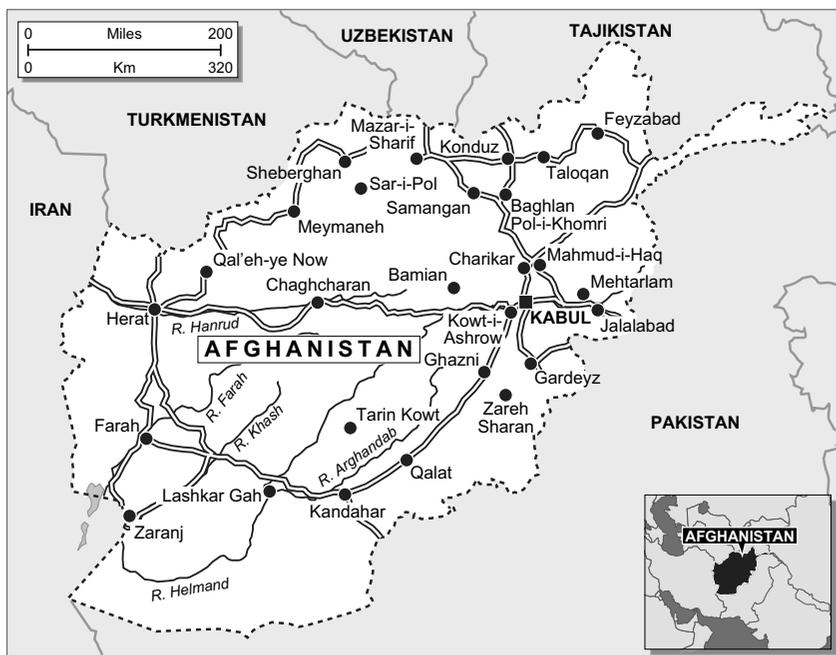


# Afghanistan



On the day that Afghanistan's President Karzai announced the beginning of the controversial transfer of the security responsibility from international troops to Afghan forces, the United States also announced the opening of formal discussions with Afghan's radical Islamists. On 18 June 2013, after twelve years of conflict and almost three years of apparently futile efforts to hold talks, the Taliban stated that they were ready to open negotiations with the Afghan government. The motley cast of actors on the stage – which not only included the two governments, but also Pakistan where the Taliban's leader Mullah Omar holds camp – had, it seemed, finally got their act together. As leaders go, Mullah Omar is in a category of his own. He has been on the US 'wanted' list since 2001 for alleged links with bin Laden. Holed up in Pakistan, he was thought to be the strategist behind the Afghanistan Taliban insurgency, where, according to the London *Economist*, in 2012 Pakistan had seen more civilian deaths from terrorism and sectarian violence than Afghanistan itself.

## Getting to know the Taliban?

No sooner had the proposed negotiations been made than, in a matter of hours, four US military personnel were killed – presumably by the Taliban – at the heavily fortified Bagram airbase. In the run-up to the announcements, one week earlier, a bombing outside Kabul's Supreme Court killed 17 civilians. Proof positive that the Taliban were not going to be giving much away in the talks. The discussions to be held between the US representatives and the Taliban were designed to be the first step towards the longer term objective of talks between the Afghan government and the insurgents. A US government spokesman qualified the importance of the initial talks which, he said: 'promised to be complex, long and occasionally conflictive'. He added that the talks were none the less 'an important step'. President Obama, who was attending a G-8 summit in Northern Ireland, lent his support, also describing the talks as 'important' and as a 'parallel process' to the withdrawal of US troops which would be completed in the same year as Afghanistan's general

## KEY FACTS

**Official name:** The Islamic Republic of Afghanistan

**Head of State:** President Hamid Karzai (since 2002; re-elected 20 Aug 2009)

**Head of government:** President Hamid Karzai

**Ruling party:** Members of the national assembly are elected as independent candidates

**Area:** 647,497 square km

**Population:** 32.02 million 2012\* (some 1 million Afghans are still in exile in Pakistan and Iran)

**Capital:** Kabul

**Official language:** Pashtu and Dari (named as official languages in the 2004 constitution)

**Currency:** Afghani (Af) = 100 pul

**Exchange rate:** Af56.23 per US\$ (Jul 2013)

**GDP per capita:** US\$622 (2012)\*

**GDP real growth:** 10.21% (2012)\*

**GDP:** US\$19.91 billion (2012)\*

**Inflation:** 4.45% (2012)\*

**Balance of trade:** -US\$6.60 million (2009) (Afghanistan's highest export is opium, which is not included in the IMF export figure)

\* estimated figure

## Nota

According to the UN mission in Afghanistan (Unama) 506 weapons were released by drones in 2012, compared with 294 in 2011. Five incidents resulted in casualties with 16 civilians killed and three wounded, up from just one incident in 2011. However, as the number of civilian casualties in US-led strikes and operations in various parts of Afghanistan increase so Afghans have become increasingly outraged at the seemingly endless number of the deadly assaults.

elections – 2014. President Karzai said that he did not intend to demand any pre-conditions before sitting down, but did seek the adoption of a number of ‘principles’ which had been set out in letters sent to Doha (where the Taliban had a representative office) and Washington. President Karzai said that the talks would begin in Qatar but it was hoped they would soon transfer to Afghanistan. He considered that the talks would: ‘end the violence in Afghanistan and should not be exploited by either side as an instrument for advancing their interests.’ But at the outset there appeared one possible obstacle: the Afghan government expected Mullah Omar to accept the country’s constitution which includes provisions for the protection of women’s and children’s rights. The leader of the US delegation was James Dobbins, who in May had assumed responsibility for the state department’s Afghanistan and Pakistan desk. Undertakings had been given by the Taliban that their representatives at the talks had the full authority of Mullah Omar.

If the Afghanistan conflict could be measured in terms of ‘intent’ rather than ‘outcome’ then to the average Afghani, it was obvious that the North Atlantic Treaty Organisation (NATO), lead by the Obama administration simply wanted ‘out’. Since taking office for his first term, President Obama had never looked comfortable when discussing the US military presence in Afghanistan. The Afghan campaign was, politically, seen through the unsatisfactory prism of the war in Iraq and its aftermath, all of which had proved a massive deception for the US electorate.

The simplistic ‘Mission accomplished’ gloating of the Bush administration had resulted in a disillusioned and wary Democratic Party. And in NATO, where the US leads, the others have little option but to follow.

### Withdrawal – or re-deployment?

As the NATO bases filled with stacks of empty containers, the planned 2014 withdrawal of NATO forces became an exercise in face-saving. ‘Redeployment’ rather than ‘withdrawal’ became the key word. In some areas of Afghanistan, NATO’s reputation was little dented. In Helmand province, once a centre of Taliban activity and control, the 2010 surge by US marines had not only cleared out the insurgents, but had also given 80 per cent of the population access to health care. Apparently with covert Taliban support and approval, school attendance had increased to 130,000 – including almost 30,000 girls. Impressively, local elections had been held in Helmand for district councils in seven out of nine districts. In 2012 support for the Taliban in Helmand had reportedly fallen to 5 per cent, from the 22 per cent registered 18 months earlier. Nevertheless, at the end of 2012 two districts in northern Helmand remained in rebel hands. Overall, whether as a result of improvements in the Afghan National Army (ANA) or of an insurgent ‘wait and see’ strategy, the Taliban had re-taken very few districts, preferring to deploy their relatively small numbers on hit and run attacks. In the town of Sangin NATO forces briefly returned to their combat role to help counter a Taliban attack. The surprise attack, which required 2,000 ANA

troops to regain Sangin, demonstrated that however well trained the ANA were, it was doubtful whether alone they could contain the well organised and battle hardened insurgents. Of particular concern was the blunt fact that the NATO withdrawal meant the loss to the ANA of effective air-support. And the ANA would also find itself, for the most part, without the use of NATO’s powerful intelligence infrastructure.

