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113687

Food Security Assessment Mission
and
Shipment and Distribution of Non-Food Relief Items

Final Report
September 30, 2001-March 31, 2002

Grant Award: HDA-G-00-01-00158-00

Submitted by:
Church World Service

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I. EXECUTIVE SUMMARY

Program Title	Food Security Assessment Mission and Non-Food Relief Items Transport and Distribution
Cooperative Agreement Number	HDA-G-00-01-00158-00
Country	Afghanistan
Disaster/Hazard	Complex Emergency
Period of Activity	September 30, 2001- March 31, 2002
Period of Report	September 30, 2001- March 31, 2002
Headquarters Contact Person: Church World Service Rick Augsburg Director Emergency Response Program 475 Riverside Drive New York, NY 10115-0050 Telephone: 212-870-3154 Fax: 212-870-2236 Email: raugs@aol.com	Field Contact Person: Church World Service-Pakistan/Afghanistan Marvin Parvez 74 Garden Road Saddar, Karachi 74400 Pakistan Telephone: 92-21-721-5604 Fax: 92-21-722-6055 Email: cwspa@cyber.net.pk

Church World Service provided life-sustaining assistance and reduced human suffering through distribution of donated clothing to 2,500 vulnerable families, approximately 15,000 people, in Kabul, Afghanistan. With assistance from the Norwegian Project Office, 284 boxes of coats, sweaters, kamis, and shlewers, and 71 cartons of shoes were distributed between February 1 and February 28, 2002. Church World Service also completed a food security assessment mission and issued a report on the findings to USAID Administrator Andrew Natsios in November 2001.

Objective #1: To assist 2,000 of the most vulnerable families in Mazar-e-Sharif by providing appropriate relief commodities including clothing.

Progress: All of the clothing distributions have been completed.

Indicator and Current Measure: 2,500 vulnerable families were assisted with winter clothing consisting of kamis, shelwar, shoes, jumpers and coats in Kabul through distributions carried out in February 2002.

Budgeted Amount: \$ 50,926.00

Expenditure Amount: \$ 43,975.49

Objective #2: To assess ongoing humanitarian relief efforts for Afghans and to explore a number of relevant issues (production, seed distribution, monetization, storage, food transport, price stabilization, and marketing), and be able to make recommendations to the PVO community and others in order to improve the delivery of relief assistance and increase food security for Afghans.

Progress and Indicator: Food Security Assessment report was completed in November 2001 and presented to Mr. Andrew Natsios.

Budgeted Amount: \$ 93,170.00

Expenditure Amount: \$ 96,028.96

II. PROGRAM OVERVIEW

a. Goals and Objectives

Goal #1: Church World Service proposes providing 2,000 families in the Afghan areas of Mazar-e-Sharif with relief commodities including basic clothing.

Objective #1: To assist 2,000 of the most vulnerable families in Mazar-e-Sharif by providing them basic articles of clothing. This objective will help shelter and sustain the families through the harsh winter, assist in disease prevention, and help the families maintain dignity and their community life.

Goal #2: Carry out a food marketing/availability/pricing assessment to determine if there are additional ways to increase food availability in local markets and stimulate income-generating activities inside Afghanistan.

Objective #2: To assess ongoing humanitarian relief efforts for Afghans and to explore a number of relevant issues (production, seed distribution, monetization, storage, food transport, price stabilization, and marketing), and be able to make recommendations to the PVO community and others in order to improve the delivery of relief assistance and increase food security for Afghans.

b. Profile of target population

Objective #1: In close cooperation with district leaders and representatives from Government, 2,500 vulnerable and needy families were identified. Over half of the beneficiaries (57%) were widows or women with disabled husbands who had no other source of income to provide the necessary warm clothes and shoes to their families.

Objective #2: The population of Afghanistan estimated to be 26 million; specifically the 12 million Afghans who have been affected by the years of severe drought.

c. Geographic location

Objective #1: The project was implemented in District 3 and District 7 of Kabul, Afghanistan.

Objective #2: Due to travel restrictions, the team was unable to travel within Afghanistan as originally planned, therefore activities were carried out through meetings and interviews in Islamabad and Peshawar, Pakistan.

III. PROGRAM PERFORMANCE

Objective #1: The project, implemented during the severe cold winter months responded to the desperate need of the vulnerable families. Particular attention was paid to the needs of widows, women with disabled husbands and women-headed household. The assistance was very well received by all participants and appreciated by community leaders and local authorities. The project was integrated as part of and in compliment to other CWS emergency projects, all of which are coordinated with other national and international NGOs in the region.

Beneficiaries were registered with the cooperation of community leaders and local government representatives. A special card was designed and given to the selected families so that they would be able to receive clothing packages from the distribution point at the warehouse of the local participating NGO, Norwegian Project Office/Rural Rehabilitation Association of Afghanistan.

The following materials were distributed among the families:

<u>Items</u>	<u>Unit/Family</u>	<u>Total Items</u>
Small size clothing for children	Two sets	5000 sets
Medium size clothing	Two sets	5000 sets
Large size clothing	Two sets	5000 sets
Shoes	One pair	2500 pairs

During transport, one box of clothing was lost. This did not greatly impact or hinder distribution activities.

Objective #2: Upon return to the United States, the assessment team submitted a report entitled *Strengthening Food Security in Afghanistan* which was submitted to Mr. Andrew Natsios, Administrator, USAID for discussion. The report is attached as Appendix A.

IV. MONITORING

Objective #1: Both quantitative and qualitative aspects of the project were taken into account during monitoring. The quantitative aspect focused on the number of the most deserving families and individuals assisted with warm clothes and shoes, areas covered and achievements. For qualitative aspects of the project the monitoring teams focused on

quality of services delivered and reduction of human suffering from severe cold and making sure that the project is directed towards achievement of its goals and objectives.

Monitoring was carried out by project staff directly involved in the project activities, senior management of CWS, and by local authorities and community leaders. The constant feedback provided by all levels enabled project staff to perform more effectively and efficiently and kept project implementation on track.

Objective #2: Throughout the assessment mission, team members communicated regularly with DART staff and other officials as well as with staff in Washington and New York. Upon return to the U.S., the team submitted the draft report which was reviewed by CWS staff and presented to Mr. Andrew Natsios for review and comment. Financial records were also submitted to and reviewed by CWS staff in Washington DC and New York.

V. COORDINATION

Both objectives of the project were implemented with coordination by other international and national agencies operating in the region. With regards to the distribution of relief items, close communication was kept with representatives of the local authorities and community leaders. The interviews held by the food security assessment team included members of international and national organizations and proved to be an essential component of evaluating the situation in Afghanistan.

VI. EXPENDITURES

Please see attached budget.

VII. BUDGET NOTES

FOOD SECURITY ASSESSMENT

International Staff

Team Leader: The duration of the food security assessment was extended from 35 to 48 days in a no-cost modification submitted in the field and approved by Elisabeth Kvitashvili. The team leader was paid a rate of \$350.00 daily.

Food Security/Monetization Specialist: The Monetization Specialist was paid a daily rate of \$350.00. The duration of the food security assessment was extended from 35 to 48 days in a no-cost modification submitted in the field and approved by Elisabeth Kvitashvili.

Food Security/Logistics Specialist: The Logistics Specialist was paid a daily rate of \$350.00. The duration of the food security assessment was extended from 35 to 48 days in a no-cost modification submitted in the field and approved by Elisabeth Kvitashvili.

Local Staff

Country Director/Facilitator: The Church World Service-Pakistan/Afghanistan Country Director, Marvin Parvez, spent a total of 30 days working with the consultants on the food security assessment. The salary broken into a daily rates equates to \$150/day.

Support Staff: One payment of \$300.00 was made to Naimi Khanaga for administrative support services provided to the food security assessment team.

Travel

International Travel: Includes the cost of one flight from Memphis to Islamabad returning through Karachi (\$2587.79), and two tickets from Washington DC to Islamabad returning through Karachi (\$2509.79 each). This also includes the cost of changing the return date of the tickets upon receiving approval for the no-cost modification from Elisabeth Kvitashvili and one excess baggage charge.

In Country Flights: Due to travel restrictions to and within Afghanistan, no in-country flights were taken. The team resided in Islamabad and Peshawar for the duration of the project.

In Country Ground Travel: One vehicle with driver was hired at a rate of approximately \$33/day (PRs. 2000) for six weeks. Fuel costs for the vehicle total \$106.91.

Per Diem-Pakistan: Each team member spent 44 days in Pakistan (41 in Islamabad and 3 in Peshawar) at the per diem rate of \$187.00. Using that rate, the allowance for 44 days is \$24,684.00. The total expenditure by the team is \$18,206.32.

Per Diem-In Country (Kabul): The team was not granted access to and within Afghanistan, therefore all work was completed from Islamabad and Peshawar.

International Travel per diem: The team spent four nights en route to/from Islamabad. Two nights were spent in Amsterdam, Netherlands and two in Dubai, United Arab Emirates. This expenditure includes hotel, food and transportation to and from the airport for the three team members.

Evacuation Insurance and Visas Fees: Supplemental Accident Coverage was provided by PACT, Inc. at a rate of \$110 per person per month. The total cost per person was \$220, for a total team cost of \$660. The cost of three visas and mail services was \$151.35.

Indirect Costs: At the request of the U.S. Government, the budgeted rate of 10.00% has been increased to the approved NICRA of 12.36%. These costs include administrative fees incurred at CWS in the United States in relation to the administration and execution of this grant. Costs include communication fees including calls to Team leader, Monetization Specialist, Logistics Specialist, USAID and Pakistan. Also included are the

costs of travel for meetings with USAID staff in advance of overseas travel and meetings with USAID staff to discuss the completed report. Personnel fees for those staff persons not directly involved with, but vital to the grant program such as finance staff, are also included.

Contingency: While no additional items were charged to this line item, these funds have been used to cover the costs incurred by the team due to the no-cost modification. This includes the extended consultancy rates and per diem costs.

TRANSPORT AND DISTRIBUTION OF NFI

Personnel

In Country Coordinator: Cost of the CWS staff member working on the overall coordination of the shipment including freight transport and storage issues and coordination with the distributors in Kabul. Due to some delays in port and in distribution, the In-Country Coordinator allotted more time to this shipment/distribution that originally planned.

In Country Logistician: Cost of the CWS staff member working on the logistical issues associated with the shipment. Due to some delays in port and in distribution, the In-Country Logistician allotted more time to this shipment/distribution that originally planned.

Processing

Sorting, Packing and Baling: This consists of the cost of preparing the clothing for shipment including sorting by item, bundling the items together and packing the items in the shipping container and providing documentation for the shipment. The costs were estimated based on a rate of \$0.26/pound, however, CWS was charged at a rate of \$0.24/pound. A total of 29,790 pounds of clothing were shipped.

Transport, Travel, Storage

US Domestic Transport:

Washington Pick-up: Shows the cost of transporting the clothing from Washington DC, where it was collected, to the New Windsor Warehouse facility where it was sorted, packed, baled and prepared for transport.

Transport to Airport: This cost has been included in the charge by the freight forwarder and is included in the International Air Freight expenditure.

International Air Freight: The cost of transporting the airfreight shipment from the New Windsor warehouse to the airport where departing from Baltimore, Maryland and landing in Islamabad, Pakistan.

In Region Transport:

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40ft Container: The cost of transporting the 40-foot container of clothing from the port city of Islamabad, Pakistan to the distribution city of Kabul, Afghanistan. The cost was a lump sum payment.

Storage

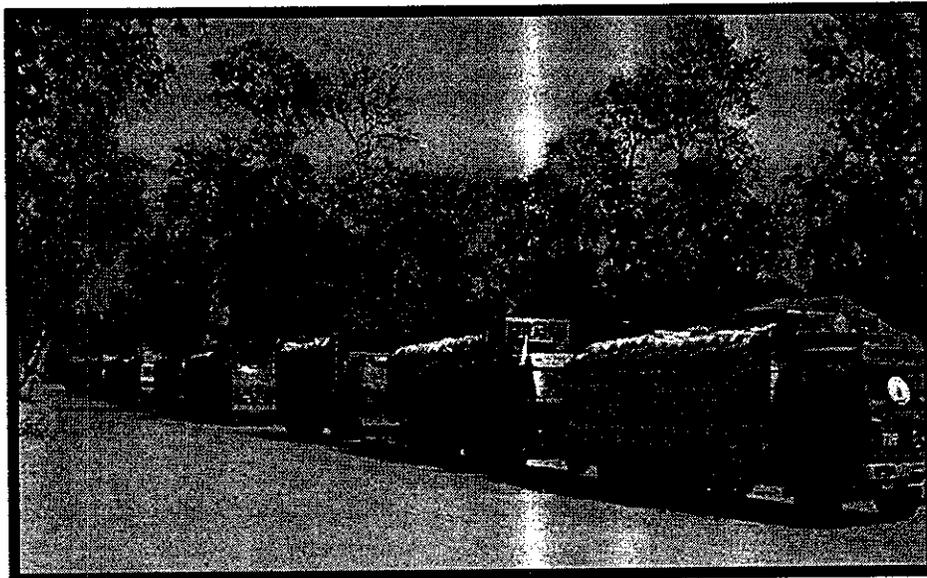
Loading/Unloading: Includes the cost of having workers load and unload the 40-foot container for storage and distribution.

Contingency: Contingency costs were included in the original budget, but not needed during project implementation; therefore no expenditure amount is listed.

Indirect Costs: At the request of the U.S. Government, the budgeted rate of 10.00% has been increased to the approved NICRA of 12.36%. This includes administrative costs incurred by Church World Service in the United States and Pakistan associated with this grant. These costs include communication costs such as calls between New York staff, the New Windsor warehouse, and USAID and Pakistan staff, and personnel fees for those staff persons of Church World Service indirectly associated with the shipment.

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STRENGTHENING FOOD SECURITY IN AFGHANISTAN



AFGHAN CONVOY LOADED WITH PL 480 WHEAT LEAVING PESHAWAR

An assessment of the complex emergency in Afghanistan
with suggestions for rebuilding self-reliant livelihoods

CHURCH WORLD SERVICE

December 2001

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I. FORWARD

The objective of our 6-week mission to Pakistan was to explore possibilities for increasing the access to food by Afghans using United States government (USG) food resources. The Church World Service (CWS) grant document expresses our goals succinctly: "To assess ongoing humanitarian relief efforts for Afghans and to explore a number of relevant issues (production, seed distribution, monetization, storage, food transport, price stabilization and marketing), and be able to make recommendations to the NGO community and others in order to improve the delivery of relief assistance and increase food security for Afghans".

To carry out the assessment, USAID's Office of Foreign Disaster Assistance (OFDA) contracted CWS to assemble a team with technical, regional, and language experience. **Jack Huxtable**, a retired USAID employee of 30 years with food aid background in Pakistan and Peace Corps/Iran experience, served as team leader. **Don Meier** (also ex-Peace Corps/Iran), formerly with AID/REP Afghanistan, the U.N. and various international NGOs, has traveled widely throughout Afghanistan. **Lawrence Barbieri** is a food aid expert who has extensive experience with relief and development programs in Africa and Asia, and has also co-founded an NGO, (www.foodaid.com). **Marvin Parvez**, CWS Country Representative, has managed the humanitarian assistance portfolio for Afghanistan during the past 5 years in addition to his primary duties in Pakistan. **Naimi Khaneqa** is an experienced Afghan (former Project Officer for AID/REP, RONCO, etc.) who retired recently from WFP Kabul.

