

NOREF Policy Brief

A slightly different approach: Norwegian non-military collaboration with Afghanistan

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Executive summary

Norway has a long history of providing humanitarian assistance to Afghanistan through non-governmental organisations and the United Nations, and has played an active role in aiding the rebuilding and development of the country since the fall of the Taliban in 2001. The Norwegian approach has tried to balance support for military and civilian efforts, fully engage with the Government of Afghanistan (GoA) and at the same time help protect the humanitarian space. Norway has been loyal to the development strategies and priorities agreed upon among the GoA, donors and international organisations.

It has promised to continue its development collaboration with Afghanistan beyond 2014 when the military engagement is to end. However, the form and extent of this collaboration is likely to depend on developments in Afghanistan over the coming years – and not least on the ability of the GoA to handle and implement development projects in a transparent and corruption-free manner.

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This policy brief forms part of a series of papers produced by the Norwegian Experts Group on Afghanistan and Pakistan (NEGAP), an initiative undertaken by NOREF. The project analyses the crisis and conflict in these two countries over the past decade, focusing particularly on the Norwegian experience.

Norway is well placed to continue its development co-operation with Afghanistan and provide humanitarian assistance thorough the various channels, but needs to:

- undertake a comprehensive risk assessment of future Norwegian development co-operation and humanitarian assistance;
- develop a strategy for Norwegian development co-operation and humanitarian support until and after 2014;
- ensure that the Norwegian Embassy in Kabul and Norwegian non-governmental organisations (NGOs) are staffed to undertake analysis of political developments and provide advice on potential changes to aid policies and channels; and
- encourage the embassy and NGOs to maintain diverse contacts and a good working relationship with broad segments of the Afghan population.

Background

Afghans have experienced war and armed conflict since 1978, leading to a major flow of refugees to the neighbouring countries of Iran and Pakistan from the early 1980s onwards. Armed resistance to the Soviet invasion was organised from exile and humanitarian assistance was provided to refugees and across the border in resistance-controlled areas. While NGOs such as Norwegian Church Aid and the Norwegian Refugee Council collaborated in assisting refugees in Pakistan, the Norwegian Afghanistan Committee channelled most of its assistance inside Afghanistan. In an environment politicised by the cold war United Nation (UN) agencies were confined to operating in areas controlled by the government of Afghanistan (GoA), leaving it to NGOs to provide humanitarian assistance and basic health services and education in resistance-controlled areas.

The Soviet withdrawal in 1989 allowed the UN to take on a more prominent role. More humanitarian assistance was delivered inside Afghanistan as refugees returned to their homes and there was a shift towards small-scale rural rehabilitation projects. This trend continued during the 1990s as NGOs shifted their offices to Kabul and

there was an increase in the number of Afghan NGOs. Neither the government established by the resistance parties in 1991 nor the Taliban government that followed prioritised assistance to its own population. Severe droughts, continued warfare and international sanctions on the Taliban regime led to a high degree of labour migration to neighbouring countries and the Gulf states. Afghans with higher education and better access to funding sought their future in Europe and the U.S.

By 2001 Afghanistan was one of the least developed, poorest and most conflict-ridden countries in the world, with very low literacy rates and one of the highest infant and maternity mortality rates. Almost 25% of the population resided outside the country. UN agencies, the International Committee of the Red Cross, and international and Afghan NGOs struggled on to provide basic services to the Afghan population with shrinking budgets and under increasingly difficult working conditions. The Norwegian Ministry of Foreign Affairs (MFA) continued throughout the whole period to provide assistance through UN organisations, the Afghan Support Group, Norwegian NGOs and its Afghan partners.

The development environment

The Bonn Conference in November 2001 set out an ambitious five-year plan to reform and develop Afghanistan following the collapse of the Taliban regime, including a democratisation process, security sector reform and the creation of a functional – and highly centralised – governance structure. The new Afghan government would set policy and implement it and the UN Assistance Mission to Afghanistan (UNAMA) would assist it. The International Security Assistance Force (ISAF) was mandated by the UN Security Council to help provide and improve security, and a number of donor countries assumed responsibility for co-ordinating particular sectors.

