

**STATEMENT BY AFGHANISTAN**

MADE 16 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE  
ON TRADE AND DEVELOPMENT**

**Eleventh Session**

**São Paulo, Brazil  
13-18 June 2004**

**UNCTAD XI, Sao Paulo, 13-15 June 2004**

**General Debate**

**Afghanistan**

Mr. Chairman,  
Excellencies.  
Distinguished Delegates,  
Ladies and **Gentlemen,**

Permit me, first of all, joining my delegation with the previous speakers to congratulate you, Mr. Chairman, for your election and also to express, through you Mr. Chairman, our deep appreciation to the Government and people of Brazil for the warm reception and hospitality accorded to my delegation. We are also grateful to the Authorities of Sao Paulo for providing all facilities for the delegates participating to this important event.

Mr. Chairman,

It is widely recognized that trade, technology and investment are essential tools for development and that the development objectives are best served by a coherent national and international strategies and policies. The UNCTAD basic Theme for the eleventh session of the Conference, Enhancing the coherence between national strategies and global economic processes, is, indeed, very significant at this juncture of the globalized world economy where risk exists for many countries to remain marginalized for many years to come.

While many developing countries are struggling to gain a greater share in the global economy, their efforts are being hampered by the lack of or insufficient supply capacities. This is why increased investment and targeted policies that enhance competitiveness of local production have a paramount importance for benefiting from the global

*Statement by Dr Assad Omer, Ambassador, Permanent Representative of Afghanistan to the United Nations Office and other International Organizations-Geneva*

opportunities.

We believe that measures and actions to strengthen domestic productive capacities as well as a favourable international rules and standards are crucial for developing countries to successfully integrate into the world economy and participate actively, in international trading system, in a world free from threats to peace and security.

Afghanistan understands the relevance and the importance of these issues. It is, therefore, pertinent to have a look at its national development strategies at this juncture, hand in hand with its international partners, of its path towards breaking vicious circle of poverty and insecurity, and integrating the global economy.

Afghanistan is embarked in a series of ambitious reforms to rebuild its social and economic infrastructures by a public investment programme that will support the private sector driven economic growth needed to creating a financially viable state. These efforts are underway with the valuable help and cooperation of our development partners.

Achievements up to now are quite significant within the National Development Strategy Framework based on three Pillars, namely, Human Capital (e.g. social protection, education, health services), Physical Infrastructures (e.g. transport and communications), and Security and Good Governance (e.g. rule of law, efficient administration, private sector).

In fact major investments under the strategic framework are aimed at overcoming poverty by providing income and employment to people and integrating different regions of the country, thus creating a stable and secure economy. Ultimate objective is to ensure a growth of at least 9 per cent per annum and raise per capita income to 500 US dollars by 2015.

In this context, an open trade and investment regime is recognized as a main factor of development of the country and, thus, attaining the goal raising income of the population

in years to come. In this respect, the new Constitution provides a framework for a market economy with social responsibility. The Government is in the process of completing the establishment of a dynamic institutional set up and the elaboration of transparent legal and financial mechanisms to this effect. Enabling measures and procedures for implementing those policies as well as conclusion of trade and investment arrangements with trade partners are also part and parcel of the process. Mention should be made, here, of our feeling that Afghanistan can become a member of the WTO and it is hoped that its accession be accelerated by setting up as soon as possible the required working group in this respect.

Of course, the Authorities are fully aware of the fact that these efforts are not enough to achieve the mentioned goal. This is why the Government is in the process of harmonizing and rationalizing the transport and transit documents and procedures with a view to enable investors and traders to use them in their daily transactions. This will allow Afghanistan to better integrate regional and international transit and trade regime furthering the Landlocked Agenda underlined by the Ministerial Communiqué issued, with our full support, on 13 June 2004, within the context of UNCTAD XI.

Mr. Chairman,

Improving policy and institutions cannot bear fruits without adequate skilled manpower and improved management methods. Efforts are being deployed to train and retrain persons working in every sphere of the economy bearing in mind that role of state will be a facilitator and regulator for the benefit of the trade and investment activities. In this connection, building our capacities in cooperation with our partners including international organizations such as UNCTAD and WTO, in our opinion, is underlying factor of our sustainable economic development process.

In sum, the goal is to enhance our productive capacity, in particular in SMEs and attract FDI, in particular, for extracting and processing of our vast natural resources and producing, processing and marketing of our agricultural products of great varieties.

Finally, Mr. Chairman, I would like to reiterate our conviction that trade, technology and investment are the main tool of development. To put in play these tools for integrating developing countries into world market, thus benefiting from global opportunities it is necessary to understand the complex relationship between three key elements: targeted *policies*, adequate supporting *institutions* and nurtured *entrepreneurship*. Brazil, our host country, provides many examples, in this regard, as illustrated by UNCTAD case studies.

Thank you for your attention