



F. No.1(1)/2017-Afg
Government of Pakistan
Ministry of Commerce and Textile
(Commerce Division)



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Islamabad the 18th July, 2019

SUBJECT: - VISIT OF THE AFGHAN TECHNICAL TEAM TO PAKISTAN 11th - 12th JULY, 2019

Please refer to the subject noted above and to inform that eight (8) Members Afghan Technical Team visited Pakistan from 11-12th July, 2019. In this regard technical level meetings were held between the two sides in the Ministry of Commerce.

2. Minutes of the meeting are shared for response by 5th August, 2019, so that consolidated position could be shared with Afghan side as decided in the meeting.

(Umar Minhas)

Section Officer (CARs & ECO)

1. Waseem ul Hassan, Food Security Commissioner, MNFSR, Islamabad
2. Mr. Muhammad Yousaf, Director General (Operation) M/o Railways, Islamabad
3. Mr. Jibran Khalil Malik, Financial Advisor, Ministry of Finance, Islamabad
4. Mr. Rizwan Tariq, DG Trade Development Authority of Pakistan, Karachi
5. Mr. Faiz Ali, Director (Transit Trade), Model Custom Collectorate, Peshawar
6. Mr. Adeem Khan, Secretary (Transit Trade), Federal Board of Revenue, Islamabad
7. Mr. Muhammad Shoaib Dogar, Director (RT), M/o Communications, Islamabad
8. DrMr. Aitzazuddin, Deputy Secretary Ministry of Interior, Islamabad
9. Mr. Muhammad Khan Marwat, Deputy Secretary, Power Division, Islamabad
10. Mr. Abdul Rehman, Federal Investigation Agency, Islamabad
11. Mr. Aziz Ullah Khan, Section Officer, Textile Division, Islamabad
12. Mr. Salman Memood, Deputy Director, Board of Investment, Islamabad
13. Mr. Adnan Kazi, Sr. Manager, M/o Information Technology, Islamabad
14. Ms. Faiza, Secretary General PAJCCI, Karachi.
15. Mr. Khalil Sattar, Chairman, Pakistan Poultry Association, Islamabad

**Minutes of the
1st Technical Meeting on Economic Cooperation Between
The Islamic Republic of Afghanistan
and
The Islamic Republic of Pakistan
As The Follow up of the Visit of the President of the
Islamic Republic of Afghanistan to the Islamic Republic of Pakistan on 27-28 June, 2019**

The first technical meeting on economic cooperation between the two countries was held on July 11th, 2019 in Islamabad where Afghan delegation was led by Mr. Ahmad Reshad Popal, Director General of Afghanistan Customs and the Pakistan delegation was led by Mr. Syed Mohammad Tariq Huda, Additional Secretary, Ministry of Commerce of Pakistan, Islamabad. List of both side's delegation is attached at **Annex-I**. The following issues were broadly discussed and decided.

#	Agenda Items	Decisions	Timeline
A	Cooperation in the Areas of Bilateral Trade, Transit, Customs and Railways: 1. Bilateral Trade and Transit Sector:		
	1.1. Customs Valuation: Afghan side raised the issue of increase of customs valuation rate on export of certain items to Pakistan particularly fresh and dry fruits. The Pakistan side explained that valuation is based on market surveys and other data related to the imported goods besides other factors such as currency exchange rate, legal changes, and others.	The issue of rise in valuation of these items imported from Afghanistan will be referred to Director General Valuation, Karachi for review based on international best practices.	FBR will provide response by 12th August, 2019 to Afghanistan by diplomatic channels.
	1.2. Pakistan's new Truck Axle Load Regulation: Afghan side informed that trade under the new regulation will be burdensome for goods in transit and transportation of commercial goods to Afghanistan. The Afghan side proposed that an alternative could be railway facility for	Pakistan side appreciated the suggestion of Afghanistan and agreed to start working on the possibility of using railway facility for transit and transportation of commercial goods and	Ministry of Railways will provide response by 12th August, 2019 to Afghanistan by diplomatic channels.

