LAW AND ORDER TRUST FUND FOR AFGHANISTAN (LOTFA)

MULTI-PARTNER TRUST FUND (MPTF)

PAYROLL WINDOW

SUPPORT TO PAYROLL MANAGEMENT (SPM) PROJECT

2020 ANNUAL PROJECT PROGRESS REPORT

UNITED NATIONS DEVELOPMENT PROGRAMME

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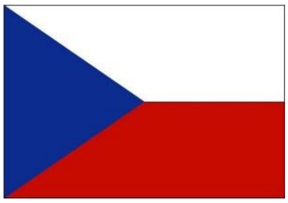
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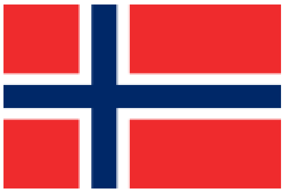
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PROJECT INFORMATION

Project ID:	SPM (95495, 95840, 95844, 95849, 95846, 95848)
Duration:	1 July 2015 – 31 December 2020
Contributing to ANPDF-NPP:	ANPDF: 2.3: Political and Security Outlook New NPP 4: National Justice and Judicial Reform Plan (NJRP)
Contributing to ASDGs **CPD Outcome:**	16 – Peace, Justice and Strong Institutions Outcome 2: Trust in and access to fair, effective, and accountable rule of law services is increased in accordance with applicable international human rights standards and the government's legal obligations.
UNDP Strategic Plan (2018-2021) Outcome:	Outcome 3: Strengthen resilience to shocks and crisis
Total Budget:	USD 2,185,970,101
Unfunded Amount:	USD 0.00
Annual Budget:	USD 350,000,000
Implementing Partner:	Ministry of Interior Affairs of Afghanistan (MOIA)
Responsible Parties:	United Nations Development Programme (UNDP)
Project Manager:	Mr. Moses Opondo a.i.
Head of G4P Unit:	Mr. Sainey Ceesay, a.i.
Responsible Senior Deputy Resident Representative:	Ms. Surayo Buzurukova

COVER PAGE: Award of Certificate after AFMIS Officers Training

ACRONYMS

ABP	Afghan Border Police
AFMIS	Afghan Financial Management Information System
AHRIMS	Afghanistan Human Resource Information Management System
AIHRC	Afghanistan Human Rights Commission
ANCOP	Afghan National Civil Order Police
ANPDF	Afghanistan National Peace and Development Framework
APPS	Afghan Personnel and Pay System
CSTC-A	Combined Security Transition Command-Afghanistan
DRR	Disaster Resilience and Recovery
EFT	Electronic Fund Transfer
GD	General Directorate
GDFB	General Directorate of Finance and Budget
GDPDC	General Directorate of Prisons and Detention Centres
GIROA	Government of Islamic Republic of Afghanistan
HR	Human Resources
LOTFA	Law and Order Trust Fund for Afghanistan
M16	Payment voucher for salary disbursements
M41	Payroll list with information about personnel in the payroll
MA	Monitoring Agent
MM	Mobile Money
MOF	Ministry of Finance
MOIA	Ministry of Interior Affairs
NCO	Non-Commissioned Officer
NIM	National Implementation Modality
PAI	Personnel Asset Inventory
PFO	Provincial Financial Officer
PHQ	Police Headquarters
PHRO	Provincial Human Resource Officer
PMPM	Payroll Management Procedures Manual
SOP	Standard Operating Procedure
SPM	Support to Payroll Management
TA	Trusted Agent
TWG	Technical Working Group
UNDP	United Nations Development Programme
WEPS	Web-based Electronic Payroll System

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I. EXECUTIVE SUMMARY

The Support to Payroll Management (SPM) project primarily focuses on developing the required capacities of the Ministry of Interior Affairs (MOIA) to be able to independently manage all non-fiduciary aspects of payroll related operations and functions for the Afghan National Police (ANP) and General Directorate of Prisons and Detention Centres (GDPDC).

Output One seeks to assist MOIA in implementing, reviewing and making recommendations for modification of relevant laws, rules and regulations, policies and business processes pertaining to human resource management, finance, internal controls, police salary payments, and payroll processes at national and sub-national levels. During the year, the SPM project updated and revised communication products on Police compensation, remunerations, and entitlements based on Police Inherent Law. Some 40,300 communication products—including booklets, Pay Cycle Management charts, and back-pay checklists—were produced and distributed. The result these communication materials aim to achieve is to make Police be aware of their remuneration entitlements and inform them how to seek support should they have any issues with their earnings.

Following the approval of the MOIA's Internal Control policy document in August 2020—by the honourable Minister- of Interior Affairs—after many months of collaborative work between the SPM project team and the MOIA's General Directorate of Policy and Strategy, to ensure ownership of the final project—SPM project then made printing arrangements for 600 copies of the document.The distribution of these materials and the training will be completed as part of the project's 2021 work plan. The Internal Control Policy document is based on the globally recognized COSO [1] integrated internal control framework which enables organizations to effectively and efficiently develop systems of internal controls that adapt to changing business and operating environments, mitigate risks, and support sound decision making while strengthening governance of the organization.

SPM project, in late 2019, commissioned a holistic review of MOIA's Police incentives with the objective to conduct a study that could shed light on the existing incentive system, review the remuneration packages and bring more coherence through a set of options and recommendations. In 2019, BDO Jordan (Saman and Co) was contracted to undertake the review. However, due to the November 2019 fatal incident, which claimed the life of one UNDP staff, the consequent security restrictions and then the COVID19 pandemic, the project stalled until around quarter 3 of 2020 when BDO eventually presented their draft report. After thorough review by the SPM project team, BDO's report was accepted and finalised in November 2020.

Some of the report's findings include:

- Insufficient legal, regulatory or policy documentation for determining the eligibility, relevant supporting documents, triggers for, and frequency of payment of some incentives.
- Current appointment and selection practice tend to automatically assign some incentives to a staff member once the individual is appointed, the basis for which are unclear.
- No clear policy or regulation describing how potential candidates are selected, evaluated, and appointed.

[1] Committee of Sponsoring Organizations of the Treadway Commission

- The role of MOIA's General Directorate of Personnel (GDOP) in determining eligibility for an incentive or qualification, triggers that conditions have been met for payment, etc. is not documented.
- A year is too long a period before updating the Hazard Duty Incentive Pay (HDIP) Map as sometimes, the level of threat changes through the year. Kabul for instance, is currently one of the most insecure places and yet it is considered one of the low threat areas on the HDIP Map.
- Explosive Ordinance Disposal (EOD) incentives and bonuses, triggers, eligibility criteria and supporting documents that make the staff members eligible for all incentives under this group are not documented.
- For medical incentives, the Presidential Decrees and/or other legal documents—which are the basis of awarding such incentives—do not clarify whether these incentives are automatically dedicated to all nurses, physicians, and other health personnel of ANP and GDPDC.

