

GOVERNMENT OF INDIA
MINISTRY OF MINES
RAJYA SABHA
QUESTION NO 26.07.2010
ANSWERED ON
DEVELOPMENT OF MINES IN AFGHANISTAN .

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Dr. T. Subbarami Reddy

Will the Minister of RURAL DEVELOPMENT INFORMATION AND BROADCASTING MINES be pleased to state :-

- (a) whether, after reports from United States that Afghanistan has untapped mineral resources worth \$1 trillion (Rs. 45 lakh crore)
- (e), the war ravaged country has invited India to bid for and develop its mines to feed India's burgeoning steel industry;
- (b) if so, whether Afghanistan, which currently has a Government considered friendly to India, is hosting a road show on iron-ore, one of the main raw materials in the production of steel; and
- (c) if so, to what extent India has been able to join Afghanistan on mineral hunt and what are projects that are being considered in this regard?

ANSWER

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE)

(a): The Government of Afghanistan is positive to Indian involvement in exploitation and development of Afghanistan`s mineral resources and would welcome Indian companies to participate in the bidding process for the Hajigak iron ore reserve. With a view to encouraging Indian participation in Afghanistan`s mining sector, the Minister of Mines, Hon`ble Wahidullah Shahrani had a meeting with Shri B.K. Handique, Hon`ble Union Minister of Mines in June 2010 in New Delhi. Hon`ble Shahrani also met Hon`ble External Affairs Minister in Kabul on 19 July 2010 during which the Afghan side encouraged Indian companies to explore business opportunities in mining.

(b): The Government of Afghanistan plans a fresh tender for the Hajigak iron ore reserve in September 2010. To promote the Afghanistan mining sector, the Government of Afghanistan organized a road show in London on 25 June 2010 in which four Indian companies (ISPAT, ESSAR, Vedanta and Arcelor-Mitta!) participated.

(c); While there are very substantial untapped mineral resources in Afghanistan, the development of mining industry remains hampered by lack of physical infrastructure, Afghanistan`s land-locked geography and daunting logistical and security challenges. Currently, India`s involvement in Afghanistan`s mining sector is limited to capacity building in form of technical training programmes organised in India for officials of Ministry of Mines, Geological Survey of Afghanistan and experts concerned with environmental and social management in the mining industry.