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EXPERT ASSESSMENT

Consequences of the COVID-19
pandemic on the situation in Afghanistan



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Abbreviations

AAN	Afghan Analyst Network
ACCORD	Austrian Centre for Country of Origin and Asylum Research and Documentation
DFID	Department for International Development
DTM	Displacement Tracking Matrix
EASO	European Asylum Support Office
FES	Friedrich-Ebert-Stiftung
GFF	Global Financing Facility
ICG	International Crisis Group
IFC	International Finance Corporation
IO	International Organization
IOM	International Organization for Migration
KAS	Konrad-Adenauer-Stiftung
MMC	Mixed Migration Center
MoPH	Ministry of Public Health
MoRR	Ministry of Refugees and Repatriation
MSF	Médecins sans Frontières
NGO	Non-Governmental Organization
OCHA	Office for the Coordination of Humanitarian Affairs of the United Nations
OECD	Organization for Economic Cooperation and Development
PHEIC	Public Health Emergency of International Concern
UN	United Nations
UNAMA	United Nations Assistance Mission to Afghanistan
UNHCR	United Nations High Commissioner for Refugees
WFP	UN World Food Programme
WHO	UN World Health Organization

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1. INTRODUCTION

On December 31, 2019, the China country office of the World Health Organization (WHO) was informed of a series of severe cases of pneumonia in the city of Wuhan. One of the hospitalized persons carried a novel version of the coronavirus¹. Dr. Tedros Adhanom Ghebreyesus, secretary general of the WHO, declared the outbreak of the novel of the coronavirus (2019-nCov) a public health emergency of international concern (PHEIC) on January 30, 2020. On February 24, the Afghan Ministry of Public Health (MoPH) confirmed the first Afghan COVID-19 cases among a group of Afghan migrant workers returning from Qom, Iran. On March 11, Dr. Ghebreyesus declared the COVID-19 outbreak a pandemic due to the rapid increase of cases outside of China in a growing number of countries². Commercial flights to and from Afghanistan were suspended on March 25, 2020, and the borders to neighboring Iran and Pakistan, important for the traffic of passengers and goods, were closed. Until February 16, 2021, authorities in more than 2019 countries and territories had reported more than 109 million COVID-19 cases and more than 2.4 million COVID-19 related deaths. In Afghanistan, WHO reported more than 55,000 cases in all 34 provinces and more than 2.400 deaths in the same period³.

COVID-19 has had wide-ranging implications for societies, economies and healthcare sectors worldwide. The aim of this study is an assessment of the situation in Afghanistan in regard to living circumstances, the economic situation and the provision of healthcare. A first version of this report was commissioned in November 2020 by the Higher Administrative Court of Baden-Württemberg in Mannheim / Germany to serve as expert opinion in the appeal hearings A 11 S 2091/20 and A 11 S 2042/20. The author was called in to answer further questions during the juridical investigation on December 15, 2020. The court ruled that a deportation was to be suspended as it was undue according to Paragraph 60 Passage 5 (German law) in combination with Article 3 / European Convention on Human Rights (ECHR). The court ruling has been legally valid since December 17, 2020 and is not open to appeal.

The full report (in German) can be found on the author's homepage [here](#) . This second version was commissioned in February 2021 and serves as a condensed, English version while also including a second round of data collection to assess whether the conclusions reached in November 2020 still hold true four months later.

¹ WHO Europa: Neuartiges Coronavirus in Europa, 10.01.2020: <https://www.euro.who.int/de/health-topics/health-emergencies/coronavirus-covid-19/news/news/2020/01/novel-coronavirus-emerges-in-china>

² WHO Europa: WHO erklärt COVID-19 zur Pandemie, 12.03.2020: <https://www.euro.who.int/de/health-topics/health-emergencies/coronavirus-covid-19/news/news/2020/3/who-announces-covid-19-outbreak-a-pandemic>

³ <https://covid19.who.int/region/emro/country/af>

The author of this report lived and worked in Afghanistan between September 2015 and January 2020. Between 2015 and 2017, she worked as a data analyst and project manager for the Kabul-based Think Tank Samuel Hall. In her research, she focused on the analysis of migration dynamics and the labour market as well as the evaluation of humanitarian projects in Afghanistan and Iran. Between 2017 and 2020, she worked as communication specialist for several UN organizations in Kabul. During this time, she travelled to half of Afghanistan's 34 provinces and was able to directly engage with the local population due to her language skills.

