



# Afghanistan SDGs' Alignment

## PEOPLE FIRST PPP

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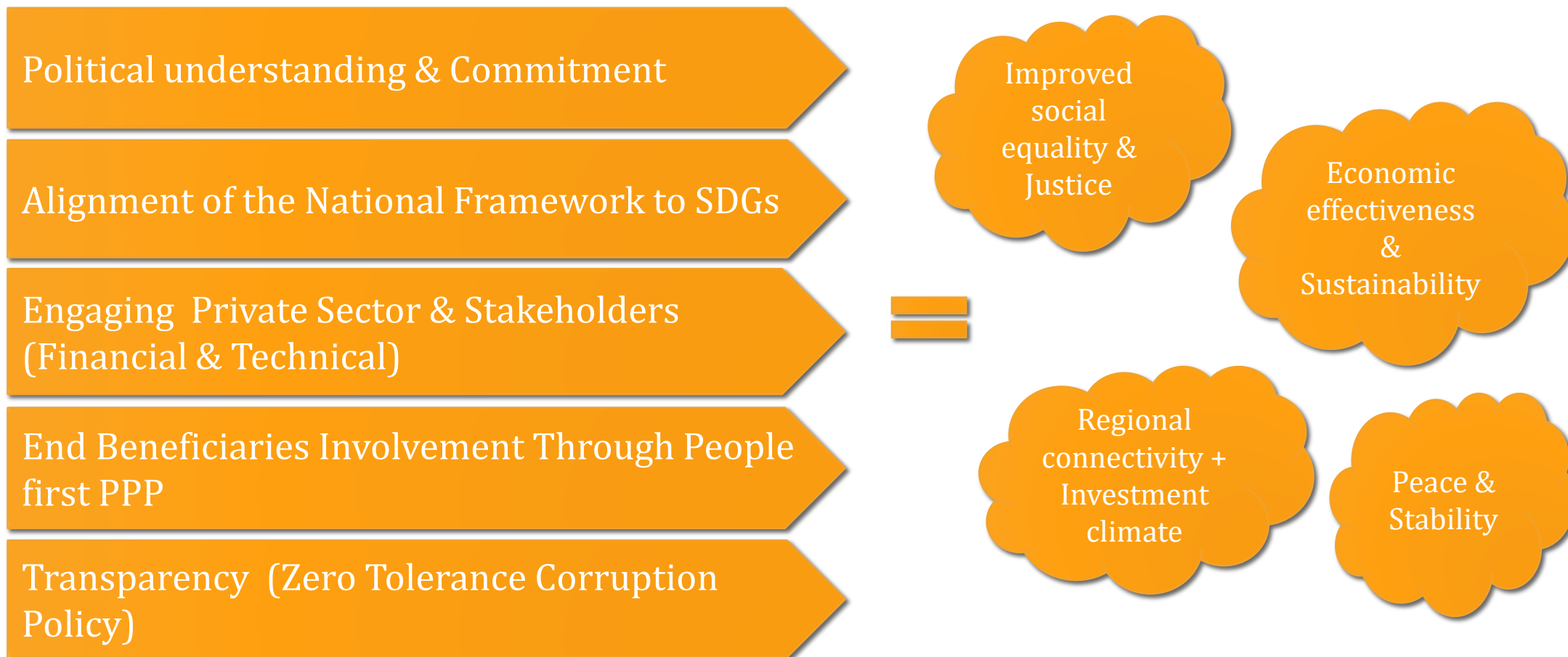
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# Summary & Chain of Result





# Introduction:

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- ▶ The Sustainable Development Goals (SDGs) have emerged at a critical juncture in modern history, as the humanitarian world is faced with numerous challenges.
- ▶ Poverty and hunger, unemployment and inequality, violence and injustice, insecurity and instability are among the biggest challenges in today's world.
- ▶ Additionally, weak governance and widespread corruption, lack of transparency and accountability, disproportionate population and economic growth, and lack of access to sustainable energy and clean drinking water are sources of concern for the international community.



## Afghanistan SDGs:

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- ▶ The 2030 Development Agenda is a milestone in the recent history of the United Nations.
- ▶ Afghanistan is committed to align its development programs with the SDGs, and achieve the SDGs when all members of society identify their needs and play an active role to achieve these goals.
- ▶ Afghanistan incorporates the SDGs into the country's economic and social agendas and will implement strategic action plans to achieve national targets.
- ▶ In 2016, Afghanistan began nationalizing the SDGs. The High Council of Ministers designated the Ministry of Economy to lead developing technical guidelines, coordinating the nationalization process of SDGs.



