

Nov 04, 2016 by *M. Ashraf Haidari*

The Challenges and Opportunities of Nation Building in Afghanistan ^[1]

From an online discussion at Development Gateway, Jul 2, 2007:

1. Mr. Hikmatullah Amin, Afghanistan: I wanted to ask from Mr. Haidari the stance of Afghan Government on the difference between the development projects costs versus the military costs. Last year, Germany spent 4 million euros in development and humanitarian projects while the military cost was 475 million euros. I wonder why the Afghan government cannot prioritize between various ways to fight against terror?

HAIDARI: The government of Afghanistan has been very clear on the right balance between security and development assistance, which we have repeatedly brought to the attention of our partners including Germany. The challenge of Afghanistan's instability cannot be overcome militarily alone, and the past six years have demonstrated that fact. Some may think of Afghanistan's reconstruction as a linear process where you first establish security and then deliver humanitarian and long-term reconstruction assistance. While that may be the case in some post-conflict societies, it does not work in Afghanistan where we need an integrated and balanced approach to peace-building, that is, we need to identify the various sources of instability in Afghanistan and then address them at the same time rather than treat their symptoms.

In a recent article entitled "Nation building or nation neglecting?" I pointed out that three destabilizing factors with domestic, regional and transnational dimensions contribute to deteriorating security in Afghanistan. I strongly believe that unless our international partners help us strengthen the state institutions and provide them with the resources to implement our "Marshall Plan" (The Afghanistan National Development Strategy), we will continue losing popular support. It is a lack of state capacity and reconstruction assistance that the Taliban have increasingly capitalized on to win over the destitute in the south and east of Afghanistan. However, the Taliban cross-border insurgency would not end unless the government of Pakistan sincerely cooperated with us and our common allies to dismantle the command and control of the Taliban in the greater NWFP and Baluchistan border region. It is also in the south and east of Afghanistan where drug production is at its peak, accounting for more than 60% of all narcotics produced in the country. The Taliban and a major network of domestic and regional drug traffickers have joined hands in the campaign to destabilize Afghanistan and to undo our achievements of the past six years.

Therefore, we ask our partners to work with us closely to ensure that their security and development assistance is effectively utilized to address our national priorities, thereby overcoming the complex challenges that face us in Afghanistan.

2. Mrs. Joanna Sherman, Bond Street Theatre, NY, USA: I just returned from Afghanistan; I have been working there off and on over the last five years. Things were notably different this trip: the security situation had dramatically affected both foreign and local NGOs. In a discussion with some Afghan friends, I asked what would really

bring sustainable change and stability to the country. I was shocked when they said that "it is all up to the United States." They see the US as holding the ultimate political power and purse-strings in those countries that feed Afghanistan's insurgency, those countries that cross Afghan borders with guns and money. What do you think the US's role should be in Afghanistan? What specifically could the US do to bring peace and stability to Afghanistan if it had the political will?

HAIDARI: The fact that the 9/11 terrorist attacks took place in the United States as a result of neglecting the post Cold War reconstruction of Afghanistan, the Afghan people have greater expectations from the U.S. government. However, other major powers have equal responsibility to help secure Afghanistan, not so much for the people of Afghanistan, but first and foremost for their own national security. If we take away one lesson from the events of 9/11, it is that the security of the First, the Second, and the Third Worlds is increasingly interdependent. From the recent history, we know that a multitude of non-state actors -- terrorists, extremists, criminals, drug traffickers, etc in a predatory neighborhood -- filled the vacuum left by international disengagement from Afghanistan in early 1990s. This is exactly what the Afghan people are afraid of again, and hope that the U.S. and our other allies will help us finish up the job we successfully started six years ago.

Thanks to the U.S. government and people, they are doing their share to help us rebuild Afghanistan. There is no shortage of goodwill among the American people for Afghanistan, as well as strong bi-partisan support in the US Congress to help us see the reconstruction process through.

