

THE 2ND ASSURANCE REPORT

TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC INFRASTRUCTURE PROJECTS



CoST – the Infrastructure Transparency Initiative – Afghanistan

THE 2ND ASSURANCE REPORT

**Transparency and Accountability in
Public Infrastructure Projects**

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Cover photo:
Kabul, Wazir Abad Canal Assurance Team site visit

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Acronyms and Definitions

ADB	Asian Development Bank
AFN	Afghan Currency
AGEOPS	Afghanistan Government Electronic & Open Procurement System
ARA	Afghanistan Railway Authority
ARDS	Afghanistan Reconstruction and Development Services
AT	Assurance Team
ATL	Access to Information Law
AUWSSC	Afghanistan Urban Water Supply and Sewerage Corporation
BoQ	Bill of Quantity
CAA	Civil Aviation Authority
CDC	Community Development Council
CMO	Contract Management Office
CoST	CoST – the Infrastructure Transparency Initiative
CRIDA	Capital Region Independent Development Authority
CSO	Civil Society Organization
DABS	Da Afghanistan Breshna Shirkat
GIRA	Government of Islamic Republic of Afghanistan
ICB	International Competitive Bidding
IDB	Islamic Development Bank
IDS	Infrastructure Data Standard
IFB	Invitation for Bid
JV	Joint Venture
KM	Kabul Municipality
KUTEI	Kabul Urban Transport Efficiency Improvement
LICB	Limited International Competitive Bidding
MAIL	Ministry of Agriculture, Irrigation and Livestock
MEC	Independent Joint Anti-Corruption Monitoring and Evaluation Committee
MEW	Ministry of Energy and Water

MCIT	Ministry of Communication and Information Technology
MoE	Ministry of Education
MoEc	Ministry of Economy
MoJ	Ministry of Justice
MoPH	Ministry of Public Health
MoT	Ministry of Transport
MoU	Memorandum of Understanding
MoUDL	Ministry of Urban Development and Land
MRRD	Ministry of Rural Rehabilitation and Development
MSG	Multi-Stakeholder Group
MSWG	Multi-Stakeholder Working Group
NCB	National Competitive Bidding
NPA	National Procurement Authority
NPC	National Procurement Commission
NTA	National Technical Assistant
NUG	National Unity Government
OCP	Open Contracting Partnership
PE	Procuring Entity
PPE	Personal Protection Equipment
PPU	Procurement Policy Unit
PWD	Public Works Directorate
SSM	Single Source Method
TI	Transparency International
ToR	Terms of Reference
UN	United Nations
USD	United States Dollar
WB	World Bank

Definitions	
CoST IDS	CoST Infrastructure Data Standard (CoST IDS) is the disclosure standard applied by CoST. The CoST Afghanistan IDS requires 63 data points or 'items' to be disclosed at key stages of an infrastructure project cycle, including identification, preparation, completion, procurement and implementation.
Disclosure	Disclosure is a process focused on ensuring that information about the purpose, scope, costs and execution of infrastructure projects is open and accessible to the public, and that it is disclosed in a timely, accurate and consistent manner. The procuring entities should ensure that the information is accessible and open to the public domain.
Disclosure Portal	Website, online system and any other open and accessible platform that procuring entities use for disclosure of information in the public domain.
Proactive Disclosure	Proactive disclosure relates to information that CoST requires project owners and procuring entities to disclose at specified stages during the project cycle. The information, in a clear and usable format, is disseminated through a public medium, such as an online portal, that is open and accessible to a wide range of stakeholders.
Procuring Entities	Procuring entity is the entity responsible for procuring a publicly funded infrastructure project, signing and administering a public contract. Examples include entities such as the Ministry of Transport, Kabul Municipality and etc.
Reactive Disclosure	Reactive disclosure relates to additional information that project owners and procuring entities are required to make available to any eligible person or entity upon request. Reactive disclosure involves making the additional information available to the requesting party in a usable form, in an accessible place and under a specified set of conditions.

About CoST

CoST – the Infrastructure Transparency Initiative (CoST) is the leading global initiative improving transparency and accountability in public infrastructure. CoST works with government, private sector and civil society to promote the disclosure, validation and interpretation of data from infrastructure projects. This helps to inform and empower citizens and enables them to hold decision-makers to account. CoST works globally with members spanning four continents. In addition to working with CoST members at the national level, CoST works internationally with key anti-corruption organizations to facilitate the global exchange of experience and knowledge on transparency and accountability in public infrastructure. CoST's international partners include, Article 19, Open Contracting Partnership, Transparency International and Hivos.

Following a recommendation from the Monitoring and Evaluation Committee (MEC), the Islamic Republic of Afghanistan joined the CoST initiative in October 2013 through the Ministry of Economy and officially launched the programme in the country in 2016. Since then the initiative works with government entities, private sector and civil society to improve transparency and accountability in public infrastructure projects.

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Foreword

Infrastructure development is the foundation for sustainable economic and helping countries to reach their development goals. Over the past years, Afghanistan has received substantial financial supports from the international community and an enormous amount of money has flown through the national budget to build and boost the infrastructure sector.

To a large extent, the investments paid off and the infrastructure sector has grown. The completion and launch of several large-scale infrastructure projects (such as Salma Dam, TAPI gas pipeline, Lapis Lazuli Corridor (Lajaward corridor), CASA 1000 project, Tutap 500 kv project, Shorabak Dam, Pashdan Dam, Khan Abad Dam, Kamal Khan Dam, Hayraton Railway, National ring road, provincial and rural roads and highways) are examples of infrastructure development in the country which has not only positively affected people's life, but also improved regional connectivity.

Despite notable progress, the infrastructure sector needs more investments. However, in order to maximize the benefits of infrastructure investment, government and donors need to ensure a transparent and accountable process of spending resources. Ensuring transparency and accountability of infrastructure investment can increase the level of trust between all stakeholders involved in rebuilding infrastructure sector in Afghanistan, specially donors and international investors.

To that end, Afghanistan joined the CoST International initiative in 2013 through the Ministry of Economy and the work officially started in 2016. From that time onward, CoST Afghanistan has been working closely with key sectorial ministries to increase transparency and accountability in infrastructure projects.

CoST assurance report is one of the main tools to ensure transparency. In 2018 the initiative launched its first assurance report on eight infrastructure projects. The report highlighted challenges in the Identification and preparation stage of projects and as a result some entities have taken positive actions to address the challenges.

The 2nd Assurance Report prepared in 2019 focuses on 20 infrastructure projects from 4 entities (Ministry of Transport, Ministry of Urban Development and Land, Kabul Municipality and Ministry of Energy and Water) and assesses proactive and reactive disclosure¹ in procuring entities, transparency in procurement process and implementation and delivery of projects. The findings of the 2019 report indicate that the average disclosure by procuring entities is 36%. The report also indicates that average reactive disclosure is 57%. To improve the disclosure mechanism, the report concludes that the Afghanistan Government Electronic Open Procurement System (AGEOPS) system need to be upgraded.

According to our studies, the infrastructure projects are facing on average 64%-time overruns and 3.8% cost overruns. The main causes of the time and cost overrun are land acquisition, inaccurate survey, poor design and errors in BoQ, poor scheduling by procuring entities, bad weather condition, difficulties in financing projects by contractors and payment delays.

The tender process is also an area that merits further attention. The tendering process of the selected projects took 336 days while international good practices recommend it should not exceed 120 days (4 months). The delay in tendering process causes expiration of bid guarantees and an inefficient use of

¹ For definition of terms please refer to acronyms and definition section

private sector money that stays blocked in banks until tendering can be concluded. To address this challenge the report suggests that the government could improve tendering process through establishment of e-tendering method under AGEOPS.

The findings of the assurance report are valuable and I would like to thank the Assurance team and National Secretariat for their hard. I also would like to thank the Multi Stakeholder Group (MSG) members from government sector, specifically from the Ministry of Transport, the Ministry of Energy and Water, the Ministry of Rural Rehabilitation and Development, from private sector specifically from Afghanistan Builders Association, the Afghan Chamber of Commerce and Industries, Global Trust Construction Company and RGM International Group, and from civil society, specifically Integrity Watch Afghanistan, the Afghan NGOs Coordination Bureau, the Afghanistan Builders Association, the South Western Afghanistan and Baluchistan Association, and the Afghan Engineers Association as well as observers from the National Procurement Authority, Monitoring and Evaluation Committee, Oversight Commission on Access to Information, for their support and comments which led to the finalization of this report.

Dr. Mustafa Mastoor
Minister of Economy and CoST Afghanistan MSG Chairman
Nov 2019

Executive Summary

The Government of Afghanistan joined CoST in October 2013 following recommendations made by the Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) on the need for greater transparency in the infrastructure sector. The CoST Afghanistan program is hosted by the Ministry of Economy with the process of disclosure and assurance. In 2016, a Multi-Stakeholder Working Group (MSWG) was formed to lead the development of an implementation plan and establish a National Secretariat and Multi-Stakeholder Group (MSG).

This Assurance Report is the outcome of the second Assurance process (one of the four core features of CoST) carried out by CoST Afghanistan and is aimed to assess how successful the procuring entities and other Government entities were/are in the disclosure of the information to the public and ensuring transparency in the infrastructure sector in general. The last and major section of the Assurance Report includes recommendations on the key findings and suggestions for increasing transparency and accountability in public infrastructure projects. The report is developed using a research-based approach consisting of data collection, field observation and desk review and data analysis. Interviews were also conducted to verify the disclosed information and obtain further insights into project-specific issues.

In the course of the assurance process, it was found that the procuring entities disclosure practice is consistent with the domestic legal requirements; however, the extent of disclosure is considerably low when compared to CoST Afghanistan disclosure requirements. In Afghanistan, CoST IDS combined with domestic legal requirements call for 63 data standard items to be disclosed proactively and 27 reactively at project and contract level over the 5 stages of project implementation, while normally the procuring entities proactively disclose project information at two major steps of procurement and contract progress. On average, the procuring entities had proactively disclosed 36% of the data from the required disclosure standard of CoST Afghanistan. In addition, the report findings indicate that 94% of the information disclosed on 3 portals (AGEOPS, MoT PMIS and MEW MIS) is accurate.

It was found that AGEOPS, which is a national disclosure platform, is not regularly updated by procuring entities or the information entered by procuring entities is incomplete. There are parallel disclosure platforms developed by procuring entities and the project information is scattered and duplicated. The portals are also not synchronized with the national portal. The disclosure format and items to be disclosed also differ from entity to entity. Moreover, there is no clear definition between project level and contract level data, and they are not connected with each other at the national level.

Procuring entities disclose 57% of information upon request and the level of reactive disclosure varies from entity to entity and scored between 93% to 6%. It was found that most of the procuring entities do not have adequate information or are not aware about the Access to Information Law (ATL) and the CoST program. Recently, Special Anti-Corruption Secretariat (SACS) requires those procuring entities which have signed the memorandum of understanding (MoU) with CoST Afghanistan, to disclose project information based on CoST criteria (Entities Anti-corruption Strategy). The assurance team findings show that this strategy has not been fully understood and implemented.

Upon review of the disclosed data, some issues of potential concerns were identified in terms of transparency and assurance. A number of issues have been highlighted that affects the transparency and openness in the procurement and tendering process in some of the selected projects. These unjustified issues give rise to concerns about tender fairness, open competition, contracts award decisions, contracts monitoring and management.

The report findings indicate that the tendering process takes on average 336 days while it should not normally exceed 120 days (4 months) in National Competitive Bidding and 150 days (5 months) in International Competitive Bidding. The delay in tendering process causes expiration of bid guarantees and inefficient use of private sector money, which, in turn, may have a negative impact in the economic and

social life of the public. This has significantly discouraged the private sector to bid for infrastructure projects and directly affected the level of competition.

Findings also show that there are not enough qualified bidders for capital intensive projects. In 5 out of 20 projects selected for the report, only one bidder participated in the tendering process. This led to re-tendering. There were also projects that have been announced 4 times to find a qualified bidder. On average, the level of competition in the projects assessed was 3.87 bidders per project.

The main reasons for low competition, especially in mega projects are: slow decision-making process, lack of trust in the evaluation process and lack of flexibility in the bid evaluation criteria. The level of competition in small projects showed better results.

The findings on the project implementation phase shows that infrastructure projects are facing on average 64%-time overruns and 3.8% cost overruns. The main reasons for time and cost overruns are identified to be poor survey and design, land acquisition and difficulties in financing project by contractors, which is consistent with the findings of the First Assurance Report

The management of quality in the selected projects is also a matter of concern with significant apparent shortcomings witnessed on recently handed over projects. The construction in ongoing projects is affected by inaccurate survey, low-quality design, lack of supervision expertise and selection of contractors that lack the required capacity. Safety during the implementation of construction projects is another important aspect studied by the assurance team. Our findings show that project safety is significantly disregarded by contractors. Project safety tend not to be explicitly mentioned in contracts and thus is ignored by both the procuring entities and contractors. In most projects workers were not equipped fully with Personal Protective Equipment (PPE) and project site management was very poor.

In response to the findings, the recommendations are addressed to three different groups of stakeholders: government, private sector, and civil society. The Government of the Islamic Republic of Afghanistan shall take into consideration the findings and concerns highlighted in this Assurance Report and those which will arise in the next versions of the report.

In terms of disclosure, the AGEOPS portal needs to be upgraded and modernized to accommodate project level and contract level data and the links between this two. Using Open Contracting for Infrastructure Data Standard (OC4IDS) could be a comprehensive tool to achieve this aim. The government needs to improve tendering process through the establishment of e-tendering method under the AGEOPS. This could potentially save time and promote fair competition. Confirming the findings of the 2018 Assurance Report, project preparation processes have many deficiencies and it is essential to build capacities within PEs in order to provide sound project preparation and procurement services that will then prevent the many challenges found during implementation and operation phases of the projects.

The private sector also plays a key role in transparency and assurance. The private sector has to concentrate on delivering high-quality services within the contract timeline and budget. This will be possible by developing capacity in the private companies' organizations and recruitment of competent staff through open and fair competition. Moreover, the private sector shall take initiatives in coordination with the Government of Afghanistan to appraise private local companies and encourage them for active participation in biddings in order to promote fair competition.

For civil society, a good initiative for civil society to enrich social accountability will be to launch citizen services using telecommunication and social media for engaging the society and enabling them to raise concerns they may witness in infrastructure projects.

1. Introduction

Infrastructure sector is the backbone of a country's economy. From transport systems to power-generation facilities and water and sanitation networks, it provides the services that enable society to function and economies to thrive. Infrastructure plays a key role in all three dimensions of sustainable development: the economy, the environment and society². Most of the Sustainable Development Goals (SDGs) imply improvements in infrastructure.³

It is estimated that the value of global infrastructure output is expected to reach USD 17.5 trillion per annum by 2030, but there is a gap in national budgets, particularly in low- and middle-income countries, to meet this target.⁴ Recent research from the Global Infrastructure Hub estimates that there is a \$97.9 trillion investment needed to meet the Sustainable Development Goals by 2040, but investments are likely to fall short of this amount by as much as \$18 trillion.⁵ In terms of mismanagement and inefficiency, the CoST experience shows that a further 10 – 30% of this amount could be lost.

In Afghanistan, since 2001 government has taken a series of measures to develop public infrastructures with the support of international communities and donors. Our studies indicate that between 2004 and 2018 around 33 billion USD⁶ was spent through the national development budget for rehabilitation and reconstruction. In addition, the international community invested tremendously on reconstruction of Afghanistan. According to a report by Special Inspector General for Afghanistan Reconstruction (SIGAR), only the USA spent 133 billion⁷ USD since 2002 for the reconstruction of Afghanistan. However, the effectiveness and efficiency of such huge expenditure have been challenged by the lack of transparency, accountability and integrity. Without a significant improvement in project implementation, procurement proceedings and public financial management a significant amount of money and public funds will continue to be wasted.

The importance of CoST - the Infrastructure Transparency Initiative is to help government to get better value from the investments made in the infrastructure sector, by building systems to prevent wastes, corruption, mismanagement that can increase transparency and fairness in contract awarding.

This report focused on 20 infrastructure projects from 4 entities (Ministry of Transport, Ministry of Urban Development and Land, Kabul Municipality and Ministry of Energy and Water) and helped to identify key issues of concern in relation to the disclosure of information, project implementation, and procurement procedures and mechanisms. The findings of this report can offer civil society the evidence to easily understand the issues at stake and to take the necessary steps to hold decision-makers to account.

² The Economist Intelligence Unit, 2019, The Critical Role of Infrastructure For The Sustainable Development Goals, available from: <https://www.unops.org/news-and-stories/publications/the-critical-role-of-infrastructure-for-the-sdgs>

³ Ibid, P.3

⁴ CoST-the Infrastructure Transparency Initiative, available from: <http://infrastructuretransparency.org/why-cost/>

⁵ global-infrastructure-outlook, factsheet, July 2017, Infrastructure Investment Needs, available from: <http://bit.ly/31kYegF>

⁶ Ministry of Finance, National Budget since 2004 to 2018, Development budgets

⁷ SIGAR Report 2019, P.43 : <https://www.sigar.mil/pdf/quarterlyreports/2019-04-30qr.pdf>

1.1 Background of the Research

CoST - the Infrastructure Transparency Initiative (CoST) is an international initiative aimed to strengthen the transparency and accountability in publicly funded projects. The initiative works with government, private sector and civil society to promote the disclosure and validation of data from infrastructure projects. This helps to inform and empower citizens and enables them to hold decision-makers to account. CoST experience indicates that Informed citizens and responsive public institutions help drive reforms that reduce mismanagement, inefficiency, corruption and the risks posed to the public from poor quality infrastructure.

The CoST initiative has four core features: disclosure, assurance, multi-stakeholder working and social accountability. These features provide a global standard for CoST implementation in enhancing infrastructure transparency and accountability.

