



1. Project Data

Project ID
P166978

Project Name
TAGHIR

Country
Afghanistan

Practice Area(Lead)
Governance

L/C/TF Number(s)
IDA-D4130,TF-A9123

Closing Date (Original)
31-Dec-2021

Total Project Cost (USD)
29,702,033.06

Bank Approval Date
19-Dec-2018

Closing Date (Actual)
31-Dec-2022

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	25,000,000.00	50,000,000.00
Revised Commitment	38,502,429.13	20,102,668.14
Actual	29,702,033.06	19,900,362.14

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2. Project Objectives and Components

a. Objectives

According to the Financing Agreement dated December 23, 2018 (page 5), the project development objective (PDO) of the Tackling Afghanistan's Government Human Resource Management (HRM) and Institutional Reforms Project (TAGHIR) was: "To strengthen the capacity of selected line ministries and agencies through merit-based recruitment of key positions, improved performance management, and better human resource planning." The wording in the project appraisal document (PAD) differed slightly from the Financing Agreement: "To strengthen the capacity of selected line ministries and agencies through merit-based recruitment of key positions, improved personnel management, and better human resource (HR) planning".



This ICRR will be based on the Financing Agreement referenced above, along with the version of the PDO used in the PAD and the ICR.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

No

c. Will a split evaluation be undertaken?

Yes

d. Components

The project comprised three components (Financing Agreement, page 5) (US\$75 million estimate at appraisal).

Component 1: Human Resource Capacity Injection (US\$54 million estimate at appraisal) aimed to build the capacity of selected line ministries and independent agencies to deliver their key policy priorities to support up to one thousand five hundred (1,500) new appointees and/or Capacity Building for Results Project (CBR; predecessor World Bank operation) Appointees whose base salaries were financed by the Recipient in accordance with the Pay and Grade Salary Scale; and whose positions were: (i) identified in the Strategic Staffing Plans to be developed by the respective Priority Line Ministries and Independent Agencies (LMAs); or (ii) reserved and allocated for Non-Priority LMAs, in accordance with the Operations Manual, to meet emerging government priorities.

Component 2: Personnel and Payroll Management (US\$15 million estimate at appraisal) aimed to support the development, roll-out, and maintenance of the Human Resource Management Information System (HRMIS), integrated with biometric civil servant enrollment, payroll, the Afghanistan Financial Management Information System (AFMIS), and electronic payment systems.

Component 3: Support to Administrative Reforms (US\$6 million estimate at appraisal) aimed to provide: (i) technical assistance to the Independent Administrative Reform and Civil Service Commission (IARCSC) in the implementation of key administrative reforms; and (ii) operational support to IARCSC in carrying out the project, including the services of an independent third-party verification agency.

According to the ICR, the project's PDO and three components did not change from effectiveness to closure. The July 9, 2020 restructuring reallocated components downward, provided financing for the Government of the Islamic Republic of Afghanistan's (GoIRA) COVID-19 response, and included a no-cost one-year project extension.

Components	Financing Agreement	Restructuring
	(December 23, 2018)	(July 12, 2021 Amendment to Financing Agreement)
	Original Amount	Revised Amount
Component 1	US\$54 million	US\$46 million
Component 2	US\$15 million	US\$4.7 million



Component 3	US\$6.0 million	US\$4.3 million
Total	US\$75 million	US\$55 million

According to the ICR, “the restructuring of the project, in order to reallocate financing to the GoIRA’s COVID-19 response, did not significantly impact project outcomes, as the adjustments to allocated amounts reflected lower than expected disbursement and did not impede project spending or activities” (p. 12).

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost: The estimated original project cost, including contingencies, was US\$75 million.

Financing: IDA financed SDR 18.1 million (US\$25 million equivalent) and the Afghanistan Reconstruction Trust Fund financed US\$50 million for the original project. The financing instrument was Investment Project Financing.

Borrower Contribution: The Government of the Islamic Republic of Afghanistan (GoIRA) did not provide counterpart funding.

