



AFGHANISTAN 2015

The Quest for National Unity

A REPORT

Radha Kumar, with notes and tables by Richard Wallace

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ABBREVIATIONS AND ACRONYMS

AAF	Afghan Air Force
ADB	Asian Development Bank
ALP	Afghan Local Police
ANA	Afghan National Army
ANSF	Afghan National Security Forces
ANDSF	Afghan National Defense and Security Forces
ANP	Afghan National Police
APTTA	Afghanistan Pakistan Transit Trade Agreement
BSA	Bilateral Security Agreement
CAREC	Central Asia Regional Economic Cooperation
CASA-1000	Central Asia South Asia Electricity Transmission and Trade Project
CASEVAC	Casualty Evacuation
CBM	Confidence Building Measure
CEO	Chief Executive Officer
CPEC	China Pakistan Economic Corridor
EBRD	European Bank for Reconstruction and Development
ETIM	East Turkestan Islamic Movement
EU	European Union
FAO	Food and Agriculture Organization
FATA	Federally Administered Tribal Areas
GAIL	Gas Authority of India Limited
GDP	Growth Domestic Product
IDP	Internally Displaced Person
IED	Improvised Explosive Device

IRA	Irish Republican Army
IS	Islamic State
ISAF	International Security Assistance Force
MoD	Ministry of Defense
MoI	Ministry of Interior
MSR	Maritime Silk Road
NATO	North Atlantic Treaty Organization
NUGA	National Unity Government of Afghanistan
PCM	Partnership Cooperation Menu
POK	Pakistan Occupied Kashmir
RSM	Resolute Support Mission
SAARC	South Asian Association for Regional Cooperation
SCO	Shanghai Cooperation Organisation
SIGAR	Special Inspector General for Afghanistan Reconstruction
SOFA	Status of Forces Agreement
SREB	Silk Road Economic Belt
TAPI	Turkmenistan Afghanistan Pakistan India Pipeline
TMAF	Tokyo Mutual Accountability Framework
TTP	Tehreek e Taliban Pakistan
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
UNSG	United Nations Secretary General
UNAMA	United Nations Assistance Mission in Afghanistan

PREFACE

“Our region is yet to devise a common strategy to deal with common threats. We can no longer afford to be selective about which terrorist groups we will target. We will not succeed in defeating one without tackling the whole. India is a most valued partner for regional consensus and cooperation, and with Pakistan we see a significant window of opportunity.”

H.E. Hanif Atmar,

National Security Advisor of Afghanistan,

Speech delivered at the Delhi Policy Group’s 20th Anniversary Conclave, October 15,

2014

This Report is the product of the Delhi Policy Group’s Sixth Regional Conference on peace and stabilization in Afghanistan, along with a series of bilateral and trilateral discussions, planning visits and interviews conducted over the course of 2014. Focused on providing a Track II complement to the official Istanbul/Heart of Asia Process, the regional conference series comprises participants from eleven to thirteen Heart of Asia countries, most of who have met annually over a period of four years.

2014 brought momentous change to Afghanistan. The formation of a National Unity Government sent out a strong and welcome message to the region that Afghans stand together. However, 2014 also underlined the difficult times ahead, with the end of the ISAF mission and consequent economic and security downturn. Aware of the opportunities and challenges ahead, the 2014 conference, bilaterals and trilaterals looked at ways in which regional countries could step up to help Afghanistan consolidate this second great phase of its democracy, shore up security and reconciliation, and embark on economic recovery.

As with other Delhi Policy Group conference Reports, this Report too is not a consensus document but rather a summary of different participant views and suggestions, with one caveat: participants reaffirmed their commitment to a proposed Regional Compact that was jointly agreed in December 2013. Now published as a separate document, the draft Compact is available with this Report. We hope the Report and its recommendations will be of some use to regional policymakers in the Heart of Asia countries.

Radha Kumar
April 24, 2015

EXECUTIVE SUMMARY

1. Afghanistan today has embarked on its second great phase of transition, from a Presidential to a Presidential-Parliamentary democracy based on power-sharing. There is greater political consensus than ever before, and a wide public desire for the National Unity Government to consolidate and survive.
2. The new Government has, however, had to face rising insurgency in the form of a Taliban winter offensive which has segued into the run up of a spring and summer offensive. With the international draw-down of troops and the end of the ISAF mission, the Afghan National Security and Defense Forces have had to battle the insurgency with little to no air support. Both civilian and security casualties have risen steeply, with the Afghan National Police bearing the brunt. The signing of the Afghan-U.S. Defense and Security Cooperation Agreement and the NATO Status of Forces Agreement should remedy some of the security gaps over time.
3. In order to push reconciliation, President Ghani embarked on a bold and potentially risky initiative with Pakistan that has led to closer intelligence-sharing and military to military cooperation. Thus far the focus has been against the Tehreek e Taliban Pakistan and not the Afghan Taliban, but China has offered to mediate with the Taliban and also to host Afghanistan, Pakistan and Taliban meetings. It remains to be seen whether these efforts will bear fruit.
4. The new Afghan Government also has to grapple with a sinking economy. The international community has reiterated its commitments made at Tokyo and London to aid Afghanistan from now through 2017 and regional countries such as China and India too have stepped up. But these commitments will at most amount to a safety net. The Afghan Government has taken initial measures to improve efficiency and root out corruption, but the task is mammoth and in some cases cross-

- border. On the plus side, there is new political will in the Central Asian Republics to move ahead on regional energy and connectivity projects.
5. With a much-reduced international presence, the onus of peace and stabilization in Afghanistan is now on regional countries. What are the trends and options ahead? How will the entry of China and the prominence of Pakistan impact on the rest of the region?

The Political Transition

6. The Delhi Policy Group's Fifth Regional Conference in Kabul in December 2013 stressed that stakeholder countries should not seek to influence the outcome of the Presidential elections. While widespread allegations of electoral fraud suggest that only some neighbor and stakeholder countries followed this prescription, it should be noted that there has been relatively little external interference in the post-government Cabinet formation and appointments process. At the level of the political transition, therefore, it appears that the region is inching towards the principle of non-interference that is high on the Heart of Asia-Istanbul Process agenda.

([http://www.delhipolicygroup.com/uploads/publication_file/1059_Afghanistan_2014_-_Weathering_Transition_\(Final_Report\).pdf](http://www.delhipolicygroup.com/uploads/publication_file/1059_Afghanistan_2014_-_Weathering_Transition_(Final_Report).pdf)).

7. The desirability of a National Unity Government (NUGA) was also discussed at the Fifth Regional Conference in Kabul, but few imagined it would become a reality (that it did is to the exponential credit of President Ghani and CEO Abdullah). The Conference recommended that all Heart of Asia countries welcome and support the new Afghan Government as soon as it was formed. It was noted at the Sixth Regional Conference in Kochi in December 2014 that the Beijing Declaration of October 31, 2014 stated the Heart of Asia countries' commitment to work to support the National Unity Government of Afghanistan (Declaration, Paragraph 6).
8. The NUGA's priorities in 2015 comprise: electoral reforms and the preparation of Parliamentary and provincial elections, Constitutional reforms, human rights and rule of law and women's rights. Heart of Asia governments should be prepared to provide whatever assistance

the NUGA will request, and could work with UNAMA, which is mandated to assist in carrying through these tasks.

9. It is necessary for the flow of international aid to continue if the NUGA is to consolidate its administration. Among the regional countries only India has been a major contributor thus far. China's recent pledges of aid and capacity-building are to be welcomed in this context.

Reconciliation

10. Speaking in the U.S., President Ghani asked Muslim leaders and intellectuals who believe that Islam is a religion of tolerance and virtue to "find their voice. Silence is not acceptable," he said, adding, "Hatred must be challenged and overcome from within the religion of Islam." The Delhi Policy Group's Fifth Regional Conference 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, led by Afghanistan, Turkey and the UAE, 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. This recommendation is repeated since it is yet to be adopted.
11. Moreover, given the exhaustive use of social media by Daesh and the threat it could pose to the region, it was proposed that Heart of Asia partners share de-radicalization practices to tackle viral trends, possibly under the Education CBM led by Iran. Reformist religious leaders could be encouraged to be more active on social media websites such as Twitter and Facebook.
12. One participant added, "Partners should criminalize private jihad in their respective countries as part of a coordinated strategy." Should the UN declare attacks such as the one in Jalalabad on April 18, 2015, a war crime, then concerned Heart of Asia countries could take such a measure as follow-on.

The Security Transition

13. At the Delhi Policy Group's Fifth Regional Conference in Kabul, participants had proposed the establishment of a regional security dialogue to focus on closer security cooperation, steps to prevent the flow of arms, and curbs on the flow of illegal/drug-related money (along the lines of the UN "Blood Diamonds" initiative). With the potential threat of Daesh to the region, the intensification of attacks in Afghanistan and the reappearance of sanctuaries for cross-border militants, the time is ripe for the establishment of a Regional Security Forum. The Forum could be a joint SCO-SAARC initiative, led by Afghanistan and coordinated with the Heart of Asia CBMs. It would be attended by Senior Officials from the region (military and civilian), and should meet at least every six months. This proposal would in fact provide a framework for the Heart of Asia-Istanbul Process' 4th Ministerial Meeting's suggestion that Senior Officials meet to review security cooperation measures.
14. Increased security cooperation between Afghanistan and Pakistan, and between Iran and Afghanistan, is very welcome. At the same time, it is important to ensure that a counter-insurgency operation in one regional country does not lead to the establishment of sanctuaries in another, as is said to have happened with the Zarb e Azb operation. The Beijing Declaration on October 31, 2014, reiterated "our agreement that terrorism, extremism, and separatism and linkages among them pose a serious challenge to many of our countries as well as the region and beyond... We affirm our determination to enhance regional cooperation to dismantle their sanctuaries and training bases, cut off their sources of funding, combat arms, lethal goods smuggling, and strengthen border control in the region and beyond."
15. The Beijing Declaration also affirmed each Heart of Asia country's commitment to capacity-building for the ANDSF. It would be helpful to hold an early set of meetings between the Afghan and Heart of Asia Government representatives along with representatives of the Resolute Support Mission to discuss capacity-building priorities and potential regional contribution.
16. In terms of non-military security, the international community can in-

vest more seriously in civilian as opposed to military security, specifically in counter-narcotics initiatives given the complexity of finding a comprehensive solution to persistent poppy cultivation. There are informal channels of cooperation against narcotics between the SCO and the United Nations Office on Drugs and Crime, the United Nations Development Program and UNAMA. These could be formalized into a regional counter-narcotics initiative.

17. Regional partners can provide valuable assistance in community policing.

The Economic Transition

18. Central Asian analysts point out that Afghan, Pakistani and Indian businessmen have a weak knowledge of which goods would be attractive to Middle East and Central Asian consumers. They suggest the development of forums to promote a better understanding of regional markets and their supply-demand dynamics. The Commercial, Business and Investment CBM under the Heart of Asia-Istanbul Process could provide such a forum in which the regional countries' Chambers of Commerce could participate.
19. A Heart of Asia Trade and Transit Agreement would give the region a major economic boost. Measures such as low to no tax, reduced tariffs and concessions for Heart of Asia products would facilitate trade. Kazakh businessmen for example, find doing business in Afghanistan difficult, as traders have to transit through Uzbekistan and pay high taxes and duties, discouraging commercial activity. Similar problems regarding transit costs in each other's countries are faced by most Heart of Asia members.
20. Heart of Asia countries should actively explore ways to link the North-South trade corridor with the Silk Road initiatives. A dialogue would be helpful on how to connect China's Kunming initiative, which seeks to improve trade between Southwest China and Northeast India, with its Urumqi initiative, which aims to foster increased trade between China and Central Asia.
21. To effectively exploit its abundant energy, mineral and gem resources, Afghanistan could set up an expert task force to explore ways to

strengthen the legal structures governing the operations of extractive industries in Afghanistan. Afghan officials could work in tandem with the Extractive Industries Transparency Initiative, an international organization that assesses standards and best practices.

22. Central Asian investment in Afghanistan at USD 100 million is far lower than the USD 2 billion that comes from South Asia. Joint investment ventures by South and Central Asian companies could be set up to narrow this gap – Afghanistan has previously suggested that Central Asian businessmen could cooperate with Indian businessmen to put in joint bids. At the same time, Afghanistan’s neighbors need to consider how they can reduce the trade imbalances with Afghanistan that are currently in their favor, by giving preferential terms for Afghan goods and services.

Regional Roles and Responses

23. The Heart of Asia countries have come a long way over the past year, from fears and doubts of what the drawdown would bring, to a policy consensus in favor of regional stabilization and economic integration. They seek greater security cooperation and a larger say in policy for the region. Both would be beneficial for Afghanistan, given that the majority of the Heart of Asia countries are moving steadily towards non-interference and support for Afghanistan.
24. Afghan policymakers welcome proposals for a Regional Compact that would provide a clearly defined framework for regional collaboration, as they believe it would encourage a regional environment for cooperation with Afghanistan. However, doubts have been raised about the continued relevance of Confidence Building Measures within the Heart of Asia-Istanbul Process architecture due to limited progress towards implementation. A dedicated body that would oversee regional cooperation programs on a timeline would fill the gap; a smaller group could be tasked by the Afghan Government to negotiate a Regional Compact covering non-interference, security and economic cooperation, perhaps under a UN umbrella.
25. Afghanistan has a rich history of coexistence between all major religions – Zoroastrianism, Islam, Hinduism and Buddhism. The selec-

tion of Bamiyan as the cultural capital of SAARC is symbolic of this status, despite the continuing destruction of religious heritage in Afghanistan. However, it is vital that an effective strategy is devised to promote Bamiyan as a cultural capital. When Ghazni was previously declared the Capital of Islamic Culture in 2013, there was an impressive inauguration ceremony but little resulted by way of tangible outcomes. Given the current insurgency, SAARC countries could consider digital events around a Bamiyan Interfaith Dialogue, for example.

AFGHANISTAN 2015

The Quest for National Unity

“I hope that the partnership that His Excellency Dr. Abdullah and I have formed is a tribute to the wisdom of our people. The Government of National Unity represents the absolute majority of the people of Afghanistan. And what this transition means is that the process of state formation and consolidation and political consensus in Afghanistan is irreversible.”

