

Business and Politics in the Muslim World

Afghanistan This Week

Report Number: 124

Week 12-18 June 2010

June, 20, 2010

Mohammad Amin

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Contents

POLITICAL HEADLINES SUMMARY	4
GEO-STRATEGIC HEADLINES SUMMARY	5
SOCIAL HEADLINES SUMMARY.....	6
ECONOMICAL HEADLINES SUMMARY	6
POLITICAL HEADLINES	8
UN TEAM IN KABUL TO UPDATE BLACKLIST	8
TWO-MONTH VOTER REGISTRATION PROCESS STARTS.....	8
PEOPLE IN THE NORTH LOSE FAITH IN GOVERNMENT.....	9
AFGHAN FORCES TO LEAD KANDAHAR OPERATION: KARZAI.....	9
KARZAI FORMS HIGH COUNCIL TO MEDIATE PEACE TALKS	10
KABUL TO ASK FOR 14-15BN AT KABUL CONFERENCE	10
SECURITY TO BE TIGHTENED AHEAD OF KABUL CONFERENCE	11
'ALL DISTRICTS IN BAGHLAN MAY FALL INTO TALIBAN HANDS'	11
HUGE OBSTACLES SEEN IN EXPLOITING AFGHAN MINERALS.....	12
NINE OUT OF 364 DISTRICTS CONSIDERED SAFE: MANGAL	14
KARZAI VOWS TO USE JAPAN'S AID EFFECTIVELY.....	15
TASK FORCE TO TAKE ON AFGHAN CORRUPTION.....	16
GEO-STRATEGIC HEADLINES.....	19
POLAND WANTS NATO TO PLAN AN END TO AFGHAN MISSION.....	19
TURKEY DONATES \$3 MILLION TO ANA	19
AFGHANISTAN FEARS GLOBAL RIVALRY OVER MINERAL WEALTH	19
SOCIAL HEADLINES	21
5,900 AFGHAN CHILDREN SMUGGLED INTO EUROPE: UN	21
1,300 FAMILIES IN FARYAB GET ELECTRICITY	21
HERAT DREAM HYDROPOWER PROJECT COMPLETES IN 18 MONTHS	22
KABUL BASIN FACES MAJOR WATER CHALLENGE: SURVEY.....	22
GATHERING CONDEMNS AID GROUPS FOR PROSELYTISING	23
AFGHANISTAN PINS HOPES ON DAMS FOR POWER AND CROPS	23

ECONOMICAL HEADLINES	25
TENDERS OUT FOR HAJIGAK IRON ORE MINE	25
MINERAL RESERVES 'GOOD NEWS': OMAR	25
AFGHANISTAN TO INVITE 200 COMPANIES TO BID ON MINERALS	26
AFGHANISTAN'S MINERALS WORTH \$3 TRILLION	26
AFGHANISTAN SEEKS REGIONAL HELP FOR USE OF MINERAL	27
KARZAI INVITES JAPAN TO INVEST IN MINES	27

Political Headlines Summary

UN team in Kabul to update blacklist

KABUL (PAN): A United Nations Security Council (UNSC) team has arrived in Kabul to discuss 'updating' the 137-name blacklist and expected to submit its recommendations to the council by month's end, the world body's special representative to Afghanistan said on Saturday.

Two-month voter registration process starts

KABUL (PAN): The independent election commission on Saturday launched a two-month voters' registration process for the upcoming parliamentary election, scheduled for September 18, an official said.

People in the north lose faith in government

MAZAR-I-SHARIF (PAN): Civilians in northern Afghanistan say they have lost faith in pledges made by government officials.

Afghan forces to lead Kandahar operation: Karzai

KANDAHAR CITY (PAN): President Hamid Karzai said foreign troops would play a supporting role in the upcoming Kandahar operation, during a surprise trip on Sunday to the southern stronghold of the Taliban movement.

Karzai forms high council to mediate peace talks

KABUL (PAN): President Hamid Karzai agreed on Monday to form a peace council that would mediate between his government and the Taliban, the presidential palace said.

Kabul to ask for 14-15bn at Kabul Conference

KABUL (PAN): Afghanistan's government is expected to ask for between \$14-15 billion dollars for a wide variety of development projects at an international conference in the capital next month.

Security to be tightened ahead of Kabul conference

KABUL (PAN): Security arrangements for the Kabul Conference next month are already in place, security officials said on Monday.

'All districts in Baghlan may fall into Taliban hands'

PUL-I-KHUMRI (PAN): Baghlan provincial council members have warned of falling all the districts into the hands of Taliban, who are already in control of almost 11 districts in the northern province.

Huge obstacles seen in exploiting Afghan minerals

KABUL — It could take years and possibly even a peace settlement for Afghanistan to reap profits from nearly \$1 trillion in mineral resources that U.S. geologists say lie beneath its rugged terrain — some in areas currently controlled by Taliban insurgents or warlords.

Nine out of 364 districts considered safe: Mangal

KABUL (PAN): Only nine out of Afghanistan's 364 districts are considered safe, with the rest under some degree of security threat, the acting interior minister said on Wednesday.

Karzai vows to use Japan's aid effectively

KABUL: President Hamid Karzai, seeking to allay Tokyo's concerns that its support may be wasted on his government, on Thursday promised to use Japanese aid effectively to restore peace and stability in his country.

Task Force to Take On Afghan Corruption

The U.S.-led coalition in Afghanistan has created a new task force to investigate allegations that companies hired with Western money to provide security, supplies and reconstruction work for allied forces are siphoning off cash and enriching Afghan power brokers.

Geo-Strategic Headlines Summary

Poland wants NATO to plan an end to Afghan mission

WARSAW — Poland's prime minister says he wants NATO to develop a timetable to end its mission in Afghanistan.

Turkey donates \$3 million to ANA

KABUL (PAN): The Turkish Armed Forces has donated more than \$3 million in weapons and equipment to the Afghan National Army at a ceremony at Camp Dogan in Kabul.

Afghanistan Fears Global Rivalry Over Mineral Wealth

Afghan President Hamid Karzai says he is concerned about a looming international battle over his country's untapped mineral wealth and that major aid donors should be given priority for investment.

Social Headlines Summary

5,900 Afghan children smuggled into Europe: UN

KABUL (PAN): More than 5,900 Afghan children were smuggled into Europe last year, with most of them escaping their homeland due to worsening living conditions, a UN report released on Monday said.

1,300 families in Faryab get electricity

MAZAR-I-SHARIF (PAN): About 1,300 families in the Pakhtun Kot district of northern Faryab province were provided electricity on Tuesday after the installation of four new power plants, an official said.

Herat dream hydropower project completes in 18 months

HERAT CITY (PAN): The construction of a major Indian-funded hydropower station in western Herat province should be finished in a year and a half, three decades after the Afghan government conceived the project, an official said Wednesday.