The team's original scope of work, as envisioned in August 2001, included a 3-week trip inside Afghanistan to monitor and assess USG-funded activities. However, after waiting nearly a month for Taliban visas, watching the detention (and expulsion) of foreign aid workers from Afghanistan, and enduring the after-effects of the WTC bombing, our hopes of mounting the mission faded. In spite of an enforced evacuation of non-essential USG personnel from Islamabad on September 25 the State Department and USAID agreed that the team could still serve a useful function by coming to Pakistan.

Before leaving Washington, DC, on October 5, two members of the team met with the USAID Administrator, Andrew Natsios, who advised us to "think outside the box," carefully analyze ongoing relief activities and consider market interventions. The focus of our mission was clear – explore ways to increase the supply of food to Afghans that would: 1) reduce malnutrition and mortalities due to starvation; 2) minimize population displacements; 3) avoid manipulation of food by the Taliban; and, 4) stabilize the markets. The Administrator even gave us a written list of market interventions that he considered important:

1. Utilize monetization to reduce market prices;
2. Force hoarded food onto markets;
3. Ensure a market supply of food;
4. Take advantage of natural protection mechanisms of Afghan merchants;
5. Reduce the price of food price to reduce its attractiveness to looters;
6. Reduce the number of families receiving free food aid; and
7. Generate local currency for development programs.

During our mission, team members met with a wide spectrum of the international humanitarian community, including representatives of U.N. agencies, U.S. Embassy offices, USAID/DART, multilateral/bilateral donors, international and national NGOs, and Afghan merchants. (See Annex 2, Interviews and Meetings for more details.) Unfortunately, due to security restrictions, we were unable to travel inside Afghanistan, as originally intended, to assess first-hand ongoing relief efforts and food aid delivery mechanisms.

For additional guidance and support, the CWS team was in contact with **Sue Lautze** of The Feinstein International Famine Center at Tufts University in Medford, Massachusetts, who was most helpful. We were guided by her seminal work, “Fundamentals of a Livelihoods Strategy,” in developing our analysis of the complex emergency in Afghanistan.

The team was genuinely impressed by the very significant number of technically qualified, and dedicated professionals working long hours in a collaborative manner to address the crisis in Afghanistan. We appreciate their cooperation in completing this assessment and hope that the recommendations it contains will stimulate discussion that contributes to more effective humanitarian assistance for Afghans.

II. EXECUTIVE SUMMARY

Media reports and pleas for humanitarian assistance to Afghanistan indicated that 5-6 million Afghans were at risk of starvation this winter. Although many people are facing severe malnutrition and micronutrient deficiencies that can precipitate high levels of mortality, it appears that through the dramatic change in the political landscape, the heroic efforts of WFP and NGOs as well as the timely procurement and delivery of food stocks from the surrounding region (e.g. 30,000 MT of wheat from Kazakhstan), the threat of a famine of huge proportions may have been averted for the time being.

The most effective way to describe the complex emergency in Afghanistan is with two words: asset depletion. Many Afghans who have any means are moving. Many others have sold their livestock and eaten their seeds. People don't have money to buy food. On the other hand, Afghan markets and traders are still functioning, even during these insecure times. No one in the myriad of IO/NGO interviews we conducted called for flooding Afghan markets with subsidized food. Instead, almost all were enthused with the possibility of stimulating local economies with various cash input programs. They are confident that once money is in the hands of work program participants, food and other essential commodities will be drawn to the marketplace.

In an emergency, prices and markets are examined to measure the impact of the emergency and to understand the role the market is playing in responding to the emergency. In general, prices in Afghanistan have been stable since February 2001 decreasing overall since April. Furthermore, there were no significant reports of shortages in the markets or the resulting hoarding for profiteering purposes. The decline in wheat prices combined with its availability is counter-intuitive to impressions of a food insecure economy.

In a country of failed institutions, it is remarkable that the markets still function and provide goods to the people at reasonable prices. The strength of the markets may indicate that we are not correctly interpreting the extent of the emergency and that some of the current emergency responses are not based on an actual need, but on a perceived need.

The possibility for monetization in Afghanistan was one of our first considerations, but the evidence strongly suggests that subsidized imports would only displace commercial imports without any resulting increase in supply. No benefit to the consumer would occur with market sales because this would not increase their ability to buy more food.

Conventional food delivery mechanisms by WFP and its NGO implementing partners are functioning well, despite operating under difficult and sometimes dangerous circumstances. Their food delivery capacity has increased from a monthly level of around 30,000 MT to an estimated 52,000 MT in November 2001. With the recent liberation of large portions of the country in the North and Central Highlands from the Taliban, there is a greater likelihood of being able to reach more Afghans in this region, who were among the most severely drought-impacted and famine-stricken vulnerable people. This very vulnerable group is most likely to need continued assistance. These people have few job skills to position them to benefit from the now expected improvements in the economy and less access to remittances, therefore, they will require a longer recovery time from the loss of their assets.

Internal migration to the IDP camps is the coping mechanism of last resort. The hesitation in providing assistance by the donor community may be resulting in a higher incidence of severe malnutrition and actual starvation in this group. Internally stuck people (ISP) are even more desperate since they lack the resources to move to an area where food may be available.

The lack of reliable information on food security has been a significant constraint on the response to the Afghanistan emergency. To overcome this limitation, WFP/Afghanistan established the Vulnerability Analysis and Mapping (VAM) Unit, which has achieved some remarkable results in determining levels of need in rural areas and in prioritizing the delivery of food aid. However, it should be recognized that the VAM report is only a tool, which needs to be continuously supplemented by information from the field.

The dearth of nutritional surveys and the corresponding baseline nutritional studies in Afghanistan emphasized the need to develop an effective nutritional monitoring system by UNICEF and the NGOs in order to measure and document the impact of food interventions. The Save the Children/United States (SC/US) nutritional survey report has been widely used to gain a better understanding of the nature of this famine. The report repeatedly stressed the need for supplementary commodities, such as wheat soya blend (WSB) since it identified a severe drop in access to complementary foods by the local community and a resulting increase in diseases caused by nutrient deficiencies, e.g. scurvy.

Throughout the assessment one of the most consistent comments has been that the Afghan people simply don't have the purchasing power to obtain their daily necessities as a result of universal asset depletion. Most of their personal belongings have been liquidated due to the worst drought in recorded history, conflict avoidance (internal and external migration) or a nearly complete lack of any other sources of income.

There has been an enthusiastic response among the NGO community in support of cash-for-work (CFW) projects. This mechanism has the advantage of being easier to implement in the sense that money transfers are much less cumbersome than commodity deliveries to satisfy payments for public works projects. Furthermore, it could have a 'ripple effect' in terms of providing a rapid response to stimulate the local economies. There are numerous examples of its effectiveness, both in the emergency literature and in local project activities. Consideration should be given to CFW activities in former poppy-growing areas in order to provide alternative narcotic production.

Food aid resources from the United States, such as PL 480 Title II commodities, can assist in providing food security to Afghanistan and support Pakistan in its role as major supplier of food to Afghanistan. The use of third-country monetization in Pakistan could be an important part of the response to the food needs of Afghanistan since the proceeds could be used to support cash infusion projects in Afghanistan. Some of the more desirable commodities that could be readily monetized through commercial channels are chickpeas, split peas and lentils. It is expected that at least US\$20 million could be generated in this manner. In order to acquire quick access to hard currency, a loan bridging mechanism with the World Bank or OPIC or might be used to jump start the program.

III. INTRODUCTION/BACKGROUND

The purpose of this assessment was not to evaluate the performance of ongoing relief delivery systems in Afghanistan. Indeed, we were impressed by the quality of dedicated professional staff and the quantity of humanitarian assistance rendered in spite of the difficult operating situation. Instead our aim was to examine the complex emergency and discover, if possible, any additional initiatives that might help increase access to food and build Afghan capacity in the process.

The scope of the tragedy in Afghanistan is well documented in a wide variety of reports and only a summary is provided here. The complex emergency is the result of almost four years of intense drought, 23 years of armed conflict, the collapse of state institutions, and the uprooting of millions of Afghans. A quick glance at population at risk data being used by the Office of the United Nations Coordinator for Afghanistan (UNOCHA)¹ indicates the magnitude of the crisis.

<i>Total population</i>	<i>25 million</i>
<i>Population at risk</i>	<i>5.5 to 6 million</i>
<i>IDPs</i>	<i>900,000</i>
<i>Urban population</i>	<i>1 million</i>
<i>Rural population</i>	<i>4 million +</i>
<i>Cereal deficit 2000/1</i>	<i>2.3 million MT</i>

According to UN estimates there are currently believed to be almost 6 million people at risk or approximately 25% of the total population. They say one million are displaced and thousands more are referred to as “internally stuck people”, i.e. those too poor or unable to move. Resource pledges to deal with the roots of terrorism and specifically this disaster are mounting. Since the U.S. pledge of \$320 million in October the availability of resources for humanitarian relief (mainly food) has obviously improved. USAID’s Central Asia Fact Sheet² issued on November 13, notes that total humanitarian assistance programmed by the USG for FY 2002 is \$178,607,625. The overall assessment of the food pipeline for Afghans is positive. WFP is currently delivering food at the rate of 4,000 MT per week. Pledges of cooperation from the Central Asian States of Turkmenistan, Uzbekistan, and Tajikistan will help with both logistics and the supply of food. In October 30,000 MT of wheat from Kazakhstan was purchased with U.S. funding.

In addition to the increase in donor resources, the NGO response is impressive. Many have had to relocate in Islamabad temporarily because of poor security, but most, if not all of the major players, are optimistic that recent gains by the Northern Alliance will improve the chances for peace and stability in Afghanistan. In our round of visits, the team found an overwhelming desire by these organizations to continue with the work of helping Afghans rebuild their homeland. The purpose here is to examine existing food aid options and make recommendations that build their food security and their capacity for self-reliance in the future.

¹ UNOCHA, August 2001, The Deepening Crisis in Afghanistan, (pg 1)

² OFDA, November 2001, Central Asia Region Complex Emergency Fact Sheet #24, (pg 1)

IV. THE COMPLEX EMERGENCY

The team began this assignment by reviewing "Famine, Conflict and Response" by Fred Cuny and "Saving Lives and Livelihoods" by Sue Lautze. An attempt was made to keep Sue Lautze's first principle in mind throughout our mission, "Complex emergencies require strategic assessment, analysis and interventions."³ Her analytical framework emphasizes the importance of: 1) rigorous assessment; 2) aggressive capacity building; 3) appropriate market support; 4) protecting essential assets; 5) easing vulnerable's burdens; 6) timely interventions; 7) limiting harmful population displacement; and, 8) establishing sustainable systems. This purpose of this section is to provide a rigorous assessment of the crisis from information in the existing reports and from what others have told us. As we looked at the available information we noted many contradictions and tried to reconcile them. The lack of reliable data on nutrition, prices and agriculture production was a constraint in the assessment.

A. THE ECONOMIC AND SOCIAL LANDSCAPE

Afghanistan's economy has all but collapsed. The important economic institutions of the country – central bank, treasury, tax collection and customs, statistics, civil service, law and order, judicial system – are either extremely weak or nonexistent. Access to education and its quality is poor at all levels. The primary gross enrolment rate is estimated by the World Bank to be 39% for boys and 3% for girls. The picture is even more desperate regarding secondary and higher education crucial to producing future skilled professionals. The situation in health is equally grim. UN and NGO agencies estimate infant mortality to be one of the highest in the world at around 165 per 1,000 live births. 257 of every 1,000 live births will die before they reach the age of 5. Life expectancy at birth is estimated at around 41 years. Because of the continuing brain drain and lack of higher education facilities, Afghanistan's number of health professionals has greatly decreased. The largest disabled population in the world lives there and, according to a recent study funded by the World Bank, as many as 500 persons per month become the victims of mine accidents and unexploded ordnance.

With its difficult topographical and climatic conditions, Afghanistan has a low population density. Its pre-war economy was mainly based on agriculture and animal husbandry. During its last year of peace in 1978, Afghanistan was largely self sufficient in food and even rated as a net exporter of agricultural products.

³ Lautze, Sue, 1997, Saving Lives and Livelihoods, (Executive Summary)

B. THE AFGHAN EMERGENCY: NEW OR CHRONIC?

In the best of times - without drought, war or political turmoil - Afghanistan is one of the poorest countries in the world. Some indicators of need that are now being identified as indicative of an emergency level are not new, but are reflective of chronic conditions which have been reported for years. When preparing an emergency response, an understanding of what is new or what is chronic is important. Interpreting an indicator such as mortality rates as a sign of a food emergency can result in a emergency response which is not appropriate and weakens coping systems. When initially observing high mortality rates, the first questions should be: Are the rates increasing and, if so, by how much? Is the increase a seasonal issue or is it a new event.

For example, in Mali or Niger during the month of April, one could visit almost any village and find evidence of increasing food shortages and reduced calorie consumption. Nutritional surveys would show an increase in child malnutrition. The indicators could be seen as signs of an impending famine. However, if the information were compared with previous years, it would be found that this is a seasonal occurrence and not a sign of an impending famine. In a couple of months, food would begin to be harvested and life would return to normal. An inappropriate emergency response could have flooded the market with food at the wrong time, food for work (FFW) activities could have diverted labor required for harvesting of crops, and even normal migration to earn cash could be disrupted leaving the village without the new resources it needs.

One problem in Afghanistan is that there is very little information on seasonal trends resulting in an inability to evaluate the impact of 23 years of conflict and instability. However, we do have some baseline data on Afghanistan that does help us understand the immense needs in this country.

Afghanistan has coped for more than three years with a serious drought despite limited international assistance. Food aid last year was one third of what is now being programmed, perhaps as a result of donor fatigue with the previous intransigent regime. During the last few years, the government infrastructure virtually collapsed, leaving the Afghans to overcome a food deficit that was even greater last year. Obviously, many resourceful villagers have developed some sophisticated coping mechanisms of which we are not fully aware.

The Health Situation

The basic health demographics of Afghanistan are appalling by international standards. The following chart shows some startling figures, such as a life expectancy in 1995 of 46 years for males and 44.7 years for females. With the exception of some African countries caught in vicious civil wars with high civilian casualties, such as Liberia or Sierra Leone, or countries suffering from the HIV/AIDS crisis, this life expectancy rate is unique and cannot be traced to one particular cause, except maybe severe poverty. The per capita calorie consumption of only 1,523 calories in 1992 is extraordinary and indicates severe food shortages. To put this into perspective, the VAM report recommends a minimum per capita food need of 2,100 calories per person per day. The highest rate of 2,053 calories reported in 1984 is just below that minimum

level. If the calorie consumption figure of 1992 were used as the criteria for the VAM report⁴, the number of vulnerable individuals would be reduced in half.

The 1981 figures of an infant mortality rate of 204 per thousand alone would be justification today for declaring an emergency. The reduction of the rate to 152.8 per thousand in 1995 is not only remarkable given the history of Afghanistan, but also occurred as per capita calorie consumption declined by over 10 percent. How this rate was reduced is unclear and does make the numbers somewhat questionable.

In the same chart below, we compare the information over the same periods from Afghanistan with that from Ethiopia. Ethiopia has higher per capita caloric intake and a much-reduced infant mortality rate for the years compared. In the early 80s, years in which one of the worst famines in Ethiopian history occurred, the infant mortality rate was comparable to the best rate in Afghanistan over the past 20 years.

