



USAID | **AFGHANISTAN**
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Cover Caption: USAID Mission Director Herbert Smith (left), Afghanistan Chamber of Commerce and Industries Vice Chairman Khan Jan Alokozai (center), and Minister of Finance Eklil Ahmad Hakimi (right) examine E-Pay brochures in Dari and Pashto at the end of a press conference on June 21 in Kabul announcing the national rollout of E-Pay.

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ACRONYMS

ACCI	Afghanistan Chamber of Commerce and Industry
ACD	Afghan Customs Department
AEO	Authorized Economic Operator
ANCA	Afghanistan National Customs Academy
ANSA	Afghanistan National Standards Authority
APTTA	Afghanistan-Pakistan Transit Trade Agreement
APTTCA	Afghanistan-Pakistan Transit Trade Coordinating Authority
ARD	Afghanistan Revenue Department
ASYCUDA	Automated System for Customs Data
ATAR	Afghanistan Trade and Revenue Project
BCP	Border Crossing Point
BOMCA 9	Border Management Program in Central Asia
CATF	Central Asia Trade Forum
CBTA	Cross-Border Transport Agreement
CCC	Customs Consultative Council
CHAMP	Commercial Horticulture and Agriculture Program
CSO	Central Statistics Organization
DAB	Da Afghanistan Bank
EIF	Economic Integration Forum
E-Pay	Electronic Payment
EPAA	Export Promotion Agency of Afghanistan
FAIDA	Financial Access for Investing in the Development of Afghanistan
FICCI	Federation of Indian Chamber of Commerce and Industries
GIROA	Government of the Islamic Republic of Afghanistan
HACCP	Hazard Analysis Critical Control Points
HKIA	Hamid Karzai International Airport
IAU	Internal Audit Unit
ICD	Inland Clearance Depot
MAIL	Ministry of Agriculture, Irrigation, and Livestock
MOCI	Ministry of Commerce and Industries
MOIC	Ministry of Information and Culture
MOJ	Ministry of Justice
MOPH	Ministry of Public Health
MOU	Memorandum of Understanding
PCA	Post Clearance Audit
PSU	Professional Standards Unit
RADP-S	Regional Agricultural Development Program-South
RADP-W	Regional Agricultural Development Program-West
REC	Regional Economic Cooperation project
RKC	Revised Kyoto Convention
TFA	Trade Facilitation Agreement
TIR	Transports Internationaux Routiers
TPAU	Trade Policy Analysis Unit
UAE	United Arab Emirates
WCO	World Customs Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

A. PROJECT OVERVIEW

Chemonics, with partner Economic Integration Forum (EIF), implements USAID's Afghanistan Trade and Revenue (ATAR) project to support Afghanistan in realizing its full potential in the global trading market. ATAR, which began Nov. 7, 2013, and will end Nov. 6, 2017, is based in Kabul and has staff in Mazar-e Sharif, Herat, and Jalalabad to support regional customs activities as well as a presence in Tajikistan, Kyrgyzstan, Turkmenistan, and Uzbekistan to strengthen Afghanistan's ties in Central Asia. ATAR also supports the Afghan government and Afghanistan's traders in improving linkages with India and Pakistan.

In order to help Afghanistan fulfill its trading potential, ATAR is assisting the government to integrate Afghanistan into the international trading community through membership to the World Trade Organization (WTO), helping the country take advantage of its position on the famed Silk Road, and revamping its customs procedures to reap the full benefits of regional and international trade. This improved business climate will pave the way for private investment, enhanced trade, job creation, and fiscal sustainability in the country.

ATAR is achieving its goal with its institutional partners through three components:

Component 1: Support Trade Policy Liberalization

Component 1 promotes liberalization of Afghanistan's trade regime by supporting its accession to the WTO. This support is accomplished by building capacity and providing technical assistance within implementing institutions to conduct negotiations, draft legislation, and institute reforms required to improve the trade regime in the region and meet WTO requirements. The policies, laws, and regulations will attract investment and enable the private sector to grow.

Component 2: Facilitate Enhanced Access to Regional Markets

Under Component 2, ATAR (1) facilitates the development and implementation of regional trade agreements; (2) assists the government to support measures needed to implement regional trade agreements; and (3) supports the implementation of transport corridors and trade facilitating measures by working with countries such as Uzbekistan, Tajikistan, Kyrgyzstan, and Turkmenistan.

Component 3: Improved Customs Administration

Component 3 will enhance the Afghan government's capacity to generate revenue by improving customs procedures to increase transparency, efficiency, and uniformity in the collection of revenue, performance of core functions, and facilitation of trade.

B. EXECUTIVE SUMMARY

Key Achievements

With ATAR support, Afghanistan reached major WTO milestones during the quarter. Afghanistan's Parliament ratified Afghanistan's WTO accession on June 21, and President Ashraf Ghani signed off on Afghanistan's protocol of accession on June 22. Deputy Minister of Commerce and Industries Mozammil Shinwari officially handed over the instrument of acceptance and notification to the WTO at its Geneva headquarters on June 29; this triggered a 30-day countdown to official WTO membership. Afghanistan will become the WTO's 164th member on July 29.

ATAR worked with the Ministry of Commerce and Industries (MOCI) to hold a special legislative session in June to expedite trade-related legal reforms necessary for WTO accession. Officials from the Cabinet, Council of Ministers, and Ministry of Justice as well as Mr. Nasrullah Stanikzai, a legal advisor to the Council of Ministers, and Dr. Ali Mohammad Mirzaei, a legal advisor to the Second Vice President, attended the meeting. Subsequently, the Afghan government sped up approval of WTO-related legislation. The Cabinet approved all remaining WTO-related trade laws and regulations, except the Amendments to the Customs Law and the Law on Standards and Technical Regulations. The laws headed to Parliament for its approval.

On June 28, ATAR and MOCI met with President Ghani to discuss legal and notification commitments for the WTO by the date of Afghanistan's formal accession. President Ghani expressed determination to ensure that all WTO commitments are met in a timely fashion.

Constraints

While the Afghan government expedited WTO-related legislation, there were delays in moving forward remaining laws through Parliament due to the holy month of Ramadan. The absence of Parliamentarians from Kabul did not allow a quorum to be formed.

