In the Name of God, the Most Merciful, the Most Kind

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Wolesi Jirga Fraudulent Vote: The Consequences for Presidential Elections

Afghan election authorities announced preliminary results on Monday for the delayed parliamentary vote for Kabul after the ballot was called for a recount following fraud complaints.

The announcement ended months of political uncertainty over the ballot which was marred by chaotic organization, allegations of massive fraud and attacks by insurgents that caused the vote to continue for a second day.

Most Afghans, including the political parties and civil society organizations have termed the 2018 elections as the most corrupt one in the country since 2001.

As political parties and civil society organizations had urged the government to reform the electoral system in order to prevent the mass fraud in the country, the Wolesi Jirga elections turned to the worst elections since 2001, highlighting a serious problem in the Afghan electoral system and a critical challenge for 2019 presidential elections. As a result, many national and international experts believe that the nation does face a grave election integrity problem. Although, it goes way back in time and has been worsening in recent years as techniques for manufacturing votes have been sharpened.

Although, ballot fraud is illegal in the country, but the steps taken in this regard have not been able to prevent it because a) it's almost impossible to kick out an illegal vote once it has been cast and b) vote fraud is extremely hard to detect and prosecute.

Many Afghans believe that the delay has been made more to provide the context for interference and engineering Wolsi Jirga elections, rather than ensuring electoral transparency and integrity.
Afghan political parties have warned of the consequences of negative presidential electoral fraud and have blasted the election commission over lack of plans for managing electoral affairs. They have insisted that the upcoming presidential elections should not have the same fate as the October 20 and 21 parliamentary elections and 2014 presidential elections.

It is crystal cut that the people of Afghanistan are concerned with this commission and they are wondering as to how presidential election will be conducted and whether people can accept the results. They believe that week presidential elections will increase people's distrust to the electoral institutions and will cause electoral violence in the country. They also argue that the election commission does not have the capacity to hold the presidential elections, district council elections, Ghazni parliamentary elections and the provincial council elections together in July.

The political mainstream believe that the presidential elections will be full of problems unless reforms are brought in the electoral commissions and electoral systems and that such challenges will take the country into crisis.

As the international community has played a significant role in promoting standards and best practices in election administration. And these experiences have established benchmarks for performance that can guide the government to make required programming and implementing initiatives to ensure a fair, transparent and accountable election in the country. As a result,
The early stages of Afghanistan technical electoral reform shall focus on legal, procedural, educational issues in order to establish some viable electoral infrastructure and build institutional capacity. Poor election administration, chaotic Election Day experiences, and the resulting loss of public confidence are the immediate threats to the process that shall be given due attention.

Supporting Business Firms Vital for Afghanistan

By: Dilawar Sherzai

The environment for business activities in Afghanistan after the Taliban were expelled in 2001 is not that feasible as it should have been - with insecurity remaining the biggest hurdle. According to Afghanistan Investment Support Agency AISA, doing business in Afghanistan can be very rewarding. Even smaller investments may generate high profits in a short period of time. And yet, at least for the time being Afghanistan remains a challenging environment even to the most experienced professionals.
Currently there is no significant foreign investment in Afghanistan that could have immediate impacts on its economic wellbeing. This has caused high rates of unemployment in the country - around 50 per cent in Kabul and above that in the rest of the provinces. Although some external firms have invested in different sectors and are doing well, there is demand for more. The reasons for inadequate external and internal investment are widely believed to be the long-term insecurity here. Both the national and international forces are putting tireless efforts to curb the regimes that are trying to increase instability in Afghanistan. But more than nine years efforts have borne no sweet fruit and Afghanistan is still a burden on the shoulders of international community. We cannot hope for swift economical prosperity if the situation consistently remains so.
One prominent factor supporting the economy of Afghanistan is conceived to be the injection of international funds in Afghanistan. The international aids have helped government enhance its functions across Afghanistan. However at the same time Afghanistan has been ranked second in corruption after Somalia - this is highly hampering our economy to grow.
Little employment opportunities have led Afghanistan to move to neighboring and foreign countries. Majority of the Afghan population live below the poverty line. Their lives are subjected to numerous economical hurdles that do not permit them to pay attention elsewhere except earning livelihood. Here the necessity for immediate measures from the government side is felt. But instability in the Afghan politics hardly let the leaders ponder about effective economic boosters. In order to achieve economic independence, the Afghan government and its international partners need to make Afghanistan a feasible and attractive place for foreign and domestic investors. Peace in Afghanistan will make it a real land of opportunities. There is need to lay down a strong economical foundation in a secure environment and this will bring gradual economic betterment in the lives of masses. For instance the province of Bamyan is an attracting site for tourism. Investment in such business can generate notable revenues to the government and the investing firm and will improve the living conditions of residents of the province. But the government is not doing enough and consequently it has to remain dependent on foreign aids for long terms.
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Disrupting Multilateral Climate Finance

