

MINISTRY OF MINES AND PETROLEUM

# Investors' Guide

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Information on laws and procedures to support  
investors working in Afghanistan

5/12/2013

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## 1 INTRODUCTION

The abundance of natural resources in Afghanistan, combined with continually improving stability, presents unrivalled opportunities for Afghanistan to drive economic growth that benefits its citizens. Private sector investment is critical to achieving this growth and so the Government of Afghanistan welcomes investors in the country's mining and hydrocarbon sectors.

This Investors' Guide has been designed to offer investors a single starting point to understanding the institutions, laws, and procedures that govern the extractive industries in Afghanistan. The scope of the guide includes laws and procedures that are specific to mining and hydrocarbons, as well as laws and procedures that apply more broadly to businesses operating in Afghanistan.

Given the above objectives, it is inevitable that the Investors' Guide has certain limitations of which readers should be aware. The Investors' Guide intended as an entry point to understanding investor rights and obligations, not as a substitute for laws, regulations and procedures as defined by responsible ministries and agencies. In addition, the Government of Afghanistan continues to define and improve regulations and procedures. As such, while the information below is correct at the time of writing, it is subject to change.

For further support, investors should contact Minerals Sector Development Directorate of the Ministry of Mines and Petroleum on 0752-076-483 and [mininginquiries@mom.gov.af](mailto:mininginquiries@mom.gov.af). Comments and suggestions on the Investor Guide are also welcomed.

## **2 KEY INSTITUTIONS**

### **2.1 Ministry of Mines and Petroleum**

The Ministry of Mines and Petroleum (MoMP) is responsible for defining and implementing policies and regulations governing the mining and petroleum sectors. In addition, the MoMP is responsible for negotiating and issuing licenses for mining and petroleum exploration and production. The Ministry of Mines and Petroleum should be investors' primary point of contact in Afghanistan.

The Ministry of Mines should be the main point of interaction between the government and investors in the extractive industries in Afghanistan. Investors may be required to deal with a number of departments and directorates within the Ministry of Mines and Petroleum. An organization chart for the ministry is provided on the next page.

### **2.2 Ministers Commission**

The Ministers Commission (previously the Inter Ministerial Commission) consists of representatives from five ministries/agencies: Mines and Petroleum, Finance, Commerce and Industry, Economy and Foreign Affairs, and National Environmental Protection Agency (NEPA). The body is responsible for monitoring bidding processes, approving medium sized contracts, approving royalty rates for mining operations, and granting exemptions from surface rent.

The Minister of Mines and Petroleum chairs the Ministers Commission and its Secretariat resides within the Ministry of Mines and Petroleum. Investors in Afghanistan are unlikely to interact directly with the Ministers Commission.

### **2.3 Ministry of Commerce and Industry**

The Ministry of Commerce and Industry is responsible for policy and regulations relating to the private sector in Afghanistan. Many of the policies that are in place in Afghanistan, and that relate to companies operating in the extractive industry sector, have been developed by the Ministry of Commerce and Industry. For example, the Investment Law is the responsibility of the Ministry of Commerce and Industry.

Investors in Afghanistan's extractive industries should interact with the Ministry of Commerce and Industry in the same capacity as any business, which is in business registration and in adhering to the policies for which the ministry is responsible.

### **2.4 Afghanistan Investment Support Agency (AISA)**

AISA is responsible for promoting Afghanistan to investors, ensuring a business friendly environment, and issuing private investment licenses to all new investments.

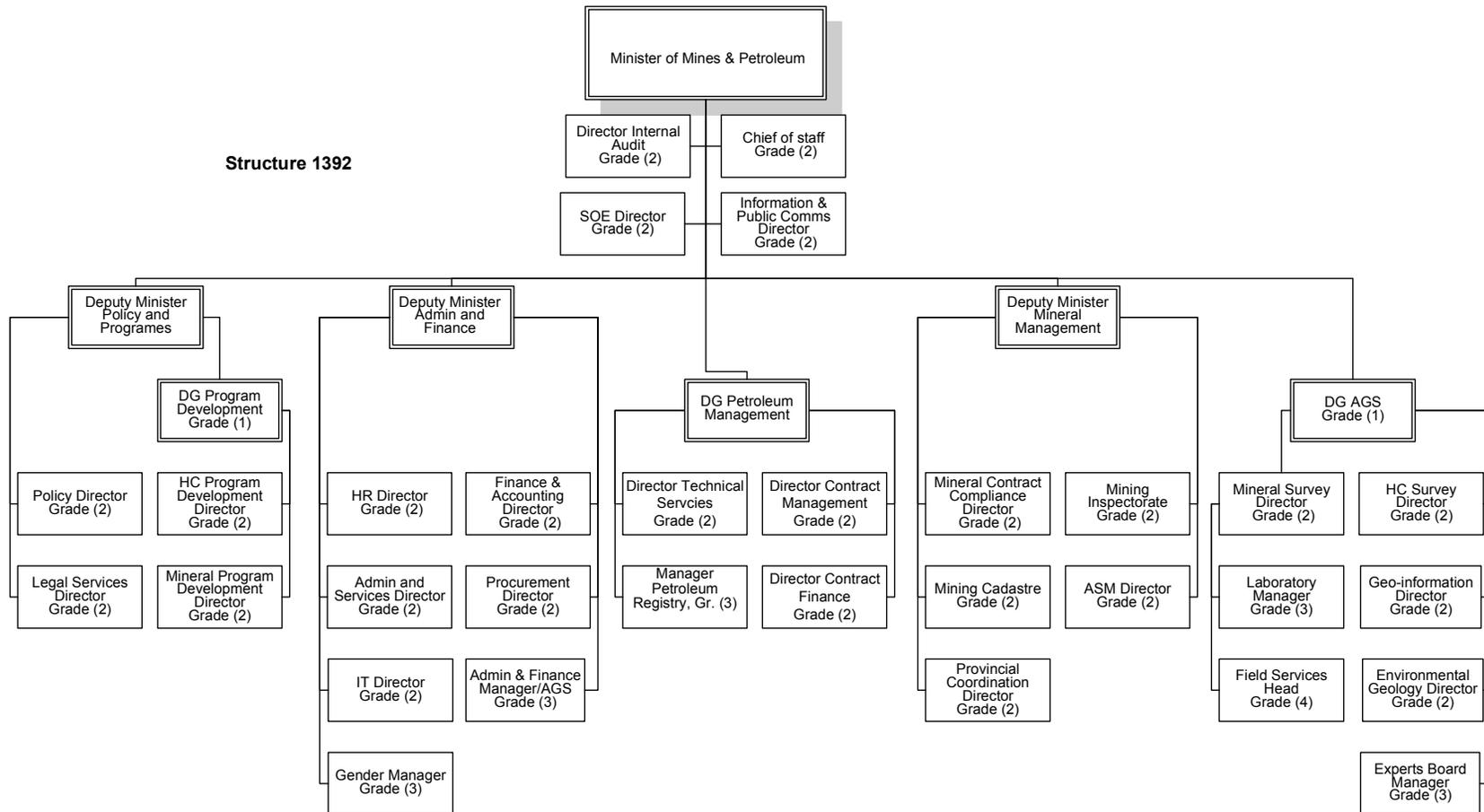
Investors in Afghanistan's extractive industries should interact with AISA for the purpose of obtaining an investment license.

## **2.5 Ministry of Finance**

The Ministry of Finance is responsible for the activities of the Afghanistan Revenue Department (ARD) and the Afghanistan Customs Department (ACD). The ARD is responsible for administration of tax laws and regulations, including income and corporate taxes. The ACD is responsible for administration of cross-border trade and collection of customs duties.

Investors in Afghanistan's extractive industries will interact with the ARD and ACD in the normal process of paying taxes and customs duties. Investors will also interact with the ACD for the purpose of customs exemptions.

Ministry of Mines and Petroleum organization chart:



### **3 LEGAL AND REGULATORY ENVIRONMENT OF AFGHANISTAN RELATING TO EXTRACTIVE INDUSTRIES**

This section of the Investors' Guide summarizes the laws that are most relevant to investors in Afghanistan's mining and hydrocarbon sectors.

#### **3.1 Private investment law (2008)**

The Private Investment Law regulates private capital investment affairs in Afghanistan. The main objectives of the Private Investment Law are: to promote the role of private investment, both domestic and international, in the economy of the country, and to create a legal regime together with an administrative structure that will encourage, support and protect foreign and domestic private investors (Article 2, Private Investment Law). Therefore, the law sets forth the rights and obligations of investors from registration through to operation, revenue generation, transfer, sale of business out and closure.

This is a summary of investor rights and obligations, as defined in the Private Investment Law:

##### **3.1.1 Investor rights**

###### ***a. Right to invest (register a business) in Afghanistan***

Except in certain areas where investment may be prohibited, restricted or subject to special terms as set forth in Article 5 of Private Investment Law (such as establishing a casino or the production and sale of weapons), all foreign or domestic persons may make investments in all sectors of the Afghanistan economy (Article 4, Private Investment Law).

In order to formalize a business, the investor must register his/her business by submitting an application to the Licensing Directorate of Afghanistan Investment Support Agency (AISA) (Articles 10-14, Private Investment Law). For trade related businesses, the business needs to register with the Ministry of Commerce and Industry.

After registration and receipt of the investment license from AISA, the business becomes formal and is termed an 'approved enterprise'. An approved enterprise may be either:

- A business entity organized under Afghan law; or,
- A business established under the laws of another nation, but registration and approval to do business in Afghanistan has taken place in accordance with the laws and regulations of Afghanistan.

In addition, approved enterprises may have ownership in any of the following forms:

- One hundred percent (100%) ownership by private investors; or,
- A joint venture between the Government of Afghanistan and private investors (Article 10, Private Investment Law).

###### ***b. Immunity against discriminatory government action***

All approved enterprises with similar objectives that have the same technical, financial and other

capabilities, no matter if owned by an Afghan or foreign, are equal in accordance with the laws (Article 16, Private Investment Law).

**c. *Tax concession for approved enterprises***

The Afghanistan Income Tax Law provides a tax concession for an approved enterprise that incurs a net operating loss: the enterprise can transfer the loss to the next fiscal year and apply it as a deduction from its taxable income to the extent permitted in the Income Tax Law. In addition, an approved enterprise is entitled to an accelerated deduction for depreciation on its capital assets to the extent permitted in the Income Tax Law (Article 17, Private Investment Law).

**d. *Custom exemption for approved enterprises***

An approved enterprise product, manufactured or assembled in Afghanistan, is exempted from export charges to the extent permitted in the Customs Law, provided that it has obtained an export license (Article 18, Private Investment Law).

**e. *Access to banking (within & outside of Afghanistan)***

An approved enterprise has the right to use banking facilities in Afghanistan, including opening accounts in foreign currency and using these banks to receive loans and credit in foreign currency from outside Afghanistan in order to advance investment. In addition, the approved enterprise can open bank accounts in foreign currency outside Afghanistan for the purpose of carrying out transactions relevant to the investment, paying salaries and benefits to expatriate employees, and for all other payments that are not contrary to the legislation in Afghanistan (Article 19, Private Investment Law).

**f. *Right to employ Afghan and foreign staff***

Investors are entitled to hire foreign managerial and expert staff if Afghan nationals with parallel qualifications do not exist. Approved enterprises are encouraged to employ Afghan nationals who are able to carry out the required functions. For foreign employees an approved enterprise is required to obtain a work permit from the Ministry of Labor and Social Affairs (MoLSA) and a work visa from the Ministry of Foreign Affairs (Article 20, Private Investment Law).

**g. *Right to lease land***

In order to operate, a foreign approved enterprise may lease immovable property for a specified period. The Private Investment Law gives the right to a foreign approved enterprise to lease immovable property in Afghanistan for a period of up to fifty years, and the lease can be extended in accordance with law (Article 21, Private Investment Law).

**h. *Transfer of capital and profit associated with foreign investment***

After satisfying its legal obligations, such as paying taxes, an approved enterprise can freely transfer out of Afghanistan the equivalent of the aggregate amount of its investment, dividends, or distributions treated as dividends received from the investment, the proceeds of any sale of the approved enterprise, or funds for payment of the principal, interest and fees relating to a foreign loan in foreign currency at the prevailing exchange rate in accordance with the provision of the Income Tax Law (Articles 22, 23, 24 and 26, Private Investment Law). In case of income from compensation of the approved enterprise

being acquired<sup>1</sup> by the Government, the foreign investor who possesses more than 25 percent of the share, enjoys the right to freely transfer any such payment out of Afghanistan without the payment of taxes, unless the law provides otherwise (Article 29, Private Investment Law).

***i. Sale of investment***

A foreign investor has the right to sell all or a part of its ownership interest to domestic or foreign persons or to the Government of Afghanistan, in accordance with the provisions of the law (Article 25, Private Investment Law).

***j. Right to access justice in case of any dispute***

In case of a dispute between a foreign investor with a third party or with the Government of Afghanistan, an approved enterprise has the right to access domestic courts and international arbitration such as ICSID and UNCITRAL. In addition, a foreign investor with a greater than 25% ownership of an approved enterprise is entitled to dispute the fairness of Government expropriation before the court (Article 30, Private Investment Law).

### 3.1.2 Investor obligations

#### ***3.1.2.1 Abiding by the laws***

All investors, whether domestic or foreign, must abide by the Private Investment Law and all other applicable laws of Afghanistan (Article 15, Private Investment Law). Compliance with the laws covers a wide range of obligations, including paying taxes, royalties and other legal relevant payments, and not bribing government employees.

Besides Afghanistan's Private Investment Law, other laws<sup>2</sup> such as the Copyright Law, Patent Law, Contract Law, Labor Law, Minerals Law and Hydrocarbons Law and so forth provide additional legal protection for investors. These are described below.

### **3.2 Minerals law (2009)<sup>3</sup>**

The Minerals Law and Mining Regulations (2010) explain minerals deposits ownership, minerals regulating bodies, types of minerals rights, eligibility of obtaining minerals rights, bidding process, mining contract, other rights and obligations of the mining rights holder in the mining sector. The Minerals Law regulates the affairs related to determining the ownership and control of the State over mineral deposits, preservation, management, utilization, attracting and support of State, private and joint investments in the mining sector operations and managing of other related operations and activities (Article 1, Minerals Law).

In accordance with the laws, Ministry of Mines and Petroleum is obliged to regulate minerals and petroleum activities and to develop, promote and ensure the efficient management of the minerals and petroleum

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<sup>1</sup> Government may only expropriate an investment for the purpose of public interest, on a non-discriminatory basis (Article 27, Private Investment Law).

<sup>2</sup> A list of relevant laws with the links to access them is provided at the end of this document.

<sup>3</sup> New Minerals Law and Regulations are expected to be enacted by the end of 2013, with possible significant changes to the existing legislation.

industry by the private and public sectors for the benefit of the people of Afghanistan (Article 5, Minerals Law and Article 5, Hydrocarbons Law).

The Minerals Law further defines the duties and authorities of Ministry of Mines and Petroleum, including its regulatory bodies such as Ministers Commission (MC)<sup>4</sup>, Evaluation Committee<sup>5</sup>, Inspectorate and Cadastre Directorates in Articles 6-8 and 17 accordingly. Furthermore, key topics such as types and specification of minerals right, eligibility of obtaining mineral rights, bidding and mineral rights awarding process, renewal of licenses, assignment, transfer, lease or mortgage of the license, relinquishment, withdrawal, and termination of mineral rights and so forth, are explained in chapters 4 and 5 (Articles 14-55) of the Minerals Law.

In accordance with the Minerals Law, mineral rights consist of licenses<sup>6</sup> and authorizations<sup>7</sup>, which are classified as below:

1. Licenses consist of exploration licenses and exploitation licenses<sup>8</sup>. Exploitation licenses consist of ordinary exploitation licenses and small and medium-scale exploitation licenses.
2. Authorizations consist of:
  - a. Authorizations for quarry exploration;
  - b. Authorizations for temporary quarry exploitation;
  - c. Authorizations for permanent quarry exploitation;
  - d. Authorizations for tailings exploitation<sup>9</sup>;
  - e. Authorizations for artisanal exploitation<sup>10</sup>; and,
  - f. Authorizations for the treatment, processing, transformation, transportation or trading of minerals.

A person may hold one or more licenses and/or authorizations at the same time (Article 14, Minerals Law).

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<sup>4</sup>This was previously known as the Inter Ministerial Commission (IMC). The Ministers Commission (MC) consists of representatives from five ministries: Mines and Petroleum, Finance, Economy and Foreign Affairs, and National Environmental Protection Agency (NEPA). The MC is chaired by the Minister of Mines and Petroleum and has the following main duties: to monitor bidding processes, approve medium sized contracts, approve royalty rates for mining operations, and to grant exemptions from surface rent (Article 7, Minerals Law)

<sup>5</sup> The Evaluation Committee, also known as Junior MC, consists of MC members' representatives and has the following duties: to open bids, evaluate the bidders' plans and proposals, and announce the winning bidder.

<sup>6</sup> "License" means a license for exploration or exploitation of mines granted pursuant to the provisions of Minerals Law.

<sup>7</sup> "Authorization" means a permit granted by the Ministry of Mines and Petroleum under the provisions of Mining Law for quarry exploration, temporary quarry exploitation, permanent quarry exploitation, previously extracted tailings exploitation, exploitation, business, processing, transportation or transformation of minerals.

<sup>8</sup> "Small size mining contract" means a mining contract in which the capital investment is up to five million United States dollars equivalent.

"Medium size mining contract" means a mining contract in which the capital investment is up to twenty five million United States dollars equivalent.

"Large size mining contract" means a mining contract in which the capital investment is up to fifty million United States dollars equivalent. "Very large size mining contract" means a mining contract in which the capital investment is up to more than fifty million United States dollars equivalent.

<sup>9</sup> "Tailings Exploitation" means any activity by means of which an individual or a legal entity extracts mineral substances from an artificial deposit of scrap material, and processes them in order to sell them.

<sup>10</sup> "Artisanal Exploitation" means any activity by means of which a person carries out extraction of minerals using traditional equipment and methods of processing at a depth not exceeding thirty meters.

The Law further sets forth the eligibility criteria for obtaining mineral rights in Afghanistan. The following persons are eligible to obtain mineral rights:

1. Any individual who has attained the age of 18 years and is a citizen of Afghanistan;
2. Any foreign national who has attained the age of 18 years and has legally obtained the right of residence and investment in Afghanistan;
3. Any legal entity organized in accordance with law; or,
4. Any foreign legal entity organized or cooperating under foreign law that is legally entitled to reside, invest, or do business in Afghanistan. Foreign person may not hold Authorization for Artisanal Exploitation.