Component 2: Facilitate Enhanced Access to Regional Markets

Key Achievements

ATAR worked closely with the Afghan government and the private sector to increase Afghanistan's trade and exports. In partnership with MOCI, ATAR and USAID's Financial Access for Investing in the Development of Afghanistan (FAIDA) project held a "Youth and Trade" training for more than 50 university students to increase their knowledge of trade issues impacting Afghanistan. ATAR also worked with the Ministry of Women Affairs to hold an "Eid Bazaar" sales and exhibition event for women-owned businesses, resulting in several thousands of dollars in sales for the businesswomen.

In the Central Asian Republics, ATAR launched efforts to build the capacity of commercial attachés and relevant trade representatives of Afghan embassies. ATAR received the

concurrency of Afghanistan's MOCI on an action plan to improve the attachés' trade skills and then trained trade representatives in Kyrgyzstan, Tajikistan, and Uzbekistan. In a further effort to improve regional trade, ATAR worked closely with the Tajik and Kyrgyz governments to help them meet requirements in the WTO Trade Facilitation Agreement and the Revised Kyoto Convention.

Constraints

The priority of the Kyrgyz government to adhere to the EuraAsian Economic Union and constant changes in the Kyrgyz government posed challenges in advancing trade facilitation initiatives.

Component 3: Improved Customs Administration

Key Achievements

After implementing E-Pay in Kabul and Mazar-e Sharif in 2015, the Afghanistan Customs Department (ACD) and Da Afghanistan Bank (DAB) agreed to implement a phased national rollout, as opposed to simultaneous national rollout, of E-Pay at remaining sites with the Automated System for Customs Data (ASYCUDA). The Ministry of Finance held a press conference in June with ATAR's support to inform the public of the phased national rollout. By the end of June, ACD officially inaugurated and implemented E-pay in Herat in western Afghanistan. E-Pay is now implemented in Kabul, Mazar-e Sharif, and Herat.

ATAR worked with ACD to revise the flow of Post Clearance Audit (PCA) activities to align with international best practices suitable within Afghanistan. ATAR also reviewed ACD's risk profiling process for the selection of PCAs and changed the process from one based on random selection to an intelligence-based process that includes multiple criteria risk profiles. In an effort to strengthen PCA activities, ATAR forged a closer relationship between ACD's PCA team, risk management team, and intelligence unit. As a result, the trilateral team began working on the first PCA case.

Constraints

Security concerns regarding ACD prevented ATAR's expatriate staff from embedding at ACD. The staff conducted visits and meetings at ACD where possible and relied as necessary on local ATAR staff who continued to work at ACD. ATAR's organizational and trade compliance expatriate consultant left the country for much of the quarter due to personal emergencies.

C. COMPONENT 1: TRADE POLICY LIBERALIZATION

1. Support the WTO Accession Process

Afghanistan took a major step toward formalizing membership to the WTO, nearing the end of the lengthy and complex journey toward accession and coming within days of official membership to the multilateral trading organization. Afghanistan's Parliament ratified Afghanistan's accession to the WTO on June 21 and President Ghani signed the instrument of acceptance of Afghanistan's protocol of accession on June 22.

Deputy Minister Shinwari formally handed over the instrument of acceptance and notification to the WTO at its Geneva headquarters on June 29 – triggering the 30-day countdown to official WTO membership. Afghanistan will become the WTO's 164th member on July 29, joining other WTO members comprising more than 95 percent of global commerce. ATAR supported the preparation of Afghanistan's instrument of acceptance and notification to the WTO.



ATAR and MOCI produced books of Afghanistan's WTO accession package for distribution to Parliament and other stakeholders.

In the weeks leading up to Presidential and Parliamentary approval, ATAR published the country's accession package in book format – each book 669 pages – for review by high-level government officials.

Afghanistan's WTO Milestones

Afghanistan is nearing the end of its long journey toward becoming an official member of the WTO:

- In October 2015, President Ghani gave approval to conclude WTO accession negotiations.
- In November 2015, an Afghan delegation attended its fifth and final Working Party meeting in Geneva, Switzerland. During the meeting, WTO Working Party members approved Afghanistan accession package by consensus, *ad referendum*.
- In December 2015, an Afghan delegation attended the WTO's 10th Ministerial Conference in Nairobi, Kenya. At the meeting, the WTO Ministerial Council formally adopted Afghanistan's terms of accession.
- In January 2016, Afghanistan's MOCI submitted the accession package to the country's Cabinet of Ministers for approval.
- In February 2016, the Cabinet of Ministers approved Afghanistan's accession package.
- In June 2016, Afghanistan's Parliament ratified the WTO package.
- In June 2016, President Ghani signed the instrument of acceptance of Afghanistan's protocol of accession, which was officially transmitted to the WTO on June 29 by Deputy Minister Shinwari.
- On July 29, 2016, Afghanistan will officially become the WTO's 164th member.

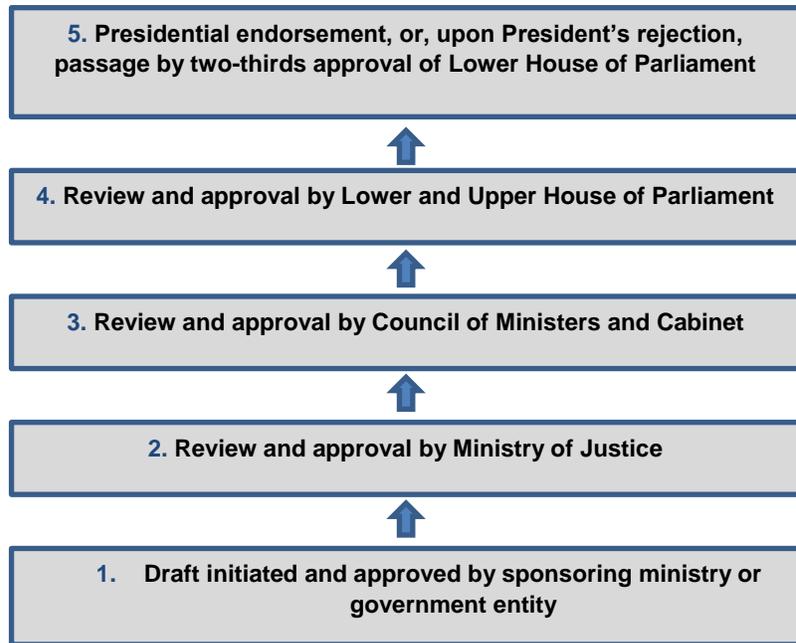
On June 28, ATAR and MOCI met with President Ghani to discuss WTO legal and notification commitments by the date of Afghanistan’s formal accession on July 29. President Ghani expressed determination to ensure that all WTO commitments are met in a timely fashion.