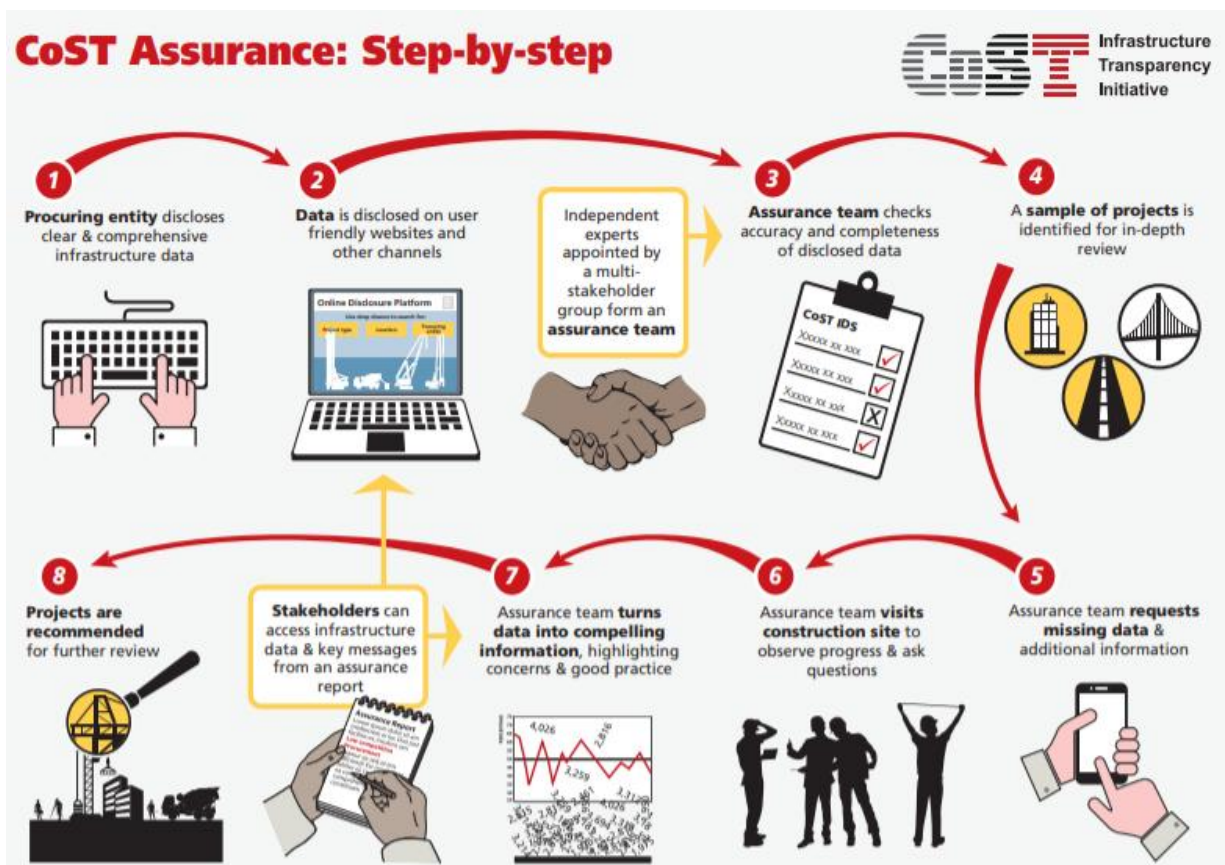


Figure 1: Assurance Process (Adopted from CoST International Website)

The assurance process is one of the core features of CoST. It promotes transparency and accountability through an independent review of the disclosed data on a sample of infrastructure projects and validates technical data. The Assurance report helps to transform technical data into plain language, also identifying issues of concern⁸ (Figure 1).

⁸ Guidance Note 7: Designing an assurance process, available at: <http://infrastructuretransparency.org/?s=guidance+note+assurance>

This helps stakeholders to understand the main issues related to project implementation and delivery, and acts as a basis for holding decision-makers accountable. Ensuring transparency and accountability in publicly funded infrastructure projects maximize a wider benefits and value for money for the government. It can significantly assist in preventing wastes, corruption, mismanagement and increase fairness in the tendering process.

CoST Afghanistan published its 1st assurance report on 15th of November 2018. Representatives of government, private sector, civil society organizations and international partners attended this event. The report findings show that on average, the procuring entities had proactively disclosed 27% of the data from the required disclosure standard of CoST Afghanistan, which is considered very low. In addition, cost and time overrun were identified as the most important problem in the delivery of infrastructure projects. In the selected projects an average of 18.7% cost overrun and around 119% time overrun was observed.⁹

This 2nd assurance report focused on 20 infrastructure projects from 4 procuring entities (Ministry of Transport, Ministry of Energy and Water, Ministry of Urban Development & Land and Kabul Municipality).

1.2 Research Methodology

The Assurance team is using a research-based approach consisting of data collection (field work), observation and desk review, data analysis and report preparation. Interviews were conducted with the procuring entities, CSOs representatives as well as contractors in order to verify the disclosed information and obtain in-depth insights into project-specific issues.

The Report has five sections; the first section describes the current disclosure practice in 15 procuring entities. Section two focuses on the transparency in the procurement process and gives information about the tendering duration and the level of competition of the selected projects. Section three identifies project specific issues and concerns. Section four describes project implementation issues, such as time and cost overruns and, the last section presents the findings and provides recommendations for government, CSOs and private sector.

1.3 Aim and Objectives

This report is aimed to assess the level of transparency and accountability in publicly funded infrastructure projects. The below objectives are set to achieve this aim:

- Assessing proactive and reactive disclosure level in a sample of infrastructure projects
- Assessing transparency and accountability in the procurement process
- Assessing infrastructure projects implementation and delivery
- Providing recommendations on how to tackle challenges and improve project delivery systems

1.4 Project selection

For the 2nd Assurance Report, the projects were selected in two stages. In the first stage, 20 projects selected from each procuring entity for the purpose of checking the accuracy and completeness of data. In the second stage, a sample of projects was selected for in-depth review. Project selection for the 2nd assurance report considered the following criteria: accessibility, diversity, level of concern and procurement period. For more information about project selection process and method see Appendix 1.

⁹ CoST Afghanistan First Assurance Report on public infrastructure (2018), available from: www.cost.af

2. Disclosure of Infrastructure Project Information

2.1 Proactive Disclosure

Disclosure of public infrastructure information is a task which requires procuring entities to put in the public domain the information related to project and contract, including scope, purpose, costs and implementation of public infrastructure projects and ensure that the information is accessible and open to the public.¹⁰ This can ensure the transparency and accountability in publicly funded infrastructure projects and maximize a wider benefit and value for money for open and good governance. Disclosure can significantly assist in preventing wastes, corruption, mismanagement and increase fairness in the project delivery system.

Six legal documents establish the basis for disclosure in Afghanistan: (1) the Afghanistan Constitution law, (2) the Access to Information Law, (3) the public Procurement Law, (4) the Public Financial Management and Expenditure Law, (5) the Supreme Audit Law, and (6) the Internal Audit Unites Regulations. The Procurement Law, the Access to Information Law and the Public Financial Management and Expenditure Law, contain the items for project and contract information disclosure.¹¹

In addition, the Procurement Rules of Procedure (RoP)¹², which is amended in July 2016, constitute the basis of disclosure of infrastructure project information. In this amendment, the items and documents to be disclosed as well as the method of disclosure is explicitly mentioned, and requires all procurement entities to follow the procedure in their disclosure practices, and enter data on a regular basis on the Contracts Progress Monitoring System (CPMS)¹³.

CoST Afghanistan Disclosure Manual, which is developed in the light of CoST IDS and the above legal documents, requires all procuring entities to disclosure 63 data points at Project and Contract Level¹⁴ (See Annex 2). To verify the accuracy and completeness of the data disclosed in the country, the assurance team randomly selected 20 projects from each of the following procuring entities that are involved in infrastructure related works:

- | | |
|---|---|
| 1. Ministry of Transport (MoT) | 9. Ministry of Agriculture, Irrigation and Livestock (MAIL) |
| 2. Ministry of Rural Rehabilitation and Development (MRRD) | 10. Da Afghanistan Brishna Shirkat (DABS) |
| 3. Ministry of Energy and Water (MEW) | 11. Civil Aviation Authority (CAA) |
| 4. Kabul Municipality (KM) | 12. Capital Region Independent Development Authority (CRIDA) |
| 5. Ministry of Education (MoE) | 13. Ministry of Economy (MoEc) |
| 6. Afghanistan Urban Water Supply and Sewerage Corporation (AUWSSC) | 14. Ministry of Communication and Information Technology (MCIT) |
| 7. Ministry of Urban Development and Land (MoUDL) | 15. Afghanistan Railway Authority (ARA) |
| 8. Ministry of Public Health (MoPH) | |

At the time of this report, procuring entities disclosed a total number of 3,440 project and contract information either in their own websites or in the Afghanistan Government Electronic & Open Procurement System (AGEOPS). Four entities developed their own disclosure portals based on CoST IDS or incorporated

¹⁰ Guidance Note 6: Designing a disclosure process, CoST International

¹¹ Scoping Study for the Construction Sector Transparency Initiative – Afghanistan P.6, available from: www.cost.af

¹² Procurement Rules of Procedure, P.71, available from: <https://ageops.net/da/documents/procurement-law-and-rop/procurement-rule/274>

¹³ Contracts Progress Monitoring System (CPMS) was a disclosure platform led by NPA, which later upgraded to AGEOPS.

¹⁴ CoST Afghanistan Disclosure Manual, P.7,8, available from: www.cost.af

CoST IDS somehow in their existing systems. They are AGEOPS, MoT PMIS, MEW MIS and MRRD MIS (Table 1). Some agencies still have not developed portals but they disclose bid announcement and bid award notices through their own websites in addition to disclosing information through AGEOPS.

Under the regulation of the NPA, all Procuring entities should provide information to feed AGEOPS. According to the Annex 2 of Afghanistan Rules of Procedures (Reform section, articles 1.2 and 1.3), all procurement entities are obliged to regularly enter and update the AGEOPS system with contractual information related to infrastructure projects, such as implementation plans, payments, physical progress, actual contractual progress and any other related information. These legal provisions also require uploading contract's related documents into the system. As per the information shared by NPA, 27 procuring entities are not regularly updating the AGEOPS or are entering incomplete information.

Table 1: Total number of projects disclosed proactively

No	Procurement Entities	No of projects disclosed at Portals		Total # of Projects Disclosed
		AGEOPS	Procuring entities Own Portal	
1	Ministry of Energy and Water (MEW)	27	303	330
2	Ministry of Transportation (MoT)	72	357	429
3	Ministry of Urban Development and Land (MoUDL)	31	0	31
4	Ministry of Rural Rehabilitation and Development (MRRD)	245	1766	2011
5	Afghanistan Urban Water Supply and Sewerage Corporation (AUWSSC)	7	0	7
6	Ministry of Public Health (MoPH)	42	0	42
7	Ministry of Agriculture, Irrigation and Livestock (MAIL)	146	0	146
8	Da Afghanistan Brishna Shirkat (DABS)	6	255	261
9	Capital Region Independent Development Authority (CRIDA)	10	0	10
10	Kabul Municipality (KM)	19	0	19
11	Ministry of Education (MoE)	122	0	122
12	Ministry of Economy (MoEc)	3	0	3
13	Afghanistan Railway Authority (ARA)	0	14	14
14	Ministry of Communication and Information Technology (MCIT)	1	13	14
15	Civil Aviation Authority (CAA)	1	0	1
Total		732	2708	3440

It is worth mentioning that most of the disclosed projects were not synchronized with any of the portals and were included in both the AGEOPS and the Procuring entities' portals at the same time causing duplication. Therefore, the total number of disclosed projects are not indicating the actual number of disclosed projects.

To check the accuracy and completeness of the disclosed data, 20 sample projects were selected from each procuring entity (Table 2). As per the criteria recommended by the MSG, the projects are in different procurement stages: 6 projects at Award stage (A), 7 projects are Ongoing (O) and 7 projects are Completed (C).

Table 2: Number of Sample Projects Selected for Disclosure Analysis

No	PE Name	Disclosure Portals	Sample Projects on each Stage			
			A	O	C	Total
1	MEW	https://cost.wrd-mew.gov.af/	6	7	7	20
2	MoT	https://pmis.mot.gov.af	6	7	7	20
3	MoUDL	https://www.ageops.net	6	7	7	20
4	MRRD	http://projects.mrrd.gov.af/	6	7	7	20
5	AUWSSC	https://www.ageops.net	0	7	1	8
6	MoPH	https://www.ageops.net	6	7	7	20
7	MAIL	https://www.ageops.net	6	2	1	9
8	DABS	https://www.ageops.net/ DABS.COM	0	5	2	7
9	CRIDA	https://www.ageops.net	0	7	3	10
10	KM	https://www.ageops.net	0	7	5	12
11	MoE	https://www.ageops.net	6	3	0	9
12	MoEc	https://www.ageops.net	2	0	0	2
13	ARA	ara.gov.af / ageops.net	0	7	4	11
14	MCIT	old.mcit.gov.af	1	7	7	15
15	CAA	ara.gov.af	0	0	0	0
Total			45	80	58	183

As it can be seen from the table, there are Procuring entities, such as KM, MoE, AUWSSC, DABS, CAA, MoEc and MCIT, which have not disclosed projects over the 3 mentioned stages. This could have two meanings; limited number of projects or disclosure reluctance.

2.1.1 Proactive Disclosure Summary

The assurance team reviewed disclosure process in 183 projects from 15 Procuring entities. As it can be seen in Figure 2, the average disclosure level is 35.8%¹⁵.

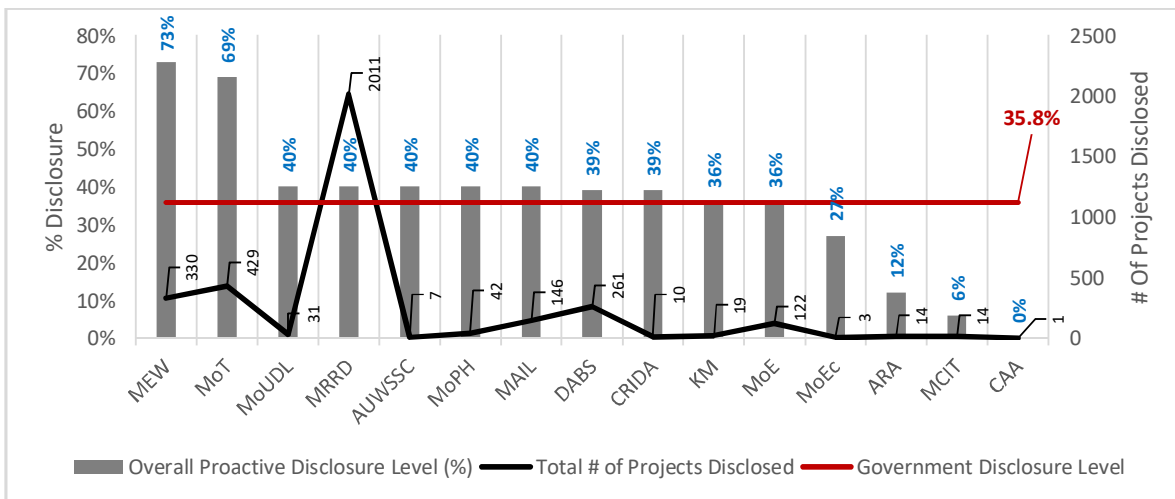


Figure 2: illustrates the percent of proactive disclosure at entity level as well as the total projects disclosed at every procurement entity.

¹⁵ CoST Afghanistan 1st Assurance Report, Findings and Recommendations 2018, P. 34

As indicated in figure 2, the Ministry of Energy and Water (MEW) and the Ministry of Transportation (MoT) are the 2 procurement entities with the higher rates of proactive disclosure, having disclosed 73% and 69% project information proactively and ranked first and second respectively. MRRD has developed its own portal and incorporated on average 40% of CoST IDS, ranking third in terms of proactive disclosure. Most of the Procuring entities disclose on average 40% of CoST IDS in AGEOPS portal, except for ARA¹⁶ and MCIT which have the lowest disclosure levels of 12% and 6% respectively. CAA is the only procuring entity which has not disclosed any information on AGEOPS or in its own portal proactively.

The assurance team also compared disclosure level at 4 portals (AGEOPS, MoT PMIS, MEW, MRRD). As it can be seen from the figure 3, MEW disclosure portal is on the lead with a score of 73%, followed by MoT with a score of 69%. In this study, MRRD and AGEOPS disclosure portals/platforms are ranked third and fourth respectively.

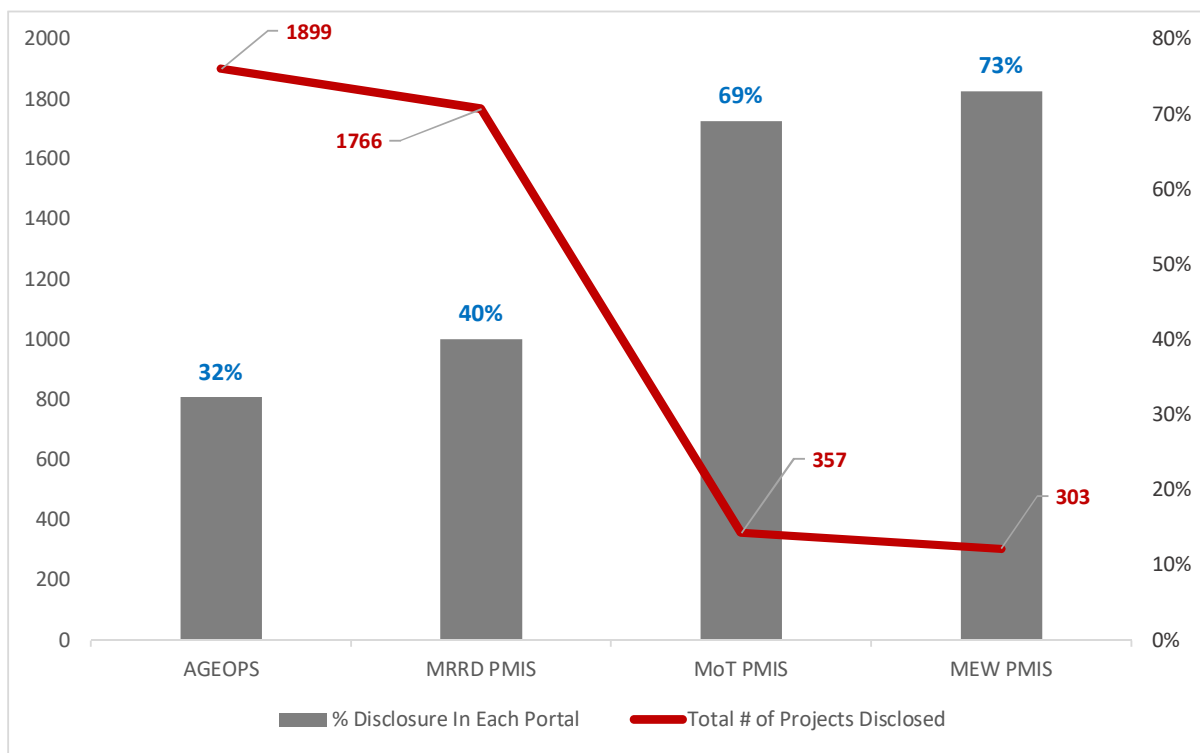


Figure 3: Comparison of disclosure at 4 portals

In terms of the number of projects disclosed in each portal, AGEOPS is on the lead with a total number of 1,899 of projects at the time of writing this report.

