



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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THE WORLD BANK SAYS AFGHANISTAN'S ECONOMY IS GROWING



In a report on Afghanistan's economy, the World Bank has stated that Afghanistan's economy is experiencing growth for the second consecutive year. The World Bank has attributed this to low inflation and increased revenues.

The report states that Afghanistan's gross domestic product (GDP) is

expected to grow by 3.4 percent in 2025, reflecting an increase compared to the 2.5 percent growth recorded in 2024.

When the Islamic Emirate came to power, many assumed that Afghanistan would face economic collapse, that trade would fall, and that the country would become completely

isolated from the rest of the world. However, as a result of the continuous efforts of the Islamic Emirate of Afghanistan, the country's economy grew, economic activities expanded, the Afghani stabilized, and significant investment was attracted.

As a result of the Islamic Emirate's efforts, Afghanistan achieved self-sufficiency in many goods, and numerous projects were launched to reduce unemployment. Many projects for the construction of canals, roads, and factories were implemented, and extensive facilities were provided for returning migrants. All of this occurred as a result of the plans adopted by the Islamic Emirate, disproving the assumptions of those who believed that the re-establishment of the Islamic Emirate would lead to multiple crises.

The World Bank's report confirms that Afghanistan has made good progress over the past two years and that the country's future with the Islamic Emirate is promising.

AN INDEPENDENT OIL AND GAS AUTHORITY TO BEGIN OPERATIONS



Officials of the Islamic Emirate have stated that, at the request of the Cabinet of the Islamic Emirate of Afghanistan and based on the decree

of the esteemed Amir al-Mu'minin, may Allah protect him, a new authority titled the Oil and Gas Authority is being established.

In this regard, the Administrative Commission has been instructed to organize approximately eight departments from various ministries and relevant institutions that are currently engaged in oil and gas-related activities in an uncoordinated manner, and to incorporate them into the structure of the new independent authority.

As Afghanistan possesses oil and gas resources, the establishment of such an independent authority is of great importance, because in today's world both are major sources of energy production. The creation of this authority will improve matters related to production, regulation, quality control, and other aspects of these important resources.

Although Afghanistan is currently a consumer country and imports large quantities of oil and gas from other

countries, it has significant underground resources of its own. With the establishment of this authority, exploration, extraction, and

the purchase and sale of oil and gas in this sector will become more organized and faster. Greater attention will be given to

professionalism, national resources will be delivered to citizens in a more effective manner, and related trade will expand.

A PETROLEUM PRODUCTS COMMERCIAL CENTER TO BE ESTABLISHED IN BALKH

Officials of the Petroleum Products and Liquefied Gas Union in Balkh have stated that, in order to increase facilities for traders, the petroleum products market and the union's center have been transferred from Hairatan Port to Mazar-e-Sharif. In Mazar-e-Sharif, a 12-story commercial center for petroleum products will be constructed at a cost

of 15 million US dollars.

Oil, as a primary and essential source of energy, is highly needed in Afghanistan as well. However, at times certain problems arise, the resolution of which requires understanding and coordination between officials and traders.

One advantage of transferring

commercial centers to cities is that closer interaction becomes possible among relevant stakeholders, enabling easier and more effective discussion on issues such as hoarding prevention, price control, and quality assurance.

Moreover, such large commercial centers play an important role in creating employment opportunities and increasing commercial activities.