2. METHODOLOGY

Expert Assessment I (30. November 2020)

The first expert assessment was used in the appeal hearings A 11 S 2091/20 and A 11 S 2042/20 as evidence to clarify whether, in case of return, an Afghan deportee, according to the jurisdiction of the European Court of Human Rights, *would face a real danger of being subjected to inhumane or degrading treatment due to poor humanitarian circumstances; as a result of which he would face impoverishment and several months of destitution without prospect of improvement, impending starvation, imminent homelessness or lack of sufficient hygiene conditions.* In such cases, the deportation of a rejected asylum seeker is undue according to Paragraph 60 Passage 5 (German law) in combination with Article 3 / European Convention on Human Rights (ECHR).

The author decided to follow a dual approach. In a first step, a literature analysis of thematically relevant publications was conducted. The review included the most important legal documents relevant for this case, and a number of reports and publications by international and non-governmental organizations (IO's and NGO's), aid and development agencies, research institutions and media outlets. In a second step, the author conducted key informant interviews with 18 key stakeholders on site, including humanitarian agencies, political organizations, local business men and women, economic experts, journalists, government representatives, and medical doctors. The aim of these interviews was to gain a deeper insight into the situation at hand. Due to the sensible nature of the topic, all interviewed persons were offered anonymization. This had a positive effect on the quality and substance of the interviews because interview partners were not bound by their organization's rules for giving out information to the public. Roughly half (45%) decided to take this offer. All interviewed stakeholders were present in Afghanistan during the pandemic. A full list of those interviewed can be found in the November report.

Expert Assessment II (12. March 2021)

In February 2021, the author was commissioned with an updated English version of the November report to see if the conclusions still hold true three months later. The author again used a dual research method. The literature analysis was almost identical to the one conducted in November 2020, however, due to the short time gap in between the two reports. In a second step, the author conducted follow-up interviews with nine of the 18 key informants included in the first round. A list of all follow-up interviews conducted between February and March 2021 can be found below:

Tabelle 1 – Key Informant Interviews February and March 2021

Name	Position	Organization
Andrew Quilty	Journalist	Freelance
Shamshad Mohmand	Afghan Business Owner	-
Nicholas Bishop	Emergency Response Officer	International Organization for Migration (IOM)
Anonymous	UN Humanitarian Officer	United Nations (UN)
Anonymous	UN Migration Officer	United Nations (UN)
Masood Ahmadi	Project Manager „Assisted Voluntary Return and Reintegration“	International Organization for Migration (IOM)
Lyla Schwartz	Psychologist	Peace of Mind Afghanistan (POMA)
Anonymous	Economic Expert	The World Bank Group
Ellinor Zeino	Country Representative	Konrad-Adenauer-Stiftung (KAS)

Research questions

To answer whether the situation in Afghanistan has significantly deteriorated in the areas of general living circumstances, economy, provision of health services and political context, the research in both assessments was aligned along the following questions:

- What effect did COVID-19 have on the provision of health services?
- What effect did COVID-19 have on the housing market in Kabul?
- What effect did COVID-19 have on the general living circumstances in Kabul?
- What effect did COVID-19 have on the economy in general and the labour market in particular? Is this situation likely to change soon?

3. FINDINGS

A. HEALTHCARE SECTOR

- What effect did COVID-19 have on the provision of health services?

The Afghan health sector has significantly improved since the beginning of the reconstruction in 2001. However, after decades of neglect, the sector still faces significant challenges today. Among the most pressing are a damaged infrastructure and a lack of trained personnel and equipment. In 2017, Integrity Watch Afghanistan reported that over half of the public health facilities show significant deficits: 45% of facilities don't have sufficient standards of hygiene and 20% don't have access to a stable and functioning electricity supply. Additionally, millions of returning refugees and migrants are overburdening the sector in certain areas. Especially in bigger cities such as Kabul where the population has exponentially increased, public health facilities are often not well equipped to serve a constantly rising number of people.

On one hand, an insufficient and deficient infrastructure prevent an effective supply of health care services. On the other hand, a rise in violence, also against health facilities, further stretch already scarce resources. In 2019 alone, WHO counted 119 attacks on 258 health facilities, either through direct attacks or indirect collateral damage.

