

Frauke de Weijer

## Capacity Building in MRRD

### *A Success Story*

Many efforts to build the capacity of state institutions in Afghanistan have not reached their anticipated potential and have received criticism from government, donors and citizens. In contrast, the Ministry for Rural Rehabilitation and Development (MRRD) is often mentioned as a success story, a poster child of rapid transformation of institutional capacity. This paper looks at some of the factors that turned MRRD into a success story, sheds light on some of the weaknesses in its approach and aims to extract lessons for other, less successful ministries. It focuses on the early period, from 2002 to 2005, when the ministry rapidly transformed itself from a weak ministry to a well-respected institution channelling millions of dollars to reconstruction programs.

General criticism of capacity-building projects in Afghanistan include the fragmentation of capacity-building efforts into incoherent projects; the risk of donor-funded experts pulling the ministry into different policy directions; a focus on building individual competencies rather than addressing broader systems and procedures; and the lack of a comprehensive approach to issues of weak institutional capacity. To a large degree, capacity building is still operationalised through the provision of technical experts, and these are often perceived to be of insufficient quality. The short assignment durations and high turnover contribute to this unsatisfactory cost-quality ratio. In addition, these technical experts tend to prioritise the achievement of outputs described in their own terms of reference rather than strengthening the ability of counterparts to achieve these results. Capacity building therefore often becomes capacity substitution, which may actually reduce the chances of improving the performance of the existing administrative apparatus

as the more skilled and ambitious civil servants become increasingly disgruntled.<sup>1</sup>

The MRRD is often mentioned as a positive exception, where institutional capacity has been successfully built up rapidly (although criticism about operating on borrowed capacity remains). What were then some of the characteristics that made MRRD a relative success? What were its weaknesses? And how easily can this strategy be replicated in other situations?

First and foremost, MRRD started off in 2002 with a strong visionary leader, Haneef Atmar, who acknowledged that government capacity, though a scarce resource, is crucial to long-term progress and requires a strategic approach. He recognised that institutional capacity takes a long time to build and that there was a wide gap between the reality on the ground and the international standards on which aid flows are premised.

At the time the pressure to produce results was extremely high. Yet the desired results were defined differently by the three constituencies of the ministry: the citizens (and their representatives), the donors and the civil servants. Donors wanted comprehensive strategic approaches based on principles of non-discrimination, inclusiveness and equal access, which take time to roll out. Citizens, often represented by visiting delegations from the provinces, came to have their problems fixed, preferably yesterday. And the civil service was caught between a desire to see positive change and a concern for their positions, as

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<sup>1</sup> Serge Michailof, 'Review of Technical Assistance and Capacity Building in Afghanistan', Discussion Paper, Afghanistan Development Forum, April 2007, available at [capacity4dev.ec.europa.eu](http://capacity4dev.ec.europa.eu).

well as a general scepticism about the direction that change seemed to take. Communist notions of direct and free delivery of services by the government remained strong and are inconsistent with the revised role of the government as facilitator and monitor rather than direct service provider. These conflicting demands placed on the MRRD greatly reduced its space to manoeuvre.

The leadership in the MRRD realised quickly that with such high pressure and such limited space to manoeuvre, it was much easier to build up a thin layer of capable strategists in the top layers of the ministry than to reform the whole institution and build implementation capacity throughout all its layers. The latter takes a lot of time, as it requires a slow and gradual building of trust within the ministry, which then provides the leadership with a little more space to push through necessary reforms. In addition, the full reform of a ministry requires clear results on the ground in order to give both the population and the civil servants a positive perspective about the changes taking place. In this approach the leadership is caught on the horns of a dilemma: it needs results to build trust and credibility, but it needs reform before it can obtain these results.

Atmar responded to this dilemma by forming a core team to lay the foundations for obtaining quick results; they were to develop the strategic vision of the ministry, establish strong financial management procedures, formulate policies and (co-)design national programmes. The implementation of these programmes was being outsourced, while sustainable capacity was being built up.

The core team initially consisted of a small group of hand-picked and mostly international advisers. In addition, Atmar consulted regularly with the key donors. He kept firm hold of the reins, fought many a fight with UN agencies that didn't want to lose control, and did not engage with those donors who did not adhere to his vision. Many of the advisors stayed loyal to the MRRD for long durations, and the turnover was low. Over time the international advisors were complemented by high-level Afghan consultants, paid for by donor agencies, and, with progress on the Public Administration Reform, a number of them moved into senior positions in the ministry. Simultaneously, but slowly, Atmar moved the most competent civil servants into director positions, and communication started to flow through the cascade of advisors to the directors. Formally the advisors were not part of the reporting hierarchy, but in practice they were, particularly in the beginning. However, increasingly the directors themselves were held accountable for the performance of their departments, and parallel communication was reduced. In this way, the top layer in the ministry became increasingly Afghan.

The outsourcing of implementation carried the risk that capacity would be drawn out of the ministry and that opportunities for capacity building would be lost. This did indeed happen as the program implementation units and oversight consultants operated in a very isolated fashion. As a result, institutional linkages only existed at the top, while at lower levels the organisational units functioned totally independently. Learning opportunities were lost without the creation of closer institutional relationships between program implementation units and the civil service at all levels. For instance, the civil servants could have taken on more planning, monitoring and regulatory functions at all levels of implementation, which would have helped establish a stronger regulatory capability in the ministry while simultaneously providing opportunities for learning about program implementation. Junior civil servants could have been designated to perform specific functions within the program implementation units as interns. This would also have created opportunities for a gradual transition of implementation of national programmes back to the ministry. Nonetheless, in spite of these missed opportunities, the strategic choice to outsource program implementation was justified considering the institutional challenges faced by the ministry.

