



## **“Genuine Partnership: Building Strong Foundations for Afghanistan’s Future”**

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Testimony before the Wartime Contracting Commission  
April 11, 2011**

I would like to thank the Wartime Contracting Commission for the invitation to provide testimony at the hearing today and for making time to hear from aid agencies. My name is Anne Richard and I am the Vice President for Government Relations and Advocacy at the International Rescue Committee (IRC).

The IRC traces its history to 1933 when we were created at the suggestion of Albert Einstein to help people fleeing Nazism and Fascism in Europe. Today we work around the world in over 40 countries, helping refugees, displaced people and other victims of conflict. We also resettle refugees in 22 cities in the United States. The IRC restores safety, dignity and hope to millions who are uprooted and struggling to endure. We like to say that the IRC leads the way “from harm to home.”

The International Rescue Committee began working with Afghan refugee communities in Pakistan in 1980 and launched programs inside Afghanistan in 1988. The IRC was even able to carry out programs during the Taliban era. Today the IRC is in five southeastern provinces and Herat in the west. We have a staff of 371 in Afghanistan of which 98% are Afghan. We help with refugee repatriation, education in emergency settings, community development and humanitarian aid for the most vulnerable in the country.

Our funding comes from a mix of sources, including the US Department of State, USAID’s Office of Foreign Disaster Assistance, the European Commission’s Humanitarian Aid Department (ECHO), the Dutch Refugee Foundation (Stichting Vluchteling or SV) and, as will be described at length in my remarks, from the World Bank through the Afghan Ministry of Rural Rehabilitation and Development. Until this month we also received USAID funds as part of a consortium running the Partnership for Advancing Community Education in Afghanistan (PACE-A) program, along with CARE, the Aga Khan Foundation and Catholic Relief Services.

A great strength of the “smart development” approach, as outlined in the white paper “Being Smart about Development in Afghanistan”, is that NGOs can work effectively and efficiently at the local level. The six NGOs that subscribe to the smart development approach have had tremendous reach, working in 6,000 communities in 24 provinces.<sup>1</sup> Our programs are designed to involve millions of Afghan citizens in playing a central role in the recovery and reconstruction of their own country.

One of the three key recommendations from the Smart Development White Paper is that genuine partnership between NGOs and local communities, organizations and individuals is necessary. To quote from the paper:

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<sup>1</sup> The six are the Aga Khan Foundation, CARE, Catholic Relief Services, the International Rescue Committee, Mercy Corps and Save the Children.

*Genuine partnership is necessary, as the success of any development intervention is dependent upon the investment and genuine cooperation of those that it is designed to serve. Initiatives that are designed, implemented and maintained by beneficiary communities have the greatest potential to deliver sustainable results. The long-term delivery of effective social services can only happen if programs that support them are planned and executed in concert with Afghan civil society groups and state authorities that are genuinely committed to achieving development goals for their people.*

*Being smart about development in Afghanistan means investing in transparent collaboration with beneficiary communities, civil society and state authorities to ensure that development is undertaken in a manner that is Afghan-driven from the outset, sustainable in design as well as accountable and impartial in its execution.*

### National Solidarity Program

An example of genuine partnership that works is the National Solidarity Program, or NSP. Since 2003, the IRC has been involved in the NSP, which was developed by the World Bank and is managed in Kabul by the Afghan Ministry of Rural Rehabilitation and Development (MRRD). Funding for the program has come from bilateral donors and much of it has been channeled through the World Bank's Afghanistan Reconstruction Trust Fund.<sup>2</sup>

The program operates or is underway in 359 of a total of 364 districts and provincial centers, throughout all 34 provinces of the country. Over 20,000 villages (1,784 of which are working with the IRC) have benefited from this partnership by using a common approach to implementation of the program. Twenty-eight organizations have served as facilitating partners in the NSP, including one UN agency (UN-HABITAT) and three of the NGOs that endorse the Smart Development White Paper (the Aga Khan Development Network, CARE, and the IRC). The budget for the NSP, from the program's inception in 2003 until the middle of this year, totals \$1.1 billion.

NSP is an example of community-driven reconstruction. If properly designed, a community-driven reconstruction program can foster linkages and cooperation between national ministries and local government, thereby promoting an effective system that is responsive to community rights and needs – paying particular attention to those most affected by war, such as women and youth. IRC is or has been involved in community-driven reconstruction in several other countries, including Rwanda, Azerbaijan, Kosovo, Indonesia, Sudan, parts of West Africa and today in the Democratic Republic of the Congo. All were countries in transition from conflict or Soviet domination and influence. In fact, we brought a colleague from Rwanda to Afghanistan to help train the first group of NSP staff. IRC Afghanistan NSP staff has since traveled to Aceh, Indonesia and Burma to establish new IRC programs.