In terms of disclosing project and contract related documents as per Article 13 and 15 of Access to Information Law, out of 4 portals only the AGEOPS is following the law.

¹⁶ Afghanistan Railway Authority (ARA) has recently merged with Ministry of Transport

2.2 Reactive Disclosure

The team has selected 20 projects out of 183 projects to be assessed for reactive disclosure and in-depth assessment. The projects were selected randomly but bearing in mind: accessibility to the project site, diversity in terms of type of projects, location, project status and funding sources. In addition, the team selected those projects that were procured and implemented during the National Unity Government (2015 onward).

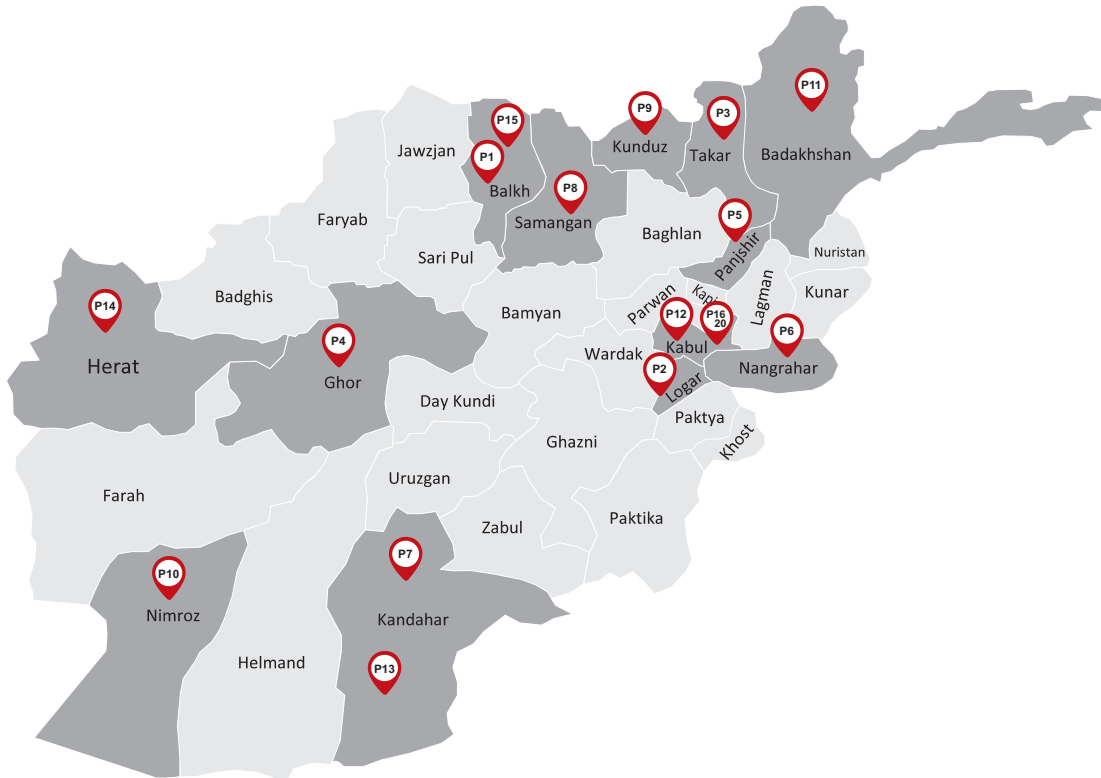


Figure 4: Projects location in Afghanistan Map

As indicated in Table 3, the selection of the following projects was approved in the MSG Meeting No 24, dated 26 May 2019, for the 2nd Assurance Report.

Table 3: List of Selected Infrastructure Projects for Assurance Process

Ministry of Transport							
No	Project Name	Project Type	Location	Status	(AFN) Original Contract cost	Donor	Access ibility
P1	15 km additional work on interior roads in Mazar-e-Sharif city	Road	Balkh	Ongoing	191,963,602	AF-Gov	Yes
P2	24.150 Km Road Construction of Kabul-Logar (Second line)	Highway	Logar	Ongoing	782,565,915.6	AF-Gov	Yes
P3	Construction of 12-meters Concrete Bridge in Kamando Road of Taloqan	Road	Takhar	Complete	7,074,050	World Bank	Yes
P4	Design and Construction of Herat Cheghdaran and Cheghdaran Gardandewall Road, Second Phase	Highway	Ghoor-Bameyan	Ongoing	4,463,077,911	AF-Gov	Limited
P5	Asphalt Paving of Pol-e-Hesar to Khawak districts (first part)	Road	Panjshir	Re-Tendered	20,339,440	AF-Gov	Yes

Ministry of Energy and Water							
P6	Weir and Canal Construction project of Nahr-e- Shahi, Bahsod district	Canal	Nangarhar	Complete	8,811,603	Indian-Gov	Yes
P7	Construction of Loy Kareez River Bank Protection Scheme	Bank Protection	Kandahar	Complete	3,330,523	World Bank	Yes
P8	Tahte Haqan-1 River Bank Protection Scheme	Bank Protection	Samangan	Ongoing	25,147,518	World Bank	Yes
P9	Khanabad Dam	Dam	Kunduz	Ongoing	1,950,000,000	AF-Gov	Limited
P10	Rehabilitation and Reconstruction of Chahar Burjak Canal in Nimroz Province	Canal	Nimrooz	Complete	67,000,000	Indian-Gov	Limited
Ministry of Urban Development and Land							
P11	Construction of Water Supply Network at Faiz Aabad (Water Supply Network at NTLZ and NTHZ Zones)	Water Network	Badakhshan	Completed	317,393,386	Germany	Yes
P12	Planning, Design, Installation, Construction and Activation of Industrial Precast Construction Factory	Construction	Kabul	Ongoing	763,655,579	AF-Gov	Yes
P13	Construction of Kandahar University's Dormitory	Building	Kandahar	Ongoing	102,586,536	AF-Gov	Yes
P14	Construction of Medical Products and Medicine Quality Lab Building	Building	Herat	Ongoing	117,430,444	AF-Gov	Yes
P15	Water supply and channelization network of Qalin Bafan residential and industrial project in Hairatan Township	Water Network	Balkh	Completed	143,909,800.90	AF-Gov	Yes
Kabul Municipality							
P16	Construction of the Wazir Abad Canal associated with the project of improvement of efficiency in Kabul Municipal Transport	Canal	Kabul	Ongoing	711,754,467	World Bank	Yes
P17	Kart-e-Ariana to Kabul University Road via Gardana-e-Shakhi	Road	Kabul	Ongoing	38,184,979	AF-Gov	Yes
P18	Asphalt paving of Silo Road (Part Four)	Road	Kabul	Complete	249,060,192	World Bank	Yes
P19	Construction of Hesah-e-Sewom Khair Khana Roads	Road	Kabul	Complete	151,038,035	AF-Gov	Yes
P20	Contract Announcement on Detailed Design of Kabul Metro Bus Network	Metrobus Network	Kabul	On procurement	158,985,522	AF-Gov	Yes
Total cost of projects					10,155,879,059.5 AFN	130,203,577.7 USD	

As per the MSG recommendation, both government and donors funded projects were selected for this Assurance Report. The purpose was to compare performance between government and donors funded projects. The selected projects for this Assurance Report represent a total value of 10.16¹⁷ Billion Afghani (130.2 Million USD).

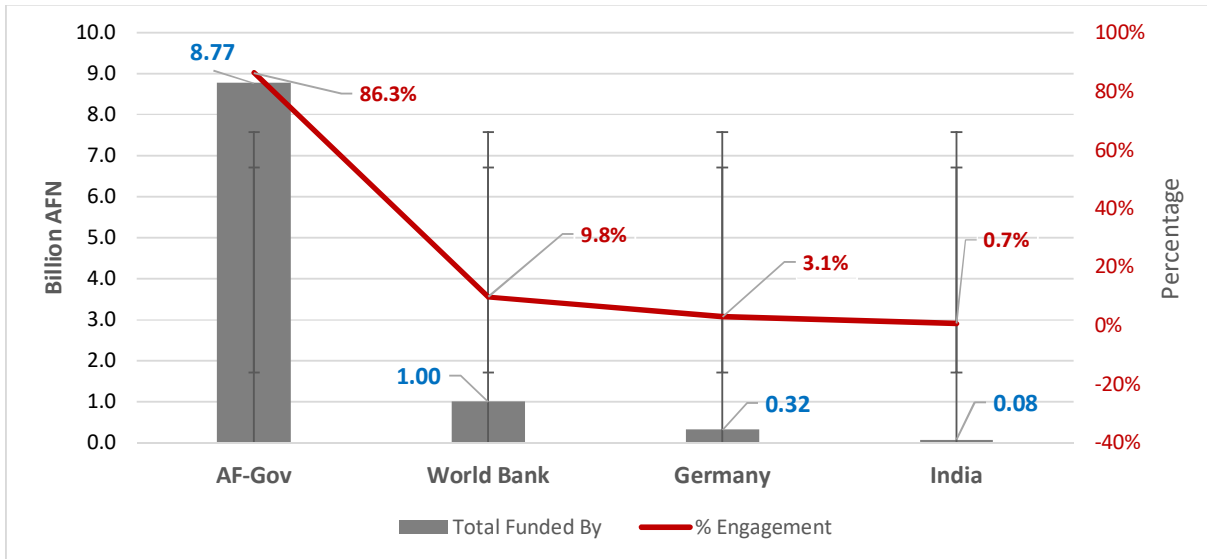


Figure 5: Schematic Illustration of funding sources for the selected projects

Considering the total amount of the selected projects, 86.3% of the selected projects are funded by the government of Afghanistan through the development budget. 8 projects out of 20 is funded by donors. World Bank funding share corresponds to 9.8%, Germany and India are measured 3.1% and 0.7% respectively. Figure 5 is the schematic illustration of funding sources for the selected projects.

2.2.1 Reactive Disclosure Summary

CoST Afghanistan requires Procuring entities to make available 27 items on request to the public and the Assurance team¹⁸ (see Annex 2). Moreover, as per the Access to Information Law, Article 15, Section 3, procuring entities are required to establish a database or data center to make the information available for the applicants¹⁹. The law also in Article 5, Section 2, requires procuring entities to provide information or make the information available for applicants and the public²⁰.

A checklist was developed based on CoST Afghanistan reactive disclosure manual and sent to procuring entities to provide the required information of the selected projects. To support the process, an introductory letter by the MSG chairman, Minister of Economy, as well as the support from NPA have been used.

It was found that making available information to the public upon request differs from entity to entity. Cooperation of some Procuring entities, especially MEW and MoT, in making available the required information based on CoST IDS was outstanding. In comparison, other procuring entities have not cooperated with the assurance team. For instance, it took (31 days) to convince Kabul Municipality to

¹⁷ The Currency exchange rate is taken 1 US Dolor equal to 78 AFN

¹⁸ CoST Afghanistan Disclosure Manual, P.15,16

¹⁹ Access to Information Law, P.22

²⁰ Ibid, P.10

partially cooperate with the team. MoUDL was found the less cooperative entity in making available the information upon request. After 63 days of follow up and using different leverage tools, such as complaining to the Oversight Commission provided under the Access to Information Law, the assurance team only received a few pages of contract documents. This demonstrates that access to project information on a reactive basis is not easy for the public.

The team also noticed that there is no coordination between the departments in sharing the information and usually they transfer responsibility to one another, which adds time to the process. Figure 6 shows reactive disclosure summary based on CoST IDS.

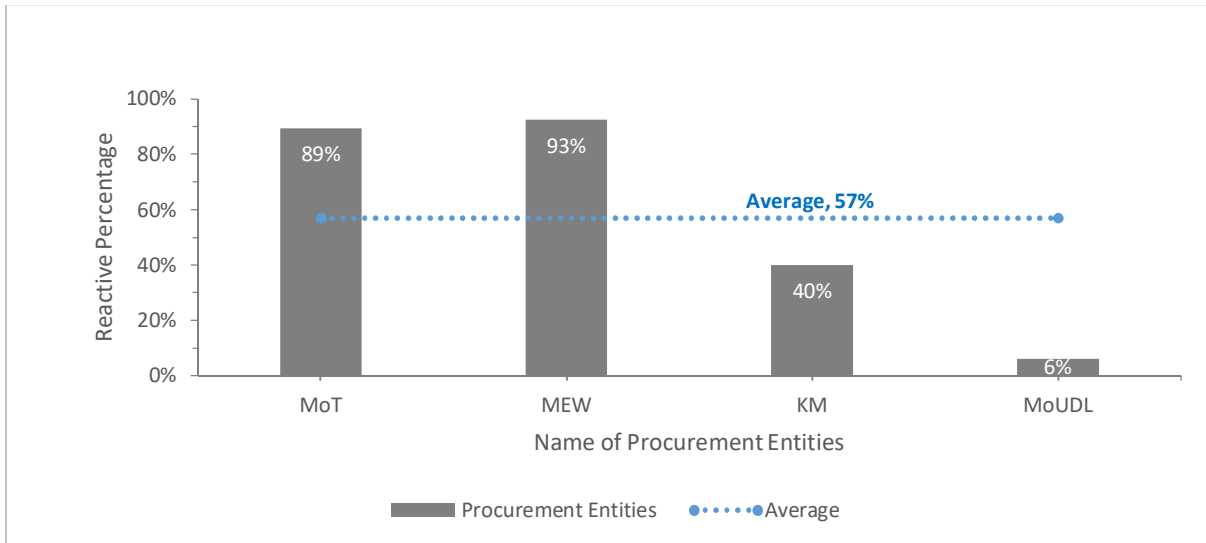


Figure 6: Reactive disclosure summary on 4 entities

2.3 Challenges in disclosure

In general, the assurance team noticed the following challenges associated with reactive disclosure:

- Lack of information about the Access to information Law and the CoST programme.
- Lack of well-organized filing system. Procuring entities have primitive recording/archiving systems. Most of files and documents were not labeled and tagged properly.
- Project information is scattered in various departments even in provinces.
- Lack of collaboration and weak information flow.

2.4 Validation/Accuratness of the disclosed data

Validation is a process which assess the accuracy of the proactively disclosed data on the procuring entities portals. The disclosed information should be precise and accurate. Any error or mistakes could potentially reduce the citizen's trust and may lead to misinterpretation and disputes. The procuring entities portals should be a credible and reliable source of project information that all stakeholders, from different categories, especially CSOs, researchers and academia, could trust and use them as a reference for their monitoring and academic work.

The AT assessed the accuracy of the disclosed information in the selected projects through the documents they received upon request from 4 entities. 3 portals/websites (AGEOPS, MoT MIS, MEW) were assessed. It was found that there are some discrepancies and errors. For instance, in the MEW portal, the number of

bidders for “Tahte Haqan-1 River Bank Protection Scheme” project is 7 while the actual number of bidders are 5 in the documents. Similarly, other cases of misinformation have been identified while assessing the accurateness of the disclosed data. But the average rate of accuracy of the information disclosed was high (above 90% in the 3 systems assessed). The graph below indicates the validity/accurateness percentage.

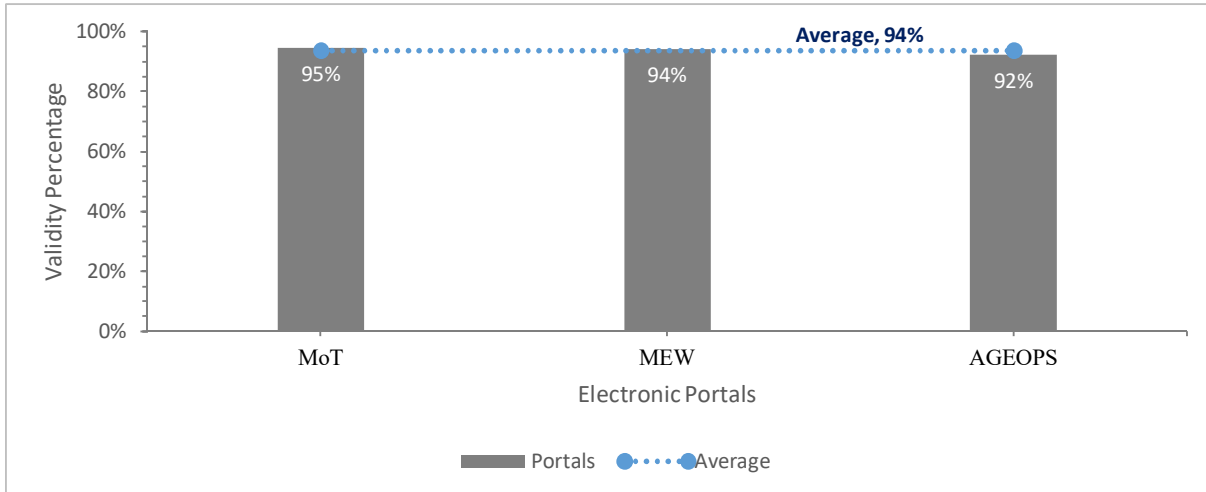


Figure 7: Validity/accurateness of Information in Procuring entities

As it can be seen from the figure 7, MoT is the most reliable portal with a weight of 95% following by MEW with a weight of 94%. AGEOPS Portal, which is fed by MoUDL and KM, is marked last with a weight of 92%.

In addition, most of the data in the portals are entered manually and not being updated regularly. For instance, the financial progress of Project 1 (15 km additional work on interior roads in Mazar-e-Sharif city) was reported as 31.96% in the disclosure portal, while it had achieved 42% at the time of writing this report. The data on the portals are outdated and if necessary actions are not taken, this could lead to potential waste of time and resources that are invested in the disclosure of project information.

