

# A RIVER RUNS THROUGH IT: ECONOMIC OPPORTUNITIES ALONG THE AFGHAN-TAJIK BORDER



Connected by the ancient Silk Road, the remote border region between Afghanistan (Badakhshan) and Tajikistan (GBAO) was once a place of prosperous exchange. Today the communities living on “the roof of the world” face a number of challenges common across the border: security concerns, poverty and lack of employment opportunities.

This document provides highlights from research conducted by Samuel Hall for IOM Tajikistan with the aim of identifying interventions which might improve the communities’ ability to jointly resolve common problems. Field research took place in the towns of Khorog and Ishkoshim in Tajikistan and Shegnan and Ishkashim in Afghanistan.

## Surveyed populations’ characteristics

Surveyed households in Afghanistan are larger than those in Tajikistan, with nine household members on the Afghan side and six on the Tajik side on average. The earner ratio is higher in Tajikistan. In spite of a high level of education, high unemployment rates can be found on both sides of the river. Six adults out of ten have a source of income in Khorog, compared to four in Tajik Ishkoshim and three in the two Afghan locations.

## Sources of income

A large percentage of interviewed households rely on the education sector as a source of income. Health-related work is particularly important in Khorog, while agriculture and livestock play an exceptionally important role in Shegnan. Construction is significantly more important in the Tajik towns than the

Afghan ones. Finally, trade contributes to the income of one household in five in Khorog, Shegnan and Afghan Ishkashim.

## The cross-border markets

To facilitate cross-border trade, cross-border markets (CBMs) were set up around four bridges spanning the Panj river and connecting the two countries. On these markets, Afghans and Tajiks can sell and buy goods duty-free without the need for a visa. Traded items include agricultural produce, but also many non-food items imported from China, Iran and Pakistan. Between 60% and 80% of respondents in all four locations stated that they regularly frequented the CBMs.

## Benefits for the local populations

Cross-border trade generates income for local traders and is a driver of ancillary employment. The local population gains access to cheaper goods - Our market survey revealed that milk, for instance, was on average 25% cheaper on the CBMs than on Tajik local markets. The markets improve cross-border relations by allowing the inhabitants of both sides to interact. Benefits are particularly important for vulnerable groups such as returned migrants and women.

## Challenges of cross-border trade

The main problem for cross-border trade in the region is security. The markets are shut down frequently for security reasons. Other challenges include the limited number of market days, the conscribed opening hours and restricted movement across the border for Afghan market participants.

## Potential for advocacy

Markets should not be subject to unannounced closures but held more often, reliably and at fixed hours. Physical improvements of the hygienic and environmental conditions should be continued. Neighbourly relations should be improved by addressing points of conflict such as the perceived discrimination against Afghan traders. Linkages between traders on both sides should be encouraged and facilitated to identify areas where supply does not currently meet demand.

## Working across the border

Since access to services such as health and education is relatively better on the Tajik side, Tajik doctors, engineers and NGO workers frequently work in Afghanistan. 15% of Tajik respondents stated that they knew someone who worked across the border. Afghan traders regularly cross the border into Tajikistan, but formal employment of Afghan professionals in Khorog and Ishkoshim is rare, limited both by strict visa regulations for Afghans and a very real lack of job opportunities on both sides.

## Demand for further cross-border labour exchange

There is a continued demand for the contributions of Tajik experts on the Badakhshan side. But currently those possessing vocational skills are not inclined to work across the border for reasons relating to both security and lack of long-term job security. Less than 20% of respondents in Khorog and 10% of respondents in Tajik Ishkoshim state that they could imagine working in Afghanistan.

Demand for Afghan labour in Tajikistan appears limited to niches such as car repair.

Although over 40% of respondents in Sheghan and 80% of those in Afghan Ishkashim would be willing to work in Tajikistan, these opportunities are hampered by administrative restrictions and general circumspection on the part of the Tajik community.

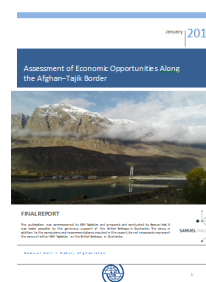
## Potential livelihoods initiatives

A number of value chains offer potential for short-term scalable interventions which could mutually benefit populations on both sides of the border. These include the processing of livestock and related products, fruit processing, beekeeping and handicrafts. Populations on both sides of the border should be encouraged to share processing facilities.

## Long-term ambitions

The populations on both sides of the border are very well educated. Striving only to provide the target demographic with survival jobs would amount to a missed opportunity. In the medium term, the most promising way forward is a learning agenda around agribusiness. The agribusiness value chain should be developed vertically, and planning should into account the future regional evolution in terms of transportation and infrastructure development.

The value chain should take on a cross-border component through the definition of a “special agricultural zone” where cooperatives could specialize, collaborate and produce output which meets regional and international standards.



**For the summary and full-length report, visit our website: [samuelhall.org](http://samuelhall.org)**

The views expressed in this document do not necessarily reflect the views of IOM Tajikistan.