The NSP lays the foundation for community-level governance by helping communities identify, plan and manage their own development projects. Community members are brought together in a very inclusive way to identify priority needs. In addition to providing funds for projects, the NSP facilitates the creation of sustainable community governance structures. NSP fosters an appreciation for citizen participation in local governance and civic duty. Here's how the program works:

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<sup>2</sup> Contributors to the Afghanistan Reconstruction Trust Fund include: Australia, Belgium, Canada, Denmark, EC/EU, Finland, Germany, Norway, Spain, Sweden, United Kingdom and the United States. The list of bilateral donors that support the NSP directly include: the Republic of Cyprus, Czech Republic, Denmark, France, Italy, Netherlands, New Zealand, Norway, and Switzerland. Source: [www.nspafghanistan.org](http://www.nspafghanistan.org)

1. IRC or another facilitating partner approaches local elders, religious leaders, former commanders and other powerful people and asks them to endorse the program. Sometimes a council of religious leaders is formed.
2. Community members prepare Community Development Plans, and identify subprojects. Facilitating partners help build the capacity of community members to do all this, including developing skills in participation, consensus-building, accounting, procurement and contract management, operations and maintenance, and monitoring.
3. Facilitating partners work with communities and help arrange elections to create Community Development Councils (CDCs) with the responsibility to implement sub-projects. Men and women vote and serve on the CDCs. In some places, men and women meet together and in more conservative areas women meet separately as a subcommittee. However the meetings are structured, care is taken to factor the views of women into decisions. At least one project per community financed from NSP must have been identified as a priority by women in the community.
4. Block grants from the MRRD fund subprojects. Block grants are calculated at \$200 per family with an average grant of \$33,000 and a maximum of \$60,000 per community. The NSP provides direct block grant transfers to a bank account established by the CDC. A number of financial steps help ensure the funds are not diverted. For example, the IRC must confirm and 'sign-off' that funds have been spent appropriately before further payments are released. This is triangulated by MRRD NSP staff monitoring reports.
5. Community members are informed about how the money is being spent through public notice boards and in large meetings both during and after project implementation. The establishment of procurement, project management and monitoring committees contribute to greater transparency and accountability.
6. Where possible, CDCs hire local people to undertake and complete projects while monitoring their progress. When necessary due to technical requirements, projects are tendered to local contractors. The CDC manages this process with support from the facilitating partner.

Over the past eight years, the IRC has helped to establish 1,728 community-elected Community Development Councils in districts in four provinces (Herat, Khost, Logar and Nangarhar). In turn, the councils have spearheaded over 3,406 projects reaching more than two million people. The projects have ranged from the construction of roads, schools, hospitals and irrigation systems to the creation and implementation of literacy and vocational education classes. Over the next three years the IRC aims to extend this program to some 300 new communities.

#### The Partnership Approach

While we can count the number of Community Development Councils that have been established and projects executed, the intangible benefits of the NSP are just as meaningful. For many participants, it represents the first time that they have been able to play a role in determining how their needs are met. The opportunity to elect members of a Community Development Council and build consensus around a list of projects empowers citizens and ensures that their voices drive decision making.

What's more, holding locally-elected representatives responsible for how grants are spent and having the accounting for projects subject to community auditing ensures transparency and accountability. This is an exercise in good governance on the community level. In an environment where corruption is endemic and communities consistently voice frustration with seeing few results from all of the investments made in their country, this outcome of the NSP cannot be overstated. The July 2010 Randomized Impact Evaluation of NSP, moreover, found that NSP results in an improvement in male

villagers' perceptions of government and non-governmental officials and increases connections between villages and government and non-governmental institutions.<sup>3</sup>

#### NSP Paves the Way for the Humanitarian Response Program

Finally, through the NSP we have been able to link CDCs to government agencies, other NGOs, and donors to improve access to services and resources. The IRC works with CDCs established by other facilitating partners to deliver humanitarian assistance, establish community-based classes for basic education, and support returnees as part of its wider assistance program in Afghanistan. Therefore the partnership established through the NSP program has paved the way to more easily improve services and strengthen capacity in other core areas. This approach was critical in IRC's ability to oversee humanitarian assistance to over 30,000 people in southeast Afghanistan following severe flooding in 2010.

