



# AFGHANISTAN 2014

## WEATHERING TRANSITION

A Report

A DELHI POLICY GROUP PUBLICATION



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## WEATHERING TRANSITION

Radha Kumar

Notes by Niharika Betkerur and Simrit Chhabra, tables by Amba Tadaa

A DELHI POLICY GROUP PUBLICATION

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# ABBREVIATIONS AND ACRONYMS

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<b>AAF</b>	Afghan Air Force
<b>ADB</b>	Asian Development Bank
<b>ANA</b>	Afghan National Army
<b>ANP</b>	Afghan National Police
<b>ANDSF</b>	Afghan National Defense and Security Forces
<b>BSA</b>	Bilateral Security Agreement
<b>CAR</b>	Central Asian Republics
<b>CASA</b>	Central Asia-South Asia Electricity Trade and Transmission Project
<b>CBM</b>	Confidence Building Measure
<b>CIA</b>	Central Intelligence Agency
<b>CSTO</b>	Collective Security Treaty Organization
<b>ECO</b>	Economic Cooperation Organization
<b>EU</b>	European Union
<b>FATA</b>	Federally Administered Tribal Areas of Pakistan
<b>FICCI</b>	Federation of Indian Chambers of Commerce and Industry
<b>GDP</b>	Gross Domestic Product
<b>HoA</b>	Heart of Asia
<b>ICRC</b>	International Committee of the Red Cross

<b>IED</b>	Improvised Explosive Device
<b>IMU</b>	Islamic Movement of Uzbekistan
<b>ISAF</b>	International Security Assistance Force
<b>LeT</b>	Lashkar-e-Taiba
<b>MRAPs</b>	Mine Resistant Protected Vehicles
<b>NATO</b>	North Atlantic Treaty Organization
<b>PPC</b>	Provincial Peace Councils
<b>PPP</b>	Purchasing Power Parity
<b>RECCA</b>	Regional Economic Cooperation Conference for Afghanistan
<b>SAARC</b>	South Asian Association for Regional Cooperation
<b>SAFTA</b>	South Asian Free Trade Agreement
<b>SCO</b>	Shanghai Cooperation Organization
<b>SNTV</b>	Single Non-Transferable Vote
<b>SOFA</b>	Status of Forces Agreement
<b>TAPI</b>	Turkmenistan – Afghanistan – Pakistan – India Pipeline
<b>TTP</b>	Tehrik-e-Taliban Pakistan
<b>UAE</b>	United Arab Emirates
<b>UAV</b>	Unmanned Aerial Vehicle
<b>UN</b>	United Nations
<b>UNAMA</b>	United Nations Assistance Mission to Afghanistan
<b>UNDP</b>	United Nations Development Program
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>UNSCR</b>	United Nations Security Council Resolution



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Last but as important, we would like to thank Dnyanada Palkar for her painstaking proofreading and production of this Report.



# PREFACE

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*"Democracy has taken root in Afghanistan, despite efforts to undermine it. We owe it to Afghanistan and ourselves that we participate in its consolidation."*

---

*H.E. Salman Khurshid  
External Affairs Minister of India*

This Report is the product of two regional conferences on peace and stabilization in Afghanistan, along with a series of bilaterals, planning visits and interviews conducted over the course of 2013. Focused on providing a Track II complement to the official Istanbul/Heart of Asia Process, the regional conferences comprised participants from thirteen Heart of Asia countries, most of who have met every six months under the aegis of the Delhi Policy Group, over a period of two and a half years.

Aware that 2014 would be a year of uncertainty, the 2013 conferences looked at ways in which regional countries could help smooth Afghanistan's three transitions, given that each of Afghanistan's neighbors have a major stake in keeping Afghanistan safe from terrorism and extremism.

While the Delhi Policy Group's conference Reports are generally not consensus documents, in this case participants jointly agreed the text of a proposed Regional Compact that is published in this Report. Please note that the rest of the Report is a summary of different participant views and suggestions, not a consensus document.

We hope the Report and its recommendations will be of some use to regional policymakers in the Heart of Asia countries.

**Radha Kumar**  
December 2013



# EXECUTIVE SUMMARY

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*“I have full confidence in the Afghan ability to weather all three transitions that we are currently undergoing – security, political and economic.”*

---

*H. E. Karim Khalili*

*Vice-President of Afghanistan*

- 1.** Afghanistan faces three major transitions in 2014. The first is the installation of a new government following Presidential and Provincial elections. The second is the end of the International Security Assistance Force (ISAF) mission and the withdrawal of ISAF troops, which marks a new phase in the security transition begun in 2013. The third is a sudden fall in revenue due to ISAF withdrawal.
- 2.** Each of these transitions affects the future of the other two. If the political transition is not smooth it will impact negatively on the security and economic transitions. If the security transition falters during or after the elections, there can be no political transition and the flight of capital from Afghanistan will accelerate. If donor aid does not fill the revenue vacuum that the ISAF withdrawal will create, then the prospects for a stable security and political transition grow grimmer.
- 3.** Moreover the next three years, from 2015-17, are a period to watch. They will show whether Afghanistan’s stabilization process gains traction or turns back. If Afghanistan is enabled to move forward in this period, its gains over the past twelve years will cement. If each or any transition suffers major drawbacks, then Afghanistan will face the bleak prospect of further and intensified conflict.

4. One great imponderable which cuts across all three transitions is the reconciliation process, in particular the intensification of Taliban and associated attacks, the question of talks with the Taliban and the broader problem of radicalization. Thus far various initiatives to get talks going have not gone beyond the pre-talks stage, but efforts continue by several and separate actors, some led by the Afghan Government or in coordination with them, and others not.
5. The question has been further compounded by President Karzai's refusal to sign the Afghan-U.S. Defense and Security Cooperation Agreement (also called the Bilateral Security Agreement or BSA), on which the NATO Status of Forces Agreement (SOFA) depends. As NATO is committed to raising funds for the Afghan National Defense and Security Forces (ANDSF), SOFA is vital for the success of all three transitions. Presumably the BSA will be signed by the next Afghan government, but in the meantime delay has added further stress to an already fragile situation.
6. In this context the onus is shifting to the Heart of Asia countries to step up regional cooperation, not as a substitute for international support which must continue, but to complement it and ensure its optimal application. Are the Heart of Asia countries in a position to take coordinated measures for Afghan stabilization in the security, political and economic spheres? What is required for them to do so?

## Recommendations

### The Political Transition

7. Stakeholder countries should not seek to influence the outcomes of either the Presidential or the Provincial elections. The fact that all the front-running Presidential candidates are committed to good neighborly relations ought to be an incentive for non-interference.

- 8.** The new Afghan Government will need all the support it can get. While legitimacy is primarily a domestic issue, timely regional and international political backing will help substantiate the new government's legitimacy.
- 9.** To help smooth the political transition, regional and stakeholder countries could adopt a visible 'aid and support' policy rather than a 'wait and watch' policy, towards both the security and economic transitions. The sooner the new Afghan Government can announce positives in terms of security and economic assistance, the better their prospects for stability.

## The Security Transition

- 10.** None of the Heart of Asia countries want a return to the 1990s, when Afghanistan fell into a civil war that drew its neighbors in. Yet, in the face of the ISAF drawdown many regional countries are considering hedging strategies. To prevent a situation of internal issues devolving into neighborhood confrontations, regional powers such as China, India and Russia, backed if necessary by external powers such as the U.S. and EU, need to take the initiative to start a regional security dialogue.
- 11.** The issues to be discussed at such a dialogue could include:
  - Closer border security cooperation;
  - Steps to prevent the flow of arms;
  - Curbs on the flow of illegal/drug-related money (along the lines of the UN "Blood Diamonds" initiative); and,
  - Commitments to import Afghan agricultural products.
- 12.** Similarly, the Counter-Narcotics CBM needs to pick up speed. With Russia, Iran, Turkey, Tajikistan, India and Pakistan all affected, the scope for regional cooperation is large. Regular meetings of counter-

narcotics officials of CBM member-countries would be useful and could be organized as a priority.

## Peace and Reconciliation

- 13.** In previous Delhi Policy Group conferences participants had recommended that the two regional organizations, the Shanghai Cooperation Organization (SCO) and the South Asian Association for Regional Cooperation (SAARC), could cooperate on counter-terrorism given that they both have protocols on the issue. Discussion between the two regional organizations could be a part of the proposed regional security dialogue (above).
- 14.** Regional countries could do far more to beef up the Counter-Terrorism CBM. Tajikistan has hosted one workshop under it; other neighbors could do likewise. In particular, they could assist the High Peace Council in their *ulema* dialogue. Participants at previous Delhi Policy Group conferences had proposed a public outreach program comprising radio broadcasts by peace process *ulema* from across the region. All the Heart of Asia countries that are members of the Counter-Terrorism CBM could provide 1 hour per week of public radio time for such broadcasts and a group could be set up under the CBM to produce the broadcasts.
- 15.** Regional and external countries that have back channel contacts with the Taliban should coordinate their efforts with the High Peace Council to develop a medium and long-term program that will yield a sustainable peace with the Taliban and preserve the democratic gains that Afghanistan has achieved over the past decade.

## The Economic Transition

- 16.** Though there is progress on Central Asia-Afghanistan-South Asia economic cooperation, it is exceedingly slow. Involved countries could



set deadlines for the Central Asia South Asia Electricity Transmission and Trade Project (CASA)-1000, Chah-Bahar and Turkmenistan-Afghanistan-Pakistan-India Pipeline (TAPI) development, taking into account that negotiations on the former are relatively advanced and the latter is a mega project that may not fit under the Heart of Asia rubric. TAPI may do best under the Asian Development Bank (ADB) aegis.

- 17.** The region can go one or two levels down and identify bankable projects. For example, regional participants at the Delhi Policy Group conferences have emphasized cultural connectivity, especially through joint initiatives by their Ministries of Culture and Tourism. Heart of Asia airline alliances could be made to promote air connectivity and provide more flights at cheaper prices.
- 18.** A knowledge grid could be created through fiber optics.
- 19.** Regional countries, especially powers such as China and Russia, could increase development aid to shore up Afghanistan's economic transition, especially in the immediate-term. India is already doing so.
- 20.** A South and Central Asian Free Trade Agreement could be negotiated.

## The Role of the United Nations

- 21.** The United Nations Security Council (UNSC) should consider mandating the UNAMA to ascertain the potential and viability of a Regional Compact, which the UN would take a lead in negotiating.

## A Regional Compact for Afghanistan

- 22.** The Afghan Government and most of the Afghan Presidential candidates support the idea of a Regional Compact for Afghanistan; indeed, it is implied in the Istanbul Declaration of 2011. Presidential candidate Ashraf Ghani talks of an Afghan Stability Pact along the

lines of the Balkan Stability Pact; Dr. Abdullah is committed to the doctrine of “Enduring Neutrality”, and former Foreign Minister Zalmay Rassoul has actively canvassed for a Regional Compact.

**23.** In order to embed the key principles of the Istanbul and Almaty Declarations, the Regional Compact proposes:

**(a) Sovereignty and Non-Interference**

Afghanistan will best stabilize if its sovereignty is respected and combined with non-interference. What is required to begin with is an agreement on the rules and limits of non-interference. Such an agreement could also include a commitment from Afghanistan that foreign forces will not remain once the Compact comes into effect.

**(b) Security**

Since terrorism is a threat to all, each country has its own counter-insurgency strategy. However, two of the chief regional organizations, the SCO and SAARC, have detailed counter-terrorism cooperation agreements, while the Collective Security Treaty Organization (CSTO) has a number of cooperative border management and control agreements. These organizations could be tasked, as a start, with evolving a Code of Border Conduct. To clarify, such cooperation would be solely Afghanistan-focused.

As far as cessation of cross-border movement of arms and/or explosives and prevention of terrorist financing, the UN has units dealing with both, and all the Heart of Asia countries are members. If the UN has not been asked to lead initiatives for both under the Counter-Terrorism CBM, it should be.

