

**Afghanistan Investment Support Agency**  
**Research and Policy Department**

# **Main Investment Opportunities In Afghanistan**

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## Introduction

Afghanistan has a total of 652864 Km<sup>2</sup>, it has about 12% of the country total land is arable 3% is under forest cover, 46% is under permanent pastures, and the remaining 39% is mountains<sup>1</sup> and has estimated population of about 25 million including nomadic and returnees<sup>2</sup>. The annual growth rate of population is about 2.03% while the GDP is estimated about US\$10 billion and per capita income about US\$ 415. Currently there is change in the structure of national domestic products; about 37% was the share of services in GDP while the share of agriculture was about 36% and the share of industry was about 24%. Due to the lack of skills the domestic product are taken by the traders to Pakistan and sometime Pakistani traders take the afghan products out side world.

As compare to the pre transitional government, fiscal, monetary, external sector and real sector are improved despite potential growth of the economy is challenged by security, corruption, and other obstacles.

Afghanistan has great potential for further growth similar to the most developed nation of the world as it has the vast number of resource with high volume. To give a hint on the available opportunities, I would like to discuss some sample opportunity as in the subsequent pages.

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<sup>1</sup> Statistical year book, CSO 1386, Page:153

<sup>2</sup> Statistical year book, CSO 1386, Page:7

## 1. Investment Opportunities in Agriculture Sector

Agriculture is a basic means of livelihood in Afghanistan, generating 36% of the country's GDP and supporting 85% of the total population in Afghanistan.<sup>3</sup> The climate of Afghanistan is well suited for the cultivation of horticultural crops and Afghanistan is the geographic origin of many high-end crops like raisins, pomegranates, pistachios and almonds. There are approximately 1 million farms in Afghanistan and more than 2,000 wholesalers for horticulture products.<sup>4</sup> Products are brought directly from the farms to five major wholesale markets located in Kabul, Mazar-e-Sharif, Kandahar, Herat and Jalalabad. Between farmers and wholesalers, there are thousands more employed as middle-men.

The majority of private sector entrepreneurs in Afghanistan are farmers and the bulk of industrial sector processing is geared to providing services to farmers and farm related business. Because this sector contributes the most to national income and personal livelihoods, increased investment in the agro-business and agriculture areas will have a direct positive impact on the lives of thousands of Afghans. Intensive commercial farming increases sustainable economic growth in rural areas, encourages competition, contributes to regional development and helps sustain the growth of private businesses. Afghanistan benefits from low labor and irrigation costs by regional comparison and high value cash crops provide vital food security and an alternative to poppy cultivation in the country.

Between 1999 and 2002, Afghanistan experienced the worst drought in decades, which greatly damaged production levels of agricultural goods. Now Afghanistan is poised to increase these production levels, but it will take investment and government support to realize this potential. Part of this effort includes building capacity through training farmers on how to increase output and adopt modern techniques. In a survey, nearly 70% of farms interviewed (around 730,000 farms total) revealed they are too small to achieve self-sufficiency and are interested in farming higher value crops other than wheat.<sup>5</sup> The NGO community is playing a strong role in this training and there is an encouraging willingness of local producers to receive technical assistance.

Agro-business and agro-processing provides an array of exciting investment opportunities. The industry has first-mover advantages for investors in modern processing techniques that involve cleaning, sorting and grading, and also packaging plants that incorporate quality control measures like hygiene and traceability. Improved transportation logistics for exports, including cold storage facilities, is one of the critical priorities. Adequate infrastructure, especially an improvement in road conditions, will alleviate the geographic constraints that accompany Afghanistan's position as a landlocked country. The involvement of the international community in

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<sup>3</sup> Statistical year book, CSO 1386, Page:153

<sup>4</sup> UNDP/Altai Consulting *Market Sector Assessment in Horticulture* (Phase 1, Market Research), June 2004.

<sup>5</sup> Maletta, Hector and Raphy Favre. "Agriculture and Food Production in Post-War Afghanistan." A report of the Winter Agricultural Survey, 2003.

Afghanistan's reconstruction process is playing an important role in building up this necessary infrastructure, but this takes time.

Investment in agro-business and agro-processing will make a positive impact on the economic development of Afghanistan and will give Afghans pride in producing and purchasing local Afghan products.

One industry related to the Agriculture sector is for example **packaging** which provides great opportunities for investors, as demand for Afghan agriculture goods is high, but current packaging procedures are outdated and damage fresh goods en route to markets and prevents an effective export business for many corps. Some 20-40% of post-harvest horticulture products are wasted because of poor packaging.

**Processing** is another great investment opportunity. Market potential for processed agricultural products including snack foods, packaged biscuits, fruits concentrates, pickles and fresh fruit jams both in Afghanistan and in the region is enormous.

**Domestic production of machinery** related to the agro-business and agro-processing industries is a lucrative opportunity for investors given that current equipment in Afghanistan is currently imported from abroad, or date back from the Soviet era. Demand for new machinery, such as grain cleaning and sieving equipment for flour, and tractor trolleys and ploughs, will continue to grow and be vital to the production of agricultural goods. In the long term, the manufacture of local machinery will be profitable to the agriculture industry.

### **1.1 Investment Opportunity in Dairy Industry**



Investment opportunities exist in the following areas:

- Milk processing
- Manufacture of cheese, butter, yogurt, milk powder, ice cream, and other dairy

**Scale of operations:** Small, medium & large scale production potential

**Market:** Mass & niche dairy product markets, both domestically & internationally

### Potential (Underserved market)

#### Domestic market:

- National Market: 32 million growing at 4% per year;
- Kabul City market: 5-7 million and growing at over 7% per year;
- Domestic consumption rates (pre-war) 60kg of milk per person per year average;
- Current consumption averages 0.1 liters/capita, per day (versus 0.41 in Pakistan);
- A potential domestic market of 1.92 billion kg of milk annually;
- Regional consumption: 25% annual increase in Chinese demand for dairy goods;
- Signing of preferential trade agreement with regional and industrialist nation is another potential opportunity especially for the dairy product manufacturers. For more information please click [here](#).

### Returns

- Monetary returns: The price of milk has increased 215% over 5 years compared to a low single digit annual general inflation rate.
- Social returns in terms of rural Afghanistan, and local producers. It is estimated that producer's income from milk production has increased almost 10 fold over the period from 7.93 Afs per day in 2002 to 73.00 Afs per day 5 short years later.

### Type of Assistance Requested

There is need to established private sector firms with a solid history in the milk and dairy industry, and export/international market experience.

**Specific Technical Assistance Needs:** Collection, transportation and storage of milk; processing, pasteurization, quality control of milk, cheese, butter, yogurt, milk powder, ice cream, etc.; packaging, labeling, transportation, export, marketing, etc. It is necessary to have experienced locally based managers who can relate to the dairy farmers.

Experience has shown that it is necessary for the management to have marketing skills as well as technical dairy skills. Management should be able to identify relative demand for different products and adjust supply appropriately. The inability of management to respond to demand for different types of cheese was the major problem that was experienced with the factory in Baghlan Province. The specific problems at Baghlan appear to have been rectified but they point to the type of technical assistance required.

### Local Advantage

Afghanistan boasts both a favorable climate, and long experience in animal husbandry, resulting in impressive production potential. Additionally investors can expect, full government support, minimal government regulation, and expedited

procedure to start a business. The domestic market itself is still in its infancy though growing rapidly and so offers great potential for early entrants.

**Location Advantage:** Afghanistan is centrally located in the heart of Central Asia within close proximity to major markets such as China and India and regional markets in the Central Asian republics, Pakistan and Iran.

**Production Advantage:**

- 2.1 million dairy cow herd, 8.7 million sheep herd, 7.3 million goats;
- Average production of 500-1,000 L/year/cow (low) to 1,000-1,500 L/year (high);
- National Production 2.1 billion liters per year cow milk, about the same for sheep/goat milk & 8.1 tones of camel milk;
- Growth: Milk production is increasing by 3,200 hectoliters per year.

**Competition**

Local competition is primarily comprised of numerous small scale inefficient producers with varying degrees of success in quality control serving very limited local markets.

Several medium scale enterprises have been launched throughout the country both by the private sector and with the support of donors. These include:

- Cheese factory in Pol-e-Khomri, Baghlan;
- Dairy plant at Mazar-i-Sharif;
- 2 milk plants in Kunduz;
- FAO/Kabul Dairy Union operated milk plant in Kabul;
- At least 2 private firms that have entered the dairy market in Kabul;
- Imports from abroad (primarily Dubai and Pakistan).

## 1.2 Investment Opportunity in Honey Industry



Investment opportunities exist in the following areas:

- Honey
- Honey products (food)



- Honey products (cosmetic)
- Propolis
- Bees Wax products

**Scale of operations:** Small (utilizing the *Apis Cerana* species) to large (utilizing the *Apis mellifera* species) scale production potential.

**Market:** Mass (honey) and niche (cosmetic, wax, processed food and Propolis) product markets, both domestically (honey) & internationally (all products)

### **Potential**

**Domestic Market:** Domestic demand for honey is high, especially in Badakhshan and northern Afghanistan where the few beekeepers in the area fail to meet the demand. This is primarily a small scale activity that has the potential to provide a useful supplement to household incomes. It also provides a potential opportunity to use underutilized female labor in cash income activities. Afghanistan has a long tradition of honey production, particularly by women. Even under the strict Taliban regime, beekeeping was one of the few jobs deemed acceptable for women because it could be operated within a home compound.

There is high potential of honey production in all provinces of Afghanistan like Herat, Nangarhar, Mazar and other provinces of Afghanistan.

**Export Market:** The international market for honey is stable while the export potential for products derived from honey and related by products is growing rapidly.

### **Returns**

**Monetary Returns:** \$2.50 per kilo for raw honey

**Social Returns:** Income from honey can supplement family incomes by \$200-\$300 / year

### **Type of Assistance Requested**

There is need to established private sector firms with a solid history in the honey and related product industry, and export/international market experience.

**Specific Technical Assistance Needs:** Collection, transportation and storage of honey; refining, filtering, grading processing, etc.; packaging, labeling, transportation, export, marketing, etc. Technical assistance to protect against possible disease that could adversely affect hives as output increases

### **Local Advantage**

Afghanistan is a natural garden, flowers and fruit trees of all kinds abound. This provides an excellent habitat for bees and consequently makes for superior conditions for honey production.

**Production Advantage:** The diversity in habitats in the areas bordering the Hindu Kush mountains means that, flowering plants are available throughout the year. This

is an exceptionally good region for beekeeping and harvests well above 30 kg per colony per year can be generated. Typically an Afghan hive produces 20-30 kilos of honey per year.

### **Competition**

In Pakistan and northern India (Haryana, Punjab) beekeeping with European honeybees is practised on a large-scale. The European Honeybees are usually higher yielding but are subject to disease. There are technical issues associated with the type of bee used.

Expansion of beekeeping in Afghanistan will require these disease problems to be addressed because as the industry expands, disease risks will increase.

Honeybee species indigenous to Afghanistan include *Apis cerana* and *Apis dorsata*.

#### *Apis*

*mellifera*, the European honeybee, has also been imported to Afghanistan from Pakistan.

In Pakistan and northern India (Haryana, Punjab) beekeeping with European honeybees

*Apis mellifera* is practised on a large-scale. In these areas where beekeeping was not practised previously, *Apis mellifera* is proving successful. These are dry plains with largescale, irrigated agriculture. Monocultures of sunflower and Brassica provide excellent forage sources for bees.

Beekeepers, who undertake migratory beekeeping, move stocks to new areas as plants come into flower. In areas bordering the Hindu Kush Himalayas the diversity in habitats means that flowering plants are available throughout the year. This is an exceptionally good region for beekeeping and harvests well above 30 kg per colony per year can be generated. Migratory beekeeping requires transport, roads, skilled staff, and equipment suitable for continuous movement of bee colonies.

With suitable management methods, *Apis mellifera* delivers higher yields of honey and beeswax than *Apis cerana*. However, the input costs will also be greater. This is because

*Apis mellifera* is an exotic species from a temperate climate, and requires more resources (time, treatment against endemic diseases and predators). It is already well known from other countries in Asia that beekeeping with *Apis mellifera* can be more economical than with *Apis cerana* when practised on a large-scale. If the aim of a project is to assist landless or the poorest of farmers with an activity that provides an income supplement, the promotion of *Apis mellifera* may be inappropriate because of the extra care and susceptibility to disease. There is an urgent need for technical assistance and continuing technical support. Beekeepers will face increasing problems from American foulbrood that has been introduced with bees brought from Pakistan. Afghan beekeepers are largely unaware of this disease, both its recognition and its control, and this will cause further spread of the disease. Because the beekeeping methods and technology are brought from

Pakistan, there remains dependence on Pakistan for the provision of materials, in particular the beeswax sheets (foundation) needed for beekeeping in frame hives. There has been little fresh initiative to promote beekeeping that is self-sustaining and appropriate for the rural poor. Technical support for beekeeping is essential to achieve sustainability.

### 1.3 Investment opportunity in Almond



Investment opportunities exist in the following area:

- ❖ Almond production.
- ❖ Almond processing
- ❖ Almond sales

Despite efforts to establish a processing factory in Mazar, post-production almond value addition remains largely manual and informal in Balkh and other provinces, with traditional marketing approach. The following situation thus persists:

- ❖ Almond sorting / grading services are traditionally available in Afghanistan but there is no modern technology deal with such issue in the country;
- ❖ Professional deshelling and packaging services are not available in Afghanistan;
- ❖ Even there is association but it is informal;
- ❖ Despite having opportunity, due to the lack of information and communication with foreign investor sufficient investment is not happened in this industry;
- ❖ Production of almond oil.

#### Business Concept

Operationalising the new defunct nut processing factory in the provinces located to the near almond production like Mazar, Takhar...etc, for deshelling and packaging of almonds according to standards, and diversifies the products with different nut types. End-product will be sold in basic packaging with a label 'Made in Afghanistan'.

Products can be sold directly to buyers in high-value markets, targeting new export markets. In a later stage, product could be packaged in more consumer-friendly bags (potentially in cooperation with buyer) in order to capture more value.

The factory will help process and package almond. The almond would be sorted and graded and packaged in large bags with labels. It would also be packaged according to the different preferences of consumer; just like soft/hard shell, bitter and sweet, shelled/deshelled (kernels), different varieties (satyrbahi, lower quality) at different price levels.

The by-product like outer shells can be used for heating purposes (sales on local market?); or can be used for making brix with fertilizer coating. It should be noted that this will create about 40 to 50 direct employments and would require the following:

Fixed Cost item:

- Land: 1 jerib (see Appendix 1 for costs / availability).
- Building: (value \$75,000 USD) already in possession of association
- Low-cost equipment for deshelling/high-cost equipment - 20,000 USD – 60,000 USD
- Sorting and grading line (can be bought secondhand)
- UV-machine: should be custom-made (~10,000 USD)
- Generators
- Cold storage facility (future; optional)
- Packaging-line (future; optional)

*Operational budget* item:

- Raw materials
- Electricity/fuel for running lines
- Salaries

#### **Potential Market:**

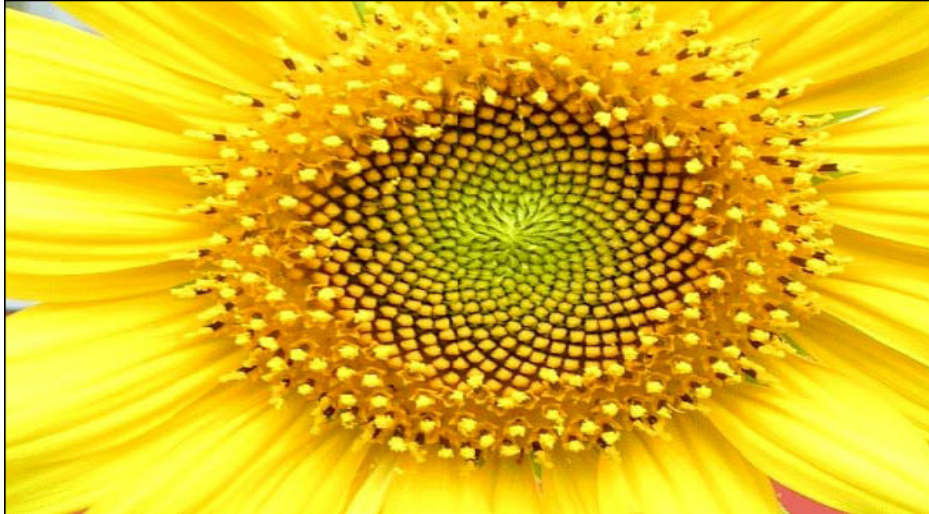
If processed, graded and priced correctly then there is high opportunity for access and capturing high share of almond demand in the global and regional markets. India currently imports 35% of the world supply of almonds.<sup>6</sup> If Afghanistan increased its current production levels, it could be a major supplier to this market. There are a number of high quality varieties of almonds in Afghanistan and these are acclaimed in India for their taste and quality. Investment in this area, particularly aimed towards better packaging and processing, could expand Afghanistan's almond export potential.

