



RETHINKING SECURITY IN THE 2020s SERIES

SAVING AFGHANISTAN REQUIRES MORE THAN HUMANITARIAN AID

A COMMENTARY BY SHADA ISLAM, BIC SENIOR GEOPOLITICAL COMMENTATOR

FEBRUARY 2022



BRUSSELS
INTERNATIONAL
CENTER

Saving Afghanistan Requires More than Humanitarian Aid

RETHINKING **SECURITY** IN THE 2020s SERIES – COMMENTARY

By Shada Islam – Senior Commentator on Geopolitics

The European Union must respond quickly and generously to the United Nations latest appeal to end Afghanistan's "[unfolding nightmare](#)".

Having promised to [stand by Afghans](#) following the rushed departure of US troops and the Taliban takeover last August, the EU has a key role to play in leading the global effort to get desperately-needed funds to Afghanistan. However, doing so will require courage, creativity, and consistency.

UN Secretary General Antonio Guterres has warned of a race against time to save Afghanistan from a humanitarian disaster. The UN is looking for 4.4 billion dollars in emergency relief for the country and an additional 3.6 billion dollars to keep Afghanistan's basic services running, including those related to health and education.

HUMANITARIAN AID IS VITAL BUT CAN'T DO IT ALL

International development flows, now suspended, used to represent up to [45 percent](#) of Afghanistan's gross national product and funded 75 percent of the government's budget, supporting crucial sectors such as health and education.

This makes it important that the EU continues to deliver humanitarian aid which bypasses government channels. Stop gap "humanitarian plus" measures which help

meet the country's basic needs and can be delivered through UN agencies rather than state ministries, also remain necessary.

Ramping up humanitarian assistance and providing aid for basic services is not a comprehensive and sustainable response to Afghanistan's crisis, however. Saving Afghanistan's crippled economy from complete collapse requires more than first-aid measures.

Policymakers in Brussels and other EU capitals have little choice: over the coming weeks, they will have to consider the difficult question of resuming development assistance to Afghanistan, albeit under strict conditions and stringent controls.

It will not be easy, not least because it requires working with Taliban-led ministries. But failure to release larger amounts of EU aid will probably mean more hunger, pain, and strife in the country, as well as possible further displacement of people and increased regional instability.

The EU decision in January to provide "humanitarian plus" aid through UN agencies to meet Afghans' basic needs was a positive first step. Although preceded by [turf battles](#) between [ECHO](#), the EU's humanitarian aid arm, and [INTPA](#), the European Commission's DG for International Partnerships, the much-needed initiative focusing on Afghans' basic needs, illustrated the bloc's ability to be agile and flexible.

Moving forward, however, such ad hoc arrangements will not be enough. An EU conversation on crafting a more coherent strategy for ending the humanitarian crisis and ensuring Afghanistan's sustainable development is therefore imperative.

FROZEN ASSETS AND FREEZING WEATHER

The EU faces tough choices on other fronts as well. The US and the EU need to respond to growing pressure for a conditional release of at least some of the over 7 billion dollars in Afghan currency reserves currently frozen by the US Central Bank.

Although the US sanctions, which target some members of the Taliban, do not directly impact the Afghan central bank, the asset freeze has cut off the country from many foreign banks, including European ones, which fear they will be punished for any dealings with the country. The lack of liquidity has plunged the Afghan economy into free-fall, with salaries unpaid and people with no money to buy food or medicines.

One solution as suggested by [Shah Mehrabi](#), a member of the Afghan central bank's governing board who is also an economics professor at Montgomery College in Maryland, is for the US to allow the Central Bank of Afghanistan limited, monitored, and conditional access to \$150m per month from Afghanistan's foreign reserves – roughly half of what the Central Bank would auction off monthly in the past.

Others have called for the release of Afghan [reserves from banks in Europe](#) which also hold a smaller but still significant amount of Afghan central bank funds. "Letters of comfort" to European banks from the US government to make clear that they will not be punished for giving private Afghan citizens access to their money, would be helpful.

Some flexibility has been agreed. The US Administration granted "[general licenses](#)" to relief agencies last year to ensure flows of humanitarian aid despite the sanctions. The UN Security Council adopted a [humanitarian exception](#) to the Afghan sanctions regime which also provides financial institutions and commercial actors with legal assurances to engage with humanitarian operators, without fear of breaching sanctions.

But these crucial steps are not enough to get aid to where it is most needed. The [Norwegian Refugee Council](#) says banks need legal clarity and incentives to facilitate financial transfers to aid groups. Aid agencies also need to be able to withdraw that money once it reaches their accounts in Kabul, but local banks are on the brink of collapse and there is an acute shortage of bank notes in circulation.

The World Bank is being asked to release more than 1.2 billion dollars in frozen funds from its Afghanistan Reconstruction Fund. Also being discussed is a new World Bank "humanitarian exchange facility" which would allow donors to convert their dollars and euros into the local currency to pay doctors, nurses, and other aid workers.

ALL EYES ON THE EU

While discussions continue ways of easing these and other complex issues, the EU – like other donors – is also grappling with the challenge of avoiding any formal recognition of the Taliban while working to stem Afghanistan's growing humanitarian crisis.

European Commission President Ursula von der Leyen has been [honest](#) about the EU's predicament: while Europe does not recognize the Taliban and disapproves of its

hardline policies and especially its treatment of women and girls, it cannot look the other way as the country faces economic and social collapse.

