

DRAFT

**Proposed Action Plan to
Scale-Up Private Sector to
Offset Foreign Military
Scale-Down**

Strategically Investing Donor Funding to Unlock Billions
in Private Sector & Bank Financing

By Paul Stevers, Co-Founder, CEGHS

Personal Experience in Afghanistan

7 Years ago

- Dilapidated hospital in Afghan refugee camp
- Weak education
- Limited connectivity

Today

- Modern teaching hospital in Kabul
- Rapid increase in young tech-savvy & educated Afghans
- Substantial increase in connectivity

Near Term Situation

- Between now and 2014, upwards of 150,000 foreign troops and 30,000 contractors will start leaving Afghanistan.
- In the past year, the USAID budget cut in half
- Bubble economy will dry up
 - economic downturn expected.

... Cont'd

Near Term Situation (Cont'd)

- Urgent need to scale-up economic activity as foreign troops presence is scaled-down
- Equally urgent need to increase private sector and bank financing as donor aid declines
- Need to change economic model:
from contract economy to market economy

Fortunately...

technology trends,

new infrastructure and

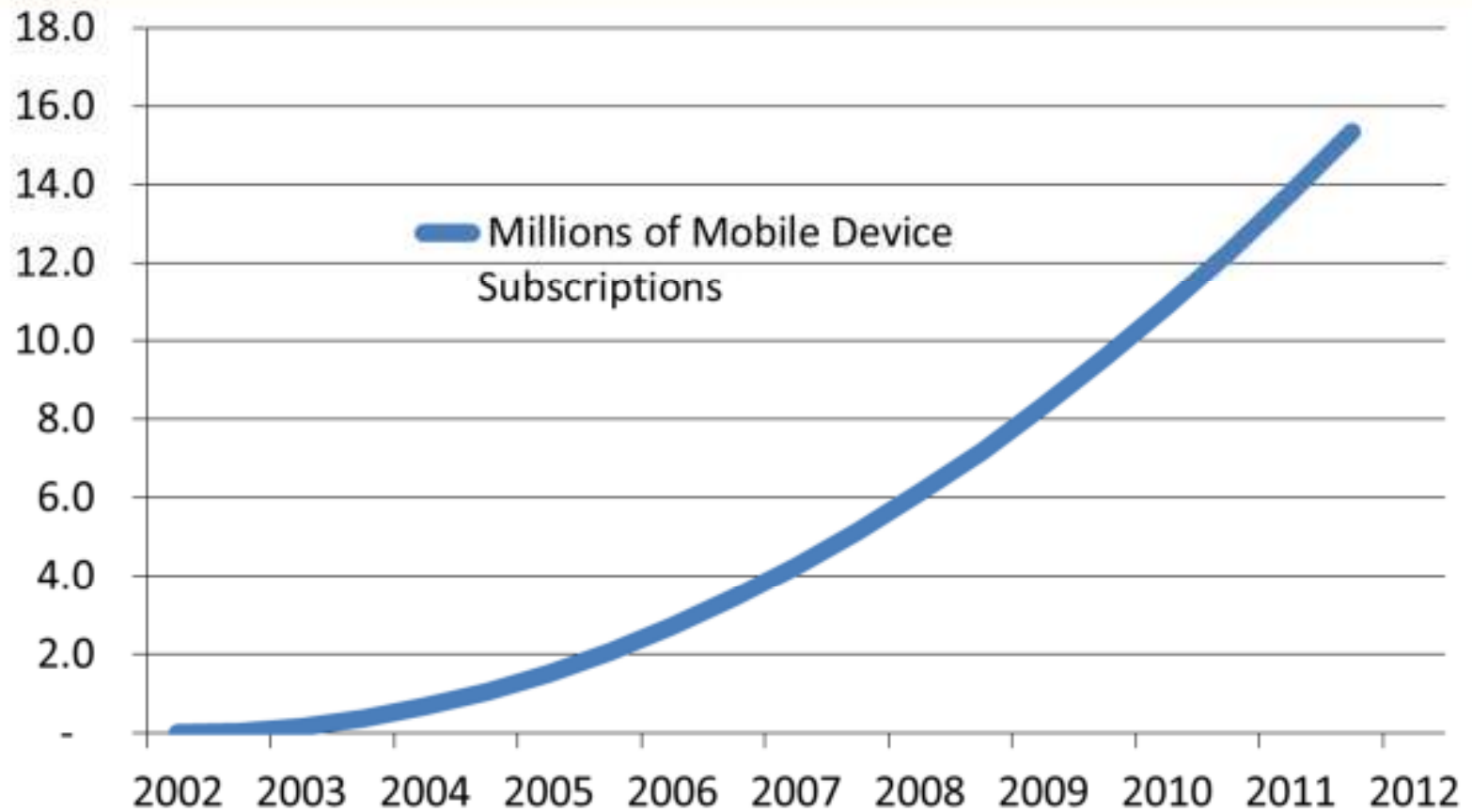
Afghan natural resources are ...

