



**Conference on the need of establishing
Private Sector Development Board in Kandahar
27 July 2009**

Summary:

Afghan Innovative Consulting Bureau (AICB) explored the need of proper coordination among various actors working towards private sector development in Kandahar. There are several donor funded and afghan government led projects and initiatives planned or ongoing towards private sector development in Kandahar, however there is no coordination among these programs neither they have proper coordination with the private sector representation.

Looking to the importance of such coordination which ensures the effectiveness of each program, AICB together with various stakeholders such as CIDA, ASMED and ACCI conducted the first conference in Kandahar in order to explore means and ways of establishing such seminar. The conference was held in continental guesthouse on 26th July 09 from 10am to 2pm, where various private sector representatives, government officials and members of other organizations participated.

The main objectives of holding the conference was to discuss the importance of coordination among various stakeholder involved in private sector development process and explore proper ways of initiating such coordination. The conference was successful in terms of agreement among the participants of establishing a mechanism of establishing such coordination board.



Implementation:

Mobilization:

Generally the perception of population in Kandahar is not good regarding conducting meetings due to no follow ups or results; therefore it is necessary to meet each target individual for mobilization by explaining the importance of such gathering. This process is usually time-consuming.

AICB project team members have been meeting with various stakeholders in this regards which includes government officials, private sector representatives and other organizations running private sector development initiatives. This process nearly took 3 weeks of July to complet. In this regards 48 various important people were met from various stakeholder before inviting them to the conference. During each meeting the target person was given explanation on the importance and purpose of the conference.

Arrangements:

The conference was arranged in the continental guest house considering the security issues. The initial reservation was done a week earlier to the seminar. The participants were provided refreshments and lunch during the conference. Invitations were sent several days in advance to all the target stakeholders for the conference.

Attendance:

26 individuals from various target stakeholders attended the meeting (list attached) in the conference. Usually the people are afraid of attending meetings due to security threats. During the conference a road side explosion accrued near to the guesthouse in about 100 meters. Such situation makes it difficult to bring together large number of people. Beside the security situation the participants were considered to be limited in order to get most objective results.

Findings from Conference:

After the initial introduction of the conference objectives, intensive discussion was done on the importance of establishing coordination among the various stakeholders in Kandahar, who are working for private sector development. During the discussion the following main points were discussed:

Lack of Coordination:

- It was explored that currently various programs related to economic development are not well coordinated both among the various implementing agencies as well with the stakeholders such as private sector representatives. The participants from private sector representatives were mostly not aware of ongoing funded project targeting income generation, business development etc, such as AREDP, DWC and others.
- The lack of such coordination among the programs and with stakeholders (private sector etc) has raised suspicious environment of ineffectiveness, lack of trust, lack of transparency, duplication and waste of time and resources.

- The private sector, government bodies and donors/technical organizations are not well aware of each other's programs and objectives, this leads to miss targeting efforts and the beneficiaries do not know how to get benefits from such programs
- Most of the projects approved or implemented are not targeting the real needs of the private sector in Kandahar and are approved without proper consultation by donors
- All the participants agreed that there is a real need of establishing such coordination among the stakeholders in Kandahar

Available mechanisms of such coordination:

Details discussions were carried out on available mechanisms and their limitations. The following available mechanisms were explored and discussed in details.

- The Department of Economy has a sub-sectoral group for private sector under the PDC mandate
- ACCI has close coordination with private sector representatives only
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There is no other coordination mechanism existing that targets private sector development in Kandahar.

Initial proposed Mechanisms of such Coordination:

During the intensive discussion the following coordination mechanisms were identified, which can play a better role in establishing such a coordination board in Kandahar:

- ACCI might lead such board and coordination
- AICB can lead such coordination board
- Dept. of Economy can lead this coordination
- AISA can lead such coordination
- A new unbounded coordination boards should be established and be supported

The cons and pros of all these coordination mechanisms were discussed in greater details. Different participants proposed supporting and enhancing the different coordination mechanisms which were discussed in greater details.