2.5 Recommendations

1. Establishing an electronic system that links project and contract data to the decision-making process over the project lifecycle such as project preparation, procurement, contract implementation and project completion. This could be achieved through upgrading and improvement of AGEOPS.
2. Capacity building for Procuring entities to enable them to properly enter data and enhance accuracy and validity of the portals.
3. Capacity building training for Procuring entities to establish appropriate filling/archiving systems.
4. Existing portals are not linked to the official page of entities. Necessary actions to be taken by procuring entities and CoST to promote the disclosure of information.
5. Recently, Special Anti-Corruption Secretariat (SACS) requires those procuring entities which have signed the memorandum of understanding (MoU) with CoST Afghanistan, to disclose project information based on CoST criteria (Entities Anti-corruption Strategy) . The assurance team findings show that this strategy has not been fully understood and implemented.

3. Transparency in the Procurement Process

3.1 Project Tendering

Project tendering is “the process by which bids are invited from interested construction contractors to carry out specific packages of construction work. The tendering process is an important means by which a fair price and best value for undertaking the works is obtained”.²¹ The tendering process usually has three stages: tender preparation, tender period and tender evaluation. In this report, the tendering duration is measured from the announcement of a project for bidding to the awarding of the contract. The tendering duration is not explicitly limited in the existing laws and regulation but based on international good practices it should not exceeds 120 days (4 months) in National Competitive Bidding (NCB) and 150 days (5 months) in International Competitive Bidding (ICB). As it can be seen from the Figure 8, the average tendering duration is 336 days, which is almost three times more than the normal practice. Out of 20 projects, only 6 projects completed tender within the specified tendering duration, while the tendering duration of some projects, for instance, Cheghcharan Gardandewar Road, took more than 1000 days.

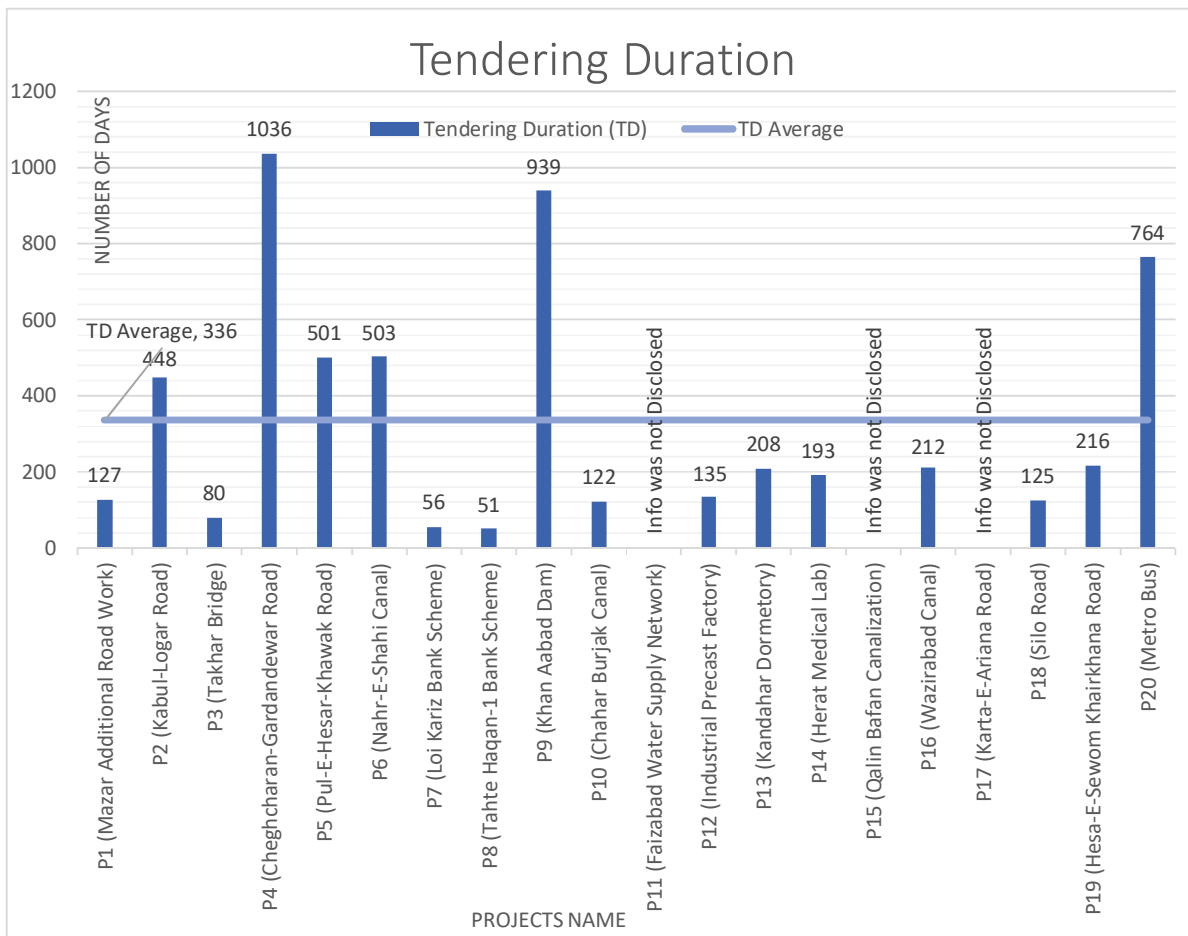


Figure 8: Tendering Duration

²¹ Davis. R, Stafford. R (Online), Project Tendering, available from: <http://bit.ly/29zQV0F>

Construction companies²² and Private sector²³ understand that tender tends to be a very lengthy and unpredictable process. The Bid Guarantee, usually has a validity period of 3 – 4 months and due to the lengthy process of tendering it becomes invalid and creates new problems. For instance, in the Project of Weir and Canal Construction of Nahr-e- Shahi, Bahsod, Nangarhar Province, the tendering duration took 16 months. 19 companies waited for 10 months and their bid guarantees become invalid and no compensation was made to the contractors. This lengthy process highly discourages private sector to bid for projects and could significantly influence the level of competition.

Projects over a certain threshold (more than AFN 100 million) are usually assessed and evaluated in two stages. In the first stage, the procuring entity prepare the bid documents, announce the project and evaluate the bids. In the second stage, the bid evaluation report is submitted to the NPA and subsequently to NPC for approval. In this process sometimes donors can get involved which can cause further delays in the tendering process (see Figure 9).

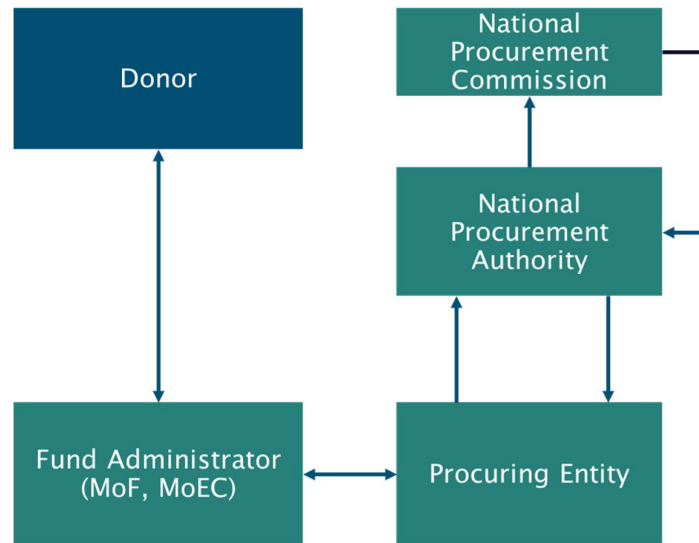


Figure 9: Tendering Process

Due to bureaucratic process, the communication of comments and errors between procuring entity, NPA and NPC is time consuming. For instance, in the construction of Weir and Canal of Nahr-e- Shahi projects, several official letters have been exchanged between MEW, NPA and Ministry of Economy which took more than 10 months, no final decision has been made during this period and the Bid securities of all 19 companies expired. As per interviews with private companies²⁴ and procuring entities²⁵, there are several reasons influencing the project tendering which are listed as follows:

- Inadequate capacity of the procuring entities in terms of knowledge and skills to evaluate the bid documents within the specified time. This leads to errors and rejection by NPA and NPC.

²² Interview with Sharif Azimi, CEO, Afghanistan Builders Association, Dated September 02, 2019.

²³ Interview with Eng. Akmal Alizoy, MSG Member and Project Manager at Global Trust Construction Company, Dated September 02, 2019

²⁴ Interview with Hamidullah Habibi, Director, Afghan Builder Association (ABA), September 02, 2019

²⁵ Interview with Sayed Ajmal Shahna, Contracts Progress Monitoring Director, NPA, Dated May 30, 2019

- The bid documents submitted by contractors are not complete. For instance, there is problems in bid guarantees, similar projects and company turnovers. This is due to that most of the private companies do not have the required knowledge of procurement laws and procedures. This is considered as one of the reasons for re-tendering of infrastructure projects.

3.2 Level of Competition

The graph below shows the level of competition in the projects selected for assurance. On average 3.87 bidders bided for each project. As it can be seen, the level of competition for small projects is higher, while for big projects is very low. There are infrastructure projects that have been announced several times but no bidder showed interest, or only few bidders bided for the project. For instance, the project of Asphalt Paving of Pol-e-Hesar to Khawak districts (first part) was announced two times. In the first time, only one company participated in the bid opening so the project was rebid for the second time.

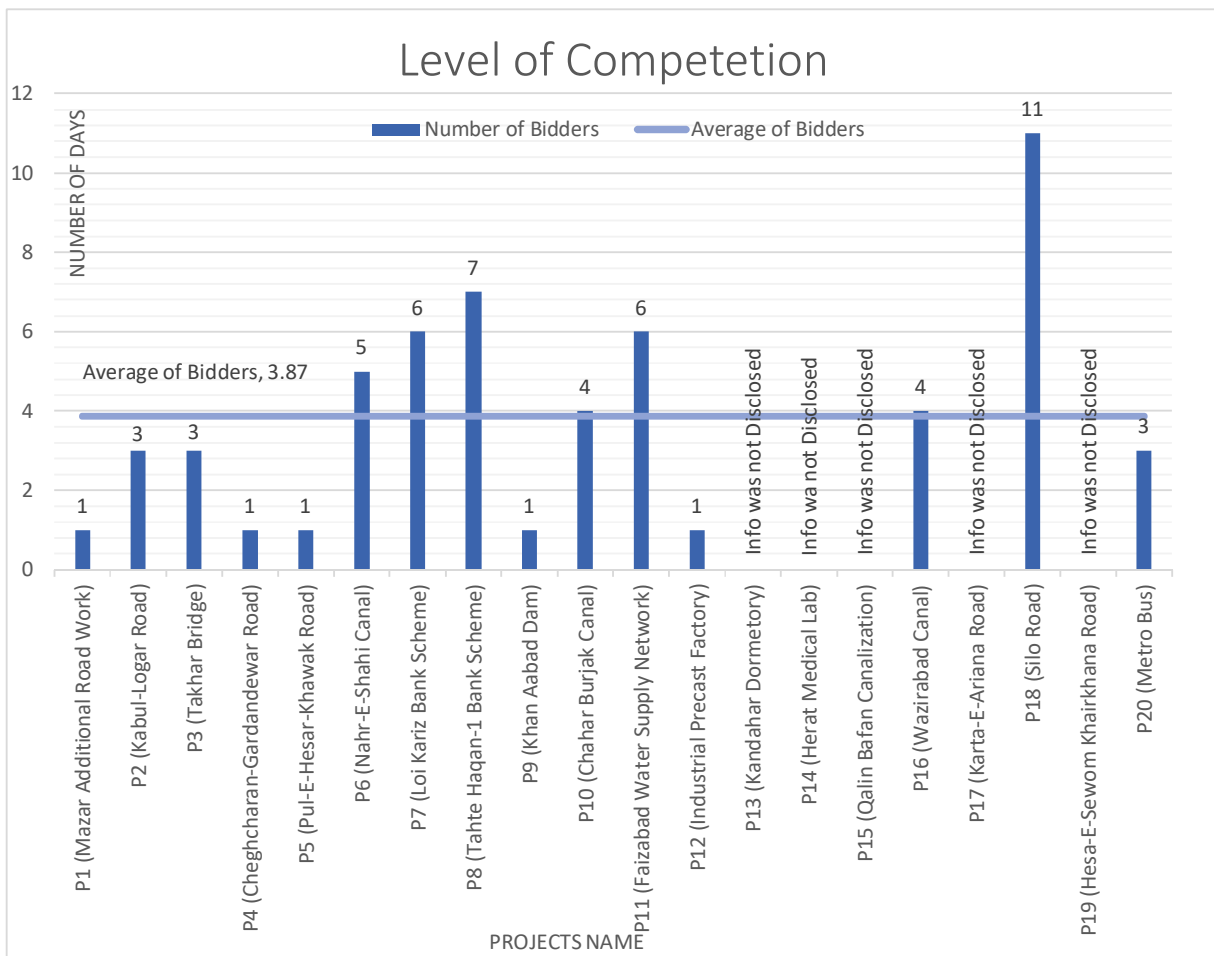


Figure 10: Level of Competition

As it is indicated in the graph, in 5 projects out of 20 only one company bided for the project or the ‘Single-sourced method (SSM) had been applied. The assurance team conducted several interviews with private sector representatives to identify the reason behind the low competition level found in mega projects. One of the reasons for low competition was “Bid evaluation criteria” which is defined in the Afghanistan

Procurement Procedure and related Circulars.²⁶ As per the law, bids should be evaluated based on the following criteria:

- Financial Capability
- Similar Projects
- Annual Turnover

Our findings show that one of the main reasons for low competition is the “Similar Projects”²⁷ criteria. For instance, if a company bids for a school project, as per the legal criteria it must have completed building projects very similar to school projects in the past. Even if the company has completed roads, canals, retaining walls works, etc., this will not suffice to fulfil the legal criteria of ‘Similar Projects’. Another reason for low competition is lack of trust and corruption in the evaluation process. All the three evaluation criteria are highly vulnerable to corruption and could be easily manipulated. All the bid documents are submitted in person and in hard copy. This traditional method of tendering could highly facilitate the opportunity for corruption.²⁸ For instance, during the evaluation process, an important page could be easily removed from the bid documents and this could change the decision direction for the benefit of favorite company.

3.3 Recommendations

Our findings show that there are not enough qualified bidders for capital intensive projects. In order to increase the level of competition and fairness in the tendering process the following recommendations should be taken into account by procuring entities:

1. The Government may consider reevaluating the ‘Similar Projects’ criteria. An alternative could be to change to a ‘similar works’ criteria for instance, a company that has completed road projects, which includes concreting, stone and brick masonry works could be considered during the evaluation process. This method was practiced by the US Army corps of engineering and the contractors are satisfied with the process.
2. Adopting of e-tendering and digitalization of bid submissions. This will likely avoid manipulation in the bid documents as well as promote fair competition.
3. Dividing mega projects into parts/lots or conduct an assessment of the market before putting mega projects for bidding.
4. Security is considered as a major risk in implementing projects for contractors. To encourage contractors to bid in projects that are located in insecure areas, a specific item could be added in the BoQ for security risk management.
5. Flexibility in the requirements of mega projects during evaluation, such as accepting two projects for similar experience or decreasing the annual turnover.
6. Bid announcement on several websites to assure wider participation and competition.

²⁶ Interview with Eng. Akmal Alizoy, MSG Member and Project Manager at Global Trust Construction Company and Afghanistan Builder Association Board, Dated September 02, 2019

²⁷ Ibid

²⁸ Ibid

4. Project Specific Issues and Concerns

In this section, issues and concerns related to each project is identified and necessary recommendations are made for the government and private sector.

4.1 Ministry of Transport (MoT)

4.1.1 15 km additional work on internal roads in Mazar-e-Sharif

The procurement method for this project is "Single Source" and this method is justified through an official letter by MoT dated May 29, 2017 (1396/03/08). According to this letter, the additional work should be contracted with the same contractor who had been awarded the first contract of this project. The duration of the contract was 180 working days, which has been later changed to 221 working days. This project was contracted to Ilyaswais Construction Company with a contract cost of 191,963,602.93 AFN.

According to NPA's decision No. 2704 on August 05, 2018 (14/05/97) and Procuring entity's order No. 2934 on (28-08-97) the contractor received the first modification in time and scope. The reasons behind this modification are: changing of the DBST (Double Bituminous Surface Treatment) item to asphalt and adding of road marking item after completion of asphalt. As a result, the project cost increased by 17,685,000-AFN (9.21%) and the time has extended by 6-months and 23-days (92.3%) which made the final contract cost of 209,648,602.93-AFN and project completion date of June 06, 2019 (1398/03/16). The contractor requested the second modification for time extension and scope change which is under process at MoT. The recent monthly report on April, 2019 (Sawr 1398) indicates that the project has 43.2% actual physical progress and 42% actual financial progress.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<ul style="list-style-type: none"> Single source method (SSM) used while it could be NCB or LCB. According to Afghanistan Procurement Procedure, Order 22, First Section, the SSM only should be used at emergency situations, where the goods or services can be facilitated from only one source or the price is lower than AFN 5000.²⁹ Problems in survey and design lead to scope change, time and cost overruns. 	<ul style="list-style-type: none"> 92.3% time overrun 9.2% cost overrun Improper and non-sufficient concrete spacers were used to provide concrete cover for the steel bars on the side walls of ditches 1+460 and 2+140 (where concrete pouring was ongoing) Concrete cracks were visible on floor slab of ditches throughout the project Improper slope of terrazzo work was observed at side walk throughout the project as well as some parts of terrazzo works damaged. Safety issues were not considered at this project. For instance, workers were not equipped with enough PPEs, no warning taps have been used to separate the construction site . 	<ul style="list-style-type: none"> To avoid the misuse of the Single source method (SSM) of procurement, procuring entities should present reasonable justification to support the choice of the SSM over an open bid competition. Lack of enough attention at the project preparation stage (survey, design, etc.) led to scope change and additional works. Survey and design quality need to be improved to avoid such changes. Improve project supervision mechanism to avoid quality and safety issues.

