

AFGHANISTAN

PRESENTATION LAYOUT



GEOGRAPHY



 **AFGHANISTAN**

 **PAKISTAN**

 **IRAN**

 **TURKMENISTAN**

 **TAJIKISTAN**

 **UZBEKISTAN**

 **CHINA**



**LEAST DEVELOPED
COUNTRY**



**SURPLUS CURRENT
ACCOUNT**

OVERVIEW



**IDPS
(200,000)**



**MAJOR
SECTORS
SERVICES &
AGRO**

ECONOMIC INDICATORS

AFGHANISTAN

01

POPULATION
36 MILLION

02

GDP GROWTH RATE
2.5%

03

PER CAPITA INCOME
\$587

04

INFLATION RATE
5%

POPULATION
193 MILLION

01

GDP GROWTH RATE
5.3%

02

PER CAPITA INCOME
\$1540

03

INFLATION RATE
4.1%

04

PAKISTAN

AFGHANISTAN'S IMPORTS FROM WORLD

\$ 7.7 BILLION



2015

\$6.5 BILLION



2016

\$5.1 BILLION



2017

TOP IMPORTS OF AFGHANISTAN



110100 WHEAT
\$419
MILLION

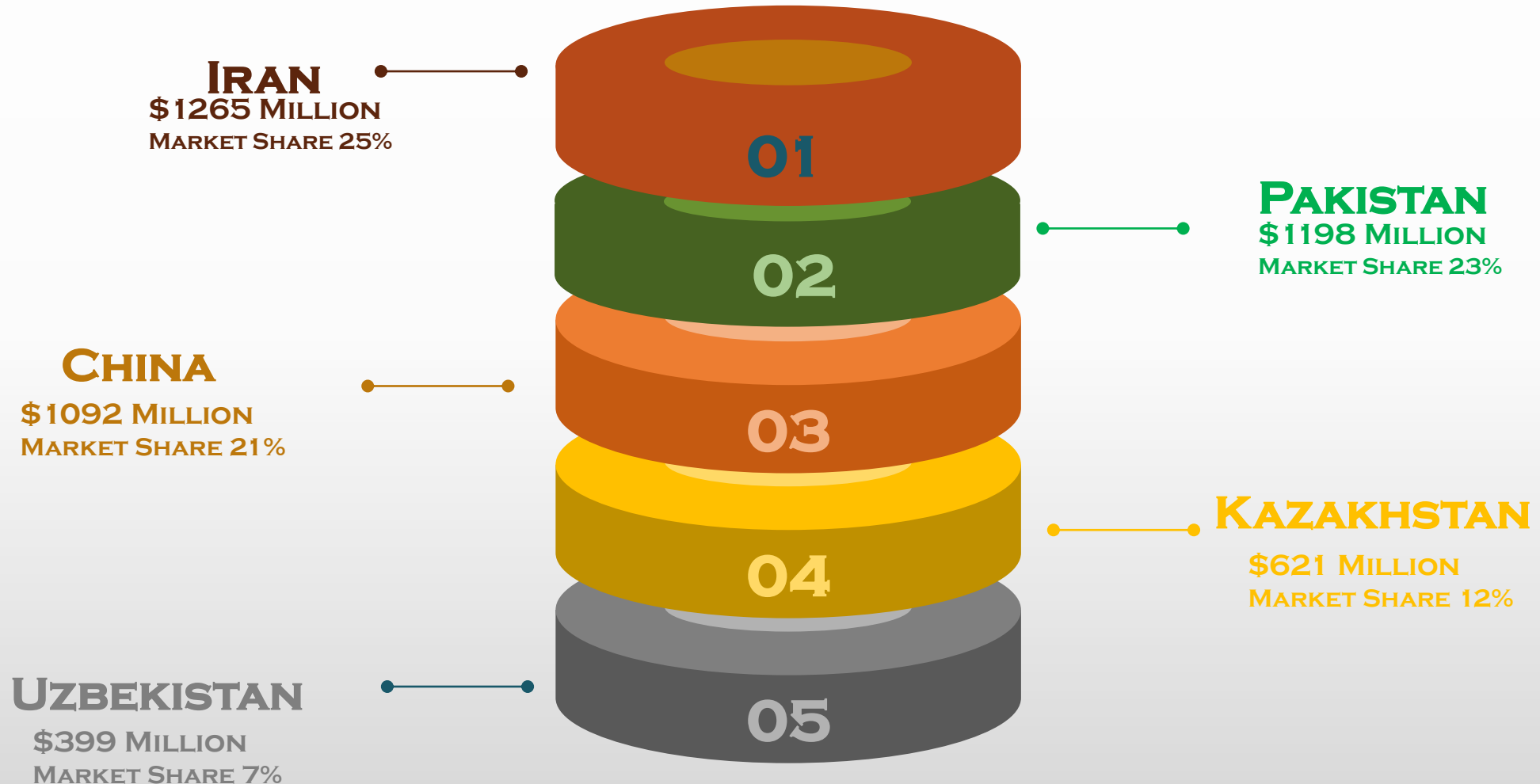
870490 MOTOR
VEHICLES
\$171 MILLION

871000 TANKS AND
ARMoured VEHICLES
\$315 MILLION

271019 MEDIUM OIL
OF
PETROLEUM
\$145
MILLION

170199 CANE OR BEET
SUGAR
\$246 MILLION

TOP ORIGINS FOR AFGHANISTAN'S IMPORTS



TOP EXPORTS OF AFGHANISTAN



**080420 FRESH OR DRIED
FIGS
\$87 MILLION**

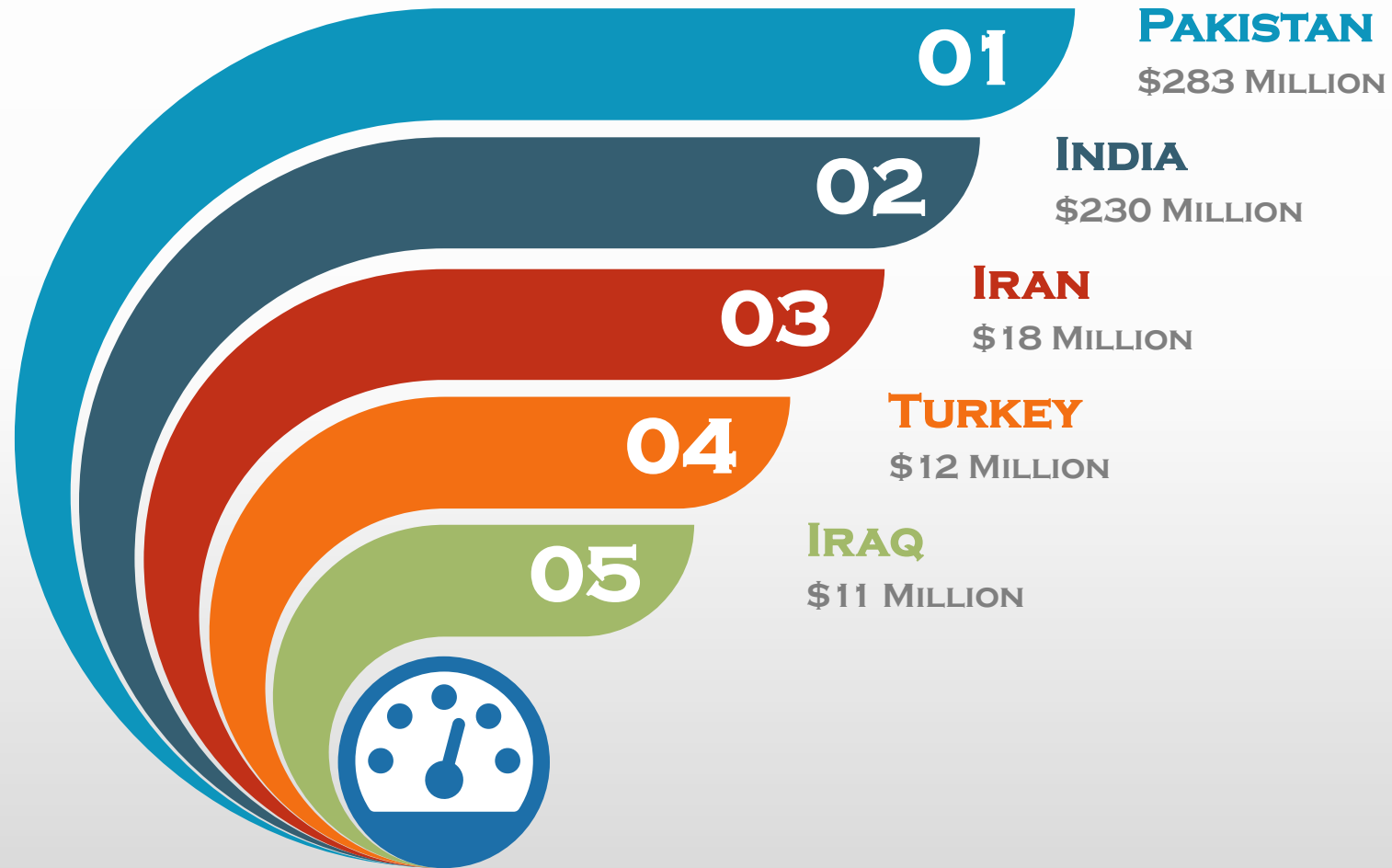
**080610 FRESH
GRAPES
\$61 MILLION**

**130190 NATURAL GUMS
\$74 MILLION**

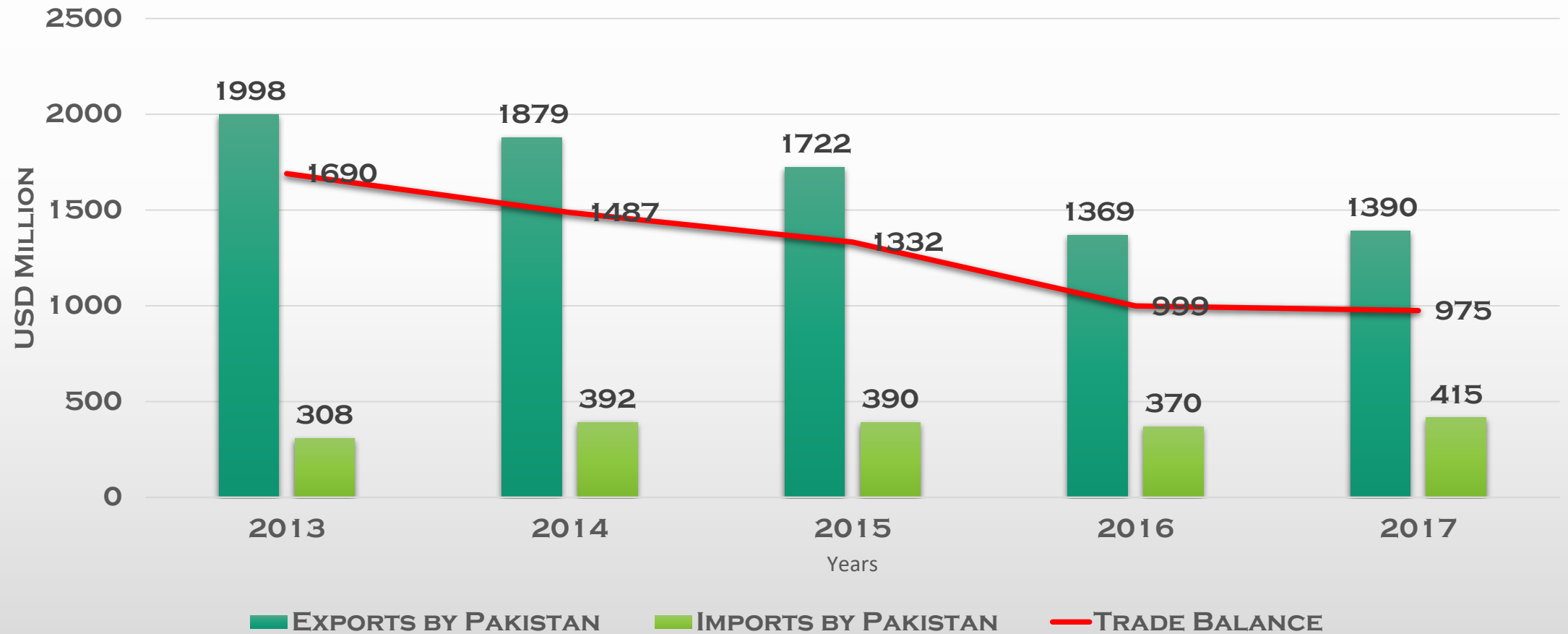
**520100 COTTON
\$46 MILLION**