And even if the access to a hospital is possible in theory, poor Afghans are often not able to afford their services. In 2018, Médecins Sans Frontières (MSF) found that 63% of their patients went into debt to pay for their treatment. 89% stated that they had postponed their treatment due to the financial burden on their families. Additionally, the quality of medication available on the Afghan market varies greatly: Apart from high-quality but expensive medication, pharmacies also sell many low-quality or even fake products. According to the Union of Imports for Medication (UIM), at least 40% of all medication and medical equipment is smuggled illegally into the country. "There is a lot of corruption in the health sector", said Afghan business owner Mohammad Sharif Sharif. "For example: newspapers reported that doctors had sold masks and medication that was given to them by the government."

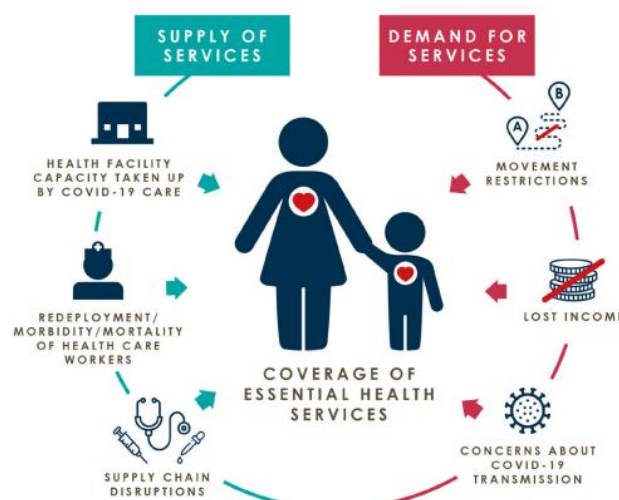
In general, one can say that the quality of health services in Afghanistan was already bad before the outbreak of the COVID-19 Pandemic. Therefore, most Afghans of the middle and upper classes travel to Iran, Pakistan or India for medical treatment (EASO 2020: 46 ff.).

According to WHO, 2.400 Afghans from all 34 provinces of Afghanistan have so far died of COVID-19. These numbers are however nowhere close to reality, mainly because of the low levels of testing for the disease: "We only have a limited capacity to deal with infectious diseases of this

magnitude”, said Diwa Samad, former Deputy Minister of Health. According to MoPH, more than 50% of Afghans were estimated to have been infected by July 2020. Other estimates are higher: “We believe that tens of thousands of people died of COVID-19 in Afghanistan”, said Nicholas Bishop, Emergency Response Officer at IOM Afghanistan in November 2020. Cemeteries in Kabul reported four times more funerals than during the same time in the previous year (KAS 2020: 3). According to a UN employee that wanted to remain anonymous, at least 40% of their staff were infected with the virus. “And these are people that can protect themselves more easily from the disease, due to higher levels of education and better access to masks or sanitizers”. According to the Office for Humanitarian Affairs of the United Nations (OCHA), Kabul province was worst affected by COVID-19 (ACCORD 2020). But most Afghans, many depending on daily labour, simply could not afford to stay home. This does not mean that the virus had disappeared from Afghanistan, however. “The virus is still ravaging, and it will get worse”, said journalist Jim Huylebroek. “You can tell from airlines for example, they require you to take a PCR test when you leave, but then you don’t have to take a test going back into Kabul. There is no data but people know it is bad, this is why you have to take the test”, explained Huylebroek. “Everyone I spoke to has had it and was quite sick or lost a family member.” In November 2020, most of UN agencies had only 20%-50% of their international staff in country, and most of their national staff worked from home.

During the initial months of the pandemic, the supply of overall health care services in Afghanistan was negatively impacted by bottlenecks in the supply chain of medical equipment, the focus on fighting COVID-19 and mortality among health care workers. At the same time, the demand for services was constrained by movement restrictions, lost income and concerns about a COVID-19 transmission in public hospitals.

Figure 1: Factors impacting the supply and demand for health care services in Afghanistan during the COVID-19 pandemic (GFF 2020: 2)



The capacity of the Afghan health sector has greatly improved since the beginning of the pandemic, the number of ICU beds and ventilators has risen from 100 countrywide to more than 1.000. “It isn’t perfect, but much better than in the beginning”, said Diwa Samad. But the limited capacity to respond to the needs of the population is not only a result of lacking financial means, but also of lacking professional expertise: “Doctors weren’t able to properly apply the ventilators and people literally died because of that”, said Dr. Ellinor Zeino, country representative of the Konrad-Adenauer-Stiftung in Kabul.

