status for each area:

ARTF Deliverables	Timing of SG/SC as agreed in Management Response	Current Status
Results Reporting Strategy	<b>Delivered</b>	Delivered: Was discussed with SG in November. Will be shared as again as part of the new Results Reporting package and be shared with SC for information.
Results Matrix	<b>Delivered</b>	Delivered: Was discussed with SG in December. Will be shared with SC on April 6 meeting and then launched on the ARTF website and shared with all donors for information.
Communication Strategy	March	On track: Work is ongoing. An online survey was sent out in January to SG members to learn more about their communication needs. A questionnaire was also sent to all World Bank administered trust fund coordinators to learn from their experiences and make use of best practices on communication tools. Results will be shared with the SG in early April.
Website	April/April	On track: Work ongoing. The new website is expected to be ready by early May.
Financing Strategy	November to January/January	On track: The update to the ARTF Financing Strategy was in agreement with the SG postponed as it became clear that a detailed mapping exercise of ARTF projects vis-a-vis the NPPs was necessary to inform the discussions on priorities for ARTF financing in the coming years and finalize the Financing Strategy Update 1392. The Update was shared with the SG in March and will be presented to the SC at the April 6 meeting.
Research and Development Facility	February/April	On track: Concept note was shared with the SG for discussion in early March. Following input from the SG, the concept note will be shared with the SC for endorsement at the April 6 meeting.
NPP Mapping	November/January (as part of FS discussions)	Delivered: A first mapping, using MoF's template was shared with Government and donors in November as planned. A more detailed NPP mapping has been carried out and will be shared with the SG as part of the discussions on the Financing Strategy Update 1392.
Move to programmatic approaches	As relevant	Subject to further analysis.
MoF Responsibilities Mapping	May/June	Task to be initiated during Spring 2013. MoF will submit a proposal for responsibilities that could potentially be moved from the Administrator to Government. The Administrator will do a mapping of the current status of responsibilities.

O&M Facility Gender Working Group Gender Stocktaking Gender Specialist		This will be shared with the SG by May and with the SC by June.
	<b>Delivered</b>	Delivered: Implementation started with the beginning of the new fiscal year 1392.
	<b>Delivered</b>	Delivered: Discussion with SG took place in November on membership for the new working group. A first meeting was held in December to discuss terms of reference. The ToR was approved and a meeting is planned for January to initiate the more substantive discussions. Progress will be shared with the SG and SC for information.
	January/January	Delayed: The stocktaking has been delayed and is now expected to be shared with the newly established GWG in May.
	<b>Delivered</b>	Delivered: The new Gender Specialist is on board.

\*SG: Strategy Group, SC: Steering Committee, GWG: Gender Working Group, WB: World Bank