### The economy

According to the World Bank, in a 2013 assessment, Afghanistan achieved a high but volatile gross domestic product (GDP) growth over the previous 10 years. Real GDP growth averaged 9.2 per cent between 2003 and 2012. In 2012/13 GDP growth reached an estimated 11.8 per cent, thanks to favourable weather conditions and an exceptional harvest. Agriculture accounted for one-fourth to one-third of GDP, depending on annual output. The mining sector, on the other hand, was slowly emerging as a source of revenue. Mining’s share of GDP has historically been small, only 0.6 per cent in 2010/11. In 2012, the first large-scale mining project – the Amu Darya oil fields – started its operations and it was expected that mining’s share would increase. Inflation fell to 6.4 per cent in 2012/13, down from 10.2 per cent in the previous year. The exchange rate depreciated by 8 per cent in 2012, probably depressed by increased uncertainty over security and the business environment.

In the view of the World Bank, political and security uncertainties are expected to limit private-sector growth in the coming years. The withdrawal of most international troops in 2014 is expected to have a lasting effect on Afghanistan’s economy. The withdrawal is likely to be accompanied by a decline in international development assistance on which Afghanistan has relied heavily since emerging out of conflict in 2001. While Afghanistan’s international partners have pledged continued support through 2016, what has certainly the case is that the funds pledged by international donors have been slow to materialise. US\$4.3 billion in aid has been pledged, but many countries (the US and the UK are exceptions) have been dragging their donor feet.

Education could certainly be labelled a success in post-Taliban Afghanistan. According to the World Bank, in 2001, after the fall of the Taliban, net enrolment was estimated at 43 per cent for boys and a mere 3 per cent for girls. To make matters

KEY INDICATORS		Afghanistan				
	Unit	2008	2009	2010	2011	2012
Population	m	*28.14	*29.84	*29.12	*31.08	*32.02
Gross domestic product (GDP)	US\$bn	10.20	13.30	15.90	18.20	*19.91
GDP per capita	US\$	359	426	528	585	*622
GDP real growth	%	3.4	20.9	8.4	5.7	*10.2
Inflation	%	26.8	-12.2	7.7	11.2	*4.4
Exports (fob) (goods)	US\$m	1.8	2.2	–	–	–
Imports (fob) (goods)	US\$m	7.8	8.8	–	–	–
Balance of trade	US\$m	-6.0	-6.6	–	–	–
Current account	US\$m	-192.0	-125.0	309.0	398.0	*800.0
Total reserves minus gold	US\$m	–	–	–	–	*5,982.5
Foreign exchange	US\$m	–	–	–	–	*5,788.0
Exchange rate	per US\$	50.25	45.18	46.45	45.57	*52.62
* estimated figure						

worse, there were only some 21,000 ill-trained teachers for a school-age population estimated at more than 5 million, which meant approximately 240 students for every so-called teacher. Since 2002, school enrolment has increased from one million to 7.8 million children; girls' enrolment increased from 191,000 to more than 2.8 million. All of the 180,000 strong teacher force have received teacher training of some kind.

According to data from the Afghanistan Mortality Survey 2010, life expectancy at birth was 64 years. Only 27 per cent of Afghans have access to safe drinking water and 5 per cent to adequate sanitation. Nevertheless, there had been considerable progress over the previous nine years. About 85 per cent of the population live in districts which in 2010 had health care providers to deliver basic health services. Infant and under-5 mortality in 2010 had declined to 77 and 97 per 1,000 live births respectively, from 111 and 161 per 1,000 live births in 2008. The pregnancy-related mortality ratio was about 327 per 100,000 births, which meant that every two hours, a woman died in Afghanistan from pregnancy-related causes. However, the percentage of the population with access to electricity in Afghanistan is still among the lowest in the world. The ministry of energy and water estimates that little over 30 per cent of Afghans have access to electricity from grid-based power, micro-hydro, or solar panel stations. The power situation has improved significantly in the major urban population centres along the critical north-east corridor between Mazar-e-Sharif and Kabul, following the import of power from Uzbekistan and the rehabilitation of three hydro plants. Some urban centres now have a 24-hour power supply.

According to the Asian Development Bank (ADB) in its 2013 *Asian Development Outlook* Afghanistan's GDP growth was estimated to have accelerated to 11.9 per cent in 2012, following 7.2 per cent expansion a year earlier, entirely due to the strong performance of agriculture, as weather improved from a drought in 2011. Private consumption, buoyed by international aid flows, much of it related to security, remained the main source of growth. Aid fuelled most of the demand for goods and services, especially in construction. Private investment increased slightly to 8.4 per cent of GDP in 2012, as a 20 per cent retrenchment by small and medium-sized enterprises was offset by a 26 per cent increase in new investments in aviation, industry, agriculture and real

estate by large companies that began to shift their business focus from internationally funded security projects to enterprises catering to local demand.

Strong growth in agriculture, at 31.5 per cent, reflected favourable weather, especially in the north. Wheat production, which accounts for three-quarters of cereal production, grew by 48 per cent. Growth in industry slowed to 7.2 per cent from 9.8 per cent in 2011, mainly because of slower expansion in manufacturing and construction caused by protracted power shortages and spending cramped by the uncertain political and security situation. Growth in services, which accounted for about half of GDP, slowed to 7.3 per cent from 12.7 per cent in 2011, attributed to reduced spending by international security forces and by the local population because of uncertainty in the run-up to 2014.

Opium production (which continues to generate controversy) fell from the equivalent of 7 per cent of GDP in 2011 to 4 per cent in 2012 as disease and unfavourable weather afflicted the main growing areas. The value of opium production is estimated to have halved from US\$1.4 billion in 2011 to US\$0.7 billion in 2012. Opium is not counted as part of GDP, but earnings generated by its sale are retained and spent in Afghanistan, boosting domestic demand.

Average consumer price inflation almost halved to 6.2 per cent in 2012 from 11.8 per cent in 2011, mainly on account of a sharp drop in food prices, as the good harvest boosted domestic food supplies. Food inflation slowed to 2.4 per cent in August before rising to 4.4 per cent in December, owing to increases in prices for imported goods such as milk, cheese, eggs, meat, spices and non-alcoholic beverages. Non-food inflation also declined over the year to 7.4 per cent in December 2012, mainly reflecting lower international fuel prices and domestic transportation costs.

Fiscal policy in 2012 focused on revenue mobilisation and budget management. However the government was unable to fully achieve the domestic revenue target set in the current International Monetary Fund (IMF) programme. Domestic revenue fell to 10.3 per cent of GDP, mainly from a shortfall in custom duties, which account for one-third of total revenue. This distanced the government from its fiscal sustainability target, as domestic revenues financed 56 per cent of the government's recurrent operating expenditures in 2012, down from 68 per cent in the previous year. A number of

grants and projects previously administered separately by development partners were added to the national budget during 2012. This resulted in development partners financing 44 per cent of the recurrent expenditure and 65 per cent of development expenditure.

The Da Afghanistan Bank, the central bank, primarily targets price stability using foreign exchange auctions and short-term capital notes as monetary tools. The monetary authorities succeeded in keeping inflation low by pursuing a tighter monetary policy in 2012. The policy slowed growth in broad money to 9.3 per cent from 21.3 per cent a year earlier, which, with improved domestic food production, succeeded in moderating inflation. The Afghani depreciated by about 5 per cent to Af51.8 to US\$1 in the 12 months to January 2013, apparently owing to foreign exchange being in tighter supply and higher demand.

The current account deficit excluding grants was estimated to have widened slightly to 42.7 per cent of GDP in 2012, mainly reflecting higher imports. Including grants, the current account surplus improved to 4.0 per cent of GDP from 3.0 per cent, mainly from increased public transfers. Foreign direct investment (FDI) rose to US\$405 million, largely on investment to develop oil in the Amu Darya Basin. Gross international reserves increased by 10.6 per cent to US\$6.9 billion in fiscal year (FY) 2012 (ending 20 March 2013), enough to cover 7.3 months of FY2013 projected imports, excluding imports for re-export.

## Economic outlook

GDP growth is forecast at 3.3 per cent for 2013 and 5.1 per cent in 2014. Unusually slow growth in 2013 reflects the expectation that food crop production will be substantially lower than in 2012, when weather was unusually favourable, this base effect will drag down GDP growth overall. In the view of the ADB, Afghanistan looks set to go through a period of political and security uncertainty that is expected to weigh heavily on economic growth. Private consumption will slow but remain as the main source of growth. Industry and services are expected to grow more slowly as the smaller international security forces envisaged post-2014 may spend less.

