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## Legislative Newsletter

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### **NEWS:**

#### **Wolesi Jirga discusses Kabul Bank Crisis**

The Wolesi Jirga (WJ) on 17 September summoned Finance Minister Mr. Hazrat Omer Zakhelwal and Acting Central Bank Governor, Mr. Muhibullah Safi to respond to MPs' questions regarding the Kabul Bank scandal and the International Monetary Fund's (IMF) withholding of aid. MPs raised questions on the investigations into the Kabul Bank crisis, the international community's decision to withhold aid to Afghanistan and the release of Kabul Bank's two disgraced managers and shareholders.

Confirming the suspension of the aid, Mr. Zakhelwal explained that the IMF set some pre-conditions for the Afghan government to fulfill in order to regain the international aid. These include establishment of principles of loans, a Kabul Bank trustee, separating Kabul Bank shareholders from the bank, a transparent investigation into the Kabul Bank scandal, carrying out an audit for Kabul Bank and Aziz Bank, and transfer of \$52 million through the budget to the Central Bank to bail out Kabul Bank.

According to the Finance Minister, the withdrawal of aid has not affected development projects, but he said that if the problems with IMF and other donors persisted for two or three more months the government will struggle to pay salaries. "The audit of Kabul Bank and Aziz Bank is completed; we developed principles for loans for private banks. From March 2011 donors didn't provide their aid to the Afghan government because they linked their aid with IMF conditions," Mr. Zakhelwal added, trying to convince MPs to pass a bailout for Kabul Bank.

Representing the Budget Affairs Committee of the WJ, Mr. Sediq Ahmad Usmani refused approval of the \$52 million bailout package for Kabul Bank until those responsible for the crisis are prosecuted. "I was one of those who repudiated the \$73 million bailout to the Central Bank through the budget. We emphasized that perpetrators of the Kabul Bank crisis should be tracked first," said Mr. Usmani. Referring to the Minister's brief, he questioned, "Can you tell me how many suspicious loans were taken from Kabul Bank and Azizi Bank?"

Concurring with Mr. Usmani, other MPs said that the official's explanation did not convince the legislators and, according to them assets that shareholders and managers of Kabul Bank had bought illegally should be sold to raise the bailout money. "Isn't that strange that Mr. Sher Khan Farnud and Mr. Khalilullah Ferozi (former shareholders of Kabul Bank) were released in order to point out who took loans from Kabul Bank?" asked Ms. Shenkai Zaheen Karokhaill (Kabul). According to Ms. Karokhaill, Kabul Bank shareholders looted people's money and they will not cooperate with the Ministry of Finance, "The audit of Kabul Bank will not convince the IMF board. If the WJ approve the \$52 million bailout, will the IMF release our aid or not?" Ms. Karokhaill asked.

Ms. Shukria Barakzai (Kabul) argued that development projects should not be stopped due to the Kabul Bank crisis. According to her, the international community had committed to continue supporting development projects and President Karzai had promised to solve the Kabul Bank issue. “Where is the commitment of the international community? The President assigned a delegation and promised to solve Kabul Bank’s problems as soon as possible. Can you tell me the result of the investigation? When will you finish Kabul Bank’s dossier?” she asked.

Responding to the questions, Mr. Zakhelwal and Mr. Safi denied that Kabul Bank’s two former officials had been released. According to them, “the forgery in Kabul Bank was on a very high level” and the government’s investigations into shareholders’ properties have so far led to the recovery of property worth between \$150 to \$200 million. “Mr. Sher Khan and Mr. Ferozi were not released by the government; they are still in custody and helping the government to point out who took loans from Kabul Bank.”

A number of MPs insisted that the names of Kabul Bank debtors should be disclosed. “We heard that the President and his deputies obtained loans from Kabul Bank for the presidential election campaign. Is it true or not?” asked Mr. Gul Pacha Majedi (Paktia). In response Mr. Zakhelwal explained that anyone had the right to get a loan from banks, the details of which are confidential. “If the Minister and MPs or Senators took loans from banks, we should not disclose their names because their dignity will be defamed.” Mr. Zakhelwal added. Concurring with the Minister, Mr. Muhibullah Safi also commented, “We cannot present lists of the debtors of Kabul Bank to the WJ or media unless we have an order from the court. Disclosing names of the debtors will worsen the issue.”

The House expressed dissatisfaction with Mr. Zakhelwal and Mr. Safi’s explanations and decided that these two officials should appear once again before the legislators to update MPs on developments regarding the Kabul Bank scandal.

### **MJ Urges Disclosure of State-Owned Land Usurpers**

The Meshrano Jirga (MJ) invited the Minister of Agriculture, Irrigation and Livestock, Mohammad Asif Rahimi and Mayor of Kabul, Mohammad Yunus Nawandesh on 18 September to respond to Senators’ questions regarding construction of tall buildings in Kabul City and usurpation of state-owned lands across the country.

