FOURTH SIX-MONTH REPORT
(January 1, 2013 - June 30, 2013)

September 28, 2013
The role of MEC as an independent committee responsible for monitoring and evaluating national and international anti-corruption efforts in Afghanistan is as important today as it has ever been. MEC has firmly established itself as an independent voice providing intrepid and balanced assessments of the current state of efforts to eradicate corruption in Afghanistan.

The past six months has seen the Committee maintain a heavy workload, with two missions and three major publications, including the results of detailed monitoring and evaluation of its previous recommendations, the evaluation of anti-corruption related elements of PD 45, and the publication of a fifth set of recommendations and benchmarks, which brought the total recommendations issued by MEC to 110.

MEC continues to offer its independent perspective on a variety of other legislative, policy, and programmatic issues, including evaluations of the Anti-Corruption Law; efforts to recover the funds diverted from Kabul Bank and to hold perpetrators to account; assessments of progress against TMAF indicators; and the development of NPPs, among others. MEC has also engaged with dozens of governmental and non-governmental partners to share information and receive feedback, including the Meshrano Jirga Committee on Legislative Affairs. MEC will have a follow-up session with the Committee to provide even more details of its assessment of various anti-corruption activities in Afghanistan.

As part of their provincial outreach and monitoring, MEC visited Bamyan during its 9th mission, while members of its Secretariat visited Balkh, Herat, Nangarhar and Kunar provinces. These visits allow MEC to engage at the local level to monitor and evaluate the implementation of its recommendations and benchmarks in these areas.

The first VCA on the land distribution process for returning Afghans was finalized in English, Dari and Pashto by the Secretariat’s VCA Unit in June 2013. Four more VCAs related to education, recruitment processes, and pension procedures will be finalized in fall 2013.

As part of MEC’s mandate to report to the public, MEC held two press conferences and issued six press releases. Additionally, members of the Committee and Secretariat were interviewed more than 40 times by national and international media outlets and participated in televised discussions on anti-corruption issues on multiple Afghan TV stations.

MEC looks forward to the next six months as the Committee continues to work with its partners for the effective monitoring and evaluation of anti-corruption efforts in Afghanistan.

Respectfully on behalf of MEC,

Mohammad Yasin Osmani
Chairman
<table>
<thead>
<tr>
<th>ABBREVIATION OR ACRONYM</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAN</td>
<td>Afghanistan Analysts Network</td>
</tr>
<tr>
<td>ACB AR</td>
<td>Agency Coordinating Body for Afghan Relief</td>
</tr>
<tr>
<td>ACCI</td>
<td>Afghanistan Chamber of Commerce and Industries</td>
</tr>
<tr>
<td>ACSFo</td>
<td>Afghanistan Civil Society Forum</td>
</tr>
<tr>
<td>ACU</td>
<td>Anti-Corruption Unit</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>AFCAC</td>
<td>Afghan CSOs Coalition Against Corruption</td>
</tr>
<tr>
<td>AGO</td>
<td>Attorney General’s Office</td>
</tr>
<tr>
<td>ALP</td>
<td>Afghan Local Police</td>
</tr>
<tr>
<td>AISA</td>
<td>Afghanistan Investment Support Agency</td>
</tr>
<tr>
<td>ANA</td>
<td>Afghan National Army</td>
</tr>
<tr>
<td>ANCB</td>
<td>Afghan NGO Coordination Bureau</td>
</tr>
<tr>
<td>ANDS</td>
<td>Afghanistan National Development Strategy</td>
</tr>
<tr>
<td>ANP</td>
<td>Afghan National Police</td>
</tr>
<tr>
<td>ANSA</td>
<td>Afghanistan National Standards Authority</td>
</tr>
<tr>
<td>ANSF</td>
<td>Afghan National Security Forces</td>
</tr>
<tr>
<td>ARAZI</td>
<td>Afghanistan Land Authority</td>
</tr>
<tr>
<td>ARDS</td>
<td>Afghanistan Reconstruction and Development Services</td>
</tr>
<tr>
<td>ARTF</td>
<td>Afghanistan Reconstruction Trust Fund</td>
</tr>
<tr>
<td>ASYCUDA</td>
<td>Automated System for Customs Data</td>
</tr>
<tr>
<td>AWN</td>
<td>Afghanistan Women’s Network</td>
</tr>
<tr>
<td>CJIATF</td>
<td>Combined Joint Inter-Agency Task Force</td>
</tr>
<tr>
<td>CoST</td>
<td>Construction Sector Transparency Initiative</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
</tr>
<tr>
<td>CTAP</td>
<td>Civilian Technical Assistance Programme</td>
</tr>
<tr>
<td>DAB</td>
<td>Da Afghanistan Bank</td>
</tr>
<tr>
<td>DABS</td>
<td>Da Afghanistan Breshna Sherkat</td>
</tr>
<tr>
<td>DAD</td>
<td>Development Assistance Database</td>
</tr>
<tr>
<td>DBI</td>
<td>Doing Business Index</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development (UK)</td>
</tr>
<tr>
<td>FDRC</td>
<td>Financial Disputes Resolution Commission</td>
</tr>
<tr>
<td>FINTRACA</td>
<td>Financial Transactions and Reports Analysis Centre of Afghanistan</td>
</tr>
<tr>
<td>FIU</td>
<td>Financial Intelligence Unit</td>
</tr>
<tr>
<td>GiRoA</td>
<td>Government of the Islamic Republic of Afghanistan</td>
</tr>
<tr>
<td>HOO</td>
<td>High Office of Oversight</td>
</tr>
<tr>
<td>IARCSC</td>
<td>Independent Administrative Reform and Civil Service Commission</td>
</tr>
<tr>
<td>ICTAWG</td>
<td>International Community Transparency and Accountability Working Group</td>
</tr>
<tr>
<td>IDLG</td>
<td>Independent Directorate of Local Governance</td>
</tr>
<tr>
<td>IEC</td>
<td>Independent Election Commission</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>ISAF</td>
<td>International Security Assistance Force</td>
</tr>
<tr>
<td>IWA</td>
<td>Integrity Watch Afghanistan</td>
</tr>
<tr>
<td>JCMB</td>
<td>Joint Coordination and Monitoring Board</td>
</tr>
<tr>
<td>KBR</td>
<td>Kabul Bank Receivership</td>
</tr>
<tr>
<td>ABBREVIATION OR ACRONYM</td>
<td>DEFINITION</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>LOTFA</td>
<td>Law and Order Trust Fund for Afghanistan</td>
</tr>
<tr>
<td>MAIL</td>
<td>Ministry of Agriculture, Irrigation and Livestock</td>
</tr>
<tr>
<td>MEC</td>
<td>Independent Joint Anti-Corruption Monitoring and Evaluation Committee</td>
</tr>
<tr>
<td>MOCI</td>
<td>Ministry of Commerce and Industries</td>
</tr>
<tr>
<td>MOCIT</td>
<td>Ministry of Communication and Information Technology</td>
</tr>
<tr>
<td>MOD</td>
<td>Ministry of Defense</td>
</tr>
<tr>
<td>MOE</td>
<td>Ministry of Education</td>
</tr>
<tr>
<td>MOEC</td>
<td>Ministry of Economy</td>
</tr>
<tr>
<td>MOF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>MOFA</td>
<td>Ministry of Foreign Affairs</td>
</tr>
<tr>
<td>MOHE</td>
<td>Ministry of Higher Education</td>
</tr>
<tr>
<td>MOI</td>
<td>Ministry of Interior</td>
</tr>
<tr>
<td>MOJ</td>
<td>Ministry of Justice</td>
</tr>
<tr>
<td>MOLSAMD</td>
<td>Ministry of Labour, Social Affairs, Martyrs and Disabled</td>
</tr>
<tr>
<td>MOM</td>
<td>Ministry of Mines</td>
</tr>
<tr>
<td>MOPH</td>
<td>Ministry of Public Health</td>
</tr>
<tr>
<td>MOPW</td>
<td>Ministry of Public Works</td>
</tr>
<tr>
<td>MORR</td>
<td>Ministry of Refugees and Repatriations</td>
</tr>
<tr>
<td>MOTCA</td>
<td>Ministry of Transportation and Civil Aviation</td>
</tr>
<tr>
<td>MRRD</td>
<td>Ministry of Rural Rehabilitation and Development</td>
</tr>
<tr>
<td>MSI</td>
<td>Management Systems International</td>
</tr>
<tr>
<td>MTA</td>
<td>Military Technical Agreement</td>
</tr>
<tr>
<td>NACS</td>
<td>National Anti-Corruption Strategy</td>
</tr>
<tr>
<td>NATO</td>
<td>North Atlantic Treaty Organization</td>
</tr>
<tr>
<td>NDS</td>
<td>National Directorate of Security</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>NMH</td>
<td>National Military Hospital</td>
</tr>
<tr>
<td>NPP</td>
<td>National Priority Program</td>
</tr>
<tr>
<td>NPP2</td>
<td>National Transparency and Accountability Program</td>
</tr>
<tr>
<td>OAA</td>
<td>Office of Administrative Affairs and Council of Ministers Secretariat</td>
</tr>
<tr>
<td>PD 45</td>
<td>Presidential Decree 45</td>
</tr>
<tr>
<td>PETS</td>
<td>Public Expenditure Tracking Survey</td>
</tr>
<tr>
<td>PPU</td>
<td>Procurement Policy Unit (Ministry of Finance)</td>
</tr>
<tr>
<td>PRT</td>
<td>Provincial Reconstruction Team</td>
</tr>
<tr>
<td>SAO</td>
<td>Supreme Audit Office</td>
</tr>
<tr>
<td>SIGAR</td>
<td>Special Inspector General for Afghanistan Reconstruction</td>
</tr>
<tr>
<td>TMAF</td>
<td>Tokyo Mutual Accountability Framework</td>
</tr>
<tr>
<td>UAE</td>
<td>United Arab Emirates</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNAMA</td>
<td>United Nations Assistance Mission in Afghanistan</td>
</tr>
<tr>
<td>UNCAC</td>
<td>United Nations Convention against Corruption</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNHCR</td>
<td>United Nations High Commissioner for Refugees</td>
</tr>
<tr>
<td>UNODC</td>
<td>United Nations Office on Drugs and Crime</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
<tr>
<td>VCA</td>
<td>Vulnerability to Corruption Assessment</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
</tbody>
</table>
# Table of Contents

