

## Business

# Afghanistan's ancient Buddhist city threatened by Chinese copper mine

## Consortium exploiting one of the world's largest copper deposits

**MES AYNAK:** An ancient Buddhist city carved out of immense peaks near Kabul is in danger of disappearing forever, swallowed up by a Chinese consortium exploiting one of the world's largest copper deposits. Located at the confluence of Hellenistic and Indian cultures, Mes Aynak—believed to be between 1,000 and 2,000 years old—was once a vast city organized around the extraction and trade of copper.

Archaeologists have uncovered Buddhist monasteries, stupas, fortresses, administrative buildings and dwellings, while hundreds of statues, frescoes, ceramics, coins and manuscripts have also been unearthed. Despite looting at the beginning of the century, Mes Aynak is “one of the most beautiful archaeological sites” in the world, says Bastien Varoutsikos, an archaeologist for the French company Iconem, which is working to digitise the city and its heritage. But the need for the Taliban—who returned to power in August last year to find new revenue streams after international aid was frozen—has made mining the project a priority, and could put an end to further archaeological work.

### Mining consortium

Objects discovered date mainly from the 2nd to 9th century AD, but an earlier occupation is also believed likely, and pottery dating back to the Bronze Age—well before the birth of Buddhism—has also been found. Forgotten for centuries before being rediscovered by a French geologist in the early 1960s, Mes Aynak, in Logar province, has been compared to Pompeii and Machu Picchu in size and significance.

The ruins, which cover 1,000 hectares, are perched high on a massive peak whose brown flanks betray the presence of copper. But in 2007 the Chinese mining giant Metallurgical Group Corporation (MCC) headed a state-owned consortium—that later took the name MJAM—and signed a \$3 billion contract to mine ore over 30 years. Fifteen years later, the mine still does not exist—insecurity and disagreements between

Beijing and Kabul over financial terms of the contract have caused delays. The project is once again a priority for both parties, however, and talks are ongoing on how to proceed.

### Duty of preservation

Fears are rising that a place once considered one of the most prosperous trade hubs on the Silk Road could disappear without oversight. In the early 2010s, it was “one of the largest archaeological projects in the world”, Varoutsikos told AFP. MJAM originally suspended the start of operations for three years to allow archaeologists to focus on the area directly threatened by the mine.

That period was inadvertently lengthened as the security situation prevented the Chinese from building planned infrastructure. As a result, thousands of objects were unearthed—some were taken to the Kabul museum, others kept nearby. When it was last in power the Taliban shocked the world by dynamiting the giant Buddhas of Bamiyan in March 2001, but today they say they are determined to preserve the findings of Mes Aynak.

“It is the duty of the Ministry of Information and Culture to protect them,” Esmatullah Burhan, the spokesman for the Ministry of Mines and Petroleum, told AFP. But while the rhetoric seems sincere, many of the remains are simply too bulky or fragile to be moved and seem destined to disappear. The Chinese favor open-pit rather than underground mining. If this goes ahead, it would open up the copper mountain and bury all the fragments of the past.

### Environmental consequences

Afghanistan is sitting on huge mineral resources of copper, iron, bauxite, lithium and rare earths estimated to be worth more than a trillion dollars. The Taliban hope to earn more than \$300 million a year from Mes Aynak—about 60 percent of the full state budget for 2022—and now want to speed up the process. “This



**MES AYNAK:** Photo shows an archaeological site in Mes Aynak, in the eastern province of Logar. An ancient Buddhist city carved out of immense peaks near Kabul is in danger of disappearing forever, swallowed up by a Chinese consortium exploiting one of the world's largest copper deposits. —AFP

project must begin, it must not be delayed any longer,” they have repeatedly told MJAM in recent weeks, according to Burhan. The discussions are about “80 percent finished”, says the spokesman, with only technical points remaining to be settled, which should be done soon.

The Taliban are demanding that the contract—which includes the construction of a power station to supply the mine and Kabul, and a railroad to Pakistan—be respected. They also insist that the copper be processed locally with an Afghan workforce. China, whose economy is in dire need of copper, is reluctant to meet these demands. MJAM, which did not respond to AFP, also con-

tinues to demand a reduction in royalties due. The project is also coupled with concerns about its environmental consequences. Copper mining is polluting and requires large quantities of water, and Logar is already an arid region.