H.E. Ashraf Ghani

*President of the Islamic Republic of Afghanistan
Speech at the London Conference, December 4, 2014*

Overview

Afghanistan is today entering the second great phase of its transition, from a combination of partial sovereignty and de facto international trusteeship to full sovereignty. The country’s new National Unity Government has taken bold steps in foreign and domestic policy but how they will play out on the ground is, as always, another matter. What are the pointers for success and/or failure?

The previous Afghan Government was tasked with three transitions: (a) security; (b) political; and (c) economic. Part one of the security transition, in which international troops were to move from a combat to an assistance role, began in 2012 and was completed by late 2014. Part two, which is to make the Afghan security forces capable of dealing with insurgency, is currently underway.

Similarly, part one of the political transition, comprising the development of democratic administrative institutions, ended with the smooth transfer of power from President Karzai’s administration following

the Presidential election of 2014. Part two, which entails a change in the Constitutional structure of Afghanistan, will complete in two years with Parliamentary and local body elections in 2015 and Constitutional change before the end of 2016. The economic transition out of complete aid dependency has been an ongoing process with highs and lows, but the important fact is that it is continuing and has not broken down.

As expected, 2014 was a challenging year for Afghanistan. Growth slowed from a high of 14.4 percent in 2012 to 3.7 in 2013, and plunged further to 1.5 percent in 2014 following the ISAF and international draw-down and the flight of Afghan capital. Insecurity also rose and civilian deaths and injuries crossed the 10,000 mark, reaching an all-time high of 3,699 deaths and 6,849 injured.¹ The current figures from the United Nations High Commissioner for Refugees (UNHCR) indicate that the total number of IDPs in the country is 702,000, with Helmand province being the most affected.² Afghanistan will continue to depend on emergency food assistance in 2015 and beyond.

TABLE 1: AFGHAN GDP 2011-14

Year	GDP Growth %
2011	6.1
2012	14.4
2013	3.7
2014	1.5

Source: <http://data.worldbank.org/country/afghanistan>

On the plus side, Afghanistan’s extractive base expanded with a 12 percent increase in mining and quarrying despite legal hurdles (the Mining Act still awaits amendment). Social indicators showed a steady rise in capacity building: the number of students at public universities rose by 23.7 percent between 2013-14, and in private universities by 19 percent. While this is a net good, it also escalates the pressure to create jobs, an issue that is on the priority agenda of the National Unity Government.

Some infrastructural elements also improved: for example the provision of electricity increased with a 15 percent rise in imports. However the construction of roads declined sharply by 39 percent, raising questions about

the feasibility of making Afghanistan a transit hub for the region, which has been a primary goal of the Afghan Government for the past decade.

TABLE 2: AFGHANISTAN SOCIAL AND ECONOMIC INDICATORS Q3, 2013 TO Q3, 2014

Indicators	Q3-2013	Q3-2014	% Increase/ Decrease
Number of students in public universities	122,992	152,187	23.7
Number of students in private higher education	73,576	87,641	19.1
Mining and quarrying value (million Afghanis)	327.40	366.50	11.9
Quantity of imported electricity (million kw/h)	827.75	954.62	15.3
New Road construction (total constructed roads)	608	367	-39.6
Number of internet users (thousand persons)	1,200	1,206	0.5

Source: Quarterly Statistical Indicators Second Quarter 2014 part two, Central Statistics Organisation, Islamic Republic of Afghanistan, http://cso.gov.af/Content/files/Second%20Quarterly%20Indicators%20Part%20one_.pdf%2001.pdf

Regionally, there is some good news. Between 2013-14, Afghanistan's balance of trade figures improved with nearly all of its neighbors. Though still heavily skewed, imports began to decline and exports rose. Afghanistan-China trade comprised by far the greatest regional share, but was highly unbalanced. Imports from China were ten times greater than exports. On a lower but still heavily weighted scale, Afghanistan's imports from Pakistan were more than five times its exports. By comparison, Afghanistan's imports from Iran were almost thirty times its exports; similarly vast gaps appeared in trade with Russia, Tajikistan and Turkmenistan. The most favorable balance of trade was with India, where Afghan exports increased by 17 percent and imports decreased by 40 percent. India is the only Heart of Asia country to which Afghanistan exports more than it imports from, but the volume of trade is relatively small.

TABLE 3: IMPORTS AND EXPORTS BY COUNTRY – Q3, 2013 TO Q3, 2014 (IN 000s OF USD)

Country	Imports Q3-2013	Imports Q3-2014	% Increase/Decrease	Exports Q3-2013	Exports Q3-2014	% Increase/Decrease
China	2,336,480	1,665,983	-28.7	122,364	153,776	25.7
Pakistan	355,498	311,996	-12.2	44,557	62,720	40.8
India	38,151	22,694	-40.5	32,086	37,576	17.1
Iran	468,972	256,815	-55.2	5,776	9,465	63.9
Tajikistan	17,148	73,925	431	442	8,021	1814.7
Russia	202,253	84,074	-58.4	788	2,798	355.1
Turkmenistan	212,592	86,135	-59.5	1,272	8	-99.4

Source: http://cso.gov.af/Content/files/Second%20Quarterly%20Indicators%20Part%20two_pdf%2001.pdf (Quarterly Statistical Indicators Second Quarter 2014 part two, Central Statistics Organisation, Islamic Republic of Afghanistan)

The big marker of the year was the Presidential election of mid-2014. The election was a landmark event insofar as it transferred power from the administration that had governed Afghanistan since the overthrow of the Taliban in 2001.

“Afghanistan is witnessing the emergence of an inclusive political system, though Constitutional integration will take time. The vision of a country without factional rivalry is gaining currency.”

But the election result was also ambiguous and complicated – it threw up a contested verdict that was only resolved after lengthy negotiations between the two chief Presidential candidates for a National Unity Government, resulting in the creation of a new post of Chief Executive Officer. President Ashraf Ghani and Chief Executive Officer Abdullah Abdullah were sworn in on September 29, 2014.

The creation of the post of Chief Executive Officer represented a dramatic shift in Afghanistan’s Constitutional structure, from a strong Presidency to a hybrid Presidential-Parliamentary system. President Ghani stressed this point in his speech at the London Conference of December 4, 2014: “For the first time in our history, we faced the prospect of transferring authority, not power, from one elected leader to another.”³ The new system is yet to be detailed and ratified by a Loya Jirga that has to be convened within two years, before the end of 2016.

The National Unity Government marked the beginning of Afghanistan's second great phase of political transition, focused on reconciliation. Afghan analysts argue that one track of reconciliation has already been successful: the long-existing political gap between parties and constituencies has narrowed. The new administration led by President Ghani, they say, has the advantage of assuming office at a time when there is a growing and positive perception within Afghanistan that "a fresh calibration of power" is on its way to replace what was a social fabric fractured by three decades of armed conflict.

International analysts agree that 2015 will remain a difficult year but predict it will also be a time of gradual recovery. According to World Bank forecasts, growth will rise to around 5 percent from 2015-17.⁴ The Food and Agriculture Organization (FAO) suggests that the food security situation will be stable in 2015, but point to the risk that continuing insurgency will displace more Afghans internally. The World Food Program initiated a Protracted Relief and Recovery Operation in 2014 that will continue to end 2016. The operation is expected to reach 3.7 million, and will provide Afghanistan with a safety net, albeit small. The security situation too should improve with the signing of the Afghanistan-U.S. Security and Defense Cooperation Agreement (commonly known as the Bilateral Security Agreement or BSA) and the NATO-Afghanistan Status of Forces Agreement, but any improvement will be gradual and may not manifest till 2016.

In this context, regional and international support will continue to be critical. Most allied and neighboring governments recognize this need and are stepping forward. Coordination and timeliness will be key for continued stabilization.

THE POLITICAL TRANSITION

Afghanistan 2.0

“Dedicated to political consensus, commitment to reforms, and cooperative decision-making, the National Unity Government will fulfill the aspirations of the Afghan public for peace, stability, security, rule of law, justice, economic growth, and delivery of services, with particular attention to women, youth, Ulema, and vulnerable persons.”

*Agreement between the Two Campaign Teams Regarding the
Structure of the National Unity Government*

As already stated, the Presidential election was a landmark event. It ended Afghanistan’s first phase of transition to democracy that began in 2001, and ushered in its second phase symbolized by the formation of a National Unity Government. With Afghans now in charge of security and attendant policies, the country’s sovereignty will be further enabled.

The National Unity Government represented the coming together of several major factions in Afghanistan. It was achieved after lengthy negotiations between nominees of the two front-ranking Presidential contenders and it shifted Afghanistan from a purely Presidential form of government to a Presidential-Parliamentary hybrid with the creation of the post of a Chief Executive Officer (akin to a weak Prime Minister). Under the *Agreement between the Two Campaign Teams Regarding the Structure of the National Unity Government* (henceforth referred to as the Negotiated Agreement), the President and CEO will take policy decisions in consultation with the Cabinet, which the President will head. The CEO will be chiefly responsible for implementation and will

chair the Council of Ministers.⁶ Currently the post has been established by Executive Order, but is to be ratified by a Loya Jirga that has to be convened within two years, before the end of 2016. Before that, there are to be Parliamentary and local body elections in 2015.

Establishing the National Unity Government

How the new system will work is yet to evolve. Under President Hamid Karzai's administration, a federal structure with a strong central Presidency and Ministries was established, under which a broad-spectrum unification was carried out. This unification rested, however, on a tacit agreement between provincial satraps that they would co-exist within such a structure so long as they could retain a large measure of individual power as governors of provinces. In his turn, President Karzai kept the satraps under check by firing recalcitrant provincial governors when necessary. Since he had international backing and was protected by ISAF troops, even the more powerful provincial governors had to yield or seek a compromise with him.

“In the last 50 years, Afghanistan has experimented with multiple types of political systems, including monarchy, a royal republic, a leftist regime, an Islamic regime, an ultra-Islamic regime, top-down democracy and now grassroots democracy. Today there is a consensus for the latter.”

President Karzai's twelve-year administration can thus be seen as Phase I of Afghan state and nation-building in which the foundation for unification was laid but remained fragile and heavily dependent on local power brokers. The great achievement of his years in power was to mobilize a consensus in favor of democracy: by contrast, there was no consensus on what Afghanistan's political system should be in the 1980s and 90s. The National Unity Government therefore has several pillars to build on, but the goals that they have set for Phase II include the formidable task of creating a new and potentially more democratic Constitutional structure in which the parliamentary system will be strengthened – as will be required should the Loya Jirga turn the CEO post into a Prime Ministerial one as intended.

“After Parliamentary elections in 2015, the system will be defined by the Afghan people. At this crucial juncture, political stakeholders will need to decide how political power will be organized in the future – will the political system be Super-Presidential or Prime Ministerial?”

Afghan analysts believe the time is ripe for a Constitutional change that would add the office of a Prime Minister, but warn that neither Parliament nor the Loya Jirga will rest content with turning the Executive Order into law. Both Parliament and the Loya Jirga have gained experience, they say, pointing to the strong pressure President Karzai came under when he refused to sign the BSA.

Some add that “the next Loya Jirga will be much more sophisticated than its predecessor,” and will not restrict itself to creating the office of Prime Minister but may seek amendments on a range of issues: “No doubt when Constitutional deliberations begin, many other issues will be also opened for debate and placed on the table,” they say. “Previously the Constitution was adopted hastily, now the next Loya Jirga will bring new aspirations.”

The forthcoming Parliamentary elections will clarify the position. According to the *Negotiated Agreement*,⁷ the Government was to set up an Electoral Reforms Commission to identify legislative and administrative measures to ensure free and fair elections and prevent the widespread perception of fraud that dogged the 2014 Presidential poll. President Ghani appointed Vice-President Danish to consult and propose reforms, but no Commission was set up.⁸ The issue provoked dissension amongst Parliamentarians and created discontent among CEO Abdullah’s team; as a result the Commission was set up in late March 2015, and headed by a woman MP, Shukria Barakzai, who had also helped draft the Afghan Constitution. CEO Abdullah has clarified that neither Parliamentary nor local body elections will be held until electoral reforms are carried out.⁹ Members of the Commission, however, complain that theirs is a purely advisory role; and there are also complaints that the Independent Election Commission (a government body) is lobbying MPs against reforms.¹⁰

Though the agreed progression is Parliamentary elections followed by a Loya Jirga, there is some speculation that the Loya Jirga might precede

Parliamentary elections. The argument for doing the Loya Jirga first is persuasive: if the Prime Ministerial post is created before the Parliamentary elections, voters will have an added basis for their electoral decisions. Whichever way, 2015 is likely to see vigorous Constitutional debate for substantive change to Afghanistan's governing structure.

“President Ghani's legitimacy is derived from the Constitution as the winner of the Presidential polls. Dr. Abdullah's authority rests on the negotiated accord that is the foundation of the National Unity Government. So how will this reality reflect itself?”

The first effort, though, will be to keep amendments within the bounds of the *Negotiated Agreement*. Currently all Constitutional authority lies with the President, who is empowered to make policy and appointments, convene the Loya Jirga and the National Assembly, declare war and propose legislation.¹¹ Under the *Negotiated Agreement* most of these tasks are to be jointly handled, but which elements of the agreement will or should make it into legislation? Properly handled, such debate could re-energize public support for the National Unity Government and stimulate nation building. Ill handled, it might fragment what remains to a large extent a paper agreement.

At present the President-CEO structure is more of an arrangement than a system. One factor in favor of its consolidation is that President Ghani and CEO Abdullah complement each other and have worked together in government during President Karzai's first term. The former is intellectual, mercury quick, with a definite and sophisticated economic, peacemaking and foreign policy agenda. The latter is popular, a good listener and an organization man who commands deep loyalty across sectors, including amongst Parliamentarians. Moreover, their political constituencies are strong and similar in nature, and the policy gap between them is small. Both agree on the priorities for the National Unity Government, as laid out in the document presented to the London Conference on December 4, 2014, titled *Realizing Self-Reliance: Commitments to Reforms and Renewed Partnership*.

Most importantly, after thirty years of conflict there is a deep public desire for the arrangement to succeed. Powerful leaders such as Gover-

“The dilemma of how to integrate the Ghani and Abdullah campaign teams into the government remains unsolved. There is a real danger that such tensions could degenerate into factional rivalry marking a return to the fractured landscape of old Afghanistan.