Dates: The project was approved on December 19, 2018, became effective on January 1, 2019, and was restructured once (approved on July 9, 2020) as part of a portfolio-wide financing reallocation to facilitate the financing of GoIRA’s COVID-19 emergency response. The project’s original financing amount (US\$75 million) was reduced to US\$55 million, and the restructuring included a no-cost extension of one year (to December 31, 2022). On August 15, 2021, Taliban forces took control of Afghanistan’s capital Kabul, resulting in the collapse of the GoIRA and the cessation of all project activities. This ICRR applies a split rating considering project results before and after August 15, 2021.

3. Relevance of Objectives

Rationale

The objective of the project at approval – to strengthen the capacity of selected line ministries and agencies through merit-based recruitment of key positions, improved personnel management, and better HR planning – was relevant to the economic conditions, and development priorities of the GoIRA at the time of project approval until August 15, 2021, when the World Bank paused disbursements and suspended project operations.

Original Project: December 19, 2018 (project approval) – August 15, 2021 (suspension of operations)

Political Context: The ICR notes that Afghanistan was characterized by weak state institutions, poor governance, and dysfunctional societal relations leading to violent conflict between groups, and this affected almost every aspect of development. Since the formation of the first National Unity Government in 2014, intensifying conflict and political instability undermined local ownership of development initiatives as they became points of contention and competition within the government. Without strong Presidential endorsement development initiatives could quickly fall victim to political infighting (Risk and Resilience



Assessment, 2021). Power was increasingly centralized at the Palace, often bypassing key ministries or shifting responsibility to the office of the President. This heightened the risk that reform would not be institutionalized across key GoIRA LMAs. (ICR, page 6). The project was developed shortly before the planned September 2019 Presidential elections and implemented during a period of political instability, with the GoIRA unable to maintain effective control of large parts of the country. Developing and implementing a project that focused on technocratic governance reforms and subsidizing the GoIRA payroll in this unstable environment.

Development Priorities: TAGHIR was well aligned with the GoIRA's development priorities, including the 2017-2021 Afghanistan National Peace and Development Framework (ANPDF) with its development priority on "Building a responsive and effective public administration system" and the objective of "Establishing, maintaining and improving professionalization (of the civil service)". The ANPDF emphasized the need for the GoIRA to establish a civil service that was responsive to national development needs with balanced participation of Afghan men and women. The ANPDF also noted that the country needed to address the legacy of patronage and corruption that resulted in the employment of unqualified staff employed in the civil service (PAD, page 9). The project was developed to address these issues.

TAGHIR was also aligned with Pillar 1 of the World Bank Group Afghanistan Country Partnership Framework 2017-20209 – Building Strong and Accountable Institutions. The overall objective of this pillar was to contribute to the GoIRA's long-term goals of state-building and self-reliance and tackling the underlying drivers of fragility by strengthening the institutional and regulatory framework for service delivery, planning, and fiscal and public financial management (PFM). TAGHIR addressed all three objectives within this pillar, which focused on improved: (i) public financial management and fiscal self-reliance; (ii) performance of key LMAs and municipalities; and (iii) service delivery through enhanced citizen engagement (PAD, page 9).

Suspended Project: August 16, 2021 – December 31, 2022

The August 2021 takeover of the GoIRA by the Taliban, and the start of the Interim Taliban Administration (ITA), triggered an economic crisis and major disruptions to basic services across the country. In response to the rapid change in leadership, the World Bank paused its disbursements and suspended its operations on August 15, 2021. The sudden cessation of project activities combined with the impact of drought in rural areas, resulted in a fall in living standards and a humanitarian crisis. The World Bank, Afghanistan Reconstruction Trust Fund donors, and international development partners pivoted to support basic, essential services for the Afghan people. Existing World Bank projects that were suspended in August 2021 were phased out and implementation completion reports (ICRs) were prepared to capture results and lessons learned from the World Bank's long-term engagement in the country.

Rating

Substantial

4. Achievement of Objectives (Efficacy)



OBJECTIVE 1

Objective

Strengthened capacity of select LMAs through merit-based recruitment of key positions

Rationale

One PDO indicator was achieved.

- Civil servants appointed in priority LMAs following approved strategic staffing plan for targeted capacity 'surge'. Baseline: 0 in 2018. Target: 100 percent in 2022. 100 percent of civil servants were appointed in priority LMAs as of August 2021 (achieved).

Two of three intermediate results indicators (IRIs) were achieved.