providing us with an opportunity to do so

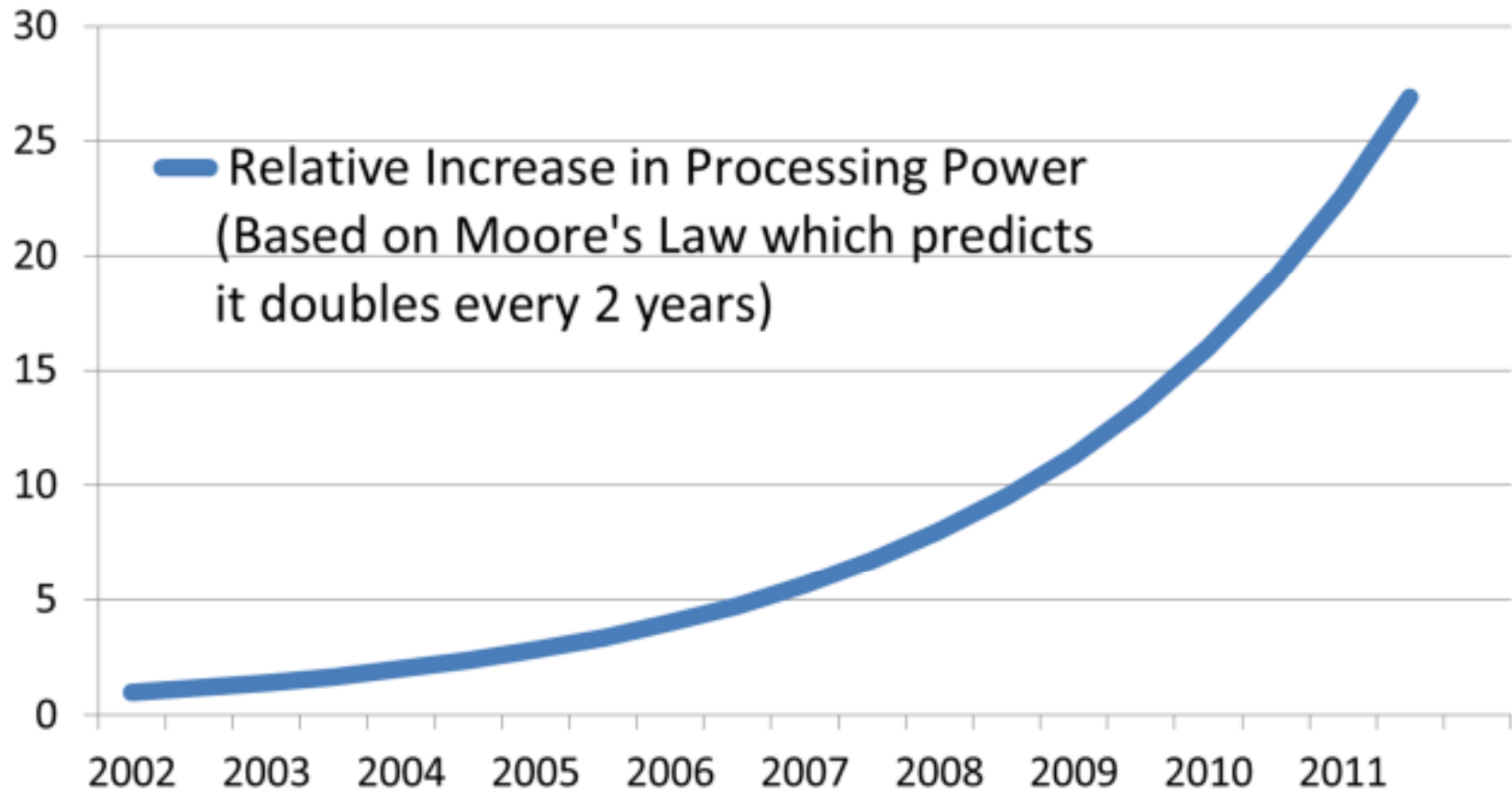
Major Trends in Information & Connection Technologies

