

THE MINERAL INDUSTRY OF AFGHANISTAN

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The landlocked Islamic Republic of Afghanistan is located in southwest Asia. It is bordered by Pakistan to the east and south, Iran to the west, Turkmenistan to the northwest, Tajikistan and Uzbekistan to the north, and China to the northeast (Countries A to Z, 2005§). Afghanistan's capital city is Kabul. Other major cities include Herat, Kandahar, Konduz, Mazar-e Sharif, and Jalalabad.

Afghanistan is an extremely poor country with rugged terrain and a seasonally harsh climate. The country encompasses an area of approximately 647,500 square kilometers, which is slightly less than that of Texas (U.S. Central Intelligence Agency, 2005§).

Since the fall of the Taliban regime in 2001, Afghanistan's economic outlook has improved significantly owing mainly to the infusion of more than \$2 billion in international assistance and the end of a 4-year drought in 2003; drought conditions returned in the southern part of the country in 2004, which negatively affected agricultural production.

Afghanistan's 2003 gross domestic product (GDP) based on purchasing power parity was estimated to be \$21.5 billion. The GDP for fiscal year 2004 was estimated to be \$5.4 billion, exclusive of illicit opium production (Asian Development Bank, 2005). The estimated GDP growth rate for fiscal year 2004, which ended March 20, 2005, was 7.5%, a decline from 15.7% in fiscal year 2003, and 28.6% in fiscal year 2002. The per capita GDP was estimated to have risen from \$199 in fiscal year 2003 to \$228 in fiscal year 2004 (Asian Development Bank, 2005).

Afghanistan has economic potential owing to natural resources that range from exotic minerals, such as lapis lazuli, for which the country has been an important source for many centuries, to more common ore deposits, such as copper, gold, and iron ore. The country has numerous precious and semiprecious stone deposits. Some of the main gemstones that have been mined are aquamarine, emerald, kunzite, lapis lazuli, ruby, and tourmaline, most of which were exported to Pakistan (Colored Stone, 2001§). Additional mineral resources include barite, coal, chromite, lead, natural gas, petroleum, salt, sulfur,

talca, and zinc. Some of these resources have been exploited in the past, and others have not. The country generally lacks the infrastructure to use them and has limited resources under production. A small copper deposit located at Ainak, which is an isolated area in Logar Province, had a production capacity of 5,000 metric tons per year of ore before the Taliban gained control of the county in 1996. The mine has been closed since the ousting of the Taliban. Although a small plant produced minor quantities of cement intermittently, most of the county's cement was imported from Pakistan. The main mineral fuel resources in Afghanistan were coal, natural gas, and petroleum. Afghanistan has tried for many years to bring these fuels into production but has had no discernible success.

The overland transport system in Afghanistan was in poor condition with only about 15% of the 21,000 kilometers (km) of highways paved. Afghanistan had about 1,200 km of inland waterways, which consisted chiefly of the Amu Darya River, which can accommodate vessels that weigh up to 500 deadweight tons. Of the 47 airports in 2004, 10 were principal with permanent-surface runways. Afghanistan had 387 km of gas pipeline in 2004.

Reference Cited

Asian Development Bank, 2005, Asian Development Outlook 2005: Manila, The Philippines, Asian Development Bank, p. 129

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Colored Stone, 2001, Afghan gem supply down—Market OK, accessed September 18, 2002, at URL <http://www.colored-stone.com/stories/nov01/afghan.cfn>.

Countries A to Z, 2005, Afghanistan—Location and geography, accessed September 13, 2005, at URL <http://www.latimerlake.com>.

U.S. Central Intelligence Agency, 2005 (August 30) Afghanistan, World Factbook 2005, accessed September 21, 2005, at URL <http://www.cia.gov/cia/publications/factbook/geos/af.html>.

Major Sources of Information

Ministry of Mines and Industries
Kabul, Afghanistan
Ministry of Water and Electricity
Kabul, Afghanistan

¹References that include a section mark (§) are found in the Internet References Cited section.