- Civil servant positions held by women. Baseline: 7.5 percent in 2018. Target: 10 percent in 2022. 11 percent of civil servant positions were held by women in August 2021, exceeding the target of 10 percent (achieved).
- Civil servants that meet minimum individual performance targets, as determined in Job Descriptions. Baseline: 0 in 2018. Target: 75 percent in 2022. 89 percent of civil servants met the individual performance targets in August 2021, exceeding the target of 75 percent (achieved).
- Female civil servants that meet minimum individual performance targets, as determined in Job Descriptions. Baseline: 0 in 2018. Target: 75 percent in 2022. 100 percent of female civil servants met minimum individual performance targets in August 2021, exceeding the target of 75 percent (achieved).

Rating

Substantial

OBJECTIVE 1 REVISION 1

Revised Objective

Strengthened capacity of select LMAs through merit-based recruitment of key positions

Revised Rationale

When the ITA took control of the country, all World Bank project activities were suspended. No additional results were achieved during this period.

Revised Rating

Negligible

OBJECTIVE 2

Objective



Strengthened capacity of selected LMAs through improved personnel management

Rationale

Two of three PDO indicators were achieved.

- Civil servants in priority LMAs transitioned from project to core government budget financing. Baseline: 0 in 2018. Target: 100 percent in 2022. 100 percent of civil servants in priority LMAs were transitioned to government budget financing in August 2021 (achieved).
- Civil servants in priority LMAs transitioned from project to core government budget financing as permanent professional cadres. Baseline: 0 in 2018. Target: 20% in 2022 (not achieved).
- Priority LMAs that meet minimum benchmark targets related to reduction in number of National Technical Assistants (NTAs). Baseline: 0 in 2018. Target 11 in 2022. 16 LMAs met minimum benchmark targets in August 2021, exceeding the target of 11 (achieved).

One IRI was achieved.

- Priority HRMIS functionalities established. Baseline: No in 2018. Target: Yes in 2022. This target was met in October 2021 (achieved).

Rating

Modest

OBJECTIVE 2 REVISION 1

Revised Objective

Strengthened capacity of selected LMAs through improved personnel management

Revised Rationale

When the ITA took control of the country, all World Bank project activities were suspended. No additional results were achieved during this period.

Revised Rating

Negligible

OBJECTIVE 3

Objective

Strengthened capacity of selected LMAs through better HR planning

Rationale

One PDO indicator was achieved.



- Human Resource Management Information System (HRMIS)/Payroll rolled out in at least 5 LMAs. Baseline: 0 in 2018. Target: 5 in 2022. HRMIS/Payroll was rolled out to 20 LMAs, exceeding the target of 5 (achieved).

One IRI was achieved.

- Database prepared on existing parallel structures, that captures information on donor assistance, including off-budget. Baseline: No in 2018. Target: Yes in 2022. This target was met in August 2021 (achieved).

Rating

Substantial

OBJECTIVE 3 REVISION 1

Revised Objective

Strengthened capacity of selected LMAs through better HR planning

Revised Rationale

When the ITA took control of the country, all World Bank project activities were suspended. No additional results were achieved during this period.

Revised Rating

Negligible

OVERALL EFFICACY

Rationale

The PDO – “To strengthen the capacity of selected line ministries and agencies through merit-based recruitment of key positions, improved personnel management, and better human resource (HR) planning” – was divided into three separate PDOs described below. These PDOs were aligned with the project’s three components that focus on” (i) human resource capacity injection; (ii) personnel and payroll management; and (iii) support to administrative reforms.

Project efficacy under the original project from December 19, 2018 – August 15, 2021 was Substantial. Uneven but notable progress was made across all three of the project’s outcome areas.

The theory of change (ToC) defined in the PAD identified several key challenges to implementation, including (i) the circumvention of meritocratic recruitment processes; (ii) weak internal systems for establishment control and payroll; and (iii) the prevalence of pay structures and salary supplement programs leading to competition for public sector skills, reduced ownership, and accountability. The ToC posited that these three



challenges constrained GoIRA efforts to improve overall civil service planning and professionalization, reasoning that if TAGHIR delivered meritocratically recruited positions in priority LMAs, then this would lead to enhanced capacity at these LMAs, enabling them to improve revenue generation, budget execution, and service delivery. Moreover, the roll-out of an HRMIS and Payroll system would lead to improved HR planning and stronger internal systems for control and payroll management. In addition, targeted administrative reforms, supported by technical assistance would lead to enhance professionalization and effectiveness of the civil service. Combined, these outcomes would lead to strengthened fiscal and institutional sustainability of the core civil service. Three assumptions were critical to this results chain: (i) the GoIRA maintained the fiscal space to continue financing meritocratically recruited positions; (ii) these positions had individual performance indicators linked to LMA-level results; and (iii) there was a sufficient political commitment to implement administrative reforms which are critical in a fragility, conflict, and violence (FCV) context.

