

Taliban takeover in Afghanistan: one year on

[...]

Methodology

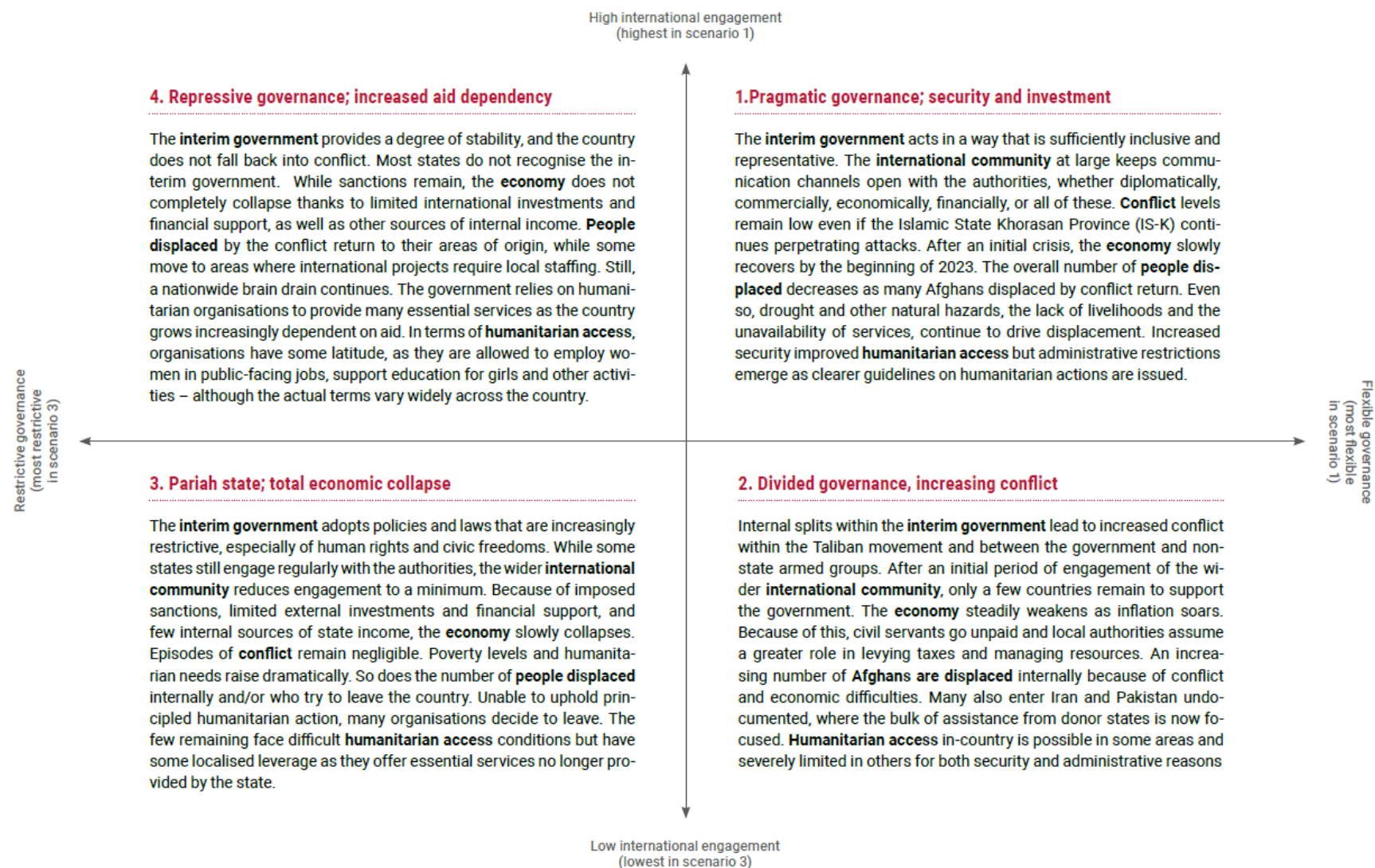
This report is based on a review conducted in September 2021 of the scenarios and the ACAPS scenario methodology, followed by a secondary data review of humanitarian and media sources published between August 2021 and August 2022. The goal was to understand how, in what form, and to what extent the various aspects highlighted in the scenarios had materialised. A team of ACAPS analysts reviewed the information and compared it to each of the four scenarios to understand what did and did not materialise and determine 'where we are' now. We conducted additional interviews with five experts in July–August 2022. Two experts on Afghanistan, one of whom was involved in the scenario-building last year, reviewed the final report.