Kabul Basin faces major water challenge: Survey

WASHINGTON (PAN): With exponential growth of population in the post-Taliban era in Kabul, the capital faces a major water challenge in the next 50 years, the US Geological Survey said on Wednesday.

Gathering condemns aid groups for proselytising

KABUL (PAN): People from different walks of life at a gathering in this central capital on Friday demanded an immediate action against foreign aid groups allegedly involved in proselytizing activities.

Afghanistan pins hopes on dams for power and crops

Afghanistan will ask the international community to invest in a \$12 billion (8.1 billion pound) dam construction programme in an attempt to raise power generation to boost irrigation, its economy minister said on Friday.

Economical Headlines Summary

Tenders out for Hajigak iron ore mine

KABUL (PAN): National and international mining firms would be invited to open up a huge iron deposit, the Hajigak iron ore mine, one of the biggest in the world, the mines minister

said on Saturday.

Mineral reserves 'good news': Omar

KABUL (PAN): The result of a US survey which discovered that Afghanistan holds nearly \$1 trillion in untapped mineral deposits was "good news" for the Afghan people, the presidential spokesman said on Monday.

Afghanistan to invite 200 companies to bid on minerals

KABUL (PAN): Afghanistan will invite 200 international companies to bid for the extraction of its \$1 trillion worth of minerals, the country's mines minister reportedly said.

Afghanistan's minerals worth \$3 trillion

KABUL (PAN): Afghanistan's untapped mineral wealth is worth at least \$3 trillion -- a triple of a US estimate released last week, the Ministry of Mines announced on Thursday.

Afghanistan seeks regional help for use of mineral

WASHINGTON (PAN): The Afghan government is looking at India and China to help it in sustainable use of its vast natural resources, which is estimated to be worth \$1 trillion, a top Afghan diplomat to the US said.

Karzai invites Japan to invest in mines

KABUL (PAN): President Hamid Karzai, launching a sales pitch for his country's rich mineral resources, on Friday said he was concerned about a looming battle over the untapped mineral wealth.

Political Headlines

UN team in Kabul to update blacklist

Syed Abbas Sadat - Jun 12, 2010 - 12:41

KABUL (PAN): A United Nations Security Council (UNSC) team has arrived in Kabul to discuss 'updating' the 137-name blacklist and expected to submit its recommendations to the council by month's end, the world body's special representative to Afghanistan said on Saturday.

Speaking at a press conference in Kabul, Staffen De Mistura said the review, due by the end of June, was aimed at taking on or taking off names based on additional new information. "Some of the people in the list may not be alive any more or it may be completely outdated," de Mistura told reporters.

The June 2-4 peace advisory jirga in Kabul had advised the Afghan government to seek the removal of some Afghan militants from the UN blacklist. The jirga also called for the release of those arrested on dubious charges.

He said a UN investigation team, currently visiting Kabul for talks with government officials and influential people, would send its findings to the UN Security Council in line with the criteria given set by the council.

The UN official said the global fraternity was fully supportive of the decisions made at the three-day peace Jirga. "The momentum of peace jirga, which was a success, needs to be maintained," he added, suggesting the implementation of the jirga's conclusions ahead of an international conference, slated for July 20, in Kabul.

De Mistura said peace in Afghanistan could not be restored only by military means, but there was a need of initiating serious dialogues.

He urged the armed opposition to respect the Afghan constitution and cut ties with Al-Qaeeda for the sake of peace and stability in the country.

President Hamid Karzai has asked the authorities concerned to review the dossiers of all Taliban and other disgruntled elements being held at various jails.

Two-month voter registration process starts

Zainab Muhammadi - Jun 12, 2010 - 20:40

KABUL (PAN): The independent election commission on Saturday launched a two-month voters' registration process for the upcoming parliamentary election, scheduled for September 18, an official said.

People who had turned 18 years of age or lost their cards, Afghan refugees recently returned to the country and those who had not yet received their cards would be registered during the process, a spokesman for the Independent Election Commission (IEC), said.

Noor Muhammad Noor said a polling centre and two to five polling stations would be established in each province. He added so far over 17 million voter cards had been distributed over the last five years.

According to the preliminary list, 2600 candidates are in the run for the 249 seats of the Wolesi Jirga, with a final list of the aspirants under process, he said, hopping the final list would be unveiled on June 22.

Around 6,835 polling centres and 20,000 polling stations were estimated to open on the Election Day, Noor said. He said the candidates could start their campaign from June 23 until September 16.

A list of all the polling centres and stations had been provided to security officials to make an assessment of the security situation, the official said.

People in the north lose faith in government

Zabeehullah Ihsaas - Jun 13, 2010 - 18:13

MAZAR-I-SHARIF (PAN): Civilians in northern Afghanistan say they have lost faith in pledges made by government officials.

An Afghan nongovernmental group, the Welfare Association for the Development of Afghanistan (Wardan), brought several representatives together from Balkh, Samangan, Sar-i-Pul, Jawzjan and Faryab provinces to discuss their views on government policies.

They were also joined by government officials.

Many of the participants said government policies were just words written on a piece of paper and held no meaning.

Hekmatullah, a tribal elder and resident of the Khlam district of Balkh province, said they hear policy statements every year but few are ever implemented.

He said the provincial economic department talked about measures to improve the economy, but its system of revenue collection was a failure.

Kamaluddin, a resident of Sar-e-Pul province and member of the anti-narcotics branch, said poppies were eradicated from the province two years ago, but the government had not provided anything compensation to the farmers.

He said farmers in his own village faced water shortages and a number of verdant farms had been rendered barren. He said the government had promised support for the people who switched from cultivating poppies, but there was none.

Afghan forces to lead Kandahar operation: Karzai

Bashir Ahmad Naadem - Jun 13, 2010 - 20:52

KANDAHAR CITY (PAN): President Hamid Karzai said foreign troops would play a supporting role in the upcoming Kandahar operation, during a surprise trip on Sunday to the southern stronghold of the Taliban movement.

Karzai was in Kandahar with some cabinet ministers and the NATO commander Gen. Stanley McChrystal to participate in a gathering to discuss the province's security, the governor's spokesman, Zalmay Ayubi, told Pajhwok Afghan News.

Addressing hundreds of tribal elders at Mandigak Palace, Karzai said the Kandahar operation would be launched by the Afghan National Police and the Afghan National Army and that foreign troops would play only a supporting role.

He asked residents to cooperate with the government in bringing peace and stability to the province. He also called on civilians to send their sons to serve in the Afghan armed forces.

He offered his condolences to the families and relatives of the victims of a suicide attack on a wedding party in the Arghandab district of the province on Wednesday night, which killed between 40 to 60 people and wounded nearly another 100.

