March 1, 2022

The Honorable Joseph R. Biden
President
The White House
1600 Pennsylvania Avenue NW
Washington, DC

The Honorable Anthony Blinken
Secretary of State
U.S. Department of State
2201 C Street NW
Washington, DC 20520

The Honorable Janet Yellen
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW,
Washington, DC 20220

Jake Sullivan
National Security Advisor
White House National Security Council
1650 Pennsylvania Avenue NW
Washington, D.C. 20502

Re: Preventing Famine and Rescinding Executive Order on Afghanistan’s frozen funds

Dear President Biden, Secretary Blinken, Secretary Yellen, Mr. Sullivan:

We, the undersigned, are leaders of grassroots advocacy organizations, non-governmental organizations in humanitarian, peacebuilding, refugee, immigration, resettlement organizations, and Afghan American community organizations.

Today, we write to ask that you prevent a catastrophe from unfolding in Afghanistan by urgently rescinding the recent executive order\(^1\) which splits the frozen reserves that are the property of the people of Afghanistan, designating half pending court action involving the families of the September 11th attacks and depositing the other half into a newly created humanitarian fund, rather than finding a safeguarded mechanism to return the Afghan people’s reserves through the infrastructure of Afghanistan’s Central Bank (Da Afghanistan Bank, DAB). Experts widely agree that this approach will further seriously damage an already-fragile Afghan economy while the country is on the brink of a catastrophe that is endangering millions of Afghan lives, including approximately one million children, according to leading international aid organizations.

In the wake of the international coalition’s military withdrawal from Afghanistan in August of 2021, the United States froze Afghanistan’s central-bank assets, paralyzing the country’s banking system. The former government’s reliance on foreign aid\(^2\) and the abrupt end to that aid in mid-August has deeply limited the functionality of essential services. Financial sanctions imposed by the United States and its allies as well as severe limitations on remittances further

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limited cash flow and contributed to severe inflation. This lethal combination of factors has adversely impacted and deteriorated the stability of the Afghan economy.

As a result, the Afghan people are suffering from a humanitarian crisis unprecedented in scale and affecting every city, town, and corner of the country. Just over half of the Afghan population, almost 23 million Afghans⁵, are facing acute food insecurity this winter.⁶ One million Afghan children are at risk of dying from malnutrition⁷ and the United Nations Development Programme (UNDP) has warned that if no concrete action is taken, almost 97% of the country’s population will plunge into poverty.⁸ UN Secretary-General Guterres recently stated, “freezing temperatures and frozen assets are a lethal combination for the people of Afghanistan” and “rules and conditions that prevent money from being used to save lives and the economy must be suspended in this emergency situation.”⁹ Recent news reports cited babies dying from malnutrition¹⁰ and Afghan adults selling their kidneys, hoping to stave off death to make ends meet.¹¹ The Taliban’s focus on the brutal repression of women activists and journalists is further ensuring gross mismanagement of the crisis under which Afghan civilians are being starved.

While we welcome the administration’s commitments toward an initial contribution of $308 million toward the United Nations’ 2022 Afghanistan appeal as well as the $474 million in direct humanitarian assistance the United States provided in 2021, humanitarian aid alone will not suffice to prevent a catastrophe from happening inside Afghanistan. Despite this, almost 87% of the UN’s 2022 appeal for Afghanistan remains unfilled, meaning the United States must do more to meet additional funding needs and encourage others to do the same. This crisis requires drastic, systematic policy fixes, and sending humanitarian food into the country remains a stop-gap solution. Lack of clear guidance for international financial institutions and the inability of aid groups to operate within the country remain unaddressed, some of whom are citing the lack of liquidity as driving the crisis.¹² Therefore, we ask for the following steps to be taken:

**Rescind Executive Order and release full funds to the Afghan people**

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⁵ Ibid., 1.


We urge the Administration to rescind the executive order released on February 11th\textsuperscript{12} and designate the entire $7.1 billion in Afghan reserves, mostly held at the Federal Bank of New York, to be used for the purposes of injecting liquidity and stabilization of the Afghan economy to prevent additional humanitarian crises.\textsuperscript{13}

Among many options to ensure that U.S. policy does not cause the Afghan economy to collapse, the U.S could slowly and gradually unfreeze the reserves on a monthly basis and release funds to Afghanistan’s central bank, Da Afghanistan Bank (DAB), a civil, technocratic institution, that was created with strong support from the U.S and modeled after the Federal Reserve System. An initial trust-building process such as this would allow the bank to perform its core functions, with proper ring-fencing as well as using enhanced safeguards such as electronic auditing records to ensure that the reserves are not interfered with by the Taliban. Allowing the DAB to regulate the Afghan currency and run U.S. dollar auctions would serve to inject liquidity into the struggling economy and ease the pain that is being inflicted upon the population. If the Taliban fail to maintain the integrity and independence of the DAB, the United States can move to halt such payments and find other creative ways of injecting liquidity.