Comparison of basic health statistics, Afghanistan (Afg) and Ethiopia (Eth)

	1981		1984		1987		1995	
	Afg	Eth	Afg	Eth	Afg	Eth	Afg	Eth
Birth Rate Per 1000	47	49.7 (a)	49.6 (2)	49.7 (a)	47.5	43.7 (d)	42.7	48.5 (e)
Death Rate Per 1000	25.6	23.1 (a)	27.3 (2)	23.1 (a)	22.5	23.6 (d)	18.5	18 (e)
Life Expectancy at Birth:								
Male	36.4 yrs.	39.4 (a)	37.2 yrs.	39.4 (a)	40.6 yrs.	39.4 (d)	46 yrs.	45.9 (e)
Female	38.5 yrs.	42.6 (a)	37.5 yrs.	42.6 (a)	41.7 yrs.	42.6 (d)	44.7 yrs.	49.1 (e)
Infant Mortality per 1000	204.8	150 (a)	194 (2)	150 (a)	175	154 (d)	152.8	119 (e)
Daily Caloric Intake	1,833 (1)	1,729 (b)	2,055 (3)	2,149 (c)	NA	NA	1,523 (4)	1,610 (f)

- (1) Data from 1978-80 a Avg. 1980-1985
 (2) Avg. 1980-1985 b Avg. 1978-80
 (3) Data from 1979-81 c Avg. 1979-1981
 (4) 1992 d Avg. 1985-1990
 e Avg. 1990-1995
 f 1992

Source: Britannica Book of the Year series, 1985 through 1991 and 1996

These are not just statements of fact they are indicators of problems in which we have no understanding. How do Afghans survive with so little food? Why do Afghan women have shorter life expectancies than the men? An emergency response that ignores these questions may aggravate the situation as easily as mitigating it.

⁴ WFP Afghanistan, October 2001, Vulnerability Analysis and Mapping Unit Survey Report

If we compare the Afghan statistics with its neighbor Pakistan, the differences are still striking.

Health and Demography

	1981		1984		1985		1987		1995	
	Pak	Afg	Pak	Afg	Pak	Afg	Pak	Afg	Pak	Afg
Birth Rate Per 1000	NA	47	42.2	49.6 (2)	41.7	NA	41.9	47.5	39	42.7
Death Rate Per 1000	NA	25.6	14.9	27.3 (2)	12.6	NA	14.7	22.5	9	18.5
Life Expectancy at Birth:										
Male	NA	36.4 yrs.	51.6	37.2 yrs.	52	NA	53.7	40.6 yrs.	62	46 yrs.
Female	NA	38.5 yrs.	49.7	37.5 yrs.	50.2	NA	51.9	41.7 yrs.	64	44.7 yrs.
Infant Mortality per 1000	NA	204.8	116	194 (2)	115	189	120	175	83	152.8
Daily Caloric Intake	NA	1,833 (1)	2,232 (1)	2,055 (3)	2,186 (2)	NA	NA	NA	NA	1,523 (4)

1 Avg. 1980-1982

2 Avg. 1983-1985

(1) Data from 1978-80

(2) Avg. 1980-1985

(3) Data from 1979-81

(4) 1992

Source: Britannica Book of the Year series, 1985 through 1991 and 1996

Although many reports are correct in quoting the statistics on Afghanistan as signs of a serious emergency, this condition is not new, but has been present for decades. Therefore, any response must be based on this conclusion.

C. THE CEREAL BALANCE: HOW MUCH FOOD DOES AFGHANISTAN NEED?

“Afghanistan needs two million metric tons (MT) of food this year.” “The international community must supply two million MT or thousands may starve.” We have all heard the requests for food assistance from donors and relief agencies. What do these numbers mean? What is the real need? What amount of food aid is appropriate? In this section, the food information provided by FAO/WFP is examined to clarify what is the deficit and what role the Afghan markets play. Understanding this will help donors make the necessary decisions on how much food aid should be sent and in what form.

Food supply is determined by adding local production and imports (either commercial or food aid imports). Deducted from this is the amount that is required for consumption, seed stocks, natural losses and animal feed. If the resulting number is negative, it is referred to as the uncovered deficit. This is deficit that must be filled, which in Afghanistan, the FAO/WFP has estimated is approximately one million MT.

The FAO/WFP used the above figures to justify increased emergency food aid with the warning: “Given the scale and magnitude of the food crisis facing Afghanistan, the Mission urges the most urgent international response to cover this large gap to avert an imminent catastrophe.”⁵ “Up until the next harvest, emergency food aid is required to: prevent the development of widespread famine and save lives; prevent further deterioration of the health and nutritional status of the most affected groups in the most affected areas; and stem the increasing flow of mass migration to urban areas and the neighboring countries.”⁶

We agree that food is needed but we question that the only way to fill the gap is through the use of emergency food aid. We believe based on the information provided by FAO/WFP that a significant part of the food deficit can be reduced by increasing the purchasing power of the vulnerable Afghans and allowing the market to bring them the food. This will reduce demand on the international community to move food into Afghanistan and will help increase the capacity of the commercial sector in Afghanistan.

The following chart summarizes the cereal situation of Afghanistan over the past four agricultural years. The picture, while grim, does show signs of hope and is surprising given the talk of the new emergency. Afghanistan has had substantial deficits for the past three years. For example in 2000/01 the uncovered need was as great as reported this year. The UN provided only 225 thousand tons of food aid yet the people of Afghanistan survived without significant reports of famine deaths. It is only after looking through the FAO reports of the past four years that can one understand how significant the coping mechanisms are, and the need to take them into consideration in our food aid response.

⁵ FAO/WFP, June 2001, Special Report 315 Crop and Food Supply Assessment Mission to Afghanistan, (pg 2)

⁶ *ibid.*, (pg 22)

Year	(000 MT) Local * Production	(000 MT) Consumption needs	Difference between production and consumption	Projected imports and Food aid	Uncovered Deficit
2001/02	1967	4145	2178	1146	1032
2000/01	1763	4084	2321	1274	1047
1999/00	3236	4363	1127	901	226
1998/99	3894	4634	740	740	0

* 1998/99 figures includes
190 thousand ton carry-over from previous year

Source: FAO/WFP Special Alerts/Reports for Afghanistan issued on July 1998, July 1999, June 2000 and June 2001

Background

FAO/WFP conducted an annual assessment of the cereal balance for Afghanistan and issued "Crop and Food Supply Assessment Mission to Afghanistan," dated 8 June 2001. The report showed an uncovered deficit of 1,032 MT of cereals for the 2001/02 agricultural marketing year (July-June). According to calculations used in the report, this was the food requirement for 6,450,000 individuals for one year.

Domestic Availability

Local grain production is a calculated guess. In the 2001/02 agricultural year local production is estimated at 1.967 million MT, which is an increase of almost 200 thousand MT over the amount produced in the previous year.

In the last normal year of 1998/99, production was estimated at 3.7 million MT. However, in a normal year, some grain would be exported, more would be used for feed than in shortage years and losses/seed use would also be higher. To highlight the difference in a drought year, the non-food uses of food are half of that in a normal year. Therefore, while the production is expected to be much lower in 2001/02, the food gap is not as wide as it would be if normal non-food uses occurred.

Commercial Import Capacity

The FAO/WFP report estimates the commercial import capacity of 760 thousand MT for the 2001/02 agricultural marketing year. The difference between last year's imports of 1,049 thousand MT and this year's estimated imports is almost 300 thousand MT. It states that the capacity is reduced due to less purchasing power with an important factor being loss of poppy income. But the infrastructure and ability to import is there. The 2001/02 report did add that the estimated imports for the previous year is probably very low. Since more grain was imported during the period, the import capacity of the private sector is even greater.

A concern cited by the report on the import side is the continuing availability of commodities in the region. The report also mentioned a supply constraint in Pakistan, which is the main source

of wheat imports into Afghanistan and has a significantly lower wheat harvest this year compared to last. In addition, the other countries neighboring Afghanistan, including the Islamic Republic of Iran and CIS countries, such as Kazakhstan and Tajikistan, face cereal shortages in the 2001/02 marketing year. Neither statement is correct now since Pakistan plans exports of at least 300,000 MT of wheat. Pakistan's liberalized trade in grains freely allows commercial imports and exports. Kazakhstan has a surplus of 4,000,000 MT as reported by the FAO and is looking for buyers. Therefore, fears of a supply problem from surrounding countries are unfounded since the private sector could find grain to export to Afghanistan.

Recently, Abdur Rashid, head of FAO's Global Information and Early Warning System on Food and Agriculture, made the following statement, "We estimated that 2.2 million tonnes of cereals would have to be imported into the country this year just to meet basic needs. We assumed that one third of this would be met through commercial imports. But in the current situation, commercial imports of food and agricultural inputs are unlikely. This means that the bulk of the shortfall will need to be met by the international donor community." Given the reports of stability in the markets and the lack of any firm information of disruption, there is no data to support this assumption. Since it costs at least US\$300 a ton to bring food aid wheat to Afghanistan, one might consider wheat purchased locally at US\$200 per MT to be a bargain.

Food Aid Planned By WFP

The FAO/WFP 2001/02 report states that expected food aid was 386,000 MT. This may have been true in June, but now in October, an estimate of 600,000 MT would more accurately reflect the expected food aid. Even if this increase were reduced because of timing, an estimate of 500,000 MT of food aid during 2001/02 would be reasonable. Therefore, the uncovered deficit could be reduced by a further 100 thousand MT. This, combined with increased commercial imports of 300 thousand MT, could reduce much of the deficit.

Per Capita Consumption

The food requirement for Afghans calculated by FAO/WFP is based on a per capita consumption of 162 kilos per person per year. The VAM report uses an estimate of 183 kilos. In Pakistan actual consumption is 157 kilos. These differences in estimating consumption can dramatically affect the uncovered balance. The difference between using 157 and 162 kilos is an amount equal to one fifth of the expected food aid this year.

D. PRICES AND MARKETS

In an emergency, prices and markets can be examined to measure the impact of the emergency and to understand the role the market is playing in responding to the emergency. As Peter Cutler pointed out, the model of a famine includes “hoarding by producers, traders, consumers and rising prices of grain in local markets.”⁷ Therefore, by looking at the markets in times of famine, we expect to find evidence that they are failing, prices are on the rise and food is in short supply.

Using markets to maximum advantage in developing an emergency response is a fundamental principle in developing a livelihood strategy. In order to do this successfully, one must monitor and understand how they are operating. Interventions using food aid must be made with knowledge of the condition of the market. In order to promote long-term sustainability, the donors’ response to the food needs of Afghanistan must strengthen the market and build capacity as part of the overall reconstruction effort.

Prices of basic food commodities have long been a key indicator in assessing the extent of food shortages caused by emergencies. Market activity is also an indicator of the severity of an emergency. In general, prices in Afghanistan have been stable since February 2001, decreasing overall since April. Furthermore, there were no significant reports of shortages in the markets or the resulting hoarding for profiteering purposes. Although some of this decrease in prices was tied to a very surprising strengthening of the Afghan currency, the availability of grain in the market and the lack of reported shortages point to more factors than just currency speculation.

While evidence does reflect a lack of purchasing power as limiting access, it does not explain the health of the marketplace. In a country of failed institutions, it is remarkable that the markets still function and provide goods to the people at reasonable price. The strength of the markets may indicate that we are not correctly interpreting the extent of the emergency and that some of the emergency responses are not based on an actual need, but on a perceived need.

Issues on an accurate review of prices and markets were:

- ◆ The amount of data was limited;
- ◆ Consistent long-term data did not exist upon which serious comparison could be made;
- ◆ Since 1992, the government of Afghanistan has not issued any official trade statistics;
- ◆ Total trade was estimated in 2000 to be US\$2.5 billion, the same size as the last estimate in 1997, even though it could vary by hundreds of millions of dollars;
- ◆ Information on trade levels varies from report to report and is often contradictory; and
- ◆ Because of the inability to visit markets, much information is second hand.

⁷ ODA, September 1985, The Use of Economic and Social Information in Famine Prediction and Response

Price Trends

The following chart shows the prices of wheat in June and September for the years 1999, 2000 and 2001 for the cities of Kabul, Kandahar, Herat and Mazar. ⁸

Price Comparison Chart, price per kg. wheat, Major Cities Afghanistan (WFP Afghanistan, Food Price Analysis in Afghanistan)

	June 99		Oct 99		June 00		Oct 00		June 01		Oct 01	
	AFS	US\$	AFS	US\$	AFS	US\$	AFS	US\$	AFS	US\$	AFS	US\$
Kabul	8,571	0.2	9,643	0.2	14,937	0.2	13,336	0.2	10,250	0.145	8,743	0.21
Kandahar	8,580	0.2	10,138	0.2	13,260	0.2	10,817	0.2	10,125	0.142	9000*	0.12 (*1)
Jalalabad	9,266	0.2	9,654	0.2	13,176	0.2	10,950	0.2	9,299	0.129	6,280	0.16
Herat	7,875	0.2	7,625	0.2	11,775	0.2	10,011	0.2	10,250	0.144	9,000	0.0 (*2)
Mazar	14,107	0.2	14,106	0.2	33,200	0.3	27,625	0.2	25,250	0.174	24,286	0.24
Faizabad	23,571	0.3	20,536	0.3	35,000	0.3	42,143	0.3	50,000	0.369	32,318	0.40

*1 - figures from August 2001, latest figures available.

*2 - no figure included in WFP report

Exchange rates in 2001 are reported to 2 decimal points instead of 1 decimal point by WFP

This chart shows the traditional price increases, as one would expect last year. However, in 2001 it shows a decline in prices in all locations with the exception of Faizabad where in June of 2001 prices were higher than a year ago. The market price in Faizabad in October of 2001 was 25% lower than the preceding year. In some places prices were below 1999 prices in 2001.

SC/US provided price information from Andkhai, a market town approximately 150 miles west of Mazar-e-Sharif. This chart shows a similar trend. The price is for seven kilos (or *seer*, a common unit of measurement in Afghanistan) of wheat and is adjusted for inflation, although the information did not provide an exchange rate for the area. While no direct comparison can be made, the information does appear to confirm the WFP data.

Summary of prices changes for key commodities

	1999	2000	2001	2001	2001
	April	April	Jan.	April	June
Wheat per 7 kg (000 afghanis)	1.29	2.25	1.89	1.78	1.78

Source: Table 25, "Livelihoods under Stress in Faryab Province, Northern Afghanistan, Opportunities for Support", (pg 54)

A report to Save the Children (USA). Author - Adam Pain- October 2001

Adam Pain continues in his report to SC/US with the following statement: "Since the first data in April 1998 and June 2001 the currency has devalued by about 53% and between April 2000 and June 2001 by about 12%. The price of wheat grain (per 7 kg) appears from the data to have declined by about 27% over the 3-year period (1998 to 2001) while the cost of brought-in fuel

⁸ WFP Afghanistan, 1999-2001 Food Price Analysis in Afghanistan

has increased by 58%. Such a decline in wheat prices, coupled with its availability does raise a major question in relation to demand for and access to grain – is this evidence of purchasing power – or supply exceeding demand? We do not know the answer, but the evidence is counter-intuitive to impressions of a food insecure economy”.⁹

The prices appear to confirm availability of adequate wheat supplies in major markets. These prices were stable in most markets from February to April 2001, when they began to decline. They are reflective of the normal price cycle for grain in Afghan markets and would suggest that hoarding or dumping of inventory is probably not occurring. Using this price data, one would have to question the existence of any supply problem in the major markets. This does not mean that severe shortages do not exist in rural areas or that given the poverty of the rural farmers, food is still unaffordable even at these relatively reasonable prices.