**080620 DRIED GRAPES
\$68 MILLION**

TOP EXPORT DESTINATIONS OF AFGHANISTAN



PAK-AFGHAN BILATERAL TRADE OVERVIEW



TOP EXPORTS OF PAKISTAN TO AFGHANISTAN

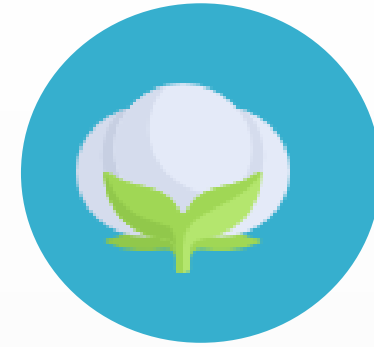
| HS CODE | NAME OF THE PRODUCT | VALUE USD MILLION (2017) | % AGE CHANGE 2016-2017 | MARKET SHARE OF PAKISTAN | TARIFF FACED BY PAKISTAN |
|---------|--|--------------------------|------------------------|--------------------------|--------------------------|
| 170199 | CANE OR BEET SUGAR | 246.28 | 121% | 100% | 5% |
| 110100 | WHEAT OR MESLIN FLOUR | 94.17 | -45% | 22% | 5% |
| 271019 | MEDIUM OILS AND PREPARATIONS | 92.99 | 53% | 64% | 9% |
| 100640 | BROKEN RICE | 86.49 | 29% | 100% | 3% |
| 252329 | PORTLAND CEMENT | 84.58 | -31% | 100% | 5% |
| 070190 | FRESH OR CHILLED POTATOES | 51.97 | 93% | 100% | 10% |
| 170490 | SUGAR CONFECTIONERY NOT CONTAINING COCOA | 44.34 | 108% | 94% | 20% |
| 151620 | VEGETABLE FATS AND OILS | 39.60 | -22% | 100% | 3% |
| 100630 | SEMI-MILLED OR WHOLLY MILLED RICE | 37.76 | -28% | 91% | 3% |
| 441193 | FIBERBOARD OF WOOD OR OTHER LIGNEOUS MATERIALS | 30.44 | -1% | 100% | 5% |



73 IRON AND STEEL

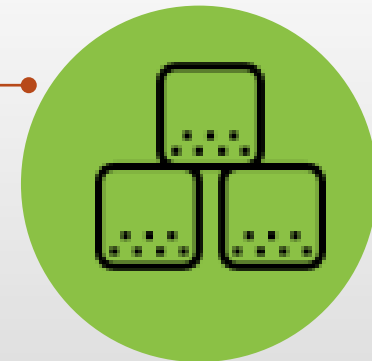
- FLAT-ROLLED PRODUCTS OF IRON

POTENTIAL SECTORS