SPM project team has now planned to implement the recommendations of the reports as part of the 2021 annual work plan. The specific activity to implement the recommendations would be to request all missing information from MOIA-GDFB, streamline the whole incentives system and rationalize the process. To achieve that, the project intends to hold further discussions with MOIA and the Combined Security Transition Command-Afghanistan (CSCT-A).

Under Output 2, the SPM project supported the MOIA in strengthening its payroll management capacities to enable them to independently undertake assigned payroll management tasks, as well as conducting internal validation and reconciliation tasks. Restrictions imposed by the COVID-19 pandemic in 2020 limited SPM project staff's access to the MOIA compounds to be able to run its 2020 training plan. Notwithstanding, the project managed to support the Provincial Finance Officers (PFOs) and Provincial Human Resources Officers (PHROs) remotely either the helpdesk or through the project's capacity building team—in payroll management processes including how to troubleshoot.

Through the established Responsible Party Agreement (RPA) with the American university of Afghanistan (AUAF), Eight students (all male) of the MOIA's General Directorate of Finance and Budget (GDFB), who were enrolled in the internationally recognised Foundation in Accountancy [2](FIA) courses in 2018, continued to attend regular classes at the AUAF's state of the art campus in Kabul. By the end of the year, the AUAF partnership produced five qualified accounting technicians (all male), whom it is expected will be role models within the GDFB. The main objective of this training is to build a core team of competent finance technicians within MOIA's General Directorate of GDFB.

The SPM project also designed a tailor-made course on Public Financial Management and Budgeting, specifically for the staff of the MOIA's GDFB and the overarching objective of this program is to strengthen the capacities of MOIA personnel in public financial management, budgeting and accounting fundamentals that underpin payroll management. However, due to the

[2] Foundation in Accountancy is one of ACCA (UK)'s accountancy qualifications which focuses on the core skills of financial accounting and management accounting, and the wider role of the accountant in business at higher levels

COVID-19 pandemic, this program could not be launched by the end of the last quarter and therefore remains pending, to be implemented as part of the 2021 annual work plan.

From the WEPS-AFMIS reconciliation front, SPM performed the usual regular monthly reconciliation exercise to assure that the two systems produce similar figures. Between the two systems, the only differences aside from timing differences, was the *'payments made outside of WEPS'*—of AFN107,149,603—and those will be referred to the Monitoring Agent for expenditure verification and if certified by the MA they could be classified as ineligible expenditures which would be recovered from the subsequent advances.

Under Output 3, SPM project ensured that the WEPS system was operational and improved to support the payroll processes and ensured that funds could be disbursed to ANP and GDPDC on a timely basis. All 34 PHQs are connected to WEPS, ensuring that MOIA's electronic payroll systems are functional on real-time basis, nationwide.

During the year, aside from July, September, and November/December 2020 payroll cycles, all 98 payroll stations processed payroll on time. The delays experienced in the three pay cycles mentioned above were due to the introduction of the APPS Time and Attendance (T&A) module, requiring WEPS payroll to process salaries based on the APPS T&A. Ultimately, these days were resolved and all ANP and GDPDC personnel received salaries accordingly. The introduction of APPS T&A during Q3 of 2020 culminated in the suspension of the Personnel Asset inventory process by the SPM project team. From January to September 2020, SPM processed received from MOIA and processed 27,342 PAI records and rejected 3,446 (30.89%) records due to not meeting the criteria. From October 2020, SPM project changed the source of data from PAI to APPS and enabled WEPS to pay based on APPS which forced the personnel to get themselves registered in APPS, this 'forcing' function enriched APPS personnel module and made a good base for APPS pay module

Throughout the year, the average monthly number of ANP personnel paid was 109,332, of which 106,903 were male (97.78%) and 109,332 were female (2.22%). For the GDPDC, the total monthly average number of personnel salaries processed was 7,076, of which 6,752 were male (95.42%) and 324 were female (4.58%).

Under Output 4, SPM ensures that intranet connectivity, power, other logistics needs, and disaster recovery capability are in place for WEPS. During the year, the project team maintained the WEPS platform and infrastructure and enabled all 138 payroll stations across the country to process payroll for their respective staff—for both ANP and GDPDC.

Moreover, to ensure business continuity, the SPM project team managed the WEPS Disaster Resilience and Recovery (DRR) site as back up in case of a disaster that may affect processing at the primary locations. The servers of both the primary site and the DRR site were both protected with appropriate antivirus software to guard against any possible malware or bugs.

Under Output 5, SPM's mandate is to disburse funds to the MOF for the timely payment of ANP and GDPDC salaries and incentives. The same output also has the provision of the independent Monitoring Agent (MA) services to provide the GIROA and donors with assurance over the use of LOTFA funds, by ensuring compliance with established payroll policies and in monitoring personnel and payroll data to identify discrepancies, prevent and/or detect fraud, waste and abuse, and correct errors and deficiencies.

Based on the LOTFA SPM project's 2020 Commitment Letter, the ceiling of 1398-1399 (2020) LOTFA funds for ANP and GDPDC salaries and incentives was set at AFN 26.38 billion, equivalent to USD 347.12 million.

UNDP provided a total of AFN 25.23 billion, equivalent to USD 329.50 million, cumulative advances to the MOF for the period January – December 2020. The AFMIS recorded a total expenditure of AFN 25.21 billion, equivalent to USD 329.25 million or 99.92% of the total advances

As part of UNDP's fiduciary oversight and payroll assurance services, through the expenditure verification exercise of the independent Monitoring Agent, all MA reports for 2019 were concluded in 2020. Based on the certification of the MA, for the 2019 reports, AFN 427,457,323 was the total of the ineligible expenditures. The top six types of ineligible expenditures for 2012 account for 97.04% of the total ineligible expenditures, with *"Paid to ANPs Not Included in PAI"* accounting for 65.90%. Out of the total AFN 427,457,323 ineligible expenditures, AFN 377,823,743 was pending recovery from MOIA's advances due to the delay of getting MOIA's senior management's signatures for the recovery to proceed. Once the senior management sign, UNDP will process the deductions from the subsequent NIM advances.

For the year 2020, out of the annual budget of US4350,000, the total financial delivery for SPM project was US$346,092,045.37, representing a financial delivery of 99%

II. RESULTS

OUTPUT 1: Output 1: Updated policies implemented, business processes developed and applied to support independent MOIA payroll management

The output seeks to assist MOIA in implementing, reviewing and making recommendations for modification of relevant laws, rules and regulations, policies and business processes pertaining to human resource management, finance, internal controls, police salary payments, and payroll processes at national and sub-national levels.

