

Monitoring Government's Response to COVID-19 in Nangarhar, Laghman and Kunar

Monitoring Cycle 1: July 1 – August 1, 2020

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Introduction

This policy brief is based on the first round of COVID-19 Budget Monitor in Nangarhar, Laghman and Kunar provinces as part of the COVID-19 Budget Monitoring project, funded by UNDP and Danish Embassy, to monitor the process of allocation and spending of COVID-19 funds. Data on this round of monitoring were collected through key informant interviews in Nangarhar, Laghman and Kunar provinces.

Background

After the outbreak of COVID-19 in Afghanistan, the Ministry of Finance (MoF) in consultation with the Independent Directorate of Local Governance (IDLG), Ministry of Public Health (MoPH) and the Administrative Office of the President (AOP) amended the national budget by allocating 30 billion AFN (392 million USD) to fight COVID-19. Of this amount, around 9 billion AFN has been allocated to government agencies including IDLG and MoPH who are also tasked with fighting COVID-19 in Kabul and the provinces.¹

There are, however, major concerns about the manner in which COVID-19 funds have been allocated and spent in the target areas. There is lack of information on the mechanisms for funds allocation and accounting for expenditures, raising questions about transparency and accountability in the allocation and spending of COVID-19 relief funds.

A decree by President Ghani in April 2020 relaxed the spending procedures for local directorates by allowing procurement of health equipment from single sources. However, it has been reported that there is insufficient transparency and accountability in the procurement procedures.²

Key Findings

Following budget amendments by MoF, 1.153 billion AFN (15.2 million USD) was allocated to MoPH. Of this amount, nearly 25 percent (285 million AFN) has been allocated to Directorates of Public Health (DoPH) in 34 provinces.³ Funds to fight COVID-19 in Nangarhar, Laghman and Kunar provinces have been allocated through Provincial Governor Offices (PGOs) and Departments of Public Health (DoPH).

Nangarhar's PGO received 150 million AFN while DoPH was allocated 10 million AFN to fight COVID-19. PGOs in Laghman and Kunar were allocated 20 million AFN each while DoPHs were allocated 5.3 million AFN and 5 million AFN, respectively.

Despite international guidelines by International Monetary Fund on allocation and spending of emergency relief fund, the Government of Afghanistan has provided insufficient information on the policy targets in the fight against COVID-19 with no indicators to allow monitoring the performance in meeting targets.⁴

The spending procedures have been relaxed and local directorates have been authorized to procure health equipment from single sources. A key concern amongst most donors in Kabul is the insufficient capacity of government agencies in terms of asset management.⁵ International donors want to see more efforts to prevent corruption and ensure effectiveness in the process.⁶

A Purchasing Committee and a Monitoring Committee have been established in Provincial Governor Offices. The Purchasing Committee is authorized to request purchase of health equipment while its functions are monitored by the Monitoring Committee. The committees are comprised of government officials and

two representatives from civil society, media and provincial council. However, civil society organizations believe that they are insufficiently involved in the decision making related to purchases.⁷

The provincial Monitoring Committees are said to have been effective as mechanisms for overseeing the process of utilization of COVID-19 funds. The two main concerns are that the use of digital tools for monitoring and reporting have not been fully realized at the national and subnational levels while civil society has only played a mostly observer role in the meetings of the Monitoring Committee.⁸ However, civil society representation has been insufficient in this process, apart from participating in meetings of the Monitoring Committee.

Provincial Governors initiate monthly and/or weekly public hearings to address the media, civil society, local officials and local activists on the allocation and expenditure of funds. Civil society organizations question the transparency in the utilization of funds, however, since the information given on the allocation and expenditure of funds in these monthly meetings is insufficient.⁹

Activity reports are submitted by local directorates to PGO while financial reports are submitted to the Mustofiats (Department of Finance). The reporting procedure has not changed and local directorates follow the existing template of MoF. When normal processes are circumvented, additional reporting is required to ensure that overarching planning, budgeting and accounting principles are upheld. A separate reporting template regarding COVID-19 is needed to justify the reasons for expenditure and single source contracting.¹⁰

An additional major criticism of the current procedures and reporting mechanisms is their unavailability in the public domain. The reports are not under public scrutiny for holding the implementing agencies accountable on the execution of COVID-19 funds in the provinces.¹¹

Recommendations

Responses from key informants and available data from secondary sources were analyzed and combined to generate the following recommendations.

Government Authorities

- Establish a mechanism to identify the needs and allocate funds in a timely manner.
- Establish comprehensive guidelines for local authorities prioritizing anti-corruption and fiscal transparency measures.
- Establish reporting procedures based on performance and expected outcomes with measurable indicators to ensure efficiency and effectiveness in the manner in which the local authorities allocate and disburse COVID-19 funds.
- Enhance coordination among DoPH, Mustofiat and the provincial COVID-19 committees for the purchases related to COVID-19 to increase effectiveness in expenditure and mitigating duplication.
- Improve transparency and accountability through reporting publicly through online portals.
- Strengthen oversight during budget execution through audits by the Supreme Audit Office.
- Ensure continuous monitoring of COVID-19 relief funds through publicly elected bodies such as Provincial Councils.

Civil Society

- Mobilize and monitor the COVID-19 emergency relief process at the national and subnational levels.

- Strengthen transparency and accountability in the allocation and disbursement of COVID-19 relief funds by demanding that local authorities publish information related to the management of combating COVID-19 and accounting for the allocation and expenditure of earmarked funds.

International Donors

- Introduce or re-activate coordination amongst international donors to strengthen COVID-19 response strategies.
- Conduct needs assessments and allocate international assistance based on the actual needs of the beneficiaries.
- Establish clear performance indicators and expected outcomes of COVID-19 emergency relief.

Private Sector

- Given the social and societal implications of poor medical supplies, private sector associations such as Afghanistan Chamber of Commerce and Industries should ensure that its members comply with adequate degrees of transparency and integrity in the provision of public health goods and service.

Religious Institutions

- Increase awareness of the risk of COVID-19 and discourage unnecessary gatherings and close personal contact.
- Institute protocols for social distancing and hygiene during group prayers and other religious ceremonies.

Endnotes

¹ Data on allocated funds taken from Amended National Budget document. Available from: http://www.budgetmof.gov.af/images/stories/DGB/BPRD/National%20Budget/1399_Budget/Approved%201399%20Budget%20Amendments.pdf

² Open Government Partnership (2020). Emergency Procurement for COVID-19 Buying, Fast Open and Smart. Available from: <https://www.opengovpartnership.org/stories/emergency-procurement-for-covid-19-buying-fast-open-and-amart/>

³ KI-M-KAB-NG-1.

⁴ Kabul Now (2020). COVID-19 Budgeting: Where does the money go? available from:

<https://kabulnow.af/2020/04/covid-19-budget-spending-where-does-the-money-go/>

⁵ KI-M-Kab-NG-5, confirmed by: 2 KIs in Kabul.

⁶ KI-M-Kab-NG-5.

⁷ KI-M-KUN-NG-1.

⁸ KI-M-KUN-GO-6, KI-M-KUN-NG-1, confirmed by: 5 KIs in Laghman and Kunar.

⁹ KI-M-KUN-NG-1.

¹⁰ KI-M-LAG-GO-1, confirmed by: 3 KIs in Nangarhar, Kunar and Laghman.

¹¹ KI-F-LAG-NG-2.