

Inquiry into Australia's engagement in Afghanistan Responses to questions on notice

Australian Council for International Development

1. On 11 January 2022, UN agencies launched the Humanitarian Response Plan for Afghanistan (HRP) and Afghanistan Situation Regional Refugee Response Plan (RRP).

a. What do you expect the impact of these plans will be?

b. With a 'pledging conference' expected in March 2021 to implement these plans, what should Australia's funding contribution be?

a. The 2022 UN Humanitarian Response Plan (HRP) requests US\$4.44 billion and aims to reach 22.1 million people in need of life-saving humanitarian support. This includes people facing vulnerabilities such as extreme household debt burdens; mental and physical disability; the use of dangerous negative coping strategies; and those living in households headed by women, children or the elderly whose positions in society put them at a disadvantage. The response spans the following sectors: education; emergency shelter and non-food items; food security and agriculture; health; nutrition; protection; water, sanitation, and hygiene; and coordination and common services.

The Regional Response Plan 2022 (RRP) will support existing refugee populations in the neighbouring countries of Iran, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan, including registered Afghan refugees and asylum-seekers, Afghans of varying statuses including undocumented persons, host communities, and potential new arrivals. The Plan builds on existing work in these countries through an area-based and needs based approach which coordinates support for health, education, clean and renewable energy, vocational and entrepreneurship skills development, and social protection.

The impact of these plans is highly dependent on several factors, including the extent to which donors such as Australia respond to the current UN appeal. The ability of the UN to deliver on the plan will also be influenced by the ongoing cash liquidity crisis and the ability of international and domestic actors to maintain a strong enabling environment for humanitarian action.

Annex 5.5 of the UN Response Plan addresses this precise issue: "What If We Fail to Respond or Mobilise Sufficient Funds to Meet Needs?" It paints a stark picture of how UN agencies will be forced to triage their responses if sufficient funds are not raised. First, *"humanitarian partners will have to prioritize low-cost activities that are lifesaving and critical but do not offer the required depth of relief or contribute to people's overall wellbeing and dignified living standards."* This means that the development gains of the past two decades would almost certainly erode. More concerning, without sufficient funding, people will face starvation, forced migration, or *"other desperate negative coping strategies"*.

Unless the international community responds quickly to meet the UN appeal and resolve the banking and liquidity crisis, the situation will deteriorate further, and the economy and state will be under severe pressure and at-risk of collapse. This would lead to instability, widespread desperation, further human rights abuses and violence, including terrorism. Greater displacement and refugee flow out of Afghanistan is a likely consequence.

b. As of 10 February 2022, the OCHA Financial Tracking Service reported that the \$4.4bn (USD) HRP for Afghanistan has received funding of \$419m (USD). The United States (\$308m USD) and United Kingdom (\$98.7m USD) are amongst countries who have made contributions. According to the Financial Tracking Service, Australia is yet to contribute to this response plan.

As a guideline for Australia's minimum contribution, Oxfam Australia's 'fair share' analysis finds that Australia's fair share to the HRP is AUD 105,179,665 (approximate \$105.2 million AUD). This calculation is based on the relative size of the Australian economy compared to all High and Upper Middle-Income countries (1.78%) and converting USD to AUD at the average exchange rate of (0.7514 for 2021). This uses the latest available data from the World Bank and the Reserve Bank of Australia.

The UN HRP does not account for funding to support ongoing development needs and is one element of how Australia should support the people of Afghanistan over the medium-to-long-term. Supporting human development in Afghanistan is the principled and humanitarian thing to do. But it is also essential to maintaining regional stability and security and preventing the resurgence of violence in Afghanistan, including the threat of terrorism.

2. What are your views on how Australia's \$65 million funding in immediate humanitarian assistance for Afghanistan, announced in September 2021, is being delivered? What is this package delivering on the ground?

In the Committee's evidence session on the 2 February 2022, the Department of Foreign Affairs and Trade (DFAT) confirmed that \$22.5 million (AUD) had been expended of the \$65m (AUD) allocation, with \$42.5 million (AUD) to be disbursed before the end of the fiscal year. Officials confirmed that expenditure to date included:

- \$14.5 million to the World Food Programme for nutrition and livelihoods;
- \$3.5 million to the United Nations Population Fund for protection and sexual health; and
- \$4.5 million to the Afghanistan Humanitarian Fund for emergency health.

