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NEWS:

“We Cannot Control Fuel Prices,” Minister Of Commerce Advises WJ

Minister of Commerce, Dr. Anwarulhaq Ahadi, informed Wolesi Jirga members that the government cannot control prices of fuel and basic commodities. Speaking in the Wolesi Jirga plenary sessions on 21 and 22 November, Mr. Ahadi said Articles 10 and 11 of the Constitution encourage and protect a free market economy thereby effectively preventing the government from interfering in the market.

Dr. Ahadi attended the plenary sessions together with Mr. Abdulhadi Argandiwal (Minister of Economy) and Mr. Hazrat Omar Zakhelwal (Minister of Finance) to update members on government efforts to quell soaring fuel and basic commodities prices. The prices of fuel and gas have soared since the beginning of the winter season, with the price of one kilogram of gas rising from 55Afn to 100Afn (Approximately USD1.14 to USD2.09).

“According to the law, the government should not intervene in open market but I suggested in the cabinet meeting that we should not let the traders increase the prices of fuel and food stuff,” Dr. Ahadi said. He further said his ministry had sought special permission from President Karzai to interfere in the market with the view of stabilizing fuel prices. “I was granted special permission by the cabinet to intervene and control the market prices...As a result prices of such food products as sugar, oil and wheat has gone down.”

The Minister accused local private traders of hoarding propane in an effort to force a rise in fuel prices.

“The government does not have adequate reserves to serve the market,” Dr. Ahadi said. He added that the procurement law contributes to the failure by the government to source fuel on time to service the market. “Complications in the procurement law inadvertently cause delays in purchasing fuel from the international market... We have developed short and long term plans for the future and I assure you these problems will be solved soon.”

In his address to the plenary, Mr. Zakhelwal said, “The Ministry of Finance (MoF) does not have any key role in the pricing of fuel in the country; we only deal with issues relating to tax and customs duty on imported products.” He explained to members the current tax rate is pegged at 16% and this rate is also applied on customs duty and income. He added that this tax rate does not justify the astronomical fuel hikes seen in the last few weeks. “In an attempt to better control prices, the Ministry of Commerce (MoC) requested us to decrease the tax imposed on petroleum imports. I approved the decrease and subsequently the tax on each tonne imported came down from USD900 to USD600. This unfortunately did not translate to a decrease in fuel prices in the market.”

Minister Zakhelwal further explained to the Lower House members that some traders are taking advantage of the ISAF exemption from paying taxes to smuggle fuel into the country. “Gas approximately valued at

USD15million has reportedly been smuggled into the country from Iran. This accounts for 30% of the country's fuel imports". He added that the poor road network, corruption, hoarding and transit challenges account for the rising fuel prices in the country. "Prices of goods recently doubled as a result of the Salang or Turkham border closures. The boarder was closed for only one day. The open market system is good but only works when there is competition."

Minister of Economy, Mr. Abdul Hadee Arghandeewal advised MPs that the open market system adopted by Afghanistan prevents the government from interfering in the market including controlling prices of commodities. "In my view the market economy system has failed in Afghanistan, we should drop it for command/ planned economic system."

MPs were not convinced by explanations given by the ministers on rising fuel prices with some members suggesting the government must consider providing subsidies to protect consumers from "unscrupulous dealers". "There is nothing wrong with the open market economic model that we adopted, the problem with the Afghan economic system is that it is dominated by the mafia," said Mr. Ramazan Jumazada (Kabul) said. Mr. Ubaidullah Rameen (Baghlan) concurred adding; "The legitimacy of every government depends on the efforts made to fight against poverty. But unfortunately today, the mafia and corrupt people control the government of Afghanistan."

Mr. Ahadee also suggested that the MoC should oversee the market regularly and review the licenses of businessmen. "The government should interfere in the fuel sector and should sign contracts directly with international organizations to purchase fuels from them instead of relying on intermediaries."

Some members accused the three cabinet ministers of incompetence and failing to respond to questions posed by the MPs. "Most of our questions remain unanswered and some of us are still unconvinced," Ms. Fauzia Kofi (Badakhshan) said. Mr. Ramazan Bashardost concurred and said the ministers are inefficient. "The plenary is like a press conference hall. MPs are like journalists. Ministers attend the session just to present their positions, take some questions from journalists (MPs) and leave without responding to them."

Kunduz MP, Dr. Fatima Aziz (Kunduz) called for the interpellation of the three ministers. "MPs are not convinced with ministers' answers. I suggest going for their interpellation." The suggestion prompted a heated debate in the gallery with the majority of the members coming out in support of the suggestion. After a long discussion, Speaker Ibrahimy advised members no decision could be reached as the session did not constitute a quorum. He further proffered that the issue be discussed in the next session.