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	<p>commercial goods and goods in transit.</p> <p>The Pakistan side clarified that Pakistan is implementing its axle load policy regulation which is equally applicable to the domestic transporters and it is not Afghanistan specific.</p>	<p>goods in transit to Afghanistan.</p>	
1.3.	<p>Wagah – Attari Transit and Trade facilitation: Afghan side requested access to Wagah and Attari ports for Afghan trucks. Afghan side explained that for reaching Attari-Wagah GATT article 5.3 and 5.2 and TIR should be considered.</p> <p>In response to this, Pakistani side explained that since access to Indian port of Attari requires trilateral agreement among three countries, and there is no such agreement among India, Afghanistan and Pakistan currently, hence cannot be decided at bilateral level, as per Afghan-Pakistan Transit Trade Agreement (APTTA). Similarly Pakistani trucks are also off loaded at Torkhum, at the most Jalalabad and not allowed to have access to ports of Central Asian States. The trilateral transit trade agreements offered by Tajikistan and Uzbekistan to Afghanistan and Pakistan are not being negotiated.</p>	<p>On request of Afghan side, Pakistan side may consider to grant access to Afghan cargo vehicles to Wagah if the mechanism could be devised and if similar dispensation may be given to Pakistan for access to Sher Khan Bandar.</p>	<p>The mechanism to be shared by both sides by August 15th 2019.</p>
1.4.	<p>WeBOC Related Issues: Afghan side requested for the following rights in the WeBOC System:</p> <p>a. Modification of company status.</p>	<p>In response to that Pakistan side explained that these issues had already been discussed in a recent meeting held in June 2019 between</p>	<p>Pakistan side agreed to look into the matter and expedite improvements in the WeBOC System and share response</p>

	<p>b. Update the system in respect of changes in the characteristics of company, amend any data entry error, and administer the license validity option in the system.</p> <p>c. Facilitate filling GD in WeBOC system irrespective of expiry date of the Afghan importer's license, the GD shall be filed and user ID and password shall not be blocked by custom authorities in Karachi port.</p>	<p>the custom officials of two countries.</p>	<p>through diplomatic channels within one month.</p>
	<p>1.5. Implementation and follow up mechanism on issues related to Trade, Investment, Customs and Transit.</p>	<p>It was jointly agreed that the Working Group on Trade, Investment, Customs and Transit should be established under Joint Economic Commission Framework.</p>	<p>Both sides will share TORs and composition of the Working Group within one month through diplomatic channels.</p>
	<p>1.6. Cross Stuffing of Afghan cargo: Afghan side requested that their transit cargo shall be allowed to have the option either to carry their goods to final destinations with the container from the country of origin OR shall destuff the cargo and load on another container at the Karachi port.</p>	<p>The Pakistan side agreed to examine the proposal at FBR/DG Transit Trade, Karachi.</p>	<p>Pakistan side agreed to look into the matter and share response through diplomatic channels within one month.</p>
	<p>1.7. Amendment of shipping documents by customs authorities in Karachi: If there is any mistakes in the shipping documents such as bill of lading, manifest beyond the control of Afghan importer then the custom authority shall accept the amendments.</p>	<p>Pakistan side agreed to address the issue.</p>	<p>Provision already exists in Customs Act. Facilitation will be ensured in such cases.</p>
	<p>1.8. Partial Shipment: Afghan side stated though</p>	<p>Customs rules provide that partial shipment</p>	<p>Facilitation will be provided.</p>

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<p>Pakistan promised in several meetings to settle the partial shipment issue. But, the issues are not solved yet. Therefore, Afghan side once again requested their Pakistani partners to solve the issue.</p>	<p>can be allowed on case to case basis by Additional Director Transit Trade Directorate Karachi.</p>	
<p>1.9. Additional Free Demurrage Days requested by Afghan side in KICT port</p>	<p>The matter was discussed and agreed in the meeting held on 18-19 June 2019, FBR has already taken up with them for decrease of demurrage charges and extension of days free of demurrage.</p>	<p>Matter will be taken up with Ministry of Maritime Affairs and response will be shared within one month.</p>
<p>1.10. Negative List: Afghan side requested Pakistan to provide negative list.</p>	<p>Pakistani side informed that there are only two items in the negative list, which are cigarettes and auto parts.</p>	<p>-</p>
<p>1.11. Two consignments are not allowed in one carrier by Custom Authority at Karachi port. Afghan side requested for allowance of two consignments on one carrier.</p>	<p>This facility is already available to containers related to one IGM and same port terminal.</p>	
<p>1.12. Physical Examination at Karachi port: a. Afghan side said that only up to 5% of the consignments shall be examined but currently around 80% of the consignments are examined. b. The Afghan side also highlighted the concern regarding the slow clearance of the empty cargo from Afghanistan to</p>	<p>Pakistan side did not agree to the claim of Afghan side and it was decided that Pakistan will look at this issue and will get back with actual figures. Pakistan side committed to abide by the criteria agreed under APTTA 2010. The matter has already been resolved through inter-agency coordination and therefore, doesn't exist</p>	