Finally, there are several overlapping interests between the Counter-Terrorism and the Counter-Narcotics CBMs. Narcotics provide an

important slice of terrorist financing, and are a concern to all the neighbors. The two CBMs could work together and with UNODC under the Regional Compact.

### (c) Investment, Trade and Connectivity

Energy, tourism and trade are clearly three critical elements that will help unleash the region's potential. Without infrastructure development they won't work. Regular coordination between the Trade and Commercial Opportunities and Infrastructure CBMs could be ensured under the Regional Compact.

### (d) Cultural Cooperation and Education

Central and South Asian countries repeatedly stress their desire to reclaim the common cultural heritage they shared during the ancient Silk Route period. A Regional Compact could encourage joint cultural production, and Heart of Asia governments could encourage their culture ministries and institutions, from electronic to print, to promote each others' cultural products.

Regional countries could cooperate with the Afghan High Peace Council to support its de-radicalization initiatives.

### (e) Mechanisms

Regular monitoring of performance/non-performance under a Regional Compact will be required. A regional office could be established in Kabul.

A Regional Compact would need to include grievance reporting and redressal mechanisms.

## Conclusion

- 24.** As the main transitions of 2014 approach, security and stabilization are becoming the top issues for Afghanistan and the region. A binding Regional Compact to aid Afghanistan (and by extension each regional/participating country) is still some way away, but a declaration of intent towards a Regional Compact, followed by issue-based working groups to hammer out section drafts towards such a Compact, could be on the agenda of the next Heart of Asia Ministerial, to be held in Taijing.

# THE POLITICAL TRANSITION

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*“Yes international support will decrease after 2014 and security problems will continue. But democracy is more important. We need help with supporting the democratic process.”*

---

*Dr. Abdullah Abdullah  
Presidential Candidate*

The most critical step in the political transition is the Presidential election. It marks a milestone for Afghanistan. President Karzai has led the country for the past thirteen years, ever since the Taliban government was overthrown and the ISAF mission began. This is the first time, therefore, that a transfer of power will occur in Afghanistan’s fledgling state.

## Presidential Elections

Afghans see the Presidential election as more than a milestone. It is a test in crisis management. Over the last three to four years,

reconciliation had become the focus of political negotiations by the Afghan Government as well as many ISAF countries, in the hope that there would be a breakthrough in talks with the Taliban. Had formal talks commenced – and made substantive progress – they would have set the framework for political transition. With no breakthroughs in immediate sight, however, it is the Presidential election that will set the framework.

**“It was unrealistic optimism to think that we could bring the Taliban into a peace process before the elections.”** A sizable and influential number of Afghan experts believe that tying reconciliation to the election was a mistake, since it overburdened the former with unrealistic deadlines and the latter with jarring interests, of which there are already too many. Afghanistan holds a young and fragile democracy within a conflict state. As democratic ideas have spread, so have aspirations – for minority and women’s rights, good governance and curbing corruption. Furthermore, there is a new generation of Afghan youth who stake their claim to be part of decision-making processes. Each of these is an election issue, and for each candidate crafting a strategy around these issues is a daunting challenge in a country with few resources.

**“The international community has been very clear that fraudulent elections will have repercussions for Afghanistan’s future. The enemies of Afghanistan will use unfair elections to their advantage.”** The first big challenge, however, is for the Presidential election to be seen as legitimate. What legitimacy means in the Afghan context has been heavily debated. The international community, as represented by the UN Assistance Mission for Afghanistan (UNAMA), substituted “transparent and inclusive” for the more usual phrase “free and fair elections”. Presumably the substitution signals an emphasis on the representation of all ethnic communities, especially Pashtuns, who opponents of the Afghan Government claim have been under-represented in most sectors of government.

Afghan political analysts point out that the Afghan public expect an election that is transparent, with an outcome that is trustworthy. They recall that the 2009 election was marred by allegations of vote rigging. Counter-intuitively, the highest number of complaints was in Kabul, and the third-highest was in Herat.

**Table 1: Election Complaints, 2009**

Provinces with the Highest Number of Complaints					
Province	Kabul	Baghlan	Herat	Faryab	Kandahar
Total Complaints	260	226	188	144	140
Priority A	83	76	48	64	45
Priority B	77	65	46	39	33
Priority C	100	87	94	41	62

Source: <http://afghanistanelectiondata.org/open/data>

On the plus side, they say, the Afghan Election Commission is experienced enough to prevent much of the fraud that occurred then. For example, a database of nearly 2,000 monitors has been created by the Abdullah campaign to check voting and report complaints. Moreover, unlike the 2009 election in which candidates had a very short time to register and form their campaign planks, this time they were given several months.

On the minus side, the gap between the number of election cards and actual number of voters, with election cards outnumbering voters, remained a concern for fraud. “We have 11 million voters and 21 million voter cards,” one Afghan analyst commented. Moreover, in the Afghan Presidential system, analysts say, the single non-transferable vote (SNTV) can waste as much as 70 percent (sic) of votes because it entails a single constituency without a party system. Though a Bill for party-wise representation was introduced in the Afghan Parliament, it was not enacted. A further problem is that election reforms may not cut down the long processing time of both pre and post-election complaints;

the latter could delay the formation of a new government for up to six months, pushing it dangerously close to the date for termination of the ISAF mission. If the follow-on security arrangements with the U.S. and NATO are not signed by then, the new government would be faced with its first big challenge, how to provide for security. The hope, therefore, is that a new government will be in place by August/September 2014.

**“The Taliban are ideologically against elections and will try to intimidate rural and urban voters into staying in their homes.”**

Security is of course the greatest threat. The Taliban proclaimed an election boycott of both Presidential and provincial elections and have proceeded to make good on their threat. That there would be violence was a foregone conclusion; intimidation was rife in the more remote areas and attacks had begun escalating by early 2013. According to UNAMA, there was a 17% increase in civilians injured and a 14% increase in total civilian casualties in 2013 compared to 2012. The proportion of civilian deaths caused by anti-government forces was 74%. Moreover, the level of attacks against humanitarian workers trebled in 2013 to 237 attacks on personnel and facilities, leading to 36 deaths, 24 detentions, 46 injuries and the abduction of 72 people.<sup>1</sup>

The question is, to what extent will insurgent attacks increase, and for how long? Will violence follow the first Presidential vote as well as prefigure it? Will it persist and/or intensify through the run-off vote and continue through to the appointment of a new government, thus ensuring that there is no smooth political transition? And what about the provinces in which voting will be thin, especially those districts in which voting may not take place at all due to security threats?

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<sup>1</sup> *Protection of civilians in armed conflict, annual report 2013*, United Nations Assistance Mission to Afghanistan, February 2014 ‘UNAMA report shows sharp rise in casualties among Afghan civilians in first half of 2013’, United Nations Assistance Mission in Afghanistan press release, 31 July 2013, ‘After recent attacks on Afghan aid workers, UN official urges respect for humanitarian staff’, UN press release, 2 December 2013.



The Afghan National Army (ANA) and Afghan National Police (ANP) are primarily responsible for providing security for the elections, but the International Security Assistance Force (ISAF) function as an outer perimeter. The ANA estimates that it will be impossible to provide security for polling booths in at least 10-15 percent of the voting areas, mostly in the more remote districts of the Kunar and Nangarhar provinces; but the actual percentage may be much higher. Afghanistan's elections are not staggered as are, for example, elections in India; voting has to be completed within the day. This makes security provision more difficult.

Regional countries have large stakes in a smooth political transition. Most Heart of Asia analysts argue that at this critical point the region needs a predictable working relationship with Afghanistan that will take each country's concerns on board. Regional countries offered to help the election process, not just by allowing the elections to take place without interference but also by giving technical and related assistance. Iran by facilitating refugee voting, India by sharing its experience of conducting the largest elections in the world, including in conflict-affected areas, and Tajikistan by playing a constructive role with Afghan Tajiks to encourage them to participate in the nation-building process.

**“This message should go out, that neighbors must desist from interfering in Afghanistan’s political transition.”**

The most important neighbor action, Afghans say, is non-interference in the political transition, scheduled to begin with the April 2014 Presidential and Provincial Council elections and continue to the Parliamentary elections of 2015. The Heart of Asia countries and Afghanistan's international supporters should refrain from playing favorites and should not seek to influence the outcome of any of the three elections by providing aid or support to any candidate. A key period to watch is between the first round of the Presidential election and the second, run-off round. It is in this period that the maximum

horse-trading will take place; it also offers a large window of opportunity for neighbors and other interested actors to interfere, by using leverage and even direct violence.

**“All the presidential candidates are people that neighbors see themselves dealing with. These candidates are people who want international cooperation.”** A plus point is that all the front-running Presidential candidates have signalled their commitment to good neighborly relations. This should be an incentive to desist from interference, but it will only become a disincentive if regional and external actors give priority to candidate statements and behaviour.

## Provincial Elections

The Provincial Council elections have attracted less regional and international attention, overshadowed as they are by the intense jockeying of the Presidential election. Yet they are as important in the immediate and median term since they can either help consolidate Afghanistan’s fragile gains or further challenge them.

In essence the Provincial Council elections are critical to Afghanistan’s nation-building process. Afghanistan’s constitutional structure does not envisage a loose federation for fear that it could reinforce fragmentation at a time when the priority is unification. In practice, however, the provinces have strong identities, based both on ethnicity and wartime affiliations. The Provincial Councils can, therefore, help knit the country or drive it into further fissures. But for them to do the former they would require more powers and exercise them wisely. Many Afghans believe the government in Afghanistan is too centralized. There are no regional or provincial political parties so there is scant representation of minority interests. The Provincial Councils have little

or no say in development allocation or the funding of elections. While most Afghans agree the country needs a strong center, they fear that if a strong center is not combined with devolution of administrative powers to provinces, it might lead to a rise in “hibernating ethnic identities” that will express themselves in fissiparous demands.

The role of regional countries is especially important in the Provincial context, as most of Afghanistan’s neighbors have corresponding ethnic Diasporas or communities within bordering provinces of Afghanistan. Herat, for example, is deeply influenced by ties with Iran; as is well known, the Taliban insurgency survives and is periodically rejuvenated by its cross-border nature, straddling the provinces of Kandahar and Jalalabad in Afghanistan and Khyber-Pakhtunkhwa and Waziristan in Pakistan.

**“We need one administration to represent everyone, since the situation of our country requires us to work together and not waste time in opposing each other.”**

YUNUS QANOONI  
FORMER SPEAKER, WOLESI JIRGA

Cross-border relations impact not only on the nature and scale of violence, but also on trade, and here it is the Provincial administration, led by the Governor and monitored by the Provincial Council, that sets the pace. The powerful Governor of Balkh, Mohammad Atta, is a stand out example in this context. His people distrust Uzbekistan, because of the Islamic Movement of Uzbekistan’s support for the Taliban and Al Qaeda (incidentally, the IMU is banned in Uzbekistan). Despite this distrust, Governor Atta has worked with the Uzbek Government to open trade routes, including repair of the railroad that existed during the Soviet occupation. Mazar-e-Sharif, the capital of Balkh, is booming as a result, and has become an energy hub for Afghanistan. Efforts are now on to develop Herat in the same way.

**In conclusion**, both Afghans and regional analysts agree:

- A smooth and timely political transition between the 2014 Presidential and Provincial elections and the 2015 Parliamentary elections is critical;
- The new government must be seen as legitimate;
- Its first tasks will be to ensure that the security transition continues and is strengthened, and to tackle the many challenges to improving governance, such as corruption and nepotism; and,
- Regional countries will need to combine non-interference in the political transition with support for the new government.

## Recommendations

- a. Stakeholder countries should not seek to influence the outcomes of either the Presidential or the Provincial elections. The fact that all the front-running Presidential candidates are committed to good neighborly relations ought to be an incentive for non-interference.
- b. The new Afghan Government will need all the support it can get. While legitimacy is primarily a domestic issue, timely regional and international political backing will help substantiate the new government's legitimacy.
- c. To help smooth the political transition, regional and stakeholder countries could adopt a visible 'aid and support' policy rather than a 'wait and watch' policy, towards both the security and economic transitions. The sooner the new Afghan Government can announce positives in terms of security and economic assistance, the better their prospects for stability.