The IRC now receives funding from USAID's Office of Foreign Disaster Assistance to support a Humanitarian Response Program (HP), which sees emergency response teams comprised of IRC and staff from Afghan organizations providing rapid assistance to those affected by conflict and natural disasters. The IRC provides training to four Afghan partner organizations in how to stage a humanitarian response, and also provides institutional capacity building to our partners to develop the strength of their organizations. Staff members develop skills and gradually assume more and more responsibility for all aspects of emergency response, with the aim that in the future these Afghan agencies can operate independently. To date 183,423 people have received humanitarian assistance through this program, with two of our national partners taking on lead roles in emergency response.

#### Differences between Grants and Contracts

The genuine partnership with the communities participating in the NSP is a key element contributing to the program's success. Had these projects been carried out by outside entities, they would not have achieved the same result. Communities are invested in NSP as the success of the program depends on their choices and ability to coalesce around the execution of a plan. This level of buy-in is not only critical to the success of the projects, but also to their long-term sustainability.

The NSP also highlights the differences between facilitating partners that are non-governmental organizations funded by grants and programs carried out by contractors. NGOs have in-depth knowledge of the communities we serve. We often arrive in these countries before we are awarded grants and stay when that grant is over. Because of our long-term approach, our staff has extensive knowledge of the communities in which we work. This knowledge is built over years of earning trust, ensuring community involvement in decision making, and promoting a greater sense of ownership.

Our approach to security is also rooted in this long-term presence and the trust communities have placed in us. Our independence and impartiality helps us to gain acceptance, which in turn supports our long-term goal of better implementation. Contractors do not stay in communities long enough to develop these kinds of bonds. Their priority is to meet the needs of their client, which in this case is the US government.

It is also worth noting that grants are more flexible than contracts, which makes them more appropriate given the uncertainty of the environment in Afghanistan. While many donors prefer contracts because it gives them more control over implementation, they are also less flexible and harder to change as

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<sup>3</sup> [http://www.nspafghanistan.org/files/BCEK-Interim Estimates of Program Impact 2010 07 25.pdf](http://www.nspafghanistan.org/files/BCEK-Interim%20Estimates%20of%20Program%20Impact%202010%2007%2025.pdf)

situations evolve on the ground. Contracting officers working for donor governments may believe contracts are easier to manage, but they may ultimately be more cumbersome implementing mechanisms in volatile situations.

Finally, aid agencies like the IRC raise money from the public, corporations, and foundations to support our operations. This means that we are bringing additional resources to our partnership with the US government. Whether the funding is used for training our staff, resettling refugees in America, supporting IRC programs in neglected emergencies, investing in disaster prevention or advocating with United Nations agencies, this is valuable work that helps us fulfill our humanitarian mission. This is very different from the operations of contractors.

#### Genuine Partnership for Transition

In visits to the region and my time working on Afghanistan issues in Washington, I have been impressed again and again by the quiet courage of the Afghan people, many of whom have experienced terrible things – to their own person or to their families – and yet they strive to build a better society for themselves and their children.

On a trip to visit colleagues in Afghanistan a few years ago, I visited NSP programs in Logar province and saw first-hand how different villages were investing their NSP funds. One community built a stone bridge over a creek that provided a shortcut to bring farm products to market. In another village, drainage ditches were being built as well as clean walkways to keep people out of mud and filth. I also saw schools for children and classes in tailoring for women. In my travels, I've also had meetings with Afghan government ministers in Kabul and poor widows with children in Jalalabad. I have met Afghan refugees in Pakistan and in American cities, like Charlottesville, Virginia and San Francisco, California.

It is a great frustration to me that most Americans never see evidence of these brave Afghans. The media tends to report on roadside explosions and terrorist attacks, news from reporters embedded with US troops, and the politics –international and domestic – that surrounds planning for the drawdown of US troops. Afghans usually are portrayed as either corrupt politicians or bloodthirsty insurgents. These negative portrayals may be accurate in their particulars but represent only one or two facets of life in Afghanistan and are a far cry from the impressive, dedicated people I have met.

The Afghans – whether villagers or government ministers –are our partners in establishing a more stable future in Afghanistan. It is ultimately they who will be left to govern the country. As the United States prepares in the coming three years to transition the responsibility not only for security, but governance and development, to Afghans, these efforts to build their capacity and foster genuine partnerships become all-important. We must learn from models like the NSP and Humanitarian Response Program in order to ensure that our actions in Afghanistan are rooted in the needs and desires of Afghans and facilitate Afghan leadership.

As you look into contracting during wartime, we appreciate your broadening your research to include a look at how aid agencies that are grant recipients operate and the strengths of a “smart development” approach. I hope you can also devote some attention and praise to the Afghans whose hard work undergirds everything I've talked about today and explore how we can be better partners with them in securing a better future for all Afghans. Please call on the International Rescue Committee if additional information is needed after today's hearing.