3. Mr. Graham Lowe, former Head of Agency, UN-HABITAT Afghanistan: As it becomes more and more difficult to find suitable candidates as district and provincial governors, would it be possible to use the participatory techniques used in the National Solidarity Program of the MRRD and UN-HABITAT to ask communities and district populations to choose their governors through secret ballot? In NSP the secret ballot has shown that communities choose the best people for the Community Development Councils and not necessarily the traditional "shura" members. Even if opposition members are elected, they are still responsible to the people and to the government and President.

HAIDARI: I agree with you on the effectiveness of the National Solidarity Program (NSP) as a whole, and the fact that we should look at utilizing some of the Program's community-based democratic mechanisms for other purposes. However, the Afghan Constitution provides for a central government system where the President is mandated to appoint all provincial governors, who must be qualified by all accounts to serve the Afghan people well.

4. Mr. Hafizullah Khaled, dgAfghanistan Advisor, Austria: Could you please tell us about the upcoming peace and prosperity Jirga between Afghanistan and Pakistan and its role in achieving peace and stability in the region?

HAIDARI: At a trilateral dinner meeting with President Bush in September 2006, President Karzai proposed to President Musharraf the idea of a Peace Jirga between Afghanistan and Pakistan. President Karzai sees the Peace Jirga as offering the best hope for improving relations between the two countries, as well as fostering better relations among people on both sides of the border. The President believes that stronger ties with the government and people of Pakistan would isolate the Taliban who lack true popular support on sides of the border. Neither Afghans nor Pakistanis are radical by nature, but it is the institutional support for extremism that fuels the Taliban cross-border insurgency and the Talibanization of

Pakistan.

I believe that a successful Peace Jirga meeting should be as inclusive as possible, consisting of both genders, tribal-religious-civil society leaders, members of the parliament from both countries, and prominent elders to discuss security problems on both sides of the border and to offer their constructive views on how to resolve them together. The process has to be honest and free from manipulation to produce the consensus needed to plan for a common effective response. The United Nations is traditionally best positioned to serve as a monitor in the whole process. If successfully carried out, the outcome of the Peace Jirga should be institutionalized and safeguarded by the UN to ensure its execution.

The Afghan Peace Jirga Commission was established shortly after the President Karzai's return from the U.S. last September. Members from the Peace Jirga Commissions of both countries have agreed on the first week of August to hold the Peace Jirga in Afghanistan. 700 participants from both sides are expected to participate in the Peace Jirga gathering.

5. Mrs. Minhas Majeed Khan. Lecturer, University of Peshawar, Pakistan: My question is that how far Afghan government itself has done to solve everlasting ethnic problem, why has its policy failed in bringing peace and stability in Afghanistan and what measures should be taken to remove distrust between Pakistan and Afghanistan for regional peace.

HAIDARI: On the issue of ethnic diversity in Afghanistan, I must say that we're a united and strong nation with a rich cultural heritage and history. However, outsiders have occasionally politicized our ethnic diversity to their advantage. On the grassroots level, Afghans coexist and they intermarry. The ethno-sectarian issue becomes a problem when demagogues politicize and abuse it for personal agendas or betray the Afghan nation in support of outsiders. We know that it was actually all of the Afghan people -- the Pashtuns, the Tajiks, the Hazaras, the Uzbeks, and others -- that defeated the Soviet and Taliban invaders.

Today, they are united in rebuilding Afghanistan. Afghans have embraced democracy. They debated and adopted our new Constitution, they voted to elect our president, and they voted to elect members of our parliament. Now, they are expecting their trust in democracy to bear fruit. The government of Afghanistan has outlined the basic needs of our people in the Afghanistan Compact and the Afghanistan National Development Strategy (ANDS), and asked the international community to help us deliver on the promise of democracy and freedom. The sooner this happens, the stronger our state will be against terrorists that try hard to turn around popular support for peace-building in Afghanistan.

Afghan-Pakistan relations are based on the Declaration of Good Neighborly Relations which we signed with all of our neighbors in December 2002. We appreciate Pakistan's generosity towards Afghan refugees and their support of our resistance against the Soviet occupation in 1980s—it was a shared victory against a common enemy. But where we have problems is when the Taliban and Al-Qaeda terrorists are allowed to operate freely out of major Pakistani towns and cities from where they launch cross-border terrorist attacks on soft targets inside Afghanistan—indiscriminately killing and maiming civilians everyday.

