



DROPS

ORGANIZATION FOR POLICY RESEARCH
& DEVELOPMENT STUDIES

نهاد پژوهش و توسعه

Workshop Presentation: TRANSNATIONAL THREATS AND BORDERS: CHALLENGES AND OPPORTUNITIES FOR REGIONAL SECURITY

Afghanistan- Regional Economic Cooperation

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AFGHANISTAN

Administrative Divisions





Afghanistan's shared borders

Afghanistan shares borders with 6 countries and they include:

- **Tajikistan** – 750 miles border with 4 major crossing points – all river bridges.
- **China**- 47 miles of border with one major crossing point into the Wakhan Corridor. Considered a small but strategically important entry point for Chinese persons and materials.
- **Pakistan** – 1500 miles of border with 2 major crossing points, 6 minor crossings. Af-Pak region considered the center of gravity for transnational threats.
- **Iran** – 580 miles of border with 2 major crossing points into Herat and Nimroz provinces. Also considered a major site of transnational threats.
- **Uzbekistan** – 85 miles of border with 1 major crossing point, a river bridge.
- **Turkmenistan** – 460 miles with 1 major crossing point.



Key background facts:

- Situated at the crossroad of Central Asia, South Asia and the Middle East, Afghanistan has a unique geo-strategic location to promote regional cooperation, not only in its surrounding regions, but also beyond.
- For centuries, the countries of South and Central Asia were connected to each other and the rest of the continent by a sprawling trading network called the Silk Road.
- For many centuries, the Silk Road remained as Afghanistan's only contact with the outside world. However, decades of political instability and conflict had resulted in the destruction of the most basic of infrastructures in Afghanistan disabling all forms of trade and transit.
- Post-2001, Afghanistan has gained a new unique opportunity to realize and regain its potential as a “land bridge” and historical “hub” for trade and transit.



Afghanistan post-2001

After the collapse of the Taliban regime and the establishment of the Karzai government, Afghanistan began re-establishing and promoting relations with its regional neighbors following the principles of regional economic, security, peace and stability frameworks. As a result, in the last 15 years the country has witnessed the development of various key economic policies and strategies used to facilitate gains in the areas such as infrastructural development, energy, trade and transit, and investments at the domestic and regional levels.

1. Economic Policies and Strategies

- Afghanistan National Development Strategy (ANDS) represents the government's hopes to foster peace, stability and prosperity by aiming to substantially reduce poverty, improve the lives of the Afghan people and create the foundation for a secure and stable country.
- Promote Afghanistan's participation in regional cooperation organizations, bilateral, trilateral, and multilaterals regional agreements that promote trade, transit, and investment in the region.



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In an effort to bring policies to practice, the Afghan government joined several regional economic organizations, processes and multilaterals agreements.

i. Regional Economic Organizations joined include:

- Regional Economic Cooperation Conference on Afghanistan (RECCA)
- South Asian Association of Regional Countries (SAARC)
- Central Asia Regional Economic Cooperation (CAREC)
- Economic Cooperation Organization (ECO)
- Shanghai Cooperation Organizations (SCO)

ii. Regional Process joined include:

- Heart of Asia (Istanbul Process)

The Istanbul Process, launched in 2011, provides a new agenda for regional cooperation in the 'Heart of Asia' by placing Afghanistan at its center and engaging the 'Heart of Asia' countries (India, Pakistan, Tajikistan, Iran, Azerbaijan and China) in sincere and result-oriented cooperation for a peaceful and stable Afghanistan, as well as a secure and prosperous region as a whole.



2. Infrastructural Development

In 2001, one of the greatest challenges facing the transitional government and its international allies was the dearth of both “hard” and “soft” infrastructure such as agricultural, energy, waters and transportation infrastructures.

Since 2001, with donor assistance, the Afghan government made extensive investments in rebuilding roads, railways, and electricity production.

Currently:

- According to the Afghan Ministry of Transportation and Civil Aviation, Afghanistan’s road network comprises of approximately 34, 903 km of roads.
 - Of this, 3,3000 km are regional highways, 4,800 km are national highways, 9,600 km are provincial roads and 17,000 km or rural roads.



