

## Sustainable Economic Development



War and conflict have left large parts of Afghanistan's infrastructure destroyed, with public services often non-existent. Efforts to expand electricity and water supplies, transport networks, schools and hospitals have only extended to certain areas of the country, and these services do not meet the needs of the population. Additionally, the country falls victim to seasonal natural disasters, with alternating periods of drought and flooding. Afghanistan is still one of the world's poorest countries. According to the United Nations Development Programme (UNDP), Afghanistan was ranked 169 out of 188 countries on the Human Development Index in 2016.

The civil reconstruction of Afghanistan is paving the way for trade and economic growth. Despite positive growth rates over the last decade, the Afghan state is still largely dependent on funding from other countries: 66% of the national budget is funded by the international community. According to the World Bank, Afghanistan's gross domestic product (GDP) stood at USD 19.47 billion in 2016. By comparison, Germany's stood at USD 3.48 trillion. Over half of Afghanistan's GDP comes from the service sector and a further 22% from agriculture. Industrial production accounts for a much smaller proportion. The country is also heavily dependent on imports, while Afghan products can barely compete on international markets.

Because most Afghans depend on agriculture for their livelihoods, there is a particular focus on this area. The priority here is to achieve higher yields in the long term, increase many families' incomes and create new employment opportunities. For this reason, the Afghan-German Cooperation concentrates on the provision of advisory services and training

### PROJECT NEWS

- Agreement Signed: Germany Provides AFN 5.4 Billion of Additional Funding to Afghanistan  
(<http://ez-afghanistan.de/en/news/3580>)  
30.11.2018 | Press release
- 30 Young Afghans Participate in Youth Entrepreneurship Support Programme  
(<http://ez-afghanistan.de/en/news/2896>)  
29.11.2017 | Press release
- Germany Investing AFN 6.4 Billion for Afghanistan  
(<http://ez-afghanistan.de/en/news/2886>)  
23.11.2017 | Press release

### READ MORE

- Fact sheet: Strengthen sustainable economic growth in northern Afghanistan  
(<http://ez-afghanistan.de/sites/default/files/2017-Nawi-EN.pdf>)
- Business Monitor 2016  
(<http://ez-afghanistan.de/sites/default/files/2016.12.31%20Business%20Climate%20Report%202016%20English%20Version.pdf>)
- Factsheet: Infrastructural Expansion Helps to Create Livelihoods in the North  
(<http://ez-afghanistan.de/sites/default/files/2017-Infrastruktur-EN.pdf>)

to Afghan farmers and entrepreneurs, as well as further infrastructural expansion in rural areas. These activities aim, among other things, to make work processes more efficient, lucrative and technically effective and to involve women.

For further information about our work in the priority area of sustainable economic growth, please see the project descriptions and the 'Stories' section.

- Fact sheet: Supporting Vocational Training (<http://ez-afghanistan.de/sites/default/files/2017-TVET-EN.pdf>)

## OUR WORK IN THIS SECTOR



### Strengthen sustainable economic growth in northern Afghanistan

In order to stimulate sustainable economic growth, increase Afghan farmers' yields and promote employment, the German Government is supporting economic programmes in Afghanistan's northern regions. (<http://ez-afghanistan.de/en/news/1743>)



### **Infrastructural Expansion Helps to Create Livelihoods in the North**

The German Government is promoting infrastructural measures in Northern Afghanistan in order to enable the local population to access business, administrative, health care and education services and opportunities.

(<http://ez-afghanistan.de/en/news/2201>)



### **Supporting Vocational Training, Combating Youth Unemployment**

In order to build a better TVET system that is accepted by government and society, the German Government is working with local partners to support the development of training programmes for trainers and to establish or improve the relevant structures.

(<http://ez-afghanistan.de/en/news/190>)