Requesting the publication of usurpers’ names, MJ Speaker Mr. Fazal Hadi Muslimyar said, “The Senators expect to know about usurpers of state-owned lands or those backing them.” According to Mr. Muslimyar the government should protect its wealth and not allow anyone to loot or usurp it.

A number of the Senators claimed that some government officials are involved in taking state lands. According to them, there is no other way to prevent illegal encroachment of government lands without eliminating corruption. “Let us disclose names of the usurpers. Usurpers are inside the government system and they issue fake deeds to usurp lands,” said Mr. Gul Ahmad Azami (Farah). Supporting Mr. Azami’s allegation, Mr. Sefatullah Haqmal (Lugar) asserted, “Governors, Mayors and government officials are involved in the usurpation of government lands.”

According to Agriculture, Irrigation and Livestock Minister Rahimi, so far four million acres of state-owned lands have been hooked all over the country and his ministry was only able to recover 44 000 acres from usurpers, “Usurpation of state-owned lands is a national issue. We need joint efforts to defeat usurpers,” Mr. Rahimi said. He added that in some cases security and justice institutions are unable to challenge the powerful transgressors. Mr. Rahimi expressed willingness to reveal the list of usurpers to the

MJ but said, “We have the list but it needs to be updated. I suggest that the MJ forms a delegation that works with the Land Authority to finalize the list of usurpers . . . then joint action would be taken after the list is updated.”

The Senators also expressed concern over illegal distribution of lands by provincial governors and forceful occupation of government lands by some powerful people. “Agricultural lands of Helmand province were distributed illegally and most of the lands were grabbed,” Mr. Sher Mohammad Akhondzada (Helmand) said. Echoing his criticism Mr. Bismillah Afghanmal (Kandahar) said, “Everyone knows land grabbers. Can you tell me about the lands that were not usurped by mafia; can you protect these lands or not. The mayor of Kabul, Mr. Nawandesh also briefed the Senators on encroachment and construction of tall buildings without the permission of the municipality. He said he needed the support of Parliament to stop those who violate construction rules. “If the WJ and MJ support Kabul Municipality, I am ready to take serious action against the usurpers and illegal buildings,” Mr. Nawandesh assured the Senators. He added that the local authority has sent several letters to government institutions to help Kabul Municipality to stop the construction of illegal and ill-planned tall buildings, houses and towns in Kabul city but didn’t receive a response. Using Gulbahar Center as an example he said, “Gul Bahar City Center is one of the illegal buildings . . . we tried several times to stop the owner of this building from continuing construction works but unfortunately we failed.”

### **Meshrano Jirga Briefed on Counter-Narcotics Policies**

The Minister of Counter Narcotics, Mr. Zarar Ahmad Muqbel, Acting Minister of Public Health, Mrs. Saraya Daleel and Deputy Minister of Interior Mr. Baz Mohammad Ahmadi briefed the Meshrano Jirga (MJ) plenary session on 20 September on the cultivation of opium, production of drugs and treatment of addicted people.

Senators said the counter-narcotics policy was doomed to failure without public cooperation, alternative livelihoods and job opportunities. “Ordinary people should be involved in the campaign against poppy cultivation, programs for eliminating poppy and narcotics will not be effective without public cooperation,” H.E Muslimyar Speaker of the House said.

Updating the Senate, Mr. Muqbel and Mr. Ahmadi accepted that Afghanistan currently produces 74% of world narcotics, but said the country was committed to reducing illicit cultivation in the next five years. “The Ministry has prepared a plan for the coming five years to reduce cultivation of narcotics by about 50% and reduce the number of addicted people by 40% across the country.” The Counter-narcotics Minister called for cooperation of regional countries and establishment of an internal common policy to fight big smugglers. “We did not arrest big smugglers. We are jointly working with the Ministry of Defense, National Directorate of Security and Ministry of Interior to arrest the bigger smugglers,” said the minister. He also stated that his ministry cannot control drugs in the region alone without international cooperation and efforts.

Some of the Senators were of the view that due to involvement of some high ranking government officials the Ministry of Counter-narcotics has failed to fight against cultivation, production and smuggling of narcotics. “To me, the ‘land mafia’ and smugglers are the same people, due to having strong backup. The government has failed to take serious action against them,” Mr. Abdul Wahab Irfan (Takhar) said.

Mr. Khaleqdad Balaghi (Kabul) said that insecurity, poverty, unemployment, illiteracy, and administrative corruption are some of the reasons why after around 10 years the government does not have any tangible results in the fight against production and drug smuggling in Afghanistan. “Government has made serious mistakes by promising to provide alternative crops or money in return for eliminating narcotics. They neither paid money nor provided alternatives,” Mr. Balaghi said.

Agreeing with Mr. Balaghi, Minister of Public Health, Mrs. Suraya Daleel, is also explained that the problems of drug addicts are not related to health problems but the reasons of addiction are poverty, lack of education and unemployment. “Sixty-five centers are working to provide treatment to addicts across the country; 14 of them under government control. We treated 4,247 addicts within the last six months and provided consultations to 21,000 addicts. In Afghanistan 90% of addicts who received treatment are once again using drugs. We shall provide employment and education to stop people turning to narcotics,” said Mrs. Daleel.

