

Inquiry into Australia's engagement in Afghanistan

World Vision Australia: Supplementary Submission

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Introduction

The situation in Afghanistan is incredibly dynamic. On the ground, the humanitarian situation continues to deteriorate rapidly, driven by a perfect storm of severe food insecurity, conflict, mass displacement, economic hardship (including sanctions) and, most recently, a devastating earthquake. Humanitarian aid is not keeping up with quickly rising needs. It is now more important than ever for the Australian Government to provide humanitarian aid and development assistance to support the people of Afghanistan.

World Vision welcomes the opportunity to provide an update on the ever-changing situation with the hope of catalysing greater action to support the people of Afghanistan at this dire time.

Scope of submission

The Senate Foreign Affairs, Defence and Trade References Committee invited World Vision Australia to make a further submission on the situation in Afghanistan and Australia's response to it. This submission does not seek to duplicate World Vision's original submission to the inquiry into Australia's engagement in Afghanistan or its subsequent evidence provided by teleconference at the committee hearing in November 2021. Rather, this submission should be read alongside these contributions as a factual update on the unfolding situation.

This submission provides further updates on the situation in Afghanistan. In response to the Committee's request, the paper covers two key areas:

- Updates on the situation on the ground in Afghanistan since the committee's initial round of evidence-taking for its interim report; and
- Updates on Australia's humanitarian visa intake from Afghanistan and visa processing issues.

Updated Recommendations

In light of the worsening situation in Afghanistan since our original submission, World Vision Australia (WVA) has updated its recommendations for the Australian Government. These recommendations reflect the increased scale and urgency of the situation on the ground. WVA calls on the Australian Government to:

1. **Urgently commit a \$100 million in humanitarian assistance per annum. This includes, at least 30 million as a food security package** (in additional funding) channelled via the Australian Humanitarian Partnership (AHP) to address crisis levels of hunger in Afghanistan.
2. **Restore and resume development funding to Afghanistan at previous levels** to protect development gains and prevent critical sectors – especially health and education – from collapsing.
3. **Work with like-minded donors to lead a comprehensive analysis into the economic and liquidity crisis and identify potential solutions.** This should be done in collaboration with humanitarian agencies to identify solutions to ensure cash flows into the country effectively and revive the economy.
4. **Establish an ongoing dialogue with the Taliban leadership in Afghanistan** to protect the most vulnerable and also for all humanitarian responders to have freedom to deliver assistance without threats or violence. This includes women – not just as a right but also because it's crucial to meeting the needs of all, including girls, mothers and pregnant women who may otherwise be invisible.

5. **Support safe passage and resettlement of Afghans seeking international protection and asylum**, including by committing to and fast-tracking an initial intake of 20,000 Afghan refugees to resettle in Australia.

Section I: Updates on the situation on the ground in Afghanistan since the committee's initial round of evidence-taking for its interim report (funding and delivery of humanitarian assistance)

Situation update

When World Vision Australia made its first submission in September 2021, it urged the Australian Government and the international community to intervene before the humanitarian situation spiralled out of control. Four months later, the world is now dealing with the catastrophic fallout of the international community's inaction.

According to OCHA's Afghanistan Humanitarian Response Plan 2022: a staggering 30% more people will need humanitarian assistance in 2022, bringing up the total number to 24.4 million people. Acute food insecurity is the main driver with some 23 million people projected to be food insecure.

After four decades of war, Afghanistan has endured increasing hunger, economic decline, steep increases in the cost of food and other essential items, and rising poverty. This was accompanied by intensified conflict in 2021, the country's worst drought in 27 years¹, the withdrawal of international foreign forces, and the Taliban's quick takeover of government. This resulted in significant deterioration of the political, economic and social situation in Afghanistan, alongside a massive increase in humanitarian need.²

World Vision's Afghanistan office is continuing operations in 4 provinces – Badghis, Ghor, Faryab and Herat – working in the Health & Nutrition, Food Security, WASH and Education sectors. Education sector work was started recently after receiving new General Licence 19 allowing certain work in the education sector.