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	Pakistan that resulted the congestion at the Torkhom crossing point back at April,2019.	at present.	
	1.13. Scan of Transit Cargo in Karachi port; Afghan side said that since the transit cargo is both scanned and physically examined, it is not a fair treatment.	Examination is undertaken by Customs of selected containers in the absence of Risk management system which once becomes developed and functional would obviate the need for such measures and only a few selected containers will be examined.	
	1.14. Excessive Security Deposit Demanded by the shipping companies; Afghan side mentioned that the shipping companies are demanding excessive security deposits and requested Pakistan to intervene into the matter.	Pakistani side agreed to take up the issue to the relevant authority.	Response will be shared within one month.
	Customs Sector: 1.15. Customs Mutual Administrative Assistance Agreement (CMAA); Afghan side mentioned that on 15-16 Nov, 2018 it was decided that the agreement should be finalized and signed. Furthermore, Afghan side emphasized on determination of exact date for the signature.	Pakistani side agreed to expedite the signing of CMAA.	Response will be shared within one month.
	1.16. Electronic Data Interchange (EDI); Referring to meeting minutes of 15-16 Nov2018, Customs to customs(Annex -II), Afghanistan side raised the issue of timely data dispatch, limited users, non-availability of the reports in the system	Pakistani side agreed to expedite the signing of EDI.	Response will be shared within one month.

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	and collective data submission, which have not been solved, yet.		
1.17.	Data sharing request from 2016 to 2018: Afghanistan side requested Pakistan Customs to provide trade and transit data of 2016-2018. Pakistan side also requested Afghanistan side to provide the trade and transit data for the required dates.	It was agreed by both sides to share the data on reciprocal basis through relevant headquarters. It was also agreed that Afghanistan side will provide template for the required data.	Afghan side agreed to share the template within two weeks.
1.18.	Based on customs to customs meeting minutes of 15-16 November 2018 (Annex-II), Afghanistan requested Pakistan customs to confirm arrival of cargos from Afghanistan to Pakistan through the system, the same communicated through Note verbal.	Pakistan side agreed to take up the matter with relevant customs authorities expeditiously.	Will be shared within one month
1.19.	Notification and communication of the new legal development: Afghanistan side proposed that new legal developments and amendments should be communicated.	Both side agreed on sharing of notifications and amendments.	
1.20.	Afghan side requested for using Ghulam Khan crossing point for transit purposes: Afghanistan side mentioned that Ghulam Khan crossing point is active and asked Pakistan to operationalize it for Transit, currently it is being used for bilateral trade only.	Pakistan side will consider to open crossing point for transit in consultation with the relevant stakeholders, to ease congestion at Torkham.	Response will be shared in one month.
1.21.	Start of Customs operation on Zabul crossing point: Reportedly, the goods are coming in and out from the stated crossing point. Afghanistan intends to establish customs	Pakistan side agreed to see the possibilities for such establishment.	Response will be shared in one month.

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	infrastructure at Zabul Crossing point. Pakistan side was requested to establish the customs infrastructure to regulate trade.		
	1.22. Pakistan side was asked for 24/7 operations at Torkham, Ghulam Khan and Spin Boldak crossing points.	Pakistan side said that PM of Pakistan has directed for 24/7 operations at Torkham. It was apprized that customs is already operating 12-14 hours currently. However, efforts will be made to start 24/7 operations by appointing the required staff over the period of time.	
Issues raised by Pakistani Side			
	<p>1.23. Irrational Increase in certain Items in Transit Trade Damaging Pakistani Industry</p> <p>Pakistan side informed that the items like black tea, textile, cigarettes, pharmaceuticals, paper, video games, pencils, shoe polish, televisions, auto parts, jewelry, tyres, mobile phones and other electronics are being imported by Afghan traders through Transit trade and these items are being smuggled back into Pakistan, which has damaged Pakistan's industry severely and Pakistani brands have been out of business.</p> <p>Pakistan has conducted a study, which revealed that items like Indian tyres are not allowed for import in Pakistan but these are imported by Afghanistan through transit trade and are available in local market for sale in Pakistan. Further, the other items such</p>	Afghan side also highlighted that smuggling is a common problem and informed that rice, beans, corn, milk and many other items are also being smuggled into Afghanistan from Pakistan.	Both sides agreed to proceed as per article 3(2) of APTTA 2010 through diplomatic channel.