## Waiting in the wings?

While the disengagement negotiations with NATO were gathering pace, another set of discussions was taking place. This

time the players were not, however, from the North Atlantic. The Shanghai Co-operation Organisation (SCO) is hardly a household name in the Western world. The SCO was founded in 2001 in Shanghai by the leaders of China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. With the exception of Uzbekistan, all the other countries had been members of the even less well known 'Shanghai Five' a name which seemed to have more in common with Enid Blyton than with regional development. Well-known or not, the SCO's six full members account for 60 per cent of the land mass of Eurasia and its total population is a quarter of humanity. Its press releases – issued in Russian and Chinese – claim that by 2007 the SCO had initiated over twenty large-scale projects related to transport, energy and telecommunications and held regular meetings to discuss security, military, defence, foreign affairs, economic, cultural and banking matters.

The more sensitive of US analysts had little difficulty in detecting a 'Red Under the Bed' scenario present in the SCO's agenda, but had to acknowledge that there was considerable logic in a regional development grouping that could call on the resources – particularly the financial resources – of Afghanistan's near neighbours. In mid-June 2012 China undertook to provide US\$10 billion to the SCO's member states. Afghanistan has been granted SCO observer status, but on a visit to Beijing in early 2012, President Karzai noted that 'China could play a very significant role in bringing Afghanistan and Pakistan together towards a co-operative environment in the war on terror and radicalism.' Alongside Iran, Mongolia and India, Pakistan has held observer status for some time and has begun voicing an interest in full membership.

The SCO could well be the answer to the inevitable vacuum left by the withdrawal of NATO forces from Afghanistan. But time will be of the essence and turning Russian and Chinese expressions of concern into joint action will be no easy matter. The two countries inevitably hold different strategic aims for the SCO. Moscow wants to use the organisation to enhance its own influence, moderate China's and to minimise and, eventually, replace the American-led NATO presence in Central Asia. Russian military officials have also been interested in seeing the SCO develop its defensive capabilities as a hedge against the likelihood of a US-NATO failure in Afghanistan. For China, however, the SCO is seen very

much as an economic catalyst owing some of its thinking to both the European Union (EU) and the Association of Southeast Asian Nations (Asean). China is very keen on the concept of an SCO Development Bank, into which it is reportedly ready to invest US\$8 billion.

### Risk assessment

Politics	Poor
Economy	Fair
Regional stability	Poor

### COUNTRY PROFILE

#### Historical profile

1838–42 First Afghan War when Britain invaded Afghanistan to counter the threat to British India from expanding Russian influence in Afghanistan and was defeated by fierce resistance from Afghanistan's many ethnic tribes.

1878–80 Second Afghan War after Britain invaded Afghanistan again; parts of the country were absorbed into British India. Russia also seized parts of Afghani territory.

1907 Russia signed an agreement with Britain, promising no further interference in Afghanistan.

1919 Third Afghan War, after which Britain recognised Afghanistan's independence. Amanullah Khan, independence leader, proclaimed himself Emir.

1926 Amanullah Khan proclaimed himself King; he attempted to modernise society by introducing social reforms.

1929 Amanullah fled after civil unrest over his reforms; Mohammed Nadir Shah was proclaimed King. He reunited a fragmented Afghanistan and took steps to modernise the country, though less obtrusively than Amanullah.

1933 Nadir Shah was assassinated and his son, Zahir Shah, became King; his reign lasted 40 years.

1956 Afghanistan built a close relationship with the Soviet Union, gaining arms supplies and undertaking trade.

1964 A constitutional monarchy was introduced, which led to political polarisation and power struggles.

1965 The Communist People's Democratic Party of Afghanistan (PDPA) was formed.

1973 General Mohammed Daud deposed and exiled King Zahir Shah. Afghanistan was declared a republic.

1978 General Daud was assassinated in the Saur (April) Revolution, a coup by the pro-Communists, led by the PDPA's leader, Noor Taraki, who was declared president.

1979 The Soviet Union invaded Afghanistan after the nationalist foreign minister, Hafizullah Amin, deposed Taraki. Amin

was executed and replaced by the pro-Soviet Babrak Karmal. Numerous Afghan factions formed the Mujahidin and started a guerrilla war against the Soviet occupation forces. Backed by the US, Pakistan, China, Iran and Saudi Arabia, the Mujahidin inflicted heavy losses on Soviet troops.

1985 The Mujahidin gathered in Pakistan, forming an alliance against Soviet forces. Half of the Afghan population was displaced by the war.

1986 Babrak Karmal was replaced by Najibullah Ahmadzai, the head of the Afghani secret police, as head of the Soviet-backed regime.

1988 Afghanistan, USSR, the US and Pakistan signed peace accords.

1989 The Soviet Union withdrew its last troops from Afghanistan. Civil war continued as the Mujahidin refused to co-operate with the Najibullah regime.

1991 The US and Russia agreed to end military aid to both sides.

1992 Afghanistan was declared an Islamic republic after the capture of Kabul by Mujahidin factions and Najibullah was forced to seek the UN's protection in Kabul. Rival militias vied for power.

1993 Burhanuddin Rabbani, an ethnic Tajik, was proclaimed president, and Gulbuddin Hekmatyar, who was strongly backed by the US during the Soviet occupation, was appointed prime minister.

1994 The Pashtun-dominated Islamic fundamentalist Taliban, formed in Kandahar, south Afghanistan, emerged as the major challenge to the Rabbani government.

1995 The Taliban swept through southern Afghanistan.

1996 The Taliban captured Kabul and quickly imposed a strict version of *sharia* (Islamic law). Former president Najibullah was summarily executed and President Rabbani fled to join the anti-Taliban alliance in the north.

1997 Only Pakistan and Saudi Arabia recognised the Taliban as legitimate rulers of Afghanistan. Hostilities increased in the north between the Taliban and the militias of the United National Islamic Front for the Salvation of Afghanistan (UNIFSA) (also known as the Northern Alliance).

1998 The Taliban captured Mazar i Sharif, the last major city that had been outside Taliban control; around 6,000 civilians were massacred following the city's capture. The US launched cruise missiles at suspected bases of Osama bin Laden, accused of bombing US embassies in Africa.

1999 The UN introduced economic sanctions against Afghanistan for harbouring bin Laden.

2001 The Afghan resistance leader, Commander Massoud, was assassinated. The giant statues of Buddha in Bamyan

were destroyed by the Taliban. The US and Britain launched air strikes against the Taliban and al Qaeda, following the Taliban's refusal to hand over bin Laden, also blamed for masterminding the 11 September 2001 attacks on the twin towers in New York. Opposition forces seized Mazar i Sharif, then Kabul and other key cities. Afghan groups agreed an interim government in UN-sponsored talks in Bonn, Germany. The Taliban gave up Kandahar, its last stronghold, at the end of the year and Pashtun royalist, Hamid Karzai was sworn in as head of a 30-member interim power-sharing government.

2002 The first contingent of foreign peacekeepers arrived. Hamid Karzai was elected interim president by the *Loya Jirga* (a grand council of tribal leaders). Former monarch, Zahir Shah, returned to Kabul, but made no claim to the throne. He had been in exile for 29 years before his return. After 23 years, the Asian Development Bank resumed lending to Afghanistan.

2003 The afghani was re-valued. Afghanistan introduced a law banning armed factions from politics. NATO forces took control of security in Kabul.

2004 A new constitution preceded presidential elections, won by Hamid Karzai with 55 per cent of the vote. President Karzai was sworn in as Afghanistan's first democratically elected leader. Afghanistan was guaranteed US\$8.2bn in aid until 2007.

2005 Parliamentary elections were held where the turnout was 36 per cent in Kabul and 53 per cent across the country.

2006 Resurgence of Taliban activity and fighting with coalition forces in the south, culminating in the fiercely fought Operation Mountain Thrust. Responsibility for security in the south passed to NATO. The Paris Club of international creditors forgave the greater part of the country's external debt.