²⁹ Afghanistan Procurement Regulation Saratan 1395 (July 2016), P.10



Figure: 11 Steel grating ditch covers were not installed where the construction of ditches culverts completed



Figure: 12 No proper and sufficient spacers were used between steel bars and formwork of the ditches

4.1.2 Project of 24.150 Km Road Construction of Kabul-Logar

On July 25th, 2016; the project was announced for bidding. Due to errors in the bill of quantity (BoQ), the project was re-tendered. Through NCB procurement process, 3 companies bid for the project on the second announcement. The United infrastructure project (UIP) with the lowest price of AFN 782,567,915.6 became the qualified company and the contract was awarded on October 16, 2017 (1396/07/24).

The contractor was required to construct the second section of Kabul-Logar road with a length of 24+150 Km and the contract duration was 18-months (November 29, 2017 to May 28, 2019).

Based on available documents, land acquisition, security threats, community demand for changes are the reasons caused delay in project duration. However, the contractor requested the first-modification for time extension of 12-months on March 04, 2019 (13/12/1397) which is not approved during the AT desk research. The recent monthly progress reports indicate that the project is 52% behind schedule with actual physical progress of 48% and financial progress of 42.5%.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Errors in the BoQ which led to project re-tendering.</p> <p>The tendering process took 15 months which is above the recommended good practice.</p>	<p>52% time overrun (at the time of writing this report)</p> <p>Due to security threats the AT was not able to visit the project site</p>	<p>The technical documents should be reviewed by technical team before publishing the project.</p> <p>Land acquisition issues should be assessed during project preparation to avoid delays during implementation.</p> <p>To the extent possible, local community demands should be incorporated into the design stage of the project to avoid delays during implementation.</p>

4.1.3 Construction of 12-meters Concrete Bridge in Takhar

On September 30th, 2016 (1395/07/09), the procurement process of this project started. , 6 bidders received the bidding documents and only 3 were participated in the bid opening on October 10, 2016 (1395/08/09). As a result, Sheghnan Construction Company with the lowest price of AFN 7,074,050 was announced as the qualified bidder and the project was awarded on November 28, 2016 (1395/09/29) under the NRAP program of the MoT.

On July 09th, 2019, a pre-start meeting has held with the contactor for clarification of issues, confirmation of works program, resources and other arrangement. The project construction work started on December 19, 2016 (1395/09/29). However, the contractor had received a warning of low progress rate from NRAP on October 29, 2017, the construction works have been completed with no delay at the expected date of December 19, 2017. Finally, the project was handed over on December 29, 2018 after a 365-days liability duration.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>The reason why 3 bidders did not participate in the bid opening session is not clear for the assurance team and require further investigation.</p> <p>The tendering duration of this project is 3 months, which was consistent with good practices.</p>	<p>The floodwater caused concerns and challenges during the implementation of the project. The excavated soil has blocked the water path and changed the flow direction. Consequently, the flood partially damaged part of the mosque located near the project and completely damaged the public water well.</p> <p>Although, the contractor repaired the damaged part of the mosque and promised to build a new water well for the people, unfortunately after receiving the completion certificate, the contractor left the site without building the well.</p>	<p>A feedback session by PEs with those bidders who did not attend the bidding opening meeting in order to better understand the reason for not participating. The feedback could improve the level of competition and fairness in future process.</p> <p>MoT is required to evaluate the overall technical and environmental condition of projects before giving the completion certificate to the contractor.</p> <p>The execution of a contractual amendment between the PE and contractor to formalise new arrangements and secure appropriate enforcement.</p>



Figure 13: Construction of 12-meters Concrete bridge, Takhar Province



Figure 14: Interview with community on Construction of 12-meters Concrete bridge

4.1.4 Design and Construction of Herat – Cheghcharan Road 2nd Phase

Low level of competition resulted in three times failure of procurement announcement in this project. For the first time on October 20, 2013 (1392/07/28) two companies bided for the projects. The evaluation report was submitted to Afghanistan Reconstruction & Development Services (ARDS)³⁰ and the procuring entity received no feedback. Ministry Meeting on May 18, 2014 (1393/02/28) decided the re-announcement of this project. For the second time only two companies participated in the bid opening and it was again decided to re-bid. On October 15th, 2014 (1393/07/23), the project was announced for the third time and only one company participated which resulted in the re-announcement of the project for the fourth time on 21 July 2015 (1394/4/30).

On the bid opening dated August 26, 2015 (1394/06/04) only one company participated in the bidding and it was evaluated. The evaluation report was submitted to NPC and on January 11, 2016 (1394/10/21), it was decided in the NPC to recheck and review the project. The comments were rechecked and submitted to NPC on January 30, 2016 (1394/11/10) for approval. On April 16th, 2016 (1395/01/28) the technical report was conditionally approved by NPC, decree #947, on condition that the Financial offer of the company being evaluated by the procuring entity was submitted to Mr. Qayoumi and the Minister of Economy for approval. Finally, on June 21, 2016 the contract was awarded to M/S Venco Imtiaz Construction Company with a total price of 4,463,077,911 AFN.

During the assurance team desk research, no time/cost/scope modifications have been made to the project. According to available documents the construction is currently in progress. The latest available reports have shown 36% physical progress and 27.69% financial progress of the project which indicate that the project is going on with 10% behind schedule. Due to security threats the team was not able to visit the project site.

³⁰ ARDS was central procurement facilitation service provider in the field of procurement of goods, works, consultancy and services to various Line Ministries and Government Institutions. This unit merged with NPA on March 04, 2015

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>The project was bid for 4 times to find a qualified bidder. The reason for low competition is believed to be the high requirement set by the procuring entity (similar project, annual turnover and financial statement).</p> <p>The similar project of the qualified bidder is not according to the bidding document and it is less than the requirement set in the 2.4.1, of Contract condition and criteria.</p> <p>The tendering process took almost 33 months.</p>	<p>Due to security threats the assurance team could not visit the project site.</p> <p>10% behind schedule.</p>	<p>The PEs should analyse the projects before announcement and assess whether they could find a qualified bidder or not. This will help to decide on the breakdown of the project into lots and avoid delays in the tendering process.</p> <p>An item on the BoQ could be added for those projects that may have security risks. This will encourage contractors to bid for the project.</p>

4.1.5 Asphalt Paving of Pol-e-Hesar to Khawak districts, Panjshir province - first part

The procurement of this project started on April 11, 2018 (1397/01/22). The project was announced on April 25, 2018 (1397/02/05) and the bid announcement was extended two times but only one company participated in the bidding on June 13, 2018 (1397/03/23). According to the part five of Order fifty-four of the Afghanistan procurement regulations when less than three bidders participate in the bidding, the procurement entity should get the approval of the top management to proceed with one bidder. As the result, on June 19, 2018 (1397/03/29) the Minister of MoT officially stated that “the price of the company is very high and only one bidder participated in the bidding, therefore, re-advertise the project”. The retendering of the project started on June 30, 2018 (1397/04/09) and the bid opening was on August 11, 2018 (1397/05/20) and three bidders participated in the bidding. The evaluation committee started their evaluation on August 12, 2018 (1397/05/21) and completed on October 17, 2018 (1397/07/25). As the recommendation of the procurement entity regarding to the qualified bidder was not clear, the NPA rejected the request of the MoT. The special meeting for infrastructure projects led by Dr. Mohammad Hamyon Qayomi on November 10, 2018 (1397/08/19) decided on announcement of the project for the third time and also recommended dividing the project into lots/parts. At the time of writing of this report, the project was under procurement process. The ministry was not able to find a qualified bidder due to the high requirement set in the bidding document. The estimated cost is around 1,400,000,000 AFN (USD 14.94 million).

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>The project was tendered three times.</p> <p>The tendering duration is 8 months, which is not normally a good practice.</p> <p>Low competition due to the high requirements set in the bidding documents.</p>	<p>The project is under procurement</p>	<p>The PEs should analyse the projects before announcement and assess whether they could find a qualified bidder or not. This will help to decide on the breakdown of the project into lots and avoid delays in the tendering process.</p>

4.2 Ministry of Energy and Water (MEW)**4.2.1 Weir and Canal Construction of Nahr-e- Shahi**

Using non-discretionary funds provided by the Indian government, the MEW started the tendering process of this project on February 10, 2015 (1393/11/21). The first round of bidding occurred on March 29, 2015 (1394/01/9) in the Ministry of Economy at ARDS Office through NCB method. Totally, 22 bidders participated on the bid opening session, 3 companies were disqualified and 19 companies have been shortlisted. The first lowest bidder with a bidding price of 7953690 AFN was disqualified due to the lack of similar project experience and for not presenting the official letter of purchasing the project's required equipment. As the result, the project was awarded to Raies Khan Construction company for the contract price of AFN 7985460, who had submitted the second lowest price. As the price was 32.34 percent lower than the initial budget and the contract winner was the second lowest bidder, ARDS requested approval of the Indian Embassy.

Several official letters have been exchanged between MEW, NPA³¹ and Ministry of Economy which took more than 10 months, no final decision has been made during this period and the Bid securities of the companies expired. Finally, the MEW decided to re-advertise the project and started the process on March 01, 2016(1394/12/11), which resulted in the participation of 5 bidders. The project was awarded to Nejat Talat Construction and Road Company with a total price of AFN 8,811,603 on June 27, 2016(1395/4/7).

The main purpose of this project was to stock water for 1000 Hectare agricultural lands and protect the agriculture lands and residential houses from flood effects. The project duration was 30-weeks (June 29, 2016 – January 28, 2017) (1395/04/09 to 1395/11/09). The project was completed on time with 5.73% decrease in total price of contract due to BoQ errors which is made the final contract price of 8,306,402.4 AFN.

³¹ As soon as the ARDS merged with NPA, the evaluation process of this project proceeded via NPA

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>The tendering process took 16.5 months. Lack of clear communication and the cumbersome bureaucratic process led to misunderstanding between NPA and MEW. The AT had access to a record of around 600 pages with more than 100 signatures and stamps. The process was extremely discouraging for the private sector. 19 companies waited for 10 months and their bid securities expired and nobody took responsibility for it. In addition, a construction company was qualified in the first round and dropped from the process with no explanation. The re-tendering of this project is against procurement regulations and private sector right.</p>	<p>Defects such as improper concrete finishing and masonry works observed throughout the project. In addition, the canal direction changed due to community problems and thus is not matching the project drawing. Canal maintenance has been neglected and requires attention.</p>	<p>PEs need to improve their internal and external coordination and communication strategies. Introducing technology and using templates in the process could help achieving this aim. The AT analysis of the documents shows that email communication has never been used by public entities. The use of email could significantly reduce time and accelerate the decision-making process. Project preparation should include assessment of the BoQ.</p>



Figure 15: 15 cm thick PCC is peeled on section C-C of Canal which might cause from improper curing during the construction



Figure 16: CoST AT is measuring the project specific items

4.2.2 Loy Karez River Bank Protection Scheme

On October 9th, 2016, the procurement process of this project started. 10 companies received the bids and 6 bidders participated in the bid opening session dated, November 09, 2016. After a 3-month tendering process, the Evaluation Committee shortlisted the Rock-Bound Construction Company as the qualified bidder with the lowest price of 3,330,523 AFN. Using the World Bank Grant No. H-681-AF(IDA)/TF-012029(ARTF), the MEW awarded the contract to Rock Bound Construction Company through an NCB procurement process on December 04, 2016. The contract duration was 10 months (December 04, 2016 – October 13, 2017) including 3-months for flood/adverse weather conditions and resolving community/farmers' needs/disputes. The actual completion date was revised to January 12, 2018, which shows 30 percent increase in time. The reason behind this delay was security threats on project site. Finally, the project is handed over on January 10, 2018 within the budget.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<ul style="list-style-type: none"> no major concern is observed in the procurement process. 	<ul style="list-style-type: none"> 30%-time overruns Security issues during the implementation The AT was not able to visit the project site due to security issues 	<ul style="list-style-type: none"> No comments

4.2.3 Tahte Haqan-1 River Bank Protection scheme

This project is funded by the World Bank. The MEW started the NCB procurement process on October 09, 2016 (1395/07/18). 15 bidders received bid documents and 7 bidders participated at the bid opening dated on November 08, 2016. After 2 months of tendering process, the contract was awarded to the first bidder (Rock Bound Construction Company) with the lowest price of 381,023-USD (25,147,518-AFN) on November 29, 2016.

The project duration was 390 days (about 13 months) including slack period of 3 months for flood/adverse weather conditions and resolving community/farmers' needs/disputes. The starting date of construction was December 24, 2016 with the expected completion date on January 18, 2018. However, the contractor requested 3-months extension of time on November 14, 2017 due to winter season and agreed to complete the project on June 20, 2018. No approval has been made for the requested modification (time extension) from MEW.

The contractor received warnings for delay from PCU's (Project Coordination Unit) directorate of Mazar province while the project was in its 73% actual physical progress. No documents regarding the reasons behind this construction delay was disclosed to the assurance team. Meanwhile, the activities and work progress of project is reported poor, non-satisfactory and unacceptable by PCU at Mazar. The PCU suggested the termination of the contract, but no action has been made to fix the issue from either of MEW and contractor. The assurance team conducted a site visit and performed interviews with the community³² and Samangan officials³³. As a result, the team found that the contractor left the project without completion, and the main reason behind the 157% delay is reported the low financial capacity of the contractor.

³² Members of Community Development Council

³³ Rahmatullah Afzali, Irrigation Directorate Zone Manager, MEW, Dated July 17, 2019.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Several times the contractor promised to carry out the project work but did not comply with the obligations. As the result on Nov 05, 2018 the technical team requested the contract management team to terminate the contract with M/S Rockbound but the contract is still not terminated and it is against contract condition.</p>	<p>157%-time overrun</p> <p>The quality is reported poor and also been observed during the AT site visit. Quality issues such as settlement of backfilled materials, poor formwork was observed throughout the project.</p> <p>Poor performance of contractor and leaving the project without completion</p> <p>The main reason behind the 157% delay is the low financial capacity of the contractor.</p>	<p>Construction companies need to improve project management in order to avoid delay</p> <p>PEs should improve supervision mechanism to avoid quality issues.</p> <p>Project preparation should include the assessment of the financial capacity of contractors.</p>



Figure 17: due to recent flood part of the protection scheme were damaged on location 0+00 of the project



Figure 18: poor formwork was observed throughout the scheme wall

4.2.4 Detail Design and construction of Khanabad Dam 2

On February 29th, 2016 (1394/12/10), the MEW requested NPC to approve the procurement process and allocate budget code for six dams including Khan Abad project, as these were not included in the financial plan of 2016 (1395). On March 12, 2016 (1394/12/22) the NPC approved the projects and ordered to instantly proceed the contract process of them. MoF was asked to provide the budget from American Partnership Fund. Following, the MEW has started the procurement process of project (Detail Design and Construction of Khan Abad 2 Dam) located in Khanabad district of Kundiz province. For the first time 13 bidder received the bid documents and only 3 bidders participated in bid opening. The Imran Energy Construction Company JV International Holding Group, the third lowest bidder qualified with a total contract price of USD 24,825,445. However, The NPC canceled the first tendering process due to: a)

changing of procurement method to Limited Bidding and clearly define the requirements in order to have fair competition, b) skilled people who has technical knowledge with the related issues of project must be included in the evaluation committee, and c) pre-bid meeting must conduct in the tendering process as it is a large scale project.

The re-tendering process started on February 06, 2017 (1395/11/18) through LIB (Limited International Bidding). As the result 5 companies received the bid document and only one company participated in the bid opening. The project is submitted to NPC on April 16, 2018 (1397/1/27) for final approval. The NPC approved the project on June 13, 2018 (1397/03/23) but on condition that the company provide high performance guarantee. As a result, the contract was awarded through a LIB procurement process to Linco Infratech Limited with a total price of 25,312,500 USD on October 14, 2018.

There is about 4,042,500-USD (19%) discrepancies between the estimated cost (21,270,000-USD) and contracted cost (25,312,500-USD). There are major deviations in the re-tendering process. The PE asked for high performance guarantee which is against procurement regulations and the procurement process took long time as the procurement method is LIB. The NPA had comments but the project is approved by NPC without considering these comments. The major comments by NPA were:

1. Financial problem of the company
2. Bankruptcy of the recommended company

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Low level of competition. Only one bidder bided for the project</p> <p>The tendering duration was 28 months which exceeded good practices</p> <p>Comments by NPA, regarding financial capacity and bankruptcy of the company, have been ignored by NPC</p>	<p>At the time of writing this report, the actual work had not been started yet.</p>	<p>The MEW should strictly follow Afghanistan procurement law and regulations, the evaluation committee asked the recommended company to provide high performance guarantee than specified in the Afghanistan procurement regulations which is against Afghanistan procurement regulation. This project is facilitated by NPA and approved through NPC</p>

4.2.5 Rehabilitation and Reconstruction of Chahar Burjak Canal

This project is funded by the Indian government. The MEW started an NCB procurement process on August 21, 2016 (1395/05/31). 5 bidders received SBD but only 4 bidders participated in the bidding process. The donated fund from the Indian embassy for this project was 1,000,000 USD, but the price of the qualified bidder was 1,037,389.582 USD. As the cost of qualified bidder was higher than the donated fund, the MEW communicated this through MoEc with the Indian Embassy. The Embassy rejected any increase in the fund and expressed that they can only pay the specified fund of 1,000,000 USD to the qualified company. The issue was formally shared with the qualified company for acceptance and rejection. As a result, the company accepted the contract price of 1,000,000 USD.

On January 07th, 2017 (1395/10/18), the MEW awarded the contract to Itehad Karwan Construction and Road Company with a total price of 67,000,000-AFN (1,000,000 UDS). This project with a total length of 8164 meter was aimed to irrigate 24000 Arc agricultural lands and facilitate farming for 4000 families.

The project duration was 11-months (January 11, 2017 – December 13, 2017) (1395/10/22 to 1396/09/22) with one-year defect liability period. On March 25, 2017 (1396/01/05), the contractor requested 30% additional cost for additional excavation works performed by the contractor. The MEW sent a technical team to verify the additional works. The team approved the additional works but the Procurement department of MEW rejected the contractor's request due to the reasons below:

1. Before any additional works is implemented, confirmation of donor's regarding of cost incensement is a must.
2. Any modification in the project scope requires the approval of MEW which was not received.
3. Additional works more than 25% requires a new contract which was not considered by the contractor. Finally, on 1396/09/18 this project was completed shortly earlier without any delays and increase in cost.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Tendering duration is 4 months which is in accordance with good practices.</p> <p>Due to the lack of clear communication between the contractor and the PE, additional works have been performed by the contractor and approved by the technical team of the procuring entity but rejected by the procurement department and no compensation was made.</p>	<p>Due to security issues, the AT has not been able to visit the project site.</p>	<p>The private sector needs to improve their capacity and make sure they understand prevalent laws and regulations. This will help them to manage risks such as performing additional works before approval.</p> <p>The ABA should conduct capacity building training about procurement law and project implementation for its members.</p>

4.3 Ministry of Urban Development and Land

The Ministry didn't disclose any information related to the procurement process and awarding conditions; therefore, the AT couldn't assess transparency issues in their concern projects. The AT only conducted limited site visits to see the quality and operationality of the projects.