# THE SECURITY TRANSITION

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*“We are out of the puzzle phase, and are now in the chase.”*

---

Phase I of the security transition was completed in 2013, with almost all operations being planned and executed by the 374,000 strong ANDSF, led by the Afghan National Army (ANA). The Afghan takeover of security, however, was predicated on the understanding that the international community would continue with the assistance mission of training, equipping and financing the ANDSF. Afghan defense planners point out that while the ANA is becoming increasingly disciplined and reforms in recruitment have helped establish an ethnically balanced army, the ANA needs to move from light infantry to a modern force capable of dealing with foreign aggression.

**“A rapid reaction force to deal with cross-border terrorism is the need of the hour.”**

ABDUL RAHIM WARDAK  
FORMER DEFENSE MINISTER OF  
AFGHANISTAN

Afghan defense experts argue that Afghans believe it is their legitimate right to have a strong yet sustainable defense force; only a strong army will act as a deterrent to cross-border insurgency, they say. While the 2009 troop surge failed to significantly impact the insurgency, it did create opportunities to improve security: for example, it focused international attention on building the capability of the ANDSF and accelerated infrastructure development.

Over the past few years the ANA has come a long way. Fully made up of volunteers, it has taken time for the ANA to cohere as a national force committed to defend the country. Ethnic divisions amongst the troops were a serious concern until fairly recently. “Those who did not have strong affiliations to certain ethnic groups deserted frequently”, according to a senior army officer, and there was lack of mid-level leadership. The former problem was solved by recruitment and training, as was the latter. Initially the Kabul Training Center was the only institution offering courses for soldiers and officers, but now the ANA has been able to set up regional core areas and develop military academies that provide four-year training courses, including a Sandhurst remake funded by the UK Government.

Though Afghan defense chiefs view a political rather than military solution as the answer to militancy, they also believe that the ANDSF has to be stronger if a political solution is to be achieved. “The present army is suitable and well-trained for internal security and fighting alongside the police. But, the army also has to be trained as a deterrent for foreign aggression, not just as a domestic guard,” said Chief of Army Staff, General Sher Mohammad Karimi.

Afghan army officials have identified the following defense gaps that need to be addressed as priorities.

- The lack of an air force. The army only has MI17 helicopters for evacuation of wounded and emergencies.

- The tracks and trails the army uses are not paved, so they are easy to mine.
- Lack of engineers for road clearing.
- Faulty and old aircraft – the U.S. bought C21s for transportation but they were old aircrafts with no spare parts. The U.S. also provided four C130s. The models were old and used but repairable. C27s supplied to the ANDSF were rejected because they were not functional. Assurances of repair were made but repairs had not taken place at the time of this writing. Four AN 32 aircraft also await overhaul.
- Long waiting times for officers to be picked up and delivered to their unit base, due to the lack of aircraft, is one of the reasons that the army suffers frequent desertions.
- Inadequate budget – the army has repeatedly asked the government to buy at least one or two aircraft from Central Asia. More money is needed also for firepower and engineering equipment like mine detectors and jammers. In the 2017-2024 period an estimated USD 70 billion gap is expected in the defense budget alone.
- Technical equipment and training – the defense forces have made progress in human intelligence, but the army needs more technical improvement. Professionalizing the army also involves training fighter pilots and leadership training.
- There is only one tank battalion in the entire army.

## Challenges

Even as a domestic guard the ANA faces formidable challenges. Insurgency has intensified in both Afghanistan and Pakistan over the past few years, with devastating consequences for the two countries and consequentially grave implications for the Heart of Asia region. The level of violence in Afghanistan in 2013 was 14 percent higher than

in 2012, though in 2012 it had marginally declined from 2011. There has been no significant reduction in insurgency capabilities. On the contrary, counter-insurgency capabilities are decreasing, with more attacks on the ANA and ANP. Unfortunately, there is no peace process that might produce a ceasefire.

**Table 2: Percentage Increase/Decrease in Civilian Casualties since 2009**

Percentage Increase/Decrease in Civilian Casualties since 2009					
Year	2009	2010	2011	2012	2013
Civilian Deaths	2412	2792	3133	2768	2959
Civilian Injuries	3556	4368	4706	4821	5656
Civilian Casualties	5968	7160	7839	7589	8615
Increase from previous Year	N/A	20%	9.5%	-3.2%	13.5%

*Source:* <https://publicintelligence.net/unama-civilian-casualties-2013/> (UNAMA Civilian Casualties Report 2013)

The Taliban is supported by 15-20 percent of the population, lower in the North and West of Afghanistan and higher in the South and South East. Taliban forces, estimated by the Afghan Government to comprise between 30-37,000, will not be able to defeat the 374,000 ANDSF, but they can create significant damage to security with grave consequences for Afghanistan’s territorial integrity. Matters are complicated by the fact that this is not a domestic insurgency.

Afghanistan is dealing with four categories of insurgents:

- i. Al Qaeda, who are small in number but effective at planning;
- ii. Pakistani-origin militant groups like the Lashkar e Taiba (LeT) and the Tehrik e Taliban Pakistan (TTP);
- iii. Central Asian militant groups – Uzbek, Tajik, Chechen and Uighur; and,



iv. Afghan militant groups, including the Quetta Shura and the Haqqani network.

As Table 3 below shows, there has been a steady increase in casualties, from just under 6,000 in 2009 to over 8,500 in 2013. The bulk are caused by insurgent groups (blandly described by UNAMA as “anti-Government elements”), rising from 69 percent in 2009 to 81 percent in 2012 and 74 percent in 2013. Significantly, between 12-14 percent of these casualties are caused by IEDs.

**Table 3: Civilian Casualties Caused by Insurgents (AGEs)**

Casualties Caused by Anti Government Elements (AGEs)					
Year	2009	2010	2011	2012	2013
Total Civilian Casualties	5968	7160	7839	7589	8615
Total Casualties from AGEs	4112	5415	5636	6133	6374
% of Total Casualties	68.9%	75.6%	71.9%	80.8%	74%
AGEs Casualties from IEDs	796	940	949	868	962
AGEs Casualties from Targeted Killings	185	431	431	699	743
AGEs Casualties from Suicide and Complex Attacks	283	238	488	328	255

Source: <https://publicintelligence.net/unama-civilian-casualties-2013/> (UNAMA Civilian Casualties Report 2013)

According to the ANDSF and ISAF, the Afghan insurgency brings together militant groups from several neighboring states and poses a problem for the entire region. It requires, therefore, to be dealt with through cooperation between both concerned and impacted regional countries.

However, security cooperation is the most elusive goal in Central and South Asia. In the Delhi Policy Group’s 2012 conference series, participants pointed out the many security dilemmas that litter the region.

**“Russia will cooperate with any country that is taking on the challenge of fighting terrorism.”**

Now Afghanistan will be seeking cooperation from an even weaker position than before. With the ISAF drawdown, the ANDSF will have less IED counter-capability. Over the past year IEDs have proved to be a major disrupter of ANA mobility, rising from 868 in 2012 to 962 in 2013, and the pre-eminent cause of the high casualty rate among ANA troops. The ANDSF lack IED-proof vehicles; they also lack reconnaissance equipment. The ISAF has promised them 500 vehicles, and Afghanistan is pushing the U.S. to give the ANA Mine-Resistant Ambush Protected vehicles (MRAPs), but U.S. defense planners believe that the ANDSF will not be able to man and/or maintain these vehicles. It is hoped that whatever decision the U.S. administration makes in this regard will take urgent ANDSF needs into account. Multiple simultaneous engagements are a weak point for the ANA, which insurgents use to their advantage.

**“The ANA can clear areas and routes. But keeping them clear is more difficult. Corruption has made it near impossible to maintain the writ of the army and the government.”**

IEDS are not the only impediment to mobility. Road crime is also a major concern for troop movements and supply convoys. For example, though army convoys have been able to move smoothly on the Kandahar-Kabul-Herat route, with only eight casualties in ten years, corruption has undermined the maintenance of security. Afghan analysts cite instances in which the Public Protection Force has told the army that they allowed 100 trucks to pass through when in fact they had allowed 500 trucks. As a result, though the ANA can clear roads, ensuring that the roads stay clear is more difficult.

A secondary challenge, but one of key importance for the ANA, is the lack of medical evacuation capacities. The ISAF were responsible for medical evacuation during joint operations. With security now being a fully ANDSF responsibility, ISAF medical evacuation services have also ceased, though they were crucial for ANA troops operating in remote areas.

Technology for night raids and special operations is another critical enabler. The understanding during preliminary discussions between the Afghan Government and ISAF countries was that the ISAF would provide additional technical equipment to that already given for special operations. However, these commitments will only kick in after the BSA and SOFA are signed. It is worth noting, too, that NATO capabilities will automatically diminish after the ISAF drawdown.

In the meantime, the tactics used by the Taliban have changed. They now attack high profile targets like the CIA, the ICRC, foreign media, the Supreme Court of Afghanistan and the Indian consulate in Jalalabad, and are increasingly daring in their attacks on the ANDSF.

The Taliban have also succeeded in penetrating the ANDSF, though the ANA is taking corrective action. Army officers have intercepted Taliban recruitment drives within the ANA and have found that the Taliban's chief tactic is to sow mistrust between ethnic groups. Officers now engage in constant and consistent morale building within the ANA ranks. As one of them put it: "My soldiers ask me why they have to fight with Muslims. I have to tell them it is they (the Taliban and Haqqani network) who attack Muslims and the ANA's job is to defend the people of Afghanistan."

**"Terrorism has become a phenomenon of our region, of our time. It will destroy all of us. The way in which Afghanistan fights terrorists or tries to reconcile with them will no doubt affect all of us."**

## Missed Opportunities

Afghan defense chiefs rue three critical developments that have left them in their present weak situation. Each is an example of the collision of timing, inevitable when there are so many country actors.

**“We lost eight valuable years in which the Afghan National Army could have been trained and equipped.”**

Firstly, Afghanistan failed to develop national security forces because the initial threat assessment was unrealistically low. The Bush administration considered the war won when they dislodged the Taliban and were divided over whether to undertake state-building. Their planners envisaged the ANA as a force that would secure Kabul and a few other cities and believed a 70,000 strong ANA would be adequate to the task. As a result, when the Taliban escalated the insurgency in 2006, the ANA was found wanting. It was only after the Obama administration decided on the surge that attention was turned towards expanding and strengthening the ANA as a counter-insurgency force. Afghanistan was able to mount a response to the insurgency only from 2009 on.

**“Timing has been our biggest problem. Either we are too slow or our supporters are.”**

Unfortunately, this focus on strengthening ANA capabilities coincided with elections in ISAF countries, which took place amidst a public wave against continuing engagement given the disturbing casualty figures for NATO. International commitment began to waver after 2009, leading the Taliban to think that international involvement in Afghanistan could be waited out. Taliban forces were further encouraged by the light footprint of the ANDSF. They could and did take advantage of the slow pace of institutional development and infrastructure building of the ANDSF.

Thirdly, following the ouster of the Taliban in 2001, coalition forces destroyed much of the military equipment used in the war on the grounds that it was too sophisticated and could fall into the wrong hands. Army officers believe this was a mistake. Even had the equipment been divided amongst various factions, once the army began to weld these factions into a single force they could have reclaimed the equipment, thereby reducing the load on the defense budget.

The relevance of these examples is not to ascribe blame or criticism, but to indicate what is needed now: an Afghan army that can counter or contain insurgency domestically and deter cross-border insurgents. Regional analysts agree these are priorities but differ on what measures they can take to help. This issue is discussed in “**Regional Responses**” (p. 23) that follows the section on the BSA. Without the BSA, what regional countries can do to help the ANDSF may be moot.

