

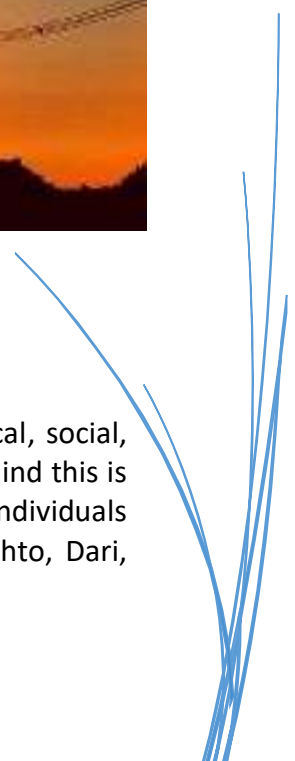
WEEKLY ANALYSIS

Issue Number - 404
(February 18–February 24, 2023)

EFFECTIVE MANAGEMENT OF ENERGY RESOURCES; FROM MEETING THE NEEDS OF CITIZENS TO ECONOMIC GROWTH



Weekly Analysis is one of the CSRS publications analyzing significant weekly political, social, economic, and security events in Afghanistan and the region. The prime motive behind this is to provide strategic insights and policy solutions to decision-making institutions and individuals in order to help them design better policies. Weekly Analysis is published in Pashto, Dari, English and Arabic languages.



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Center for Strategic and Regional Studies (CSRS)



EFFECTIVE MANAGEMENT OF ENERGY RESOURCES; FROM MEETING THE NEEDS OF CITIZENS TO ECONOMIC GROWTH

INTRODUCTION

Afghanistan has abundant sources of energy production but still relies on imported electricity. Uzbekistan, Turkmenistan, Tajikistan and Iran are four countries that provide about 80 percent of Afghanistan's electricity needs. The Governments in Afghanistan have not been able to provide sustainable electricity to their citizens despite the abundant energy resources.

On the one hand, the country's economic cycle has slowed down as a result of this while the economy fails to function sometimes. And on the other hand, many citizens of the capital, especially those who are facing poverty and unemployment, often spend their nights in the dark due to inability to get electricity from other sources.

Although the lack of electricity is not a new challenge in Afghanistan and it has been transferred from one government to another for years due to neglect or mismanagement, but it was hoped that this problem will be solved to a great extent with the end of the occupation and the establishment of the Islamic Emirate of Afghanistan. After more than one year and a half, it can be seen that the electricity crisis is still present and even more than before in some cases.

Two weeks ago, the media reported the suspension of 1,200 industrial companies across the country due to power outages while large and small industrial factories and manufacturing companies are all functioning on electricity. This article discusses the sources of electricity production in Afghanistan, the importance of electricity in the development of the country's economy and how to end the electricity crisis in the country.

SOURCES OF ELECTRICITY PRODUCTION IN AFGHANISTAN

Afghanistan is one of the richest countries that has a variety of sources of energy. The country has the greatest capacity to build water dams because of having abundant water, and there are hidden reserves in the heart of the country's mountains that are considered a rich source for energy production. Afghanistan is one of the richest countries in the region considering access to water sources.



However statistics show that about 75 percent of the flowing water of the country flows to other neighboring countries every year. According to the research conducted by climatologists, the value of these waters, as per the international rate of fresh water in the world, is estimated at 50 billion US dollars although Afghanistan has not received any water rights so far. However, if these waters are managed in a proper and fair way, considering the principle of national sovereignty and legal necessity, and water dams are constructed from these water rights, it can produce adequate energy to meet the needs of the country.

Additionally, the use of coal, uranium, oil and gas for the production of electric energy is a common phenomenon in today's world. But in Afghanistan, a large part of these resources remain untouched, and the other part is often extracted in an unspecialized manner and offered to the black market, or exported to neighboring countries at a low price. According to a report published by the Ministry of Energy and Water of Afghanistan, the potential energy production capacity of the country is 24,000 megawatts of electricity, of which 23,000 MW are from water sources, about (514-524) MW from coal, about (500-350) MW from natural gas and recently about (300-125) MW from crude oil. Moreover, according to the data of the International Renewable Energy Center, Afghanistan has about 300 sunny days in a year, which means that one kilowatt of solar energy can be produced per ten square meters of land. Monsoon and seasonal winds in different parts of this country provide a doubled opportunity in the field of wind power generation. However, there are other reports that Afghanistan has a capacity of 200,000 megawatts of electricity from solar sources and more than 68,000 megawatts of electricity from wind sources. Unfortunately, despite all the huge and abundant sources of electricity in the region, Afghanistan has been relying on imported electricity for a long time and produces only about 20 percent of its electricity from domestic sources. And the remaining 80 percent is imported from neighboring countries such as Tajikistan, Uzbekistan, Turkmenistan and Iran.

THE IMPORTANCE OF ELECTRICAL ENERGY IN THE GROWTH OF THE COUNTRY'S ECONOMY

Electricity is a very important element in the contemporary world compared to any other consumer goods because the foundation of everything from the production of industrial factories to information, commercial activities, security functions and other economic and administrative activities are all based on electrical energy.