The efficacy of PDO 1 (Strengthened capacity of selected LMAs through merit-based recruitment of key positions) is rated as Substantial up to August 15, 2021, and Negligible after this date when operations were suspended. This PDO, aimed to finance up to 1,500 (later revised to 950) contracts of civil servants in key positions appointed through merit-based recruitment. As of August 15th, 2021, TAGHIR had issued contracts to 838 civil servants, of which 669 were still active and 169 had been terminated. Out of the 669 active contracts, 74 were held by female civil servants, 11 percent of active appointments under TAGHIR. This slightly exceeded the project's IRI target, aiming to increase female appointees in CBR legacy and new TAGHIR positions from 7.5 percent in October 2018 (the government-wide baseline for the senior positions) to 10% by the end of the project. 100 percent of appointments were in positions prioritized in strategic staffing plans (achieved) and 89 percent of civil servants recruited through TAGHIR (100 percent of female civil servants) met the minimum individual performance targets, as determined in Job Descriptions, by the end of the project (exceeding the 75 percent target for both indicators). Overall, one PDO indicator and two of three IRIs were achieved. Despite these achievements, it should be noted that merit-based recruitment struggled with the common practice of patronage and loyalty in government ministries, thus undermining the sustainability of merit-based recruitment in public administration.

The efficacy of PDO 2 (Strengthened capacity of selected LMAs through improved personnel management) was aligned with Component 2, is rated as Modest until August 15, 2021, and is rated as Negligible after this date until project closure. This component aimed to move financing of (base) salaries of all (100 percent) CBR legacy and TAGHIR appointees to the GoIRA's core budget (fully achieved), and transition 20 percent of these civil servants to permanent professional cadres (not achieved). The component also aimed to reduce the number of NTAs across 11 out of 16 selected LMAs (based on identified benchmarks) by the end of the project (achieved). These personnel processes were based on a March 2018 amendment to the Civil Servants Law (2008) that allowed for the blending of the position-based civil service model with a career-based system. This facilitated the recruitment of professional staff (cadres) in common service or functional sectors with specific rates of pay. In addition to external entrants, current NTAs and civil servants including CBR and TAGHIR appointees were eligible for entry into relevant cadre groups.

The project partly succeeded in strengthening the capacity of LMAs through improved personnel management. The project financed the development of an HRMIS informed by a business process review and integrated with biometric civil servant enrollment, payroll, the Afghanistan Financial Management Information System (AFMIS), and e-Payment Systems. This enabled the GoIRA to improve the control of positions, personnel numbers, and budgeted costs, enable monitoring and limiting LMA-level discretion for allowances and overtime, link organizational structures to the functions of LMAs, and clearly identify the level of each position and job responsibilities. Through accurate gender-disaggregated headcount data, GoIRA



could monitor gender targets to address staffing imbalances. Overall, two of three PDO indicators and one IRI were achieved.

The efficacy of PDO 3 (Strengthened capacity of selected LMAs through better HR planning) is rated as Substantial until August 15, 2021, and Negligible when project operations were suspended. This PDO was closely aligned with activities under component 2, with the aim of developing the HRMIS, including priority functions and the rollout of the system to five LMAs by the end of the project. The project's outcomes exceeded the PDO indicator target (HRMIS/Payroll rolled out in at least 5 LMAs). As of August 15th, 2021, the HRMIS was rolled out to 60 central line ministries and agencies and all 34 provincial directorates of the Ministries of Education and Public Health. The IARCSC team, working on the development of HRMIS, finalized eight modules. In June/July 2021, the HRMIS was verified by an independent firm, resulting in a set of recommendations for improving the system that was to be implemented in the second half of 2021. Moreover, the payroll module was tested in HRMIS and linked to AFMIS. Ten LMAs had piloted the system to pay salaries to their staff for the first time, a month before the Taliban takeover of Kabul. As of August 2021, the IARCSC was still in the process of integrating LMAs' HRMIS data with payroll, AFMIS, and the Automatic Payment System (used for transferring civil servant salaries). The project also established a database on parallel (civil servant) structures that included information on off-budget donor-financed NTAs, also in alignment with Component 2. Overall, one PDO indicator and one IRI were achieved.