As I discussed in another response, at a trilateral dinner meeting with President Bush in September 2006, President Karzai proposed to President Musharraf the idea of a Peace Jirga between Afghanistan and Pakistan. President Karzai sees the Peace Jirga as offering the best hope for improving relations between the two countries, as well as fostering better

relations among people on both sides of the border. The President believes that stronger ties with the government and people of Pakistan would isolate the Taliban who lack true popular support on sides of the border. Neither Afghans nor Pakistanis are radical by nature, but it is the institutional support for extremism that fuels the Taliban cross-border insurgency and the Talibanization of Pakistan.

The Peace Jirga is scheduled for early August, which we hope will debate and find a durable solution to help end the cross-border terrorism and violence in Afghanistan.

6. Dr.Thilo Hatzius, Development Consultant, Germany: Since June 2004 I have been working as an adviser in a Ministry in Kabul (foreigner, integrated, i.e. employed by the Ministry, no hidden agenda, no donor affiliation) and followed the drama of this country - incompetence on all sides, and, in particular, on the side of the main donors, and here your host country as the least willing to sit together and find a solution....

Donors have systematically avoided attacking the problem of capacity building on the root - or they pretended doing it but are incompetent to do so. There has never been an agreed upon and unique approach for doing this very obvious and urgent task: systematically building up capacity for the people and their institutions to run their own affairs in the very short (emergency), short, medium and long run, including schools and universities as well as ministries which are expected to deliver services and spend huge amounts of aid money according to all the rules developed and monitored in some head office somewhere in the world (....) Do you see it differently?

HAIDARI: I have discussed some of the key points that you raised regarding the problem of capacity and lagging civil service reform in other responses. However, as I pointed out earlier, we are almost in the sixth year of the state-building process in Afghanistan, and yet the very state institutions that the Bonn process helped create lack the human capacity and resources to function effectively. Who should be blamed for this? If these nascent state institutions could have come up with effective capacity on their own after three decades of war and the total collapse of an already weak state in an already least developed country in a far flung and landlocked part of the world, the international community would have already exited Afghanistan by now.

However, we all know that toppling repressive regimes that harbor terrorism and extremism is easy, but winning the peace in post-conflict or complex peace-conflict countries such as Afghanistan requires short- and long-term strategic coordination to ensure that the scarce aid resources are optimally utilized to gradually create a functional self-reliant state. In other words, every foreign aid actor's exit strategy in Afghanistan must have been to help the state institutions stand on their own feet. This has not happened yet. While we successfully went through the Bonn process—democratically electing the president and the parliament—the parallel process of building and strengthening state institutions, needed to enable the government to deliver basic services to people, has lagged far behind. Hence state institutions without the necessary resources and capacity to deliver on popular expectations will inevitably create instability, a by product of which is corruption.

To fix this problem, however, the government of Afghanistan launched the London Conference in January and February 2006 when we signed the Afghanistan Compact with our international partners. A key objective of the Compact backed by the long-term Afghanistan National Development Strategy (ANDS) is to ensure that henceforth the aid community coordinates their efforts through the Joint Coordination and Monitoring Body (JCMB) as we

collectively work to rebuild Afghanistan.

While the ANDS discusses the creation of specific transparent implementing mechanisms in detail, such mechanisms already exist in most of the government institutions. We are not short of laws, strategies, plans, or programs, but short of the resources to 1) build the human capacity of the government institutions and 2) to pay them enough to do their jobs well. Achieving these two basic concurrent goals with the assistance of our international partners will go along way to ensure both local ownership of the rebuilding process and avoid wasting the taxpayers' aid dollars.

7. Dr. Ken Swanberg, Agriculture Advisor, Armenia sent a letter on how to harness Afghanistan's own vast resources to create alternative livelihoods for the poppy farmers and to develop rural Afghanistan as the only permanent solution to the problem of narcotics. [Read Full Letter](#).

HAIDARI: Many thanks for your insightful letter.