1. **MEC Missions** 01  
   A) Mission 8: March 4 - 18, 2013 03  
   B) Mission 9: May 27 - June 10, 2013 04  
   C) Future Missions 04  

2. **Monitoring and Evaluation** 05  
   A) Status of Fifth Set of Recommendations and Benchmarks 07  
   B) Highlights from other Recommendations and Benchmarks 10  
   C) Status of Presidential Decree 45 Articles 15  
   D) Status of Kabul Bank Public Inquiry Recommendations 16  

3. **Provincial Visits** 21  
   A) Balkh 23  
   B) Herat 23  
   C) Nangarhar 23  
   D) Kunar 24  
   E) Bamyan 24  

4. **Vulnerability to Corruption Assessments** 25  
   A) VCA Process 27  
   B) MORR: Land Distribution 28  
   C) MOHE: Internal Examinations 29  
   D) MOHE: Certificate Issuance 30  
   E) IARCSC: Recruitment Process 31  

5. **Communications & Outreach** 32  
   A) Communications 34  
   B) Social Media 35  
   C) Web Site 36  
   D) Media Events 37  

6. **Administration** 38  
   A) Human Resources 40  
   B) Financial Report 40  

Appendix: About MEC 42
1 MEC MISSIONS
MEC MISSIONS CONTENTS

Mission 8: March 4 - 18, 2013 03
Mission 9: May 27 - June 10, 2013 04
Future Missions 04

Photo on previous page
MEC members discuss the 5th Set of Recommendations and Benchmarks during their Eighth Mission in March 2013. (MEC Photo)
Mission 8: March 4 - 18, 2013

As part of its mandate, MEC held its eighth quarterly mission to Afghanistan from March 4 - 18, 2013. The Committee maintained a full schedule of meetings, events, and internal discussions. Over the course of the mission, they met with members of the international community, GIRoA, and civil society.

The Committee approved its fifth set of recommendations and benchmarks after extensive discussions, supported by advisors from the Secretariat. The fifth set contained 36 recommendations under the headings of infrastructure, mining, elections, off-budget aid, justice and impunity, land usurpation, civil society, international agencies, CTAP, private sector and ARDS.

On March 5, 2013, the Committee issued a press release containing its reaction to the judgment of the Kabul Bank Special Tribunal, with many issues being raised. This was further supported by a press conference on March 17, 2013, where the Committee provided a broader update on the responses of GIRoA and the international community to the Kabul Bank Public Inquiry’s 48 recommendations.

Additionally, the Committee decided during this mission to undertake another public inquiry on the issue of land usurpation. The goal of the public inquiry is to create a professional and informative report that raises public awareness and provides substantive recommendations on the issue of land usurpation in Afghanistan.

The Land Usurpation Public Inquiry involves the following steps:

- Develop the inquiry workplan;
- Recruit researchers to conduct foundational work;
- Conduct a desk study, including a legislative review, and collect existing reports and other documents;
- Conduct primary research through interviews with officials from relevant institutions and others affected by land issues in Afghanistan;
- Identify key issues and develop potential solutions and recommendations; and
- Complete and publish the report in Dari, Pashto, and English.

Finally, the Committee evaluated the proposed Anti-Corruption Law and provided comments to the Legislative Committee of the Wolesi Jirga for their consideration in improving the law.
Mission 9: May 27 - June 10, 2013

MEC met in Afghanistan from May 27 - June 10, 2013 for their ninth quarterly two-week mission. In addition to their regular schedule of meetings, the Committee visited Bamyan Province from June 2 - 5 to meet with Provincial Governor Sorabi, the Bamyan Provincial Council, GIRoA officials and members of civil society. They also evaluated and discussed the results of MEC’s recommendations.

Future Missions

MEC’s tenth mission will take place in September 2013 and the eleventh mission is tentatively scheduled for January 2014.