## The Afghan-US Defense and Security Cooperation Agreement (BSA)

It will be impossible for the ANDSF to be sustained without the BSA. The NATO countries, who have committed to raising funding for the ANDSF, have stated that they will not sign the SOFA with the Afghan Government until the BSA is signed. Not only will critical enablers be denied if the two agreements are not signed, there will be no money for ANDSF salaries, since the Afghan exchequer would be bankrupted should they have to pay ANDSF costs.

Most observers expected the BSA **“The U.S. only need the BSA for prestige, we need it for our basic security.”** to have been signed by now. Under negotiation for the best part of a year, the BSA allows for a relatively small U.S. and NATO contingent of troops to remain in Afghanistan post-2014, with the mandate to train and assist the ANA and fight terrorism, including its cross-border avatar (See pp. 20-22, **Key Points of the BSA**, Article 6: “External Aggression”).

The BSA is widely regarded as a confidence booster for international commitment to Afghan security, both for Afghans and for the wider region. A specially convened Loya Jirga, comprising around 2,500 Afghan representatives, met in November 2013 to discuss the BSA. The

Loya Jirga voted to support the agreement and urged President Karzai to sign it. ANDSF chiefs have similarly urged him to do so.

**“The BSA is expected is to enable ANDSF financially, to fight terrorists, and prevent terrorists sanctuaries.”**

MOHAMMAD HANIF ATMAR  
CHAIRMAN RIGHTS AND  
JUSTICE PARTY

Earlier, the majority of Afghans welcomed prolonged negotiations over the BSA, because they were seen as ensuring that Afghanistan’s interests were defended. President Karzai’s stance that international troops could no longer be allowed to conduct house and night raids on Afghan civilians was widely popular and is praised even by his opponents. Accountability of international troops that were found to have committed human rights violations was also an issue on which Afghans welcomed tough negotiation.

There is little doubt that President Karzai and National Security Advisor Spanta’s negotiating team produced a remarkable agreement. Afghan Government officials point out that it took considerable negotiation to draft Article 6, “the Parties shall consult on potential political, diplomatic, military, and economic measures that could form part of an appropriate response in the event of ...external aggression or the threat of external aggression against Afghanistan”. In passing it is worth noting that few governments in a conflict and dependency situation have been able to so vigorously defend the national interest, as has the Afghan Government with the BSA.

**“Most of our equipment is from the U.S. or bought by the U.S. for us, as were the MI17s, or donated by countries like India. The bulk of ANA expenses are met by the U.S.”**

GENERAL SHER MOHAMMAD KARIMI,  
CHIEF OF ARMY STAFF

Nevertheless, the indefinite postponement of the BSA risks creating more problems than it will solve. Firstly, it made the BSA an election issue, which could play into the hands of those who say the elections and government are illegitimate. Secondly, it introduced further ambiguity into the already grey

area of Afghan security, and could negatively impact the morale of the ANDSF if they do not know where 2015 salaries will come from. Thirdly, for the first time the relationship between the Afghan Government and its people was called into question: the draft BSA was approved at a Loya Jirga, but President Karzai is yet to implement the Jirga's decision.

Apparently there is one final issue that remains: President Karzai's demand that the Obama administration pressure the Pakistan Government into fast-track cooperation for High Peace Council talks with the Taliban. Indubitably this would be an outcome that would be enormously welcome in Afghanistan and the region at large; but is it achievable?

Underlying this demand is a vast Afghan concern that the U.S. and allies may quietly agree a power-sharing deal that will give the Taliban control over southern and eastern parts of Afghanistan, in effect partitioning Afghanistan. This issue, along with the signing of the BSA, is now likely to be one for the next Afghan President to tackle. It is worth noting, however, that neither the U.S. nor the EU countries consider even de facto partition as a possibility, let alone a de jure one. Indeed, few in the international community or the Heart of Asia countries would wish to – or be in a position to – impose a solution that Afghans do not support.

**“From a historical point of view, Afghanistan has already crossed crucial points of this winding road, and it has been saved from being divided. But it is still very young.”**

Afghan security analysts argue that the BSA will provide a security foundation for peace talks. The agreement will underwrite and thereby strengthen the Afghan Government's negotiating position and may, in a best-case scenario, lead the Taliban to re-think their stance and enter negotiations. The Taliban, they say, has become more pragmatic since 2009, and already has a foot in the political mainstream. The Taliban statements in Chantilly, for example, suggested a possible change in

thinking which is yet to be tested, though efforts were made at Doha. The U.S., they further argue, is extremely unlikely to fall back on the Zero option (withdrawing all troops from Afghanistan), as its leadership would not wish to repeat the mistakes of the 1990s when the Soviets left Afghanistan to fend for itself.

**“Another important question is what if the BSA is not signed? What will cooperation in 2015 look like?”** Regional countries are not so sanguine. Most of the Heart of Asia countries were not in favour of the ISAF drawdown occurring at the end of 2014; all of them, albeit to varying degrees, wish that the BSA would be signed sooner rather than later.

As noted earlier, Iran has slightly toned down its in principle opposition to foreign forces in Afghanistan; and in Pakistan too there are more supporters of the BSA than of the Zero option (the former believe the BSA will strengthen their counter-insurgency efforts, the latter would like to see a Taliban victory in Afghanistan).

## Key Points of the BSA (Extracts from Draft Agreement)

### **Purpose and Scope**

Unless otherwise mutually agreed, the United States forces shall not conduct combat operations in Afghanistan.

To that end, the United States shall undertake supporting activities, as may be agreed, in close cooperation and coordination with Afghanistan, to assist the ANDSF in developing capabilities:

- Advising, training, equipping, supporting, and sustaining the ANDSF, including in field engineering, countering improvised explosive devices and explosive ordnance disposal;



- Establishing and upgrading ANDSF transportation and logistics systems;
- Developing intelligence sharing capabilities;
- Strengthening Afghanistan's Air Force capabilities; and
- Conducting combined military exercises.

The Parties acknowledge that United States military operations to defeat al-Qaida and its affiliates may be appropriate in the common fight against terrorism. The Parties agree to continue their close cooperation and coordination toward those ends, with the intention of protecting U.S. and Afghan national interests without unilateral U.S. military counter-terrorism operations.

The United States shall have an obligation to seek funds on a yearly basis to support the training, equipping, advising and sustaining of ANDSF. The United States shall consult with Afghanistan regarding the amount of funding needed to accomplish the purposes of this Agreement, keeping in mind pledges made in Chicago, and shall take the results of those consultations into consideration in executing this obligation.

### **External Aggression**

Afghanistan has been subject to aggression and other uses of force inconsistent with the United Nations Charter by foreign states and externally based or supported armed groups. In the context of this Agreement, the Parties strongly oppose such uses of armed force or threats thereof against the territorial integrity or political independence of Afghanistan, including in this regard provision to armed groups of support, such as sanctuary or arms, by any state or other armed groups.

On a regular basis, the Parties shall consult on potential political, diplomatic, military, and economic measures that could form part of

an appropriate response in the event of such external aggression or the threat of external aggression against Afghanistan.

### **Status of Personnel**

Afghanistan, while retaining its sovereignty, recognizes the particular importance of disciplinary control, including judicial and non-judicial measures, by the United States forces authorities over members of the force and of the civilian component. Afghanistan therefore agrees that the United States shall have the exclusive right to exercise jurisdiction over such persons in respect of any criminal or civil offenses committed in the territory of Afghanistan. Afghanistan authorizes the United States to hold trial in such cases, or take other disciplinary action, as appropriate, in the territory of Afghanistan.

In the interests of justice, the Parties shall assist each other in investigation of incidents, including the collection of evidence. In investigating offenses, United States authorities shall take into account any report of investigations by Afghan authorities.

Members of the force and of the civilian component shall not be arrested or detained by Afghan authorities. Members of the force and of the civilian component arrested or detained by Afghan authorities for any reason, including by Afghan law enforcement authorities, shall be immediately handed over to United States forces authorities.

Afghanistan and the United States agree that members of the force and of the civilian component may not be surrendered to, or otherwise transferred to, the custody of an international tribunal or any other entity or state without the express consent of the United States.

Afghanistan maintains the right to exercise jurisdiction over United States contractors and United States contractor employees.

## Regional Responses

Regional analysts largely agree that the BSA and SOFA are vital for Afghanistan's security. Despite his delay in signing the agreement, President Karzai expended a great deal of political capital to persuade neighbors that the BSA would not jeopardize their interests, to the extent that the Iranian Government, which expresses both its principled opposition to foreign troops and its fears that their presence in Afghanistan might be misused against Iran, accepts Afghan assurances to the contrary. As regional analysts agreed, the breakthroughs in Iran-EU and U.S. nuclear negotiations will, if persisted with, open new opportunities for regional cooperation to stabilize Afghanistan.

Russia has a different dilemma. Though the official Russian Government position is support for the BSA and SOFA, Russian strategic analysts fear that NATO might use its presence in Afghanistan to extend a presence in Central Asia, traditionally in Russia's sphere of influence. The Russian Government has proposed that the follow-on NATO assistance mission should be approved by a UN Security Council Resolution, a proposal that President Karzai first floated, for different reasons: a UNSCR could underwrite the BSA commitments on accountability of U.S. forces.

**“Russia is waiting to see whether NATO will leave CARs alone or will they work with Russia in Central Asia.**

**China too is concerned that NATO is operating so close to China.”**

While all the Heart of Asia countries agree that the threat of extremism and terrorism must be addressed and see the BSA as an important instrument in this regard, they differ on what action to take once the ISAF drawdown takes place. Many of Afghanistan's neighbors have already begun hedging strategies; some through contacts with the Taliban leadership and on the ground, and some through a combination of contacts with all parties including militants.

**“The question is will neighbors offer security support or create buffer zones to prevent spillover effects?”** Other neighbors, mostly amongst the CARs, talk about a *cordon sanitaire* or how they can create buffers against the spread of conflict and extremism from Afghanistan. The Russian Government has begun discussion with the Tajik Government on placing Russian troops to man the Afghanistan-Tajikistan border, but Tajiks are resisting the proposal since their approach towards Afghanistan is firmly in favor of regional economic integration (moreover, an Afghan-Tajik joint coordination centre for cross border cooperation is in the offing). Uzbekistan too is considering whether and how to tighten its border; an important consideration is how this would impact trade.

In 2011, when the question of creating a regional security architecture was raised at the Istanbul conference, it was heavily resisted by Afghanistan’s neighbors. However, now that the ISAF drawdown is fast approaching, neighborhood concerns might make the atmosphere more conducive for a discussion on regional security cooperation. Afghan analysts argue that a transparent cooperation mechanism could substitute for hedging strategies and could help prevent regional countries from adopting them. Many regional analysts support this view but believe that for the discussion on regional security cooperation to acquire any momentum, great and regional powers such as China, India and Russia would have to take far more concerted initiatives than are currently envisaged.

## Narcotics

It is no secret that the insurgency is fueled by the production and sales of narcotics. The spread of narcotics also threatens social cohesion and the rule of law in neighbor countries. According to Afghan analysts, Iran

and Turkey are currently the most threatened by the flow of narcotics – Iran has spent USD 8 billion to tighten border and customs controls as well as in remedial action for drug addicts. Russia loses a whopping 50,000 people to narcotics addiction every year, and both Pakistan and India have also been severely impacted.

Along with the increasing insurgency in 2013, poppy cultivation has increased in Afghanistan. 209,000 hectares of land in Afghanistan is being utilized to grow poppy, producing 5,500 tons a year, a 49 percent increase over 2012. Production is driven by demand in global markets. Afghanistan has problems selling other food crops in global markets, but poppy is sold in advance of production. Regional countries can work to reduce the demand in their countries. An important step would be to stop the export of precursors used for drug manufacturing into Afghanistan. Another area of cooperation could be the treatment of addicts. The experience of regional countries in dealing with addiction can help establish a protocol. Developed countries can develop better varieties of wheat which can grow in Afghanistan as a potential replacement for opium.

**“80% of our drugs go to Iran and Turkey; two strong states that are up to their necks with flow of drugs. Russians are losing 50,000 people every year to narcotics addiction, the largest figure in the world.”**

These are issues for discussion at the Counter-Narcotics CBM, co-led by Russia and Azerbaijan.