Yet, the indications are that both leaders understand that if this mentality survives, Afghanistan will not prosper.”

nor Noor Mohammad Ata have veered from hostility to support, or at any rate suspension of disbelief. The Afghan media and policy narratives reflect this positive shift. Many believe that there is a new generation of leaders who are trying to think beyond the “mere protection of entrenched interests.”

While these are positive developments, they also put considerable pressure on President Ghani and CEO Abdullah to deliver. Though the policy gaps between the two may be small, they have many allies to accommodate. It took several months for President Ghani and CEO Abdullah to agree Cabinet appointments, and of their initial appointees the Afghan Parliament confirmed only eight, including the Interior Minister and the Head of the National Directorate of Security. Close to one-third of the nominees were rejected.

Some Afghan analysts argue that the delays in cabinet formation were not a major source of concern to most Afghans because there is no realistic alternative to the National Unity Government, and therefore there is a guarantee that the present political arrangement will last. President Ghani, they point out, has already got the wheels of government moving: within his first weeks he launched a crackdown on corruption and interviewed every CEO in the banking sector, fast-tracked CASA-1000 to establish an electrical grid connecting energy exporters Tajikistan and Kyrgyzstan with Pakistan and Afghanistan, and visited Pakistan to initiate a peace process. Together, he and CEO Abdullah signed critical security agreements with the U.S. and NATO, and presented a joint front at the London donors’ conference in December 2014.

“This new reality, where the ‘winner’ does not take all, should not mean that political stakeholders absolve themselves of responsibility.”

Nevertheless, there are reservations over whether the current institutional framework can accommodate the dual power structure that is implicit in the President-

CEO arrangement. There is disquiet amongst Afghanistan's allies and neighbors, who feel that the political settlement will remain vulnerable unless it is consolidated in the coming months. Afghanistan has not had sufficient time to develop seasoned political institutions and parties, they fear, and thus the risk of political polarization along ethnic and regional lines is likely to be heightened if the National Unity Government is not fully in place.

Perhaps in response to the growing domestic, regional and international disquiet, the Afghan Parliament finally approved 16 more members of the Cabinet in mid-April 2015, six months after the formation of the National Unity Government. The all-important post of the Defense Minister remains to be filled, as do the posts of Attorney-General, Head of the Supreme Court, Head of the Central Bank and most of the country's governors.¹² We can now expect, however, that they will soon be filled.

Reconciliation

“We believe an inclusive reconciliation in Afghanistan and curbing of external interferences are the surest path to lasting peace and stability in Afghanistan. We support an Afghan-led, Afghan-owned inclusive peace and reconciliation process to realize national development, peace and security of Afghanistan as a necessary outcome of reconciliation. We call on the Taliban to renounce violence, cut ties with all terrorist groups and institutions supporting these groups, and respect the Afghan Constitution. We call on all parties to encourage the Taliban towards reconciliation.”

Beijing Declaration of the 4th Ministerial Meeting of the Heart of Asia-Istanbul Process, October 31, 2014

It was inevitable that the push for reconciliation with the Taliban – and Pakistan – would gather momentum as the international drawdown progressed. Yet it remains a thorny issue. Though it was a goal of former President Hamid Karzai’s administration from 2002-14, the task of unifying the country’s conflicting provinces came first. President Ghani, however, has made it his opening policy thrust. Immediately upon signing the BSA, he followed up with a coordinated approach to the Taliban that combined incentives for Pakistan with acceptance of Chinese mediation. In the two months after his swearing in, he had successful visits to China, where he spoke at the Heart of Asia Ministerial Summit, after which China hosted a dialogue with the Taliban (at which no Afghan officials were present); and Pakistan, where he caused a stir by calling upon General Raheel Sharif. The Taliban greeted the Chinese offer of mediation with guarded approbation and there was a flurry of ensuing visits by the Pakistan military to Afghanistan. President Ghani has also visited Saudi Arabia twice.

“China and Pakistan will cooperate to implement promises.”

It is in this context that President Ghani’s peace initiative should be seen, Pakistani analysts say. Having acknowledged that

Pakistan is key to reconciliation, President Ghani is backed by a Chinese promise of good offices that will help strengthen the Pakistani military's shift towards greater cooperation with Afghan security forces, and the political leadership's concomitant commitment to nudging the Taliban into peace talks. China's one-year anti-terror offensive in Xinjiang indicates that the Chinese Government is gravely concerned about the spread of radical militancy, they argue, and it is partly for this reason that China appointed a Special Representative for Afghanistan, Ambassador Yuxi. Given the 'all-weather friendship' between China and Pakistan, each will provide a comfort level to the other in taking the steps required for Afghan-Taliban reconciliation. Against this background therefore, the slew of incentives that President Ghani has offered to the Pakistan Government should be seen as confidence-building measures rather than unilateral concessions. These comprise:

- Creation of special zones for investment by Pakistan and China in Northern Afghanistan;
- Military to military cooperation, including intelligence-sharing and the training of Afghan army officers in Pakistan;
- Unlimited and unconditional access to Central Asia for Pakistan; and
- Energy and water cooperation.

There is deep skepticism within Afghanistan as well as amongst its neighbors over whether President Ghani's initiative will yield results, given the failed attempts by the previous government. The initial results bore out the skepticism and added to the sense of embitterment that Afghans have towards Pakistan. In the three months following Ghani's offer, the Taliban stepped up its insurgency in Afghanistan with a total of 80 attacks attributed to them. Afghanistan saw a winter offensive the like of which it had not experienced in the previous several years.

“A Tehreek e Taliban proto-state has emerged in north-west Pakistan and eastern Afghanistan which is neither in Pakistani control nor outside of it. 90 percent of it is in Pakistan, 10 percent in Afghanistan.”

Pakistani General Raheel Sharif's visits to Kabul, moreover, were focused on cooperation against the Tehreek e Taliban (TTP) leaders sheltered in

Afghanistan, whose main target is Pakistan, and Pakistan's military offensive is also primarily directed at decimating the TTP. Pakistan's Zarb e Azb operation in the Federally Administered Tribal Areas (FATA) and Khyber operation in Khyber-Pakhtunkhwa did destroy important terrorist infrastructure that was constructed over two decades, including IED and suicide-vest production factories and training facilities, as well as militant-operated prisons, and is therefore an important setback for all the militant groups in FATA. But the operation did not specifically target the Afghanistan-focused militants. What's more, though the Zarb e Azb operation did degrade one of the Haqqani networks and the Haji Gul group, it also drove militants across into Afghanistan, and Zabul is now becoming a major station for militants from FATA, including Uzbeks, Arabs, Pakistani Punjabis and militants from Lashkar e Taiba.¹³ Finally, there continues to be strong evidence of cross-border funding for militant groups, with financial flows being detected from FATA across the Durand Line and vice versa.

Some Pakistani analysts argue that the Taliban, as an organization, are neither inclined to enter a political process nor capable of delivering on it.¹⁴ In the past few years of attempted peace initiatives, marked by the opening of the Qatar office, clear fissures between the organization's pro

“Over the past five years we have not seen any political activity from the Taliban. They are not prepared for any compromise. The Taliban are a fighting machine – more like the Provisional IRA without the Sinn Fein.”

and anti-peace commanders emerged, which made it difficult for the moderates to move from unconditional demands to negotiations, and they continued to fight while professing to talk. The Qatar office is currently on hold until the National Unity Government request it be reopened.

The new impetus for political talks can be expected to continue on the Government side, Afghan analysts say, but the underlying question remains the same as it has been for some time: what political solution will the Taliban be able to offer or accept? The institutions of the Afghan state have far wider control than the Taliban today: out of 480 districts, around 50 are vulnerable to the Taliban. In other words, they conclude, the Taliban can no longer seek major political space or power-sharing and certainly not Constitutional amendment.

Moreover, they add, the Taliban may have come to the same conclusion themselves. The organization appears to be resorting to blind killings to prove its power: the tragic incident on November 23, 2014, in which 90 people who came to watch a volleyball game were killed by a suicide bombing was the first incident of its kind and scale in the past decade, and has provoked the inevitable backlash; subsequently, the Taliban have targeted civilians in major attacks in both Northern and South-Eastern Afghanistan. There is already a growing sentiment in the South and South-East of Afghanistan that a decade of international attention and investment was denied to them due to the Taliban's presence.

“There is genuine anger at the Taliban in areas where they are active.”

As against this analysis, the Taliban's official website claims that it has shown willingness to talk, though the organization is not engaged in peace talks as of now. “The esteemed Commander of the Faithful, may Allah protect him, has repeatedly declared... that the central goals of the Islamic Emirate are ending the occupation, attaining independence, establishing an all Afghan-inclusive Islamic government and peace for our countrymen. For attaining this purpose the Islamic Emirate, with the help of its believing Mujahid nation, has utilized both military and political mechanisms and will continue to do so in the future. Establishing contacts with world countries, visits, meetings, participation of the Islamic Emirate in international conferences and opening a political office in Qatar, which was opposed by anti-peace parties, are clear examples of this.”¹⁵

Most Afghan analysts feel that President Ghani and CEO Abdullah invested considerable political capital in offering such substantial incentives to Pakistan and note that there is growing impatience in Afghanistan over the lack of visible results.

Kabul was prompt to respond to Pakistan's requests with a military operation against the TTP, they say, and it is time for the Pakistan Government to reciprocate. “Afghans have great hope of achieving a last-

The question now is with whom does the Afghan leadership need to engage to obtain peace? The Afghan government has already re-integrated many Taliban fighters. There is a growing sense that Afghanistan has to accept Pakistan's conditions in order to achieve lasting peace.”

ing peace settlement,” says one Afghan expert. “Officially, Pakistan’s statements indicate that they are pursuing anti-terror measures. Yet during dialogue, Pakistan not only seeks an unconstitutional space for the Taliban, it is yet to distance itself from using religious extremism and militancy with the support of others in the region as foreign policy. Afghanistan’s more populous neighbor is trying to forge a peace/security agreement on an asymmetrical basis, which would leave Afghanistan as the weaker party and crystallize Pakistan’s foothold in the long term. Afghanistan is thus faced with a strategic dilemma.”

Perhaps in view of this impatience, the Pakistani Foreign Office reported at a joint meeting of Afghan and Pakistani Foreign Ministry officials in early April 2015 that Afghan Taliban who remain in Pakistan will be told that they will either have to join peace talks with the Afghan Government or face repatriation. According to news reports, Pakistani Foreign Secretary Aitzaz Ahmad Chaudhry stated “Pakistan has a clear message to Afghan Taliban that is that Afghanistan has an elected government and Taliban must reach an agreement with the National Unity Government leaders. Our message to Afghan Taliban is that Pakistan is not a safe haven for them and also, Pakistani soil cannot be used to destabilize Afghanistan”.¹⁶

Most of the other regional countries are not sanguine about the prospects of reconciliation with the Taliban, or indeed between Afghanistan and Pakistan, but they have a wait and watch approach. Russia is more strongly skeptical. “One difficulty encountered by Russian policy makers is the complexity of formulating a common, clearly defined joint counter-terrorism strategy, as there are various definitions of terrorism accepted by various international actors”, Russian analysts say.

“China has two acronyms for the Taliban – ‘ATA’ (Afghan Taliban), whom China is not against, and ‘PATA’ (Pakistani Taliban), who are perceived to be against China. China is also worried that ATA & PATA will join the IS.”

They add, “Russia is presently reassessing its relations with its former partners, the U.S., EU, and NATO in Afghanistan, with whom it has encountered difficulties in the area of counter-terrorism cooperation. There is Russian uncertainty over whether they are perceived as partners or rivals in the region, though there is potential and

preference for reconciliation with the West after the fallout from the Ukraine crisis.”

Meanwhile there is also the growing threat of Islamic State or Daesh inroads into Afghanistan and Pakistan. Thus far, several TTP factions have joined IS, but fewer of the Afghan Taliban have. In September 2014, Daesh was reported to have carried out an attack in Ghazni and they are also reported to be establishing bases in Kunar and Nangarhar. In January 2015 Daesh reportedly released a list of organizational heads for Pakistan’s tribal areas and Afghanistan: there are nine ‘Ameers’ for Pakistan (one of whom was killed in a drone strike in mid-April) and two for Afghanistan.¹⁷

Some regional analysts fear that the campaign against Daesh in the Middle East will distract international attention from Afghanistan as Iraq did in 2003. Addressing this fear while speaking to the U.S. Congress in March 2015, President Ghani underlined that Daesh posed “a clear and

“U.S. support for the Iraqi military against Daesh has actively highlighted the importance of ANSF for Afghanistan and government commitment to that.”

present danger to our neighbors, to the Arab-Islamic world, and to the world at large”, adding “Daesh is already sending advance guards to southern and western Afghanistan to test for vulnerabilities.”¹⁸ In testimony to the U.S. Congress, Army General John Campbell, the U.S. commander in Afghanistan, also warned of a potential IS threat to Afghanistan.¹⁹ U.S. analysts add that the U.S. administration has learned the lessons of Iraq: first, that funding must continue, not dry up as it did after the U.S. withdrew from Iraq; and second, that the ANSF must receive the aid and support they require (and hence funding, training and assistance are guaranteed until 2017). It was for this reason, they say, that President Obama committed an extra 1,000 troops to Afghanistan over and above the 9,800 U.S. troops that remain.

There are, however, doubts about whether Daesh in Afghanistan should be taken as a completely distinct organization from the Taliban or a kind of offshoot of disgruntled Taliban. According to Afghan analysts, Daesh’s head ‘Ameer Baghdadi’ was a follower of Mullah Omar and derived

the idea of a new Caliphate from the Taliban. While warning of the potential for Daesh in Afghanistan, General Campbell also stated that the “evidence of a presence thus far has been limited to ‘branding efforts’ by individuals disaffected with the Taliban leadership”.²⁰

According to a former TTP commander who now claims to be Daesh, Daesh was responsible for the suicide attack on civilians in Jalalabad on April 18, 2015, in which 33 were killed and over 100 injured.²¹ President Ghani has recently confirmed their claim and the UN warned that such acts may be considered as war crimes.²²

“The continuing use of suicide attacks in densely populated areas, that are certain to kill and maim large numbers of Afghan civilians, may amount to a war crime. Those responsible for this horrendous crime must be held accountable.”

Nicholas Haysom, UNSG’s Special Representative for Afghanistan and head of UNAMA.