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	<p>as, Pencils are being imported into Afghanistan disproportionately to its usage in Afghanistan and the same is being smuggled back into Pakistan, which is hampering local pencil manufacturing industry.</p> <p>Pakistan has already raised this issue with the Afghanistan's Ministry of Commerce in October, 2018 through Pakistan's embassy in Kabul under article 3(2) of APTTA, but no reply has been received.</p> <p>Pakistan requested to Afghan side to take action at their end to stop import of such items and smuggling of them back into Pakistan.</p>		
	<p>1.24. Delay in Holding of Afghanistan Pakistan Transit Trade Coordination Authority (APTTCA) Meeting: Afghanistan was to share draft text for revision of Afghanistan Pakistan Transit Trade Agreement (APTTA) for deliberation during the 7th APTTCA meeting. The Afghanistan side has neither shared the draft text nor agreed on dates for the 7th APTTCA meeting.</p>	<p>The Afghan side informed that due to joining of Afghanistan in WTO and accession to TIR convention the APTTA needs revision or new agreement has to be negotiated.</p>	<p>Both sides will share the decision to either to revise APTTA or negotiate on a new agreement on transit trade.</p>
	<p>1.25. Proposal of Preferential Trade Agreement with Afghanistan In the meeting of Finance Ministers' on 13th November, 2014; both sides agreed to start negotiations on a Preferential Trade Agreement (PTA). Subsequently, Pakistan shared the draft text of proposed PTA, however in August 2017 Afghanistan</p>	<p>The Afghan side informed that their relevant ministries are consulting the stakeholders, the response will be sent to Pakistan after domestic consultations.</p>	<p>Afghan side will share the comments on the draft agreement within one month through diplomatic channels.</p>

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	requested for the list of Early Harvest items for PTA; which was also provided by Pakistan. Despite lapse of considerable time there has been no response from Afghanistan.		
1.26.	Issue of Notification of Transit Rules Transit Trade Rules have not yet been notified by Afghanistan despite lapse of more than 8 years since signing of APTTA in 2010.	Afghan side informed that the notification link will be available on the link www.moci.gov.af within one month.	
1.27.	Facilitation for Issuance of Business visa The Afghan side highlighted that due to delay in issuance of business visas, the Afghan Businessmen are facing problem and they have to stay in queues for obtaining the visas. Pakistani side also raised police certificate has been made compulsory for Pakistani Businessmen for obtaining business visa.	The Ministry of Interior apprised that Afghanistan is not on the negative list of countries and Pakistan is going to start issuance of online visas which will resolve all such issues. Afghan side clarified that there is no such requirement.	
1.28.	Issue of the Pending T-I Certificates Pakistan highlighted that despite repeated promises, afghan customs is not clearing the T-I Certification.	Afghan side highlighted that due to grant of one user id to Afghan custom officials it is very difficult to clear the T-I certificate. If Pakistani side may provide more user ID of WEBOC, Afghan side shall expedite the clearance.	
1.29.	Non-Provision of user ID of ASYCUDA for reverse cargo/Afghan exports	Afghan side said that matter has already been discussed in a meeting held in November, 2018.	
1.30.	Containerization of reverse cargo / Afghan exports for Wahga	Afghan side said that traders will be made aware of TIR facility.	

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	1.31. Data reconciliation on regular basis of transit data	Afghan side said that matter has already been discussed in a meeting held in November, 2018.	
B	All issues related to agriculture produce including phytosanitary conditions. 2. Poultry and Agriculture Issue		
	2.1. The poultry import from Pakistan as live bird is disallowed due to food safety concerns. The Afghan Government has banned the breeder birds (over 3 KG weight) due to presence of heavy metal contamination above the permissible limits.	For breeder birds, both sides agreed to constitute a joint technical committee to Further discuss and resolve the Issue. Both Sides will share their animal quarantine health certificates template and Specimen signature, of authorized officers as early as possible for harmonization and authentication.	Afghanistan side will send its technical committee to Pakistan as early as possible, maximum by end of August 2019 to visit and collect samples from breeder poultry for analysis of residue of heavy metals from mutually agreed accredited Lab in a third country. On the basis of laboratory results, Afghanistan government will decide to allow or ban the export of the breeder birds from Pakistan
	2.2. Pakistan has allowed all Afghan origin Agro products from Turkham and Chaman as per decision of 2018 bilateral meeting.	Both sides agreed to consider more points of entries in future to establish quarantine stations.	Afghan side may share Phytosanitary certificate and specimen signature of authorized Officer as early as possible.
	2.3. Pakistan has allowed Afghan origin cotton as per direction of ECC Committee.	Both sides agreed to finalize Pest Risk Analysis (PRA) for cotton by the end of August, 2019 as per decision of bilateral meeting for 2018. The expenses of technical experts from Pakistan will be borne by Government of	

