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U.S. nudges India-Afghanistan trade

Dr. Abdullah Abdullah

Intensifying trade links is at the top of the agenda as Afghanistan's Chief Executive, Dr. Abdullah Abdullah, arrives in Delhi on Wednesday for talks with Prime Minister Narendra Modi and External Affairs Minister Sushma Swaraj.

Dr. Abdullah, who will be accompanied by several ministers, is here to inaugurate an India-Afghanistan trade fair, sponsored by the United States Agency for International Development.

"India has been partnering with the Government and people of Afghanistan in their efforts to build a stable, peaceful, prosperous united and pluralistic country," a statement issued by the Ministry of External Affairs said.

The four-day "India-Afghanistan Trade and Investment Show" will be co-inaugurated by Finance Minister Arun Jaitley, Civil Aviation minister Ashok Gajapathi Raju as well U.S. envoys in Delhi — MaryKay Carlson, and Kabul — Hugo Llorens.

During the visit, the air cargo agreement for bilateral trade is expected to be signed by India and Afghanistan as well.

Widening impact

"This is the biggest such event we have had so far," said a senior U.S. official. "Our real hope is that apart from growing trade figures, the social sector, especially projects in health and education will receive support from Indian companies."

According to the U.S. official, about 240 Afghan private and social sector businesses and about 800 Indian businesses have registered to participate in the fair, which is being held for the first time at this scale — smaller versions ohave been held seven times since 2003.

"We now hope to hold this event annually, and could hold next year's trade expo in Mumbai," the official said. At present, about 40 letters of intent have been received from companies in diverse fields.

Security threat

At about \$684 million (2014-15), India-Afghan trade is far lower than its potential for a number of reasons, the chief being the security situation in Afghanistan with civilian deaths peaking in 2016.

However, Afghan officials say they hope Indian investors and traders will be reassured by the announcement of U.S. President Donald Trump's new policy for Afghanistan which has committed to keeping troops there without a deadline. "The new U.S. policy is already effecting a change in the security situation. Because there is a clear message of a long-term commitment based on the condition on the ground, not on timelines," Afghanistan's Ambassador to India Shaida Abdali told *The Hindu*.

The other obstacles to trade include Pakistan's refusal to allow Indian exports to Afghanistan through the road route at Wagah, and delays for goods routed through Karachi port.