One concern raised prior to our assessment was increasing prices because of the post September 11 security situation. Mercy Corps International (MCI) provided some market data for Kandahar that showed the same trend of decreasing prices despite the high level of insecurity. During the visit, the CWS team did not receive any verifiable reports from Afghanistan of increasing prices or market shortages as of mid-November 2001.

Mercy Corps International (MCI) Market Data for Kandahar Province (Retail Prices)

Location		Kandahar	Kandahar	Kandahar	Kandahar
Date		8-Sep-01	5-Oct-01	6-Oct-01	16-Oct-01
		Price (Afs)	Price (Afs)	Price (Afs)	Price (Afs)
Commodity	Quantity				
Wheat grain	Kg	10,000	8,300	7,200	7,040
Wheat flour	Kg	11,500	7,500	6,500	7,500



Weighing wheat in grain market photo by Don Meier

⁹ Adam Pain, October 2001, Save the Children US "Livelihoods under Stress in Faryab Province, Northern Afghanistan, Opportunities for Support", (pg 53)

E. NUTRITIONAL STATUS AND THE PRESENT EMERGENCY

The nutritional status of children under five, other children, as well as pregnant and lactating mothers is of great importance in determining the level of need and measuring the impact of an emergency response. Malnutrition only begins to be seen in significant numbers long after food supplies have been depleted, and is therefore referred to as a trailing indicator. Nutritional surveys are a useful tool in measuring the extent of an emergency.

The lack of nutritional surveys in Afghanistan and the corresponding baseline nutritional studies indicated a need to develop some nutritional monitoring system by UNICEF and the NGOs in order to measure the impact of food interventions.

The SC/US nutritional survey report¹⁰ was prepared by a team led by Fitsum Assefa. It was referred to in the OFDA/PRM humanitarian assessment mission report from April 2001 and was the basis for much of the nutritional assessment in that report. The SC/US report was also instrumental in the consideration of the provision of cash inputs as opposed to supplying food. Given the overall scarcity of reliable data, the report is a valuable source of information despite its limited scale. Although it only covers a limited area, it is documented by the WFP VAM Unit as being one of the most vulnerable locations and as illustrative of isolated highland regions.

The UNICEF nutritionists, while resistant to using the SC/US report as a snapshot of the entire country, did agree that the report's findings were similar to their informal surveys in other parts of the country. A report by FOCUS also indicated similar levels of malnutrition in settled populations and higher levels among IDPs. Like the SC/US report, malnutrition appeared to be tied to environmental factors as much as a shortage of food.¹¹

The reports did offer some pertinent observations and recommendations:

- ◆ “The strong relationship found between acute malnutrition and recent morbidity, and the significant level of acute malnutrition in the younger age groups, suggest that the main underlying causes for the current acute malnutrition in the sample children are diseases, poor and unhygienic weaning practices, and the lack of energy/nutrient-dense weaning foods.”¹²
- ◆ “There appears to be a higher prevalence of global malnutrition in the IDPs accommodated in buildings, such as in Pohanton and Honragah, compared with those living in tents with more space, as in Char Shanbe Tipa. In the majority of the camps closer to the city of Pul-e-Khumri, there was a higher prevalence of global malnutrition.”¹³

¹⁰ Save the Children (US) Pakistan/Afghanistan Field Office, April 2001, Nutritional Survey Report, Kohistan District, Faryab Province, Northern Afghanistan, (pg 2)

¹¹ FOCUS, July 2001, Results of the baseline nutrition survey, Baghlan Province

¹² Save the Children (US) Pakistan/Afghanistan Field Office, April 2001, Nutritional Survey Report, Kohistan District, Faryab Province, Northern Afghanistan, (pg 1)

¹³ FOCUS, July 2001, Results of the baseline nutrition survey, Baghlan Province, (pg 9)

- ◆ “50.7% of the households reported that they brought food using cash, 23.9% said they had obtained the food using a loan with interest, 14% said they had used an interest-free loan, 6.7% said it was a gift from relatives, 8.3% said they begged and 7.7% indicated they exchanged labor for it. Only 0.3% cited assistance from WFP (received in other districts)”¹⁴

The SC/US report did note that the grain stocks from previous years appeared to have made a “significant contribution in mitigating the impact of the drought, at least in the first two years.”¹⁵ But they also added, “However, with the lack of an in-depth understanding of the livelihood systems before the drought, it is difficult to accurately determine the contribution of carry-over stocks from earlier years.”¹⁶ In effect, the report indicated that people were buying food, but the source of the food was unknown.

The finding that the main underlying causes for acute malnutrition was disease, weaning practices and weaning food are very surprising given that the WFP response of providing one ration implies a completely different picture. In the past, a justification for the one commodity ration was that calories were the most essential requirement to avoid a nutritional crisis. Hence, because of logistical constraints, it would be best to supply the calories before anything else. In the SC/US target area, the one ration approach would increase the amount of food, but would not reduce the high mortality.

The SC/US report repeatedly stressed the need for supplementary commodities since it identified a severe drop in access to complementary foods by the local community and a resulting increase in nutritionally deficient diseases, such as scurvy. One of their recommendations was:

“The provision of complementary food items such as pulses, oil and other blended/fortified cereals should be considered as part of the food aid. The basis for the size of the current rations and the provision of only wheat may need to be revised.”¹⁷ The report also stressed the need for dosages of vitamin C.

UNICEF has already considered the issue of the providing of blended cereals for supplementary feeding. They saw a strong need for commodities, such as wheat soya blend or corn soya blend. They were proposing the purchase of Unimix (a weaning food) from Kenya or Europe since they were not convinced that Pakistan could produce the required quality blended cereal. However, Pakistan possesses a highly sophisticated processing industry that is entirely capable of producing a high quality product. The savings on transport costs alone could possibly allow for double the tonnage at the same price.

¹⁴ Save the Children (US) Pakistan/Afghanistan Field Office, April 2001, Nutritional Survey Report, Kohistan District, Faryab Province, Northern Afghanistan, (pg 2)

¹⁵ *ibid.*, (pg 24)

¹⁶ *ibid.*, (pg 25)

¹⁷ *ibid.*, (pg 27)

V. PROPOSED INTERVENTIONS

A. MONETIZATION POSSIBILITIES

Food aid resources from the United States, such as PL 480 Title II commodities, can assist in providing food security to Afghanistan and support Pakistan in its role as major supplier of food to Afghanistan. The use of monetization could be an important part of the response to the food needs of Afghanistan. An American Private Voluntary Organization (PVO)/NGO, acting as a cooperative sponsor, could manage sales of the commodities and the use of the proceeds. The proceeds from the sale of US PL 480 Title II commodities in Pakistan could support food security initiatives in Afghanistan and also assist Pakistan in its role as major supplier of food to Afghanistan. This source of hard currency could be used in a variety of programs to increase the purchasing power of Afghans as well as enable their private sector to import much-needed cereals and other foodstuffs. Pakistan would benefit significantly by being able to buy high-quality commodities, partly in local currency, at competitive prices. This procedure, referred to as third-country monetization, is allowable under Title II regulations.

As discussed previously in this report, Afghanistan has substantial import requirements for cereals. In the past most of this import requirement has been met through the commercial sector. In 2000/01 Afghanistan imported over a million MT of wheat commercially. In 2001/02 WFP/FAO reduced its estimate of commercial imports by 300 thousand MT because of the lack of money in Afghanistan to import food. Representatives from a variety of organizations, both donors and NGOs (international and national), presented compelling evidence that Afghans lack purchasing power. Many of them are convinced that Afghans would respond positively to Cash-for-Work projects. Cash intervention programs could conceivably increase the purchasing power of Afghans to the extent that a considerable portion of the food deficit could be reduced through the private sector without the direct intervention of donor countries, WFP or the NGOs.

The major source of the food purchased by Afghans would be from Pakistan, as it has been in the past several years. Because of liberalized trade policies, millions of dollars of wheat, pulses, edible oil and other food products continue to be exported from Pakistan to Afghanistan. International relief efforts in Afghanistan draw upon supplies in Pakistan as well. WFP has recently announced plans to use at least 300,000 MT of Pakistani wheat for its feeding programs in Afghanistan.

Pakistan Food Imports

In addition to acting as a supplier to Afghanistan, Pakistan is required to import much of its own food needs. From pulses to edible oils, Pakistan expends much-needed foreign exchange on food imports. The US Agricultural Office in Pakistan reports, "Domestic oilseed production accounts for about 25 percent of Pakistan total edible oil needs. As a result, Pakistan spends more than \$1 billion annually in scarce foreign exchange to import edible oils, while its oilseed processing industry operates at less than 50% of capacity due to an inadequate supply of oilseeds."¹⁸ Other commodities such as pulses, sugar and even wheat are imported on a regular basis. Therefore,

¹⁸ US Agricultural Office, US Embassy/Islamabad, Pakistan, August 2001, Pakistan Agricultural Situation Report

monetization in Pakistan would help the country satisfy its import needs and allow it to continue to function as a major supplier to Afghanistan at reasonable cost.

The possibility for monetization in Afghanistan was an initial consideration, but the evidence strongly suggests that subsidized imports would only displace commercial imports without any resulting increase in supply. No benefit to the consumer would occur with market sales because this would not increase their ability to buy more food. In addition, it would be difficult to predict the unintended effects of monetized sales on the commercial market that still operates despite years of turmoil. It is evident that the commercial market works in Afghanistan, but such issues as credit, capitalization of traders and inventory control and management remain vague. Furthermore, any proposal to monetize in Afghanistan would require an analysis of its impact on commercial trade, which would be more guesswork than science.

Monetization in Pakistan

From a review of available import information, significant food needs in Pakistan were identified that could be satisfied by monetization. Given the sophistication of the Pakistan import market, serious consideration should be given to how the monetization can occur.

Commodity Selection

Commodities such as chickpeas, split peas and lentils, edible oils, soybeans and even wheat are possibilities. Pulses, edible oils and soybeans are imported on a regular basis, which constitutes a drain on precious foreign exchange reserves. Wheat is also imported on an occasional basis, but current export sales limits its eligibility under Title II regulations. Also, the expectation exists that some of the wheat borrowed from the Government of Pakistan by WFP will be repaid in kind, filling the needs of the market. Some commodities, such as chickpeas, split peas and lentils, have advantages related to Title II requirements, such as the 75% processed commodity requirement, which would make them attractive from a Food for Peace standpoint.

Soybeans and soybean oils would also be very attractive because of the large scale of the imports. Unfortunately, they have their limitations in terms of sales possibilities, especially in light of large USDA programs to supply these commodities directly to the Government of Pakistan (GOP). Therefore, any sale would need to be coordinated with those programs. Nevertheless, one significant advantage of soybeans is that importation would facilitate the utilization of crushing facilities in country, directly benefiting a segment of the Pakistan economy.

Selection of commodities will also depend on timing – chickpeas and lentils can only be imported at certain times of the year since local production floods the market at harvest time. Given the time needed to procure and ship the commodities once a program is approved, care would need to be taken to insure that the commodity does not arrive at an inappropriate time.

Method of Sale

Several options exist on how a sale could occur. The Title II commodity monetization manual discusses various possibilities, including negotiated sales, open tenders and auctions. However, the manual does not take into consideration normal commercial channels and the impact of a sale that does not fit into the normal system.

One option is to have Title II commodities imported into Pakistan and sold on a wholesale basis. Payment by the buyer would occur either at the time of pickup or, if an auction system is used, at the time of the auction. The perceived advantages to this type of sale would be higher revenue because of the direct sale, a wider range of buyers and more transparency. However, some limitations exist such as:

- ◆ Upfront costs, such as customs clearance, forwarding, warehousing and offloading;
- ◆ Involvement by a NGO in direct market sales;
- ◆ Displacement of the role of importers; and
- ◆ Issues of taxes on profits and sales.

Another option is to have Title II commodities sold by open tender with the buyers collecting the commodities as ships arrive at the intended port. The advantages here are somewhat the same as the import model, i.e. higher revenue, more buyers and transparency. The limitations are similar with the exception of the upfront costs. The cooperating sponsor, in this case a PVO/NGO, would still have some direct involvement, but it could be made more discreet. A significant limitation would be coordination of offloading by numerous buyers. Solutions could be found such as having one buyer act as the agent for others or having the cooperating sponsor take the role of the agent. Implications include increased management costs and the potential for disputes on payments and receipt of commodity.

A more commercial option is to sell the commodities to existing importers on a cost and freight (C & F) basis. Major importers and international suppliers to Pakistan could be requested to place bids on the shipments. Terms would include establishment of a Letter of Credit prior to shipment and payment would be based on the Bill of Lading. Advantages of this type of sale would be much simpler administration, lower costs, guaranteed payment and less disruptions of the present commercial import system. Disadvantages would be less transparency, a limited number of buyers and, possibly, a lower sale price.

The final decision on the method of sale would have to be determined by the PVO/NGO responsible for carrying out the sale. However, based on our discussions, the following guidelines are suggested:

- ◆ The sale should not disrupt the normal commercial import channels;
- ◆ The sale should be carried out through the private sector and not include government buying agencies or be subject to government oversight;
- ◆ The buyers should pay all taxes, clearing costs and fees and the program should not request exemptions from the government;

- ◆ Payment should be guaranteed in advance of delivery and, preferably, in advance of the shipment leaving the US.

Currency Generation

A significant issue of monetizing in Pakistan would be the currency in which the sales occur. Normally in a third-country monetization, the proceeds are generated in a convertible currency. For example, Title II sales in Cote d'Ivoire generated CFA, which was used in Senegal and Mali, where the same money is also used. However, some was converted into Ghanaian Cedis and used to support activities in Ghana.

The choices here are to monetize in Pakistan rupees or in a third country currency, such as Euros. US law does not allow monetization of Title II commodities and receiving payment in dollars.

Monetization in rupees would be the most convenient but the use of this currency to support projects in Afghanistan would need to be clarified. The justification for rupees is strong. Payment in rupees would benefit Pakistan by reducing hard currency demands. Importers or buyers would benefit as Letters of Credit or payment could be made in local currency, reducing hard currency exposure and transaction costs. The issues that need clarification with the Government of (GOP) would be to insure that PVO/NGOs acting as cooperating sponsors could: a) receive the local currency into their bank accounts; b) transfer the rupees as needed to Afghanistan; and c) function without paying taxes on this income in local currency.

The rupee is the most active currency in use in Afghanistan and the economies of the two countries are closely intertwined. It is believed that much of the currency utilized in Afghanistan would return to Pakistan to buy goods and services. Liberalization of currency exchange laws in Pakistan does allow for the free conversion of currency. Therefore, prior to the initial stage of the monetization process, discussions with the GOP on the use of local currency by NGOs working in Afghanistan would be necessary.

An alternative to monetization in rupees would be the use of another currency, such as the Euro. This would avoid any issue of currency exchange, taxes etc. since the NGOs would receive a foreign currency in their bank and it would be treated the same as any funds they are sending into the country. Sales in hard currency would not provide the same benefits to Pakistan that a rupee sale would, but since the money in all likelihood would eventually return to Pakistan, this would still be a benefit in foreign currency terms. Sales in hard currency could not take place in Pakistan, so the local sale mechanisms as mentioned above would not be possible.

Program Size

Two main factors will determine the size of the monetization program. One would be the amount of commodities that can be sold to buyers in Pakistan. The second would be the capacity of the NGOs in Afghanistan to utilize the funds.

An analysis of the market in Pakistan shows over US\$1.5 billion in agricultural imports that could be supplied from US sources. In addition to over a billion dollars in oil and oil seed imports, Pakistan had import needs of pulses in excess of 100,000 MT.