During the year, the Support to Payroll Management (SPM) project updated and revised communication products on Police compensation, remunerations, and entitlements based on Police Inherent Law. The project's plan to print 40,300 communication products—including booklets, Pay Cycle Management charts, and back-pay checklists—and distribute them to the Police personnel, was fully implemented. The objective of producing these communication products to raise awareness of the Police on their pay and compensation rights and payment processes. The materials have been distributed to the police personnel through the MOIA's General Directorate of Logistics and Provincial Police Headquarters (PHQs) during the last quarter of the year. The Police personnel will be better informed about their entitlements, know how to get assistance, in case any issues occur with salary payment.

Following the approval of the MOIA's Internal Control policy document in August 2020—by the honourable Minister- of Interior Affairs—after many months of collaborative work between the SPM project team and the MOIA's General Directorate of Policy and Strategy, to ensure ownership of the final project—SPM project then made printing arrangements for 600 copies of the document. While the printing work was accomplished within this year (quarter 4), the distribution of these materials and the training will be completed as part of the project's 2021 work plan. The materials will be distributed widely across all departments, units, and provinces.

The Internal Control Policy document is based on the globally recognized COSO [3] integrated internal control framework. The COSO framework enables organizations to effectively and efficiently develop systems of internal controls that adapt to changing business and operating environments, mitigate risks, and support sound decision making while strengthening governance of the organization. When policy is fully applied in the day to day work of the MOIA, it will result in an overall improvement of internal controls, enforce checks and balances in ANP's payroll and other business processes.

SPM project, 2019, commissioned a holistic review of MOIA's Police incentives. Over the years, the remuneration packages for police personnel of the MOIA has gradually evolved and increased in difficulty as several issues have accumulated throughout the years, including lack of the requisite documentation regarding their basis, eligibility, frequency, rates, and triggers. The objective was to conduct a study that could shed light on the existing incentive system, review the remuneration packages and bring more coherence through a set of options and recommendations. Following a competitive procurement process, BDO Jordan (Saman and Co) was contracted to undertake the review. However, due to the November 2019 fatal incident, which claimed the life of one UNDP staff, the

[3] Committee of Sponsoring Organizations of the Treadway Commission

consequent security restrictions and then the COVID19 pandemic, the project stalled until around quarter 3 of 2020 when BDO could present their draft report. After thorough review by the SPM project team, BDO's report was accepted and finalised in November 2020.

Some of the report's findings include:

- Insufficient legal, regulatory or policy documentation for determining the eligibility, relevant supporting documents, triggers for, and frequency of payment of some incentives.
- Current appointment and selection practice tend to automatically assign some incentives to a staff member once the individual is appointed, the basis for which are unclear.
- No clear policy or regulation describing how potential candidates are selected, evaluated, and appointed.
- The role of MOIA's General Directorate of Personnel (GDOP) in determining eligibility for an incentive or qualification, triggers that conditions have been met for payment, etc. is not documented.
- A year is too long a period before updating the Hazard Duty Incentive Pay (HDIP) Map as sometimes, the level of threat changes through the year. Kabul for instance, is currently one of the most insecure places and yet it is considered one of the low threat areas on the HDIP Map.
- Explosive Ordinance Disposal (EOD) incentives and bonuses, triggers, eligibility criteria and supporting documents that make the staff members eligible for all incentives under this group are not documented.
- For medical incentives, the Presidential Decrees and/or other legal documents—which are the basis of awarding such incentives—do not clarify whether these incentives are automatically dedicated to all nurses, physicians, and other health personnel of ANP and GDPDC.

The SPM project team has planned to implement the recommendations of the reports as part of the 2021 annual work plan. To achieve that, the project intends to hold further discussions with MOIA and the Combined Security Transition Command-Afghanistan (CSCT-A) on the report's findings and recommendations; review any documents available with MOIA that have not been captured in the BDO report, undertake training, and importantly work with developers of the Afghan Personnel and Pay System (APPS) to configure it (APPS) to enforce and monitor compliance with the revised internal controls for incentives .

EXPENSES FOR THE YEAR

Total accumulated expenditure under Output 1 for 2020 totalled USD 52,061.86, equivalent to a financial delivery rate of 18%. For more details, please see Annex 2.

Table 1:Summary of Progress on Output 1 (00095495) Indicators as of 31 December 2020

Indicator	Baseline	2020 Target	2020 Actual	Comments
D: Number of communication products (charts/leaflets/posters/ brochures etc) on compensation, remunerations, and entitlements produced and disseminated to provincial payroll stations	80,000 copies distributed	120,000	120,300	Communication materials were printed and distributed
H: Payroll Standard Operating Procedures manual revised per APPS application and distributed to users	NO	No	NO	Scheduled for 2021, after APPS implementation in March 2021
I: Number of MOIA staff trained on revised Payroll manual as per APPS	0	150	0	As above pending APPS implementation
J: Percentage of payroll stations using revised Payroll manual as per APPS	0%	50%	0%	As above pending APPS implementation
K: MOIA incentives streamlined and updated in the revised Payroll manual	NO	No	NO	The final BDO Report was delayed until end of November 2020, the process for the implementing of the recommendation of the BDO report has been initiated, full implementation is expected during 2021.

Output 2: Capacity of MOIA personnel (in Payroll, ICT Human Resources, Finance and Budget as appropriate) improved to undertake all payroll processes and tasks to agreed standards

The SPM project supports the MOIA in strengthening its payroll management capacities to enable the MOIA to independently undertake assigned payroll management tasks, as well as conducting internal validation and reconciliation tasks.

The SPM project team understands the significance of capacity building for the staff of the MOIA, with focus on the ultimate objective to enable MOIA staff to undertake all non-fiduciary aspects of payroll management and the related financial and budgetary management tasks, once UNDP exits from managing the LOTFA payroll. Aside from the 24 November 2019 security incident highlighted earlier, the further restrictions imposed by the COVID-19 pandemic in 2020 also limited SPM project staff's access to the MOIA compounds to be able to run its 2020 training plan. Notwithstanding, the project consulted with the MOIA to implement the 2020 annual training plan through a training cascading strategy whereby MOIA finance staff would lead the training delivery and management. A core team of 20 MOIA staff (all male) received a three-day Training of Trainers (TOT) training from SPM project team in Kabul, on payroll management processes and troubleshooting. This helped to get the PFOs and PHROs the required support they needed as they process the payroll throughout the year

Through the SPM project's Responsible Party Agreement (RPA) contract with the American University of Afghanistan (AUAF), Eight students (all male) of the MOIA's General Directorate of Finance and Budget (GDFB), who were enrolled in the internationally recognised Foundation in Accountancy [4](FIA) courses in 2018, continued to attend regular classes at the AUAF's state of the art campus in Kabul. By the end of Q4, the AUAF partnership produced five qualified accounting technicians (all male), whom it is expected will be role models within the GDFB. Two staff were left with one paper to qualify for the FIA and due to the expiry of the agreement with the AUAF the programme ended by 31 December 2020. The main objective of this training is to build a core team of competent finance technicians within MOIA's General Directorate of GDFB.