Future work for the next mission will include detailed monitoring and evaluation of current recommendations and PD 45; a report on aid effectiveness in relation to international contracts; and policy reviews in the areas of customs, mining, integrity of elections, and the criminalization of civil disputes.
MONITORING & EVALUATION
MONITORING & EVALUATION CONTENTS

Status of Fifth Set of Recommendations and Benchmarks

Highlights from other Recommendations and Benchmarks

Status of Presidential Decree 45 Articles

Status of Kabul Bank Public Inquiry Recommendations

Photo on previous page
The MEC Law Enforcement Unit reviews documents related to the Kabul Bank fraud in January 2013. (MEC Photo)
Status of Fifth Set of Recommendations and Benchmarks

Despite being issued in March 2013, there have been some positive and notable steps taken in implementing a number of recommendations from the Fifth Set of Recommendations and Benchmarks. In others, however, there has been little progress.

Questionable practices confirmed within UNHCR relationship with MORR

Four recommendations (5.27, 5.28, 5.30 and 5.31) were related to allegations that UNHCR and MORR were involved in questionable financial and operational practices. Significant steps have been taken by both institutions - with the support of UN leadership - to address MEC’s concerns. UNHCR is currently being audited by the UNHCR Headquarter's Office of Internal Oversight Services. The SAO has also assigned auditors to look into MORR’s practices in light of recommendation 5.28 and report whether the practices were legal or transparent. Full details are provided on page 9 of this report.

MOPW begins implementation of MEC recommendations

MOPW is the sole implementing institution for six recommendations from the fifth set and one PD 45 article. They have prepared a comprehensive workplan and an action plan that have been shared with the MEC Secretariat. For PD 45 article 24.3, the list of 67 projects that are missing technical details has been shared with MEC and the respective donors, and the MOPW is working with USAID to try to obtain the necessary documents to enable them to properly maintain their projects.

The Supreme Court has directed the publication of all judgments related to land

Recommendation 5.23 requests the Supreme Court to publish judgments related to land usurpation to help ensure transparency and accountability and to act as a deterrent for other land usurpers. In June 2013, the Supreme Court ordered the Publication Directorate of the Supreme Court to publish all the judgments related to land usurpation in the official publication of the Supreme Court (Mezan Magazine). This action by the Supreme Court is interpreted as a step forward towards transparency and a more effective fight against corruption.

There has been some progress in HOO's self-assessment of UNCAC implementation

Despite being a large undertaking, HOO’s self assessment is progressing. Given the importance of the effective implementation of UNCAC, MEC issued recommendations to ensure transparency and consultation in the self-assessment process. An early draft of the assessment was shared with MEC. While the Committee was encouraged to see progress and participation from key organizations pertaining to the internal assessment, the Committee noted that it currently does not include an assessment of the effectiveness of the implementation of the various elements and is not aware of CSO participation.
CTAP should be evaluated as MOF and SAO have not demonstrated any willingness to implement MEC’s recommendations

CTAP has become known for nepotism and relatively high salaries. MOF and SAO have not been willing to review CTAP activities, and therefore MEC is raising awareness of its concerns and is requesting that a precise assessment of the program from its commencement to the present be conducted.

MEC has received reports of nepotism and fraud committed by CTAP personnel, leading to recommendations 5.32 and 5.33 on improving transparency within CTAP. The recommendation was acknowledged by CTAP in early April 2013 with the promise of an official response, but nothing was ever received by MEC. Officials from MEC contacted the Deputy Minister of MOF - the ministry that CTAP falls under - but did not receive a reply. Additionally, in an official letter from SAO, they declined to perform the audit due to their stated lack of capacity.

Furthermore, USAID - as the largest donor to CTAP - had commissioned a review of the program in late 2012. This review raised several issues of concern related to the non-transparent hiring of CTAP employees, which included competitions that were not widely and openly held, and reports of political interference and pressure. It is not clear that any action has been taken to address these concerns at this time.

ANDS Secretariat takes steps towards joining CoST

MEC recommended that the ANDS Secretariat pursue membership in CoST to increase transparency and accountability in publicly-financed infrastructure projects. Members of the MEC Secretariat met with MOEC and ANDS officials and discussed how to go about fulfilling MEC Recommendation 5.9. Subsequently, MEC facilitated a conference call between all of the relevant actors where it was agreed that MOEC would develop an application for entrance into the initiative.

IEC plans to address key concerns of MEC regarding 2014 elections

Recommendations 5.12 and 5.13 address two key obstacles to holding free and fair elections in 2014, namely the recruitment of ethical employees and the registration of voters in insecure areas. Regarding recommendation 5.12, the IEC acknowledged the importance of recruitment in reducing opportunities for fraud in the upcoming elections and compiled a list of thousands of employees who they believe committed fraudulent activities or abused their authority during the previous elections. They provided this list to their 34 provincial offices to ensure that these individuals are not recruited again. The IEC also stated that they would invite CSO representatives to observe the recruitment processes for voter registration and election workers.

In accordance with recommendation 5.13 regarding safe and reasonable access to voter registration locations, the IEC has prepared a plan and shared it with the ANSF for the two or three planned rounds of voter registration throughout the country. The ANSF agreed to provide security according to the plan for voter registration.
MEC RECOMMENDATIONS REQUEST UNHCR TO REVIEW ITS FINANCIAL AND ADMINISTRATIVE PRACTICES

In MEC’s Fifth Set of Recommendations and Benchmarks, three recommendations were related to a number of concerns about the administration and financial management of UNHCR operations in Afghanistan. Specifically, they stated that:

5.27: UNHCR should conduct and publish the results of a forensic audit starting from January 1, 2010 and inform MEC of its findings, conclusions, and recommendations. The audit should capture the potential misuse of funds for facilities, secondary accounts, salary administration, and the construction of shelters.

5.30: UNHCR should conduct a vulnerability to corruption assessment and provide MEC with a report in sufficient detail to allow MEC to evaluate the results. The vulnerability to corruption assessment should capture the potential misuse of funds for facilities, secondary accounts, and salary administration.

5.31: UNHCR and MORR should sign a memorandum of understanding detailing the prioritization, selection and implementation of the projects funded by UNHCR. UNHCR should provide MEC, MOF, and MOEC with a copy of the executed memorandum of understanding.

These recommendations were based on information received by MEC regarding potentially fraudulent activities at UNHCR and MORR related to facility rents, double-accounting, ghost workers, and a lack of transparent financial and reporting systems.

Since the publication of these recommendations in March 2013, UNHCR has taken concrete steps to address the underlying problems.

To address the concerns related to financial administration, UNHCR is currently being audited by the UN internal oversight division.

SAO has also agreed to explore MEC’s concerns regarding MORR by initiating an audit of MORR.

In addition to the UN audit, UNHCR has also discontinued rental payments for MORR’s sub-office in Kabul, closed secondary accounts, and suspended some suspicious transfers of funds.

Recognizing that these issues do not necessarily apply solely to UNHCR, the UN Afghanistan Resident Coordinator’s Office has encouraged all UN agencies based in Afghanistan to heed MEC’s recommendations. Subsequently, some UN agencies have undertaken steps leading to internal audits and investigations on corruption issues.

UNHCR has assured MEC that they have signed the necessary subagreements with MORR and MOF in 2011 and that an edited memorandum of understanding for 2013, which includes MEC recommendations on secondary accounts, is currently being prepared.
Highlights from other Recommendations and Benchmarks

The following are a few highlights from MEC’s first to fourth sets of recommendations. Given that MEC issued detailed evaluations in March 2013, this report highlights activities that are notable, with detailed evaluations being planned for late 2013.