In accordance with the Law the following persons are not eligible to obtain mineral rights:

1. High ranking state officials stipulated in Article 151 of the constitution;
2. Members of the Parliament, magistrates, attorneys;
3. Members of the Ministries of Mines and Petroleum, National Defense, Interior Affairs, Foreign Affairs, and the Directorate of National Security who are above grade three;
4. Any person who has been declared bankrupt; and
5. Any person whose mineral rights has been prematurely terminated, cancelled or withdrawn, prior to the expiry of the contract period.
6. Any person charged with involvement in financial, economic and managerial offences and convicted by a valid conclusive judgment of the authorized court, for a period of more than two years imprisonment.

In addition, in order to obtain the mineral rights, any foreign person<sup>11</sup> is required to establish and maintain a permanent representative office in Afghanistan or to appoint and maintain an authorized agent resident in Afghanistan (Article 14, Minerals Law).

Except for artisanal exploitation authorizations and mineral processing authorizations, mineral rights are granted through bidding. As an exception, exploration license can also be granted without bidding to interested investor (by application). The bidding announcements, procedures, duration, terms and conditions, and other related issues to mineral deposits are arranged by the Ministry of Mines and Petroleum.

For transparency purpose, the Law requires that the bidding process for mineral rights to be an open, transparent, competitive procurement system designed to achieve efficiency, prevent abuses, and provide with a fair opportunity for participation by all prospective bidders. Therefore, the MC and evaluation committee of the Ministry review the tender documents, evaluate proposals received from the bidders, and choose the preferred bidder. Bidders are required to provide the appropriate information in their proposals, and should not engage in any illegal activities for the purpose of winning the bidding (Articles 13, 14 and 23 of Mining Regulations).

Within 3 to 10 business days of enactment of any contract, the Ministry of Mines and Petroleum will announce a summary of the contract that includes the minimum work obligations, the rate of royalties, and other material revenues and benefits that the Government will derive from the mining contract. Information related to corporate secrets, security of personal and other confidential information may not be published unless the mineral rights holder consents so.

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<sup>11</sup> Person, in accordance with Mining and Hydrocarbons Laws means any natural and/or legal persons.

The Minerals Law entitles the holder of mineral rights to access justice, Afghanistan courts and international arbitrations, in case of any dispute with a third party or the State. In addition, the holder of mining exploitation license, quarry exploitation authorization and artisanal exploitation authorization, may freely sell their products within Afghanistan or export it out of Afghanistan in accordance with the Customs Law (Article 91-95 and 59 of Minerals Law).

The mineral rights holder is obliged to pay a percentage (as specified in the contract) of its production to the Afghan Government as a royalty. The amount of royalty will be set by the Ministry of Mines and Petroleum and approved by MC. In addition to Chapter 12 (Articles 77-85) of the Income Tax Law (2009), the payment of royalty, taxes and custom duties is also fully described in Chapter 9 (Articles 82-87) of the Minerals Law.

### **3.3 Hydrocarbons law (2009)<sup>12</sup>**

The Hydrocarbons Law and Hydrocarbons Regulations are the primary vehicle to regulate all affairs related to ownership, obtaining petroleum rights and its exploration, development, exploitation, commercialization in Afghanistan. In addition, the Hydrocarbons Law addresses all issues related to areas of operation and surface area rights, types of contracts for petroleum operations, use of pipelines, and government revenues associated with hydrocarbon operations.

In accordance with Hydrocarbons Law, four types of petroleum rights are granted as described below:

#### **a. Exploration and production sharing contracts (EPSC)**

Under an Exploration and Production Sharing Contract, the contractor will be granted the exclusive right to explore for petroleum, and, in the event of a commercial discovery, to develop and produce petroleum. The contract, entitles the contractor to a defined share of production (Article 24, Hydrocarbons Law).

#### **b. Service and production sharing contracts (SPSC)**

Under a Service and Production Sharing Contract, the Contractor will be granted the exclusive right of operation to upgrade and rehabilitate petroleum production facilities including well servicing operations, providing services and production. The contract entitles the contractor to a defined share of production (Article 25, Hydrocarbons Law).

#### **c. Contracts for geological/geophysical/geochemical services**

This type of contract grants the right to conduct geological/geophysical/geochemical services in an identified area, provided that the identified area is not within the contract area of Exploration and Production Sharing Contract and Service and Production Sharing Contracts (Article 26, Hydrocarbons Law).

#### **d. Contracts for pipeline operations**

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<sup>12</sup> New Hydrocarbons (Petroleum) Law and Regulations are expected to be enacted by the end of 2013, with possible significant changes to the existing legislation.

Contracts for Pipeline Operations grant the right to construct pipelines and associated facilities (for instance pumping stations, storage tanks or valves) and carrying out the storage and transportation operation of petroleum. The terms and conditions related to the construction and operation of such pipelines and related facilities, including design, route selection and safety requirements, is set forth in the contract and the Hydrocarbon Regulations.

The Law clearly defines the eligibility criteria for obtaining petroleum rights in Afghanistan. The following persons are eligible to obtaining petroleum rights:

- a. Any individual who has attained the age of 18 years and is a citizen of Afghanistan;
- b. Any foreign national who has attained the age of 18 years and has legally obtained the right of residence and investment in Afghanistan;
- c. Any legal entity organized in accordance with law; or,
- d. Any foreign legal entity organized or cooperating under foreign law that is legally entitled to reside, invest, or do business in Afghanistan. Foreign person may not hold Authorization for Artisanal Exploitation.

In accordance with the Law, the following persons are not eligible to obtain petroleum rights:

- a. High ranking state officials stipulated in Article 151 of the constitution;
- b. Members of the Parliament, magistrates, attorneys;
- c. Members of the Ministries of Mines and Petroleum, National Defense, Interior Affairs, Foreign Affairs, and the Directorate of National Security who are above grade three;
- d. Any person who has been declared bankrupt; and
- e. Any person whose petroleum rights has been prematurely terminated, cancelled or withdrawn, prior to the expiry of the contract period.
- f. Any person charged with involvement in financial, economic and managerial offences and convicted by a valid conclusive judgment of the authorized court, for a period of more than two years imprisonment.

In order to obtain a license for petroleum operations and to provide the related information to the competent authorities, foreign nationals are obliged to establish and maintain a permanent representative office in Afghanistan or to appoint their authorized agent resident in Afghanistan (Article 34, Hydrocarbons Law).

Petroleum rights are granted through bidding. The Ministry of Mines and Petroleum will arrange designated area in blocks and regulates all affairs relevant to bidding (Article 30, Hydrocarbons Law).

For transparency purpose, the law requires that the bidding process for petroleum rights to be an open, transparent, competitive procurement system designed to achieve efficiency, prevent abuses, and provide with a fair opportunity for participation by all prospective bidders. Therefore, the MC and evaluation committee of the Ministry of Mines and Petroleum review the tender documents, evaluate proposals received from the bidders, and choose the preferred bidder. Bidders are required to provide the appropriate information in their proposals, and should not engage in any illegal activities for the purpose of winning the bidding (Article 13-14, Mining Regulations).

Within 3 to 10 business days of enactment of any contract, the Ministry of Mines and Petroleum will announce a summary of the contract that includes the minimum work obligations, the rate of royalties, the sharing of productions between the State and the contractor and other material revenues and benefits that

the Government will derive from the petroleum contract. Information related to corporate secrets, security of personal and other confidential information may not be published unless the mineral rights holder consents so (Article 18 Hydrocarbons Regulations).

The Hydrocarbons Law entitles the holder of petroleum rights to access justice, Afghanistan courts and international arbitrations, in case of any dispute with a third party or the State. In addition, the holder of petroleum rights may freely sell its products within Afghanistan or export it out of Afghanistan in accordance with the Customs Law (Article 70 and 41, Minerals Law).

The petroleum rights holder is obliged to pay a percentage, as specified in the contract, of its production to the Afghan Government as a royalty. The amount of royalty will be set by the Ministry of Mines and Petroleum and approved by the MC. In addition to Chapter 12 (Articles 77-85) of the Income Tax Law (2009), the payment of royalty, taxes and custom duties is also described in Chapter 6 (Articles 72-74) of the Hydrocarbons Law.

### **3.4 Corporations and limited liability companies law (2007)**

The Corporations and Limited Liability Companies Law provides the legal framework for the organization of business enterprises in Afghanistan.

The Law defines two types of enterprises:

*Corporation*: a business company whose capital is definite and divided into shares, with the share and responsibility of each shareholder limited to the proportion of his share; and

*Limited Liability Company*; a business company whose capital is not divided into shares with the responsibility of each shareholder limited to the amount of capital agreed to (by such shareholder) in the company.

The law sets the registration requirements for corporations by indicating the documents that may be registered in a Central Registry, including a business license, articles of incorporation and annual reports.

Under this law, the Corporation Company has a two-tier board of directors, including a board of supervisors that oversees the board of directors and that can inspect the corporation's books and records. The law provides for duties and standards of the board of directors including the duty to disclose a conflict of interest regarding transaction effected by the corporation.

Corporations must hold annual meetings in which directors are elected and other business is attended to. Before such meetings the corporation must deliver the date, time, venue, agenda and other information relevant to annual meeting to the shareholders.

The law also provides for rights and protections of shareholders, such as the ability to inspect the books and records of the corporation and lawsuits by a shareholder in the right of a corporation against a director or officer for failure to perform, or other violation of his duties in management of the corporation. The Law sets the rules for when a corporation may pay dividends and how much of a reserve fund is necessary.

The Law also defines a limited liability company as having from 2 to 50 shareholders and whose shares are not traded on a public stock exchange.

### **3.5 Business partnership law (2007)**

According to the Business Partnership Law, a partnership is created by two or more persons, for the purpose of making profit, who file and register their partnership agreement. When a partnership is created, it has a legal personality and can execute transactions, sign contracts and own property.

The Law defines four types of partnerships: “General Partnership”, “Special Partnership”, “Labor Partnership” and “Partnership Based on Credit”.

A key distinctive factor of a partnership (in contrast to a corporation) is that there is no limit of liability for general partners. In other words, if the partnership cannot meet its financial obligations then the general partners are responsible for paying the partnership's creditors. However, partners can limit their liability to a fixed amount if they enter into a special partnership as described in the Law.

Special partnerships must have a general partner as a member and special partners may not interfere in the administrative matters of the general partnership.

Partners can limit the ability of a general partner to participate in the management of a partnership but they cannot limit a partner's access to information about the management of the partnership. Partners have a duty not to compete with the partnership or to use the partnership assets as their own. The Law entitles the partners to continue the partnership or withdraw from it; in addition, to decide on the division of profits and losses among them.

A partnership may dissolve for many reasons, such as death, bankruptcy, withdrawal of a partner, the realization of the objective of the partnership, or upon the order of the court. Upon dissolution, the partnership must follow liquidation procedures to protect creditors and partnership assets.

The Partnership Law's purpose includes ensuring all partners have access to financial information and ensuring transparency to third parties of its legal structure and current operations so they can better assess the risks of doing business with the partnership.

### **3.6 Commercial mediation law (2007)**

The Mediation Law offers both domestic and foreign businesses an alternative to court litigation or binding arbitration for resolving disputes. Mediation generally offers the benefits of speed and lower cost compared to arbitration or court proceedings but since it is not binding the parties must voluntarily honor the settlement in order for it to be effective. Once mediation has commenced, the running of any statutory limitation period is stopped during the mediation. The mediator has no authority to impose a settlement on the parties. However, should the parties agree to settlement, the settlement becomes binding and enforceable as with any other commercial agreement.

### **3.7 Commercial arbitration law (2007)**

The Arbitration Law establishes nationally and internationally applicable transparency procedures for a binding arbitration tribunal to resolve business disputes that cannot be amicably settled. Parties are able to choose their own panel of arbitrators. These procedures will be available to domestic and foreign businesses (and individuals) alike. The law permits anyone with an unsatisfied arbitration award to sue to enforce it in Afghanistan's commercial court.

### **3.8 Contracts law<sup>13</sup>**

The Contracts Law regulates and protects the rights of parties with respect to agreements. The Law stipulates essential elements of the contract, formation and remedies. The Law also includes specific elements for sales contracts, gifts, warehousing, employment and labor contracts.

### **3.9 Commercial representation law<sup>14</sup>**

The Commercial Representation Law regulates and protects the rights of an investor where a principal authorizes another person in the place of himself (the agent) in an ascertained, permitted transaction. This creates a contractual relationship and allows the agent to act as though he/she were the principal in many situations. The Law defines the types and scope of the agent relationship and the duties of care of an agent, as well as the obligations of the principal and the termination of the agency relationship<sup>15</sup>.

### **3.10 Trademarks law (2009)**

The Trademark Law regulates trademarks by allowing the owner of the mark to register his/her trademark in order to identify his/her goods or services. The Law specifies under what conditions the trademark will be protected, such as it must be distinctive and not misleading or deceptive. Upon its registration, the trademark is protected for a term of 10 years and it can be extended for additional terms of ten years upon the owner's request. The Law also has enforcement provisions against counterfeiters who use similar distinctive signs to market inferior or different products or services.

### **3.11 Copyright law (2008)**

The Copyright Law provides legal protection to the owner of the rights in an original work he/she has created such as a literary, musical, artistic or scientific work. The Law defines the various economic and intellectual property of the owner, including the rights of reproduction. The Law sets the terms for the limits of the protection (50 years after the author's death), how the works may be exploited and enforcement provisions for infringement of the copyright.

### **3.12 Law on protection of inventors and discoverers rights (patents law) (2008)**

This law protects the rights of inventors and discoverers if the patent is registered in Afghanistan. The law entitles the patent owner to produce, sale or transfer its work to a third party. For Afghan inventors and discoverers, the Law entitles the owner to exclusive rights of the patent for a term of 20 years from the date of registry at the Ministry of Commerce and Industry. For the patents that have previously been registered in another country, in order to seek protection under this law, the patent must be registered in Afghanistan within two years of having been granted (a patent) in the original country. In this event the owner is entitled

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<sup>13</sup>At the time of writing (March 2013) the Contracts Law was in the approval process at the Economic Law Committee of the Parliament; due to the Committee's work load it is hard to predict when the law is likely to be approved.

<sup>14</sup>At the time of writing (March 2013) the Commercial Representation Law was in the approval process at the Economic Law Committee of the Parliament; due to the Committee's significant work load it is hard to predict when the law is likely to be approved..

<sup>15</sup> Where a principal gives his/her authority (rights) to an agent that enables the agent to act on his/her behalf in business transactions.

to exclusive rights of his or her work for a period of 20 years from the date of registry in the original country. This allows companies to import and manufacture commodities while protecting the original patents on those goods. After registering the patent, the registrant must operationalize the patent by using the patent or producing the product in Afghanistan within a certain period of time.

### **3.13 Afghanistan national standards law (2010)**

The Afghanistan National Standards Law sets the foundation for a regulatory body, the Afghanistan National Standards Authority (ANSA) that will set standards for products, processes or services in order to protect consumers and the environment. The Law authorizes ANSA to harmonize Afghan standards with international standards so there are no technical barriers to trade. The Afghan National Standards Authority is authorized to enforce the Afghanistan National Standards Law and establish laboratories to inspect goods.

### **3.14 Labor law (2006)**

The Labor Law, in general, is the guarantor of the rights, privileges, obligations and responsibilities of organizations and employees. All categories of workers employed in Afghanistan are subject to the provisions of the Labor Law.

#### **a. Right to work and employment contracts**

Citizens of the Islamic Republic of Afghanistan have the right to work in return for wages or salaries. The right to paid work and fair remuneration is ensured by the legislation of Afghanistan. Workers and personnel are entitled to rest, leave, health insurance, occupational safety, free vocational training, building level of skills, having membership in trade unions and worker organizations, participation in the management of offices and production and the right to enjoy social security. The Law also prohibits the use of forced labor or child labor in the work place.

#### **b. Eligibility to be employed in a company**

Any individual satisfying the following criteria is entitled to work:

- Having obtained an Afghan identity card (Tazkera);
- Having attained 18 years of age; and,
- Either having obtained a vocational certificate with the agreement of the Ministry of Social and Labor Affairs (service personnel are exempted from the requirement to have a vocational certificate)or submission of a high school graduation certificate for State employees.

A person under the age of 18 may be employed in certain circumstances:

- Having attained 15 years of age a young person may be employed in light industry; or,
- Having attained 14 years of age a young person may be engaged as a trainee.

#### **c. Employment contract specification**

In Afghanistan, employment is by way of written contract. The contracting parties determine a probation period. The probation period cannot be more than three months. During the probation

period either party can abrogate the contract with prior notice. If the contract is not abrogated prior to termination of the probation period, then the contract will come into force with the previous period and conditions contained therein.

Essential instances for abrogation of labor contracts are:

1. Agreement of both parties;
2. Retirement;
3. Death of employee;
4. Disability and incapability that will hinder performance of the job;
5. Dissolution of the office;
6. Final conviction to sentences that ban continuation of work; or,
7. Repeated breach of work rules after disciplinary warnings.

An employer may annul a labor contract if the employee:

1. Explicitly and repeatedly breaches the disciplinary rules;
2. Refuses to work in another place when the office site is moved;
3. Does not show up at work for 20 days without notice; or,
4. Fails to complete satisfactorily his/ her probationary period (Article 23 Labor Law).

In the event of dismissal of a worker, the company must pay the worker as follows:

1. If the duration of work is up to 1 year, one month of the complete salaries; if the duration of work is between 1 and 5 years, two months of the complete salaries; and, if the duration of work is between 5 and 10 years, four months of the complete salaries.
2. If the duration of work is more than 10 years, 6 months of the complete salaries must be paid (Article 25 Labor Law).

**d. Work hours, overtime and leave**

The ordinary work period cannot, on average be more than 8 hours during a 24-hour period. In the event of work during the night, the shift shall be one hour less. During work at night, service and administration workers will be paid 15% and production workers will be paid 25% more than their normal wages. It is not permissible to require a worker to work for two successive shifts (Article 32 Labour Law).

Work done outside the ordinary hours of work is considered to be overtime, which is permitted in the following cases (subject to the agreement of the worker):

1. For essential services for public welfare that cannot be delayed - for instance, assisting the disaster stricken from floods or earthquakes;
2. In order to prevent unforeseen production and social accidents (natural ones and removal of their consequences);
3. In order to repair and restore pieces of equipment which, when being idle, would lead to stoppage of work of a large number of workers;
4. In order to address the effects of unforeseen events which would cause stoppage of social services such as water supply, heating, lighting, drainage, transport and telecommunications; for performance of work which had started previously and which would cause material damage if discontinued;

5. In order to continue a piece of work that could not be stopped if worker in the succeeding shift be absent. In such a case the company is obliged to take speedy measures to find replacements for the workers; in order to compensate and make up for work stoppages; and
6. In order to perform other pieces of work required by the company those are agreed upon by the union and the Ministry of Social and Labor Affairs.

