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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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EXPANDING INVESTMENT IN THE MINING SECTOR: A NEW PHASE OF ECONOMIC GROWTH AND EMPLOYMENT



Afghanistan's mining and petroleum sector has witnessed significant progress since the Islamic Emirate of Afghanistan returned to power and has become an important contributor to the country's economic growth. Speaking at the "Government in the Mirror of the Media" conference, the spokesman of the Islamic Emirate, Mawlawi Zabihullah Mujahid, stated that substantial achievements had been recorded over the past year in mineral exploration, extraction, and investment. According to the information provided, 45 new mineral sites were discovered and registered across 28

provinces, while 350 mining projects were either put out to tender or granted licenses. More than AFN 10 billion in investment was attracted to both large- and small-scale mining projects. Among these were the major Daykundi marble and Takhar gold projects, in addition to 85 smaller mining projects, all of which were contracted with domestic and foreign investors. The expansion of investment in the mining sector extends beyond the extraction of natural resources. It also represents an important step toward expanding economic activity, increasing private-sector participation, and

strengthening local economies. Through mining contracts, approximately 50,000 direct jobs have been created, marking significant progress in reducing unemployment and increasing household incomes. Furthermore, the issuance of 1,138 professional mining licenses and 72 mineral processing licenses demonstrates that, alongside raw material extraction, increasing attention is being given to the development of the mineral processing industry. Expanding processing capacity enhances the quality of exports and increases the country's ability to generate foreign exchange earnings. According to the spokesman of the Islamic Emirate, draft legislation for a new mining law, technical policies, operational procedures, and an investment attraction strategy is currently under development. These initiatives are regarded as important steps toward standardizing the sector and providing investors with a more secure legal environment. Once implemented, these reforms are expected to transform the mining sector into a key driver of Afghanistan's economic growth, exports, industrial development, and sustainable investment.

AFGHANISTAN-UZBEKISTAN ECONOMIC COOPERATION: ADVANCING TRADE, INVESTMENT, AND REGIONAL CONNECTIVITY



Economic relations between Afghanistan and Uzbekistan have expanded considerably in recent years, with both countries working to further strengthen cooperation in trade, investment, transit, and regional connectivity. According to the Ministry of Industry and Commerce, bilateral trade reached nearly USD 1.2 billion during the past year, reflecting the steady growth of economic ties between the two countries. Last year, Uzbekistan

became the third-largest destination for Afghan exports, with the value of Afghanistan's exports to Uzbekistan reaching USD 151 million. The increase in exports not only expands markets for domestic products but also plays an important role in attracting foreign exchange, increasing producers' incomes, and promoting industrial development. Meanwhile, during the first seven months of the current calendar year, more than 13

trade and economic delegations from Uzbekistan visited Afghanistan. As a result of these visits, the private sectors of both countries signed approximately 290 commercial agreements and memoranda of understanding, with a combined value of USD 4 billion. These agreements cover the construction, poultry farming, cement, food products, coal, garments, and pharmaceutical sectors, creating significant opportunities to increase investment, expand production capacity, and strengthen private-sector growth. Cooperation between the two countries extends well beyond trade. Electricity transmission projects, the Afghan-Trans Railway project, the expansion of transit routes, and the development of new trade corridors are all laying the foundation for strengthening Afghanistan's regional connectivity and transit position. The implementation of these projects is expected to increase transit revenues, reduce transportation costs, and boost Afghanistan's exports.