
Afghanistan looks to attract foreign mining companies

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Reuters reported Afghanistan is looking to attract foreign mining companies to invest in some of the country's promising mineral deposits, while also helping build infrastructure and create jobs.

Mr Wahidullah Shahrani minister of mines of Afghanistan said that "Our mission is to have discussions with mining officials of other countries, as well as to have discussions with global mining companies."

Mr Shahrani, speaking on the sidelines of the Prospectors and Developers Association mining convention in Toronto, said that "This forum gives us the opportunity to introduce some of our mineral deposits, which we are going to tender in the next 3 to 4 months."

He said in an interview with Reuters that Afghanistan currently relies largely on international aid to meet most of its budgetary needs, but the country is keen to capitalize on its vast reserves of mineral wealth. He added that the ministry of mines plans to seek tenders from companies interested in developing the Hajigak iron deposit within the next two to three months.

The deposit, with an estimated resource of well over 1 billion tonnes, is located in the mountainous Bamiyan province, about 130 kilometers west of Kabul. Nearby seams of coking coal would make it possible to set up an integrated iron and steel complex at the site. The project was opened up for tenders in early 2009, but it failed to attract interest due to the impact of the global economic slowdown, as well security related concerns.

Mr Shahrani said that the government is not focused exclusively on the revenue stream generated from these projects, but is also keen on companies developing infrastructure and creating jobs within the country. He added that the country also plans to seek tenders to develop its northern oil and natural gas assets within the next three to four months.

The PDAC convention, organized by the Prospectors and Developers Association of Canada, is the largest industry gathering of its kind, drawing more than 20,000 participants this year as global metals demand promises to hold steady and the world emerges from the economic downturn.

(Sourced from www.reuters.com)

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