# SDGs Afghanistan, National Targets & Indicators

## 17 Goals of SDGs



National Sectors	National Targets	National Indicators
Security Sector	11 Targets	13 indicators
Education Sector	14 Targets	30 indicators
Health Sector	12 Targets	21 indicators
Governance Sector	2 Targets	5 indicators
Infrastructure Sector	29 Targets	34 indicators
Social Protection Sector	18 Targets	29 indicators
Agriculture and Rural Dev. Sector	20 Targets	20 indicators
Economic Sector	28 Targets	37 indicators
<b>Total Number</b>	<b>125 Targets</b>	<b>190 indicators</b>



# Public Private Partnership (PPP) in Afghanistan

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- ▶ Functional Unit named (Central Partnership Authority under Ministry of Finance) and other PPP Units in the Line Ministries
- ▶ PPP Law endorsed and enacted, 31 August 2016 and amended on Sep 2018
- ▶ PPP Regulation, finalized and submitted to cabinet
- ▶ PPP Policy; endorsed by cabinet in March 2017.
- ▶ PPP manual; drafted and waiting for the ministries feedback



## Why PPPs

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- ▶ Underinvestment and poor maintenance, deficit in all forms of infrastructure and public services which is holding back the country's development and economic growth;
- ▶ Increasing demand for infrastructure development, services and the need for significant level of investment, capacity and resources requirements, and scarce resources through increased private sector participation.
- ▶ To partner with the private sector, alleviating public sector financial burden and sharing risk.
- ▶ To stimulate and support the Afghan economy through finance, job creation, and entrepreneurial expertise.





# Government Commitment

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To encourage investment, the government will provide incentives, such as;

- Tax exemptions,
- Tax holidays
- Tariff exemptions
- Streamlining of the licensing process
- Concession rights to private partners, and
- Bank Guarantee (Partial Risk Guarantee, Sovereign Guarantee, Political Risk Guarantee & Payment Guarantee)



## SDGs Alignment with People first PPPs

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- ▶ It is critical for achieving the 2030 Development Agenda to mobilize new investments, especially in low and middle-income countries, in high quality infrastructure projects.
- ▶ Infrastructure investment overall is a key driver of development and social progress, creating jobs, higher productivity and boosting trade.
- ▶ Eradicate poverty by access to infrastructure and public services more effectively, as health and education, renewable energy and water and sanitation etc.
- ▶ Inadequate roads and rail transport limit producers' ability to get their products to market and lift communities existing at the margins of societies, out of poverty.



## Cont..

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- ▶ A huge amount of funding will be required to achieve the SDGs ( \$3.3 - \$4.5) USD trillion on an annual basis up until 2030 for developing countries (UNCTAD, 2014).
- ▶ Additional investment and operational expenditures of these assets, in some sectors as health and education will be considerable.
- ▶ It's mostly undertaken by the public sector from public budget, but simply not feasible for governments alone to make it only by increased taxation or higher productivity.
- ▶ PfPPP can be an answer to these dilemmas based on long term equilibrium between public and private interest where “people’s interest” must always be the priority.



## Need to move PPPs towards a 'People First' approach.

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- ▶ A new set of Guiding Principles is needed to focus on PPP based on a new and inclusive approach taking amount of the international experience from various PPP models where the “value for people” and scaling up of impact are at the priority.
- ▶ It leads the PPPs to manage, reduce or share equitably risks, improve outcomes, and are align with financing that is sustainable, equitable, and combines ‘doing good with doing well’.
- ▶ Those new approaches will address the common concerns about PPPs and make them truly ‘fit for purpose’ for the UN SDGs, addressing entrenched and damaging positions against PPP.



## Findings;

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- ▶ Lack of lobby & advocacy program(s) to advance PPPs for the UNSDGs
- ▶ Need of a Gov. institution for PPP to translate the SDGs as a reference point for their work.
- ▶ No customized and pragmatic PPP model 'fit for purpose ' for the UNSDGs. Some argue that the SDGs call for the promotion of PPPs, however the PPP model has not been aligned properly with the outcomes contemplated by the SDGs.



## Cont....

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- ▶ Key implementation role of government to the private sector or civil society, and rather than contributing to delivery of infrastructure and service, the approach is an abrogation of the responsibility of Government.
- ▶ Expertise on PPPs within the National organizations is limited and scattered across various official bodies.
- ▶ **PPP Knowledge Hub Organization** is established as first NGO with the aims to take part in achieving the specified and aligned SDGs through PPP facilitations and contributing to the government agencies and private sector.



# Recommendations;

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- ▶ Conceptualizing the PPP as driving tool for the SDGs.
- ▶ Capacity development for PPP project identification skills, prioritization, dialogue, research, and produce PPP resource materials to on-the-ground PPP activity.
- ▶ awareness on PPP through ‘People First’ approach and concept, which ensures sustainability of the PPP projects.
- ▶ Zero tolerance corruption policy for all the PPP projects to ensure transparency and that sets down the institutional requirements for People-first PPPs.
- ▶ Women’s empowerment should be an important part of infrastructure development and achieving SDGs.



## Cont....;

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- ▶ Government agencies should establish the PPP Unit and to acknowledge the SDGs as a reference point for their work.
- ▶ Advocacy and lobbying of the PPP concept through out-sourcing and engagement of the private sector.
- ▶ Advocacy and lobbying of the PPP concept through out-sourcing and engagement of the private sector “**PPP Knowledge Hub Organization**”.
- ▶ Strengthening coordination momentum among the gov. (MoEc, MoF-CPA), UNDP, and Non gov. stakeholders towards alignment of PPPs with SDGs and People first PPP.



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**Thank you**