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		Afghanistan. The cotton will be imported in containers and fumigation should be mandatory. The fumigation facility will be established in Pakistan and after inspection and examination will be released by the Department of Plant Protection (DPP) of Pakistan.	
	2.4. Pakistan will address reservation of Afghanistan regarding ripening of fruits through banned chemical.	Pakistan will address reservation of Afghanistan regarding ripening of fruits through banned chemical. In case of any interception of any such consignment(s), the same shall be destroyed and case be reported to National Plant Protection Organization of Pakistan (NPPO) to delist the exporter instead of disrupting he trade processes.	
C	Energy 3. Transmission of Electricity		
	3.1. The Afghan side informed that there are three transmission projects (each of 220 Kv) which are near to completion and from which the Afghan side can export electricity to Pakistan via three	The Ministry of Energy (Power Divion) side sought a detailed proposal from the Afghan side on project	Ministry of Energy (Power Division) informed that after receiving the proposals in detail , the Ministry will give feasibility report on the proposal after in

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	points namely Spinboldak, khost and Torkham. Through Torkhom and Khostthe Afghan side can provide electricity of 150 Megawatt each to Pakistan		house consultation.
	3.2. The Afghan side informed that CASA is a seasonal project with electricity supply from Central Asia for five months only. Therefore, the Afghan side proposed utilization of the CASA Transmission lines during the hiatus of electricity supply for providing electricity to Pakistan	The Ministry of Energy (Power Divion) side sought a detailed proposal from the Afghan side on project	Ministry of Energy (Power Division) informed that after receiving the proposals in detail , the Ministry will give feasibility report on the proposal after in house consultation.
	3.3. The Afghan side also proposed long technical assistance, investment and Joint Ventures (JV) in energy projects and synchronic operation of the HV system in near future. The Afghan side showed keen interest in coordination with Pakistan for electrification of villages across the Durad Line.	The Ministry of Energy (Power Divion) side sought a detailed proposal from the Afghan side on project	Ministry of Energy (Power Division) informed that after receiving the proposals in detail, the Ministry will give feasibility report on the proposal after in house consultation.
D	Discussion on laying of optical fiber from Azerbaijan through Turkmenistan along the TAPI route/ e-connectivity. 4. Discussion on Information Technology		
	4.1 Afghan Telecom Optical Fiber: Afghan Telecom OFC line has reached to Ghulam Khan crossing point and requested to escalate on part of PTCL at Pakistani Side	The Pakistan side will share updated status with Afghan side after consultation with concerned organization.	
	4.2 Frequency/Interference (Spillover): Afghanistan side stated that there are still frequency interferences at the Torkham and Chaman borders, which needs to be blocked.	Pakistan side informed that PTA would be consulted in this matter and will be duly conveyed.	

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	<p>4.3 Fiber to Home Project: Afghan Telecom are planning to start FTTH project and requested Pakistan to share among the stakeholders who may take part in the bidding.</p>	<p>Afghan side may share Expression of Interest (EOI) in this regard.</p>	
	<p>4.4 Digital Silk Road Optical Fiber Connectivity: Afghanistan has shown a considerable interest in OFC connectivity at Digital Silk Route</p>	<p>The Digital Silk Road project is a multilateral/multi-stakeholder project which requires further consultation. The Afghan side may share their views and proposals in this regard.</p>	



Name and Designation of the Afghan Delegates

1	Mr. Ahmad Reshad Popal	Director General of Afghanistan Customs	Ministry of Finance
2	Mr. Hamdullah Hamdard	DG of Agriculture Promotion and Development	Ministry of Agriculture, Irrigation and Livstock
3	Mr. Shafiqullah Shahrani	DG of State-owned Enterprises and Corporations	MoF
4	Mr. Mohammad Qasim Taj	Director of Trade Development	Afghan Telecom, Ministry of Telecommunication and Information Technology
5	Mr. Baraimal Jeryan	Director for Trade Policy Analysis and Trade Promotion, Ministry of Commerce and Industries	Ministry of Trade and Industry
6	Mr. Nangial Miakhail	Deputy director of Operational directorate	Da Afghanistan Brishna Shirkat
7	Mr. Ahmad Shah Yarzada	Board member of Pakistan-Afghanistan Joint Chamber of Commerce and Industries	Afghanistan Chamber of Commerce and Industries
8	Mr. Mohammad Hussain Panahi	Senior Expert of Bilateral Economic Commissions	Ministry of Finance
9	Mr. Shakir Qarar	Charge 'd Affairs	Embassy of Afghnaistan
10	Miss Samina Wadeer	Commercial Attache	Embassy of Afghnaistan
11	Mr. Ahmad MukhtarNazar	Second Secretary	Embassy of Afghnaistan