2. Support Legislative Reforms for WTO Conformity

The Afghan government must reform and amend an array of legislation to conform to WTO rules and Afghanistan’s commitments. This lengthy, complex process is presented in simplified form in the chart.¹

On June 4, ATAR worked with MOCI to hold a special session of key stakeholders to expedite trade-related legal reforms necessary for WTO accession. Officials from the Cabinet, Council of

AFGHANISTAN’S LEGISLATIVE PROCESS



MOCI’s Director General of International Trade leads a high-level session on legal reform for WTO.

¹ This chart is a simplified illustration of the intricate and lengthy process of drafting and passing a law. At certain stages, relevant government bodies and private-sector representatives are invited multiple times to offer input on the draft law, or the draft law is circulated to various committees or departments within the sponsoring ministry or MOJ for review and changes. The draft law may be rejected at any stage and returned to the preceding stage for revisions.

Ministers, and Ministry of Justice as well as Mr. Nasrullah Stanikzai, a legal advisor to the Council of Ministers, and Dr. Ali Mohammad Mirzaei, a legal advisor to the Second Vice President, attended. ATAR supported discussions to speed the processing of the legislation.

Due in part to ATAR's efforts, WTO trade-related legislation advanced rapidly. The Cabinet approved all remaining WTO-related trade laws and regulations, except the Amendments to the Customs Law and the Law on Standards and Technical Regulations. Specifically, the Cabinet, which approves laws after the Council of Ministers' review and prior to the legislation heading to Parliament, approved the draft Law on Animal Health and Veterinary Public Health, the draft Amendments to the Patents Law, the draft Amendments to the Commercial Procedure Code, the draft Law on Topography, the draft Law on Plant Variety Protection, the draft Law on Foreign Trade in Goods, the draft Income Tax Law (concerning unequal treatment of import tax), and the draft Law on Safeguard Measures for Domestic Protection.

The table on the following page provides the status of WTO-related legislative items as of the end of June 2016. ATAR's active areas of support for the quarter are highlighted in light blue.

AFGHANISTAN'S LEGISLATIVE ACTION PLAN FOR WTO ACCESSION					
No.	Legislation	Responsible Government Authority/ ATAR Employee	Status	Stage: 1. Sponsoring Ministry ¹ 2. Ministry of Justice 3. Council of Ministers/Cabinet 4. Parliament 5. President 6. Entry into Force	Included in MOJ Agenda
1	Amendments to the 2005 Customs Law	Afghanistan Customs Department (ACD) Wali Faqirzaad Brian O'Shea	ATAR assisted the Ministry of Justice (MOJ) in amending the draft Customs Law version of March 2014 to include amendments to Article 78 (non-WTO related) suggested by ACD. The draft was then re-submitted to the Council of Ministers. In June 2016, the Council of Ministers returned the law to MOJ to make final revisions and accommodate concerns of the stakeholders if consistent with WTO.	Council of Ministers/Cabinet	Yes
2	Procedure on Customs Valuation (including interpretative notes and software and interest charge valuation)	ACD Wali Faqirzaad Brian O'Shea	In February 2016, ACD's Valuation Department held a second working group. With ATAR, ACD reviewed almost eight articles and had recommendations. ATAR began reviewing the recommendations and will provide clarifications on those inconsistent with WTO.	Sponsoring Ministry	N/A
3	Procedure on Advance Ruling	ACD Wali	The Minister of Finance adopted the procedure in July 2015.	Sponsoring Ministry	N/A

	on Binding Decisions (covering advance origin rulings)	Faqirzaad Brian O'Shea			
4	Law on Standards and Technical Regulations	Afghanistan National Standards Authority (ANSA) Siyar Sahr Farhat Farhat	In April and May 2016, ATAR reviewed changes made by MOJ's Executive Committee and submitted its comments to MOJ. In May 2016, MOJ's Executive Committee finalized the draft and sent it to the Council of Ministers. In June 2016, the Council of Ministers accepted the draft.	Cabinet	Yes
5	Law on Plant Protection and Quarantine	MAIL Siyar Sahar Luis Flores	In June 2015, the Parliament's Upper House approved the draft law. In July 2015, the law was submitted to the President for signature.	President	Yes
6	Law on Animal Health and Veterinary Public Health	MAIL Nasiba Hussaini John Woodford	In May 2016, MOJ's Executive Committee finalized the draft law. In June 2016, the Council of Ministers and the Cabinet approved the law. ATAR assisted MOJ in translating the law into Pashto.	Parliament	Yes
7	Law on Food Safety	Ministry of Public Health (MOPH) Eiza Medani Gary Stefan	In February 2016, the Cabinet approved the law. In March 2016, the law was sent to Parliament.	Parliament	Yes
8	Procedure on Customs Control of Intellectual Property Rights (Intellectual Property Border Enforcement)	ACD Wali Faqirzaad Polly Maier	The Minister of Finance adopted this procedure in April 2014.	Entered into force	N/A
9	Amendments to the Law on Supporting the Rights of Inventors and Discoverers of 31 April 2009 (Patents Law)	MOCI Wali Faqirzaad Polly Maier	Based on a meeting held with the Minister of Justice in April 2016, an advisor to the Vice President presented ten pages of amendments as well as changes requested by the Judicial and Justice Board of the President. ATAR assisted MOJ in reviewing the proposed changes. In May 2016, MOJ's Executive Committee approved the draft. In June 2016, the Council of Ministers and the Cabinet approved the draft. ATAR assisted MOJ in translating the amendments into Pashto.	Parliament	Yes