Limitations

This analysis relies entirely on secondary data and a small number of key informant interviews. It was difficult to find publicly available information that was representative, and most of the data was not comparable because of different data collection methodologies. Where possible, the report highlights contradictory findings.

Scenarios developed in September 2021

In August–September 2021, ACAPS and the Norwegian Refugee Council conducted four working sessions with 11 humanitarian and academic organisations and independent experts to analyse different plausible futures for Afghanistan over the following 18 months. We then reviewed and further developed the four most relevant and consequential scenarios. Below is a summary of these four, along with their likelihood of occurrence.



Overview: where we stand currently

When we reviewed the four scenarios from 2021 in July–August 2022, we determined that the current situation mostly falls within two of the four scenarios: scenario 3 (pariah state; total economic collapse) and scenario 4 (repressive governance; increased aid dependency).

Some key elements that were highlighted in the scenarios and that materialised are below.

HUMANITARIAN NEEDS AND PRESENCE

- Humanitarian needs increase (scenario 3); many Afghans become dependent on aid (scenario 4).
- Humanitarian funding continues but at lower rates than pre-August 2021 (scenario 1).
- Humanitarian aid becomes politicised (scenario 2).

DISPLACEMENT

- The Taliban Government forcefully repatriates Afghan refugees from other countries (scenario 1).
- Afghans who can do so immediately leave the country early on, contributing to a nationwide brain drain (scenario 4).
- The number of people seeking to leave the country increases (scenario 3).
- The number of people internally displaced by conflict decreases (scenario 1).
- Cross-border movement mainly through smuggling routes increases (scenario 3).

GOVERNANCE AND SECURITY

- The Taliban Government buys some stability (scenario 4).
- The international community continues to not recognise the Taliban Government (scenario 4) and reduces engagement to a minimum (scenario 3).
- The Taliban Government adopts increasingly restrictive policies and laws (scenario 3), sticking to ideologies that restrict personal freedom, especially for women (scenarios 3 and 4).
- Western states condemn the regime (scenario 3).
- The Taliban Government is unable to provide basic public services, requiring humanitarians to step in for support (scenario 3); responders are given some latitude, which varies across the country (scenario 4).
- Humanitarian access continues to improve (scenario 4), but operational challenges and restrictions on women staff remain (scenarios 3 and 4).

ECONOMY

- International sanctions and the freezing of Afghan assets have resulted in economic collapse, while unemployment has risen sharply (scenario 3); international sanctions persist (scenario 4).
- Multiple banking issues emerge and remain unaddressed (scenario 2).
- The economy declines, and a liquidity crisis emerges (scenarios 3 and 4).
- The Taliban Government seeks to supplement its limited income by levying taxes and imposing customs duties (scenario 3).
- Cross-border trade grows (scenario 4).

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Governance

Since assuming power, the Taliban have been seeking international diplomatic recognition while establishing governance structures that reduce its likelihood. The dissolution of the Independent Electoral Commission, the Electoral Complaints Commission, and the ministries for peace and parliamentary affairs evidence their desire to remove any semblance of democracy. At the same time, the abolition of the Ministry of Women's Affairs and recreation of the Ministry for the Propagation of Virtue and Prevention of Vice signal their intention to ignore international calls for greater inclusivity ([CNN 27/12/2021](#); [Reuters 17/12/2021](#)). Despite an amnesty for former government officials and security force members, the 3 December decree on women's rights, and a code of conduct relating to prisoners, a broad range of human rights violations persist ([UNAMA 20/07/2022](#)). The Taliban have regularly issued decrees steadily restricting individual freedoms and rights. They have also given their last-minute refusal to permit teenage girls to return to school. These actions have further alienated the administration internationally and are evidence of either the Taliban's emir increasing control and clerics seeking more conservative policies, the leadership's efforts to maintain internal unity at the expense of effective governance and international acceptance, or both.