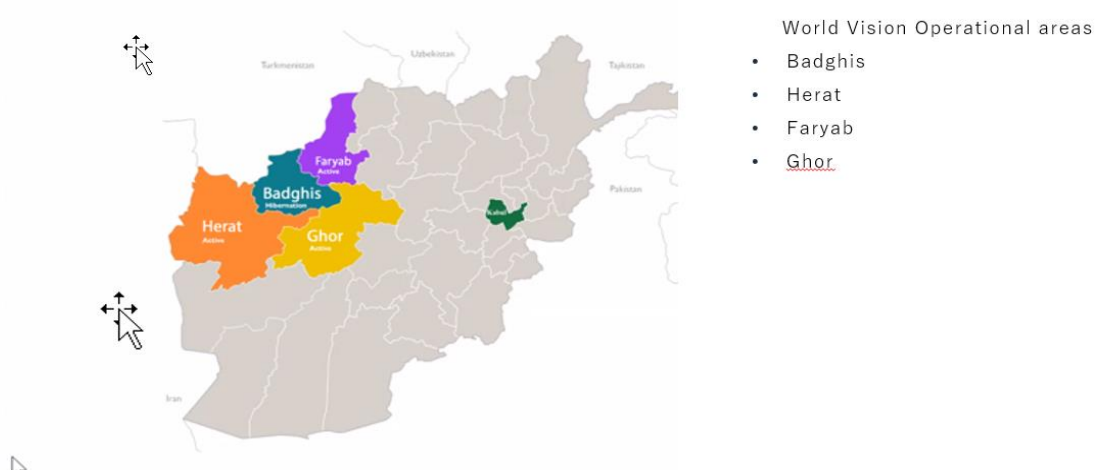


Figure 1: World Vision Afghanistan Areas of Operation

¹ <https://reliefweb.int/disaster/dr-2021-000022-afg>

² <https://reliefweb.int/report/afghanistan/afghanistan-humanitarian-needs-and-planned-response-2022>

Food Insecurity

On January 11, 2022, the United Nations and its partners launched the world's largest-ever single-country humanitarian appeal for Afghanistan, marking the enormity of the crisis in the country.

Of grave concern is the estimated 1.1 million children under the age of five acutely malnourished due to food insecurity and the collapse of basic health services in Afghanistan. Up to 131,000 children could die this year if no action is taken³.

World Vision staff are on the ground working around the clock to deliver life-saving aid to the people of Afghanistan. What we are seeing now is the horrific deterioration of humanitarian and protection needs. As snow falls heavily on Kabul, we're seeing increasing numbers of people slide into destitution.

Wheat and fuel have become so expensive that the average family now spends almost all its income on food to survive. Families are selling their possessions on city streets; people, mostly women, are skipping meals and eating smaller portions; children are being married off early into wealthier families so their siblings can live; small children are sharing hospital beds and dying of malnutrition. This is the reality on the ground, as reported by World Vision staff.

Lost harvesting seasons, displacements, and inflation has worsened the food insecurity situation. The average food basket cost has increased by 22% between June and October 2021 alone (Afghanistan Humanitarian Overview 2021-22).

Without urgent interventions to address critical levels of food insecurity and international support to schools and hospitals, humanitarian needs will spiral further.

Afghanistan's collapsing economy

Afghanistan's economy is in freefall. UN OCHA estimates Afghanistan's GDP has contracted by almost 40% since the Taliban takeover. With global asset freezes (including the Central Bank reserve), a sharp decline in loans and a collapse of international development assistance, both the formal and informal economies have been pushed to the brink of collapse. The health and education sectors are two of the most impacted.