- One of the greatest achievements of the transport sector has been the completion of the 'Ring Road,' which is considered the backbone of Afghanistan's transport network.
 - The Ring Road is 2,210 km long and connects Afghanistan to Iran, Pakistan, Tajikistan, Turkmenistan and Uzbekistan. It also has the potential to play an important role in linking transit routes from Central Asia to the Persian Gulf and the Indian Ocean.
- Railway track project linking Uzbekistan to Afghanistan (Hairatan-Mazar)
 - Operational since 2011, this railway network consists of 75km main and 31km branch lines, linking Mazar-i-sharif to Hairatan port.
 - Hairatan is a strategic port connecting Afghanistan with the central Asian Republic of Uzbekistan.
 - A substantial portion of Afghanistan export and import activities has been conducted through Hairatan port. During 2012 and 2013 approximately 7 million tons of goods such as oil, industrial and agricultural products have been carried by this railway track



Other infrastructure projects underway:

- **KTAI Railway**
 - Referred to as the Five Nations Railway Corridor, KTAI links China to Iran via Afghanistan, Tajikistan, and Kyrgyz Republic.
- **Railway agreement between Afghanistan and China**
 - Proposed railway project adopted and incorporated as part of the “Mes Aynak” copper mining contract awarded to China to support the extraction and transportation of minerals.
 - The development of a the railway is an enforceable part of this Mining Contract but requires a feasibility study before it can be developed, however this study has not yet started.



Other infrastructure projects underway:

- **Chabahar port**

- The agreement between India and Iran on the development of Chabahar Port, to be operational by December 2016, will provide access to Afghanistan's Ring Road using the existing Iranian road network and the Zaranj-Delaram road constructed by India in 2009, which will allow for India to transport its goods to Afghanistan through the port, along the Zaranj-Delaram road which then establishing direct road access for Indian goods to Herat, Kandahar, Kabul, and Mazar-e-Sharif (**provinces that follow along the Ring Road**).
- In April 2016, India, Iran, and Afghanistan have finalized the parameters of a trilateral agreement known as the Chabahar Agreement, which will allow India access to Afghanistan via the strategically located Iranian port of Chabahar, which sits on the Gulf of Oman.
- The increase in connectivity afforded by the port will allow Afghan exports cheaper access to markets in India while allowing India to bypass Pakistan in transiting goods to Afghanistan.



Other infrastructure projects underway:

- **Lapis lazuli Road:**
 - The Lapis Lazuli Route encompasses part of the Central Asia Regional Economic Cooperation (CAREC) Program Transport Corridor #2, stretching from China in the East –through the Kyrgyz Republic, Uzbekistan, and Turkmenistan – to Azerbaijan in the West.
 - However, instead of continuing on to Uzbekistan from Turkmenistan, the Lapis Lazuli Route turns south toward Afghanistan from Turkmenistan at the border town crossing of Andkhoy, Afghanistan.
 - Beyond CAREC Transport Corridor #2 in the West, the Lapis Lazuli Route stretches through Georgia and connects with both Turkey by land and several European nations, including Bulgaria, Romania, and the Ukraine, via the Black Sea and to Kars and Bosphorus via Istanbul.
- **The recent commitments towards this multimodal trade and transport route are promising.**



3. Energy, Trade and Investment

- **North East Power System**

- The completion of the Afghanistan regional electric grid which saw long-term supply contracts signed with Tajikistan and framework agreements with Uzbekistan and Turkmenistan have improved the power supply infrastructure and increased the amount of electricity being imported from Afghanistan's northern neighbors.

- **CASA-1000**

- A new electricity transmission system to connect all four countries, called CASA-1000, would help make the most efficient use of clean hydropower resources in the Central Asian countries by enabling them to transfer and sell their electricity surplus during the summer months to the deficient countries in South Asia.

- **TAPI**

- Turkmenistan-Afghanistan-Pakistan-India, The pipeline will transport Caspian Sea natural gas from Turkmenistan through Afghanistan into Pakistan and then to India.



Trade...