There is a valid concern that a new wave and rising infection rates could bring the fragile health care sector in Afghanistan to the brink of collapse. “I had a problem with my eyes and went to an eye clinic. But there were no doctors”, recalled local business man Mohammad Sharif Sharif in November 2020. Many doctors were needed for taking care of COVID-19 patients or decided to stay home out of fear of transmission.

According to WHO, the number of operations in the second quarter of 2020 was 30% lower than the number of operations during the same time the year before and the number of patients dropped by 25% (WHO 2020). “People didn’t go to hospitals because they were scared to be infected with COVID-19. MoPH said that the number of cases had dropped, but that isn’t true: people just stopped going to hospitals”, explained Mohammad Sharif Sharif.

Another reason for the falling numbers could also be the rising poverty across the country. Already in 2018, MSF reported that 81% of its patients in a hospital in Herat shied away from seeking professional health care because of the high cost. 89% said that they had postponed a necessary treatment in the past due to a lack of financial means, 63% had to go into debt to afford the treatment and 11% sold possessions (MSF 2020: 11-14).

„When someone gets sick, the family steps in and collects the necessary money for the treatment. Everything works through a network.“

Dr. Ellinor Zeino

During the first wave between March and July 2020, commercial airlines had ceded their activities, neighboring countries had shut their borders for traffic on foot or wheels and embassies had shut their consular sections. Seeking medical treatment abroad was not an option for Afghans who were ill with COVID-19. Now, in March 2021, flight traffic has resumed, borders have opened, and embassies have taken up their consular work again, albeit not at full capacity. While flying is not an option for Afghans testing positive for COVID-19, travelling by car to a neighboring country in

search of better health care is theoretically an option. But it is doubtful that deportees from Europe could afford the financial means needed for such a trip.

By March 2021, life in Kabul (and the rest of Afghanistan) continues as if COVID-19 doesn't exist: most people in the streets don't wear masks and don't practice social distancing. Whereas some UN agencies and embassies are back to working with close to full staff in the office, others still operate on having most staff working from home.

Funding for the current internationally funded COVID-19 health response in Afghanistan will dry up by the end of March 2021. However, this does not mean that COVID-19 has disappeared. "COVID-19 is still an issue in Afghanistan, test positivity rate is still at 25%, people are still dying, it is just not as large as it was in the colder winter months", said Nick Bishop in February 2021. According to Bishop, public health directorates have concerns around the arrival of new viral variants, especially because it will take a long time for vaccines to be widely available to the Afghan population. "The fact that there is no funding for the COVID-19 response right now is not reflective of the needs, it is more reflective of the fact that the US Government is reevaluating its position on Afghanistan, and many other donors are hedging their bets, waiting to see what the US Government will do." Another reason for the gap is that the humanitarian funding cycle does not begin until the new financial year starts for many countries, which is not until March or April of each year.

To sum up: the risk to catch COVID-19 in Afghanistan is very high. The capacity of the Afghan health sector to effectively respond to such a crisis are limited at best. The outbreak of COVID-19 brought the already fragile sector to the limits of its capacity. A full collapse is however unlikely because the sector is to 80% funded by international donors. There are hospitals with ICU beds and ventilators that the local population has access to. Without a network to rely on for financial support, going into debt to finance such a treatment is however very likely. The quality of the available health care is low, but there appears to be no imminent threat to life. Just as much as in the Western world, many people in Afghanistan are or have been sick with COVID-19, but like in Western countries, many of the dead are elderly. If one puts the UN estimated 100.000 deaths in relation to an estimated minimal infection rate of 30% or 10.000.000 infected cases across the country (MoPH 2020: 11), there is a morbidity rate of 1%. In November 2020, Italy had the highest morbidity rate with 2.7%, Germany of 0.7%. The likelihood to die from or with COVID-19 increases with age – among over-75-year-olds, 22% of infected also died. Among under-35-year-olds, only 0.004% of cases died (FAZ 2020). Therefore, the likelihood for an Afghan below the age of 35 to die of COVID-19 in Afghanistan is low.

B. HOUSING MARKET – KABUL CITY

- What effect did COVID-19 have on the housing market in Kabul?