4.3.1 Construction of Water Supply Network in Faizabad

This project is funded by the German government and contracted to Omran Holding Group. The Construction work of the project has already been completed by contractor and has been officially delivered to Ministry of Urban Development and Land. It is nearly two years that the project is under operation.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
Information not disclosed	Due to problems in design and implementation, the locations of Val Boxes are not appropriate and highly vulnerable to floods. As the reservoirs are by the mountains and hills, there are no protective walls for protecting the reservoirs from water flood and rack fall.	Regular maintenance of the project and if possible changing the locations of the Val Boxes. Project preparation should include assessment of site condition and project location.



Figure 19: CoST AT is visiting the project. No protection walls have been considered.



Figure 20: No person has been appointed for the maintenance of the project

4.3.2 Industrial Precast Construction Factory

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
Information not disclosed	No major concern has been identified in the project site and physically the work is satisfactory due to regular monitoring from Top Government Officials Especially H.E president. Currently, the factory has limited sources and raw materials for producing the prefabricated elements. Therefore, the sustainability of the project is an issue of concern.	Government should improve the Factory and encourage the private sector to use the facility. Project preparation should include assessment of project sustainability.



Figure 21: Planning, Design, Installation, Construction and Activation of Industrial Precast Construction Factory



Figure 22: Interview with the Head of Prefabricated Construction Factory, Kabul Province

4.3.3 Construction of Kandahar University’s Dormitory

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Information not disclosed</p>	<p>Poor quality of concrete formwork is observed throughout the project. (Figure 23)</p> <p>Improper site and safety management and workers were not equipped with PPEs (See figure 23)</p>	<p>Procuring entities need to improve their supervision mechanism in order to make sure the project drawings and specification are fully implemented and construction quality measures are in place. Work safety is not explicitly mentioned in the construction contracts and thus contractors are not obliged to follow safety standards. Procuring entities together with NPA need to address this issue and enforce safety standards in the contract, such as using PPEs and insurance for workers that are harmed during the construction work.</p>



Figure 23: Improper formwork and lack of spacer usage caused uncovering of steel bars at the parapet walls.

4.3.4 Medical Products and Medicine Quality Lab Building

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
Information not disclosed	Poor site management and inadequate work safety measures was observed in the project site. For instance, no warning tape was used around the excavated ditches and septic tank and the workers were not equipped with enough PPEs. (See figure 24) Quality issues observed throughout the project.	Supervision mechanism need to be improved in order to avoid quality and safety issues.

Tour on Construction of Medical Products and Medicine Quality Lab Building in Herat



Figure 24: No warning tape was not used around the excavated ditches and septic tank

4.3.5 Water supply and channelization of Qalin Bafan residential Project

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
Information not disclosed	The team tried to have access to the project site but due to lack of cooperation by the directorate of MoUDL at Mazare-Sharif, they did not get the permission to go to the project site. However, the team unofficially went to the area but they could not find the project location.	The Access to Information Law is not understood at central and provincial level. Therefore, actions need to be taken by CSOs and OCAI to increase awareness and enforce laws.

4.4 Kabul Municipality

4.4.1 Construction of Wazir Abad Canal

This project was funded by the World Bank and the Kabul Municipality started the procurement process on May 15th, 2017. 97 bidders received the bid documents (94 through NPA portal and 3 in hard copies). Only 4 bidders participated in the bidding process and the Evaluation Committee recommend the first lowest bidder for the project. As the price of the qualified bidder was 38% lower than the estimated cost of project, the bidder was asked to provide a justification and breakdown of activities to the Evaluation

Committee according to procurement regulation Order 47, part 6.³⁴ The qualified company, Qara Chay IC, justified the reasons for lowest price as below:

- Qara Chay IC is going to invest in Afghanistan and would like to transfer and use most of the required machineries, equipment and personal from the stock already owned.
- Qara Chay is receiving incentives and financial support from the Government of Azerbaijan as well as from the Chamber of Commerce of Azerbaijan for developing its business offshore, specifically, to Afghanistan.
- Qara Chay has more than enough stocks of bitumen, cement and steel bars to easily shipped to its projects in Afghanistan instead of purchasing from local market.

As a result, on February 4th, 2018 (1396/11/15) the justification was approved and the contract was awarded to Qara Chay Individual Company with a total price of 10,623,201-USD through International Competitive Bidding (ICB) process. The estimated cost of this project was 17,108,800-USD. A claim by the second lowest price bidder was submitted to Kabul Municipality and NPA, and after several verbal and written communications, the bidder left the claim process because of the additional requirements requested by NPA such as to provide 0.1% of bid price in cash.

The design of this project was outsourced to Khatib-UI-Alemi consultant company and was completed on February 2017.

The contract duration was 15-months (February 04, 2018 – May 03, 2019) with 360-days defect liability period. On February 23rd, 2019, the contract cost was increased by 5.4% due to adjustment to BoQ. On May 7th, 2019, a time extension of 3.7 months was approved for the contractor. The main reasons behind request for the first time extension was the below points made by the contractor:

- Two winters in the contract period
- No determination of the mobilization area by the employer
- Increase in the scope of work
- Security measures and blockage of the border
- Water flood in the canal

After a technical analysis by KUTEL, the procuring entity accepted the reasons provided by the contractor on points 1, 3 and 5 and approved 111 days extension of time to the contract period which changed the substantial contract completion to August 22, 2019. At the time writing this report (30 Oct 2019), the project has 94% physical progress, which indicates 52.8% time overruns. The project cost is also increased by 5.42% as a result of revision in bill of quantity.

³⁴ Afghanistan Procurement Regulation, Saratan, 1395 (July, 2016) P. 23

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>38% difference between the estimated cost and the contract price. While the rest three bidders bid prices are respectively 2%, 5% and 17% higher than engineering estimate.</p> <p>The difference between lowest and highest prices are 55%.</p> <p>The tendering process took 7 months, which seems relatively good.</p>	<p>52.8%-time overrun 5.42% cost overruns</p> <p>Safety at project site was poor. Some workers were observed without wearing safety shoes, gloves and sunglasses.</p> <p>Environmental concern regarding to the odors or smell of the water in canal. This could spread different kind of diseases for the people living around the canal. Due to the topographic location of the canal, the existing slope will not allow the water to flow fast and thus will cause water collection throughout the canal length.</p>	<p>38% differences in the BoQ, 52.8 % time overruns and 5.42 % cost overruns demonstrate that the entity need to improve project preparation stage and pay more attention on the quality and accuracy of survey and design.</p>



Figure 25: Assurance team is discussing the project issues with project manager and contractor of Wazir Abad Canal project



Figure 26: The project is under the formwork and steel work on section 4+430

4.4.2 Kart-e-Ariana to Kabul University Road via Gardana-e-Shakhi

The Kabul Municipality has not disclosed the required information of this project to the AT. Therefore, the team could only be able to conduct site visit to observe the overall quality of project.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Information not disclosed</p>	<p>Improper stone masonry observed at side ditches Low quality prefabricate curbstones were installed; concrete peelings were observed at the surface of curbstones. Workers were not equipped with personal protection equipment (PPE). Safety sign boards were not used at project site to differentiate between construction site and non-construction site.</p>	<p>Project supervision need to be improved in order to avoid safety issues, and to manage and maintain quality before and after the project implementation</p>



Figure 27: Concrete peelings were observed at the surface of installed curbstones



Figure 28: Improper stones and masonry observed at the site ditches

4.4.3 Construction of Silo Main Road (lot 4)

This project was funded by the World Bank and implemented through Kabul Urban Transportation Efficiency Improvement (KUTEI) program. The project was announced for bidding on October 14, 2014 and as a result 24 bidders received SBD. 11 bidders attended bid opening session. The Evaluation Committee was appointed on November 18, 2014 to evaluate the projects. The Evaluation Committee completed the evaluation report on January 08, 2015 with the specified period. The Evaluation Committee recommended the first lowest bidder for the project and it was approved by NPC. The qualified bidder price is 230,843,400 AFN and the estimation cost are 245,825,160 AFN. The Project is award to Mashriq and Maiwand Construction and Engineering Company (JV) on April 19, 2015. The whole tendering process took 7 months which is not in accordance with good practices in procurement. The contract duration was 12-months starting from April 22, 2015 with a completion date on April 20, 2016.

On May 02, 2016 (1395/02/13) based on order number 967 of NPA committee, the contract duration was extended for 61-days (April 20, 2016 to June 20, 2016) and according to order 1127 of NPA committee on July 25, 2016 (1395/05/04) the contract duration was extended 28-days for the second time which made the contract completion date of July 18, 2016. According to order No. 1733 of NPA committee, the third amendment has been made upon increase of 7.89% (18,216,792.39-AFN) to the contract cost which increased the final contract price to 249,060,792.39-AFN. Finally, the project completed and delivered to Kabul Municipality on July 20, 2016.

Below are the reasons for time and cost overruns

- Changing in the BoQ and scope of project, which required the contractor to supply and install two transformers, traffic signs, police checkpoint, etc.
- Removal of unsuitable materials from project site
- Delay in reporting the lab tests, which was required by QC team to proceed the work.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
Tendering duration took 7 months, which is not in accordance with good practices in procurement	Quality issues were observed throughout the project, such as cracks and rutting. Two extensions in the contract duration which led to 24.7%-time overrun and Cost overrun of 7.89 %	Project supervision need to be improved in order to manage and maintain quality before and after the project implementation. Project preparation should include assessment of the project scope and considerations about initial activities required on site in order to avoid delays during implementation.



Figure 29: critical cracks (crocodile / fatigue) are visible along the whole length of the road while the project is on the second year of construction

4.4.4 Construction of Hesah-e-Sewom Khair Khana Road

The procurement of this project started on September 26, 2019 (1395/07/05) and completed on May 13, 2017 (1396/02/23). 6 bidders received bid documents and only 3 bidders attended the bid opening session. The Evaluation Committee was appointed on October 31, 2016 (1395/08/10) to evaluate the projects. The Evaluation Committee qualified the first lowest bidder for the project with a bid price of 147418440 AFN which was rejected by NPA since the bidder had not fulfilled the requirement of financial resources which was specified in the bidding document. The Evaluation Committee completed the evaluation report on March 28, 2017 (1396/01/08). The second lowest bidder was qualified for the project. The evaluation duration was about 5 months which is against the Afghanistan procurement regulations. The duration of tendering process was 7.3 months.

On May 13th, 2017 (1396/02/23) the contract was awarded to Ilyas wais JV with Aryoub Spenghar construction companies with a total amount of 151,038,035 AFN. The contract duration of this project was one calendar year, starting from July 01, 2017 – June 04, 2018 (1396/04/10 to 1397/3/14). The project has been completed and delivered to Kabul Municipality without any delay. However, the project completion budget has been decreased to 145,417,270.6 AFN due to scope changes which shows a 3% budget saving.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>Bid evaluation took 5 months which is against Article 37 part 2 of Afghanistan Procurement Regulations, Procurement rules of procedure. According to the law, the EC should evaluate the bid document in max 30 days and submit the report to the award authority. The EC could extend the time for another 1 month in case of having logical reasons.³⁵</p>	<p>Lack of public participation in the maintenance process of project is a concern. For example, ditches steel cover has been stolen and the road side ditches and drainage system have been blocked by aggregating construction materials on both sides of the road.</p> <p>Poor Quality Control of materials caused some damages. As an example, low quality of RCC ditches cover observed in the project site. The RCC ditches covers has been partially destructed in many parts of the road intersections.</p> <p>In addition, the AT has recognized that there was a design change during the project implementation which shows issues of incomplete project preparation. In Hesah – e – Sewom, Danish Station, the road was originally designed for two – way street, but upon community request, it has changed to one-way street and caused decreasing about 5.5 Million AFN in the project budget.</p>	<p>The PEs should appoint qualified people to the Evaluation Committee. The EC should have broad understanding of Procurement rules and regulations as well as should possess technical and financial skills.</p> <p>Public participation in the maintenance process of project is a significant issue. Therefore, the sense of ownership must be improved among the local communities.</p> <p>Full monitoring and inspection during the implementation of the project is important and should be conducted by the procurement entities to ensure quality.</p> <p>There should be a community dialogue during identification and preparation stages to get people recommendations in order to avoid design changes during implementation.</p>



Figure 30: Lack of KM monitoring after the construction of public infrastructure and miss use by public



Figure 31: The AT is discussing the project related issues with community

³⁵ Afghanistan Procurement Regulation, Saratan 1395 (July 2016), P. 18

4.4.5 Detailed Design of Kabul Metro Bus Network

The procurement process of this project started on August 14, 2017 (1396/05/23). For the first time 4 companies presented their Expression of Interest after advertisement of the project through NPA PMIS system. After preliminary evaluation one company was disqualified due to not providing bidding requirements and the rest was shortlisted. On October 21, 2017 (1396/07/29), only one company Planet S.A participated in the bid opening. On November 28, 2017 (1396/09/07), the NPA announced the project and requested for Expression of Interest which leads to receiving 15 Expression of Interest (EOI) from companies. The Evaluation committee shortlisted 3 company and only one company "Planet S.A" qualified and presented the bid requirements. Finally, the Evaluation Committee recommended Planet S.A company with a total contract price of USD 2,607,527 to NPC for final approval on December 16, 2018 (1397/09/25). However, it was decided in NPC that "the MoF, NPA and Kabul Municipality should have a meeting to assess the similar project [requirement] of the qualified bidder". The meeting was organized on December 17, 2018 (1397/09/26) in NPA and Acting Minister of Finance and Director of NPA attended this meeting. The meeting decided that "there is no need to spend millions of dollars for the design of the Metro Bus project, it will be good to hire two or three international technical advisors and Khatib Ulalimi should help to introduce the advisors".

Currently this project is under design of KM and procurement process.

Issues of Concern and Recommendations

PROCUREMENT ISSUES	IMPLEMENTATION ISSUES	RECOMMENDATIONS
<p>It has taken so far 22 months to prepare the design of the project and it is not yet finalized.</p> <p>The decision-making process is very slow and there is no deadline for the finalization of this project.</p>	<p>No comments</p>	<p>No comments</p>

5. Project Time and Cost Overruns

5.1 Projects Cost Overrun

Project time and cost overruns are considered as the two major problems in delivering infrastructure projects in Afghanistan. According to the findings of the First Assurance Report (2018), the construction projects assessed in 2018 experienced on average 18.7% cost overruns and 119%-time overruns³⁶. In 2019 the assurance team investigated cost overruns in 20 projects. Out of these projects, the information of 5 projects have not been disclosed by MoUDL, and 7 of them were at procurement and implementation stages. Therefore, the team had only measured the cost overruns in 8 projects that have been completed or have an approved modification on the contact price during the implementation. As it can be seen from the Figure 32, the construction projects are facing on average 3.8% cost overruns.

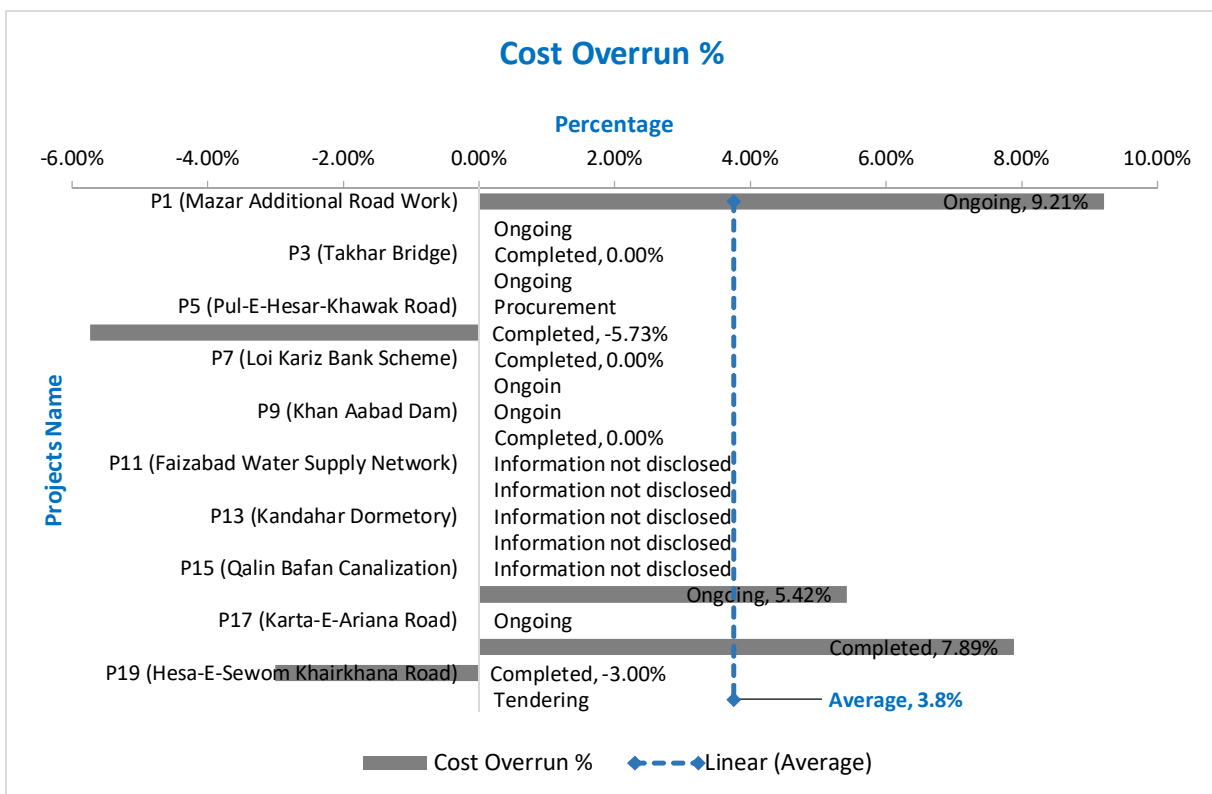


Figure 32: Project CoST Overrun

As per interviews with Construction³⁷ companies and Private Sector³⁸, the main reasons for cost overruns are:

- Outdated or expired Survey and Design documents
- Errors in BoQ and Design
- Scope changes

³⁶ CoST Afghanistan First Assurance Report, Year 2018, P. 26,28 , available from www.cost.af

³⁷ Interview with Afghanistan Builders Association Board, Date September 02, 2019

³⁸ Interview with Eng, Akam Alizoy, MSG member and Project Manager at Global Trust Construction Company, Date September 02, 2019

As indicated in figure 29, most of projects with cost overrun belongs to Kabul Municipality (P16 – P20) and MoT (P1 – P5). The project of Additional work in Mazar-e-Sharif (P1) is facing 9.21% cost overruns while the project has 43.2% actual physical progress and 42% actual financial progress at the time of writing this report. The main reasons are problems in survey and design, which led to scope changes in the project. Asphalt paving of Silo road (part four) has a cost overrun of 7.89% resulted from one approved variation order of additional cost to the initial contract price. This is due to inaccurate survey, design and errors in BOQ. Cost overrun of 5.42% in Wazir Abad Canal project is another considerable point which resulted from the revision of bill of quantity in order to add new item to the initial contract price. Likewise, the contract price of Weir and Canal construction project belongs to MEW and Hesah – e – Sewom Khair Khana road belong to MoT is decreased by 5.73% and 3% due to inaccurate BoQ estimation and scope changes.