From the outset the Afghan minister of finance took a tough line against UN organisations and NGOs, demanding that they set aside their traditional independence and support the government. Strict regulations were established for registering NGOs and ensuring regular reporting on funding

and activities. A number of experienced Afghan “NGO technocrats” and returning exiles were recruited into the ministries, competing there with the influence of the former warlords on the setting of policy and priorities. For their part, donors established a number of trust funds with the GoA to secure funding for and a degree of shared control over major development, security sector and democratisation initiatives. This was accompanied by a series of annual conferences that ensured a continuous dialogue between the international community and the GoA. Key strategy documents, such as the Afghan Compact and the Afghan National Development Plan, were presented and approved, and funding was secured for their implementation.

The Afghan Reconstruction Trust Fund (ARTF), which was established in May 2002 and is administered by the World Bank, is the most prominent among the funds. It has a “recurring cost window” to cover the GoA’s operating costs, i.e. payment of teacher salaries, and an “investment window” for financing reconstruction and investment projects.¹ The National Solidarity Programme (NSP), an NGO-facilitated village development project run by the Ministry of Rural Rehabilitation and Development, is the largest such project.

Among more specialised funds is the UN Development Programme (UNDP)-administrated Law and Order Trust Fund for Afghanistan, which was established in early 2002 and aims at securing funding for building up the Afghan National Police Force (NPF), including securing their salaries. A year later UNDP established the Afghan New Beginning Programme as part of broader security sector reform. It aimed to facilitate the disarmament, demobilisation and reintegration of the large number of soldiers and former fighters that were then enrolled with the Ministry of Defence, and was later expanded to facilitate the disbandment of illegal armed groups. From 2005 onwards the U.S. provided funding for the Afghanistan Security Forces Fund, which covers both the Afghan National Army and the NPF.

Already in 2002 human rights issues were high on the agenda, and financial support was provided for the Afghan Independent Human Rights Commission and for initiatives supporting rights and opportunities for women, including for the UN Development Fund for Women (UNIFEM). Later, the international community provided more targeted support for presidential and parliamentary election processes (including UNDP Elect), followed by financial assistance and support for entities such as the Independent Election Commission. The Counter-Narcotics Trust Fund was established in 2005 and, as corruption emerged as an issue, Western donors supported the establishment of anti-corruption bodies and the Extractive Industries Transparency Initiative. In 2010, as part of the search for a negotiated settlement of the Afghan conflict, the Afghanistan Peace and Reintegration Trust Fund was created.

The military influence

All these processes were in some way influenced by the military operations that formed part of the “war on terror” and the counter-insurgency strategy to “win Afghan hearts and minds”. They started out with the U.S.-led Operation Enduring Freedom, which toppled the Taliban regime and was followed by the creation of the NATO-led ISAF. When ISAF moved beyond securing Kabul in 2003, the new concept of provincial reconstruction teams (PRTs) was introduced. These were tasked with supporting reconstruction and development efforts in the provinces in addition to ensuring the ISAF mandate of providing security and facilitating improvements in governance and socioeconomic development to secure the GoA’s legitimacy.² Funding for these efforts was provided by each nation heading a PRT; the use of these funds was left to the discretion of each PRT military commander, although often in consultation with civilian advisers and embedded researchers.

This caused concern among humanitarian organisations, which feared that blurring the lines between military and humanitarian interventions would increase the security threat to their staff, because humanitarian assistance would no

1 A presentation on the ARTF is available at http://siteresources.worldbank.org/INTAFGHANISTAN/Resources/Afghanistan-Reconstructional-Trust-Fund/ARTF_information.pdf.

2 More details about ISAF’s mission is available at <http://www.isaf.nato.int/mission.html>.

longer be seen as neutral, but part of the military strategy. The UN developed specific guidelines for Afghanistan on how to manage this interaction. Concerns over a highly politicised UNAMA and a wish for a stronger humanitarian presence led to the establishment of the UN Office for the Co-ordination of Humanitarian Affairs (UNOCHA) in 2009 and the establishment of a separate Emergency Trust Fund in 2010.

With the introduction of the Counter-insurgency Strategy in 2009 came a series of new initiatives aimed at undermining the influence of insurgent groups while strengthening Afghans' relationship with their local government. This strategy shifted the focus from the central state to local actors and institutions and included the establishment of Afghan local police forces, referred to as *arbaki*, the establishment and funding of district community councils (frequently consisting of former military commanders) and a greater emphasis on support for traditional justice as criticism of the formal legal system increased. Many of those who had previously been disarmed through UN-led processes were rearmed and assumed positions that allowed them to challenge the influence of both insurgents and the GoA.