Karzai forms high council to mediate peace talks

Pajhwok Report - Jun 14, 2010 - 11:19

KABUL (PAN): President Hamid Karzai agreed on Monday to form a peace council that would mediate between his government and the Taliban, the presidential palace said.

The Afghan president met Monday with the leadership of the peace jirga, a long-awaited event held earlier this month in Kabul aimed at seeking a solution to the stalemated Afghan war.

The 1,600-member jirga stressed that negotiations with the Taliban and other militant groups were the only solution for lasting peace, calling on the Taliban to lay down their arms and stop "killing your brothers".

Ex-president Burhanuddin Rabbani, the head of the jirga, and the leaders of 28 committees formed during the three-day peace jirga, visited Karzai in the palace on Monday, and asked him to give shape to what had been agreed at the gathering.

The Taliban have ruled out any negotiations with the Kabul government before foreign troops are pulled out of the country, a condition deemed as unacceptable by Kabul and the West. "Nothing can prevent us reaching a sustainable peace if we stand firm with our decisions," the presidential palace quoted Abdul Rab Rasul Sayyaf, an MP and a jirga member, as telling Karzai.

The representatives discussed the importance of the high council for peace to convince militants to work for a deal, the statement added, without providing any further details about who would be named to the council or how it would work.

Karzai told representatives that he felt the jirga -- an assembly he had masterminded -- was significant as he had received phone calls from foreign backers of his administration supporting its outcome.

The jirga had also called on the UN to remove the names of Afghan Taliban from the sanctions blacklist as a show of faith ahead of negotiations. The UN has said it would review the list.

Kabul to ask for 14-15bn at Kabul Conference

Abdul Qadir Siddiqi - Jun 14, 2010 - 14:17

KABUL (PAN): Afghanistan's government is expected to ask for between \$14-15 billion dollars for a wide variety of development projects at an international conference in the capital next month.

The projects on security, economy, agriculture, human resources, rural development and good governance would be proposed at the Kabul Conference on July 20, Aziz Shams, spokesman for the Ministry of Finance, said.

The ministries had been divided into five groups and each group was tasked with preparing a proposal in their respective areas, he said.

The ministries of mines, transport and aviation; commerce and industries; information and culture; public works; urban development; water and energy; and the municipality were included in the economic sector.

The agriculture and rural development sector consisted of the ministries of agriculture, irrigation and livestock; rural rehabilitation and development; and counter narcotics.

As for the human resources and capacity building sector, that included the ministries of education; higher education; labour, social affairs, martyrs and disabled; women's affairs; and public health.

In the fourth group, the Ministry of Justice, the Supreme Court, the Attorney General's Office and the Independent Administration of Reform and Civil Service Commission would propose projects in the governance sector.

The security sector consists of the national defence, interior and the national intelligence. Shams said decisions had been taken during the London Conference in January regarding security in the country which would also be followed up on.

At the end of that conference there was a declaration that said the number of national army and police would be increased to 171,000 and 134,000 respectively. Presently, the number of army troops is 114,000 and that of the police is 93,000.

Security to be tightened ahead of Kabul conference

Khawaja Baseer Ahmad - Jun 14, 2010 - 19:06

KABUL (PAN): Security arrangements for the Kabul Conference next month are already in place, security officials said on Monday.

Around 13,000 police will be deployed to different parts of the city to maintain security for the July 20 conference and to prevent a repetition of attacks carried out on the peace jirga this month, deputy police chief, Brig. Gen. Khalil Dastyar, said.

Police will be divided into five areas, Dastyar told journalists in a joint press conference with central zonal police chief, Maj. Gen. Qadim Shah Samim and ISAF commander Gen. Levent Colak here in Kabul.

Intelligence operatives would be responsible for the first belt, police for the second and third and the Afghan National Army, together with the force, would be in charge of the fourth and fifth security belts, he said.

"The security plan has been prepared and all organs have been deployed," Samim said. The ISAF commander said NATO-led soldiers would play a supportive role in maintaining security.

Besides ISAF soldiers, troops from Turkey, a long-time friend of Afghanistan, would also contribute to security, he added.

The Afghan government is expected to request funds of between \$14 billion to \$15 billion for a raft of projects during the conference.

'All districts in Baghlan may fall into Taliban hands'

Habib Rahman Sherzai - Jun 14, 2010 - 20:27

PUL-I-KHUMRI (PAN): Baghlan provincial council members have warned of falling all the districts into the hands of Taliban, who are already in control of almost 11 districts in the northern province.

A fragile government's writ was prevailing in Barka, Tala Barfak, Farang, Khost and Dahna-i-Ghori districts, the council members told Pajhwok Afghan News. They added the remaining 11 districts were under complete control of the Taliban insurgents.

They warned if serious measures were not taken in this regard, all the districts could fall into the hands of the Taliban.

The council chief Muhammad Rasould Muhsini said Taliban had established their military centres in those districts. He said the issue had been discussed with the officials concerned,

but no action had so far been taken.

As the militants were well-equipped, security forces were unable to push them back, he said. But governor, Abdul Majid, rejected the claim as baseless. "There are some security problems, but not that much serious as the council members say," he added.

Residents have also confirmed the presence of Taliban in some of the districts. The Taliban have been in control of most parts of Barka district, they say.

A resident of the district, Abdul Ghayor, 50, said Taliban resolved their problems and imposed their own laws. The Afghan government could only control the district, he added.

Huge obstacles seen in exploiting Afghan minerals

The Associated Press

06/15/2010

By Deb Riechmann, Anne Flaherty

KABUL — It could take years and possibly even a peace settlement for Afghanistan to reap profits from nearly \$1 trillion in mineral resources that U.S. geologists say lie beneath its rugged terrain — some in areas currently controlled by Taliban insurgents or warlords.

Geologists have known for decades that Afghanistan has vast mineral wealth, but a U.S. Department of Defense briefing this week put a startling price tag on the country's reserves of iron, copper, cobalt, gold and other prized minerals: at least \$908 billion.

If impoverished Afghanistan is seen as having a bright economic future, that could help foreign governments persuade their war-fatigued publics that securing the country is worth the fight and loss of troops. It also could give Afghans hope, U.S. officials say.

"The Afghan people (are) developing an understanding that they have a source of indigenous wealth that if properly developed will enable them to be sovereign," said Paul Brinkley, a senior defense official who led the study.

Still, without increased security and massive investment to mine and transport the minerals, it could take years for Afghanistan to bank the rewards. And there's always the potential that such a discovery could bring unintended consequences, including corruption and civil war.

If the Afghan government has taken notice of the billions in potential revenue, so will the Taliban.

"Obama's war just became more important and more complicated at the same time," said Bruce Riedel, a former CIA officer who helped advise the administration last year when it was rethinking its Afghanistan strategy.