## Table 4: Increase in Poppy Production

### United Nations Office on Drugs and Crime (UNODC) Afghanistan Opium Survey 2013 (Extracts)

According to the UNODC 2013 Afghanistan Opium Survey, poppy cultivation reached a record high in 2013, covering 209,000 hectares and representing a 36% increase over 2012. Cultivation in Helmand and Kandahar, the largest and second largest opium cultivating provinces, increased by 34% and 16% respectively.

The Gross Domestic Product of opium cultivation increased by 11% from USD 18.95 billion in 2012 to USD 21.04 billion in 2013.

All in all, opium production in 2013 went up to 5,500 tons, a 49% increase over 2012.

The number of provinces affected by poppy cultivation increased from 17 in 2012 to 19 in 2013. The Southern Region produces 60% and the Western Region produces 22% of the national total.

Poppy eradication has decreased by 24% from 2012. A total of 7,348 hectares were eradicated in 2013 compared to 9,672 hectares in 2012. The number of security incidents during eradication campaigns has also increased.

A high sales price is the most important reason for cultivating opium as cited by farmers in the survey. On the other hand, religious belief was the most frequently cited reason for ceasing opium cultivation, followed by government ban and fear of the government as the second and third most frequently cited reasons.

The counter Narcotics Police of Afghanistan has tripled its effectiveness to capture well over 10% of domestic production.

Source: [http://www.unodc.org/documents/crop-monitoring/Afghanistan/Afghan\\_report\\_Summary\\_Findings\\_2013.pdf](http://www.unodc.org/documents/crop-monitoring/Afghanistan/Afghan_report_Summary_Findings_2013.pdf) (Afghanistan Opium Survey Report 2013, UNODC)

## Recommendations

- a. None of the Heart of Asia countries want a return to the 1990s, when Afghanistan fell into a civil war that drew its neighbors in. Yet, in face of the ISAF drawdown many regional countries are considering hedging strategies. To prevent a situation of internal issues devolving into neighborhood confrontations, regional powers

such as China, India and Russia, backed if necessary by external powers such as the U.S. and EU, need to take the initiative to start a regional security dialogue.

- b. The issues to be discussed at such a dialogue could include:
- Closer border security cooperation;
  - Steps to prevent the flow of arms;
  - Curbs on the flow of illegal/drug-related money (along the lines of the UN “Blood Diamonds” initiative); and,
  - Commitments to import Afghan agricultural products.
- c. Similarly, the Counter-Narcotics CBM needs to pick up speed. With Russia, Iran, Turkey, Tajikistan, India and Pakistan all affected, the scope for regional cooperation is large. Regular meetings of counter-narcotics officials of CBM member-countries would be useful and could be organized as a priority.





# PEACE AND RECONCILIATION

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*“We do not want a peace deal. We want sustainable peace.”*

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*Mohammed Masoom Stanekzai  
High Peace Council*

At the Almaty Ministerial in 2013 all the Heart of Asia countries reiterated their support for an Afghan led and owned peace process. However, many of them see this process as having to be guided by the red lines set at the London Conference and Loya Jirga of 2010. Moreover, few regional analysts see a grounded Afghan reconciliation materializing anytime soon.

Afghan analysts argue that there is wide Afghan support for a reconciliation process, with the qualification that it be pursued with realism. Afghans, they say, recognize that peace is not possible without the support of the Taliban, but they want a durable and dignified peace that does not sacrifice their rights. Furthermore, for reconciliation to take hold, Afghanistan-Pakistan cooperation needs

**“Our message is clear, we want peace and reconciliation. But anything that results in the weakening of our people needs to be avoided.”**

to yield incremental results. Any short-cuts to a fragile peace would undo Afghanistan's democratic gains of the past twelve years, they add, reminding the international community of commitments to this end made in Bonn, Chicago and Tokyo.

**“China does not want to offend the Taliban, but China does not want to support the wrong side, as they did with the Khmer Rouge.”** Afghan analysts also emphasize that concerned regional countries need to identify their cross-border spoilers and hold them accountable. According to Afghan Government reports, the number of cross-border militants began to increase sharply in 2013, including non-Pashtun Taliban affiliates from Pakistan, Tajiks, Turkmen, Uzbeks and Chechens. Various instruments to control cross-border incursions have been tried by regional countries, including under the SCO, but with scant impact and a generally weak political will. 2014, they point out, is the year in which regional countries could develop an agreement on a set of incentives and disincentives and deliver them through a unified regional mechanism. Such a mechanism has been created by the Counter-Terrorism CBM, led by Afghanistan, Turkey and the U.A.E., but the CBM would benefit from the addition of clear disincentives in cases of non-fulfilment of commitments. Otherwise, Afghan analysts worry, the Taliban could reinforce their numbers, and cause havoc in 2015.

## Talks with the Taliban

The Doha Process was left in tatters when the Taliban named their office “The Islamic Emirate in Afghanistan.” In fact its only impact was to unite Afghans in support of the Afghan Government's strong opposition. However, Afghan and international efforts to institute credible negotiations with the Taliban will continue.

Creating a legitimate space for the Taliban has so far been impossible. Most Afghans were suspicious of the Doha process as the Taliban office was set up when there was no visible discussion of a ceasefire. Reconciliation hopes were raised when Pakistani Prime Minister Nawaz Sharif promised his good offices to bring about talks between the High Peace Council and the Taliban, including a meeting with Mullah Baradar. These hopes waned at the meeting, when Baradar was so heavily sedated that he could barely speak. Engaging the new Pakistan Government was a positive step, Afghan analysts say; but the country's internal dynamics had not changed sufficiently for a breakthrough. "A key problem," a Pakistani analyst says, "is that both Pakistan and Afghanistan have outsourced the border to militants. Allegedly there are 224 illegal routes between the two countries."

The Pakistani strategy earlier was to drive a wedge between the Tehrik-e-Taliban Pakistan (TTP) and the Afghan Taliban, in the hope that this would enable them to defeat the TTP. A common Afghan complaint was that the U.S. drone attacks focused on the TTP rather than the Afghan Taliban. With Prime Minister Sharif's government espousing talks with the TTP, it seemed that an option for parallel but coordinated talks had opened, between the Pakistan Government and the TTP, and between the Afghan Government and the Taliban. It appears, however, to be a very slim possibility.

**"One reason President Karzai has delayed signing the BSA is that he wants the U.S. to push all parties to make a sincere effort to get the Taliban to negotiate in good faith."**

According to Afghan experts Taliban assets in the south and east are unlikely to decline in the near future; indeed, they have been able to create new cells in most parts of the country in 2013. The Taliban is organized into three layers – inner, middle and outer. The inner circle is the leadership, the middle is the field commanders and the outer is the expendables. Since the ISAF surge, security forces have killed, wounded

and captured tens of thousands of Taliban, most of them expendables. The middle and inner circles survive; the latter is across the border and can mobilize cross-border support for the former.

**“There is a fragmented Taliban and a number of different legitimate parties within the country. They do not all have to be at the table but they must feel represented.”** Peace process analysts, however, warn that lack of progress in reconciliation may make donors “run out of patience.” Cognitive bias, bad judgment, and self interest have undermined peace initiatives, they say. The paradox is that today a game plan may be seen as important but distant, but once it becomes urgent it may be too late to start. However divided, all parties seem to want peace and that must be capitalized on.

Realistically, reconciliation is not a short-term probability. But it is a medium term possibility and a long-term necessity. In the short-term, Afghanistan has to contain the insurgency and its cross-border support. But if current peace initiatives focus on arriving at the same page, they may help prevent the medium-term threat of a consolidated insurgency and will maximize the chances of long-term success. Over time, back channels with militants could be used to transform their organizations into political parties, as has been partially achieved with the Hezb e Islami.

**“The U.S., UK, China, Germany, France, Japan, Iran, Russia and Turkey have all had back channel talks with the Taliban. Pakistan of course has the most influence over them.”** The Heart of Asia countries and external actors who might have established contact with the Taliban, whether at the inner or mid-layer, could use their contacts to persuade some if not all of the militants to consider supporting talks with the Afghan Government. Such persuasion would be an add-on to their hedging strategies not a replacement. Most Afghans accept that there will be no peace without the Taliban; many Taliban accept that they cannot win the war.

Regional analysts further support this thesis. The common threats facing the region are both conventional and unconventional, such as terrorism, drugs and organised crime, requiring a combined security and development strategy. The neighborhood has stakes in regional development rather than hedging, they say; neither security nor development will be possible if the Afghan Government and the Taliban do not arrive at a settlement. The first step towards a settlement can only be taken if Afghans talk to each other without outside influence, with the talks process eventually moving to Afghanistan itself (after a basic security arrangement such as a ceasefire is in place).

**“Involvement of regional countries in Afghanistan has gone from charitable support to that of direct self interest. Regional rather than bilateral policies make sense.”**

## Counter-Terrorism

Attempts to create tripartite counter-insurgency cooperation have by and large been ineffective. The Afghanistan-Pakistan-U.S. mechanism, set up in 2009 on the Southern Afghanistan-Pakistan border, was intended to serve this end but did not result in closer on the ground intelligence-sharing or joint operations. Instead, even talks tended to break down under provocation of militancy, such as shells being fired across the border.

There are worrying estimates that Taliban attacks will increase exponentially in the coming year. Afghan defense experts cite intelligence reports that the Taliban plan to migrate *en masse* to Afghanistan after the ISAF drawdown in 2014. Already the current operational structure has been stretched to its limits. Having been built up and trained at considerable cost, the Afghan National Police (ANP) took over

**“The army was sent in to Helmand and Kandahar when insurgents started attacking ANP stationed there. We fought for a month and a half. But this is a ricochet battle: as soon as one place is peaceful, the insurgents start attacking others.”**

village and municipal level counter-insurgency operations in 2012-13. Comprising around 150,000 personnel spread across the Afghan Uniformed Police (the largest wing of the ANP), the Afghan National Civil Order Police (riot police) and the Afghan Border Police, the ANP have become a target of choice for the Taliban, and are frequently forced to call the army to their aid.

Some regional analysts argue that the old debate – who is a terrorist and who is a freedom fighter? – has not yet been laid to rest, and thus finding a concerted regional response to terrorism is and will continue to be difficult. Others point out that there are stakeholders who still permit or support terrorism to achieve their foreign policy or strategic objectives in Afghanistan.

Nonetheless, all regional and Heart of Asia countries agree that the spread of extremism in the region is a common concern. Some, speaking from experience, hold up their own examples as cautionary tales. “Pakistan remained in denial for a long time about terrorism in the country. We did not have a counter-terrorism strategy. We could not have prosecutions because we did not have laws relating to terrorism,” says a Pakistani analyst. “However, the Pakistan Government recently passed an ordinance called the Protection of Pakistan Ordinance. It is a very tough law.”

**“Many people in Pakistan now believe that a Taliban government in Kabul will not be useful. How can Pakistan grow unless it has peace with its neighbors?”** One major problem, other Pakistani analysts add, is that the Afghan and Pakistani tribal areas have remained tribal while the entire region has changed. This has allowed extremism to grow unchecked. Internal terrorism in Federally Administered Tribal Areas of Pakistan (FATA) and Balochistan can also draw cross-border support from Afghanistan.

The peace and reconciliation process, regional analysts point out, cannot comprise security measures alone, nor even peacemaking alone. Peace-building through cultural, economic and social measures is an essential complement. It is covered under the de-radicalization section of the Counter-Terrorism CBM, and also to some extent by the Education CBM.

## De-Radicalization

The Afghan Government had made valiant efforts to deal with radicalization internally, but with patchy success. Its disarmament and reintegration program had an impact initially, albeit small, but the fact that aid for reintegration of former militants could not be maintained led to its decline. Women working in the Provincial Peace Councils have found that reintegration worked in areas where radical ideologies were weak, but not where they were strongly rooted. They also found that they could convince insurgents and potential insurgents to return to civilian life through their families, but given that the High Peace Council was not in a position to provide former insurgents with security most of their initiatives failed. They also found that local conflicts often became grounds for militancy.

