

# Afghanistan and its international partners

The road ahead

Summary report | June 2016







(2) Oxfam Novib



ational Relatio

## Table of contents

Executive summary	3
Overview	3
Economic development and migration	4
Security and political reconciliation	7
Conclusion	10

#### About the Platform

The Knowledge Platform Security & Rule of Law brings together a network of relevant communities of practice comprising experts, policymakers, practitioners, researchers and the business sector on the topic of security and rule of law in fragile and conflict-affected contexts. It provides for a meeting space - offline as well as online - and intellectual stimulus grounded in practice for its network to share experiences, exchange lessons learned and discuss novel insights. This way, it strives to contribute to the evidence base of current policies, and the effectiveness of collaboration and programming while simultaneously facilitating the generation of new knowledge. The Secretariat of the Platform is run jointly by the Hague Institute for Global Justice and the Conflict Research Unit of Clingendael Institute.

### **Executive summary**

In conjunction with the Netherlands Ministry of Foreign Affairs' Asia Carrousel lecture series, The Hague Institute for Global Justice, Clingendael, Oxfam Novib, and the Knowledge Platform Security & Rule of Law co-organized a public panel discussion on "The Brussels Conference on Afghanistan, the NATO Warsaw Summit, and Afghanistan's Regional Future" on March 1, 2016. This public discussion followed an expert roundtable with a broad group of international and Afghan experts, focusing on economic development, migration, the security situation, political reconciliation, and human rights and gender in Afghanistan. Insights and recommendations generated during the two events, not necessarily unanimously, include:

- Economic stability and growth have to be achieved through increased private sector engagement and development, creating improved conditions to lessen Afghanistan's foreign aid dependency.
- In order to create an enabling environment for economic development and stem current levels of migration, it is essential to tackle corruption in Afghanistan. As the mistrust between public and private sectors is widespread, the Afghanistan Chamber of Commerce and Industries could be of assistance.
- Through the adoption of an enhanced multi-stakeholder approach, the formulation of inclusive migration policies can be adopted by Afghanistan's national government, yet effectively engage provincial and district/municipal level governments, as well as civil society and the business community.
- The Afghan government should continue to reform its approach to revenue generation (including via customs) instilling greater confidence in the country's financial system.
- Arming Afghan militias in response to Taliban and ISIS is a short-sighted response that could have negative repercussions down the road.
- Ensure that any peace talks are inclusive, involving both civil society (including female representatives) and representatives from different factions of the armed opposition (leaving them out now could create problems later). Explore opportunities to re-engage Afghanistan's High Peace Council in peace efforts.
- There is a need to define the "end state" rather than the "end date" for Afghanistan.
- Implement Security Council Resolution 1325 on Women, Peace, and Security in a more sustainable and consequential way in the Afghan context.

## **Overview**

After nearly fifteen years of international engagement since 9/11, Afghanistan has made progress in many fields, but still has a long way to go in creating durable peace and a stable economy. The international community has invested heavily in restoring Afghanistan's security, economy, and governance and the rule of law. Although the country should has completed the "Transition Period" and begun its "Transformation Decade" (2015-2024) last year, significant challenges remain and a high level of growing fatigue on the part of

international stakeholders is prevalent. It is, therefore, critical to re-assess approaches in Afghanistan and to encourage new (and especially regional) stakeholders to play a bigger role, aiming at inclusive, multidisciplinary, and more sustainable long-term strategies that will allow actors from outside the region to decrease their long-term presence, while still lending targeted, critical support.

In this spirit, the Public Panel and Afghanistan Experts Roundtable, held on March 1, 2016 at The Hague Institute for Global Justice, aimed at bringing together relevant expertise from multiple perspectives. The sessions included experts from civil society, the business community, think tanks, academic institutions, and the government, in order to engage in an interactive brainstorm and exchange of knowledge about the current practical challenges of outside involvement in Afghanistan. While the chief focus of the two events was to garner key insights and recommendations for international policy-makers and practitioners currently engaged in Afghanistan and its wider region, lessons distilled and forward-looking reform proposals might also prove valuable for future peacebuilding and statebuilding operations led by multilateral and bilateral assistance bodies.

Through discussions between the organizing partners, two sets of thematic issues were identified for exploration during the Afghanistan Experts Roundtable: (i) *economic development and migration*; and (ii) *security and political reconciliation*. Facilitation questions designed to spur and focus the discussion are elaborated below. In addition, the follow-on public panel also cast these thematic deliberations within their regional context, and where relevant, the regional dimension of Afghanistan's development, political, and security situation is underscored below.

