

Draft Protocol of
The First Session of Inter-Governmental Commission on Economic and Trade Cooperation
Between
Islamic Republic of Afghanistan
And
Republic of Uzbekistan

The First Session of the Inter-governmental Commission of the Islamic Republic of Afghanistan and the Republic of Uzbekistan on Economic and Trade Cooperation, hereinafter referred to as "The Joint Commission" was held under the supervision of Mr. Nodir Otajonov, Advisor of Prime-minister of The Republic of Uzbekistan, on behalf of the Republic of Uzbekistan and Dr. Mohammad Humayon Qayoumi, Acting Minister of Finance and Chief Advisor of H.E. the President on Infrastructure Affairs, on behalf of the Islamic Republic of Afghanistan.

The Parties reaffirmed further expansion and strengthening of trade and economic relations between the two countries, and also emphasized the key role of the Joint Commission to achieve their mutual goals and reached agreements on the following areas of cooperation:

I. Cooperation in the Area of Trade and Industry:

1. Both sides noted that trade and industrial issues were discussed under the Public Private Dialogue (PPD) platform. Both sides undertook to implement decisions reflected upon in the Agreed Minutes of the second PPD held in Tashkent and signed on 16th July, 2019.
2. The parties noted the need to further study the possibility of concluding the agreement between the Governments of the Republic of Uzbekistan, the Islamic Republic of Afghanistan, and the Islamic Republic of Pakistan on establishment of the trilateral Commission on trade and infrastructure projects.
3. Both sides agreed to render assistance in the opening of trading houses of their respective enterprises and representatives of companies in the territory of each country.
4. The parties agreed to explore the possibility of the supply of Uzbek ethyl food alcohol to the Afghan markets.
5. Afghan side was requested to soon share comments on the draft agreement between the Government of the Republic of Uzbekistan and Islamic Republic of Afghanistan cooperation in the recognition of products conformity assessment results previously communicated. Afghan side noted the request.
6. Afghan side was requested to provide information on the requirements to import poultry products including meat and eggs in to Afghanistan from Uzbekistan. Afghan side noted the request.
7. Uzbek side requested the Afghan side to exempt from customs duties the imports of Uzbek petroleum products, to further increase the imports of petroleum products

(gasoline, liquefied gas, petroleum oils, etc.) from the Republic of Uzbekistan to \$ 100 million per year. Afghan side noted the request.

8. The parties took note of the information of the «Uzyogmoysanoat» Association on the readiness to provide technical assistance in the development of projects for the restoration of oil and fat enterprises in Afghanistan.

9. The parties agreed to work together on projects to organize the assemble production of electrical products in Afghanistan.

II. Cooperation in the Field of Road Transport and Transit:

10. The parties agreed to consider the establishment of a Joint Working group on transport issues and to hold the first meeting of the Working group in the first half of November 2019 in Tashkent.

11. The parties will continue to consider the possibility of assisting in the issuance of entry visas to drivers of carriers in accordance with legislation.

12. The parties agreed to develop the TIR system in their countries.

13. The parties agreed to jointly work out the conclusion of a bilateral agreement on International Road transport between The Republic of Uzbekistan and Islamic Republic of Afghanistan and the Agreement between the Governments of Afghanistan, Kazakhstan and Uzbekistan on the transit of goods.

14. The parties noted the need to intensify joint efforts to form new transport corridors, including the construction of a new railways in the territory of Afghanistan.

15. The Afghan side expressed its readiness to precipitate the elaboration of the draft Intergovernmental Agreement on Air Transport.

16. The aviation authorities of the two countries agreed, jointly with the ministries and departments involved, to work out the issue of carrying out flights on the route Mazar-i-Sharif-Tashkent Mazar-i-Sharif.

III. Cooperation in the Field of Railway Transportation:

17. The Parties stressed the need to increase the volume of freight traffic by rail across the territory of the Islamic Republic of Afghanistan and the Republic of Uzbekistan. In this regard, the Uzbek side informed about 20% discounts granted for 2019 to the rates of tariff policy of JSC “Uzbekistan Railways” for transportation:

- grains and flour from the Republic of Kazakhstan to the Islamic Republic of Afghanistan at the transit section Keles – Galaba – Hairatan cross border stations
- all commercial cargoes exported from the Islamic Republic of Afghanistan through the Hairatan and Galaba cross border stations in all transit sections.

At the same time, JSC “Uzbekistan Railways” from April 1 to December 31, 2019 abolished all additional fees for commercial goods, except for fees for registration of a carriage document for cargo transportation and return of the empty container, exported from the Islamic Republic of Afghanistan.