2007 Former King Zahir Shar died. A *jirga* began in Kabul to discuss means of combating the Taliban. Russia cut around US\$10 billion from Afghanistan's outstanding debt, accrued during the Soviet Union's occupation 1979–89. The Asian Development Bank approved a loan of over US\$170 million to complete the circular highway connecting Kabul and other major cities, in particular the section between Herat in the west and Mazar i Sharif in the north. The completed road bypasses the warring territory of the south and facilitates trade with neighbouring northern and western countries.

2008 A US estimate was that the government controlled only 30 per cent of the country, and the Taliban about 10 per cent; the rest of the country was under the

control of tribal chiefs. The government deny its control was so limited, claiming the tribal chiefs supported central government and provided security in its stead. 2009 The US deployed a further 17,000 reinforcements, to 'meet urgent security needs', adding to the 36,000 military personnel already deployed. The UN reported that 2,118 civilians had been killed in 2008, an increase of 39 per cent on the 2007 figure. Taliban insurgents were blamed for 55 per cent of the deaths while NATO and Afghan forces were held responsible for 39 per cent. In a UK-Afghan military operation on Taliban strongholds in Helmand province, US\$71 million in heroin and drug manufacturing chemicals were seized, as well as factories making improvised bombs. Japan agreed to pay the salary of around 80,000 police officers, as well as fund teacher training and the construction of schools and hospitals. The presidents of Afghanistan and Pakistan agreed to increase military co-operation against Islamic extremists operating from strongholds in their shared border areas. Following an election campaign that lacked credibility due to accusations of widespread fraudulent activities, presidential elections took place on 20 August. Hamid Karzai won 49.67 per cent of the vote and his closest rival Abdullah Abdullah 30.59 per cent. In his first speech, after taking office President Karzai vowed to fight corruption. President Obama committed a further 30,000 US troops to be sent to Afghanistan, bringing US military strength to 100,000. Other foreign troops, around 32,000 at the end of 2009, were likely to be increased by 5,000.

2010 NATO launched a major offensive against the Taliban in the southern province of Helmand. General David Petraeus took command of the 130,000 strong international forces. A vital transit agreement was signed with Pakistan, allowing access to sea routes and the Indian market. President Karzai's timetable for transfer of control of security to domestic forces by 2014 was agreed at an international conference. In parliamentary elections, 2,584 candidates stood for 249 seats in the Wolesi Jirga; all elected candidates were non-partisan.

2011 In June, in a move that was hoped to encourage the Taliban to join the political process, the UN announced it was splitting a sanctions blacklist for the Taliban and al Qaeda into two separate lists. Later in June, 'preliminary' talks between the US and the Taliban in Afghanistan took place. President Obama announced on that 10,000 US troops would leave Afghanistan in 2011 and a further 23,000 would leave by mid-2012. The remaining 70,000 are due to be

withdrawn by 2014. In July France's President Sarkozy announced that 1,000 French troops would be withdrawn by the end of 2012. The half-brother of President Karzai was shot dead by the Taliban, in his home in Kandahar on 12 July. On 17 July Jan Mohammad Khan, an important tribal leader and aide to President Karzai, was killed in his home in Kabul. Bamiyan was the first province to be given responsibility for its own security on 18 July, when Nato handed over control to Afghan troops. 200 French troops that were part of a 4,000 military contingent stationed in the district of Surobi and the neighbouring Kapisa Province, were withdrawn from active service in the NATO mission in Afghanistan on 20 October. A further 200 were scheduled to be withdrawn by the end of December.

2012 The US defence secretary announced on 1 February that the US seeks to wind down combat operations in 2013. A declaration on 4 March by the religious advisory body, the *Ulema* (scholarly) Council, covered several aspects of the rights and role of women in Afghan society. It reiterated many of the edicts concerning women espoused by the Taliban, including the requirement to adopt the hijab, avoidance of men in social situations, including education, retail and commerce; acknowledging that women are secondary to men; respecting polygamy and confirming that women must at all times be accompanied by an acceptable male outside the home. Controversially, President Karzai welcomed the document while human rights and women's rights organisations said it was worrying and was a reversal of the progress of women's rights gained since 2001. The timing of the document and President Karzai's response were considered a part of the negotiations being undertaken with the Taliban. On 8 July, at a donor conference in Tokyo, US\$16 billion (2012–16) was pledged in civilian aid and to safeguard Afghanistan's future. On 10 July, 200 French NATO troops began a phased withdrawal. On 10 September, the US transferred its responsibility for the Bagram prison (and the more than 3,000 Taliban fighters) to Afghan authorities, although the US kept control of foreign prisoners. On 30 October, the date of the next presidential election was set for 5 April 2014. On 27 November, an independent audit report into the collapse of Kabul Bank stated that a fraud of almost US\$900 million of corrupt loans benefited just 19 people and companies, all part of the political elite. Foreign donors were forced to bail out the bank at a time of Afghanistan's fragile economy.

2013 In a ceremony attended by President Hamid Karzai and Nato Secretary

General Anders Fogh Rasmussen the International Security Assistance Force (Isaf) forces handed over control of the last 95 districts to the Afghan National Army on 18 June. On the same day it was announced that talks between the US and the Taliban would take place in Doha, Qatar, on 20 June. Within hours, four US soldiers were killed in Bagram airbase by a rocket attack; a spokesman for the Taliban, Zabihullah Mujahid, said the rockets had been launched by militants. The attack emphasised the difficulties the talks will encounter with a far from unified group of insurgents. Although a condition of the talks is for the Taliban to renounce violence, there will not be a ceasefire. On 17 July President Karzai signed into law the composition and rules for the 2014 election commission, and a separate commission to adjudicate complaints about voter fraud and other irregularities. Mullah Omar, a Taliban leader who has been in hiding since 2001 and has a US\$10 million bounty on his head, was reported by the BBC on 7 August saying that his fighters will not seek to monopolise power when foreign troops withdraw from Afghanistan in 2014. He said that the Taliban will try to reach an understanding with the Afghan people for 'an inclusive government based on Islamic principles'. Mullah Omar also reiterated his disdain for the elections, scheduled for next year, saying the poll ... 'de facto, takes place in Washington... participation in such elections is only a waste of time, nothing more'. President Karzai visited Pakistan on 26/27 August for talks with President Sharif on restarting the peace process, including releasing senior Taliban members held in Pakistan jails. He called on Pakistan 'to facilitate peace talks' by providing opportunities for talks between the Afghan High Peace Council and the militants. The US consulate in Herat was attacked on 13 September. Herat is an important trading city in the west, close to the border with Iran. It has by and large escaped the violence of the south and east. In a move supported by the Afghan government Mullah Abdul Ghani Baradar, co-founder of the Afghan Taliban, was released from prison by Pakistan on 21 September. Afghanistan qualified for the cricket World Cup for the first time by beating Kenya in a qualifying round in Sharjah on 4 October.

### Political structure

#### Constitution

On 4 January 2004, Afghanistan ratified a new constitution, establishing an Islamic republic, in which the president rules with a national assembly; women are recognised as equal citizens and have one-fifth of the lower house seats.

### Independence date

19 August 1919

### Form of state

Islamic republic

### The executive

The president is the Head of State, leading a cabinet, with two vice presidents and 29 ministers.

### National legislature

The National Assembly has two chambers. The Wolesi Jirga (House of the People) (lower) has 249 directly elected members for five-year terms with the number proportional to the populations of the provinces. Under the constitution, the Kuchi (nomad) community is allocated 10 seats; female candidates are also guaranteed seats. According to the constitution, the chamber may set up commissions to inquire into government actions, endorse and enforce legislation not approved by the president (providing it has a two-thirds majority), question ministers, decide on government development programmes and the budget and approve or reject government sponsored appointments. The Wolesi Jirga ratifies laws and approves the actions of the president.

The Meshrano Jirga (House of Elders) (upper house) has 102 members who are either indirectly elected or appointed representatives. Members must be aged over 35 years. One member from each provincial council is elected to serve a four-year term in the upper chamber.

### Legal system

The 2004 constitution guarantees an independent judiciary, consisting of a Stera Mahkama (supreme court), high courts and appeal courts.

The president appoints the members of the supreme court, with the approval of the Wolesi Jirga.

