

Implementing New Currency in Afghanistan



Photo by USAID

Old Afghanis are exchanged for the new currency printed by the country's Central Bank.

“The logistics was one of the dominant problems during the whole process. But with the help of God and with the assistance of USAID we covered all the problems.”

**- Afghanistan Central Bank
Governor Anwarul Haq
Ahady**

Due to war, U.N. sanctions, and looting by the retreating Taliban, the value of Afghanistan's currency – the Afghani– had fallen so low that boxes full of bills were needed to buy just a farm animal or an article of clothing. The old Afghanis could not be exchanged for foreign currency or used abroad - making it difficult for Afghans to conduct business, travel, or import goods. Even worse, warlords in the north and the west actually issued their own currencies.

USAID provided \$8.3 million to help collect an estimated 13 trillion old Afghanis and replace them with new Afghanis, printed by Afghanistan's central bank and each worth 1,000 times the old currency. USAID provided currency counters, shredders, helicopters, and planes to move the currency to remote sites, and more than 2,400 personnel to staff forty-two exchange points throughout the country.

Despite the winter of 2002 and poor transportation in the country, trillions of old Afghanis were turned in and destroyed. To prevent fraud, the old bills were shredded, burned, or dipped in carpet dye and replaced with the new bills, which were flown or trucked throughout the Texas-sized country.