**MEETING REGARDING VISIT OF AFGHAN DELEGATION ON 11-12th JULY,
2019 TO PAKISTAN AS A FOLLOW UP OF THE VISIT OF AFGHAN PRESIDENT**

S. No.	Name and Designation	Ministry / Organization
1.	Syed Muhammad Tariq Huda Additional Secretary	Ministry of Commerce
2.	Mrs. Maria Kazi, Joint Secretary	Ministry of Commerce
3.	Mr. Muhammad Shoaib Anwar, Deputy Secretary	Ministry of Commerce
4.	Ms. Aqsa Nawaz, Director (Afghan)	Ministry of Foreign Affairs
5.	Mr. Muhammad Yousaf, Director General (Operation)	Ministry of Railways
6.	Mr. Jibran Khalil Malik, Financial Advisor	Ministry of Finance
7.	Dr. Syed Waseem ul Hassan Food Security Commission	Ministry of National Food Security and Research
8.	Dr. Flak Naz Director General	Department of Plant Protection MNSFR
9.	Mr. Aitzazuddin, Deputy Secretary	Ministry of Interior
10.	Mr. Muzaffar Ali Burki Deputy Secretary	Ministry of Interior
11.	Ms. Iqra Anum Section Officer	Ministry of Interior
12.	Mr. Abdul Rehman	FIA
13.	Mr. Umar Minhas, Section Officer (CARs & ECO)	Ministry of Commerce
14.	Mr. Faiz Ali, Director Transit, Peshawar	Federal Board of Revenue
15.	Mr. Adeem Khan Secretary (Transit Trade)	Federal Board of Revenue
16.	Mr. Muhammad Shoaib Dogar, Director (RT)	Ministry of Communications
17.	Mr Aziz Ullah Khan SO (textile & Research)	Textile Division
18.	Mr. Salman Mehmood Deputy Director (Afghan)	Board of Investment



19.	Mr. Rizwan Tariq, Director	TDAP
20.	Ms. Onsia Zafar Director	TDAP
21.	Mr. Adnan Kazi Director / Sr. Manager (IC)	Ministry of Information Technology
22.	Mr. Muhammad Ayub General Manager	SNPCC
23.	Mr. Muhammad Khan Marwat, Deputy Secretary	Energy Division
24.	Mr. Hamad Raza, Secion Officer	Energy Division
25.	Ms. Faiza, Secretary General	PAJCCI
26.	Mr. Khalil Sattar Chairman	Poultry Association of Pakistan
27.	Mr. Khalid Saleem Malik Ex-Chairman	Poultry Association of Pakistan
28.	Dr. Saeed Ahmad, Member	Poultry Association of Pakistan



**MINUTES OF THE MEETING OF PAKISTAN AFGHANISTAN
CUSTOMS JOINT WORKING GROUP MEETING
HELD AT KARACHI ON 15TH TO 16TH NOVEMBER, 2018**

A meeting of Pakistan Afghanistan Customs Joint Working Group was held on 15th to 16th November, 2018 at Customs House, Karachi. The Pakistan side was led by the Director General, Transit Trade and the Afghan side was led by Director Operations Customs Department. The lists of participants from Pakistan and Afghan side are enclosed as Annex-A & B. The Minutes of the Meeting on issues discussed and decisions taken are given below:

Sr. No.	Agenda items	Decisions
1.	<p>Simplification and harmonization of Customs process and procedures –</p> <p>a) Removal of unnecessary steps</p> <p>b) Harmonizing working days, business hours, documentation requirements</p>	<p>a) Pakistan Customs had earlier eliminated the requirement of shippers seal verification for commercial cargo in 2016 for which law was amended and necessary changes were made in the computerized system leading to swift clearance of cargo at Karachi Ports. In order to ensure hassle free movement/clearance of transit/import consignments it was agreed that non-essential steps that add to the cost of trade would be identified by Afghanistan/Pakistan Customs who will mention unnecessary steps to be eliminated which are particularly not important from revenue perspective in case of import consignments and which do not relate to the integrity of transit cargo.</p> <p>b) Both sides agreed that further harmonizing the working hours would be beneficial for smooth traffic of trade. The Pak Afghan Liaison Committee and focal persons from both sides will be coordinating in this respect.</p>
2.	<p>Manual information sharing</p> <p>a) Transit information for 2016 through 2018</p> <p>b) Export and import information for 3 years (2016 – 2018)</p>	<p>a) Pakistani side informed that relevant data related to Forward transit cargo was already made available to Afghan Customs administration through providing External User ID as available in existing monitoring screen of WeBOC provided to Afghan Customs and could be retrieved through MIS tab available therein. The utility existed in system since 2016 and demo was given by Pakistan Customs Automation wing.</p> <p>b) Regards imports/ Exports related data the Pakistani side appreciated the proposal to be</p>