The size and population of Kabul city has increased more than tenfold since 2001 from 500.000 to more than 5 million inhabitants. A rise in violence and lack of economic opportunities in rural areas have pushed people into urban areas, including Kabul. Between 2016 and 2019, more than one million people annually were displaced due to conflict or natural disasters across the country (DTM 2019b: 5). Since 2012, more than 3.5 million people have returned to Afghanistan, 2 million of them from Pakistan and 1.3 million from Iran. Only 200.000 have returned from other parts of the world, including Europe (DTM 2019b: 4). According to DTM, Kabul province has absorbed more than 500.000 returnees and internally displaced persons (IDPs) and ranks fourth countrywide.

In 2018, an estimated two thirds of Kabul's population lived in informal settlements (EASO 2020: 62). They can be described as 'areas of housing either constructed on land to which the occupants have no legal claim, and/or areas of housing units that do not comply with planning and building regulations' (EASO 2020: *ibid*). They differ greatly in quality: while some look like ordinary neighborhoods, others resemble slums. However, given the recent spike in poverty across the country⁴, there is reason to believe that more people live in slum-like conditions than in proper housing. On one hand, informal settlements prevent millions from being homeless, but on the other hand, they also create conditions where many of them live under challenging circumstances (EASO 2020: *ibid*).

Many returnees or migrant workers temporarily live in simple guesthouses (so-called "tea-houses"). Those were however shut during a brief period of lockdown in March 2020. This caused temporary homelessness in some cases (Stahlmann 2020). However, given that the first lockdown proved to be very ineffective, it is unlikely that the government will attempt to impose another such measure. There have been no signs of such a policy since, neither during the first round of interviews in November 2020, nor during the second round in February 2021. Therefore, it is highly unlikely that a returnee or migrant worker looking for temporary shelter in a guesthouse or hotel would be turned away due to a government-imposed lockdown.

For a returnee without a network, it will be difficult to find a permanent place to live, but not impossible. The quality of housing is not necessarily a question of network, but more of financial means: already in 2017, a report found that formal housing supply currently only meets 5-10% of

⁴ The World Bank estimates that poverty in Afghanistan increased from 45% to 72% in 2020

the total housing need in major cities⁵ and is unaffordable for 90-95% of the population (UNHABITAT 2017: 32). Rapid population growth along with an increasing trend of urbanization have resulted in a sharp increase in housing need. The UN bases its definition for acceptable housing on the human right to adequate housing. Some corner stones of this right are:

- security of tenure
- access to a safe water source and adequate sanitation
- access to services such as health care, schools and employment options
- durable, structurally sound housing materials
- adequate living space

In Afghanistan, the formal housing sector has been unable to meet the arising need from a growing number of urban poor and low-income households. This is why “the majority (86%) of the current urban housing stock in Afghanistan can be classified as ‘slum’ (...)” (UN HABITAT 2017: 34).

Generally speaking, the pandemic had no significant impact on rent and house prices in Kabul; neither by November 2020 nor by February 2021. “The rents in Kabul didn’t increase. People don’t buy houses at the moment due to the economic uncertainty. I would say that house prices have probably even sunk. But the rent levels stayed the same”, said a female employee of the UN in Kabul. In Kabul, the monthly rent for a simple but formal apartment with access to drinking water, infrequent electricity supply, and simple sanitary and cooking areas amounts to around USD 130-150⁶.

C. LIVING CIRCUMSTANCES

- What effect did COVID-19 have on the general living circumstances in Kabul?

Cost of Living

The cost of living respectively the prices for certain food items across the country doubled or even tripled between March and May 2020. This seems to have been a combination of panic buying, closed borders and opportunistic traders and retailers. By November 2020, prices had sunk again to a level 10% - 30% higher than before the lockdown, depending on the item. By March 2021, prices are still higher compared to pre-crisis levels: The price for wheat and pulses (per kg) is 25% higher, while wheat flour and cooking oil are 15% respectively 55% more expensive. Although

⁵ Herat, Jalalabad, Kabul, Kandahar and Mazar-i Sharif

⁶ This is also the average price that IOM Afghanistan budgets for its programmes that provide optional housing to voluntary returnees.

there have been no significant changes in labour wages, WFP reports that as a result of the price increase, the purchasing power of casual labour and pastoralis (ToT) significantly deteriorated by 20% compared to the year before (WFP 2021: 1).

Food Security

According to WFP, food security among the Afghan population has dramatically worsened. According to the latest IPC report, 16.9 million people in Afghanistan or nearly half of the population are experiencing high levels of acute food insecurity. The report projects that 11.4 million people will be in IPC Phase 3 (crisis) and 5.5 million people in IPC Phase 4 (emergency) of food insecurity by March 2021. WFP estimates that 41% of children⁷ in Afghanistan suffer from chronic malnutrition (WFP 2020c).