PDOs	Rating 1	Rating 2
	Original Project (pre-August 15, 2021)	Project Suspension (post-August 15, 2021)
PDO 1 (<i>Merit-based recruitment</i>)	Substantial	Negligible
PDO 2 (<i>Personnel management</i>)	Modest	Negligible
PDO 3 (<i>HR planning</i>)	Substantial	Negligible
Average	Substantial	Negligible

Overall Efficacy Rating

Substantial

OVERALL EFFICACY REVISION 1

Overall Efficacy Revision 1 Rationale

Once the project was suspended from August 15, 2021, until closure, there were no additional results achieved due to the cessation of all operations. The efficacy rating during this period was Negligible.

Overall Efficacy Revision 1 Rating
Negligible

Primary Reason
External shock



5. Efficiency

Economic Efficiency: A standard cost-benefit analysis of the project was not conducted for the PAD and the ICR, so economic rate of return (ERR) and internal rate of return (IRR) analyses were not calculated at appraisal or closure. No references were made to the ERRs or IRRs in either document. The PAD provides GDP and poverty rate data without any reference to source documents (PAD, page 7), instead citing lessons from previous World Bank projects in Afghanistan and referencing high-level workshops between IARCSC, the Ministry of Finance, and the World Bank that informed project development (PAD, page 17).

Operational Efficiency: The project was restructured on July 9, 2020, as part of a portfolio-wide financing reallocation to help facilitate the financing of GoIRA's COVID-19 emergency response. The project's original financing of US\$75 million was reduced to US\$55 million, and the restructuring included a no-cost extension of the project closing date by one year (to December 31, 2022). The project components' allocated amounts were adjusted downwards to reallocate financing for the GoIRA's COVID-19 response.

According to the ICR, this downward adjustment was possible due to lower-than-expected expenditures under each component. First, the ceiling to finance top-up salaries was lowered from 1,500 to 950 positions, reflecting slower-than-expected recruitment under TAGHIR and lower actual demand for these positions (based on the LMAs strategic staffing plans). At the time of restructuring, there were only 582 active positions financed by the project. Second, strong progress on the in-house development of the HRMIS/Payroll solution by the implementing agency (IARCSC) removed the need for financing a costly off-the-shelf solution. Third, the planned just-in-time technical assistance for administrative reforms was narrowed, thus requiring fewer funds. The restructuring of the project, to reallocate financing for the GoIRA's COVID-19 response, did not significantly impact project outcomes, as the adjustments to allocated amounts reflected lower-than-expected disbursement and did not impede project spending or activities.

The project restructuring also provided for a no-cost one-year project closing date extension. Furthermore, the project's legal covenants were adjusted to extend deadlines and durations. The maximum duration of legacy (CBR) and new (TAGHIR) appointees (initially set at 2 years) was waived, thus allowing TAGHIR-financed appointees to remain in their positions longer than 2 years. The deadline for TAGHIR recruitment was also extended for one year (to June 30, 2021). project oversight responsibility was shifted from the High Council for Rule of Law and Anti-Corruption to the IARCSC Board of Commissioners and the project's Political and Governance risk rating was lowered from High to Substantial.

The ICR correctly notes that TAGHIR focused on strengthening the capacity of LMAs, while enhancing sustainability by reducing costs of special pay modalities as well as the civil service more generally. Improving the efficiency of the civil service, reducing costs, and enhancing outputs, was a central cross-cutting theme woven throughout all three of the project's components. The project reduced costs by requiring LMAs to review their strategic staffing plan and select priorities for capacity injection, reducing the number of NTA employed across LMAs, and transitioning towards a smaller cadre of professional civil servants (component 3). The updated HRMIS, with its biometric data collection, allowed the Afghan government to identify wage bill savings.