TEXTILE

- WOMEN'S OR GIRLS' ENSEMBLES
- JERSEYS, PULLOVERS, CARDIGANS, WAISTCOATS
- BLANKETS AND TRAVELLING RUGS



30 PHARMACEUTICALS

- MEDICAMENTS CONTAINING ANTIBIOTICS

620423 WOMEN'S OR GIRLS' ENSEMBLES OF SYNTHETIC FIBRES



0.0%
PAK

0.7%
TURKEY

99.2%
INDIA

AFGHANISTAN'S IMPORT FROM WORLD \$45 MILLION

| | PAKISTAN | INDIA | TURKEY |
|---------------------------|-------------------|-------------------|------------------|
| TOTAL IMPORTS (2017) | 0 | \$45 MILLION | \$.299 MILLION |
| EXPORT TO WORLD | \$17 MILLION | \$90 MILLION | \$9 MILLION |
| TARIFF RATE | 9% | 9% | 9.5% |
| AVERAGE UNIT PRICE \$/TON | 24263 | 19818 | 24342 |
| EASE OF DOING BUSINESS | 147 TH | 100 TH | 60 TH |

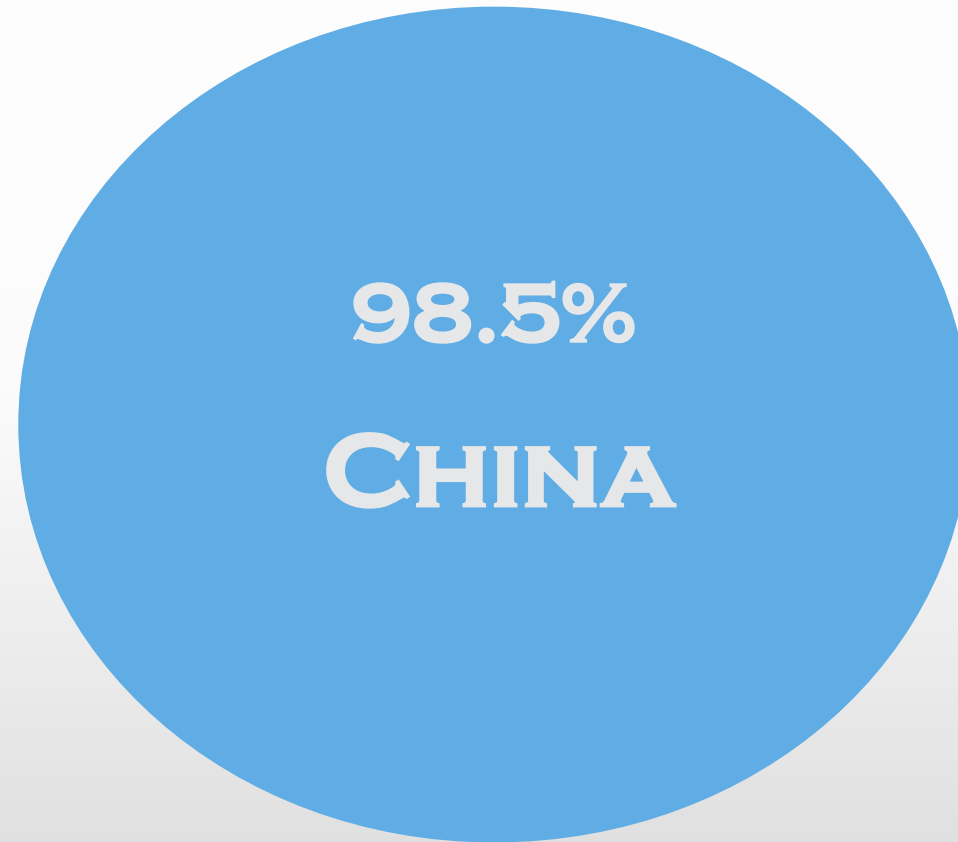
611030 JERSEYS, PULLOVERS, CARDIGANS, WAISTCOATS



AFGHANISTAN'S IMPORT FROM WORLD \$22 MILLION

| | PAKISTAN | INDIA | CHINA |
|------------------------|-------------------|-------------------|------------------|
| TOTAL IMPORTS (2017) | 0 | \$20 MILLION | \$2.5 MILLION |
| EXPORT TO WORLD | \$118 MILLION | \$71 MILLION | \$9586 MILLION |
| TARIFF RATE | 9% | 9% | 9.5% |
| AVERAGE UNIT PRICE/TON | \$37485 | \$30833 | \$30682 |
| EASE OF DOING BUSINESS | 147 TH | 100 TH | 78 TH |