As you know, it has been our policy goal to secure a sustainable decrease in cultivation, production, trafficking, and consumption of illicit drugs with a view to complete and sustainable elimination. To facilitate the implementation of this long-term policy objective, we have passed a series of decrees, legislated a counter-narcotics law, established the Ministry of Counter-Narcotics, created a counter-narcotics police force, and adopted an eight-pillar National Drug Control Strategy. Where none of these existed almost six years ago under the Taliban, we now have the appropriate mechanisms in place with a committed leadership to fighting and eliminating drugs in Afghanistan.

In January 2006, our Ministry of Counter Narcotics launched an updated National Drug Control Strategy with a focus on four national priorities in order to make the most sustainable impact on drug production and trafficking in the near term. Our priorities include:

1. Disrupting the drug trade by targeting traffickers and their backers;
2. Strengthening and diversifying legal rural livelihoods;
3. Reducing the demand for illicit drugs and treatment of problem drug users; and
4. Developing state institutions at the central and provincial level vital to the delivery of our counter-narcotics strategy.

Because we are keenly aware of the nexus between extreme poverty and opium poppy cultivation in Afghanistan, we have avoided an eradication-led strategy. However, eradication is an integral pillar of our Drug Control Strategy which we have used in a targeted manner to inject risk for poppy cultivation in areas where alternative livelihoods do exist and where the government with international support has been able to deliver alternative development assistance to people. Nonetheless, we caution against premature eradication which can alienate destitute farmers and strengthen narco-terrorists against the government, particularly in southern Afghanistan where the Taliban and drug traffickers work hand in hand to achieve just that.

To implement our national priorities, we will need sustainable resources from our partners to help us eradicate the root causes of drug production in Afghanistan. International experience teaches us that that only through long-term rural development, increased security, expanded rule of law, enhanced institutional capacity, and proactive regional cooperation, can narcotics

be eliminated in Afghanistan.

In 2006, a lack of resources for alternative development coupled with weak coordination across the donor community led to further increase in drug production in Afghanistan. The government was unable to deliver on the alternative assistance that was promised to the farmers in 2005. The increase was also caused by insecurity and weak governance in the southeast of Afghanistan where more than 60% of the drugs are produced and where the government is either absent or maintains weak presence due to a lack of capacity and resources.

Meantime, this area of the country has received little or no reconstruction assistance over the past five years. The prevailing abject poverty and vulnerability of Afghan farmers in the southeast of Afghanistan have played in the hands of the Taliban who are not only taxing opium poppy cultivation in return for protection against law enforcement but also are facilitating drug trafficking. In 2006, the Taliban terrorists and drug traffickers were able to integrate their anti-government efforts to undermine security and governance to ensure the enabling environment for terrorism and drug production.

Despite our very limited resources, the government of Afghanistan will continue to do our part, reaching out to all stake-holders for assistance based on the realization that Afghanistan's drug problem is a transnational security threat that the international community must address together.

I will send you an e-mail to further discuss your suggestions. My e-mail is haidari@embassyofafghanistan.org and I can be reached directly at 202-449-4193. Thank you again for your letter.

8. Dr. Leon Irish, President, International Center for Civil Society Law: One of the important institutions to come out of the 2002 Bonn conference was the Human Rights Commission. A key feature of it is that none of the members of the Commission is a government official or employee. How do you think the Commission has performed to date, what problems has it encountered, and how could it be improved?

HAIDARI: The Afghanistan Independent Human Rights Commission is a constitutional, national and independent human rights body in Afghanistan. The Commission has lived up to its Constitutional mission, vocally debating human rights issues in Afghanistan. As we realize, however, the effectiveness of the Commission's work would ultimately depend on the judicial system, whose reform unfortunately has not gotten the necessary attention and resources from the international community over the past six years. The judiciary and police that constitute the face of any government have so far received the least amount of reconstruction assistance, making both critical sectors vulnerable to widespread abuses. We hope that the forthcoming Rome Conference on Judicial Reform will generate both an effective reform strategy in line with the objectives of the Afghanistan National Development Strategy and a firm commitment of resources by the international community to implement the lagging reform in order to strengthen governance and the rule of law in Afghanistan. Success in this important sector will automatically reduce human rights violations, thereby achieving the constitutional objectives of the Commission.