For more information please click [here](#).

## **1.4 Investment opportunity in Sunflower Industry**

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<sup>6</sup> UNDP/Altai Consulting *Market Sector Assessment in Horticulture* (Phase 2-3, Feasibility studies and Business Plans), August 2004.



Investment opportunities exist in the following areas:

- ◆ Sunflower Seeds
- ◆ Sunflower Oil
- ◆ Cosmetics
- ◆ Carrier Oils
- ◆ Bio-diesel
- ◆ Hypoallergenic Rubber
- ◆ Sunflower Meal

Scale of operations: Small, medium and large scale production potential

Market: Mass and niche sunflower seed products both domestically & internationally  
**Potential**

There is demand for about 32 million sunflowers in the domestic market, and the demand is estimate to grow by 4% per year. Currently we are exporting about 7 million sunflowers to abroad and the demand is growing by over 7% per year. The growth rate in the sunflower industry is more than double that of agriculture as a whole. Annual increases in the global consumption of sunflower products include: China 29%, India 18%, Indonesia 8%, Pakistan 5% All of which show net imports of sunflower products well over 0.7 million tones each, annually.

### **Returns**

**Monetary Returns:** Sunflower has had a more consistent profit than any other crop over the past 10 years. During that time, the profit per acre has been more than double that of spring wheat. With new-crop prices for 2008 near \$20 for NuSun and in the upper \$20s for confections, the potential for profit is excellent.

**Social Returns:** Production will generate off-farm employment for unskilled and semiskilled rural residents as well as a source of supplemental income for producers.

### **Type of Assistance Requested**

Established private sector firms; familiar with the international market for sunflower seeds and sunflower seed/oil products.

Specific Technical Assistance Needs: de-hulling, pressing, roasting, grading, packaging, marketing, transport and export.

### **Local Advantage**

The climate of Afghanistan is uniquely suited to growing vast quantities of sunflowers.

Additionally, the fastest growing markets for sunflower products (China, India, Indonesia and Pakistan) can be found in the region additionally investors can expect, full government support, minimal government regulation, and expedited procedure to start a business.

### **Competition**

There are currently no sunflower processing facilities in Afghanistan. Competition is from abroad and found mainly in the former Soviet republics and the USA.

## **1.5 Tomato and Tomato past production**

The current annual demand for the product is estimate to about US\$5 million where it employed about 20,000 people according to a study conducted by USAID. The tomatoes produced in Afghanistan go through five basic operations:

- 1) Seedling production,
- 2) Bed preparation,
- 3) Transplantation,
- 4) weeding/fertilization/pesticide/irrigation and
- 5) Harvesting.

Direct production of tomatoes from seed is rare in this region. Only two operations are generally mechanized, bed-preparation and pesticide. Mechanized irrigation is also rarely used. Small farmers use manual operation for the entire process.

Investment is needed in the following area:

- ❖ Processing of tomatoes to make ketchup, sauce, juice and paste: This is a viable project because of its significant demand particularly for juice and paste;
- ❖ through a medium sized plant with possible options for scaling up ;
- ❖ Cold storage for tomato;
- ❖ Processing of tomatoes through sun-drying: This can be done through women entrepreneurs who are already trained and are in business. There are about 300 trained women working on production of tomato processing activities in a mini scale. The sun drying process does not require much investment except for equipment for quality control, compliance of sanitary and hygienic codes, and packaging machinery. The packing is generally done using heat sealable polyethylene bags.
- ❖ Sales here and in abroad.

**Potential Market:** Tomato is some thing needed through out Afghanistan. But since there is no storage and processing facilities in Afghanistan therefore Afghanistan is importing in other then summer session. There is high opportunities to produce



millions of ton and fresh and tomato past and capture a high share of the local, regional and international market. For more and further information and complete study is needed [click here](#).

### 1.5 Investment in Karakul Pelts



#### Opportunity

There are very few afghan products where can attract a premium in world markets. Karakul pelts from Afghanistan are one product where the fact that the pelts are sourced from Afghanistan attracts a premium. (The only other commodity where Afghanistan sourced product attracts a premium is Afghanistan marble). Karakul is the name of a variety of the breed of broad tailed sheep, which first appeared hundreds of years ago in the Kyzylkum desert, around the Karakul, or Black Lake, near the ancient Uzbek city of Bukhara and whose lambs have a much sought after pelt. It is indigenous to Uzbekistan as well as northern Afghanistan. Karakul is a variety of. Broad tailed sheep that have reserves of fat that; are stored in their tail. The Karakul sheep has a dual fleece which results in two types of wool growing simultaneously. Karakul is generally grey or black in color and recognizable by the kinked tail over heart shaped lobes. They are valued not only for their pelts, but for their meat and milk. Shearing, which is done by hand, take place in spring, starting about mid-April, and again in the Autumn, during September, depending on the condition of the herd. Karakul wool from the spring clip, with a seven-month growth, is regarded as the finest quality local wool for carpet making Karakul sheep are uniquely adapted to their environment. Karakuls are able to survive in extremes of great heat and cold ( as low as -30 degrees Centigrade and as high as high as 48 degrees Centigrade). They are thought to be the oldest of all domesticated sheep breeds. They drink salty water, which other livestock generally reject, and regulate breathing and blood density to survive the heat or cold. Karakul sheep are capable of reproducing out of season and sheep can produce young three times in two seasons. Because of the harsh climatic conditions, only a small percentage of lambs can be kept and raised to maturity. Karakul pelts are obtained from lambs that are

slaughtered within 2 to 3 days of birth. (In earlier times the pelts were obtained from unborn lambs, however the same attributes can be obtained more efficiently with pelts from lambs less than about 10 days old) The pelts are soft with silk markings. There are black, grey, white, silver-grey, pink and brown pelts. The predominant color is black.

Afghanistan karakul are highly prized. In 1907, the last emir of Bukhara allowed the British to ship some karakul to Namibia, where the sheep became the founding herd of Southwest African karakul. When the emir fled the Soviets in 1920, he took his best sheep to Afghanistan. Those genes still exist in Afghanistan karakul sheep.

### **Potential**

The potential for karakul production in Afghanistan is significant. Karakul pelts (often referred to in the trade as Persian lamb or Astrakhan) are taken from newborn lambs within a few days of birth. It is necessary to slaughter the animal within the first few days of birth because, after about 10 days the fleece becomes harder and does not have the soft feel that is valued in high quality karakul pelts.

The lambs are skinned and the pelts are then rubbed clean with knives and scrapers. The pelts are pickled in coarse salt and heaped on wooden scaffolds. For a week, fat and other fluids leach out, coloring the salt pink. Finally, the pelts are fermented with barley flour in a rotating vat filled with water. After another cleaning and grading by size, pattern and tint, the pelts are dispatched to a sewing factory or for export. After slaughter and skinning the rest of the carcass is used as a low-fat delicacy. In an integrated operation there is other by products which can be used for glue, and in the pharmaceuticals industry.

Historically Uzbekistan has been the centre of the karakul trade, but, it spread throughout central Asia. During and before the Soviet period, large numbers of Central Asian Karakul pelts were exported to Russia and from there to western countries. This trade has now largely ceased in Turkmenistan due to the presidential decree in 2000 that limited pelts and was designed to preserve herds. The trade has also declined in Kazakhstan as a consequence of the demise of the former USSR state purchasing and distribution system and the pressures of the minerals boom. Final processing and manufacture of pelts into garments was carried out in Russia in the Soviet period, and Russian buyers are still the main purchasers of raw pelts from Central Asia. It has been difficult for Central Asians to directly enter the profitable European market where the world's Karakul pelts are traded, although pelts loosely termed Afghan. pelts are widely sold on the Western market.

Since independence, Turkmenistan produced some 750.770 thousand Karakul adult pelts annually until 2000 when the trade ceased. In the period prior to 2000, a small amount was used by private small industries for lining coats and the major amount was exported.

Turkmenistan had a state-owned pelt processing plant. A small number of young animals

Pelts were exported mainly to Russia in the raw state. The depressed state of the Karakul industry in Turkmenistan has been exacerbated by the presidential decree in 2000 banning the slaughter of Karakul lambs until such time as the size of the



breeding flock is significantly increased. Only pelts from stillborn lambs and lambs dying within a few days of birth are currently legally traded.

Efforts are currently being made to increase the number of Karakul sheep in both countries. As indicated above, this is being achieved in Turkmenistan by a ban on slaughtering of newborn lambs. In Kazakhstan herders are trying to increase Karakul sheep in the desert regions, as these are well adapted to the environment and their meat has a market premium. There is also a government-financed initiative in Kazakhstan to bring 10 thousand Karakul sheep from Uzbekistan and southern Kazakhstan.

In Central Asia there is still a considerable body of knowledge and expertise in the breeding of Karakul sheep. In Kazakhstan there is an Institute of Karakul Breeding, near

Shimkeynt city, and a Karakul Department at the Animal Husbandry Institute in Turkmenistan. The inheritance of rare and highly valued pelt types appears to be well understood by national scientists, although no breeding schemes to increase the proportion of these types in the national flocks seem to be practised. The scientists formerly working on Karakul breeding are adamant that the desirable genes for these rare pelt types have been retained in the depleted flocks, and that they have some highly valued types not found in other Karakul pelt producing countries such as Namibia. This resource has considerable potential for exploitation.

Pelts are sold semi-annually in Western Europe. Two countries, Namibia and Afghanistan dominate the market. In 2001 at the Danish Fur Centre auction 335,000 pelts were sold.

About 40% were Namibian and the rest were attributed to Afghanistan, although the term .Afghanistan. is often used in the trade to refer to all pelts from Central Asia. Details of sales and prices are shown in the Table below.

## Returns

**Monetary Returns:** Based on current prices and pre Soviet production figures this activity has the potential to contribute about \$US10 million per year to nomadic herder income.

This is based on the assumption that lambs equal to about 25% of the population can be used for karakul pelts whilst still maintaining a sustainable population of sheep<sup>7</sup>. This was a very successful product for Afghanistan. In the 1970s there were about 4.8 million karakul sheep, mainly in the north and north-western provinces. Exports averaged about 1.3 million pelts per year.

## ype Number of Pelts sold Average Price June 2000 (\$US)

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<sup>7</sup> Let  $F(t)$  = number of female sheep in year  $t$ ,  $P(t)$  = sheep population,  $F(t)/P(t) = 0.5$ . Let annual natural death rate as proportion of population = 0.25. Assume 70% of females give birth each year, with an average number of lambs 1.5 per year (that is for fertile females, 3 lambs per 2 years which is expected fertility for karakul sheep). Then sustainable yield of karakul lambs as proportion of the total population =  $H(t)$ . And  $H(t)$  = Natural increase - natural deaths =  $((.7) * (1.5) * (0.5)) - 0.25 = .275$ , which is about 25%. This implies that for a sustainable operation, pelts harvested per year should be about one quarter of the total flock and the proportion of lambs that can be used for karakul =  $.275 / (0.7 * 1.5 * 0.5) = 52\%$

Type	Number of Pelts sold	Average Price June 2000 (\$US)	Average Price December 2000 (\$US)
Grey Afghan	49,100	14.9	19.6
Black Afghan	30,000	12.5	13.4
Black Broadtail	1,000	27.1	Not quoted
Grey Broadtail	2,150	24.0	40.2
Sur (Mix color golden)	3,100	12.8	12.8
Swakara Black Regular (a)	60,100	26.9	22.7
Swakara grey(a)	5,500	28.5	28.5

Source: Danish Fur Centre, 2002

**Social Returns:** This activity has the potential to contribute cash income to some of the most disadvantaged people in Afghanistan.

#### **Type of Assistance Requested**

The major assistance required is marketing services. It would be necessary to provide an efficient collection service so that small herders can sell pelts, the pelts can be consolidated and access to the international markets can be obtained.

#### **Local Advantage**

This is a product where Afghanistan has a unique local advantage. There is great demand for Karakul lamb pelts. The sleek and suede-like, subtly ridged or deeply wrinkled pelt is used for small items, such as hats, and when stitched can produce an elegant woman's coat, cape or jacket. The Afghanistan President always wears a karakul hat.

#### **Competition**

There is a premium for Afghan product. At present in international markets product from other Central Asian suppliers is misrepresented as Afghan product. Some of the marketing techniques used by Namibia, such as a special brand name could be considered.

### **1.6 Investment opportunity in Sugar Beet Industry**



Investment opportunities exist in the following areas:

- Sugar from Sugar Beets
- Sugar Beet syrup
- Betaine Production
- Uridine Production
- Bio-butanol from Sugar Beets
- Sugar beet production

**Scale of operations:** Small, medium and large scale production potential.

**Market:** Mass market products both domestically & internationally in terms of sugar and syrup. There is International niche market potential with Betaine & Uridine production, as well as local niche market penetration with bio-butanol.

### **Potential**

**Domestic Market:** Today, the country imports some 830,000 tones of sugar every year.

Growth in the consumer segment can be expected to grow in tandem with population growth, however on the commercial side, as the food processing industry ramps up the demand for sugar for that industry is expected to grow exponentially.

### **Returns**

**Monetary Returns:** The retail price of sugar in Kabul markets is approximately 60 cents/kg.

**Social Returns:** Production will generate off-farm employment for unskilled and semiskilled rural residents as well as a source of supplemental income for producers. Processed food products use sugar as an important input.

### **Type of Assistance Requested**

There is need to established private sector firms familiar with the international sugar market and other sugar beet related products.

### **Specific Technical Assistance Needs:**

- Reception
- Diffusion
- Carbonation

- Evaporation
- Crystallization
- Post refining activities such as packaging, marketing, logistics and export
- Betaine & Uridine extraction
- Bio-butanol

### **Local Advantage**

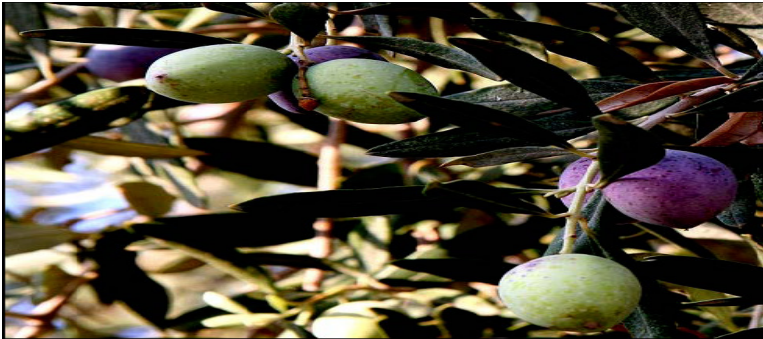
The most important inputs required for sugar production, suitable agricultural land, water, coal and lime are available in plentiful supply in areas such as Baghlan, among others.

Additionally investors can expect, full government support, minimal government regulation, and expedited procedure to start a business.

### **Competition**

Baghlan Sugar Company: Currently produces 1/3% of the nation's sugar supply. Imports constitute the remainder of the supply.

## **1.7 Investment opportunity in Olive Industry**



Investment opportunities exist in the following areas:

- Olive oil production
- Canned and jarred olives
- Premium preserved olive products like tapenades
- Cosmetic and health products

**Scale of operations:** Small and medium scale production potential

**Market:** Niche olive oil and other product markets, both domestically & internationally

### **Potential**

Domestic Market: Per capita olive oil consumption averages 100 grams per year, although this is primarily a function of lack of supply. National Market: 32 million growing at 4% per year. Kabul City market: 5-7 million & growing at over 7% per year.

Afghanistan was an exporter of olives to Russia in the 1980s.

**Export Market:** Europe and China offer the greatest potential for export markets and global demand has shown above average strength for the last 20 years. US demand is averaging a 20% year over year increase.