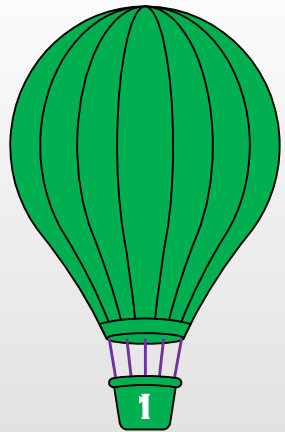
630140-BLANKET AND TRAVELLING RUGS



AFGHANISTAN'S IMPORT FROM WORLD \$16 MILLION

| | PAKISTAN | CHINA |
|---------------------------------------|-------------------------|------------------------|
| TOTAL IMPORTS (2017) | \$0.232 MILLION | \$15.9 MILLION |
| EXPORT TO WORLD \$ MILLION | \$24 MILLION | \$3230 MILLION |
| TARIFF RATE | 5% | 5% |
| AVERAGE UNIT PRICE | 8923 | 2856 |
| EASE OF DOING BUSINESS | 147TH | 78TH |

INDIA'S STRATEGY IN AFGHANISTAN



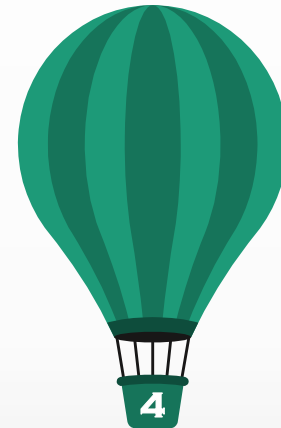
**CHABAHAH
PORT**



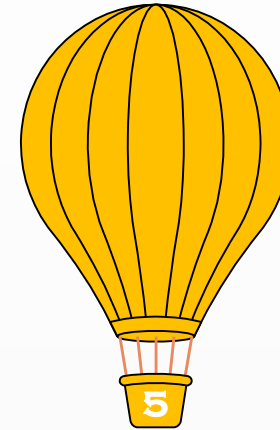
**STRATEGIC
PARTNERSHIP
AGREEMENT**



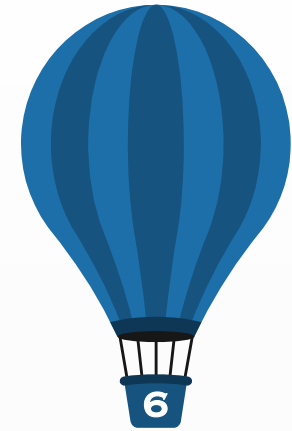
**DUTY FREE
TARIFF
PREFERENCE**



**AIR CARGO
CORRIDOR**

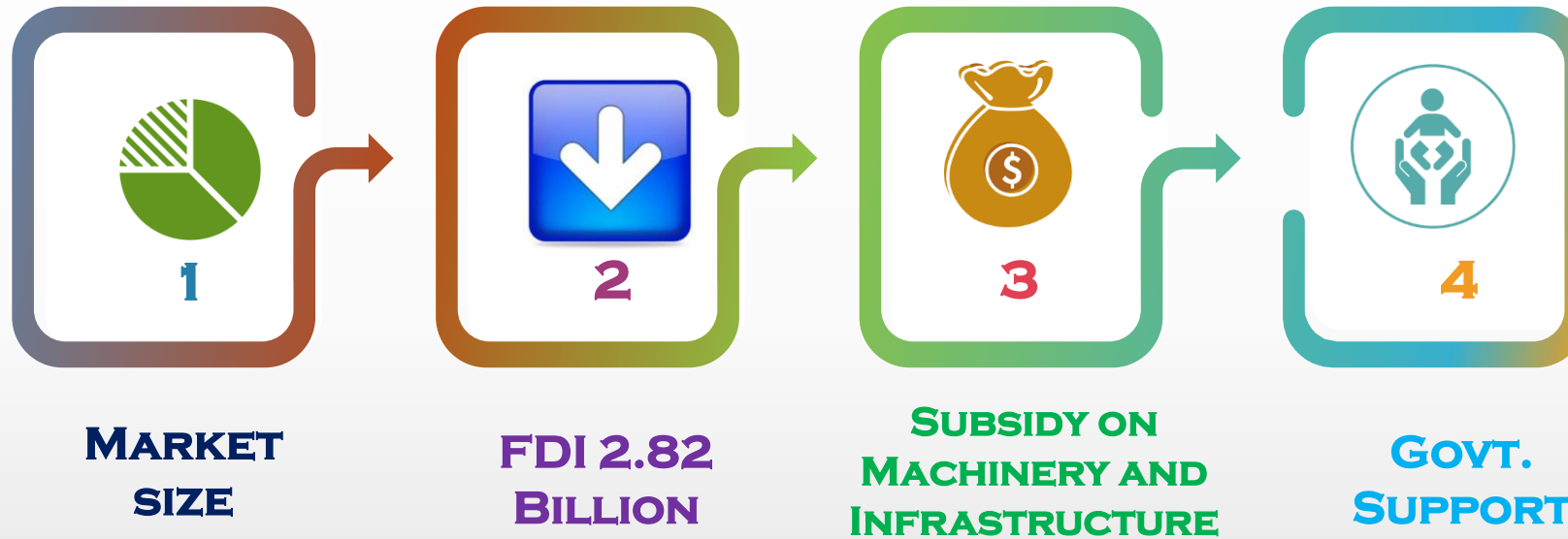


**PASSAGE TO
PROSPERITY**



**DEVELOPMENT
PROJECTS**

WHY INDIA IS COMPETITIVE?



WHY CHINA IS COMPETITIVE?