Afghanistan used to be a leading beneficiary of EU aid, receiving more than 4 billion euros in assistance since 2002. An Afghan support package worth 1 billion euros was announced at a G20 meeting last October. The decision was important, allowing ECHO to continue working with non-governmental organisations to deliver increased emergency assistance to Afghans, including 221 million euros spent in the country last year.

An additional 268.3 million “humanitarian plus” [aid package](#), implemented through UN agencies in order to circumvent Taliban-led state authorities, was also agreed by INTPA to support health and education projects and provide livelihoods for Afghans.

The rest of the EU assistance is on hold, however, with the bloc’s governments insisting that development aid, which requires working with Afghan state ministries, cannot be released until the Taliban meets [five key EU benchmarks](#) which include respect for the rule of law and human rights as well as women's rights, and assurances that humanitarian aid operations can continue.

Jutta Urpilainen, the EU commissioner responsible for development policy, also [told the European Parliament](#) last year that “around €400 million to €500 million” were being kept back for disbursement at a later stage, depending on developments on the ground.

Given the enormity of the Afghan emergency, securing leverage vis a vis the Taliban no longer appears tenable. With Afghanistan’s humanitarian crisis worsening and more funds expected to be pledged at a UN conference scheduled for March, the EU will have to take a closer look at ways in which it could release larger sums of money, including both emergency funds and development assistance.

Making a “binary distinction” between different types of aid is no longer possible under current circumstances, insists Barry Andrews, an Irish member of the European Parliament. The EU’s response should be in keeping with the reality of Afghanistan today and the fact that “we are faced with an exceptional problem,” he told BIC, adding that many of the EU conditions were not easy to comply with. “Some EU member states would also struggle”.

Flexibility is also being urged by a group of senior British experts who says donors must make a [distinction](#) between money that can still be withheld to try to leverage political concessions from the Taliban, such as large-scale infrastructure projects, and money to enable government institutions to deliver basic human services and to keep the economy from collapsing.

Standing in the way of such moves are fears that providing non-emergency assistance to Afghanistan will mean engaging with the Taliban, thereby legitimizing the interim government, and sparking a slippery slope to the hardline group's international recognition.

Experts argue, however, that if more EU and international development funding is agreed, arrangements can be made to "insulate" and carefully monitor and track the funds to ensure they do not benefit the Taliban.

In any case, the conversation, however politically difficult and controversial, must begin.

Norway tried to do just that at [three-days of talks](#) with the Taliban in Oslo January 24-27, with Norwegian Prime Minister Jonas Gahr Stoere's responding to critics by saying the meeting was meant to hold the Taliban accountable, not legitimize their hardline government.

Tomas Niklasson, the EU's Special Envoy for Afghanistan said on Twitter he had used the meeting in Oslo to underline the need for primary and secondary schools to be accessible for boys and girls throughout the year when the school year starts in March.

The dilemma facing the EU and other governments is understandable. Some members of the interim Taliban government may be more moderate and open to complying with donors' concerns but there are persistent suspicions that the Taliban, which is seeking recognition and financial aid for its government, is using the humanitarian crisis to achieve its goals.

There has been no real change in the harsh policies that marked the Taliban's first stint in power. The disappearance of two [Afghan women's rights activists](#), Taman Zaryabi Paryani and Parawana Ibrahimkhel, who were reportedly abducted from their homes by the Taliban has added to the concerns.

The stakes are high. As [EU foreign ministers](#) emphasized last September, in addition to its humanitarian obligations, the EU is also worried about Afghanistan's "profound negative impact" on regional stability, human rights, the fight against terrorism, trafficking in drugs and human beings, organised crime, and on efforts addressing forced displacement, preventing illegal migration and its possible instrumentalization of hybrid threats.

Given the volatile situation, EU governments will certainly have to be cautious about taking new initiatives. But a serious debate on a more pragmatic way forward is imperative.

As Norwegian Foreign Minister Anniken Huitfeldt has warned, donors cannot allow their dislike of Afghanistan's "political situation" to lead to an even worse humanitarian catastrophe. This means talking to the "de facto" authorities in the country.

Humanitarian agencies are doing all they can to bring relief to Afghans. EU emergency aid as well as stop gap assistance are helping to meet Afghanistan's basic needs and ease the liquidity crisis. However, what is needed is a comprehensive and sustainable strategy for bringing Afghanistan back from the brink. EU policymakers in Brussels and other capitals will have to innovate, think outside the box and talk with other nations and institutions on the best way forward. Some of this is already being done but the decision-making machine has to speed up.

The time for short term emergency fixes is running out. Humanitarian action alone cannot save Afghans or Afghanistan.

About the BIC

The BIC is an independent, non-profit, think-and-do tank based in the capital of Europe that is committed to developing solutions to address the cyclical drivers of insecurity, economic fragility, and conflict the Middle East and North Africa. Our goal is to bring added value to the highest levels of political discourse by bringing systemic issues to the forefront of the conversation.

Rethinking Security in the 2020s Series

This project takes critical aim at yesterday's approaches to security and defence, with a view towards developing proactive solutions to the evolving nature of insecurity and hybrid warfare. The series has three overarching themes, namely "New Geopolitical Landscape in the MENA Region", "Peacebuilding and Conflict Prevention" and "Transnational Challenges to Water and Energy"



Authors

Shada Islam | Senior Commentator on Geopolitics



 @BICBrussels  @bicrhr  BIC

 www.bic-rhr.com  info@bic-rhr.com

 Avenue Louise, 89 1050, Brussels, Belgium  Tel:+32 027258466