



GOVERNMENT OF PAKISTAN
DIRECTORATE OF TRANSIT TRADE
CUSTOM HOUSE, PESHAWAR



C.No.22-03/DTP/2015/86

Dated 22/3/2019

Subject:- MINUTES OF MEETING OF PAK AFGHAN LIAISON COMMITTEE AT PESHAWAR FOR RESOLVING OPERATIONAL ISSUES OF AFGHANISTAN-PAKISTAN TRANSIT TRADE AGREEMENT (APTTA-2010)

A meeting of Pakistan- Afghanistan Liaison Committee was held in Directorate Transit Trade, Peshawar on 13.3.2019 to discuss issues arising out of operation of Afghanistan-Pakistan Transit Trade Agreement (APTTA) 2010. The meeting was chaired by Mr. Faiz Ali, Director Transit Trade, Peshawar and participated by the following:-

1. Dr. Syed Faisal Bukhari, Additional Director, Transit Trade Peshawar.
2. Mr. Ziaullah Shams, Additional Collector, MCC Peshawar
3. Mr. Saleem Shah Jauhary, Second Secretary, Afghan Consulate General, Peshawar
4. Mr. Hamid Fazal Khel, Acting Trade Commissioner, Afghan Consulate General, Peshawar.
5. Mr. Muhammad Imran, Assistant Commissioner, Landikotal, District Khyber.
6. Col (Retd) Abdul Aziz, General Manager, NLC Khyberpakhunkhwa.
7. Mr. Faiz Muhammad, President, Sarhad Chamber of Commerce & Industry, Peshawar
8. Mr. Ziaul Haq Sarhadi, President Frontier Customs Agents Association & ex-SVP, Pak-Afghan Joint Chamber of Commerce & Industry Peshawar.
9. Mr. Amir Khan, Assistant Manager Trade Development of Pakistan (TDAP), Peshawar.

2. Mr. Faiz Ali, Chairman of the Committee welcomed the participants and highlighted the purpose and importance of the forum for smooth operation of Pak- Afghan transit trade. Opening the discussion, he stressed the need for facilitating trade-friendly environment in light of the APTTA 2010.

3. Dr. Syed Faisal Bukhari, Additional Director, Transit Trade Peshawar referred to the issue of Empty Containers as discussed in the previous meeting of the Committee held on 1.11.2018. He informed that the issue still remains unresolved despite assurances by Afghan side.

4. Mr. Ziaul Haq Sarhadi, Ex- Senior Vice President, Pak-Afghan Joint Chamber of Commerce, lauded convening of the meeting and expressed his gratitude for taking the relevant stake holders on board for resolving issues arising out of Pak-Afghan Transit Trade. He raised the issue of return of Empty Containers from Afghanistan and informed that there were over 2500 Empty Containers stuck up across the border in Afghanistan awaiting cross-border to Pakistan for over 3 weeks. Since these empty containers are the property of

Shipping Lines, the delay in returning back to Karachi within 15 days causes imposition of demurrage charges besides increase in transportation fares and cost of doing business inside Pakistan. He informed that reportedly illegal demands were being made by concerned Afghan authorities for clearance of the empty containers to Pakistan. He also emphasized the need to take interest by Afghan importers by exerting pressure on Afghan authorities for allowing clearance of the empty containers. He informed that in Chaman, empty containers return within 2 or 3 days.

5. The Additional Director, Transit Trade Peshawar explained that the Directorate of Transit Trade had been regularly clearing 100-200 containers on daily basis which is an ample proof that the Directorate is fully aware of its responsibilities. He said the Directorate of Transit Trade is ready to give round the clock clearance to the empty containers but the issue still exists on part of Afghan authorities.

6. The Afghan delegates who had already conceded the contention of Pakistani side regarding the issue of empty containers, again accepted that the problem was on Afghan side. They informed that they had taken up the issue with Afghan Interior Ministry and Finance Ministry coupled with visit of Torkham with Afghan Ambassador who had directed to allow clearance of empty containers to Pakistan. They apprised the participants of their meeting scheduled to be held with Afghan Ambassador in Pakistan along with the representatives of Pak-Afghan Chamber of Commerce and Sarhad Chamber of Commerce in a couple of days to resolve the issue.

7. The Afghan delegates also raised the issue faced in smooth clearance of tyres from Karachi ports and complained that the consignments are de-stuffed from the containers and examined by Customs involving a lengthy process. They further complained that there were reported efforts to replace Insurance guarantee with Bank Guarantee without taking Afghan side on board. They feared that in this case the commission would increase from Rs.1000/- to Rs.5000/- coupled with delay in clearance process of Afghan transit cargo. The Chair assured the Afghan delegates to intimate these concerns to Karachi.

8. The Afghan delegates also expressed reservations over the verbal orders for imposing ban on import of Digital Dish Receiver/LNB/ DTH under Afghan transit despite the fact that these items were not included in negative list. They complained that a number of consignments had been detained at Karachi port.