MOPW completes PETS without participation of the international community

MOPW created a committee with representatives of multiple ministries to analyze the cost effectiveness of six on- and off-budget projects. The committee found that in addition to being more expensive than on-budget projects, projects implemented by the international community also tend not to take maintenance costs into account. The report was completed during the last reporting period and shared with MEC. MEC appreciates MOPW’s initiative in undertaking this project in the absence of international community participation.

MEC has drafted a proposed Public Inquiry Act to assist the government in satisfying one of its recommendations

MEC recommendation 4.2 suggested that the OAA designate a ministry to develop a public inquiry law to allow for the review of matters in the public interest; they subsequently requested that MEC draft the law. MEC has completed a substantive draft and it will soon be shared with affected ministries for their input. Once completed, it will be submitted to the MOJ to go through further stages.

Kabul Municipality approves simplified procedures for acquiring building permits

HOO, since their inception, has worked on improving the process of issuing private and commercial building permits through the simplification of bureaucratic and time-consuming stages. Kabul Municipality and HOO initiated the simplification process for obtaining building permits in February 2012 and the Kabul Municipality Administrative Council approved the new procedures - which eliminated hundreds of bureaucratic steps - in May 2013. Kabul Municipality conducted a workshop on the new procedures for their staff and held a public event to announce the new procedures that went into immediate effect. MEC is pleased with the efforts of Kabul Municipality and will carefully monitor the implementation and impact of the new procedures on corruption.
The International Community strengthens donor coordination of anti-corruption efforts in Afghanistan

In response to Recommendation 1.5, the International Community established an anti-corruption working group in November 2012 comprised of representatives of the EU, the Japanese Embassy, UNAMA, UNDP and the WB, and chaired by the UK. The group holds monthly meetings to increase coordination at the policy- and program-level regarding anti-corruption issues in Afghanistan. The members of this working group also actively participate in the ICTAWG meetings to share information and lessons learned.

Donors fail to register aid expenditures into the MOF Development Assistance Database

MEC Recommendation 3.3 encouraged donors to register their development projects with MOF to improve the monitoring and effectiveness of donor aid. MOF’s DAD is an online database created to allow donors to input information regarding their assistance to Afghanistan. Although some donors are in the process of inputting their data, only four donors (Canada, Norway, Sweden and the EU) have fully complied with the MOF request. Some donors have complained that the system is not user-friendly, but this does not justify their inaction in providing GIRoA with information that will enable them to better monitor and maintain donor-funded projects. MOF has held trainings for donor agencies on how to use the DAD, so donors have little justification in not providing this information. The lack of donor cooperation will create problems for many governmental agencies regarding the handover of donor projects.

MEC provides analysis of proposed Anti-Corruption Law

During its eighth mission, MEC analyzed the Anti-Corruption Law drafted by HOO to evaluate its potential effectiveness and to ensure its structural clarity and coherence. MEC detailed 11 suggestions in a letter sent to the Parliament in April 2013 that included, among others, recommendations to change aspects of the law to ensure consistency with the Afghan Constitution; include explicit references to UNCAC; and monitor donations to political parties. The comments will improve anti-corruption efforts in Afghanistan and MEC hopes that its suggestions are included in the amended law.
Mobile quality control testing laboratories should begin their work promptly

ANSA has signed a contract with a well-known company to establish a number of quality control testing laboratories at various border points. Additionally, ANSA has purchased and imported a mobile quality control testing laboratory to test the quality of goods in stores, in storage depots, and being transported on highways. Unfortunately, one year after purchasing and importing it to Afghanistan, MEC has observed that due to a lack of cooperation from other institutions, the laboratory has yet to begin operating. The positive impact of such laboratories in the quality control of medicine, food, and fuel is evident and clear.

In order to fight the importation of low quality goods, the NACS, resolutions of the Council of Ministers and MEC recommendation 1.10 require all institutions to support ANSA. Similarly, MEC requires ANSA to take legal action against perpetrators and those creating barriers to their work.

Article 23 of the Customs Law has not yet been amended

The amendment of article 23 of the Customs Law regarding the selection of tariff prices was requested four years ago in an official letter from HOO and two years ago by the directives of the Council of Ministers. They required relevant institutions to take specific measures, but unfortunately, progress has yet to be seen.

Paragraph 2 of article 23 of the Customs Law states that:

"The Customs Tariff shall be approved by the Minister of Finance, upon recommendation of the General Director of Customs."

This paragraph, however, seems to be in contradiction with article 42 of the Constitution and placing this provision in the Customs Law is questionable. Paragraph 3 of article 42 of the Constitution states that:

"The rate of taxes and duties and the method of payment are determined by law on the basis of observing social justice."

Keeping in mind the above explanation, it is recommended that any changes in regard to the tariff rate should be accepted by the Council of Ministers and approved by the President. If it is approved only by MOF, it will be in contradiction with the Constitution and if implemented will have gaps and challenges. Once again it is worth mentioning that in any circumstances if the tariff rate is selected by a group of ministers or representatives of organizations, final approval should come from the Council of Ministers and the President.
MEC FINDS DEFICIENCIES IN DONOR PROJECTS

Off-budget development aid provided by international donors in Afghanistan has often been characterized as ineffective and rife with problems related to cost and quality. Reasons have included assertions that projects are being prioritized by donors without aligning with GIRoA priorities; a lack of coordination with Afghan ministries; a lack of monitoring and evaluation leading to poor quality materials and products; a lack of sufficient hand-over documentation and technical specifications being provided to line ministries; a lack of capacity building for line ministries in the implementation and monitoring of projects; and a lack of maintenance programs and contingency funding.

In May 2013, the Council of Ministers requested that MEC prepare a report regarding international development project contracting and logistical affairs. MEC considered and agreed to the request in accordance with its terms of reference. MEC itself is monitoring recommendations and PD 45 articles related to infrastructure projects, including those related to the identification of partially completed projects; providing MOPW with capacity to better monitor projects; the establishment of testing labs; the alignment of projects with government priorities; coordination of project implementation; communication with the job sites; the reporting of corruption; community-based monitoring; and enhanced road maintenance strategies.

The report will detail off-budget projects that have been implemented successfully and some that have faced implementation challenges, and attempt to identify the related factors that have contributed to the successes or challenges. Specific details of some off-budget projects will be assessed from start to finish, including advertising documents, bidding documents, evaluation criteria, final contracts, and material related to monitoring and evaluation of implementation.

In fulfilling this task, MEC contacted 49 ministries and government agencies to identify off-budget projects for review. Responses were received by 33 institutions, but only 25 of those were substantive responses. MEC also reached out to the international community to identify projects, but did not receive substantive cooperation from most donors. The notable exception was DFID (United Kingdom) who arranged for MEC officials to visit the Helmand PRT to conduct a case study into its administration of off-budget projects. This desk-study provided valuable insight into some desirable practices in implementing off-budget projects.