Afghanistan's institutions and banking system are paralysed. Food prices continue to rise. Liquidation is becoming a major issue as banks are not operating at full scale. Access to cash in Afghanistan remains a huge problem. Currently, individuals can withdraw only 1800 USD/month and businesses can withdraw only 25,000 USD/month. Because of this, contracting suppliers has been a challenge. Now no funds can be channelled to the country through banks and only the Hawala system is working to get funds from foreign accounts. The Hawala system is costly and involves paying an additional administration fee. Even for UN agencies, channelling funds in the country has been an issue. Afghanistan's banking system and the private sector need to restart to prevent families from starving, keep aid organisations running and help to stabilise and prevent the complete collapse of the country. As per the opening statement made by Martin Griffiths at the Afghanistan HRP launch, "international donors must devise and institute practical ways to ensure cash flows in the country".

Families and individuals need to urgently access cash to prevent the economy from collapsing entirely. If this is not addressed, then this will further perpetuate the humanitarian crisis. To this end, we ask the Australian Government to:

³ <https://reliefweb.int/report/afghanistan/afghanistan-humanitarian-needs-and-planned-response-2022>

- Work with like-minded donors to lead a comprehensive analysis into the economic and liquidity crisis and identify potential solutions. This can be done in collaboration with humanitarian agencies to identify solutions to ensure cash flows into the country effectively and revive the economy.
- Use its voice to encourage the World Bank to reallocate and transfer Trust Funds budgeted to Afghanistan to prevent critical sectors from collapsing.

Displacement

The intensification of conflict in the first half of 2021, increased targeting of vulnerable groups, pervasive drought, political uncertainty and a country-wide income drop following the economic upheaval experienced since 15 August 2021 continue to drive mass population movements.

In 2021 alone, nearly 700,000 Afghans were displaced, a record number. Some 9.2 million internally displaced persons and returnees remain in some form of displacement and need support for return where possible. The 2021 Whole of Afghanistan (WoA) Assessment shows that 73% of displaced cited active conflict as a driver of forced displacement, followed by poverty (47%). The majority (77%) of assessed internally displaced persons reported an intention to remain in their area of displacement⁴.

While conflict is becoming less of a driver, poverty is emerging as a primary factor for displacement. Due to the economic collapse, increasing prices and limited opportunities for work, specifically in the informal sector, many families are opting to move within and outside the country⁵.

Recommended response

Scale up life-saving aid under humanitarian exemption

World Vision welcomes the decision made by the Security Council of the United Nations to grant a humanitarian exception to the UN sanctions regime announced in the middle of December. We also welcome and take note of Australia's leadership in swiftly adopting the broad humanitarian exemption to the Australian Sanctions regime, meaning life-saving humanitarian aid can now flow to the people of Afghanistan.

While humanitarian funding can be channelled to Afghanistan, current funding levels are not commensurate with the scale of the challenge. Australia can and should do more. Australia did not make an additional funding commitment for Afghanistan at the launch of the updated Humanitarian Response Plan 2022 on January 11. We ask the Australian Government to step up its funding to reflect the staggering increase of humanitarian needs in the country. To this end, we recommend the Australia Government urgently delivers a \$30 million food security package through trusted NGO partners to provide emergency food aid to address crisis levels of hunger in Afghanistan and help prevent a catastrophic famine. Funding should be new, additional and flexible.

⁴ https://reliefweb.int/sites/reliefweb.int/files/resources/REACH_AFG_MultiSectoral-and-Sectoral-Factsheets_Whole-of-Afghanistan-Assessment-2020_September-2020.pdf

⁵ ACAPS. Displacement and Access in Afghanistan: Scenarios. October, 2021. https://www.acaps.org/sites/acaps/files/products/files/20211001_acaps_scenarios_displacement_and_access_in_afghanistan_0.pdf

Renew development funding for Afghanistan

World Vision knows that life-saving assistance is essential, but it is only one element for addressing the situation in Afghanistan. Development and humanitarian work need to go hand-in-hand. Steps must be taken urgently to protect livelihoods, health, and education.

