

Helmand: High Value Commercial Opportunities for Foreign Investment

Brief for HRH Duke of York: 19 December 2010

Market Facts

- Helmand's main airport, BOST, 90 minutes flying-time from Dubai
- 20% of the world population within 3 hours flying time
- The main towns, Lashkar Gah and Gereshk, have secure industry sites in design and under development by DFID
- BOST Industrial Park (in Lashkar Gah – currently under construction by DFID) is a secure location sited alongside the runway at BOST airport; supported by the Afghan Investment Services Agency
- Gereshk IP is alongside the main Afghan arterial highway and 90 minutes drive time from Pakistan
- State Owned Enterprise in both main towns provide existing industrial sites for exploitation
- Raw product exports already to rest of Afghanistan and Pakistan via Kandahar
- Some initial export testing underway to Dubai; and on pomegranate to Europe,

Commodity Investment Opportunities

Agriculture:

- Helmand is a food surplus province with a significant year round production cycle based on a US/UK funded irrigation system and both industrial and potentially high value crops suitable for processing investment and commoditisation; including
 - Pomegranate and other fruits (grape, almond, apricot, melon)
 - Wheat and other cereals
 - Mung beans, legume (cucumber, tomato, leafy greens, onion,)
 - Cotton
 - Nuts
 - Commercial farming partnerships
- There has been no investment in processing or marketing for 30 years: significant opportunities exist to undertake:
 - Wheat milling and other cereal processing
 - Fruit drying, juicing plant
 - Vegetable drying/chilling, processing, packaging
 - Cotton processing and textile production
 - Oil extraction/biofuels
 - Dried nut grading, cleaning and packing
- Opportunities available for immediate investment with processing plant in Cotton, with farm cooperatives, major landowners, Provincial Government, and state farms as willing partners; land and other resources available to support investment propositions
- Greenfield investment available at the industrial park at BOST and at Geresk

Minerals

- Significant high value mineral deposits; potential for low cost extraction - most land state owned with no pre-existing development; potential for industrial production and high value niche product processing. Few extractive activities. Deposits include:
 - Marble (yellow, brown and green onyx)
 - Gold, iridium, lithium, aragonite, lead and zinc
 - Salt
 - Uranium and Thorium
 - Possible Oil and gas (none yet proven)

- There has been no investment in mining or extractive technologies and skills for 30 years: marble extraction for example is by simple explosive.
- Opportunity for Mining and joint venture partnerships with a range of agents.
- Ministry of Mines and Minerals already proactive: undertook a promotional event in London this year
- Oil and gas deposits recently proven in North, opportunity for survey work in the South
- Helmand set alongside oil and gas production in Pakistan, Baluchistan and Iran.

Cross Cutting

- Helmand has an opportunity for transport, logistics, warehousing, airport and other supply chain investments
- Airport underdeveloped and in need of freight industry development

Support System: Foreign Investment and Marketing

Helmand

- Expert international export marketing, agri-business, agriculture and industrial development resources available locally to facilitate enquiries and visits
- Provincial Government has positive attitude to investment.

Kabul

- The Afghan Investment Services Agency is available to support investment
- Export Promotion Agency of Afghanistan available to support export projects
- Key Line Ministries committed to use resources to lever support
- Access to US Embassy/UK Embassy, DFID, USAID, USDA, Danish and other international resources in Kabul to facilitate on investment and export development

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