**Creating Unprecedented
Opportunity for Afghanistan**

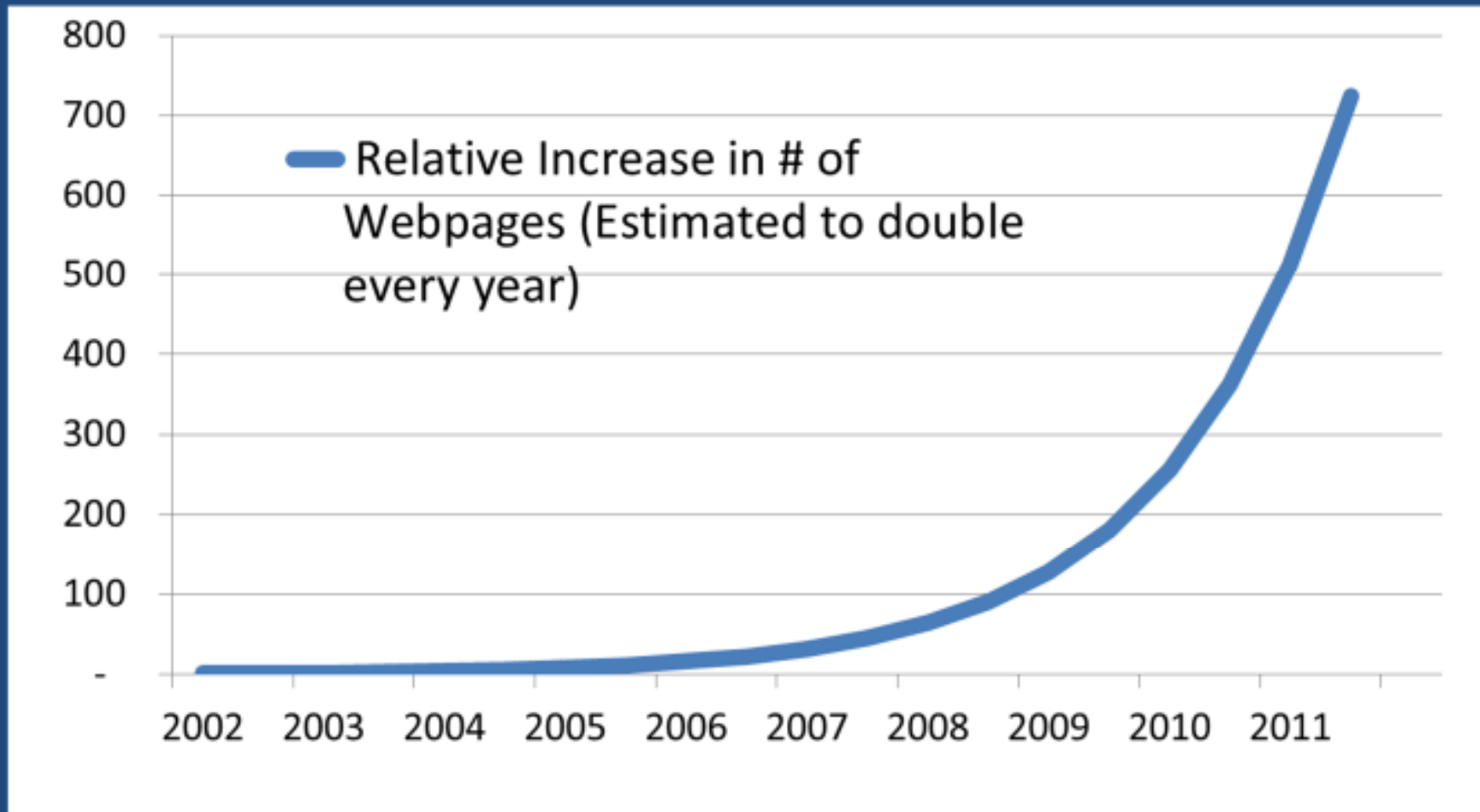
Mobile Device Subscription Growth in AF



Mobile Device Processing Power

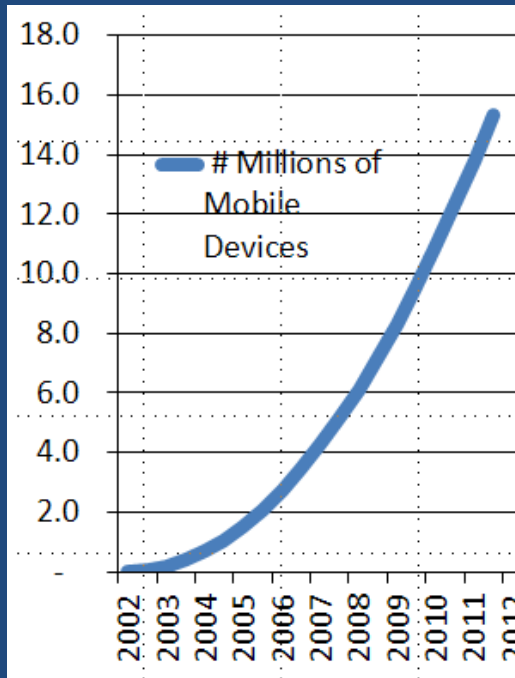


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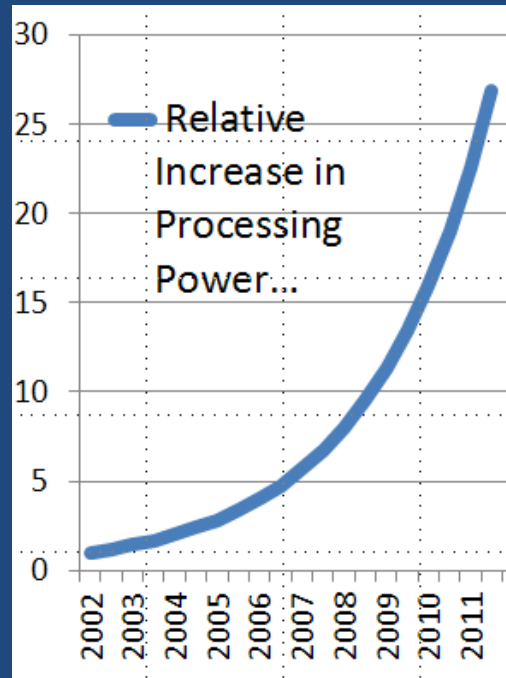
**The Trends in
Information Technology
Appear to be
Compounding Each
Other's Effect**