Poverty

According to the World Bank, the rate of people living below the poverty line in Afghanistan has significantly increased from 45% to 72% during the course of the pandemic. The Afghan Ministry of Finance (MoF) even estimates that as many as 90% of Afghans in Afghanistan live below the poverty line. This means that at least three thirds of the population live on less than 1.90 USD per day or on less than 60 USD per month. “Approximately 80% of Afghans are not in a position to withstand a financial shock [such as a medical emergency]”, explained an employee of the World Bank Group in Kabul in November 2020. Afghan families, especially among the low-income earners, have always relied upon one another for support. And while these bonds are still strong, especially financial support becomes increasing difficult to give: when there is less, then there is also less to share.

Crime

Since the beginning of the COVID-19 pandemic, there has been a sharp increase of crime in Kabul city. Organized crime in various forms has always been a problem, but especially thefts and robberies have significantly increased. All of the interviewed residents of Kabul believe this to be a result of the increasing poverty in the city.

To sum up, COVID-19 had negative implications (directly and indirectly) on the cost of living and the rate of crime. In terms of food security and poverty, the changes have been dramatic.

⁷ Children between 6-59 months

D. ECONOMIC SITUATION

- What effect did COVID-19 have on the economy in general and the labour market in particular? Is this situation likely to change soon?

The Afghan economy is informal for the most part (80% - 90%). This means that only 10% - 20% of the country's economic activity are officially recorded. The remaining 80% - 90% are part of the informal economy⁸ and offer employment opportunities for unskilled and semi-skilled workers. Agriculture accounted for 25% of the Afghan GDP in 2019 and is the second largest sector in the economy after services (AOAV 2019). The presence of international coalition forces lead to the creation of a "war economy" that focused on serving the needs of international troops and aid workers instead of driving forward the development of domestic consumption and the industry. Today, because of a lack of domestic production, a large part of industrial goods is imported from abroad.

In 2019, Afghanistan exported goods worth 1 billion USD, but imported goods worth more than 6.7 billion USD. Even securing domestic food security requires relying on the global market: in 2016, wheat was one of the most important commodities imported, second only to armored vehicles. In the past, the trade deficit was mainly paid for by international donors since the Afghan Government is unable to generate sufficient funds itself, for example through tax revenues. "With aid drying up, there is nothing to cover that deficit", explained an employee of the World Bank Group in Kabul. "Of course, you can't expect the international community to feed Afghanistan forever, but they failed to create an economy that serves the needs of the local population – this economy is failing to create any sort of sustainable source of revenue for the Afghan people." Even before the pandemic, international donors paid for 75% of all public expenditure and nearly 90% of all security expenditure.

Formal Sector

Between 2003 and 2013, the Afghan economy grew annually by 9% on average. After the withdrawal of most of the international coalition forces in 2014, this rate significantly dropped to 1.8% in 2018. In 2019, the Organization for Economic Cooperation and Development (OECD) reported that public institutions in Afghanistan are too weak and underfinanced to support the civilian population and are incapable to offer decent public services (EASO 2020: 23). The Afghan economy faces additional challenges: due to political uncertainty and a high degree of corruption,

⁸ An informal economy is the part of an economy that is neither taxed nor monitored by any form of government. Unlike the formal economy, activities of the informal economy are not included in a country's GDP. While it is sometimes stigmatized as being troublesome, it provides critical economic opportunities for the poor.

Afghanistan's business climate ranks 173d out of 190 states, according to the World Bank's "Doing Business" indicator.

The COVID-19 pandemic hit Afghanistan's economy hard. The World Bank expects the Afghan economy to have contracted by 5.5% - 7.5% in 2020: the domestic lockdown and border closures had a negative impact on consumption levels, exports, production, income through remittances and government revenue. Industry and services were the sectors most severely impacted by the pandemic. Border closures are impacting exporting firms and those that rely on imported goods. Demand for goods and services was suppressed by lockdown measures. Business activity was negatively impacted by a contraction in consumer demand associated with a decline in remittances and job losses (World Bank 2020: 3). According to a study commissioned by the International Finance Corporation, a sister organization to the World Bank, 88% of surveyed businesses in Afghanistan reported a lower number of sales and an average loss of 61% in revenues. As a consequence, 37% of businesses had to dismiss at least one employee (IFC 2020: 1).