Efficiency Rating

Modest



a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Under the original project, Relevance of objectives is Substantial, Efficacy is Substantial and Efficiency is Modest, thus the Outcome rating is **Moderately Satisfactory**. Under the revised project, Relevance remains High, but Efficacy is Negligible, Efficiency is Modest and thus the Outcome rating is **Unsatisfactory**.

Thus, the overall rating is $(4 \times 0.73) + (2 \times 0.27) = 3.46$ which is Moderately Unsatisfactory overall.

a. Outcome Rating

Moderately Unsatisfactory

7. Risk to Development Outcome

The risk to the development outcome is High.

According to the ICR, many project outcomes were reversed after August 15, 2021. Most TAGHIR appointees, selected through merit-based recruitment, were presumed to have left their positions upon the arrival of Taliban forces in Kabul. The ITA annulled some of the institutional arrangements in place to promote merit-based selection of senior civil servants (and limit political interference). Systems developed with the support of the project were idle at closure, and the implementation of reforms that benefited from the project's technical assistance was halted by the ITA.

The systems, procedures, and regulations developed with project support can still be used should there be a significant political redirection of the government to strengthen the effectiveness and efficiency of the civil service. These include cadre regulations for civil servants working in customs and public procurement, the exam questionnaires developed for e-recruitment, and the HRMIS, developed 'in-house' by the GoIRA can assist the government to identify potential wage bill savings and improve planning and establishment controls in the civil service.

8. Assessment of Bank Performance



a. Quality-at-Entry

According to the ICR, at appraisal, the World Bank considered the following when developing TAGHIR:

- Realities on the ground in Afghanistan, including the continued need for support to public administration reform and the need to avoid any disruption to the regular civil service, that could adversely affect the already extremely fragile situation in the country;
- Risks to the sustainability of governance reforms and project outcomes associated with political changes;
- Lessons learned from its predecessor CBR Project, including the need to move away from a broader capacity injection approach to a narrower focus on LMAs that focus on revenue and service delivery.
- Consultations with GoIRA leadership on whether to use an 'off-the-shelf solution' or develop the HRMIS 'in-house'. An in-house solution was developed based on the preference of the client and the assumed sustainability of a system that is locally maintained; and
- Alignment with the national development strategy and the World Bank's CPF.

While these five factors informed project appraisal, additional targeted analyses would have been helpful. As discussed in Section 5, the lack of a standard cost-benefit analysis (CBA) at appraisal (and closure) could have would have provided additional data sources to inform the development of targeted activities that support and sustain economic growth and poverty reduction. Given the complex political environment and since there were upcoming national elections as this project was being developed, the World Bank would have also benefitted from targeted political economy analysis to better understand the risks and opportunities associated with civil service reform. The absence of a CBA at appraisal and closure, and the lack of a systematic and thorough political economy analysis at appraisal, were missed opportunities to provide useful data when developing this project.

Quality-at-Entry Rating

Moderately Unsatisfactory

b. Quality of supervision

The Bank team included a task team leader (TTL) based in Kabul, Afghanistan, working closely with the client and implementing agency (IARCSC). This allowed the Bank to address shortfalls on targets, delays in implementation, and emerging risks to implementation progress and the development outcome in real-time. The Bank was also able to effectively use Component 3 to effectively respond to the IARCSC's requests for analytical and technical assistance needed to help them implement their reforms. This included providing technical advice on civil service recruitment, computerization of the civil service recruitment process, and promoting female recruitment and retention in the civil service. The ICR notes that the World Bank closely managed a recruitment quality assurance team and shielded them from political interference to ensure that the recruits met the minimum criteria of a competitive recruitment process. The World Bank also worked closely with other sectors (including education and health) to support their work and help them overcome resistance to reforms. However, the Bank was not able to



mitigate risks to the development outcome, emanating from political instability and the lack of supra-ministerial leadership to push forward difficult civil service reforms, limiting project outcomes.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

TAGHIR's project activities were informed by lessons learned from the predecessor CBR project, specifically focusing activities on select LMAs instead of supporting general civil service reform in ministries and agencies across the government. This learning was effectively integrated into the design of the monitoring and evaluation (M&E) framework. The PDO indicators tracked the (i) appointment of civil servants to priority LMAs based on strategic staffing plans, (ii) development of an HRMIS tailored to local needs, and (iii) the reduction of NTAs. While these indicators captured GoIRA compliance with project PDOs with realistic targets, they did not effectively capture the efficacy of the three PDOs. It is not clear how the capacity of selected LMAs was strengthened through merit-based recruitments, improved personnel management and HR planning.

