



Afghanistan's Economic Development

Issue No. 19(1405 SH)
Consecutive Issue No. 81

NEWSLETTER

Date: 13/8/2026



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. PROGRESS OF THE TAPI PROJECT; AN OPPORTUNITY FOR ENERGY, TRANSIT, AND REGIONAL ECONOMIC CONNECTIVITY**
- 2. GULBAHAR CEMENT FACTORY; A NEW STEP TOWARD STRENGTHENING DOMESTIC PRODUCTION**
- 3. STANDARD LABORATORY IN HERAT; AN IMPORTANT STEP FOR IMPROVING QUALITY AND EXPANDING THE MARKET FOR AFGHAN PRODUCTS**

PROGRESS OF THE TAPI PROJECT; AN OPPORTUNITY FOR ENERGY, TRANSIT, AND REGIONAL ECONOMIC CONNECTIVITY



The acceleration of practical work on the TAPI gas pipeline in Afghanistan is creating an important opportunity for meeting the country's energy needs, strengthening regional connectivity, and expanding economic cooperation. So far, 116 kilometers of pipeline have been laid and welded in Afghanistan, 135 kilometers of the route have been prepared for pipeline installation, and 38 kilometers of the pipeline have been buried underground. According to the plan, pipeline installation work will

be completed up to Herat city by the end of 2026. The economic significance of the TAPI project is not limited to gas transmission alone. The project provides the country with access to energy needed for the expansion of industrial and economic activities. Establishing a gas distribution and consumption network in Herat is also one of the project's important related components. Moreover, TAPI is one of the major projects for expanding Afghanistan's regional connectivity. Alongside this project, expanding

cooperation between Afghanistan and Turkmenistan in trade, transit, railways, electricity, and telecommunications can further strengthen the country's economic position. Providing facilities for Afghan commercial and transit goods at Turkmenistan's Turkmenbashi Port and efforts to reactivate the Lapis Lazuli Corridor are also part of this economic connectivity. The establishment of a joint technical committee to follow up on the TAPI, TAP, fiber-optic, and railway projects demonstrates that both sides seek to organize and accelerate the implementation of economic projects. Upon completion of these projects, Afghanistan will be able to make greater economic use of its geographical position in the fields of energy, transit, and trade. In conclusion, TAPI is not merely a gas transmission project for Afghanistan; it is also an important driver for the expansion of regional economic cooperation, energy, transit, and connectivity.

GULBAHAR CEMENT FACTORY; A NEW STEP TOWARD STRENGTHENING DOMESTIC PRODUCTION

The laying of the foundation stone for the new Gulbahar Cement production factory in Herat Province marks an important



development in the country's industrial growth and the expansion of domestic production of construction materials. Increasing cement production capacity can help reduce imports and promote greater domestic production.

Cement is one of the most essential materials for construction and infrastructure projects. Producing this commodity domestically to meet national needs contributes to the expansion of production, trade,

and investment activities in the country. Reducing dependence on imported cement can also decrease the outflow of foreign currency. In addition to creating direct employment opportunities, the establishment of the factory

will stimulate other economic activities related to cement production. Utilizing Afghanistan's natural resources for productive industrial projects contributes to economic growth. The Islamic Emirate of

Afghanistan has created a favorable environment for investment in the country, and over the past five years, domestic and foreign investments worth billions of Afghanis have been attracted.

STANDARD LABORATORY IN HERAT; AN IMPORTANT STEP FOR IMPROVING QUALITY AND EXPANDING THE MARKET FOR AFGHAN PRODUCTS

The inauguration of a standard laboratory for evaluating the quality of food products, medicines, and health products at the level of the southwest zone in Herat Province is an important step toward strengthening quality standards in Afghanistan's trade and production sectors. Through the assessment of imported and domestic products, this laboratory will play a significant role in market regulation, fair trade, and enhancing the credibility of domestic products.

Afghanistan imports a portion of

its food products, medicines, and various health products from foreign countries each year. Standard quality evaluation of these products can prevent the entry of substandard and counterfeit goods and create conditions for fair competition in the market.

The laboratory's activities are also economically important for domestic producers. When domestic products prove their quality through standard testing, consumer confidence in the domestic market increases, and

these products can also meet the requirements of international markets for export. This process enhances the competitiveness of Afghan products and creates opportunities for export expansion. Reducing substandard products in the market increases the share of legal and standard-compliant producers.

In the long term, the operation of this laboratory can provide an important foundation for strengthening domestic production, controlling the quality of imported products, expanding exports, and enhancing the credibility of Afghanistan's commercial products.

