



# Water Sector Reforms and Agricultural Productivity in Afghanistan

June 2017

Atal Ahmadzai

### Introduction

Afghanistan is an agrarian society and agriculture has remained the main driver of the national economy. The sector plays a vital role for its social development. Agriculture dependency is as high as 80 percent and the sector provides employment to 60 percent of the nation's workforce.<sup>1</sup> It is the source of livelihood for the majority of the 80 percent of Afghans living in rural areas. The value added net output of the agriculture sector in 2015 was accounted for 22 percent of the GDP. This number was 27 percent and 38 percent in 2010 and 2000, respectively. However, despite all these crucial roles of agriculture for the country, the sector is underutilised. The effectiveness and dynamics of the agriculture field in relation to the national economy is heavily dependent on the functionality and dynamism of irrigation and the water sector. Even though irrigation accounts for more than 95 percent of the total water consumption in the country, the lack of functional irrigation systems and establishment/development of new irrigation systems to provide reliable water to the irrigable land left the agriculture sector with huge untapped potentials that subsequently have caused underdevelopment and challenged socio-economic conditions.

Understanding this nexus and acknowledging the need for adopting new and effective approaches for the management of water resources, the Government of Afghanistan (GoA) introduced water sector reforms by ratifying the new Water Law in 2009. The reforms are aimed at ensuring sustainable development, allocation and monitoring of water resources use in the context of social, economic and environmental objectives. Within the new reforms agenda, the principles of Integrated Water Resources Management (IWRM) are identified to guide and inform the distribution and management of water resources in the country. Different institutional frameworks and functional mechanisms have been instigated at central, river and sub-river basin levels to ensure the implementation of the reforms agenda in accordance with the principles of IWRM. The new reforms agenda is focused on restructuring the overall functional and structural management of water on a river basin and sub-river basin basis. More specifically, these structural and functional changes introduced by the water sector reforms agenda are aimed at providing river and sub-river basin-based governance, allocation and monitoring of water resources.

To understanding the effectiveness of the initiated water sector reforms it is necessary to study and analyse the impacts of these reforms on agricultural productivity at grassroots levels by answering the question: How are the new reforms in the country affecting agriculture and agricultural productivity at the grassroots level within different river basins?

Hence, this Policy Note is based on analysis and recommendations from AREU's Issues Paper titled: "Water Sector Reforms and Agricultural Productivity in Afghanistan." This Policy Note briefly explains the methodology before presenting key findings and providing recommendations.

#### **Methodology**

This study followed both quantitative and qualitative methods. The quantitative method intended to generate in-depth understanding of the impacts of water sector reforms on agricultural productivity. Qualitative description is used to provide thick accounts and rich data for understanding the impacts of water sector reforms. Description becomes more relevant in social contexts suffering from the lack of representative and generalisable quantitative data. In addition, the applicability of a qualitative description method was found relevant to this study on the basis that the reforms have been implemented in small geographic areas in each of the river basins.

Qualitative data collection methods including In-Depth Interviews (IDIs) and Focus Group Discussions (FGDs) were conducted with relevant stakeholders. Interview guides with open-ended questions and checklists for thematic key areas were used as data collection instruments. Key areas of possible probing were identified under each open-ended question.

The study was originally designed to be conducted in all five river basins. However, during the actual data collection period, Helmand River Basin was excluded from the list. The exclusion criteria for Helmand River Basin was the fact that none of the water sector reforms have been implemented in the basin. Security challenges in Helmand and surrounding provinces on the river basin prevented the government from implementing reform agenda in the basin. The lack of implementation automatically negated studying the impacts of the agenda in the Helmand River Basin. The four river basins where the study was conducted are: Harirod Murghab, Kabul, Northern and Panj-Amu River Basins. In addition, at the centre, IDIs were conducted with the representatives of relevant line ministries and national institutions.

#### **Key Findings**

The implementation of the IWRM guided reforms agenda remained mostly on paper. It has not been completed in any of the river basins. The implementation has remained very slow and the agenda has been put into practice on a small scale within different river basins. Additionally, the formation of the organisational structures recommended by the Water Law has not been completed in any of the river basins. The agenda was not initiated in the Helmand Basin, at all. Community-based organisations including Water User Associations (WUAs) and Irrigation Associations (IAs) are formed in limited numbers on Panj Amu, Northern, Kabul and Hari Road River Basins.

The setback in the implementation was mostly caused by the lack of coordination, limited financial/ funding resources and many challenging security situations. The agenda is suffering from a complete lack of coordination at the ministerial level. The power struggle among the line ministries made the implementation of the agenda disintegrate and resulted in highly politicised agendas. It seems that with the existing power dynamics between line ministries, it is not feasible to implement the agenda as a holistic, integrated and decentralised process.

The agenda is implemented in limited areas in the different river basins. However, wherever it is implemented, it has resulted in high satisfaction of water users and other stakeholders at grassroots levels. In addition, the agenda is highly effective in water-based conflict resolution at the community level and it also improved agricultural productivity.