NA Applauds Security Officials, Disagree On Success Of The TLJ

Members of the National Assembly this week applauded the Afghan Security Forces for their sterling performance in securing the Traditional Loya Jirga (TLJ) held in Kabul on 16-20 November. Members of both the Upper and Lower House attended the TLJ convened by the Afghan government to consult traditional elders on the US-Afghan strategic Agreement and the peace process with the Taliban.

Over 2200 representatives attended the TLJ and no significant security breaches were reported during the four day meeting. "I am proud of the way the Afghan security forces ensured the security of the Jirga. We (Meshrano Jirga) should officially acknowledge the role played by the President Protection Service (PPS), Mr. Sediq Mudaber and Mr. Sher Mohammad Karemi (Chief of Army staff). The Afghan soldiers should be awarded a bonus equivalent to their monthly wages for their great service," said Senator Rafiullah Haidari (Kunar) in the Upper House plenary session on 21 November.

Senator Gulalai Akbari (Badakhshan) concurred adding the insurgents devoted millions of dollars in funding insurgents to disrupt the TLJ. “Fortunately the Afghan Security forces worked very hard to curb any insurgent attacks. The Afghan security forces should be praised.”

Wolesi Jirga members also applauded the security officials for ensuring the TLJ was held in a secure environment. Some members however accused President Karzai of not having faith in Afghan security forces. “I would like to thank the security forces for ensuring the security of TLJ. Unfortunately, the president does not trust his security forces; he used a chopper to travel to the Jirga venue,” said MP. Shakiba Hashemi (Kandahar)

The NA Houses however disagreed on the achievements of the TLJ. For Upper House members, the TLJ was successful in providing advice to President Karzai on issues to consider in the US-Afghan strategic agreement. “I would like to congratulate the Afghan people for the successful conclusion of the TLJ. As you all know, the TLJ was a consultative Jirga which provided the president of Afghanistan with comprehensive advice.” Uruzgan Senator Mr. Daud Assas (Uruzgan) agreed; “The Traditional Loya Jirga was a new and successful mechanism employed by the Afghan government... The government has to make efforts to eliminate administrative corruption and reform relevant systems in line with the discussions in the Jirga.”

Mr. Nesar Ahmad Hares (Appointee) said, “It was the first Jirga ever where there was no undue interference from the government. The Jirga organizers took charge of everything. All issues were managed by the representatives.”

For Lower House members however the TLJ participants were not representative of the Afghan people. “This Jirga was not successful. Heads of the Traditional Loya Jirga Committees were either relatives of the high-ranking officials or their friends,” said MP. Shakiba Hashemi. MP. Nazifa Zaki (Kabul) criticized the government for the huge expenses incurred during the Traditional Loya Jirga (TLJ). “I will not discuss the legitimacy of the Traditional Loya Jirga (TLJ). The Afghan security forces did a good job in providing security during the Jirga. The government spent 34.5 million Afs (Approximately USD735 000) on transportation of the TLJ participants and yet the country is grappling with poverty, rising fuel costs. The government is doing nothing to address these challenges,” she said.

Lower House Selects Representatives to the Second Bonn Conference

Wolesi Jirga (WJ) member on 22 November selected four legislators to join Speaker Ibrahimi in the Second Bonn Conference to be held in early December. The four members Mrs. Shah Gul Rezai (Ghazni), Mr. Shayesta Baz Naseri (Kunduz), Ms. Parween Durani (Kuchi), and Dr. Enayatullah Babur Farahmand (Jawzjan) were selected amid heavy debate by some members who questioned the WJ’s participation in the conference, while others were not happy with the selection process.

The second Bonn Conference is scheduled to be held on December 5 2011, to discuss the transfer of security responsibilities from international to Afghan forces by 2014, international commitment to Afghanistan after the handover and the political process of national reconciliation with Taliban fighters. More than 1,000 delegates from 90 states and international organizations are expected to attend the conference.

Introducing the subject to the plenary, First Deputy Speaker Mr. Khalid Pashtun informed members that the WJ was allocated 5 seats in the conference. “The Council of chairs and admin board decided to

nominate four members, but unfortunately lots of changes have been made to the proposed members' list." He further said Lower House was required to submit the list of its representative by the 11am Monday.

Mr. Ahmad Shah Ramazan (Balkh) criticized the admin board for nominating their favorite MPs without informing the rest of the MPs in the plenary. In his view, "Casting lots is an easy and transparent way to nominate the four members to attend the second Bonn Conference." Supporting Ramazan, Mr. Ghulam Farooq Majrooh (Herat) also insisted on a criteria urged the house that no MPs should travel abroad without approval of the house, he suggested to "cast lots" to ensure fairness.

Chairman of Rights and Privileges Committee, Mr. Sharifullah Kamawal (Kabul) informed members that his committee was assigned to decide on who would represent WJ in the second Bonn Conference. "We discussed and debated the criteria that should be followed to nominate MPs to participate in the conference and proposed 2 options; 1) Wolesi Jirga should nominate MPs who can effectively represent the parliament. 2) To select four MPs from amongst those MPs who have not travelled abroad for WJ business." He further said both options did not work which prompted the committee to recommend that today's plenary session should decide on which MPs will represent us in Bonn."