The officials from the department of economy stressed that the available sub-sectoral group under PDC exists and therefore there is no need of establishing an additional coordination board, however it was rejected by other parties due to the fact that it is inefficient and simply not working. No one has seen their regular meetings and any outcomes etc etc.

Agreed Mechanism for such coordination:

Finally, after greater discussions it was mutually agreed by the participants to establish a committee of 10-15 members of key stakeholders, which should meet regularly and work on establishing an unbounded coordination board, which must be supported both by government, donors and technical agencies. In this regard the below committee/team of up to 15 members were selected:

Initial Coordination Committee/team:

- AICB
- Department of Economy
- Head of Women Association
- 3 persons from ACCI
- Head of Agriculture Cooperatives
- Member of CIDA
- Member of ASMED
- Member of CNAT
- Head of DRRD
- Member of SWABAC
- Head of Social and Labor Affairs Dept
- Head of AISA

This committee will have to initially meet in the upcoming two weeks in order to finalize the establishment of such coordination board in Kandahar. This committee will work on establishment of the of the coordination board for private sector and will have membership of all key players of various government, donors, private sector and technical organizations representations.

The committee will be initially led by AICB and will be further developed and enhanced with the support of its partners. The committee will develop initial strategy and management issues in the upcoming meetings.

Support Required:

The establishment of such coordination board really requires strong support both from potential donors and government officials in terms of giving them priority and role during targeting private sector development in the province. This will be able to bring major improvements in bringing better coordination and making the private sector development efforts more efficient.

Assumptions:

The major challenge which will be faced both for establishment of such board and its effectiveness is the lack of support from the government of Afghanistan. The government might not give it importance or consider it as a challenging body; however the private sector representatives will be fully supporting the boards.

The government may perceive it a more positive board towards private sector development and good contribution to the PDC in future. This will be explored further my meeting of the initially proposed committee with the governor and his officials.

List of Participants

No.	Name	Title	Organization	Phone #
1	Abdul Shakoofr Zareh	Representative	CNAT	0-707712308
2	Ahmad Hamid	Representative	CIDA	0-799431198
3	Hussain Aziz	Deputy Director	Economic Dep.	0-700347095
4	Abdu Ahad	Member	Dry fruits association	0-700347095
5	Haji Abdul Zahir	Trader	Major importer	0-700301558
6	Eng Abdul Baqi	Acting Head	ACCI	0-700300650
7	Eng. Jan Mohd	Coordinator	SWABAC	0-799088036
8	Fridullah	Administrator	ACCI	0-700301428
9	Ahmad Zia	Chairman	Embroidery association	0-775410031
10	Khalilullah Humdard	Chairman	Medicine Humdard Ltd.	0-700303496
11	Abdul Latif	Chairman	Medicine Bradran Ltd.	0-700402479
12	Fazal Haq Mushkani	Deputy Director	Kandahar Industrial Association	0-700287961
13	Haji Mohd Fahim	Member	Kandahar Industrial Association	0-700304157
14	Rona Threen	Head	Kandahar Women Affairs Dept	0-700306177
15	Mohd Hussain Wolusi	Head	Agriculture Cooperatives	0-700082501
16	Mohd Ashfaq	Member	Agriculture Cooperatives	0-700082502
17	Hayathullah	Member	Agriculture Cooperatives	0-700082503
18	Slaiman Shah	Member	Member	0-700082504
19	Mahmood Rdahmati	Reporter	Surghar newspaper	0-703114861
20	Haji Ffaiz Mohd	Head	Aziz Bashir Ltd.	0-707477518
21	Amad Khalid abi	BDS officer	ASMED Kandahar	0-799706633
22	Haji Yar Mohd	Head	Pamir Air ways	0-700318011
23	Eng. M Wasib Azim	Administrator	Afghanistan Builders Association	0-700294430
24	Naseer Ahmad	CEO	AICB	

25	Ahmad Jan Nazari	Deputy CEO	AICB	
26	Faizi	Acting Head	AICB Kandahar	