10	Amendments to the Law on Trademarks of 1 September 2009	MOCI Wali Faqirzaad Polly Maier	In February 2015, the President endorsed the law. In May 2015, the law was published.	Entered into Force	Yes
11	Amendments to the Law on Supporting the Right of Authors, Composers, Artists, and Researchers of 26 July 2008 (Copyrights Law)	Ministry of Information and Culture (MOIC) Siyar Sahar Polly Maier	ATAR monitored the process at Parliament to provide clarifications for sustaining the draft's WTO compliance.	Parliament	Yes
12	Law on Geographical Indications	MOCI Wali Faqirzaad Polly Maier	The President endorsed the law in August 2015, and it was published in the official gazette in August 2015.	Entered into Force	Yes
13	Law on Industrial Designs	MOCI Wali Faqirzaad Polly Maier	In April 2016, the law was distributed to Parliament's Lower House commissions for feedback. The Lower House's National Economic Commission is responsible for gathering comments.	Parliament	Yes
14	Draft Amendments to the Commercial Procedure Code	MOCI Wali Faqirzaad Polly Maier	In April 2016, the law was distributed to other Lower House commissions for feedback. The Lower House's National Economic Commission is responsible for gathering comments on the draft. In June 2016, the Cabinet approved the draft. ATAR assisted MOJ in translating the amendments into Pashto.	Parliament	Yes
15	Law on Protection of Trade and Industry Secrets (undisclosed information)	MOCI Siyar Sahar Polly Maier	MOJ's Executive Committee approved the draft on November 2015 and sent them to the Council of Ministers. In June 2016, the Council of Ministers and then the Cabinet approved the draft.	Parliament	Yes
16	Law on Topography of Integrated Circuits	MOCI Wali Faqirzad Polly Maier	In April 2016, MOJ held a working group with MOCI, MOJ, and ATAR. Participants requested significant changes; ATAR reviewed the changes to ensure WTO compliance. MOJ approved the draft law, which was sent to the Council of Ministers for approval in May 2016.	Parliament	Yes

			In June 2016, the Cabinet approved the draft law. ATAR assisted MOJ in translating the law into Pashto.		
17	Law on Consumer Protection (provisions on Unfair Competition)	MOCI Wali Faqirzaad Polly Maier	In April 2016, the Lower House's National Economic Commission held a session on the draft law. In June 2016, the National Economic Commission of the Parliament's Lower House distributed the draft to other commissions for feedback.	Parliament	Yes
18	Law on Plant Variety Protection	MAIL Siyar Sahar William Lesser	In April 2016, MAIL submitted the draft law to MOJ. ATAR assisted MOJ's relevant department in reviewing the draft before sending it to MOJ's Executive Committee. The draft was finalized and sent to the Council of Ministers in June 2016. The Council of Ministers approved the draft in June 2016 and the Cabinet approved the draft shortly afterward June. ATAR assisted MOJ in translating the law into Pashto.	Parliament	Yes
19	Amendments to the Law on Publication and Enforcement of Legislation of 1998	MOCI/MOJ Wali Faqirzaad	In January 2016, the amendments were submitted to the Cabinet, which approved them. ATAR assisted MOJ in translating the amendments into Pashto. In March 2016, the Pashto translation was completed, and the amendments to the law were sent to Parliament.	Parliament	Yes
20	Amendments to the Regulation on Drafting Procedure and Processing of Legal Acts	MOCI/MOJ Siyar Sahar	In April 2016, MOJ sent the amendments for publication. ATAR assisted MOJ in translating the amendments into Pashto. The amended regulation was published in Afghanistan's official gazette in April 2016.	Entered into Force	N/A
21	Law on Foreign Trade in Goods	MOCI Wali Faqirzaad	On April 2016, MOJ held a working group with MOCI, Afghanistan Chamber of Commerce and Industries (ACCI), and ATAR. ATAR began reviewing comments to ensure consistency with WTO. MOJ's Executive Committee approved the draft and sent the draft to the Council of Ministers, which approved the law in May 2016. In June 2016, the Cabinet approved	Parliament	Yes

			the draft law. ATAR assisted MOJ in translating the law into Pashto.		
22	Procedure on Import and Export Licensing	MOCI Wali Faqizaad	MOCI finalized the draft, which will be adopted once the Law on Foreign Trade is adopted.	Sponsoring Ministry	N/A
23	Procedure on Customs Storage Fees	ACD Wali Faqirzaad Farhat Farhat	ACD has adopted this procedure.	Entered into Force	N/A
24	Regulations of production and importation of medicines and medical equipment of 24 February 2007 (concerning fees)	Ministry of Public Health (MOPH) Siyar Sahar Farhat Farhat	In May 2016, MOPH's amendments were found to violate WTO's standards. MOCI officially notified the President's administrative office. MOJ was tasked to work closely with MOPH to adjust the regulations in accordance with WTO standards. In June 2016, the Cabinet adopted the regulations.	Entered into Force	N/A
25	Income Tax Law (concerning unequal treatment of import tax)	MOF Wali Faqirzad Farhat Farhat	MOJ's Executive Committee approved the law and submitted it to the Council of Ministers in May 2016. The Council of Ministers approved the law in June 2016, and the Cabinet approved the draft shortly thereafter. ATAR assisted MOJ in translating the amendments into Pashto.	Parliament	Yes
26	Law on Safeguard Measures for Domestic Protection	MOCI Eiza Medani	In May 2016, the Council of Ministers approved the law. In June 2016, the Cabinet approved the draft law. ATAR assisted MOJ in translating the law into Pashto.	Parliament	Yes
Legislative items not prepared by ATAR					
27	Value Added Tax	MOF	The law has been approved by the Upper House and signed by the President. It is awaiting publication in the official gazette.	Entered into Force	Yes
28	Law on Minerals	Ministry of Mines	President Karzai endorsed the law in August 2014. The law is published in the gazette.	Entered into Force	Yes

3. Support Implementation of WTO Laws and Commitments

3.1 Intellectual Property Rights

ACBR-IP Support

ATAR began assisting MOCI's Afghanistan Central Business Registry-Intellectual Property

(ACBR-IP) in moving ACBR-IP's data center to new premises. This included setting up the information technology network and infrastructure, configuring servers, setting up service counters and connecting them to the ACBR-IP system, and upgrading the ACBR-IP system ahead of a merger ordered by President Ghani of the Afghanistan Investment Support Agency (AISA) into MOCI.²

These are part of ATAR's efforts to support ACBR-IP in protecting intellectual property rights. In the past, ATAR worked on the web-based trademark registration system in accordance with international best practices and developed a web-based patent registration system that will be implemented as soon as ACBR-IP is settled in its new location.

Border Enforcement of Intellectual Property Rights

In June, ATAR conducted five training sessions on the border enforcement of intellectual property rights for ACD staff. On June 22 and June 26, ATAR conducted two of the trainings, which focused on the methodology for recognizing infringing goods. The training topics included an overview of the intellectual property law, most common types of goods infringing intellectual property rights, the problem of product distributors requesting action from ACD on trademarks they do not own, and clues on recognizing infringing goods with practical in-class examples. ATAR provided translated handouts of the US Customs and Border Patrol's intellectual property



ATAR trains ACD officials on border enforcement of intellectual property rights.