Riedel said that if the U.S. can provide the Afghans security and logistics to build up its mining capacity, Afghanistan's international stock will suddenly become more valuable. But there are a host of complications — competing industries and countries, corruption and war.

"If this was Pennsylvania, it'd turn out one way," he said. "But this is Afghanistan."

Stephanie Sanok, who dealt with similar issues while working at the U.S. Embassy in Iraq, likened the situation to a carnival game that promises a prize if you can guide a tiny, hand-controlled crane to the perfect spot: It almost never works and requires a steady stream of money.

"Everyone has known about this," Sanok said of the minerals. "But there's no way to get at it."

For one thing, Afghanistan lacks even the most basic resources for mining, such as railroads and electricity. Afghanistan is expected to complete its first railroad this year, linking Mazar-e-Sharif in the north to Asian rail lines.

And much of the minerals are located in or around Taliban strongholds, which could encourage fighting to gain control of the deposits, said Sanok, a senior fellow at the Center for Strategic and International Studies in Washington.

Col. Dave Lapan, a Pentagon spokesman, told reporters Monday that the \$1 trillion figure didn't surface until recently because Brinkley's task force had been preoccupied with Iraq. Previously, discussions with Kabul have focused on encouraging the export of carpets, agriculture and other modest resources.

It wasn't until late last year that the task force got around to looking at a 2007 study done by the U.S. Geological Survey. That's when, according to Lapan, the group determined the nearly \$1 trillion estimated value.

The value of Afghanistan's mineral riches could rise even higher when taking into account Afghanistan's unknown reserve of lithium, a key ingredient in products from medicines to cell phone batteries, potentially resting beneath dried-up lake beds scattered across the country.

According to the Pentagon, iron would account for almost half of the total value of minerals, or \$420 billion. Copper would come in second, with about \$273 billion.

But many of the sites listed on a map as potential metal or mineral sites are also known for Taliban activity. For example, a cluster of those sites are just north of the Taliban stronghold of Kandahar and along the road leading to Kabul.

"What (Afghanistan) faces going forward is developing a mining culture, basically, at a very large mine scale," said Jack Medlin, a geologist with the U.S. Geological Survey, which has been working with the Pentagon on the issue.

Afghan President Hamid Karzai said last month that he had seen estimates that his nation's mineral resources could be worth between \$1 trillion and \$3 trillion. The mineral resources are a "massive opportunity," Karzai said at a May 13 event with Secretary of State Hillary Rodham Clinton in Washington.

Waheed Omar, a spokesman for Karzai, said the \$1 trillion figure is "very, very big news for the people of Afghanistan and that we hope will bring the Afghan people together for a cause that will benefit everyone."

Afghanistan's minister of mines was traveling on Monday, and his aides declined to provide details until a news conference Thursday in the Afghan capital.

Most of the data on Afghanistan's mineral resources was produced between the early 1950s and 1985 — some by the Soviet Union during its war in Afghanistan. Much was hidden and protected by Afghan scientists during the following two decades of conflict, but after 2001, the data was returned to the Afghan government.

Geologists say there is a motherlode of the mineral in Ghazni province in a dangerous area of eastern Afghanistan. But large lithium deposits may not mean an automatic windfall — given competition and the uncertainty of the market.

Charles Kernot, a mining analyst with Evolution Securities Ltd. in London, said it typically takes three to five years to get a lithium mining operation up and running. Factors include how close the deposit is to power sources and other infrastructure and the size of the deposit.

"Bolivia wants to expand its lithium mining operations dramatically over the next few years so there is a risk of oversupply if demand from electric cars does not meet expectations," Kernot said.

Mike Davis, who works on issues of natural resources and armed conflict with activist group Global Witness, said that the windfall should be welcomed, but also has the potential to exacerbate Afghanistan's problems.

"The particularly corrosive effect that the theft of these resources can have is to make politicians who were powerful and possibly corrupt even less accountable to the people," said Davis, who is based in London. "It increases their capacity to do everything from rig elections to building up militias."

"It's really like pouring petrol on a fire that's already out of control," he said.

Natural resource wealth doesn't have to be a curse, he added, but keeping it from fueling corruption and militancy requires strict regulation and transparency.

In November, two U.S. officials familiar with intelligence reports alleged that Afghanistan's former minister of mines, Mohammad Ibrahim Adel, accepted \$20 million after a \$3 billion contract to mine copper was awarded in late 2007 to China Metallurgical Group Corp. The former minister has denied having taken any bribes and said the contract went through all legal channels.

Aynak, a former al-Qaida stronghold southeast of Kabul, is thought to hold one of the world's largest unexploited copper reserves.

Flaherty reported from Washington. Associated Press writers Heidi Vogt, Amir Shah and Rahim Faiez in Kabul contributed to this report.

Nine out of 364 districts considered safe: Mangal

Abaseen Zaheer - Jun 16, 2010 - 10:01

KABUL (PAN): Only nine out of Afghanistan's 364 districts are considered safe, with the rest under some degree of security threat, the acting interior minister said on Wednesday. Of the remaining 355, 114 faced a serious threat, 50 a medium threat and 191 the lowest threat from the Taliban insurgency, Muhammad Munir Mangal, the acting interior minister, told reporters.

Mangal and the Minister of Defence Gen. Abdul Rahim Wardak had been summoned by parliament to brief MPs about the security plans for parliamentary elections on September 18. "Police will do their utmost to ensure security of the stations in the upcoming parliamentary poll," Mangal said, adding that of 6,835 polling stations, 3,840 faced a high security threat. The remaining 2,000 faced a low to medium threat, he said.

Mangal told the MPs that authorities had already worked out a security plan.

Over 50,000 police would be deployed to maintain security at the polling stations in the run up to and on the day of voting, he said. As many as 2,600 aspirants have registered to stand for 249 seats in parliament.

Wardak, the defence minister, said security of candidates, polling stations, voters and foreign and domestic observers would be ensured. He said there were four security belts, with police in charge of the first, the Afghan National Army responsible for the second, Afghan and NATO soldiers for third and air force for the fourth.

The number of Afghan and international security forces would be double the 157,000 deployed in last year's presidential elections, he said.

One MP, Syed Ishaq Gailani, a representative from southeastern Paktia province, questioned how the police could provide security for so many people when they couldn't even ensure their own security.

But Manga dismissed the complaint saying police were killed all over the country, which showed that they were putting their own lives on the line for the sake of ordinary civilians.

Karzai vows to use Japan's aid effectively

PAN Monitor - Jun 17, 2010 - 19:24

KABUL: President Hamid Karzai, seeking to allay Tokyo's concerns that its support may be wasted on his government, on Thursday promised to use Japanese aid effectively to restore peace and stability in his country.

