

Afghanistan's Economic Development

Issue No. 38 (1404 SH) Consecutive Issue No. 52 (Newsletter)

Date: 1/1/2026

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.



In this issue:

- 1. Launch of Key Electricity Projects in Herat
- 2. Commencement of Construction of an Overpass in Kabul

LAUNCH OF KEY ELECTRICITY PROJECTS IN HERAT



Electricity is of vital importance for a country's economic development. Despite Afghanistan having significant electricity potential and opportunities, these were not properly utilized in the past. The Islamic Emirate of Afghanistan now seeks to make effective use of the country's electricity potential and the opportunities that have emerged. To this end, numerous power generation projects have been launched across the country. Several projects for electricity generation from water, solar, wind, and other sources, as well as the construction of electricity infrastructure, are currently underway. However, until electricity is

generated domestically from national sources, Afghanistan will remain dependent on imported power. Infrastructure development is a fundamental necessity, and its availability is essential for the transmission of both domestic and imported electricity.

Herat, as an important industrial province in the western part of the country and a major contributor to national production and output, has a high demand for electricity. For this purpose, during his visit to Herat, the Deputy PM for Economic Affairs, H.E. Mullah Abdul Ghani Baradar Akhund, inaugurated four electricity projects.

In his address at the related ceremony, Deputy PM Mullah Baradar Akhund described these projects as vital for Afghanistan's industrial and economic growth, adding that through these projects, 24-hour electricity will be provided to all industrial parks in Herat, while commercial centers, rural areas, and residential zones will also benefit from electricity, enabling the country to achieve stable domestic power supply. Officials of Da Afghanistan Breshna Sherkat (DABS) are working to increase electricity generation in the country and to develop the required infrastructure. To this end, domestic and foreign investment in the electricity sector has been attracted in various provinces. The Islamic Emirate has created investment opportunities for all investors and hopes they will take advantage of the opportunities available in Afghanistan. To promote economic growth and attract investment, incentives and facilities have been provided to investors and traders. During this visit, the construction of five new electricity substations was also launched by H.E. Mullah Abdul Ghani Baradar Akhund. With the operationalization of four projects and the completion of five new projects, significant changes will occur in Herat Province. These projects will contribute to increased investment, the creation of employment opportunities, and the strengthening of economic stability.

COMMENCEMENT OF CONSTRUCTION OF AN OVERPASS IN KABUL



In order to enhance the beauty of Kabul city, reduce traffic congestion, and provide greater convenience to citizens, the Kabul Municipality designed an overpass in front of the Kabul Provincial Governor's Office. Construction work on the project commenced in the presence of the Deputy PM for Economic Affairs and Deputy PM for Administrative Affairs, respected

members of the Cabinet, the Mayor of Kabul, the Director General of state-owned corporations, and a number of citizens. In his remarks, the Deputy PM for Economic Affairs, H.E. Mullah Abdul Ghani Baradar Akhund, described the construction of the overpass as a fundamental requirement for urban order, stating that Kabul city must develop in a modern manner based on

an organized urban plan. Due to occupation and the illegal actions of powerful individuals in the past, many parts of Kabul city were usurped, urban development was obstructed, and necessary steps for the city's growth in proportion to its population were not taken. Following the return of the Islamic Emirate of Afghanistan, Kabul Municipality began urban expansion in accordance with the urban master plan. To date, numerous development projects have been implemented in various parts of the city, and there are plans to properly implement the master plan and the map of Kabul city using modern tools and in line with contemporary requirements. The Deputy PM for Economic Affairs encouraged Kabul residents to help maintain cleanliness and order in the city and called on them to cooperate in the implementation of infrastructure projects. Kabul is one of the most densely populated cities in the country, and its expansion is essential for economic growth. For this reason, government officials are making efforts to expand Kabul city so that, on the one hand, the city becomes more beautiful and, on the other hand, economic growth is accelerated.