18. Both parties noted with appreciation the first export shipment of 180 tons of mineral talc from Afghanistan.

19. The parties agreed that the Chamber of Commerce and the Ministry of Transport of the Islamic Republic of Afghanistan will provide with information on export cargoes from Afghanistan in transit through the territory of the Republic of Uzbekistan quarterly.

20. Parties pledged to increase rail transport (export/import). In this regard, the Afghan side pledged to provide written information on the nomenclature and export volumes of goods from the Islamic Republic of Afghanistan to the Republic of Kazakhstan, Russia, People's Republic of China and the European Union countries.

At the same time, the Uzbek side expressed readiness to assist in negotiations with the Kazakh side on the issue of granting tariff preferences for export shipments of the Islamic Republic of Afghanistan.

21. The Uzbek side will provide the Afghan side with a list of freight forwarding companies that have been recommended on a freight forwarding transport service by Uzbekistan Railways.

22. The both sides emphasized to increase in the local capacity to produce the necessary sleepers for the construction of the New Railway projects.

23. The parties agreed on the establishment of a regional cooperation mechanism for the new infrastructure projects the parties agreed to conclude the signing of the Regional Cooperation Agreement between Uzbekistan, Afghanistan, Russia and Kazakhstan for the new railway projects by the end of 2019.

24. In order to fulfill the agreements reached, the Uzbek side provided the Afghan side with technical standards for a gauge of 1,520 mm.

The Afghan side confirmed their receipt and pledged to provide as soon as possible official confirmation of their readiness to work on railway construction projects using 1520 mm gauge, as well as the need to implement the protocol decisions reached during the meeting of the Working Groups in Tashkent on March 25-27, 2019.

Also, the Afghan side has pledged to work out the issue of ensuring the safety of personnel and property during their stay and during work on the territory of the Islamic Republic of Afghanistan and will make, as soon as possible, the relevant proposals to the Working Group on the construction of transit railway lines through Afghanistan.

IV. Cooperation in the Field of Customs:

25. The Parties emphasized further implementation of the Customs Mutual Assistance Agreement (CMAA) signed in December 2017 and its Action Plan signed on 19th September 2018 between the Customs authorities of both countries.

26. Following areas need to be further focused and practical steps need to be taken on expedite CMAA implementation:

- Electronic Data Interchange, particularly, transit data through system;
- Capacity building and experience sharing;
- 24/7 hour operation of border agencies including Customs at Hairatan;
- Holding meetings on comparison of customs statistics;
- Consideration of the draft document for combating smuggling and customs law violation.

V. Cooperation in the Field of Telecommunication and Information technology:

27. The Parties agreed to share their experience and knowledge in the field of Information and Communication Technology (ICT), capacity building and reforms in this area.

28. Within the Framework of the Memorandum of Understanding signed between Afghan Telecom and Uzbek Telecom, The Parties agreed to commence negotiation in the increment of internet bandwidth (from 10 Gb/sec to 50 Gb/sec) and reduction of internet price.

VI. Cooperation in the Field of Mine, Petroleum and Geology:

Afghanistan Oil and Gas Regulatory Authority (AOGRA) and JSC "Uzbekneftegaz" understanding the need for expansion of the cooperation in oil and gas sector, discussed and agreed the following:

29. Both sides agreed to work out the possibility of getting the crude oil from neighboring countries, refine the oil, and sell it to Afghan side through signing a government to government contract.

30. JSC "Uzbekneftegaz" agreed to provide tolling services for the Afghan traders in coordination with the government of Afghanistan, which tolling charges will be mutually agreed by JSC "Uzbekneftegaz", AOGRA and the business community of Afghanistan.

31. Afghan party expressed their interest in acquiring LPG from Uzbekistan. Uzbek party will work on the signing G2G contract on selling LPG to Afghanistan.

32. JSC "Uzbekneftegaz" agreed to expand its cooperation in the field of training and retraining of personnel and specialists in the management of the oil and gas industry in the branch of the IMU Oil and Gas University of Gubkin in Tashkent.

33. JSC "Uzbekneftegaz" agreed to accept and organize technical visits to its facilities, as well as short-term courses and exchange of experience in the oil and gas sector together with AOGRA.

34. JSC "Uzbekneftegaz" agreed to organize visits of experts in refinery area to Afghanistan upon the official request of AOGRA. The experts will prepare technical analytical report, guideline for their operations; provide technical advice and advice in improvement of the quality of the product.