Karzai, on his first visit to Tokyo since he started his second term in November, is accompanied by Minister for Foreign Affairs Dr. Zalmay Rasul, adviser on national security, Dr. Rangin Dadfar Spanta, adviser on interior security affairs, Muhammad Masoom Stanikzai, Finance Minister Omar Zakhelwal and Deputy Minister for Foreign Affairs Akalil Hakimi.

"I guarantee Mr. Prime Minister that Afghan people would do their best to have their money spent in Afghanistan for the best purposes of development and stability in Afghanistan,"

Karzai told a joint news conference after holding talks with Japanese Prime Minister Naoto Kan, who took office earlier this month. Karzai is the first foreign leader to meet with Kan. On Thursday, Karzai and Kan discussed the Afghan government's recent efforts to strengthen governance and improve security, as well as implementation of Japanese aid measures.

Of the aid Japan has pledged, about 980 million dollars have already been paid out, including more than 300 million dollars to cover the wages of Afghanistan's 80,000 police officers.

Japanese aid has built 650 kilometres (400 miles) of highway and a new Kabul airport terminal, and its city planners are working to redevelop the capital, where more than 100 Japanese buses are now providing public transport.

Other Japanese aid projects in the works are vocational training and small-scale rural aid

projects that would help former Taliban foot-soldiers give up their arms and earn a living in civil society.

Kan said that Afghanistan is key to world peace and pledged Tokyo's continuing support. But he stressed the need for the Afghan government to improve security and fight corruption.

"I certainly hope that \$5 billion would be used to benefit the Afghan people and the global peace, and I offered to continue our support to achieve the goal," Kan said.

Karzai met with Emperor Akihito earlier Thursday. He is also scheduled to speak at a seminar, pray at Hiroshima's peace park for the victims of the U.S. atomic bombing and visit Japan's ancient capital of Nara before leaving Sunday.

According to a joint statement issued by the two leaders, "Prime Minister Kan requested firm efforts, including those for good governance, in order to have tax of Japanese nationals effectively utilised."

Task Force to Take On Afghan Corruption

The Wall Street Journal

06/18/2010

By Maria Abi-Habib, Matthew Rosenberg

The U.S.-led coalition in Afghanistan has created a new task force to investigate allegations that companies hired with Western money to provide security, supplies and reconstruction work for allied forces are siphoning off cash and enriching Afghan power brokers.

The North Atlantic Treaty Organization has poured billions of dollars into Afghanistan in the past nine years, doling out money to private Afghan and international contractors that do everything from guarding supply convoys to building schools. Last year alone, a U.S. military officer said coalition forces awarded about \$14 billion in contracts.

Yet oversight has often been lax to nonexistent, and commanders now believe the massive infusions of cash are helping engender a culture of corruption that has undermined Afghan support for the government of President Hamid Karzai and the NATO forces that back it.

The new operation, dubbed Task Force 2010, is part of a broader Western effort to stamp out graft in Afghanistan, which is believed to reach to the top levels of the Afghan government and involve American and Afghan contractors, said a senior U.S. military officer who helps oversee the campaign in Afghanistan. A U.S. Drug Enforcement Agency-led operation to disrupt Taliban finances created last year is now largely focused on corruption, and military intelligence is also dedicating more assets to fighting the problem.

The vigor with which U.S.-led forces are now moving against corruption contrasts sharply with the situation as recently as a year ago, when Western officials and military officers often lacked the resources to tackle the problem and at times chose to look the other way when confronted with allegations of wrongdoing. The latter was especially true when the accused were powerful Afghans who were considered allies in the fight against the Taliban.

Many of those people still remain key partners in the war, and the U.S. and its allies are likely to have a tough time balancing the need to keep them on their side with demands from ordinary Afghans to clean up the government.

But the Obama's administration's counterinsurgency strategy hinges on winning over Afghans, and restoring the credibility of the U.S.-backed Karzai government is central to the effort. That makes stamping out corruption, a major source of discontent that many say fuels support for the Taliban, as important a priority as actually fighting insurgents on the battlefield.

Up until now, much of the limited scrutiny that contractors have endured has focused on private security firms, some of which have allegedly paid off the Taliban to avoid attacks.

Officers directly involved with the new task force stressed that it plans to look beyond security firms and examine the full array of contracts, which range from delivering fuel and food to NATO forces to using coalition money to build health clinics and schools in remote villages.

Of particular concern is the frequent use of multiple sub-contracts on many contracts. U.S. officials already investigating corruption in Afghanistan say they have found evidence of companies, in particular construction firms, using a string of sub-contractors to shift cash to shell companies. The money then disappears, usually into foreign bank accounts.

A number of the primary contractors have ties to top Afghan officials or people with powerful political connections, officials say.

Task Force 2010 will look "at who are not only the subcontractors, but the subcontractors to the subcontractors—literally, where is the money going, and is it all above-board?" said Gen. David Petraeus, who commands U.S. Forces in the Middle East and Central Asia, Tuesday at a Congressional hearing on the war in Afghanistan.

"That's a hugely important component of dealing, again, with corruption issues, dealing with warlordism and a variety of other challenges that cause issues for Afghanistan."

Task Force 2010 is expected to be in place by July 1 and will be headed by a U.S. Navy rear admiral who previously ran the military Joint Contracting Command in Baghdad. The task force will report to U.S. Army Gen. Stanley McChrystal, the allied commander in Afghanistan.

The U.S. military officer in Kabul said the task force will work with existing anticorruption efforts being carried out in Afghanistan by civilian U.S. agencies, such as the FBI, the DEA and the Treasury Department. The aim is to improve coordination, which should boost the ability to uncover and prosecute corruption, either in Afghanistan or the U.S.

"This inability to 'follow the money' allows fraud, waste and abuse to thrive, which enriches powerbrokers, undercuts counterinsurgency efforts, delegitimizes" the Afghan government, the officer said.

The rampant allegations of corruption among contractors is also attracting attention in the U.S., threatening to further undercut already precarious political support for the war in Afghanistan.

The issue is expected to take center stage Tuesday when the House subcommittee on National Security and Foreign Affairs, chaired by Rep. John F. Tierney (D., Mass.), is due to present the results of a six-month probe titled "Investigation of Protection Payments for Safe Passage

along the Afghan Supply Chain."

Committee investigators have been looking into allegations that Pentagon private contractors in Afghanistan have been paying local warlords and Taliban fighters for security. The probe has focused on more than \$2 billion in contracts for truck transportation for food, fuel and ammunition used in the war effort. —Peter Spiegel and Peter Fritsch contributed to this article.

Geo-Strategic Headlines

Poland wants NATO to plan an end to Afghan mission

The Associated Press
06/13/2010

WARSAW — Poland's prime minister says he wants NATO to develop a timetable to end its mission in Afghanistan.

Donald Tusk said Saturday that he plans to raise the issue at the alliance's next summit in Lisbon, Portugal, in November.