The final international projects report will be completed in fall 2013. Overall, initial findings indicate that:

- In many cases donors did not provide project documents to their government counterparts, which was the reason many government institutions were not able to provide MEC with the information needed for the assignment;
- Documents and information obtained from the government institutions reveal that donors did not involve their government counterparts in the procurement processes of the projects;
- Government ministries did not monitor the implementation of the projects, nor were they part of the evaluation teams at the end of the projects;
- Many donor-funded/implemented projects were implemented with little coordination with government institutions at the national and sub-national levels, which reduced the effectiveness and sustainability of the interventions;
- Donors did not consider government development priorities in many cases;
- Some projects were either not delivered to the relevant government institutions, or were delivered after the due date. Some also were left incomplete.
NMH ISSUES HAVE NOT BEEN RESOLVED, NOR HAVE ALLEGATIONS OF $42 MILLION FRAUD BEEN VALIDATED

Appalling images and allegations of corruption emerged in relation to the NMH in September 2010. Allegations included corruption, patient neglect and abuse, bribery and theft, and raised the alarm of national and international organizations. It was alleged that $42 million of pharmaceuticals was stolen or missing. MEC called attention to this case through recommendations 1.30 and 1.31, that state:

1.30: The AGO/MOD/HOO Audit and Control office should collect all existing information on the National Military Hospital case, form a Joint Investigation Team, composed of domestic and international (Shafafiyat) investigators and conduct thorough analyses of events in the National Military Hospital by 31 December 2011.

1.31: The results of the investigation should be used by the team as a basis for prosecution of responsible persons after 31 December 2011. All assets of responsible persons should be immediately seized and/or frozen after 31 December 2011.

The President of Afghanistan established a Joint Investigation Team in late 2011, but it was only in April 2013 that any indictments or charges were brought forward by the AGO. The indictment included charges against 10 individuals occupying positions such as the Head and Deputy Head of the ANA Health Department, procurement officers, contractors, and others in charge of medicine purchases. The charges against these individuals include misuse of authority, negligence of duty, and smuggling.

Preliminary hearings have been heard at the Kabul Anti-Corruption Court, but have focused on remedying deficiencies in the indictment and have not proceeded to hearing the evidence.

National Military Hospital, Kabul, Afghanistan

The Joint Investigation Team report included the names of six patients reported to have been subjected to bad treatment and conditions in the hospital, but this aspect of the investigation was not completed because the team was unable to find the patients to verify the allegations. HOO concluded – on the basis of doctors’ statements – that no wrongdoing or negligence had occurred. Other investigations relate to diesel fuel, medicine and other equipment purchased from relatives, solicitation of bribes from nursing graduates for preferential assignments, improper use of facilities, and ghost employees.

Shafafiyat (ISAF) has been involved in the review and investigation of various issues related to the NMH. It was revealed that ISAF cannot identify whether these pharmaceuticals were actually delivered to Afghan hospitals. ISAF has records from the order and delivery of $39 million (as opposed to the $42 million often stated) worth of pharmaceuticals to its warehouse, but cannot locate any records on the transfer of drugs to Afghan hospitals, and therefore has no way of knowing how much – if any – of these pharmaceuticals were stolen.

Given the importance of the allegations of the theft of pharmaceuticals, MEC found that the investigation has been hampered by a lack of sufficient record keeping and verification procedures related to the delivery of the pharmaceuticals from the U.S. to Afghan hospitals. MEC understands that the investigation is ongoing, but is disappointed by the lack of progress in this regard. MEC and the Afghan public are waiting to see concrete results from the ongoing investigation.
Status of Presidential Decree 45 Articles

On July 26, 2012, the President of Afghanistan issued PD 45, an extensive decree comprised of 164 articles directed at 33 governmental institutions aimed at improving governmental administration and reducing corruption. OAA’s Monitoring and Evaluation Department was tasked with monitoring the implementation of PD 45. MEC identified 38 anti-corruption related articles of PD 45 that were important to monitor.

On March 24, 2013, MEC published its Report on the Implementation of Anti-Corruption Related Elements of Presidential Decree 45. At the time of publication, MEC found that of the 38 articles being monitored, 8 (21%) had been fully implemented, 23 (61%) had been partially implemented, and 7 (18%) had not been implemented. MEC was also invited to speak in front of the Meshrano Jirga Committee on Legislative Affairs to brief the parliamentarians on the progress of PD 45, among other issues.

In the three months since the publication of this report, MEC has observed significant progress in the implementation of some PD 45 articles. The following articles have seen progress since the publication of the first monitoring report in March 2013.

**MOTCA submits plan on reducing corruption and increasing revenue to the Council of Ministers**

For article 25 (1), MOTCA provided their plan to decrease corruption and increase transportation and civil aviation revenue to the OAA in August 2012 and to MEC in May 2013. The plan is comprised of 27 recommendations related to the structure of collecting revenue and proposes changing certain rules and regulations. There is also a proposal to transfer revenue collection responsibilities to the private sector. If approved, the mechanism would increase governmental revenue, identify corrupt individuals, and increase the trust of the people in government.

**AGO makes progress in establishing its Surveillance Department**

Article 6 (3) of PD 45 requires the AGO to establish a Surveillance Department. MEC previously reported that funds were secured to establish the department, and since then the Surveillance Department was created and is currently staffed with 20 prosecutors. Ten more prosecutors are in the hiring process, and the department is working towards a goal of 60 prosecutors. The terms of reference for the Surveillance Department was approved by the Attorney General and was developed with consideration of article 5 (17) of the Law on Organization and Jurisdiction of the AGO, which allows prosecutors to monitor ongoing cases. On initial review, however, the terms of reference seems to have some weaknesses, including the lack of disciplinary measures.

**MEC receives information regarding improper hiring practices in ministries**

Despite explicit requirements for certain civil service positions, MEC has witnessed that the recruitment for some positions met political influence. The IARCSC submitted an internal reform plan to the President’s Office in accordance with PD 45 article 11 (2), but its effective implementation remains to be seen.
Status of Kabul Bank Public Inquiry Recommendations

The Kabul Bank fraud is of the greatest importance with the Afghan government spending over $800 million from its central reserve to cover money diverted from the Bank. This money is being repaid from the country’s annual budget with approximately $70 million included in this year’s budget.

Some recommendations have been issued to a number of institutions and the international community aimed at resolving outstanding Kabul Bank issues and improving governance and strengthening the justice sector. MEC has continued to monitor the implementation of the recommendations and the recovery effort more broadly and has offered its evaluation to Senior Officials who met on July 3, 2013 to discuss the TMAF.

Kabul Bank Receivership has made some progress in receiving money from the sale of recovered assets

As of June 2013, KBR reports cash recoveries of $172.9 million, with recent progress being registered in the sale of many assets, including Dubai properties which realized $41 million. KBR has also managed to sell many other assets, including Bakhtar Radio Television Network, land in Bamyan, a helicopter, and shops in Saray Shahzada; it is also in the process of selling shops at the Gulbahar Centre in Kabul and shipping containers. Progress has also been made on the Pamir Airlines assets - a process which is ongoing. It is expected that these assets will be sold to another airline in the coming months. Other properties are being disputed and are tied up in legal proceedings.