### **Returns**

**Monetary Returns:** Difficult to judge as there is no specific international price for olives or olive products as the price is usually determined by quality consideration by individual importers although olive oil prices tend to range between \$3.3-5.9US/kg.

**Social Returns:** Production will generate off-farm employment for unskilled and semiskilled rural residents as well as a source of supplemental income for producers.

**Type of Assistance Requested**

Support initially came from FAO Horticulture Program and from the Italian Government.

The Nangarhar Valley Development Authority (NDVA), assisted in rehabilitating 20 hectares of an olive plantation in Batikot. The 20 hectare olive plantation, which represent 8000 trees, could produce an average of 30 kg of olives per tree with an extraction rate of 15 percent by the olive processing factory of Jalalabad, i.e. a production of 36 000 liters of olive oil. This was to be the first step in the rehabilitation of 1400 hectares of olive orchards out of over 2000 hectares still existing in the area. The Ministry of Agriculture, through the NDVA, owns the Jalalabad factory which was built in Soviet times. In 1980 the factory produced 50 tones of olive oil and over 1700 tones of pickles. Production has since fallen ( 8.5 tones of olive oil with no pickle production in 2001). In the 1960s, the Soviets built the farm with 20,000 hectares of irrigated land. Olives were processed at the Jalalabad factory and exported to the Soviet Union up until 1989. Then, the farm was abandoned. But in 2003 the factory- is still owned by the Afghan ministry of agriculture - was restored with Italian help. Since then, attention has shifted to rehabilitation of the plantation, of which 300 hectares are used for production again. In the last few years, production has been negligible. A total 135 people are currently employed at the plant; 300 people are permanently working on the plantation (there are also seasonal laborers). The initial project provided training for 20 experienced technicians in tree pruning, orchard cultivation and use of fertilizers. An additional 80 laborers were recruited by FAO for the implementation of basic tree pruning activities, who were assisted by the Food for Work Program of the World Food Program. The tree pruning activities include the removal of water sprouts and suckers to rejuvenate fruiting wood, and the thinning of branches to capture air and light needed for an improved yield. The pruning also facilitates the access to the branches for the olive harvesters.

In 2005, a first five tons of olive oil were produced by the restored factory. The oil was tested in Italy where it was pronounced top quality.

The market plan was to export to Pakistan and India. However there has been little progress since the first trial production.

Established private sector firms familiar with the international market for olive oil and olive products are required to restore this activity. Experience with other projects of this type has shown that, in addition to specific technical needs in the area of pressing, grading/quality control, bottling, marketing, and transport, a successful investor requires marketing expertise and an ability to work with the growers.

**Local Advantage**

**Location Advantage:** Nangarhar, a province in eastern Afghanistan, was once home to over 5,000 hectares of olive orchards. The province was famous for its olives, and raw olives were once one of the largest agricultural industries in the country.

**Production Advantage:** Some years ago there was an annual production increase of 1,200 tones, although that has now ceased. Afghan olive trees average 30kg of olives per tree; and have an oil extraction rate of 15%.

## Competition

There is currently no domestic competition with all olives being imported from the EU, Pakistan and the Middle East.

### 1.8 investment opportunity in Cashmere Industry

Cashmere is the fine, down-like undercoat of the Cashmere goat. An estimated 90-95% of Afghan goats are cashmere-producing. Afghanistan is the third largest producer of raw (greasy) cashmere in the world, after China and Mongolia, however raw cashmere from Afghanistan is regarded as far inferior in quality to that of China or Mongolia. However there is great potential to bring Afghan cashmere up to Mongolian quality.



Put very simply, the processes involved in producing cashmere are to collect the goat fleece, sort the fleece, usually by color and quality, wash and scour the fleece, and dehair the fleece. Dehairing is the process of separating the guard hair from the fine inner hair which is the cashmere. Half the weight of the fleece is lost during this stage. Dehairing is carried out using specialist machinery. Dehairers require a reliable supply of electricity at competitive prices. After dehairing the fiber is then spun into yarn and used for knitting or weaving.

There is potential for the production of greasy cashmere for dehairing and further processing in other countries. Some experts have argued that Afghanistan should become involved in further processing of cashmere; however it is not evident that Afghanistan has a clear competitive advantage in further processing such as dehairing which is highly electricity intensive. There would be considerable risk in installing dehairing capacity in Afghanistan. Internationally there is considerable excess dehairing capacity. In China, where most dehairing facilities are located, the restrictions on goat grazing in Inner Mongolia that have been imposed for environmental reasons in advance of the Olympic Games (dust storms in Beijing were, in part attributed to overgrazing in Inner Mongolia) have meant that dehairing machinery that was installed during the boom in cashmere during the 90s now have excess capacity. A longer term factor that has reduced the supply of raw cashmere to the dehairers in Inner Mongolia has been the rapid industrialization of China which

has drawn labor from the relatively low paid herding activity. In the Republic of Mongolia, mis-guided policies, including a ban on the export of raw cashmere, encouraged the over building of dehairing capacity which now cannot operate at full capacity. At the current stage in the cashmere cycle dehairers operate with extremely thin margins in a very competitive environment.

### **Potential**

**International Market:** Cashmere has strong international demand. Returns for higher quality cashmere are good. Cashmere is a luxury good. The price is volatile and there is a premium paid for quality. The three basic factors that influence quality, and hence price, are thickness (Diameter is measured in micron count. Cashmere has a micron count of between 12 and 19), length of fiber, and color. The price paid for raw greasy cashmere will be influenced by these three factors. The value to purchasers of raw cashmere production will also be influenced by the expected proportion of cashmere that a given weight of raw cashmere is expected to yield. There are no enforceable international standards for cashmere and substitution is rife. Consumers requiring high quality cashmere rely on purchasing products with trusted brand names such as Dunhill, J Crew, Prada, Loro Piana, Burberry.s, Dolce & Gabbana, and Ralph Lauren, that effectively guarantee the quality of the cashmere.

### **Returns**

Cashmere production in Afghanistan has considerable potential for expansion, both in terms of quantity produced and in terms of quality. Quantity could conservatively be doubled while price per kilo obtained by the grower could be increased by about 25%.

Raw cashmere collection is confined largely to the Western provinces of Herat, Farah, Ghor and Badghis. It has been estimated that only about 30% of the available raw fleeces are collected. If this is accurate, it means that production of raw greasy fleece could be increased by about 3 times its current level of about 1000MT. In addition there is substantial potential to upgrade the quality of the cashmere and obtain higher prices if sold to markets other than Iran, where quality is extremely low and substitution of cashmere with inferior fiber is rife. While the cashmere in Afghanistan is relatively good because of the environmental conditions - dry climate, harsh winter and substantial area for grazing. It could readily be improved with some selective breeding techniques and better collection methods. Goats respond quickly to selective breeding techniques. It should be possible to quickly lower average micron count to about 16 (rough estimates indicate that average micron count at present would be about 17). Better collection methods, - notably combing to collect cashmere rather than the method used in Afghanistan of shearing the goat, and refraining from combining poor quality cashmere that is often obtained from the skins of dead animals- would produce a product with a longer, softer fiber (short fiber length is one of the major weaknesses of the current product) and higher yield. Improving these attributes would attract a premium over current prices offered. Based on current prices for raw greasy cashmere from Afghanistan of about \$US16 per kilo, a quality improvement program could increase prices to the grower by about 25% if the fleeces were sold in markets where there was an appreciation of quality.

**Social Returns:** The major beneficiaries of a program to increase returns for raw cashmere would be the Kuchi people whose major activity is to tend sheep and goats. These are some of the most economically disadvantaged people in Afghanistan.

### **Type of Assistance Requested**

Established private sector firms familiar with the international market for Cashmere wool and Cashmere wool products should be encouraged to become involved in the Afghanistan industry.

Specific Technical Assistance Needs: Breeding, collection, sorting, Cashmere Collection, Scouring (washing). The major initial work would be with the herders to improve the quality of raw product and to offer centralized purchasing facilities. This would involve provision of superior stock, which could be acquired from Mongolia or China; training in breed improvement, including reduction in color variability; and training in fiber removal, notably encouraging herders to comb goats to remove fiber rather than shearing (this provides a longer fiber). Support would be needed to either sell the raw cashmere at a price that reflected the quality of the product or to sub-contract for further processing. The economics of further processing in Herat should be examined, but it is doubtful that this is economically viable at this stage.

### **Local Advantage**

The average Afghan Cashmere goat produces about 250 grams of fiber. An estimated 90-95% of Afghan goats are cashmere-producing. Afghanistan is the third largest producer of raw (greasy) cashmere in the world, after China and Mongolia. The cashmere in Afghanistan is relatively good because of the environmental conditions - dry climate, harsh winter and substantial area for grazing. Raw cashmere collection is confined largely to the Western provinces of Herat, Farah, Ghor and Badghis. It has been estimated that only about 30% of the available raw fleeces are collected. This means that production of raw greasy fleece could be increased by about 3 times its current level of about 1000MT.

Additionally investors can expect, full government support, minimal government regulation, and expedited procedure to start a business.

### **Competition**

Production in Afghanistan tends to be small scale and fragmented and is centered primarily in the western and northwestern areas of the country with Herat forming the trade hub, however in the mountainous Wakhan area of Badakhshan significant herds of Cashmere goats can also be found.

Foreign competition is strongest from China and Mongolia which are the main two producers in the world. Iran is also a source of competition however Iranian cashmere is quite frequently of an inferior quality. Afghan cashmere is historically associated with Iranian cashmere. Chinese and Mongolian dehairers would provide a ready market for good quality cashmere as they are currently short of fiber with many dehairers working at very low capacity.

## **1.9 Flower and Essence Industry**



Investment opportunities exist in the following areas:

- Cut fresh flowers
- Potted fresh flowers
- Flower essences and extracts



**Scale of operations:** In Afghanistan there are growers producing flowers, largely for the domestic market. The industry currently operates in areas on the outskirts of large cities (eg Kabul). Current products are temperate climate flowers (roses, geraniums, fuchsias, pansies, petunias and temperate ground cover). They are produced without the use of artificial fertilizers in properties that are about  $\frac{1}{4}$  acre in size. Most products, with the exception of roses, are grown in simple hot houses consisting of clear plastic stretched over steel frames. Roses are grown in the open. Three crops can be obtained with the first crop immediately after the winter period. Some of the growers have been in the industry a considerable time. These long established growers usually own their land, whilst new entrants often rent land. A typical new entrant, who could rent about a quarter acre close to Kabul, could currently support a family of 5 plus a worker who received \$130 per month. The market would be entirely domestic. Flowers are traditionally in demand for celebrations, including weddings. The plots are watered using ground water delivered by hand pumps. The soil in the area used around Kabul has a high clay component which makes it ideal for roses. The picture below shows a small scale farm supporting a family of 14 operating on the outskirts of Kabul. The owner has been successfully operating the same plot for 50 years

**Market:** Mass and niche fresh flower and flower essence markets, potential for export internationally especially European and Gulf markets.

### **Potential**

**Domestic Market:** Strong demand in major provincial centers. Used for celebrations such as weddings. To service the domestic market requires land close to large provincial centers and access to regular water supplies.

**International Market:** This has yet to be developed however there is some potential for export. Major problems are reliable transport services to Dubai, which is the regional hub for the flower trade and questions about whether flower traders could

make the regular deliveries of produce necessary to justify dedicated air freight services.

### **Returns**

**Monetary Returns:** Currently a kilo of pure rosewater essence sells for \$7,500US

**Social Returns:** This is an activity that can be developed in poppy growing areas. It was used in Iran to replace poppy culture in some regions, although poppy growing in Iran was never central to regional economies as it has become in some parts of Afghanistan.

### **Type of Assistance Requested**

There is need to established private sector firms familiar with the trade.

**Specific Technical Assistance Needs:** Marketing advice and support including matching suppliers with buyers and arranging prompt delivery. Technical support in extracting oils and marketing by products is also need to be supported.

### **Local Advantage**

The US\$70-million (AED257 million) Dubai Flower Centre (DFC) has now opened. This means that the transport problem for cut flowers from Dubai to developed country markets is effectively solved. It operates as a duty free zone and has the capacity to handle about 800 tones per day.

### **Competition**

If this activity were to develop to an export activity, obviously lot size would have to increase. The best recent experience to base export expansion plans is that of Kenya. Currently the Kenyan horticulture industry earns about \$300 million per year of which cut flowers are about \$100 to \$150 million. (major product is tuber roses) There are three recent developments that could have an impact on the viability of cut flower production for export in Afghanistan:

- ◆ In western countries there is increasing concern with the pesticides that are usually used for growing flowers. In particular horticultural exporters using pesticides containing methyl bromide may have restrictions placed on their exports to developed countries. Afghanistan flower growing, at this stage, does not require pesticides, although this would be an increasing risk as scale was expanded.
- ◆ The US\$70-million (AED257 million) Dubai Flower Centre (DFC) has now opened. This means that the transport problem for cut flowers from Dubai to developed country markets is effectively solved. DFC is a strategically located state of the art trans-shipment facility for perishable goods. It operates as a duty free zone and has the capacity to handle about 800 tones per day. There is a cool chain process from the aircraft arrival until pick-up by consignee, together with additional services such as vacuum cooling, rapid cooling, storage at different temperatures and hermetically-sealed bays for ethylene producing products. There is a computerized tracking system that enables exporters and importers to track the flight status, shipment loading and the temperature of their products through the supply chain.

- ◆ The cut flower market has become much more competitive. New competitors, such as India, Ethiopia and Thailand have eroded the market for earlier entrants such as Kenya. India is a rapidly growing exporter. Ethiopia is now the second largest exporter from Africa. In 2007 Ethiopia exported about \$US120million of cut flowers. They have plans to reach an export target of \$US300m within two to three years. The Ethiopian model is based on foreign investment. Countries including Netherlands, Germany, India and Israel are involved. Foreign investors in Ethiopia have about 1700 hectares under production, mainly roses, carnations, and red brown berried hypericum. Thailand has now expanded production with unique flowers such as orchids. All these countries have benefited from the establishment of the Dubai Flower Centre.

There is however flowers based products that could be produced and which do not have the same transport demands.

**Rosewater and essence:** The Zahra Rosewater Company is a success story from Iran. It is located in a village in Kerman province about 10,000 feet above sea level where farmers used to grow opium poppy. An entrepreneur from the region, Homayoun Sanati, invested in the cultivation of Damask roses there. This is the breed from which rosewater and perfumes are made. It grows only at high elevations. He also built a processing plant for rosewater and Rose essence as well as a bottling plant. The plant supplies buyers from the cosmetics industry, the pharmaceuticals industry, and the food processing industry.

Currently a kilo of pure rosewater essence from the Zahra Company sells for \$US7, 500.

This has created a good cash income for the farmers and provided employment in the processing and bottling plants. The businessman, who has visited Kabul, has offered to share the technology and help Afghans establish such a venture here. He can be contacted through Barnett R. Rubin.

**Lavender:** Lavender is used for fragrance essences in perfumes, soaps, and other personal items. In southern France it comes in two varieties, true lavender (lavande) and a clone called lavandin. The former has a more intense fragrance but a smaller yield for hectare. According to French regulations, lavande can be commercially grown and sold as such only at elevations over 1000 meters. Lavandin, which account for a majority of the production, can be grown at elevations over 500 meters. The processing plants are essentially distilleries. Barnett Rubin has offered to arrange an exchange with French lavender producers. The area around Bamiyan appears to be a good prospect for Lavender production.

**Other perfume flowers:** (This is based on information supplied by Barnett Rubin) in the hills above Nice on the Cote d'Azur, especially around the town of Grasse and in the valley of the Loup River, flowers for perfumes are an important cash crop. These include violets, roses, and many other varieties. What is grown where depends on specific soil and microclimates. They are grown in close proximity to the major perfume distilleries in Grasse.

All of these provide employment opportunities in processing, and these are jobs that women could take as well. Harvesting and cultivation are also extremely labor intensive.

In order to determine whether these varieties might be useful for Afghanistan, at least the following is necessary:

- ◆ . Agricultural testing. Flowers are very sensitive to microclimates, altitude, seasonal variation of the length of day, humidity and rainfall, and other factors. Agronomists need to identify possible varieties of these commercial florals and test them in different locations of Afghanistan under different conditions to determine what probable yields are and how much investment is required.
- ◆ . Market research. It is possible that there is a significant market for perfumes and essences in the Persian Gulf, South Asia, and further east. If the agricultural research showed that cultivation of some commercial flora in Afghanistan is possible, a major firm (perhaps some of the Grasse perfumers) could be asked to investigate whether it would be worthwhile to invest in floral cultivation and small distilleries in Afghanistan for the market in the surrounding areas. Alternatively, the Afghan government in partnership with a financial institution could conduct the research and then offer tenders if the possibilities looked good.

