

Afghanistan's Economic Development

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Each week, significant economic activities and developments occur across various sectors in Afghanistan. The Afghanistan's Economic Development Newsletter covers these important and latest economic activities and advancements.



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Introduction to the Kazan Forum:

The 16th session of the "Russia and the Islamic World: Kazan Forum" was held from May 13 to 18, 2025, in the city of Kazan, Republic of Tatarstan, Russian Federation.

The first session of the Kazan Forum was held in 2009, and this year marked its sixteenth consecutive edition. Around 20,000 participants attended the forum, including government officials, politicians, businesspeople, religious leaders, and representatives from various sectors from approximately ninety countries.

The main objective of this international forum is to strengthen economic cooperation between Russia and the Islamic world.

A delegation from Afghanistan, led by the Deputy PM for Economic Affairs, Mullah Abdul Ghani Baradar Akhund, also participated in the forum. The delegation included the Acting Minister of Industry and Commerce, Nooruddin Azizi, the Acting Minister of Transport and Aviation, Mullah Hamidullah Akhundzada, along with several other officials.

Political Benefits for Afghanistan:

After the Islamic Emirate came to power, its relations with Russia normalized, and Russia handed over the Afghan embassy to the Islamic Emirate. Over the past approximately four years, significant progress has been made in the political relations between the two sides. Various ministers and other officials of the Islamic Emirate have made visits to Russia. However, this was the first time since the Islamic Emirate's return to power that a high-ranking official like the Deputy PM for Economic Affairs, Mullah Abdul Ghani Baradar Akhund, made an official visit to Russia.

The Deputy PM's official visit to Russia and his participation in an

important forum such as Kazan, along with meetings with leaders of various countries, demonstrate that the perception held by many—that Afghanistan politically is isolated—has been proven wrong. Russia is one of the world's major powers, and the Islamic Emirate values its relations with it, hoping that these ties will continue to expand. Over the past four years, the Islamic Emirate has not only strengthened its ties with Russia, but also with Central Asia, Iran, China, and a number of European countries. Many of these nations handed have over Afghan embassies to the Islamic Emirate and have accepted its diplomats.

The strengthening and expansion of Afghanistan's political relations with other countries is crucial for the country's economic growth and trade development.

Economic Benefits for Afghanistan:

The Kazan Forum, held annually for the past sixteen years to promote economic cooperation between Russia and the Islamic world, provides an excellent opportunity for participating countries to share economic opportunities and attract investments.

At the forum, Deputy PM Mullah Baradar Akhund, held meetings with the President of the host republic, Tatarstan, Rustam Minnikhanov; the President of the Republic of Mordovia, Artyom Zdunov; the Deputy PM for Economic Affairs of Russia, Alexey Overchuk; the Deputy PM for Construction and Regional Development of Russia, Marat Khusnullin; and several other high-ranking officials.



In these meetings, information was shared with all parties regarding the presence of economic opportunities in Afghanistan and the potential for investment across various sectors. Deputy PM Mullah Baradar Akhund clarified that after decades of instability, Afghanistan has now achieved full security, and a favorable environment has been established for investment and economic cooperation.

During his meeting with the President of Tatarstan, he stated that the Islamic Emirate pursues a balanced, economy-centered foreign policy and is therefore interested in expanding relations with Tatarstan in areas such as energy, infrastructure, oil and gas extraction and refinement, housing construction, railway development, bilateral trade, and other investment opportunities.

In his meetings with the Deputy PMs of Russia, Deputy PM Mullah Baradar Akhund extended an invitation to Russian investors to invest in Afghanistan, particularly in sectors such as mining (especially oil and gas extraction and refining), construction projects,

transportation, road development, and railway infrastructure. In addition, cooperation and investment were requested for key projects such as the construction of the second Salang Tunnel.

In his discussion with the President of Mordovia, Deputy PM Mullah Baradar Akhund addressed the initiation of exports from Afghanistan to Mordovia and Mordovia imports from Afghanistan, and he encouraged Mordovian investors to invest in Afghanistan.

He assured all countries and investors of the Islamic Emirate's cooperation and its readiness to facilitate investment opportunities in Afghanistan.

The counterparts, in turn, expressed their commitments to expand investment and economic cooperation with Afghanistan.

The President of Tatarstan pledged to send a delegation to Afghanistan to strengthen ties. The CEO of KAMAZ, a major Russian truck manufacturing company, committed to visiting Afghanistan and cooperating in areas such as vehicle repair and other sectors. The

Minister of Agriculture of Tatarstan and other officials also expressed readiness to expand economic ties with Afghanistan.

The Russian side showed willingness to invest and cooperate in Afghanistan in sectors such as electricity, water dam construction, transportation projects, North-South Corridor, and the Afghan-Trans railway project. They also pledged to simplify trade procedures with Afghanistan, provide assistance special customs matters, and send a delegation to Afghanistan for further discussions on these issues. In addition to agriculture, cooperation was pledged in other sectors as well.

The President of Mordovia and his accompanying delegation also expressed their intent to enhance trade with Afghanistan and initiate diverse exports.

Overall, Afghanistan gained significant economic benefit from the Kazan Forum. Investment opportunities in Afghanistan were presented to counterparts, and specific requests were made for investment and cooperation in key sectors. The counterpart parties expressed strong interest and made commitments to invest and expand economic collaboration in Afghanistan.

The Islamic Emirate hopes these commitments will be implemented. It believes that investment and the strengthening and expansion of economic cooperation contribute to regional stability and prosperity, and that coordination and cooperation among regional countries in this regard are of vital importance.