		<p>useful and proposed to examine the same on reciprocal basis. Collectors would be analyzing various dimensions of data exchange related to imports and exports and share it with FBR, latest by the end of the year for further decision in this regard.</p> <p>c) CMAA when signed will take care of this aspect.</p>
3.	<p>Transit issues – Customs related aspects and matters</p> <p>a) Alleviation of Customs release process for transit cargo / consignments.</p> <p>b) Excessive intervention, seals issues</p> <p>c) Smooth movement of transit cargo interrupted; delays, heavy costs</p> <p>d) GD-related issues</p> <p>e) Expedite release of perishable goods</p> <p>f) Efficient and effective control over hazardous goods</p>	<p>a) It was decided that a focal person will be nominated by both sides for Torkham / Chaman for coordination between various stakeholders to resolve the operational issues on day to day basis in expeditious and efficient manner. Where some coordination would be required with other organization within Customs, it will be undertaken by the same.</p> <p>b) Already discussed in agenda item no.1</p> <p>c) Traders on both sides of the border shall be kept informed on legal and administrative requirements for movement of transit goods.</p> <p>d) GD related issues, e.g. partial shipment containers reconciliation was discussed in detail by R&A team who in their demo explained the utility available in the system to handle it.</p> <p>e) Both sides agreed that proper mechanism is in place for expeditious clearance of perishable goods.</p> <p>f) Due care shall be exercised by the Afghan traders importing through transit regime such items as chemicals, hazardous goods, ODS substances that require official documentation/certification viz quota allocations from Afghan authorities. The traders shall provide necessary documents to Pakistan Customs at the time of filing of GD so that consignments are not held up for want of the same. Pakistan Customs has issued necessary instructions and Afghan Customs will also inform the traders at their end.</p>
4.	TIR Implementation	<p>Both countries agreed to implement the TIR regime in letter and spirit and remove irritants in way of smooth functioning of TIR regime.</p>

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5.	Enhancement of communication and coordination – a. Working groups b. Focal point	a. It was decided that henceforth the meeting of Joint Working Group shall be held regularly in Pakistan / Afghanistan. b. A focal person will be nominated by both sides for Torkham/Chaman for coordination between various stakeholders and to resolve the operational issues. It was agreed that e-mail addresses and contact details of relevant officers would be shared within three weeks by both sides for effectively dealing with urgent issues.
6.	Using risk assessment and management – a) Expediting the clearance process b) Effective risk-based and intelligence information based inspection and control c) Facilitation for compliant traders and respective agents	a & b) It was agreed by both sides that risk profiling will be beneficial for developing of AEO regime in both countries. c) Facilitation of compliant traders could be practicable once the concept of AEO is materialized in both countries.
7.	Customs Mutual Administrative Assistance Agreement (CMAA) – EDI Protocol: a) Negotiation b) Finalization c) Arrangements for signature Action plan for implementation	Pakistan Customs will share its final draft after due consultative process within six weeks. EDI protocol related discussions may start immediately between the technical sides of both countries.
8.	System connectivity – WeBOC related issues a) Timely data dispatch b) Access to WeBOC report c) Collective data submission d) Non-visibility / disappearance of uploading data	a) With reference to Transit Data, Live demonstration and explanation of MIS screen was given to Afghan delegation. b) Such reports could be retrieved from the interface provided to Afghan Customs. c) Information related to commodity is accessible to Afghan user through the same utility. d) The matter is already resolved.