### Last elections

20 August and 7 November 2010 (presidential and run-off (cancelled)); 18 September 2010 (parliamentary)

**Results:** Presidential: Hamid Karzai won 49.67 per cent of the vote and Abdullah Abdullah 30.59 per cent, Ramazan Bashardost 10.46 per cent, Ashraf Ghani Ahmadzai 2.94 per cent, Mirwais Yasini 1.03 per cent; 27 other candidates each won less than 1 per cent. Turnout was 38.7 per cent. Runoff: Abdullah withdrew and Karzai was declared winner. Parliamentary: all 249 elected candidates elected were non-partisan.

### Next elections

5 April 2014 (presidential); 2014 (parliamentary)

### Political parties

#### Ruling party

Members of the national assembly are elected as independent candidates

### Main opposition party

Jami'at e Islami (Islamic Society of Afghanistan) leads a loose alliance.

### Population

32.02 million 2012\* (some 1 million Afghans are still in exile in Pakistan and Iran)

The population is concentrated in the river basins and around the major cities. The central highlands and the arid south-western plateau are sparsely populated.

Afghanistan has almost 500,000 disabled people, many who have lost limbs as a result of mine explosions. In 2012, the UNHCR were concerned for 1.3 million Afghans, comprising asylum-seekers, refugees residing abroad, returning refugees and the estimated 400,000 internally displaced persons.

**Last census:** June 1979: 13,051,358 (excluding nomad population)

**Population density:** 40 inhabitants per square km (2010); 23 per cent urban population (Unicef)

**Annual growth rate:** 4.4 per cent, 1990–2010 (Unicef).

### Ethnic make-up

Pashtun (Pathan) (38 per cent), Tajik (25 per cent), Hazara (19 per cent), Uzbek (6 per cent), minority groups include Aimaks, Turkmen, Baluch and others (12 per cent).

The Pashtuns largely reside in south-eastern Afghanistan. Tajiks, Hazaras and Uzbeks are the main communities in northern and central Afghanistan.

### Religions

Almost the entire population is Muslim (84 per cent Sunni Muslim, 15 per cent Shi'ite); Hindu, Sikh and Jewish minorities.

### Education

The UN Educational, Scientific and Cultural Organisation (Unesco) assists the Afghan government in the education sector's reconstruction by promoting universal primary education, especially for girls, and the expansion of primary schooling with access to secondary education.

Unesco has extended its support for a computer centre at Kabul University, including Internet access for the young. It also funds the printing of text-books for all levels of education.

In January 2011 the minister of education, Farooq Wardak, was reported in the UK's *Times Educational Supplement* that a 'cultural change' meant the Taliban were 'no more opposing girls' education'.

### Health

WHO continues to support the IDPs by providing essential medical supplies to clinics within the camps. There is provision for night health services and nutrition centres for malnourished children. Harsh winters in the region cause acute respiratory

infections, while hot dry summers lead to diarrhoeal diseases.

Despite on-going security problems, UN relief agencies and the WHO provide emergency medical supplies and assistance to local hospitals.

In 2006, a large outbreak of polio in the volatile southern regions followed a drop in overall numbers of cases in previous years. The UN undertook immunisation of around 1.3 million children in the southern provinces of Kandahar and Helmand in 2007. The week-long campaign took place within the war zones while 10,000 health workers were given safe passage to undertake the operation. Despite this, Afghanistan in 2012 was one of only three remaining countries (with Pakistan and Nigeria) where polio is endemic.

**Life expectancy:** 48 years, 2010 (Unicef 2012)

**Fertility rate/Maternal mortality rate:** 6.3 births per woman, 2010 (Unicef)

**Child (under 5 years) mortality rate (per 1,000):** 99 per 1,000 live births (WHO 2012), 49 per cent of children aged under five were malnourished (World Bank).

### Welfare

Many Afghans have fled the country due to war, drought and earthquakes. The UNHCR estimated that, at its peak, more than 3.7 million Afghans survive outside their homeland; between 1.1–1.5 million were internally displaced. Over 520,000 refugees returned in 2005, the largest group, of 453,000, came from camps in Pakistan. International agencies and the government have been working hard for their rehabilitation, as well as for the thousands who returned in previous years. The WFP has been working with the Afghan government to rehabilitate irrigation systems and expand its activities to cover the reconstruction of schools, hospitals, roads and bridges.

### Main cities

Kabul (capital, estimated population 3.0 million in 2012), Kandahar (368,099), Herat (308,203), Mazar-i-Sharif (267,147), Jalalabad (151,010), Kunduz (124,567), Balkh (87,052), Baglan (83,117).

### Languages spoken

The languages spoken by Afghanistan's two largest ethnic groups are Dari (Afghan Persian) (50 per cent) and Pashtu (35 per cent). Turkic languages (primarily Uzbek and Turkmen) (11 per cent), 30 minor languages (primarily Baluchi and Pashai) (4 per cent). Farsi (Persian) is spoken by the Tajiks. Some speak a second language, including English, Russian, French or German.

The use of English began to grow after the arrival of NATO forces in 2005, as many jobs in government and non-governmental organisations (NGOs) required a level of use. By 2009 there were several hundred private schools teaching English to thousands of Afghan students.

### Official language/s

Pashtu and Dari (named as official languages in the 2004 constitution)

### Media

All material is subject to *Sharia* (Islamic law) and regulatory bodies are controlled by the government. However, since 2001 there has been a strong growth in broadcasting and print media, with five TV stations and over 300 newspapers published nationwide; in a country with a low literacy rate the radio is the principal medium for news and information.

### Press

Print journalism does not match broadcast journalism for professionalism and research with opinions offered instead of investigation and hard facts. Self-censorship is widely practiced by older writers and violence towards journalists has curbed the focus necessary for news gathering. The market for newspapers and advertising revenue is so small that private newspapers must rely on political factions and individuals for sponsorship.

**Dailies:** State-owned publications, in Dari and Pashtu, include *Daily Anis Eslah*, *Arman-e Melli* and *Eslah*. English dailies include *Kabul Times*. Private newspapers in Dari and Pashtu include *Hewad*, *Eradeh*, *Shari'at*, *Daily Afghanistan* ([www.dailyafghanistan.com](http://www.dailyafghanistan.com)), *Tolafghan* ([www.tolafghan.com](http://www.tolafghan.com)) and *Payam e Mojahed* ([www.payamemojahed.com](http://www.payamemojahed.com)). English private dailies include *Daily Outlook Afghanistan* ([www.outlookafghanistan.net](http://www.outlookafghanistan.net)) and *Daily Cheragh* ([www.cheraghdaily.af](http://www.cheraghdaily.af)).

**Weeklies:** In Dari and Pashtu, *Aina-e-Zan* (Women's Mirror). In English, *Kabul Weekly* is an independent newspaper funded by the UN. *Omaid Weekly* is published in the US and is one of the most widely read Afghani publications in the world.

### Broadcasting

National Radio and Television Afghanistan (NRTA) is under the ministry of information and culture.

**Radio:** There are many radio stations broadcasting regionally. The government-owned Radio Afghanistan is national; it has competition from several foreign radio broadcasting services. Commercial radio stations including the popular Arman FM ([www.arman.fm](http://www.arman.fm)) with programmes in local languages and English, Radio Killid ([www.thekillidgroup.com](http://www.thekillidgroup.com)) and Rana FM ([www.ranafm.org](http://www.ranafm.org)).

**Television:** The popularity of television is growing and some stations are providing local programming. The National Television Afghanistan (NTA) is government run; other national, free-to-air private stations include Tolo TV ([www.tolo.tv](http://www.tolo.tv)) which shows foreign and domestic programmes, Ariana TV ([www.arianatelevision.com](http://www.arianatelevision.com)) with news in Pashtu, Dari and English and Ayna TV is based in the northern provinces and broadcasts in four local languages.

Television is also provided by foreign entities including the US-based satellite networks Noor TV ([www.noor-tv.com](http://www.noor-tv.com)) and Payame Afghan TV ([www.payameafghantv.com](http://www.payameafghantv.com)). Khorasan TV, is a local satellite network with Shamshad and Afghan TV (<http://afghanistantv.org>).