9. The Afghan representatives complained about slow process of adjudication in Transit cases. It was explained that once adjudicated the case at appeal level takes too long and the goods useless while lying on the port for months. They proposed that after the first adjudication, the goods may be released and the guarantees may be retained and encashed if the decision is against the goods owner, Dr. Syed Faisal Bukhari, Additional Director explained that the guarantee secured only covers the duty/taxes involved and would not cover the penalties if adjudged against them. All agreed that in such cases additional guarantee may be secured covering the expected penalties and fines. which may subsequently be either encashed or released as the case may be.

10. The Additional Director Transit Trade clarified that since the insurance guarantee only covers the amount of duty/taxes, additional insurance guarantee is required to be secured as the adjudicating authority may impose penalty in the order, besides recovery of the amount of duty/taxes.

11. The Afghan delegates also raised grievance of excessive checking of Afghan exports to India via Wagha and the alleged extortion of illegal money in as many as 25 check-posts from Torkham to Lahore. Responding to the grievance, Mr. Muhammad Imran, Assistant Commissioner, Landikotal explained that Khasadar check-posts from Torkham to Karkhano Market Peshawar had been abolished and strict action had been taken against those officials who were involved in illegal checking. He also assured to take notice of the grievance of Afghan side about the extortion of illegal money from Afghan traders at Ring Road Peshawar.

12. Dr. Syed Faisal Bukhari, Additional Director informed that the vehicles carrying Afghan exports to India are dispatched under escort by Transit staff. He assured that in case of any such complaint of illegal checking for extortion, the Driver or the trader should bring the matter to the notice of Transit Trade authorities to get it redressed. He also assured the Afghan delegates that the grievances of Afghan side relating to Karachi port would be taken up with concerned quarters.

13. Mr. Faiz Muhammad, President Sarhad Chamber of Commerce & Industry, appreciated the discussion on the bilateral issues with special reference to Afghan Transit trade. He informed that there was no problem concerning Afghan exports to India via Wagha. The export cargo is allowed to be unloaded on Indian side and no checking of such cargo was done by any Agency en-route to Lahore.

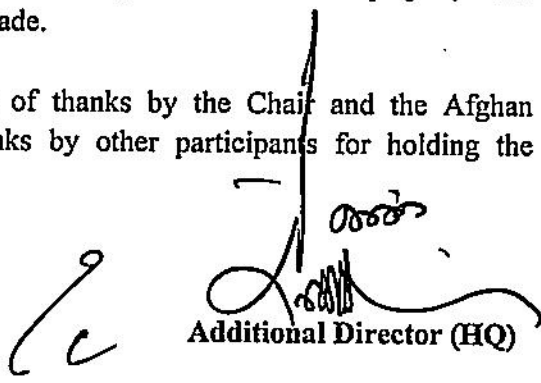
14. The President SCCI stressed the need to hold meeting by both contracting parties to extend or revise APTTA 2010. He complained that the Afghan side was showing lukewarm response regarding the APTTA 2010. He also stressed the need to approve the proposed Customs Mutual Assistance Agreement adding that Pakistani side was interested in boosting trade with Afghanistan to which the Afghan side should also reciprocate.

15. Raising the issue of Quarantine Certificates for export of agro-based products to Afghanistan, the Afghan delegates informed that there is no office of Quarantine authorities at Pak-Afghan border stations rather an office existed at Board Bazar Peshawar. They complained that Quarantine Certificates were being sold by some elements at exorbitant rates to Afghan traders. The Additional Director Transit Trade agreed to the need of presence of Quarantine / Plant protection departments at the border-point as per international best practice.

16. Mr. Ziaul Haq Sarhadi stressed the need for structural development at Torkham Border. He lamented that the fate of Integrated Transit Trade Management System (ITTMS) to be launched through Asian Development Bank still hangs in balance and there were no updates about it.

17. GM NLC informed that contract for infrastructural development at Torkham had been awarded to NLC for execution of the project and land compensation had been arranged by ADB. Ninety-five percent of the disbursement of the land compensation, he added, had already been made for vacation of land by the locals. He informed that heavy machinery has been moved to the sites at Torkham and work on the project would be started in a couple of days. The GM NLC informed that during execution of the project, NLC Jamrud would be made operational for bilateral trade.

18. The meeting ended with a vote of thanks by the Chair and the Afghan Delegates, coupled with appreciation and thanks by other participants for holding the meeting.


Additional Director (HQ)

Copy to:-

1. The Director General, Directorate General of Transit Trade Karachi.
2. Director, Transit Trade, Karachi
3. Director Transit Trade Peshawar
4. The Consulate General/Trade Commissioner, Consulate General of Afghanistan, at Peshawar.
5. The Director Trade Development Authority of Pakistan at Peshawar.
6. The Additional Director Transit Trade, Torkham
7. The Assistant Commissioner, Landi Kotal, Khyber District.
8. Col (Retd) Abdul Aziz, GM, NLC Khyber pakhtunkhwa, Peshawar.
9. Mr. Faiz Muhammad, President, SCCI, Peshawar.
10. Mr. Ziaul Haq Sarhadi, President Frontier Customs Agents Association, Peshawar.