

Afghanistan Aid Commitments

Canadian Development Assistance Commitments to Afghanistan September 2007

1. Total Development Commitments and Disbursements

Canada has pledged \$1.2 billion dollars between 2001 until 2011 for development and reconstruction in Afghanistan. This includes a number of commitments made since 2001, including in a 2002-3 pledge of at least \$100 million per year through 2010-11 and the commitment made in February, of an additional \$200 million for 2007.

Of the additional \$ 200 million, \$150 million will be channelled through the Canadian International Development Agency (CIDA) with a \$120 million for governance and development, \$20 million for de-mining, and \$10 million for road construction.

The remaining \$50 million will be channelled through the Department of Foreign Affairs and International Trade (DFAIT) for counter-narcotics and policing activities.

Up until 2006, CIDA has committed an average of \$100 million/year in development assistance to Afghanistan. The former Minister of Foreign Affairs, Peter MacKay, said that Canada spent \$466 million on Afghan development between 2001 and 2006.

As of March 31 2007, the Government of Canada estimates it has spent \$ 600 million on development assistance for Afghanistan.

2. Aid to Kandahar

It is difficult to obtain an accurate picture of the distribution of overall Canadian aid in Kandahar Province since 2001, and even more difficult for aid following the deployment of Canadian International Security Assistance Forces (ISAF) forces in late 2005. According to CIDA, about \$10 million/year was spent specifically on Kandahar prior to March 2007.

From late 2005 to January 2007, Canada announced a total of \$56.4 million in project commitments (spread over several years) that explicitly target the Kandahar province. National level commitments that include Kandahar through national level trust funds and other mechanisms make it difficult to track precise funding amounts.

In late August 2007, Minister for International Co-operation Bev Oda announced another \$45 million for Kandahar province, of which, \$17.5 million is for health and education specifically in Kandahar province, while a further \$27.5 million is for southern and national level programs that include Kandahar province. These funds are part of the \$1.2 billion already pledged.

About 15% of current projects specifically target Kandahar Province. These are concentrated in the sector of Basic Human Needs.

3. Current Projects

Current spending on projects (mostly multi-year) totals \$497 million. Multi-year funding makes it difficult to track yearly spending in Afghanistan. The discrepancy between this figure and the over \$600 million cited by the government may reflect projects closed by CIDA begun in 2001 and completed by 2007.

CIDA projects are concentrated around four sectors; Sustainable Rural Livelihoods and Community-based Development; Democratic Development and Effective Governance; Women and Girls in Society (including Education); and Basic Human Needs.

Sustainable Rural Livelihoods and Community-based Development

Fully, \$139.23 million, or 28%, of current projects are focused in this sector. This includes funding for the National Solidarity Program and the National Area Based Development Program, support for the UN Mine Action Service (UNMAS) and the UN Development Program (UNDP) for mine action and stockpile destruction. Other funding goes toward alternative livelihoods (specifically in the north east), counter-narcotics, water resource management, and the World Food Programme (WFP). About \$13 million is allocated for NGOs, including the Aga Khan Foundation Canada and the Mennonite Economic Development Agency (MEDA). A smaller amount supports the International Committee of the Red Cross/Crescent (ICRC).

Democratic Development and Effective Governance

Approximately 35 % (\$175.1 million) of current spending by CIDA falls under the Democratic Development and Effective Governance sector. Almost 73% of current spending in this area goes toward the Afghanistan Reconstruction Trust Fund (\$127.5 million) which supports salaries and operating costs of the government. A further \$13 million supports parliamentary election processes and another \$7 million supports the disbandment of Illegal Armed Groups.

Legal aid training receives \$9.2 million, support for programs to strengthen government ministries \$17.2 million, and human rights treaty reporting \$375 000.

Women and Girls in Society including Education

About 17% (\$87.95 million) of current spending on projects is classified under the sector of Women and Girls in Society (including Education). The Microfinance Investment Support Facility for Afghanistan (MISFA) absorbs over 60% of current spending in the sector. According to CIDA, this is considered a program in support of women and girls because three-quarters of clients are women. The remaining funds are disbursed through NGOs such as CARE, MEDA, Rights and Democracy, BRAC, WUSC and War Child for projects aimed at girls and women's empowerment.

Basic Human Needs

Close to 19% (\$95 million) is allocated for Basic Human Needs. At least \$74.3 million (more than 75%) is allocated to Kandahar and the southern region. Of this, more than 13% is directly related to building roads and another 25 % is aimed at curtailing poppy cultivation by supporting alternate livelihoods.

Another \$10 million is dedicated for maternal and infant health and \$8.9 million is set aside for the WFP.

A national level program to eradicate polio and tuberculosis receives the remaining \$17.5 million of the total \$95 million.

Again, it should be noted that these figures are reflective of current projects only and do not reflect past projects that have been closed or post-2007 allocations.

4. Canadian Aid to Afghanistan relative to other donors

Canada's aid to Afghanistan, as a proportion of total aid to that country, has been higher than its "equitable burden" as a donor. This burden is traditionally measured as Canada's Gross National Income (GNI) expressed as a percentage of the total GNI for all DAC donors. In 2005, Canada's equitable burden as a donor was 3.4% (and its aid disbursements were 3.8%).

The United States and the United Kingdom also have contributed above or equal to their expected burden as donors in all years. US aid disbursements for Afghanistan increased significantly in 2005 (by more than 68% over 2004) – the exact reason for this large increase is not readily apparent in the aid statistics.

According to latest available figures from 2005, several G7 European countries, who are key allies in Afghanistan, were contributing well below their equitable burden as donors. The following table compares aid to Afghanistan for a number of G7 donors in terms of their equitable share.

	Share of Aid to Afghanistan (2005)	Donor Burden Share [Country Share of DAC Total GNI (2005)]
United States	61.2%	38.1%
United Kingdom	10.2%	7.0%
Netherlands	3.6%	1.9%
Canada	3.8%	3.4%
Germany	4.6%	8.6%
France	0.9%	6.5%
Italy	1.2%	5.4%
Japan	3.4%	14.4%

Source: DAC Statistics Online (January 2007)