For the slower build-up of capacity throughout the ministry, MRRD made strategic use of the United Nations Development Programme (UNDP)-funded National Area Based Development Program (NABDP). The NABDP was managed directly from within the ministry and aimed at strengthening strategic-planning capability at all levels of the ministry. In the early days, the program suffered from severe management challenges and a lack of focus, but it slowly took off once it started to connect grassroots-level planning capability with sub-national planning. The National Solidarity Programme (NSP), through its community development councils, started to build up planning capability at the grassroots level, while the NABDP in its early years conducted strategic planning exercises at the provincial level. Connecting the outputs from these two programs, as the NABDP has been doing in recent years, was a way to stretch capacity building all the way from grassroots to the centre. At the same time it allowed the MRRD staff to benefit from the work conducted by the NSP, even though they had not been directly involved in its implementation. This can be perceived as an alternative way of gradually channelling capacity back into the MRRD from processes that initially took place outside of the MRRD.

What this analysis of the MRRD's strategy shows is that Atmar made clever use of the mandates of the different donors and put together a portfolio of assistance that suited his tiered strategy. The fact that the donors themselves had not managed to harmonise

and streamline their approaches allowed the MRRD to pick and choose according to its needs in a way that resulted in a relatively coherent package of programs and assistance. Atmar did not bow to pressure to accept technical assistance with hidden, donor-supported policy agendas, and he kept firm hold of the reins. In a situation with strong donor fragmentation he used his leadership to turn these disparate forces in one direction, fighting the donor community as much as being supported by them. He was fighting the tide as much as he was carried by it. Leadership was essential in the positive outcome of this process.

In addition to the obvious challenge of weak donor coordination, there is another deeper obstacle: the persistent tendency among the international community to view capacity building primarily as the elevation of technical skill levels and the establishment of rule-based procedures. What is often overlooked is that these are outcomes of more complicated processes of cultural and institutional change. Change management is about more than merely establishing systems and procedures and strengthening technical and managerial competencies. Change management is equally about managing fear of uncertainty, mitigating loss and dealing with anxiety and a sense of a loss of dignity. It is about creating a new vision in an organisation with a sense of purpose that the members of an organisation can rally behind and that creates the motivational incentives to promote systems and procedures that work more effectively towards the common goal. It is about aligning purpose, organisational values, strategies and systems, procedures and skills. It is about allowing an organisation to experience what works and adjust its systems accordingly. Processes of civil service reform are necessary but not sufficient to bring about such change.

## ABOUT THE AUTHOR: FRAUKE DE WEIJER

Frauke de Weijer worked as a policy advisor and rural development consultant in Afghanistan from 2002 to 2008. Her specialisation was the Afghan nomads, and she worked as a pastoralist advisor in the MRRD from 2002 to 2004 and subsequently in the ministry of frontiers and tribal affairs and the ministry of agriculture. Recently, she completed a mid-career Masters of Public Administration and became an associate fellow at the Harvard Kennedy School for Government. Currently, she is working as a policy analyst at the European Centre for Development Policy Management in the Netherlands.

## ABOUT THIS CHAPTER

This chapter is part of a larger volume called *Snapshots of an Intervention: The Unlearned Lessons of Afghanistan's Decade of Assistance (2001–2011)*, edited by Martine van Bijlert and Sari Kouvo. The volume is a collection of 26 short case studies by analysts and practitioners, each with long histories in the country, who were closely involved in the programmes they describe. The contributions present rare and detailed insights into the complexity of the intervention and, in many cases, the widely shared failure to learn necessary lessons and to adapt to realities as they were encountered.

The chapters and full document can be found on the AAN website ([www.aan-afghanistan.org](http://www.aan-afghanistan.org)) under publications.

The MRRD was successful mostly because Atmar (and later his successor and previous deputy, Ehsan Zia) managed to inspire the staff and bring them along in the reform efforts. He was able to do so because of the renewed sense of purpose he managed to instil in the ministry, the large flow of funds and the associated incentives in terms of career opportunities.

The leadership used an incremental approach, balancing the need to gain legitimacy with both the foreign donors and its own staff, in order to create the space for change. Atmar pushed new values of meritocracy and principles of universal access to service without regard to the person as fast as he could in order to please donors but slow enough not to create a mutiny. The MRRD existed in two parallel universes simultaneously, and its leadership had to ensure that the gap would narrow, not widen.

Initially the minister himself was the interface, translating concepts and visions into words digestible to both universes, but with time he created systems to bridge the gap through his cascade of foreign advisors, Afghan consultants and department directors, who increasingly became consolidated into one universe.

Institutional capacity is still weak in the MRRD, as it is in all other Afghan ministries. But the MRRD has shown that transformation is possible and that capacity substitution can lead to the consolidation of institutional strength. However, patience is required, and donors could certainly do more to support these processes rather than acting as the proverbial oxen that are all pulling the cart in different directions. The bad news may be that with visionary leadership having been crucial, the MRRD does not provide any real lessons on how such processes can be obtained in other ministries that lack this essential asset.

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