The “Compounding” Effect



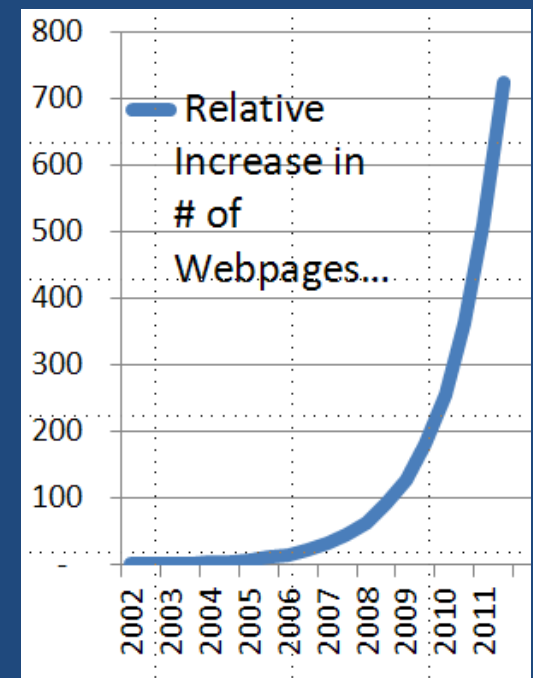
Mobile Device
Subscription
Growth in AF

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Mobile Device
Processing Power

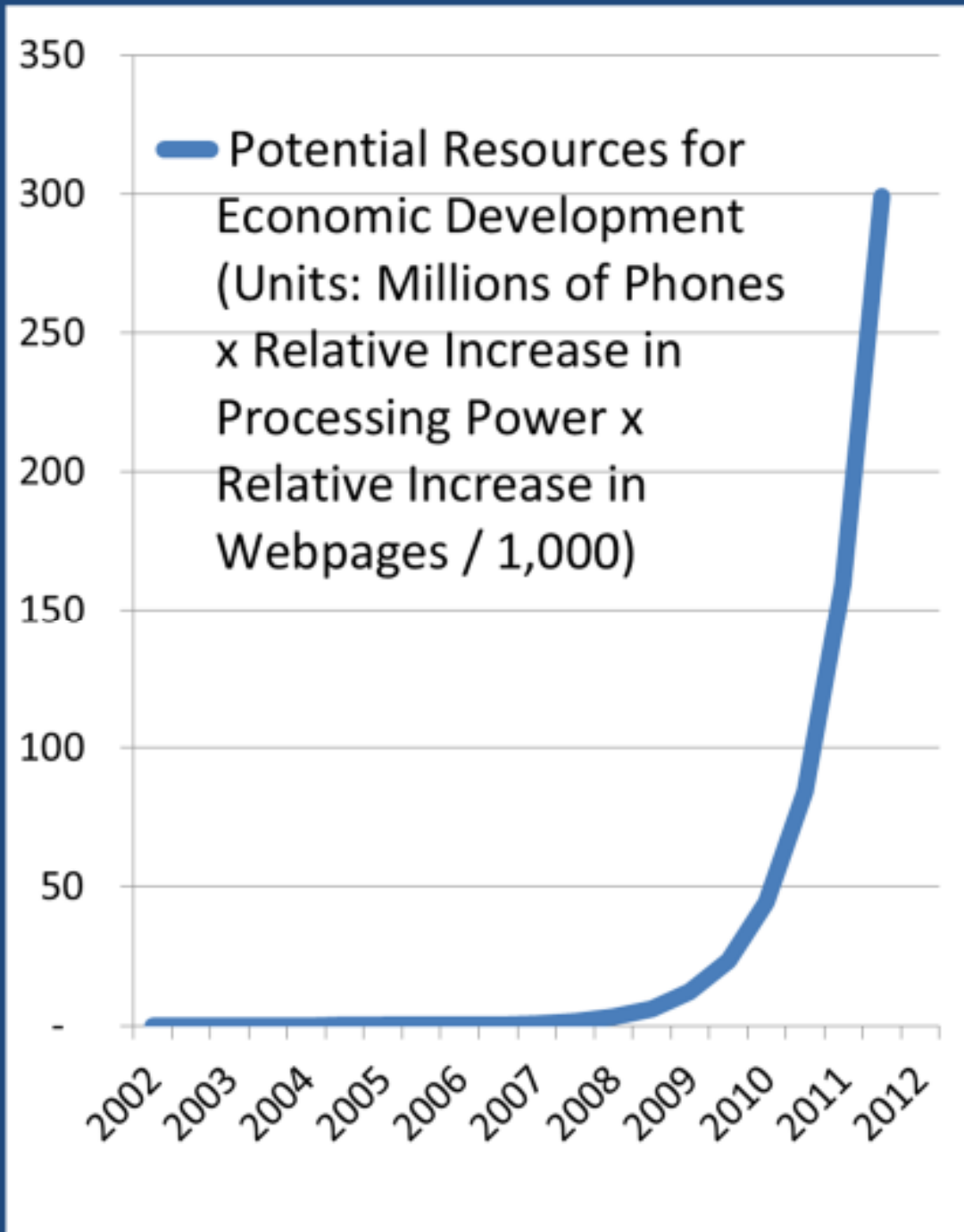
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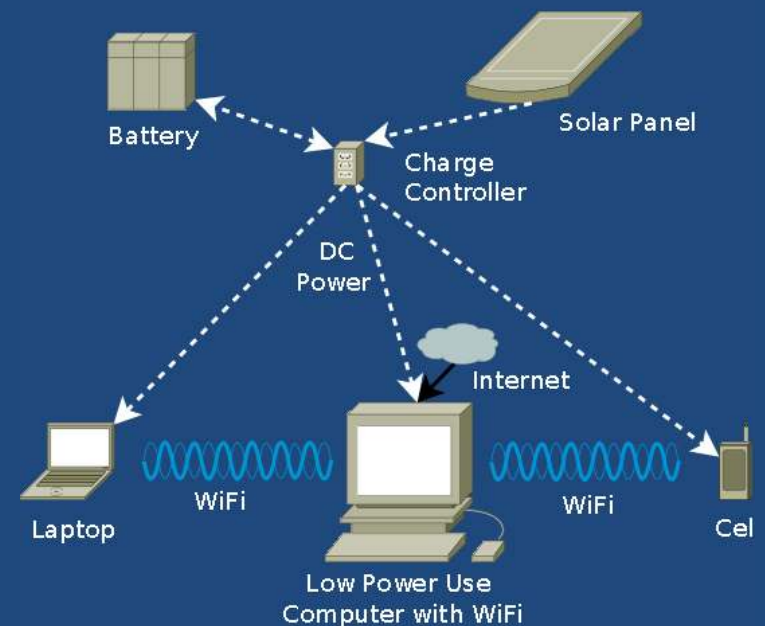
Results of the Compounded Effect:

*Curve = Potential
Resources for
Economic
Development*



Additional Trends in Technology

- Dramatically decreasing cost of end user connectivity
 - Low power use devices
 - Declining cost of solar power



- Significant increase in availability of mobile and online banking services

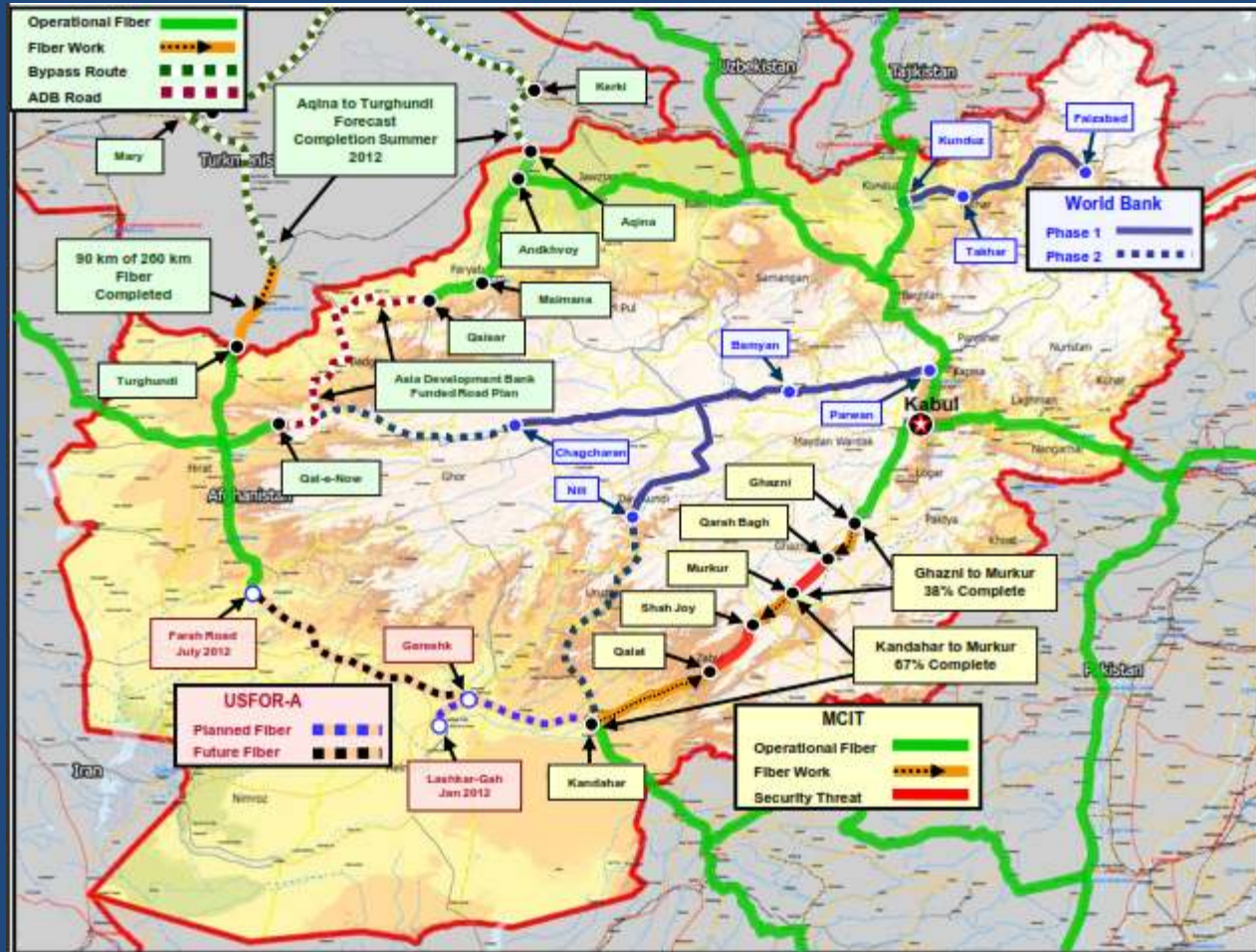
New Infrastructure:

Billions spent over the last
several years in infrastructure
including . . .

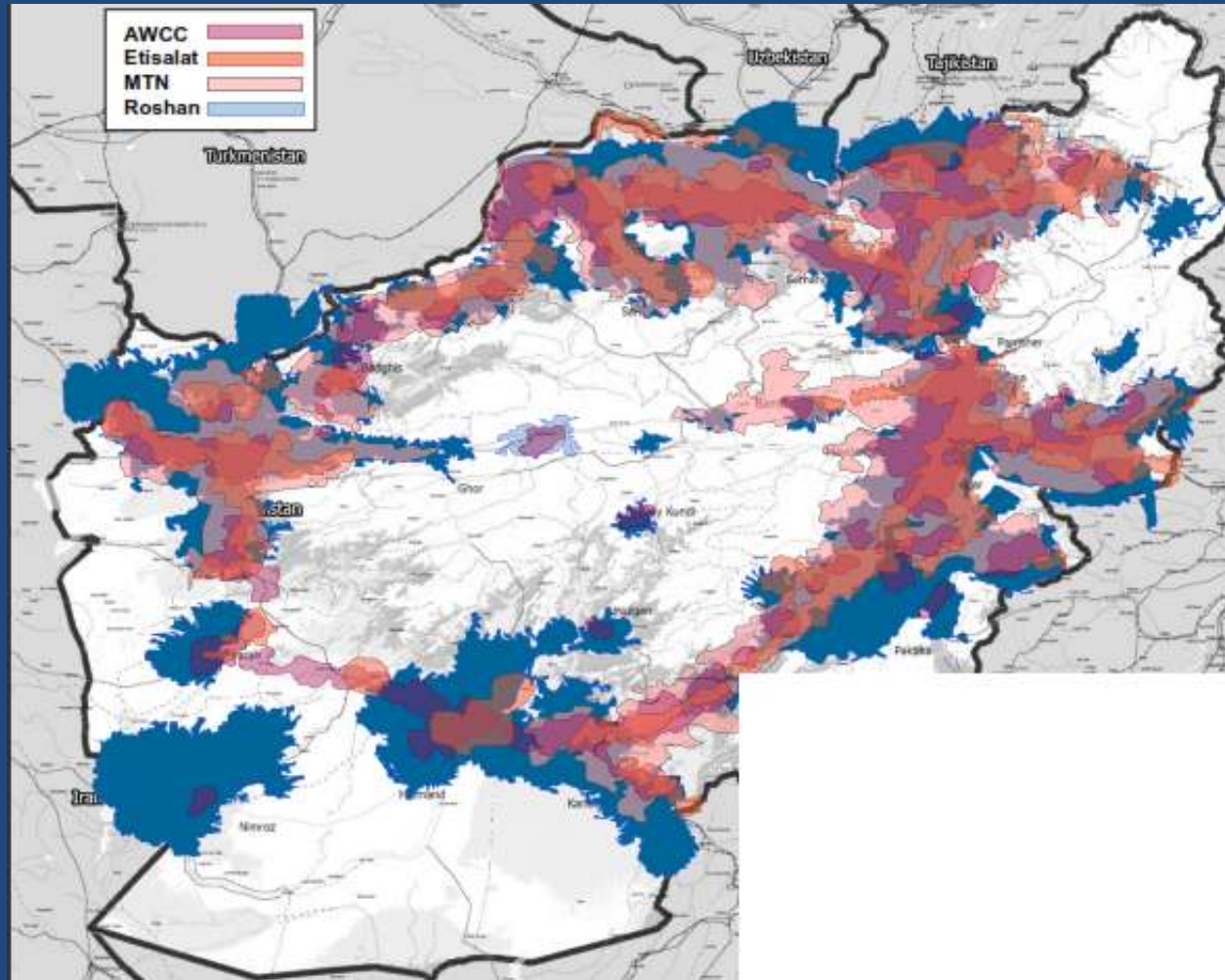
Ring Road Nearing Completion



Fiber Optic Ring Nearing Completion



Wireless Services Have Grown Rapidly and Continue to Expand



The Last Frontier – Natural Resources in Afghanistan

- Over \$1 Trillion in Natural Resources
- Demand rising for these resources in large nearby markets
- Extracting these resources can be very profitable

Combination of:
technology trends, new
infrastructure and available
natural resources is creating
a huge opportunity for
private sector

How can we mobilize the
private sector to seize
this opportunity?

A choreographed
international campaign
to
generate investor interest
&
facilitate investments

Campaign Plan

- Engage with key stakeholders
- Retain media company to develop & run campaign
- Prepare overall campaign plan
- Scale-up existing business enabling services

Campaign Plan (cont'd)

- Engage with selected high profile investors
- Announce a major investment(s) & launch campaign
- Sustain media campaign
- Sustain investor interest by improving business climate

Campaign Info Prep.

- Develop a highly graphic interactive online resource
- Prepare business plans for the top 5 to 10 projects
- Build a database of hundreds of smaller opportunities

Develop highly graphic interactive online information resource for investors