**“Women can do a lot for de-radicalization programs because they can work through families.”**

The spread of extremism across Afghanistan and the Afghanistan-Pakistan border regions has several root causes, chief amongst them being poverty, radical propaganda in the mosques and *madaris* and a public perception of unresponsive governance. Thirty years of conflict have kept Afghanistan in economic crisis; as an aid-dependent country over the past decade, Afghanistan has been named the third-most corrupt country in the world by Transparency International (most of the regional countries also rank high: Uzbekistan and Turkmenistan 168/177, Tajikistan 154/177, Pakistan and Russia 127/177, India 94/177,

China 80/177<sup>2</sup>). Real and perceived abuse of power has turned many Afghans towards the Taliban.

**“We can prevent some of our youth from becoming militants by bridging the gap between people and government and focusing on job creation. But it will take time.”** Poverty and the paucity of schools have also led Afghans to seek out *madaris* for education, making students easy prey for Taliban recruiters. 60 percent of the population is under 25 years of age. Neither Afghanistan nor Pakistan, where most of the radical preachers are trained, have been able to regulate religious institutions, some which have become a resource for radicals across the region, especially those seeking to redress political and/or religious problems in their home countries.

Afghan political leaders believe that development, job creation and a better government-public interface will help tackle some of the root causes of radicalization, but acknowledge that their limited capacity to provide the former two will make the task a long haul.

Afghan refugees are another community vulnerable to militant preachers and recruiters, especially in Pakistan. With both Iran and Pakistan suffering a large burden of care for refugees, the three governments have explored several options, from repatriation to relocation to absorption, but each has had a limited impact. In the meantime, the two countries could work with the Afghan Government to resolve daily problems, such as being kept out of the education system or non-recognition of inter-ethnic marriages. Iran has recently proposed one reform: an agreement whereby Afghan refugees accused of crimes in Iran could be tried in Afghanistan.

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<sup>2</sup> Taking 177 as the worst performer. Transparency International, <http://www.transparency.org/country>.



The High Peace Council shifted focus to the cultural and educational aspects of de-radicalization in 2013. They are working with *ulema* in Afghanistan and the region to promote Islamic cultures of peace and have recently held a large conference on the issue, bringing together *ulema* from across the region. They are also studying the Indian Muslim movement of *fatwas* against terrorism for possible application.

**“The 2014 transitions will be an important point to change the narrative of violence from the Sharia point of view.”**

MOHAMMED MASOOM  
STANEKZAI  
HIGH PEACE COUNCIL

Iranian analysts suggest, further, that Iran could share its experience in combining democracy and Islam with the Afghan government, including for production of materials through the Education CBM that Iran leads. Moreover, several CARs academics worked jointly to produce a humanities curriculum that cultivates pluralism and the value of tolerance. This curriculum has been introduced by Tajikistan, Kyrgyzstan and Kazakhstan, and could also be adapted by Afghanistan. Finally, social media is increasingly being used by radicals and it would be useful to discuss this aspect further. Three million Afghans are on Facebook. These youth have a stake in Afghanistan’s future. An inexpensive way of getting through to them would be to use social media.

## Recommendations

- a. In previous Delhi Policy Group conferences participants had recommended that the two regional organizations, SCO and SAARC, could cooperate on counter-terrorism given that they both have protocols on the issue. Discussion between the two regional organizations could be a part of the proposed regional security dialogue (see below).
- b. Regional countries could do far more to beef up the Counter-Terrorism CBM. Tajikistan has hosted one workshop under it;

other neighbors could do likewise. In particular, they could assist the High Peace Council in their *ulema* dialogue. Participants at previous Delhi Policy Group conferences had proposed a public outreach program comprising radio broadcasts by peace process *ulema* from across the region. All the Heart of Asia countries that are members of the Counter-Terrorism CBM could provide 1 hour per week of public radio time for such broadcasts and a group could be set up under the CBM to produce the broadcasts.

- c. Regional and external countries that have back channel contacts with the Taliban should coordinate their efforts with the High Peace Council to develop a medium and long-term program that will yield a sustainable peace with the Taliban and preserve the democratic gains that Afghanistan has achieved over the past decade.

# THE ECONOMIC TRANSITION

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*“The Afghan economy may flounder in the short term but not in the long term. To become self sustaining, the country needs good governance.”*

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*Ashraf Ghani  
Presidential Candidate*

Afghan analysts are divided between gloom in the short-term and hope for the medium and long-term economic prospects of the country. In anticipation of the 2014 transition, the flight of capital began in 2013. The Afghan private sector describe themselves as facing a crisis of uncertainty, and seek continued U.S. presence as reassurance that a modicum of stability will be preserved. They are less confident of donor commitments under the Tokyo process. “While Afghans are grateful for the generosity of their international partners, many believe that aid has not been as effective as it could have been,” one analyst says. “Afghans look for assistance that is more aligned to

**“Dubai is a hub for Afghan businessmen but they themselves are not investing as they are concerned about political stability and are waiting for assurance of future.”**

Afghan needs, while at the same time promising accountability on their part.”

Others believe that if the Afghan economy can plough through 2014-15, prospects will improve. Though the Afghan Government is not able to collect the bulk of its revenue, revenue collection is steadily improving. According to the World Bank, GDP growth averaged 9.2 percent between 2003 and 2012 and reached an estimated 11.8 percent in 2012-13, thanks to an exceptional harvest. Inflation decreased to 6.4 percent in 2012-13, down from 10.2 percent in 2012.<sup>3</sup>

**“China should make more effort to invest in Afghan education, railways, energy and agricultural business.”** Exports continued to grow in 2013 but so did imports, with the trade imbalance more than doubling from 2010-13. The principal export destinations remain Pakistan (47 percent), India (16.3 percent) and Iran (6.2 percent), but the principal imports show an expanding Chinese share of the Afghan market (Pakistan 14.2 percent, China 11.5 percent and Japan 9.7 percent).<sup>4</sup> A fiscal gap of 38.6 percent, amounting to USD 4 billion, is expected to continue through 2015 but Afghanistan hopes to reduce the fiscal gap to 11 percent by 2025.

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<sup>3</sup> <http://www.worldbank.org/en/country/afghanistan/overview>.

<sup>4</sup> *Australian Government, Department of Foreign Affairs and Trade*, <http://www.dfat.gov.au/geo/fs/afgh.pdf>

**Table 5: Growth Share and GDP**

Afghan Sector Growth and GDP Contribution								
Year	Real Growth per Sector (percent)				Share of GDP (percent)			
	2010	2011	2012	2013	2010	2011	2012	2013
Agriculture	-6.4	-7.6	18.2	N/A	27.1	24.5	24.6	N/A
Cereals	-9.2	-22.2	42.8	N/A	11.4	8.7	11.3	N/A
Industries	6.3	9.8	7.7	N/A	21.9	23.5	21.8	N/A
Manufacturing	3.8	3.1	7.3	N/A	12.9	14.2	12.8	N/A
Services	18.1	10.3	16	N/A	51	52	53.5	N/A
Transport and Storage	6.2	9	28.1	N/A	16.1	16.5	19.4	N/A
	Real Growth				Total worth (USD Billions)			
<b>Totals</b>	<b>8.4</b>	<b>6.1</b>	<b>14.4</b>	<b>3.1</b>	<b>15.9</b>	<b>17.9</b>	<b>20.5</b>	<b>N/A</b>

Source: <http://documents.worldbank.org/curated/en/2013/10/18433329/afghanistan-economic-update-poverty-reduction-economic-management> (Afghanistan Economic Update: October 2013, World Bank)

Afghanistan's industrial base is weak but growing. It contributes around 22 percent of GDP. The country has a strong agricultural base, contributing around 25 percent of GDP, but with the capacity to contribute far more. The agricultural contribution to GDP grew by 18 percent between 2011 and 2012. "12 percent of Afghanistan's agricultural land can feed 120 million people if fully utilised," says former Finance Minister and Presidential candidate Ashraf Ghani. Afghanistan could therefore develop agro-based industries, for which it would need technical assistance: India has committed to setting up an agricultural university in Kandahar.

The mining sector too is slowly emerging as a source of growth. The share of mining in GDP was only 0.6% in 2010-11. In 2012, the first large-scale mining project – the Amu Darya oil fields – started its operations, and the World Bank and ADB expect the share of mining in aggregate output to increase in the upcoming years. Both China and

India have made large investments in mining, the former in the Aynak mines and the latter in the Hajikak mines.

**“During the initial post conflict years, Afghanistan became a consumerist society, but such an economy cannot be sustained.”** Afghan purchasing power parity (PPP, in Int’l USD billion) has also grown steadily, from 20.8 in 2008 to a forecast 35.3 in 2013, while GDP per capita has grown from USD 369 to a forecast USD 626 for the same period. Nevertheless, International Monetary Fund forecasts for 2013 show a sharp downturn in rates of real GDP growth for 2013, from 12.5 percent in 2012 to 3.1 percent in 2013, largely in anticipation of the changes that the ISAF drawdown will engender. The ADB, on the other hand, predicts a partial recovery in 2014-2015 and forecasts real GDP growth at 4.5 percent for 2015.<sup>5</sup>

**Table 6: Afghan Economic Indicators**

Afghan Economic Indicators <sup>6</sup>						
Year	2008	2009	2010	2011	2012	2013 <sup>7</sup>
GDP (U.S.\$ bn) (current prices)	10.5	12.5	15.9	17.9	20.3	20.6
GDP PPP <sup>8</sup> (Int’l \$ bn)	20.4	24.9	27.3	29.5	33.8	35.3
GDP per capita (U.S. \$)	369	427	528	577	634	626
GDP per capita PPP (Int’l \$ bn)	719	849	904	950	1,055	1,070
Real GDP growth (% change yoy)	3.6	21	8.4	6.1	12.5	3.1
Current Account balance (U.S. \$ m)	536	195	452	430	798	511
Current Account balance (% GDP)	5.1	1.6	2.8	2.4	3.9	2.5
Goods exports (% GDP)	23.5	20.2	17.8	16.2	N/A	N/A
Inflation (% change yoy)	23.4	-10	7.1	10.4	4.5	7.1

Source: Australian Government, Department of Foreign Affairs and Trade, <http://www.dfat.gov.au/geo/fs/afgh.pdf>

5 Asian Development Outlook (ADO) 2014, ADB estimates.

6 Australian Government, Department of Foreign Affairs and Trade, <http://www.dfat.gov.au/geo/fs/afgh.pdf>

7 IMF forecast

8 Purchasing Power Parity (PPP)

Social indicators provide a similar picture of a country that is improving but in an uncertain climate, which is likely to contribute to stresses on the Afghan economy. Life expectancy has risen to 64, and the number of internet and mobile users continues to increase. About 85 percent of the population lives in districts with health care providers. About 57.4 percent live within one hour's walking distance from a public health facility. Infant and under-5 mortality has declined. The number of schoolteachers has multiplied by a factor of 9, and school enrollment has gone from 1 to 7.8 million.<sup>9</sup>

On the other hand, only 27 percent of Afghans have access to safe drinking water and 5 percent to adequate sanitation. Roughly 30 percent have access to electricity. The number of nursery schools and kindergartens has decreased between 2011 and 2013, but the number of students has gone up. Crime has more than doubled. Traffic accidents have increased (presumably so have the number of vehicles and drivers). Donor assistance, for example to the Red Crescent and disaster preparedness centers, has sharply reduced.<sup>10</sup>

If the political and security transitions do not break down irrevocably, Afghanistan's economic prospects will continue to improve. Regional trade and investment is now beginning to grow, indicating that as far as economic cooperation is concerned the region no longer has a 'wait and watch' approach. Apart from Pakistan, India, Iran and China, Afghanistan's top trading partners include Russia, Uzbekistan, Tajikistan and Turkmenistan. Afghan-Russian trade has increased to USD 1 billion, and both

**As far as Tajikistan is concerned, projects in Afghanistan are not moving fast enough. Afghanistan is a main trading route for Tajikistan. Many power projects and other infrastructural projects in Tajikistan are being planned depending on peace and stabilization in Afghanistan."**

<sup>9</sup> <http://www.worldbank.org/en/country/afghanistan/overview>

<sup>10</sup> <http://cso.gov.af/Content/files/04%20Social%20Statistics.pdf>

Turkish and Russian construction companies, for example, have a large Afghan market. Kazakhstan has generated USD 300 million plus in bilateral trade and invested USD 50 million for education in Afghanistan. Under the CASA-1000 project, a regional hydropower grid is planned to supply electricity from Tajikistan and the Kyrgyz Republic to Afghanistan and Pakistan: at present Uzbekistan and Turkmenistan together provide a substantial portion of Afghanistan's current electricity supplies.