#### **1.10 Other investment opportunities include:**

- 1.10. Live stock feed industry** for complete [study click here](#);
  - 1.11.** Investment opportunity in **flour mills** [click here to see](#);
  - 1.12.** Investment opportunity in **candies** industries [click here to see](#);
  - 1.13.** Investment in **fruit juice production** [click here to see](#);
  - 1.14** Investment opportunities in **sorting, grading and boxing of melons** [click here to see](#);
  - 1.15** Investment opportunities in **cold storage for melons** [click here to see more](#);
  - 1.16** Investment in **raison processing machinery**;
  - 1.17** Investment opportunities in the productions and processing of **Pomegranate**,
  - 1.18** Investment opportunities in the production and processing, packaging and cold storage of Pistachios,
  - 1.19** investment opportunities in the processing and packaging of dried fruits and nuts;
  - 1.20** investment opportunity in the production of **edible oil**;
  - 1.21** Investment opportunity in the production of **organic food production**
- There are opportunities for investment in state-owned enterprises related to agro-business and agro-processing slated for privatization. The following is a list of several projects underway:
- 1.22 Pul-e-Khumri Silo:** Presently barely operational due to lack of working capital, but silo and buildings are well maintained.

**1.23 Kabul Silo:** A silo and milling operation in Kabul city and two subsidiary silos in Herat and Kandahar of lesser capacity and without milling operation.

**1.24 Balkh Silo:** Silo and buildings and equipment are well-maintained.

Limited production due to lack of working capital.

**1.25 Plants & Exports:** Processes and packages flowers (e.g. hollyhocks, roses), seeds (e.g. cumin, caraway, and coriander), roots (e.g. liquorice, centaury) and leaves (e.g. dill, peppermint, tobacco) for export.

**1.26 Slaughterhouse & Livestock of Herat:** The slaughterhouse was badly damaged, but a dairy operation and livestock operation are currently working in the outskirts of Herat.

**1.27 Slaughterhouse:** Producing meat for the military with some limited sales in the bazaar.

**1.28 Food Stuff Enterprise:** Imports and distributes basic food stuffs. Has dozens of warehouses and storerooms around the country.

**1.29 Medical & Technical Supplies:** Currently produces alcohol for medical and technical purposes, although had been exporting wine and other potable alcohol in the past.

**1.30 Samon Dried Fruits:** Previously a processor of fruits, this enterprise is no longer operational.

**1.31 Improved Seed:** Currently being restructured to separate the quality control function from commercial seed production activities.

**1.32 Kandahar Fruit:** Previously it was processing fresh fruits but it is no longer operational.

**1.33 North Power & Fertilizer:** The Enterprise is the sole producer of fertilizers in Afghanistan. Plant and equipment are well maintained, but Enterprise is reliant on natural gas from Afghan Gas Enterprise as feedstock.

**1.34 Fertilizer & Agro-Services:** Currently being restructured to separate quality control functions from commercial operations of importing and distributing fertilizer and pesticides.

**1.35 Wool Weaving:** This Kabul-based Enterprise's production of carpets and blankets are sold domestically, primarily to Government authorities, including the military. Raw materials, primarily cotton and wool, come from domestic sources.

**1.36 Kandahar Textile Yarn :** It is located in Kandahar province and has 2000 different sorts of textile machines but all of those are obsolete.

**1.37 Helmand Bust:** Cotton ginning factory; Located in Helmand.

**1.38 Cooperative and Commercial:** Owns and operates six commercial retail venues in Kabul and Badakhshan.

**1.39** investment opportunity in furniture production;

**1.40** Investment opportunity in fishing forms and hundred of other opportunities in agro related business.

**1.41 Jalalabad Agricultural Farms**

These are government owned farms located around the city of Jalalabad in Eastern Afghanistan on some 10,000 hectares of land (4 farms). The farms are

currently used for farming olive and orange trees, grain, vegetable, flowers and may other crops.

The climate conditions is warm in the summer (40+ deg C) and mild in the winter (around 15 deg C). The farms are irrigated by a canal off the Kabul river. The groundwater table is 10 to 16 m.

The farms are 5 to 15 km from the Jalalabad airport and 70 to 100 km from Peshawar. The Kabul-Jalalabad-Peshwar highway goes through the farms. Jalalabad has one of the best security in the country.

The soil quality is good organic vegetables and horticulture that could command a good demand in all Middle Eastern markets.

*The government is looking for different options including leasing them out to private entrepreneurs. The Jalalabad Olive Oil factory, that needs to be rebuilt, could also be part of the package.*

## 2. Investment Opportunity in Mining

The Government of Afghanistan supports a mining sector strategy that encourages legitimate and transparent private investment in the sector.

Afghanistan is a country abundantly rich in natural resources. There are currently more than 1,400 mineral deposits that have been identified including energy minerals such as oil, gas and coal and other metallic and non-precious minerals such as lead, cement-grade limestone, gemstones, copper, iron, gold, salt, and industrial minerals (for use in the glass, ceramic, construction, chemical and fertilizer industries). Known precious and semi-precious stones include emerald, jade, amethyst, alabaster, beryl, lapis lazuli, tourmaline, ruby, quartz, and sapphire. Afghanistan's iron and copper deposits are of world-class quality.

The hydrocarbons (petroleum and natural gas) industry provides great investment potential for Afghanistan, both financially and as a means for energy production. Recent findings in March 2006 indicate that the Afghan-Tajik and Amu Darya Basins contain 18 times the oil and triple the natural gas reserves previously determined.

The Government of Afghanistan ratified the Minerals Law in 2005 and ratified the Hydrocarbons Law (2006), which governs the natural gas and petroleum industries in the energy sector. These two laws are major initial steps in addressing how to create a regulatory framework for the development of these sectors and, most importantly, enable a suitable environment to attract and retain private investment.

### 2.1 Investment opportunity in Ghorī Cement Plant

Investment opportunities exist in the following areas:

- ◆ Portland cement blends
- ◆ Non-Portland hydraulic cements

The Ghorī Cement plant, located in the city of Puli Khomri in the North of Afghanistan was acquired by the Afghan Investment Company (AIC) under the privatization initiative of the Government in April 2007. The AIC is a group of highly successful and established Afghans with a solid base in Afghanistan and in-depth knowledge of the local conditions.

The Ghorī plant enjoys above-standard specifications with regards to its products due to the comparative advantage of having easy access to immense deposits of high-grade limestone / clay / coal / gypsum at relatively low cost. In the first three months of its operation AIC invested and repaired Ghorī I and was successful to increase the plant production capacity from 150 TPD to 400 TPD.

To meet the increasing demand (estimated at closer to \$1bn/year in Afghanistan alone and growing), AIC is in the process of completing Ghorī II cement plant which was abandoned half finished 20 years ago. Ghorī II Cement Plant has the capacity for 1000 TPD production which will be operational in mid-2008.

The group is also aiming to set up Ghori III Cement Plant which will be a new state of the art Greenfield Cement Plant near the existing Ghori II facility with a production line of 4000 TPD clinker. The plant is expected to be in operation by the end of 2009.

For continuous and smooth operations of the plant, uninterrupted power supply is very crucial. In order to reduce cost of production, AIC is going ahead with the construction of its own Coal based Thermal Power plant. The installed generation capacity shall be 25 MW. Links to the public power grid are in place to meet any excess power requirements.

The AIC is also developing and operating four coal mines namely Karkar, Dudkash, Ahandara and Khurdara near the existing cement facility at Pol-e-Khomri under the privatization initiative of the government in April 2007. The output shall primarily cater to the needs of the existing and proposed cement plants and the proposed captive 25 MW thermal power plant.

Since the project needs an estimated total investment of over \$200 mil and the AIC has difficulties raising the total financial resources it is looking for an investment partner

**Scale of operations:** Medium & large scale production potential.

**Market:** Mass market potential especially domestically & with limited potential internationally

**Potential**

**Domestic Market:** Almost unlimited potential with estimated consumption at between 5 to 8 million tones in 2008 alone.

**Export Market:** Demand for cement in China is expected to advance 5.4% annually and exceed 1 billion metric tons in 2008. Cement consumed in China will amount to 44% of global demand, and China will remain the world's largest national consumer of cement by a large margin. There are cement shortages in Emirates and in Pakistan, however transport costs will make export difficult.

**Returns**

**Monetary Returns:** A 50kg bag of cement typically sells for between \$177-220 Afs.

**Social Returns:** Production will generate off-farm employment for unskilled and semiskilled rural residents as well as a source of supplemental income for producers. Prices for cement have risen rapidly in recent times. There is a supply shortage in both Dubai and Pakistan. Transport costs for imported cement are high and increasing.

**Type of Assistance Requested**

There is need to established private sector firms familiar with the international market for cement and cement-based products.

**Specific Technical Assistance Needs:**

- ◆ Preparation of the raw cement mixture



- ◆ Production of the clinker
- ◆ Preparation of the cement

### **Local Advantage**

Afghanistan is rich in the raw materials required for the production of various cement blends including: limestone, clay and gypsum. Additionally investors can expect, full government support, minimal government regulation, and expedited procedure to start a business. The construction boom in Afghanistan is expected to continue well in to the future as reconstruction continues apace. This bodes well for continuing strong demand for cement products.

### **Competition**

There is at least one working Afghan cement plant at Puli Khumri. This is operated by the Ministry of Mines and Industry. However, its production is not sufficient to meet domestic demand and private sector firms would be more competitive. Import competition from foreign companies provide the main source of competition, primarily Pakistan and Iran however high transportation costs and regional scarcities, provide an opportunity for domestic firms.

## **2.2 Investment opportunity in Kandahar Cement:**

Investment opportunities exist in the following areas:

- ◆ Portland cement blends
- ◆ Non-Portland hydraulic cements

According to a study funded by the world, Kandahar was a suitable place for the production of cement in April 5, 1978. According the study Kandahar was one the suitable location for the erection of cement plant.

### **Market**

- a. Average annual consumption of the cement is expected by 18%.
- b. A demand of about 3 million ton of cement was estimated for the seven year; while the demand is high ten fold more in this time as there is high level demand and activities speed for the reconstruction and development.
- c. In addition to the local market and the best quality of cement there is potential market to export cement to the central Asian and Pakistan.

### **Production**

There is potential and availability of tens of million of limestone in Kandahar and its neighbouring provinces.

Return:

### **Returns**

**Monetary Returns:** A 50kg bag of cement typically sells for between \$177-220 Afs.

**Social Returns:** Production will generate off-farm employment for unskilled and semiskilled rural residents as well as a source of supplemental income for producers. Prices for cement have risen rapidly in recent times. There is a supply shortage in both Dubai and Pakistan. Transport costs for imported cement are high and increasing.

**Competition:** Pakistan and Iran will be the main competitor and due to the low cost labor and government supportive policy and high opportunity of getting technical assistance from the world community, Afghanistan would make the investor more competitive.

### 2.3 Investment in Hajigak Iron Mine

Hajigak iron ore is situated in the mountainous area of Bamyan province, 130 km west of the Afghanistan capital, Kabul. It is one of several iron deposits within this area but is the largest located to date. A study in the 1960s demonstrated the mineral potential of the region, and estimated the Hajigak resource as 1.8 billion tones of iron ore with a concentration of approximately 63 %. This assessment ranks the Hajigak deposit as world class.



The primary ore (80% of the deposit) occurs below 100- 130 m and comprises magnetite and pyrite, with minor other sulphides including chalcopryrite, and averages 61% Fe, 5% sulphide and 0.05% p. The remaining 20% is oxidised and consists of three hematitic ore types at 62.8% Fe. The mineralisation is believed to be partly structurally controlled and related to Oligocene magmatism. Russian estimates for the entire deposit are 1 700 Mt, although estimates for the near surface oxide ore in the most explored area are 85 Mt (Category A-C2). A feasibility study on the deposit was

undertaken in 1972 by a Franco-German group and included the construction of a blast furnace<sup>8</sup>.

Following are some main aspects of the iron deposits according to the ministry professional officials:

- World Class deposit of Hajigak is located very close to Bamyan;
- More than 63 % Fe, also contains Mn, a steel quality enhancer;
- The delluvial deposits on the side of the road by itself worth millions of dollars;
- Development of Hajigak will provide thousands of jobs for the country including in mining, transportation, smelting, power generation, coke supply and services;
- Hajigak is going to be offered for tendering very soon;



According to the ministry of mine Iron deposits occur along the so called transcontinental strike-slip Badakhshan-Heart Fault. The metalogenic belt extends for several hundred km ( Badakhshan, Panjshare, Ghorband, Bamyan, Hajigak, Behsood, Yakowlang, Lal o Sarjangan, and Ghore). The total resources are estimated at billions of tons of high quality iron, containing a very attractive mixture of elements, Mo, Ti, V, and Mn. XRF analyses of a sample from Ahangran Bamyan area showed 65.98 % Fe and 0.24% V

## 2.4 Investment in Sya Dara Iron

In addition there are other deposits of iron like Sya Dara Iron, probably the size of Hajigak, was evaluated during expedition in late June and early July 2008 which

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<sup>8</sup> Details of Hajigak iron deposit is available online ([PDF — 5.181 KB, 76 pages](#)); reference "Preliminary Non-Fuel Mineral Resource Assessment of Afghanistan" USGS Open-File report 2007-1214.

contains 62.25 % Fe, 100 ppm Mo, a steel quality enhancer; the prices of which are \$50-60/Kg for Mo (molybdenum).

The gross value of Mo alone in this deposit can be estimated at billions of dollars.

On the south side of the Sya Dara, near Dahani Dar-Gashtak, another deposit of Iron was discovered by the team which contains Fe-45%, V-0.69 %, Ti-1.28%, a very attractive mixture for metallurgy. Also, pebbles of magnetite were found in Lal o Sarjangan that has a similar characteristic as Hajigak

## **2.5 Investment opportunity in Turkmenistan-Afghanistan-Pakistan (TAP) Natural Gas Project**

The Turkmenistan-Afghanistan-Pakistan Natural Gas Project envisages the construction of a natural-gas transmission pipeline of about 1,700 kilometers to transport about 30 billion cubic meters of gas annually from the Dauletabad gas fields in southeast Turkmenistan to consumers in Afghanistan, Pakistan, and, possibly, India.

The cost of the project is estimated at about \$3.3 billion. Project implementation will take about 5 years, after the cooperating countries and other partners finally agree on project design, operating parameters, and contractual agreements.

A steering committee consisting of the oil and gas ministers from the three countries from the project has been established to follow up and supervise project development.

The project could significantly boost the economies of the countries involved, and enhance stability and improve living standards in Central and South Asia. The project is a pioneering effort to link the gas-rich Central Asian economies with the energy-deficient economies of South Asia. The project is also the first attempt to find an outlet for natural gas from Central Asia to new markets in East. However, project realization faces significant political and technical challenges.

The steering committee has met many times, and the participating countries have exhibited a strong spirit of cooperation and determination to advance the project. However, the project will become a reality only with investor of His Highness's stature who not only has the financial means but also the political influence and support in the region to make it happen.

## **2.6 Investment opportunity in Oil and Gas Reserves in Afghanistan**

Recent surveys carried out by US Geological Survey (USGS) reveal that Afghanistan has an estimated at 1200 billion cubic meters of natural gas and over 150 million tons of oil. The new survey shows northern provinces and Herat in the west, Helmand in the south as well as Paktika in the east have most of the oil and gas resources.

Privatization of the oil and natural gas sites in the north towns of Saripul and Shebarghan are now on offer.

Natural gas in Shebarghan used to be one of Afghanistan's main export item, going mainly to Uzbekistan via pipeline. Production started in 1967 with 342 million cu m but rose to 2.6 billion cu m by early 1990s. In 1991, a new gas field was discovered in Chekhcha, Jowzjan province. The gas fields in Shebarghan were damaged by war and are now largely un-operational. Gas in Shebarghan could be used domestically for urea production, power generation, and other common use.

Despite having proven crude oil fields, particularly, in Sar-i-Pol province, almost all of Afghanistan petroleum products such as diesel, gasoline, and jet fuel (worth around \$1.5 bn and growing) are imported, mainly from Pakistan and Turkmenistan.

