

Agreed Minutes of the Consultation Meeting between Uzbek and Afghan Delegation

The consultation meeting between the Uzbek Delegation led by H.E Jamshid Khodjaev Minister of Foreign Trade of the Republic of Uzbekistan, and the Afghan Delegation led by H.E Humayoon Rasaw Minister of Industry and Commerce of the Islamic Republic of Afghanistan was held in a cordial environment and mutual understanding, in Kabul, on 8- 9th July 2018.

Both sides discussed various issues of mutual interest and agreed on the following:

1. Trade Relations

- 1.1 Both sides highlighting the importance of consistent follow up on the improvement of bilateral investment, trade and transit relations, agreed to soon establish the Joint Commission on Trade, Transport and Energy, mentioned in article 11 of the Agreement between the Government of the Islamic Republic of Afghanistan and the Government of the Republic of Uzbekistan.
- 1.2 Both sides agreed to duly implement the Agreement between the Government of the Islamic Republic of Afghanistan and the Government of the Republic of Uzbekistan on Trade and Economic Cooperation, in particular article 3 of that agreement which grants mutual MFN status to the goods originating in the territory of the contracting parties. In this regard, both sides agreed to mutually communicate the MFN tariff rates through diplomatic channels.
- 1.3 Uzbek side underlining the importance of free trade regime between the two countries, proposed to negotiate a “FREE TRADE AGREEMENT between the Republic of Uzbekistan and the Islamic Republic of Afghanistan. Afghan side noted the proposal and undertook to share their comments on the proposed text by the Uzbek side.
- 1.4 Uzbek side proposed the establishment of a cross – border trade zone on the basis of “Termez Cargo Center” specifically for Afghan consumers. Afghan side welcomed the proposal and undertook to study it and get back with their comments.

2. Transit and Transport

- 2.1 Both sides agreed to duly implement the Agreement between the Government of the Islamic Republic of Afghanistan and the Government of the Republic of Uzbekistan on Transit of Goods, in particular paragraph 3, article 3 of that agreement which states: “Individuals and legal entities of the states of the parties shall have the right to choose and use, for traffic coming from or going to the territory of the state of the other party, the mode of transportation that they consider the most appropriate.”
In this regard, the Afghan side mentioned that currently, the required loading and offloading facilities exist in the Hairatan dry Port which can be used for loading and offloading goods. The Uzbek side mutually reaffirmed that based on the above

mentioned article, traders shall have the right to choose the mode of transportation which includes using the Hairatan dry port.

- 2.2 Uzbek side highlighting the importance of smooth transport connectivity of the two countries, proposed to negotiate a "Bilateral Intergovernmental Agreement on International Road Transport" between the Republic of Uzbekistan and the Islamic Republic of Afghanistan. Afghan side welcomed the proposal and expressed their counter interest to commence negotiations on the proposed text by the Uzbek side.
- 2.3 Both sides reaffirmed the need to duly implement the TIR Convention and provide the mentioned facilities in the convention to the transporters of both sides.
- 2.4 Afghan side mentioned that the high cost of transit through the territory of Uzbekistan is a barrier towards enhancing transit relations with Uzbekistan. Uzbek side noted the concern and undertook to reconsider the costs and fees in order to make it more competitive with other transit routes in the region.
- 2.5 Uzbek side proposed to negotiate on a "Intergovernmental Agreement on Air Communication" which has been previously shared. Afghan side undertook to share the proposal with the relevant authority and get back with their comments.

3. Investment and Infrastructure

- 3.1 Both sides agreed to continue working towards the implementation of the MoU on Cooperation in the Hydrocarbon Sector. The scope of this cooperation will include but not limited to:
 - Development of oil and gas fields
 - Integrated research and technology transfer
 - Promotion of public and private investment
 - Technical capacity building
 - Joint exploration of oil and gas basins and infrastructure.
- 3.2 Afghan side underlined the importance of commencing the joint investment projects in Afghanistan which is highly beneficial in terms of export due to Afghanistan's membership in the World Trade Organization (WTO), GSP Schemes and Preferential Trade Agreements, in particular textile and automobile production. Both sides agreed to soon start technical consultations on the mechanisms for the aforementioned investments, including SKD (Semi Knock Down) automobile assembling. In this regard, Uzbek side requested the Afghan side that once established, the spare parts for SKD automobile assembling shall be exempted from customs duties and tariffs. Afghan side noted the above mentioned request and undertook to raise this issue in the relevant decision making authority of Afghanistan.
- 3.3 Uzbek side expressed their interest in participating in international tender in energy sphere in Afghanistan without undue restrictions. Afghan side reaffirmed that there is no obstacle in participation of Uzbek companies in the mentioned tenders provided that the Uzbek companies get verified through the Uzbek Embassy in Kabul, and no more additional requirements exist in this regard.
- 3.4 Uzbek side proposed the establishment of a special economic zone with the allocation of 3-thousand-hectares land area in Termez district on the principle of "residence for

investment” with a residence permit in the Surkhandarya region. Afghan side noted the proposal and undertook to share their comments on it.

3.5 Both sides agreed to continue and enhance negotiations on realizing the “Transafghan Corridor”. Project.

4.Both sides agreed to develop a joint roadmap for time lining the implementation of mutual commitments relevant to different aspects of bilateral economic relations.

This Agreed Minutes is signed in two originals on 9th July 2018, in Kabul in English language.

On Behalf of the Islamic Republic of Afghanistan

Humayoon Rasaw

Minister of Industry and Commerce



On behalf of the Republic of Uzbekistan

Jamshid Khodjaev

Minister of Foreign Trade