The all-male, predominantly Pashtun, interim government established in September 2019 remains in place, with no prospect of a more multi-ethnic inclusive cabinet in sight ([France 24 14/08/2022](#)). Governance is also becoming increasingly authoritarian and subject to Shari'a law. A large gathering that closely resembled the *loya jirga* – Afghanistan's mechanism of establishing political legitimacy – took place in June, but without its legitimacy, as all 3,000 participants were men, and there was no real debate permitted ([CTC Sentinel 03/08/2022](#)).

While all decrees originate from Kabul, the manner and extent of their implementation vary across the country depending on the provincial and local authorities, many of whom, including governors and key provincial-level post holders, have been changed multiple times ([CTC Sentinel 03/08/2022](#)). The Taliban Government continues to seek increased influence over the distribution of foreign aid in Afghanistan and has requested for the international community (UN and other donors) to use the Government's capacities ([Al Jazeera 13/01/2022](#)). While national and local NGO project registration procedures remain the same as under the previous Government, the process has become less time-consuming in Kabul and at the provincial levels – although other reporting requests have increased ([KII 14/8/2022](#)). The Government's attitude towards national NGOs also varies at the provincial and district levels depending on the individual Taliban official. NGOs with experience liaising and negotiating with the Taliban before August 2021 are in a better position to engage with them. In some provinces, the Taliban also require NGOs to obtain a Non-Objection Certificate from the Ministry of Interior for current and upcoming projects and operations, but the procedure for acquiring the certificate is unclear ([ICVA 10/03/2022](#)). **[Scenarios 3 and 4]**

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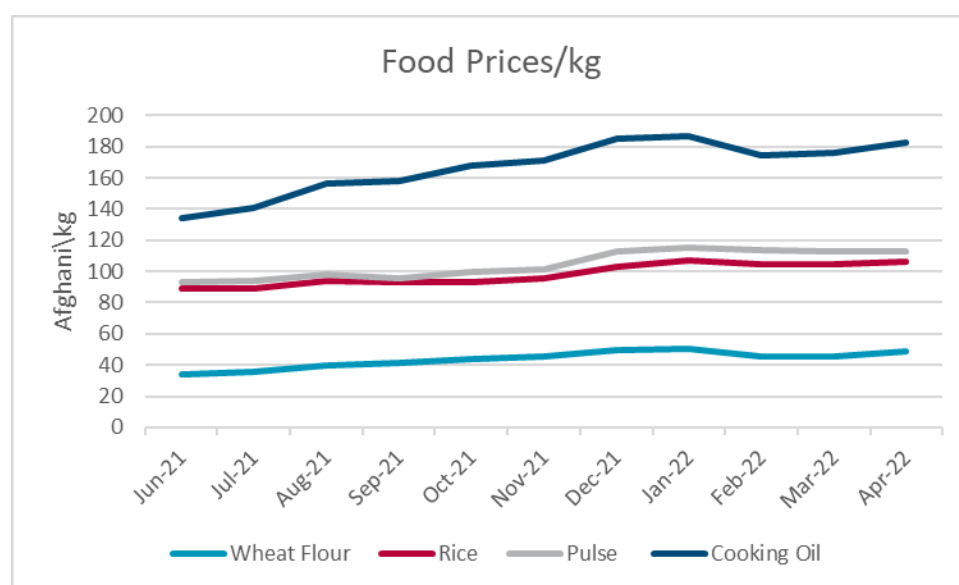
Humanitarian needs

24.4 million people are projected to need humanitarian support in Afghanistan in 2022, up from 18.4 million in 2021 and 14 million in 2020 ([OCHA 19/12/2020 and 19/06/2022](#)). The UN has appealed for USD 5 billion to support Afghans in need ([UN News 11/01/2022](#)). **[Scenarios 3 and 4]**