That disgruntled Taliban should seek a Daesh mantle is not surprising. It is no secret that several Taliban commanders on the ground opposed the peace initiatives in which some leaders were involved. The same development – of militant factions splitting over whether to cease-fire and join peace talks, with some continuing to espouse violence – has been seen in innumerable other peace processes, from Northern Ireland to Sudan. Afghan analyst conclude: “Recent intelligence reports indicating that a Taliban delegation has travelled from the Federally-Administered Tribal Areas (FATA) to meet with representatives of the Islamic State (IS) are deeply troubling. Yet, alarmist predictions that Afghanistan will inevitably disintegrate in the face of such threats are severely overblown.”

‘Has Pakistan lost control over the Taliban, or is it sabotaging Ghani’s efforts to bring it into the political fold? For its part, the Taliban continue to maintain that as long as foreign troops are on its soil, it cannot cease insurgent operations against Afghan and international forces.’

For President Ghani, there is little time to lose. The general consensus amongst Afghan and regional analysts is that if militant attacks die down, the Afghan public will support rapprochement with Pakistan. Similarly, they say, if the Taliban’s winter offensive is not repeated this spring and summer then President Ghani will be reinforced politically. If not, he will

face great anger and resentment in Afghanistan. Judging by the slew of major attacks in April, however, this could be a violent spring and summer. It is imperative, Afghan analysts conclude, for the violence to be curbed as an immediate priority.

It is partly with this prognosis in mind that President Ghani and CEO Abdullah requested in March 2015 that there be no further cuts in U.S. troops in 2015-16. U.S. President Obama acceded to the request, indicating that support for the ANDSF in enhancing counter-insurgency capabilities is at least as important as pushing for reconciliation.

The Taliban responded immediately to the decision with condemnation, saying there could be no question of talks while foreign troops remain. Some members of Afghanistan's High Peace Council also said that the decision to postpone further U.S. troop cuts to 2016 would send a negative signal. According to High Peace Council spokesman Shahzada Shahid, "This will certainly complicate the peace effort, because the Taliban have long wanted foreign troops and U.S. forces in particular to leave Afghanistan."²³ Yet there is little option for the Afghan Government: if the Taliban remains committed to insurgency then the government can only continue to 'fight and talk.'

Recommendations

The Political Transition

1. The Delhi Policy Group's Fifth Regional Conference in Kabul in December 2013 stressed that stakeholder countries should not seek to influence the outcome of the Presidential elections. While widespread allegations of electoral fraud suggest that only some neighbor and stakeholder countries followed this prescription, it should be noted that there has been relatively little external interference in the post-government Cabinet formation and appointments process. At the level of the political transition, therefore, it appears that the region is inching towards the principle of non-interference that is high on the Heart of Asia-Istanbul Process agenda.
2. The desirability of a National Unity Government (NUGA) was also discussed at the Fifth Regional Conference, but few imagined it would become a reality. The Conference recommended that all Heart of Asia countries welcome and support the new Afghan Government as soon as it was formed. It was noted at the Sixth Regional Conference in Kochi in December 2014 that the Beijing Declaration of October 31, 2014 stated the Heart of Asia countries' commitment to work to support the National Unity Government of Afghanistan (Declaration, Paragraph 6).

The NUGA's priorities in 2015 comprise: electoral reforms and the preparation of Parliamentary and provincial elections, Constitutional reforms, human rights and rule of law and women's rights. Heart of Asia governments should be prepared to provide whatever assistance the NUGA will request in carrying through these tasks.

3. It is necessary for the flow of international aid to continue if the NUGA is to consolidate its administration. Among the regional countries only India has been a major contributor thus far. China's recent pledges of aid and capacity-building are to be welcomed in this context.

Reconciliation

4. Speaking in the U.S., President Ghani asked Muslim leaders and intellectuals who believe that Islam is a religion of tolerance and virtue to “find their voice. Silence is not acceptable,” he said, adding, “Hatred must be challenged and overcome from within the religion of Islam.” The Delhi Policy Group’s Fifth Regional Conference 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. This recommendation is repeated since it is yet to be adopted.
5. Moreover, given the exhaustive use of social media by Daesh and the threat it could pose to the region, it was proposed that Heart of Asia partners share deradicalization practices to tackle viral trends, possibly under the Education CBM. Reformist religious leaders could be encouraged to be more active on social media websites such as Twitter and Facebook.
6. One participant added, “Partners should criminalize private jihad in their respective countries as part of a coordinated strategy.” Should the UN declare attacks such as the one in Jalalabad on April 18, 2015, a war crime, then concerned Heart of Asia countries could take such a measure as follow-on.

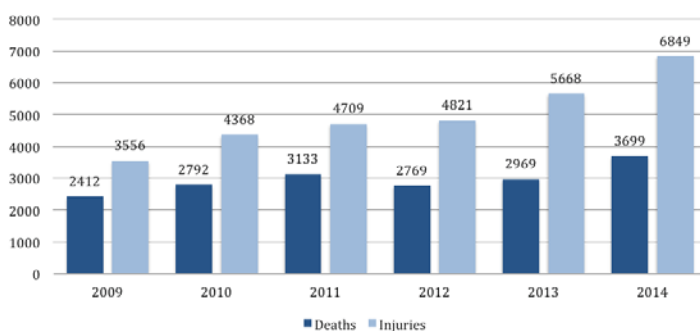
THE SECURITY TRANSITION

“Today, nations renewed their financial commitments to support the sustainment of the ANSF, including to the end of 2017... We are resolved to support Afghanistan in making further progress towards becoming a stable, sovereign, democratic and united country, where rule of law and good governance prevail and in which human rights, and notably those of children, are fully protected... We also welcome continued work to strengthen the protection of civilians by all parties concerned... We remain steadfast and resolute in our commitment to the Afghan people.”

*NATO Wales Summit Declaration on Afghanistan,
September 4, 2014*

Though the security transition that began in 2012-13 was relatively smooth as far as the handover of responsibilities was concerned, Afghan and ANDSF casualties have steadily mounted. 2014 was a particularly bad year. Civilian casualties went up by 24.6 percent over the 2013 figure and injuries by 20.8 percent. Moreover, as Figure 1 below shows, civilian injuries have almost trebled since 2009, rising most sharply between 2013-14. According to the United Nations’ 2014 report *Protection of Civilians in Armed Conflict*, the Taliban and other militants caused 72 percent of all civilian casualties.

FIGURE 1: CIVILIAN DEATHS AND INJURIES (JANUARY TO DECEMBER 2009-2014)



Source: <http://unama.unmissions.org/Portals/UNAMA/human%20rights/2015/2014-Annual-Report-on-Protection-of-Civilians-Final.pdf>

The ANDSF

Military and police fatalities have also been considerable. While military fatalities have increased by 19 percent over 2013, police fatalities increased by a staggering 78.6 percent in the six months from March to September 2014 (see Table 4). This is partly because the Afghan police have progressively assumed duties that were previously undertaken by the military in the absence of a trained police force (interestingly, however, police fatalities had actually decreased between March 2013 and March 2014). According to NATO analysts, the sharp increase in ANDSF casualties is because the cuts in U.S. and ISAF troops and their mission meant that the ANDSF “increased their operational tempo by a factor of four from the 2014 Fighting Season (May 1 – October 1, 2014).”²⁴ U.S. air support has been gradually wound down and is only used in emergencies, hampering the ANDSF’s ability to battle the Taliban.

TABLE 4: AFGHAN MILITARY AND POLICE FATALITIES BY YEAR, 2009-14

Period (Military Fatalities)*	Military Fatalities	Police Fatalities	Period (Police Fatalities)
21.3-20.9.2014	950	3200	1.1-28.12.2014
21.3.2013-20.3.2014	1392	1792	21.3.2013-1.9.2013
21.3.2012-20.3.2013	1170	1800	21.3.2012-20.3.2013
21.3.2011-20.3.2012	831	1400	21.3.2012-20.3.2013
21.3.2010-20.3.2011	748	1360	21.3.2010.15.2.2011
21.3.2009-20.3.2010	635	1410	21.3.2009-20.3.2010
21.3.2008-20.3.2009	380	1290	21.3.2008-20.3.2009

Source: http://en.wikipedia.org/wiki/List_of_Afghan_security_forces_fatality_reports_in_Afghanistan

Given the ANDSF gaps in equipment, materiel, intelligence and trained personnel, the lack of U.S./NATO combat support will increase the ANDSF’s vulnerability to insurgent attacks. There are approximately 169,000 soldiers, airmen, and Ministry of Defense (MoD) civilians serving in the Army; approximately 156,000 policemen and civilians serving in the Ministry of Interior (MoI); and more than 28,000 Afghan Local Police (ALP) securing villages across Afghanistan. In total, the ANDSF number 325,652, considerably below their target of 360,000. The SIGAR Supplementary Report states that the ANA and AAF Force Strength fell between February and November 2014, from 184,839 to 169,2003, that is, by 16.1 percent in the last year alone.²⁵

TABLE 5: ANDSF FORCE STRENGTH, NOVEMBER 2014

ANDSF Component	Target Goal	Actual Strength	Shortfall
ANA+AAF	195,000	162,008	16.9%
ANA+AAF Civilians (2013 figures)	8,004	7,195	11.1%
Total	203,004	169,203	16.7%
ANP	157,000	156,439	0.4%
ANDSF Total	360,004	325,652	9.5%

Source: Special Inspector General for Afghanistan Reconstruction (SIGAR), Supplement to SIGAR’s January 2015 Quarterly Report to the U.S. Congress, Table 1.2, p.10, http://www.sigar.mil/pdf/quarterlyreports/Supplement_2015-01-30qr.pdf

In order to remedy the shortfall, the ANA has stepped up recruitment and is currently projected to add between 4,000-6,000 new recruits per month for the next few months; the ANP expect to add approximately 3,000-5,000 new recruits per month. These numbers will allow the Army to grow towards its authorized strength and bring the police figures closer to the target number.

A major problem that the ANDSF leaders have had to grapple with is the issue of personnel leaving their units without authorization and being dropped from the rolls. According to NATO specialists, the most routinely cited reasons for leaving without authorization are to do with leadership (failure to understand the needs of personnel, refusing to grant leave and rest) and Quality of Life (comfort and entitlements).²⁶

The NUGA is taking steps to address some of these factors, including making leadership changes within the ANDSF, enforcing leave policies, and looking at retention incentives. While the post of Defense Minister remains vacant though, leadership reforms will lack authority.

Mission Resolute Support

The signing of the BSA and SOFA in September 2014, and their coming into force in January 2015, reassured both Afghans and the international community (including regional actors) that the ANDSF would continue to be supported. Each took a considerable amount of time to negotiate and finalize during President Karzai's term in office, and he came under great fire for refusing to sign it, including from Parliament and the Loya Jirga. President Ghani therefore needed to urgently build on the foundation established by these security agreements.

“Under the new NATO Mission Resolute Support, the U.S. will provide continued air support to the ANDSF to reinforce the U.S.-Afghan partnership and prevent the Taliban from overrunning localities that have already been stabilized. The U.S. will target those who pose a direct threat to its forces but won't consider Taliban membership as in itself a threat.”

However, after the BSA and SOFA were ratified and the size, composition and mandate of the NATO-led international residual force of around 12,000 troops in Afghanistan were formally agreed, there has been an operational shift in the way US forces will conduct its mission. Under the new BSA and SOFA mandates U.S. and NATO forces will not engage in combat or target insurgents unless directly threatened (see Key Points of SOFA opposite). Efforts are currently under way to secure a United Nations Security Council Resolution formally sanctioning the Resolute Support Mission.

Afghan security experts are critical of the BSA and SOFA restrictions. “The U.S. strategy of pushing for a political solution and reducing its military role to one of providing only assistance and training are both encouraging developments for the Taliban,” they say. “U.S. drone strikes have been very effective and have succeeded in limiting civilian casualties.”

NATO Status of Forces Agreement (SOFA)

30 September 2014

Key Points

- The Status of Forces Agreement provides a legal basis for the Resolute Support Mission (RSM), which focuses on training, advising and assisting the ANSF following the withdrawal of the International Security Assistance Force on December 31, 2014.
- Under the terms of the agreement, NATO forces will not enter into combat, but may undertake transit, support, and related activities.
- The training, advising and assistance delivered by the Resolute Support mission will be at the security ministry and national institutional level. Afghan National Defense and Security Force (ANDSF) advising would be extended only to the Corps and Corps-equivalent Police headquarters. The non-combat training, advising and assistance by NATO forces could be extended to the tactical level in the case of Afghan Special Operations Forces by the request and invitation of the Afghan Government.
- NATO forces are not permitted to arrest or imprison Afghan nationals, nor maintain or operate detention facilities in Afghanistan. Personnel are required to respect the Constitution and laws of Afghanistan.
- Afghanistan will provide agreed facilities and areas for the Mission.
- NATO Operational Partners will be allowed to join military operations with the permission of the Afghan Government.

Note: Pakistan is the only neighboring country that is a NATO operational partner.

The spread of militancy in Herat over the past year was a case in point of the problems faced by the ANDSF, further underlined by the massacre of around 30 ANA soldiers in Badakhshan in early April 2015. It took time to restructure operations and institute leadership reforms in the ANA brigade stationed in Herat, and it was only after these measures that the fightback restarted. According to news reports both the Badakhshan Head of Police and the ANA's Brigade Commander were in Kabul when the attack took place, and there was no fuel in the army vehicles

“This year marks the first time that the Afghan government enters the fighting season without having yet appointed a Minister of Defense.”

Tolo News

to enable the soldiers to retreat. Eight soldiers were beheaded and the attackers included foreign militants from Uzbekistan, Tajikistan, Xinjiang and Kyrgyzstan, many of them recently ousted from FATA by the Zarb e Azb operation. The Taliban claimed responsibility for the attack, but

the incident is being seen as an example of Taliban mutating into Daesh.²⁷

In the wake of the Badakhshan attacks, both Parliament and powerful Governors have expressed frustration at the continuing stalemate between the President and the CEO over the appointment of the Defense Minister.²⁸

While the vacuum at the top has compounded the problem, the Herat and Badakhshan incidents indicate that though the security handover might have been smooth, the transition from ISAF support to the training and assistance mission is rocky. Currently, the ANDSF “are conducting joint, cross-ministry operations in North Helmand to clear the area of insurgents and disrupt insurgent preparations,” say Resolute Support spokespeople. “These operations were planned and are being led by the ANA’s 215th Corps, with support from the 205th and 207th Corps and include units from the Afghan Air Force (AAF), Afghan Special Operations Forces, and Afghan National Police (ANP).”²⁹

The key priorities for the Resolute Support training and assistance mission include increasing casualty evacuation (CASEVAC) capability, improving the tactics and employment of critical counter-IED equipment, provisioning more Personal Protective Equipment, adding an aerial fire capability and better integrating artillery and mortar fire.

