



German Cooperation with Afghanistan

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Developing the Afghan Extractive Sector – Afghan Delegation Attends PDAC International Convention, Trade Show & Investors Exchange in Canada

Toronto, Canada, 9th March 2018 –To promote the Afghan extractive sector internationally, a delegation from the Afghan Ministry of Mines and Petroleum (MoMP) participated in the PDAC International Convention, Trade Show & Investors Exchange 2018 in Toronto, Canada. The delegation encouraged investments and developed networks with international colleagues and the private sector. The convention took place from 4th March and ended on Wednesday. The Afghan-German Cooperation's programme for promoting good governance in the Afghan extractive sector financed the activity.

High-ranking officials and experts from the MoMP accompanied Acting Minister Nargis Nehan throughout the convention. The Afghan delegation focused on encouraging private investment in the Afghan extractive sector and learning about the latest technical knowledge, technologies, products, services and mining jurisdictions. In addition, the group engaged in peer learning activities with international colleagues and private mining companies.

Afghanistan is rich in mineral resources, including copper, iron, gold, lithium, rare earth and cobalt. According to the MoMP, the mineral resources amount to an estimated value of US\$ 1 trillion. Thus, the sector offers great potential to increase economic growth, generate additional revenue and create about 10.000 to 14.000 additional jobs in Afghanistan (according to World Bank Altai Study, 2012).

The PDAC International Convention, Trade Show & Investors Exchange is an important annual convention on mineral exploration. Over 1,000 exhibitors, 38,000 investors and 24,000 attendees from 130 countries participate. The Afghan Deputy Minister of Commerce and Industries, Mr Qurban Haqio, attended the convention last year, financed by the Afghan-German Cooperation.

Yesterday was also the last day of a mines inspectors training in Kabul. A participant from Takhar commented, "The training in Kabul was a unique experience. It mostly focused on applying the MoMP's processes, procedures and standards for mines inspections. The new knowledge will help me doing my job correctly and efficiently."

The 18 participants are now able to conduct field inspections properly and examine whether mining activities comply with the MoMP's norms, standards and regulations. They can further analyse whether extracted volumes correspond to the values agreed in relevant contracts. This ensures the correct payment of taxes and fees, increasing tax revenues for the Afghan state.

Often, health and environmental standards are not respected and accidents happen frequently. It is therefore crucial that mine inspectors are properly trained to examine whether standards are respected. So far, the Afghan-German Cooperation has trained 127 Afghan mines inspectors from MoMP and 30 provincial mining departments.

The programme Promoting Good Governance in the Extractive Sector in Afghanistan is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Ministry of Economic Cooperation and Development (BMZ). To fully leverage the Afghan mining sector's potential, the programme aims at increasing state revenues, promoting investment and fighting corruption in the sector. The project trains stakeholders to ensure that mining activities are carried out



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transparently and according to law as well as international health and environmental standards. Among other activities, the project has organised 21 training courses on topics such as mine planning, mining economics and mining supervision for more than 310 mining inspectors and other employees at the Ministry of Mines and Petroleum (MoMP) and provincial authorities since 2013. At the same time, the programme has financed 13 scholarships for Afghan women to promote female participation in the sector. The programme further supports the Afghan Extractive Industries Transparency Initiative (AEITI) to promote transparency and fight corruption.