## **2.7 Investment opportunity in Turkmenistan-Afghanistan-Pakistan (TAP)**

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## **2.9 Ministry of Mines Current Major Projects**

**2.9 World class Aynak Copper:** it values about \$ 100 billions, and 5000 direct jobs but the capital expenditure is estimated to be US\$3.6 billion. The mine is located 35 km South-East of Kabul. Mining contract negotiations have been completed. It will bring from 400-600 million dollars revenue annually to the state treasury. It is already given to MCC Chines Company.

**2.10 Dari Suf coking coal deposit:** it creates about 5000 jobs. The mine is situated at 70 km distance from Hajigak. Anticipated revenue to the government will be more than \$1000 million.

## **2.11 Investment opportunity in Gokhe Coal deposits of Saripul Province**

The Ministry of Mines in accordance with the Minerals Law under a Tender Process is offering the prospecting, exploration, development and exploitation of Gokhe Coal deposits of Balkhab district of Saripul province. The term of these mineral rights is for ten years.

Interested national and international entrepreneurs and companies indicate their interest by providing their sealed proposals subsequent to the publication of this announcement and upon perusal of the terms to the following no later than March 19, 2009.

**2.12 Investment opportunity in Gardab chromites** deposit tender of Kama of Nangarhar porvince

## **2.13 Investment in other minerals:**

**2.13 Ni**, in the Ghorband Valley

**2.14 Li, Be, and precious stones**, in the pegmatite fields of eastern Afghanistan

**2.15 Porphyry copper** in central and southern Afghanistan

**2.16 Uranium** in southern Afghanistan

**2.17 Plymetal** in central Afghanistan

**2.18 Au** in Takhar, Badakhshan and Kandahar Zabul Region

**2.19** Rare earth elements in eastern Afghanistan

**2.20** Copper in Central and SE Afghanistan

**2.21 There are number of public enterprises like below:**

**2.21** Rokham Marble Enterprise

**2.22** Jangalak Enterprise



### 3. Investment Opportunities in Energy & Power

Energy is a critical input to economic growth. Energy projects support agricultural growth and improve management of water resources. The energy infrastructure projects included here will increase power supplies and contribute to expanded irrigation and rural development.

Energy provides essential power supplies needed for private sector development, job creation and poverty reduction. Investment in the sector will create direct employment opportunities in the development of power plants, oil, gas and coal fields, the construction of grid systems and the commercial operations of the sector. The development of small energy installations will also contribute to local economic development, particularly in rural areas.

Investment opportunities exist in the energy/electricity industry in:

- Generation
- Transmission
- Distribution

Including:

- Hydroelectric
- Gas Fired
- Coal Fired
- Solar
- Wind
- Geothermal
- Bio-butanol/ethanol

**Scale of operations:** Micro, small, medium and large scale production Potential.

**Market:** Mass and niche energy markets, primarily domestically but with limited regional market potential. Generating capacity is mainly hydro-based with total hydro potential estimated to be about 23,000 megawatts (MW). Thus, hydro potential is large, with opportunities for export over the long-term, which would lessen both Afghanistan's reliance on imported fuel and electricity, as well as more expensive gas-based generation in neighboring countries.

#### **Potential**

**Domestic Market:** Afghanistan's per capita power consumption (as measured from grid supply) is among the lowest in the world at about 27 kWh per year. Less than 10% of the population currently has access to electricity. Over 85% of the country's fuel needs are met by burning wood.

**International Market:** The Pakistani domestic market offers huge potential as a market for Afghan energy exports.

#### **Returns**



**Monetary Returns:** Monetary returns, and risks, vary according to the type of activity and location. There are opportunities offering rates of return that would warrant private sector investment.

**Social Returns:** The investment program will bring direct and indirect positive social impacts. The Project will directly contribute to economic growth and will reduce poverty, by lowering household energy costs and by removing energy constraints to enterprises that offer employment opportunities for the poor.

### **Type of Assistance Requested**

There is need to established private sector firms familiar with the international energy market in terms of generation, transmission and distribution. Technical assistance and advice is required.

Technical advice required relates to, advice on selecting and establishing specific investments and the operation and maintenance of facilities that will be established. There are opportunities for private sector operations to build and operate facilities. This area of activity requires substantial funds and technical skills.

### **Local Advantage**

Northern Afghanistan has proven and probable natural gas reserves of about 5 Tcf. With perhaps up to 100 million barrels of medium-gravity recoverable crude oil reserves. More than 15 oil and gas fields in northern Afghanistan have been identified, but only three gas fields -- Khwaja Gogerdak, Jarquduk, and Yatimtaq have been developed. Afghan natural gas production at its peak had reached 385 million cubic feet per day (Mmcfd) in the mid-1970s.

### **3.1 Opportunity to develop existing energies plants:**

- Kajaki Dam
- Mahipar Dam
- Naghlu Dam
- Darunta Dam
- Sarobi Dam
- Dahla Dam
- Mazar-i-Sharif Power Plant

The transmission grid has a total of 2,031.5 km of high voltage transmission lines (over 35 kV), a total of about 1,712 km medium voltage (10 kV to 35 kV) distribution lines, and low voltage distribution lines of about 2,983 km.

### **Competition**

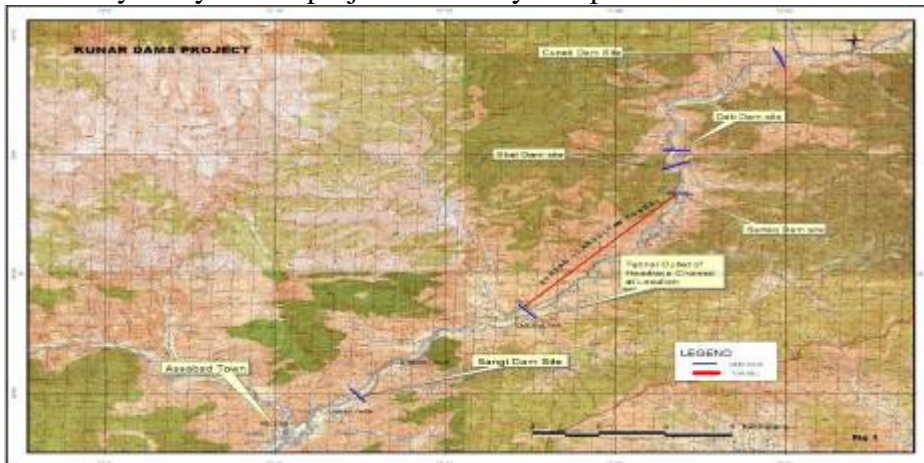
Petroleum products such as diesel, gasoline, and jet fuel are imported, mainly from Pakistan and Uzbekistan, with limited volumes from Turkmenistan and Iran serving regional markets.

Supply in rural areas, unless attached to the MEW network, comprises mainly gensets and micro hydropower plants (having capacities below 500 kW) that might be privately owned, community-owned or belong to Government offices for self-consumption.

Actual developed hydro capacity is only about 260 MW (just over 50% of the total), with gas turbines and diesel units accounting for the remainder of the 475 MW. Imports from Turkmenistan, Uzbekistan, Tajikistan and Iran provide approximately 15% of total electrical energy.

### 3.2 Kunnar Hydro Power Development Project

The production potential of this project is hydropower generation of 300MW in the first stage and 900MW in the second stage. The total cost of the project is about US\$1.8 billions. If invested in this project, it will take an estimated time of 5 years to complete and all provinces of Afghanistan will be benefited including Kunner. The feasibility study of this project is already completed in 2008.



#### Project Impact

- A. Supply of reliable hydropower to 1,340,000 beneficiaries;
- B. Hydropower generation 900MW;
- C. Supply of reliable hydropower for all sectors;
- D. Contribution to the national food security (production of more crops, fishery and industry) /Pump installation along Kunar River;
- E. Improvement of Environment and prevention from the air pollution;
- F. Jobs opportunity and increasing revenue.

### 3.3 Upper Kokcha Power Project

This hydropower project would generate 550 MW of electricity in first stage and 1900MW in second stage. The total cost of the project is about USD 1.1 billion. If started, it will be completed within 5 years period and its main beneficiary would be Kabul province, including consumers and producers. The feasibility study of this project recently completed.



### **Project Impact**

- A. Supply of reliable hydropower to 1,100,000 beneficiaries;
- B. Supply of reliable hydropower for all sectors;
- C. Contribution to the national food security (production of more crops, fishery and industry);
- D. Improvement of Environment and creation of forests;
- E. Hydropower production 550 MW (1,900 MW in two phases).

## **3.4 Shahtoot Storage Dam Project**

This project will provide drinking, irrigation and Environmental water for in Kabul province. The cost of this project is about US\$ 120 million and the feasibility study of this project which is about USD 1.86 million going on and would be completed in this year.

If invested in this project then the return per year would be about US\$ 2 million per year.



### **Project Impact**

- A. Supply irrigation water for about 10, 000ha of existing agriculture land.
- B. Supply drinking water for around 1 Million people in Kabul city
- C. Provision of environmental flow in the river flowing in the Kabul city
- D. Recharge of Ground Water for drinking purposes in Kabul ground water aquifer.

- E. Contribution to the national food security (production of more crops, fishery and industry)
- F. Promotion of Tourism industry
- G. Increase in the job opportunities and income.

### 3.5 Kilagai Irrigation and Power Project

This is irrigation and power supply project and would cost about USD 350 million and would benefit people in Baghlan province. The feasibility study is already completed and submitted to the ministry of water and energy.



#### Project Impact

- A. Supply of reliable water for irrigation to 68,000 ha existing land;
- B. Provision of reliable water to irrigate 25,365 ha new irrigable land;
- C. Hydropower generation 60MW which benefit producers and consumers.
- D. Provision of land for the landless farmers;
- E. Contribution to the national food security (production of more crops, fishery and industry);
- F. Improvement of Environment and creation of forests;
- G. Jobs opportunity and increasing revenue;
- H. Tourism industry attraction.

### 3.6 Upper Amu Irrigation and Hydro Power Project

It is a Hydropower generation project which will produce an estimated amount of 1000MW of electricity to the northern provinces of Afghanistan and would irrigate large numbers of deserts and land. The estimated cost of the project is about USD 3 billion.



**Project Impact**

- A. Provision of reliable permanent hydropower;
- B. Contribution to the national food security (production of more crops, fishery and industry);
- C. Jobs opportunity;
- D. Improvement of Environment and creation of forests;
- E. Supply of reliable hydropower for all sectors;
- F. Hydropower generation of about **1000 MW**.

**3.7 Tens of other mini and medium size energy production potentials:** the complete list of such project is available with the ministry of ministry of energy and water.

## **4. Investment Opportunities in Transport and Logistics**

This sector represents a vital support-industry to other sectors which will not be able to perform well without an up-graded transport and logistics sector.

Afghanistan offers new and expanding trade routes. The improvement of its transport infrastructure supports Afghanistan's trade nexus, both in country and across its borders. It is estimated that 60% of overland transportation comes to or from Pakistan, 30% to or from Iran, and a combined 10% through borders with the Central Asian republics. To the north, in Turkmenistan, Uzbekistan and Tajikistan, goods and commodities flow on main transit routes south through Afghanistan to the ports of Bandar-e 'Abbas and Chah Bahar in Iran, and Gwadar and Karachi in Pakistan. A planned bridge will link Afghanistan and Tajikistan over the Amu Darya (Oxus) River, which carries barge traffic along the borders with Turkmenistan, Uzbekistan and Tajikistan. Within Afghanistan, the main "Ring Road" is connecting Kabul to Kandahar in the South, Herat in the East, and Mazar-e Sharif in the North, hence linking the country's key commercial centres, while other roads are extending to the border crossings with Iran, Pakistan and other neighbouring countries.

Afghanistan's large and growing market for basic logistics and transportation services presents a ground-floor opportunity for new providers. This opportunity is open to domestic and foreign firms of all sizes and origins. While investment in the sector is increasing, the field is virgin territory for many services. The timing is right to cultivate customers and establish a "first mover" advantage. Early investors in the sector report modest start-up costs and relatively low overheads, and even smaller operators are moving large volumes of freight.

Afghanistan offers a geological-strategic advantage for investors in the Logistics and Transport Sectors. For centuries Afghanistan has been the hub connecting Asia, Europe and the Middle East. Today Afghanistan is ideally situated to again function as a strategic gateway, serving landlocked countries to the north and the Iranian and Pakistani seaports to the south. Afghanistan is potentially the shortest route to the open sea for the Central Asian republics and Russian industrial centres of western Siberia. For Pakistan, Afghanistan offers a primary route for trade with Central Asia. In fact, Afghanistan shares borders with six neighbors – Iran, Turkmenistan, Uzbekistan, Tajikistan, China and Pakistan – and is considered a "land bridge" connecting proximate country markets, as well as potentially large trading partners, such as Iran and India. Afghanistan offers a point of access to an extended regional market of more than 2 billion people, linking the Middle East to Southern, Central and Southeast Asia.

Commercial transport is a high-growth sector in Afghanistan. Among the commercial markets as well as the donor community, demand for transport services is expected to



remain strong in the medium and long term. Afghanistan has immediate, almost unlimited demand for both industrial materials and consumer products. Transport volumes for commercial goods, which are almost double that of donor material are expected to rise as Afghanistan's commercial infrastructure continues to improve. Finally, improving infrastructure and security is resulting in increased transshipment of goods through Afghanistan.

An important demand in the logistics sector is the provision of cold transportation and storage facilities such as cold rooms and refrigerated trucks and containers. Some 20-40% of post-harvest horticulture products are wasted because of poor packaging. In cold storage transportation, there are currently less than 50 refrigerated trucks available around the country.

4.1 Investment opportunity in the public enterprises ready for liquidation:

**4.1 Kamaz (2) Enterprises**

**4.2 Kamaz (3) Enterprises**

**4.3 Kamaz (4) Enterprises**

**4.4 Kamaz (5) Enterprises**

**4.5 Kamaz (6) Enterprises**

**4.6 Kamaz (8) Enterprises**

**4.7 Kamaz (9) Enterprises**

## 5. Investment Opportunities in Housing

During the conflict of the past two and a half decades the social and economic infrastructure of Afghanistan was virtually destroyed. About six million Afghans left the country, mainly for Pakistan and the Islamic Republic of Iran. Many of those who returned found their houses destroyed and their land under new ownership, having illegally changed hands many times. Most cities in Afghanistan now face acute housing shortages, with returnees living in inhuman conditions. In the informal settlements of Kabul two-thirds of houses are occupied by more than one family, and almost 9 of 10 families live in just one or two rooms.

The housing shortage in urban areas has led to the expansion of informal settlements without access to the most basic city services. In Kabul informal settlements provide shelter for 80 percent of the population, cover 69 percent of the residential land, and with the land value excluded, represent fixed private capital investment of \$2.5 billion. Much of the informal housing in Kabul is built on government land, self-constructed by migrants, and in poor condition.

Projected population growth will add to the housing needs, especially in urban areas, Kabul's population grew by 15 percent a year between 1999 and 2002 and is expected to continue to grow by 5 percent annually as a result of migration and natural growth. Countrywide, the demand for housing was estimated at 1.0 million units in 2006 and is projected to grow steadily, to reach 1.25 million 2010 and more than 1.5 million in 2014.

In addition, the Ministry of Urban Development plans to build a large "new city" near Kabul. The new city, located in a narrow valley beside the Hindu Kush, 1800 meters above sea level, has a unique place in history. One of the cultural crossroads of the world, strategically located at the junction of ancient trade routes and the boundaries of empires, Kabul as a city has existed for more than 3,000 years. The most recent master plan for Kabul was approved in 1978 and was designed for a population of 700,000. Since that time the Kabul Metropolitan Area has experienced a decade of civil disturbance when a large proportion of its scarce urban infrastructure was destroyed and over 50,000 people lost their lives. Kabul is now faced with the difficult task of stretching its already inadequate urban infrastructure to provide urban services for a population of about three and a half million. This has resulted in a collapse of social services, a proliferation of squatter settlements, a road system that cannot cope with traffic demands, and soaring urban unemployment. The World Bank estimates<sup>4</sup> that at present, informal settlements represent almost 70% of all residential areas in Kabul and provide shelter to about 80% of its population. Over the next few years, the net annual increase in Kabul's population is expected to be about two hundred thousand, increasing to more than three hundred thousand per year within a decade. Within 12 years, it is projected that Kabul's population will exceed six and a half million. Kabul's already stretched urban infrastructure could not cope with these increased pressures.