35. JSC "Uzbekneftegaz" and AOGRA agreed to establish Uzbek-Afghan oil and gas working group for communication, coordination, information exchange, provision of technical advice in oil and gas related deals and asset to solve any business issues arisen in the industry.

Afghanistan Ministry of Mines and Petroleum (MoMP) and JSC "Uzbekneftegaz" understanding the need for expansion of the cooperation in Mines and hydrocarbon sector, discussed and agreed the following:

36. JSC "Uzbekneftegaz" will present the Afghan side of the previously calculated estimated cost of individual projects of cooperation in the oil and gas sector of Afghanistan. The Afghan side agreed to forward a road map to "Uzbekneftegaz".

35. JSC "Uzbekneftegaz" has requested additional information (technical data of gas fields, pipelines, chemical plants) project to study and prepare proposals for cooperation is necessary to accelerate the transfer of the requested data from the Afghan side (MOMP)

37. Uzbekneftegaz JSC will send an official letter to the Ministry of Investigation and Development asking for a visa for a technical team to visit the gas processing plant in the

city of Shiberghan. The Uzbek side is ready to send a group of specialists for technical inspection and assistance in optimizing the operation of the desulfurization plant.

38. In accordance with the request of Uzbekneftegaz, the Afghan side will provide additional information on the fields of the Tirlpul River basin. After receiving additional materials from the Afghan side, Uzbekneftegaz will study the geological, geophysical and other technical materials on the Tirlpul basin and present its proposals for cooperation in exploration and production.

39. Uzbek side will assist the MoMP for connecting to the right entity to inquire about the smelting plants and its capacity of smelting in Uzbekistan.

40. Uzbekistan will cooperate with Afghanistan in conducting of geological surveys, in particular for priority areas that will be specified by technical working group.

41. Both parties will jointly prepare an action plan for the implementation of MoU signed between Afghanistan Geological Survey (AGS) and State committee of republic of Uzbekistan on Geology and Mineral Resources.

42. The Uzbek side expressed interest in technical cooperation in the geological study of potentially promising regions of Afghanistan that are of interest to both parties.

43. The Afghan side is ready to organize the participation (including ensuring security, etc.) of Uzbek geologists and technical experts in geological research conducted by the Geological Service of the Ministry of Mines and Petroleum of Afghanistan.

44. The parties expressed interest in continuing cooperation and joint work on conducting knowledge sharing workshops, technical training on the use of laboratory equipment, geological and geochemical analysis of samples in the State Committee on Geology and Mineral Resources, as well as visits to explore the mines of the Uzbekistan.

VI. Cooperation in the field of Energy:

45. The Afghan Party expressed its interest in purchasing electrical METERS and The Uzbek Party announced the willingness and readiness of their FE LLC TOSHELEKTROAPPARAT and Uzbekenergo Company to sell Digital Energy Meters to Da Afghanistan Breshna Company at an agreed cost following the process to be as per procurement law of Islamic Republic of Afghanistan

46. The Afghan Party expressed its interest in purchasing electrical equipment in the form of bulk and retail from Uzbekistan reliable manufacturing companies and also invites the Uzbek Companies to participate in at the Bulk Procurement Road Show and process, details of which has been shared officially with the Uzbek Party.

47. Uzbek side will provide DABS with the price of repairing and replacement work of 220 kV HV transmission line over Amudarya River which increases the capacity of the existing line to 450 MW. Both parties shall provide work permit by border departments for specialists to cross state borders to carry out emergency repair work.

48. Both Parties have agreed to sign a Heads of Terms and PPSA which set out the terms and conditions for the construction of the 500 kV TL Surkahn to Pul-e-Khomri Project.

49. The Afghan Party expressed its interest for the synchronic operation of current 220 kV TL and upcoming 500 kV TL from Republic of Uzbekistan with all imported energy and Afghan core generation sources. In order to provide synchronic operation of both

sides, Afghan side shall develop the synchronization project accordingly, and make project decisions in related sites of power grid systems of Afghanistan and Central Asia.

50. In order for technical and commercial operation perspective, the Afghan Party expressed its interest to sign a long term Power Purchas & Sale Agreement with Republic of Uzbekistan for 10 (ten) years in terms of "Take or Pay".

51. The Afghan Party expressed its interest in mutual cooperation in areas of exchange of experience and capacity buildings with the relevant Uzbek electrical energy institutions.

52. The Afghan Party expressed its interest in to start Joint Venture Projects (JV) with relevant Uzbek parties in electrical energy sector.