The project also partnered with the AUAF—under the existing RPA--and designed a tailor-made course on Public Financial Management and Budgeting, specifically for the staff of the MOIA's GDFB. The overarching objective of this program is to strengthen the capacities of MOIA personnel in public financial management, budgeting and accounting fundamentals that underpin payroll management. This three-month tailored course is expected to expose the MOIA finance staff to examples of international best practices in managing and accounting for government or public

[4] Foundation in Accountancy is one of ACCA (UK)'s accountancy qualifications which focuses on the core skills of financial accounting and management accounting, and the wider role of the accountant in business at higher levels

funds. Important to note that due to the COVID-19 pandemic, this program could not be launched by the end of the last quarter and therefore remains pending.

During the year, the SPM project performed monthly reconciliations between payroll figures produced from the Web-enabled Electronic Payroll System (WEPS) and the actual payments generated by the government's Afghan Financial Management Information System (AFMIS) for all 34 provinces. Please see Table 2 below for a summary of WEPS-AFMIS reconciliations for January – December 2020. Between the two systems, the only differences aside from timing differences, was the *'payments made outside of WEPS'*—of AFN107,149,603—and those will be referred to the Monitoring Agent for expenditure verification and if certified by the MA those could be classified as ineligible expenditures which would be recovered from the subsequent advances.

Table 2: summary of WEPS-AFMIS Reconciliations (January – December 2020)

Month	Causes of discrepancies			Total (AFN)
	Timing Difference	Duplicate M16s	Outside WEPS	
January	524,469,816	0	0	524,469,816
February	103,433,974	0	30,712,859	134,146,833
March	47,845,355	0	0	47845355
April	126,690,981	0		126,690,981
May	106,650,612	0	-26147445	80,503,167
June	12,815,722	0	0	12,815,722
July	708,696,010	0	0	708,696,010
August	179,780,947	0	0	179,780,947
September	295,749,734	0	0	295,749,734
October	66,615,177	0	0	66,615,177
Nov & Dec	275,884,225	0	102,584,189	378,468,414
Total	**2,448,632,553**	**0**	**107,149,603**	**2,421,635,323**

EXPENSES FOR OUTPUT 2 AS OF 31 DECEMBER 2020

Total accumulated expenditure under this output in 2020 totalled USD 28,764.68, equivalent to a financial delivery rate of 78%. For more details, please see Annex 2.

Table 3: Summary of Progress on Output 2 (00095840) Indicators as of 31 December 2020

Indicator	Baseline	2020 Target	2020 Actual	Comments
C: Number of MOIA staff trained in Payroll Management, WEPS/APPS (disaggregated by gender)	1,090 (Cumulative)	1,310 (Cumulative)	20	Training of trainers (TOT) conducted to MoIA staff and built core MoIA training team to further train provincial finance and human resource officers.
E: Number of MOIA staff co-located with SPM staff	17	17	0	The twinning programme was completed
I: Number of MOIA staff trained on validation and reconciliation (disaggregated by gender)	21	23	0	Not due: No further training on reconciliation as the reconciliation team joined back the GDFB.
O: Number of provinces/Mustofiates using the provided barcode readers to approve digital M16 to facilitate data verification and reconciliation	34	34	34	On track: the objective is to support the MOF to continue using Barcode technology.
U: Number of MOIA staff enrolled in Professional accountancy training (disaggregated by gender)	20 males enrolled; 2 completed all 7 papers; 3 completed at least 4 papers.	12 completed all 7 papers	4 completed all 7 papers.	On track: RPA is extended until 31 December 2020.
V: Number of MOIA staff trained in leadership and change management courses (disaggregated by gender)	0	100	0	Dropped in 2020: The training on leadership and change management was conducted in 2018. It was a one-off training.
X: Standard Operating Procedures (SOPs) manual for reconciliation updated in accordance with APPS	NO	YES (Updated SOPs manual for reconciliation is distributed among relevant personnel)	NO (APPS is not operational yet)	Delayed: SOP manual for reconciliations will be updated once APPS is launched.

Y: Time and attendance monthly reporting template developed for MoIA to improve the quality of HR reports	Developed	Developed	Developed	On track: MOIA is providing the updated HR Templates, but SPM has not been able to independently verify the reports.
Z: Number of MOIA (OIG) staff provided orientation training on payroll processes to facilitate their audit work	0	20	0	Delayed: Trainings postponed due to COVID-19 restrictions.

Output 3: MOIA payroll system (WEPS) and HR system (AHRIMS) fully updated and reconciled to support the MAs' assurance work and facilitate data migration to APPS

The SPM project ensures that the WEPS system is operational and improved to support the payroll processes and ensures that funds are disbursed to ANPs and GDPDCs on a timely basis. All 34 PHQs are connected to WEPS, ensuring that MOIA's electronic payroll systems are functional on real-time basis, nationwide.

During this year, up until the end of quarter 2 (June 2020), all 138 payroll stations successfully produced their payrolls for both the Afghan National Police (ANP) and General Directorate of Prisons and Detention Centres (GDPDC) without any technical and/or administrative delays. During the third quarter—from July 2020, due to the implementation of a LOTFA steering committee decision for APPS human resources module—i.e. time and attendance (T&A)—to inform WEPS payroll module some temporary details were experienced. For example, for the August 2020 payroll, only five payroll stations could process salary on time, one payroll station (Badghis Police-Head-Quarter) did not pay salary at all, while the remaining ones all experienced some delays, caused by delays in generating T&A in APPS. On a positive note, in September 2020, all 138 payroll stations processed salary on time and no delays were recorded. The delay surfaced again during the November/December pay cycle where only 5 out of 98 payroll stations could process payrolls on time. The problem was resolved by the extension of the pay cycle period to allow everyone to complete processing salaries.

Throughout the year, SPM project team fully supported MOI and CSTC-A to bring APPS to production environment. After several rounds of data reconciliation, finally in October 2020, SPM project changed the source of data from PAI to APPS and enabled WEPS to pay based on APPS which forced the personnel to get themselves registered in APPS, this 'forcing' function enriched APPS personnel module and made a good base for APPS pay module. SPM technical team steadfastly worked with PFOs to identify and correct records that were not matching between WEPS and APPS.