**e. Workers are entitled to the following recreational and leave periods:**

1. A total of one hour of break time for performance of prayers and meals;
2. Public leave (holiday) at the end of the week (Friday);
3. Leave on the days of national and religious leave in accordance with Afghanistan laws;
4. Annual leave (recreational, sick, and necessary or urgent leave); and
5. Other holidays that are set in the laws and the conventions that Afghanistan has adhered to or will adhere to.

Work is allowed during weekend holidays, days of festivities and other public and general holidays, by the agreement of the worker and union, and with the concurrence of the Ministry of Social and Labor Affairs, in the following cases:

1. Performance of work in companies engaged in constant (uninterrupted) activities;
2. Performance of work related to public services; and
3. Performance of work that cannot be delayed, urgent repairs, loading and unloading of consignments, work related to the prevention of unforeseen accidents, removal of consequences of natural accidents and other exceptional cases.

Workers and personnel are entitled to the following numbers of leave days:

1. 20 days recreational leave with pay every year;
2. 10 days essential (urgent) leave with pay every year;
3. 10 days of leave for marriage, and death close relative in family;
4. 20 days sick leave with pay each year; and,
5. 45 days of Hajj leave (to make pilgrimages to the sacred places, Makah) with pay, only once during entire service period (Articles 39-42 and 51 Labor Law).

Women are entitled to 90 days of maternity paid leave 40 days of which are utilized before the birth of the child and 50 days after. After the completion of the leave period the worker is reassigned to her previous job.

**f. Wages**

Wages cannot be less than amount fixed by the Government, based on the nature and requirements of the job (specific details are accessible at the Ministry of Social and Labor Affairs). If there is a cessation of production as the consequence of unpleasant or unforeseen accidents, or due to technical factors of production or to adverse climatic conditions, then the wage of the worker, with the exception of seasonal and daily paid workers, must be paid as follow:

1. In the event of stoppage, the full wage must be paid for up to two months;
2. In the event of stoppage from two to four months, 50% of the full wage must be paid;
3. After the expiry of four months, the employer, with the agreement of the National Trade Union, may transfer the worker to another task and if transfer is not possible, may annul the labor contract

and present the worker to the employment service center of the Ministry of Social and Labor Affairs (Articles 59 and 62 Labor Law).

**g. Health and safety**

Employers must provide a safe working environment for their employees in order to prevent work accidents, and protect workers against occupational illnesses.

**h. Union and workers' rights**

Workers have the right to be members of trade unions.

The main functions and activities of trade unions consist of the following:

1. To defend and protect the workers' rights in the field of work, production, livelihood and culture;
2. To participate in development, strengthening of the work and production management as well as assistance to consolidate and strengthen labor and production discipline;
3. To exercise control so that work-related legislations, work protection rules and standards, safety techniques, housing and living services of workers are complied with; and
4. To participate in the arrangement and implementation of progressive systems of wages, and incentive regulations, participation in the supervision of the application of the Conventions of the International Labor Organization (ILO) to which Afghanistan has adhered, application of scientific and progressive standards, control over the revision of labor standards.

According to the Labor Law, companies are obliged to bring about favorable conditions for the worker and to response to their proposals and criticisms in a timely manner. Companies are also to ensure cultural and sport activities of trade unions, unless they are against the provisions of the law. Social security will be put into effect through financial participation of the company, workers and the Government.

### **3.15 Water law (2009)**

Water Law regulates the conservation, equitable distribution, and the efficient and sustainable use of water resources of Afghanistan for the purpose of strengthening the national economy and securing the rights of the water users, in accordance with the principle of Islamic jurisprudence and the customs and traditions of the people (Article 1, Water Law)

The Law allows the use of water resources to meet the needs of people in regards with drinking water, livelihood, agriculture, industry, public services, energy production, transportation, navigation, fisheries and the environment. This law prioritizes use of water resources for drinking water and livelihood (Article 6, Water Law).

Furthermore, the Law states that water use is free. However, the water service providers may charge the users a fee for supplying, storage, transmission, diversion, treatment, and operation and maintenance of the water supply and irrigation systems and other related activities according to separate regulations (Article 7, Water Law).

Except used for the following purposes, the Law requires the users of water resources to acquire permit from the Ministry of Energy and Water.

- (1) Drinking water, livelihood and other needs, if the total daily consumption does not exceed 5 cubic meters per household;
- (2) Use for navigation provided no damage occurs to the banks and right-of-way area of the river and there is no adverse impact to the quality of water exceeding permissible norms; and
- (3) For fire extinguishing (Article 19, Water Law).

To properly manage and regulate use of water resources, the Law delegates to Ministry of Energy and Water the authority of issuing water usage licenses in according with the provisions of this law (Article 10, Water Law).

### **3.16 Environmental Law (2007)**

The Environmental Law regulates rehabilitation of the environment and the conservation and sustainable use of natural resources, living organisms and non-living organisms, with the primary purpose of: i) improving livelihoods and protecting the health of humans, fauna and flora; ii) maintaining ecological functions and evolutionary processes; iii) securing the needs and interests of present and future generations; iv) conserving natural and cultural heritages; and v) facilitating the reconstruction and sustainable development of the national economy. (Articles 1 and 2, Environmental Law)

This law delegates to the National Environmental Protection Agency (NEPA) authority for coordinating and monitoring conservation and rehabilitation of the environment, and of implementing this act. (Article 3, Environmental Law)

According to provisions of this law, no person shall cause pollution of the environment; if such harm to the environment is authorized by law or cannot reasonably be avoided, such person must take measures to minimize such pollution of the environment. The scope of polluting activities shall be specified by legislative procedures. (Article 8, Environmental Law)

In a separate provision, this law restricts undertaking of activities or implementing projects, plans or policies that are likely to have a significant adverse effect on the environment unless the provisions of Article 16 (Discussing approval procedure for licensing - for details please refer to the Environmental Law) of this Act have been complied with.

It also states that no ministry or national authority may grant an authorization for the execution of an activity or implementation of a project, plan or policy that is likely to have significant adverse effect on the environment unless the provisions of Article 16 of this Act have been complied with. (Article 13, Environmental Law)

In accordance with relevant regulations and procedures, the National Environmental Protection Agency may appoint as inspectors such number of appropriate qualified persons for the purposes of ensuring compliance with the Act and its regulations. (Article 67, Environmental Law)

The Act also authorizes NEPA to order abatement of activities that may result in significant adverse effect to environment, by serving a signed abatement order on the person causing or permitting the activities. (Article 68, Environmental Law)

NEPA is also given the power to serve a compliance order on the holder of the authorization who breaches conditions of a license, permit or authorization. (Article 69, Environmental Law)

In accordance with Article 70 of this Act, a person who fails to comply with an abatement or compliance order will be tried by a court of law. For details refer to Article 70 of the Environmental Law.

Therefore, any person proposing to undertake a project, plan, policy or activity shall submit to NEPA accurate information, using NEPA application forms and assessment report formats, to allow NEPA to determine the potential adverse effect and positive impacts of the project, plan or activity. (Article 14, Environmental Law)

### 3.17 Link to some of the important Laws:

Law	Language	Link to the Laws
Minerals Law (2009)	English	<a href="http://mom.gov.af/Content/files/Minerals%20Law_Feb_14_2010.pdf">http://mom.gov.af/Content/files/Minerals%20Law_Feb_14_2010.pdf</a>
	Dari & Pashto	<a href="http://mom.gov.af/Content/files/Hydrocabon%D9%80Law-Dari.pdf">http://mom.gov.af/Content/files/Hydrocabon%D9%80Law-Dari.pdf</a>
Mining Regulations (2010)	English	<a href="http://mom.gov.af/Content/files/Mining_Regulations.pdf">http://mom.gov.af/Content/files/Mining_Regulations.pdf</a>
	Dari & Pashto	<a href="http://mom.gov.af/Content/files/Minerals_Regulation-Dari.pdf">http://mom.gov.af/Content/files/Minerals_Regulation-Dari.pdf</a>
Hydrocarbons Law (2009)	English	<a href="http://mom.gov.af/Content/files/The_Hydrocarbon_Law%281%29.pdf">http://mom.gov.af/Content/files/The_Hydrocarbon_Law%281%29.pdf</a>
	Dari & Pashto	<a href="http://mom.gov.af/Content/files/Hydrocabon%D9%80Law-Dari.pdf">http://mom.gov.af/Content/files/Hydrocabon%D9%80Law-Dari.pdf</a>
Hydrocarbons Regulations (2010)	English	<a href="http://mom.gov.af/Content/files/Hydrocarbons_Regulations_2009.pdf">http://mom.gov.af/Content/files/Hydrocarbons_Regulations_2009.pdf</a>
	Dari & Pashto	<a href="http://mom.gov.af/Content/files/Hydrocarbon_Regulation-Dari.pdf">http://mom.gov.af/Content/files/Hydrocarbon_Regulation-Dari.pdf</a>
Income Tax Law (2009)	English	<a href="http://mof.gov.af/Content/Media/Documents/IncomeTaxLaw2009english91201381210666553325325.pdf">http://mof.gov.af/Content/Media/Documents/IncomeTaxLaw2009english91201381210666553325325.pdf</a>
	Dari & Pashto	<a href="http://mof.gov.af/Content/Media/Documents/IncomeTaxLaw2009Pashto912013812106981458322570.pdf">http://mof.gov.af/Content/Media/Documents/IncomeTaxLaw2009Pashto912013812106981458322570.pdf</a>
Customs Law (2005)	English	<a href="http://mof.gov.af/Content/Media/Documents/847-Customs234201210556155553325325.pdf">http://mof.gov.af/Content/Media/Documents/847-Customs234201210556155553325325.pdf</a>
	Dari & Pashto	<a href="http://mof.gov.af/Content/Media/Documents/%D8%AF%DA%AB%D9%85%D8%B1%DA%A9%D9%88%D9%86%D9%88%D9%82%D8%A7%D9%86%D9%88%D9%862342012105946581553325325.pdf">http://mof.gov.af/Content/Media/Documents/%D8%AF%DA%AB%D9%85%D8%B1%DA%A9%D9%88%D9%86%D9%88%D9%82%D8%A7%D9%86%D9%88%D9%862342012105946581553325325.pdf</a>
Environmental Law (2007)	English	<a href="http://www.afghan-web.com/environment/afghan_environ_law.pdf">http://www.afghan-web.com/environment/afghan_environ_law.pdf</a>
	Dari & Pashto	<a href="http://mom.gov.af/Content/files/Environment_Law-Dari.pdf">http://mom.gov.af/Content/files/Environment_Law-Dari.pdf</a>
Water Law (2009)	English	<a href="https://ronna-afghan.harmonieweb.org/Lists/Submitted%20Content/Attachments/120/Unofficial%20English%20Translation%20of%20Water%20Law.pdf">https://ronna-afghan.harmonieweb.org/Lists/Submitted%20Content/Attachments/120/Unofficial%20English%20Translation%20of%20Water%20Law.pdf</a>

	Dari & Pashto	
Labour Law (2006)	English	<a href="http://www.aisa.org.af/files/laws/english/Labour-Law.pdf">http://www.aisa.org.af/files/laws/english/Labour-Law.pdf</a>
	Dari & Pashto	<a href="http://molsamd.gov.af/Content/Media/Documents/ghanoon_kar78201195156491553325325.pdf">http://molsamd.gov.af/Content/Media/Documents/ghanoon_kar78201195156491553325325.pdf</a>
Banking Law (2003)	English	<a href="http://www.centralbank.gov.af/pdf/UpdatedOfDaAfghanistanBankLaw_1_.pdf">http://www.centralbank.gov.af/pdf/UpdatedOfDaAfghanistanBankLaw_1_.pdf</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf">http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf</a>
Copyright Law(2009)	English	<a href="http://www.wipo.int/wipolex/en/text.jsp?file_id=241541">http://www.wipo.int/wipolex/en/text.jsp?file_id=241541</a>
	Dari & Pashto	
Commercial Code (1955)	English	<a href="http://www.asianlii.org/af/legis/laws/clcoa1955uotcloa713/">http://www.asianlii.org/af/legis/laws/clcoa1955uotcloa713/</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf">http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf</a>
Law of Banking in Afghanistan (2003)	English	<a href="http://www.centralbank.gov.af/pdf/UpdatedOfBankingLaw.pdf">http://www.centralbank.gov.af/pdf/UpdatedOfBankingLaw.pdf</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf">http://www.centralbank.gov.af/pdf/Law%20of%20Banking%20in%20Afghanistan%20Pashto%20&amp;%20Dari.pdf</a>
Law on Combating Financing Terrorism	English	<a href="http://www.centralbank.gov.af/pdf/4AF%20CFT%20Law%20English.pdf">http://www.centralbank.gov.af/pdf/4AF%20CFT%20Law%20English.pdf</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Afghanistan%20law%20on%20Combating%20Financing%20for%20Terrorism%20Pasht.%20Dari.pdf">http://www.centralbank.gov.af/pdf/Afghanistan%20law%20on%20Combating%20Financing%20for%20Terrorism%20Pasht.%20Dari.pdf</a>
Law for Secured Transaction on Movable Property in Banking Transactions (2006)	English	<a href="http://www.centralbank.gov.af/pdf/Secured Transaction Law English 06Jan10.pdf">http://www.centralbank.gov.af/pdf/Secured Transaction Law English 06Jan10.pdf</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Secured Transaction Law Dari 06Jan10.pdf">http://www.centralbank.gov.af/pdf/Secured Transaction Law Dari 06Jan10.pdf</a>
Law on Mortgage of Immovable Property in Banking Transactions	English	<a href="http://www.centralbank.gov.af/pdf/Mortgage Law English 06Jan10.pdf">http://www.centralbank.gov.af/pdf/Mortgage Law English 06Jan10.pdf</a>
	Dari & Pashto	<a href="http://www.centralbank.gov.af/pdf/Mortgage Law Dari 06Jan10.pdf">http://www.centralbank.gov.af/pdf/Mortgage Law Dari 06Jan10.pdf</a>

## 4 PERMITS, LICENSES AND PROCEDURES<sup>16</sup>

This section of the Investors' Guide provides information on the permits, licenses and procedures that are most relevant to investors in Afghanistan's mining and hydrocarbon sectors.

Each of the procedures below has been certified as correct by the ministry or agency responsible for it. The Government of Afghanistan continues to work towards a stable and predictable regulatory regime for the extractive industries sector and for business in general. However, the procedural environment in Afghanistan remains subject to improvement, so investors are requested to remain open to change.

Each procedure described below includes the name of the ministry or agency responsible for it, and a contact person within that organization. Investors should, in the first instance, approach the relevant contact people in order to gain more information or clarification about a particular procedure. For further support, investors should contact Minerals Sector Development Directorate of the Ministry of Mines and Petroleum on 0752-076-483 and [mininginquiries@mom.gov.af](mailto:mininginquiries@mom.gov.af). Comments and suggestions on the Investor Guide are also welcomed.

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<sup>16</sup>**Disclaimer:** *This document contains advice for investors and does not constitute government policy, law or regulation. The information was asserted as correct by the relevant ministry / agency at the time of writing. For updated information or for more detailed information, please contact the relevant ministry / agency.*

## MINISTRY OF MINES AND PETROLEUM (MOMP)

### 4.1 Mining license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Mining (exploitation/ exploitation) license</b>
<b>Responsible ministry/agency</b>	Ministry of mines and petroleum ( <b>MoMP</b> )
<b>Usage/ description</b>	Procedure for licensing different scales (very large, large, medium and small) of mining operations is similar. (for details please refer to articles 25, 30, 34, and 37 of Minerals Law, and chapter 3, 4, 5 and 6 of mining regulations)
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Minerals law</li> <li>• Mining regulations and other relevant legislations</li> </ul>
<b>Contact details</b>	<p><b>Chief of staff</b>  Ministry of mines and petroleum (<b>MoMP</b>)  <b>Phone:</b> 0202-104-376  <b>Email:</b> <a href="mailto:momp.info@mom.gov.af">momp.info@mom.gov.af</a>  <b>Website:</b> <a href="http://www.mom.gov.af">www.mom.gov.af</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. The ministry of mines and petroleum prepares all required information for a mineral deposit and invites the investors (companies) to express their interest to investing on the concerned project. Invitation to expression of interest would be publicized in investors' conferences and through the ministry website and other media;  <b>Note:</b> Bidding for mineral rights of large or very large mining contracts requires a pre-qualification evaluation of bidders.</li> <li>2. Interested companies shall submit their expression of interest (<b>Eoi</b>) including a completed 'evaluation form' to the ministry within a specific period of time as stated in the announcement;  <b>Note:</b> the evaluation form will be provided by MoMP.</li> <li>3. Once received the expression of interest from companies, the ministry establishes an evaluation committee that will evaluate and shortlist the companies based on the evaluation form they submitted together with their expression of interest;</li> <li>4. The ministry proposes the name of shortlisted companies to Ministers Commission for endorsement;</li> <li>5. Then the mining cadastre or other relevant directorate will prepare the invitation for bid for mineral rights and publish it on the Ministry website and through other media;</li> <li>6. Eligible candidates will receive "bidding documents" against a fee (USD 500 for small size, USD 1000 for medium size, 2000 USD for large size and USD 5000 for very large size mines);</li> <li>7. The qualified candidates will then prepare and submit to Ministry of Mines and Petroleum their technical and financial proposals in accordance with the bidding documents and request for proposal "RfP", this will include 'bid bonds';</li> </ol>

