Afghanistan and the EU

The European Union has a long-term partnership with Afghanistan. In close coordination with Afghanistan's international partners, the European Union is engaged with the Afghan government to fight corruption, improve oversight, enable economic growth, reduce poverty and strengthen democratic institutions.

The European Union is committed to supporting the people of Afghanistan in their path towards peace, security and prosperity in the long term. The EU's partnership with Afghanistan is guided by the EU Strategy for Afghanistan, adopted in 2017, aimed at strengthening the country’s institutions and economy. The 2016 Cooperation Agreement provides the basis for developing a mutually beneficial relationship in several areas, among which the rule of law, health, rural development, education, science and technology, the fights against terrorism, organised crime and narcotics. The EU-Afghan partnership includes a results-oriented dialogue on human rights, especially the rights of women and children, as well as a dialogue on migration.

Political relations

Following from the November 2018 Geneva Conference on Afghanistan, the EU announced a financial package worth €474 million to support state-building and public sector reforms, health, justice, and elections, as well as to address migration and displacement challenges in Afghanistan.

Thereby the EU contributes to addressing peace and security challenges and laying the foundations for a more stable and economically sustainable society.

Ahead of the Geneval Conference on 27-28 November, the Foreign Affairs Council adopted conclusions on Afghanistan, recalling the 2017 EU strategy on the country. The Council welcomes the application of the Cooperation Agreement on Partnership and Development (CAPD) as an important step in bilateral relations between the EU and Afghanistan.

The strategy for Afghanistan has been agreed with a view to the end of 2020. This strategy aims to:

- promote peace, security and regional stability;
- reinforce democracy;
- spur economic and human development;
• promote the rule of law and respect for human rights, in particular the rights of women.

The **Cooperation Agreement on Partnership and Development between the European Union and the Islamic Republic of Afghanistan**:

The cooperation agreement, adopted in November 2016 and provisionally applied from the end of 2017, focuses on supporting peace and security in Afghanistan and the region, promoting sustainable development, a stable and democratic political environment and the integration of Afghanistan into the world economy. It establishes a regular dialogue on political issues, including the promotion of human rights and gender equality and the involvement of civil society. The partnership agreement promotes development cooperation in the context of the EU's and Afghanistan's common commitment to poverty eradication and aid effectiveness.

**Economic relations**

Private sector development is a new priority in EU-Afghan relations. The EU Ambassador has taken the initiative to set up an EU-Afghan Business Council to further economic relations.

The EU also works towards a formalisation of the Afghan economy, which is key to the country's progress. That is challenging, as 90 percent of the economy is estimated to be informal in nature. The aim is to find a way of formalising the structures that support the Afghan economy in order for the private sector to be geared towards jobs and business creation. That would also allow for more fiscal revenue to be collected. In the informal economy, workers do not enjoy adequate social protection and the tax base shrinks.

Support to policies on boosting the Afghan private sector and the country's entrepreneurship has produced tangible results. Yet in particular the quality of public services should be enhanced to support the private sector. Access to finance is one of the biggest worries for Afghanistan's businesses, whereby both bank credit and alternative sources of funding should be improved on, e.g. by easing access to finance by introducing mobile services, such as e-payments. Afghanistan's credit volume is the lowest in the world as it represents only 3.5% of GDP. In particular outside the capital region, businesses face difficulties.

Private sector development already benefits from a national priority program adopted in 2018 with the support of the EU, the OECD and the International Trade Centre. To turn Afghanistan's economy more export-driven, the EU has funded a project on advancing Afghan trade, which resulted in a national export strategy.

**Trade**

The EU is currently Afghanistan's tenth largest trading partner in terms of total trade volume, but sixth largest export partner. As a Least Developed Country (LDC), Afghanistan benefits from the most favourable regime available under the EU's Generalised System of Preferences (GSP), namely the **Everything But Arms (EBA)** preferential trade arrangement. Therefore, Afghanistan's exports have duty-free, quota-free access to the EU's single market for exports of all products, except arms and ammunition. According to the latest statistics, trade volumes are in decline and very low in volume at a total of €352 million.
Regional trade

The EU strongly supports regional cooperation and economic integration as key elements of sustainable inclusive economic development, inter-connectivity and stability.

The EU Trade-Related Assistance project contributes to the National Export Strategy that aims to strengthen Afghanistan’s supply and export capacities, and introduce priority trade reforms.

In partnership with the Asian Development Bank, the EU promotes CAREC (Central Asia Regional Economic Cooperation) trade and transport facilitation and supports the Afghan Railway authority.

Regional cooperation initiatives are required not only for political stability, but to restore Afghanistan’s status as a land bridge between Central Asia, South Asia and the Middle East and to stimulate economic growth. As a landlocked country, Afghanistan does depend on improved connection over the land borders for developing the export sector. In terms of physical infrastructure, there is a great deal of potential in exploiting the recently inaugurated Lapis Lazuli corridor, which connects Afghanistan with Turkmenistan, Azerbaijan, Georgia and Turkey. In this regard, the EU’s connectivity strategy for Asia is very topical and communication efforts will continue; of particular importance is the EU’s technical expertise that advises the railway authority on the planning and construction of a railway network that would allow for passenger traffic to be re-established. A condition for that to happen is the cessation of armed conflict that would allow for normal transport to be set up; under consideration are separate railway corridors running north-south and east-west respectively. The involvement of Chinese investment could play a big role.

