



seventh customs cooperation committee meeting of the central Asia Regional Economic cooperation program

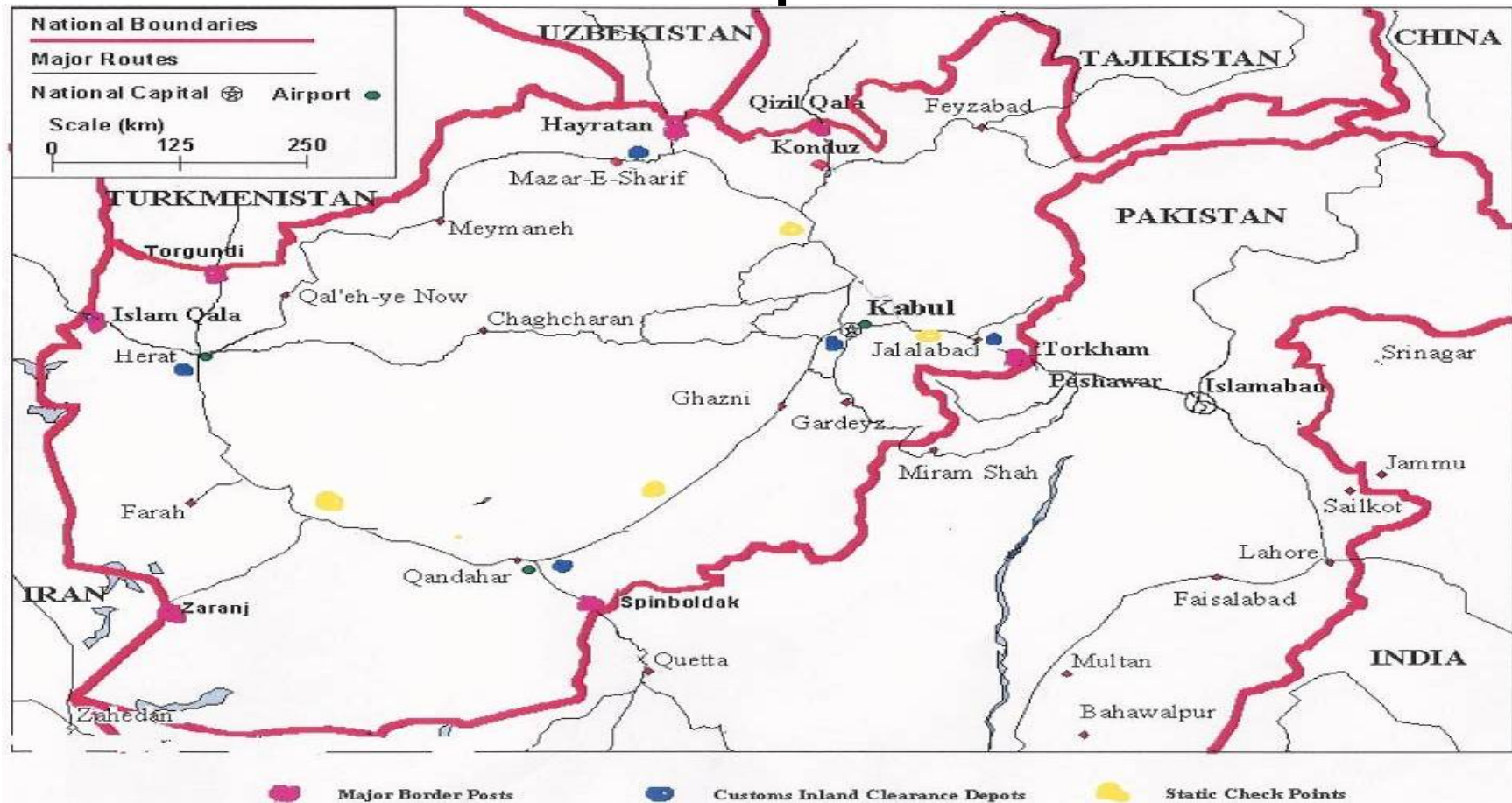
Islamic Republic of Afghanistan

Ministry of finance

Afghan Custom Department

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Brief Introduction of Afghanistan & Afghan Customs Department



Borders= China 76km, Iran 936 km, Pakistan 2430 km, Tajikstan 1206 km, Turkmenistan 744 km, Uzbekistan 137 km.
Population= 29,928,987: Growth Rate=4.77%



**Progress Report on trade facilitation measures taken by
Afghan Customs Department during 2007-08 in the priority
areas identified under CAREC initiative**

These trade facilitation steps could be placed under
following three broad headings:



A. Developing the Border Customs Infrastructure and Logistics

- 1. Afghan-Tajikistan border**
- 2. Afghan-Uzbekistan border**
- 3. Afghan-Turkmenistan border**
- 4. Afghan-Iran border**
- 5. Afghan-Pakistan border**

B. Customs Reforms and Modernization

- 1. Simplification and harmonization of laws & procedures**
- 2. Tariff based on HS code**
- 3. Simplification of clearance procedures for international transit cargo**
- 4. Automation of clearance procedures**
- 5. Automation of internal transit procedures**
- 6. Afghan Customs Website**
- 7. Post-entry Audit and Risk Management**



C. Integrated Trade Facilitation approach

- 1. Single window system for exports**
- 2. Streamlining imports of mineral oils and fuels**
- 3. Public private partnership in automation**



Some of the specific areas of cooperation that could be included for deliberation are as follows:

1. Building connectivity between existing regional forums of SAARC and other similar regional associations with CAREC



- 2. Integrating the trade facilitation measures with those of neighboring countries**
- 3. Harmonization of border management initiatives to evolve Joint Customs Control and One-Stop services at the border**



- 4. Establishment of common Electronic Platform for Exchange of customs data in the region**
- 5. Signing of bilateral Customs Cooperation Agreements**
- 6. Knowledge and capacity building**



ACD comments according to the Recommendation of the TPCC endorsed by SOM in the year 2006

1. Reducing tariffs and other trade taxes in countries where the cumulative average rate is high , with the aim of bringing the simple average tariff below 10 percent

2. Reducing the maximum and high tariff rates with the maximum rate limited to 20 percent
3. Cutting the number of non-zero tariff bands to around 3.
4. Eliminating specific and combined tariffs by shifting to an ad valorem methodology
5. Removing exemptions and abstaining from granting them in the future
6. Applying taxes (VAT and excise) any formally to imported and domestically produce goods
7. Consolidating other import taxes, fees, charges in to a single rate.



Thanks