	<p>8. Evaluation committee, under supervision of MoMP, ministers commission, and bidders open and evaluate the bids;</p> <p>9. During the bid evaluation, the evaluation committee scores the bids based on the criteria stipulated below and will announce the preferred bidder:</p> <ol style="list-style-type: none"> <li>a) The technical and managerial competence and experience of the bidder;</li> <li>b) The financial resources available to the bidder to carry out its proposed work program;</li> <li>c) The business competence, and legal and financial standing of the bidder;</li> <li>d) The specific contents of the bid received; including the proposed work programs and related financial commitments and other economic benefits;</li> <li>e) The extent to which the bidder will contribute to the development of sustainable Afghan mineral activities (Article 15 mining regulations);</li> <li>f) Bidders commitments to socio-economic development of the local community; and</li> <li>g) Having an Afghan partner(s) (Article 7 Minerals law).</li> </ol> <p><b>Note:</b> Bids that do not meet the requirements set forth in the Minerals law, mining regulations and the bidding documents may be rejected. Submitting false information regarding bidder's eligibility and qualifications or failing to correct inaccurate or incomplete information will disqualify the bidder (Article 17 mining regulations).</p> <p>10. Except for small-scale mining projects, the evaluation results (scores) of bidders is submitted to Ministers Commission for approval;</p> <p>11. Then MoMP will establish a negotiation committee to negotiate contract with the preferred bidder and conclude contract with the preferred bidder. The negotiation committee will only negotiate the provisions of the contract that the preferred bidder had highlighted in its proposal. If the preferred bidder fails to conclude a mining contract in accordance with the terms set forth in the bidding documents, the ministry will offer the mining contract award to reserved bidder:</p> <p>12. After concluding the contract, the contracts need to be approved by the relevant authorities. The ministry of mines and petroleum has the authority to sign small-scale mining contracts only. All other contracts, are approved by the following authorities:</p> <ol style="list-style-type: none"> <li>I. Medium scale mining contracts by the ministers commission (previously Inter-ministerial commission);</li> <li>II. Large scale contracts by the Cabinet, after endorsement of the ministers commission;</li> <li>III. Very large-scale mining contracts by the endorsement of parliament after approval of the Afghan cabinet.</li> </ol> <p>13. After approval of the contract, MoMP will sign the contracts and issue to the winner a mining license, signed by the H.E. Minister of mines</p>
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	and petroleum. Once granted, the license holder can commence its operations.
<b>Processing time</b>	10 months, depending on size of projects
<b>Validity</b>	<ol style="list-style-type: none"> <li>1. <b>Exploration license:</b> 3 years</li> <li>2. <b>Exploitation license:</b> 30 years (except for small-scale exploitation license)</li> <li>3. <b>Small-scale exploitation license:</b> 5 years</li> </ol>
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	<ol style="list-style-type: none"> <li>1. <b>Exploration licenses:</b> extendable for two terms of 3 years</li> <li>2. <b>Exploitation License:</b> Extendable for terms of 5 years until end of deposit life (except for small-scale exploitation license)</li> <li>3. <b>Exploitation of small-scale license:</b> Valid only for one term of 5 years. If the license holder needs more time to complete exploitation activities, s/he may submit an application to ministry of mines and petroleum requesting amendment of the license to a regulator exploitation license as stipulated in Article 51 of mining regulations.</li> </ol>
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. License holder submits a request for extension of his mining license to the ministry of mines, 60 working days (1 year for large scale and very large scale mines) prior to expiration of his current license;</li> <li>2. Mining cadastre then processes the request and renews the license for another term.</li> </ol>
<b>Renewal fees</b>	<p>Fee will be determined in light of Mining legislations as follow:</p> <ol style="list-style-type: none"> <li>1. <b>Exploitation license:</b> USD 5000 (Article 45 mining regulations)</li> <li>2. <b>Exploration license:</b> USD 500 for small size, USD 1000 for medium size, USD 2000 for large size and USD 5000 for very large size mines (Article 34 mining regulations)</li> </ol>
<b>Compliance/monitoring</b>	Directorate of Mining Inspection

## 4.2 Petroleum license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Petroleum license</b>
<b>Responsible ministry/agency</b>	Ministry of mines and petroleum ( <b>MoM</b> )
<b>Usage/ description</b>	Procedure for petroleum licensing is the same for 'exploration and production sharing' and 'services and production sharing' contracts. (for details please refer to articles 24 and 25 of Hydrocarbons Law, and chapter 2 and 4 of Hydrocarbons Regulations.)
<b>Relevant law (s)/regulation(s)</b>	Hydrocarbons laws and regulations
<b>Contact details</b>	<b>Chief of staff</b> Ministry of mines and petroleum ( <b>MoMP</b> ) <b>Phone:</b> 0202-104-376 <b>Email:</b> <a href="mailto:momp.info@mom.gov.af">momp.info@mom.gov.af</a> <b>Website:</b> <a href="http://www.mom.gov.af">www.mom.gov.af</a>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. The ministry of mines and petroleum (MoMP) prepares all required information for a hydrocarbons deposit (blocks) and invites the investors (companies) to express their interest to invest in the concerned project. Invitation to expression of interest would be publicized in investors' conferences and through the ministry website and other media. At this stage, only for service contracts, some pre-qualifications criteria are set for the bidders such as work experience and so forth.</li> <li>2. Interested companies shall submit their expression of interest (<b>EoI</b>) to the ministry within a specific period of time;</li> <li>3. Once received the expression of interest from companies, the mining cadastre or other relevant directorate will prepare the invitation for bid for petroleum rights and publish it on the ministry website and through other media;</li> <li>4. Interested candidates will receive "bidding documents" against a fee that will be determined based on the number of blocks and the deposit potential included in tender by MoMP;</li> <li>5. The interested candidates will then prepare and submit to MoMP their proposals in accordance with the bidding documents and request for proposal "RfP";</li> <li>6. Evaluation committee, under supervision of MoMP, ministers commission, and bidders open and evaluate the bids;</li> <li>7. During the bid evaluation, the evaluation committee scores the bids based on the criteria stipulated below and will announce the preferred bidder:               <ol style="list-style-type: none"> <li>a) The technical and managerial competence and experience of the bidder;</li> <li>b) The financial resources available to the bidder to carry out its proposed work program;</li> <li>c) The business competence, and legal and financial standing of the bidder;</li> </ol> </li> </ol>

	<p>d) The specific contents of the bid received; including the proposed work programs and related financial commitments, the proposed sharing of production and other economic benefits;</p> <p>e) The available machinery, equipment, tools and personnel;</p> <p>f) The extent to which the bidder will contribute to the development of sustainable Afghan petroleum activities</p> <p>g) Bidders commitments to socio-economic development of the local community;</p> <p><b>Note:</b> Bids that do not meet the requirements set forth in the hydrocarbons law, hydrocarbons regulations and the bidding documents may be rejected. Submitting false information regarding bidder's eligibility and qualifications or failing to correct inaccurate or incomplete information will disqualify the bidder (Article 16 hydrocarbons regulations).</p> <p>8. Once scored the bids, the evaluation results (scores) of bidders is submitted to Ministers Commission for approval.</p> <p>9. Then MoMP will establish a negotiation committee to negotiate and conclude contract with the preferred bidder. The negotiation committee will only negotiate the provisions of the contract that the preferred bidder had highlighted in its proposal. If the preferred bidder fails to conclude a petroleum contract in accordance with the terms set forth in the bidding documents, the Ministry will offer the petroleum contract award to reserved bidder.</p> <p>10. After concluding the contract, the petroleum contracts need to be endorsed by the ministers' commission and approved by the cabinet.</p> <p>11. After approval of the contract, the MoMP will sign the contract and issue to the winner a petroleum license, signed by the H.E. Minister of mines and petroleum.</p> <p>12. Once granted, the license holder can commence its operations.</p>
<b>Processing time</b>	10 months, depending on the project size.
<b>Validity</b>	<p><b>Exploration and Production Sharing Contract:</b></p> <ol style="list-style-type: none"> <li>1. Exploration contract: Valid for 4 years</li> <li>2. Development production contract: Valid for 25 years from the date of commercial discovery.</li> </ol>
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	<p><b>Exploration and Production Sharing Contract:</b></p> <ol style="list-style-type: none"> <li>1. Exploration period: Extendible for 2 terms of 3 years</li> <li>2. Development Production contract: Only extendable for a term of 10 years if the contractor meets all its legal obligations</li> </ol>
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. License holder submits a request for extension of his hydrocarbons license to the ministry of mines;</li> <li>2. Mining cadastre then processes the request and renews the license for another term.</li> </ol>
<b>Renewal fees</b>	Fee will be determined in light of hydrocarbons legislations
<b>Compliance/monitoring</b>	Directorate of mining inspection

### 4.3 Access to geological data

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Access to geological data</b>
<b>Responsible ministry/agency</b>	Afghanistan geological survey ( <b>AGS</b> ), Ministry of mines and petroleum
<b>Usage/description</b>	Afghanistan Geological Survey Directorate has both Ready-made and raw geological data that can be provided to investors based on their request. Currently, AGS has <i>Geological</i> and <i>Topographic</i> data (for both minerals and hydrocarbons) available, and is progressively working towards making more data available for requestors.
<b>Relevant law (s)/regulation(s)</b>	<b>Regulation for geological data, Afghanistan national archive</b>
<b>Contact details</b>	<b>Eng. Shafiqullah</b> <i>Acting director of Geo-information</i> Afghanistan geological survey ( <b>AGS</b> ) <b>Phone: 0786-189-485</b>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant, either directly or through ministry of mines, submits a request to Afghanistan geological survey (AGS) to access required geological data;</li> <li>2. Once approved, AGS forwards the request to their geo-information directorate;</li> <li>3. Geo-information directorate provides the applicant with either hard or soft copy of the required data.</li> </ol>
<b>Processing time</b>	<ul style="list-style-type: none"> <li>• <b>Ready-made data packages:</b> One (1) to three (3) working days</li> <li>• <b>Raw data:</b> Two (2) to four (4) weeks</li> </ul>
<b>Validity</b>	Not applicable
<b>Fees</b>	<ul style="list-style-type: none"> <li>• <b>Viewing geological data:</b> free of charge</li> <li>• <b>Obtaining copy (hard and /or soft) of geo-data:</b> against a price that will be determined based on type of geo-data.</li> </ul>
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Not applicable

## NATIONAL ENVIRONMENTAL PROTECTION AGENCY (NEPA)

### 4.4 Certificate of Compliance

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Certificate of Compliance</b>
<b>Responsible ministry/agency</b>	National environmental protection agency ( <b>NEPA</b> )
<b>Usage / description</b>	All companies whose operations have either direct or indirect impact on the environment (such as mining companies) are required to obtain Certificate of Compliance prior to commencement of their operations.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Environment law</li> <li>• Environmental impact assessment (<b>EIA</b>) regulations</li> <li>• National environmental impact assessment policy</li> <li>• Administrative guidelines for the preparation of environmental impact assessments</li> <li>• Guidelines for rapid environmental impact assessment in disasters</li> </ul>
<b>Contact details</b>	Directorate of environmental assessment & sustainable development <b>Address:</b> Parwan 2 square, west of Kardan higher education institution National Environmental Protection Agency ( <b>NEPA</b> ) <b>Phone:</b> 0752-017-624, 0752-043-173 <b>E-mail:</b> <a href="mailto:easd.div@hotmail.com">easd.div@hotmail.com</a>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits following documents when applying for a Certificate of Compliance:               <ul style="list-style-type: none"> <li>• NEPA application form</li> <li>• Screening report using NEPA template</li> </ul> </li> <li>2. Applicant submits an application form and screening report to NEPA in accordance with EIA regulations;</li> <li>3. NEPA reviews the application form and screening report;</li> <li>4. In some cases, NEPA requests the applicant to provide environmental and social impact assessment (<b>ESIA</b>);</li> <li>5. The applicant prepares and submits to NEPA the ESIA in two hard copies and fifteen soft copies;</li> <li>6. NEPA assessment team review the report, and then submits their comments to EIA committee;</li> <li>7. After review of the report, the EIA committee either approve or reject the request for Certificate of Compliance;               <ol style="list-style-type: none"> <li><b>a)</b> If approved, directorate of evaluation and sustainable development of NEPA will issue a Certificate of Compliance to the applicant;</li> <li><b>b)</b> If rejected, the applicant will be informed of reasons for rejection. Meanwhile, the committee will request the applicant to revise his/her application and reports in accordance with suggestions of the committee, and reapply for the Certificate of Compliance;</li> </ol> </li> <li>8. If the resubmitted application meet requirement of EIA committee, a certificate of compliance will be issued to the applicant within 30 days</li> </ol>

	after receipt of the resubmitted application.
<b>Processing time</b>	Forty five (45) working days after the ESIA is submitted
<b>Validity</b>	<p>The Certificate of Compliance is valid for life of the project provided that the license holder do not breach terms of the license. Applicant must commence the activity within three years of receiving the Certificate of Compliance.</p> <p><b>Note:</b> NEPA has the right to amend, suspend or revoke the Certificate of Compliance or apply additional conditions, when necessary, or require a new ESIA to be prepared where the development is significantly altered.</p>
<b>Fees</b>	<p><b>License fee:</b> 100000 Afghanis</p> <p><b>Services fee:</b> Applicant is required to pay cost of preparing initial assessment report, environmental impact assessment report, and development of a comprehensive mitigation plan or ESMP, when applicable. The amount will be calculated by NEPA during their licensing process.</p>
<b>Extendibility /renewal</b>	N/A
<b>Renewal procedure</b>	N/A
<b>Renewal fees</b>	N/A
<b>Compliance/monitoring</b>	NEPA and other relevant agencies

#### 4.5 Hazardous waste management license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Hazardous waste management license</b>
<b>Responsible ministry/agency</b>	National environment protection agency ( <b>NEPA</b> )
<b>Usage / description</b>	<p>According to the Environmental Law (2007) "Hazardous Waste" means clinical waste and waste containing hazardous substances.</p> <p>And "Hazardous substances" includes any pesticide, herbicide or other biocide, radioactive substance, chemical or other substance that alone or in combination with any other thing, is harmful to the health of living organisms.</p> <p>Every owner or occupier of any land or premises on which hazardous waste is kept, treated or disposed of shall obtain a hazardous waste management license. (Article 32, Environment Law)</p>
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Environment law</li> <li>• Environmental impact assessment (<b>EIA</b>) regulations</li> <li>• National environmental impact assessment policy</li> <li>• Administrative guidelines for the preparation of environmental impact assessments</li> <li>• Guidelines for rapid environmental impact assessment in disasters</li> </ul>
<b>Contact details</b>	<p>Directorate of environmental assessment &amp; sustainable development  <b>Address:</b> Parwan 2 square, west of Kardan higher education institution  National Environmental Protection Agency (<b>NEPA</b>)  <b>Phone:</b> 0752-017-624, 0752-043-173  <b>E-mail:</b> <a href="mailto:easd.div@hotmail.com">easd.div@hotmail.com</a></p>

<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits following documents when applying for license: <ul style="list-style-type: none"> <li>• NEPA application form</li> <li>• Screening report using NEPA template</li> </ul> Screening report should include the following information: <ol style="list-style-type: none"> <li>i. Chemical composition, nature and volume of waste that will be produced during operation;</li> <li>ii. Industrial, commercial or operational process that results in production of waste;</li> <li>iii. Methods proposed by the applicant for managing the waste;</li> <li>iv. Precautionary measures for preventing impact of the waste on environment.</li> </ol> </li> <li>2. Applicant submits an application form and screening report to NEPA in accordance with relevant regulations;</li> <li>3. NEPA reviews the application form and screening report;</li> <li>4. NEPA assessment team inspects the project site, and then prepares a report;</li> <li>5. The team presents the report to special evaluation committee of EIA for review;</li> <li>6. After review of the report, the special evaluation committee either approve or reject the request for license; <ol style="list-style-type: none"> <li>a) If approved, directorate of evaluation and sustainable development of NEPA will issue license to the applicant;</li> <li>b) If rejected, the applicant will be informed of reasons for rejection.</li> </ol> </li> </ol>
<b>Processing time</b>	Thirty (30) working days
<b>Validity</b>	License is valid for a maximum period of five (5) years, provided that the license holder abides by the terms and conditions of the license. <b>Note:</b> NEPA has the right to amend, suspend or revoke hazardous waste management license or apply additional conditions, when necessary.
<b>Fees</b>	<b>License fee:</b> 100000 Afghanis <b>Services fee:</b> Where EIA is involved, applicant is required to pay cost of preparing initial assessment report, environmental impact assessment report, and development of a comprehensive mitigation plan. The amount will be calculated by NEPA during their licensing process.
<b>Extendibility /renewal</b>	N/A
<b>Renewal procedure</b>	N/A
<b>Renewal fees</b>	N/A
<b>Compliance/monitoring</b>	NEPA and other relevant agencies

#### 4.6 Pollution control license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Pollution control license</b>
<b>Responsible ministry/agency</b>	National environment protection agency ( <b>NEPA</b> )
<b>Usage/ description</b>	<p>As defined in the Environmental Law (2007) a Pollutant includes any substance, solid, liquid, gas, micro-organism, noise, vibration, heat, radiation, light or other energy, or thing, or combination of them that has the potential to have an adverse effect, and anything deemed to be a pollutant under the provisions of the Environmental Law.</p> <p>To minimize pollution, all companies whose operations result in pollution shall obtain a pollution control license. (Article 28, Environment Law)</p>
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Environment law</li> <li>• Environmental impact assessment (<b>EIA</b>) regulations</li> <li>• National environmental impact assessment policy</li> <li>• Administrative guidelines for the preparation of environmental impact assessments</li> <li>• Guidelines for rapid environmental impact assessment in disasters</li> </ul>
<b>Contact details</b>	<p>Directorate of environmental assessment &amp; sustainable development  <b>Address:</b> Parwan 2 square, west of Kardan higher education institution  National Environmental Protection Agency (<b>NEPA</b>)  <b>Phone:</b> 0752-017-624, 0752-043-173  <b>E-mail:</b> <a href="mailto:easd.div@hotmail.com">easd.div@hotmail.com</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits following documents when applying for license: <ul style="list-style-type: none"> <li>• NEPA application form</li> <li>• Screening report using NEPA template</li> </ul> </li> <li>2. Applicant submits an application form and screening report to NEPA in accordance with EIA regulations;</li> <li>3. NEPA reviews the application form and screening report;</li> <li>4. NEPA assessment team inspects the project site, and then prepares a report;</li> <li>5. The team presents the report to special evaluation committee of EIA for review;</li> <li>6. After review of the report, the special evaluation committee either approve or reject the request for license; <ol style="list-style-type: none"> <li><b>a)</b> If approved, directorate of evaluation and sustainable development of NEPA will issue a license to the applicant;</li> <li><b>b)</b> If rejected, the applicant will be informed of reasons for rejection.</li> </ol> </li> </ol>
<b>Processing time</b>	Thirty (30) working days
<b>Validity</b>	License is valid for five (5) years.