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	e) ASYCUDA Portal for confirmation of arrival of goods at Pakistani side	e) This functionality shall be discussed by technical teams (Automation) on both sides and the process shall start within three weeks.
9.	<p><u>Transit</u></p> <p>a) TI acknowledgments by Afghanistan Customs and related issues.</p> <p>b) Increasing trends of transit goods prone to smuggling back to Pakistan and adoption of measures as provided under APTTA-2010.</p> <p>c) Sharing of updated Afghan Negative List for imports / exports and transit goods.</p> <p>d) Problems and delays in return of empty containers.</p> <p>e) Electronic Data Interchange, ASYCUDA-WeBOC linkage for reverse flow acknowledgement.</p> <p>f) Late filing of Goods Declarations by Afghan Traders.</p> <p>g) Improving monitoring of negative, quota based and other controlled</p>	<p>a) Both sides agreed that there has been a lot of improvement viz the issue of uploading of TIs over the last one year due to frequent coordination and efforts on both sides. To address the issue in totality it was agreed that dedicated staff shall be designated for the task who would be given timelines to follow.</p> <p>b) Pakistan side stressed the need to address the menace of smuggling which is adversely affecting the economy of Pakistan. The issue has already been taken up with the Ministries of Commerce in both countries. Analysis supported by statistical data along with suggested measures to control the reverse in pour of items prone to smuggling viz., Black Tea, Fabric, electronic goods, and tyres, has already been shared. Afghan side agreed to take up the issue at relevant governmental level.</p> <p>c) Both sides agreed to share the updated trade related negative lists. Pakistan's information is available on the websites of FBR as well as Ministry of Commerce. Afghan side agreed to share their updated information within three to four weeks.</p> <p>d) It was agreed by both sides that since the issue has been resolved to a great extent due to mutual coordination, cooperation and timely interaction between the Pakistan Afghanistan Liaison Committee, more such meetings should be conducted to take up the issues that affect timely clearance of consignments on both sides.</p> <p>e) Already discussed at agenda item No. 8(e).</p> <p>f) Afghan side agreed that they would be apprising Afghan traders about economic benefits of early clearance.</p> <p>g) Already discussed at agenda item No. 3(f).</p>

	<p>substances in transit and information exchange thereof.</p> <p>h) Cooperation in the imposition of Sanitary and Phyto-sanitary measures for goods in transit.</p> <p>i) Miscellaneous issues, if any;</p>	<p>h) The issue of phytosanitary checks on both sides shall be based upon principle of mutual reciprocity; hence to be taken up by relevant authorities in both countries.</p> <p>i) Amongst miscellaneous issues, the matter of limited parking space in Wesh Gumruk was raised by Pakistan Customs and it was informed by Afghan side that it was an infrastructure issue for which a full-fledged project has been launched to increase the capacity of Wesh Gumruk.</p>
10.	<p><u>Bilateral Trade</u></p> <p>a) Congestion of vehicles and oil tankers at the yard located at Wesh in Afghanistan.</p> <p>b) Reluctance of Afghan authorities in using Bab-e-Dosti for import and export consignments.</p> <p>c) Establishment of EDI and access to ASYCUDA for exchange of information relating to import and export.</p> <p>d) Establishment of banking channels between Pakistan and Afghanistan for regulating import/export transactions between the two countries.</p> <p>e) Preferential tariff for Pakistani export goods by Afghan authorities as Pakistan is extending preferential tariff on import of Fresh and Dry Fruits from Afghanistan under 5th Schedule of Customs Act, 1969 and 6th Schedule of Sales Tax Act, 1990.</p> <p>f) Establishment of Afghan Customs Station opposite Customs Station, Badini.</p> <p>g) Strengthening of anti-smuggling activities by the Afghan side to</p>	<p>a) Already discussed at agenda item No. 9 (i).</p> <p>b) Afghan side informed that they are not aware about the issue. They will look into the issue and inform the Pakistani side accordingly.</p> <p>c) Already discussed at agenda item No. 8(e).</p> <p>d) The issue needs to be taken up with relevant authorities.</p> <p>e) Afghan side informed that Afghan Custom implements the policy matters; therefore, the issue may be taken up with Ministry of Commerce, Afghanistan which is the regulatory authority for preferential tariff.</p> <p>f) Afghan side noted the request and informed that they will look into it and inform Pakistan side accordingly.</p> <p>g) Discussed at agenda item No. 9 (b).</p>

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	<p>restrict reverse flow of Transit Trade goods into Pakistan.</p> <p>h) Miscellaneous issues including decision on timings for opening and closing of main gate and arrangements of regular meetings between Customs administrations of both countries.</p> <p>i) Institutional mechanism for border coordination – although informal mechanisms exist for information sharing and coordination amongst the Customs authorities of both countries, this arrangement needs to be institutionalized and expanded to include the representative of trade and industries from both sides.</p>	<p>h) Discussed at agenda item No. 1 (b).</p> <p>i) Both sides agreed to the proposal and to include the required stakeholders in the next meeting.</p>
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2. The Afghan side proposed to hold the next Joint Working Group Meeting in Kabul, Afghanistan. The final date and venue of next meeting will be agreed upon in the next meeting.

3. The meeting ended with a vote of thanks from both sides.

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