**BIGGEST
EXPORTER**



FDI

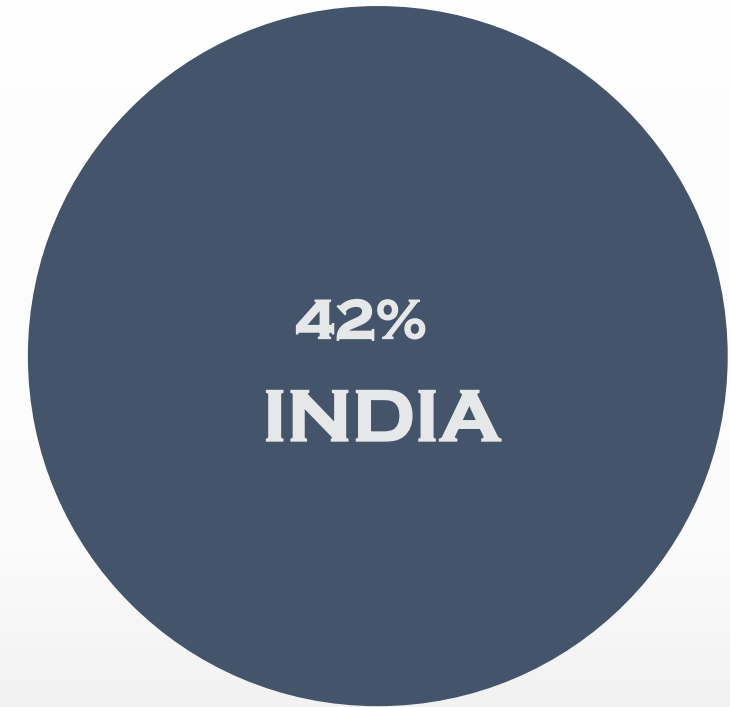
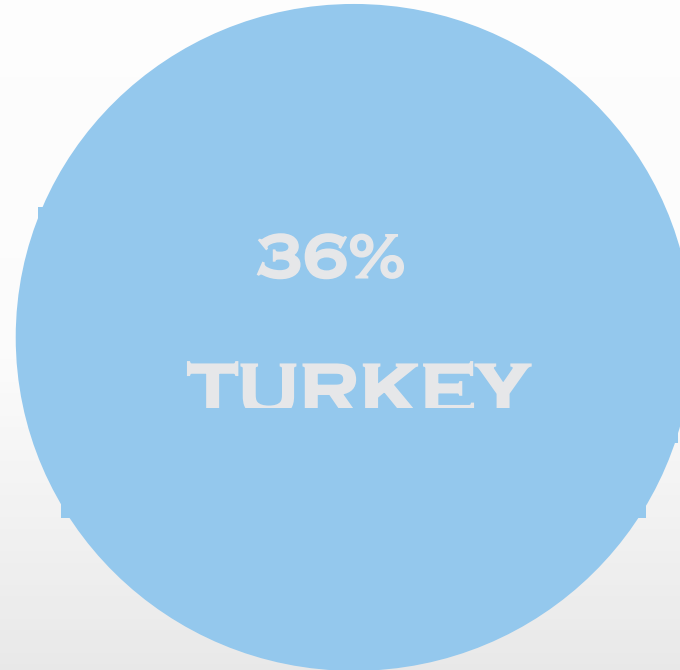


**EFFICIENT
SUPPLY CHAIN**



LOW COST

300420-MEDICAMENTS CONTAINING ANTIBIOTICS



AFGHANISTAN'S IMPORT FROM WORLD \$17 MILLION

| | PAKISTAN | INDIA | TURKEY |
|------------------------------------|----------------------|----------------------|---------------------|
| TOTAL IMPORTS | \$2.2 MILLION | \$8 MILLION | \$7 MILLION |
| EXPORT TO WORLD | \$15 MILLION | \$950 MILLION | \$60 MILLION |
| TARIFF RATE | 2.5% | 2.5% | 2.5% |
| AVERAGE UNIT PRICE/ TON | \$16853 | \$13995 | \$13486 |

WHY INDIA IS COMPETITIVE?

**FDA
COMPLIANCE**



1

**LOW LABOR
COST**

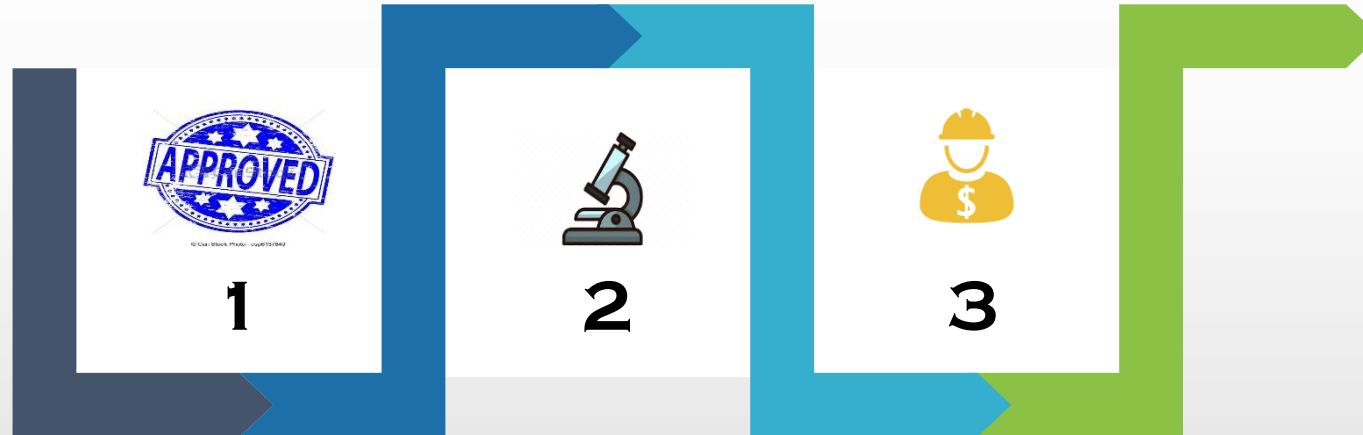


3



2

**ADVANCE
R & D**



WHY TURKEY IS COMPETITIVE



**LICENSING AND
PATENTS**



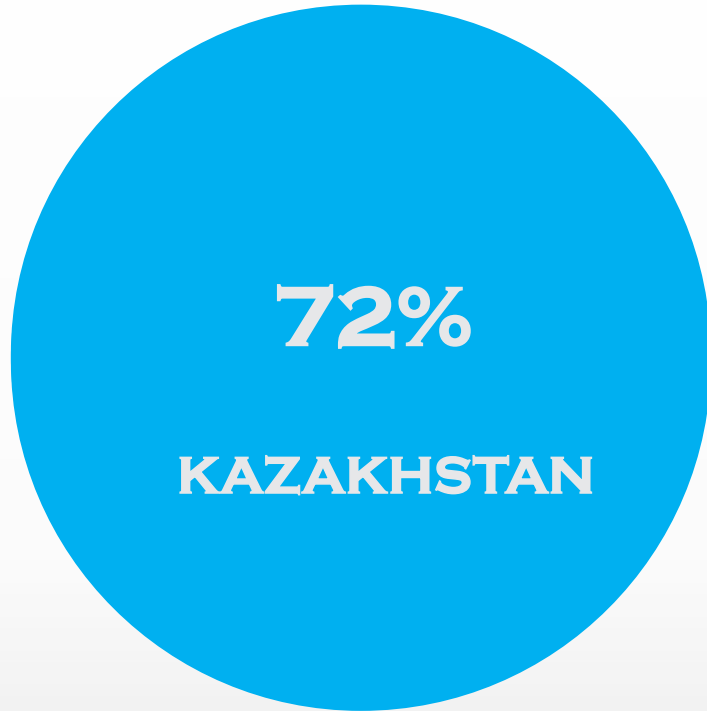
**CALLED BACK
RESEARCHERS**



**TURKISH HEALTH
INVESTMENT FUND**



721049-FLAT-ROLLED PRODUCTS OF IRON



AFGHANISTAN'S IMPORT FROM WORLD \$12 MILLION

| | PAKISTAN | KAZAKHSTAN | CHINA |
|--------------------------------|----------------------|----------------------|-----------------------|
| TOTAL IMPORTS | \$0.5 MILLION | \$9 MILLION | \$3 MILLION |
| EXPORT TO WORLD | \$31 MILLION | \$289 MILLION | \$5275 MILLION |
| TARIFF RATE | 5% | 5% | 5% |
| AVERAGE UNIT PRICE/ TON | \$737 | \$634 | \$685 |

WHY CHINA IS COMPETITIVE?