For example, the ICR notes that increasing LMA capacity through merit-based recruitment was measured by the percentage of TAGHIR appointees being appointed based on an approved staffing plan was a pre-condition for the financing of new TAGHIR positions in LMAs, but this measured compliance with the pre-condition instead of the progress on the PDO. The indicator would have better-reflected progress and impact if it measured the number of TAGHIR-appointed civil servants or the percentage of (general-)directors appointed through TAGHIR, out of the total pool of (general-)directors. The PDO indicator (and target) measuring the percentage of civil servants who transitioned from project to core government budget financing also reflected the achievement of pre-conditions but did little to measure the progress of improved personnel management.

b. M&E Implementation

The main implementing agency, IARCSC, was responsible for overall monitoring and evaluation of the project, in close coordination with LMAs. The Civil Service Appointments Board and Civil Service Complaints Board maintained databases on civil service appointments and complaints that fed into project reporting. Performance benchmarks were developed to hold LMAs accountable for achieving planned results, with the IARCSC bi-annually assessing priority LMAs' contributions to public administration and LMA-specific reforms, including the reduction in NTA numbers (captured in the results framework [RF]). To better manage data on new TAGHIR appointees, the IARCSC developed a tracking tool that categorized positions based on recruitment status. Regarding grievance redress mechanisms, the project utilized IARCSC's existing platforms, including the Civil Service Appeals Board for recruitment



complaints. The IARCSC reported to the World Bank monthly on project-related complaints, including recruitment appeals and their status, monthly.

c. M&E Utilization

According to the ICR, M&E reports were used by the IARCSC to identify weaknesses in the recruitment system and provide them with practical solutions. The data collected on NTAs and the performance of the TAGHIR appointees were used to remind the government leadership of unsustainable reliance on NTAs and the lack of strategic cohesion between individual civil servants' results areas and the strategic level objectives of the relevant NTAs. Similarly, the performance data was used to focus the administration on revenue generation, efficient budget execution, and improved service delivery.

M&E Quality Rating

Modest

10. Other Issues

a. Safeguards

Social Safeguards: World Bank social safeguard policies were not triggered since the project focused mainly on policy reform and LMA capacity building. However, the World Bank recognized that there could be potential impacts and risks that needed to be mitigated regarding possible cases of discrimination and unfair selection of civil servants. The Bank discontinued the grievance redress mechanism (GRM) from the predecessor CBR, instead integrating and streamlining the existing GRM structure of the implementing entity (IARCSC) to ensure its long-term sustainability. Separate reporting procedures were, however, established to ensure better monitoring of project-related complaints. The IARCSC maintained a grievance redress mechanism with the following four dedicated platforms, (i) civil servant recruitment complaints, (ii) corruption (and fiduciary) complaints, (iii) legal complaints, and (iv) sexual harassment complaints. Weekly public hearings were chaired by the IARCSC Chairman and Commissioners so that they could directly receive complaints from participants. In August 2021, the project was in the process of recruiting a third-party verification agency for validation purposes and to ensure the application of correct procedures and selection criteria within government systems. During the reporting period of January to June 2021, 1309, complaints related to TAGHIR positions were submitted to the Appeals Board of the IARCSC. Out of the total registered complaints, 1133 (87%) were rejected, 161 cases (12%) were accepted, and only 15 cases (1%) case were reported to be under review.

Regarding citizen engagement, IARCSC reached out to the public through social media, and forums with civil society, media, and religious leaders.