Humanitarian aid

Given the intensity of the conflict and the level of humanitarian needs, the European Union's key priority is to provide life-saving assistance. In 2018, the EU’s Civil Protection and Humanitarian Aid department (ECHO) allocated €47 million in relief assistance to the most vulnerable conflict- and disaster-affected populations, including the victims of the severe drought which is currently affecting large swathes of Afghanistan. Interventions focus on emergency shelter, food assistance, medical care, cash-based assistance, and protection services. The EU also supports education in emergencies for children who were forced out of school due to conflict or displacement.

Since 1994, ECHO has provided a total of €725.5 million to those most affected by conflicts in Afghanistan, with a particular focus on returnees due to the large-scale displacement within the country and to Iran and Pakistan.

Regional cooperation

As part of its focus on regional connectivity, the EU supports political dialogue and economic cooperation between Afghanistan and neighbouring countries and the wider region, including Central Asian countries, through the establishment of networks and partnerships that develop sustainable connectivity. Progress in regional economic cooperation and connectivity projects will bring tangible benefits to the people of Afghanistan and reinforce current peace efforts.

To support Afghanistan's economic recovery, the EU wanted the country included in the OECD's Eurasia Competitiveness program. Through the Central-Asia investment program, Afghanistan could
improve its export promotion strategy. In terms of regional connectivity, there is a great deal of momentum for overland transport connections to ease trade links in Central Asia. Enhanced economic integration and cross-border trade are crucial for stability in Central Asia.

The EU also supports integrated border management and cross-border cooperation between Afghanistan and its northern neighbours through the Border Management Northern Afghanistan EU-BOMNAF.

And it backs UNODC's Regional Programme for Afghanistan and Neighbouring Countries, which is improving regional cooperation in countering illicit drugs coming from the country.

In addition, the EU Aid for Trade assistance is strengthening Afghan-centred regional trade cooperation.

Health

The EU has been active in helping develop Afghanistan’s health sector since 2001. Despite considerable improvements since 2001, Afghanistan's health indicators remain at a worryingly low level regarding life expectancy, as well as infant and maternal mortality. There is a high prevalence of malnutrition, poor sanitation, illnesses due to micronutrient deficiencies and disease, such as tuberculosis, as well as a pronounced prevalence of mental health conditions due to decades of armed conflict. The EU is among the lead donors in the Afghan health sector and supports the provision of health services countrywise. Support is also provided to strengthen the Ministry of Public Health (MoPH). In particular, the EU is one of the few donors to focus on mental health, both in terms of surveys on the state of mental health in the country as well as funding counselling services and awareness-raising to counter the social stigma of mental health problems.

Governance and justice

The EU has play an important role in setting up a democratic civilian police force in Afghanistan, through its contribution to the Law and Order Trust Fund for Afghanistan (LOTFA). LOTFA pays the salaries of more than 150 000 Afghan National Police officers and over 6 000 uniformed personnel. It is also helping reform the Ministry of Interior (MoI) and the Afghan National Police (ANP). Over almost two decades, EU support to policing has amounts to over half a billion euros. The EUPOL mission to train the police force ran from 2007 to 2016 as a CSDP-mission.

Civilian policing and rule of law are cornerstones of an effective formal justice system. The EU has supported a comprehensive justice sector reform and the revision of the Penal Code. To address the shortcomings and ineffectiveness of the judiciary, the EU, in close cooperation with other international donors, has contributed to training judges, introducing computerised case management and funded legal information centres to increase legal awareness among the public. Through a new project, the EU will assist the public prosecutors and other justice officials with technical assistance to improve outcomes in the justice system.
**Education**

Afghanistan is a partner country of Erasmus+ offering a number of opportunities for higher education students, doctoral candidates, staff and higher education institutions (HEIs) from around the world. In 2018, there was one Afghan student studying on a scholarship in Europe and two projects were selected for Erasmus+ Capacity Building in Higher Education.

For statistics, see [erasmusplus_afghanistan_2018.pdf](erasmusplus_afghanistan_2018.pdf)

For more information, see [Study in Europe](#).

**Democratisation and accountability**

The European Union contributes to strengthening democratic institutions and accountability mechanisms that are critical for ensuring popular support for state-building in Afghanistan. In terms of electoral assistance, the EU aid has contributed to reinforcing the capacity of electoral bodies at all elections since 2001.

The EU supports Public Administration Reform as well as subnational governance in terms of improved revenue collection capacities for municipalities, as well as better service delivery and accountability at provincial level. Other assistance includes capacity development for civil society actors, community-based monitoring systems and strengthening of civil society's participation in policy-making and advocacy.