	<b>Note:</b> NEPA has the right to amend, suspend or revoke pollution control license or apply additional conditions, when necessary.
<b>Fees</b>	<b>License fee:</b> 100000 Afghanis <b>Services fee:</b> Where an EIA is involved, applicant is required to pay cost of preparing initial assessment report, environmental impact assessment report, and development of a comprehensive mitigation plan. The amount will be calculated by NEPA during their licensing process.
<b>Extendibility /renewal</b>	License is extendible
<b>Renewal procedure</b>	Same as the initial application procedure
<b>Renewal fees</b>	<b>License fee:</b> 100000 Afghanis <b>Services fee:</b> services charge as described above.
<b>Compliance/monitoring</b>	NEPA and other relevant agencies

#### 4.7 Waste management license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Waste management license</b>
<b>Responsible ministry/agency</b>	National environment protection agency ( <b>NEPA</b> )
<b>Usage/ description</b>	Unless in possession of a valid waste management license, no person may construct, own or operate a landfill site, incinerator or other facility at which waste is permanently disposed of or is stored indefinitely. (Article 31, Environment Law) All companies using disposal sites for waste produced during their operation shall obtain a waste management license from NEPA.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Environment law</li> <li>• Environmental impact assessment (<b>EIA</b>) regulations</li> <li>• National environmental impact assessment policy</li> <li>• Administrative guidelines for the preparation of environmental impact assessments</li> <li>• Guidelines for rapid environmental impact assessment in disasters</li> </ul>
<b>Contact details</b>	Directorate of environmental assessment & sustainable development <b>Address:</b> Parwan 2 square, west of Kardan higher education institution National Environmental Protection Agency ( <b>NEPA</b> ) <b>Phone:</b> 0752-017-624, 0752-043-173 <b>E-mail:</b> <a href="mailto:easd.div@hotmail.com">easd.div@hotmail.com</a>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits a request and a screening report to NEPA;</li> <li>2. Evaluation team of NEPA surveys the site and prepares a report;</li> <li>3. NEPA reviews the request, the screening and the survey report;</li> <li>4. NEPA then issues license to the applicant provided he/she has sufficient expertise to undertake the activity in question in accordance with the environment law and in a manner that will not have significant adverse effect on the environment.</li> </ol>
<b>Processing time</b>	Thirty (30) working days
<b>Validity</b>	License is valid for life of the project provided that the license holder do not breach terms of the license. <b>Note:</b> NEPA has the right to amend, suspend or revoke waste management license or apply additional conditions, when necessary.
<b>Fees</b>	<p><b>Foreign companies, and Foreign-domestic joint venture companies:</b></p> <ul style="list-style-type: none"> <li>• <b>License fee:</b> 100000 Afghanis</li> <li>• <b>Service charges:</b> NEPA will calculate technical services charges for each applicant/project individually.</li> </ul> <p><b>Domestic Companies:</b></p> <ul style="list-style-type: none"> <li>• <b>License Fee:</b> free</li> </ul> <p><b>Service charges:</b> NEPA will calculate and collect technical services charges.</p>
<b>Extendibility /renewal</b>	N/A
<b>Renewal procedure</b>	N/A
<b>Renewal fees</b>	N/A
<b>Compliance/monitoring</b>	NEPA and other relevant agencies

## MINISTRY OF COMMERCE AND INDUSTRIES (MOCI)

### 4.8 Domestic trader license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Domestic trader (Individual and company) business license</b>
<b>Responsible ministry/agency</b>	Ministry of commerce and industries (MoCI)
<b>Usage / description</b>	A mining / hydrocarbons company needs this license only when it imports/exports its products for commercial purposes.
<b>Relevant law (s)/regulation(s)</b>	Afghanistan business law
<b>Contact details</b>	<p><b>Alhaj Habibul Rahim Karimzai</b>  <i>Director of business licensing</i>  <i>Ministry of Commerce &amp; Industries (MoCI)</i>  <b>Phone:</b> 0700-642-343; 0752-051-186  <b>E-mail:</b> <a href="mailto:hahabib@yahoo.com">hahabib@yahoo.com</a>  <b>website:</b> <a href="http://www.moci.gov.af">www.moci.gov.af</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>Requestor submits an application to business licensing directorate of ministry of commerce &amp; industries;  <b>Application attachments:</b> <ul style="list-style-type: none"> <li>National identification card (for Individual traders)</li> <li>Copies of national identity cards of director and deputy director of company (for companies)</li> <li>Security clearance from ministry of interior (MoI)</li> <li>Articles of Association or by-laws (for companies)</li> <li>Five photos of applicant</li> </ul> </li> <li>The applicant receives measurement form (Forma e Sanjesh) and Articles of Association from the business license directorate;</li> <li>Applicant fills and returns the measurement form (Forma e Sanjesh) to the business license directorate ;</li> <li>the directorate prepares a tariff (Tarafa) for the applicant to transfer fees into MoCI's bank account;</li> <li>After transferring the amount, the applicant returns a bank receipt (Awaiz) to the directorate;</li> <li>The licensing directorate submits the measurement form (completed by the applicant) to central business registry office of MoCI for: <ol style="list-style-type: none"> <li>Registration of business</li> <li>Publication in official gazette</li> <li>Obtaining tax identification number (TIN)</li> <li>Payment of dues</li> </ol> </li> <li>Traders (individual and company) provides a bank statement and opens a postbox with postbox office of ministry of communication and information technology;</li> <li>Business licensing directorate then issues trader business license to the applicant, provided all requirements are met.</li> </ol>

	<b>Note:</b> An individual trader should have a minimum capital of five hundred thousand (500000) Afghanis, and a trading company a minimum of one million (1000000) Afghanis in order to qualify for Trader business license.
<b>Processing time</b>	One (1) to two (2) working days
<b>Validity</b>	One (1) year
<b>Fees</b>	<p><b>New company licenses: total amount Afghanis (12400)</b></p> <ol style="list-style-type: none"> <li>1. License fee: 2000Afghanis</li> <li>2. Registration fee: 5000 Afghanis</li> <li>3. Privilege fee: 2000 Afghanis</li> <li>4. Service charges: 3000 Afghanis</li> <li>5. Cost of forms and Articles of Association: 400 Afghanis</li> </ol> <p><b>New Individual Licenses: Total amount Afghanis (7200)</b></p> <ol style="list-style-type: none"> <li>1. License fee: 2000 Afghanis</li> <li>2. Registration Fee: 2500 Afghanis</li> <li>3. Privilege fee: 1000 Afghanis</li> <li>4. Services fee: 1500 Afghanis</li> <li>5. Cost of forms and Articles of Association: 200 Afghanis</li> </ol>
<b>Extendibility /renewal</b>	The license is renewable
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. directorate of MoCI; <ul style="list-style-type: none"> <li><b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Tax clearance certificate, obtained from Afghan revenue department (ARD) of MoF</li> <li>• Completed measurement form</li> <li>• Business license of MoCI</li> </ul> </li> </ul> </li> <li>2. The business licensing directorate provides the applicant with Tarafa (Tariff) to pay the required fees;</li> <li>3. applicant returns a bank receipt (Awaiz) to the directorate;</li> <li>4. Business licensing directorate renews the license.</li> </ol>
<b>Renewal fees</b>	<ol style="list-style-type: none"> <li>a. <b>Trading company:</b> 7200 Afghanis</li> <li>b. <b>Individual trader:</b> 4700 Afghanis</li> </ol>
<b>Compliance/monitoring</b>	Business licensing directorate of MoCI

#### 4.9 Foreign and foreign-domestic joint venture company trade license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Foreign or Foreign-domestic joint venture company business license</b>
<b>Responsible ministry/agency</b>	Ministry of commerce and industries ( <b>MoCI</b> )
<b>Usage / description</b>	A mining/ company needs this license only when it imports/exports mining products for commercial purposes.
<b>Relevant law (s)/regulation(s)</b>	Afghanistan business law
<b>Contact details</b>	<p><b>Alhaj Habibul Rahim Karimzai</b>  <i>Director of business licensing</i>  <i>Ministry of Commerce &amp; Industries (MoCI)</i>  <b>Phone:</b> 0700-642-343; 0752-051-186  <b>E-mail:</b> <a href="mailto:hahabib@yahoo.com">hahabib@yahoo.com</a>  <b>website:</b> <a href="http://www.moci.gov.af">www.moci.gov.af</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Requestor submits an application to the business licensing directorate of ministry of commerce &amp; industries;  <b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Copy of passport</li> <li>• Criminal background check (refer to section 4.11 and 4.12 of this guide)</li> <li>• Bank statement from a credible bank from the applicant country of residence</li> <li>• Five photos of applicant</li> </ul> <b>Note:</b> all mentioned documents should be certified by the ministry of foreign affairs of applicant's country of residence, or embassy of their country in Afghanistan. The certified copies should be sent to ministry of commerce &amp; industries through economic department of ministry of foreign affairs of Afghanistan. </li> <li>2. applicant receives measurement form (Forma e Sanjesh) and Articles of Association from the business license directorate;</li> <li>3. Applicant fills and returns the measurement form (Forma e Sanjesh) to the business license directorate;</li> <li>4. the directorate prepares a tariff (Tarafa) for the applicant to transfer fees into MoCI's bank account;</li> <li>5. After transferring the amount, the applicant returns a bank receipt (Awaiz) to the directorate;</li> <li>6. Licensing directorate submits the measurement form to central business registry office of MoCI for: <ol style="list-style-type: none"> <li>a. Registration of business</li> <li>b. Publication in official gazette</li> <li>c. Obtaining Tax identification number (TIN)</li> <li>d. Payment of dues.</li> </ol> </li> <li>7. Traders (individual and company) provides a bank statement and opens a postbox with postbox office of ministry of communication and information technology (MCIT);</li> <li>8. The business licensing directorate issues <b>Foreign or Foreign-domestic</b></li> </ol>

	<p><b>joint venture company trader license</b> to the applicant provided all requirements are met.</p> <p><b>Note:</b> Minimum rate of investment for a Foreign and Foreign-domestic joint venture company is one hundred thousand U.S Dollars (100000).</p>
<b>Processing time</b>	One (1) to two (2) working days
<b>Validity</b>	One (1) year
<b>Fees</b>	<p><b>New license: Total amount USD (1400) and Afghanis (5400)</b></p> <ol style="list-style-type: none"> <li>1. License fee: USD 400</li> <li>2. Registration fee: USD 1000</li> <li>3. Privilege fee: 2000 Afghanis</li> <li>4. Service charges: 3000 Afghanis</li> <li>5. Cost of forms and Articles of Association: 400 Afghanis</li> </ol>
<b>Extendibility /renewal</b>	License is renewable
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits a request for renewal to the business licensing directorate of MoCI; <ul style="list-style-type: none"> <li><b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Tax clearance certificate, obtained from Afghan revenue department (ARD) of MoF</li> <li>• Completed Form e Sanjesh</li> <li>• Business license of MoCI</li> </ul> </li> </ul> </li> <li>2. The business licensing directorate provides the applicant with Tarafa (Tariff) to pay the required fees;</li> <li>3. applicant returns a bank receipt (Awaiz) to the directorate; and</li> <li>4. Business licensing directorate then renews the license.</li> </ol>
<b>Renewal fees</b>	USD 400 and 5200 Afghanis
<b>Compliance/monitoring</b>	Business licensing directorate of MoCI

#### 4.10 Land in industrial parks

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Obtaining land in industrial parks</b>
<b>Responsible ministry/agency</b>	Directorate of industrial parks, ministry of commerce & industries ( <b>MoCI</b> )
<b>Relevant law (s)/regulation(s)</b>	Terms of reference of directorate of Industrial parks
<b>Contact details</b>	<p><b>Eng. Abdul Muqeem Taj</b>  <i>Director of Industrial Parks</i>            Ministry of Commerce and Industries (<b>MoCI</b>)  <b>Phone:</b> 0700–256-257  <b>E-mail:</b> <a href="mailto:Ab.moqeemtaj@yahoo.com">Ab.moqeemtaj@yahoo.com</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicants requesting land in Industrial Parks should have a valid AISA license and should be officially introduced by letter to the directorate of industrial parks either by their sector ministry (MoM for mining companies) or AISA;</li> <li>2. The directorate of industrial parks request the applicant to provide a proposal ,a business plan and a site plan (when required);</li> <li>3. The industrial parks directorate forwards the applicant's business plan to their technical evaluation commission for review;</li> <li>4. Technical commission evaluates the plans and presents findings to their higher commission;</li> <li>5. The higher commission approves the request and forwards it to industrial parks directorate for processing;</li> <li>6. Directorate of industrial parks calculates cost, and provides the applicant with a Tariff to transfer the amount into the industrial parks bank account;</li> <li>7. Applicant returns a bank receipt confirming deposit of the amount;</li> <li>8. Directorate of industrial parks registers the applicant into their database, and forwards approval to the higher commission to relevant industrial park for further processing;</li> <li>9. Relevant industrial park directorate (central and/or zonal) provides the required land to the applicant;</li> <li>10. Investor's obtaining land in Kabul, shall commit to complete construction work and installing machineries within 18 months (for medium scale investment) and 24 months (for large scale investment), otherwise their land shall be returned;</li> <li>11. The investor will receive a legal property ownership certificate, right after commencing their operations in the Industrial Parks.</li> </ol>
<b>Processing time</b>	Five to seven working days
<b>Validity</b>	Not applicable
<b>Fees</b>	<ul style="list-style-type: none"> <li>• 720 Afghanis / m<sup>2</sup> of land in industrial parks in Kabul;</li> <li>• 450 Afghanis / m<sup>2</sup> of land in industrial parks (in provinces)</li> </ul>
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Central and provincial industrial parks directorates

**MINISTRY OF INTERIOR AFFAIRS (MOI)****4.11 Criminal background check (Afghan nationals)**

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Criminal background check (Afghan nationals)</b>
<b>Responsible ministry/agency</b>	Ministry of interior affairs ( <b>Moi</b> )
<b>Usage / description</b>	Having a clear criminal record is a precondition for operating in Afghanistan. Therefore, all businesses or individuals (both national and international) operating in Afghanistan shall undergo a criminal background check.
<b>Relevant law (s)/regulation(s)</b>	Afghanistan police law
<b>Contact details</b>	<b>Colonel Muhammad Anwar Moniri</b> <i>Biometrics General Manager</i> <i>Department of biometrics</i> Ministry of interior ( <b>Moi</b> ) <b>Phone:</b> 0700-881-782 <b>E-mail(s):</b> <a href="mailto:Biometric.director@moi.gov.af">Biometric.director@moi.gov.af</a> ; <a href="mailto:afmoibbiometrics@gmail.com">afmoibbiometrics@gmail.com</a> ; <a href="mailto:anwar_moniri@yahoo.com">anwar_moniri@yahoo.com</a>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant through AISA or the agency with which it has entered into a contract submits its employees list to ministry of interior;</li> <li>2. Ministry of interior forwards the letter to its department of biometrics;</li> <li>3. Department of biometrics schedules an appointment with the applicant;</li> <li>4. On the appointment day, the applicant should present the following documents: <ul style="list-style-type: none"> <li>• Copy of AISA or MoCI license of the employer/company</li> <li>• National ID (or any other valid identification cards) of the concerned person</li> </ul> </li> <li>5. Department of biometrics collects a full biography, fingerprint and iris scan of the applicant, and then checks them in their databases;</li> <li>6. The department submits results of their background check to the requesting agency, such as AISA or a government agency (such as MoMP for mining companies);</li> <li>7. The recipient then forwards the results to the actual applicant.</li> </ol>
<b>Processing time</b>	One (1) to two (2) working days
<b>Validity</b>	Only valid at time of reporting
<b>Fees</b>	Not applicable
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Directorate of biometrics

#### 4.12 Criminal background check (foreign nationals)

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Criminal background check (foreign nationals)</b>
<b>Responsible ministry/agency</b>	Ministry of interior affairs (MOI)
<b>Usage / description</b>	Having a clear criminal record is a precondition for operating in Afghanistan. Therefore, all businesses or individuals (both national and international) operating in Afghanistan shall undergo a criminal background check.
<b>Relevant law (s)/regulation(s)</b>	Afghanistan police law
<b>Contact details</b>	<b>Directorate of Interpol</b> Ministry of interior affairs (MOI) Phone: 0202-201-547
<b>Application procedure</b>	<p><b>Foreign workers/employee:</b></p> <ol style="list-style-type: none"> <li>1. A foreign employee employed by an Afghan employer shall acquire a work permit from Ministry of labor &amp; social affairs (MoLSA);</li> <li>2. MoLSA, prior to issuance of work permit, officially requests the MOI directorate of Interpol for criminal background check of the foreign employee;</li> <li>3. Directorate of Interpol will run a criminal background check on the applicant;</li> <li>4. Interpol will officially report results of their investigations to MoLSA.</li> </ol> <p><b>Foreign Investor/companies:</b></p> <ol style="list-style-type: none"> <li>1. When a foreign national intends to invest or establish a company in Afghanistan, the licensing agency (AISA or MOCI) will request the directorate of Interpol for criminal background check of the person/company in question;</li> <li>2. Directorate of Interpol officially requests the foreign investor's country of origin for his/her criminal background check;</li> <li>3. in response, government of the investor's country of origin provides the directorate of Interpol with results of their investigation;</li> <li>4. The directorate of Interpol forwards the results to the requesting agency (AISA or MoCI).</li> </ol>
<b>Processing time</b>	Two (2) working days
<b>Validity</b>	Only valid at time of reporting
<b>Fees</b>	Not applicable
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Directorate of Interpol

### 4.13 Explosives procurement and usage permit

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Permit for use of explosives</b>
<b>Responsible ministry/agency</b>	General directorate of planning & operations, Ministry of interior ( <b>Mol</b> )
<b>Usage / description</b>	Procurement and usage of explosives is restricted by Law in Afghanistan. Any business (e.g. mining) requiring explosives for its operations, is obliged by law to obtain a permit for use of explosives from the Ministry of interior.
<b>Relevant law (s)/regulation(s)</b>	Presidential decree no.(28), dated 1.11.1388
<b>Contact details</b>	<p><b>Colonel Muhammad Aman Hewadwal</b>  <i>General manager of licensing</i>  <i>Directorate of anti-explosives</i>            General directorate of planning and operations            Ministry of interior (<b>Mol</b>)  <b>Phone: 0777-616-113</b></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant (e.g. Mining company) submits to AISA or a government agency with which the applicant entered into a contract (e.g. Ministry of mines, for a mining company), a request for procuring explosives;  <b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Copy of national ID card (for domestic applicants), and copy of passport (for foreign applicants)</li> <li>• Copy of AISA or MoCI license</li> </ul> </li> <li>2. AISA or the government agency (e.g. MoM) forwards the request to Ministry of interior;</li> <li>3. Ministry of interior forwards the request to its directorate of planning and operations for processing;</li> <li>4. General directorate of planning and operations provides the requestor with specific forms to complete and return. The directorate also ask the requestor to provide following information:           <ul style="list-style-type: none"> <li>• Criminal background check report provided by department of biometrics of Mol</li> <li>• Detailed information about storage facility (depot) for the explosive</li> <li>• Applicant's office address and a certified lease/ownership document of the office</li> </ul> </li> <li>5. Applicant returns the completed forms and other required documents to the directorate;</li> <li>6. The directorate then submits all the documents to their commission for explosives control;</li> <li>7. The commission issues a permit to the applicant for procuring explosives.            Copies of the permit will be sent to AISA or government agency (with which the applicant has entered into a contract), ministry of defense, national department of security, different departments of Mol, and other relevant agencies;</li> </ol>

	<p><b>Note:</b> It is important to know that MoI does not authorize import of explosives. All the explosives should be procured from Nawrooz-u-din Zazai's company. This company is an authorized dealer of explosives and is registered with Ministry of interior, ministry of defense, national department of security and ISAF.</p> <p>8. General directorate of planning and operations introduces the company/applicant through an official letter to the Nawrooz-u-din Zazai Company for procuring explosives;</p> <p>9. Once procured, the applicant should contact relevant department of MoI for transportation of the explosives.</p> <p><b>Note:</b> applicants bear the transportation cost.</p> <p><b>Procedure for transporting explosives:</b></p> <p>10. Applicant shall provide specifications of vehicles and drivers (used for transportation of explosives) to relevant department of MoI;</p> <p>11. After reviewing the documents, the department load explosives into trucks, and organizes the explosives caravan/convoy;</p> <p>12. Meanwhile, this department provides security to the caravan / convoy till it reaches its destination.</p> <p><b>Note:</b> All explosives should be transported in a single shipment. If the applicant does not have a safe depot, he/she can procure and transport the explosives on monthly or quarterly bases. In this case, agreement of MoI is required.</p>
<b>Processing time</b>	Fourteen (14) working days
<b>Validity</b>	Depending on type of contract, it can be valid for single or multiple shipments.
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	ministry of interior and other security agencies

