Brussels, 29 September 2016

FACT SHEET

EU-Afghanistan relations

The European Union has a long-term partnership with Afghanistan. Since 2002, the European Union has provided €3.66 billion in development and humanitarian aid, making it the fourth largest donor in support of the Afghan people. Afghanistan is also the largest beneficiary of EU development assistance; together with its Member States, the European Union contributes more than €1 billion in development assistance per year to Afghanistan. Co-hosting the Brussels Conference on Afghanistan on 4-5 October 2016 demonstrates our commitment to a close and long-term partnership.

Afghanistan's development: facts and figures

Today, Afghanistan is in far better shape in terms of human development than it was in 2001:

- Access to primary healthcare has increased from 9% of the population to more than 57%;
- Life expectancy has increased from 44 to 60 years;
- School enrolment has increased 10 times since 2001, with over 8 million students enrolled in schools, 39% of whom are girls.
- Maternal mortality has dropped by around 80% from 1,600 to 396 per 100,000 births;
- Women hold 27% of seats in parliament;
- The country's public financial management system is regarded as stronger than other fragile states and many low-income countries;
- GDP per capita reached $624, from $120 in 2001, and current revenue represents 10.2% of GDP, from 3.3% in 2001, according to the World Bank.

Many challenges, however, remain. According to the International Monetary Fund (IMF), GDP growth has declined from an average of 10% over the period 2002-2012 to 1.3% in

FOR FURTHER DETAILS:
Maja Kocijancic +32 498 984 425 - +32 2 298 65 70 - Maja.Kocijancic@ec.europa.eu @MajaEUspox
Adam Kaznowski +32 2 29 89359- +32 460 768 088 - Adam.Kaznowski@ec.europa.eu
Follow us on Twitter @eu_eeas
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2014. In 2015 it grew slightly to 1.5%. Aid dependency has not reduced substantially. The Government's own revenues stand at around $2 billion per annum (10% of GDP), while international funding for the security sector remains at $5 billion per annum and development aid at around $4 billion per annum. In 2015, Afghans were the second largest group of migrants arriving in Europe (267,000 irregular arrivals). Poverty rates and unemployment have also risen recently, with more than 39% of the population now living in poverty and unemployment standing at 39%.

EU Development Assistance

The European Union's development agenda is guided by aid effectiveness principles. Close coordination of development assistance and improving national capacities to deliver public services are clear priorities. The European Union supports the reform agenda of the Afghan Government, as outlined in the Afghanistan National Peace and Development Framework (ANDPF), and in this context has prepared a €200 million State-Building Contract (budget support) to be signed during the Brussels Conference.

Overall, the European Union will provide up to €300 million in funding per year until 2020, above and beyond the €200 million development funding per year that was committed at the Tokyo Conference in 2012. This also includes assistance in response to the migration crisis and humanitarian aid.

The European Union's partnership with Afghanistan includes a results-oriented dialogue on human rights, especially the rights of women and children, as well as a dialogue on migration. 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. Mutual accountability is a key concept for the Government's efforts to implement reforms and for the international community to maintain levels of aid. Its principles are monitored through a *Self-Reliance through Mutual Accountability Framework*, which will be updated at the Brussels Conference.

In October 2014, the European Commission presented its Multiannual Indicative Programme for Afghanistan (MIP 2014-2020), outlining new **development funding of €1.4 billion for the period 2014-2020**, i.e. the €200 million per year mentioned above. The European Union focuses on agriculture and rural development, which are vital for employment and growth, health, security for citizens through the professionalisation of civilian policing and application of the rule of law, and State accountability through democratisation. Gender mainstreaming is a crucial component of the EU's assistance: 53% of EU programmes have gender equality as a significant objective.

Table 1: EU aid to Afghanistan 2002 – 2015 (EUR million)[1]

Year	Commitments	Disbursements
2002	247.59	151.04
2003	285.55	213.90
2004	247.55	171.19
2005	224.48	206.11
2006	200.53	175.98
2007	195.90	224.59
2008	214.49	213.27
2009	269.83	285.65
2010	254.61	215.20
2011	347.00	261.41
2012	283.61	199.63
2013	316.86	188.41
2014	297.90	270.50
2015	275	173
Total	3 660.90	2 949.88

Agriculture and Rural Development

Agriculture is a source of income for more than half the population of Afghanistan but only generates one quarter of GDP. The result is food insecurity, unemployment, an unstable socio-economic environment, and a large illicit economy. The European Union's support to agriculture and rural development is aligned with Afghan national strategies, with the main objectives being to improve food security, promote sustainable agriculture and natural resources management, reduce rural households' dependence on poppy cultivation, and to strengthen services related to agriculture and rural development. Since 2001, the EU has invested €321 million in agricultural development and €224.33 million in rural development (water and natural resources management, animal health, seeds, horticulture, and development of rural communities).

Health and Nutrition

Despite considerable improvements since 2001, Afghanistan's health indicators remain near the bottom of international tables. Life expectancy is low and infant under-five and maternal mortality are very high. There is an extremely high prevalence of chronic malnutrition, poor sanitation, micronutrient deficiency diseases and other diseases, from malaria and

[1] Source: Annual reports, European Commission. In addition to bilateral funds (CSPs, MIPs). It includes funds from thematic programmes (e.g. support to CSOs and NGOs; European Initiative for Democracy and Human Rights); CFSP, ECHO.

tuberculosis to mental health conditions. The European Union is among the lead donors in the health sector in Afghanistan and supports country-wide provision of health services (€421 million from 2001-2015). The European Union's support focuses on health care for the very poor, women and children, as well as vulnerable minorities. Support is also provided for disability and mental health care, improving nutrition and strengthening the capacity of the Ministry of Public Health.