During the year under review, SPM supported the processing of payrolls for the ANP and GDPDC through Electronic Funds Transfer (EFT), Mobile Money/Banking (MM), and Trusted Agent (TA) payment modalities. Throughout the year, the combined average monthly percentage of ANP personnel whose salaries were paid through EFT and MM stood at 93.25% and for TA modality it was 6.75% (see Table 4 below). The combined EFT/MM coverage has already exceeded the required target (90%) set in the LOTFA Donors' Conditions for Payroll Transition. It is worth noting that for the GDPDC personnel, since all their locations are in areas where there are banks operating, their payment modality remains 100% on EFT modality.

Table 4: WEPS Salary payment modality, January – December 2020

Months	ANP					GDPDC			
		EFT	MM	TA	Total	EFT	MM	TA	Total

January	Number	96,868	4,301	7,568	108,737	7,110	-	-	7,110
	Percent	89.08%	3.96%	6.96%	100%	100%	-	-	100%
February	Number	100,343	4,324	7,584	112,251	7,163	-	-	7,163
	Percent	89.39%	3.85%	6.76%	100%	100%	-	-	100%
March	Number	101,906	4,303	7,606	113,815	7,141	-	-	7,141
	Percent	89.54%	3.78%	6.68%	100%	100%	-	-	100%
April	Number	102.435	4,344	7,719	114,498	7,141	-	-	7,141
	Percent	89.46%	3.79%	6.74%	100%	100%	-	-	100%
May	Number	103,022	4,323	7,605	114,950	7,095	-	-	7,095
	Percent	89.62%	3.76%	6.62%	100%	100%	-	-	100%
June	Number	101.545	4,347	7,411	113,303	7,049	-	-	7,049
	Percent	89.62%	3.84%	6.54%	100%	100%	-	-	100%
July	Number	104,820	3,493	7,464	104,820	7,014	-	-	7,014
	Percent	89.55%	3.33%	7.12%	100%	100%	-	-	100%
August	Number	88,696	3,516	5,952	98,164	6,958	-	-	6,958
	Percent	90.35%	3.58%	6.06%	100%	100%	-	-	100%
September	Number	95,421	4,069	6,930	106,420	7,016	-	-	7,016
	Percent	89.66%	3.82%	6.51%	100%	100%	-	-	100%
October	Number	97,265	4,052	7,897	109,214	7,019	-	-	7,019
	Percent	89.06%	3.71%	7.23%	100%	100%	-	-	100%
Nov-December	Number	94,881	4,083	7,511	106,475	7,126	-	-	7,126
	Percent	89.11%	3.83%	7,05%	100%	100%	-	-	100%

Throughout the year, the average monthly number of ANP personnel paid was 109,332, of which 106,903 were male (97.78%) and 109,332 were female (2.22%). For the GDPDC, the total monthly average number of personnel salaries processed was 7,076, of which 6,752 were male (95.42%) and 324 were female (4.58%). The table below presents the full details.

Table 5: Number of ANP and GDPDC personnel paid, disaggregated by gender, January – December 2020

Months	**ANP**			**GDPDC**		**Total**
	Gender	Number	Percent	Number	Percent	
January	Male	106,129	97.60%	6,777	95.32%	112,906
	Female	2,608	2.40%	333	4.68%	2,941
	Total	**108,737**	**100%**	**7,110**	**100%**	**115,847**
February	Male	109,582	97.62%	6,827	97.31%	116,409
	Female	2,669	2.38%	336	4.79%	3,005
	Total	**112,251**	**100%**	**7,163**	**100%**	**119,267**
March	Male	111,113	97.63%	6,808	95.34%	117,921
	Female	2,702	2.37%	333	4.66%	3,035
	Total	**113,815**	**100%**	**7,141**	**100%**	**120,956**
April	Male	111,793	97.64%	6,809	95.35%	118,602

	Female	2,705	2.36%	332	4.65%	3,037
	Total	**114,498**	**100%**	**7,141**	**100%**	**121,639**
May	Male	112,205	97.61%	6,767	95.38%	118,972
	Female	2,745	2.39%	328	4.62%	3,073
	Total	**114,950**	**100%**	**7,095**	**100%**	**122,045**
June	Male	110,550	97.57%	6,723	95.38%	117,273
	Female	2,753	2.43%	326	4.62%	3,079
	Total	**113,303**	**100%**	**7,049**	**100%**	**120,352**
July	Male	102,179	97.48%	6,686	95.32%	108,865
	Female	2,641	2.52%	328	4.68%	2,969
	Total	**104,820**	**100%**	**7,014**	**100%**	**111,834**
August	Male	95,412	97.20%	6,638	95.40%	102,050
	Female	2,752	2.80%	320	4.60%	3,072
	Total	**98,164**	**100%**	**6,958**	**100%**	**105,122**
September	Male	103,559	97.31%	6,693	95.40%	110,252
	Female	2,861	2.69%	323	4.60%	3,184
	Total	**106,420**	**100%**	**7,016**	**100%**	**113,436**
October	Male	106,312	97.34%	6,692	95.34%	113,004
	Female	2,902	2.66%	327	4.66%	3229
	Total	**109,214**	**100%**	**7,019**	**100%**	**116,233**
Nov-December	Male	103,648	97.34%	6,797	95.38%	110,445
	Female	2,827	2.66%	329	4.62%	3,156
	Total	**106,475**	**100%**	**7,126**	**100%**	**113,601**

As part of managing the WEPS platform to facilitate the smooth processing of payroll by the MOIA staff, the SPM project's WEPS technical team provided support dedicated helpdesk support to the users throughout the year. The helpdesk support to PFOs encompassed different aspects of Payroll management, with the top six calls shown below.

Table 6: Top Six WEPS Helpdesk Calls for 2020 January-December

#	Problem	No of Calls	%
1	General Payroll Support (tech, non - tech)	4,058	80.28%
2	Personnel Asset Inventory (PAI)-related Support	268	5.30%
3	Registration (for personnel)	261	5.16%
4	EFT & Banking Support	188	3.72%
5	M16 Preparation & Object Code	87	1.72%
6	Tashkeel Support	68	1.35%

As shown on the above table, the majority of support calls (80.28%) falls under general payroll support, whereby users would be enquiring about information relating to payroll.

The graph below presents the full details about the support rendered to WEPS users through the WEPS helpdesk service during the period January to December 2020.

Table 7: Summary of WEPS Help Desk Support Calls by Category in 2020

#	Helpdesk Call Category	Total	Q1	Q2	Q3	Q4
1	Access Management	32	4	2	6	20
2	EFT & Banking Support	188	52	43	43	50
3	M16 Preparation & Object Code	87	10	6	10	61
4	Database Technical	4	1	1	1	1

5	Transfer (Shifting) Support	24	1	1	1	21
6	PAI Support	268	45	52	61	110
7	Incentives (EOD, MEDIC, SF…)	25	2	2	2	19
8	Registration	261	54	54	54	99
9	Enrolment Support	30	-	-	-	30
10	Tashkeel Support	68	-	-	4	64
11	General Payroll Support tech, non-tech)	4,058	1,259	820	980	999
12	On-Job-Training	10	2	2	2	4
	Grand Total	**5,055**	**1,430**	**983**	**1,164**	**1,478**

The WEPS user manual which was revised to include the new improvements about the customized reports were printed in Dari and Pashto languages, and due to the COVID-19 restrictions, the physical copies could not be distributed. However, the soft copies were shared with all the end-users through a broadcast message facility within the WEPS Helpdesk system. If there is a face-to-face training in 2021, these copies can be shared with each batch that attends the training, otherwise, distribution can take place through the MOIA's facilities/logistics directorate.