Many of these efforts and projects funded by major donors such as the U.S. Agency for International Development (USAID) were channelled outside of GoA control and directed towards areas with high levels of conflict, causing increasing concern and complaints from Afghans. A 2010 report from the Afghan Ministry of Finance noted that as much as 70% of the development budget was distributed outside of government channels, with as much as 49% earmarked for security. Such priorities, together with increased degrees of corruption, help explain why Afghanistan still ranks as low as number 171 (of 187 countries) on the UN Human Development Index, despite major development investments over the last ten years.

Positioning Norway

Norway assumed an early and very active role in Afghanistan and established a representation in Kabul in late 2001, and has since taken policy decisions that have distinguished it from many other donors. This includes prioritising un-

earmarked funding through the ARTF; maintaining a financial balance between military and development/humanitarian spending; providing a maximum of 20% of total assistance to Faryab Province, where the Norwegian PRT is located; and keeping a strict division between military and humanitarian/development activities.

Part of this strategy has been formed through public debates, where Norwegian NGOs, activists, researchers and military personnel have played an active role. The discussion of civilian-military relations is probably the issue that generated the most debate. But there was also a marked policy shift with the change of the Norwegian government in 2005. This led to the termination of Norway's involvement in Operation Enduring Freedom and a gradual giving of a higher priority to development co-operation, which led to efforts to balance the funding for the military and aid contributions.

The overall objective of Norwegian development co-operation with Afghanistan is to support stability and sustainable development, with an emphasis on strengthening state institutions and building a strong and legitimate Afghan government. Norway responded early on to a request made by the GoA to select a limited number of areas of development engagement. This later corresponded well with the Afghan National Development Strategy, a five-year plan covering security, governance, economic growth and poverty reduction. Norway chose to concentrate on three sectors:

- good governance;
- education; and
- rural development.

However, at the same time it gave priority to such cross-cutting issues as human rights, anti-corruption activities and gender issues.

Given Norway's strong presence in Faryab, in May 2009 the Norwegian MFA, the Ministry of Defence and Ministry of Justice and the Police presented a joint strategy for a comprehensive Norwegian civilian and military engagement there.³

In addition to being an active donor that maintains

³ http://www.regjeringen.no/upload/FD/Dokumenter/Strategy_Norway-in-Faryab-Afghanistan.pdf.

close contact with the GoA, Norway has been a staunch supporter of the UN and its co-ordination role, and has made efforts to strengthen Nordic development co-operation in Afghanistan.

Development assistance

Afghanistan ranks Norway as the 12th-largest development donor for the period 2002-2012 and the largest Scandinavian donor. There was a slight reduction in funding from 2003 to 2005, followed by a gradual increase until 2008, which then stabilised at around NOK 750 million annually (pledged for the period 2008-2012).



Figure 1: Norwegian development assistance to Afghanistan, 2002-2011

Source: Norwegian Agency for Development Co-operation (NORAD)

Economic development and trade received most of the funding, followed by support for good governance and emergency assistance.

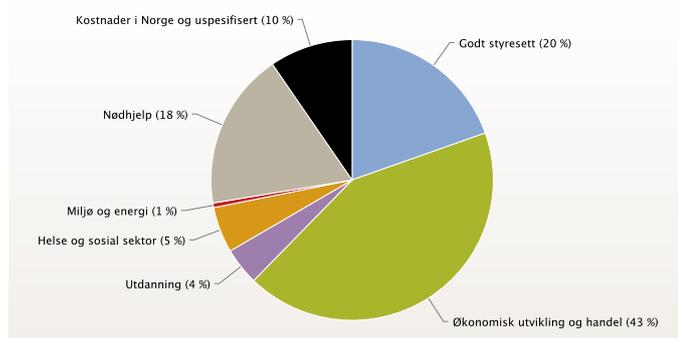


Figure 2: Norwegian development assistance by sector, 2002-2011

Source: NORAD

Development support has been provided through three main channels. In 2010 NGOs and others received 46% of the funding, the ARTF 37% and UN organisations 17%. Norway's ARTF

contribution, in addition to un-earmarked funding, supports the education programme EQUIP (NOK 55 million), the NSP (NOK 30 million) and the National Institute for Management and Administration (NOK 15 million). Two evaluations of the ARTF provided a positive assessment of how the fund is administered, although raising concerns about weak monitoring of actual results on the ground. A monitoring agent is now in place to ensure that funds are correctly utilised, although funding was temporarily withheld in 2012 due to a major corruption scandal at the Kabul Bank, through which government employees' salaries were channelled.