**National news agency:** BNA (Bakhtar News Agency)

**Other news agencies:** Pajhwok Afghan News: [www.pajhwok.com](http://www.pajhwok.com)  
Afghan Islamic Press: [www.afghanislamicpress.com](http://www.afghanislamicpress.com)

### Economy

The economy has been in a state of renewal since 2001, after the fall of the authoritarian Taliban regime. Afghanistan has a strong agricultural sector, accounting for around 30 per cent of GDP, although its level of productivity has been blighted by civil conflict, exploitation and underinvestment since the 1980s, leaving a legacy of degraded natural resources (particularly in forests and pastures) and fragmented rural institutions. Consequently, the level of productivity is low with inefficient production systems and poor management so that Afghanistan relies on international food aid to feed its population. It is estimated that introducing modern technologies would increase capacity by 7.5 million hectares of cultivated land, and with proper irrigation 20 per cent could be double-cropped.

Natural resources include minerals and hydrocarbons. Industrial manufacturing, which accounts for around 25 per cent of GDP, is mostly small-scale production of locally required products such as soap, furniture, textiles and shoes.

The informal economy is dominated by the illegal production and trade in opium, which creates an obstruction to government efforts to raise legitimate revenue through taxation. According to the UN Opium Survey (published in January 2012), 5,800 tonnes of (wet) opium was produced in 2011, a rise of 7 per cent on production in 2010, with earnings of US\$1.4 billion. Afghanistan accounts for around 90 per cent of the world's opium trade.

With increased spending by coalition forces, and international aid flowing into the country, Afghanistan's GDP growth was at an all-time high of 20.9 per cent in 2009, at a time of greatest economic recession worldwide. However in 2010, as domestic security deteriorated and world trade slowed, GDP growth fell back to 8.4 per cent and further to an estimated 5.7 per cent in 2011.

Inflation fell from a high of 26.8 per cent in 2008 (with a peak of 43 per cent in May 2008) to -12.2 per cent in 2009 as food prices fell and monetary policies introduced by government acted as deflationary pressures. The currency (Afghani) appreciated in value over 2008–09 as the government managed the amount in circulation; money demand remained strong and the Afghani remained close to its five-year average in real terms. Inflation rose to 7.7 per cent in 2010, before jumping to an estimated 11.2 per cent in 2011.

Although per capita income is low; it has risen steadily, from US\$426 in 2009 to US\$528 in 2010, and is estimated to have been US\$585 in 2011.

Corruption has been highlighted as one of Afghanistan's most insidious problems. The watchdog charity Integrity Watch Afghanistan (IWA) reported in 2010 that a survey had shown corruption was rampant and entrenched in all areas of Afghan life. At the same time international donors voiced their criticism that anti-corruption measures were not producing tangible results and that if economic support was to be channelled through the government's budget (from 33 per cent to 50 per cent as proposed by President Karzai), then measures for a strengthened financial system that cuts corruption and poor governance were required.

### External trade

Much of the government's strategy for international trade is predicated on a future with secure, nationwide peace. It sees the future of Afghanistan as a hub for regional trade, with land links to surrounding countries.

The ministry of commerce and industry has undertaken negotiations in regional economic initiatives, which include the Economic Co-operation Organisation (ECO) and bilateral negotiations with neighbouring countries including Iran, India, Pakistan, Tajikistan and Uzbekistan. Plans include participation in the South Asia Free Trade Area (Safat) and the Central Asian Regional Economic Co-operation (Carec) programme. Afghanistan is also an observer member of the World Trade Organisation (WTO).

A suggested oil pipeline through Afghanistan to Pakistan would link Central Asia with Pakistan.

### Imports

Afghanistan mainly imports capital goods including construction items needed to repair its neglected infrastructure, foodstuffs, textiles and petroleum products.

**Main sources:** US (31.4 per cent of total in 2011), Pakistan (20.8 per cent), Russia (8.4 per cent).

### Exports

Opium, Afghanistan's largest, albeit illegal, export is primarily transported north through the Central Asian republics and on to Europe. Measures by foreign governments have been introduced in an attempt to eradicate the crop. Around 10 per cent of Afghan families rely on its production and as opium represents a large proportion of the country's exports this could lead to a serious drop in income if the campaign is successful.

Principal non-opium exports include hand-woven carpets, fruits and nuts, small scale industrial products, pelts and hides and semi-precious and precious stones. Afghanistan has been the world's largest exporter of raisins and a major producer of grapes, melons and other fruit.

**Main destinations:** Pakistan (31.4 per cent of total in 2011), India (28.8 per cent), Tajikistan (8.3 per cent).

### Agriculture

The population is returning to the countryside and some rural areas have been transformed by the return of Afghan refugees from Pakistan and Iran. However, the level of productivity is low with inefficient production systems and poor management so that Afghanistan relies on international food aid to feed its population. A severe drought in 2009 not only reduced harvests but also increased soil erosion. It is estimated that introducing modern technologies increase capacity by 7.5 million hectares of cultivated land, and with proper irrigation 20 per cent could be double-cropped.

Twelve per cent of the total area is cultivated, another 10 per cent is pasture land and a further 5–6 per cent considered by some sources to have agricultural potential.

Most cultivated land is situated in river valleys or plains, which are often fertile; an estimated two-thirds of cultivated land is irrigated. Food output is frequently below what is required to feed the population. In total more than 12,000 out of 22,000 farming villages were abandoned or destroyed during the fighting of the 1990s.

Apart from the opium poppy, the main crops are wheat, fruit and vegetables,

maize, rice, barley, cotton, sugar beet, sugar cane, oil seeds.

The livestock herd needs rebuilding. Livestock includes sheep, cattle, goats and poultry, with donkeys, horses, camels, mules and buffaloes kept as draught animals. Sheep provide a major source of protein and animal fat. Some 70 per cent of wool production, along with hides from karakul sheep, is exported.

After the fall of the Taliban, the farmers started to sow poppies again. In 2002, President Karzai banned opium poppy cultivation and trafficking, and offered farmers US\$350 for each 0.2 hectare (ha) to be replanted with alternative crops. This was only a fraction of what the farmers could earn from the poppy crop. Around 6,250 tonnes of (wet) opium was produced in 2009, which was a fall of 1,190 tonnes from the high of 7,440 tonnes in 2007/08 – although the 2009 drought may have had more of an adverse effect on harvests than counter-narcotic measures. In 2010 the opium crop was devastated by disease, prices from traffickers rose sharply and as a result in 2011 opium production rose by 61 per cent. Afghanistan accounts for around 90 per cent of the world's opium trade.

Until economic and social alternatives are developed, the local population remains dependent on the opium economy. The British army has been assisting the government in its efforts to eradicate poppy cultivation.

Wooded land is limited to the eastern Hindu Kush region and along the Pakistani border. Many forests in these areas have been severely reduced due to trees being cut down and the wood smuggled out to surrounding countries.

### Industry and manufacturing

Handmade Afghan carpets are identified as not only significant cultural products of the country, but also an important component of export trade. Developing the carpet industry is 'crucial' according to the minister of trade and industry in February 2012. Annual production of Afghan carpets is around two million square metres, of which 90 per cent are exported through neighbouring countries. As one of Afghanistan's main exports it is estimated that millions of people are directly and indirectly involved in the production of carpets, although carpet weavers and washers are often on low wages. The industry called for more government investment in workshops, factories and showrooms.

### Tourism

The continuing instability in the country hinders the development of a tourist sector in Afghanistan, although given the right conditions there is considerable

potential. The country has a wealth of cultural, heritage and natural sites which have been out-of-bounds for much of the war. But, despite the on-going fighting with the Taliban and Al Qaeda, Afghans still welcomes visitors and there are escorted tours, for hardy travellers available either solely in Afghanistan or as part of a journey along the 'Silk Road'. Restrictions on travel in the south apply and such destinations should be avoided. A number of luxury hotels are available in Kabul that offer tight security, nevertheless terrorists target foreigners and all visitors should adhere to instructions given by their respective diplomatic representatives.

## Environment

In April 2009, the first national park, Band e Amir, featuring deep blue lakes and natural dams of travertine, was established near Bamyan Valley, the site of the giant, 1500-year old, Buddha statues destroyed by the Taliban in 2001.