Officials also confirmed that DFAT were in the *"very final stages of contracting and then disbursing around \$20 million from our humanitarian emergency fund, which will go to partners to support internally displaced people in Afghanistan and neighbouring countries that are hosting refugees."* Previously, officials had indicated to the Committee that the Office for the Coordination of Humanitarian Affairs would also be a recipient of Australia's support.

ACFID welcomes the initial humanitarian assistance provided by the Australian Government through UN agencies to support health, protection and livelihoods. But at a time when the needs are so great, it is incumbent on Australia to do more. The scale of the humanitarian crisis in Afghanistan warrants a significant increase in Australia's funding, greater urgency in the allocation and disbursement of funds, and a longer-term strategy for how Australia will help address the root causes of this protracted crisis.

ACFID refers the Committee's question on detailed programming and delivery to UN agencies and DFAT, and to publicly available information provided by UN agencies. Details on how this package meet the Australian Government's priorities such as, welfare of women and girls is a matter for DFAT and the reporting that the department receives from UN agencies. ACFID supports principled contributions to major UN appeals, but a drawback – as compared to a direct funding relationship with delivery partners, like NGOs and managing contractors – is less visibility of the impact of Australia's contribution.

UN agencies have strong and effective working partnerships with NGOs, with OCHA officials describing them as the "backbone" of the humanitarian response effort. Many ACFID members are working as implementing partners with UN agencies which the Australian Government has funded. Funding NGOs directly would remove an intermediary and reduce overhead costs.

3. ACFID and World Vision Australia both called in their initial submissions for Australia to increase the overall quantum of its humanitarian assistance funding to Afghanistan, beyond the

\$100 million over four years announced in September 2021. In your view, what should Australia be contributing to the international humanitarian effort for Afghanistan?

Published in January 2022, the HRP (2022) Plan reports that “24.4 million people – 58 per cent of the population – are in need of humanitarian assistance in 2022”. This represents a 32% increase in needs since the Minister for Foreign Affairs announced an initial funding increase for Afghanistan on 13 September 2021. In light of this, Australia’s contribution to the humanitarian effort in Afghanistan should be revisited.

From an originally estimated expenditure of \$51m (AUD) for 2021-22, the Australian Government has pivoted \$45m (AUD) from development programs to humanitarian assistance and increased overall expenditure to \$65m (AUD) in 2021-22. The \$20m (AUD) in additional funding for 2021-22 was drawn from DFAT’s Humanitarian Emergency Fund. The Australian Government has also committed \$35m (AUD) between 2021-24 for UN agencies.

Whilst this increase is welcome, it is out of step with the rising number of people requiring humanitarian assistance and by comparison to the contributions of Australia’s international counterparts. The United Kingdom has doubled assistance to Afghanistan in this financial year to £286m (GBP) to support health services, food, water, shelter and education. Since October 2021, the United States has increased aid to nearly \$728m (USD) for 2021-22 providing further shelter, healthcare and food.

ACFID recommends that Australia lifts its overall aid contribution to Afghanistan to \$100m (AUD) per annum. This increase to \$100m (AUD) should occur this fiscal year 2021-22. ACFID has also recommended that Australia commit \$100m (AUD) on a multi-year basis. While the situation remains uncertain, multi-year commitments provide predictable and flexible funding for UN and humanitarian agencies. It creates significant efficiency and effectiveness gains and represents best practice in situations of recurrent, chronic or protracted crises. The initial \$35m (AUD) committed to 2024 is welcome but does not reflect the reality on the ground and the long-term support that is required.

The Australian Government should use the opportunity of the March 2022 UN pledging conference to announce the increase (from \$65m (AUD) to \$100m (AUD) for 2021-22), announce its first contribution to the response plan and demonstrate international leadership on assisting the people of Afghanistan. Swift action now is essential to avert millions of preventable deaths in Afghanistan.