9. Mr. Hafizullah Khaled, dgAfghanistan Advisor, Austria: During last two years more than 200 schools have been burned by extremist groups or closed because of poor security situation in south and eastern part of Afghanistan as a result of shot down of schools more than two hundred thousands children have been prevented from

education, How can you bring these children back into school?

HAIDARI: I cannot emphasize enough the centrality of the education sector to Afghanistan's sustainable reconstruction and development. This is one area where any amount of investment now would pay off manifold on the long run. If we look at the experience of Southeast Asian countries or "Asian Tigers," it is the strategic investment that they made in social development a few decades earlier that they are reaping its multiple benefits today. Without an educated workforce, our formal economy could hardly take off and integrate with the global economic system increasingly dominated by globalization and the many opportunities and challenges that come with it.

The fact that education empowers the Afghan population socially and economically is threatening the Taliban and their extremist ideology. It also demonstrates to all of us that the Taliban's anti-education campaign runs counter to the very basic teaching of Islam and Prophet Mohammed (PBU), who once said, "Gain knowledge from the cradle to the grave." Nonetheless, it is unfortunately true that 6% of our schools, mostly in the south and east of Afghanistan, have been burnt or closed down by the Taliban's terrorist attacks in the last 18 months. The Afghan security forces along with the Coalition and NATO-ISAF troops have launched a number of successful military operations against the Taliban insurgents, pushing them out of provincial districts where they often attack soft targets such as teachers and schools.

The Afghan Ministry of Education is fully aware of the urgent need to rebuild and re-open all of the damaged and closed schools. It is the number one priority of the Ministry to work independently and together with international organizations such as UNICEF to help the affected students go back to school in areas where security has improved. The government of Afghanistan and our international partners will not allow the Taliban to derail the progress so far made in enabling 5.4 million children to go back to school. I invite you to visit the website of our Ministry of Education at <http://www.moe.gov.af/> to learn further about their efforts both to enhance access to education and to improve the quality of primary and secondary education throughout Afghanistan.

10. Otilie English, USA: Recently elected officials as well as representatives of the current government in Kabul have said that if the aid to Afghanistan was given directly rather than through a foreign NGO as intermediary, that billions would have been saved in the expense of keeping expat workers in Kabul. But because corruption is so rife in Afghanistan, what safeguards will they put in place to create transparency? What bookkeeping procedures will be put in place to safeguard the funds and what oversight committees will be established to see that the money is used for the particular reasons they were dispensed?

HAIDARI: We are almost in the sixth year of the state-building process in Afghanistan, and yet the very state institutions that the Bonn process helped create lack the human capacity and resources to function effectively. Who should be blamed for this? If these nascent state institutions could have come up with effective capacity on their own after three decades of war and total collapse of an already weak state in an already least developed country in a far flung and landlocked part of the world, the international community would have already exited Afghanistan by now.

However, we all know that toppling repressive regimes that harbor terrorism and extremism is easy, but winning the peace in post-conflict or complex peace-conflict countries such as

Afghanistan requires short- and long-term strategic coordination to ensure that the scarce aid resources are optimally utilized to gradually create a functional self-reliant state. In other words, every foreign aid actor's exit strategy in Afghanistan must have been to help the state institutions stand on their own feet. This has not happened yet. While we successfully went through the Bonn process -- democratically electing the president and the parliament -- the parallel process of building and strengthening state institutions, needed to enable the government to deliver basic services to people, has lagged far behind. Hence state institutions without the necessary resources and capacity to deliver on popular expectations will inevitably create instability, a by product of which is corruption.

To fix this problem, however, the government of Afghanistan launched the London Conference in January and February 2006 when we signed the Afghanistan Compact with our international partners. A key objective of the Compact backed by the long-term Afghanistan National Development Strategy (ANDS) is to ensure that henceforth the aid community coordinates their efforts through the Joint Coordination and Monitoring Body (JCMB) as we collectively work to rebuild Afghanistan. I suggest that you read both documents as they highlight the importance of aid effectiveness per the Paris Declaration on Aid Effectiveness as key to Afghanistan's reconstruction and long-term development.