It has become increasingly difficult for Afghans, especially women and girls, to meet their basic needs. The healthcare system is collapsing, food insecurity is increasing, and the economy is crumbling ([IRC 24/11/2021](#) and [07/01/2022](#)). International donors used to fund the entirety of the primary healthcare system in the country, with NGOs delivering the support. The Ministry of Public Health led the design, contracting, and some level of monitoring and evaluation ([MOPH 08/2019](#)). As the aid from donors dried overnight on 15 August 2021, the health system funding ended, leaving primary healthcare under threat ([WHO 24/01/2022](#)).

More than 700,000 people have lost their jobs or been pushed out of work since the Taliban takeover, and child labour is reported to have increased ([UNSC 15/06/2022](#)). **[Scenario 3]**

While income has fallen, food prices have significantly increased. The drought in 2021, combined with the ensuing economic collapse and very high inflation after the Taliban takeover, resulted in a significant increase in food prices ([TNH 15/02/2022](#)). The global increase in food prices resulting from the Russian invasion of Ukraine has further increased domestic food prices. The prices of basic commodities, such as wheat flour, rice, oil, and pulses, were higher by 47% in April 2022 than in June 2021 ([WFP 19/05/2022](#)). Nearly half of Afghanistan's population is suffering from acute food insecurity ([WFP 23/07/2022](#)).



Source: [WFP \(DD/MM/YYYY\)](#)

Afghanistan is highly susceptible to natural disasters, such as earthquakes, floods, and landslides. Between January–July 2022, natural disasters affected around 39,060 people across 16 provinces, higher than the 26,703 people in 12 provinces during the same period in 2021 ([OCHA accessed 07/08/2022](#); [OCHA accessed 10/08/2022](#)). In June 2022, an earthquake of magnitude 5.9 hit Paktika and Khost provinces. This earthquake was the worst in the last two decades; it killed over 1,000 people and injured 6,000 more ([UN News 18/07/2022](#)). The UN launched an emergency appeal of USD 110 million to respond to the earthquake ([UNHCR 06/07/2022](#)).

Natural disasters recur in Afghanistan, but the economic downturn combined with the increase in the prices of food and other basic goods and services has diminished the resilience of Afghan families, increased the overall number of people in need, and made humanitarian response to natural disasters significantly more expensive than before.

Humanitarian assistance, presence, and access

Around USD 1.7 billion worth of aid has arrived in Afghanistan since the Taliban takeover ([OCHA accessed 12/07/2022](#)). Before then, around 75% of Afghan public expenditure came from foreign assistance ([The Economist 19/02/2022](#)). In 2020, Afghanistan received USD 4.21 billion in aid and development assistance ([WB accessed DD/MM/YYYY](#)). The Taliban have been providing security to UN personnel and ensuring broad humanitarian access, allowing humanitarians to provide assistance in parts of the country previously inaccessible because of the security situation ([UNAMA 17/11/2021](#)). **[Scenario 1]**

193 humanitarian organisations (106 NGOs, 75 INGOs, and 12 UN agencies) provided humanitarian assistance in Afghanistan in the second quarter of 2022 ([OCHA accessed 11/08/2022](#)). According to ACAPS' data analysis, humanitarian access in Afghanistan has improved compared to July 2021, although humanitarians continue to face operational challenges ([ACAPS 07/07/2022](#)). These challenges fall under three main categories:

- Financial access and liquidity: the Taliban has imposed withdrawal limits to buy time to liquidate banks, given that reserves are frozen and the inflow of USD has stopped. The limit is USD 200 per week, which people line up in front of banks for day to get. The reduced liquidity in the market has led to a further reduction in purchasing power and demand for business.
- There are bureaucratic impediments to access, along with operational challenges linked to funding constraints, political instability, and governance. Some reporting mechanisms that the Taliban Government has proposed are against the humanitarian principles of neutrality and impartiality, and organisations fear that these mechanisms will hinder programme implementation.
- The Taliban have restricted women's mobility and participation in the workforce ([ACBAR 23/03/2022](#)).