The structure of the economic cycle of each country is related to the electricity production of that country. When electricity is plentiful and cheap, investment in the construction of factories will flourish, leading to more factories starting to operate and increased production. On the one hand, the existence of more manufacturing factories increases the capacity of domestic production and promotes the economic growth of the country and on the other hand, these factories create job opportunities and use more human resources. With this, the unemployment



graph in the country is usually decreased and the problem of pervasive poverty among the people is reduced.

But even though Afghanistan has many sources of electrical energy, not only does it not use these sources but hundreds of thousands of cubic meters of water, which is equivalent to millions of dollars, flows to neighboring countries for free every year. While the country spends about 300 million US dollars on the purchase of negligible electrical energy imported from the neighboring countries. If this amount of money that is spent to buy electricity in the country annually is invested in another sector, it will be a great source of income for the Government. Also, if the electrical energy resources in Afghanistan are properly managed, not only will it avoid spending millions of dollars every year to buy electricity from the neighbors, but the money obtained from electricity production turbines will cover citizens' expenses and especially domestic investments in the country as well as the excess energy can be exported to neighboring countries at a reasonable price.

However, the lack of electricity not only slows down the work of industrialists and businessmen, but also contributes to poverty and unemployment. And as for self-sufficiency in the production of electric energy, while in today's world, it is considered vital in for governance, it also has become the basis for economic growth and development, as a result, it is considered the cause of economic self-sufficiency and also guarantees political stability in the country.

HOW TO END THE ELECTRICITY CRISIS IN THE COUNTRY?

Regarding border waters with some neighboring countries, there are still some unsolved problems. There are also assumptions about the using this as a reason for interference of some of these countries in the political and security instability of Afghanistan. The issue of water crisis has been one of the unsolvable issues in all governments, especially the 20-year rule of the republic in Afghanistan, because some analysts consider the political problems between Afghanistan and neighboring countries to be related and dependent on water resources. It is necessary for the Afghan Government to negotiate with the neighboring countries with a correct and well-considered policy to solve the problem of Afghanistan's water rights with these countries and not allow the people to suffer from the darkness.

In the next step, in order to use huge natural resources for growth and development in domestic affairs, it is necessary to create a national spirit among different sections of the society. Undoubtedly, the great spirit of people's cooperation in the country is another step that makes the will to take risks bearable in the field of self-sufficiency, especially in the field of electricity production. It may be challenging at the beginning, but it will bring positive and fundamental change in the society in the near future. One of the most important steps in this field is perhaps the Government's investment in the creation of large water dams such as Naghlu, Kajaki Salma,



etc. on the country's rivers. The construction of large dams in different zones of the country will probably solve most of the problems of lack of electricity in Afghanistan.

Facilitating ways for the private sector to produce energy on a voluntary basis is perhaps one of the other opportunities that will facilitate efforts to improve the quality and level of production from various sources in the country. On the one hand, this takes out providing services from the monopoly of a specific company (Da Afghanistan Breshna Sherkat) and on the other hand, it facilitates opportunities for cooperation and coordination in the field of electricity production.

Meanwhile, it is hoped that the policies and strategies of the energy sector will be enriched. In the same way, attracting foreign investors by the Government is a doubled opportunity that will make the country self-sufficient in electricity. Recently, the media reported the interest of the Chinese investors to invest in Afghanistan. However, the recent attacks on diplomatic places in the capital, especially the attack on a Chinese Hotel in Shahr-e-Naw of Kabul, where about 35 Chinese investors were present, caused foreign citizens to feel threatened in terms of security in this country. In this sense, China has expelled its citizens from Afghanistan, and now the agreements regarding investment remain on paper.

CONCLUSION

It is known that Afghanistan has abundant natural resources and special opportunities for energy production. However, it has been unsuccessful in providing services in terms of electricity production, and due to several reasons such as mismanagement, insecurity, border problems, etc., it has not been able to provide at least the electricity it needs from domestic sources. Therefore, it relies on external sources and is always in the dark. Therefore, in order to solve the problem of lack of electricity, we offer the following suggestions:

- In order to use the country's water resources, the Afghan Government should negotiate with its neighbors regarding the country's water rights in the light of international legal agreements, so that effective measures can be taken in the field of investing in water diversion dams.
- One of the valuable steps in this field is the preparation and arrangement of laws and policies related to the country's water management, which should be at the top of the Government's work.
- Afghanistan is blessed with large coal mines, but unfortunately, it is extracted in a non-specialized way and is supplied to the black market, or it is exported to neighboring countries at a low price. It would be better if this coal is optimally used to produce electricity in the country.
- Afghanistan has great opportunities with solar and wind resources. Paying attention to investment in these cases can also have a positive and significant impact on electricity distribution throughout the country. The capacity of these two natural sources has been estimated at around 268,000 megawatts of electricity.



• Lack of self-sufficiency in electricity production has been a constant challenge for governments and people in the country. Therefore, it is necessary for the Government to take more serious measures in this field, either by attracting foreign investors or by facilitating investment by domestic investors. Because the production of electric energy from domestic sources on the one hand facilitates more investment opportunities inside the country and increases domestic production. On the other hand, it acts as the basis for economic growth and addresses the problem of poverty and unemployment. It also can free the country from dependence on neighboring countries.

End



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