

MINUTES OF THE BILATERAL MEETING
BETWEEN PAKISTAN AND AFGHANISTAN
HELD ON 2ND JANUARY, 2015 AT SERENA HOTEL, ISLAMABAD

To discuss the issues of bilateral trade between Pakistan and Afghanistan, a separate session was held on 2nd January 2015. The meeting was co-chaired by Mrs. Robina Ather, Additional Secretary-I, Ministry of Commerce, Government of Pakistan and Mr. Muhammad Rahim Momand, Director General, International Trade, Ministry of Commerce & Industries, Government of Afghanistan. Both the co- chairs underlined the need for enhanced cooperation for boosting bilateral trade and also expressed desire of their respective governments for further strengthening of trade ties between the two neighboring countries.

2. Representatives from various government departments attended the meeting and participated in the discussions. The lists of Afghan and Pakistan delegations is at **Annex-I & II** respectively.

3. The issues discussed during the meeting and decisions taken were as under:

Bilateral Preferential Trade Agreement

4. Pakistan side informed that as agreed in the meeting of Finance Minister of both countries, Pakistan has prepared a draft of the Preferential Trade Agreement between Afghanistan and Pakistan and shared the draft with the Afghan side. The Afghan side appreciated this and requested that the agreement may be shared through diplomatic channel as well as through electronic mail. The Afghan side promised to send their response within 45 days. Both sides agreed for an early conclusion of the agreement.

Establishment of Special Economic Zones for Pakistan

5. The Afghan side informed that Government of Afghanistan is working to establish seven special economic zones including two specifically for Pakistan as part of their



National Economic Development Plan. It was agreed that Afghan side would share the concept note with Pakistan side indicating detail of concessions available to investors.

Joint Business Council

6. Pakistan side informed that a 15 member Joint Business Council comprising leading business men has been constituted and notified by the Ministry of Commerce, Government of Pakistan. The same is also shared with Afghan side. The Afghan side appreciated this step and promised that they would notify the same by the end of January, 2015. Pakistan side also offered to host a meeting of the JBC's in mid-February 2015 in Islamabad.

Multiple Entry Visas for Pakistani Businessmen and issue of Medical Certificate

7. Pakistan side raised the issue of non-issuance of multiple entry visas' to Pakistani businessmen including workers and engineers for 01 year validity and provision of security to the Pakistani firms working in Afghanistan. Moreover, a new requirement of a 'medical certificate', to be produced by Pakistani Visas applicants was also raised.

8. The Afghan side confirmed that Multiple Entry Visas' were being issued for 01 year validity, to all Pakistani businessmen and workers on the principles of reciprocity. The adequate provision of security to the Pakistani firms working in Afghanistan was also assured. Regarding the requirement of 'medical certificate', the Afghan side apprised that the requirement was introduced due to EBOLA virus in Africa and is applicable only to those visas applicants who recently visited African countries. Pakistan side; however requested that procedural and documentary requirements may not be made cumbersome and may be relaxed for businessmen and ordinary workers. Afghan side promised to look into the matter for further easing of procedural requirements.

Custom Cooperation Agreement (CCA) between ACD and FBR

9. Both side emphasized the need for early conclusion of Customs Cooperation Agreement in order to facilitate bilateral trade between two countries. It was agreed that Pakistan side would draft the agreement and share with Afghan side in a month's time



through diplomatic channel and also share through electronic mail. The Afghan side would respond in a months' time.

10. It was also agreed that a Joint Customs Working Group will be constituted which will negotiate the Customs Cooperation Agreement and will also address customs related issues of bilateral trade i.e. exchange of EDI on bilateral trade, Automation of the Goods Declaration (GD) at Torkham/Chaman, verification of invoices for goods entering Afghanistan. Both sides would notify their respective working groups by the end of January, 2015. The first meeting of the Joint Customs Group will be held in Islamabad in first week of February, 2015.

Agreement on Double Taxation

11. Pakistan side informed that draft agreement on double taxation was shared with Afghan side during the JEC held in 2014; however reply from Afghan side was still awaited. The Afghan side assured to send their comments after consultation with their Revenue Department.

Establishment of Banks with Foreign Exchange Facility at Torkham and Chaman

12. Members of the Pak-Afghan Chamber informed that foreign exchange facility is not available at Torkham and Chaman which makes transactions very time consuming. The Afghan side informed that they have established Banks on their side of the border. Pakistan side informed that directives have already been issued to National Bank of Pakistan for provision of foreign exchange facility at Torkham and would be operationalized soon. Pakistan side promised to extend such facility at Chaman.

Recd

13. Done and signed on the 3rd January, 2015 at Islamabad, Pakistan.


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