[Scenarios 3 and 4]

Both national and international NGOs face operational challenges because of national and international politics ([ICVA 10/03/2022](#)). **[Scenario 2]** The Taliban's control of local NGOs gives them access to supplies, which they often redirect to Taliban supporters and soldiers. Some NGOs and INGOs have reported not having the capacity to challenge authorities ([FP 24/06/2022](#)). In October 2021, the Ministry of Refugees and Repatriations issued a letter to the provincial directorate allowing essential female NGO staff to distribute aid under limited circumstances. In reality, the situation has varied from district to district ([ICVA 10/03/2022](#); [RI 18/08/2022](#)).

Many civil servants, bankers, academics, and doctors fled when Kabul fell, contributing to a wider brain drain and creating a vacuum in technical personnel ([The Economic Times 14/01/2022](#)). This brain drain is also affecting the humanitarian community, which is struggling to hire qualified personnel, affecting the overall humanitarian response ([KII DD/MM/YYYY](#)). **[Scenarios 3 and 4]**

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Socioeconomic environment

Loss of economic growth and consequent rise in unemployment and prices

Afghanistan has lost much of the economic growth it achieved over the last 15 years. Income, urban employment, and agricultural output have decreased, contributing to an approximately 34% fall in per capita income ([WB 13/04/2022](#)). **[Scenario 3]**

The Afghan economy highly depended on military and civilian aid flows (up to 8.5 billion) and expenditure by international coalition troops over the last two decades ([AAN 11/11/2021](#)). The gradual reduction in international coalition troop presence that began in 2014 caused the economy to decline

significantly. The cessation of both military and civilian aid flows in August 2021 also resulted in an immediate collapse of business activity and mass unemployment. A lack of sectoral diversity in the economy to reallocate labour and capital from collapsing sectors significantly decreased purchasing power and increased poverty and the risk of severe and acute food insecurity.

The banking sector experienced serious challenges immediately after the Taliban takeover. Most of the Afghan population, particularly those in urban areas, receiving salaries used various private banks. The temporary closure of all banks and subsequent withdrawal limits – e.g. the USD 200 per week that was only recently removed – created liquidity issues, further straining the already collapsing economy.

Financial sanctions initially disrupted remittances to Afghanistan – an important income source for a significant proportion of Afghan households, with the country receiving over USD 800 million annually – although a special license exempted them later.

Uncertainty and fear have resulted in a loss of confidence in investing in the private sector, while the outflow of tens of thousands of highly educated Afghans resulted in the loss of human capital. Reduced female participation in the public and private sector has also contributed to the loss of productivity (WB 13/04/2022). According to the ILO, in the third quarter of 2021, women's employment decreased by approximately 16% (ILO 19/01/2022).

Exports from Afghanistan to Pakistan have significantly increased, mainly with Pakistan purchasing coal and cotton from Afghanistan, providing much-needed revenue to the Taliban Government. The price of coal increased following Russia's invasion of Ukraine, and the Taliban has been trying to overcome some economic challenges by increasing coal exports to Pakistan (VOA 04/06/2022). Iranian exports to Afghanistan have decreased, mainly because of the change in the Afghan Government changing trade regulations in Iran and exporters being concerned about sending products to Afghanistan. The takeover also shut down several construction projects being implemented by the former government or international organisations, decreasing exports of construction materials from Iran (Tehran Times 05/04/2022). Cross-border trade with Central Asian countries has also decreased, mainly because of a fall in fuel imports (XCEPT 13/07/2022). **[Scenario 4]** The exchange rate to USD has slightly appreciated, mainly because of the continued inflow of USD for humanitarian aid into the economy (WB 18/04/2022).

USD to AFN Chart

1 USD = 87.8501 AFN Jul 4, 2022, 06:51 UTC

US Dollar to Afghan Afghani



Source: XE (accessed 04/07/2022)

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