His comments came after a Polish soldier was killed earlier in the day by a roadside bomb in Afghanistan. Poland has some 2,600 troops there, making it the seventh largest troop contributor to NATO's mission.

Tusk said he wants NATO to work out "a possibly quick plan for ending the mission that should also be as precise as possible."

That message was echoed Saturday by Poland's acting president, Bronislaw Komorowski, who is running in a presidential race June 20.

Turkey donates \$3 million to ANA

Pajhwok Report - Jun 15, 2010 - 18:00

KABUL (PAN): The Turkish Armed Forces has donated more than \$3 million in weapons and equipment to the Afghan National Army at a ceremony at Camp Dogan in Kabul. The donation included mortars, machine guns, boots and travel bags as well as sewing machines, the Turkish army said in a statement on Tuesday.

Lt. Gen. Baz Muhammed Javhari, ANA deputy minister for logistic affairs, thanked the Turkish Armed Forces for the contribution and expressed his desire for the friendship between the two nations to continue.

Since 2003, Turkey has donated more than \$71 million in weapons and equipment to the ANA. In addition, Turkish military personnel have trained more than 1,200 ANA soldiers, according to Col. Can Bolat, Turkey's military attach to Afghanistan.

Afghanistan Fears Global Rivalry Over Mineral Wealth

VOA
06/18/2010

Afghan President Hamid Karzai says he is concerned about a looming international battle over his country's untapped mineral wealth and that major aid donors should be given priority

for investment.

President Karzai told reporters in Tokyo that there will be a "rivalry over resources, especially now that the world knows the significance of Afghan resources."

Afghanistan's mining minister, Wahidullah Shahrani, said Thursday the country's untapped mineral deposits, including lithium, iron, copper, gold and cobalt, could be worth up to \$3 trillion.

President Karzai, who is on a five-day visit to Japan, says Afghanistan should favor investments from countries that have helped Afghanistan the most in the past few years. Japan is the second largest donor to the country, after the United States.

Mr. Karzai said he planned to visit Japanese trading company Mitsubishi Corporation later on Friday to discuss mining investment.

While Afghan and U.S. officials say the newfound wealth will benefit the Afghan people, some have warned it will take years to convert the mineral resources into wealth. Challenges include a lack of infrastructure and security, with some of the deposits located in Taliban strongholds.

During talks with Japanese Prime Minister Naoto Kan on Thursday, President Karzai promised to use Japanese financial support to restore peace and stability in Afghanistan. Mr. Karzai thanked the Japanese leader for his support and said the Afghan government is working to fight corruption.

Social Headlines

5,900 Afghan children smuggled into Europe: UN

Javed Hamim Kakar - Jun 14, 2010 - 19:19

KABUL (PAN): More than 5,900 Afghan children were smuggled into Europe last year, with most of them escaping their homeland due to worsening living conditions, a UN report released on Monday said.

In its report, the UN High Commissioner for Refugees said that more and more children were escaping from Afghanistan due to worsening living conditions in their homeland.

The agency said children were being pushed by parents to leave with smugglers in order to earn money in Europe and send it back to their families.

"Afghan parents, families and communities have allowed and encouraged the departure of their children on hazardous journeys," the report said.

It also found that almost half of underage asylum claims in Europe last year were made by Afghan youths.

A resident of eastern Nangarhar's Behsud district, Khushal, told Pajhwok Afghan News, he had sent his 16-year-old son to London due to poverty.

"I spent 600,000 Pakistani rupees to send my son to London," he said, adding his was sending him a large amount of money every month.

A Kabul resident, Sher Rahman, said he wanted to travel to London in the face of increasing employment in the country.

A human rights official said the only way to stop the trend was to create job opportunities for the youth in the country.

Nadar Nadari said if jobs were provided to Afghan youth, they would avoid taking such risks.

1,300 families in Faryab get electricity

Zabihullah Ihsas - Jun 15, 2010 - 20:36

MAZAR-I-SHARIF (PAN): About 1,300 families in the Pakhtun Kot district of northern Faryab province were provided electricity on Tuesday after the installation of four new power plants, an official said.

Governor's spokesman, Ahmad Javed Baidar, told Pajhwok Afghan News the projects cost 5,627,000 afghanis provided by the Ministry of Water and Energy.

He added the total number of power plants in the province has now reached to 100, supplying electricity to eight out of 14 districts of the province.

Baidar hoped all the districts would have electricity by next two years.

"I use lantern in my home. My children are unable to study as the lantern doesn't produce much light," said a resident of Qazalqul village, Syed Alam, who saw electricity at his house for the first time.

"I am happy that I will have to pay just two afghani against each kilowatt," the resident said.

Herat dream hydropower project completes in 18 months

Ahmad Qureshi - Jun 16, 2010 - 18:21

HERAT CITY (PAN): The construction of a major Indian-funded hydropower station in western Herat province should be finished in a year and a half, three decades after the Afghan government conceived the project, an official said Wednesday.

The building of Salma Dam, providing 42 megawatts of electricity, was launched in 2006 and was supposed to be completed in 2009, but worsening security in the province caused about two year-long delay.

The cost of the project has doubled, the top Indian diplomat in Herat, Tara Chand, told Pajhwok Afghan News. The Indian government has increased the funding from the initial \$85 million to \$180 million, due to security, climate and logistics, he said.

More than 50 percent of the project is completed and India is committed to finish the work, Chand said.

He blamed insecurity, particularly the threat of kidnappings, as a major challenge to getting the work done on time. Around 250 Indian engineers and 500 Afghans are employed at the site in the Chesht Sharif district, 160 kilometres east of the provincial capital, Herat City, according to Chand.

The dam, which runs the power turbines, would also provide irrigation for 40,000 hectares of farmland.

Kabul Basin faces major water challenge: Survey

Lalit K Jha - Jun 17, 2010 - 21:50

WASHINGTON (PAN): With exponential growth of population in the post-Taliban era in Kabul, the capital faces a major water challenge in the next 50 years, the US Geological Survey said on Wednesday.

The report "Conceptual Model of water Resources in the Kabul Basin, Afghanistan" has cautioned that at least 60 percent of shallow groundwater-supply wells would be affected and may become dry or inoperative as a result of climate change in the coming years.

Released at a function held at the Afghan embassy in Washington, the report said the groundwater in the basins less widely used deep aquifer may supply future needs; however, the sustainability of this resource for large withdrawals, such as agricultural uses, is uncertain. The 240-page report also expressed concern over contamination of shallow drinking water sources in Kabul.

"Water resources in the Kabul Basin are a critical issue for both the people of Afghanistan and US military personnel serving there," said USGS Director Marcia McNutt.

"The work the USGS has done in providing insight about the water situation in the basin can help with future water-resource planning and management efforts and can be applied to other areas of Afghanistan."