The main challenge in the implementation of the agenda is the incompatibility of IWRM informed recommended structure for water governance and the current administrative structures of the line ministries. IWRM suggests water governance to be based on the natural boundaries of the given river, while the water sector structure of line ministries is based on political administrative units. This incompatibility, on one hand, challenged the implementation of the agenda. On the other hand, it caused disintegrated implementation of the reforms agenda.

There exists no systematic and scientific approach and mechanisms within the line ministries to evaluate and assess the effectiveness of the implemented reforms agenda pertaining to agricultural productivity and conflict resolution. The lack in the public policy -science nexus is causing speculative figures, information, disintegrated programmes and biased judgements about the effectiveness of the implemented agenda.

Security was found as one of the main denominators regarding the successful implementation and sustainability of the reforms agenda. The implementation of the agenda was rendered impossible in unsecured areas. Furthermore, it was found to be unsustainable in the face of prevailing insecurity.

As mentioned earlier, the implemented reforms improved agricultural productivity at grassroots levels. Farmers were able to harvest more than they used to, prior to the implementation of the reforms. Increased harvest or yield, however, did not directly translate to improved livelihoods or income for the farmers. In addition to improved agricultural productivity, having access to local, regional and even foreign markets is crucial for a high income.

#### Recommendations

Aimed at operationalisation of the reforms agenda, the research outcome recommends the following:

- 1. To create a technical, non-affiliated and empowered working group at the central level to implement the agenda. The implementation of the agenda should be revoked from the portfolio of the line ministries. The exclusion of line ministries from the implementation process will neutralise the struggle for power and authority between these ministries. The existing Supreme Council of Land and Water (SCoLW) is a political entity that is mandated to coordinate and facilitate initiatives for the expansion of water.<sup>2</sup> The working group should be a technical entity at the central level and should be mandated exclusively with implementation of the reforms agenda.
- 2. To focus on and ensure full implementation of the agenda rather than diverting the attention towards unsubstantiated amendments and changes in the Water Law. As discussed, the agenda is highly effective pertaining to agricultural productivity, conflict resolution and coordination at the community level wherever it is implemented. Any suggestions or recommendations for bringing amendments to the agenda would be a premature call. The failure in the implementation of the agenda is not the inherent challenge of the agenda itself or the Water Law. The failure is exclusively facilitated by the line ministries at the central level by creating hurdles on the way toward implementation. Any suggestion for amendments in the Water Law without its widespread implementation is an a priori approach that is not based on observations, analysis or experience, but on theoretical or circular reasoning. The logic is to first give the agenda a chance before judging it as ineffective.
- 3. To restructure the water portfolio of line ministries from political administrative units to natural boundaries. Currently, there is incompatibility of the existing institutional setups and frameworks with that of the IWRM. This incompatibility caused lack of coordination, disintegration, and centralised interventions in the fields of water and agriculture.
- 4. To institutionalise systematic inquiries and assessments of the impacts of the implemented reforms at national, sub-national and community levels within relevant national institutions. Lack of systematic inquiries that provides evidence-based intervention in the agriculture field and water sector caused speculative impacts of the reforms on agricultural productivity.
- 5. To create a coordination mechanism between relevant institutions involved in the water and security sectors. Insecurity created huge hurdles for the implementation and the subsequent sustainability of the reforms. The recommended coordination mechanism is not a securitisation of the agriculture and water sectors. However, ensuring human security of individuals, communities and society by balancing the nexus of agricultural (food), water, environmental, individual and community securities.
- 6. To integrate a mechanism in the reforms agenda that is aimed at finding and facilitating a market for the agricultural production of the farmers at the grassroot levels.

A dynamic and accessible market is the key determinant for the livelihood of the farmers and the productivity of the agriculture field.



This AREU Discussion Paper was prepared as a contribution to the Govern4Afg. Govern4Afg has been launched by German and Afghan partners to establish a platform for policy dialogue on governance topics identified as being highly relevant for Afghanistan. The two-year initiative brings together representatives of research, governance practitioners and decision makers to discuss and further develop governance mechanisms that guide state-building as well as enhance the overall understanding of the context in Afghanistan. Govern4Afg was steered by GIZ and supported by an Afghan-German consortium consisting of GOPA Consultants; AREU; and JS Consultancy Services. As a consortium, AREU has published a series of related research papers on governance in Afghanistan.

Publication Code1712EEditorMatthew Longmore

## About the Afghanistan Research and Evaluation Unit

The Afghanistan Research and Evaluation Unit (AREU) is an independent research institute based in Kabul. AREU's mission is to inform and influence policy and practice by conducting high-quality, policy-relevant research and actively disseminating the results, and by promoting a culture of research and learning. To achieve its mission AREU engages with policy makers, civil society, researchers, and students to promote their use of AREU's research and its library, to strengthen their research capacity, and to create opportunities for analysis, reflection, and debate.

AREU was established in 2002 by the assistance community in Afghanistan and has a Board of Directors comprised of representatives of donor organisations, the United Nations and other multilateral agencies, and non-governmental organisations.