Afghanistan is highly prone to natural disasters and 44%⁶ of the total workforce works in agriculture and 60% of households derive some income from agriculture. Therefore, even without conflict, Afghanistan needs long-term development support to build resilience if it is to avoid more people requiring humanitarian assistance in the future. Greater development funding now can help prevent humanitarian crises in the future.

In the past DFAT-funded projects in Afghanistan made a considerable contribution to community resilience by increasing crop production and household income, improving food security and contributing to environmental sustainability.⁷ Communities supported during the drought had lower levels of displacement. Australia's development assistance also supported women to engage in economic activities and contribute economically to their households⁸ which helped more children to meet basic needs. Although most of the social gains have been lost during recent events, with little support, people can still make use of most of the investments made through development projects. Community discussion at World Vision's monitoring visits found that even while struggling to survive, people still want to make their own living. Women who used to earn income want to go back to their farming and business.

The Australian Government should work urgently to prevent an economic collapse in Afghanistan by ensuring development funding is channelled effectively and appropriately to reach populations in need, including through trusted NGOs. The Australian Government could also explore third-party mechanisms for delivering development aid.

In the absence of development assistance, there is a high risk of more people falling into extreme poverty and more women and children suffering from serious socio-economic issues. The UNDP-Afghanistan socio-economic outlook showed that restrictions imposed on female employment can reduce production by between US\$600 million and US\$1 billion and shave off nearly US\$500 million a year from household consumption. According to the 2022 Humanitarian Needs Overview the estimated number of people in need now exceeds 24 million. According to the 2021-22 outlook, poverty could affect more than 90% of the population by mid-2022. Although it is clear that humanitarian assistance is crucial for saving lives, it is obvious that without development assistance, more Afghans will be in need of lifesaving assistance in the future. Renewing development assistance now would provide better value for money, help Afghans live more dignified lives and well-utilise their available resources and skills.

⁶ World Bank Group Afghanistan Development update, April 2021: Setting course to recovery.

<https://openknowledge.worldbank.org/bitstream/handle/10986/35363/Afghanistan-Development-Update-Setting-Course-to-Recovery.pdf?sequence=2&isAllowed=y>

⁷ Wheat farmers supported by AACRS project could get 70% of yield increment by increased access to quality agricultural inputs, knowledge and irrigation water

⁸ Women who supported by AACRS project funded by DFAT could earn minimum of A\$300 and up to A\$ 1,387 per year where annual average income of a women in Badghis is A\$ 56.

Section 2: Updates on Australia's humanitarian visa intake from Afghanistan and visa processing issues

World Vision Australia is currently assisting with 87 visa applications, consisting of past and present World Vision staff as well as staff from our implementing partners. All applicants have links to DFAT-funded programs that have operated in Afghanistan.

For many years, DFAT funded programs implemented by World Vision that have addressed women's access to education, supported small business opportunities and strengthened civil rights. The focus and success of these programs have made some frontline staff and their implementing partners fearful for their safety should they remain in Afghanistan.

A common and significant roadblock faced by applicants is difficulty in lodging their application, with no online portal available for the 842-visa pathway (without proposer) and paper copies being required by consulates. This is prohibitive to all our applicants, who cannot safely or practically access a consulate in-country or in any nearby countries. It is only via NGO assistance that the applications are being lodged at all – and this is only done via secured post to Australian Embassies abroad.

Refugee Legal advised that there are already 45,000 applications representing over 150,000 Afghan people overall. For four months, these individuals and families have been waiting on a decision by the Australian Government to start their immediate repatriation. To this end, the Australian Government should urgently support safe passage and resettlement of vulnerable Afghans, including by committing to an initial intake of 20,000 Afghan refugees.

To address staff changes, WV Afghanistan is recruiting new staff, with recruitment expected to be completed by March 2022. In 2022, WV Afghanistan will employ a significantly expanded employee base of around 600 people (up from 400 in 2020) to respond to the increasing need and scale of food insecurity, health and livelihood needs in West Afghanistan.