Until the quarter three of 2020, SPM project processed PAI records received from the MOIA General Recruitment command. Since the introduction of the PAI procedure in payroll management, back in 2018, SPM had to devise data quality assurance criteria, in line with LOTFA Donors' instruction to pay only PAI registered ANPs through LOTFA funds. Up until the PAI process got replaced with the APPS Time and Attendance module—in Q3, SPM project team processed. The table below presents summaries of the PAI records processed during the year:

Table 8: Summary of PAI Records Received and processed

Q1: (January-March) PAI Quality Assurance	**Q2: (April-June) PAI Quality Assurance**	**Q3: (July-September) PAI Quality Assurance**	**(January-September)[5] Total in 2020**
• Total PAI records received from MOIA: 10,764 • Total PAI records rejected [6]due to not meeting criteria: 2,957 (27%)	• Total PAI records received from MOIA: 9,704 • Total PAI records rejected due to not meeting criteria: 3,692 (38.05%)	• Total PAI records received from MOIA: 6,874 • Total PAI records rejected due to not meeting criteria: 1,797 (26%)	• Total PAI records received from MOIA**: 27,342** • Total PAI records rejected due to not meeting criteria: **3,446 (30.89%)**

Once the use of APPS time and attendance module commenced, it naturally superseded the PAI procedure, reason being that before any ANP is recorded in APPS, they would have to complete the verification processes that PAI sought to check. They had to do biometric registration, be slotted in tashkeel, and allocated to a unit, etc.

[5] The PAI process stooped in September 2020 following the introduction of APPS T&A module
[6] If a record is rejected it means that the affected individual does not quality to receive salary based on the LOTFA donors' instruction—that only persons meeting the PAI criterion should be paid with LOTFA funds

EXPENSES FOR OUTPUT 3 AS OF 31 DECEMBER 2020

Accumulated expenditure under this output for January – December 2020 totalled USD 921,056.18, equivalent to a financial delivery rate of 61%. For more details, please see Annex 2

Table 9: Summary of Progress on Output 3 (00095844) Indicators as of 31 December 2020

Indicator	Baseline	2020 Target	2020 Actual	Comments
C: Number of new initiatives/improvements introduced in WEPS to function optimally	15	20	2	On track. No improvement introduced in Q4 - 2020
D: Percentage of ANPs paid by EFT (disaggregated by gender)	92.78%	95%	Male 97.34% (2.66% female)	On track. The figures updated based on WEPS report Nov-December 2020
E: Percentage of GDPDC paid by EFT (disaggregated by gender)	100%	100%	100% (Male 95.38% (4.62% female)	On track. The figures updated based on WEPS report Nov-December 2020
F: Percentage of Payroll stations that processed salaries on time	100%	100%	100%	On track. The salary processing was delayed at 93 Payroll stations in Nov-December because of APPS T&A Implementation. However, in October no delays were recorded.
H: Number of PAI-verified ANPs enrolled in WEPS	114,663	124,629	113,436 (September 2020)	On track: The SPM project paid 91% the ANP Tashkeel positions. The remaining positions are either not filled nor PAI registered. PAI stopped by end September
I: Number of registered personnel paid through Mobile Banking	4,279	4,279	4,083	On track. The figures updated based on WEPS report Nov-December 2020

Output 4: MOIA infrastructure provision supports 100 per cent functionality of MOIA payroll systems

Output 4 ensures that intranet connectivity, power, other logistics needs, and disaster recovery capability are in place for WEPS. Activities under this output are predominantly recurrent to allow WEPS network performance and functionality across the country to be monitored on a real-time basis, thus improving the reliability of system, the timeliness of data inputs, as well as minimizing the down-time of the system.

Maintaining the WEPS infrastructure is a core function of the SPM project's WEPS technical team. During the year, the project team maintained the WEPS platform and infrastructure and enabled all 138 payroll stations across the country to process payroll for their respective staff—for both ANP and GDPDC. While the ANP end-users were connected through a fixed internet connectivity, riding on the MOIA's Network Operating Centre (NOC), the end-users were connected through a Virtual private Network (VPN) secured by the SPM project, since the GDPDC does not have a direct link to the MOIA's NOC.

As part of its maintenance of the WEPS application to enable seamless payroll processing and ensure minimal down times, the SPM project team utilized the *SolarWinds Software* as the core application for network monitoring and management of the WEPS servers on real-time basis. No down time for any payroll station was recorded throughout the year.

Moreover, to ensure business continuity, the SPM project team managed the WEPS Disaster Resilience and Recovery (DRR) site as back up in case of a disaster that may affect processing at the primary locations. The servers of both the primary site and the DRR site were both protected with appropriate antivirus software to guard against any possible malware or bugs.

EXPENSES FOR OUTPUT 4 AS OF 31 DECEMBER 2020

Total accumulated expenditure under this output in 2020 totalled USD 83,469.88, equivalent to a financial delivery rate of 15%. For more details, please see Annex 2.

Table 10: Summary of Progress on Output 4 (00095849) Indicators as of 31 December 2020

Indicator	Baseline	2020 Target	2020 Actual	Comments
A: Percentage of ANP payroll stations with fixed MOIA intranet connectivity	100%	100%	100%	On track: Maintained at 100%.
C: Number of payroll stations with delayed salaries due to connectivity issues ()	0	0	0	On track: The objective is to prevent delays due to connectivity issues and thus keep it at “zero”.

Output 5: Funds transferred by UNDP to MOF for Police Pay

The SPM project disburses funds to the MOF for the timely payment of ANP and GDPDC salaries and incentives. The project also provides independent Monitoring Agent (MA) services to provide the GIROA and donors with assurance over the use of LOTFA funds, by ensuring compliance with established payroll policies and in monitoring personnel and payroll data to identify discrepancies, prevent and/or detect fraud, waste and abuse, and correct errors and deficiencies.

Based on the LOTFA SPM project's 2020 Commitment Letter, the ceiling of 1398-1399 (2020) LOTFA funds for ANP and GDPDC salaries and incentives was set at AFN 26.38 billion, equivalent to USD 347.12 million.

