

- focus on the **most vulnerable segments of the population**, including both displaced and host communities, and on ensuring **women and girls' rights and access to basic services**;
- Nothing in this action can be construed as a support to, or as a recognition of the Afghan *de facto* authorities, in full recognition of the guiding principles of engagement laid down by the Council conclusions on Afghanistan of 21 September 2021. No funds under this action will be channelled through the government systems and the Taliban will not be involved in the hiring, recruitment policy nor in the implementation and management of support mechanisms.

The duration of the proposed action is 24 months with the possibility to conduct a mid-term review given the developing situation on the ground.

2 RATIONALE

2.1 Context

General

Afghanistan is facing an uncertain period since the collapse of the Islamic Republic on 15 August 2021, with a real risk of social and economic collapse and increased levels of instability. Depending on numerous factors, Afghanistan could experience an economic contraction of around 30% by mid-2022 according to the World Bank if no support to basic functioning is provided, which would plunge the country into unprecedented levels of poverty, bearing in mind that Afghanistan already was in the Least Developed Country category before the Taliban takeover.

The humanitarian response has been scaled up significantly, with a focus on life-saving operations and covering approximately 35% of identified needs. The aim of this action is to safeguard and maintain functioning systems for the delivery of basic services and livelihoods. Going beyond humanitarian assistance will be crucial to pay salaries of essential workers in the health and education sectors without whom the systems would collapse.

The EU and its Member States pledged over EUR 2.5 billion of humanitarian and development assistance at the Geneva Conference in 2020, in a then fundamentally different situation. While EU development assistance to Afghanistan was frozen after 15 August, there are significant challenges ahead for the EU and its Member States:

- There is a need to achieve the right balance between, on the one hand, a response to urgent needs to avoid a total collapse of the country and retaining achievements of past investments without legitimising, recognising or supporting the Taliban regime and, on the other hand, the need to retain leverage and, in line with the benchmarks set out in the Council conclusions of 21 September 2021 and more specifically, the principles as defined in the summary of the action.
- Any further destabilisation of the country or further deterioration of already extremely challenging living conditions would have major consequences in the region and beyond, including in terms of *inter alia* security and displacement of persons inside and across Afghanistan borders;
- Any delivery of assistance must be done in direct support of the Afghan people and for the continued provision of basic services and livelihoods.