Therefore, depending on timing and availability, a program to monetize US\$20 million could be developed, either using one commodity or a basket of commodities. That amount of money spent in Afghanistan could increase the purchasing power of the economy to absorb an additional 110,000 MT at current prices. Given the number of NGOs working in Afghanistan, the enthusiasm for cash input programs and an estimate of at least a year to use these funds, such an amount would not be unrealistic.

The final decisions on the size of the program should be based on a response by the NGOs to a Request for Applications (RFA) for Afghanistan cash input programs issued by USAID.

Cost Recovery Issues

Cost Recovery requirements for Title II program require collection of proceeds equivalent to the Free Alongside Ship (FAS) cost or 80% of the C & F price. In Pakistan it is not clear if these requirements could be met. Pakistan is a low-cost importer and normally imports based on price. The increased transport costs from the US and the high price due to the quality of the American products are limitations to commercial trade and will also be factor in this program. Also, the inability to offer normal commercial guarantees on delivery times will influence pricing by buyers. Nevertheless, it is possible that a case could be made because of the need in Afghanistan as well as the benefits to Pakistan to waive the cost recovery requirement, if necessary.

Bridging Loan

Monetization of commodities is a time-consuming process. It can take several months after approval of a program for the cash to be received. Given the urgency of the need in Afghanistan, the team suggests that a bridging loan for part of the expected proceeds be requested from an international lending body, such as the World Bank or the Overseas Private Investment Corporation (OPIC). This would make the cash necessary for the program available soon after the signing of PL 480 Title II agreement. The loan could be paid back as soon as proceeds are generated from the sale. The President and CEO of OPIC, Peter S. Watson, announced a program to make available loans to US non-governmental organizations (NGOs) currently assisting humanitarian efforts in Pakistan.¹⁹

Next Steps

The development of a monetization sales plan is usually part of the process of preparing an Emergency Operational Plan (EMOP) or a Development Assistance Plan (DAP). During this process, monetization possibilities are researched and proposed. Once the issue of the use of local currency is settled, a sales plan to monetize a Title II commodity could be developed as part of the operational plan.

¹⁹ OPIC, 12 Oct 2001, Press Release ("Watson meets with Pakistan's Finance Minister, affirms 'OPIC open for business,' announces new initiatives"), (pg 2)

B. MITIGATION OF ASSET DEPLETION

Justification for the Proposed Strategy

Lack of purchasing power has been identified as the major constraint for Afghans in satisfying their food needs. The OFDA/PRM mission to Afghanistan has already recognized that “Low purchasing power countrywide will remain the most important impediment to food security; therefore, livelihoods need to be strengthened so not to deplete completely household assets.”²⁰

Concurrently, the lack of employment opportunities is also a significant factor in this economic decline, “With little commercial investment in construction in either urban or rural areas, many people are unable to find casual work. In the absence of the state there is a role for the assistance community to develop programmes to directly employ large number of people in productive work.” (April 2001, Sloane, Peter, Afghanistan Food Security Strategy, pg. 18)

FAO/WFP’s response to the emergency was the recommendation of increased emergency food aid, “Up until the next harvest, emergency food aid is required to: prevent the development of widespread famine and save lives; prevent further deterioration of the health and nutritional status of the most affected groups in the most affected areas; and stem the increasing flow of mass migration to urban areas and the neighboring countries.”²¹

However, there is an alternative to the traditional food aid response. Evidence has been presented of a viable and active market economy in Afghanistan. A market-based strategy that increases the purchasing power of Afghans can be an important part of the solution and avoid the expense, and possibly disruptive effects, of additional large-scale emergency food distributions. We are convinced that an infusion of cash inputs will have a positive ‘ripple effect’ on the economy. Afghanistan is a country endowed with a well-renowned, robust market system and an indomitable entrepreneurial spirit among its people.

Michael Semple, UNOCHA Regional Coordination Officer in Central Afghanistan, told us how the Taliban destroyed almost all of the 800 shops in Darra-e-Suf, Samangan, primarily due to ethnic rivalries. Quite remarkably, a new bazaar was established within six months in a more defensible area. With this sort of vitality and resourcefulness, it should be apparent that any money injected into this society would be used to benefit an ever-widening circle of indirect recipients, as more people are able to buy additional goods and services.

Market based responses to emergencies are not necessarily new or any more complex than commodity-based interventions. Even during colonial times, the British were known to distribute cash to famine victims in Africa and Asia. During the Great Depression in the U.S., President Franklin Delano Roosevelt founded the Works Public Administration (WPA) to counter the brutal effects of massive unemployment. Some may also recall that after World War II, many European citizens, friends and former foes alike, were recruited for immediate needs,

²⁰ USAID/BHR Afghanistan Drought Strategy, May 2001, (pg. 4)

²¹ FAO/WFP, June 2001, Special Report 315 Crop and Food Supply Assessment Mission to Afghanistan, (pg 21)

such as rubble removal or road repair, which was a precursor to the industrial re-development during the Marshall Plan.

More recently the Red Cross in Guatemala and Nicaragua in 1998 used cash grants as part of a rehabilitation program for farmers following Hurricane Mitch. \$30 grants were given to about 17,000 families, along with seeds and other inputs. Fears that people would misuse the cash were found, upon evaluation, to be fairly groundless.

In Zambia in 2000, a cash-for-work project for drought-affected areas was managed by the NGO, ESCOR that enabled better-off households to invest in and protect assets. For the first year of the program, when people were recovering from the severe drought, the proportion of cash spent on food was at its highest and then declined. Thereafter, households recovered, resulting in more spending on construction, clothing, and household utensils. A trickle-down effect has been documented for this program in which workers were sub-contracted by beneficiaries and the income stimulated local trade.

Authorities on emergency programs, such as Fred Cuny and Sue Lautze, have expressed support for this type of intervention. Sue Lautze stresses the use of the market for capacity building, while Fred Cuny talked of counterfamine strategies that utilize the market to provide food. In Afghanistan all the ingredients for a market response exist and all the evidence points to the need.

Requirements for Successful Project Implementation

Security, capacity and accountability are the prerequisites for successful project implementation. There are already many highly reputable and well-known international and national NGOs operating in Afghanistan that have experience in carrying out projects in difficult and isolated areas. They have been responsible for distributing most of the emergency aid so far and will undoubtedly be the organizations that continue to carry out those activities which will increase the purchasing power of Afghans. Although they have faced constraints on staff and assets over the last few years, they have nevertheless expressed a willingness to develop projects that can respond appropriately to the crisis.

Security means having an environment where NGO staffs are able to design, monitor and implement activities with the local community without fear of harassment, physical harm and loss of project inputs. Also, security involves the ability of the beneficiaries to retain what they are paid and to have access to facilities or programs produced by the project.

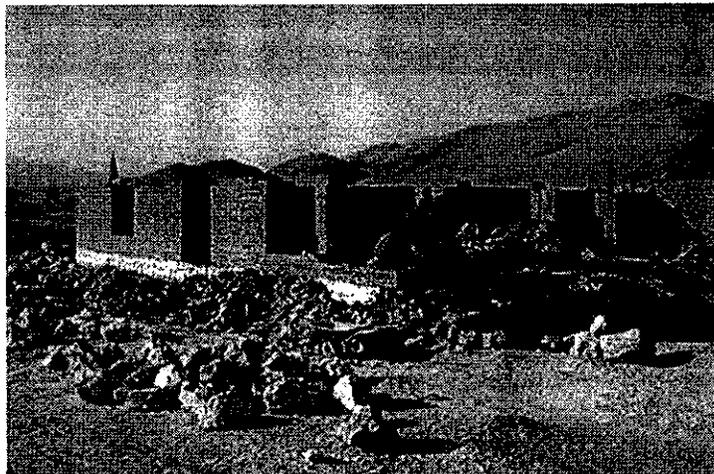
Capacity means that NGOs have the resources to properly design a project to respond to the needs of the community, the technical staff to carry out the activity and the ability to mobilize the community to work on the project. Although human resources are undoubtedly of primary importance in implementing capacity, another important component is physical assets, such as vehicles, computers, office equipment and electrical power generators. This may be a temporary constraint during a post-conflict situation, once the losses from the reports of looting have been determined.

Accountability requires an environment where the implementing agency can control and account for the project inputs. In addition, they should be able to monitor and report on the impact of the project on the community. Obviously, this is of paramount concern to the donors in determining the effectiveness of the intervention.

Conventional Food-for-Work (FFW) or Food-for-Asset-Creation (FoodAC) Projects

FFW projects have long been a standard activity in responding to food emergencies. In Afghanistan the typical implementing partner (IP) is a NGO that identifies a worthwhile project, targets the beneficiaries, organizes the work, makes progress payments and monitors the output. The commodities are provided by WFP. Procurement, logistics and handling of the commodities are not the responsibility of the NGO. FFW is a management-intensive process, but nonetheless a useful mechanism for mobilizing workers and providing food commodities, usually wheat, to needy families with an able-bodied member.

Another form of distribution is the concept of FoodAC, which is designed to provide emergency food aid to the most vulnerable families in a community. It is also intended to create assets that are of benefit to the entire community, such as digging a new well or cleaning a *karez* (underground water channel). There are major differences between a FoodAC project and the normal FFW program. In a FFW activity, workers are paid based on work completed and at a daily wage rate. Like any job, no payment is made until work is completed. In a FoodAC program, however, an agreement is made with a village to perform certain work. The community is provided with some food at that time on the premise that it will be distributed to the most needy and with the expectation that the work will be completed. FoodAC is a useful tool to distribute large amounts of food with minimum accountability requirements, but is also open to abuse and diversions if the negotiations and agreement with the community are not fully transparent. Experiences in the Sudan and Ethiopia emergencies showed FoodAC to be very effective during the most severe periods of an emergency when food was short and lives were directly threatened, but the effectiveness dramatically diminished when things began to return to normal.



WFP FFW school construction project

photo by Don Meier

There are limitations to both FFW and FoodAC projects. Both may require the delivery of large amounts of commodities to some remote and inaccessible areas. The deliveries must be timely in order to pay workers and insure a regular supply of food. In Afghanistan, since the recipients receive only wheat for their efforts, they must sell some of that supply to procure other necessities, thereby reducing the value of their rations. Another significant limitation of these activities when considering long term impact is that they do not utilize existing trading systems, but rather circumvent them by importing food into rural areas through non-private channels.

Traditional commodity-based programs and cash input activities are not necessarily mutually exclusive or contradictory. In fact, there is strong evidence to support the approach that combining a mix of food and cash may result in a synergistic effect. Since the proposed activities for FFW and CFW projects are the same, the NGO could expand its scale of operations by reducing the wheat ration and adding a cash component. In effect, the output remains the same; only the form of payment is altered.

Although we have received an enthusiastic response from several NGOs regarding the CFW strategy, not all NGOs are convinced that it is a desirable approach. One NGO from Badakhshan expressed concern that money might just be used for drugs, which are widely prevalent in that region. Of course, one might also argue the same point about FFW, if the same logic were applied, which would imply that nothing should be done. Another apprehension is that somehow money is more vulnerable to abuse than food commodities since it can more easily be transported and liquidated in the marketplace or elsewhere. Although one cannot deny its allure and ease of convertibility, it is not necessarily more susceptible to corruption than any other form of payment. Given the general predisposition of thieves, they can just as easily divert a shipment of wheat as they can rob someone of cash. In the Afghan context, though, what seems to be more significant is the validity and integrity of the program design. The greater the degree of transparency about the compensation for an activity and the more the information is dispersed within the community, the likelihood that self-enforcing mechanisms will be applied is improved.

Other Modalities for Immediate Cash Infusions

If the general principle of supporting cash infusions into Afghanistan's war-shattered economy gains acceptance, there are a variety of other ways of achieving this goal in a responsible manner. It must be emphasized, though, that the following ideas are only suggestions that have been mentioned during our mission and this list is by no means comprehensive. However, it is hoped that this section will provide some stimulus for discussion and consideration by both donors and IPs. There are undoubtedly many more creative solutions just waiting to be tapped.

- ◆ Local purchase of supplementary feeding commodities, e.g. dairy products, dried fruit and nuts for distribution to malnourished groups. Not only are these items nutritionally beneficial, they have the added benefit of being widely recognized and accepted. Historically, Afghanistan has been an exporter of these items for foreign exchange, so it is possible that at least some stocks may be available despite the drought.

- ◆ Local purchase of non-food items, e.g. coal, heating/cooking utensils, blankets, winter clothing, etc. for distribution to needy groups. This could also easily be an extension of CFW projects, either in urban or rural areas.
- ◆ Purchase of locally produced inputs, such as building materials for IDP shelters or gravel for road repair, provides employment to those who produce the goods and profits for the business who manage the industry. The acquisition of these products not only helps to rebuild the country, but also further stimulates business activity.
- ◆ Supplementary bonuses could be given to national NGO staff inside Afghanistan on a one-time, emergency basis. According to the only extensive survey of Afghan staff working for NGOs in Afghanistan, there were 10,641 employees in 1992. (June 1992, Meier, Don, Salary Standardization for National Staff of NGOs in Afghanistan, Agency Coordinating Body for Afghan Relief, pg. 19). Obviously, that number has changed over the years, but why shouldn't these workers be rewarded for their heroic efforts during this time of crisis?
- ◆ Along these same lines, the Swedish Committee for Afghanistan (SCA) reported that they would use some of their recent additional funding to give across-the-board salary increases to their staff working in-country, consisting of their current level of 8,500 people. It is important to note that NGO staff are among the few members of this society that actually have regular jobs, which inevitably means that they are also supporting several members of their extended family as well.
- ◆ CashAC – Small grants to communities for improvement/enhancement of infrastructure, e.g. schools, clinics, etc. The FoodAC concept was discussed before as a more flexible system of assisting vulnerable groups. Perhaps something similar could be done with payments in cash if this program were determined to be working satisfactorily.

Follow-on/Mid-term Interventions

Much of the discussion in this section so far has focused on providing a rapid response to the financial needs of the impoverished Afghan population. However, one should not lose sight of other opportunities that may have benefits extending into the future. Given the widespread level of indebtedness incurred during this crisis, it only makes sense to support initiatives that offer micro-credit loans to help people become re-established.

In the scramble to ensure the delivery of food for at-risk groups before the winter, little attention has been paid to the feeding and breeding of livestock. Since livestock comprises the wealth of large groups of pastoralists and dairy products are an important part of the local diet, it should also receive adequate attention.

Some NGOs have been involved in vocational training and the support of livelihoods through the supply of tool kits, such as for carpenters, metal workers, etc. This is certainly something that should be supported with cash inputs in order to enable people to become self-sufficient.

VI. CONCLUSIONS AND RECOMMENDATIONS

It is important to remind readers of this report that the focus of our mission was to explore possible, additional ways to increase food access for Afghans. In our six-week assessment of Afghanistan's complex emergency, the team considered economic, social, climate, and political factors, the cereal balance, market prices and nutritional indicators. Discussions were held with a wide spectrum of individuals and entities dedicated to understanding the nature of the crisis and to improving methods of delivering relief. Even though we were unable to travel inside Afghanistan, team members felt they got a fairly accurate snapshot of conditions there.

During the short period of our assignment, the political landscape of Afghanistan was altered dramatically. Afghan leaders and the international community are searching for ways to form a representative government. Hopefully, this will result in improved security conditions and permit aid agencies to work more effectively. The potential for peace creates a more suitable environment to begin new activities. Some recommendations include:

Continue with Feeding Programs for the Vulnerable

The most vulnerable will remain at risk for the near future. Even after the next harvest, it can be expected that many Afghans will still not have adequate supplies of food because of production shortfalls. IDPs who are not able to return to their homes will continue to need food assistance.