Despite the aforementioned measures, there have not been serious efforts to track and seize money that was laundered internationally

KBR analyzed international money transfers made by Kabul Bank through the SWIFT system between March 2007 – April 2011 (not including cash, checks, and other transactions). This analysis indicates that approximately $900 million of licit and illicit funds were sent abroad to 28 countries for the benefit of parties related to the Bank. Countries include the United Arab Emirates, Latvia, China, United Kingdom, Turkey, United States, Switzerland, and Germany. Of this, $387 million was transferred to 50 related-party bank accounts in 12 jurisdictions, $334 million of which was paid to the Shaheen Exchange in the United Arab Emirates.
A critical step in recovering these funds hinges on the cooperation of the jurisdictions receiving money from Kabul Bank. Although the AGO sent requests for mutual legal assistance to five jurisdictions, particularly the UAE, no further efforts were given to expanding such requests despite the recommendations of MEC.

Compounding the limited scope of mutual legal assistance requests is the fact that the request sent to the UAE in May 2012 appears to have been sent by Afghan officials through the wrong channels. The request was sent to the MOJ in the UAE, whereas the mutual legal assistance agreement states that communications should be handled through diplomatic channels.

If accepted, the request may provide information about records of transferred funds and individuals related to these transactions and will facilitate the seizure and freezing of illicit and laundered funds. MEC sent a letter to the UAE Embassy seeking cooperation in this matter and met with the UAE Ambassador to seek his assistance in executing the request.

To recover funds that have been illegally transferred to other countries, increased efforts are required from all parties – Afghan officials and recipient countries – to allow for their freezing and eventual confiscation.

**There also needs to be increased efforts to recover money from the other debtors**

Gas Group has been assigned liabilities of approximately $121 million by KBR and agreed to repay $92 million. KBR has recovered only $190,000, which is insufficient. The recovery of the money owed by the Gas Group – a profitable business in Afghanistan – would increase recoveries significantly.

**The appeal can be strengthened to ensure success**

Regarding the judgment of the Kabul Bank Special Tribunal on March 5, 2013, MEC noted, among other matters, that the sentences handed down to some of the main perpetrators of the fraud were disproportionate to those given to others and that a conviction for money laundering, which would have brought an order for the confiscation of millions of dollars being held in off-shore bank accounts, was notably absent.
Taking into consideration the available evidence, using financial and other experts will significantly help the decision-making process. Given the extent of the concerns, the Committee is pleased to hear that the AGO had appealed the judgment.

The appeal filed by the AGO could be enhanced to better ensure the appeal’s chances for success
Under the Interim Criminal Code for Courts, the appeal document should expose the reasons for the appeal and identify errors that reference the application of the law and the definition of the crimes; the evaluation of facts and circumstances; and the application of the penalty. Under the law, the Court of Appeal must confine its review to the points of the decision to which the appeal makes reference, but the Court may hear the witnesses and experts that have already appeared and collect new documents and explore new proofs where the previous procedure was not sufficient for making a sound decision.

There appears to be deficiencies with the appeal document filed with the Court of Appeal, including that it is limited to a repetition of accusations and requires more arguments to the Court in support of asserted legal errors.

The deficiencies with the appeal document are glaring, particularly since technical assistance was available to the AGO in developing the appeal. It is hoped that the recent re-engagement of the forensic audit firm to assist with the development of simplified evidence will be used to support the appeal. Financial expertise is critical for the Court to understand the complex evidence in the Kabul Bank case. There have not been any judges assigned to hear the case as of yet.

Further criminal investigations recommended by MEC have not been undertaken
Based on the findings of the Kabul Bank Report, MEC has recommended that the AGO consider initiating an investigation to determine if charges are warranted against other individuals. Furthermore, the Committee asked that the outcome of the investigation be documented in writing with a clear and transparent rationale for the decision to pursue charges or not. This was also included in the March 5th judgment of the Special Tribunal, which indicated that there are 29 individuals who have been identified for investigation for their suspected involvement in Kabul Bank-related crimes. Recent information indicates that KBR has also referred five individuals to the AGO for investigation.
Monitoring & Evaluation

The Afghan government has developed plans that could satisfy many financial and justice sector recommendations from the Kabul Bank report

MOF and DAB responded to MEC regarding the implementation of Kabul Bank recommendations in March 2013. MOF indicated that many of the Kabul Bank recommendations are included in the national strategy, as set out in the Governance Cluster’s NPP 5 (Justice for All), which was recently endorsed. The Strategy refers to the recently-announced establishment of a senior-level interagency Economic Crimes Task Force to implement the government’s national strategy and to act as a focal point for the government’s coordinated response to the challenges of economic crime. The Economic Crimes Task Force could also be tasked with the overall responsibility for analyzing Kabul Bank recommendations and for improving cooperation among agencies as recommended. It is anticipated that this strategy – when implemented – will generally address several of the Kabul Bank recommendations, including those related to:

- capacity building for prosecutors;
- the use of police in the collection of evidence;
- supervisory capacity building at DAB;
- the creation of a financial irregularities working group;
- technology for the automatic reporting of large cash and suspicious transactions;
- the creation of a professional regulatory body for accounting professionals; and
- annual reporting requirements and criminal liability for corporations.

There are also a number of recommendations that can be addressed through legislative means, including the Banking Law, the DAB Law, the Anti-Money Laundering Law, the Law on Combating the Financing of Terrorism, and the Elections Law. Amendments to these laws are being put forward as a means to address recommendations related to:

- cooperation in financial crisis;
- bankruptcy proceedings;
- caps on money crossing borders;
- exposure limits;
- standards for reporting international money transactions;
- deposit insurance;
- regulation of financing political parties; and
- improvements to the definition of who is considered fit and proper to administer a bank.

DAB highlighted that they have begun implementing a program for supervisory capacity particularly focused on fraud detection, financial analysis, and monitoring bank information systems, and are developing a five-year plan for the the Financial Supervision Department.
Monitoring & Evaluation

Few of these plans and strategies have progressed to the implementation stage
Although the efforts to address several recommendations through strategies, plans and legislation are commendable, the reality is that there is little practical impact to date as they have not progressed to the point of implementation. It is understandable that legislation takes longer to develop, but many of the proposed changes have not been tabled in Parliament.

MEC will continue to engage with MOF and DAB as much as possible to provide feedback during the development and implementation of these various initiatives to ensure that the underlying concerns addressed in the Kabul Bank Report are appropriately dealt with.
PROVINCIAL VISITS
<table>
<thead>
<tr>
<th>Province</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balkh</td>
<td>23</td>
</tr>
<tr>
<td>Herat</td>
<td>23</td>
</tr>
<tr>
<td>Nangarhar</td>
<td>23</td>
</tr>
<tr>
<td>Kunar</td>
<td>24</td>
</tr>
<tr>
<td>Bamyan</td>
<td>24</td>
</tr>
</tbody>
</table>
Balkh: January 15 - 17, 2013

MEC’s Secretariat conducted a monitoring visit (covering MEC recommendations and PD 45 articles) to Balkh Province. The team visited the Provincial Governor’s Office, ANP Headquarters, AGO, Customs Department, and Hairaton Border Customs Department. The Hairaton Border Customs facilities oversee goods transiting between Afghanistan and Uzbekistan coming by rail, port, or road. The team observed that many goods entering Afghanistan by train were not registered electronically, but only in a paper ledger at a customs office 70 kilometers from the border. MEC received valuable information that is used as a basis for our monitoring and evaluation at the provincial and local levels.