### **Legislators Condemn Rabani Murder**

The Meshrano Jirga (MJ) held an extra-ordinary session on 21 September following the assassination of the Chairman of the Afghan High Peace Council and former Afghan president, Professor Burhanudeen Rabani. Strongly condemning high profile assassinations, MJ Speaker Mr. Fazal Hadi Muslimyar said, “Let me tell the enemies of Afghanistan that they will never achieve their goals by killing key figures of Afghanistan. Mr. Rabani does not belong to a specific tribe or area; he was the leader of Afghanistan.”

Professor Rabani was president of Afghanistan between 1992 and 1996 and served as head of an Afghan government panel trying to launch negotiations with the Taliban. He was killed in a suicide attack on his home on 20 September. Senior advisor to President Hamid Karzai and Secretary General of the High Peace Council, Mr. Masum Stanikzai was also injured in the attack.

Mr. Ghulam Muhaiuddin Munsif (Kapisa) said, “I extend my condolences to the nation and to the bereaved family of the late Professor Burhanudeen Rabani. The assassination of Mr. Rabani is a great loss for Afghanistan. We should follow his way to continue peace efforts.” Concurring with his colleague, Mr. Rafiullah Haidari (Kunar), called on Afghans to relinquish all kinds of discrimination in order to fight the enemies of the country. “Our enemies want to kill key figures of the country . . . To fight these enemies, the nation should unite and avoid linguistic, factional and tribal discriminations,” Mr. Haidari added.

Mr. Rafiullah Gul, Second Deputy of the MJ, said that Professor Rabani was assassinated because he was working to bring peace and stability to Afghanistan. “His assassination is a great loss to Afghanistan,” he added.

At the end of the session the MJ issued statement strongly condemning the assassination of Professor Rabani calling his death a great loss and misery to Afghanistan. Mr. Muslimyar read out the statement in the House and suggested that the government should announce one week of national mourning across the country and that Professor Rabani should be buried in Kabul on Wazir Akbar Khan hill or in Kabul University because he was a national hero. The MJ also suggested that a prayer ceremony should be conducted across the country as well as in the Embassies and Consulates of Afghanistan abroad and government should observe 20 September as “Dark Day” in the history of Afghanistan.

Meanwhile the Wolesi Jirga (WJ) plenary session on 21 September called for unity to bring peace and stability to the country. The lawmakers said Professor Rabani's assassination was a great loss and a serious interstice to efforts at reconciliation in the country. Expressing his condolence to Afghans and the martyr's family, Mr. Abdul Rauf Ibrahim, the Speaker of WJ said, "The WJ condemns in the strongest terms the assassination of Professor Rabani, the former President of Afghanistan and Chairman of High Council of Peace."

According to Mr. Mohammad Noor Akbari (Daikundi), this time the terrorists took another personality of Afghanistan, "Mr. Rabani is neither the first nor the last loss for Afghanistan . . . he was killed because of his efforts to bring peace."

Pointing to the reconciliatory tone towards the Taliban, a number of the MPs were of the view that the government should know who to talk to. "We should identify the address of friends and enemies," said, Ms. Shukria Barakzai (Kabul). "It is now very clear to the Afghan people that all tribes and all thoughts have unique enemies. It is not tolerable for the Afghan people to welcome unknown enemies," Ms. Barakzai added.

Representative of Paktia province, Mr. Gul Pacha Majedee, echoed concerns about the series of assassinations and "softer tone" of the government towards those whom he called enemies of the country. "We all know our enemies, they are bargaining with the Afghan government over their interests." Mr. Majedee alleged that the Pakistani Inter-Services Intelligence (ISI) and Iran were behind these terrorist attacks and targeted killings. "The President of Afghanistan should review his policy of referring to enemies as brothers."

Mr. Haji Almas Zahid (Parwan) said that the WJ should summon Afghan security officials for questioning on the suicide attack on Professor Rabani and the US embassy. "The Parliament of Afghanistan is a decision maker. We should tell our constituents very clearly about our friends and enemies. And we should take revenge on our enemies." Passing his condolences to Mr. Rabani's family and Afghan nationals, Mr. Daud Kalakani (Kabul) suggested honoring the late Professor Rabani as a "Peace Hero" of Afghanistan.

Although the Law Protection Coalition is still on strike, a small number of this group still attended the plenary session to release their statement regarding the martyrdom of Professor Rabani. "On behalf of the Coalition, we have joined the plenary session to express our sorrow on the assassination of Professor Rabani," Mr. Qazi Nazeer Ahmad Hanafi (Herat) said. He also strongly criticized the Minister of Culture and Information for not overseeing local television programs. "Instead of expressing their sorrow with the nation, the media are broadcasting songs and ladies dancing," Mr. Hanafi added.

The WJ urged the government to call three days of national mourning from 22-24 September.