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Transport facilitation and security in Central Asia and with Afghanistan

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## Transport facilitation and security in Central Asia and with Afghanistan:

# The Potential for Cross-border Trade and the OSCE Contribution

Tom Sanderson, CSIS May 25, 2010

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#### Afghanistan and Central Asia: uniquely located

Afghanistan's history is testimony to its special position on the ancient Silk Road that for centuries connected Europe and Asia and helped move people, goods and ideas across continents. Afghanistan, therefore, has great geopolitical importance and immense economic significance due to its strategic location as the land bridge between the subcontinent, Central Asia and the Persian Gulf and has natural propensity to serve as a bridge in facilitating commerce and energy flows across the energy rich Central Asian to energy deficit South Asian countries and much needed access to transportation corridors from inner Asia to the Indian Ocean.

-Afghanistan National Development Strategy, 2008

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#### **Transport development = trade potential**

- Afghanistan is a "hub" for Eurasian trade
- With a hub, trade can fully function as a "system"
- Transportation development efforts are underway: ADB, World Bank, EBRD, CAREC, IDB, UN, EU TRACECA, nations, private sector
- For landlocked Central Asia, Afghanistan's proximity to Pakistan's Gwadar Port is key
- NATO-ISAF supply lines in Pakistan, Central Asia, Russia, and the Caucasus help show the possibilities



#### Unfinished transportation projects for trade\*

Every map shows Afghanistan as the transport void

- Complete the Afghan Ring Road and the Kabul-Heart Highway, and link them to Pakistan's port of Gwadar
- Finish rail lines across Afghanistan to bolster links between Europe and Asia
- Construct the TAPI pipeline (Turkmenistan decree)
- Complete electrical transmission lines connecting Central Asia, Afghanistan, northern Pakistan, and India

\*From the forthcoming paper *The Key to Success in Afghanistan* by S. Frederick Starr and Andrew C. Kuchins, with Stephen Benson, Elie Krakowski, Johannes Linn, Thomas Sanderson



### Trade benefits: regional development, stability, and independence

- Incomes rise—plain and simple
- Local business people and farmers become invested in the security of the transport system
- All countries boost their revenue streams
- Central Asia will have a greater stake in the region and serve as partners with Afghanistan
- Poverty, narcotics, violence recede
- Social and political development rises
- Central Asian states gain trade route <u>options</u> and versatility



#### The OSCE role (current and future contribution)

- Continue the good and frequent dialogue that directly addresses cross-border trade and transport
- The key: promote good governance at border crossings
- Promote free economic zones & limited demonstrators
- Maintain and strengthen OSCE border and customs training facilities in Central Asia
- Provide continuity amidst constant change
- Work to address the extremism and smuggling that imperil more open borders and trade