MODERNIZATION



TOP PRODUCER



TAX REDUCTION



WHY KAZAKHSTAN IS COMPETITIVE?



SPAIID



**CAPITAL
PROVISION**



**DEVELOPED
INFRASTRUCTURE**

POTENTIAL SERVICES SECTORS

1 TRANSPORTATION
AND LOGISTIC

2 CONSTRUCTION

TRANSPORTATION AND LOGISTIC

- 1 **TRADE HUB**
- 2 **ESSENTIAL FOR GROWTH**
- 3 **INADEQUATE TRANSPORT INFRASTRUCTURE**
- 4 **RING ROAD COMPLETION**
- 5 **STRONG DEMAND**
- 6 **FIRST MOVER ADVANTAGE**
- 7 **MODEST START UP COST**

POTENTIAL OPPORTUNITIES



**OVER LAND
TRANSPORTATION**



COLD CARGO



**TRUCK
MAINTENANCE**



**PACKAGING &
DOCUMENT DELIVERY**



WAREHOUSING

CONSTRUCTION SECTOR



1 CONSTITUTES 10% OF GDP

**2 DEMAND FROM RECONSTRUCTION
PROGRAMS**

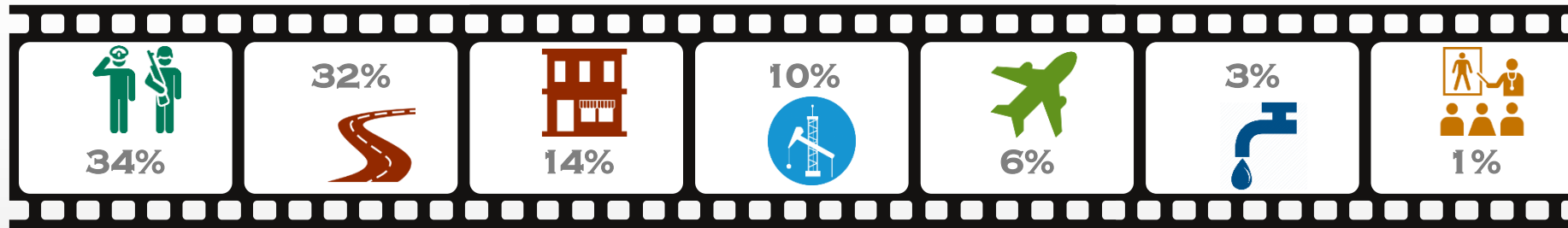
3 CONTRACTING

MARKETS FOR CONSTRUCTION INDUSTRY

ROADS

ENERGY

WATER
SUPPLY



MILITARY AND POLICE

PRIVATE
CONSTRUCTION

AIRPORT

EDUCATION
AND HEALTH

INVESTMENT OPPORTUNITIES IN AFGHANISTAN

WHY TO INVEST IN AFGHANISTAN



1 STRONG GROWTH

6 SUPPORT FROM DONORS

2 PRIVATE SECTOR DEVELOPMENT

3 INFRASTRUCTURE FOR GROWTH

4 GROWTH IN EXPORTS

5 MODERN INDUSTRIAL POLICY

POTENTIAL SECTORS FOR INVESTMENT

1 CONSTRUCTION MATERIAL

2 AGRICULTURAL BUSINESS

3 IMPORT SUBSTITUTION

CONSTRUCTION MATERIAL



**1 LARGE INFRASTRUCTURAL
PROJECTS**

2 STRONG OUTLOOK