Herat: January 21 - 22, 2013

In order to follow up on MEC recommendations and PD 45 articles and participate in an anti-corruption conference, members of the Secretariat, including its VCA team, visited Herat for two days in late January. They met with the Governor’s Office, the MORR Directorate, UNHCR and the Herat Detention Center, and participated in Harakat’s Anti-Corruption Conference.

The team observed that construction projects, health care provision and public services were still problematic since their previous visit in September 2012. The Governor’s Office has implemented a one-stop shop and provided complaints boxes, but according to interviews, neither initiative adequately addresses citizen problems. The VCA team provided the authorities with suggestions on how to make the one-stop shop more efficient. The team also met with the Herat AGO to discuss prisoner issues as they relate to PD 45 and the Chief Prosecutor General of Herat to discuss detention cases in Herat.

Nangarhar: January 22 - 23, 26 - 27, 2013

Members of all three units of the MEC Secretariat (Prevention, Governance and Law Enforcement) visited Jalalabad in two separate visits to monitor MEC recommendations and to review allegations related to UNHCR. The advisors met with CSOs, the AGO, the Torkham Border Customs Office, the Border Police Department, the Jalalabad Customs Department, the Deputy Governor’s Office, UNHCR, and the MRRD Directorate. They found the Torkham Border Customs Department to be relatively well-equipped, but the Border Police to be lacking in resources to adequately address the outflow of money. The team was also able to establish sufficient grounds to develop recommendations related to UNHCR administrative practices.
Kunar: January 23, 2013

MEC’s Secretariat participated in a mission with representatives from the Kunar PRT, U.S. Embassy Rule of Law Team, and Asadabad AGO to observe a court hearing on bribery within the ANP and to meet with the Provincial Governor, local judges and prosecutors.

The Kunar criminal justice system has successfully used open public trials, which lower corruption in the justice system by increasing transparency and accountability and reduce the opportunity for cases to be disposed of through political interference or bribes. To date, there have been over 35 public trials held in Kunar, some of which have involved corruption allegations against high-profile governmental officials.

The case observed by the mission involved a Deputy Chief of Police who was accused of extorting money from ALP officers seeking to enlist. The Deputy’s arrest resulted from an audio recording of bribes being solicited and a sting operation that used traceable cash payments. Although judges and prosecutors reportedly faced intense pressure not to pursue the case, the accused was convicted of bribery and sentenced to two and a half years imprisonment. Despite the positive media coverage of the trial and sentencing, the Public Security Division of the Appellate Court reduced the sentence to one year, which is the minimum sentence allowed for this offense. The appellate hearing was held in secret despite being chaired by the Chief of the Appellate Court who led the development of public trials in Kunar. Before serving his sentence, the Deputy was released by the Attorney General’s Anti-Corruption Unit under the Armed Forces Criminal Code, which allows ANSF officers to serve sentences of one year or less at their post.

The reduced sentence and early release of the offender tainted an otherwise successful case of the public trial system. The High Council of the Supreme Court is reportedly reviewing the case to determine whether military law applies to this case, given that it was tried in a court of general jurisdiction as opposed to a Military Court. The decision to reduce the sentence must be appealed by the AGO in Kabul, but it is unknown whether an appeal has been filed to date.

Bamyan: June 2 - 5, 2013

During the Committee’s Ninth Mission, they visited Bamyan Province and met with Provincial Governor Sorabi, the Chief Prosecutor, the Head of the Anti-Corruption Tribunal, CSOs, members of the Provincial Council, and the Community Council of Hajigak. The meetings allowed the Committee to obtain substantive information on the circumstances in Bamyan, particularly as it relates to the Hajigak mine, and set the groundwork for a follow-up visit later in 2013. The Head and Deputy of the Provincial Council also expressed their concerns about the low quality of PRT-funded projects and the lack of information sharing between the PRT and Provincial Council.
4 VULNERABILITY TO CORRUPTION ASSESSMENTS
VULNERABILITY TO CORRUPTION ASSESSMENTS CONTENTS

VCA Process 27
MORR: Land Distribution 28
MOHE: Internal Examinations 29
MOHE: Certificate Issuance 30
IARCSC: Recruitment Process 31

Photo on previous page
A typical daily crowd of pension recipients and applicants struggle for attention at the MOLSAMD Pension Department in April 2013. (MEC Photo)
VCA Process

In 2012, MEC, in partnership with MSI, established a VCA Unit within the MEC Secretariat to conduct VCAs covering a variety of public service areas. VCAs are a mechanism used to identify susceptibilities to corruption in government processes and develop strategies to reduce the vulnerabilities. The VCA Unit began operations in September 2012.

The VCA process typically begins with the VCA Unit meeting with high-ranking officials in the respective ministry to ensure buy-in from the ministry and the preparation of a preliminary assessment of four areas:

1. The legal and administrative framework of the process;
2. The human resource structure of the process;
3. The de facto practices of the process; and
4. The information and filing management system of the process.

The VCA Unit conducts its assessments using the following methods:

1. Desk review of legal and procedural documents related to the process being analyzed;
2. Discussions with key officials and individuals involved in the process;
3. Interviews and focus group meetings with service providers and recipients; and
4. Observation of the service delivery.

Once finalized, the VCAs will be shared with the respective ministries for comments, and a workshop will be held for ministry staff to explain the VCA contents.
MORR: Land Distribution

The VCA Unit’s first paper assessed the issue of land distribution to returnees and displaced people and concluded that the process faces corruption. Visitors and applicants are obligated to go through 63 bureaucratic steps in order to obtain a piece of land. In reality, completing these steps is not devoid of corruption and mostly gives rise to the disappointment of visitors who are in need of a piece of land on which to build their homes. Meanwhile, according to information and complaints, the process of land distribution is influenced by powerful and influential individuals and other means of intervention and consequently the rights of the needy are ignored and in turn their land rights are given to those who are not entitled to the land.

There is a fear that the lack of necessary monitoring and auditing of cases paves the way for corruption and opens the ministry to various complaints and criticisms. Therefore the Unit’s recommendation to the ministry is to set up a database that determines the identity of needy people with respect to land allocation, simplifies the bureaucratic process of land distribution, and keeps a firm stance within the law on the illegal interference of powerful individuals. The VCA should result in a plan from the ministry regarding future reforms and issues.

The report was sent to MORR for their comments, and they replied through letter 1028 indicating their approval of and commitment to the recommendations in the report.
MOHE: Internal Examinations

Since 2001, the improvement of the educational system has been a priority for the international community and GIRoA. Although some marked improvements have been seen, especially in the percentage of girls attending all levels of education, much more needs to be done. Given its importance to finding employment and other professional opportunities, the educational sector is also particularly vulnerable to corruption. Administrators, whose salaries are too low to act as a deterrent, can exploit this vulnerability to solicit bribes.