## Mining

Natural resources include copper, chromite, lead, zinc, iron, salt, lapis lazuli, emeralds, talc and barium sulphate. Long-term mineral development projects include copper mining and smelting at Ainak and high-grade iron ore mining at Hajigak in northern Afghanistan. A Chinese-owned mining company won a tender in November 2007 to develop one of the world's largest copper mines sited in Logar Province. It is estimated that the site has 13 million tonnes of copper. Australia, Canada, China and Russia all contested the tender, ultimately won by China Metallurgical Group with an investment of US\$3 billion. The mine is expected to be operational in 2012 and offer employment to thousands of Afghan workers.

## Hydrocarbons

Proven hydrocarbon reserves were in excess of 150 million barrels of oil and 12.7 billion cubic metres (cum) of natural gas, located in 29 fields in the north-western region of the country by Soviet Union in 1959. Since then very little of these resources have been exploited and further exploration, using modern technologies, had been curtailed due to the geopolitical situation and the series of conflicts in Afghanistan, although potentially oil producing sedimentary sections had been located in the south of the country. Limited seismic surveys of the northern oil and gas fields began in late 2004, conducted by the US Geological Survey and by 2006 it estimated that mean volumes were 1.6 billion barrels of oil and 444 billion cum of natural gas (although proven natural gas reserves, by this time, were 49.6 billion cum). Three oil and gas bearing blocks in the north, with proven reserves,

were licensed for exploration and production, in 2009. In 2008 all Afghanistan's oil needs were imported, mainly from Pakistan and Turkmenistan.

Gas production from the Jowzjan province, amounted to 2.8 million cum per annum, used exclusively domestically. There are small deposits of coal, estimated at 74 million tonnes located mainly in northern Afghanistan in the region between Herat and Badashkah. Production is typically just 1,000 tonnes per annum.

## Energy

The energy sector was badly damaged during the years of upheaval. Afghanistan has installed capacity of 450MW, generated by hydropower, of which only 271MW are available. Some border areas receive supplies from neighbouring countries. Electricity supply is only available to around 6 per cent of the population and interruptions and blackouts are frequent.

## Banking and insurance

Afghanistan has six banks (four of which have almost no assets) and two commercial banks – Pashtani and Milli – with assets. In 2003, two banking laws were passed: the Central Banking Law and the Commercial Banking Law. The first laid the groundwork for the Central Bank to focus on monetary policy, pricing stability and oversight of the commercial markets; the second allowed for private ownership of commercial banks. Standard Chartered (UK), Microfinance Bank of Afghanistan and National Bank of Pakistan opened in 2004.

An International Monetary Fund (IMF) report in February 2011 into the operations of Kabul Bank, Afghanistan's largest private bank, recommended that it be put into receivership, which would help the government in its plan to stabilise financial services in the country. The IMF identified problems of corruption, bad loans and mismanagement that had resulted in hundreds of million of US dollars being lost. The IMF also urged the government to announce plans to deal with the scandal that had become public in 2010, to protect the rest of the banking system and that legal action should be taken against those responsible for the fraud. Abdul Qadeer Fitrat, central bank governor, resigned on 27 June saying he felt his life was in danger for investigating fraud at Kabul Bank. He said that he was being hindered in his investigations by the government, which in turn accused him of treason. On 27 November 2012, an independent audit report into the collapse of Kabul Bank stated that a fraud of almost US\$900 million of corrupt loans benefitted just 19 people and companies, all part of the political elite. Foreign

donors were forced to bail out the bank at a time of Afghanistan's fragile economy.

## Central bank

Da Afghanistan Bank (re-opened January 2002).

## Main financial centre

Kabul

## Time

GMT plus 4.5 hours

## Geography

Afghanistan is a landlocked country in south-western Asia. Its neighbours are Turkmenistan, Uzbekistan and Tajikistan to the north, Iran to the west, and Pakistan to the east and south. It also has a 76km border with the People's Republic of China to the north-east. The Hindu Kush mountains are in the north-east of the country.

There are three geographic areas: the central highlands (comprising over 60 per cent of the land), the arid southern region (25 per cent of the land) and the fertile northern plains.

## Hemisphere

Northern

## Climate

The climate is dry with large variations between day and night temperatures as well as swift seasonal changes. Maximum summer temperatures on the plains can reach 46 degrees Celsius (C), while the lowest winter temperatures, in the mountains, reach minus 26 degrees C; Kabul (at altitude 1,800 metres) has an average 16 to 33 degrees C in summer (July–August) and minus 8 to 2 degrees C in winter.

The rainy season is from October–April, although rainfall is very irregular; Kabul averages 335mm per annum.

## Entry requirements

### Passports

Required by all.

### Visa

Required by all; application forms can be obtained via:

[www.embassyofafghanistan.org/main/consulate/visa.cfm](http://www.embassyofafghanistan.org/main/consulate/visa.cfm) or local embassies.

Business visas require a letter of introduction stating the purpose of visit and sponsorship information. A visa financial guarantee must be included with the application fee. For a multiply entry visa, a letter of introduction signed by the president of the organisation, must accompany the documentation.

### Currency advice/regulations

Import and export of local currency is limited to Af500. Import of foreign currency is unlimited, although export of foreign currency is limited to the amount declared on arrival.

US dollars circulate widely. Travellers cheques are not readily accepted.

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### Customs

Alcohol is permitted for personal consumption.

All antiquities, carpets, furs and photography films require an export permit.

### Prohibited imports

Illegal drugs, pornography; pork products in any form.

Cameras require an import permit.

### Health (for visitors)

#### Mandatory precautions

Vaccination certificate for yellow fever if travelling from an infected areas.

#### Advisable precautions

Hepatitis A, anti-malarial precautions, polio, tetanus, typhoid. Diphtheria, hepatitis B, TB immunisations are recommended in some circumstances – seek further advice. Water precautions are necessary. There is a risk of rabies.

Emergency medical care is limited and visitors should ensure they have medical insurance that includes emergency evacuation. Hospitals and doctors require immediate cash payment before commencing treatment. The German Medical Diagnostic Center ([www.medical-kabul.com](http://www.medical-kabul.com)), operates in Kabul, offering treatment that includes medical, radiological and pharmacy services. It does not offer emergency, obstetric or dental treatment.

Public hospitals are not up to Western standards and should be avoided. There are a limited number of private hospitals and some international aid groups operate medical facilities in cities and villages. Visitors should travel with all their necessary medications.

### Hotels

Accommodation tends to be scarce and spartan. There are only a few international hotels in Kabul, including the Intercontinental Hotel, Bagh-I-Balla, Kabul and the Serena Hotel, Froshgah Street, Kabul.

### Credit cards

Only Visa branded credit and debit cards are accepted at very limited outlets.

### Public holidays (national)

Afghanistan uses the Persian calendar (although it used the Islamic calendar between 1999 and 2002). The Persian calendar has 12 months which differ from the Gregorian calendar: there are 31 days in each of the first six months of the Persian calendar, 30 days in each of the next five months and 29 days in the last month, except in leap years when it has 30 days.

Persian year 1392 (21 Mar 2013–20 Mar 2014)

Dates of feasts vary according to the sighting of the new moon, so cannot be forecast exactly.

### Fixed dates

21 Mar (Naw Roz/Persian New Year), 28 Apr (Islamic Revolution Day), 19 Aug (National Day).

### Variable dates

Eid al Adha (three days), Ashura, Birth of the Prophet, First day of Ramadan, Eid al Fitr (three days).

Muslim holidays that occur on a Friday may be observed on Saturday.

### Working hours

The weekend is Friday.

### Banking

Sat–Wed: 0800–1200, 1300–1630; Thu: 0800–1330.

### Business

Sat–Wed: 0800–1200, 1300–1630; Thu: 0800–1330.

### Government

Sat–Thu: 0800–1600.

### Shops

Commercial shops keep long but varying hours, usually Sat–Thu: 0700–2300.

### Telecommunications

#### Mobile/cell phones

GSM 900/1800 services available in main cities only.

### Electricity supply

220 volts AC, 60 cycle electrical system, using European round, two-prong plugs. Supplies may be seriously affected and power cuts frequent.

### Weights and measures

Metric system (local units are also in use).