**3 IMPORT SUBSTITUTION
REQUIRED**

INVESTMENT OPPORTUNITIES



AGRICULTURAL BUSINESS SECTOR



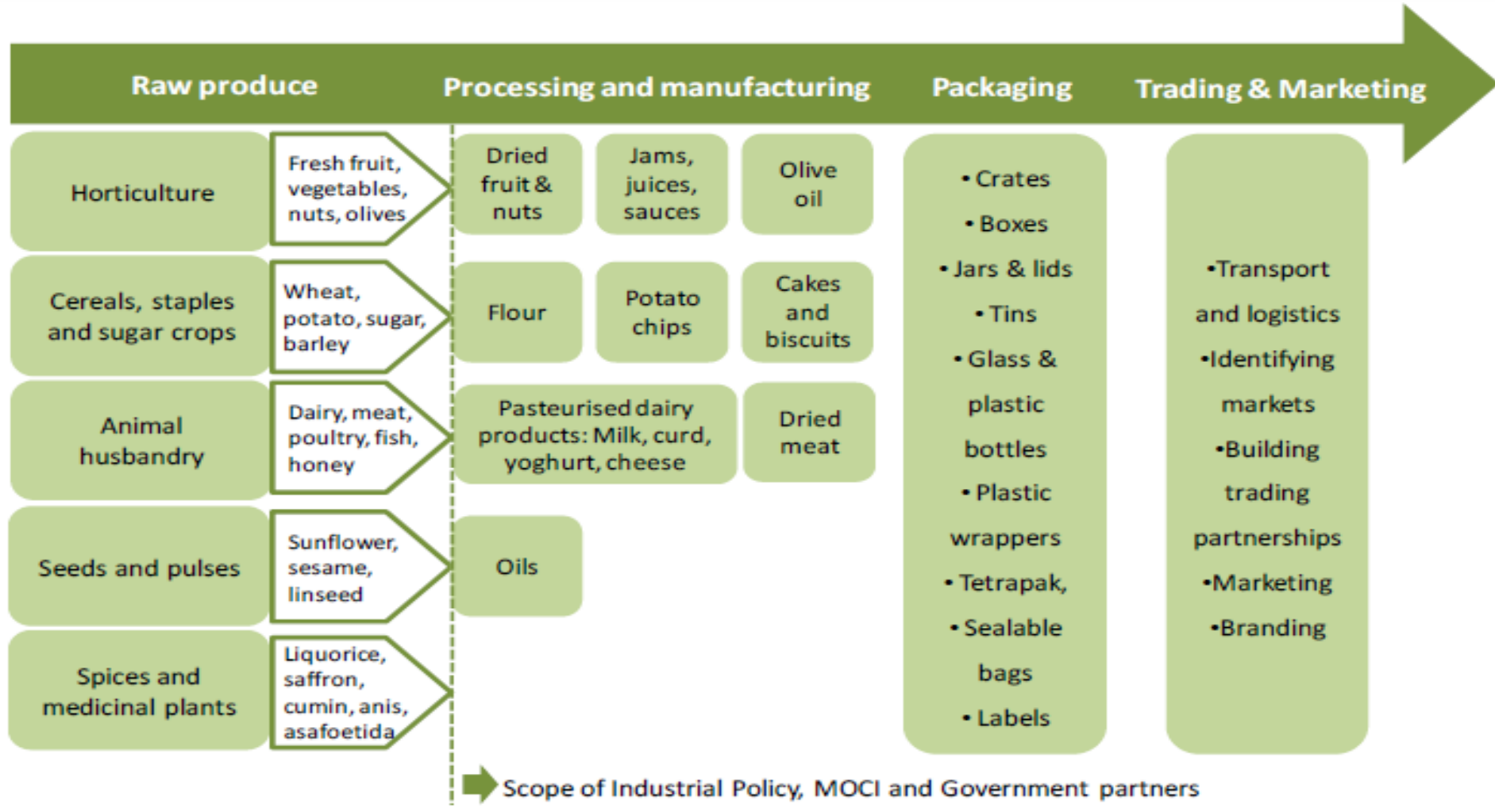
**1 CONSTITUTES 35%
GDP**

2 HIGH EXPORT POTENTIAL

3 HUGE DOMESTIC POTENTIAL

4 MARKETING

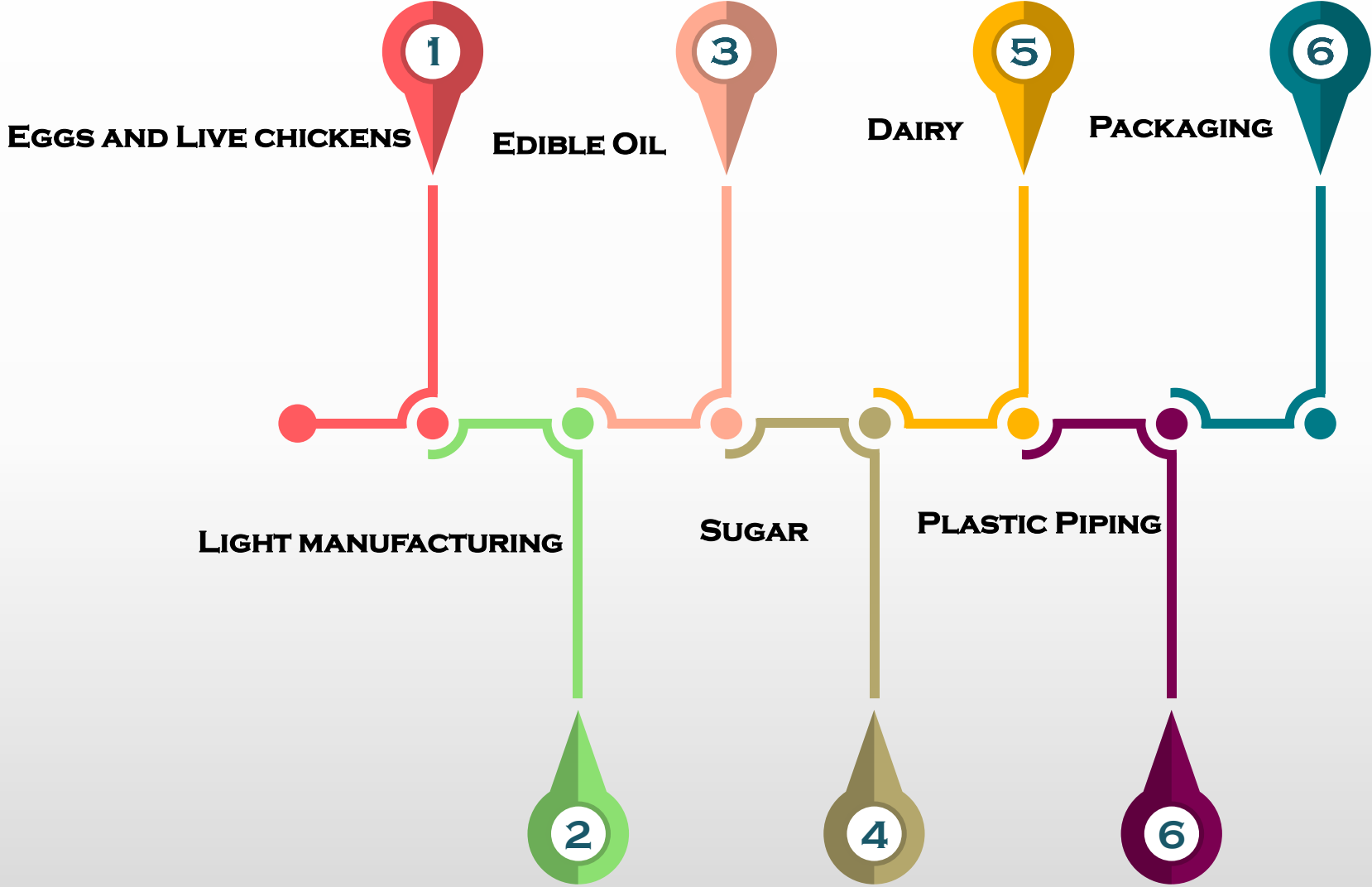
POTENTIAL OPPORTUNITIES



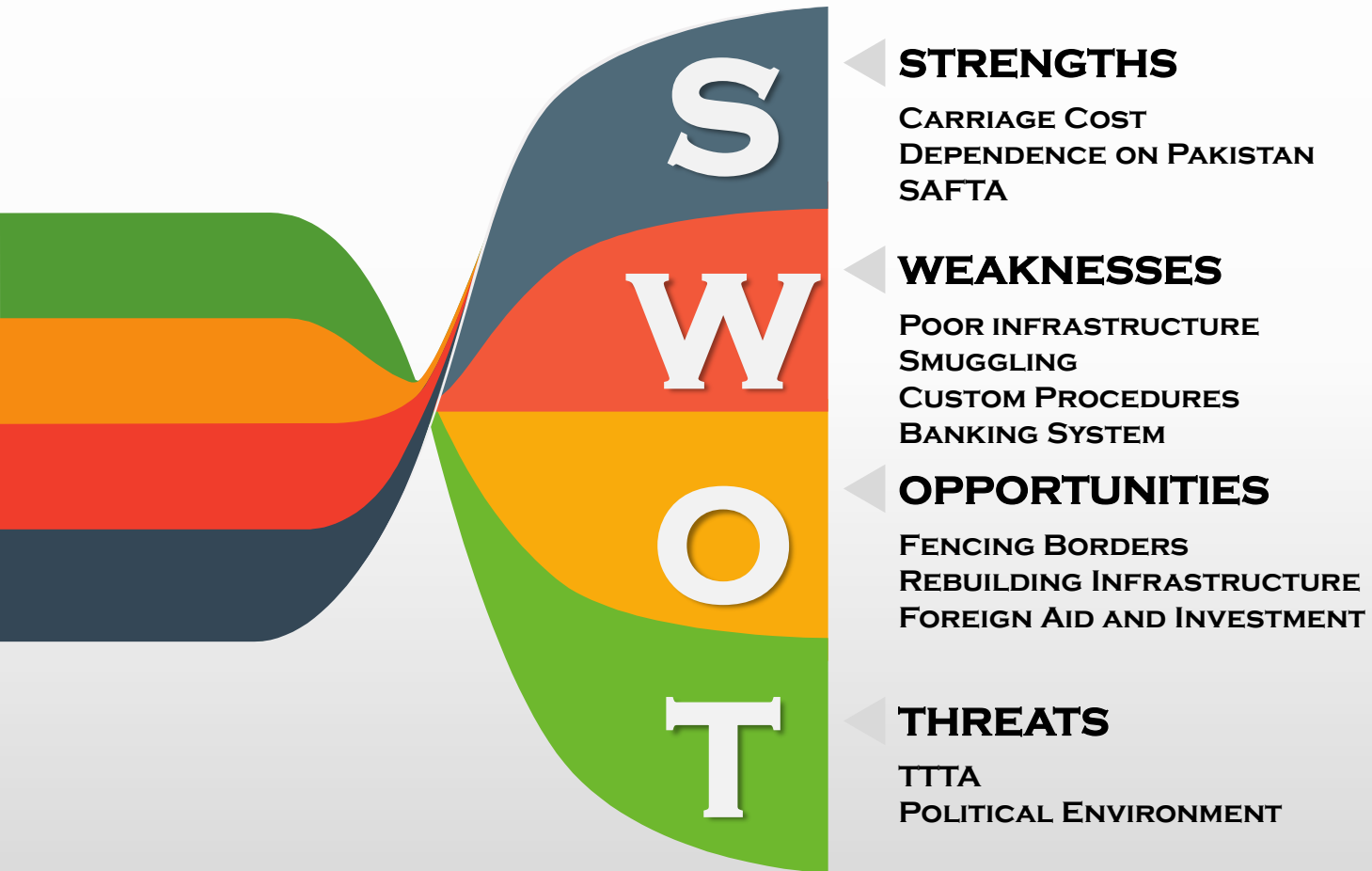
THE IMPORT SUBSTITUTION

- 1 **MODEST INVESTMENT**
- 2 **ADEQUATE HUMAN CAPACITY**
- 3 **SUPPORTIVE ENVIRONMENT**
- 4 **SIMPLE PRODUCTION TECHNOLOGY**
- 5 **EASY ACCESS TO RAW MATERIAL**

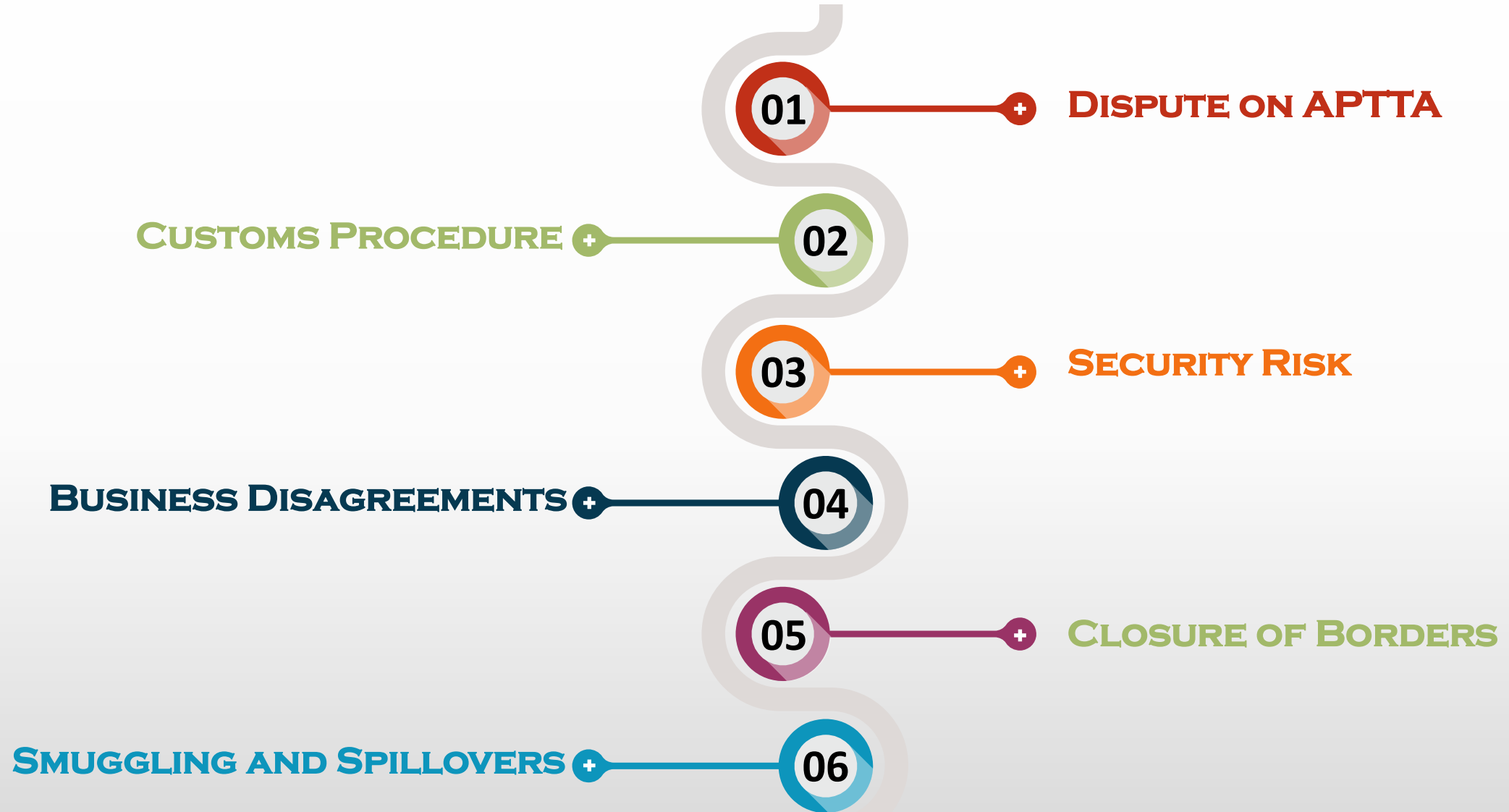
POTENTIAL OPPORTUNITIES



SWOT ANALYSIS



ISSUES AFFECTING BILATERAL TRADE



RECOMMENDATIONS