According to Burhan, the Taliban are paying “strict attention” to these issues and will ensure that the consortium meets its obligations in this regard. For now, the delay is some salvation for archaeologists. While there is currently no work going on at the site, Varoutsikos hopes to restart the excavation before the start of mining operations. But even that will depend on international collaboration and funding, he notes. —AFP

## IEA: Clean energy spending rises, but still not enough

**PARIS:** Investment in clean energy will hit a record this year but fall short of what is needed to tackle the climate crisis, with coal spending rising, the International Energy Agency said Wednesday. Global energy investment will rise by eight percent to \$2.4 trillion in 2022, mainly thanks to renewables, although soaring inflation and Russia's invasion of Ukraine are weighing on costs, the IEA said in an annual report. Investment in all sectors will increase but the fastest growth will come from electricity, mainly in renewables and grids, and energy efficiency.

Clean energy investment is “finally” starting to pick up and is expected to reach \$1.4 trillion this year, accounting for almost three-quarters of the growth in overall spending in energy, the IEA said. Since 2020, investment in clean energy has grown at an annual rate of 12 percent, “well short of what is required to hit international climate goals, but nonetheless an important step in the right direction,” according to the report.

This compares to an annual growth rate of just over two percent in the five years that followed the 2015 Paris climate pact. Inflation has soared worldwide as Russia's invasion of Ukraine has pushed energy prices higher. The IEA said almost half of the additional \$200 billion in capital investment in energy in 2022 “is likely to be eaten up by higher costs, rather than bringing additional energy supply capacity or savings.” —AFP

## Kenya's Ruto vows to deport Chinese traders if elected

**NAIROBI:** Kenya's Deputy President William Ruto has said he would deport Chinese nationals in jobs that could be done by locals if he wins elections in August, sparking a mixed reaction online. East Africa's biggest economy will hold presidential and parliamentary polls on August 9, against a backdrop of economic hardship in the wake of the COVID pandemic and the war in Ukraine. “That Chinese nationals are roasting maize and selling mobile phones, we will deport all of them back to their country,” Ruto said at an economic forum on Tuesday as campaigning gears up for the high-stakes vote. “All those businesses are for Kenyans,” he said.

“Do not be worried about the foreigners engaged in those businesses. We have enough aeroplanes to deport them.” The 55-year-old former agriculture minister is seeking to succeed President Uhuru Kenyatta who must stand down after serving the maximum of two five-year terms. “There is a level of business that is not allowed by law for someone to come from China to do,” Ruto said, without elaborating. The Chinese embassy in Nairobi has not responded to a request for comment.

China is Kenya's second-largest lender after the World Bank and has funded a number of costly infrastructure projects that have raised concerns about Nairobi taking on more debt than it can afford. Like other African nations, Kenya has been turning to China for investment, technology, equipment and personnel to develop its infrastructure. But the plane loads of workers from China into Africa's fragile labor markets have created unease, with some



**MAUA, Kenya:** A van driving through a rural town transporting khat meant to Nairobi, fresh from the farm in Meru county. —AFP

complaining that they are taking jobs from locals.

### Debt mountain

The remarks drew a mixed reaction online. “We owe China trillions, by doing that, we will strain our relationship with the country and they will also seek a knee jerk reaction for loan repayment,” one user said on Twitter. Others agreed with Ruto's proposals. “Good move, nothing of the sort happens in other countries. Local jobs cannot be taken over by foreigners,” another user tweeted.

Beijing funded Kenya's most expensive infrastructure project since independence, loaning \$5 billion for the construction of a railway line from the port city of Mombasa to Nairobi and the Rift Valley town of Naivasha that opened in 2017. It has rejected sugges-

tions its extensive lending was trapping cash-strapped governments in debt dependency. Ruto—a former street hawk turned top-ranking politician—has been campaigning on a pledge to help “hustlers” trying to make ends meet in a country ruled by “dynasties”.