4. The Afghan Australian Development Association’s supplementary submission reiterates its call for the Australian Government to develop a new funding stream focused on longer-term development assistance in Afghanistan (in addition to existing funding which focuses on immediate humanitarian assistance). What are your views on this issue?

The Minister for Foreign Affairs and the Prime Minister have made it clear in media statements that Australia intends to help preserve the development gains of the last 20 years in Afghanistan. This will not be possible without maintaining funding for longer-term development assistance in Afghanistan. Humanitarian assistance is vital now, but it cannot prop-up the economy of a nation. Australia must look to the long-term sustainability of Afghanistan.

In addition to exploring new funding streams to support development assistance, the Australian Government should examine how existing development programs can continue.

In December 2021, DFAT wrote to organisations, including ACFID members, who deliver humanitarian and development programs in Afghanistan with Australian Government funding. This letter indicated that the Australian Government would pivot the development program to mainly humanitarian activities

and instructed organisations to pause all development activities pending a review of the overall program in early 2022. ACFID and its members are seeking clarity on the timelines and scope of this review.

Pausing development programs creates disruption and uncertainty for organisations who may be forced to furlough local staff or forego critical milestones which will have long-term implications. Pausing an agriculture program, for example, can set back planning by months meaning that the critical window for planting new crops is missed, which in turn leaves communities without a source of food and income for another season, or an entire year. It is short-sighted for international donors to fund emergency food supplies, while halting funding to long-standing agricultural development programs which promote food security and economic independence of local communities.

There are several options for the Australian Government to pursue which do not grant legitimacy to the Taliban, but which can help to protect development gains. A coordinated approach among international donors is vital and should encompass agreed principles for engagement for holding the Taliban to account while ensuring continued support for the basic human needs of the Afghan population.

1. The Australian Government should advocate for and support international coordination to re-engage the Afghan Central Bank and enable its basic functioning. This would help ensure that the Afghan people can access money and prevent economic collapse.
2. The Australian Government should use its authority and influence to ensure that private sector organisations (domestic and international) understand the scope of the UNSC Humanitarian Exemption to prevent de-risking which is impeding the flow of funds into Afghanistan. This should include a statement to the Australian parliament by the Minister for Foreign Affairs.
3. The Australian Government should prioritise and actively support discussions between former donors to the Afghanistan Reconstruction Trust Fund (ARTF) and the World Bank about how the fund can be used to support basic human needs in Afghanistan. In December 2021, donors agreed to transfer \$280 million (USD) to the World Food Program and UNICEF to support nutrition and health in Afghanistan. A further \$1.2bn (USD) could be unfrozen. The Australian Government should work through its World Bank representatives and lobby international counterparts ahead of the World Bank board meeting taking place in February 2022 which will decide on releasing further funds.
4. The Australian Government should work more readily with independent humanitarian organisations, NGOs, and civil society organisations. Direct funding from the Australian Government to such organisations offers a way to support the basic human needs of Afghan population while not recognising or engaging in bilateral discussions with the Taliban. Australia and the international community should also provide tangible support to Afghan human rights defenders and civil society who are putting their lives at-risk and have a critical role to play in upholding human rights, transparency and good governance in the country. Given the Australian Government's commitment to support the rights of women and girls, assisting women's rights defenders, human rights defenders and NGOs and civil society who share this mission would be a clear and tangible way to deliver it.
5. As part of a coordinated approach to longer-term development assistance, the Australian Government should work with its counterparts and through the UN on monitoring the ongoing human rights situation while ensuring that sanctions and funding freezes do not compound civilian suffering. ACFID recommends that Australia advocate at the Human Rights Council for the establishment of an adequately resourced UN Fact-Finding Mission for Afghanistan to monitor the human rights situation and hold the Taliban accountable for violations of human rights and its commitments to the inclusion and protection of women and minorities.

5. What are your views on the settlement and support services being offered to Afghan evacuees who have recently arrived in Australia?

ACFID would refer the Committee to the Settlement Council of Australia and Refugee Council of Australia for views on the settlement and support services being offered to Afghan evacuees.