Addressing the multiple and increasing problems of Kabul will require considerable scarce funds and resources. The overall cost of rebuilding Kabul alone runs into billions



of dollars. The solution to this financial need can be found in the building of a New City (Dehsabz), which is based on the utilization of resources that are largely being neglected, namely the sale of government-owned land to the northeast of Kabul, which would generate approximately \$6 billion dollars over a 10-year period.

The plan, which is based on an extensive Japan International Cooperation Agency (JICA) study that was carried out in 2006, involves selling land in the proposed New City area. It is proposed to sell a total of 200,000 building lots to be subdivided and developed into 20,000 parcels that will be sold to private investors over a 10 year period. Using an estimated average value of \$30,000 per lot, total revenue generated by the sale of the land would be about \$6 billion dollars. This revenue would be spent on three main areas: increased water resources for Kabul and the New City (\$750 million); rebuilding Kabul (\$2 billion); revenue sharing with other cities (\$500 million); low income housing (\$495million); infrastructure for the New City (\$990 million); administrative fees (\$500 million); and reserves (\$748 million).

The Government is committed to the implementation of this plan using a private sector approach. A private sector group or consortium would be selected to be responsible for overall implementation with the Government as the client. Whilst much of the operating detail and financial plan has, at this stage, deliberately not been settled in order to give the selected private sector operator maximum flexibility, one option might be for the Government and private sector to agree on a detailed master plan and for the private sector operator then to be given the land and the implementation responsibility. As building blocks were developed by the operator they could be sold to potential residents with the requirement that 70% of all land sale proceeds went to the Government.

Discussions with potential donors were held at the Paris Donors Conference. At this stage the Government invites expressions of interest from suitable potential operators. Detailed discussions relating to the implementation plan and the financial arrangements could then be carried out between the Government and the operator and a mutually acceptable contract that defined the responsibilities of both parties could then be entered into.

For the contractor this represents an opportunity to implement an exciting and unique urban development project that will attract world-wide attention. For the Government, the building of a new city represents the key to solving the growing urban problems that afflict Kabul. Not only will it will generate enough funds to accommodate Kabul's increased population growth and create more jobs, it will also develop a badly needed water supply route from the Panjshir valley, as well as to rebuild the city of Kabul.

## 5.1 A New Kabul City (Dehsabz)

Dehsabz is an exciting new city conceptual master-plan, designed to become Afghanistan's most modern city. It is located at the immediate North-East of Kabul, 20 km from the centre of the existing Kabul city. It is approximately 500 square km, almost 1.5 times bigger than existing urban area of Kabul city.

The area is generally flat surrounded by panoramic mountains creating a triangular shape. The site is located at an average height of 1800m.

The city is divided into many phases so that it is developed in a gradual phase-wise over 20 years. *Mechanism for private development is put in place and private entrepreneurs are invited to take advantage of the opportunity.*

Right now some 4.5 million people live in Kabul and many of them don't have houses. The price of developed land is anywhere from \$10,000-\$40,000 for 100 square meter for residential and anywhere from \$20,000 to \$100,000 for 100 square meter for commercial.

The average price for the development of the infrastructure for 100 square meters is about \$2500.

**5.2 investment opportunity of construction of new housing project in each province** of Afghanistan: Afghanistan is still a traditional society which is socially, economically and politically underdevelopment. A comprehensive development is needed at the current as many migrants are expected to return back, if Afghanistan housing and economic, social and political system is modernized.

## 6. Investment Opportunities in Hotels

### 6.1 Kabul Intercontinental Hotel

The hotel was built in 1960 by the Intercontinental Corporation on hilltop in perhaps the best location in Kabul. During the 1970s it was one of the best intercontinental hotels in the world and one of the best hotels in the region. The hotel received some damage during the war but was rehabilitated in 2002.

It now has some 200 air-conditioned rooms and other facilities but it has the potential to be turned into a five star resort as opposed to being below 3 star facility as is now. A direct highway is now being completed from the airport to the hotel.

*The hotel was given to a private entity but taken back because the promised investment in the facility was not carried out. It is now ready to be given to a quality private investor.*

**6.2 other public hotels and construction of new hotels and restaurants:** there are number of places where are public hotels are available with local level of service and can be upgraded and turn to a more standard services provider like Spin Ghar hotel at Jalalabad or public hotel in Herat province or places where suitable for the establishment of hotels and restaurant as the major high way are constructed.

## 7. Investment Opportunities in ICT

### 7.1 Afghan Telecom Corporation

The Afghan Telecom Corporation is the only basic telecom service provider in Afghanistan. Owned and operated by the Ministry of Communications, Afghan Telecom provides Wireless and Digital Fixed Line services.

Right now Afghan Telecom gets international and national connectivity through latest CDMA (Code Division Multiple Access) 1X2000 Technology. It has coverage in 144 cities, towns and districts of Afghanistan, giving the largest Network coverage within the country.

In addition, Afghan Telecom is the only company that provides Government Communications Network which connects over 40 ministries and government offices in Kabul with 34 Governor's offices, providing voice call facility, Internet and Data services and Video Conferencing, helping them to be in touch with each other 24 hours a day.

The company is estimated to be worth around \$200 mil which includes the \$65 mil fiber optic cable net work to be completed end of 2008. *The Afghan Telecom is now slated to be privatized. More information will be provided upon request.*

**7.2 Investment in Other communication services:** like call centers and other mobile services.

## **8. Investment opportunities in Construction Materials**

Another interesting area of investment is the construction materials industries in order to improve the supply of quality products from within the country. These, if up to international standards, might grow into an export industry and hence have a future that way.

While in the first years of reconstruction it was mainly foreign construction companies who attracted the major construction contracts, it is now the local construction industry which is shaping up to acquire the necessary capacity to take over from their international competitors as they offer a considerable price advantage.

Good quality construction material produced locally will hence be an important and profitable sector to drive the local construction industry.

- Marble industries.

- Other Relevant plant like bricks plants, gravel etc; which has a large potential and the abandoned raw material are available in the country every where. However, given the fact of large demand for reconstruction necessitate the establishment of such industries.

## **9. Investment Opportunities in Low-end (labor-intensive) Manufacturing**

While the agricultural sector presents and is likely to present in the near and mid-term future the most important industry sector, Afghanistan is keen on establishing a low-cost, labor-intensive manufacturing sector which absorbs the many unemployed Afghans, the number of which is likely to increase dramatically with the influx of more returning refugees from neighbouring countries and which can not be absorbed by agro-related industries alone. Given the fact that countries like China and India, who have been for decades at the forefront of low-end manufacturing are now moving a step forward into more sophisticated industries which bring rising labor and manufacturing costs, international production industries must be on the continued look-out for low-cost countries to relocate their industries to. Afghanistan can be that new low-end manufacturing base for you.

Industries suitable for investment are likely to be those which can first supply the local market and later on become an export product. That way these industries can help significantly with off-setting Afghanistan's trade imbalance. All the manufacturing products imported into Afghanistan are shown in a list published by the Afghan statistics office. This indicates that all these products have a market in the country itself.

Suitable industries are further likely to be those from foreign countries which are keen on outsourcing certain parts of their production. In the case of Afghanistan one might think of simple parts which e.g. serve the car industry in Europe and which are expensive to manufacture there.

Assuming that electricity problem is solved then and the mine are fully operated then there can be the following opportunities:

- Iron processing industries.
- Tens other metallic industries.

## 10. Opportunities for the Private Sector in the Publicly Planned Projects:

Ed List of Provincial Development Project (Private Sector Development)							
S/No	Project Name	Province	Tier	Responsible Agency	Project Duration		Funding USD (Million)
					Start	End	
1	Rehabilitation of Infrastructure and provision of industrial area in Mazar-i-Sharif city	Balkh	One	Government	1387		
2	Establishment of handicraft and carpet weaving industry centre in Charkonet district (500 beneficiaries).	Balkh	one	Private Sector	1387		
3	Establishment of carpet-weaving centre in Mazar-i-Sharif.	Balkh	one	Private Sector	1387		
4	Construction of business services department building in Mazar e Sharif city.	Balkh	two	Government	1387		
5	Establishment of cold storage for preservation of fruits and dairy in Dehdadi district. (20000m2).	Balkh	two	Private Sector	1387		
6	Establishment of livestock farm in Mazar e Sharif.	Balkh	two	Private Sector	1387		
7	Establishment of quality control system for goods.	Balkh	two	Private Sector/ <b>ANSA</b>	1387		
8	Establishment of micro finance banks and provision of long term loans for women.	Balkh	three	Government	1387		
9	Establishment of agro- processing products factory in industrial park (50% beneficiaries)	Bghlan	one	Private Sector	1387		

10	Establishment of new sugar factory in industrial park (30%).	Bghlan	one	Private Sector	1387		
11	Establishment of new cement factory(30%).	Bghlan	one	Private Sector	1387		
12	Creation of Ghee production factory in industrial park, provincial centre.	Bghlan	two	Private Sector	1387		
13	Creation and development of handicrafts, centre of the province (20% of provincial population as beneficiaries).	Bghlan	two	Private Sector	1387		
14	Creation of carton making factory, industrial parks (20% of provincial population as beneficiaries).	Bghlan	two	Private Sector	1387		
15	Creation of textile factory, industrial parks, (50% of provincial population as beneficiaries).	Bghlan	two	Private Sector	1387		
16	Creation of skills development centre in the centre of the province.	Bghlan	three	Private Sector/ <b>EDUCATION</b>	1387		
17	Creation of markets and marketing for women's handicrafts, provincial centre.	Bghlan	three	Private Sector	1387		
18	Creation of Gach factory, industrial parks, provincial centre.	Bghlan	three	Private Sector	1387		
19	Creation of cold storage and warehouses in the provincial centre (beneficial for almost all central farmers).	Bghlan	four	Private Sector	1387		
20	Creation of industrial parks in the centre of the province (on 1000 jeribs of land).	Bghlan	four	Government	1387		



21	Establishment of a Tourism Centre in central Bamyan.	Bamyan	one	Private Sector	1387		
22	Creation of a centre for the exhibition & sale of handicrafts & gemstones.	Bamyan	one	Private Sector	1387		
23	Creation of carpet weaving centres in Shibar, Saighan, Yakawlang, Panjab and Waras districts.	Bamyan	one	Private Sector	1387		
24	Creation of fruit processing factory in Roi Sang village, Kahmard district (9000 beneficiaries) .	Bamyan	two	Private Sector	1387		
25	Establish of cotton processing factory in Saighan, Yakawlang and Kahmard districts (8000 beneficiaries).	Bamyan	two	Private Sector	1387		
26	Creation of industrial park in the centre of Bamyan and Shahidan (20000 beneficiaries).	Bamyan	two	Government	1387		
27	Establish of vocational centres for hand-crafts in Foladi, Shahidan and Sadaat (2000 beneficiaries).	Bamyan	two	Private Sector	1387		
28	Establish of vocational centre for disabled in the centre of the province and Dasht Essa Khan (15000 beneficiaries)	Bamyan	three	Private Sector	1387		
29	Establish of vocational centres for improving handicrafts in Panjab district (7000 beneficiaries)	Bamyan	three	Private Sector	1387		
30	Establishment of vocational training centre in centre of Saighan district.	Bamyan	three	Private Sector	1387		
31	Establishment of	Bamyan	four	Private Sector	1387		

	storage for potatoes in Panjab, Shibar and Yakawlang districts.						
32	Establishment of private and commercial banks in provincial centre.	Bamyan	four	Private Sector	1387		
33	Supporting and equipping of Department of Commerce in the centre of Bamyan.	Bamyan	four	Government	1387		
34	Establishment of Carpet weaving centre in Faiz abad and all districts. 28 Carpet weaving Kit.	Badakhshan	one	Private Sector	1387		
35	Establishment of Micro credit for Shop keepers and Business mans. In Faizabad for 5000 beneficiaries.	Badakhshan	one	Government	1387		
36	Construction of new fruit market with cold storage,	Badakhshan	two	Private Sector	1387		
37	Establishment of industrial area In Faizabad.	Badakhshan	two	Government	1387		
38	Establishment of gemstone market in Jurm district.	Badakhshan	two	Private Sector	1387		
39	Construction of trade service office building	Badakhshan	two	Government	1387		
40	Construction of custom directorate in centre of province and related districts.	Badakhshan	three	Government	1387		
41	Construction of border statistic office in all districts.	Badakhshan	three	Government	1387		
42	Construction of border tradement directorate in Faizabad.	Badakhshan	three	Private Sector	1387		
43	Establishment of buildings of trade ports In Eshakamish district.	Badakhshan	One	Private Sector	1387		

44	Construction of commercial service department building in the provincial centre (10 rooms).	Daikundi	four	Private Sector	1387		
45	Construction of Economic Department building in centre of province (10 rooms and one auditorium).	Daikundi	four	Private Sector	1387		
46	Construction of cold storage in the provincial centre.	Daikundi	four	Private Sector	1387		
47	Establishment of Pashtani Bank and Millie Bank branches in the provincial centre (12 rooms).	Daikundi	four	Private Sector	1387		
48	Establishment of fruit process centre in Kiti district (one centre).	Daikundi	four	Private Sector	1387		
49	Establishment of fruit and vegetable processing factory in Bandar and Sangtakht district.	Daikundi	four	Private Sector	1387		
50	Establishment of handicraft production factory in centre of Shahrstan district (70000 beneficiaries).	Daikundi	four	Private Sector	1387		
51	Establishment of fruit processing factory in Gizab district (85000 beneficiaries).	Daikundi	four	Private Sector	1387		
52	Establishment of dairy processing factory in Khidir district. (75000 beneficiaries).	Daikundi	four	Private Sector	1387		
53	Establishment of fruit processing factory in centre of Kijran. (65000 beneficiaries)	Daikundi	four	Private Sector	1387		
54	Construction of dry fruits processing factory in Pashtonkot district.	Faryab	one	Private Sector	1387		
55	Construction skin	Faryab	one	Private Sector	1387		

	factory in centre of Dawlat abad.						
56	Construction of vegetable oil factory in Khawja Sabzposh.	Faryab	one	Private Sector	1387		
57	Establishment of carpet weaving factory in Qaisar District.	Faryab	two	Private Sector	1387		
58	Establishment of dairy product factory in Shirin Tagab district.	Faryab	two	Private Sector	1387		
59	Establishment of short carpet weavng factory in Garziwan district.	Faryab	two	Private Sector	1387		
60	Establishment of wool weaving factory in Andkhoi district.	Faryab	two	Private Sector	1387		
61	Establishment of leather processing factory in Qarmqol district (One factory)	Faryab	three	Private Sector	1387		
62	Establishment of Trade service directorate in centre of Faryab province in Maimana city.	Faryab	three	Government	1387		
63	Establishment of Marble factory in Almar district.	Faryab	three	Private Sector	1387		
64	Establishment of handicraft industrial as, Carpet weaving	Faryab	four	Private Sector	1387		
65	Construction of Carpet weaving centre. In all centres of districts.	Jawozjan	one	Private Sector	1387		
66	Establishment of Carpet washing cutting and shaking factory with complete equipment. In centre of Shibirghan.	Jawozjan	one	Private Sector	1387		
67	Establishment of Carpet washing cutting and shaking factory in centre of Shibirghan 140000	Jawozjan	one	Private Sector	1387		

	beneficiaries						
68	Establishment of industrial area in Sheberghan (500 jiribs land 7000 beneficiaries).	Jawozjan	two	Government	1387		
69	Establishment of carpet weaving workshops in industrial area with investors on 5 jiribs of land 7000 beneficiaries).	Jawozjan	two	Private Sector	1387		
70	Establishment of soft drink & fruit juice factory in Sheberghan (10 jiribs of land 10000 beneficiaries/).	Jawozjan	two	Private Sector	1387		
71	Establishment of tomato process factory.	Jawozjan	two	Private Sector	1387		
72	Establishment of Skin & Karakul Process factory (20 jirib land Sheberghan 2100 beneficiaries)	Jawozjan	three	Private Sector	1387		
73	Establishment of vegetable, ghee oil, soap processing factory (10 jirib land beneficiaries 1400 Cheghche	Jawozjan	three	Private Sector	1387		
74	Establishment of wholesale store for food stuff (2 jiribs land 90000 beneficiaries Sheberghan).	Jawozjan	three	Private Sector	1387		
75	Rehabilitation of textile (Nasaji) factory in Jabul Seraj (3500 families as beneficiaries)	Parwan	one	Private Sector	1387		
76	Establishment of dairy factory from animal husbandry products.	Parwan	one	Private Sector	1387		
77	Rehabilitation of the raisons processing	Parwan	one	Private Sector	1387		