VII. Cooperation in the field of Agriculture, Irrigation and Livestock:

53. The Uzbek side confirmed its interest and readiness to import raw cotton from Afghanistan, which meets all the requirements of state standards of the Republic of Uzbekistan, subject to its commercial attractiveness.

54. Afghanistan shall explore the import of modern agricultural machinery (along with maintenance package) and irrigation technology from Uzbekistan, at affordable prices.

55. Exchange of scientific data on plant pests and diseases between the two countries.

56. The Uzbek side agreed to assist in the training and retraining of Afghan specialists in the branch of the Tashkent State Agrarian University in Termez.

57. The Uzbek side expressed readiness to provide technical assistance in the development of textile industry and re-activation of textile enterprises of Afghanistan. The parties will take the necessary steps and develop an Action Plan (the "Road Map") under the Memorandum of Cooperation signed on March 31, 2019 in Kabul.

58. Afghanistan will link the Afghan Private Sector to Uzbek Private Sector for imports of fertilizers and pesticides from Uzbekistan

59. Afghanistan will link the Afghan Private Sector with Uzbek Private Sector for imports of fish eggs, fish fingerlings and equipment required for commercial production of fish.

60. The Afghan side will explore the possibility of creating a greenhouse complex in the Surkhandarya region for growing export-oriented vegetables that are in high demand in Afghanistan.

61. The parties agreed to strengthen scientific and technical cooperation in order to intensify cooperation in the field of crop production and livestock farming.

62. Both sides agreed to establish a joint working group to discuss cooperation in the field of agriculture, irrigation, livestock and possibility of implementation of large scale projects of Uzbekistan and Afghanistan.

VIII. Cooperation in the Field of Higher Education:

63. The Uzbek side agreed, that citizens of the Islamic Republic of Afghanistan can enter higher education institutions of the Republic of Uzbekistan on a fee-contract basis without entrance examinations on the basis of an interview, subject to their possession of

the Uzbek or Russian and English language (for admission in branches of foreign universities) This applies to undergraduate, graduate and doctoral studies.

64. The parties will fully support cooperation between universities of the Republic of Uzbekistan and the Islamic Republic of Afghanistan in terms of exchanging experience, raising the level of teachers' skills, participating in conferences, seminars and training courses held in the two countries.

65. The Uzbek side, agreed, to provide scientific and educational assistance in the creation of Uzbek language and literature research centre and master's program in Uzbek language and literature at Kabul University.

66. The Uzbek side, by agreement, will continue to cooperate in training personnel for the Islamic Republic of Afghanistan in the Uzbek language and literature, as well as in other popular areas of education at the Educational Center for the Training of Afghan Citizens in Termez.

67. The parties will support bilateral cooperation in research and development, as well as in the implementation of publications in scientific journals of scientific articles and monographs prepared by scientists and researchers of the two countries.

68. Establishment of joint committee for the implementation of the items mentioned above.

IX. Cooperation in the field of labor relations:

69. The parties agreed to sign a Memorandum of Cooperation between the Ministry of Employment and Labor Relations of the Republic of Uzbekistan and the Ministry of Labor and Social Security of the Islamic Republic of Afghanistan in the field of labor, technical and vocational training of specialists in Uzbekistan in the third decade of month after agreement with the Afghan side.



X. Cooperation in the field of cultural relations:

70. The Parties agreed to cooperate in the field of culture and tourism. The Parties will participate in the cultural events hold in their countries. In this regard the Uzbek side invite the Afghan side to participate in the next international music festival «Sharq Taronalari» and the Tashkent International Tourism Fair and the Afghan side will notify the relevant departments of Uzbekistan on cultural and scientific events held in the Islamic Republic of Afghanistan.

XI. Holding the Second Intergovernmental Session on Economic and Trade Cooperation between Afghanistan and Uzbekistan:

The Parties agreed to hold the second session of the Intergovernmental Commission in Kabul. The exact date and venue of the next session will be communicated through diplomatic channels.

This protocol was signed on 17th July, 2019 in three original copies in Dari, Russian and English languages. All the texts are equally authentic. In case of any divergence in the interpretation of the provisions of this Agreement, the English text shall prevail.

<p>H.E. Nodir Sobirovich Otajonov</p>  <p>Advisor of Prime-minister of the Republic of Uzbekistan</p> <p>The Republic of Uzbekistan</p>	<p>H.E. Dr. Mohammad Humayon Qayoumi</p>  <p>Chief Advisor of H.E. the President on Infrastructure Affairs,</p> <p>Acting Minister of Finance</p> <p>The Islamic Republic of Afghanistan</p>
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