- ◆ Food-for-Work, FoodAC, and targeted feeding programs for the most vulnerable, particularly women and children, should continue. Efforts should focus on improving the targeting of distribution to the most vulnerable;
- ◆ According to reports from within Afghanistan, IDPs are most prone to acute malnutrition. Since this group is not included in the VAM survey, efforts need to be made to further identify the locations and needs of the IDPs in order to respond promptly;
- ◆ Agencies should consider increased nutritional monitoring and the inclusion of supplementary food in the WFP FFW ration also needs to be considered;
- ◆ WFP and NGOs need to communicate effectively and coordinate on the delivery of food. The role of WFP as the lead agency and its relationship with NGOs as implementing agencies needs continued clarification. NGOs should have a greater say in programming and prioritizing food deliveries;
- ◆ FoodAC and FFW activities need to be reviewed and monitored as harvest time approaches; and
- ◆ Institutional feeding targeted at hospitals, orphanages and other residential entities can be implemented to assist and restore their ability to provide effective services.

Develop Cash Input Projects

Many of the people in Afghanistan don't have any money and are suffering from asset depletion. Programs that increase the income levels of Afghans are necessary. There are many kinds of work activities that can be managed by competent NGOs as well as many local goods and services can be purchased. The NGOs have numerous practical and innovative ideas on cash input programs that deserve attention. Well-planned, carefully administered CFW activities can help prevent the recurrence of poppy cultivation in specific areas where farmers have already ceased production.

- ◆ The following types of projects should be considered: a) Cash-for-Work or Food-for-Work with a cash supplement; b) local purchase of labor-intensive goods or services, such as construction materials or coal for heating; and c) cash bonuses/supplements to NGO staff who have performed heroic services.
- ◆ NGOs should be requested to submit concept papers for possible Emergency Operational Plans (EMOPs) on feasible cash input interventions. These proposals should have as their primary purpose increasing personal income among the vulnerable sections of the population.
- ◆ NGOs should also be requested to propose third-country monetization sales plans to be undertaken in Pakistan.
- ◆ Pilot project proposals that could begin immediately to test the concept of cash input projects should be requested from the NGOs. Several projects of approximately US\$100,000 in different regions would provide valuable information on the effectiveness of this concept. The lessons learned from these pilots could be integrated into the longer-term EMOPs.
- ◆ USAID and the NGOs should begin the development of Title II EMOPs to deliver cash inputs to Afghans.

Monitor and Support Markets

The markets are strong and operating, but will need further monitoring and support as necessary.

- ◆ The monitoring of markets in areas where cash input activities are being implemented is necessary. WFP and NGOs need to develop a more systematic method of monitoring both urban and rural markets, which reports prices, availability/source of goods and other market issues.
- ◆ Interventions to increase the amount of food in markets should only occur if prices begin to rise or shortages begin to develop. Merchants could be assisted in increasing the supply of food to these markets through loans, incentive programs or other mechanisms.

VII. ANNEXES

1. VULNERABILITY ASSESSMENT

The lack of reliable information on food security has been a significant constraint on the response to the Afghanistan emergency. To overcome this limitation, the Vulnerability Analysis and Mapping (VAM) Unit of WFP Afghanistan, together with a number of NGOs, undertook a nationwide survey in July and August of 2001, except for a few areas that were inaccessible because of security reasons. The survey aimed to fill the food security information gap between the national and household levels. It was intended to determine levels of need in rural areas and to prioritize the delivery of food aid. An analysis of the survey was compiled in the Afghanistan Food Security Assessment (July – August 2001), which was issued by WFP in late October 2001.

Much importance has been placed on the VAM report. Overall, the work of the VAM Unit is impressive. With very few staff, they were able to produce a report that gives an overview of the needs in Afghanistan. Although the VAM needed to make assumptions with very limited data, they were careful in their report to note the limitations. For example, some of information is either very dated (census figures are from 1992) or on information that is very difficult to verify, e.g. family income and food reserves. Therefore, it is important that this survey be seen only as one tool, which needs to be continuously supplemented by information from the field.

We have already noted cases where the numbers of vulnerable as noted by the VAM are being used to justify increases in the amount of food aid felt needed to respond to the emergency. The danger is that the numbers are being used incorrectly and out of context. The report shows level of vulnerability based on need over 12 months. Many of those in need have food for 6 to 9 months. While these individuals will need food, they do not need it during the same period as an individual who has only 25% of their basic requirement met. We do have time to increase the amount of commodities being imported into Afghanistan with the time of greatest need to be the last 3 months of the agricultural year, April through June 2002. This time could be used to insure that food deliveries are reaching those most in need especially the vulnerable populations among the IDPs who are not included in the VAM survey.

One major weakness of this assessment, though, is that it does not look into the situation of the internally displaced people (IDPs) and the urban poor. The lack of information on IDPs is important as this group is considered to be one of the most vulnerable. Some of the few cases of actual starvation in Afghanistan have been IDPs as reported by an American NGO, International Rescue Committee (IRC). Using the VAM report as a guide to prioritize deliveries would not have helped these people and confirms that the VAM is only one tool to be used in targeting deliveries of food,

Since the donor community is seeing the VAM as such an important document we thought a review of the report would be useful to educate decision makers on what it is and how it was developed. This knowledge can improve the use of the VAM survey in developing the emergency response.

The Methodology

“The survey tool has been designed to allow a geographical targeting at district level to determine how much food aid to allocate to various districts.” (VAM 2001 Report, pg 4). To achieve this goal the survey had to define the indicators that would show the ability of the population to cope, such as:

- ◆ Wheat production;
- ◆ Other crops, e.g. rice, barley and maize;
- ◆ Tree crops (fruits and nuts);
- ◆ Livestock; and
- ◆ Other cash income.

Unfortunately, in the context of Afghanistan, the collection of such information is difficult and the level of reliability is occasionally questionable. The survey required individuals to collect data without having baseline data, which could be used to compare their results. For example, if a surveyor collected some data on income from labor, there was no ability to compare this with previous years and assess its accuracy. Thus, the data can be viewed as educated observations but not necessarily of a verifiable nature. Only when the VAM Unit is able to conduct additional surveys will it be able to assess the reliability or consistency of the data through comparison with previous data.

Even basic information, such as the population statistics is subject to question. The report used population data from a 1991 UNIDATA census that was extracted from Dr. Thomas H. Eighmy’s definitive work on the subject, “Afghanistan’s Population Inside and Out”, Office of the A.I.D. Representative for Afghanistan Affairs, Islamabad, 1990. They then estimated a 3% annual growth rate. However, the report does not comment on the validity of the recent census data or justify the 3% growth rate. It does not even attempt to quantify the internal dislocations since 1991 and the impact of the last 3 years of drought on population. Although a serious effort was made to insure the validity of the data, the results should be considered more as reasonable estimates than as hard facts.

Data Collection

Teams of Afghan agronomists collected the data. Approximately 100 enumerators took two months to complete the survey. The surveyors used a standard form to collect information and received training in completing the questionnaire. The VAM report also noted that the information collected during the interviews was crosschecked with field observations. To collect such extensive data on such a large scale in Afghanistan was an ambitious goal. To do so with such a limited number of surveyors based on population statistics a decade was even more daunting.

The survey did not attempt to account for conditions in every village in Afghanistan, which would have been an impossible task given the short time and limited resources. Instead, each district was divided into agro-ecological zones, e.g. highland, river valley, etc. In each zone, two to four villages of 50 to 100 households were selected for surveying. The number of villages

selected was done in proportion to the area of each zone in relation to the total. In some districts that shared similar agro-ecological conditions, the results gained from one district were extrapolated to the other similar ones.

Data Analysis

The basic unit of measurement for the report was a per capita cereal equivalent. The report states, "Simply, this represents the amount of wheat that has been produced or that can be purchased against the fruit production, the existing livestock, if sold, or simply the income gained." (pg. 6) The use of this cereal equivalent was logical as wheat represents at least 80% of the diet of the rural poor.

The report based its minimum food need on 2,100 calories a day or 183 kilos per capita per year. This presumes that all individuals can supply 20% of their need. The 183 kilo requirement used in this report to determine the cereal deficit is 21 kilos higher than the 162 kilos per capita used by WFP/FAO in their report. The implications of a 21 kilo difference can be substantial when considering estimates for a large population.

The report concludes by putting individuals into different categories of food insecurity, ranging from those who can cover less than 25% of their food needs to those who are totally food secure and able to cover more than 100 % of their food needs. What must be noted is that an individual in the most vulnerable category can be in the same district, as one in the least vulnerable category and that by targeting the most needy districts does not mean necessarily targeting the most needy individuals.

2. INTERVIEWS AND MEETINGS

Because we could not go inside Afghanistan to survey markets, check on nutritional levels or gather data first hand, much of the content in this report depends on what others have written and said about the Afghan complex emergency. In Islamabad we met with international NGO and donor representatives, attended several NGO Coordination meetings. The CWS team also traveled to Peshawar where we met with Afghan NGOs and members of the merchant community. The following summaries are from notes taken during those meetings in lieu of a trip report that would have normally been prepared.

Save The Children/ United States (SC/US)

Andrew Wilder, SC/US Field Office Director, described their support to Afghan programs for us. We also met with Lucienne Maas, Afghan Program Manager, and Lisa Laumann, Deputy Director, individually, and during the weekly NGO coordination meetings where she served as chairperson. SC/US supports health, food/agricultural, nutrition, and water and sanitation programs in Faryab and Balkh provinces. Like most of the other NGOs, the expatriate staff were evacuated after September 11, but local Afghans are still operating in the field. In describing the Afghanistan's complex emergency, Wilder referred to the drought, the market collapse, loss of livestock and the diminished carpet market in the areas where they work. Many of the carpet makers and sales have shifted to Peshawar. SC/US is feeding approximately 700,000 people in Faryab and Sar-e-Pul provinces. With regard to food stocks, Wilder said he did not believe producers were hoarding any appreciable amounts of food. On the subject of possible cash inputs program, he expressed optimism and said implementers would need to be careful about the safety of money transfers and try to ensure that CFW programs reach vulnerable people. He gave us a copy of the nutritional survey undertaken by SC/US in April in Faryab province.

Mercy Corps International (MCI)

At MCI we met with Jim White, the new Regional Director, Mark Pont, the Country Director, who was being replaced by Nigel Pont, the current Program Officer for Emergency Operations. Based in Quetta, MCI manages food/agriculture, and livelihoods programs in Uruzgan and Kandahar Provinces. They also manage non-food commodities through Afghan partners in Takhar Province. White reported that MCI, CARE, and SC/US were interested in talking about forming a consortium to act as a cooperating sponsor on Title II commodities. Quite possibly, ACTED, GOAL and FOCUS would be interested in becoming recipient agencies too. Referring to his experiences in Kosovo, he noted that MCI had micro-credit programs operational 3 months after the bombing stopped there. Last year MCI successfully carried out an OFDA-funded (\$150,000) cash-for-work program in Uruzgan, and Kandahar provinces. White noted that everywhere they had CFW programs, people stayed in place. He said MCI was pleased with the results of last year's program and would be interested in managing additional CFW efforts. He later provided us with some recent market prices data and submitted a CFW concept paper for a trial activity.

CARE International

We met with Sally Austin, Assistant Country Director, and Paul Barker, Regional Representative, on two occasions in Islamabad and Peshawar. We also met with Arsallah Jamal, manager of the Canada fund, and Ebrahim Nazhand, Representative of the Kabul office, who are temporarily posted in Peshawar. CARE has a well-known bakery program in Kabul that provides subsidized bread for thousands of vulnerable people. They are also active with food/agricultural programs in Herat, Badghis, Ghazni, Zabul, Paktika, and Wardak provinces. Austin pointed out that villagers in CARE's project areas have no money and have sold assets to cope with the drought. They have already submitted a CFW proposal to ECHO. She said that shipping subsidized wheat to markets would tend to destroy the existing delivery network. She also commented that community development programs must be continued and that a balance between CFW and FFW was needed. The cash transfer (*hawala*) rates have risen to between 3% and 7% depending upon location. She is optimistic that partnerships between international and national NGOs will continue to strengthen accountability, reporting and overall implementation.

Catholic Relief Services (CRS)

Luc Picard, Country Representative, and Paul Butler, Zonal Director, came to meet us at the Best Western Hotel, where we stayed. We later met with Amy Hilleboe, of the CRS Emergency Response Team. CRS's Executive Director, Ken Hackett, was also in country during our visit, but he was in the field and we did not see him. Picard noted that CRS and CWS are fully registered with the Government of Pakistan and have duty free privileges. He said CRS, which has been operational with the Ministry of Health since 1954, is positioning itself to meet refugee needs. They will have staff offices in Peshawar and Quetta. They are also having preliminary talks with other NGOs regarding partnering for implementation. CRS has independent sources of funding. They are undertaking water management programs in Baluchistan. On the subject of imports, Picard said that if the USG attempts to manipulate the market with subsidies or other forms of manipulation, there may be resistance from local traders. CRS may try a CFW project in Pakistan since most local governments are discouraging FFW.

Refugees International (RI)

We met with Joel Charny, Vice President for Policy, and William Lenderking, Field Representative. As an advocacy group, Refugees International, receives no UN or government funding. They determine a response to the aid effort by interacting with the collective world community, including the UN, USAID, NGOs, and bilateral donors. William had previously worked for the American Cultural Center in Islamabad. Both were interested in our mission to assess food aid activities, particularly the cash-for-work ideas.

ACTED

At ACTED's Islamabad office, we met with Kiny Maryline Mottier, Coordinator. She told us about their development and humanitarian relief programs in Faryab, Kabul, Badakhshan and Baghlan. They have approximately 50 local staff in Faryab and almost 100 in Badakhshan. They have temporarily moved expatriate staff out of those areas. Their target populations include the

war-related IDPs in Baghlan and in providing food and fuel for 4,000 families in the Panjshir. They recently distributed 2,000 MT of wheat to people in Lawlash, which was delivered across the border from Turkmenistan. With regard to cash-for-work ideas, Mottier mentioned coal mining in the Panjshir as a possible project activity. Another idea we discussed was the purchase and packaging of dried fruits, including raisins, mulberries, walnuts and almonds.

OXFAM

Three representatives of OXFAM were available for discussion. John Fairhurst, Country Representative, met briefly with us at the NGO weekly meetings. Melinda Young, Program Officer and Martin Ocaga, Program Manager, met with us privately. OXFAM supports programs in Herat, Hazarajat, Bamian, Ghor, and Uruzgan. Young said the Hazarajat was generally closed from mid December to mid March and that people from remote areas can not access district centers easily during this period. It is difficult to work in Eastern Herat and Ghor due to the ongoing conflict and lack of communication. Both Young and Ocaga stressed the importance of livestock breeding, tree nurseries (particularly firewood-producing species) and veterinary programs in development efforts for the Hazarajat area.