### Social customs/useful tips

It is customary to shake hands on meeting and taking leave. Among men, embracing is a traditional form of greeting. Islamic conventions apply. When sitting cross-legged on sofas or cushions, soles of feet must not be shown.

Business meetings are usually conducted in English or Dari. Green or black tea, nuts and raisins are served. The form of greeting is *Salaam Aleykum* (peace be with you), followed by a firm handshake and placing the right hand over the heart. Several minutes are spent engaging in pleasantries about each other's countries. It is essential to build trust and to be patient.

Women should dress modestly in long skirts or trousers and avoid revealing tops and dresses.

### Security

Foreign nationals are advised not to visit Afghanistan unless absolutely necessary. All visitors should register their presence with their diplomatic representative and keep up-to-date with local information on threat levels. Travel within the country should be kept to a minimum to lessen the risk of the threats posed by armed

criminals and terrorists and between rival tribal armies.

Kidnapping, which is widespread, is the most serious threat to any visitor; seeking professional advice for security measures may be necessary.

Suicide-bombings have become more common and visitors must observe a high level of vigilance.

There is widespread danger from mines and unexploded ordinance throughout the country.

All street demonstrations and large gatherings should be avoided.

### Getting there

The current security situation means that flights may be cancelled and roads closed at any time. It is advisable to check before travelling. The information that follows may also change.

### Air

**National airline:** Ariana Afghan Airlines  
**International airport/s:** Kabul airport (KBL), 16km from Kabul; facilities include a bank, bar and restaurant.

**Airport tax:** Departure tax: Af200

### Surface

**Road:** There are links to Iran and Pakistan via the Asia Highway and to the CIS via road and rail. Hostilities have periodically closed the Pakistan route; check before travelling.

In August 2007, a road bridge spanning the River Pyanj in northern Afghanistan opened, linking Tajikistan and Afghanistan. The bridge, costing US\$37m, was paid for by the US.

The Regional Road Corridor Improvement Project, estimated at US\$18 billion, to improve Central Asian roads, airports, railway lines and seaports and provide a vital transit route between Europe and Asia was agreed on 3 November 2007. Six new transit corridors, between Afghanistan, Azerbaijan, China, Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan and Uzbekistan, of mainly roads and rail links, will be constructed, or existing resources upgraded, by 2013. Half the costs will be provided by the Asian Development Bank and other multilateral organisations and the other half by participating countries.

**Rail:** Links exist between Kabul and the CIS.

### Getting about

The current security situation means that flights may be cancelled and roads closed at any time. It is advisable to check before travelling. The information that follows may also change.

### National transport

**Air:** Ariana Afghan Airlines flies a limited service to Herat and Mazar-e-sharif.

**Road:** Main centres are linked by paved roads but secondary roads vary in

condition and by season. There are approximately 22,000km of roads.

**Buses:** Bus service are unreliable and dangerous for internal travel.

**Rail:** On 25 May 2010 a 75-kilometer stretch of railway line connecting Mazar-e-Sharif to the northern border with Uzbekistan was inaugurated; it is scheduled for completion by the end of 2010 and will connect to Uzbekistan's rail network and allow the easier transport of exports to regional markets in Europe and Asia.

**Water:** There are 1,200km of navigable inland waterways, including the Amu Darya River.

#### City transport

**Taxis:** Taxis are available from Kabul airport to the city centre. Tipping is not usual. Fares are negotiable and can be high for foreigners.

**Buses, trams & metro:** A limited number of buses are operating.

#### Car hire

International driving licences are required for those hire cars available.

### BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

#### Telephone area codes

The international dialling code (IDD) for Afghanistan is + 93, followed by the area code and subscriber's number. Landline telephones are still unreliable. Some of the numbers below are mobile/cell numbers.

Herat	40	Kandahar	30
Jalalabad	60	Marez-E-Sherif	50
Kabul	20	Mobil phones	70

#### Chambers of Commerce

Afghan Chamber of Commerce and Industry, Mohammed Jan Khan Wattt, Kabul (tel/fax: 290-196).

#### Banking

Afghanistan International Bank, House no 1608 Behind Amani High School, Wazir Akhbar Khan, Kabul (tel: 792 03158; fax: 202 103567).

Agricultural Development Bank, Jaddeh-Maiwand, Kabul.

Export Promotion Bank, Jaddah-Temorshahi, Kabul.

First Micro-finance Bank of Afghanistan, Street West of Park Shahr-i-Naw, Charahi Ansari, Kabul (tel: 0790 95705).

Industrial Promotion Bank, Shahr-i-naw, Kabul.

Mortgage and Construction Bank, Shahri-i-naw, Kabul.

National Bank of Pakistan, House No 2, Street No 10, Wazir Akbar Khan, Kabul (tel: 20-230 1660; fax: 20-230 1659).

Pashtany Tejaraty Bank, Mohmmad Jan Khan Watt, Kabul.

Standard Chartered Bank, P.O. Box 16019, House No. 10, Street No. 10 B, Wazir Akhbar Khan, Kabul (tel: 790 88888, 790 20833).

#### Central bank

Da Afghanistan Bank, Ibni Sina Watt, Kabul (tel: 240-7579).

#### Travel information

Ariana Afghan Airlines, PO Box 76, Ansari Watt, Kabul (tel: +873-762-523-844; fax: +873-762-523-846; internet: flyariana.com).

Kabul Airport, PO Box 76, Anseri Watt, Kabul.

#### Ministries

Ministry of Communications (internet: www.af-com-ministry.org).

Ministry of Finance (internet: www.mof.gov.af).

Ministry of Foreign Affairs: Malak Azghar Road, Kabul (tel: 210 0366; e-mail: contact@mfa.gov.af).

Ministry of Information and Culture, Mohammad Jan Khan Watt, beside Spinzar Hotel, Kabul (internet: www.moic.gov.af)

Ministry of Rural Rehabilitation and Development (internet: www.mrrd.gov.af).

Ministry of Agriculture, Irrigation and Livestock, Darulman, Kabul (internet: www.agriculture.gov.af).

#### Other useful addresses

Afghan Islamic Press, House 208, Qafila Road, Tahkal Payan, Peshawar, Pakistan (tel: (+92- 91) 570-1100; fax: (+92- 91) 570-3355; e-mail: aip@pes.comsats.net.pk).

Afghanistan Embassy (USA), 2341 Wyoming Avenue, NW, Washington DC 20008 (tel: (+1-202) 234-3770; fax: (+1-202) 328-3516; e-mail: info@embassyofafghanistan.org; internet: www.embassyofafghanistan.org

Afghanistan Investment Support Agency, Opposite Ministry of Foreign Affairs, Kabul (tel/fax: 210-3404; internet: www.aisa.org.af).

Afghanistan Wireless Communication Corporation, Ministry of Communications Building, Mohammad Jan Khan Watt, Kabul (tel: 20-0000; fax: 20-0200; e-mail: info@afghan-wireless.com).

Arman FM (radio), PO Box 1045, Central Post Office, Kabul; House 3, St 12, Wazir Akbar Khan, Kabul (e-mail: info@arman.fm).

British Embassy, 15th Street, Roundabout Wazir Akbar, Khan, PO Box 334, Kabul (tel: 701-02000; fax: 701-02274; email: britishembassy.kabul@fco.gov.uk).

Fedex (Afghan Express), Karte 3, Khai Street, House 326, Kabul (tel: 25-00525; fax: 25-00524).

DHL Express, Street 10, Wazir Akbar Khan, House 310, Kabul (e-mail: kbl\_hdesk@af.dhl.com).

TNT Express, Turabaz Khan Crossroads, Kabul.

**National news agency:** BNA (Bakhtar News Agency), www.bakhtarnews.com.af

**Other news agencies:** Pajhwok Afghan News: www.pajhwok.com

Afghan Islamic Press: www.afghanislamicpress.com

#### Internet sites

Afghanistan Embassy (Australia): www.afghanembassy.net

Afghanistan Online: www.afghan-web.com

Guide to Travellers to Kabul: www.afghanembassy.net/n\_travel.html

UN Development programme: www.undp.org.af/projects/lofta\_july.html

UN Development Business on-line subscription service: www.devbusiness.com

World Bank: www.worldbank.org/afghanistan