² After the merger, ACBR-IP will issue a single business license for three years to a company. This single license will facilitate trade, as it will be provided at a lower cost to the company and eliminate the need for the multiple licenses that had been required by AISA.

rights enforcement guide and its training guide on product identification.

On June 27, 28, and 29, ATAR provided three training sessions for representatives from ACD and the Afghanistan National Customs Academy (ANCA), focusing on standard operating procedures for intellectual property border enforcement. The training included theory on why protecting intellectual property is important, information on the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights, discussion on Afghan legislation on intellectual property rights (including the Afghan procedure on customs intellectual property border enforcement), and a group discussion on functions of the Intellectual Property Border Enforcement Unit that is being established at ACD.

ATAR also assisted in developing ACD's intellectual property registration and protection database.

3.2 Sanitary and Phytosanitary Measures

Law on Food Safety

ATAR worked with relevant ministries and entities to support the implementation of the Law on Food Safety. In April, ATAR held an awareness session on the law for three members of the



ATAR assists a working group on a food safety regulation in support of the Law on Food Safety.

Afghanistan Chamber of Commerce and Industries (ACCI) senior management. In June, ATAR held two working groups on the regulation on food safety and the regulation on the operation of a national food safety board for staff from MOPH, MOCI, ANSA, the National Environment Protection Agency (NEPA), Kabul University, and the private sector.

ATAR also supported MOPH in holding three roundtables regarding implementation of the Law on Food Safety. In May, ATAR supported MOPH in conducting the first roundtable, which was on animal drug maximum residue limits and its related procedure. The meeting was significant because a MAIL representative participated; MAIL had not been attending prior meetings due to its disagreement with MOPH on responsibilities for implementation of the Law on Food Safety. In June, ATAR supported MOPH in a roundtable on the regulation on pesticide maximum residue limits and its related procedure. Lastly in June, ATAR supported MOPH in conducting a roundtable on the regulation on labeling of prepackaged food and regulation on reconditioning of food.

ATAR met with ANSA, MAIL, and the Food and Agricultural Organization to ensure understanding of the implementation of the Law on Food Safety and efforts to establish the proposed Food Control Authority. In addition, ATAR worked with a National Agricultural College professor on an “Introduction to Food Safety” chapter in preparation for a food safety course that ATAR developed. The National Agricultural College will teach this course in the upcoming semester, which begins in mid-August.

To supplement its effort on the Law on Food Safety, ATAR provided training on Hazard Analysis



ATAR provides training on Hazard Analysis Critical Control Points to support implementation of the Law on Food Safety.

Critical Control Points (HAACP) at the end of the quarter. HAACP is a management system in which food safety is addressed through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product. In June, ATAR conducted two trainings on HAACP for representative of MOPH, Kabul University, ANSA, MOCI, and the private sector. Later in June, ATAR supported MOPH in a roundtable on HAACP for representative of MOPH, MOCI, Kabul University, NEPA, and private sector.

Law on Plant Protection and Quarantine

ATAR finalized a packet of technical documents and corresponding translations for the Law on Plant Protection and Quarantine and related regulations and procedures. With ATAR's encouragement, MOJ completed the revision of the draft regulation with minor changes to content. ATAR also provided MAIL's Plant Protection and Quarantines Department with input on a draft list for necessary equipment to be used in pre- and post-quarantine facilities as well as at quarantine check points. The equipment is considered the minimally required to reach compliance with the new law, regulations, and procedures once enacted.

Law on Animal Health and Veterinary Public Health

In support of the Law on Animal Health and Veterinary Public Health, ATAR prepared for MAIL's consideration draft model regulations on food safety of primary animal products and draft model regulations on veterinary diagnostics and research laboratories.

Government Laboratories

ATAR worked closely with the MOPH food safety laboratory and the MAIL veterinary laboratory to help them prepare for eventual ISO 17025 certification, which focuses on the certification of testing and calibration laboratories. In support of this effort, ATAR prepared a 108-page audit questionnaire for the ministries based on an ISO checklist and translated the document into Dari. The audit, which is an ISO 17025 requirement, will guide the laboratories through a practice audit that will help staff identify deficiencies and prepare corrective actions. In May, ATAR held a workshop at MAIL's veterinary laboratory to demonstrate how to conduct an audit and properly record the results.

4. Build ANSA Capacity

ATAR visited the ANSA food laboratory to check on the facility's status and to discuss with ANSA management technical matters related to testing. ATAR provided ANSA's food laboratory with a guide on technical qualifications for laboratory scientists who will be working in the facility.

ATAR also prepared a report on required hardware and infrastructure for the development of "E-ANSA" and submitted the report to ANSA. E-ANSA is a database that will help ANSA to digitalize existing processes, including field requests for standards and the distribution of standards. In addition, ATAR prepared a series of presentations related to standardization,

technical regulations, and conformity assessments to be delivered to ANSA staff in August. ATAR began translating the presentations.

In May, ANSA introduced a certification mark, designed with ATAR support, to identify quality Afghan-made products. At the request of Afghan traders, ANSA will test their locally made products such as bottled water, saffron, marble, and carpets and will stamp the products with



ANSA officials introduce a certification mark, designed by ATAR, which will identify quality Afghan-made products.

the new mark.

ANSA, which is an ISO member, is working to facilitate the entry of Afghan-made products into new international markets and is using the mark to demonstrate that the products meet internationally accepted standards.

Meanwhile, the Secretariat of South Asian Regional Standards Organization (SARSO) declared that the Second Meeting of

Sectoral Technical Committee on Electrical, Electronics, Telecom and Information Technology in Kabul, Afghanistan, was cancelled due to insufficient quorum. ATAR had been working with ANSA in prior months to help prepare for the meeting. SARSO said it would relay a new date and venue.

5. Assist in Building Capacity and Sustainability for the WTO Unit Post-Accession

ATAR supported MOCI and other ministries to prepare WTO notifications due on the date of WTO accession. The primary instrument for ensuring transparency in the multilateral trading system is through the filing of notifications made by each WTO member and reviewed by the relevant bodies of the WTO.