## MINISTRY OF FINANCE (MOF)

### 4.14 Exemption from customs duty

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Exemption from customs duty</b>
<b>Responsible ministry/agency</b>	Customs general directorate, ministry of finance
<b>Usage/description</b>	Only eligible agencies (listed at the end of this procedure) are entitled to benefit from this exemption.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Afghanistan customs law</li> <li>• Regulations for control of exemption from customs duty</li> </ul>
<b>Contact details</b>	<p><b>Imran Hamidi</b>  <i>Director of customs regime and exemption</i>  <i>Customs general directorate</i>            Ministry of finance (MoF)  <b>E-mail(s):</b> Hamidiimran@yahoo.com; Hamidiimran361@gmail.com  <b>Phone:</b> 0777-620-760; 0700-620-760; 0202-320-282</p>
<b>Application procedure</b>	<p>3. Requestor submits an application to customs general directorate;  <b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• copy of contract (contact with agencies exempted from customs duty)</li> <li>• copy of either AISA or MoCI license</li> <li>• Packing list and invoice of consignment</li> </ul> <p>4. Customs regime &amp; exemption directorate reviews the application package and then approves import of commodities under exemption from customs duty;            5. Requestor then collects exemption forms from exemption directorate;            6. Requestor provides to the exemption directorate all required information using the exemption form(s);            7. When importing commodities, requestor should present the exemption form to border customs house (at the entry point);            8. The customs house checks the consignment to ensure specifications of imported goods are matching those outlined in the exemption form(s);            9. Customs house then releases the consignment.</p>
<b>Processing time</b>	Seven (7) to fourteen (14) working days
<b>Validity</b>	Exemption forms are valid for one month
<b>Fees</b>	500 Afghanis per exemption form
<b>Extendibility /renewal</b>	Exemption forms can be extended two times. Each extension will be valid for one month.
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. Requestor submits an application form to customs regime &amp; exemption directorate;</li> <li>2. The directorate reviews application, and extends the exemption form for one month.</li> </ol>
<b>Renewal fees</b>	500 Afghanis per exemption form

<b>Compliance/monitoring</b>	Mobile verification team of customs general directorate
<b>Eligible agencies</b>	<p>The following agencies are eligible for exemption from customs duty:</p> <ol style="list-style-type: none"> <li>1. Diplomatic missions (Vienna conventions 1961, 1963);</li> <li>2. United Nations agencies (Convention on the privileges and immunities of the UN agencies, 1946);</li> <li>3. NGOs and other donor agencies (article 30 of NGOs law);</li> <li>4. NATO and ISAF (military technical agreement, MTA);</li> <li>5. United states army [State of force agreement (SOFA); and presidential decree no. 1788];</li> <li>6. USAID (Agreement between Islamic Republic of Afghanistan and United States of America,1951);</li> <li>7. Afghan government agencies (presidential decree); and</li> <li>8. Mining/ hydrocarbons companies that have signed a contract with MoMP, where their contracts explicitly states that the company can import certain goods under exemption from customs duty.</li> </ol>

## 4.15 Taxation

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Taxation</b>
<b>Responsible ministry/agency</b>	Large taxpayers office ( <b>LTO</b> ), Afghan revenue department ( <b>ARD</b> ), ministry of finance <b>Note:</b> Most mining/hydrocarbons companies are classified as large taxpayers
<b>Relevant law (s)/regulation(s)</b>	Income tax law
<b>Contact details</b>	<b>Mohammad Erfan Safi</b> <i>Director compliance</i> <i>Large taxpayers office (LTO)</i> <i>Afghanistan Revenue Department, MoF</i> <b>E-mail:</b> <a href="mailto:safi.erfan@gmail.com">safi.erfan@gmail.com</a> <b>Phone.</b> 0784-520-759, 0202-320-170 <b>Website:</b> <a href="http://www.ard.gov.af">www.ard.gov.af</a>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Ministry/agency (with which the applicant has entered into a contract) officially introduces applicant to large taxpayers office of the Afghanistan revenue department; <b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Copy of the AISA license</li> <li>• Copy of their contract with ministry/agency</li> <li>• Article of Association of the company</li> </ul> </li> <li>2. Large taxpayer's office registers the applicant/company;</li> <li>3. Large taxpayer's office officially notifies relevant ministry/agency of registration of the company with LTO;</li> </ol> <p><b>Notes:</b> company shall pay the following tax while operating in Afghanistan:</p> <ul style="list-style-type: none"> <li>• Tax on salaries</li> <li>• Tax on rent</li> <li>• Income tax</li> <li>• Contractor tax</li> </ul> <p><b>Withholding Tax on salaries _(monthly)</b></p> <ol style="list-style-type: none"> <li>1. Company is responsible for transferring tax on salaries of its employees on monthly basis.</li> <li>2. The company calculates and deducts tax from salaries of their employees (national and international) on monthly basis;</li> <li>3. The company transfers the tax on salaries to bank account of taxpayer's office;</li> </ol> <p><b>Note:</b> Tax should be transferred within 10 days after end of each solar month. If delayed, the company will be liable for paying fine/penalties;</p> <ol style="list-style-type: none"> <li>4. The company, on monthly basis, reports transfer of tax on salaries to taxpayers office using a special form provided by the taxpayers office;</li> <li>5. At the end of fiscal year, each company shall provide an annual report on tax on salaries of their employees to the taxpayers office using a special form provided by taxpayers office;</li> </ol>

	<p>6. After reviewing financial records (concerning taxation) of the company, the taxpayer's office prepares a tax clearance certificate/letter to inform the requesting party (MoM for mining/hydrocarbons companies) and AISA that the company has no pending (tax) liabilities.</p> <p><b>Tax on rent _ (monthly)</b></p> <p>1. Each company/investor operating from a rental property and its monthly rent exceeds ten thousand (10000) Afghanis is subject to payment of tax on rent. The payable amount of tax on rent equates 20% of monthly rent.</p> <p><b>Income tax _(annual)</b></p> <p>1. Company/investor presents its balance sheet and income statement to the taxpayers office at the end of each fiscal year;</p> <p>2. Taxpayers office calculates the tax and writes a tariff to the bank specifying amount of payable tax;</p> <p>3. The company/ investor returns a bank receipt to the taxpayers office, after transferring the amount into the bank;</p> <p>4. Taxpayer's office prepares a tax clearance certificate/letter to inform sector ministry (MoM of mining/hydrocarbons companies) and AISA of fulfillment of company/investor tax liabilities.</p> <p><b>Withholding tax on contractors:</b></p> <p>1. All contractors, whose total annual transactions exceed five hundred thousand (500000) Afghanis, are subject to contractor tax;</p> <p>2. Persons who, without a business license or contrary to approved Articles of Association, provide supplies, materials, construction and services under contract to government agencies, municipalities, state entities, private entities and other persons shall be subject to 7% fixed tax in lieu of income tax. This tax is withheld from the gross amount payable to the contractor;</p> <p>3. Persons who have a business license and provide the services and other activities mentioned above to the specified entities shall be subject to 2% contractor tax. This tax is creditable against subsequent tax liabilities.</p>
<b>Processing time</b>	Not applicable
<b>Validity</b>	Not applicable
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	<b>SIGTAS</b> (Standard Integrated Government Tax Administration Systems)

#### 4.16 Tax identification number (TIN)

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Tax identification number (TIN)</b>
<b>Responsible ministry/agency</b>	Afghan revenue department ( <b>ARD</b> ), <b>MoF</b> <ul style="list-style-type: none"> <li>• <b>Central office</b> of tax identification number (TIN), ARD, Kabul</li> <li>• <b>Zonal offices</b> of tax identification number (TIN): provinces of Nangarhar, Kandahar, Hirat, Balkh, and Kunduz</li> </ul>
<b>Relevant law (s)/regulation(s)</b>	Afghanistan tax law (articles 86 and 105)
<b>Contact details</b>	<b>Mohammad Naser Majroh</b> <i>Director of tax system management</i> <i>Afghan revenue department (ARD), ministry of finance (MoF)</i> <b>E-mail:</b> <a href="mailto:naser_majroh@yahoo.com">naser_majroh@yahoo.com</a> <b>Phone:</b> 0799-303-602; 0777-303-602
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. AISA or relevant ministry/agency (with which the applicant entered into a contract) officially introduces the applicant to the Afghanistan revenue department (ARD) for obtaining tax identification number; (Provincial applicants are introduced to zonal offices)  <b>Application attachments:</b> <ul style="list-style-type: none"> <li>• Copy of national identification card for domestic applicants; and</li> <li>• Copy of passport for foreign applicants.</li> </ul> </li> <li>2. Office of tax identification number (central and zonal) provides applicants with a specific form to fill out;</li> <li>3. Applicant returns completed form to the office of tax identification number'</li> <li>4. TIN office registers the provided information in the SIGTAS (Standard integrated government tax administration system) database, and then provides the applicant with a ten-digit tax identification number.</li> </ol>
<b>Processing time</b>	Two (2) working days
<b>Validity</b>	Permanent
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	SIGTAS (Standard integrated government tax administration system) database

## OTHER MINISTRIES/AGENCIES

### 4.17 Entry and work visas for foreigners

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Entry visa for foreigners</b>
<b>Responsible ministry/agency</b>	Consulate general, Ministry of foreign affairs ( <b>MoFA</b> )
<b>Relevant law (s)/regulation(s)</b>	Foreigners travel and residence law
<b>Contact details</b>	<p><b>Consulate general</b>            Ministry of foreign affairs  <b>Phone:</b> 0700-104-338; 0202-100-367; 0701-104-332  <b>Website:</b> <a href="http://mfa.gov.af/en/page/3903">http://mfa.gov.af/en/page/3903</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant (AISA or employer of the foreign worker directly or through their sector ministry) applies for single entry visa for their employee, to consulate general of ministry of foreign affairs;               <p><b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• Copy of employer's license (government agencies should present a letter in their official letterhead)</li> <li>• Copy of passport of foreign employee</li> <li>• Preference of Afghanistan diplomatic mission or consulate, where the foreign worker will be collecting his/her visa from</li> <li>• A letter of introduction from employer (in some cases introduction letter from sector ministry) stating purpose and duration of stay of the employee. This should include justification for employment of foreign worker. (e.g. there are no equally qualified Afghans to fill the position);</li> </ul> </li> <li>2. After processing, consulate general sends the application to their foreign diplomatic mission/consulate via fax;</li> <li>3. Consulate general gives the fax number to the applicant, who then forwards it to their foreign worker;</li> <li>4. The foreign worker takes the fax number along with following documents to foreign diplomatic mission/consulate of Afghanistan to obtain his/her visa:               <ul style="list-style-type: none"> <li>• A completed visa application form (available at MoFA official website)</li> <li>• Two recent passport size photos (size ¾ cm)</li> <li>• Passport (valid for at least 6 months)</li> <li>• Visa processing fee</li> </ul> </li> <li>5. The diplomatic mission/consulate processes the application and then issues visa. In some cases, applicant will be called for a short interview, prior to issuance of visa.</li> </ol>
<b>Processing time</b>	<ol style="list-style-type: none"> <li>1. <b>Processing time at ministry of foreign affairs:</b> three (3) to (5) working days;</li> <li>2. <b>Processing time at foreign diplomatic mission/consulate:</b> depends on that mission's policy</li> </ol>

<b>Validity</b>	<b>Validity:</b> Three (3) months <b>duration of stay in Afghanistan:</b> one month
<b>Fees</b>	depends on the relevant Afghanistan foreign diplomatic mission/consulate policy
<b>Extendibility /renewal</b>	Visa can be extended to multiple entry visa
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. Employer, on behalf of the foreign employ, applies for extension of visa;</li> </ol> <p><b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• copy of valid passport;</li> <li>• copy of latest single entry visa; and</li> <li>• Copy of valid work permit.</li> </ul> <ol style="list-style-type: none"> <li>2. After processing, ministry of foreign affairs returns the application to the applicant for processing with ministry of interior;</li> <li>3. Applicant submits the letter to directorate of foreign relations and foreigners of the ministry of interior.</li> <li>4. The directorate returns the processed application to the applicant;</li> <li>5. Applicant presents the processed letter to the passport department of MoI for further processing;</li> <li>6. Passport department provides the applicant with an invoice to transfer visa processing fee into their bank account;</li> <li>7. After transferring the amount, the applicant returns a receipt to the passport department;</li> <li>8. The passport department issues a 6 month multiple-entry visa to the applicant.</li> </ol>
<b>Processing time</b>	One (1) to two (2) weeks
<b>Renewal fees</b>	<ul style="list-style-type: none"> <li>• <b>3 months:</b> USD 90</li> <li>• <b>6 months:</b> USD 180</li> </ul>
<b>Compliance/monitoring</b>	Consulate general, , ministry of foreign affairs ( <b>MoFA</b> )

#### 4.18 Work permit for foreign employees

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Work-permit for foreigners</b>
<b>Responsible ministry/agency</b>	Directorate of work-permit for foreigners, ministry of labor and social affairs ( <b>MoLSA</b> )
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Labor law, official gazette no. 966; and</li> <li>• Regulation for recruitment of foreigners, official gazette no. 858</li> </ul>
<b>Contact details</b>	<p><b>Sayed Kazim Fakhri</b>  <i>Director foreign employees work-permit</i>  <i>Ministry of labor and social affairs (MoLSA)</i>  <b>Phone: 0752-001-299; 0702-454-545; 0700-277-023</b></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. To obtain a work-permit for their foreign employees, all government agencies and private companies should submit to directorate of work-permit their request/application in either Dari or Pashtu language. <p style="margin-left: 20px;"><b>Application attachments:</b></p> <ol style="list-style-type: none"> <li>a. Passport of the worker</li> <li>b. Valid Afghanistan visa</li> <li>c. Educational documents of worker _ authenticated by Afghan ministry of foreign affairs (<b>MoFA</b>)</li> <li>d. Copy of contract signed between employee and the employer</li> <li>e. copy of invitation letter of foreign employee with fax number from the ministry of foreign affairs</li> <li>f. Company License of employer</li> <li>g. Two photos</li> </ol> </li> <li>2. The directorate provides the applicant with specific forms (forma-e-marefi and form 1) to be completed and returned; and</li> <li>3. The directorate then issues work-permit to the applicant provided all requirements are met, including criminal background check through Interpol of Mol.</li> </ol> <p><b>Note:</b> Currently there are three types of work-permits for foreigners:</p> <ol style="list-style-type: none"> <li>1. <b>Blue permit:</b> granted to foreign specialists and experts. This permit is valid for 5 terms (each term being one year), and should be renewed annually;</li> <li>2. <b>Yellow permit:</b> granted to semi-professional foreign worker, and is valid for 2 terms, and should be renewed annually; and</li> <li>3. <b>White permit:</b> granted to short-term foreign employees/workers (who work for less than one year in Afghanistan).</li> </ol>
<b>Processing time</b>	Two (2) to three (3) working days
<b>Validity</b>	<ul style="list-style-type: none"> <li>• <b>Blue permit:</b> valid for 5 terms/ years</li> <li>• <b>Yellow permit:</b> valid for 3 terms/years</li> <li>• <b>White permit:</b> valid for 1 term/year</li> </ul> <p><b>Note:</b> Despite their validity, blue and yellow permits should be renewed</p>

	annually.
<b>Fees</b>	<ul style="list-style-type: none"> <li>• <b>Blue and Yellow permits:</b> Afghanis 7500</li> <li>• <b>White permit:</b> Afghanis 15000</li> </ul>
<b>Extendibility /renewal</b>	<p><b>Renewal:</b> blue and yellow permits should be renewed annually.</p> <p><b>Extension:</b> all three permits are extendable provided no Afghan substitute for the foreign worker (license holder) is available.</p>
<b>Renewal procedure</b>	<p>The procedure is similar to that of obtaining work-permit.</p> <ol style="list-style-type: none"> <li>1. Applicant should submit a request for renewal to the directorate of foreign employees work-permit; <ul style="list-style-type: none"> <li><b>Application attachments:</b> <ol style="list-style-type: none"> <li>a. Old/expired work-permit of the employee</li> <li>b. Two photos of the employee</li> <li>c. Company license of the employer</li> <li>d. If employee changes employer, then a no-objection letter from ex-employer should be provided (in either Dari or Pashtu language)</li> </ol> </li> </ul> </li> <li>2. The directorate then renews the work-permit for another year.</li> </ol>
<b>Renewal fees</b>	<p><b>Blue and Yellow permits:</b> Afghanis 7500</p> <p><b>White permit:</b> Afghanis 15000</p>
<b>Compliance/monitoring</b>	Mobile verification team of the directorate of foreign employees work-permit, <b>MoLSA</b>

#### 4.19 Private investment license

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Private investment license</b>
<b>Responsible ministry/agency</b>	Afghanistan investment support agency ( <b>AISA</b> )
<b>Usage/ description</b>	In order to operate in Afghanistan a legal business, a business holder shall obtain a private investment license from AISA. Trading companies (registered with ministry of commerce and industries), and small retail businesses (registered with the Kabul municipality and non-profit organizations registered with ministry of economy), are not required to obtain private investment license from AISA. By law, AISA registers all private sector enterprises, whether foreign or local, or joint ventures of any nature between foreigners and locals.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Investment law</li> <li>• Corporations and limited liability companies' law</li> <li>• Procedure for licensing</li> </ul>
<b>Contact details</b>	<p><b>Zabiullah Ehsan</b>  <i>Licensing director</i>  Afghanistan investment support agency (<b>AISA</b>)  <b>Address:</b> Shar-e-Naw, Computer Plaza lane, House no. 42  <b>Phone No:</b> 0202-103-404; 0799-237-057  <b>E-mail:</b> <a href="mailto:zabiullah.ehsan@aisa.org.af">zabiullah.ehsan@aisa.org.af</a></p>
<b>Application procedure</b>	<p>1. Investor submits a request/ application to AISA;  <b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• Investor's legal identity: <ol style="list-style-type: none"> <li>a. Afghan citizen (individual investor) presents a national ID card, passport or other documents to certify his/her identity;</li> <li>b. foreign individual can present a passport as identification but must also provide a criminal background check through their nearest embassy;</li> <li>c. A foreign company (i.e., a company that is incorporated and has operations outside Afghanistan) obtains a corporate background check through their nearest embassy;  Criminal background report of foreign investors (company/individual) is received by AISA through ministry of foreign affairs of Afghanistan (MoFA).</li> </ol> </li> <li>• Five photos; and</li> <li>• A legal document to prove the applicant (investor) has an established office in Afghanistan. This could be a house deed or lease contract (signed and stamped by a legal representative such as attorney or property dealer).</li> </ul> <p>2. The licensing department of AISA provides an application form for a business registration, to be filled out by the investor. The applicant should mention on the form his activities and provide necessary details about the rate/amount of investment, number of employees and names of high-rank members of his company. The investor can</p>