Regionally there is widespread support for the NATO-U.S. training and assistance mission, with some caveats. The Iranian Government, for example, has moved a considerable distance from its earlier opposition to foreign forces in Afghanistan, suggesting that the Resolute Support mission is tolerable. Iranian analysts add that the Resolute Support Mission would gain in legitimacy if Islamic

“The North Helmand campaign demonstrates the strength and emerging capabilities of the ANDSF, including their ability to plan and execute complex, joint, multi-ministry operations, integrate artillery and mortar fire, and employ the AAF... These capabilities will serve Afghanistan now and throughout fighting season 2015 and beyond.”

“Iran believes there can be a reduced role for NATO and the U.S. in managing Afghanistan’s transition. This could be coupled with an enhanced role for Islamic countries to participate in security arrangements in Afghanistan to bolster the legitimacy of security operations in the eyes of the people and the regional community.”

countries also “participate in security arrangements in Afghanistan.” During President Ghani’s visit to Iran in March 2015, the two countries agreed to step up intelligence-sharing and President Rouhani proposed joint security operations against militants in the provinces bordering Iran. “We have agreed to cooperate further in the fight against terrorism, violence and extremism in the region, especially in border regions. We need intelligence sharing and, if necessary, cooperation in operations because the problems that exist are not restricted and gradually spread throughout the region, affecting everyone,” President Rouhani said at a joint press conference.³⁰

Resolute Insurgency

“From the Russian viewpoint, the presence of foreign troops will trigger the irritation of the warlords within the political structure, with new warlords cropping up to campaign in the political arena.”

Russian analysts argue that the Russian Government, on the other hand, believe that the continued presence of NATO and U.S. troops, however reduced, will provoke militancy amongst “warlords in the political structure” and make peace initiatives that much more difficult.

In fact it is the Taliban who have seized upon the Resolute Support Mission to give legitimacy to their insurgency. “Since our vigilant people have been expert in detecting the occupation... therefore the foreign occupiers cannot divert the devout Afghan nation from their mission of Jihadi struggle by merely changing their fighting tactics,” says a ‘Statement by the Leading Council of the Islamic Emirate regarding the inauguration of Spring Operations called ‘Azm’ (Resolve),’ issued in February 2015.³¹ The Statement announces a spring offensive named Resolve. The name is presumably a bathetic Taliban counter to the NATO Mission Resolute Support. According to the Statement Operation Azm was to be launched on April 24, 2015; analysts see the massacres of March and April as a prelude.

Most other regional countries see the Resolute Support Mission as vital, but warn that the new NATO and U.S. mandates might need to be flexible to cope with renewed insurgency. Regional analysts stress that the guiding principle should be to support Afghanistan and the ANDSF until insurgency ends.

Recommendations

1. At the Delhi Policy Group's Fifth Regional Conference in Kabul, participants had proposed the establishment of a regional security dialogue to focus on closer security cooperation, steps to prevent the flow of arms, and curbs on the flow of illegal/drug-related money (along the lines of the UN "Blood Diamonds" initiative). With the potential threat of Daesh to the region, the intensification of attacks in Afghanistan and the reappearance of sanctuaries for cross-border militants, the time is ripe for the establishment of a Regional Security Forum. The Forum could be a joint SCO-SAARC initiative, led by Afghanistan and coordinated with the Heart of Asia CBMs. It would be attended by Senior Officials from the region (military and civilian), and should meet at least every six months. This proposal would in fact provide a framework for the Heart of Asia-Istanbul Process' 4th Ministerial Meeting's suggestion that Senior Officials meet to review security cooperation measures.
2. Increased security cooperation between Afghanistan and Pakistan, and between Iran and Afghanistan, is very welcome. At the same time, it is important to ensure that a counter-insurgency operation in one regional country does not lead to the establishment of sanctuaries in another regional country, as is said to have happened with the Zarb e Azb operation. The Heart of Asia-Istanbul Process' 4th Ministerial Meeting's Beijing Declaration on October 31, 2014, also reiterated "our agreement that terrorism, extremism, and separatism and linkages among them pose a serious challenge to many of our countries as well as the region and beyond... We affirm our determination to enhance regional cooperation to dismantle their sanctuaries and training bases, cut off their sources of funding, combat arms, lethal goods smuggling, and strengthen border control in the region and beyond."
3. The Beijing Declaration also affirmed each Heart of Asia country's commitment to capacity-building for the ANDSF. It would be helpful to hold an early set of meetings between the Afghan and Heart of Asia Government representatives along with representatives of

the Resolute Support Mission to discuss capacity-building priorities and potential regional contribution.

4. In terms of non-military security, the international community can invest more seriously in civilian security as opposed to military security, specifically in counter-narcotics initiatives given the complexity of finding a comprehensive solution to persistent poppy cultivation. Regional partners can provide valuable assistance in community policing.

THE ECONOMIC TRANSITION

“To help ensure that Afghanistan remains on a path towards a more sustainable future for all Afghans, the International Community reaffirmed its Tokyo commitment of providing sixteen billion US dollars through 2015, and sustaining support, through 2017, at or near the levels of the past decade. Going forward, the International Community reiterated its commitment, as set out in the Tokyo Declaration, to direct significant and continuing but declining financial support towards Afghanistan’s social and economic development priorities through the Transformation Decade.”

Communiqué of the London Conference on Afghanistan, 4 December 2014

The State of the Afghan Economy

As was widely expected, the Afghan economy has contracted significantly in the wake of the ISAF drawdown. Roughly one third of Afghans live in absolute poverty, and a larger percentage lives only marginally above the poverty line. Despite promises made by President Ghani to create a million extra jobs, unemployment remains the biggest challenge to economic growth and development. In July 2014, the National Union of Afghanistan Workers and Employees reported that about 60 percent of eligible workers in Afghanistan were unemployed.³²

Investment decreased with the number of newly registered firms falling to 2,086 in 2014 from 3,895 in 2013. These figures include registrations of foreign firms, which halved to 98 from 193. Though inflation has dropped from 7.6 percent in 2013 to 4.6 percent in 2014, it has still increased overall in the period since 2010. It is expected to climb further to 5 percent in both 2015 and 2016 according to World Bank forecasts.³³

“At the London conference, there was a reiteration of old economic commitments, but few new commitments are coming in, so the regional countries have to step up.”

The Afghan economy is still heavily dependent on international financial assistance. The international community provides for almost 40 percent of the Afghan National Budget, estimated at around USD 7 billion. The National Budget includes the Development Budget, which is entirely

dependent on foreign aid, highlighting the need for continued financial assistance through the Transformation Decade. There was a reiteration of old financial assistance pledges at the London Conference in December 2014, but little in the way of fresh commitments. President Ghani and CEO Abdullah will need to demonstrate a continued determination to fulfill reform pledges in order to secure continued aid. Analysts have expressed concerns that if aid flows dry up, Afghanistan could face a crisis of governance, in turn promoting competition for scarce resources and bolstering the Taliban insurgency.

Encouragingly, U.S. Secretary of State, John Kerry, announced a new aid package of an estimated USD 800,000 in April 2015 as part of a “New Development Partnership”, in which aid is linked to the progress of reforms that strengthen law and justice, improve women’s rights, and tackle corruption. Whilst this development is welcomed, donors need to ensure adequate aid continues to flow in the medium and long term to enable the Afghan government to underpin delivery of public goods, including security.

A positive development is the expansion of Afghanistan’s extractive base, with a 12 percent increase in mining and quarrying. Afghan mineral wealth is estimated to be worth USD 1 trillion according to the U.S. Geological Survey, with this estimate accounting for only 30 percent of the surveyed landscape of Afghanistan. Aerial surveys have detected that Afghanistan may hold 2.2 billion tons of iron ore, 1.4 million tons of rare earth elements, and 60 million tons of copper.³⁴ The international community had high hopes that effective natural resource exploitation and management could form the central component of a long-term sustainable growth and development strategy for Afghanistan.

In 2011, an Indian consortium won a bid to develop iron ore mines in Hajigak in the Bamiyan province; the bid is estimated to be worth USD 10.8 billion but negotiations continue over Afghanistan providing the consortium with the coal, dolomite and limestone needed to make the alloy, as well as over the rail and road network that remains to be built.

In 2007 the Afghan government signed a USD 3 billion, 30-year contract with the state-owned China Metallurgical Group, to exploit copper deposits at Mes Aynak. However, Afghan policymakers have expressed disappointment at China's request for the contractual terms to be re-negotiated, in a dispute that as yet remains unresolved. Production has yet to commence at the site, depriving Kabul of revenue streams to fund development projects.

The Shadow Economy and Corruption

President Ghani, widely perceived as a competent economic manager, a former finance minister and World Bank executive, has pledged to push ahead with an ambitious reform program, including plans to attract the Afghan diaspora back into Afghanistan to join the labor force and invest locally, clamping down on endemic corruption, and a scheme to foster greater government accountability by introducing regular "citizens' report cards" to monitor government progress.

President Ghani has identified corruption as the primary obstacle to sustainable growth, and tackling the phenomenon is a core plank of his government's agenda.³⁵ Corruption is still widespread in both the private and public sectors and is particularly severe in the Afghan National Police and the donor community, where the disbursement of international financial assistance has been poorly planned and managed. The National Unity Government has created a new position, Special Representative for Reform and Good Governance, to which Ahmed Zia Massoud has been appointed.

According to Transparency International's annual Corruption Perceptions Index, Afghanistan is ranked fourth from the bottom, 172nd out of 174 states indexed. Corruption persists in construction, procurement, service

delivery sectors, revenue collection and in government contracts allocation, to an extent that analysts have referred to it as an economy within the national economy. There are concerns that a kleptocracy has emerged within the formal government apparatus, with various actors self-organizing to pursue mutual economic interests and corroding the pillars of good governance. Such power brokers at the center continue to move resources offshore to financial centers such as Dubai, with capital flight a major issue. The corruption watchdog, Integrity Watch Afghanistan, reported that Afghans paid nearly USD 1.2 billion in bribes and that more than 1.2 million acres of land were illegally seized in 2014.³⁶

TABLE 6: CORRUPTION PERCEPTIONS INDEX 2014

Ranking	Country
169	Turkmenistan
170	Iraq
171	South Sudan
172	Afghanistan
173	Sudan
174	Korea (North)
174	Somalia

Source: <http://www.transparency.org/cpi2014/results>

Since coming to office, President Ghani has taken some important steps and provided reassurances to the donor community. He launched a probe into 12 military logistics contracts, and dismissed a large number of government personnel in the administration of western Herat province, who were accused of corruption or mismanagement. He has welcomed calls from the international community to implement the objectives of the Tokyo Mutual Accountability Framework (TMAF) that established benchmarks to gauge progress in addressing the problem of corruption.

“Regional countries could offer legal expertise from states with extensive experience of fighting corruption. Highly qualified judges, prosecutor and detectives could train Afghan legal professionals.”

He has welcomed calls from the international community to implement the objectives of the Tokyo Mutual Accountability Framework (TMAF) that established benchmarks to gauge progress in addressing the problem of corruption.

Regional Connectivity

Afghan policymakers over the past decade have sought to transform Afghanistan into a regional logistical hub connecting Central Asia and South Asia, developing transport networks to facilitate the export of its abundant reserves of gas, coal, minerals and precious stones. It has long been hoped that a regionally integrated Afghan economy could receive a major boost from road, rail and pipeline transit fees, taxes, as well as technology and knowledge transfer.

However, as mentioned in the Overview, the construction of roads declined sharply by 39 percent between 2013-14, raising questions about the feasibility of making Afghanistan a transit hub for the region, which has been a primary goal of the Afghan Government for the past decade. Regional connectivity initiatives that have been touted as geopolitical game-changers continue to stall, though some notable progress has been made over the past year.

“Prior to the 1920’s, Afghanistan was firmly plugged into the regional economy, but since then it has become increasingly disconnected and has suffered economically as a result.”

Turkmenistan-Afghanistan-Pakistan-India Pipeline (TAPI)

The Turkmenistan-Afghanistan-Pakistan-India pipeline project has recently regained some momentum, with analysts highlighting a renewed interest by Turkmenistan in the project as it seeks to diversify its energy export markets to reduce its dependence on China as the primary downstream consumer. Construction of the USD 10 billion pipeline has been delayed due to the absence of a credible and experienced international operator to head a consortium responsible for laying and operating the pipeline. Another unresolved matter has been the question of funding for the pipeline.

However, the four participating states, with the Asian Development Bank (ADB) as transaction advisor, have set up a new company, the TAPI Pipeline Company Limited, which will build,

“The TAPI pipeline project could galvanize regional development - if the pipeline is completed, there is every possibility that Kazakhstan and Uzbekistan will also join.”

own and operate the pipeline. Turkmengaz, Afghan Gas Enterprise, Inter State Gas Systems (Private) Limited, and GAIL (India) Limited will all have equal shares. The four countries have also agreed to commence construction in 2016, completing in 2018. Yet, selection of an international consortium leader is pending and security concerns remain since the pipeline will traverse across the volatile Kandahar province and into the Quetta region of Pakistan, both hotbeds of insurgencies.

CASA-1000

“Tajikistan has been a key driver behind the CASA-1000 initiative, which would connect the power grids of Central and South Asia, reflecting its calculus that the development of South Asian and Central Asian countries is impossible without sufficient energy supply.”

The Central Asia-South Asia Electricity Transmission and Trade Project (CASA-1000) scheduled for completion in 2018 has yet to progress to the construction stage, though President Ghani has invested his energies in overseeing its final stages. The project envisions a regional power grid delivering 1000 MW of electricity to Pakistan and 300 MW to Afghanistan from both Tajikistan and Kyrgyzstan. Tajikistan will supply 70 percent of the requisite electricity, with Kyrgyzstan supplying the rest. Reports indicate that its initial financial and multinational power transaction and transmission agreements are near finalization, and that the project will soon enter the construction phase. In October 2014, Pakistan and Afghanistan overcame a key obstacle by signing an agreement on electricity transit fees, with Afghanistan securing 1.25 cents per KW, negotiated down from 2.5 cents.