Funding is a problem for CASA-1000. Tajikistan and the Kyrgyz Republic have not been able to muster their required contributions. The Russian Government has offered to step in with a loan through the Eurasian Development Bank, and the U.S. is going to contribute USD 15 million. The U.S. is also exploring ways in which India can join the project.

The ambitious TAPI pipeline has gained new traction with the ADB coming forward to invest in it. Five Regional Economic Cooperation Conferences on Afghanistan (RECCA) have taken place with a sixth scheduled for after the 2014 elections. In recognition, Afghanistan has been elected Chair of the United Nations Special Program for the Economies of Central Asia (UNSPECA) this year.

But Afghanistan needs transit facilities for growth. India, for example, provides a vast market for Afghan food and could provide Afghanistan with heavy machinery and equipment, but has not been granted transit facilities through Pakistan. It was hoped that the South Asian Free Trade Agreement (SAFTA) would solve the problem – under SAFTA bilateral transit agreements would no longer be required – but it is yet to be operationalized. In comparison, Afghanistan's Northern and Western trade has improved far more than its Southern trade. With the help of Azerbaijan, Afghanistan has begun to integrate into the Black Sea economies.



The Silk Road concept was launched in 2009 partly to solve the transit issue. It aimed to create a North-South trade corridor from Central Asia to South Asia, matching the East-West Silk Road corridor that China had initiated. Central Asian countries hope that China's plans to develop a North-South corridor will offer opportunities to develop their economies along with Afghanistan's. However, China's plans thus far do not envisage the corridor extending beyond the Pakistan border, thus Afghanistan and Central Asia will not be able to tap into the large Indian and other South Asian markets. If, however, the corridor does extend into India, it could link up with the Bangladesh-China-India-Myanmar trade route that is currently being built.

**"The North-South corridor of the Silk Road should connect to India; otherwise the large South Asian markets will be closed to Afghanistan and Central Asia."**

Currently the only available route to connect South and Central Asia is the Iranian port of Chah-Bahar, offering a road-rail-sea route from Central Asia through Afghanistan. Lacking port development and management capabilities, Iran is in negotiation with India for Chah-Bahar's development, a priority option for India since no other routes are available. One sticking point, however, was that sanctions against Iran made a conclusion difficult: this problem is currently in abeyance due to the EU-Iran and U.S. talks which have led to a temporary suspension of sanctions. Another sticking point, apparently, is that Iran is not prepared to offer long-term usage rights to India, though trade between India, Afghanistan and Central Asia will earn Iran large transit fees.

**"Iran is also invested in connectivity with Central Asia and South Asia. It sees Chah-Bahar as a win-win for everybody. The Herat rail road is almost complete. Benefits will come to those countries that act first."**

It is hoped that Iran and India resolve these hitches speedily. With over 16 percent of its exports going to India, Chah-Bahar development

is a priority for Afghanistan. Iran had set aside a large tract of land next to Chah-Bahar, in the troubled Balochistan-Sistane region, for Afghan port and customs facilities; Afghanistan has been granted rights for long-term use. Turkmenistan has also started work on a Turkmen-Tajik-Afghan railway line, that will connect through Mazar-e-Sharif and go close to the Iran border. Construction started in east Turkmenistan in June 2013, with an investment of USD 200 million. Meanwhile Iran has expressed interest in a Turkmenistan-Afghanistan-Iran pipeline.

As the lead country in the CBM on Commercial and Investment Opportunities, India has held two investment summits in New Delhi, in 2012 and 2013, but investor confidence is slow to build. The first summit was attended by more than 40 countries' companies, the second by fewer, given uncertainty about the future of the three transitions.

## Recommendations

- a. Though there is progress on Central Asia-Afghanistan-South Asia economic cooperation, it is exceedingly slow. Involved countries could set deadlines for CASA-1000, Chah-Bahar and TAPI development, taking into account that negotiations on the former are relatively advanced and the latter is a mega project that may not fit under the Heart of Asia rubric. TAPI may do best under the ADB aegis.
- b. The region can go one or two levels down and identify bankable projects. For example, regional participants at the Delhi Policy Group conferences have emphasized cultural connectivity, especially through joint initiatives by their Ministries of Culture and Tourism. Heart of Asia airline alliances could be made to promote air connectivity and provide more flights at cheaper prices.
- c. A knowledge grid could be created through fiber optics.
- d. Regional countries, especially powers such as China and Russia, could increase development aid to shore up Afghanistan's economic transition, especially in the immediate-term. India is already doing so.
- e. A South and Central Asian Free Trade Agreement could be negotiated.

# THE ROLE OF THE UNITED NATIONS

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The UN supports and is willing to facilitate Track II dialogue in support of Track I peace negotiations. UNAMA currently facilitates Afghan civil society's engagement in internal reconciliation. It is respected as an unbiased facilitator.

There is a growing body of opinion within the UN that the organization needs to undertake a special political mission in Afghanistan after the ISAF drawdown, in order to signal that there is a new environment in Afghanistan. The name of the UN mission could change from its current title of UNAMA. The focus would be on the civilian side.

**“After 2014, Afghanistan will be an integral part of the international community. It will not return to an era of isolation. Afghanistan cannot be a pariah again.”**

Afghanistan will have to accept the continuity of certain obligations like the protection of human rights, in conformity with the traditions of the country. The UN will have a major role in ensuring this. UNAMA is designed to help and coordinate organization of the international community, donors and partners, as well as to align donors to Afghan priorities. However, there have been requests from the Afghan

government for a more umbrella approach. They have too many UN agencies to deal with. Dismantling parallel structures is on the UN agenda.

But there is also need for a UN political role. The UN keeps as many firewalls as possible between humanitarian and political tasks. The UN could offer its good offices in areas of political development vis a vis reconciliation. It can work in aiding preparation and conduct of the 2015 parliamentary elections and providing technical assistance.

The regional mandate of the UN is to foster regional connectivity. There are big projects in the pipeline. In the UN view, negotiations on big projects may take a measured pace, but this should be acceptable so long as they move in the right direction. They do not necessarily have to be centered on Afghanistan. When addressing regional issues, all countries' requirements and concerns must be recognized. The Heart of Asia forum is the only platform for such an exercise, and it needs to push for regional financial aid to materialize in the next two or three years. Regional countries need to identify concrete projects and present them to other countries for finance. There is otherwise a risk that some countries might use lack of regional cooperation as an excuse to walk away after 2014.

Most regional countries support a political role for the UN, but wish that role to be more ambitious. Participants at the Delhi Policy Group's 2013 regional conferences agreed that a Regional Compact would be an enormous confidence-booster in Afghanistan and for most Heart of Asia Countries; it could also stimulate regional economies, in particular Afghanistan's, and work towards regional security cooperation.

## Recommendation

- a. The UN Security Council should consider mandating UNAMA to ascertain the potential and viability of a Regional Compact, which the UN would take a lead in negotiating.

# A REGIONAL COMPACT FOR AFGHANISTAN

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The Afghan Government and most of the Afghan Presidential candidates support the idea of a Regional Compact for Afghanistan; indeed, it is implied in the Istanbul Declaration of 2011 and the smaller Declaration of Good Neighborliness signed in 2002. Former Finance Minister Ashraf Ghani talks of an Afghan Stability Pact along the lines of the Balkan Stability Pact; Dr. Abdullah Abdullah has made public his commitment to the doctrine of “Enduring Neutrality”, which would apply both to Afghanistan’s relations with its neighbours and other countries and to their relations with Afghanistan; and as former Foreign Minister, Zalmay Rassoul actively canvassed regional support for the idea of a regional compact.

The issue was discussed at three Delhi Policy conferences, from 2012-2013, and a short consensus document was agreed in December 2013. It is reproduced below. Needless to say, the Compact would be Afghanistan-centred and would not apply to relations between other participating countries.

# Elements of a Regional Compact for Afghanistan

*Consensus Document, Kabul, December 1-2, 2013*

## Background

1. The idea of a Regional Compact for Afghanistan has been in the air for several years now and builds on the lessons learned of the Geneva Accords of the early 1990s, which were a resounding failure, partly because they were between 2+2 parties and neglected the rest of the region, and partly because the two guarantors, the U.S. and USSR, walked away. Indeed the failed Geneva Accords raise the question of whether any multilateral agreement will work in the region given its many bilateral and multilateral security dilemmas. For this reason, the regional meetings that were launched at Istanbul in 2011 are known as a process rather than a set of negotiations. The Istanbul Declaration spelled out a number of principles for regional cooperation, which were developed at Kabul and Almaty into Confidence-Building Measures (CBMs) that would, if and when operationalized, become core mechanisms for implementation of the principles agreed at Istanbul.
2. However, the slow pace of the Kabul CBMs – that are only at the point of planning two years after the Istanbul Declaration – suggest that the Heart of Asia countries and concerned members of the international community may need to adopt a framework with defined goals and timelines for implementation. This would be a fitting counterpart to the Tokyo Conference, which laid down a roadmap of tasks and timelines for the Afghan Government and international donors, insofar as aid is tied to implementation.
3. Were a similar framework developed for regional cooperation, it would vastly improve prospects for the implementation of the Tokyo framework. Afghanistan's stabilization problems are both internal

and external, and its capacity-building at the institutional level depends heavily on regional cooperation. A roadmap and timeline for implementation of the Kabul CBMs by the Istanbul Process and Heart of Asia countries would anchor the Afghan Government's efforts, and indicate that Afghanistan's neighbors are committed to the principles they signed onto, as follows:

### Key Principles of the Istanbul and Almaty Declarations

4. The Istanbul and Almaty Declarations stressed the following key principles:
  - Reiteration of the internationally-agreed and binding principles of sovereignty and non-interference;
  - Security cooperation, especially counter-terrorism, prevention of cross-border sanctuaries and cross-border movement of militants, arms and narcotics;
  - Support for an Afghan-led peace and reconciliation process, which upholds the sanctity of the Afghan Constitution and the fundamental rights of its citizens;
  - Economic cooperation, especially for building infrastructure and connectivity, mobilizing investment and trade;
  - Cultural cooperation, to revive the ancient and existing intellectual and spiritual common space of the Heart of Asia countries; and
  - Inter-faith cooperation to counter contemporary distortions of religious beliefs and extremist religious views (not reiterated with same vigor in the Almaty Declaration).

## Embedding these Principles in a Regional Compact

### **Sovereignty and Non-Interference**

5. Afghanistan will best stabilize if its sovereignty is respected and combined with non-interference. These two principles are core to the UN Charter, the Declaration of Good Neighborliness (signed by 6 neighbors) and the Istanbul Declaration (26 signatories), but amongst the most elusive when it comes to implementation. What is required to begin with is an agreement on the rules and limits of non-interference.
6. Such an agreement could also include a commitment from Afghanistan that foreign forces will not remain once the Compact comes into effect.