United Nations Office Of The Coordinator for Afghanistan (UNOCHA)

At UNOCHA we met individually with Antonio Donini, Deputy Director, Michael Semple, Central Regional Coordinator, and Chris Kaye, Program Section on three separate occasions. Donini has worked in and out of Pakistan for over 10 years. During our discussion of enhancing food delivery systems for Afghanistan, Donini said quite frankly, "The problem is not food, it's lack of cash." Like others, he noted the plentiful quantity of food in Pakistan and the amazing Afghan traders who keep markets supplied. Donini referred us to a 1972 drought/famine credit program that was funded by USAID Afghanistan. The program involved 20 or more Peace Corps Volunteers, plenty of Title II grains, and food-for-work activities in several provinces. Besides the food element, UNOCHA is concerned about protection of civilians in the armed conflict. He cited examples of the Taliban intermingling with convoys, sending tanks into IDP camps, forced recruitment to the military forces and preventing movement of people. He noted that Andrew Wilder would become the new Director of the Strategic Monitoring Unit.

Michael Semple, who is fluent in both Dari and Urdu, stressed the fact that commercial trade networks are still in excellent condition inside Afghanistan. He noted an example of a bazaar in Hazarajat (Dara-e-Suf) that was burned by Taliban forces. The merchants simply moved to another valley and it was fully operational again in six months. He gave another example of how local truckers could be used to buy commodities in Pakistan and bring them to remote areas. The value of each truckload/trip amounts to about US\$5,000. A down payment of about US\$2,000 would ensure that goods reached intended beneficiaries. Semple said a mixed strategy (FFW, FoodAC, and targeted distribution) is gaining support, whereas before Sept 11, WFP supported only FFW and FoodAC. He was optimistic that cash infusions and CFW activities would work. He said it would be important to confirm the agency implementing capacity on the ground. He noted there were several locations in the Hazarajat area with airstrips that could be quickly repaired to facilitate food deliveries by C-130 aircraft, if they were needed.

Chris Kaye talked about the very capable Afghan trader network and the cheap Kazakh wheat that was being procured. He noted that UNOCHA has been considering CFW projects for 18 months, but were unable to initiate them due to lack of funding. He agreed that hoarding of food grains was probably extremely limited and that cash input programs would stimulate the local economies inside Afghanistan.

Norwegian Project Office (NPO)

NPO's Director, Dur Mohammad Fazil, described their programs currently underway in several provinces of the North as well as in Central and Eastern Afghanistan. Donors include IRC, CWS and DFID. Field staff members are able to carry out their duties in spite of poor security, but he expected that once security returns to the area, implementation efficiency will go up. They are still able to communicate via satellite telephone in spite of the Taliban *fatwah* against it. He said the *hawala* money transfer rates had recently increased and that the charge for sending money from Peshawar to Badakhshan was now 6 %. During our discussion, several truckloads of plastic sheeting and other housing materials were being unloaded in the yard outside. Fasil, who went on a visit to Kabul only two months ago said market prices were down and that he was enthusiastic about the prospects for implementing cash inputs programs. On the subject of food preferences, he said that Afghans do eat some corn, but mostly as chapattis in eastern provinces.

Afghan Development Association (ADA)

Abdul Razique Samadi, Managing Director, told us that ADA is active in 8 provinces. They have a staff of 458 and serve IDP populations in Farah, Kandahar, Helmand and Uruzgan provinces. Some of the offices were recently looted by Taliban forces, but much of the equipment is still useable. Samadi pointed out that communication by satellite telephone is still possible. He also said that the *hawala* cash transfer system is still operating, but is more expensive now that the country is at war. Important partners include NCA, CARE and CWS.

Afghan Construction And Logistics Unit (ACLU)

We met Eng. Mohammad Karim, General Manager, and Eng. Najimi, Project Officer in Peshawar. ACLU began with USAID support in 1989. Its original purpose was to help supply the *mujahideen* and their families with food and supplies. Later a construction unit was added with advisors and they became fully operational for a variety of design and construction activities inside Afghanistan. ACLU is an implementing partner of CARE, DACAAAR, IRC, and UNHCR (27 projects). Eng. Karim was jailed by the Taliban for three months in Kandahar last year, but was released after lengthy negotiations. They have a staff of 46 engineers and surveyors. ACLU still has a significant amount of equipment and could easily gear up for construction inside Afghanistan. Eng. Karim said that 24,000 kilometers of road need repair. He said road repair would stimulate the economy and help rebuild Afghanistan more than anything else due to increased commercial transportation.

Agency Coordinating Body For Afghan Relief (ACBAR)

ACBAR'S office and information center is located in the suburb of University Town, Peshawar, where most of the NGOs are located. In years past, ACBAR was the focal point for coordination between the national and international NGOs, but its influence has waned lately. We met with Nancy Hatch Dupree, Senior Consultant of the ACBAR Resource and Information Center (ARIC). Dupree, who is the widow of the noted author/anthropologist Louis Dupree, provides leadership to both ACBAR and the library. She showed us many of the useful books prepared in Dari and Pushtu languages. She said a new Executive Director would be assigned to ACBAR shortly. We later learned in one of the NGO coordination meetings that a new executive director had been selected and that the position would be funded by DFID and OXFAM.

Swedish Committee For Afghanistan (SCA)

At SCA we met with Peter Bulling, Acting Director, and Abdul Hakim Murad, Agriculture Program Officer. SCA currently supports a variety of health, education, and agriculture projects in 19 provinces. Bulling explained that they are not so interested in food distribution programs, although they are now implementing some FoodAC activities in Ghazni. He said the Afghan currency had increased in value by 65% in the past few weeks. In the field of agriculture, SCA continues its efforts as a leader in seed multiplication. Some 260,000 MT of seed are required for Afghanistan, of which SCA tries to supply 10 % of the total requirement. Bulling confirmed widespread looting recently of SCA property, including 25 of their 80 vehicles. On the subject of cash-for-work activities, Peter said it would stimulate the economy. He noted that SCA supports approximately 8,500 staff inside Afghanistan and that they intend to increase their salaries with some additional funding.

Aktar Mahmood

Aktar Mahmood is a senior economist working as a domestic trade economist for the Asian Development Bank. He worked for several years for USAID Pakistan and has held positions with the GOP and is a teaching fellow at Cambridge University in England. His focus in the World Bank effort is on anti-dumping measures, protection of nascent industries and trade protection in the National Tariff Commission. We reviewed our monetization proposal with Mahmood and pointed out that we would like to sell commodities through the commercial sector. He said it would be important to review import/export ordinances and to develop a relationship with the Ministry of Commerce. We discussed the kerb market, which is a free money exchange system that involves no commission for converting cash. Official importers and exporters must be registered with the GOP, but it is an open and regular process..

Afghan Committee For Rural Development (ACRD)

We met with Ghulam Mustafa Wardak, Associate Director, and one translator assistant while in Peshawar. ACRD's Director, Ruhani Wardak, was traveling in Wardak province. Mr. Wardak, a Pushtu speaker, chose not to use Dari for the meeting. ACRD is working only in Wardak province. They have supported school building, canal cleaning and a variety of agricultural activities in the past. Wardak indicated that ACRD had received funding from IRC before and

that they had proposals in to CARE, OFDA and IRC. He talked about the Sultan Dam at Jagatu, Wardak, a facility that supplies water for Ghazni. The catchment area just behind the dam has filled up with mud and needs to be cleaned out. Other repairs are needed that would possibly be done by FFW activity. On the subject of food Wardak said that local purchase of wheat was possible at Ghazni or Kabul. He said that there were still problems for ACRD crossing the border and that he had heard of the new Taliban tax on food, but didn't know exactly how much it was. For goods destined for Wardak, the crossing at Chaman near Quetta in the south was mainly used.

International Rescue Committee (IRC)

We met separately with Sigurd Hanson, Country Director, and Haneef Atmar, Program Coordinator, in Islamabad and Yusuf Ghaznavi, Grants Manager, and Arnstein Hansen, Emergency Coordinator, in Peshawar. According to Hanson, IRC and eight other NGOs began working in the North last year at the request of UNOCHA. They work with about 12 Afghan partner NGOs in the region. He reported that the condition of people in the IDP camps was deteriorating and offered to provide us with some data on deaths due to starvation, disease, etc. in the camps. We later did receive an email response provided by members of his staff with their observations, but not with all the data we desired.

IRC's Program Coordinator, Atmar, described the categories of Taliban (political, military and bureaucrats) and explained how IRC had gained the trust of several leaders in the area who cooperated with them. He said that the Taliban had come to IRC and requested assistance on several occasions. As a result, IRC's assets were generally protected by the Taliban forces. A problem he noted was that the assignment of Taliban personnel changed often and new people did not have the same trust or understanding of the programs as the previous staff. He said 120,000 IDPs are living in various camps and locations around Mazar-e-Sharif. In a six-week period during June and July, he stated that approximately 600 people died of starvation. One coping mechanism he had seen for the first time, which he described sadly, was the sale of young girls for marriage. Both Hanson, and Atmar were enthusiastic about the prospects of cash inputs in the area. One idea would be to provide cash for people to work on 10,000 IDP shelters and road projects. Micro-credit would be essential for the longer term.

World Food Program (WFP)

We met with WFP staff on numerous occasions at several different locations. In Islamabad at the Pak Saudi Building Headquarters, we met with Peter Goossens, Regional Coordinator and former Kabul Deputy Director. At the Afghanistan Program Office, we met with Girard van Dike, Director, Pippa Bradford, Program Officer, and Pascale Najimi, VAM Officer. In Peshawar, Robert Muzwidzwa gave us a tour of the logistics center. All things considered, it appears that WFP is doing an excellent job under stressful conditions. Van Dike explained that two main issues were: 1) WFP may have created some resentment by forcing NGOs to deliver/distribute food to most vulnerable people in the North; and 2) the decision to stop food distribution also was controversial. He said they had recently purchased 5,000 MT of wheat from Kazakhstan, and 3,000 MT from Iran. 50 trucks would be hired, 50 would be purchased, and 50 Volvo trucks donated by Sweden would be flown in. They will be equipped to deliver 4,000

MT/day. Goossens, expressed some reservations about the cash for work idea and reviewed some of our draft report materials.

European Union (EU)

We were briefed by Jean-Francois Cautain, EU Program Coordinator at the ECHO Center in Islamabad. Cautain told us of a successful EU funded CFW project in the Hazarajat area during 1998. The project took place during a Taliban blockade, which prevented the normal flow of supplies to the area. The price of wheat went down around 50% as a result of the intervention. He said that cash transfers of up to US\$100,000 from Peshawar to Bamiyan were possible, and that five European NGOs participate. Madera was one of the participating NGOs would have some reports (in French) regarding the success of the activity. On Afghan markets in general, Cautain remarked that probably 30% of the markets would be closed during 3 months in the winter. He made a suggestion that the BBC broadcast prices of agricultural products, such as grains and livestock. An interesting observation made by Cautain was that he does not accept the UN theory on internally stuck people (ISPs). He believes that farmers know before winter sets in whether they will have sufficient food to carry them through the cold season. If they don't have enough, they will move he said. Cautain congratulated us on the effort and said he thought projects with cash inputs would stimulate the Afghan economy and benefit impoverished villagers.

3. Anthony Fitzherbert's Trip Report

(NOTE: This fascinating article is included in this report since it is one of the most poignant and eloquent pieces that has been written about life in Afghanistan. It is hoped that by sharing this unique perspective, the reader will gain a better understanding of and appreciation for the remarkable Afghan people.)

AFGHANISTAN

CIVILIZATION and COMPASSION IS NOT DEAD

[Anthony Fitzherbert: the author of this article, is a British agriculturalist, who has had a long association with Afghanistan going back to his first visits in the late 1960s early 1970s on holiday from Iran where he was managing some private farms. This was followed in the mid 1980s when he was responsible for the Afghan desk for the Food and Agriculture Organisation of the U.N. (FAO), based in Rome and visited Kabul several times, then still under Soviet control. Subsequent to the Geneva Accords in 1988, he went on several missions to establish contact with the mujahideen groups in different areas in order to start the process of agricultural rehabilitation following the withdrawal of the Soviet forces in February 1989. Between 1989 and 1995 he managed the FAO's agricultural rehabilitation programme in Afghanistan. This involved travelling regularly and widely throughout rural Afghanistan, which he knows extremely well. On one of these missions to monitor agricultural projects in Qandahar province in 1993 he was one the first (if not the first) foreigner to meet the Taliban. At that time a new and mysterious unarmed movement of 'mullahs for peace' that had started to manifest itself in the villages west of Qandahar city still at that time under the control of four rival mujahideen commanders. Since the autumn of 1995 he has been working mainly in the Central Asian Republics of Kyrgyzstan and Tajikistan but has continued to return on a regular basis to different parts of rural Afghanistan, both to areas under the control of the Taliban and to those still controlled by the opposition Northern alliance. His most recent visit to Afghanistan, concluded only two weeks before the September 11th catastrophe, was a three-week mission deep into the valleys of the northern Hindu Kush. An area primarily inhabited by a Tajik and Hazara population but controlled since 1998 by the Taliban.]

AFGHANISTAN: Civilization and Compassion is not dead.

*"Az kotal e Taloqan, kase tir na shod !
Az mordan e adami, vali zamin sir na shod !*

*Beya ! beravim ba Pish Ostad
Mordan ho khak ast, vali javan pir na shod."*

*"No one crossed the Taloqan pass !
The people are dead, yet the earth is not
replete,*

*Come, let us go with the 'First Master' !!
The dead are buried, and youth has not
grown old!"*

Old Afghan poem remembering the Mongol slaughter.

As the World waits in dread and anticipation for the next act of violence, for the next shot to be fired in anger in the "War Against Terrorism" it wakes up too late to the realisation that to leave one small corner of the Globe to fall out of command, as the World has allowed Afghanistan to fall out of command, to be used as a pawn in politics of great powers, first to be destroyed and then to destroy itself, is to place ALL at risk. If any good is to come out of the horrors of September 11th it will be that this lesson has been brought home, at last, to the most powerful nation on earth as well as to the nations that surround the present geographical expression, that has become Afghanistan. So that instead of walking away from the problem in one case and fighting like vultures and jackals over its corpse in the other, they should join together, and without rivalry help restore Afghanistan to life as a viable nation.

Afghanistan is a country that I know well, in which I have worked and travelled extensively over many years and for which I have had a deep affection from the first time I went there. That was thirty three years ago in 1968. It was in the early summer and we arrived in Herat from Mashhad. Those were the days when ragged hippies were being offered *chelims* (water pipes) of strong hashish behind the shrine of Khwajar Ansari at Gazarghar. I was taking a holiday in Afghanistan, the first of several. A welcome relief from the aggressive modernisation of the Shah's Iran, where, I was managing the remains of an old agricultural estate in the eastern Alborz mountains.

Afghanistan was beautiful ! Not just the beauty of its landscape. It was the beauty of its people. Unlike the drab ordinariness imposed on the folk of Iran and Turkey, whose dress codes and demeanour had fallen victim to aggressively modernising tyrants, the Afghans still walked their streets, rode their horses, ploughed their fields, or sat in contemplation, quietly reading their Qurans and their commentaries on the Hadith in shady mosques, dressed as they had been for millennia, in massive turbans, flowing silk *chapans* of deep purple and rainbow stripes and close woven woollen *patou* worn like the togas of Roman senators, an ancient rifle across their shoulders. Poor but independent. Proud, enormously courteous and unfailingly hospitable as many a wandering hippie, hazed with *chers* (hashish) will remember. Their Persian, rough but straightforward and totally devoid of the obsequiousness of the Iranian *taroff*.

Even in those happier days, Afghanistan was an abjectly poor and backward country, by Western standards, possessing some of the worst social indicators in the World outside Africa, in respect to literacy, infant mortality, life expectancy and social services. Out of a population of about 12 or 14 million (no one really knew the exact figure), under 10% were literate in their own languages. Women went unveiled in Kabul, but in few other places did you see Afghan women, in public, who were not completely hidden under their blue and green pleated *chadris*. A surprise for those like me who came from working in Iran, where even the most conservative women of the poorer classes wore a *chador*, which left the face open and where at that time mini skirts of the shortest cut were the rage in Teheran, among middle class girls.