With ATAR support, MOCI and other relevant ministries prepared 13 notifications as requested in the WTO accession package. These include: 1) notification of state trading enterprises; 2) notification on import licensing procedures; 3) notification on quantitative restrictions; 4) notification on rules of origin of Afghanistan; 5) notification of Law on Safeguards; 6) any changes from November 2015 through May 2016 to duties, taxes, fees, and charges applied to exports from what was in Afghanistan's Draft Working Party report; 7) new industrial subsidies to be notified pursuant to Article 25 of the WTO Subsidies and Countervailing Measures

(reported before as having none); 8) notification of existing technical regulations; 9) General Agreements on Trade in Services enquiry point; 10) notification of work on standardization activities; 11) notification of existing sanitary and phytosanitary measures; 12) notification of any preferential trade agreements; and 13) any updates to the Working Party section on privatization.

With ATAR's help, MOCI and other relevant ministries finalized the 13 draft notifications. ATAR presented the full package of draft notifications to MOCI's Director General of International Trade in June and discussed with the Director General and his team. ATAR and MOCI held two additional review sessions at MOCI later in June. The review offered an opportunity to further discuss with MOCI notification requirements under the different WTO agreements, with a focus on the content for initial notifications as well as for subsequent notifications that Afghanistan will have to prepare and submit as a full WTO Member. ATAR provided additional guidance on how to collect and compile the information, building on guidelines prepared by the WTO Secretariat and through the analysis of notifications prepared by other WTO members.

ATAR provided training in further effort to build capacity within ministries and agencies in complying with notification obligations. ATAR, in partnership with MOCI, organized training on May 15 and May 18 for public- and private-sector members on WTO notifications. About 40 participants from ACCI, Afghanistan Investment Support Agency, MAIL, MOPH, MOF, and MOCI attended each of the trainings. ATAR explained Afghanistan's different notification requirements and presented the 13 draft notifications. On June 11, ATAR provided training to about 15 ANSA participants on transparency requirements regarding publication and notification in the area of technical regulations and standards.



ATAR conducts training on WTO notifications to public- and private-sector members.

The Law on Safeguards, which is awaiting Parliamentary approval, comprises one of Afghanistan's notifications. On May 8, ATAR provided training to 14 participants of MOCI's WTO unit and representatives from other ministries on how to use safeguard measures to protect the domestic industry against international import competition as duties decrease following WTO accession. On May 9, ATAR held a seminar for almost 40 participants at ACCI to train the private sector and academics on the use of trade remedies, with a special focus on safeguards.



ATAR provides training on safeguard measures to ensure understanding of the Law on Safeguard Measures for Domestic Protection.

Agricultural domestic support notification is the most complex notification that needs to be provided to the WTO on a regular basis following WTO membership. In order to help prepare the form "WT/ACC/4: Information to be provided on Domestic Support and Export Subsidies" required under WTO, ATAR had a series of meetings with MAIL to discuss the form and obtain the necessary quantitative information. Based on the WTO Agreement on Agriculture, the ACC/4 notification document describes in special format all types of subsidies directed to agriculture.

On June 5, ATAR held a seminar on the document for 28 participants from different MAIL departments. The participants were trained in identifying, collecting, and classifying the agricultural subsidies and preparing the document.

By the end of the quarter, MAIL, MOCI, and the Ministry Rural Rehabilitation and Development prepared a draft notification of domestic support tables with ATAR support. In addition, ATAR developed and presented to relevant MAIL staff guidelines for preparation of the domestic support table, covering collection and classification of subsidies as well as computation of the aggregate measurement of support.

ATAR also prepared and shared with MOCI WTO-related institutional recommendations for establishing an enquiry point in accordance with the requirement of the WTO General Agreement on Trade in Services and Afghanistan's commitment to a timely response to enquiries from WTO members concerning measures related to trade services. ATAR's recommendations covered organizational structure, staffing, functions, general procedures, and information technology needs for the enquiry point.

6. Assist in Building Analytical Capacity

ATAR continue assisting MOCI's Trade Policy and Analysis Unit (TPAU) to estimate the impact of changes to the tariff schedule based on WTO commitments through the application of economic models. It was estimated that trade of items where applied tariffs are higher than WTO negotiated bound rates (mostly under the Information Technology Agreement) will increase more than 5 percent and revenue from customs duties will slightly decrease. This decrease will be offset by revenue from other taxes, meaning total revenue will remain the same.

Over the long term, prices of inputs and services will decrease. This will make domestic producers more competitive, and consumers will benefit from lower prices and an increased supply of goods. ATAR assisted the TPAU in operating and running scenarios from a general equilibrium model based on an input-output model covering 14 sectors of economy.

In addition, ATAR assisted the TPAU in estimating the impact on exports due to implementation of WTO requirements and the elimination of trade barriers. The TPAU ran scenarios from a partially developed general equilibrium model applied on products from the agricultural and industrial sectors. ATAR assisted TPAU in the collection of information on tariffs, prices, exports, trade barriers, production, and demand for agricultural and industrial products. With the model, it was estimated Afghan exports could double from about 30 billion Afghanis to more than 60 billion Afghanis by 2021. ATAR also assisted MOCI's Director General of International Trade in the preparation of a 50-slide presentation on production, exports, and markets for a presentation to President Ghani.

7. Assist in Building WTO Awareness

ATAR prepared a short awareness note on the purpose of notifications and institutional setups as well as a brief description of initial notifications. MOCI and ATAR discussed the content of the note with President Ghani during the June 28 meeting to increase knowledge regarding notifications at the highest level.

ATAR also supported MOCI in building awareness within Cabinet and the Parliament regarding

the content of the WTO accession package with a focus on Afghanistan's commitments. In June, ATAR additionally built awareness of the new ACD leadership and top management about commitments related to ACD, including commitments related to import and export duties.

To inform the general public of WTO accession, ATAR and MOCI finalized 30-second television spots in Dari and Pashto that will air in July and August on Tolo and Shamshad, two major Afghan television stations. ATAR also finalized a billboard design on WTO accession with MOCI; the billboard will appear on the road to Parliament and another may be placed near the traffic circle at Hamid Karzai International Airport pending availability of space.

8. Assist in Implementation of Competition Policy

ATAR will begin this activity later in Year 3.

D. COMPONENT 2: FACILITATE ENHANCED ACCESS TO REGIONAL MARKETS

1. Afghanistan

Regional Trade Objectives

Afghanistan Pakistan Transit Trade Agreement

ATAR assisted MOCI in finalizing a revised Afghanistan Pakistan Transit Trade Authority (APTTA) draft for transmission to Pakistan, as discussed in the last Afghanistan Pakistan Transit Trade Coordinating Authority (APTTCA) meeting. MOCI's Director General of International Trade is discussing the APTTA changes with Pakistan for the next APTTCA meeting, which will be held in Kabul.