## **Economic development and migration**

Discussions on economic development and migration focused on the following four facilitation questions:

- Do international partners need to change their engagement with Afghan partners (from within the government, civil society, and the business community) to manage migration and the current refugee crisis more effectively?
- In what sectors of the economy have Afghans and their international partners succeeded in creating jobs and other development opportunities since 2001?
- What special measures and new incentives are required to encourage private sector development in Afghanistan as a growing engine for higher returns on growth, jobs, and public revenue, as well as regional cooperation?
- In preparation for this October's Brussels Conference on Afghanistan, what are concrete recommendations for strengthening Afghan partner institutions, both to improve the delivery of international development assistance and to create new livelihood opportunities for Afghans most inclined to leaving their country?

Insights and experiences were shared during both the expert's roundtable and public event on challenges and opportunities for Afghan economic development and migration. Participants began by noting that Afghanistan's economy suffered from the withdrawal of U.S. and other foreign troops in 2014. Over the past fifteen years, donor partners had made private sector development a feature of international development assistance. However, in practice, businesses were primarily focused on industries related to the foreign military presence, such as security, logistics and construction. Consequently, there has been only limited investment in enterprises that would render the Afghan economy independent and sustainable. With the departure of American forces, many investors directed their capital elsewhere rather than explore the longer-term investment opportunities necessary to generate large-scale employment in Afghanistan.

Moreover, since 2001, the post-war business environment has been prohibitive to building an indigenous Afghan private sector, due to several constraints posed by political instability, corruption, and a lack of access to land and financing. Afghanistan has been restrictive to anyone without political power or connections, and as a result, newcomers found it extremely difficult to enter the Afghan market. Many different licenses are required, in order to conduct business in the country, yet are difficult and expensive to obtain. Other related economic weaknesses have had broader, negative repercussions for Afghan society. For example, the widespread lack of employment opportunities has led many Afghans to migrate or join the Taliban movement, not just for ideological, but also economic, reasons.

An estimated 120,000 Afghan refugees entered Europe in 2015, and by current trends, an estimated 550,000 Afghans are projected to seek refugee status in Europe by 2018. "Push factors" include the deteriorating security situation and reduced job prospects, particularly for the large number of educated youth who may have previously been employed by foreign military forces. Partly as a consequence, applications for passports in Kabul alone increased from approximately 3,000 per month in early 2015 to 8,000 per month by last September.

Despite these trends, positive changes, initiated by the Afghan government, are underway at national and regional levels, such as the introduction of new anti-corruption measures, improved public financial management systems, and efforts to accelerate regional economic integration. Furthermore, Afghanistan has established a new National Economic Council to guide, with a medium to long-term time horizon, the country's economic agenda. By seeking to lessen the country's decades long dependency on foreign aid, the government is striving to transform Afghanistan into a politically and economically stable regional economy through increased self-reliance.

The National Unity Government has expressed a strong commitment to implementing reforms to strengthen the Afghan economy, thereby reducing pressures within Afghan society to consider the option of migration. At present and within the framework of its national development strategy, Afghanistan is preparing a new generation of National Priority Programs for discussion and endorsement at the forthcoming Brussels Conference on Afghanistan. In connection with these, and related, efforts, the following recommendations for increased economic development and improved migration governance in Afghanistan were put forward by participants in both the March 1 experts roundtable and public event:

Afghanistan and its international partners

- 1 Enhance the national and regional economic environment
- Economic stability and growth can be achieved through increased private sector engagement and development, creating improved conditions to lessen Afghanistan's foreign aid dependency.
- The Afghan government should facilitate economic renewal and make access to land and financing more inclusive, especially for women and youth. One particular measure is for the government to relinquish control over the means of production by privatizing land ownership.
- Through increased regional economic cooperation with neighboring countries, Afghanistan can further bolster its national economic growth. Especially as a landlocked country, Afghanistan should focus more on trade with regional partners through new incentives to spur cross-border commerce and investment.
- Foreign direct investment in Afghanistan can be increased by lessening the bureaucratic and other obstacles to foreigners to obtain business visas to Afghanistan.

#### 2 Fight corruption and build trust

- In order to create an enabling environment for economic development and stem current levels of migration, it is essential to tackle corruption in Afghanistan. As the mistrust between public and private sectors is widespread, the Afghanistan Chamber of Commerce and Industries could be of assistance in bridging the trust gap with the Afghan government.
- Land development laws should be more transparent and aim to improve trust between the public and private sectors.
- Private sector licensing and land investment procedures should be more transparent and straightforward, and a new body should be developed for the management of the licensing process.