Daikundi MP, Mr. Nasrullah Sadiqizada Neeli (Daikundi) criticized the WJ leadership of creating problems amongst MPs, particularly when the issue of trips arises. "It will be unjust to compare those MPs that are not showing up in parliaments for months and are doing their personal business inside and outside Afghanistan, with those of us that are coming to the parliament regularly." She added that the admin board should not nominate members who are consistently absenting themselves from sessions to represent the Lower House in any international conferences. "It is embarrassing that MPs are fighting to nominate themselves to travel."

Dr Ramazan Bashardost (Kabul), one of the few MPs who are yet to be nominated to travel abroad for Parliament business announced his unwillingness to attend the Bonn Conference. "Why would internationals decide on the future of Afghanistan thousands of kilometers from Afghanistan? And why are people attending this conference that does not represent the Afghan nation?" he said. Ms. Shukria Barakzai (Kabul) also exempted herself from participating in the conference; "I am not participating in the second Bonn conference, but one MP from defense committee must attend."

Mr. Abdul Satar Khawasee said, "Parliament is one the three pillars of the state. It is unjust for the government to reserve only 5 seats for MPs. I request you all to boycott the conference." Other MPs, particularly, Mr. Qais Hassan (Kabul) and Mr. Mohammad Naem Lalai Hameedzai (Kandahar), questioned why the Speaker Ibrahimy was delegating his authority to the House. In their view, the Speaker has the prerogative to select MPs to participate in the Bonn conference.

After a long discussion, members resolved to cast lots to select their representatives in the Second Bonn Conference resulting in the selection of the four members.

COMMITTEE NEWS

International Affairs Committee Discusses International Agreements

The Meshrano Jirga (MJ) International Affairs Committee invited officials from the ministries of education, justice and foreign affairs to discuss the four international agreements passed by the Wolesi Jirga on 24 October. The four include the Agreement on Establishment of South Asian University, agreement on Establishing of SAARC Food Bank, Agreement between Islamic Republic of Afghanistan and United Arab Emirates regarding the Judicial Help in Issues related to Trade and Civil Rights, and

Agreement between Islamic Republic of Afghanistan and the Republic of Tajikistan on Transit Trade. (See APAP Legislative Newsletter 28 October 2011 for more details).

The committee sought clarification on the levels of contribution by SARCC member states to the South Asian University (SAU). “How much is Afghanistan contributing and how many Afghan students are enrolled to this university annually?” asked Mrs. Najiba Husaini (Daikundi). Committee Chairman, Mr. Arefullah Pashtoon (Khost) suggested that the Ministry of higher education must endeavor to establish a branch of the SAU in Afghanistan.

Higher Education Deputy Minister in charge of the academic section and SAU Chancellor of South Asian University, Mr. Mohammad Usman Babree informed the committee Afghanistan’s contribution accounts for 5% of the total SAU budget. He added that the number of Afghans enrolled in the university varies every year. “There is no fixed number of Afghan students enrolled in the university. The number changes every year. Last year SAU only accepted two Afghan Students and this year it accepted 12 students.”

The committee also discussed the Agreement between Islamic Republic of Afghanistan and United Arab Emirates on the Judicial Assistance on Trade and Civil Rights. Dr. Mohammad Qasim Hashamzai told the committee the agreement is proposed to protect the thousands of Afghans living in the UAE. “The number of Afghans living in the UAE is rapidly increasing which has prompted the government to consider this agreement. It gives Afghans in the UAE the same legal and judicial rights as Arab nationals.”

Mr. Saleem Kundozi, Deputy Minister for the Ministry of Agriculture, Irrigation and Livestock (MAIL) also explained the benefits of the Agreement of Establishing SAARC Food Bank. Mr. Kundozi said the food bank will benefit Afghanistan through provision of technical trainings, workshops, storage, transfer of skills, researches, conducting surveys and other relevant areas. He added that the assistance will not involve cash. Senator Mr. Nesar Ahmad Hares (Kabul) asked Mr. Kundozi if his ministry has ever requested the SAARC Food Bank to assist Afghanistan in quelling effects of the natural disasters in 14 provinces. Responding to Senator Hares’ question, the deputy minister said, “We have appealed for USD142million from the UN to help us deal with the disaster which is threatening 2.6million Afghans.”

The committees criticized the Transit Agreement between Islamic Republic of Afghanistan and the Republic of Tajikistan for what it deemed “legal, technical and contextual weaknesses”. The committee resolved to reject the agreement and tasked the Minister of Foreign Affairs to engage his Tajikistan counterpart with the view of bringing reforms to the agreement.”