- Develop an interactive scalable map with many layers:'

For each year from 2011 through to 2014, a layer showing:

- Roads, Railways & Pipelines
- Fiber optic lines and wireless voice & data services
- Airports and existing facilities
- Identified business opportunities
- Skilled labor avail. for re-hire as military draws down

Campaign Pre-Launch & Launch

- Overall campaign plan presented to AF Govt & Stakeholders
- Campaign plan is finalized & approved
- Once ready, announce major new investments in media
- Release press releases, ads and interviews in media

Sustain Campaign

- Announce new investment deals to the media as completed
- Place interviews & positive stories in media
- Place appropriate online, print & TV ads
- Catalyze content generation in social media

Improve the Business Enabling Environment

- Increase support for OPIC & USAID's DCA (Dev. Credit Authority)
- Increase support for business networking initiatives
- Increase budgets of TFBSO, USTR, AIRTF, AISA, etc.
- Increase support for programs to increase transparency

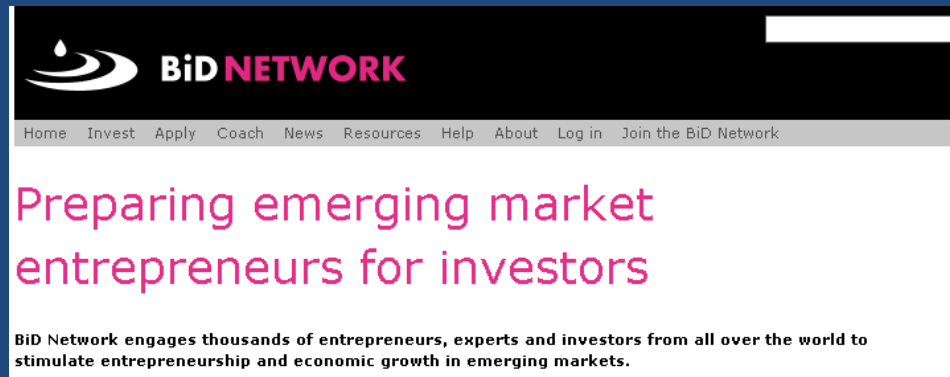
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Improve the Business Enabling Environment

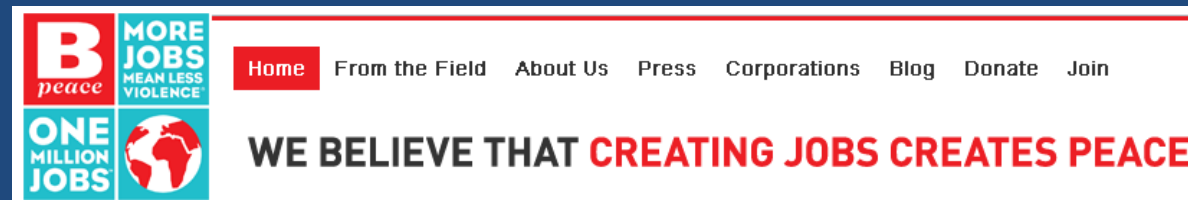
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- Scale-up proven entrepreneur support initiatives:

- BiD Network



- Bpeace



- and Peace Dividend Trust



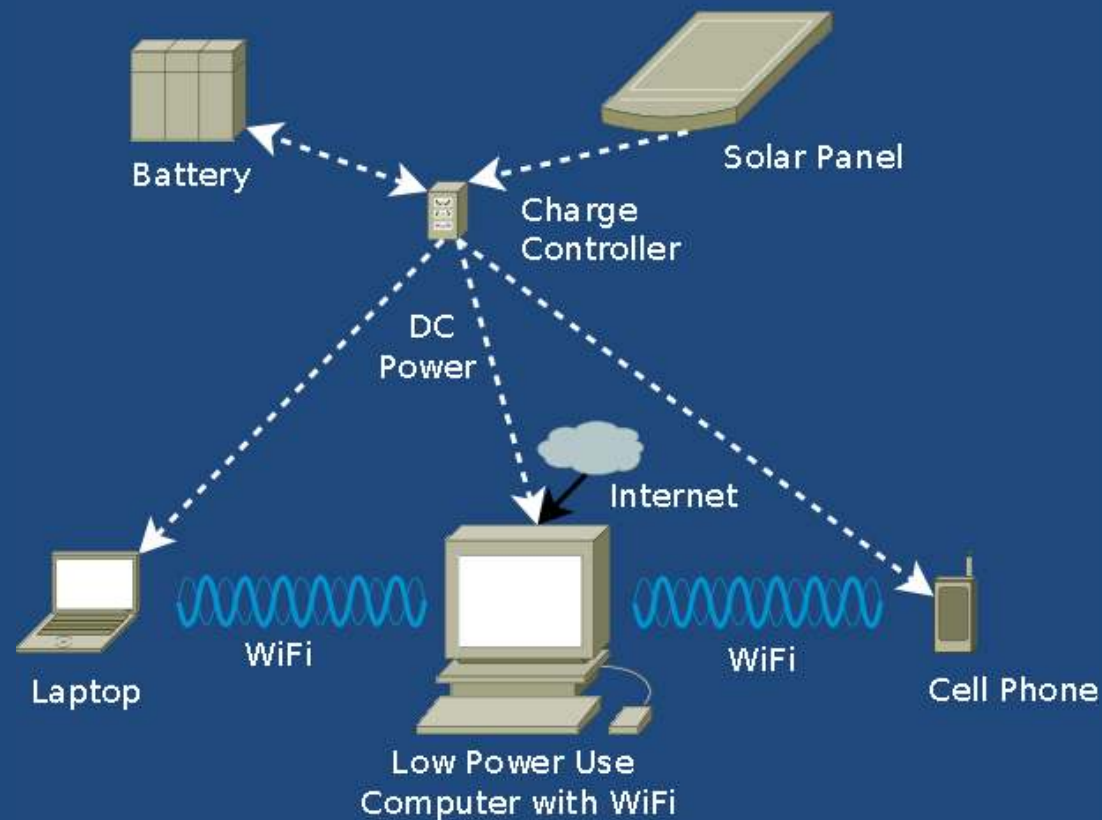
Improve the Business Enabling Environment

(cont'd)

- Facilitate the transparent repayment of loans
- Encourage lending on mineral and energy assets
- Utilize global business talent from through connectivity
- Increase end user access to info and connection technologies

Example of Low Cost Connectivity

Solar Powered Mobile Connectivity Station



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Accelerate job growth with a connectivity-enabled development surge (CEDDS)

Catalyze a simultaneous scale-up of proven initiatives that utilize electronic connectivity to facilitate development and build goodwill

Example Initiative that is Proven & Ready for Scale-Up



Paying Afghan government employees via Roshan's M-Paisa Mobile Money Transfer Service

Focus Private Sector Investment to help Stabilize Afghanistan

When possible, engage private sector to build infrastructure

Maximize the use of New Silk Road infrastructure

Implement a large scale vocational training & jobs program

Support people under stress with Valued Sustainable Services

GPFA's Rural Development Programs:



Empowering Afghans to help other Afghans with financial and technical support



Closing Thought:

There is a large potential for rapid economic take-off . . .

We have ...

- Infrastructure links to large regional markets
- Trillion+ of \$ in available mining & energy resources
- Substantial information & communication technologies
- Widespread availability of electronic financial transactions
- Global talent can help Afghans through connectivity

By strategically leveraging available funds, we can:

Develop the enabling conditions to create a:

“Critical Mass for Economic Take-off”

and lead to . . .

. . . a stable Afghanistan with

a promising future!

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CEGHS | CONNECTIVITY TO ENHANCE GLOBAL HUMAN SECURITY

Thank you for your time

CEGHS was founded by:



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