The limited jobs that are available to well-educated Afghans are highly competitive. Those who are fortunate enough to have university degrees and a strong network can hope to find employment either with the Afghan Government, a foreign Embassy, a Non-Governmental Organization (NGO), or the UN. Because of the economic crises in donor countries, a diminished budget for foreign aid and a focus on financing the COVID-19 response, vacancies are also expected to further diminish in these sectors. "Among the foreign NGOs that I know, nobody is recruiting at the moment. That is not only because of COVID-19, but also because of the unclear political situation at the moment. Someone who is new in the country and cannot rely on a network – I just don't know where he will find a job", said Dr. Elinor Zeino, in November 2020.

Informal Sector

The Afghan economy is mostly informal. 53% of the rural population work in agriculture. In urban areas, only 5.5% of the population work in agriculture and 36.5% in the services industry: motorcycle and mobile phone repair shops, barber shops, grocery stores and shoe repair shops. These are often small businesses with less than five employees. Most Afghans working in this industry earn 5.000 AFN – 10.000 AFN per month or 65 – 130 USD (EASO 2020: 29). The business men and women surveyed in November 2020 and February 2021 reported that wages have further dropped as businesses attempt to recoup the losses of the preceding months.

Because of the current economic crisis, the author of this assessment believes that without a network, it is close to impossible to even find employment opportunities in the informal economy:

given the high number of unemployed Afghans across the country, businesses prefer to employ relatives to strangers. “Large parts of the population tap into low-income jobs and there is a high unemployment rate already because there just isn’t enough jobs for everybody. So, if you have people coming from abroad, it is unrealistic to think that they can easily find a low-income job. It is just not the case”, said the portfolio manager of a large, DFID funded project. “If the people who live here already can’t find jobs, why should an Afghan that returns from abroad and doesn’t have a network?”, she asked herself.

According to a World Bank press release from 2018, Afghanistan has one of the lowest employment-to-population ratios worldwide. Afghanistan’s limited economic development and high population growth have put pressure on its labour market, which registers 400,000 new entrants every year, only half of whom will be able to find jobs in Afghanistan. “Look, the economy was already bad to start with. 600,000 Afghans go to Iran every year to make some money. It is already horrible, and now it is even worse”, explained a migration specialist working for the UN in Kabul. According to the World Bank, between 2% and 20% of Afghan households depend on remittance payments from abroad and hundreds of thousands of Afghan migrant workers travel regularly to Iran looking for work. But because of the economic crisis in Iran, more than 860,000 Afghans returned from Iran in 2020, 99% of which are unemployed men. “Iran has been the lifeline for unskilled Afghan workers forever. A lot of migrant workers that I spoke to in Herat had been going to Iran for a number of years, and a lot of them said it isn’t worth to go there anymore because of the low value of the Rial⁹”, said journalist Andrew Quilty in February 2021. Returning to a country where many young men looking for work see no other option but to join one of the fighting parties, they face an impossible choice. New, disturbing sources of income have emerged in different parts of the country: in Herat, reports have emerged that poor Afghans have begun to sell their kidneys¹⁰. “It is part of the short-sightedness that is always prevalent here, which becomes more apparent when the situation becomes more and more dire. These people think: it will get us through the next year, and after that maybe we won’t be here anymore anyway”, explained Quilty. “There is work, yes, there is militias [in the north] luring daily labourers to outposts outside the city, giving them a gun, leaving them there with the promise that they’ll get paid if they survive¹¹.”

In March 2021, the economic outlook is grim: According to the employee of the World Bank Group, major lending banks have reduced their portfolio by 90% and have effectively stopped giving out loans. Additionally, Afghanistan is witnessing and unprecedented flight of capital into Turkey and

⁹ The Iranian currency

¹⁰ <https://www.nytimes.com/2021/02/06/world/asia/selling-buying-kidneys-afghanistan.html>

¹¹ <https://www.nytimes.com/2021/02/04/world/asia/afghanistan-militias-balkh-taliban.html>

other markets. Economic investment has reached a very low point, worsening the already dire economic situation. “Last fall, 64% of Afghan businesses were at risk of permanent closure because there was no support from the government or the international community, and banks had stopped giving out loans”, said the employee of the World Bank Group in March 2021. “These are businesses that are part of the formal economy, and they had to borrow money from friends and family to keep going.”