While the ANDS discusses the creation of specific transparent implementing mechanisms in detail, such mechanisms already exist in most of the government institutions. We are not short of laws, strategies, plans, or programs, but short of the resources to 1) build the human capacity of the government institutions and 2) to pay them enough to do their jobs well. Achieving these two basic concurrent goals with the assistance of our international partners will go along way to ensure both local ownership of the rebuilding process and avoid their wasting their taxpayers' humanitarian dollars.

11. Mr. Kesten Broughton, Radio Journalist, Canada: In a 2006 survey by the Asia Foundation, one of the largest conducted in Afghanistan, 26% of the population considered the level of foreign involvement in their country to be the largest problem faced by Afghanistan. [...]It is often stated that local capacity is not sufficient to meet the immense modern-state-building needs of Afghanistan. Is there any attempt to link the rate of development to the growth in local capacity to avoid creating unmanageable dependency on foreign assistance and to avoid alienating this 26%. Or (alternate formulation of the question):

Do you see a trade-off between the rate of development and the pride that Afghans will have in the upgraded and improved Afghanistan. For example, a water system might take 2 years if it is a modern technological system delivered by a foreign company and 5 years if it were relying on more traditional systems delivered by local capacity.

HAIDARI: Most Afghans are yet to benefit from the "peace dividend" six years on in the state/national building process. But they are the most optimistic about Afghanistan's reconstruction with international assistance. Having suffered the most since the end of the WWII, Afghans crave for security, the rule of law, and prosperity, and their only concern is about international disengagement before Afghanistan is rebuilt and its state institutions enabled to deliver services to people and to defend the country. All surveys conducted so far including that by the Asia Foundation have commented on the strategic popular support that the international community and their military forces enjoy in stabilizing Afghanistan.

However, the 26% of the Afghan population are actually unhappy about how foreign aid has

been used to help rebuild Afghanistan. This has to do with the problem of massive waste of aid that people see and know about, and ask where the hundreds of millions of dollars given to Afghanistan have gone because their lives have not changed in any meaningful way. Rather than helping the Afghan government build capacity and then use that capacity to deliver assistance to the people, many in the donor community have chosen to channel their aid resources to Afghanistan through parallel profit and non-profit entities often tied to the donor countries.

Private contractors have large overhead costs, some 30% of funding for each project which they often subcontract to a regional or local firm (for implementation) which in turn take away some 20% to 40% of the project funding for their administrative and operating fees. By the time the project hits the ground after further corruption due to use of low-grade materials, etc, the targeted beneficiaries will end up with schools or hospitals without roofs, windows, equipment, or professional personnel. When people observe how this whole process unfolds before their eyes, they are justified to register their dissatisfaction with such an ineffective aid delivery process.

On the issue of weak local capacity, it is more an excuse for those who do not cooperate and coordinate their efforts first and foremost within the aid community and then together with the very Afghan government that the international community hopes to stand up before exiting the country. Capacity is like any commodity on the market, and can be obtained if the resources are there. If the UN and NGOs manage to get local capacity to run their countrywide operations, so could the Afghan government if we were given the resources to do so. A civil engineer working with the government makes \$150 a month, while he could make triple that amount by working as a driver with the UN or a foreign NGO. If I had a large family to support and the government salary were too small to support such a household, I would quit the government position and go for the UN or NGO menial but better paid job.

So, slowing down the rate of development, which is needed very much, is not the solution to a problem that can be fixed by effective and strategic allocation of aid resources both to harness the existing capacity and to strengthen or generate new capacity to drive the rebuilding process by Afghans themselves.

12. Mr. Hafizullah Khaled, dgAfghanistan Advisor, Austria: What about the reform program of the Ministry of the Foreign Affairs of Afghanistan?