	<p>choose the firm's form of incorporation: sole proprietorship, partnership, corporation or limited company (for details, refer to corporations and limited liability companies' law). Relevant documents should be attached by the investor to the application form to show form of business structure the investor has chosen;</p> <ol style="list-style-type: none"> <li>3. Applicant should fill out the form and choose a name for her/his company. The name should neither be political, military nor should contain names of prohibited substances such as uranium, etc.</li> <li>4. Licensing department verifies the provided information, and checks in its database the selected name to avoid duplication. If not already taken, the name of the company will be approved and then license will be issued to the applicant;</li> <li>5. AISA provides the investor with a "Request for Tax Identification Number" form to fill. AISA uses this form to obtain a tax identification number (TIN) for the investor;</li> <li>6. After issuing the license, AISA submits specification of the company to ministry of justice for publication in their official gazette.</li> </ol>																																									
<p><b>Types of Investment</b></p>	<p>AISA license holders can invest in the following sector/area:</p> <ul style="list-style-type: none"> <li>• Construction</li> <li>• Transportation</li> <li>• Mining/hydrocarbons</li> <li>• Agriculture</li> <li>• Production</li> <li>• Services</li> <li>• Security</li> </ul> <p>Investment in some of the mentioned sectors requires agreement of the sector ministry, such as ministry of transportation and civil aviation (<b>MoTCA</b>) for transportation license.</p>																																									
<p><b>Processing time</b></p>	<p>Eight (8) working hours</p>																																									
<p><b>Validity</b></p>	<p>One (1) year</p>																																									
<p><b>Fees</b></p>	<p>There are two types of payable fees:</p> <ol style="list-style-type: none"> <li>1. <b>Licensing Fee:</b> Licensing fee depends on category and types of activities of a company as following:</li> </ol> <table border="1" data-bbox="570 1392 1438 1877"> <thead> <tr> <th>#</th> <th>Sector</th> <th>Activity</th> <th colspan="2">Licensing fee</th> <th colspan="2">Renewal fee</th> </tr> </thead> <tbody> <tr> <td rowspan="3">1</td> <td rowspan="3">Construction</td> <td>Construction</td> <td>Small scale</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Road construction</td> <td>Medium scale</td> <td>\$ 700</td> <td>Medium scale</td> <td>\$ 350</td> </tr> <tr> <td>Production of construction material</td> <td>Large scale</td> <td>\$ 1000</td> <td>Large scale</td> <td>\$ 500</td> </tr> <tr> <td rowspan="3">2</td> <td rowspan="3">Production</td> <td>Hand crafts</td> <td>Small scale</td> <td>\$ 50</td> <td>Small scale</td> <td>\$ 50</td> </tr> <tr> <td>Machinery and equipment</td> <td>Medium scale</td> <td>\$ 350</td> <td>Medium scale</td> <td>\$ 100</td> </tr> <tr> <td>Beverages (non-alcoholic)</td> <td>Large scale</td> <td>\$ 350</td> <td>Large scale</td> <td>\$ 100</td> </tr> </tbody> </table>	#	Sector	Activity	Licensing fee		Renewal fee		1	Construction	Construction	Small scale	-	-	-	Road construction	Medium scale	\$ 700	Medium scale	\$ 350	Production of construction material	Large scale	\$ 1000	Large scale	\$ 500	2	Production	Hand crafts	Small scale	\$ 50	Small scale	\$ 50	Machinery and equipment	Medium scale	\$ 350	Medium scale	\$ 100	Beverages (non-alcoholic)	Large scale	\$ 350	Large scale	\$ 100
#	Sector	Activity	Licensing fee		Renewal fee																																					
1	Construction	Construction	Small scale	-	-	-																																				
		Road construction	Medium scale	\$ 700	Medium scale	\$ 350																																				
		Production of construction material	Large scale	\$ 1000	Large scale	\$ 500																																				
2	Production	Hand crafts	Small scale	\$ 50	Small scale	\$ 50																																				
		Machinery and equipment	Medium scale	\$ 350	Medium scale	\$ 100																																				
		Beverages (non-alcoholic)	Large scale	\$ 350	Large scale	\$ 100																																				

	<b>3</b>	<b>Services</b>	Logistical services	Small scale	-	Small scale	-
			Consulting services	Medium scale	\$ 700	Medium scale	\$ 175
			Banking and others	Large scale	\$ 1000	Large scale	\$ 250
	<b>4</b>	<b>Transportation</b>	Ground transportation	Small scale	-	Small scale	-
			Air transportation	Medium scale	\$ 700	Medium scale	\$ 175
			Cargo	Large scale	\$ 1000	Large scale	\$ 250
	<b>5</b>	<b>Mining</b>	Coal mining	Small scale	-	Small scale	-
			Natural gas	Medium scale	\$ 700	Medium scale	\$ 175
			Others	Large scale	\$ 1000	Large scale	\$ 250
	<b>6</b>	<b>Agriculture</b>	Grain and animal products	Small scale	\$ 50	Small scale	\$ 50
			Cereal	Medium scale	\$ 350	Medium scale	\$ 350
			Others	Large scale	\$ 350	Large scale	\$ 350
	<b>7</b>	<b>Security</b>	Security services	Small scale	\$ 5000	Small scale	\$ 5000
			Security services	Medium scale	\$ 5000	Medium scale	\$ 5000
			Security services	Large scale	\$ 5000	Large scale	\$ 5000

Classification of investment scales are summaries in the following table:

Amount of initial capital	Classification	Licensing fee
\$5000 - \$ 10000 (260000 –520000 Afghanis)	Small size business	\$100 (5200 Afghanis)
\$10001 - \$1000000 (520052- 52000000 Afghanis)	Medium size business	\$700 (36400 Afghanis)
More than \$ 1000000 (more than 52000000 Afghanis)	Large size business	\$1000 (52000 Afghanis)

**2. Publication (in official gazette) fee:** The applicant should pay Afghanis 1500 to the licensing department for publication of the company's identity in official gazette.

**Note:** Certified copy of the license can be obtained for \$10.

<b>Extendibility /renewal</b>	The license is renewable
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. Prior to expiration of license, the license holder shall submit an application for renewal of license to licensing department of AISA;</li> <li>2. The licensing department submits the application in attachment to an official letter to Afghan revenue department (ARD) of ministry of finance for tax clearance; and</li> </ol>

	3. After obtaining the tax clearance certificate from ARD, the company fills a license renewal forms and pays the renewal fees. AISA then renews the License.
<b>Renewal fees</b>	Refer to the "Fees" section above
<b>Compliance/monitoring</b>	Internal audit department of AISA
<b>Other information</b>	The applicant should include accurate information on the form. Incorrect information will result in denial of applicant's right to receive license. If the information provided is proved to be incorrect after issuance of license, the license will be immediately cancelled and the investor will be deprived of the right to investment in Afghanistan.

## 4.20 Demining /mine clearance

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Demining of exploration or production site</b>
<b>Responsible ministry/agency</b>	Mine Detection Center ( <b>MDC</b> )
<b>Relevant law (s)/regulation(s)</b>	Not applicable
<b>Contact details</b>	<p><b>Javid Ahzami</b>  <i>MoM project executive manager</i>  <i>Mine detection center (MDC)</i>  <b>E-mail:</b> <a href="mailto:Javid445@yahoo.com">Javid445@yahoo.com</a>; <a href="mailto:mdc_afghan@yahoo.com">mdc_afghan@yahoo.com</a>;  <a href="mailto:mdcafgghann@gmail.com">mdcafgghann@gmail.com</a>  <b>Phone:</b> 0700-287-095; 0788-880-882  <b>Website:</b> <a href="http://www.mdc-afghan.org">www.mdc-afghan.org</a></p>
<b>Application procedure</b>	<p><b>If a mining/hydrocarbons company wants MDC to demine the mining/hydrocarbons site, it should follow the following steps: The applicant may be the ministry of mines and petroleum or the investor:</b></p> <ol style="list-style-type: none"> <li>1. The applicant submits an application for demining of exploration or production site to MDC (companies and investors should submit a copy of their mining/hydrocarbons contract along with their application);</li> <li>2. MDC deploys its assessment team to the site for preliminary assessment;</li> <li>3. Based on the assessment report, MDC calculates cost and time required for cleaning the site;</li> <li>4. MDC informs the applicant in written of their preliminary assessment results;</li> <li>5. If agreed, the applicant signs a contract with MDC;</li> <li>6. MDC clears the area from mines and other explosives in accordance with terms and conditions of contract; then</li> <li>7. MDC officially hands over the area (cleared from explosives) to the requesting party.</li> </ol> <p><b>Note:</b> MDC does not take responsibility for any incident after official handover of the area to the requesting party.</p> <p><b>If a mining/hydrocarbons company wants to demine the mining/hydrocarbons site themselves, they are advised to contact MDC.</b></p>
<b>Processing time</b>	Depends on size of the area
<b>Validity</b>	Not applicable
<b>Fees</b>	<ol style="list-style-type: none"> <li>1. <b>Preliminary survey / assessment:</b> Free of charge</li> <li>2. <b>Demining charges:</b> \$ 0.5 - \$ 1.5 / m<sup>2</sup>, depending on type of area and explosives</li> </ol>
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	MDC and the requesting party

#### 4.21 Historical / cultural relics preservation

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Preservation of historic and cultural relics in a mining/hydrocarbons site</b>
<b>Responsible ministry/agency</b>	Directorate of archeology, ministry of information and culture ( <b>MoIC</b> )
<b>Relevant law (s)/regulation(s)</b>	Law on preservation of historical and cultural heritage (S.Y.1383), Official gazette (828)
<b>Contact details</b>	<p><b>Abdul Qadeer Temory</b>  <i>Director of archeology</i>  <i>Ministry of information and culture</i>  <b>E-mail:</b> <a href="mailto:qadirtemory@gmail.com">qadirtemory@gmail.com</a>  <b>Phone:</b> 0202-202-651; 0700-010-989; 0775-221-610</p>
<b>Application procedure</b>	<p>Preservation of historical relics in a mining/hydrocarbons site can be performed either prior to or during implementation of mining/hydrocarbons project:</p> <p><b>Preservation prior to commencement of mining/hydrocarbons operations:</b></p> <ol style="list-style-type: none"> <li>1. Ministry of mines and petroleum, prior to tendering a mine, sends an official letter to ministry of information and culture requesting survey of concerned site for historical and cultural relics.</li> <li>2. Directorate of archeology of ministry of information and culture deploys a team of archeologists to survey the area. The survey will result in one of the followings:             <ol style="list-style-type: none"> <li><b>a. Discovery of cultural and/or historical relics in the site:</b>                Ministry of information and culture will officially inform ministry of mines and petroleum of their findings. An agreement will be signed between the two ministries stating start and end date of excavation operations.               <ol style="list-style-type: none"> <li>i. an expert team will carry out excavation and preservation operations, and will move transferable relics while preserving the non-transferable;</li> <li>ii. After preserving the relics, ministry of information and culture will officially handover the site to ministry of mines and petroleum.</li> </ol> </li> <li><b>b. Not discovering cultural and/or historical relics in the site:</b>                Ministry of information and culture will officially inform ministry of mines and petroleum of their findings. Consequently, ministry of mines and petroleum will proceed with tendering out the mine.</li> </ol> </li> </ol> <p><b>Preservation during project (in case of accidental discovery of historical relics in the site):</b></p> <ol style="list-style-type: none"> <li>1. A mining/hydrocarbons company is obligated to stop its operation and to inform ministry of information and culture (through ministry of mines), as soon as they discovers historical or cultural relics in the site;</li> <li>2. Directorate of archeology deploys a team of archeologists to the area</li> </ol>

	<p>in order to survey and identify historical and cultural relics;</p> <ol style="list-style-type: none"> <li>3. The team surveys the area and develops excavation/preservation plan;</li> <li>4. Preservation work will commence after MoM and MoIC signs an agreement for excavation and preservation operations;</li> <li>5. The expert team will carry out excavation and preservation operations, and will move transferable relics while preserving the non-transferable;</li> <li>6. After preserving the relics, ministry of information and culture will officially handover the site to ministry of mines</li> </ol>
<b>Processing time</b>	One (1) week to process request and to deploy team to site
<b>Validity</b>	Not applicable
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Directorate of archeology, Ministry of information and culture ( <b>MoIC</b> )

## 4.22 Radioactive material permit

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Permit for import, transport and use of radioactive materials (including explosives with radioactive elements)</b>
<b>Responsible ministry/agency</b>	Directorate of nuclear technology administration, Afghanistan atomic energy higher commission ( <b>AAEHC</b> )
<b>Usage / description</b>	The Government of Islamic Republic of Afghanistan (GoIRA) recognizes that naturally-occurring radioactive material may be encountered in the course of oil & gas (hydrocarbon) exploration and production, and has established appropriate guidelines and regulations to mitigate the environmental impact of such materials and provide appropriate health and safety measures to protect workers and the general public
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Nuclear/Atomic law (draft)</li> <li>• Regulation for using radioactive material in mining operations (draft)</li> <li>• Regulation for protection from radiation (draft)</li> </ul>
<b>Contact details</b>	<p><b>Abubakar Satorai</b>  <i>Manager of protection from radiation</i>  Afghanistan atomic energy higher commission (<b>AAEHC</b>)  <b>Phone:</b> 0700-890-996  <b>E-mail:</b> <a href="mailto:Abubakar-satorai@yahoo.com">Abubakar-satorai@yahoo.com</a>  <b>Website:</b> <a href="http://aaehc.afghanistan.af">http://aaehc.afghanistan.af</a></p>
<b>Application procedure</b>	<p><b>Import permit for radioactive material:</b></p> <ol style="list-style-type: none"> <li>1. Applicant presents a request to sector ministry (e.g. MoMP for mining/petroleum companies) for procuring required radioactive material;</li> </ol> <p><b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• Copy of national ID card (for domestic investor), copy of passport (for foreign investor)</li> <li>• Copy of license obtained either from AISA or MoCI</li> <li>• Copy of contract with sector ministry (e.g. mining contract)</li> </ul> <ol style="list-style-type: none"> <li>2. Relevant ministry submits the application to AAEHC;</li> <li>3. AAEHC forwards the request to their licensing department;</li> <li>4. Licensing department reviews the application;</li> <li>5. If the applicant meets the criteria, the department issues a permit to authorize import of radioactive material;</li> <li>6. AAEHC submit copies of the import permit to customs department and other borders protection agencies for their information.</li> </ol> <p><b>Permit to authorize transport of radioactive material:</b></p> <ol style="list-style-type: none"> <li>7. Department of nuclear technology administration assigns a technical verification team to check the consignment at its entry point (airport and/or border customs houses) to ensure it matches specifications provided by the applicant;</li> <li>8. The technical verification team then checks storage facility allocated for storing radioactive material, to ensure its suitability;</li> </ol>

	<p>9. If suitable, the technical verification team issues an official letter (permit) to authorize transport of the material from customs to its storage facility. The verification team requests the applicant to reconfirm its commitment for not utilizing the radioactive material for purposes other than what was outlined in his/her application;</p> <p>10. After materials are transported to its storage facility, technical verification team re-checks the facility to ensure its suitability (safety and security).</p> <p><b>Permit to authorize use of radioactive material:</b></p> <p>11. To use radioactive material, applicant should obtain a separate authorization (permit). The procedure is similar to that of obtaining import permit.</p>
<b>Processing time</b>	Three (3) working days
<b>Validity</b>	One (1) year
<b>Fees</b>	Different fee applies to different types of material (for more information please contact AAEC)
<b>Extendibility /renewal</b>	Permit is renewable
<b>Renewal procedure</b>	<p>1. Licensing department of AAEC. The applicant should submit a copy of his/her current permit in attachment to the request;</p> <p>2. AAEC reviews the request and renews the required permit(s).</p> <p><b>Note:</b> permit holder is required to apply for renewal one month prior to expiration of his/her permit.</p>
<b>Renewal fees</b>	Different fee applies to different types of material
<b>Compliance/monitoring</b>	Department of atomic technology administration, AAEC

### 4.23 Chemical precursors

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Permit for procuring and consuming Hydrochloric Acid (HCL) and other chemical precursors [set forth in chart number four (4) of counter narcotics law and the convention of 1988 (23 items)]</b>
<b>Responsible ministry/agency</b>	Drug regulatory committee ( <b>DRC</b> ), ministry of counter narcotics ( <b>MCN</b> )
<b>Usage / description</b>	Some chemicals used in mining and industrial operations are also used in processing and production of narcotics. HCL for instance is a chemical substance used in both mining industry and in narcotics industry (for production of heroin). To avoid illegitimate use, all companies using such chemicals shall obtain a permit from the Ministry of Counter Narcotics.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Counter Narcotics Law</li> <li>• DRC regulations (including procedures)</li> <li>• The 1988 convention</li> </ul>
<b>Contact details</b>	<b>Dr. Abdul Shakoor Hydari</b> <i>Secretary of drug regulatory committee</i> <i>Ministry of counter narcotics(MCN)</i> <b>E-mail:</b> <a href="mailto:shakoorhy@yahoo.com">shakoorhy@yahoo.com</a> ; <a href="mailto:Shakoorhy@gmail.com">Shakoorhy@gmail.com</a> <b>Phone:</b> 0799-724-762
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant, through sector/relevant ministry, submits to ministry of counter narcotics (MCN) a request for supplying chemicals (HCL);</li> <li>2. MCN forwards to its drug regulatory committee (DRC) the request;</li> <li>3. After reviewing the application, drug regulatory committee of MCN issues a permit for import of the chemicals to the applicant;</li> <li>4. Copies of the import permit are submitted to Afghan customs department, ministry of interior, directorate of national security, intelligence and other relevant agencies; and</li> <li>5. Permit holders submit to DRC quarterly consumption reports of the chemicals. Failure to do so will disqualify the permit holder for future permits.</li> </ol> <p><b>Note:</b> Applicant is responsible for transporting, storage and safeguarding of the chemicals. Refer to the drug regulatory committee (DRC) guidelines developed for these purposes.</p>
<b>Processing time</b>	Twenty (20) working days
<b>Validity</b>	This permit is valid for six (6) months, and one shipment
<b>Fees</b>	Free
<b>Extendibility /renewal</b>	In principle, permit is not renewable. <b>Exceptions:</b> Validity period can be extended only if the permit holder fails to procure the chemicals for legitimate reasons, during the period.
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	<ul style="list-style-type: none"> <li>• Counter narcotics police of Afghanistan (<b>CNPA</b>)</li> <li>• Drug regulation committee of <b>MCN</b></li> </ul>
<b>Other information</b>	DRC procedures and guidelines are available at the ministry's website ( <a href="http://www.mcn.org">www.mcn.org</a> )