In conjunction with the development of transportation infrastructure, the Afghan government has also signed various multilateral trade agreements with its regional neighbors. The key agreements include:

- **South Asian Free Trade Area (SAFTA)**
 - This agreement among the SAARC countries was intended for the harmonization and simplification of customs procedures, reducing tariffs on goods, trade facilitation, safeguards against injury to industry, and eligibility for technical assistance.
- **The Afghanistan Pakistan Transit and Trade Agreement (APTTA)**
 - APTTA encourages economic growth for both countries by building stronger commercial relationships between Afghanistan and Pakistan.
 - It allows Afghan trucks to carry Afghan products to the huge markets of India and China as well as the rest of the world through the seaports of Karachi, Port Qasim and Gwadar.



Investments...

- **Hajigak**

- In 2010, the government of Afghanistan put the Hajigak mine in Bamiyan up for bidding, and two companies were selected. But no contract was ever signed, though initial reports had claimed that three of four blocks of the Hajigak ore deposit was awarded to consortium led by the Steel Authority of India Ltd (SAIL) in November 2011. This, however, was refuted in May 2015, a move that took place at a time when Indo-Afghan relations entered a difficult phase as President Ghani's new government began to take several unprecedented efforts to mend ties with Pakistan during the first year of his presidency
- Projections show that Hajigak has the potential to produce steel for the next 40 years.

- **Mes Aynak Copper Mine**

- This copper deposit located in Logar province and was awarded to the Metallurgical Corporation of China in 2008.

- **Qara Zaghan**

- J.P. Morgan has been given the Qara Zaghan mine in 2011 which has gold deposits and represents one of the largest mining contracts in Afghanistan.



Existing Challenges

1. **Inadequate number of border police to control and monitor the country's borders.**

Of the 382,000 Afghan National Security Forces, only 23,900 are border police, of which 4000 are located at headquarters well away from the border. This means 15,000 are posted to positions along the so-called “green” border.

Afghanistan's border police are stretched very thin, particularly along the borders of Central Asian States to the North.

Along the border with Tajikistan there is an average of 1 border police on patrol for every one km of border.

Even in stretches where there are large number of border police, their numbers fall short relative to their counterparts- this holds true for Pakistan, Iran, and Uzbekistan.



2. Capacity Related Issues

- Despite much assistance, it is found that the ABP have made little progress in developing its capacity (US State Department Study)
- Areas where improvements have been made include instances of better coordination between ABP and Coalition forces & improved professional development of new recruits along some stretches of the border especially in the north.
- Improvement in capacity of border services to (a) process goods and people and (b) to work with their counterparts at Joint Border Command Centers along the border with Pakistan.

But key capacity challenges remain in:

- ABP cooperation with the Afghan National Army even when dealing with major cross-border threats such as armed insurgents or trafficking is very weak.
- Funding and procurement shortfalls, which meant that some remote border posts have gone without any supply for months at a time.
- Many new recruits do not undergo formal intelligence training which is key to dealing with cross-border threats and organized crime. As a consequence, In 2013 for example, only 4 percent of drug seizures were actually made by the ABP.



- Even at major check points, many insurgents, drugs and weapons pass through undetected. Complaints of bribery and lack of regulation are common. For instance, it is estimated that only 2 to 3 percent of vehicles passing through the Chaman crossing (between Baluchistan, Pakistan to Spin Boldak, Kandahar, Afghanistan) are regularly checked.
- Inspection processes are also uncoordinated and chaotic resulting in major delays and a hindrance to trade and economic interests.





3. Border Authorities are Highly Fragmented

- This means that the border police's ability to manage the border depends on their relationship with provincial authorities rather than officials at the Ministry of Interior in Kabul.
- Thus, thanks to strong provincial leadership in Herat and Kunar- adjoining Iran and Pakistan- these borders run 'relatively' well.
- In contrast, borders along Badghis and Faryab- adjoining Turkmenistan- are run poorly due to weak provincial leadership.
- In some provinces, the provincial authorities are implicated in cross-border trafficking of goods, illegal substances etc. therefore with a weak central government and difficult circumstances at the provincial level, the ABP's effectiveness can be, and is often, jeopardized.

4. In some instances ABP seem to lack the will to improve their ability to interdict

- In some provinces the border and security services play up their counterinsurgency efforts while taking active part in illicit cross-border trade.
- Rampant corruption continues to widen the existing capacity gaps.



5. The main obstacle at the border is currently the lack of a systematic implementation mechanism for counting and screening individuals crossing the border.