Furthermore, we insist that none of the $7.1 billion in reserves be used for “direct humanitarian aid,” as has been suggested by the executive order. A clear designation must be made that these reserves are used for their original intended purposes, which is to implement monetary policy, facilitate international trade and stabilize the financial sector.\textsuperscript{14}

**Expand the use of World Bank and IMF funds to pay civil servants**

Secondly, we call on the Administration to adhere to Secretary-General Guterres’ call\textsuperscript{15} for international funding to be allowed to pay the salaries of doctors, sanitation workers, electrical engineers, and other civil servants as well as help Afghan institutions deliver health care, education, and other key services.\textsuperscript{16} The United States should use its power at the World Bank to ensure that the $1.5 billion in funds allocated to the Afghanistan Reconstruction Trust Fund (ARTF) is used to pay civil servants.\textsuperscript{17}

We support and welcome the initial transfer of $280 million from the ARTF that occurred late last year but hope your administration moves to quickly support the allocation of the entirety of the fund to serve these purposes.  

Furthermore, an additional roughly $460m in Special Drawing Rights (SDRs) reserves are on hold at the International Monetary Fund (IMF) which can serve as an additional lifeline to Afghanistan’s Central Bank, for which your administration can push for.

**Review of U.S. sanctions regime**

Thirdly, we call for an urgent review and reconsideration of all sanctions impacting Afghanistan that are effectively choking the economy. The current sanctions regime imposed on the Taliban has served as collective punishment for the entire population over time.

While we welcome the humanitarian carve-outs of the sanctions in the past few months, more must be done to significantly alleviate suffering and allow aid groups to perform their life-saving essential functions in this critical moment. It is in the interest of the United States to ensure that aid groups can serve millions of Afghans in need as well as ensure that Afghanistan’s economy is functional, to allow Afghans a chance at survival.

The challenges in Afghanistan might look insurmountable and the suffering is immense. If your administration, however, shifts course and takes decisive action, it can serve to ease some of that pain. The people of Afghanistan have suffered from four decades of war, repression, and indignity. Now, they are treated as collateral victims of the Taliban regime by the international community. The United States has a moral obligation to redirect all frozen assets back to the Afghan people to keep the economy from hitting rock-bottom and expand humanitarian aid into the country. This requires supporting a continuous injection of liquidity into the economy and ensuring the integrity and continued independence of the DAB, an institution that the United States has made significant investments in over the past 20 years. If it does so, the United States can make a lasting contribution to the health and well-being of millions of Afghans.

We hope you take this decisive action and hope you engage with us further to discuss as you deliberate around this particular issue. We are ready to hold discussions on feasible solutions and to put forward Afghan stakeholders and experts.

Please contact Arash Azizzada (arash@weareafghans.org) with Afghans For A Better Tomorrow (AFBT) and Homayra Yusufi (homayra@panasd.org) with the Partnership of Advancement of New Americans (PANA) for relevant stakeholder engagement.

Sincerely,

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Action Center on Race & the Economy
Action Corps
Adalah Justice Project
Afghan American Artists & Writers Association
Afghan Community Culture Center
Afghan Refugee Relief
Afghan Sustainable Economic Foundation (ASEF)
Afghan-American Community Organization (AACO)
Afghans For A Better Tomorrow
African Coalition Workforce
American Muslim Bar Association
American Muslim Empowerment Network (AMEN)
Antiwar.com
Arab American Anti-Discrimination Committee, San Diego
Arab American Civic Council
Armenian-American Action Network
Baltimore Nonviolence Center
Cameroon American Council
Charity & Security Network
Chicago Area Peace Action DePaul
CODEPINK
Common Defense
Council on American-Islamic Relations (CAIR)
Council on American-Islamic Relations, Washington Chapter (CAIR-WA)
Cuba Inspires
Edge Effect Solutions
Emgage
Empowering Pacific Islander Communities (EPIC)
Environmentalists Against War
Fresh Start Refugee Assistance Center
Friends Committee on National Legislation (FCNL)
Global Network Against Weapons & Nuclear Power in Space
Hands Off Yemen
Health Alliance International (HAI)
Historians for Peace and Democracy
ICNA Council for Social Justice
International Civil Society Action Network (ICAN)
Islamic Center of San Diego
Just Foreign Policy
Justice for Muslims Collective
Justice Is Global
Karen Organization of San Diego
License to Freedom
MADRE
MoveOn
Minnesota Peace Project
Mission and Social Justice Commission of The Riverside Church in the City of New York
Muslim American Society
Muslims for Social Justice
National Iranian American Council
NJ State Industrial Union Council
North Country Peace Group
OneAmerica
Paloonkey
Partnership of Advancement of New Americans (PANA)
Pax Christi USA
Peace Action NY
Peace Action WI
Peace Justice Sustainability NOW!
Pillars of the Community
Presbyterian Church (USA)
Project Anar
Project South
Queer Crescent
ReThinking Foreign Policy
Riki Hawk Enterprises, LLC
RootsAction
Secure Justice
Shia Racial Justice Coalition
Sisters of Mercy of the Americas Justice Team
South Asian Americans Leading Together (SAALT)
South Country Peace Group
Unfreeze Afghanistan
Unitarian Universalist Service Committee
United Women of East Africa Support Team
Uplift Afghanistan Fund
Veterans For Peace
Veterans for Peace, Chapter 120
Viets for Afghans
Win Without War
Witness Against Torture
Yemen Relief and Reconstruction Foundation
Yemeni Alliance Committee

cc Members of Congress