	factory in Khwaja Saiaran Bala (10000 individuals as beneficiaries)						
78	Creation of a plastic sandals factory in industrial parks (20,000 beneficiaries).	Parwan	two	Private Sector	1387		
79	Creation of hand-craft projects, carpet weaving, tailoring centres in the centre of districts (5,000 beneficiaries).	Parwan	two	Private Sector	1387		
80	Identification of land for tradement centre. (industrial area)	Parwan	two	Private Sector	1387		
81	Construction fo Economic department directorate in centre of province.	Parwan	two	Government	1387		
82	Establishment of cold storage for protection of Vegetable and fruit products in all districts of Parwan province.	Parwan	three	Private Sector	1387		
83	Establishment of honey products factory in Sinjed Dara and Totom Dara area. 2 factories	Parwan	three	Private Sector	1387		
84	Establishment of Fishing farms in Jabulsaraj and Sayad area. Two farms.	Parwan	three	Private Sector	1387		
85	Construction of vocational training central building in centre of province.	Pajshir	one	Private Sector/ <b>EDUCATION</b>	1387		
86	Establishment of large carpet weaving centre in Rukha District (about 60000 beneficiaries).	Pajshir	one	Private Sector	1387		
87	Establishment of industrial area in	Pajshir	two	Government	1387		

	centre of province.						
88	Establishment of industrial and business centre in Khinj district.	Pajshir	two	Private Sector	1387		
89	Establishment of wool weaving factory in Parian village.	Pajshir	two	Private Sector	1387		
90	Establishment of fruit market in centre of province (one market)	Pajshir	three	Private Sector	1387		
91	Establishment of storage for fruit and vegetable in Dara district. (One store)	Pajshir	three	Private Sector	1387		
92	Establishment of industrial and weaving centre in Paryan district. (10 centres)	Pajshir	three	Private Sector	1387		
93	Establishment of export development Bank in center of province	Panjshir	Four	Private Sector	1387		
94	Establishment of 4 carpet weaving workshops in Nawor District (20000 beneficiaries)	Ghazni	one	Private Sector	1387		
95	Dairy products factory (Ghazni centre, 50,000 beneficiaries)	Ghazni	one	Private Sector	1387		
96	Establishment of three cold storage for fruit and vegetable in centre of province 5000 beneficiaries	Ghazni	one	Private Sector	1387		
97	Distribution of land for industrial parks in centre of Ghazni province	Ghazni	two	Private Sector	1387		
98	Fruit processing factory provincial level 15000 beneficiaries	Ghazni	two	Private Sector	1387		
99	Wool processing, provincial level 25000 beneficiaries	Ghazni	two	Private Sector	1387		

100	Construction of leather factory provincial level 10000 beneficiaries.	Ghazni	two	Private Sector	1387		
101	Loans for Kuchi families (25000 as beneficiaries)	Ghazni	three	Private Sector	1387		
102	Construction of Cold Storage in Qara Bagh district (25000 beneficiaries).	Ghazni	three	Private Sector	1387		
103	Establish of wool processing factory Malistan district (20000 beneficiaries)	Ghazni	three	Private Sector	1387		
104	Establishment of saffron process project in Pashton Zarghon district.	Hirat	one	Private Sector	1387		
105	Establishment of carpet weaving project in centre and districts (400 units in 15 districts).	Hirat	one	Private Sector	1387		
106	Establishment of dairy product project in Adraskan district.	Hirat	one	Private Sector	1387		
107	Installation of laboratory centre for food analysis in Islam Qala and Torghondi borders (2 centres).	Hirat	two	Private Sector/ <b>ANSA</b>	1387		
108	Construction of silky cotton production factory in Zinda Jan district.	Hirat	two	Private Sector	1387		
109	Establishment of skin production factory in Shindand district.	Hirat	two	Private Sector	1387		
110	Construction of cold storage for agricultural production in Gozara district.	Hirat	two	Private Sector	1387		
111	Construction of agricultural production market in Kashik Rabat Sangee district.	Hirat	three	Private Sector	1387		



112	Establishment of depreciation cooperative in Oba district.	Hirat	three	Private Sector	1387		
113	Establishment of vocational complex in Injil district.	Hirat	three	Private Sector	1387		
114	Provision of loans program in the entire province (200000 beneficiaries)	Takhar	one	Private Sector	1387		
115	Fruit processing factories in all districts (100000 beneficiaries)	Takhar	one	Private Sector	1387		
116	Cotton processing factory and ghee production in all districts (1000000 beneficiaries)	Takhar	one	Private Sector	1387		
117	Establishment of carpet weaving and tailoring centres throughout the province (20,000 beneficiaries).	Takhar	two	Private Sector	1387		
118	Creation of an agro-processing factory in the centre of the province (10,000 beneficiaries).	Takhar	two	Private Sector	1387		
119	Vegetable processing factory in the centre of the province (70,000 beneficiaries).	Takhar	two	Private Sector	1387		
120	Establishment of animal husbandry farm at the provincial level (50,000 beneficiaries).	Takhar	three	Private Sector	1387		
121	Establishing of fruit processing factory and cold storage.	Takhar	three	Private Sector	1387		
122	Establishment of fish-farm in the centre of Takhar province (23,000 beneficiaries).	Takhar	four	Private Sector	1387		
123	Establishment of fruit processing factory	Takhar	four	Private Sector	1387		

	and cold storage in the centre of the province (160,000 beneficiaries).						
124	Construction of the Commerce & Industry Committee in Medan Shar on (15 jiribs, 20 rooms with large hall)	Wardak	four	Government	1387		
125	Construction of a building for the export of fruit in Medan Shar & other districts on (5 jiribs, 17 rooms, with hall).	Wardak	four	MoCI	1387		
126	Construction of a juice, & jam processing factory.	Wardak	four	Private Sector	1387		
127	Creation of an industrial park at Dashte Toop, Said Abad district (40 jiribs land).	Wardak	four	Government	1387		
128	Creation of carpet weaving industry in central Behsood district -1 (5 jiribs land, one large hall).	Wardak	four	Private Sector	1387		
129	Establishment of a dry fruit processing factory in Daimerdad (15 jiribs land , 10 rooms).	Wardak	four	Private Sector	1387		
130	Creation & improvement of beehive farms in Narkh district (15 jiribs ,10 rooms).	Wardak	four	Private Sector	1387		
131	Creation & improvement of the fisheries business in Behsood district -1 (5 jiribs land).	Wardak	four	Private Sector	1387		
132	Construction of a cotton weaving factory in Behsood district 2.	Wardak	four	Private Sector	1387		
133	Creation of a market for fruit and	Wardak	four	Private Sector	1387		

	construction of cold stores in Medan Shar (5 jiribs land).						
134	Creation of productive projects like husbandry & credit in the centre of Behsood , (800 beneficiaries).	Wardak	Four	Private Sector	1387		
135	Establishment of an industrial park of carpet weaving, 12 km east of Jalalabad city (100 jiribs of land, 100,000 men and women).	Nangarhar	four	Private Sector	1387		
136	Establishment of an industrial park for the manufacturing of plastic, ghee soap etc (12 km east of Jalalabad city, 300 hectare land, for 40,000 men and women)	Nangarhar	four	Private Sector	1387		
137	Construction of cold storage for fruit & vegetables in all districts of the Nangahar, 22 cold stores needed.	Nangarhar	four	Private Sector	1387		
138	Reconstruction of the sugar factory of Jalalabad on 176 jiribs land, for all people of the province.	Nangarhar	four	Private Sector	1387		
139	Construction of a factory for marble & precious stones in the district of Achin & Sherzad (20 jiribs land for the 400,000).	Nangarhar	four	Private Sector	1387		
140	No interest credit for the disabled in the districts of Kama, Goshta, Achin, Speen Ghar & Ghanikhail.	Nangarhar	four	Private Sector	1387		
141	Establishment of a stone & wood (carpentry) factory in	Nangarhar	four	Private Sector	1387		

	Pachir Wa Agam, & Chaparhar (20 jiribs land, 240,000 beneficiaries).						
142	Construction of a business market for the women of Jalalabad City (15 jiribs land (200,000 beneficiaries).	Nangarhar	four	Private Sector	1387		
143	Establishment of a vocational training centre in all districts of this province.	Nangarhar	four	Private Sector/ <b>EDUCATION</b>	1387		
144	Construction of a paper & matches factory in Jalalabad city (10 jiribs of land, 20,000 beneficiaries).	Nangarhar	four	Private Sector	1387		
145	Interest free short & long term credit / loans for investment (80,000beneficiaries) .	Paktika	four	Private Sector	1387		
146	Establishment of an ICT Centre (for computer training ) in Sharana city.	Paktika	four	Private Sector	1387		
147	Establishment of a carpentry factory in Urgon City (5000 beneficiaries).	Paktika	four	Private Sector	1387		
148	Exploration & drilling for oil and mining (for precious stones) from Gomal district.	Paktika	four	Private Sector	1387		
149	Establishment of a handicrafts factory for women.	Paktika	four	Private Sector	1387		
150	Creation of an industrial park in Sharana city.	Paktika	four	Government	1387		
151	Construction of a marble factory in Sharana city.	Paktika	four	Private Sector	1387		
152	Mining of marble in Muta Khan district.	Paktika	four	Private Sector	1387		
153	Exploration & drilling for oil and mining in Jani Khil district.	Paktika	four	Private Sector	1387		

154	Mining of marble and other stone in Spin Sak area, Sharana district.	Paktika	four	Private Sector	1387		
155	Procurement of machine for processing dairy products and cold storage in Mir Bacha Kot districts	Kabul	one	Private Sector	1387		
156	Procurement of fruit and vegetable process machines in Charasyab (Dasht Saqawa,	Kabul	one	Private Sector	1387		
157	Creation of market for animal products in Kabul.	Kabul	one	Private Sector	1387		
158	Construction of cold storage units in Khwaja Musafer, Baghman district.	Kabul	two	Private Sector	1387		
159	Construction of a pickle factory in the centre of Estalef district.	Kabul	two	Private Sector	1387		
160	Construction of a fruit market in Tangi Tara Khil, Tara Khil district.	Kabul	two	Private Sector	1387		
161	Creation of a fish farm for disabled people and returnees in Chahar Asyab district.	Kabul	two	Private Sector	1387		
162	Creation of a mineral water factory in Shakar Dara (135,000 beneficiaries).	Kabul	three	Private Sector	1387		
163	Establishment of a carpet weaving factory in Khaki Jabar district (720 beneficiaries).	Kabul	three	Private Sector	1387		
164	Establishment of a vocational training centre for women in centre of Bagrami district (1000 beneficiaries).	Kabul	three	Private Sector	1387		

165	Creation of carpet weaving factory in Char Dara district (6000 beneficiaries).	kundoz	one	Private Sector	1387		
166	Creation of tomato-paste production factory, in the centre of the city (36000 beneficiaries).	kundoz	one	Private Sector	1387		
167	Creation of chemical fertilizer production factory in Khan Aabad district (150000 beneficiaries).	kundoz	one	Private Sector	1387		
168	Creation of cotton and skin processing factory, in the centre of the city (150000 as beneficiaries).	kundoz	two	Private Sector	1387		
169	Creation of paper making factory, in Imam Sahib district.	kundoz	three	Private Sector	1387		
170	Creation of rice processing factory in Qala-i-Zal district.	kundoz	three	Private Sector	1387		
171	Creation of industrial parks, distribution of land from municipality of Samangan, (50,000 beneficiaries).	Samangan	four	Government	1387		
172	Creation of industries (e.g., pressure cooker) and handicraft and loans (50,000 beneficiaries).	Samangan	four	Private Sector	1387		
173	Creation of animal husbandry farm in order to provide meat and milk, in Dara-i-Suf Payen district (200,000 beneficiaries).	Samangan	four	Private Sector	1387		
174	Creation of dairy processing factory in the provincial centre (50,000 beneficiaries).	Samangan	four	Private Sector	1387		
175	Creation of packing factory for fruit and	Samangan	four	Private Sector	1387		

	nuts and cold storage in the centre of the province, (500,000 beneficiaries).						
176	Creation of fish-farm in the centre of Khuram-o-Sarbagh district, (10,000 beneficiaries).	Samangan	four	Private Sector	1387		
177	Creation of jam, sauce and tomato paste making factory in centre of Hazrat-i-Sultan district (120,000 beneficiaries).	Samangan	four	Private Sector	1387		
178	Creation of market for processed animal skin and wool, in the provincial centre (20,000 beneficiaries).	Samangan	four	Private Sector	1387		
179	Conducting of vocational training courses of carpet weaving and making juice, jam and sauce, in the centre, all districts (20,000 beneficiaries).	Samangan	four	Private Sector	1387		
180	Creation of carpet weaving factory in the centre of Dara-i-Suf Bala, (60,000 beneficiaries)	Samangan	four	Private Sector	1387		
181	Establishment of a tailoring, weaving and handicraft industry centre for women in Mahmood Raqi.	Kapisa	one	Private Sector	1387		
182	Establishment of cold storage for vegetable and fruits in Mahmod Raqi.	Kapisa	one	Private Sector	1387		
183	Establishment of a vegetable oil factory in the centre of Kapisa.	Kapisa	one	Private Sector	1387		
184	Establishment of fruit and dairy process	Kapisa	two	Private Sector	1387		

	centre in Mahmoodraqi and Deahbali.(2 centres)						
185	Construction of handicraft industries centre in districts (7 centres).	Kapisa	two	Private Sector	1387		
186	Construction of marble factory in Kohband district (one factory)	Kapisa	two	Private Sector	1387		
187	Establishment of beverage production centre (2 centres) in Nijrab and Kapisa).	Kapisa	two	Private Sector	1387		
188	Establishment of Bee keeping for honey processing farm in Nijrab and centre of Kapisa. .	Kapisa	three	Private Sector	1387		
189	Construction of business market in Mahmood Raqi district	Kapisa	four	Private Sector	1388		
190	Establishment of Business centre in the centre of province second part of Kohistan (5000m2).	Kapisa	three	Government			
191	Construction of town and business centres for 10000 families in centre of districts	Kapisa	three	Private Sector			
192	Establishment of handicraft industrial factories in Jawand district. (10 centres).	Badghis	two	Private Sector	1387		
193	Establishment of handicraft industrial factories in Qadis (10 centres).	Badghis	two	Private Sector	1387		
194	Protection of pistachio forest and other forest by government	Badghis	two	Private Sector	1387		
195	Opening of Tor Shikh border for joint trade	Badghis	two	Private Sector	1387		
196	Distribution of loan	Badghis	two	Private Sector	1387		



	for development of live stock. In Morghab district for 5000 families.						
197	Distribution of loan for development of live stock for nomads (Kochiz).	Badghis	two	Private Sector	1387		
198	Distribution of loan for development of live stock.( Maqar district for 3000 families).	Badghis	two	Private Sector	1387		
199	Establishment of new city (Shahrak) for immigrants and returnees in provincial centre	Badghis	four	Private Sector	1387		
200	Distribution of shelter for refugees and returnees in all districts	Badghis	four	Private Sector	1387		
201	Establishment of new city (Shahrak) for 1000 families of martyrs, disabled and widows	Badghis	four	Private Sector	1387		
202	Distribution of long term interest free loans for vulnerable people in the centre and districts	Badghis	four	Private Sector	1387		
203	Establishment of industrial handicraft centres in the provincial centre and districts.	Badghis	four	Private Sector	1387		
204	Distribution of 10000 tents for kuchis in the kuchi residential area	Badghis	four	Private Sector	1387		
205	Purchasing of land for construction of kindergarten	Badghis	four	MoLSAMD	1387		
206	Construction of Commercial Affairs Directorate in the provincial centre.	Sari pul	four	Private Sector	1387		
207	Establishment of animal skin processing factory in	Sari pul	four	Private Sector	1387		

	the centre of the province (20000 beneficiaries)						
208	Construction of Dabaghi factory, centre of the province (10,000 beneficiaries).	Sari pul	four	Private Sector	1387		
209	Establishment of branches of the commercial and private banks in the centre of the province and districts	Sari pul	four	Private Sector	1387		
210	Construction of 2 cold stores in Arghandab & Panjwai districts (50000 beneficiaries).	Kandahar	four	Private Sector	1387		
211	Establishment of a fruit processing factory in Zairi district (1000 beneficiaries).	Kandahar	four	Private Sector	1387		
212	Arrangement of 5 agricultural awareness & training centres in Dand (4000 beneficiaries)	Kandahar	four	Private Sector	1387		
213	Construction the factory for the preparing of jam, ketchup, juice etc. in Kandahar province.(10,000 beneficiaries).	Kandahar	four	Private Sector	1387		
214	Construction of a factory for the drying of grapes & other fruits, in Dand (5000 beneficiaries).	Kandahar	four	Private Sector	1387		
215	Provision of credit for various machinery in the provincial centre (10000 beneficiaries).	Kandahar	four	Private Sector	1387		
216	Creation of a handicraft market	Kandahar	four	Private Sector	1387		