#### 3 Improve migration governance

- New migration stakeholders, such as municipalities, civil society, and the business community, need to be engaged actively in Afghan migration and refugee governance, in addition to traditional actors such as states and international organizations (e.g., the UN High Commission for Refugees and the International Organization for Migration).
- Through the adoption of an enhanced multi-stakeholder approach, the formulation of inclusive migration policies can be adopted by Afghanistan's national government, yet effectively engage provincial and district/municipal level governments, as well as civil society and the business community.
- Afghanistan's visa regime and the visa regimes of countries that receive large number of Afghans should be carefully reviewed in light of recent developments.

#### 4 Strengthen governance

• There is a need for a more coordinated multi-stakeholder approach among international donor partners, which has the potential to change people's perceptions about the future prospects for Afghanistan. The Brussels Conference on Afghanistan and the NATO Summit in Warsaw should address overall international support to Afghanistan, including in

support of broader socio-economic goals and sustaining Afghanistan's National Security Forces

The Afghan government should continue to reform its approach to revenue generation (including via customs) by instilling greater confidence in the country's financial system to capture and ensure proper management of public revenue.

## Security and political reconciliation

Discussions on security and political reconciliation focused on the following three facilitation questions:

- What is the chief security threat facing both the Government of Afghanistan and Afghan people today?
- How can Afghanistan's security situation benefit from a breakthrough in efforts to achieve political dialogue and a negotiated settlement to the ongoing conflict? What specific steps are required to bring the Afghan Government and Taliban together for formal peace talks?
- In preparation for this July's NATO Summit in Warsaw, what are concrete recommendations for improving international efforts to support professional and financially sustainable national security forces, capable of defending the Afghan people from both foreign and internal security threats?

Today, Afghanistan stands at the crossroads between transition and transformation. The Taliban is gaining in strength and seriously challenging the hold of the Afghan National Security Forces (ANSF) over parts of the country. Most NATO combat troops have pulled back from the region and have been replaced by a smaller "Train, Advise, and Assist" mission known as "Resolute Support". At the same time, security-related incidents significantly increased in 2015 - by 10.6 per cent compared to the previous year and by 33.2 per cent compared to two years ago.

While most seem to recognize that there is no purely military solution to the conflict, political reconciliation efforts are difficult to get off the ground. Late last year, the Quadrilateral Coordination Group, led by representatives from Afghanistan, China, Pakistan, and the United States, embarked on discussions toward a roadmap for peace negotiations between the Taliban and the Afghan government. In early March 2016, however, the Taliban announced officially that it refuses to participate in formal peace negotiations.

Parts of the March 1 expert's roundtable and public event discussions focused on the different effects that the deteriorating security situation has on Afghanistan's future. In particular, one participant argued that it is a key driver of migration, while the lack of security also complicates economic development, as investors tend to stay away from insecure environments. Additionally, the focus on guaranteeing security for the Afghan people is shifting attention away from other urgent priorities, such as guaranteeing safe and effective education.

As to the causes of the current security crisis, discussants argued that the NATO-led International Security Assistance Force rushed through some of its security sector handover objectives in 2013-14, which were needed for engendering a smooth transition to full responsibility by the Afghan army and police for Afghan security. This drawdown from Afghanistan caused both a downturn in the Afghan economy and left behind a smaller "Train, Advise and Assist" mission, to further train the Afghan National Security Forces to be selfsustainable. As the Taliban expands its reach, the Afghan army and police are losing manpower and encountering difficulties in keeping the country secure. The time pressure associated with a further international drawdown also reduces opportunities for coordination with Afghanistan's international counterparts. Apart from these factors, discussants also pointed at that widespread public sector corruption, a pervasive sense of social injustice and a lack of inclusion, as well as the unfair distribution of aid and other economic resources as key drivers of conflict in Afghanistan.

Insufficient sustainable economic growth after the contraction associated with the drawdown of many international actors, together with lack of tax revenue, has contributed to making Afghanistan's security forces, which has grown to around 350,000, even more economically unsustainable. At the same time, a possible reduction in Afghanistan's security forces by around 150,000 members could create a major security risk, if not treated with adequate care and attention: trained and armed men without opportunities are an ideal target for militia recruitment and could be found to be more susceptible for radicalization. Other participants argued that there is a lack of trust between Afghan security forces and the Afghan people, for example, due to abuses carried out against the local population by the police.

Participants also discussed possibilities of involving the member countries of the Shanghai Cooperation Organization in support of Afghan security, if the West were to gradually drawdown further militarily. However, it was questioned whether this could be a viable option. One participant argued that it would then be difficult to involve Russia and Pakistan, which, in turn, makes it difficult to involve India (because of Pakistan). Another expert argued that involving China would also be difficult, because of its alleged over-prioritization of its own narrow goals.