Export and Investment Promotion

ATAR assisted MOCI in developing an export facilitation strategy for the ministry and focused on particular sectors considering availability, cost, and demand. MOCI and ATAR developed a promotional strategy for each product category, such as fresh fruit, dried fruit, carpets, and marble.

ATAR also assisted MOCI in developing a national agriculture export strategy, which should be completed in July or August. The strategy will primarily capture the problems faced by agricultural producers and exporters and will remove bottlenecks in export.

At the request of MOCI's International Trade Unit, ATAR compiled a one-page document for major regional trade agreements. ATAR also assisted MOCI in preparing a presentation in Pashto on promoting Afghan exports.

In addition, ATAR assisted MOCI in developing an action plan to promote investment from India and Pakistan. This action plan identified major bottlenecks and suggested remedial measures.

TIR / Transit

On April 12, ATAR organized a Transports Internationaux Routiers (TIR) roundtable regarding the TIR regulation, the green lane proposal, TIR vehicle standards, and other TIR-related operational matters. Forty people attended, including representatives of the Ministry of Transport and Civil Aviation, ACD, ACCI, Association of Afghanistan Freight Forwarding Companies, and Ministry of Interior border guards and highway patrol officers. This marked the first roundtable that included all stakeholders including border personnel.

TIR is a customs transit system that simplifies the movement of cargo across at least one border. In September 2013, TIR was reactivated in Afghanistan after three decades of suspension, and ATAR is supporting implementation.



ATAR leads a TIR roundtable for about 40 participants from the government and private sector.

Support for Greater Trade Facilitation

“Made in Afghanistan” Event

ATAR continued preparations for a “Made in Afghanistan” conference and exhibition to be held on July 19-20 in New Delhi, India. ATAR coordinated with the Federation of Indian Chamber of Commerce and Industries (FICCI) and USAID projects, including the Commercial Horticulture and Agriculture Program (CHAMP), Regional Agricultural Development Program-South (RADP-S), and FAIDA. About 40 Afghan businesses will exhibit their products at the event, and more than 100 Indian businesses will attend.

Afghanistan’s Deputy Minister of Agriculture, Irrigation and Livestock, the Secretary of Economic Relations at India’s Ministry of External Affairs, and Afghanistan’s Ambassador to India are high-level officials expected to attend the event. The event is being held as part of the “Heart of Asia - Istanbul Process” that encourages cooperation between Afghanistan and its neighbors.

Women in Trade

On April 6, ATAR and FAIDA partnered to hold a handicraft exhibition to support 18 women-owned businesses. Participants displayed and sold items such as carpets, jewelry, clothing, furniture, and paintings. The event aimed to raise awareness of Afghan handicrafts, create linkages between buyers and sellers, and help improve the income of the craftspeople.

On June 25-26, ATAR partnered with the Ministry of Women's Affairs to organize a two-day exhibition in Kabul to help businesswomen increase company sales and raise public awareness of their contribution to the economy. Thirty-five women-owned businesses showcased products at on the first day, and 20 women-owned businesses participated on the second day.

Deputy Minister of Women's Affairs Spozhamai Wardak inaugurated the event, which resulted in several thousand dollars in sales of the women's products such as clothing, carpets, onyx and marble decorative pieces, calligraphy, dried fruit and nuts, and carpets. Local media conducted interviews with the businesswomen at



Ministry of Women's Affairs officials open an ATAR-supported exhibition for women in June (top). Ministry officials look at displays (center). The media interviews a businesswoman (bottom).

the event. The event enabled people to support the businesswomen and buy gifts ahead of the Eid holiday celebrated in July.

In a further effort to support Afghan businesswomen, ATAR drafted a memorandum of understanding (MOU) between the Afghan Women Business Federation and the women’s unit of FICCI. The MOU is designed to foster coordination between the two entities, including helping women’s business delegations travel to India and supporting the exchange of business information and the dissemination of trade and business enquiries. The signing ceremony will take place during the “Made in Afghanistan” event.

Youth and Trade

On May 22-23, ATAR organized a “Youth and Trade” training for more than 50 university students to increase youth’s knowledge of trade issues impacting Afghanistan. ATAR, as well as FAIDA, MOCI, and the Export Promotion Agency of Afghanistan, increased awareness and build the capacity of economics and business students in their final year of university.



MOCI’s Regional Trade Department Manager explains regional trade agreements to university students.

The students learned about a variety of trade topics, including the benefits of Afghanistan’s WTO accession and the country’s membership in the South Asian Association Free Trade Area, the application of economic models, the importance of standardization of products and services, international commercial terms used in commercial transactions, trade barriers and possible solutions, and marketing methods and opportunities.

On June 17-19, ATAR organized business skills training for 24 ATAR interns. The training covered income expenditure statements, marketing, good business practices, and tools to overcome challenges faced in business. At the end of the training, participants learned how to prepare a basic business plan, including income expenditure statements.



ATAR provides training on business skills for 24 project interns.

Support to Business Associations

ATAR worked closely with Afghan Marble Association, Afghanistan Carpet Exporters Guild, and agriculture associations to understand the problems faced by each sector while exporting their products. ATAR provided advisory services to the board members of the associations and identified promotional events in 2016 that could promote exports in each sector, including Stone Mart, India international Trade Fair, Gulfood, and Domotex.

Support for Afghan Commercial Representatives

ATAR launched activities to build the capacity of Afghanistan's commercial attachés in the Central Asian Republics. In cooperation with MOCI, ATAR prepared an action plan for the commercial attachés as well as training and informational materials on trade opportunities in Tajikistan, Kyrgyzstan, Kazakhstan, Turkmenistan, and Uzbekistan.

2. Kyrgyzstan

Customs Support

Customs Consultative Council

ATAR participated in the drafting of the agenda for the next meeting of the Customs Consultative Council (CCC). The CCC held its meeting in April and covered information prepared by ATAR on the WTO Trade Facilitation Agreement (TFA).

In addition, ATAR supported the CCC working group in preparing a recommendation on including insurance as one of the forms of security of customs payments. The recommendation was sent to the ministers and agencies on behalf of Kyrgyz Customs for review and approval.

With ATAR support, the expert working group of the CCC drafted amendments to the Customs Code, recommending adding insurance as a form of guarantee authorized for use in customs transactions. Currently, only advanced payment or a bank guarantee is allowed. Customs procedures throughout the world require a guarantee of some sort to ensure all customs requirements are met, including customs payments.

