

H.E. Anders Fogh Rasmussen, Secretary General
North Atlantic Treaty Organisation
NATO Headquarters, 1110 Brussels, Belgium

August 21, 2014

Dear Secretary General Rasmussen,

We are writing as a broad coalition of Afghan and international civil society organizations to raise with you the crucial importance of improving natural resource governance to Afghanistan's future security and stability – and to request that this goal be included in the agenda and final communique of the upcoming NATO Conference in September.

Announcements of mineral and oil reserves worth many billions of dollars have raised great hopes of transforming Afghanistan's future, but there is a very grave risk these resources will instead increase the danger of renewed full scale conflict and fuel further instability and extremism.

- Insurgent groups and warlords, including many involved in major human rights abuses, have for many years directly funded themselves by exploiting Afghanistan's natural resources. In Helmand for example, a recent UN report noted that illegal marble mining is the second major revenue source for the Taliban after the opium trade.¹ There is a real threat of a prolonged, resource-driven conflict like that in the eastern Democratic Republic of Congo.
- Weak natural resource governance directly impacts Afghanistan's ability to fund development or pay for its security forces. Ongoing insecurity, political risk, and a poor legislative and regulatory environment means both that mining is under-developed, and that much of the revenue that is generated is stolen: the sector currently contributes only a tiny fraction of what it should to overall revenues (less than 4% of the total). Without reforms, even large investment in the sector will not translate to government income.²
- Around the world, in fragile states like Afghanistan where minerals, oil, or natural gas are present, wars are far more likely to begin, and tend to last twice as long.³ Given the already fragile security environment, natural resources could easily help tip Afghanistan back into full-scale conflict.

NATO will continue to play a key role in Afghanistan even after the withdrawal of foreign forces. In the 2012 Chicago Summit Declaration, the organisation reaffirmed its strong commitment to contribute to funding and training the Afghan security forces, guided by principals including transparency, accountability and strong measures against corruption. Because of the critical implications of natural resource governance for the future of Afghan security, we urge the upcoming NATO Conference agenda and communique to build on these commitments, and specifically to include the following:

- **A coherent strategy:** A commitment to coherently integrate measures against weak governance, corruption and abuses linked to natural resources into NATO's strategy in Afghanistan and its mission to train and assist Afghan security forces. This includes measures to prevent all armed groups benefiting from natural resources, but NATO has a particularly direct responsibility to cut off support from NATO countries themselves for armed groups linked to human rights abuses and illegal exploitation of natural resources – for clear moral reasons, but also to avoid the obvious and growing danger of a resurgence in the militia-fuelled conflict of Afghanistan's past.
- **Support the Afghan government's natural resource commitments:** NATO should call on the Afghan government to uphold its laudable commitments to establish an Extractive Industry Development Framework that "builds on and surpasses" international best practice, and to abide by the principals of the Extractive Industries Transparency Initiative (EITI). It should also commit NATO to support that work. This includes encouraging the Afghan government to require publication of all natural resource contracts and of their real 'beneficial ownership,' as well as insuring local community engagement, risk management, and conflict resolution around extractive industry sites.
- **Mining and armed groups:** NATO should work with the Afghan government to establish and enforce a clear prohibition on any individual linked to an armed group having a mining license or otherwise being involved in extraction or trade in natural resources. This includes not only the security services, but also informal groups such as the Afghan Local Police (ALP).
- **Mining security:** NATO should encourage the Afghan government to use specially trained, vetted and accountable units of the Afghan National Police to provide security to extractive operations, rather than military forces. These units should operate and be trained under strict conditions that incorporate recognized best practices, especially the Voluntary Principals on Security and Human Rights.
- **Building integrity:** Afghanistan should be strongly encouraged to continue and intensify its participation in NATO's Building Integrity (BI) Programme, and BI's programs should be further tailored to ensure natural resource governance is an important part the BI toolkit for Afghanistan.

Prior to the Chicago Conference in 2012, civil society organizations appealed to you to learn from the experiences of resource-rich countries such as the Democratic Republic of Congo, Iraq, Libya, and Sierra Leone, where natural resources have fuelled conflict, corruption, terrorism, unemployment, and poverty. NATO cannot responsibly engage with Afghanistan without incorporating these lessons. As Afghanistan undergoes its transition, we would welcome the

opportunity to discuss with you in more detail how NATO could tailor its mission to achieve this goal.

Yours Sincerely,



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¹ Louis Charbonneau, "Taliban Changing from Religious Group to Criminal Enterprise: UN", Reuters, June 13, 2014, accessed at <http://www.reuters.com/article/2014/06/14/us-afghanistan-taliban-un-idUSKBN0EP02920140614>

² Pajhwok Afghan News Special Mines Page (January 8, 2014) "Mining Revenue Dips by 40 pc this Solar Year," Available at <http://www.mines.pajhwok.com/news/mining-revenue-dips-40pc-solar-year>, Tolo News (July 16, 2013) "Illegal Mining in Afghanistan at an All-Time High," <http://www.tolonews.com/en/afghanistan/11241-illegal-mining-in-afghanistan-scales-a-new-high-1400-mines-extracted-illegally> and Afghanistan Ministry of Finance, "Annual Performance Review Report FY1392: On Strategic Plan," pg 12, [http://mof.gov.af/Content/files/MOF%20ANNUAL%20PERFORMANCE%20REPORT%20FY%201392%20RIMU%20FINAL\(1\).pdf](http://mof.gov.af/Content/files/MOF%20ANNUAL%20PERFORMANCE%20REPORT%20FY%201392%20RIMU%20FINAL(1).pdf).

³ Paivi Lujala (January 10, 2010), "The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources," *Journal of Peace Research* 47:15, James Fearon (May 2004), "Why Do Some Civil Wars Last So Much Longer than Others?" *The Journal of Conflict Resolution* 53:1, Paivi Lujala (February 2009) "Deadly Combat Over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict," *The Journal of Conflict Resolution* 53:1, Yu-Hsiang Lei and Guys Michaels (November 2011) "Do Giant Oilfield Discoveries Fuel Internal Armed Conflicts?" Centre for Economic Performance, London School of Economics, and World Bank (2011) *World Development Report 2011: Conflict, Security and Development* (Washington, DC: World Bank).