The following paragraph will give a brief overview of the assistance available to deported Afghans from Germany. Upon arrival at the airport in Kabul, they are registered by the Ministry of Refugees and Repatriation (MoRR) and are then referred to IOM for assistance. The assistance consists of 147 EUR or 12.500 AFN. This money aims to cover basic expenses during the first few days after arrival, including transportation, accommodation, and food. Although there are many comprehensive support programmes tailored to the needs of returnees and deportees from various countries, deported Afghans from Europe are often not entitled to them. Either these programmes support returnees and deportees from Iran and Pakistan, or they focus on supporting voluntary returnees from Europe. A few organizations offer consultations, trainings or psychological support that are also open to deportees from Europe. But according to Masood Ahmadi, project manager of IOM Afghanistan’s Assisted Voluntary Return and Reintegration (AVRR) programme, deportees need a different kind of support: “Those that are in need, they need money, they don’t need training or counseling. I am not a big fan of advisory services unless its linked to tangible support”, explained Ahmadi. “European Governments have to reconsider the support they give post arrival. As responsible Governments they should think of the impact their decision to deport has on vulnerable returnees in a very fragile socio-economic state.”

E. CURRENT POLITICAL DYNAMICS

After 18 months of intense negotiations, the Taliban and the US Government signed an agreement in February 2020. This agreement planned for an almost complete withdrawal of American troops by May 2021 and paved the way for peace negotiations between the Afghan Government and the Taliban. These so-called intra-Afghan peace talks began in September 2020 and have been described as a ‘historic moment’ by many: “Right now is the greatest chance for peace and stability that Afghanistan has had in three generations”, said a political expert working for the United Nations Assistance Mission in Afghanistan (UNAMA) in Kabul.

In November 2020, there were three scenarios that were all equally likely. The first scenario was a troop withdrawal, an intra-Afghan peace deal, an interim government and a political negotiation

process. Scenario 2 was a troop withdrawal, no peace deal, a military takeover of the Taliban as well as increasing violence across the country. Scenario 3 was a troop withdrawal, no peace deal, and a civil war. In the absence of a political settlement, the various political parties could try to win power over the country on the battlefield – in case of failed intra-Afghan peace talks, scenario 2 and 3 were unfortunately a likely outcome.

Now, in March 2021, another component complicates the situation further. Whereas a withdrawal of American troops by May 2021 was almost certain to happen under President Donald Trump, the US Government under newly elected President Joe Biden has a different stance towards the matter. According to Dr. Ellinor Zeino, it is unlikely that American troops will stick to the timeline agreed upon in the previous administration's deal with the Taliban one year ago. "It is likely that American troops will continue to remain in Afghanistan, at least for some more time", said Dr. Zeino. "The intra-Afghan peace talks have made progress, but the Americans are saying that the whole process has taken longer than they expected and that they don't consider the country stable enough that they can safely withdraw their troops." Keeping the troops beyond the agreed date bears a different risk, however. Dr. Zeino explains that keeping the troops in country beyond April could give the Taliban the impression that the US Government is not abiding by their 2020 agreement. In return, they could turn their back on the agreement and possibly on the peace process altogether while drastically increasing violence on the battlefield. "The only and best solution is a new timeline, consensually agreed upon by all parties involved, including the Taliban," said Dr. Zeino. It will be an arduous process. The current uncertainty among key actors is likely to continue to impact Afghanistan throughout 2021: "The impact of political risk and uncertainty has had a much bigger effect on the country than COVID-19. There are no assurances of what is going to happen, and everyone's risk appetite is reduced to zero", said the employee of the World Bank Group. Dr. Zeino has also seen the result of such incapacity: "I need signatures from different members of the Government to continue my projects in Afghanistan, but nobody wants to sign anything at the moment because nobody knows what will happen", she said. As the political situation continues to be uncertain, wealthy elites will continue to take their savings out of the country, further weakening the economy while banks will refrain from making any investment.

Since 2001, international donors have been sorting out the reconstruction of Afghanistan at international conferences. The first such conference took place in 2001 in Bonn, Germany, and the latest conference was held in November 2020 in Geneva, Switzerland. During this last conference, donors have pledged as much as 12 billion USD of aid until 2024. This financial support is desperately needed in Afghanistan where 50% of the Government's budget is financed by the international community and seven out of ten Afghans live below the poverty line. But the support is not unconditional: In his speech during the conference, former US Secretary of

State Mike Pompeo said that the choices made in the peace talks will affect the size and scope of future international support to Afghanistan.

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