I returned again to Kabul and Mazar i Sharif several times in the mid 1980s when still under Soviet control, where pale and frightened young men from the Baltic States manned armoured cars at the cross roads and the grim outline of Pul-i-Charki prison revolved beneath the wings of the Air India plane as it descended in tight circles to Kabul airport.

Later between 1988 and 1995 I travelled extensively throughout the country as we endeavoured to distribute good seed to farmers struggling to rebuild their lives, established nurseries of fruit trees and assisted with the repair of irrigation systems. During this time I travelled to remote and sometimes wonderful corners of the country seldom penetrated in earlier, happier days by the casual traveller or even the hippies in search of a hashish filled nirvana. It was during these years that I really got to know and understand the real courage of the Afghan people in the face of adversity. Not just their courage in battle. That needed no proof, but their courage in rebuilding their lives and their communities shattered by conflict, not only once but many times. I returned again on shorter missions in 1998 and again last year.

I have just returned from a three week mission deep into the valleys of the northern Hindu Kush, with a small team of local professionals, to review the agricultural situation in five of the Districts in the Provinces of Baghlan and Bamiyan, when the evil hand fell on New York and Washington and suddenly the World became a much more dangerous place. During August I travelled throughout the complex of magnificent valleys that reach far up into the central Hazarajat from the Northern Plains from Mazar I Sharif and Pul-i-Khumri, and through some of the desiccated rain-fed wheat lands where three years of drought have rendered the population completely destitute. We had no *alarums* or *excursions* save rough roads, long days and hard floors to sleep on. Everywhere we met with the unfailing customary good manners, courtesy and hospitality of the local population; villagers and farmers living in the many villages we visited and in whose homes we spent each night. Tajik, Hazara, Pushtoon, Tartar and Uzbek. Sunni, Shia and Ismaili.

Starting from Mazar i Sharif we visited almost every valley between Pul-i-Khumri and Bamiyan. Poor, sad Bamiyan with its empty Buddha niches. Strangely quiet with its young men fled to train in Iran or murdered. Unexpectedly and as of old the fields were still well tended, and the potato crop for which the area is famous were in flower, still being tilled by the old men and women who have stayed on.

Nor, in fact did we have the slightest trouble with the local authorities, though all this area has been under Taliban control since 1998. Most of the local authorities we met had been appointed from among the local Tajik and Hazara population. The Qandahari Taliban, themselves being too busily engaged in fighting the Northern Alliance on the Taloqan and Andarab fronts. No restrictions were placed upon us and we travelled as we desired from one valley to another, talking with whom we wished, visiting countless villages and staying wherever we wished in whatever village we chose or happened to reach at night fall. Even on some occasions well after dark. Since the events of September 11th this would hardly be possible.

Some of these valleys and districts previously supported a sizeable rural population but are now completely parched after three years without rain. Thousands are now living in desperate ragged camps, totally dependent on food aid or hanging on in their villages, their seed corn eaten, their plough bullocks, sheep and goats slaughtered or sold. Hanging on until the last of their wells dry up and they have to move. These are the inhabitants of the deep soiled loess hills and plains that face northwards towards the endless steppes of Central Asia. The rain-fed *lalmi* lands that were the traditional bread-basket of Afghanistan. The tragedy is that until the drought, these northern

foot hills and plains had been relatively unaffected by either the Soviet war, or the Commanders' war that followed it, or by the Taliban conquest.

In contrast running through these desiccated hills are a series of remarkably well-watered river valleys that still support an intense agriculture. These rivers are fed from deep springs welling up from the bowels of the Hindu Kush ranges and from mysterious lakes cradled in the crevices of the central Hazarajat. Like everything to do with Afghanistan, its popular image is only ever, at best, partially true and the contrasts, even in the shadow of catastrophe, are as dramatic as the scenery.

For two and half weeks we travelled slowly through each of the valleys in turn. To the top of the Shibar pass and back. Sar-i-Shibar where the now dry and dusty wheat fields lie across bleak, windswept slopes at an altitude of almost 12,000 feet. Here the remnants of the local Hazara population are still grimly hanging on against all odds, gathering thistles as winter fodder for their few remaining sheep and goats. Shibar with its narrow green and secret valleys set deep within the unforgiving mountains of the northern Hazarajat. Lakhsham Qala with its apple orchards and its massive fort built three hundred years ago by conquering Pushtoon Khans. Green Shombol, the valley of hyacinths, with its flourishing fields of potatoes. Secret Iraq entered through the merest crack in the rock face, barely the width of a pick-up, where we came upon fields of broad beans, blue flowered lathyrus and sweet smelling Persian clover. Ismaili - Iraq where we could speak openly with the women reaping their wheat and beans. Sunni, Ghandak, narrow, rocky and claustrophobic, cluttered with ancient and gigantic fruit trees, apricots, pears and walnuts. Many Turkic place names mark a history of conquest from the steppe. Jalmish, the lonesome valley, with its newly planted apple orchards. The saplings brought from as far away as Maidan Shahr in Wardak, marking the people's faith in the future. In the older orchards, the trees with their branches bending with fruit. Bir Kilich - the valley of the single sword. What act of conquest or heroism does this commemorate ?

The present inhabitants of these valleys are mainly Hazara and Tajik by admission, but their faces show centuries and generations of inter marriage and the shifting lines of conquest. Some are Shia, some Ismaili, some Sunni by religious persuasion, and some are mixed, living in tolerant proximity. This, despite the Taliban, an alien force, more fanatical, more implacable, more intolerant, more desert Arab than Afghan, Persian or Turkic, in their World vision of religious purity. Fortunately they were too busy, at the time of our mission, with their war on the Taloqan front to pay much attention to places so remote, provided they kept the peace and paid the taxes imposed on them for their religious deviance. Shia homes still displayed haloed icons of Hazrat Ali brought back from Iran by returning migrants and pilgrims to the shrine of the 8th Imam, the Imam Reza of the Shias in Mashhad. For all the world like Christ in a green cloak with a sword. Ismaili houses, bravely displaying pictures of the their Hazrat Imam, the Aga Khan.

The amazing Kahmard valley with its Sunni Tartar population settled from the time of Timur. Here, in happier days, King Zahir Shah, had a hunting lodge high up in the Darreh Ajar where the river rises. Like 'Alf the sacred river' in Coleridge's Xanadu the Kahmard pours out of a great cave in the rock-face fully formed, limpid and full of trout fed from a subterranean torrent that is said to flow from the depths of the mysterious Band-i-Amir lakes in the high Bamiyan valleys.

From its source the river flows fifty miles between towering painted cliffs, massive rock faces and through a series of narrow gorges. It supports a rich and sophisticated agriculture, irrigating crops of wheat, potatoes, rice, maize pulses, and sweet smelling Persian clover, with orchards of apricots and ancient walnut trees, until it reaches the dusty bazaar with a magic name more suited to a Tolkein novel. Do Ab-i-Mikh Zarin (The Two Waters of the Golden Nail !). Here the Kahmard and the Bamiyan rivers meet to form the Sorkhab (the Red Water).

Even in this wonderful place war, internecine conflict and climatic changes have laid their baleful hand. The amazing source of the river where it pours out from its cave in the rock face is strewn with land mines and marks the front line between the opposing forces of the Hazara Shia, Hizb-i-Wahdat party and the forces of the Qandahari Taliban. The Hazara population of the Darreh Ajar that were once the tenant farmers of the King have left the valley - fled or dead. The Darreh Modar (the Valley of the Mother) entered through a great cleft in the rock face, pitted with the caves of an ancient Buddhist monastery, is stricken with drought and many of its population have left.

From dusty Do Ab with its busy *chai khanas* serving the crews of the endless caravan of lorries that ply the trade of Central Asia between Turkmenistan, Kabul and Peshawar, with tea and kebabs, the Sorkhab flows on down through miles of rocky gorges until it opens up among the wheat and rice fields of Tala wa Barfak and Doshi. In August the deep vivid green of the irrigated rice fields along the Sorkhab river through Tala wa Barfak and Doshi as far as Pul-i-Khumri and up the Andarab river as far as Khinjan stood out in dramatic contrast to the desiccated hills and valleys beyond.

The parched and dusty desolation of the Larkhab and the Eskarf valleys and the now desiccated hills and plains of Dahana-i-Ghori, where the last village wells are on the point of drying up and the entire population is now entirely dependent on hand outs of food aid while they wait for the drought to break.

Everywhere we engaged in long and always friendly discussions with the villagers wherever we stopped, on life, agriculture and the state of their world and what might be done. Everywhere we were greeted and treated with the same old fashioned courtesy and good manners. Never was there a doubt in our minds that at the end of the day there would be a friendly place to lay our heads and a safe house in which to over night. Sometimes we slept in the house of a villager, sometimes with a farmer, sometimes with the mullah in his *ja ye namaz*, sometimes on a roof, sometimes in the 'guest' house of the local administration. Our discussions likewise, with gatherings of the village men, were sometimes in the mosque, sometimes in a private house, sometimes among the fruit trees in a garden or in the shade of some ancient knarled mulberry or walnut tree, sometimes in the parched wilderness gazing across dusty fields, where only the dust devils play, that have produced no crops in three seasons. As men and strangers we only once had discussions with women, working in their bean fields, but they were Ismaili.

On no occasion was I as a *faranghi* non believer questioned about my presence or made to feel in anyway discomforted, neither among Tajiks, Hazaras, Tartars, or in the Pushtoo villages of lower Doshi, Kunduz and Sholgara up the Balkh river - where we went seeking sources of good wheat

seed. My old opinion and the experience gained from years of working with them, about the skill and courage of the Afghan farmer in the face of his environment was once again confirmed.

I am glad to have had this recent short journey into the northern Hindu Kush valleys, because otherwise in the face of all the present confusion and rhetoric I might be led to forget all this and myself start to demonise the place and all its people.

But lest I be lulled into a state of false reality we also heard tell of, or came upon the grizzly evidence of atrocities committed by all sides during the internecine conflicts of the last twenty years. By the Hazara Shias of Hisb-i-Wahdat against the Panjshiri fighters of Massoud's Jamiyat Islami. Sixty of Massoud's men captured during the Kabul fighting in 1993, bound hand and foot and left to die, walled up in a cave near Bamiyan. By the Taliban who in their turn dealt out retribution against the Hazaras. The gruesome massacres of Taliban by the populace of Mazar-i-Sharif after the Talibs took the city for the first time, by treachery, in 1997. By the Taliban in their turn when they took the city the second time in 1998. The barbarities committed by Rashid Dostom when he ruled his Northern 'khanate'. There has been no exclusivity of murder and outrage. There are no innocents on any side in these terrible times and all heroes are in some way tarnished.

We also came across memories of more ancient slaughters. The ruins of the fortress of Golgora on the approach to Bamiyan the scene of betrayal and Mongol slaughter. In Tala wa Barfak we passed through the deserted and shattered villages of Shahr-i-Sagan - 'the city of dogs'. This had been on the front line between the forces of the Sayeds of Kayan under their leader Sayed Mansour and the forces of Hisb-i-Islami under their Commander Baz Mohammad, during the Commanders' war, and left in ruins, before the advance of the Taliban. Shahr-i-Sagan - so called in memory of the Mongol slaughter in the 13th century when all that was left was the howling of dogs ! The Taliban have tried to change its name, but I think it will remain.

From this mission I carry away a number of contrasting memories.

The awful misery of the pathetic makeshift camps of sticks and rags that lie scattered across the face of the parched landscape of the rain-fed 'lalmi' hill country. Pathetic families displaced by drought and war and now in serious danger of starvation if the foreign aid is halted. The image of a young boy of about twelve with a skinny donkey loaded with cans. A tiny figure lost amidst the desiccated hills of Dahana-i-Ghori setting out from his almost deserted village on his daily journey to fetch water from the nearest remaining spring six hours walk away, in the broiling sun. The contrast and the vivid green of the irrigated rice paddies and fields of maize and mung beans along the Sorkhab river valley in Doshi and Tala wa Barfak.

The memory of the magnificent Kahmard valley with its mysterious river and magnificent cliff faces of red, yellow, grey and ochre sand-stone. Of arriving at dusk in the Tartar village of Dasht-i-Safid below towering cliffs with the river running strong and grey between fields of rice and maize and clover. We had been directed to a large mud brick house with great heavy wooden doors, belonging to the *qariadah*, the head of the village as a suitable place to stay the night. Clearly a man of substance. The great man was away visiting in the neighbouring Seyghan valley and his son was somewhere else in the village when we arrived. We were met at the gate

by the grand-son. A self possessed young boy of thirteen with a handsome Tartar face and huge turban. He greeted us in his grand-father's name and bade us welcome with a grave dignity and courtesy beyond his years, and showed us with a shy smile, up some stairs to a long guest room carpeted with rough *qilims*. A small graceful and completely composed figure that could have stepped straight out of a Moghul painting. Quite un-dismayed by the unannounced arrival of a group of complete strangers, among them an Englishman.

A short time later his father and others returned and an evening meal was prepared. As always it was beautifully laid out and presented in the Afghan custom. For this was not a village on the brink of starvation though they were providing shelter to many from the drought effected side valleys. Pilaw, a chicken with dried apricots and fresh sweet melon on a long white *sofra* of embroidered linen. After we had eaten one of our team, a Badakhshani, at popular request recited from the Persian poet Hafez-i-Shirazi. He chose as his first verses a sad commentary on the times.

*In che shur ast ke doure kamar mebinam.
Ham ettefaq pur az fetna o shahr mebinam.
Hich rahimi na baradar be baradar darad.*

*Hich shafakat na pedar-ra be pesar mebinam.
Dokhtaran-ra hame jang ast o jadal ba modar.*

*Pesarran-ra hame badhahe pedar mebinam.
Asp e tazi shoda majrou ba zire polon.*

Towk e zarin hame dar gardan e kharr mebinam.

How we are girded round with bitterness.
I see a city full of disorder and treachery.
No compassion is given between brother and brother.
I see no mercy between father and son.
Daughters are all in conflict and discord with their mothers,
I see sons all at odds with their fathers.
The thoroughbred is wounded beneath its saddle.
I see golden collars about the necks of asses.

Later he quoted the first verses of the Mazanavi of Jelaluddin Rumi or Balkhi as he is known in Afghanistan. The ones that he plucked from his turban and presented to his disciple, Husam Chelbi. The ones that start:

*"Beshnu az neh chuun hikayat mikonad.
Az jodai shekayat mikonad."*

"Oh listen to the reed how she tells the tale.
Complaining of her separation. "

With all its yearning loneliness of man's separation from the divine.

Later I over heard the Badakhshani talking with the grand-son of the house, who is at present being educated in the local madrassa in the Quran, but who had listened with wide eyed attention throughout the recitations, which he was hearing for the first time. "Yes of course, Abdillah, it is essential that you know your Quran" he said "But you must not forget that to be properly educated you must also know the writings of the great poets and philosophers."

Afghanistan has not yet completely reverted to barbarism.

Yesterday I heard news of my companions of this mission. Courageously and in the face of Taliban orders to the contrary they had managed to deliver seed to the farmers in most of the places we had visited in time for the autumn sowing, and before they were finally stopped. Seed to increase the yields, seed to multiply wherever there is water as security against the time when the terrible drought will break.

Courage and compassion are not yet dead in Afghanistan.