The VCA report recommended that the Higher Education Law be approved by Parliament; monitoring of the process be intensified; courses and programs for enhancing capacity for administrative staff and teachers be held; and a mechanism be designed through which visitors can submit their complaints to authorities.
MOHE: Certificate Issuance

Some vulnerabilities to administrative corruption are noticeable in the issuance of educational documents. Being accepted to a faculty and completing all requirements such as educational courses should be enough to receive an educational certificate, but occasionally students feel compelled to pay to receive their certificates. Sometimes, different excuses such as missing documents or the lack of blank diplomas will be made to delay the process. In some cases, students’ records get lost due to the old system of saving documents which paves the way for corruption.

It is worth noting that currently obtaining an educational document requires going through 43 steps. It has sometimes been observed that applicants become disappointed and return home empty-handed. MEC’s suggestion to the MOHE is to prioritize the simplification of the process and by taking this initiative as well as preventing corruption help graduates in urgent need of certificates to receive their educational documents.

The Certificate Issuance VCA recommends that the procedures for certificate issuance be simplified and applied to all universities in Afghanistan; a workshop be conducted for university staff on the new procedures; administrative and teaching positions be separated; a one-stop shop be created to service the student requests; and the number and capacity of staff working in the process be increased. Additionally, the report recommends the implementation of a computerized database for student records to prevent many of the problems that arise from the use of the current, paper-based system.

The report was sent to the MOHE for their comments and they replied through letter 1715 indicating their approval of the report and desire for increased cooperation between the ministry and MEC in the future.
IARCSC: Recruitment Process

The VCA on the IARCSC Recruitment Process is underway and will be completed soon. Full details concerning the VCA will be provided in the next Six-Month Report.

The VCA Unit discussing the plan for the IARCSC VCA with Human Resources Directors from different ministries, CSO representatives, and individuals who failed the recruitment examination.
5 COMMUNICATIONS & OUTREACH
# Communications & Outreach

## Contents

- Communications 34
- Social Media 35
- Web Site 36
- Media Events 37

---

**Photo on previous page**

MEC Press Conference on the release of the 5th Set of Recommendations and Benchmarks and 3rd Six-Month Report in March 2013. (MEC Photo)
Communications


MEC also developed a communications strategy, corporate design guidelines and media contact guidelines. MEC held a large number of regular meetings with dozens of different institutions and CSOs.

MEC members take questions at the March 2013 Press Conference on the Kabul Bank Public Inquiry.
Social Media

MEC’s Facebook group page surpassed 400 members during the reporting period and is updated multiple times per week. MEC also opened an institutional Facebook page and Twitter feed to support the organization’s social media and outreach efforts.

MEC's Facebook pages: https://www.facebook.com/groups/mec.af
https://www.facebook.com/mec.afghanistan

MEC’s Twitter Feed: https://twitter.com/IJAMEC

MEC’s Flickr Page: http://www.flickr.com/photos/mec123/
Web Site

In April 2013, MEC unveiled their new web site on www.mec.af. The new site provides a cleaner and simpler overview of MEC’s mission and activities, as well as access to all relevant publications and press releases. The web site is available in English, Dari and Pashto and has been accessed thousands of times during the reporting period with hundreds of reports being downloaded.
Media Events

During the reporting period, members of the Committee and Secretariat had more than 40 media engagements (interviews, roundtables, TV and radio programs, debates, and panel discussions) with national media outlets, including Tolo News, TV One, Shamshad, Ariana TV, Noor TV, Aruzu TV, and Radio Salam Watandar, and international media outlets such as the BBC, Al Jazeera, Reuters, the Washington Post, the Wall Street Journal and the Voice of America.

MEC held two press conferences on the following subjects that each attracted 20 - 30 national and international media outlets:
1. Kabul Bank Public Inquiry 60-Day Follow-Up, March 17, 2013;

MEC Prevention Advisor debates anti-corruption issues on Tolo News in late December 2012.

Media representatives covering the March 24, 2013 Press Conference on the release of MEC’s Six-Month Report and Fifth Set of Recommendations and Benchmarks.
6 ADMINISTRATION
ADMINISTRATION CONTENTS

Human Resources  40

Financial Report  40
Human Resources
MEC’s Secretariat is comprised of 23 professional positions and includes experts, advisors, officers, translators, and administrative support. In light of the recent termination of the Executive Director an international competition has been initiated to identify a highly-qualified candidate to lead the Secretariat. It is expected that a successful candidate will be in place in the fall of 2013. During the interim the Executive Director position is being filled by the Senior Policy Advisor.

Financial Report
Funding for MEC is provided by the United Kingdom and Denmark. The funding agreement between MEC and DFID obligates the Committee to provide financial and activity reports for each quarter.

The Secretariat has robust structures in place to ensure that funds are administered prudently and in an accountable manner with sufficient oversight. The expenditure management system begins in advance of the new fiscal year with the budget based on the previous year’s expenditures and the Committee’s current priorities and business needs. The three-year budget is then prepared and shared with the Committee for approval, which in turn is shared with donors for validation.
APPENDIX

About MEC 42
Appendix

ABOUT MEC

The Committee

MEC was created by Presidential Decree in March 2010 after the need for independent monitoring and evaluation of anti-corruption efforts was identified at a series of international conferences (London, Kabul). Following the London Conference, GIRoA invited the international community to form a joint Afghan-International monitoring and evaluation committee to provide policy advice and monitor and evaluate progress against specific benchmarks, which was welcomed by the international community gathered at the London Conference.

The mandate of MEC is to develop anti-corruption recommendations and benchmarks; to monitor and evaluate the government and international community’s efforts to fight corruption; and to report to the President, Parliament, people and the international community. Specifically, the terms of reference in the Presidential Decree state that:

The Committee identifies effective development criteria for institutions, and through the monitoring and evaluation on activities conducted against corruption at the national level, and with the aid of donor countries and international organizations, reports to the President, Parliament, people and international community every six months.

MEC is wholly independent from the Government of Afghanistan and the international community. This independence ensures that MEC is capable of carrying out its mandate in a transparent manner without undue influence.

The Committee is responsible for setting priorities, issuing recommendations, benchmarks, and reports, and outreach and communication. The Committee meets in Afghanistan quarterly, normally resulting in the development of recommendations and benchmarks, and issues regular reports every six months, with interim reports being issued on an ad-hoc basis.

According to its terms of reference, the Committee is comprised of six senior anti-corruption experts selected through a nomination process implemented by the international community and the Afghan government. The Chairmanship of the Committee alternates between an Afghan and international appointee on a six-month basis. The Chair of the Committee is responsible for chairing Committee missions and meetings, and providing directions to the Secretariat during periods that the Committee is not meeting.

MEC Secretariat

MEC is supported by a technical secretariat comprised of national and international staff. The Secretariat is led by an Executive Director and is divided into three main pillars (Governance, Prevention, and Law Enforcement) consisting of an international expert, a national advisor, and a national officer, with overarching policy expertise provided by a Senior Policy Advisor. The Secretariat works closely with the parties implicated by the recommendations and benchmarks to ensure that they are implemented. The Secretariat also has a VCA Unit that is undertaking corruption assessments at six government institutions over a one-year period.

An administrative team provides financial and administrative support to the Secretariat and the Committee, and is responsible for budgeting, reporting, information management, and the development of business processes and organizational policies.
MEC
Independent Joint Anti-Corruption Monitoring and Evaluation Committee

www.mec.af
www.twitter.com/IJAMEC
www.facebook.com/mec.afghanistan