Special Representative for the Secretary-General Lakhdar Brahimi once noted that not including the Taliban from the outset was "the original sin" of the Bonn agreement. Some participants proposed identifying another "sin": "putting those in power who were in power during Afghanistan's civil war", or the persistence of warlordism, cronyism and corruption. This has not led to the creation of systems of justice and social justice that are needed for sustainable peace. Participants, therefore, proposed to increase collaboration between the government and civil society in order to improve the effectiveness and fairness of governance arrangements in Afghanistan.

With reference to political reconciliation, it was observed that the current drive to achieve a peace agreement with the Taliban suffers from bad timing. The Taliban is in a position of strength, as it now holds more territory than at any point since 2001, making their sense of

urgency to engage in peace talks far lower than it would have been in 2013/2014. Although at least one participant argued that the Taliban are, indeed, interested in joining peace talks, recent news reports point in a different direction. At the same time, it was noted that it would be important for the international community to lend sufficient support to initiate peace talks with the Taliban, particularly in applying pressure on Pakistan to steer the Taliban toward the negotiating table.

In addition, participants discussed concerns over divisions within the Taliban, the emergence of ISIS in Afghanistan, and the consequent uncertainty about the role and commitment of several different rebel groups within proposed peace talks. Apart from the need to include as many rebel groups as possible, another major issue under discussion was the importance of making the peace talks inclusive toward all members of Afghan society. In this context, expert participants alluded to the need to better leverage Afghanistan's High Peace Council, which has paid attention to giving a greater voice to women and including more Afghans from diverse ethnic and geographic backgrounds. In connection with these and related efforts, the following recommendations for improved security and political reconciliation efforts in Afghanistan were put forward by participants in both the March 1 experts roundtable and public event:

#### 1 NATO Warsaw Summit

- At the upcoming Warsaw summit, the following questions should be raised and deliberated upon:
  - How to achieve mutual benefits for both the Afghan government and its international partners?
  - How to better engage Russia, India, and Iran on critical Afghan security issues?
  - How to move forward in building sustainable and effective Afghan security forces?

#### 2 Greater Involvement of the Afghan People

- In order to create more trust between the Afghan government and its constituents, the Afghan people need to be informed on a more regular basis about critical policy issues that affect their lives, in order to close the gap between what is being discussed in Kabul and what is happening in the provinces where the vast majority of Afghans reside.
- Arming Afghan militias in response to Taliban and ISIS is a short-sighted response that could have negative repercussions down the road, even possibly fully re-instating the warlordism of the pre-Taliban era.

#### 3 Peace and Reconciliation

- The peace process should not be owned by the international community; it is an Afghan process. The recent round of Quadrilateral Talks is a good step toward facilitating a truly Afghan-led peace process.
- Ensure that any peace talks are inclusive, involving both civil society (including female representatives) and representatives from different factions of the armed opposition.
  Leaving out different factions now (e.g., from Hiz-b-Islami and from within the Taliban movement) could create problems later, such as privileging only the most extreme ends of several factions. Explore opportunities to re-engage Afghanistan's High Peace Council in peace efforts.

• Afghanistan and its international partners

- International engagement and diplomatic efforts towards Afghan and regional actors, will be important in making peace negotiations successful.
- 4 International Engagement
- There is a need for a sustained international commitment.
- There is a need to define the "end state" rather than the "end date" for Afghanistan.
- Make a greater effort to develop a political economy analysis of the Afghan conflict, to better understand the underlying root causes of the conflict.
- Implement Security Council Resolution 1325 on Women, Peace, and Security in a more sustainable and consequential way in the Afghan context.
- Consider the consequences of sustaining an excessively large number of Afghan security personnel, while also recognizing the risks of possibly prematurely downsizing the Afghan army and/or police.

## Conclusion

To contribute to actionable and multi-disciplinary recommendations, the March 1 Afghanistan experts roundtable and public event sought to ensure that participants from diverse backgrounds had a chance to share the chief policy and practical dilemmas on Afghanistan for which they are currently grappling. In particular, the two meetings sought to distill from the expert participants recent experiences and gather key insights and recommendations— particularly on the two themes of "migration & economic development" and "security & political reconciliation"—for future Dutch and EU engagement in Afghanistan and its wider region. In the run-up to this July's NATO Warsaw Summit and October's Brussels Conference on Afghanistan, it is hoped that these recommendations will help in setting Afghanistan on an irreversible course toward stability and increased prospects for economic prosperity.



Sophialaan 10 2514 JR The Hague The Netherlands

T +31 (0)70 302 8130 info@kpsrl.org www.kpsrl.org