



AFGHANISTAN RECONSTRUCTION TRUST FUND (ARTF)
Strategy Group Meeting August Meeting

Thursday August 27, 2020
2:00-4:00 PM Kabul Time
Virtual Format

MEETING SUMMARY

The ARTF Strategy Group (SG) convened a special SG meeting on Thursday, August 27, 2020. Representatives of 13 donor partners,¹ the Ministry of Finance (MoF) (Deputy Minister of Finance Habib Zadran), and the ARTF Administrator (World Bank) attended. The World Bank and the Ministry of Finance co-chaired the meeting.

Summary

The ARTF Strategy Group convened a special SG meeting to review the proposed agenda for the Steering Committee meeting planned on September 2, 2020. SG also discussed costing and prioritization of the Partnership Framework and Financing Program (PFFP) 2021 – 2024.

1. Review of the Steering Committee Agenda

- **Discussion on the current PFFP:** The ARTF Administrator went through the proposed Steering Committee agenda and informed participants that an update on the current PFFP will be discussed first by presenting the progress made under the PFFP including the six thematic areas as well as the portfolio of active and pipeline projects and financial contributions made by the ARTF partners since the last PFFP update in the 2019 Steering Committee.

The Administrator added that in response to Covid-19, the Administrator has approved three new operations, in close consultation and coordination with the SG and GoIRA, that are partly financed by the ARTF and were not endorsed by the SC in the PFFP, we need to present that for the sake of transparency. This will be followed by a discussion on the new PFFP. The Administrator will present a detailed costing of the new PFFP taking different prioritization and financing scenarios into consideration.

- **Amendment to the ARTF Administrative Agreement (AA):** Summary of the changes proposed to the AA have already been shared with the SG. Sweden will also present a summary of those amendments to the SC. It is important to get feedback on the AA soon to start the process of signing the new AA with all donors including the former ones. It will only become effective once all partners sign it.
- Germany concurred with the order of agenda and agreed with presenting the new projects to the SC, however, did not see any point in presenting the proposed amendments to the AA. Instead, it stressed on the need for more discussion on the forward-looking part of the agenda.
- EU also agreed with the order of the agenda and informed that they cannot endorse the proposed amendments to the AA since they do not have sufficient feedback from their capitals.

¹ United Kingdom, United States, Australia, Canada, Denmark, Germany, EU, Korea, Netherlands, Norway, Sweden, Finland, Switzerland, and the Ministry of Finance.



2. Planning the next round of Partnership Framework and Financing Program (PFFP)

- The Administrator presented the framework of costing and prioritization for the next PFFP. The prioritization of the portfolio is largely based on inputs and discussions from the policy notes exercise conducted in February and March 2020. The Administrator also informed the SG that the Bank is currently doing Risk and Resilience Assessment (RRA) analytical work which will give us some direction on how we can work in the proposed sectors and based on those ongoing discussions the proposed pipeline under the next PFFP might be further revised.
- UK suggested starting with cutting the fat first to see if we have savings in the program in order to derive estimates for the costing of the future programs. And in terms of scenario planning, suggested planning for a scenario in which ARTF does not receive pledging and end up in a situation where it can't maintain the current level of programs. Australia, while acknowledging the scale of the needs and uncertainty faced by Afghanistan, stressed on the need for peace and gender mainstreaming to be consolidated in the new PFFP. Germany also emphasized on the importance of portfolio consolidation and mainstreaming gender.
- In response to USAID's question regarding the content of the government's presentation, Henry added that MoF will focus on the intersection between ANPDF and PFFP adding that NPPs will be a subset of PFFP. Henry also clarified that the existing programs such as Citizen's Charter Afghanistan Project (CCAP) and EZ-Kar already have elements built into them to support peace and given it is a cross-cutting issue, the 14 sectors proposed under the prioritization framework will cover it.
- In closing Henry also informed the SG that we are still waiting for the President to give us time to discuss with him the coverage of Hard to Reach (HTR) under the REACH program but added that based on Bank's information, the President is amenable to extending REACH to HTR.