The European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank, and the Kuwait Fund for Arab Economic Development have expressed interest in investing in the construction of the Tajik section of CASA-1000. The World Bank will financially underpin the project; it has provided USD 45 million for the Tajik segment, and will allocate more than USD 526 million for the project overall.

“The Obama administration is going to coordinate the U.S. New Silk Route initiative with China’s Silk Route Economic Belt and extend the China-Pakistan Economic Corridor to Afghanistan.”

President Ghani’s visit to China in October 2014 yielded significant outcomes. Chinese President Xi Jinping promised to provide training for 3,000 Afghan engineers, assist in the construction of 500 schools, the development of infrastructure and agriculture as well as Af-

ghanistan’s hydroelectric power potential. Both leaders also agreed to set up an Afghanistan Task Force to enhance political, security and economic cooperation.

Though the SREB will not pass directly through Afghan territory, instead crossing its more stable Central Asian neighbors, expectations are that the economic windfall created by the project in the region will generally provide a significant boost to Afghan trade, and bring integrated trade corridors for export of its mineral wealth in closer proximity to Afghanistan. So far, details on the specifics of the One Belt One Road remain light, and the project is still very much in the planning phase.

The unstable Pakistan-Afghanistan corridor is an obstacle to the implementation of the SREB initiative in that region, although Washington has pushed for the extension of the China-Pakistan Economic Corridor into Afghanistan. In a region of bottlenecks and poor infrastructural connectivity, the promotion of greater regional trade between Afghanistan, Central Asia and South Asia has become a core U.S. strategic objective.

In terms of regional cooperation in Afghanistan, Moscow believes there is genuine scope to broaden its role in Afghanistan. Russia is keen to expand its agenda, although it is less optimistic that deep regional integration can be achieved, recognizing that the process of regional integration is often a challenging and competitive process involving various international actors vying for influence. Nonetheless, Russian analysts have commented that the Russian Government feels compelled to come on board China’s Silk Road vision of energy cooperation, particularly in light of growing imports from China into Russia and seeing few alternatives in the region.

China-Pakistan Economic Corridor (CPEC)

A key regional development is the establishment of the China-Pakistan Economic Corridor, a network of roads, railway and pipelines, which will link Pakistan's Gwadar port on the Arabian Sea through the length of the country and onto Kashgar in Xinxiang province via the Gilgit-Baltistan region of Pakistan-Occupied Kashmir (POK). In April, Chinese President Xi Jinping and Pakistani Prime Minister Sharif inked a series of agreements as part of a USD 46 billion investment package, including USD 15.5 billion earmarked for coal, wind, solar and hydro energy projects to come online by 2017 and add 10,400 megawatts of energy to Pakistan's national grid. A USD 44 million optical fiber cable between China and Pakistan is also due to be built.

Aside from stimulating investment activity, bilateral trade flows and energy generation in Pakistan, CPEC could spur greater intraregional connectivity, and serve as a driver for economic integration between Central, South and East Asia if the corridor is expanded to Afghanistan and India.

However, the security challenges facing the mega project cannot be understated. Instability in Khyber Pakhtunkhwa and Balochistan, where tribes have expressed their resistance to the project, could be a major hurdle to its implementation.

Afghanistan-Pakistan-Tajikistan Transit Trade Agreement

Afghanistan, Pakistan and Tajikistan have agreed to finalize a draft transit trade agreement over the next few months as the existing Afghanistan-Pakistan Transit Trade Agreement (APTTA) is set to expire in October. However, it is still unclear whether Pakistan and Afghanistan would make Tajikistan a partner in the APTTA or propose a separate agreement.

Regional Transport Initiatives

“The Kazakhstan-Turkmenistan-Iran railroad project is a positive step for regional integration and real efforts are happening on the ground.”

The Afghan government has registered its interest in joining Kazakh President Nazarbayev’s proposal to expand the Kazakhstan-Turkmenistan-Iran railway beyond its north-south corridor railway network into a broader Eurasian rail network. Uzbekistan is a major regional hub for railroads as it shares borders with all other Central Asian states as well as Afghanistan; the rail connection between Uzbekistan and Mazar-e-Sharif was recently repaired. The Uzbek Government has promised to promote the construction of further railroads.

Design work has commenced on a 336-kilometer rail linking Aquina in Turkmenistan to Mazar-e-Sharif in Afghanistan and onto Tajikistan in the northeast, plugging northern Afghanistan further into the regional energy architecture.

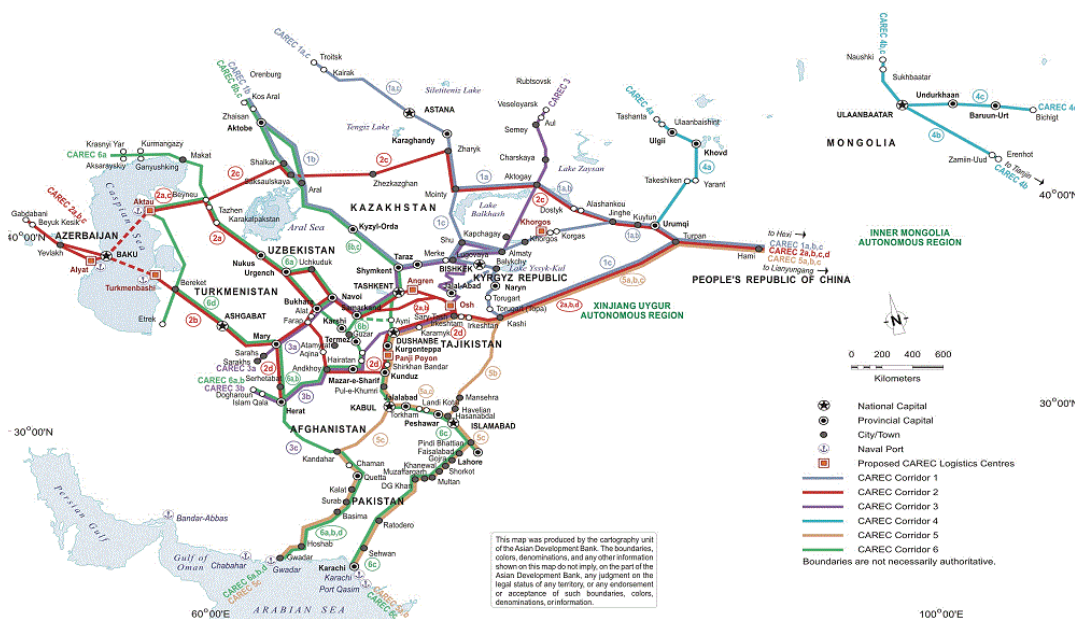
Central Asia Regional Economic Cooperation

The CAREC (Central Asia Regional Economic Cooperation) Program has proven to be a critical platform for promoting regional economic cooperation, fostering regional connectivity and promoting trade to link markets, ideas and people.

Comprising 10 partners including Afghanistan, China, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkmenistan and Uzbekistan, CAREC has overseen investments of around USD 24.2 billion in transport, trade facilitation and energy projects.³⁸

Partner states are committed to mainstream the priority regional projects into their respective development plans. Multilateral institution partners that have provided loans, grants and technical assistance for CAREC’s various projects include the ADB, EBRD as well as the World Bank. The program, which is currently running 17 development projects in Afghanistan, has had a tangible impact on the ground, overseeing the implementation of 154 projects by 2014, up from just 6 in 2001.

FIGURE 3: PLANNED CAREC RAILWAY CORRIDORS IN CENTRAL ASIA



Source: <http://www.carecprogram.org/index.php?page=carec-corridors>

India-Afghanistan-Iran Trilateral Transit Trade Agreement

India, Afghanistan and Iran are said to be close to signing a trilateral transit agreement, with a draft agreement already approved by the Afghan and Indian governments. Approval from Iran is pending. Once operative, the route can serve as an alternative for the transit of export goods from Afghanistan to India, since Pakistan does not permit transit to India through its territory. India and Afghanistan are also currently negotiating for a rail and road link between central and northern regions of Afghanistan and the Iranian port of Chabahar. It is hoped that with its finalization, one key obstacle to developing the Hajigak iron and steel mines – that of transporting products – will be overcome.

Iran aims to expand Chabahar port’s capacity from 2.5 million tons per annum to 12.5 million tons. It has invested USD 340 million in the project, declared the area around the port as a Free Trade In-

“There is a renewed sense of urgency about the development of Chabahar in New Delhi and India is taking an active role in promoting regional connectivity.”

dustrial Zone and built a petro-chemical complex to receive gas from Iranshahr.³⁹ Iran has already constructed a road running from Chabahar through Iranshahr and Zahidan to Milak on the Afghan border, and India has constructed the Zaranj-Delaram highway, which links up infrastructure on the Iranian side with the Garland Highway that connects Afghanistan's main cities.

“The almost concluded Iran-Afghanistan-India Transit Trade Agreement governing a planned trade route from India to Iran's port in Chabahar and onto Afghanistan, is a solid example of regional cooperation.”

However, the transit corridor's viability hinges on the security situation in the unstable Iranian region of Sistan-Balochistan and in Afghanistan through which the connecting roads and railway lines run on to Central Asia. New Delhi has so far refused to increase its investment in Chabahar above the USD

100 million pledged in 2013, partially due to concerns over the security climate, and Iran too has yet to approve the transit trade agreement. Significant progress on the agreement should pave the way for further investment – it is certainly important for each country's national economic interest, not to mention the wider regional interest.

The government of India has been slow in pushing forward regional connectivity projects, nonetheless, it is now renewing its efforts and is working closely with the Iranian and Afghan governments on the Chabahar port project. The next phase of this project is to begin in 2015. It is still perceived as a modest effort by Indian observers, and there are doubts that an investment commitment of USD 100 million is sufficient to meet requirements. Consequently, there have been calls for India and Iran to intensify their efforts.

Recommendations

1. Central Asian analysts point out that Afghan, Pakistani and Indian businessmen have a weak knowledge of which goods would be attractive to Middle East and Central Asian consumers. They suggest the development of forums to promote a better understanding of regional markets and their supply-demand dynamics. The Commercial, Business and Investment CBM under the Heart of Asia-Istanbul Process could provide such a forum in which the regional countries' Chambers of Commerce could participate.
2. A Heart of Asia Trade and Transit Agreement would give the region a major economic boost. Measures such as low to no tax, reduced tariffs and concessions for Heart of Asia products would facilitate trade. Kazakh businessmen for example, find doing business in Afghanistan difficult, as traders have to transit through Uzbekistan and pay high taxes and duties, discouraging commercial activity. Similar problems regarding transit costs in each other's countries are faced by most Heart of Asia members.
3. Heart of Asia countries should actively explore ways to link the North-South trade corridor with the Silk Road initiatives. A dialogue would be helpful on how to connect China's Kunming initiative, which seeks to improve trade between Southwest China and Northeast India, with its Urumqi initiative, which aims to foster increased trade between China and Central Asia.
4. To effectively exploit its abundant energy, mineral and gem resources, Afghanistan could set up an expert task force to explore ways to strengthen the legal structures governing the operations of extractive industries in Afghanistan. Afghan officials could work in tandem with the Extractive Industries Transparency Initiative, an international organization that assesses standards and best practices.
5. Central Asian investment in Afghanistan at USD 100 million is far lower than the USD 2 billion that comes from South Asia. Joint investment ventures by South and Central Asian companies could be set up to narrow this gap – Afghanistan has previously suggested that Central Asian businessmen could cooperate with Indian businessmen to put in joint bids. At the same time, Afghanistan's neighbors need to consider how they can reduce the trade imbalances with Afghanistan that are currently in their favor, by giving preferential terms for Afghan goods and services.

REGIONAL ROLES & RESPONSES

“We firmly believe that increased political mutual trust and deepened regional cooperation are the foundation for peace and prosperity in Afghanistan and the region... We also support a regional consensus on non-interference, which is critically important for stability in Afghanistan and the region. We reconfirm the direct task of the Almaty Ministerial Declaration that appealed to use the Istanbul Process to build a common platform of shared regional interest for the sake of the ‘Heart of Asia’ region.”

Beijing Declaration of the 4th Ministerial Meeting of the Heart of Asia-Istanbul Process, 31 October 2014

Five years ago most regional analysts were skeptical of the potential for regional cooperation, whether in political, security or economic spheres. Today, they discuss how to overcome hedging strategies, what kind of political support to give the National Unity Government of Afghanistan, whether regional security mechanisms can be stimulated to help the ANDSF and how to maintain the new dynamism for regional economic integration. This spirit is reflected in the Beijing Declaration of October 31, 2014 (see Key Points opposite), though critics have said

“Regional policymakers should ensure that Afghanistan remains the central focus of the Heart of Asia process. Some have expressed concern that the latest conference in Beijing was a routine conference on regional cooperation with little input from the Afghan government.”

that this 4th Ministerial Meeting of the Heart of Asia-Istanbul Process did not add much of substance.

Despite the new and more positive attitude, each of the Heart of Asia countries has different strategic imperatives and dilemmas; each also has different views of what constitute the peacemaking priorities and opportunities. How-

ever, economic integration is one issue that has mustered regional consensus.

As far as regional processes are concerned, 2014 saw two major developments: the entry of China and political rapprochement between the Governments of Afghanistan and Pakistan. China has taken a lead in negotiations with the Taliban, and its recently announced Silk Road Economic Belt will make it a – if not the – major economic power in the region. President Ghani began his term with a new initiative towards Pakistan, focused on military cooperation. The two countries' army chiefs are now in regular and much closer contact, though there are doubts about how far the rapprochement will extend.

How do regional actors view these two major developments? Have regional perceptions changed and in which ways?

Heart of Asia-Istanbul Process : Beijing Declaration, 31 October 2014

Key Points

The Beijing Declaration stressed the following key principles and objectives agreed upon by the Heart of Asia nations:

- The importance of respecting Afghanistan's independence, sovereignty and territorial integrity on the basis of non-interference in its internal affairs.
- A commitment to work to support the National Unity Government (NUGA) of Afghanistan.
- To maintain input into capacity building initiatives and support the ANSF in order to ensure the security transition continues smoothly.
- All parties were urged to honor their commitments made in the Tokyo, Chicago and London donor conferences.
- Support for an Afghan-led, Afghan-owned inclusive peace and reconciliation process, calling on the Taliban to renounce violence, cut ties with all terrorist groups and respect the Afghan Constitution.
- To bolster regional security cooperation through multipronged strategies to tackle terrorism, extremism and separatism, as well as narcotics, illegal trade, the transfer of arms and munitions, human trafficking, illegal money transfer and laundering, and smuggling of natural resources.
- To enhance information-sharing mechanisms with relevant government institutions that are responsible for combating such threats.