- Although one of the main responsibilities of the border police is to report to the Ministry of Interior on the composition of this migration flow, the only method for doing so at the moment is to record the information given by Afghans or other nationals who report to the Passports office at the border. **The border police authority therefore relies on the will of Afghans to voluntarily report to the Passports office in order to enter them in official border reports.** However, as the numbers given below show, a very limited number of migrants actually go through the Passports office holding a passport and a valid visa.

Date	Entry		Exit	
	Official Nos.	Actual Nos.	Official Nos.	Actual Nos.
11/09/2008	150	(AM only) 12934	138	(AM only) 23934
12/09/2008	75	(AM only) 12507	64	(AM only) 18993
13/09/2008	194	(AM only) 16080	54	(AM only) 21889
14/09/2008	91	(PM only) 5454	78	(PM only) 8392
15/09/2008	77	(PM only) 10588	112	(PM only) 12384
16/09/2008	141	(PM only) 10220	70	(PM only) 11953

Numbers collected by ABP at Torkham border compared to those collected by UNHCR in 2009.



Other challenges include:

- **Smuggling and Trafficking**

- Trafficking of narcotics occurs along diverse trajectories with a vast array of methods but transport by road continues to be the most frequent for large quantities. Southern Afghanistan acts as the primary heroin and morphine manufacture and export point towards Iran, Pakistan and central Asian countries

- **Corruption and weak organizational institution**

- Afghanistan has been regarded as the third most corrupted country in 2015 out of 175 countries ranked by Transparency International.

- **Growing Insecurity across the country**

- The deteriorating security situation in several parts of the country, mainly in the southern provinces as well as in the southeast is a major challenge for transport sector. This has implications for the physical improvements to the transport sector, donor agency activities, and governance. Implementing partners have revised their strategies and organizational structures to reduce risks to their personnel in less secure areas.
- For instance, in October 2013- In a major blow to Afghan hopes for economic independence, Chinese investors have demanded a review of a landmark three billion dollar deal to produce copper amid security concerns.



Conclusion

- It is clear that stability and peace in Afghanistan is crucial to peace and stability in the region which in allows for greater opportunities for regional economic integration.
- One of the key ways to counter-terrorism and prevent the recruitment of young unemployed Afghan males (the primary target of insurgent groups) into the insurgency is to improve people's quality of life, access to education, health-care, long-term employment, develop local economies. The Afghan government must transform its security policies to move beyond just ensuring physical security to meeting people's Human security needs.



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- The Regional must take more ownership in reviving the Silk Roads and to create a “new Euro-Asia inland economic architecture” by facilitating more equitable and coherent strategies for multilateral economic cooperation, trade and connectivity. Placing the burden of the silk road revival predominantly on the shoulders of Afghans is impractical and contrary to the notion of achieving integration.
- We identify new sectors of exchange. There is a need to identify the stakeholders, independent of the government or other traditional sectors, and assess how they can contribute in their individual capacities and then create an umbrella organization under which these individuals/groups can come together to promote better economic connectivity.
- More training and capacity building programs need to be created to help building measures, especially in economic and commercial sectors within the region and between Afghanistan and its neighbors.



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- Develop more business forums, connect Afghanistan's chamber of commerce with that of other nations. For example, Afghanistan has never held a trades expo in Pakistan, additionally the women's chamber of commerce between the two nations have not yet dialogued—such instances hold true with other countries.
- Connect Afghanistan's nascent civil society organizations with others in the region- people to people dialogue is critical to doing away with issues that prevent regional cooperation as there is a disjunction in countries knowledge and understandings of one another.
- The region needs to stop supporting spoilers in Afghanistan whether they be anti-governmental elements or local powerbrokers and warlords. The investment made by spoilers in sustaining the illicit economy and active conflict leaves little space for the alternate narrative and prospects to work.



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- Gendered labor remains largely untapped and unaccounted for. There is a critical need to utilize women entrepreneurs and businesses to network and identify mechanisms through which they can facilitate cross-border trade amongst women, joint business ventures, training/capacity building programs.
- Lastly, too much of liberal economic patterns, with negligible domestic protection laws, has adversely impacted local afghan tradesman ship, therefore in order to maintain liberal trade policies and prevent such adverse effects we need to the region to help build/improve afghan capacity in the services and industries sector.



Thank you!