UNDP provided a total of AFN 25.23 billion, equivalent to USD 329.50 million, cumulative advances to the MOF for the period January – December 2020. The AFMIS recorded a total expenditure of AFN 25.21 billion, equivalent to USD 329.25 million or 99.92% of the total advances (see Table 11 below).

Table 11: Advances and expenditures recorded in AFMIS, January - December 2020

Month	Advance Issued FY 2020[7]		Advance Liquidation FY 2020	
	AFN	US$	AFN	US$
Opening Balance	612,409,029	7,800,577	-	-
January	2,062,258,091	26,999,975	2,411,442,886	31,354,307
February	2,248,873,126	29,999,975	2,173,644,176	28,931,254
March	2,276,998,103	29,999,975	2,145,930,325	28,328,895
April	2,210,546,294	28,999,975	2,008,931,435	26,381,446
May	1,916,248,084	24,999,975	2,398,045,505	31,334,382
June	1,932,983,067	24,999,975	1,824,619,175	23,619,851
July-August	1,801,599,175	23,399,975	1,757,983,036	22,817,071
August-September	1,796,767,080	23,399,975	1,793,563,683	23,346,334
September	1,804,210,581	23,499,975		
October			2,104,255,395	27,407,496
October-November	1,797,352,080	23,399,975	1,662,499,369	21,644,573
November-December	4,613,662,078	59,999,975	4,665,064,534	60,671,019
December	154,203,072	1,999,975	262,557,949	3,409,801
Total:	**25,228,109,859**	**329,500,277**	**25,208,537,468**	**329,246,428**[8]

UNDP's fiduciary oversight and payroll assurance services continued through the expenditure verification exercise of the independent Monitoring Agent. All MA reports for 2019 were concluded in 2020 and the annual report which summarised all the months was also completed. Based on the certification of the MA, for the 2019 reports, AFN 427,457,323

[7] *excluding bank charges*
[8] As of 31 Dec., the balance of AFN19,572,391.00(US$253,848.98) was outstanding as unliquidated by the MOF

was the total of the ineligible expenditures. The top six types of ineligible expenditures for 2012 account for 97.04% of the total ineligible expenditures, with *"Paid to ANPs Not Included in PAI"* accounting for 65.90%. See Table 12 below. Out of the total AFN 427,457,323 ineligible expenditures, AFN 377,823,743 was pending recovery from MOIA's advances due to the delay of getting MOIA's senior management's signatures for the recovery to proceed. Once the senior management sign, UNDP will process the deductions from the subsequent NIM advances. Please refer to Table 13 below for the full details of the total Ineligible expenditures for 2019.

Table 12: Top Six Ineligible Expenditures for 2019 MA Reports

#	**Findings Title**	Amount (AFN)	% of Total
1.	Paid to ANPs Not Included in PAI	281,710,289	65.90%
2.	No Acknowledgement Receipt Obtained By TA	102,031,244	23.87%
3.	Absence deductions not applied correctly	15,057,318	3.52%
4.	Salary Paid to ANPs Not In accordance with CL	7,521,032	1.76%
5.	Extra Salary Paid	5,134,414	1.20%
6.	Paid to ANPs Not Recorded in HR report	3,371,292	0.79%

Total accumulated expenditure under this output in 2020 totalled USD 342,211,956.98 equivalent to a financial delivery rate of 99%. For more details, please see Annex 2.

Table 13: Summary of 2019 MA Certified ineligible Expenditures

Findings Title	JAN-FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	Grand Total
Paid To ANPs Not Included In PAI	726,960	4,159,115	4,494,084	31,479,929	55,793,642	30,871,705	40,713,313	45,591,910	24,499,616	26,328,862	17,051,153	281,710,289
No Acknowledgement Receipt Obtained By TA	-	4,024,902	3,506,555	4,437,608	-	-	9,836,328	6,681,525	26,496,816	796,050	46,251,460	102,031,244
Absence deductions not applied correctly	-	-	-	-	-	-	2,109,990	4,645,686	3,349,918	3,152,292	1,799,432	15,057,318
Salary Paid To ANPs Not In accordance With CL	-	-	1,265,841	707,666	1,622,000	741,358	715,417	-	1,227,250	-	1,241,500	7,521,032
Extra Salary Paid	45,104	350,157	337,810	1,046,062	1,558,140	84,850	99,105	711,135	233,780	335,409	332,862	5,134,414
Paid To ANPs Not Recorded In HR report	1,022,983	540,010	175,500	499,049	220,250	108,000	805,500	-	-	-	-	3,371,292
2018 1397 Salary Paid From 2019 1398 Budget	-	-	3,116,400	-	-	-	-	-	-	-	-	3,116,400
Paid To ANPs Not In Their Relevant Duty Station HR Report	13,332	499,500	-	-	-	-	-	270,163	423,715	676,293	-	1,883,003
Paid To ANPs With Expired Contracts	648,000	931,500	-	-	-	-	-	-	-	-	-	1,579,500
Extra Allowance Paid	24,250	116,750	148,000	7,000	550,370	14,000	32,250	15,000	50,500	-	65,750	1,023,870
M16 Generated out of WEPS	-	-	32,000	-	-	-	-	-	726,999	154,000	-	912,999
Salary Paid Without Appointment & Transfer Letter / Clearance Form	-	14,613	-	266,490	37,345	58,940	-	353,595	-	149,788	-	880,771
Absence Deductions Not Applied Correctly	817	18,563	-	2,120	4,662	27,000	48,500	469,677	31,897	8,618	235,257	847,111
Paid To Non-Assigned ANPs	-	-	112,350	-	37,450	21,700	31,726	290,100	-	-	128,775	622,101
Salary paid without Transfer Letter / Clearance Form	-	-	-	-	-	-	-	-	-	-	373,618	373,618
Paid to ANPs not included in their relevant duty station HR report	-	-	-	-	-	-	-	-	-	-	298,757	298,757
Cash payments to ANPs with bank account	-	-	-	-	-	-	54,000	108,000	81,000	-	-	243,000
Double Payment of Salary	27,000	-	-	-	-	81,000	-	-	81,000	-	-	189,000
Manual correction on WEPS generated M41s	-	-	-	-	-	-	-	-	17,550	-	131,400	148,950
Paid To Terminated ANPs	25,000	-	-	25,833	27,000	-	-	-	-	12,500	56,675	147,008
Salary Paid From Incorrect Tashkil Grade	-	-	-	112,447	5,512	14,462	1,050	-	-	-	-	133,471
Paid To ANPs For More Than Days Reported In HR Report	-	-	-	-	-	120,575	-	-	-	-	-	120,575
Payment To Retired ANPs	59,150	-	-	-	-	-	-	-	-	-	-	59,150
Manual Correction on WEPS Generated M16s	-	-	-	-	-	-	36,450	-	-	-	-	36,450
Payments Are Not Reconciled With WEPS	-	-	16,000	-	-	-	-	-	-	-	-	16,000
Grand Total	**2,592,596**	**10,655,110**	**13,204,540**	**38,584,204**	**59,856,371**	**32,143,590**	**54,483,629**	**59,136,791**	**57,220,041**	**31,613,812**	**67,966,640**	**427,457,323**