	(50000 beneficiaries).						
217	Providing credit in Kandahar & Maiwand. (50000 beneficiaries).	Kandahar	four	Private Sector	1387		
218	Provision of credit without interest to disabled people in Kandahar (2000 families).	Kandahar	four	Private Sector	1387		
219	Provision of livestock to kuchis and other husbandry farmers in Shawali Kot & Registan (for 10000 families).	Kandahar	four	Private Sector	1387		
220	Establishment of a factory to process & improve milk products, Charkh district, (4 jiribs land, 10,000 families).	Logar	four	Private Sector	1387		
221	Construction of a fresh fruit market with cold storage in Pul Alam on 50 jiribs land, 1200 beneficiaries.	Logar	four	Private Sector	1387		
222	Creation of a business market in Kharwar district (5 jiribs 60,000 beneficiaries)	Logar	four	Private Sector	1387		
223	Construction of a cold store in Mohammad Agha district, (5 jiribs land 10,000 beneficiaries).	Logar	four	Private Sector	1387		
224	Construction of a business market in Khoshi district. (5 jiribs, 20,000 beneficiaries).	Logar	four	Private Sector	1387		
225	Construction of an administration section in the Directorate of Oil & Gas	Logar	four	Private Sector	1387		

226	Construction of a fruit market & a cold store for fruit & vegetables in Azra district, Baraki Barak and Charkh.	Logar	four	Private Sector	1387		
227	Establishment of a technical & vocational training centre for carpet making for kuchis and others in Pul-e-Alam city	Logar	four	Private Sector	1387		
228	Establishment of business and technical training centres in 17 districts of Mohammad Agha & Pul-e-Alam	Logar	four	Government	1387		
229	Construction of a carpentry & marble factory in Koza Chatra district, Azra. (3000 people).	Logar	Four	Private Sector	1387		
230	Establishment of wool weaving factory (200 beneficiaries).	Laghman	four	Private Sector	1387		
231	Construction of trade centre for trading facilities	Laghman	four	Private Sector	1387		
232	Establishment of cold storage for ICE	Laghman	four	Private Sector	1387		
233	Establishment of a vegetable oil factory in the provincial centre	Laghman	four	Private Sector	1387		
234	Establishment of an animal skin processing factory in the provincial centre & 1 branch in each district	Laghman	four	Private Sector	1387		
235	Establishment of handicraft centres in centre & districts.	Laghman	four	Private Sector	1387		
236	Establishment of trading market on 1 jirib land (beneficiaries 30% of the people of Laghman).	Laghman	four	Private Sector	1387		

237	Establishment of carpentry factory on 10 jiribs land.	Laghman	four	Private Sector	1387		
238	Establishment of paper factory on 9 jiribs of land (beneficiaries 39% of the people of Laghman).	Laghman	four	Private Sector	1387		
239	Construction of cold storage in center of province	Laghman	Four	Private Sector	1387		
240	Construction of an animal and fruit products market in the Chopan district centre, beneficiaries 80,000 person.	Zabul	four	Private Sector	1387		
241	Establishment of a vocational training centre in Roghani & Supidar districts Shenki, (4 centres).	Zabul	four	Private Sector	1387		
242	Establishment of a wool processing factory in Shajoi district (80,000).	Zabul	four	Private Sector	1387		
243	Establishment of a business market in Atghar district centre	Zabul	four	Private Sector	1387		
244	Establishment of a business market in central Khak Afghan district. (45,000).	Zabul	four	Private Sector	1387		
245	Coal mine in Shamalzai district centre (55 villages).	Zabul	four	Private Sector	1387		
246	Establishment of a business market in Loorgi, Ahmed Qala, Nobahar district centre (3 markets 20,000 beneficiaries).	Zabul	four	Private Sector	1387		
247	Establishment of a dry fruit/nut processing factory for almonds, pistachios, raisins, Qalat city (500 beneficiaries).	Zabul	four	Private Sector	1387		

248	Establishment of a vocational training centre (for tailoring, gardening) in the refugees town of Zabul province (10 centres, 1000 beneficiaries).	Zabul	four	Private Sector	1387		
249	Provision of credit for kuchi people in the province	Zabul	four	Private Sector	1387		
250	Establishment of Dry Fruit Processing Factory in Chora District Beneficiaries 20000	Urozgan	one	Private Sector	1387		
251	Establishment of Wool weaving Factory in Khas Urozgan Beneficiaries 50000	Urozgan	one	Private Sector	1387		
252	Establishment of Cold Storage for Fruit in Dehrawood District beneficiaries 70000	Urozgan	one	Private Sector	1387		
253	Establishment of Carpet weaving Plant and Tailoring Centres for Women in Tarin Kot Beneficiaries 1400 Women	Urozgan	two	Private Sector	1387		
254	Construction of Treading Market in Tarin Kot Beneficiaries 300000	Urozgan	two	Private Sector	1387		
255	Establishment of Poultry Farm in Char Cheno District Beneficiaries 50000	Urozgan	two	Private Sector	1387		
256	Establishment of Dairy Process Factory in Tarin Kot Beneficiaries 80000	Urozgan	two	Private Sector	1387		
257	Establishment of Market For the Dairy Production Market in Gizab District Beneficiaries 30000	Urozgan	three	Private Sector	1387		
258	Establishment of Handy Craft Centres	Urozgan	three	Private Sector	1387		

	for Ladies in Centre of the Province						
259	Establishment of Charity Box For Disables in Tarin Kot	Urozgan	three	Private Sector	1387		
260	Establishment of handicraft industries e.g. carpet weaving in provincial centre and Tolaksaghar, Sharakdolaina, Tewera Pasaband. 100000 beneficiaries.	Ghor	three	Private Sector	1387		
261	Establishment of dairy processing factory in centre of province. 40000 beneficiaries.	Ghor	three	Private Sector	1387		
262	Establishment of soap and washing powder production factory in centre of Lalsarjungal district. 80000 beneficiaries.	Ghor	three	Private Sector	1387		
263	Establishment of industrial area in Chighchiran. 140000 beneficiaries.	Ghor	three	Private Sector	1387		
264	Establishment of business centre, provincial centre. 350000 beneficiaries.	Ghor	three	Government	1387		
265	Establishment of beverage factory in Lalsar Jungal. 80000 beneficiaries.	Ghor	three	Private Sector	1387		
266	Construction of fruit market in Chighchiran, centre of Ghor province.	Ghor	four	Private Sector	1387		
267	Construction of Department of Economy in Chighchiran..	Ghor	four	Government	1387		
268	Rehabilitation of fuel storage in Chighchiran (300000 litres of fuel).	Ghor	four	Private Sector	1387		
269	Establishment of	Farah	four	Private Sector	1387		

	textile factory in provincial centre (500 beneficiaries).						
270	Small business loans for women for tailoring, carpet weaving and husbandry (beneficiaries 47256, USD 7200 per woman).	Farah	four	Private Sector	1387		
271	Small loans for men to start small businesses as shopkeepers, carpentry, mechanics, (USD 47256 )	Farah	four	Private Sector	1387		
272	4. Construction of cold storage in each district (600 beneficiaries).Why this number?	Farah	four	Private Sector	1387		
273	Small loan for kuchis (3000 beneficiaries).	Farah	four	Private Sector	1387		
274	Establishment of vocational courses in carpentry, metalwork etc (2,640 beneficiaries).	Farah	four	Private Sector	1387		
275	Establishment of vocational centres in tailoring and carpet weaving for women in the centre & districts.	Farah	four	Private Sector	1387		
276	Construction of business markets (1000 m (3000 beneficiaries) 1000m2 Where	Farah	four	Private Sector	1387		
277	Establishment of cold storage & slaughterhouse (150m, provincial centre).	Farah	four	Private Sector	1387		
278	Enhance the investment of and guarantee their investments, in Gang district.	Nimroz	two	Private Sector	1387		
279	. Enhance the	Nimroz	two	Private Sector	1387		



	investment in poultry farms, Agriculture and livestock.						
280	Creation of an industrial park in the centre of the province.	Nimroz	two	Government	1387		
281	Rehabilitation of Zaranj trade boarder in the centre of the province.	Nimroz	two	Private Sector	1387		
282	Establishment of 5 female handicrafts markets in the in centre of districts (100000) beneficiaries	Nimroz	four	Private Sector	1387		
283	Establishing of an office for Private Sector in Khash district	Nimroz	Three	Private Sector	1387		
284	Construction of a marble factory in Waigul district (10 rooms, 100 beneficiaries).	Noristan	four	Private Sector	1387		
285	Construction of a dry fruit processing factory, in Mandol district (10 rooms, 400 beneficiaries).	Noristan	four	Private Sector	1387		
286	Construction of a fruit market in Noorgram district centre (20 rooms, 200 beneficiaries).	Noristan	four	Private Sector	1387		
287	Construction of a wood & carpentry factory in Bargmatal district and Shegal (10 rooms each, 200 beneficiaries).	Noristan	four	Private Sector	1387		
288	Construction of a market for precious stones & minerals in Doawab district centre.	Noristan	four	Private Sector	1387		
289	Construction of a wood & carpentry factory in central Kamdish , (20 rooms, 1000	Noristan	four	Private Sector	1387		

	beneficiaries).						
290	Construction of a fruit market in Wama district.	Noristan	four	Private Sector	1387		
291	Construction of the revenue department in all districts of the province (4 rooms each).	Noristan	four	Government	1387		
292	Construction of the Directorate of the Economy in Paroon provincial centre (8 rooms).	Noristan	four	Government	1387		
293	Construction of the carpet & wool weaving factory in Paroon centre of Nooristan.	Noristan	four	Private Sector	1387		
294	Construction of road from Nawa District to Lashkarghah city to convey vegetable Production to the Market	Hilmand	one	Private Sector/ <b>MAIL</b>	1387		
295	Establishment of dairy product process factory in centre of province	Hilmand	one	Private Sector	1387		
296	Establishment of wool weaving factory (Beneficiaries 10% of province)	Hilmand	one	Private Sector	1387		
297	Construction of road from Cha-e-Anjer District to Lashkarghah then Joined to heart high way to convey vegetable Production to the Market	Hilmand	two	<b>MRRD/MAIL</b>	1387		
298	Establishment of cold storage for meat in centre & 14 districts (beneficiaries 20% of province)	Hilmand	two	Private Sector	1387		
299	Animals Skin process factory in centre of (Beneficiaries 10%	Hilmand	two	Private Sector	1387		

	of province).						
300	Activate cooperative (beneficiaries 12% of province).	Hilmand	two	Private Sector	1387		
301	Activation of electricity in industrial Park in centre Beneficiaries 15% People of the Province	Hilmand	three	Private Sector	1387		
302	Establishment of wool processing factory in centre	Hilmand	three	Private Sector	1387		
303	Activation of electricity and creation of Factories in All Districts	Hilmand	three	Private Sector	1387		
304	Construction of cold storage for fruit and vegetables in centre of Khost province (50000 beneficiaries (10 cold stores).	Khost	Four	Private Sector	1387		
305	Establishment of artificial limb workshops and courses (50 courses).	Khost	Four	Private Sector	1387		
306	Provision of loans for kuchis (10,000,000 AFA)	Khost	Four	Private Sector	1387		
307	Construction of cold storage for Agriculture products in provincial centre (20 stores)	Khost	Four	Private Sector	1387		
308	Establishment of industrial area in centre of province (100,000 beneficiaries).	Khost	Four	Government	1387		
309	Establishment of carpet weaving factory in Mandozai district (10 factories).	Khost	Four	Private Sector	1387		
310	Establishment of olive oil processing factory in Zazi Maidan district (60000 beneficiaries).	Khost	Four	Private Sector	1387		

311	Construction of business market in Nadirshahkot ( 60000 beneficiaries).	Khost	Four	Private Sector	1387		
312	Establishment of two livestock farms in Yaqobi. (200 sheep).	Khost	Four	Private Sector	1387		
313	Establishment of dry fruit processing factory in centre of Khost province. Two factories (100000 beneficiaries).	Khost	Four	Private Sector	1387		
314	Establishment of Vocational training Centres for youths Beneficiaries 5000	Kunar	one	Private Sector	1387		
315	Establishment of carpet weaving work shops in the centre of Kunar (1000 beneficiaries).	Kunar	one	Private Sector	1387		
316	Establishment of woodwork factory in centre (1000 beneficiaries).	Kunar	one	Private Sector	1387		
317	Establishment of marble factory (1000 beneficiaries).	Kunar	two	Private Sector	1387		
318	Vocational Programs for women at provincial level.	Kunar	two	Private Sector	1387		
319	Interest free loans for people of this province (3000 beneficiaries).	Kunar	two	Private Sector	1387		
320	Establishment of fruit processing factory (20000 beneficiaries).	Kunar	two	Private Sector	1387		
321	Establishment of plastic factory (centre, In centre beneficiaries unemployed people	Kunar	three	Private Sector	1387		
322	find out the Market for handicraft industries 10000 beneficiaries	Kunar	three	Private Sector	1387		
323	Establishment of paper factory (12000	Kunar	three	Private Sector	1387		

	beneficiaries).						
324	Establishment of a vocational training centre for carpet weaving in the of refugees twon in Gardiz, Zurmat and Said Karam by Ministry of Commerce.	Paktia	Four	Private Sector	1387		
325	Provide short & long term credit loans, Said Karam district, by Ministry of Commerce. (500 families as beneficiaries).	Paktia	Four	Private Sector	1387		
326	Construction & maintenance of the vocational training centre in all districts by Ministry of Commerce.	Paktia	Four	Private Sector	1387		
327	Construction and preparation of the technical training centre for the unemployed of Paktia province by Ministry of Commerce.	Paktia	Four	Private Sector	1387		
328	Extraction of coal, chromate and other precious minerals from the mountains in various areas of the province.	Paktia	Four	Private Sector	1387		
329	Creation of a committee of technical scholars to investigate the location & presence of oil in the province.	Paktia	Four	Private Sector	1387		
330	Construction of a hydropower system in Darekhil Waza Zadran.	Paktia	Four	Private Sector	1387		
331	Coal mining in Zurmat district beneficiaries for all people of the	Paktia	Four	Private Sector	1387		

	province.						
332	Establishment of program to provide credit loans to invest for the people of Zurmat district	Paktia	Four	Private Sector	1387		
333	Construction of a cotton & carpet weaving factory.	Paktia	Four	Private Sector	1387		
334	Creation of handi-craft center and will be beneficial for 100 families.	Kabul Urban	Four	Private Sector	1387		
335	Creation of a center for selling of handi-crafts in 3 <sup>rd</sup> district and it will be beneficial for 80 persons.	Kabul Urban	Four	Private Sector	1387		
336	Creation of market for vegetables.	Kabul Urban	Four	Private Sector	1387		
337	Establish of a factory for small industries.	Kabul Urban	Four	Private Sector	1387		
338	Creation of cold storages in 14 <sup>th</sup> district.	Kabul Urban	Four	Private Sector	1387		
339	Creation of a center for selling dairy and animal products.	Kabul Urban	Four	Private Sector	1387		
340	Establish of a dairy processing factory in 18 <sup>th</sup> district of Kabul.	Kabul Urban	Four	Private Sector	1387		
341	Creation of market for selling of Kuches (nomad) products.	Kabul Urban	Four	Private Sector	1387		
342	Construction of a Slater house in Pul-i-Charkhi.	Kabul Urban	Four	Private Sector	1387		
343	Creation of carpet weaving factory.	Kabul Urban	Four	Private Sector	1387		

**Reference:**

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