HAIDARI: The reform process of the Ministry of Foreign Affairs of Afghanistan is ongoing. The Ministry is implementing a comprehensive reform program, which I invite you to study in detail at the following website: <http://www.mfa.gov.af/reform-program.asp>

The Ministry's monthly publication of Stoory transparently provides updates each month on the reform process, which you will find on the left side of the Ministry's website homepage at <http://www.mfa.gov.af/>

13. Mr. Muthamil Balachandran S., India: Connecting the nation with the Railways. Basically people need two things to live. One is Mobility and the other is Function. Function means Job. Railways offer both. So if you start building the railways to connect the cities, towns & villages, then people get a job to lay the railroads. Later people get permanent job in running the railways, maintenance, ticket etc. Mobility - Initially people would like to watch the train running in their town. Then for fun, people will get on board the train and visit nearby towns. Then the farmers would like to take their goods to nearby town for sale. Then the students would like to go to the college to study. Then people get married to others in the nearby town. Mobility gives people the

freedom to move around. So focus on Railways.

HAIDARI: I could not agree more with this logical comment. As a landlocked country, we are keenly aware of the importance of building the transportation infrastructure in Afghanistan both to revitalize our agricultural economy and to facilitate regional trade and commerce through our country. While the national road system, the Ring Road, is being constructed, we are actively promoting the importance of building railways to connect Afghanistan with the neighboring countries. Faster, safer, and larger transportation of goods and people across Afghanistan will allow us to play our natural role as a central trade hub linking South Asia with Central Asia, and beyond. I will get in touch with you to discuss your ideas further to share with the government of Afghanistan for consideration.

14. Dr. Paul Rigterink: What is the availability of food processing and food storage equipment in Afghanistan? What is the availability of home canning equipment? How is the processing of fruits and nuts for export in your country being improved?

HAIDARI: Afghanistan acutely needs food processing industry and food storage facilities. The conflicts of the past three decades have destroyed our agricultural economy and infrastructure including the few food processing factories that previously existed. A lack of electric power is among the key impediments to private sector investment in agribusiness and food processing in Afghanistan. Most processed food and many basic products continue to be imported. However, as access to electricity increases throughout Afghanistan, we are inviting private investment in agricultural inputs such as seed stock, fertilizer and farming implements, as well as in packaging, cold-storage, processing, transportation and marketing.

The Rebuilding Agricultural Markets Program (RAMP) was a three-year initiative (2003 – 2006), which has helped strengthen the competitiveness of Afghan agricultural products. The RAMP project has developed the value chain in agribusiness & food processing, and its activities have focused on five critical areas: Agricultural technology, livestock management, infrastructure improvement, market development, and rural finance. I suggest that you visit the following website to read further on how RAMP has helped revitalize Afghanistan's agricultural economy www.ramp-af.com.

15. Hugh O'Donnell, Managing Director, Scotland: We are a relatively small company based in Scotland who supply portable and temporary water treatment units to aid agencies, disaster relief agencies and other organisations where there is a requirement for temporary treatment of contaminated water to provide drinking water. The equipment is relatively low cost, easy to operate and can be operational within 30 minutes of deployment at the contaminated water source. Our question is how can we supply your country with this much needed equipment when security costs add somewhere around 150% to the selling price of the machine?

HAIDARI: Contamination of the water aquifers through pollution and poor sanitation is a major environmental problem in Afghanistan. Only 25% of Afghanistan's available water is safe for drinking. Lack of access to clean drinking water and poor sanitation is a major contributor to morbidity and mortality among Afghans. Hence, there is undoubtedly great need for contaminated water treatment equipment that is cheap and can easily be utilized in rural or urban Afghanistan. Although security is a problem in the south and east of Afghanistan that could raise the equipment cost, it should not be an issue in much of the rest of the country with stability where both our government institutions and a multitude of UN and NGO

organizations operate to assist the people.

From the investment point of view, I suggest that your Company contact the Afghanistan Investment Support Agency (AISA) <http://www.aisa.org.af/> to identify specific business opportunities. In addition, I suggest that you contact OXFAM International with traditional expertise and experience in water supply in refugee and humanitarian emergencies including in Afghanistan. They have completed many water-related projects in Afghanistan alone or in partnership with our Ministries of Water and Energy; Rural Rehabilitation and Development; and Agriculture. To help find out where your equipment is most needed and cost-effective, I request that you consult with our Ministry of Water and Energy if/when you visit Afghanistan. I would be happy to provide you with a contact if you e-mail me at haidari@embassyofafghanistan.org