Environmental Safeguards: The project was classified as category C and did not trigger any World Bank safeguard policy based on a March 8, 2018, environmental assessment. There were no environmental risks posed by the Project.



b. Fiduciary Compliance

Procurement: Procurement staff of the IARCSC received training on World Bank procurement requirements, with overall responsibility resting with IARCSC's Administration and Finance Directorate. All procurements were subject to approval by the IARCSC Management, and high-value contracts were also subject to the National Procurement Commission's (NPC) approval. Procurement Risk Assessment and Management System data which was updated four times during the project, showed that procurement performance was moderately satisfactory. Post-procurement review (PPR) did not identify any major issues, with required documents regularly uploaded in the Systematic Tracking of Exchanges in Procurement (STEP)

Financial Management (FM): The ICR does not provide a detailed assessment of project FM, referencing FM performance tracking in ISRs without any detail.

c. Unintended impacts (Positive or Negative)

No unintended impacts were raised in the ICR

d. Other

No other issues were raised in the ICR.

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Unsatisfactory	Moderately Unsatisfactory	
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	
Quality of M&E	Modest	Modest	
Quality of ICR	---	Substantial	

12. Lessons

The following 4 lessons learned are informed by project documents and the ICR.

The lack of adequate analytic work during appraisal may lead to implementation “blind spots” that compromise the achievement of the higher-level objectives and sustainable reform. For complex governance and civil service reforms to succeed, the project's reform goals



need to align with the incentives and goals of the government which were not sufficiently well understood for this project. In Afghanistan, while most LMAs were eager to access financing for increased salaries, there were numerous alternatives to TAGHIR financing of positions. These alternatives typically allowed for more LMA discretion in selecting candidates. The project's focus on merit-based recruitment did not align with the primary organizing principles within government ministries: patronage and loyalty. As such, the 'carrot' offered by TAGHIR was not a strong enough incentive to mobilize LMAs for reforms. For projects focusing on human resource management reform in political contexts that can undermine these reforms, positive incentives need to clearly identify and build into project design.

At project appraisal, the World Bank needs to clearly assess and address the potential impact of political will and local ownership of civil service reform on successful implementation and sustainable reform. While the World Bank designed strong measures to overcome the resistance to, and lack of ownership of, civil service reform, decisions by the Office of the President and the Ministry of Finance undermined the work of the implementing agency (IARCSC), contradicting government policy and derailing a reform agenda that aimed to amend civil service pay, phase-out NTA, and develop more sustainable cadres in the civil service. Reforms would have adversely affected pay at both the Office of the President and the Ministry of Finance, and as such, these obstacles should have been expected and explicitly informed project design.

Using project financing to support higher salaries for senior civil service positions may establish unrealistic expectations if the plan is to phase them out after the project ends. There is a risk that such an approach creates a cycle of dependency without being able to develop a sound exit strategy. Technical assistance, introduced by donor-finance projects in Afghanistan, created positions in government with considerably higher pay rates than regular civil servants. It was unrealistic to assume that the government would be able to address these disparities without political implications.

When there are severe limitations in skills and human capital in information technology (IT), the World Bank should carefully assess if the government has the human and financial resources to sustain systems developed "in-house". TAGHIR supported the development and roll-out of an "in-house" management and information (MIS) system. The development and maintenance of "in-house" systems require multi-disciplinary teams with specialized areas of expertise, which cannot be easily found in countries like Afghanistan. Moreover, even if such capacity exists in the local market, the implementing agencies may not have the resources and capacity to optimize their impact. The development of MIS systems requires a detailed understanding of government capacities in highly technical IT areas.

13. Assessment Recommended?

No

14. Comments on Quality of ICR



The ICR presented a detailed and coherent description of project activities, documenting implementation challenges and achievements. There are three annexes to the ICR, (i) the results framework and key outputs, (ii) World Bank lending and implementation support/supervision, and (iii) project cost by component. These annexes provide adequate activity-level data and analysis to understand project implementation. The ICR did not recognize that a deeper understanding of the political economy and economic drivers of reform would have enabled the World Bank team to choose project objectives and activities based on a deeper understanding of the incentives for political reform by key players in the country, and the drivers for poverty reduction and economic growth. Overall, the analyses provided in the ICR provided an honest and thoughtful understanding of project outputs and outcomes based on the available data, both intended and unintended. The lessons learned were thoughtful, although they did not specifically address how the lack of analytic products at appraisal may have affected activity selection and their impact on the PDOs. The ICR also identifies some of the limitations of the RF, providing clear and actionable ways that could have improved the monitoring of outputs and outcomes and better connected to the PDOs as well. ICR guidelines and methodology were appropriately followed.

a. Quality of ICR Rating
Substantial