By: Håvard Halland and Justin Yifu Lin

A recent report by the United Nations Intergovernmental Panel on Climate Change warns that to avoid the direst consequences of global warming, societies must make social and economic changes on a scale with "no documented historic precedent." As we have noted previously, only institutional investors – like pension funds, sovereign wealth funds, and insurance companies – hold enough financial firepower to address climate change.
However, to minimize risk, institutional investors generally prefer to allocate their capital to operational infrastructure that is already generating stable revenue, rather than to new projects. For the same reason, their investments are focused in advanced economies, which in recent decades have received more than 70% of private-sector investment in infrastructure. Climate change requires institutional investors to move beyond these boundaries. But they need help to mitigate the associated risks, which is why we believe the world needs a new global climate finance facility (GCFF), exclusively targeted at mobilizing institutional investor capital, and designed to address the shortcomings of current multilateral initiatives.
Aside from several promising enterprises, governments and multilateral finance institutions are struggling to mobilize private capital at a scale relevant to climate change. Crucially, institutional investors have been largely absent from such initiatives, for several reasons. First, MFIs and institutional investors have different priorities. The activities of MFIs are based on member countries' policy goals and client countries' needs, and do not always reflect investor demand. By contrast, institutional investors, as commercial actors beholden to pensioners and other stakeholders, will not invest in projects that are deemed too risky or unlikely to yield adequate financial returns. To attract their interest, MFIs' terms must be competitive with those offered by the private asset-management companies used by institutional investors. Moreover, many institutional investors are unfamiliar with infrastructure investment in general, let alone in emerging markets. Consequently, MFIs must also build capacity to address these investors' concerns about engaging in unfamiliar sectors and regions.
Second, there is a disconnect between promoting private investment in low-income and fragile countries, and mobilizing private capital for climate action in middle-income countries, where carbon emissions are far higher. Whereas green investments in the first group of countries may appeal mainly to a small set of specialized private investors and "impact investors," larger sums of private capital, including from institutional investors, could be mobilized in the second group. At the moment, however, MFIs' policies do not distinguish sufficiently between these two contexts, which require entirely different strategies, resources, and institutional structures.
Third, MFIs need to raise their presence on institutional investors' collaborative platforms, take on more risk, strengthen partnerships with local strategic investment funds, and adjust their governance structures to conform with the corporate governance principles to which private investors are accustomed. According to a recent G20 report, MFIs should also strengthen their capacity to mobilize equity investment.
Finally, with few exceptions, existing multilateral initiatives – such as the Green Climate Fund and the Clean Technology Fund – mobilize private capital at the project level, rather than at the portfolio level. But, because most institutional investors manage large amounts of capital with small investment teams, they typically do not have the capacity to invest directly in individual projects; they need a vehicle or fund to channel their investments.
In light of these challenges, investor control is the key to mobilizing private capital for green infrastructure. Private investors are extremely hesitant to relinquish control to public entities, owing to fears that public bodies can be swayed by political influence and may not invest on commercial terms. To assuage these concerns, MFIs must emphasize the independence of the investment allocation process. One interesting model is India's National Investment and Infrastructure Fund (NIIF), a $6 billion government-sponsored investment fund that has been highly successful at mobilizing institutional investors' capital.
The Indian government holds a fixed 49% minority share in the NIIF itself, and in the company that manages it, with private and institutional investors controlling the majority stake. The NIIF operates like a standard commercial investment fund, and the government has only two representatives on the six-member board. The fund's investment committee, which makes all investment decisions, is made up entirely of investment professionals, who (like the NIIF's staff) are recruited mainly from the private sector. These curbs on public-sector control are designed to free the NIIF from possible political influence, thereby reassuring investors that the fund operates on fully commercial terms within its policy-defined mandate.
According to a recent paper by researchers at Stanford University and Maastricht University, to mobilize institutional investor capital for financing the fight against climate change, MFIs must start functioning in a similar way. But large institutions change slowly, and the urgency of climate action requires disruptive changes, rather than incremental reforms. That is why a new GCFF, targeted at mobilizing capital from institutional investors and modeled on the NIIF structure, may be an important part of the answer.
To be sure, while MFIs would be minority investors in the proposed GCFF, they would still play a key role in helping private investors assess risks in new contexts. MFIs would also need to share these risks and supply technical support based on their expertise across a broad range of sectors and regions. Critically, to reassure MFIs that their AAA credit rating and preferred-creditor status would not be threatened, the GCFF's budget would need to be "ring-fenced" from other financing initiatives. But these challenges can be managed.
In general, MFIs inhabit a different world from the institutional investors whose capital they seek to mobilize. To attract enough private capital to advance climate-change solutions, MFIs must start to treat large institutional investors as their partners and clients. A new GCFF, with the right resources and high-level support, would help drive the required change.
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