5.2 Projects Time Overrun

The graph below shows (Figure 33) the assessment of time overruns or delay in the selected projects. The construction projects are facing on average 64%-time overruns (in 11 out of 20 projects). Karta -e-Arian road, which belongs to Kabul Municipality, with a time overrun of 298% is the most delayed project out of 20 projects selected for the Assurance Report. This is followed by projects from MEW with 157% and MoT with 92.31% delays ranked 2nd and 3rd respectively.

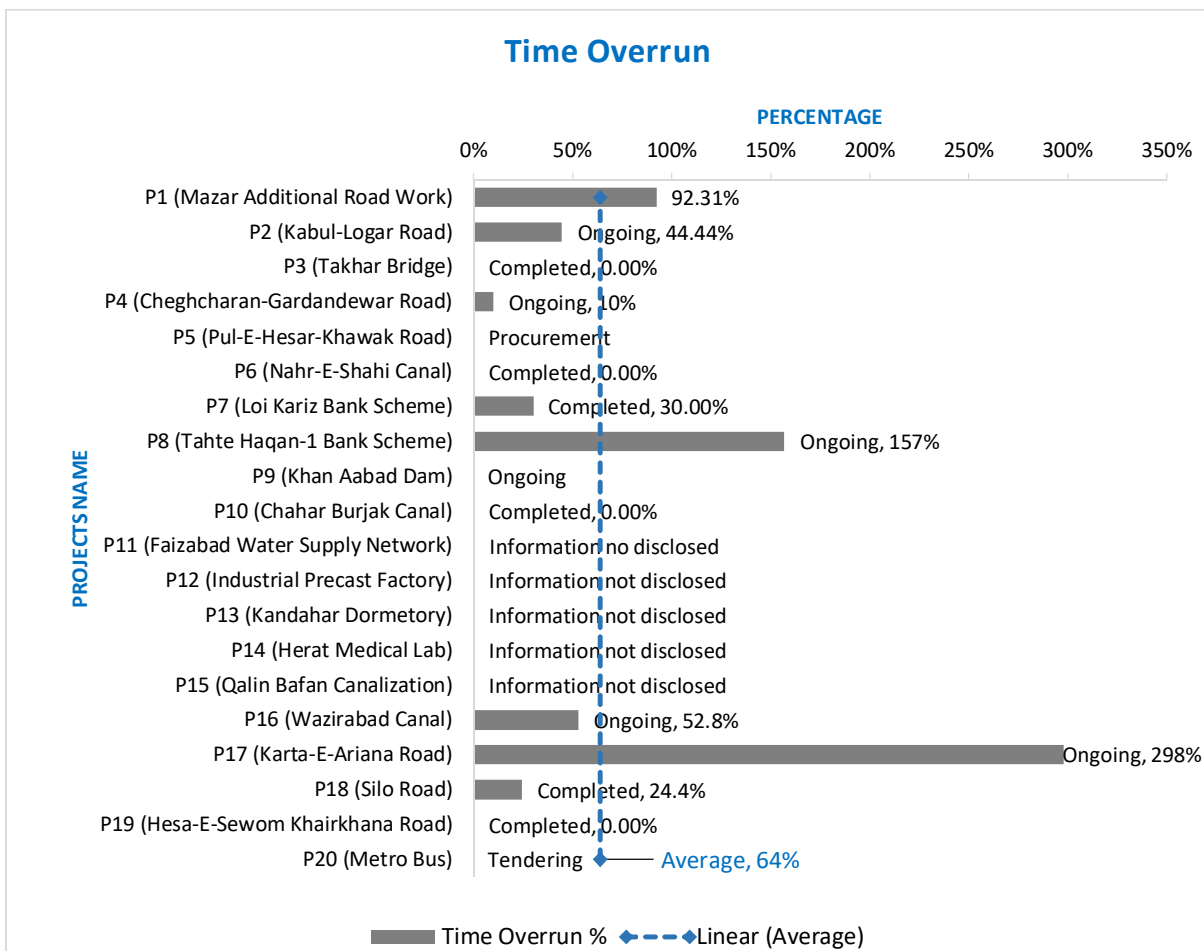


Figure 33: Project Time Overrun

The assessment of documents and our interview with private companies³⁹ shows that the main causes of delay in construction projects are:

- land acquisition,
- inaccurate survey,
- poor design and errors in BOQ,
- weather,
- difficulties in financing project by contractors.

In addition, it has been identified that the project schedule by the procuring entities is not realistic and together with delays in payments to contractors has caused the problem to escalate. For instance, The Tahte Haqan-1 River Bank protection with a contract duration of 390 days expected to be completed on 18-Jan-2018. The project has 157%-time overruns, while at the time of writing the project site visit report July 17, 2019 its physical progress is only 73% and this percentage may raise.

Recommendations

The report findings show that most of the problems related to time and cost overruns are resulted from poor design and survey. The findings of this report are consistent with the conclusions of the First Assurance Report, indicating that project preparation remains as a central issue in project implementation. Building the capacity of procuring entities to improve design and survey quality is key to reduce project disruption and improve the process of project delivery.

³⁹ Interview with Afghanistan Builder Association Board and Global Trust Construction Company, Dated September 02, 2019

6. Findings and Recommendations

A. Disclosure of Project Information			
	Findings	Recommendations	Responsible
1. Proactive Disclosure	<ul style="list-style-type: none"> • PEs disclose on average 36% of project information. • The project information is disclosed based on a mix of CoST IDS, OCDS standards as well as entity's own requirements. The information is scattered in 4 portals and creates duplication of efforts and resources. Although, the government has officially launched AGEOPS, this portal is not regularly updated by procuring entities or the information entered by procuring entities is incomplete. • No clear definition between the Project Level and Contract Level data. 	Upgrading the AGEOPS and building capacity within the NPA to enable them to connect project level data to the contract level data. Using OC4IDS could be a comprehensive tool to achieve this aim. This will help to scale up and modernize the disclosure process.	NPA
	<ul style="list-style-type: none"> • Special Anti-Corruption Secretariat (SACS) requires those procuring entities which have signed the memorandum of understanding (MoU) with CoST Afghanistan, to disclose project information based on CoST criteria (Entities Anti-corruption Strategy). The assurance team findings show that this strategy has not been fully understood and implemented. 	CoST Should work closely with SACS to fully implement the strategy. the SACS could include and require all procuring entities, specially, those working in infrastructure sector to disclose project information based on CoST IDS in the next strategy	SACS/CoST
2. Reactive Disclosure	<ul style="list-style-type: none"> • Disclosing project information on a reactive basis is different from entity to entity and scored between 93% to 6% based on CoST IDS. • Procuring entities disclose on average 57% upon request for the Assurance Team. • Inadequate information about ATL and CoST, and the lack of a modern filling/archiving system are the main causes to influence reactive disclosure. 	Capacity building training for procuring entities to understand the importance of disclosure, the CoST programme and the Access to Information law.	OCAI/CoST
		Capacity building training for Procuring Entities to establish appropriate filling/archiving system	OCAI/CoST

3. Validity/ Accuracy of Information	On average, 94% of the information disclosed on the 3 portals are accurate. Data on the websites are entered manually and are not regularly updated.	Capacity building for Procuring Entities to enable them to properly enter data and enhance accuracy and validity of the disclosed information	NPA
B. Transparency in the Procurement process			
4. Tendering process	On average, the tendering process takes 336 days while it should not normally exceed 120 days in National Competitive Bidding and 150 days in International Competitive Bidding. The delay in the tendering process has significantly discouraged the private sector to bid in infrastructure projects. Bureaucracy, inadequate capacity in the procuring entities in terms of knowledge and skills to evaluate the bid documents within the specified timeframe and incomplete bid documents by contractors are the main reasons behind delays in tendering process.	To manage effectively and efficiently the tendering process, the NPA could establish the E-tendering process. This could potentially save time and promote fair competition.	NPA
		Capacity building of private companies so they can submit responsive bids that meet procurement law and procedure requirements.	Private sector
5. Level of Competition	<ul style="list-style-type: none"> Findings show that there are not enough qualified bidders for capital intensive projects. In 5 out of 20 selected projects only one bidder participated in the tendering process. This led to re-tendering. Findings also show projects that have been announced 4 times to find a qualified bidder. The main reasons for low competition, especially in big projects are: slow decision-making process, lack of trust in the evaluation process and lack of flexibility in the bid evaluation criteria. The level of competition in small projects are satisfactory. 	The Government may consider reevaluating the 'Similar Projects' criteria. An alternative would be to change to a 'similar works' criteria which would assure higher competition.	NPA
		E-tendering and digitalization of bid submission. This will likely avoid manipulation in the bid documents as well as promote fair competition.	NPA
		Dividing mega projects into parts/lots or conduct an assessment of the market before deciding on tendering mega projects.	Procuring entities

		Security is considered as a major risk in implementing projects. To encourage contractors to participate in bids in projects that are located in insecure areas, a specific item could be added in the BoQ for security risk management.	Procuring entities
		Flexibility in the bid evaluation of mega projects such as accepting two projects for similar experience or decreasing the annual turnover.	NPA
		Bid announcement on several websites to assure wider participation and competition.	Procuring entities
C. Project Implementation			
6. Time overruns	The construction projects assessed experienced on average 64%-time overruns. The causes of time overruns are: <ul style="list-style-type: none"> • land acquisition, • inaccurate survey, • Poor design and errors in BOQ, • Poor scheduling by procuring entities • weather, • difficulties in financing project by contractors and payment delays 	To completed infrastructure projects on time, procuring entities need to improve their project preparation stage and scheduling skills. Project documents such as survey, design, BoQs and schedule need to be checked fully for errors before sending for bidding.	Procuring entities
7. Cost overruns	The construction projects assessed experienced on average 3.8% cost overruns. The main reasons for cost overruns in the selected projects are expired Survey and Design documents, Errors in BoQ, Design and Scope changes.	The procuring entities need to improve project preparation stage in order to avoid changes in the project scope and BoQ. Using expired survey and design data will likely lead to unsuccessful projects and must be avoided.	Procuring entities

8. Quality management	<p>Quality is identified as a major concern in most construction projects. The reasons behind poor quality are:</p> <ul style="list-style-type: none"> • inadequate supervision, • lowest price award decision, • poor performance by contractors. 	<p>Supervision mechanism needs to be revised and the capacity should be improved in order to implement quality management in infrastructure projects. Furthermore, lowest price award has to be justified in view of the financial capacity of the contractor and ensure value for money before awarding a contract.</p>	<p>Procuring entries</p>
		<p>Contractors could improve project performance by adopting project management and quality management principles and benefit in the long run by saving resources and avoiding waste in the process.</p>	<p>Private Sector</p>
9. Project Safety	<p>The assurance observation from project sites indicate that project safety has been significantly disregarded by contractors. Project safety issues has not been explicitly mentioned in contracts and even procuring entities do not consider safety issues while they are supervising the projects. In most projects, workers were not equipped with enough PPEs and there were no warning taps to separate the construction site. Safety issues is even noticed in donors funded projects. Due to limited resources, the assurance team were not able to measure the number of accidents per project and thus this issue could be considered in future studies.</p>	<p>The procuring entities need to put the safety of workers on their top priority by explicitly mentioning this in the contract. In addition, this should be added as a separate item during the supervision of projects and to be regularly monitored. Procuring entities should consider the possibility of applying contractual penalties in case of noncompliance with safety matters as a deterrent measure.</p>	<p>Procuring entities</p>
		<p>Contractors should conduct safety training before implementation of a project and ensure that no workers are harmed during project implementation.</p>	<p>Private Sector</p>
10. Social Accountability	<p>In order to achieve Social Accountability, the civil society shall take initiatives in engaging public in delivery of projects and follow up on the recommendations made in this report. / CSOs</p>		<p>CSOs</p>

7. Annexes

Annex 1: Project Selection Process

The criteria and method for project selection is the following:

Accessibility: security is one of the main concerns of the team and limited our access to project site. As per a security map published by Aljazeera news agency on Oct 18, 2018 (Figure 34)⁴⁰ the team categorized the project locations as High risk (Red), Medium Risk (Yellow) and Low risk (Blue). The access to project sites are marked as “Accessible”, “Limited” and “Not allowed”.

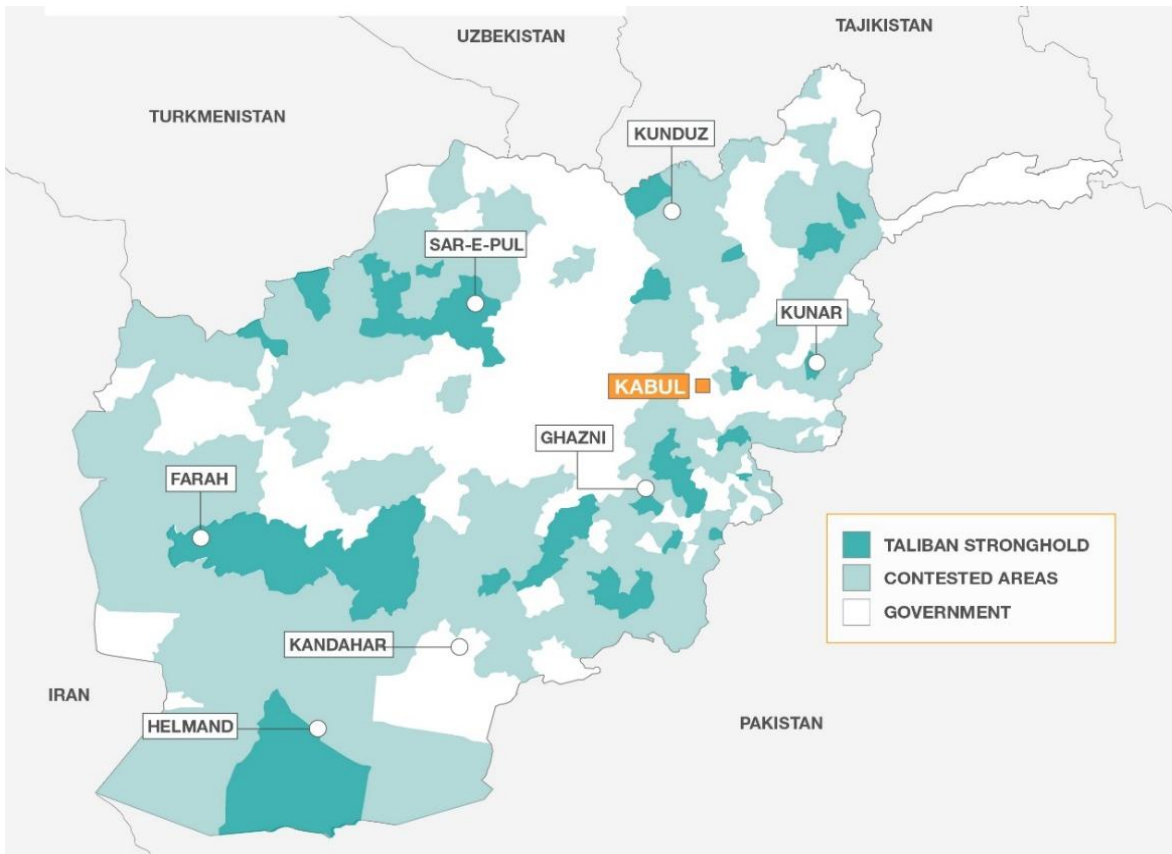


Figure 34: Security map

As per the security matrix developed based on the Aljazeera security map, 16 provinces are marked as High Risk and team will not be able to travel. Access to 8 Provinces will be limited and depends to changes in security situation and are marked as Medium Risk provinces. The team could travel to 10 provinces, which is marked as Low risk in the table.

⁴⁰ Aljazeera, Afghanistan: Who controls what, accessed date: April 19, 2019, available form: <https://www.aljazeera.com/indepth/interactive/2016/08/afghanistan-controls-160823083528213.html>

Table 4: Security Assessment

No	Provinces	Security level	Accessibility	No	Provinces	Security level	Accessibility
1	Badakhshan.		Limited	18	Kunar		Not allowed
2	Badghis.		Yes	19	Konduz		Not allowed
3	Baghlan.		Not allowed	20	Laghman		Yes
4	Balkh.		Limited	21	Logar		Yes
5	Bamyan.		Yes	22	Nangarhar		Limited
6	Daykundi.		Yes	23	Nimroz		Not allowed
7	Farah.		Not allowed	24	Noristan		Not allowed
8	Faryab		Yes	25	Paktia		Not allowed
9	Ghazni		Not allowed	26	Paktika		Not allowed
10	Ghor		Not allowed	27	Panjshir		Yes
11	Helmand		Not allowed	28	Parwan		Limited
12	Herat		Limited	29	Samangan		Yes
13	Jozjan		Yes	30	Sariepol		Not allowed
14	Kabul		Yes	31	Takhar		Limited
15	Kandahar		Limited	32	Urozgan		Not allowed
16	Kapisa		Limited	33	Wardak		Not allowed
17	Khost		Not allowed	34	Zabul		Not allowed

Low Risk		Yes
Medium Risk		Limited
High Risk		Not allowed

Diversity: Diversity in terms of type of projects can be roads, buildings, canals and hydropower plants. We have also considered project location as the main criteria that should cover south, west, north and east of the country. In terms of project status and source of budget, the team selected both ongoing and completed projects which are funded by the government and international donors.