- To promote regional economic cooperation, transport connectivity, infrastructure development, trade facilitation and people-to-people exchanges.
- Regional and international organizations were encouraged to take an even more active role in supporting the implementation of Confidence Building Measures (CBM's) and all CBM participants were urged to proactively take on and implement the prioritized activities.

Pakistan

Some Pakistani analysts believe that we are witnessing a watershed moment for Afghanistan and Pakistan. They note that “during his visit to Pakistan President Ghani spoke of Afghanistan and Pakistan as having a common geography but a fraught history. The prospect of a paradigm shift was palpable.” All political parties in Pakistan, including the two main parties, the Pakistan People’s Party and the Pakistan Muslim League, agree on the need to support positive engagement with Afghanistan and oppose negative interference. Moreover, they argue, the Pakistani military have reached the “mental conclusion that continued association with the Taliban is no longer in their interest.” The Zarb e Azb and Khyber operations are an example: they will not be limited to Mirali and Miramshah but will also focus on Datta Khel.

“President Ghani talked about Pakistan-Afghanistan jointly constituting ‘the Heart of Asia’ as opposed to just Afghanistan.”

It is true, they acknowledge, that President Karzai too had high hopes – he went to Pakistan 22 times with little result. However,

Pakistan then played a waiting game given the uncertainty on what the security situation would be after the withdrawal of ISAF and what would happen in Afghanistan after President Karzai departed office.

“Let us not rush to judgement that the Taliban has frozen the prospects.”

President Ghani’s visit should therefore be seen as a new beginning they say. China has now entered the regional landscape and its

impact is already noticeable. China has submitted numerous proposals for a peace and reconciliation framework and has invited the Taliban to

be part of this process. The Taliban will have to be involved in all peace efforts, they add, but they will ultimately need to adjust their views. The Pakistani Government is now making it clear to the Taliban that it will assist them in engaging with the Afghanistan government, however, if they are adamant in pursuing a military alternative then they will receive no assistance from Pakistan. China and Pakistan have also signaled that they will cooperate to work towards implementing these pledges.

Moreover, China will have a major role to play in the project to connect Central Asia to South Asia, which will include seeking cooperation to tackle terrorist groups such as the ETIM (East Turkestan Islamic Movement) that pose a destabilizing threat to China's western Xinjiang province.

Other analysts are more cautious. "There has been plenty of talk about a change of policy in Pakistan but this is yet to be seen on the ground," they say, "until then we can assume that the traditional policy hangover remains. At the upper echelons, the Pakistani military mentality today reflects that of the 1980s." The relative restraint shown by the Pakistani military when it comes to interference in civilian affairs, they point out, is an important development in recent years and will have constructive implications for regional security. It is being carefully monitored.

Afghan observers doubt whether the policy shift is genuine, and whether Pakistan is ready to abandon its long-term policy of fostering "strategic depth" in Afghanistan. Pakistan cannot selectively cooperate with Afghanistan in tackling some extremist groups

"The Afghan Taliban are Pakistan's only geopolitical instrument for leverage in the region. The temptation to use them to exert influence and extract concessions may prove resilient."

whilst ignoring others, they say, pointing to the fact that Afghan, Pakistani and associated foreign militants were driven into Afghanistan while the focus was on 'liquidating the TTP.' "It is important to escape the 'Good Taliban, Bad Taliban' narrative promulgated by some in Pakistan's establishment, which holds that the TTP is bad but the Afghan Taliban, as the friendly variant, are strategic assets." Then there is the issue of Afghan refugees. Having played host to over 2 million refugees for decades, the Pakistan military allowed the Zarb e Azb operation to drive tens of thousands of them back into Afghanistan.

Regional analysts share these doubts. As long as cross-border funding flows to the Taliban, they say, it will be difficult to bring them to peace talks. The first effort, therefore, should be to cut external funding sources.

Apart from the Taliban question, the management of the Afghan-Pakistan border, along which there are around 258 border crossings, is an immediate as well as long-term security issue. Little security infrastructure has been developed at these crossings – only two of them have biometric equipment – and therefore the border is uncontrolled. Some political actors have used the lack of security architecture to side step the real issue, which is the outsourcing of border management by the state to militants.

“Pakistan first has to respect the Durand Line before obtaining recognition for its demarcation from Afghanistan.” The underlying issue is political. The Durand Line, drawn by colonial Britain, has been historically disputed by Afghanistan though the territory it demarcates lies within Pakistani control. Some regional analysts argue that Afghanistan should accept the Durand Line in its present state, and believe that there is no likelihood of Pakistan agreeing to cede control of Khyber-Pakhtunkhwa. The issue is deeply contentious but could be tackled at the Track II level to start with.

Finally, there is the issue of Pakistani cooperation with the Resolute Support Mission. According to NATO, “The Allies’ adoption of a more efficient and flexible partnership policy in April 2011 paved the way to enhance practical cooperation and political dialogue with ‘partners across the globe’ in the same fashion as with other partners. This means that Pakistan, like other partners, will have access to NATO’s Partnership Cooperation Menu (PCM) should the country wish to develop a formal bilateral program of cooperation with NATO.”

China

President Ghani’s visit to China in October 2014 was fruitful. Chinese President Xi Jinping promised to provide training for 3,000 Afghan engineers, assist in the construction of 500 schools, the development of infrastructure, agriculture as well as Afghanistan’s hydroelectric power

potential. Presidents Ghani and Jinping also agreed to set up an Afghanistan Task Force to enhance political, security and economic cooperation. China and Afghanistan already have established intelligence-sharing mechanisms.

As noted above, the Chinese Government stepped up with an offer to facilitate dialogue between the Taliban and the Afghan Government. “China has some lines of communication with the Taliban though it refrains from concluding any secret deal with

“There is need for a more nuanced understanding of Afghanistan’s political culture in Beijing. China needs to unlearn some of its assumptions about Afghanistan.”

them without the explicit support and clearance of the Afghan Government”, Chinese analysts say, adding that, “China doesn’t want the Taliban returning to power but recognizes that dialogue is essential in bringing about an end to hostilities and a durable peace settlement based on power-sharing.” To questions regarding China’s own distinction between the Afghan Taliban and the TTP, against whom they support the Pakistani campaign, they reply that the Afghan Taliban has not conducted any operations against Chinese personnel or assets to date, whereas the TTP has.

Afghan analysts say the extent to which China is willing or able to exert influence on its strategic partner, Pakistan, is unclear. Chinese authorities have remained silent on how they will respond if Pakistan continues with its policy of strategic depth, and to many the Chinese Government have not yet fully harnessed their leverage over Pakistan. Thus far, they have committed to facilitating talks between Pakistan, Afghanistan and the Taliban, and encouraging Pakistan to play a constructive stabilizing role. According to Chinese analysts, one problem faced by the Chinese Government is the divergence in strategic perspectives of the Pakistan’s military and the civilian government despite their cordial relationship with China. “Unfortunately for China, this reality complicates the articulation of a coherent policy agenda.”

Nevertheless, China has, so far, played a positive role in Afghanistan. It has promoted security cooperation and financial assistance. The Silk

“The Afghan government is deeply discouraged by China’s apparent plans to renegotiate its investments in the copper mines at Aynak.”

Road Economic Belt (SREB) and Maritime Silk Road initiatives launched by President Xi Jinping is an important step for the region’s collective economic development. Yet, they also warn that the unstable Pakistan-Afghanistan corridor is an obstacle to implementation of the initiative. Nonetheless, China recognizes that serious efforts have been made by Pakistan to push the project forward, under the stewardship of its business-minded Prime Minister, Nawaz Sharif. A crucial piece in the puzzle is the China-Pakistan corridor, which could become the centerpiece of the planned Silk Road and Belt combined and for which President Jinping recently announced an investment of close to USD 40 billion over the next 15 years.

Wary of the spread of the conflict to China’s doorstep, the government does not support the ISAF withdrawal and has not objected to a strong US-NATO presence in Afghanistan. China’s primary objective is to support Afghanistan in its counter-terrorism efforts and to support an Afghan-owned inclusive peace process.

Iran

In dealing with Afghanistan, Iranian policymakers believe that it is necessary to approach the situation with realism not optimism. The Iranian Government views the formation of the National Unity Government as a very positive democratic development in Afghanistan, but also considers the situation to be fragile.

Iran’s chief concerns are the threat of terrorism, spread of narcotics and corruption, all three of which are persistent problems in the region, and require deep political will to tackle. Iran supports a negotiated political solution to the Taliban insurgency, and a resolution of historic border issues with Pakistan along the Durand Line, as well between Pakistan and India along the Line of Control, to promote a more stable security environment in the region. According to Iranian analysts “the Iranian perspective is that the US military mission has failed as Al Qaeda and the Taliban are still there, yet the US and NATO troop presence has

been drastically reduced. Particularly troubling to Iran is evidence of the existence of contact channels between the Taliban and the Islamic State (IS) in Iraq and Syria, as well as the specter of sectarian violence in Afghanistan as the killing of six Iranian diplomats by the Taliban demonstrates.”

“There is need to think beyond a purely military towards a political solution. Iran is ready and willing to participate in any initiative that ‘cures’ hearts and minds and tackles the underlying causes of extremism.”

The Iranian Government believes that there should be a greater role for regional actors in addressing political and security issues through regional initiatives, security mechanisms and peacemaking. Iranian analysts say that, “a breakthrough in regional cooperation can come about if all interested and regional powers meet in an inclusive and common forum to earnestly develop mechanisms for regional cooperation. Previous Iranian efforts have stalled, for example in 1992, when Iran invited India to a meeting on regional cooperation which met strong objections from Pakistan.” Regional consensus is vital in supporting Afghanistan’s transition.

Irrespective of this position, Iran is keen to maintain channels of dialogue with the U.S. on “special issues” such as the spread of IS and Afghanistan’s security, political and economic transition.

“Iran enjoys good relations with India, Russia and China, which could underpin stronger economic cooperation in Afghanistan.”

The Iranian Government’s position is that it is necessary to decouple these core issues from the broader freeze in relations between Iran and the West. However, cooperation between Iran and the U.S. faces many obstacles and dialogue is by and large limited to that being conducted as part of the P5+1 nuclear talks on Iran’s nuclear development program.

The Iranian Government also supports the increased involvement of international organizations such as the UN in the current phase of Afghanistan’s peace and stabilization.

India

The India-Afghanistan relationship is a historic one and each perceives the other as a close regional partner. Nevertheless, India is faced with a strategic dilemma at this juncture. The increasing emphasis on Afghanistan-Pakistan reconciliation has occurred at the same time as the Pakistani Government has allowed a key Lashkar e Taiba 26/11 accused to walk free and its top ideologue to mobilize freely for 'jihad' against India. Indian analysts fear that the Pakistani Government is using the promise of rapprochement with Afghanistan to flaunt its policy of 'Good Lashkar, bad TTP' without fear of international pressure.

“Afghanistan needs to find its own solution as an independent and sovereign state and India will support it as it seeks to do so.”

To what extent will this dilemma impinge on Afghanistan's fragile peace initiative? As far as the Taliban is concerned, the Indian Government continues to support a negotiated solution that is Afghan-led within the red lines

set by the Loya Jirga, as do most other regional countries. Should Pakistani militant groups attack India, however, the Government of India will be under considerable domestic pressure to respond adequately. Though the Indian Government will strive to insulate Afghanistan from tension between Pakistan and India, as it has done in the past and indeed is doing today, the Pakistani military may well use tension with India to hedge its bets with Afghanistan, as it has done in the past.

“India needs to have a long-term perspective, but not play a long waiting game.”

The answer, therefore, is to seek mechanisms that will prevent militant attacks on India, but this is beyond the reach of most regional countries. It is important, however, for influential international actors to make clear to the Pakistani Government that they expect them to rein militants in, to the best of their ability.

The current policy of the Indian government with respect to Afghanistan is one of “wait and see”. One school of thought argues that India needs to clearly communicate to Afghanistan that it is willing to wait to cultivate a deeper and more engaged strategic relationship until a fa-

avorable regional climate emerges, which is conducive to an enhanced Indian role. Another approach, also advocated by some regional observers, is that India should abandon its current cautious posture and invest itself more heavily in Afghanistan's state-building process and in mechanisms for regional cooperation. A third perspective is that India needs to find a middle ground between the two approaches, which moves away from "wait and see", but avoids the adoption of a rushed strategy.

Afghan analysts add that, "within the corridors of power in Kabul, there is an ongoing debate on whether a rapprochement with Pakistan could harm Indian sensitivities, yet there is a consensus that re-marginalizing India is neither prudent nor productive and policymakers are keen to reassure India that it should not see President Ghani's recent overtures to Pakistan as being at the expense of cooperation with India."

"India's relationship is with the Afghan nation as well as the state."

Is there scope to delink the India-Pakistan dynamic from the Afghanistan theatre? Some regional and international analysts argue that on the contrary this is a moment to seek to resolve outstanding issues with Pakistan. Most Indian analysts disagree, citing the renewed Pakistani tolerance of anti-India militancy mentioned above, as well as a number of other stalled agreements on trade and transit, both bilateral and regional, as signs that the Pakistani Government would resist any attempt at resolution.

This, of course, does not mean that the Indian Government would not respond to any positive steps taken by Pakistan. Indian analysts agree that should such steps be taken, the Indian Government would respond very positively.

In the meantime, the Indian government's position is that enhanced regional economic cooperation is the key to a prosperous future for Afghanistan. India has thrown its weight behind the development of the Iranian port Chabahar, which it hopes will form part of a vibrant economic corridor linking India, Central Asia, Afghanistan and Iran, and there is a sense of urgency surrounding its development. Indian analysts suggest that the Indian Government would be happy to negotiate

a trilateral Afghanistan-India-Pakistan trade and transit treaty along the lines of the Afghanistan-Pakistan-Tajikistan Trilateral Trade Treaty currently under negotiation; and would be similarly happy to join the China-Pakistan Economic Corridor.

The US/NATO role post-2014

The successful formation of a consensus National Unity Government was warmly welcomed by the Obama administration and it has been impressed by progress made by the National Unity Government in the past few months.