The report estimates the water needs of the Kabul Basin will increase from 112,000 cubic meters per day to 725,000 cubic meters per day, by the year 2057. As such, noted the Afghan Ambassador to the US, Said T Jawad, it is important to understand these measurements in order to enable the administration to provide water for the people and the surrounding agricultural areas.

"This investigation utilized remotely sensed data and satellite imagery, including glacier and climate data; recent climate-change analyses; recent geologic investigations; analysis of stream flow data and groundwater-level analysis," Jawad told reporters.

This study presents the results of a multidisciplinary water-resources assessment conducted between 2005 and 2007 to address questions of future water availability for a growing population and of the potential effects of climate change.

The research for this study was conducted in collaboration with the Afghanistan Geological Survey, a division of the Afghanistan Ministry of Mines, and the Afghanistan Ministry of Energy and Water under an agreement with the US Agency for International Development (USAID).

Gathering condemns aid groups for proselytising

Amanullah Eman - Jun 18, 2010 - 20:59

KABUL (PAN): People from different walks of life at a gathering in this central capital on Friday demanded an immediate action against foreign aid groups allegedly involved in proselytizing activities.

The gathered attended by religious scholars, representatives of civil society and education institutes was organized at the Sher Shah Soori Mosque.

The authorities had suspended two Christian foreign aid groups on suspicion of proselytizing after a private television released a footage showing about 25 Afghans being changing their religion and converting to Christianity. After an investigation, US-based Church World Service and Norwegian Church Aid were disallowed to operate. Both organisations had denied the allegations.

At Friday's gathering, the participants issued a resolution condemning foreign aid groups for proselytising. The resolution said the proselytising was an open attack on the Afghan nation, their religion and rights.

"Our religion and people will never allow the preaching of other religions and the nation will stand firm against such efforts," the resolution said.

Afghanistan pins hopes on dams for power and crops

Pajhwok

06/18/2010

By Javed Hamim Kakar

Afghanistan will ask the international community to invest in a \$12 billion (8.1 billion pound) dam construction programme in an attempt to raise power generation to boost irrigation, its economy minister said on Friday.

Landlocked Afghanistan has had historical disputes with its central and south Asian neighbours over the flow of water from mountain rivers which irrigate most of its crops. It loses about two-thirds of its water from rain and snow annually.

"(My priority) is the energy and irrigation sector, because energy encourages investment in industry, irrigation and agriculture," Abdul Hadi Arghandiwal told Reuters on the sidelines of an OECD-organised investor conference in Paris.

Pakistan and Iran have both spent billions building dams and reservoirs to store water for consumption and generating power.

Afghanistan's infrastructure has suffered after three decades of war but Arghandiwal said the first dams of a prefeasibility study will be presented to investors at an international conference in Kabul on July 20.

"The dams, for which the pre-feasibility studies have been completed, will cost around \$12 billion," the U.S.-educated economist said.

"In one area there are seven and in another six ... these will add about 4,700 MW of electricity and irrigate 100,000 acres of land."

The international community, which has poured in billions of dollars since the Taliban's fall in 2001, has so far done little to provide funds for such schemes.

Only 25 percent of Afghanistan's estimated 28 million people have access to clean water. It produces just one percent of the 23,000 megawatts of the hydroelectricity it needs, and does not have enough water for agriculture.

Arghandiwal, who briefly served as finance minister in the pre-Taliban era and is a leader of the Islamic Party of Afghanistan, said progress was being made in wheat production.

"We had good wheat production over the last two years," he said. "We will probably export wheat this year."

Only 1.5 million hectares of agricultural land were irrigated in 2002 and an additional 300,000 hectares rehabilitated since -- less than half the area irrigated in 1979, when the war began -- said the East West Institute think tank in a report last year.

Economic growth in 2010 would be about 20 percent given the low base the country was starting from, Arghandiwal said, adding that the security situation meant investors would "still think twice" about Afghanistan.

Arghandiwal is a former ally of Gulbuddin Hekmatyar, a Soviet-era commander whose Hezb-i-Islami group is one of the main allies of the Taliban in the insurgency, but in 2008 announced his party would work to bring security by negotiating with all armed opposition groups.

"I believe that the international community participated in Afghanistan with their sons and daughters to fight terror, but fighting in the battle zones is not enough," he said.

"We have to work on the economic side ... if we invest, we will hire people, income will rise and poverty will be reduced and psychologically it will affect the insurgency activities."

Economical Headlines

Tenders out for Hajigak iron ore mine

Abdul Qadir Siddique - Jun 12, 2010 - 18:14

KABUL (PAN): National and international mining firms would be invited to open up a huge iron deposit, the Hajigak iron ore mine, one of the biggest in the world, the mines minister said on Saturday.

Waheedullah Shahrani told a news conference here, the information on the mine would be on exhibition in London next week and in Washington after three months. He said the mine would be later presented for bidding. The whole process would take from six to nine months. The mine is located around 130 kilometres west of Kabul in Bamyan province.

A spokesman for the mines ministry Jawad Omar told Pajhwok Afghan News the mine was discovered around 50 years ago. He said the mine was holding an estimated 1.8 billion tonnes of high quality ore.

Former minister for mines and minerals Muhammad Ibrahim Aadil said the mine could be used for 100 years and would earn up to three billion dollars in revenue for the country.

Waheedullah Shahrani said he had introduced the five-year plan for the country's mine reserves and its use. Besides others, the meeting was attended by members of the World Bank, Asian Development Bank, United Nations, the United States Agency for International Development (USAID), Germany, Japan and other countries.

Mineral reserves 'good news': Omar

Frozan Rahmani - Jun 14, 2010 - 19:08

KABUL (PAN): The result of a US survey which discovered that Afghanistan holds nearly \$1 trillion in untapped mineral deposits was "good news" for the Afghan people, the presidential spokesman said on Monday.

The United States Geological Survey's results showed that previously unknown reserves of lithium, gold, iron, copper and cobalt could transform Afghanistan into one of the world's most important mining hubs.

The primary survey does not include all minerals in the country, suggesting Afghanistan has more natural wealth, President Hamid Karzai's chief spokesman, Waheed Omar, told a press conference in Kabul.

"If we, the Afghan government, and people make efforts to utilise the mineral reserves in an appropriate way, it will be a U-turn in the economy of our country," Omar said.

The survey was conducted over the past four years based on a contract with the Afghan government.

Omar was also asked about the recent report of a British research centre which detailed the close ties between Pakistan's spy agency and the Taliban. Omar said the 29-page report included some "very hard realities". He added that the accuracy and inaccuracy of the report would be made clear in the future.

He said the insurgency had been growing in Afghanistan over the past five years which meant it must be getting funding and support from somewhere.

Omar also revealed that Karzai would leave soon for Japan.