Level of concern: the team during its disclosure assessment and validation, identifies projects that are behind schedule and there are amendments in scope, cost and time. Therefore, these projects are recommended for further review.

Social impact: this criterion is measured based on the number of beneficiaries of each project. The team selects projects that have high social impacts.

Time period / Project Status: the projects should be selected which the procurement process is started after 2015 for the second assurance report.

Annex 2: Method

As indicated in the flowchart below, the research includes the following stages:

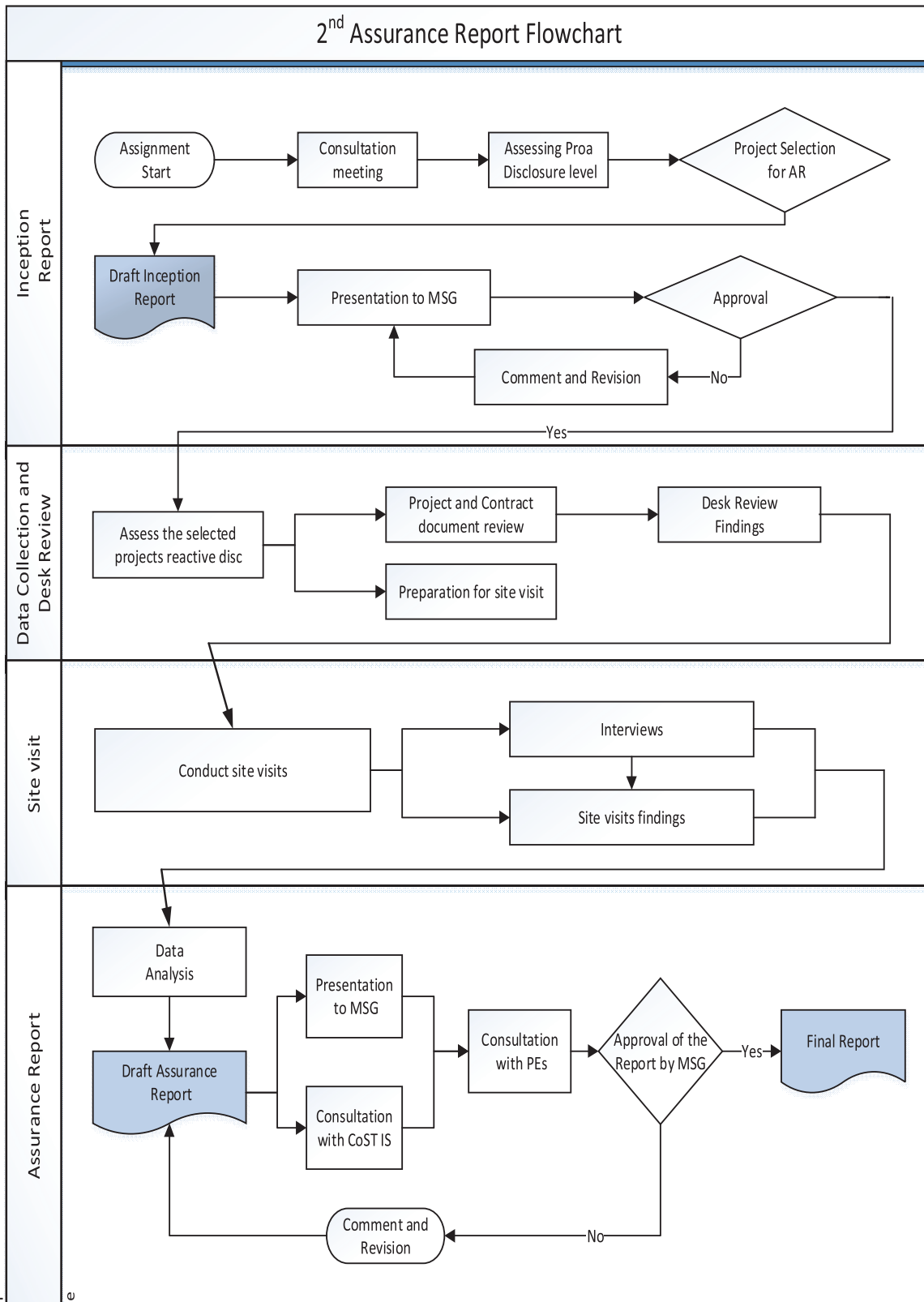
Stage 1-Inception Report: This section describes the general framework of the research and recommend projects for the Assurance Report. To do so, the proactive disclosure level is assessed in 15 ministries and independent entities and based on the selection criteria which is recommended by MSG 20 projects selected for the AR. Before moving to the next stage, the inception report will be presented and shared with MSG members to have their feedback, comments and approval.

Stage 2-Data Collection and Desk Review: In this stage the reactive disclosure of the selected projects (20 projects) will be assessed and issues of concern regarding to time and cost overrun and procurement proceedings will be identified. Through an official letter, the AR team will be introduced to PEs that they could accomplish project and contract document review. At this stage, the checklists for site visits will be developed and preparation will be taken for project inspection and monitoring.

Stage 3- Site Visit: the project site visit consists of technical inspection and interviews with stakeholders (client, contractors and beneficiaries).

Stage 4- Assurance Report: the first draft of AR will be shared with MSG and procurement entities for comments and re-assuring the completeness of data collected during the desk review and site visit. After incorporation of the MSG and PEs comments, the draft will be finalized.

Annex 3: Assurance Report Delivery Method



Annex 4: Data Standard Items for Proactive Disclosure

Project Level Data Points	
End of Project Identification and Preparation phase	End of Project Completion phase
<ol style="list-style-type: none"> 1. Date of disclosure 2. Methods of project selection (how has the government come up with the project) 3. Sector, subsector 4. Project title 5. Project Location 6. Project Purpose 7. Project scope (main output) 8. Environmental impact (if applicable) 9. Land and settlement impact (if applicable) 10. Funding sources 11. Project budget approval date 12. Project estimated value 13. Contact details 	<ol style="list-style-type: none"> 1. Date of disclosure 2. Project title 3. Procuring entity 4. Completion cost 5. Completion date 6. Scope at completion 7. Reference to audit and evaluation report 8. Safety measures (incidents & death) 9. Contact details
Contract Level Data points	
End of Procurement/Contract Award phase	At every 6 months of Contract Implementation
<ol style="list-style-type: none"> 1. Date of disclosure 2. Contract title 3. Procuring entity 4. Procurement proceedings (general steps of procurement) 5. Contract type 6. Type and amount of bid security 7. Number of firms tendering 8. Contract Firm (Winner) 9. Cost estimate 10. Contract Price (AFN) 11. Date of procurement/project announcement 12. Date of contract award 13. Contract Scope of Work 14. Contract start date and duration 15. Media used for procurement announcement 16. Re-tendering: date and cause 17. Contact details 	<ol style="list-style-type: none"> 1. Date of disclosure 2. Contract title 3. Procuring entity 4. Contractor/Consultant 5. Contract start date 6. Contract duration 7. Original contract price 8. Contract physical progress status (%) 9. Description of project component 10. Changes to contract scope with reasons 11. Total payment effected 12. Details of Termination if applied 13. Disputed issues & status 14. Safety measures (incidents & death) 15. Contact details
	Contract Completion
	<ol style="list-style-type: none"> 1. Date of disclosure 2. Contract title 3. Procuring entity 4. Escalation of contract Price 5. Variation to contract duration 6. Variation to contract scope 7. Reasons for price changes 8. Reasons for scope & duration changes 9. Contact details

Validity and accurateness of the disclosed data

Procuring Entities	Project Title	# of Proactive Items Disclosed	# of Valid Items	# of Invalid Items	Validity percentage	Average Validity
MoT	15 km additional work on internal roads in Mazar-e-Sharif city	47	45	2	96 %	95 %
	24.150 Km Road Construction of Kabul-Logar (Second line)	44	42	2	95 %	
	Construction of 12-meters Concrete Bridge in Kamando Road of Taloqan	49	47	2	96 %	
	Design and Construction of Herat – Cheghcharan and Cheghcharan – Gardandewall Road, Second Phase	44	40	4	91 %	
	Asphalt Paving of Pol-e-Hesar to Khawak districts (first part)	21	20	1	95 %	
MEW	Weir and Canal Construction project of Nahr-e- Shahi, Behsod district	70	69	1	99 %	94 %
	Loi Kareez River Bank Protection Scheme	51	45	6	88 %	
	That e Haqan-1 River Bank Protection Scheme	51	46	5	90 %	
	Khanabad Dam II	-	-	-	-	
	Construction of Chahar Burjak Canal in Nimroz Province	43	42	1	98 %	
KM	Construction of the Wazir Abad channel associated with the project of improvement of efficiency in Kabul Municipal Transport	10	10	0	100 %	92 %
	Kart-e-Ariana to Kabul University Road via Gardana-e-Shakhi	N/A	N/A	N/A	N/A	
	Asphalt paving of Silo Road (Part Four)	13	10	3	77 %	
	Construction of Hesah-e-Sewom Khair Khana Roads	N/A	N/A	N/A	N/A	
	Contract Announcement on Detailed Design of Kabul Metro Bus Network	N/A	N/A	N/A	N/A	
MOUJL	Construction of Water Supply System Faizabad – Distribution Networks in NTLZ and NTHZ Zones.	13	13	0	100%	92%
	Water supply and channelization network of Qalin Bafan residential and industrial project in Hairatan Township	13	12	1	92	
	Construction of Medical Products and Medicine Quality Lab Building	13	12	1	92	

Annex 5: Data Standard Items for Reactive Disclosure of Information

Project Information	
Identification and Preparation phase	Project Completion phase
<ol style="list-style-type: none"> 1. Multi-year program and budget 2. Project brief or feasibility study 3. Environmental impact assessment 4. Resettlement and compensation plan 5. Project officials and roles 6. Financial agreement 7. Procurement plan 8. Project approval decision 	<ol style="list-style-type: none"> 1. Implementation progress report 2. Budget amendment decision 3. Project completion report 4. Project evaluation report 5. Technical audit reports 6. Financial audit reports
Contract Information	
End of Procurement/Contract Award phase	Contract
<ol style="list-style-type: none"> 1. Contract official and roles 2. Procurement method 3. Tender documents 4. Tender evaluation results 5. Project design report 	<ol style="list-style-type: none"> 1. Contract agreement and conditions 2. Registration and ownership of firms 3. Specifications and drawings
	Contract Completion
	<ol style="list-style-type: none"> 1. List of variations, changes, amendments 2. List of escalation 3. Quality assurance reports 4. Disbursement records or payment certificates 5. Contract amendments

List of Interviewees

1. **Abdul Basir**, Locals, Takhar, Community, Dated August 13, 2019
2. **Abdul Fatah**, Locals, Takhar, Community, Dated August 13, 2019
3. **Abdul Hakim Fedaie**, Director of Community Development Council, Badakhshan, Dated August 19, 2019
4. **Abdul Jabbar**, Shopkeeper, Community, Nangarhar, Dated June 11, 2019.
5. **Abdul Wahed**, Locals, Community, Kabul, Dated July 23, 2019.
6. **Abdul Wajid Atifi**, Director of MoUDL's in Badakhshan, Ministry of Urban Development and Land, Dated Aug 20, 2019.
7. **Abdul Zaher**, Locals, Takhar, Community, Dated August 13, 2019
8. **Abdullah Mohammadi**, Procurement Policy Director, National Procurement Authority (NPA), Government, dated May 30, 2019
9. **Ahmad Khalid**, Deputy Director of Afghanistan Builders Association, Private Sector, dated September 02, 2019
10. **Ahmad Nasher**, Local Shopkeeper, Community, Kabul, Dated July 23, 2019.
11. **Akmal Alizoy**, Project Manager, Global Trust Construction Company, Private Sector, dated September 02, 2019
12. **Amruddin**, Chaplin, Badakhshan, Community, Dated August 19, 2019
13. **Bahram Ghazi**, Construction Manager, Contractor, Kabul, Dated July 23, 2019.
14. **Enayatullah**, Locals, Community, Samangan, Dated July 17, 2019.
15. **Eng. Ehsanullah**, Manager of Engineering Department, Directorate of Kandahar Urban Development and Land, Ministry of Urban and Development and Land, Dated September 12, 2019.
16. **Eng. Farid Ahmad**, Contractor, Private Sector, Dated July 16, 2019.
17. **Eng. Fraidon Sarwari**, Director of Urban Development and Land, MoUDL, Dated September 16, 2019.
18. **Eng. Hamayoun**, Project Team Leader, Ministry of Transport, Dated July 16, 2019.
19. **Eng. Hamidullah Hamid**, Project Manager, Private Sector, Dated September 16, 2019.
20. **Eng. Mohammad Hanif**, Provincial Engineer, Nangarhar Irrigation Directorate, Ministry of Energy and Water, Dated June 11, 2019.
21. **Eng. Sadeq Safi**, Director of Nangarhar Irrigation Directorate, Ministry of Energy and Water, Dated June 11, 2019.
22. **Eng. Sami Razaq**, Quality Assurance Engineer, MoUDL, Dated September 16, 2019.
23. **Esmatullah**, Locals, Badakhshan, Community, Dated August 19, 2019
24. **Faizullah Zalal**, Administrative Deputy, House building enterprise, Government, Dated September 17, 2019
25. **Gul Ahmad**, Director of Development Council, Community, Samangan, Dated July 17, 2019.
26. **Habibullah**, Director of Development Council, Badakhshan, Community, Dated August 19, 2019
27. **Habibullah**, Mazar – e – Sharif, Locals, Community, Dated July 16, 2019.
28. **Hafizullah Shirzad**, Locals, Community, Nangarhar, Dated June 11, 2019.
29. **Haji Abdul Qader**, Locals, Community, Nangarhar, Dated June 11, 2019.
30. **Haji Abdul Qayoum**, Locals, Takhar, Community, Dated August 13, 2019
31. **Haji Abdur Razaq**, Locals, Takhar, Community, Dated August 13, 2019
32. **Haji Ghaibullah**, Locals, Takhar, Community, Dated August 13, 2019
33. **Haji Malang**, Locals, Community, Nangarhar, Dated June 11, 2019.
34. **Haji Malek Nasim**, Community Development Council, Nangarhar, Dated June 11, 2019.
35. **Haji Mohammad Rajab**, Locals, Badakhshan, Community, Dated August 19, 2019
36. **Haju Mohammad**, Mazar – e – Sharif, Locals, Community, Dated July 16, 2019.

37. **Hamidullah Habibi**, Director of Afghanistan Builders Association, Private Sector, dated September 02, 2019
38. **Hefazatullah**, Locals, Badakhshan, Community, Dated August 19, 2019
39. **Hekmatullah Zafarzai**, Head of Design Review Unit, Ministry of Transport, Dated June 04, 2019
40. **Islamuddin Nabil**, Director of Takhar Road Maintenance, Ministry of Transport, Government, Dated Aug 17, 2019
41. **Kandahar**
42. **Khan Jan**, Locals, Takhar, Community, Dated August 13, 2019
43. **Mahboobullah**, Locals, Badakhshan, Community, Dated August 19, 2019
44. **Makek Dr. Abdullah**, Community Development Council, Nangarhar, Dated June 11, 2019.
45. **Makek Mosa**, Community Development Council, Nangarhar, Dated June 11, 2019.
46. **Mohammad Alam**, Mazar – e – Sharif, Locals, Community, Dated July 16, 2019.
47. **Mohammad Anas**, Community Engineer, Community, Nangarhar, Dated June 11, 2019.
48. **Mohammad Asef**, Locals, Badakhshan, Community, Dated August 19, 2019
49. **Mohammad Edris Khaliqi**, Head of Prefabricated Construction Factory, House building enterprise, Government, Dated September 17, 2019
50. **Mohammad Farid Khalili**, Head of Planning, House building enterprise, Government, Dated September 17, 2019
51. **Mohammad Hasan**, Locals, Community, Samangan, Dated July 17, 2019.
52. **Mohammad Saboor**, Locals, Community, Kabul, Dated July 23, 2019.
53. **Mohammad Salim**, Locals, Badakhshan, Community, Dated August 19, 2019
54. **Mohammad Salim**, Locals, Takhar, Community, Dated August 13, 2019
55. **Mohammad Zarif**, Locals, Badakhshan, Community, Dated August 19, 2019
56. **Mohammadullah Khan**, Mazar – e – Sharif, Locals, Community, Dated July 16, 2019.
57. **Mula Saheb Dad**, Director of Development Council, Badakhshan, Community, Dated August 19, 2019
58. **Namatullah**, Locals, Mazar – e – Sharif, Locals, Community, Dated July 16, 2019.
59. **Nesar Ahmad Salimi**, Board member of Afghanistan Builders Association, Private Sector, dated September 02, 2019
60. **Nesar Ahmad**, Locals, Badakhshan, Community, Dated August 19, 2019
61. **Noor Agha**, Locals, Badakhshan, Community, Dated August 19, 2019
62. **Obaidullah Hanif**, Project Manager, Kabul Municipality, Dated July 23, 2019.
63. **Rahmatullah Afzali**, Samangan Irrigation Directorate Zone Manager, Community, Samangan, Dated July 17, 2019.
64. **Sayed Ajmal Shahna**, Contracts Progress Monitoring Director, National Procurement Authority (NPA), Government, Dated May 30, 2019
65. **Sayed Akbar Frough**, General Manager of Road Maintenances directorate in Takhar, Ministry of Transport, Government, Dated Aug 14, 2019
66. **Sayed Shah Aqa Fazel**, Head of MIS Unit, Ministry of Transport, Dated June 05, 2019
67. **Sharif Azimi**, CEO of Afghanistan Builders Association, Private Sector, dated September 02, 2019
68. **Sultan Mahmood**, Locals, Badakhshan, Community, Dated August 19, 2019
69. **Ustad Abdul Qayoum**, Director of Development Council, Takhar, Community, Dated August 13, 2019
70. **Wahidullah**, Locals, Community, Nangarhar, Dated June 11, 2019.

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