The U.S. Government supports Afghan engagement with China and Pakistan, and believes a “healthy Afghan-Pakistan relationship” is in the interest of the regional and international community. More broadly, there are hopes that the U.S. can capitalize on current and deeper regional cooperation in the future in Afghanistan to forge stronger relationships with those states with which it has historically had strained ties, such as Iran, China and Russia. To reinforce this process, there needs to be clear communication of the U.S.’ intentions in relation to its residual military presence to reassure regional powers, especially China.

“Indian Prime Minister Modi during his speech at the Council on Foreign Relations in U.S. stated: ‘when you left Iraq, it turned into chaos, please do not do this in Afghanistan.’”

“Afghanistan is one of the few arenas where U.S. and China have had productive dialogue and where there has been substantial cooperation with both China and Russia, and notably Iran, both in 2001 and now,” U.S. analysts say. The

administration is keen to coordinate its New Silk Road vision of greater regional connectivity with China’s Silk Road Economic Belt, and supports the extension of the China-Pakistan Economic Corridor into Afghanistan as part of this.

U.S. analysts warn that now that the U.S. is entering its presidential election season, promises will be made in the domestic scene as part of the respective parties’ foreign policy manifestos and so to outside observers, the foreign policy of the U.S. may appear to be in flux. Regional powers

therefore will need to distil the actual policy message from the static that is generated during the competitive electoral process.

One legitimate regional concern, they say, is the often-expressed fear that the U.S. will repeat the mistakes it made in Iraq. However, with the rise of the IS in Iraq and Syria, there is pressure for a renewed security presence in the region. Instead of witnessing a downgrading in Afghan-U.S. relations, there will be a much stronger U.S.-Afghanistan partnership in the long-term. Recent developments in Iraq, where IS insurgents have captured swathes of territory underpin recognition in the U.S. government that it is critical to ensure that adequate security provisions are in place in Afghanistan in the long-term, as well as adequate funding. Afghanistan will continue to be dependent on international aid for the next decade, and the US government is pushing NATO allies to live up to donor pledges made at the Tokyo and London conferences.

Similarly, the U.S. military drawdown will not mean that the U.S. will not continue its strategic partnership with Afghanistan. The U.S. will remain deeply engaged politically. The New Silk Road Vision, initially unveiled by Hilary Clinton in Chennai in 2011, was conceived as a U.S. initiative for regional integration to support Afghanistan's economic transition by improving connectivity between India and Afghanistan in energy, customs, trade and transit. In a region of bottlenecks and poor infrastructural connectivity, the promotion of greater regional trade between Afghanistan, Central Asia and South Asia has become a core U.S. strategic objective.

Where does Afghanistan fit in the U.S. strategy going forward? U.S. analysts suggest that viewing the issue through Obama's "Pivot to Asia" frame is useful. Afghanistan has demonstrated an interest in building trade alliances in Asia but has not shown a clear intention to broaden or deepen these significantly. However, if Afghanistan does work to establish deep trade partnerships in Asia, it could position itself firmly within a dynamic and rapidly growing regional economy. The U.S. needs to encourage Afghanistan to actively look east – here is a source of engagement and prosperity.

Finally, regional embassies and civil society organizations need to more actively reach out to the various loci of influence in the U.S., particularly

the Senate Foreign Relations Committee, to augment regional voices and help them input the foreign policy agenda.

Russia

Russia does not have a military presence on the ground in Afghanistan and does not share a common border with the country. However, it does share interests with Central Asia and Afghanistan.

Russia supported the recent electoral process and welcomed both rounds of elections as well as their final outcome. However, in the Russian Government's view, the new National Unity Government has inherited the problems of the previous Karzai administration – Afghan government policy is shaped and limited by the presence of foreign troops on Afghan soil. According to Russian analysts, the Russian experience in Afghanistan from 1979 to 1989 has conditioned Russian perspectives on military intervention, which are held to be counter-productive. Ongoing security challenges are a cause for concern in Moscow and there is a perception that the Phase 1 Security Transition is incomplete highlighted by the residual presence of NATO forces operating under the terms of the recently ratified BSA.

Despite this geopolitical reality, Russian analysts say, Russia is ready to formulate its own independent foreign policy in Afghanistan, though the process has not formally started as yet. The presence of international troops is no inhibitor.

“There was a perceived honeymoon period in Afghan-Russian relations under Karzai, as Russia attempted to reset relations.”

Russia is keen to continue its current policy in the region, and wishes to maintain contact with all parties and stakeholders in Afghanistan's political future. Pakistan and Iran are already both in contact with all political forces and Russia will likely pursue a similarly broad and inclusive process of engagement based on the principle of non-interference, refraining from supporting or favoring any particularly political group.

In terms of regional cooperation in Afghanistan, there is genuine scope to broaden the role of the SCO in Afghanistan and Russia is keen to expand

its agenda. However, it is important to be realistic – the process of regional integration is challenging and is often a competitive process involving various international actors vying for influence. The emerging Russia-Pakistan rapprochement after a sustained period of difficult relations since the Soviet war in Afghanistan is a constructive development in terms of regional economic and political cooperation.

Tajikistan

Tajik analysts identify three major unresolved problems in Afghanistan: terrorism, trans-border crime and drug trafficking. Given that the country shares a 1400 km border with Afghanistan, which is as porous as it is long, the impact of the latter two problems on Tajikistan is considerable. Moreover, religious extremism and human trafficking are also genuine concerns, as they are to the broader international community.

In an annual report to the Tajik Parliament, President Rahmon said that the reestablishment of peace and stability in Afghanistan is Tajikistan's highest priority, as it is connected with regional stability.

The Government of Tajikistan has proposed the following steps to be taken by regional countries:

- More effective regional energy cooperation and coordination of use of water resources.
- Improved transportation and communications development, including the development of rail and road connections and plans for a new pipeline between Afghanistan and Tajikistan. There are already new transportation connections between Tajikistan, Turkmenistan and Uzbekistan. The momentum towards greater regional connectivity should be sustained.
- Improved cooperation in the spheres of culture and education.

Negotiations are currently underway on an Afghanistan-Pakistan-Tajikistan Trade and Transit Treaty, which could substitute the current Afghanistan-Pakistan treaty due to expire shortly. Tajikistan has been a key driver behind the CASA-1000 initiative, which would connect the power grids of Central and South Asia, with energy being transmitted from Kyrgyzstan

and Tajikistan to Afghanistan and Pakistan and potentially onwards to India and other South Asian countries. Under the scheme, 1000 MW of surplus energy is to be supplied to Pakistan, and 300 MW onto Afghanistan. The National Unity Government, in an early success, has managed to secure a preferential price from Tajikistan.

Uzbekistan

Uzbekistan's main priority is regional stability. In the past, external influences and factors have negatively impacted the region's security. Uzbek analysts believe that the UN must therefore take a lead role in coordinating efforts to support Afghanistan's security, political and economic transition.

Uzbekistan supports a political solution to the ongoing hostilities between the Kabul government and the Taliban. It believes that all external actors should uphold the principle of non-interference in Afghanistan's internal affairs during the delicate transitional period. "As Afghanistan reaches out to donors to garner additional financial assistance post-2014, such as China, Pakistan and Saudi Arabia, Uzbekistan fears that this broader engagement could lead to negative geopolitical implications and create fertile ground for extremist groups and movements."

Regional connectivity projects, such as the emerging network of Central Asian railways, will benefit the region, including Afghanistan and in particular its Herat province due to proximity to Central Asia. The Kazakhstan-Turkmenistan-Iran railroad project is a positive step for regional integration. The TAPI pipeline project could galvanize regional development – if the pipeline is completed, there is every possibility that Kazakhstan and Uzbekistan will also join.

There is also substantial bilateral trade between Uzbekistan and Afghanistan, now at USD 1 billion per year. Uzbekistan is also keen to continue educational cooperation between academics of the two states.

Uzbek analysts' proposals aimed at promoting regional stability and prosperity include:

- The Western sanctions policy is a barrier to regional harmony and should be lifted on both Iran and Russia.
- Within the SCO, there is a clear need to allocate responsibilities for fields of cooperation to specific member states.
- The region should speed up the construction of regional railroads to bolster connectivity.
- Logistical, infrastructural and development projects need to be accelerated. The World Bank has previously provided USD 411 million to Uzbekistan for agricultural reforms. Uzbekistan can deploy its agricultural expertise by working with Afghanistan on agricultural processing, as well as in joint initiatives in education.

The UN and Regional Cooperation in Afghanistan

Renewing the United Nations Assistance Mission in Afghanistan (UNAMA) to March 2016, the UN Security Council “stressed the crucial importance of advancing regional cooperation as an effective means of promoting security, stability and economic and social development in Afghanistan, and called attention to the important role that the United Nations is expected to play in supporting Afghanistan’s initiatives in this regard.”

UNAMA will provide support to the Afghan government in the following areas:

- Electoral reform and preparations for Parliamentary elections later in 2015;
- Constitutional reform;
- Human Rights and the Rule of Law;
- Women’s Rights; and

- Strengthening local democracy by promoting good governance at the provincial level, as well as exploring ways in which Afghanistan's capacity to deliver public services to the people can be bolstered.

Several regional countries also support an enhanced UN role in mediating regional agreements. A Regional Compact for peace and stabilization in Afghanistan was mooted by the Delhi Policy Group's Fourth and Fifth Regional Conferences and is available in print as well as digital forms. Several other groups also proposed variants on the theme: a comprehensive draft on neutrality was prepared by Mahmoud Saikal, then CEO Abdullah's foreign policy advisor and now a Minister in the National Unity Government. Given that the Heart of Asia-Istanbul Process has not progressed to discussions on such a Compact, nor is it on their agenda thus far, and given that most regional analysts feel that the moment is ripe for introduction of the idea, the UN could consider appointing a UN Regional Envoy for the purpose.

Similar proposals for a UN Regional Envoy to Afghanistan to be appointed to coordinate regional cooperation were submitted earlier. A regional dialogue on the issue was launched but was stopped by former President Karzai, partly because Afghan policymakers feared that there was a danger that it would undermine existing diplomatic structures and substitute Afghanistan's existing bilateral relationships and be perceived as an outsourcing to International Governmental Organizations.

Recommendations

1. The Heart of Asia countries have come a long way over the past year, from fears and doubts of what the drawdown would bring to a policy consensus in favor of regional stabilization and economic integration. They seek greater security cooperation and a larger say in policy for the region. Both would be beneficial for Afghanistan, given that the majority of the Heart of Asia countries are moving steadily towards non-interference and support for Afghanistan.
2. Afghan policymakers welcome proposals for a Regional Compact that would provide a clearly defined framework for regional collaboration, as they believe it would encourage a regional environment for cooperation with Afghanistan. However, doubts have been raised about the continued relevance of Confidence Building Measures within the Heart of Asia-Istanbul Process architecture due to limited progress towards implementation. A dedicated body that would oversee regional cooperation programs on a timeline would fill the gap; a smaller group could be tasked by the Afghan Government to negotiate a Regional Compact covering non-interference, security and economic cooperation, perhaps under a UN umbrella.
3. Afghanistan has a rich history of coexistence between all major religions – Zoroastrianism, Islam, Hinduism and Buddhism. Despite the continuing destruction of religious heritage in Afghanistan, the selection of Bamiyan as the cultural capital of SAARC is symbolic of this status. However, it is vital that an effective strategy is devised to promote Bamiyan as a cultural capital. When Ghazni was previously declared the Capital of Islamic Culture in 2013, there was an impressive inauguration ceremony but little resulted by way of tangible outcomes. Given the current insurgency, SAARC countries could consider digital events around a Bamiyan Interfaith Dialogue, for example.

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APPENDIX

Conference Participants

AFGHANISTAN

Jawed Ludin, Former Deputy Foreign Minister of Afghanistan

Amrullah Saleh, Founder of Afghanistan Green Trend (AGT)

CHINA

Professor Zhou Rong, Chief of the Mideast Bureau of Wenhui Daily, China India

INDIA

Ambassador Arundhati Ghose, Former Indian Permanent Representative to UN

Radha Kumar, Director General, Delhi Policy Group

Ambassador Jayant Prasad, Advisor, Foreign Policy Program, Delhi Policy Group

Ambassador Hardeep Singh Puri, Senior Advisor, International Peace Institute

IRAN

Hossain Sheikh-ul-Islam, Senior Advisor to the Speaker and Director-General, Department of International Affairs of the Islamic Parliament of Iran

Ambassador Mir Mahmoud Moosavi, Institute of Political and International Studies and former Ambassador of Iran to India

KAZAKHSTAN

Aimbetov Muhit, President General, Center of Analysis and Prognosis
“Open World”

Arman Yessentayev, Counselor (Economic Section), Embassy of the Republic of Kazakhstan to Afghanistan

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Senator Afrasiab Khattak, Member, Pakistan Senate

Ambassador Ashraf Jehangir Qazi, Former High Commissioner of Pakistan to India

RUSSIA

Professor Vladimir Boyko, Director, Altai State Pedagogical Academy

Colonel Oleg Kulakov, Professor, Moscow Defense University

SAARC

Mohammad Ibrahim Ghafoori, Director-Afghanistan, SAARC

SCO

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Abdullohi Hakim Rahnamo, Head, Department of Foreign Policy, Centre for Strategic Studies under the President of the Republic of Tajikistan

Muhammadi Safolzoda, Deputy Director, Center for Strategic Studies under the President of the Republic of Tajikistan

UN

Jan Kubis, former Special Representative of the Secretary General, UNAMA

U.S.

Alyssa Ayres, Senior Fellow for India, Pakistan and South Asia, Council on Foreign Relations

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UZBEKISTAN

Mirzokhid Rakhimov, Head, Contemporary History and International Relations Department, Institute of History, Academy of Sciences

Professor Guli Yuldasheva, Member of Expert Council on 'Central Eurasia' Project

COMMENTS ON THE
DELHI POLICY GROUP'S AFGHANISTAN 2014 REPORT:

"I would like to compliment the Delhi Policy Group for its excellent timing in coming out with its two reports. I cannot think of two more relevant issues (role of the region, and how Afghanistan will weather transition) for policy makers and Afghanistan watchers to debate and introspect upon, just four days after a historic election that was completed in Afghanistan on April 5 and which in my mind is an important milestone in the political, military and economic transition that is underway in Afghanistan."

Former Foreign Secretary

Sujatha Singh

April 9, 2014

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