#### 4.24 Access to statistical micro-data

Description/Details	
<b>Name of permit/license/procedure</b>	Statistical micro-data access policy
<b>Responsible ministry/agency</b>	Central statistics organization (CSO)
<b>Usage/description</b>	Micro-data is raw statistical data (in a non-pdf format) used for research by investors and / or academic institutions. Those willing to run a business and / or investment in Afghanistan may want to use this data alongside other necessary data, for their feasibility study.
<b>Relevant law (s)/regulation(s)</b>	Statistics law
<b>Contact details</b>	<p><b>Abdul Rahman Ghafoori</b>  <i>President General</i>            Central statistics organization (CSO)  <b>Address:</b> Charahi –e-Ariana, Ansari Wat, next to Italian embassy, Kabul  <b>Phone:</b> 0202-100-329; 0776-432-149  <b>E-mail:</b> <a href="mailto:ghafoori@cso.gov.af">ghafoori@cso.gov.af</a>; <a href="mailto:afghan_cso@yahoo.com">afghan_cso@yahoo.com</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. The requester will be required to apply in the prescribed format (refer to “Micro-data request form” below) giving all details. The applicant will also need to send a scanned copy of signed request to CSO by email (<a href="mailto:afghan_cso@yahoo.com">afghan_cso@yahoo.com</a>);</li> <li>2. The requester will be required to give a written consent as part of the request form to abide by all the provisions of this policy;</li> <li>3. The requester will be informed through email about the receipt of his/her application by CSO;</li> <li>4. CSO will respond to all requests within one month of receipt of a request form complete in all respects; then</li> <li>5. CSO will provide the micro-data to requester if the application is found in order.</li> </ol>
<b>Processing time</b>	One (1) month
<b>Validity</b>	Not applicable
<b>Fees</b>	<ol style="list-style-type: none"> <li>1. There is a nominal cost associated to each micro-data set. This is just to cover the costs of supply of micro-data and is not intended at all to cover the cost of collection of data; and</li> <li>2. If the requester is an Afghan government ministry or agency, or an Afghan government educational academic institution, the requester will not be charged for the supply of the micro-data.</li> </ol>
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Central statistics organization (CSO)
<b>Other information</b>	For further information, please refer to “Micro-data access policy” available on CSO’s official website: ( <a href="http://cso.gov.af/en/page/1534">http://cso.gov.af/en/page/1534</a> )

**Micro-data request form**

The application form should be completed electronically (except for signatures). Then after filling the form it should be printed, signed, scanned and sent by email or domestic / international courier services to: Mr. Ahmad Zia Ahmad Zai to [afghan\\_cso@yahoo.com](mailto:afghan_cso@yahoo.com).

Details of the requestor	
Name of the lead requestor	
Department/section	
Organization	
Type of organization (Government, university, other- please specify.)	
Main activity of the organization	
Postal address	
Physical address (if different from postal address)	
Telephone	
E-mail	

<b><i>Details of all those involved in project</i></b>	
Name	
Organization	
Position	
Name	
Organization	
Position	
Name	
Organization	
Position	
Name	
Organization	
Position	
Name	
Organization	
Position	

- \*The project team must include a statistician
- \* Also, please include the role and name of all associate researchers or collaborators.
- \* Any person who may need to access the data needs to be included in order to be authorized.
- \* Also, please attach brief CVs for the lead research and / the statistician.

<b>Utilization details</b>	
Name of dataset requested (Include year/s)	
Project or activity title	
Background (Include justification for needing micro data, and value and benefits to Afghanistan)	
Objectives	
Methodology (Describe what analyses will be carried out)	
Outputs (Include planned outputs, dissemination methods and timelines)	
Timeframe (Include project start and end dates, and important dates such as publication)	
Security of data (Include how the data will be kept secure and accessed only by authorized researchers)	

**Agreement**

*I hereby agree to abide by all the provisions of the policy and in particular the responsibilities of the user of micro-data mentioned under section 10 of the Micro-data access policy.*

*I understand that in case myself or my organization is found to flout the agreement, legal action can be taken against the organization and myself, which can include blacklisting.*

*I confirm that the information provided in this form is accurate to the best of our knowledge.*

**Lead researcher**

<b>Name</b>	
<b>Signed</b>	
<b>Date</b>	

**Statistician (if different from lead researcher)**

<b>Name</b>	
<b>Signed</b>	
<b>Date</b>	

**Manager of head of department**

I affirm that my organization ....., supports this project/ activity and requires that all researchers abide by the Micro-data access policy and the terms and conditions of access.

<b>Name</b>	
<b>position</b>	
<b>Signed</b>	
<b>Date</b>	

#### 4.25 Access road construction permit

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Access-road construction for mining/hydrocarbons projects</b>
<b>Responsible ministry/agency</b>	Directorate of policy and planning, ministry of public works ( <b>MoPW</b> )
<b>Relevant law (s)/regulation(s)</b>	Procurement law
<b>Contact details</b>	<p><b>Eng. Mohammad Saleem Beedya</b>  <i>Director policy and planning</i>            Ministry of public works (<b>MoPW</b>)  <b>Phone:</b> 0799-318-696  <b>E-mail:</b> <a href="mailto:s.beedya@yahoo.com">s.beedya@yahoo.com</a></p>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. requestor submits an application to ministry of mines and petroleum;</li> <li>2. Ministry of mines and petroleum forwards the request to ministry of public works for survey and design of the road.  <b>Note:</b> a licensed requestor (holding a construction license) can also survey and design the road, and then submit them to MoPW for approval.</li> <li>3. Once approved, construction of the road will be put out for tender;</li> <li>4. MoPW will sign a contract with the winning bidder, and authorize construction of the access road.</li> </ol>
<b>Processing time</b>	Not applicable
<b>Validity</b>	Not applicable
<b>Fees</b>	Not applicable
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	<ul style="list-style-type: none"> <li>• Project implementation unit (<b>MoPW</b>)</li> <li>• directorate of quality control and monitoring (<b>MoPW</b>)</li> </ul>

#### 4.26 Transportation route booklet

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Transport route booklet</b>
<b>Responsible ministry/agency</b>	General directorate of ground transportation, ministry of transportation and civil aviation ( <b>MoTCA</b> )
<b>Usage / description</b>	All trucks carrying goods within Afghanistan should have a Transportation route booklet. If a mining/hydrocarbons company, for instance, wants to use its own trucks for transportation, it shall obtain the transportation route booklet.
<b>Relevant law (s)/regulation(s)</b>	Law of route and transportation operations
<b>Contact details</b>	<b>Ahmad Hussain Hakami</b> <i>General manager of route booklet</i> <i>Ministry of transport and civil aviation, MoTCA</i> <b>Address:</b> Khushhal Khan Mena, next to Central Silo, Kabul, Afghanistan <b>Phone:</b> 0700-289-825
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits an application, together with vehicle registration booklet, to the general directorate of ground transportation of MoTCA;</li> <li>2. After reviewing the application, the directorate issues a transport route booklet to the applicant.</li> </ol>
<b>Processing time</b>	One (1) working day
<b>Validity</b>	One (1) year
<b>Fees</b>	300 Afghanis
<b>Extendibility /renewal</b>	Transportation route booklet is renewable
<b>Renewal procedure</b>	<p>Applicant is requested to apply for renewal of the route booklet before it expires.</p> <ol style="list-style-type: none"> <li>1. Applicant submits to the general directorate of ground transportation a request for renewal of the route booklet.</li> </ol> <p><b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• Transportation route booklet</li> <li>• Vehicle registration booklet</li> </ul> <ol style="list-style-type: none"> <li>2. After reviewing the application, the directorate issues a new route booklet.</li> </ol>
<b>Renewal fees</b>	300 Afghanis
<b>Compliance/monitoring</b>	All ground transportation checkpoints of general directorate of ground transport management, <b>MoTCA</b> .

#### 4.27 Mining town construction permit

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Mining town construction permit</b>
<b>Responsible ministry/agency</b>	Directorate of urban development, ministry of urban development affairs (MUDA)
<b>Usage / description</b>	Large scale and long term projects may require this permit
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• guideline for services fee</li> <li>• Urban plans monitoring procedure</li> <li>• Urban plans approval procedure</li> </ul>
<b>Contact details</b>	<b>Eng. Ahmad shah Hemat</b> <i>Director urban development</i> Ministry of urban development affairs (MUDA) <b>Phone: 0700-141-703</b>
<b>Application procedure</b>	<ol style="list-style-type: none"> <li>1. Mining company submits a request for construction of mining town to ministry of mines and petroleum;</li> <li>2. After agreement of ministry of mines, the mining company will develop a construction plan or request ministry of urban development affairs to develop the plan.</li> </ol> <p><b>When the mining /petroleum company develops the plan:</b></p> <ol style="list-style-type: none"> <li>1. The plan will be sent to Ministry of urban development affairs for technical assessment;</li> <li>2. After review and approval, the plan will be sent to MoM and a copy to municipality of the province where the town will be build.</li> </ol> <p><b>When MUDA develops the plan:</b></p> <ol style="list-style-type: none"> <li>3. Mining company, through MoMP, submits a formal request to ministry of urban development affairs;</li> <li>4. Ministry of urban development affairs develops the plan and secures approval of their minister on it;</li> <li>5. The approved plan is then submitted to the requestor for implementation. A copy of the plan is also sent to municipality of the province where the town will be built.</li> </ol>
<b>Processing time</b>	<ul style="list-style-type: none"> <li>• <b>When mining company develops the plan:</b> 20 – 29 working days</li> <li>• <b>When MUDA develops the plan:</b> 49 – 60 working days</li> </ul>
<b>Validity</b>	Not applicable
<b>Fees</b>	Service fee will be determined in accordance with “guidelines for services fee” of MUDA
<b>Extendibility /renewal</b>	Not applicable
<b>Renewal procedure</b>	Not applicable
<b>Renewal fees</b>	Not applicable
<b>Compliance/monitoring</b>	Directorate of urban development, ministry of urban development affairs

#### 4.28 Radio frequency license and radio communication equipment registration

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Radio frequency license</b>
<b>Responsible ministry/agency</b>	<ol style="list-style-type: none"> <li>1. Afghanistan telecommunication regulatory authority (<b>ATRA</b>), ministry of communication and information technology (<b>MCIT</b>)</li> <li>2. General directorate of radio &amp; information technology, ministry of interior (<b>Mol</b>)</li> </ol>
<b>Usage / description</b>	This applies to all types of radio communication equipments including walki-talki and two-way communication systems.
<b>Relevant law (s)/regulation(s)</b>	<ul style="list-style-type: none"> <li>• Radio communication frequency and equipment usage regulation in Afghanistan (<b>MCIT</b>)</li> <li>• Telecommunication service regulation law</li> </ul>
<b>Contact details</b>	<p><b>Radio communication and IT general directorate, ministry of interior</b>  <i>Lieutenant colonel Ghulam Haidar Samim</i>  <i>Director general of radio communication &amp; information technology</i>  <i>Ministry of interior (Mol)</i>  <b>Phone:</b> (Secretariat of Mol) 0202-203-250</p> <p><b><u>Afghanistan telecommunication regulatory authority (ATRA)</u></b>  Alhaj Mohammad Tahir Akbari  Frequency licensing manager, <b>MCIT</b>  <b>Phone:</b> 0702-717-170; 0202-105-796  <b>E-mail:</b> <a href="mailto:h.zahir@attra.gov.af">h.zahir@attra.gov.af</a>  <b>Website:</b> <a href="http://www.atra.gov.af">www.atra.gov.af</a></p>
<b>Application procedure</b>	<p><b>I. Ministry of communication and information technology (MCIT):</b>  Radio frequency license</p> <ol style="list-style-type: none"> <li>1. Applicants should be officially introduced (by their sector ministry or agency) to ATRA for obtaining radio frequency license;</li> <li>2. After approval of the chairman of ATRA, the application is sent to spectrum management department of ATRA for further processing;</li> <li>3. Spectrum management department provides the applicant with a form to provide specification of radio equipment;</li> <li>4. Applicant returns the completed form to spectrum management department. The department then conducts technical review of the form, calculates fees, registers equipment and determines a frequency for the applicant;</li> <li>5. After approval of the chairman of ATRA, the spectrum management department calculates fees and submits it to the finance department of ATRA;</li> <li>6. The finance department of ATRA then provides the applicant with a Tarafa (Tariff) to transfer the fees into the ATRA bank account;</li> <li>7. Applicant returns a bank receipt (Awaiz) to the finance department of ATRA;</li> <li>8. The finance department confirms in written payment of the fees, and submits the confirmation to spectrum management department for</li> </ol>

	<p>further processing; and</p> <p>9. The spectrum management department then issues frequency license to the applicant.</p> <p><b>II. Ministry of Interior (Mol):</b> Registration of communication equipment</p> <p>All radio communication equipments should be registered with the directorate of communication &amp; information technology of ministry of interior, after obtaining frequency and frequency license from ATRA.</p> <p>1. Applicant submits a request/application for registration of their radio communication equipments to general directorate of radio communication &amp; information technology of ministry of interior;</p> <p><b>Application attachments:</b></p> <ul style="list-style-type: none"> <li>• Receipt of the communication equipment (the equipment shall be procured from an authorized dealer);</li> <li>• AISA license;</li> <li>• Frequency and the frequency license issued by ATRA; and</li> <li>• A detailed list providing information on the radio operators and specification of communication equipments.</li> </ul> <p>2. The general directorate of communication &amp; information technology of Mol reviews the application, and checks the communication equipments;</p> <p>3. When satisfied, the directorate authorizes use of radio communication equipments by the applicant, in written.</p>
<b>Processing time</b>	<ul style="list-style-type: none"> <li>• <b>Frequency license (ATRA):</b> One (1) to two (2) working days</li> <li>• <b>Registration of equipment (Mol):</b> One (1) to two (2) working days</li> </ul>
<b>Validity</b>	One year
<b>Fees</b>	<p>ATRA collects the following fee:</p> <ul style="list-style-type: none"> <li>• <b>Annual frequency usage fee:</b> (refer to “Table 5: Annual frequency usage fee” below):</li> <li>• <b>Registration fee:</b> a one-time payment of \$50 to \$80. The fee will rise to \$150, if the user installs a repeater.</li> </ul> <p>There is no fee for registration of equipments with ministry of interior affairs (Mol)</p>
<b>Extendibility /renewal</b>	Frequency license is renewable
<b>Renewal procedure</b>	<ol style="list-style-type: none"> <li>1. Applicant submits to ATRA original copy of their frequency license along with an application requesting renewal of the license;</li> <li>2. After reviewing the application and its attachments, finance department of ATRA provides the applicant with a bank tariff (Tarafa) to transfer the fees into ATRA’s bank account;</li> <li>3. The applicant pays the amount and returns the bank receipt (Awaiz) to ATRA; then</li> <li>4. ATRA extends the frequency license for one year.</li> </ol>
<b>Renewal fees</b>	<ul style="list-style-type: none"> <li>• <b>License renewal fee:</b> \$35</li> <li>• <b>Annual Frequency Usage fee:</b> (refer to “Table 5: Annual frequency usage fee” below)</li> </ul>
<b>Compliance/monitoring</b>	<ul style="list-style-type: none"> <li>• Monitoring and control department of ATRA, MCIT.</li> </ul>

	<ul style="list-style-type: none"> <li>All Afghan security agencies</li> </ul>
<b>Other information</b>	Diplomatic missions, company boards, banks, foreign establishments, foreign nationals and individuals without citizenship will be able to procure radio communications equipment and high frequency equipment tax free in accordance with the law, at the request of ministries and departments that have granted permission for the opening of representations and exhibitions and the staging of official competitions in sports arenas and other venues, once approval has been given by the state radio monitoring department.

**Table 5:** Annual frequency usage fee, ATRA, MCIT

Systems	System details	Annual fee	Remarks
For VSAT terminals	Each terminal and totally less than 20	130	150 USD in addition to 34000 USD for any 10 terminals more than 1 000 terminals will be collected
	$n$ terminals more than 20 and totally up to 100, ( $1 \leq n \leq 80$ )	$2\ 600+70n$	
	$n$ terminals more than 100 and totally up to 300, ( $1 \leq n \leq 200$ )	$6\ 600+50n$	
	$n$ terminals more than 300 and totally up to 500, ( $1 \leq n \leq 200$ )	$12\ 600+30n$	
	$n$ terminals more than 500 and totally up to 1000, ( $1 \leq n \leq 500$ )	$16\ 600+20n$	
Satellite data acquisition terminals excluding VSAT	Each data terminal with capacity up to 2Mbps	100	--
	Each data terminal with capacity more than 2Mbps	150	
For each satellite phone line in MSS		50	--

**Source:** Regulation for the Use of radio frequencies and radio communications equipment in Afghanistan\_ ATRA, MCIT\_ Accessed on Feb 2013

**Table (6):** The right to change or extend license, ATRA, MCIT

Modification case	Fee (USD)	Remarks
Replacement of reduction of each channel	10	--
Relocation of each stations	25	--
Reduction of coverage area of each transmitter or modification of each antenna	25	--
Changing of licensee's address	20	--
Changing of vehicular mobile station	10	--
Addition of each mobile station	10	--
License extension	35	--

**Source:** Regulation for the use of radio frequencies and radio communications equipment in Afghanistan\_ ATRA, MCIT\_ Accessed on Feb 2013

## 4.29 Water Usage License

Description/Details	
<b>Name of permit/license/procedure</b>	<b>Water Usage License</b>
<b>Responsible ministry/agency</b>	Ministry of Energy and Water ( <b>MEW</b> )
<b>Usage / description</b>	All entities using water resources during their operations are obliged by the Water Law to obtain Water Usage License from MEW.
<b>Relevant law (s)/regulation(s)</b>	Water Law, Official Gazette No. (980), 26 April 2009
<b>Contact details</b>	<b>Eng. Malalai Barakzai</b> <i>Director Policy</i> Ministry of Energy and Water ( <b>MEW</b> ) <b>Phone:</b> 0799-827-738 <b>E-mail:</b> <a href="mailto:eng.malalaib@gmail.com">eng.malalaib@gmail.com</a> <b>Website:</b> <a href="http://mew.gov.af/">http://mew.gov.af/</a>
<b>Application procedure</b>	Procedure is not yet defined. Please contact the official above for more information.
<b>Processing time</b>	Not available
<b>Validity</b>	Not available
<b>Fees</b>	Not available
<b>Extendibility /renewal</b>	Not available
<b>Renewal procedure</b>	Not available
<b>Renewal fees</b>	Not available
<b>Compliance/monitoring</b>	Not available