He has lambasted Kenyatta over his economic policies, including the country's huge debt burden of almost \$70 billion, vowing to undo them if he wins power in August. Kenya's unemployment rate stood at 6.2 percent in 2021, according to the latest government data released in May, although the true figure is believed to be much higher. The finance minister in April unveiled a \$28 billion budget aimed at helping the economy recover after the COVID-19 pandemic threw hundreds of thousands of people out of work. —AFP

## What's next after WTO breaks the logjam?

**GENEVA:** The World Trade Organization may feel this week like it has risen from its slumber after striking breakthrough agreements, but the global trade body remains far from firing on all cylinders. “We succeeded, and we are determined to continue,” WTO chief Ngozi Okonjo-Iweala boasted as she wrapped up the first ministerial conference under her leadership, having taken over the reins with gusto in March last year.

The talks at the WTO's Geneva headquarters were meant to conclude after four days on Wednesday last week, but went round the clock into early Friday as the former Nigerian finance and foreign minister pushed on for results. Despite feeling “exhausted” after two sleepless nights, she talked up the WTO's role in addressing major global challenges. “When I started this job, the expectations of the WTO were not very high,” she said, with the organization often branded as dysfunctional, sclerotic and unable to

reach big decisions. But now, “we've shown that the WTO can produce outcomes”. The conference concluded with deals on curbing harmful fishing subsidies, bolstering food insecurity and temporarily waiving patents on Covid-19 vaccines. Reaching these agreements at the WTO—where consensus is needed among all 164 members—has revived the organization, which had failed to strike any significant deals for nearly a decade.

### Reform

Time will tell whether it was beginner's luck for Okonjo-Iweala, or—more likely—sheer determination and an effective negotiation strategy. Australia's WTO ambassador George Mina called the results a “welcome boost” for the WTO, while France's Foreign Trade Minister Franck Riester said there was “lots left to do”. Pascal Lamy, who ran the WTO from 2005 to 2013, told AFP that the conference was neither historic nor mediocre, but praised the fisheries deal as a “real breakthrough” after 21 years of talks, for taking the WTO into combating environmental issues.

He praised the efforts of Colombia's WTO ambassador Santiago Wills, who steered the fisheries talks, saying he had “really done remarkable diplomatic work”.



**GENEVA:** World Trade Organization Director-General Ngozi Okonjo-Iweala (right) is congratulated by Indian Minister of Commerce Piyush Goyal after a closing session of a World Trade Organization Ministerial Conference at the WTO headquarters in Geneva. —AFP

EU trade commissioner Valdis Dombrovskis said that despite fruitful outcomes, the divergences between members “confirm that a deep reform of the organization is urgently needed”.

Members agreed to a rough outline on how to proceed, envisioning “reforms to improve all its functions”. But “ideas vary a

lot on the priorities and the directions to follow”, said Sebastien Jean, professor of industrial economics at the French National Conservatory of Arts and Crafts university. Maria Pagan, the US WTO ambassador, said: “Everybody says we want to reform; everybody has a different conception of reform.” —AFP

## IKEA, KIB sign strategic partnership agreement

**KUWAIT:** IKEA Kuwait and KIB (Kuwait International Bank) signed a strategic partnership agreement to provide financing solutions to their customers. The strategic agreement was announced on June 13th, 2022 in the latest IKEA shop located in The Assima Mall by Adil Kejjouj, Finance Director of IKEA, Elisa Albendea, Marketing and Communication Director of IKEA and the General Manager of KIB Retail Banking, Othman Tawfeeq.

Year after year, IKEA continues to be by your side to create a better life at home. Through this strategic partnership, IKEA and KIB aim to help customers to create their dream home. They can use flexible monthly payments to change from one room to their whole home, with easy and small payments, free of interest and accessible for everyone.

“Our partnership with KIB will contribute to reach more people with great home furnishing solutions that are affordable. Our customers will have more flexible ways to pay for their IKEA solutions at no extra cost, always enjoying an easy and exciting shopping experience whether they decide to meet us in store or online,” said Kejjouj. On her part, Albendea, said: “We are so excited to start this collaboration with KIB. Our vision is to create a better life for everyone in Kuwait and with this new service we are contributing to the dream of many people to have a beautiful, comfortable, and safe home for them and their families. A home that they can be proud of.”