

President Karzai invites Indian firms to invest in Afghanistan

President of Afghanistan Hamid Karzai on April 10 urged Indian industry to cash in on the one-window approval of business projects to set up manufacturing bases in the country in diverse areas like cement, oil and gas, electricity and services industries such as hotels, banking and communications.

Addressing a meeting of the three apex chambers — the Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII) and the Associated Chambers of Commerce and Industry of India (ASSOCHAM) — in New Delhi on April 10, Karzai said: “Afghanistan has adopted a free-market philosophy and has enacted laws that facilitate business activity while at the same time fully protecting them.”

The country, he said, was the gateway to Central Asia and Indian industry should take advantage of the low tax regime to make Afghanistan a manufacturing hub.

Karzai said Afghanistan was experiencing extremely high rates of economic growth during the last four years, starting with a 28 percent growth in 2002-03. In 2005-06 a growth of 14 percent was achieved and expectations are that in the current year, a growth rate of 12 percent to 13 percent would be surpassed.

The Afghan President said that the World Bank has rated Afghanistan as one of the best countries to do business with, a country where investments were fully protected. “We are aware that we will prosper only if we go by the rules of free trade and good business practices,” he said. ■



Afghan President Hamid Karzai addressing a meeting organised by the Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII) and the Associated Chambers of Commerce and Industry of India (ASSOCHAM), in New Delhi on April 10. (Photo: FICCI)

MoU to promote bilateral trade and investment

A Memorandum of Understanding (MoU) to promote bilateral trade and Indian investment in Afghanistan was signed between the Confederation of Indian Industry (CII) and the Afghanistan Investment Support Agency (AISA), in New Delhi on April 12. The MoU was signed in the presence of the Afghan President Hamid Karzai, and the honours were done by Omar Zakhilwal, President and CEO, AISA, and Jagdish Khattar, CII National Council Member and Managing Director, Maruti Udyog Ltd. ■

■ Afghan News

Bilateral technical cooperation in urban development and housing

A four-member Indian delegation led by T. Prabakaran, Director (Finance) of Housing and Urban Development Corporation (HUDCO), under the Ministry of Urban Development and Poverty Alleviation (MUDPA), visited Afghanistan from April 15 to 20, at the request of the Afghan Ministry of Urban Development (MUD), with the objective of exploring the possibilities of establishing an institutional framework for capacity-building, financing and development of housing and urban infrastructure in Afghanistan.

The delegation conducted a two-day workshop on April 16 and 17 and also held detailed inter-ministerial discussions with senior officials of the Afghan Ministries of Urban Development, Justice and Rural Rehabilitation and Development, to study the existing institutional and organisational framework including issues regarding finance, legal aspects, planning and development of the housing and urban infrastructure sectors in Afghanistan.

Both sides agreed to encourage, develop and strengthen bilateral technical coopera-



T. Prabakaran, Director (Finance), Housing & Urban Development Corporation and Afghan Deputy Minister of Urban Development Dr. Q. Djallalazada exchanging the bilateral cooperation agreement in the presence of Indian Ambassador to Afghanistan Rakesh Sood and Afghan Minister M. Yusaf Pashtun.

tion in the field of urban development and the housing sector which was embodied in a statement signed between Prabakaran and Dr. Q. Djallalazada, Deputy Minister of Urban Development and Housing, in the presence of the Indian Ambassador to Afghanistan Rakesh Sood and Afghan

Minister of Urban Development and Housing M. Yusaf Pashtun.

The possible areas of cooperation identified included support in developing housing, human settlement, and infrastructure financing policies by establishing the requisite legal framework covering land tenure, mortgage and cost recovery; development of and institutional framework and supportive enactments to raise finance for urban infrastructure; assistance in establishment of an institution to provide finance to housing and urban infrastructure development in urban Afghanistan, on the same pattern as HUDCO; building of capacity in the urban institutions through training measures; provision of specific advisory services in the areas of planning and designing, law and finance as well as project management and implementation and to undertake technology transfer in the areas of indigenous, low-cost, environmentally friendly construction technologies, including disaster-resistant building designs and use of local building materials for construction. ■