EU support to Police reform and Rule of Law

Support from the European Union for policing amounts to over € 510 million since 2002 and promotes the development of an Afghan National Police that is professional and delivers essential services for improved public trust, safety and security. Supporting measures contribute to enhancing the fiscal and political sustainability of the police (public finance reforms, anti-corruption, ministerial reform and accountability) as well as a shift towards a civilian-oriented policing model. Particular attention is given to female policing, internal and external oversight and complaints mechanisms and transparency.

The European Union also assists Afghanistan in establishing a functioning rule of law system, including revision of the Penal Code and comprehensive justice sector reform. Further support includes funding legal information centres, computerised case management, training prosecutors and judges, legal awareness, provincial justice reform, and the provision of infrastructure and equipment.

Democracy and Accountability

The European Union contributes to strengthening the democratic institutions and accountability mechanisms that are critical for ensuring popular support for state-building in Afghanistan:

- ***Electoral assistance***: The European Union provides electoral assistance and supports electoral reform, transparency and credibility. EU aid has contributed to reinforcing the capacity of electoral bodies, including all elections since 2001.
- ***Capacity Building for Results (CBR):*** The European Union supports Public Administration Reform and improving the capacity and performance of select line ministries.
- ***Subnational governance:*** The European Union supports initiatives to improve land management and revenue collection capacities for municipalities, as well as better service delivery and accountability at provincial level.
- ***Civil Society and accountable governance***: The European Union supports capacity development for civil society actors, community based monitoring systems, local "integrity champions", and strengthening civil society's participation in policy-making and advocacy.

The State Building Contract: enhancing aid effectiveness and Afghanistan's ownership

The European Union aims to deliver its assistance in an effective and flexible way by making use of country systems. At the Brussels Conference on Afghanistan, the EU will sign a €200 million State-Building Contract with the Government and will thus provide direct budget support in addition to the high portion of aid delivered 'on-budget' through trust funds. The State-Building Contract aims to increase resources for development priorities such as generating economic growth and reducing poverty. The State-Building Contract will support more effective budgetary management and fighting corruption. Disbursements will be conditional on benchmarks in four areas (public policy, macro-economic framework, public financial management, and transparency and oversight).

Humanitarian Assistance

Since 1994, the European Commission's Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) has provided humanitarian aid to those most affected by conflicts in Afghanistan. DG ECHO has financed projects with a total value of €720 million, offering emergency health services, shelter, water and sanitation, food assistance, protection and education to the most vulnerable, many of them children.

Decades of conflict have led to large-scale displacement within the country and to Iran and Pakistan. There are currently 1.2 million displaced people inside Afghanistan and 2.5 million registered and some 2-3 million "undocumented" refugees in Iran and Pakistan. Over 6 million Afghans are therefore currently displaced. Over 400,000 conflict-affected internally displaced people are expected to be dependent on humanitarian assistance by the end of 2016.

Human Rights and Civil Society support

A regular EU-Afghanistan high-level dialogue on human rights was launched in 2015 and focuses on key reforms to improve the human rights situation. The EU and its Member States engage with Government, Parliament, civil society and the international community on issues such as women's and children's rights, civil society and human rights defenders, torture and abuse, freedom of expression, religion and/or belief, the death penalty and access to justice.

Since 2003, the EU has provided €578 million in grants to non-state actors operating in Afghanistan including for providing basic services to the population. Support for CSOs also aims to strengthen local civil society capacity to carry out its oversight and anti-corruption roles, and a stronger voice for women in political processes. Human rights, with a particular focus on the rights of women, and women's participation in society and in the peace process remain key aspects of the EU's engagement with civil society. In 2015-2016, the EU supported 21 individual Human Rights Defenders (HRD) cases. A Human Rights Defenders

Committee was established as part of a local strategy for HRDs, together with a system of focal points.

Migration

The European Union and Afghanistan are engaged in a constructive dialogue on migration, aimed at building a long-term partnership in this area in a spirit of solidarity. The EU provides international protection to many Afghans who have been forced to flee the country, while it is also working closely with the Afghan Government to develop cooperation on return and readmission of irregular migrants. There are many projects funded or under preparation by the EU in Afghanistan that contribute to addressing the root causes of migration from Afghanistan or to improving its management, thus contributing to the overall development of the country.

Trade, Economic and Regional Co-operation

As a Least Developed Country (LDC), Afghanistan benefits from the most favourable regime available under the EU's Generalised Scheme of Preferences (GSP), namely the Everything But Arms (EBA) arrangement. EBA grants the 48 LDCs – including Afghanistan – duty free, quota free access to the EU for exports of all products, except arms and ammunition.

The European Union strongly supports regional cooperation and economic integration as key elements of sustainable inclusive economic development, inter-connectivity and stability. Since 2004, EU support to regional cooperation amounts to more than €88 million. Key areas of intervention include border management, capacity building for regional cooperation and railways, as well strengthening the capacities of trade-related institutions. The European Union further supports a regional UNODC programme in the field of counter-narcotics.