In terms of public sector reform, EU assistance is aimed at strengthening the sound management of public finances, including improved revenue mobilisation, policy-based budgeting and transparent and accountable financial flows. Afghanistan's public financial management system is considered to be stronger than in many other fragile states. Development assistance is coordinated with improving the capacity for delivering public services. Beyond providing technical and financial assistance, the EU works on a strategic policy dialogue with the Afghan government to promote its reform agenda as set out in Afghanistan's National Peace and Development Framework (ANDPF) and the ten National Priority Programmes (NPPs), which cover i.a. women's empowerment, agriculture, infrastructure development and urban development.

The Government of Afghanistan signed the State-Building Contract with the EU in 2016 to contribute to the public sector as well as basic government services. Assistance will be provided through trust funds with the aim of generating economic growth and reducing poverty. Under the State-Building Contract, there is a clear commitment to effective budgetary management and the fight against corruption. Disbursements by the EU are conditional on benchmarks in four areas; public policy, public financial management, transparency and oversight.

The EU continues to engage with the Afghan government to fight corruption, working closely with Afghan anti-corruption bodies for increased transparency. Systemic action to tackle the culture of corruption and impunity for financial crimes is required, as without concrete improvements in these areas, it is difficult to sustain political and public support in the EU and elsewhere for large-scale resource transfers to Afghanistan.
Human Rights, migration and civil society

Through political and financial support, the EU remains committed to on-going efforts to promote and protect human rights in Afghanistan. The EU acknowledges the steps taken by the Afghan Government in this regard, namely through the adoption of the new Penal Code, antitorture legislation and legislation on elimination of violence against women. However, serious human rights challenges remain and further efforts are required in order to ensure full respect for human rights, in particular strengthening the effective implementation of policy and legislation at all levels across the country. Special consideration needs to be given to the full enjoyment of children's and women's rights, including measures to prevent violence against children and women, to prevent forced marriage, to combat torture, ill treatment and discrimination; and to protect human rights defenders, journalists and the rights of persons belonging to minorities.

The EU remains fully committed to supporting the implementation of Afghanistan’s National Action Plan on Women, Peace, and Security, the implementation of the law on the Elimination of Violence against Women and the Women's Economic Empowerment National Priority Programme.

Following from the Cooperation Agreement on Partnership and Development (CAPD), the EU and Afghanistan set up a Special Working Group on Human Rights, good governance and migration. The dialogue is results-oriented and there is a particular focus on the rights of women and children.

Migration

The European Union and Afghanistan are engaged in a constructive dialogue on migration aimed at building a long-term partnership. The EU provides international protection for many Afghans who have been forced to flee the country, while it is also working closely with the Afghan Government to develop cooperation on the return and readmission of irregular migrants. In October 2016, the EU and Afghanistan agreed on the Joint Way Forward on migration, which steps up cooperation in terms of High-Level Dialogues and a Joint Working Group.

The EU funds a number of projects that address the root causes of migration and forced displacement, support returnees and host communities and improve migration management in Afghanistan, thus contributing to the overall development of the country.

In the last years, there have been two special measures adopted that allocated a sum of €218.6 million for Afghans - be it in their home country or in the region. These measures contribute to the reintegration of returnees in Afghanistan by supporting registration and documentation and providing training for returnees to learn new skills and thereby earn a decent standard of living. There is a €25-million UNICEF programme that focuses on the specific needs of Afghan children on the move, as well as a UNESCO project organising cultural activities for Afghan refugees and the internally displaced. Other measures support housing and land allocation, particularly in areas of high return of displaced people. Projects aimed at improving the national migration management systems are also financed this way. In the two decades since 2001, the EU has allocated about €51.8 million to the programme on Aid to Uprooted People that supports sustainable integration and increased resilience through measures on land tenure recognition, settlement upgrading, education, vocational training, income generation and legal assistance.

EU Country Roadmap for Engagement with Civil Society in Afghanistan 2018-2020

On 26 August 2018, the EU and the Member States approved the EU Country Roadmap for Engagement with Civil Society in Afghanistan 2018-2020. The EU country-level roadmap for CSO
engagement in Afghanistan refers to more structured participation of CSOs, both in public policy reform and service delivery, as well as conflict prevention and peace-building. Also the Afghan government has put more emphasis on civil society as a key partner in legal reform and strategic planning. In recent years, Afghan CSOs have become increasingly active in legislative and policy processes, advocating for their expertise to be taken into account. Civil society in Afghanistan continues to play a role in conflict prevention and disputes resolution at the local level, whereas civil society has much less of a role in the peace processes.

Since 2003, the EU has provided over half a billion Euros in grants to non-state actors operating in Afghanistan, including for providing basic services to the population. Support for CSOs also aims to strengthen the capacity of local civil society to carry out its oversight and anti-corruption roles, and given women a stronger voice in political processes. Human rights, with a particular focus on women's participation in society and the peace process, remains a key aspect of the EU's engagement with Afghan civil society. Other projects support Afghan media as well as human rights defenders.

Documents

EU Country Roadmap for Engagement with Civil Society in Afghanistan 2018-2020
2014-2020 Multi-annual Indicative Programme for Afghanistan
2016 EU + Local Strategy for Human Rights Defenders in Afghanistan
www.eeas.europa.eu

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