### Security

7. The Istanbul and Almaty Declarations identified a range of issues for security cooperation, as below:
  - Mitigation of cross-border tensions
  - Cooperative border controls and management
  - Prevention of cross-border attacks
  - Removal of militant sanctuaries
  - Cessation of cross-border movement of arms and/or explosives
  - Prevention of terrorist financing
  - Counter-terrorism (from ideology to arms)
8. Some of these are bilateral issues and others are collective ones. Since terrorism is a threat to all, each country has its own counter-insurgency strategy. However, two of the chief regional organizations, the SCO and SAARC, have detailed counter-terrorism cooperation agreements and protocols (SCO) or conventions (SAARC). The



Collective Security Treaty Organization (CSTO) has a number of cooperative border management and control agreements. These organizations could be required to cooperate under a Regional Compact, with such cooperation being led by the Counter-Terrorism CBM. They could be tasked, as a start, with evolving a Code of Border Conduct. To clarify, such cooperation would be solely Afghanistan-focused.

9. As far as cessation of cross-border movement of arms and/or explosives and prevention of terrorist financing, the UN has units dealing with both, and all the Heart of Asia and supporting countries are members. If the UN has not been asked to lead initiatives for both under the Counter-Terrorism CBM, it should be.
10. Finally, there are several overlapping interests between the Counter-Terrorism and the Counter-Narcotics CBMs. Narcotics provide an important slice of terrorist financing, and are a concern to all the neighbors. The two CBMs could work together and with UNODC under the Regional Compact.

### Investment, Trade and Connectivity

11. In the many overlapping forums for economic support to Afghanistan and development of the region, such as the 2 Kabul CBMs (Trade and Commercial Opportunities and Infrastructure), RECCA, the New Silk Road and ECO, the following areas have been emphasized:
  - Regional infrastructure development: road, rail, air, sea, rivers
  - Common cultural heritage: preservation and development
  - Energy connectivity
  - Regional trade
12. Energy, tourism and trade are clearly three critical elements that will help unleash the region's potential. Without infrastructure development they won't work. Pending and under discussion

projects, such as TAPI, CASA-1000 and Chah-Bahar, need to be fast-tracked and firm deadlines set. Regular coordination between the Trade and Commercial Opportunities and Infrastructure CBMs could be ensured under the Regional Compact.

13. The various regional economic organizations and initiatives could coordinate under the Regional Compact.

## Cultural Cooperation and Education

14. There is no CBM for cultural cooperation, though Central and South Asian countries repeatedly stress their desire to reclaim the common cultural heritages they shared during the ancient Silk Route period. A Regional Compact could encourage the Heart of Asia governments to get their culture ministries and institutions to engage in joint cultural production, from entertainment to electronic and print media, and to promote each other's cultural products.
15. As stated in the main text of the Report, cultural cooperation through tourism, which generates the most revenue, has been held up due to security concerns that will persist or even intensify in 2014-15. They could cooperate under the Infrastructure and Education CBMs.
16. Regional countries could cooperate with the Afghan High Peace Council to support its de-radicalization initiatives.

## Mechanisms

17. Regular monitoring of performance/non-performance under a Regional Compact will be required. Informally, the Istanbul/Heart of Asia Process provides a review forum, as does the International Contact Group of envoys to Afghanistan, but only informally and without monitoring.
18. To monitor implementation of a Regional Compact, a regional office would be required. It could be Kabul based.

19. Afghans are interested in the creation of a security architecture regional countries make specific commitments and implement actions that contribute to Afghanistan and regional security. Afghanistan focused architecture could be a stepping stone for regional security architecture.
20. A Regional Compact would need to include grievance reporting and redressal mechanisms.

## Conclusion

21. As the main transitions of 2014 approach, security and stabilization are becoming the top issues for Afghanistan and the region. A binding Regional Compact to aid Afghanistan (and by extension each regional/participating country) is still some way away, but a declaration of intent towards a Regional Compact, followed by issue-based working groups to hammer out section drafts towards such a Compact, could be on the agenda of the next Heart of Asia Ministerial, to be held in Taijing.



# APPENDIX A

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## List of Participants

### AFGHANISTAN

1. Shukria Barakzai, Member of Parliament, Wolesi Jirga
2. Elay Ershad, Member of Parliament, Wolesi Jirga
3. Wazhma Frogh, Executive Director, Research Institute for Women, Peace & Security in Afghanistan
4. Haseeb Humayoon, Director, QARA Consulting, Afghanistan and Member, Afghanistan 1400
5. Hekmat Karzai, Director, Centre for Conflict Resolution of Afghanistan
6. Jawed Ludin, former Deputy Foreign Minister of Afghanistan
7. Davood Moradian, Director General, Afghan Institute for Strategic Studies and former Advisor to Afghanistan's National Security Council
8. Nader Nadery, Chairperson, Fair and Free Election Foundation of Afghanistan
9. Abbas Noyan, Secretary General, Rights and Justice Party
10. H.E. Ghulam Jelani Popal, former Governance Affairs Minister for the Afghan Presidency
11. Muhammad Ismail Qasimyar, Member, High Peace Council of Afghanistan
12. Waliullah Rahmani, Executive Director, Kabul Center of Strategic Studies

- 13.** Mahmoud Saikal, Founder and Manager, Falak Development Consultancy and former Deputy Foreign Affairs Minister of Afghanistan
- 14.** Khaled Sirajuddin, Afghanistan 1400
- 15.** Sanjar Sohail, Editor, Hasht-e-Sobh and member Afghanistan Awareness and Analysis (A3)
- 16.** Mohammed Masoom Stanekzai, Head, Office of the High Peace Council
- 17.** Faramarz Tamanna, Director General, Center for Strategic Studies, Ministry of Foreign Affairs of Afghanistan

## **CHINA**

- 18.** Professor Zhou Rong, Journalist, Chinese Guang Ming Daily

## **INDIA**

- 19.** Mani Shankar Aiyar, Member of Parliament, Rajya Sabha
- 20.** Indrani Bagchi, Times of India
- 21.** Ambassador K. Shankar Bajpai, Chairman, Delhi Policy Group
- 22.** H. K. Dua, Member of Parliament, Rajya Sabha
- 23.** Ambassador Chinmaya Gharekhan, Director, IGNACA and former UNSG Chef du Cabinet
- 24.** Ambassador Arundhati Ghose, former Permanent Representative of India to the United Nations
- 25.** Lieutenant General Syed Ata Hasnain, former GOC V Corps, Indian army
- 26.** Air Vice Marshall Kapil Kak, Center for Air Power Studies
- 27.** Admiral Pradeep Kaushiva, Director, National Maritime Foundation
- 28.** Lieutenant General Dhruv Katoch, Director, Centre for Land and Warfare Studies
- 29.** Radha Kumar, Director General, Delhi Policy Group

30. Syed Shahid Mahdi, Member, Afghan-India Foundation
31. Shakti Sinha, former Principal Secretary, CMD Delhi Transco, DSIIDC and DUSIB
32. Ambassador Achal Malhotra, Director, Planning and Coordination, Delhi Policy Group
33. Ambassador Reena Pandey, former Ambassador of India to Yerevan
34. Ambassador G. Parthasarthy, former High Commissioner of India to Pakistan
35. Ambassador Leela K. Ponappa, former Deputy National Security Advisor of India and Trustee, Delhi Policy Group
36. Ambassador Jayant Prasad, former Ambassador of India to Afghanistan and Nepal
37. Anand Sahay, Co-ordinating Editor, Asian Age
38. Brigadier Arun Sahgal, Columnist
39. Ambassador Ashok Sajjanhar, former Ambassador of India to the USA and Secretary, National Foundation for Communal Harmony
40. Nehchal Sandhu, Deputy National Security Advisor of India
41. Ajai Shukla, Columnist, Business Standard
42. Ambassador Kanwal Sibal, former Foreign Secretary of India
43. Lieutenant General Aditya Singh, Advisor, National Security Program, Delhi Policy Group
44. Vikram Sood, Vice-President of Center for International Relations, Observer Research Foundation
45. Ambassador Ajay Swarup, former Additional Secretary, Ministry of External Affairs
46. Ved Pratap Vaidik, Chairman, Council for Indian Foreign Policy

## **IRAN**

47. Professor Bahram Amirahmadian, Tehran University
48. H.E. Hossein Sheikh-ul-Islam, Senior Advisor to the Majlis and Director of its International Affairs Department

## **KAZAKHSTAN**

- 49.** Daniyar Kosnazarov, Analyst, Eurasia Research Institute
- 50.** Dinara Nurusheva, Vice President, Kazakhstan Center for Humanitarian and Political Trends

## **PAKISTAN**

- 51.** H.E. Afrasiab Khattak, Member, Pakistan Senate
- 52.** Ambassador Ashraf Jehangir Qazi, Spokesperson-Foreign Policy, Pakistan

## **RUSSIA**

- 53.** Vladimir Boyko, Professor of Asian Studies, the Altai State Pedagogical University, Russia
- 54.** Colonel Oleg Kulakov, Professor, Moscow Defence University

## **TAJIKISTAN**

- 55.** Qoshimsho Iskandarov, Head of Department of History and Regional Conflict, Academy of Sciences of Tajikistan
- 56.** Muzzafar Olimov, Head, Sharq Informational-Analytical Center, Tajikistan
- 57.** Hakim Abdullohi Rahnamo, Head, Department of Interior Policy, Center for Strategic Studies under the President of the Republic of Tajikistan
- 58.** Akbarov Saidkhuja, Chief Specialist for Analysis of Internal Policy, Center for Strategic Studies under the President of the Republic of Tajikistan

## **TURKEY**

- 59.** H. E. Burak Akcapar, Ambassador of Turkey to India (Speaker)



## **TURKMENISTAN**

- 60.** H. E. Parakhat Durdyev, Ambassador of Turkmenistan to India (Speaker)

## **UZBEKISTAN**

- 61.** Vladimir Paramonov, Director, Central Eurasia Analytical Group
- 62.** Guli Yuldasheva, Analyst

## **BRIEFINGS, INTERVIEWS AND UPDATES FROM:**

- 1.** H.E. Karim Khalili, Vice President of Afghanistan (Inaugural Speech)
- 2.** H.E. Salman Khurshid, External Affairs Minister of India (Closing Keynote)
- 3.** H.E. Ershad Ahmadi, Deputy Foreign Minister of Afghanistan (Closing Address)
- 4.** General Sher Mohammad Karimi, Chief of General Staff, Afghan National Army
- 5.** H.E. Ranjan Matthai, former Foreign Secretary of India
- 6.** Dr. Abdullah Abdullah, Presidential Candidate, Afghanistan (Special Address)
- 7.** Dr. Ashraf Ghani Ahmadzai, Presidential Candidate, Afghanistan (Interview)
- 8.** Zalmay Rassoul, Presidential Candidate, Afghanistan (Round Table)
- 9.** H.E. Abdul Rahim Wardak, Advisor to President Hamid Karzai and Former Defense Minister of Afghanistan (Speaker)
- 10.** Sham Bhatija, Senior Advisor for Economic Affairs to the President of Afghanistan (Chair)
- 11.** H.E. Shaida Mohammad Abdali, Ambassador of Afghanistan to India (Speaker)

- 12.** H.E. Amar Sinha, Ambassador of India to Afghanistan (Speaker)
- 13.** H.E. Martin Jaeger, Ambassador of Germany to Afghanistan (Speaker)
- 14.** H.E. Mohammed Masoom Stanekzai, Head of Office, High Peace Council of Afghanistan (Speaker)
- 15.** H.E. Franz-Michael Mellbin, EU Special Representative in Afghanistan (Meeting)
- 16.** H.E. Sharafuddin Emam, Ambassador of Tajikistan to Afghanistan (Panelist)
- 17.** Lieutenant General Mohammad Akram, Vice Chief of General Staff, Afghan National Army (Speaker)
- 18.** Amrullah Saleh, former Head, National Directorate of Security, Afghanistan (Speaker)
- 19.** Christopher Kolenda, Senior Advisor, International Security Assistance Force (ISAF) (Speaker)
- 20.** Jan Kubiš, Head of UNAMA (Speaker)
- 21.** Nicholas Haysom, UNAMA (Speaker)
- 22.** Roya Rahmani, Director General for Regional Cooperation, Ministry of Foreign Affairs, Afghanistan (Chair)
- 23.** Wahidullah Waissi, Director-General for Economic Cooperation, Ministry of Foreign Affairs, Afghanistan (Chair)





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