



PRESS RELEASE

PAKISTAN AFGHANISTAN JOINT CHAMBER OF COMMERCE & INDUSTRY

Tel No: 021-99332675-6, Fax: 021-99332677, Email: info@pajcci.com

March 13, 2022

PAJCCI's recommendation to extend suspension of EIF and E form accepted by National Security Adviser

PAJCCI has recently submitted detailed report on high impact issues to honorable Prime Minister, Speaker National Assembly, National Security Adviser and relevant ministries. To deliberate ongoing issues and their solutions, Afghanistan Inter-Ministerial Coordination Cell, led by Moeed Yusuf, arranged a meeting with PAJCCI, MOC, SBP and other relevant government departments.

Most critical issues hampering smooth trading activities were deliberated and where required instructions were issued by NSA. He assured that extension for the suspension of E-Form & EIF will be provided before expiry of current suspension however MOC to ensure both sides speed up the process of finalizing barter trade mechanism to avoid further extension.

Third party payment processing refusal by commercial banks where payment has been released by corresponding banks will be taken up by SBP on case-to-case basis, details of such cases will be provided by PAJCCI. Arshad Bhatti, Director SBP informed that any payments issues in CAR transit trade are due to offloading carried out in Afghanistan however in the light of recent development allowing the free movement of trucks in both countries this issue will be resolved.

MOFA & MOC will arrange a meeting with The Office of Foreign Assets Control ("OFAC") of the US Department of the Treasury, SBP, Corresponding foreign banks & Local Banks to address the third-party payment processing in the view of recent changes to GLA by US Treasury department.

NSA confirmed that in a week's time body searches/physical checks at borders will be carried out by FC and luggage will be checked by Pakistan Customs instead of NLC in lieu of notification to be issued by interior ministry.

MOC informed that our side has no reservation for making "Nawapass" border operational however Government of Afghanistan is yet to agree due to lack of resources. Timings at all border crossing can be increased however it has to be reciprocal act; currently Afghan government lacks resources to manage lengthy hours & open more borders.

MOC will also carry out exercise to rationalize tariff and PAJCCI will provide list of top 10 items which can be used for pilot testing. MOC is also working on increasing items in PKR trading category as well as alternate process to manage rebates and tax refund claims in case of trading in PKR. GOP is ready to resolve double taxation issues however GOA has yet to respond in this regard.

On the matter of border congestion, bonded warehouse, facilitating pedestrian traffic, NSA informed that gradually infrastructure is being improved on existing borders and new borders will be opened once infrastructure is in place, however Afghan side also has to construct some facilities on their side especially for pedestrian traffic. Additional FIA counters have been set up at borders, separate lines for patients are already functioning whereas same for business visa holders will also be set up with ongoing infrastructure development. GOP has already offered infrastructure upgrades on Afghan side which has yet to be agreed by their government.

Yusuf appreciated PAJCCI's recommendation to install information sign boards in English, Urdu and local languages for people crossing borders for their guidance and instructed to implement the same with priority.

MOC updated on the agreement to allow free movement of trucks and issue of TAD with support of Pakistan Embassy in Kabul and consulates in other cities. In case of visit visa renewal applicants can apply online instead of travelling to Pakistan Embassy. It was also asked that if goods are cleared at one border point, then clearance documents shall be accepted by all law enforcement entities across country. This will be more pertinent when free truck movement starts from 21st March 2022.

PAJCCI & MOC along with TDAP shall plan road shows, expos and exchange of delegations with Afghanistan and CAR. MOC will also develop one window mechanism to address dynamic trade activity with Afghanistan and CAR. Both entities shall develop framework to form trilateral CCI led by PAJCCI.

One of the most critical demands by business community of both sides is investment and joint venture policy for which proposal was submitted by PAJCCI. NSA confirmed that GOP policy on investment and joint venture will be floated in next 2 weeks which will provide the guideline on business-friendly visa regime including facilitation to set up business in Pakistan. He iterated that Afghan policy shall also be reciprocal in providing visa, security, priority and facilitation to Pakistani investor.

Resumption of bus service between the two countries has been finalized and is likely to start in a month's time providing ease of travel to pedestrians.

Zubair Motiwala; Chairman PAJCCI, thanked NSA and members of AICC for arranging the meeting and agreeing to PAJCCI's recommendations in various areas of improvement. He also affirmed that PAJCCI will use its connection with Afghan business community to make headways on all pending issues from Afghan side. He appreciated the understanding of NSA for the extension of E-Form & EIF suspension and hoped that relevant ministries will take swift actions to formulate barter mechanism and payment processing issues. He assured that PAJCCI will take all steps to communicate GOP concerns to Afghan government and business community of both sides.