Afghanistan to invite 200 companies to bid on minerals

Pajhwok Monitor - Jun 16, 2010 - 14:09

KABUL (PAN): Afghanistan will invite 200 international companies to bid for the extraction of its \$1 trillion worth of minerals, the country's mines minister reportedly said.

The country will hold a road show in London on June 25 to attract investors, Wahidullah Shahrani said in New Delhi where he was meeting with his Indian counterpart, BK Handique, on Tuesday.

"We will invite bids for the development of our mineral deposits in the next few months," he told the Dow Jones Newswires.

A number of Indian companies and global miners have already shown interest in Afghanistan's deposits, the minister said.

"To start with, we will invite bids for iron ore and copper mines," Shahrani added.

A recent study by US geologists found Afghanistan had about \$1 trillion in untapped mineral wealth, including lithium, iron, gold, niobium, mercury and cobalt.

Afghan President Hamid Karzai said in January that the deposits could help one of the world's most impoverished nations become one of the richest.

Afghanistan's minerals worth \$3 trillion

Zainab Muhammadi - Jun 17, 2010 - 21:50

KABUL (PAN): Afghanistan's untapped mineral wealth is worth at least \$3 trillion -- a triple of a US estimate released last week, the Ministry of Mines announced on Thursday.

Afghanistan has huge natural energy and mineral resources including iron, copper, coal, gold, oil, gas and lithium which have enormous potential for economic development, said the Mines Minister, Wahidullah Shahrani, who is due to visit UK next week to attract foreign investments for a sustainable use of the massive natural resources.

Lithium is a soft, silver-white metal that is widely used as a key component in manufacturing technological instruments such as computers.

Shahrani told reporters the untouched minerals were not limited to a particular region of the country, pointing to oil and gas deposits which are available all over the country.

The survey of the US geological organisation, according to Shahrani, was conducted in cooperation with the Afghan Mines Ministry. He said the exact information about the study has not yet been shared with the Afghan government.

The government will establish an information centre based on the survey's result which could be later used as a place of attraction for international investors.

The Ministry of Mines has prepared rules and regulations to ensure transparent biddings and contracts for mine investments. The Afghan parliament had passed the Law of Mines in 2005 and the mines ministry has recently completed a strategic plan as well, Shahrani said.

He said he would address some 200 foreign investors in London next week to draw their attention towards the Hajigak iron ore deposit, the biggest iron deposit in Asia, in central Bamyan province. The bidding for the untapped Hajigak mine -- an iron deposit of 2bn tons - - would start in September, he further said.

A sustainable use of mineral wealth in impoverished Afghanistan would help tackle poverty and provide jobs for the Afghan people, the minister hoped.

Similar studies of Afghanistan's mines have been conducted over the past century by British,

German, Russian and American geologists, who have known for decades that Afghanistan has vast deposits of iron, copper, cobalt, gold and other prized minerals. A US Department of Defense briefing last week put a startling, nearly \$1 trillion price tag on the reserves. However, Shahrani said the estimates could be worth at least \$3 trillion.

Afghanistan seeks regional help for use of mineral

Pajhwok Correspondent - Jun 17, 2010 - 10:35

WASHINGTON (PAN): The Afghan government is looking at India and China to help it in sustainable use of its vast natural resources, which is estimated to be worth \$1 trillion, a top Afghan diplomat to the US said.

"We are looking into our NATO partner countries; their soldiers are in Afghanistan. But practically speaking, the two countries that are in our neighbourhood, China and India, which are very much in need of these resources, they may actually be forthcoming more than other countries," Ambassador Said T Jawad, told Pajhwok Afghan News in an interview.

The Ambassador however rued that a large number of US companies are not forthcoming in helping Afghanistan realise the commercial potential of his country's vast natural resources. This is probably, because of the security situation in Afghanistan and the distance, he said.

"We are having hard time convincing US companies about it," he said.

A US study, released this week, revealed that Afghanistan has an estimated mineral wealth of \$1 trillion dollars; including iron, copper, cobalt, gold and coal and more precious and industrious elements such as niobium which is used in producing superconducting steel.

Significant amounts of lithium deposits in Ghazni province have been identified and surveys are currently underway on dry salt lakes in western Afghanistan where experts believe to be even more lithium deposits. "All these minerals are in demand and have many applications in the computer and electronics industry," the ambassador said.

Jawad said for the first time in history, the US Geological Survey is currently leading a systematic scientific survey of Afghanistans deposits of mineral wealth and combining the precious resources in a unified report.

Earlier this week, the Afghan Minister of Mines, Wahidullah Shahrani, on a trip to New Delhi has invited India to invest in his country's mining sector, particularly on iron.

Karzai invites Japan to invest in mines

Muhammad Ali Mohmand - Jun 18, 2010 - 11:50

KABUL (PAN): President Hamid Karzai, launching a sales pitch for his country's rich mineral resources, on Friday said he was concerned about a looming battle over the untapped mineral wealth.

Karzai, who is visiting Japan until Sunday, said Afghanistan's major donors should be prioritised in exploiting his war-torn country's mineral resources and called for major aid donor Japan to invest in mines.

"There will be rivalry over the resources, especially now that the world knows the significance of Afghan resources," said Karzai, who hoped they would be able to manage it properly both in terms of rivalry from the international bidders in Afghanistan and also within Afghanistan. "We should be able to manage the returns of those mineral extractions properly for Afghanistan," he said in a seminar hosted by the Japan Institute of International Affairs.

The Afghan leader, who is accompanied by his cabinet ministers and other high ranking Afghan officials, also said he was planning to meet with representatives of Japan's major

trading house Mitsubishi Corp. later in the day to discuss possible future exploitation of the deposits.

Afghanistan's mining minister Wahidullah Shahrani said Thursday that mineral deposits in his country could be worth up to three trillion dollars, tripling a US estimate which emerged earlier this week.

The results of the US geological survey said Afghanistan had huge reserves of lithium, iron, copper, gold, mercury, cobalt and other minerals potentially worth nearly one trillion dollars. "So the prospects of Afghanistan is massively great and good," Karzai said. "Whereas Saudi Arabia is the oil capital of the world, Afghanistan will be the lithium capital of the world and Japan is welcome to participate in the lithium exploration in Afghanistan," he said of the material used in batteries for a range of electronic devices.

"Morally, Afghanistan should give access as a priority to those countries that have helped Afghanistan massively in the past few years," he said on the latest day of a visit to Afghanistan's biggest donor after the United States.

Japan last year pledged up to five billion dollars in aid by 2013 to rebuild the impoverished country, where US-led and then multinational forces have been battling Taliban insurgents since late 2001.

Karzai on Thursday met Japanese Prime Minister Naoto Kan, who called on Afghanistan to improve its governance so that Japan's aid did not go to waste.