Table 14: Summary of Progress on Output 5 (00095846) of SPM Project as of 30 September 2020

Indicator	Baseline	2020 Target	2020 Actual	Comments
Indicator A: Percentage of payroll stations able to process monthly salary within 15 days of close of solar month	100%	100%	99%	On track.
Indicator C: Number of police personnel paid disaggregated by gender	ANP: 114,663 (111,980 males; 2,683 female) GDPDC: 7,116 (6,783 males; 333 female)	124,629 (ANP Full Tashkeel); 7,456 GDPDC (Full Tashkeel)	Total ANP - within Tashkeel: **106,475** (**103,648** males; 2,827 female) Total GDPDC - within Tashkeel **7,126** (**6,797** males; **329** female)	On track. The figures updated based on WEPS report Nov-December 2020

III. GENDER SPECIFIC RESULTS

UNDP closely worked with the MOIA Gender unit and GDFB to ensure that the Payroll Management functions are gender sensitive and more women are enabled to carry out the payroll management functions. The SPM made sure to collect sex-disaggregated data on all aspects of payroll functions. Moreover, SPM is committed to enhancing the capacity of women in the MOIA and MOF to manage payroll management functions. The project treated policewomen equally with policemen and ensured equal salary rates and incentives.

IV. PARTNERSHIPS

The SPM project continued to invest efforts in developing a common understanding with CSTC-A on accountability and risk implications associated with the transfer from WEPS to APPS. Through the project team's concerted collaborative engagement with the APPS technical team and the MOIA's GDFB and GDOP, the APPS Time and Attendance (T&A) module (HR) was successfully launched in July 2020, following approval by the steering committee. This culminated into the suspension of the PAI validation by the SPM technical team and the use of taking HR records from APPS to upload into WEPS for processing payrolls in WEPS. As normal with most systems implementations, teething problems occurred with the implementation of the T&A but those got resolved quickly, again through the concerted collaboration between SPM project team and the APPS technical team, under the leadership of the GDFB and GDOP.

Moreover, following the successful operationalisation of the APPS T&A module (HR), the steering committee approved—at the 15 December 2020 meeting—the live processing of APPS payroll which would see the shutting down of WEPS for the ANP, but it (WEPS) will continue to process the payrolls of the GDPDC staff. The live operation of the APPS is being planned for the March 2021 payrolls for the ANP. Throughout the year, SPM project team fully supported MOI and CSTC-A to bring APPS to production environment. After several rounds of data reconciliation, finally in October 2020, SPM project changed the source of data from PAI to APPS and enabled WEPS to pay based on APPS which forced the personnel to get themselves registered in APPS, this 'forcing' function enriched APPS personnel module and made a good base for APPS pay module. SPM technical team steadfastly worked with PFOs to identify and correct records that were not matching between WEPS and APPS. UNDP SPM team continues the collaboration in that direction by being available for technical discussions and troubleshooting scenarios and resolving emerging issues.

V. ISSUES

This section describes newly identified issues and any substantial change in the status of already identified issues. During the year 2020, the following issues were identified and addressed by the SPM project. The full updated Issues Log can be found in Annex 4.

- **Delays in processing payroll for ANP.** Following the introduction of the APPS T&A module (HR) in quarter three of 2020—July 2020--that caused delays during July and August payroll processing as well as during the November/December pay cycle. For the Q3 period—July and August 2020—only 30 and 5 out of 98 payroll stations processed salaries for ANP on time, respectively. For the Q4 period, delays were experienced during the November/December pay cycle whereby on 5 out of 98 payroll stations processed salaries on time. The issue was fully resolved, through extension of the pay cycle to accommodate the late processing of salaries.

- **Delays in delivering capacity building activities for MOIA staff.** The restrictions caused by COVID-19 lockdowns impeded implementation of the SPM project's tailored trainings and capacity building programmes for MOIA personnel. Moreover, later in the year, due to increasing security incidences in Kabul, the project team's movements had been affected by corporate security measures for staff safety. Notwithstanding, the project team utilised the web platforms—Zoom, Web ex, Teams—to continue its operations. UNDP country office security also continued to monitor the security situation and devising possible mechanisms to allow for business continuity.

VI. RISKS

This section describes newly identified risks and any substantial change in the status of already identified risks. There were no new risks identified in this reporting period. The full updated Risks Log can be found in Annex 3.

VII. LESSONS LEARNED

The year 2020 proved to be a difficult year for everyone, with the sudden outbreak of COVID-19 pandemic which disrupted the whole operating structures of the SPM project. It clearly sent a signal to always expect disruptions and be able to adjust quickly and return to some sort of norm. Once the pandemic broke in Afghanistan in March 2020, the project sprung to action by engaging with the MOIA's GDFB about contingency plans and together it was agreed to ensure a sort of standby system whereby provincial financial officers in neighbouring provinces would be prepared to support their adjoining provinces in case those should fall ill of COVID-19 and vice versa.

Moreover, the project, through the UNDP country office, invested in online platforms such as Zoom, Webex, etc., to allow for continuous support to payroll management with minimal disruption. One lesson learned is the fact that such platforms also helped with the keeping to the timelines for APPS implementation as the project teams were still available virtually to continue the collaboration with the APPS technical team. The same facilities also helped the project team to continue work with the BDO Jordan team to be able to finalise the MOIA incentives review exercise. It also helped to keep up with the governance structure of the project making sure that technical working group and pay and compensation board meetings could still proceed during lockdowns enforced under COVID-19

As a matter of principle, these online platforms will be maintained to assure business continue even with the deteriorating security situation in Kabul and other provinces.

VIII. FUTURE PLANS

- Plan the implementation of the 2021 annual workplans. A key component of this involves new activities which have been incorporated within the annual workplan, relating to human rights and gender activities. These will be implemented in close collaboration with the MOIA's Human Rights, Gender, Children's directorate as well as other bodies such as the Afghanistan Independent Human Rights Commission (AIHRC)
- As there will be a transformation in the payroll management, the project plans to closely work with both the MOIA—GDFB and GDOP—and the APPS team to ensure that payroll end-users' training needs are met and to ensure continuous application of the policies, procedures and regulations in the payroll processing using the APPS. There will be some trainings around the internal control policy as well.
- With the operationalization of the APPS payroll module in early 2021, the project plans to update the PMPM and mainstream the revised ANP incentives and establish the basis and criteria for paying each incentive, with a view to streamline the processes around requests for incentives by various units of the MOI