UNDP and UNIFEM (now UNWOMEN) were the two largest recipients of Norwegian aid among UN agencies, while there has been sizable support for the UN High Commissioner for Refugees, UNOCHA and the World Health Organisation.

Norway has provided support to both Norwegian and international NGOs. The project portfolio is in line with Norwegian development co-operation priorities in Afghanistan, while also supporting returning refugees and internally displaced persons (IDPs). According to NORAD figures for the period 2002-2011, Norwegian Church Aid received the highest funding level among NGOs, followed by the Norwegian Red Cross and the Norwegian Refugee Council. Some international NGOs were funded to implement projects in Faryab Province, and a number of Norwegian NGOs and their Afghan partners have set up offices in Meymaneh since the PRT was established there. Some felt under pressure to be represented here and other NGOs regarded it as an opportunity to expand their operations.

In addition to the support of NGOs there has been a fairly large contribution to support Norwegian police advisers and for NORAD Oil for Development's engagement with the Afghan Ministry of Mines. The aim here was to help develop legislation and bidding processes to guarantee Afghanistan's effective use of its oil and gas resources.

In 2011 there were 23 Norwegian police advisers in Afghanistan, the largest contingent in any international peace operation. Sixteen of these were stationed in Meymaneh in Faryab Province,

of which 11 were linked up with the EUPOL City Police and Justice Programme, four with an Afghan/Norwegian police advisory team, and seven stationed in Kabul.

These police advisers formed part of a large and comprehensive involvement aimed at strengthening the Afghan police and justice sector, the police, the courts and the prisons, drawing on resources available within the Norwegian "Crisis Response Pool". Norwegian police advisers were already assigned to the Police Academy in 2004, while prosecutors and judges were sent to work with Afghan counterparts involved in persecuting narcotics crimes from 2005 until the autumn of 2008. By late 2006 Norwegian police advisers had been sent to Faryab, leading to a request for Norwegian prison advisers to help improve conditions at the Maymaneh prison, and later to help plan and build a new prison with funding from the Norwegian Embassy in Kabul. These engagements have now been terminated.

In general, current Norwegian development assistance conforms to priorities set by the Afghan National Development Strategy and is responsive to the GoA's request to make use of trust funds for channelling funding, while maintaining some support through NGO channels. It is noteworthy that Norway has sought to make use of Norwegian expertise to strengthen and build Afghan capacity, as in the police/justice sector, generating a more formalised collaboration among different Norwegian ministries. At the same time, from 2005 onwards Norway took a principled approach to separate military and development activities. The Norwegian PRT does not have access to or influence over the use of humanitarian and development funding, and has emphasised the need for securing humanitarian space. This latter goal prompted some verbal opposition from the Norwegian military, which criticised the MFA for lacking a comprehensive and integrated approach, since the ministry refused to make use of humanitarian interventions to help secure and sustain military gains.

Negotiating peace

The Norwegian position is that there is no military solution to the Afghan conflict and therefore there is a need for an Afghan-led process towards a political settlement. Norway has welcomed different peace initiatives, although acknowledging that this may be a lengthy process. Human rights groups are concerned over the possibility that human rights – especially women's rights – might be sacrificed by a political settlement. In addition to supporting peace negotiations and reconciliation efforts, Norway has supported research exploring the benefits and risks of a negotiated settlement, including an assessment of the positions held by the different stakeholders.

Norway has emphasised the regional dimension of the Afghanistan conflict and the need for an engagement with neighbouring countries for a more permanent Afghan peace settlement. The country has been collaborating with Turkey in organising a series of meetings with Afghanistan's neighbouring countries and other key nations. The UN facilitated a similar dialogue during the 1990s, then termed 6+2. Such an engagement is not only important for securing a negotiated settlement, but might also open up opportunities for securing Afghanistan's longer-term financing. A number of regional energy projects and plans for extracting and exporting Afghan mineral resources are currently under way that will require a regional and international agreement if they are to succeed.

Upcoming challenges and realities

Norway has signalled that while its military presence (at least in its present form) will be terminated in 2014, development co-operation with Afghanistan will continue. This funding is not likely to be held at the 2011 level, when Afghanistan was the second-largest recipient of Norwegian development assistance.

A sharp decrease in funding to Afghanistan is expected when international military forces withdraw, including a reduction of development funding. USAID, presently the largest development donor to Afghanistan, slashed its budget by 50%

from 2011 to 2012. There are in addition a number of concerns relating to recent developments in Afghanistan that might influence the level of Norwegian (and international) assistance and how it will be provided and channelled over the coming year.

There is increasing concern about the ability and willingness of President Karzai and the GoA to curb corruption and nepotism and secure development investments. Tension has been growing on a number of issues, where Karzai has become increasingly vocal against what might be seen as international interference in Afghan matters and criticism of his handling of affairs.

Not without reason, an “elite capture” of state resources is evident. People close to the political establishment are making the most of their positions to secure financial gains before international investments are reduced. It is estimated that \$8 billion is sent out of Afghanistan on an annual basis. The Kabul Bank case is illustrative of how such plunder is organised and its potential implications. The embezzlement of about \$900 million allegedly involved close relatives of the president and a vice president, although they have been protected from prosecution.

Possible scenarios

A range of possible scenarios might emerge over the next years, largely depending on the possibility of a negotiated peace settlement. The most positive scenario would be if such a negotiated and accepted peace settlement is achieved. This could reduce the level of violence and security incidents, and if followed by free and fair elections for a new president, would strengthen the possibility for a sustained level of development funding. Donors would then be expected to provide funding through the different trust funds and potentially, over time, gradually shift to more bilateral support. A security guarantee provided by Afghanistan’s neighbours and the establishment of a regional trade arrangement would help strengthen and sustain such a development.

Another scenario is a continued stalemate on the security front, no major improvement on governance and democratisation, regional

interference, and continued friction with the international community. Such a development is likely to lead to reduced international assistance and some funding channelled through trust funds, but more support for NGOs that can demonstrate the ability to implement projects in the health, education and community development sectors.

The worst-case scenario is a worsened security situation, a breakdown in trust between the international community and the GoA, and increased ethnic and religious tension within Afghanistan and in the region. Afghans fear that this might lead to a situation similar to that experienced in 1991, with a near total withdrawal of international funding and a prioritising of humanitarian assistance delivered through international and Afghan NGOs – in other words, a return to the basics of keeping Afghans alive.

Final observations

The consequence of the above scenarios is that Norway and Norwegian NGOs might be forced to make a number of difficult decisions over the coming years. They will have to strike a balance between, on the one hand, supporting the Afghan government and, on the other, ensuring that assistance is relevant according to needs, reaches the Afghan population and at the same time helps build Afghanistan’s capacity to manage its own development.

Norway has struck a balance over the last years of channelling funds through mechanisms approved and influenced by the GoA, while ensuring that NGOs’ assistance capacity is maintained and UN organisations are assisted in areas of particular Norwegian development priorities, with the general aim of improving its co-ordination capacity. Norway has at the same time been loyal to the GoA and set a different course than most other donors with a clear separation of humanitarian and military activities.

A lack of reviews and evaluations makes it difficult to determine if some of the Norwegian support and implementation channels have had a larger impact than others, been better protected against corruption or been convergent with Afghan and Norwegian strategies.

The combination of reduced development funding for Afghanistan and different scenarios leads to four interrelated recommendations for the Norwegian MFA and involved NGOs:

- Undertake a comprehensive risk assessment of future Norwegian development co-operation with Afghanistan and provision of humanitarian assistance.
- Develop a strategy for Norwegian development co-operation and humanitarian support until and after 2014. This should take into account different scenarios and the ability of different channels to conduct their activities in different situations, the ability to provide assistance to all parts of Afghanistan and to limit corruption and misuse, and the ability to build Afghan capacity to plan and manage development and assistance processes.
- Ensure that the embassy in Kabul and Norwegian NGOs are staffed to undertake analyses of political developments and provide advice on potential changes to aid policies and channels.
- Encourage the Norwegian Embassy and Norwegian NGOs to maintain diverse contacts and a good working relationship with broad segments of the Afghan population.

Further reading

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