The working group provided the amendments to Kyrgyz Customs for submission to ministries for comment. ATAR is also working with the CCC on including amendments to the Law on Joint Responsibility for Customs Violation for Brokers and Owners of the Goods.

Revised Kyoto Convention

Following completion of the national Kyrgyz Customs Code and other customs regulations into English, ATAR began an assessment of these documents to determine if they are in line with the World Customs Organization (WCO) Revised Kyoto Convention (RKC). ATAR also provided the English translations to the new chairman of Kyrgyz Customs and the Single Window Enterprise. ATAR expects to have completed the assessment by the end of July.

Authorized Economic Operators

ATAR delivered a presentation on Authorized Economic Operators (AEO) as detailed in the Eurasian Economic Union Customs Code to 10 Kyrgyz customs managers. This followed a similar presentation to members of the Kyrgyz business community and experts from the CCC in the last quarter.

What is an AEO?

An Authorized Economic Operator (AEO) is a party involved in the international movement of goods in whatever function that has been approved by or on behalf of a national customs administration as complying with WCO or equivalent supply chain security standards. AEOs include manufacturers, importers, exporters, brokers, carriers, ports, airports, terminal operators, integrated operators, warehouses, and distributors.

Trade Facilitation

Cross Border Transport Agreement

Kyrgyzstan’s Ministry of Transport distributed a request for comments on Afghanistan’s protocol of accession to the Cross-Border Transport Agreement (CBTA) between Kyrgyzstan, Tajikistan, and Afghanistan. The Ministry of Transport received comments from the ministries and agencies. Some said it is necessary to wait for Afghanistan’s accession until the delimitation and demarcation of the Kyrgyz-Tajik border is finished, while others said the Karamyk post should first become the international border crossing point. The Ministry of Transport forwarded the comments to the foreign relations department in the Kyrgyz government for a decision.

WTO Trade Facilitation Agreement

ATAR met with the Deputy Minister of Economy and the head of the customs policy department regarding the WTO TFA. The meeting was held at the request of the Deputy Minister and provided the opportunity to discuss topics relevant to the TFA, including the formation of the National Trade Facilitation Committee and a customs preliminary decisions program. ATAR followed up by providing the Deputy Minister with a two-page brief on the National Trade Facilitation Committee and providing the head of the customs policy department with a paper and a draft regulation on preliminary decisions.

The Ministry of Economy distributed the draft resolution on approving the WTO TFA for ratification to 15 ministries and agencies for comment. The Minister of Economy’s Trade Department received answers without comments from the following ministries and agencies: Customs, Tax, Border Service, Anti-Monopoly Committee, Ministry of Culture, Ministry of Education, Ministry of Transport, Ministry of Internal Affairs, Ministry of Agriculture, and Ministry of Finance. The following ministries have not yet replied: Ministry of Justice, Ministry of Foreign Affairs, Ministry of Emergency, National Bank, and Ministry of Health. In Kyrgyzstan, ministries or agencies can reply without comment, meaning they have no objection, or with comment, meaning they have concerns. The Ministry of Economy expects the ratification of the TFA to be approved by the government in July or August, and to be ratified by the Parliament in September or October. In September,

What is CBTA?

The Cross Border Transport Agreement (CBTA) between Afghanistan, Kyrgyzstan, and Tajikistan helps link East Asia with the Middle East and South Asia.

Tajikistan and Kyrgyzstan signed the CBTA in December 2010, and Afghanistan signed the protocol to join the CBTA with Tajikistan and Kyrgyzstan in November 2011. Due to some discrepancies in the English and Russian versions of CBTA, the three countries agreed to re-sign the protocol with the previous dates.

In 2015, ATAR facilitated the re-activation of the process of ratification of Afghanistan’s protocol in Kyrgyzstan. During 2015, the CBTA proceeded from the Ministry of Foreign Affairs to the Ministry of Transport.

What is WTO TFA?

The WTO Trade Facilitation Agreement (TFA), signed at the Bali Ministerial Conference in December 2013, brings together improved WCO RKC provisions, improved provisions in existing WTO agreements, and new trade facilitation provisions.

the Ministry will make a presentation to the Parliament, and ATAR will provide any required assistance.

In order to submit the TFA to the government, procedures required that a regulatory reform impact analysis be completed. An ATAR expert recommended by the Ministry of Economy completed this analysis. As the analysis was prepared in Russian, ATAR also translated into the official Kyrgyz language, as required by the government.

Commercial Attaché

In Bishkek, ATAR launched work to build the capacity of the Afghan Embassy in promoting Afghan exports. ATAR held several sessions with the first secretary of the Afghan Embassy, who is the official in charge of commercial attaché activities. ATAR presented materials on the trade potential of Kyrgyzstan and Afghanistan as well as materials on trade promotion techniques. ATAR also presented information on trade potential of Kyrgyzstan and Afghanistan to GIZ and the American Chamber of Commerce.

BOMCA 9

The European Union implemented the Border Management Program in Central Asia (BOMCA 9). The program operates from a regional office in Bishkek, but it will work in all five Central Asian Republics. ATAR coordinated with BOMCA 9 as some of its activities are similar to those of ATAR, specifically work on TFA and RKC.

3. Tajikistan

Customs Support

ATAR met with Tajik Customs to discuss activities related to WTO TFA, including AEO and advance rulings. ATAR submitted information to supplement an AEO concept proposed by ATAR, including a summary of the Australian AEO concept and the methodology for its development and pilot, examples of AEO programs that focus on export transactions and supply chain security, examples of AEO programs that encompass certification across other national regulatory agency programs, consideration to increase awareness of supply chain security measures, and lessons learned from other administrations. Tajik Customs advised ATAR the decision for the AEO concept will be determined by the government, not by Tajik Customs, and requested ATAR collaborate with the International Finance Corp. to continue discussions of an AEO concept. Tajik Customs agreed that ATAR will prepare an action for pre-pilot development for submission in July.

ATAR submitted the Russian and Tajik translations of templates for requesting advance rulings regarding tariff classification or origin that are contained within WCO guidelines. The translations support ATAR recommendations to

What is an Advance Ruling?

An advance ruling is a written binding decision provided to traders prior to the importation of a good that sets forth the treatment that the member shall provide to the good at the time of importation with regard to the good's tariff classification, the origin of the good, and other customs matters.

maximize the advance rulings facility, particularly in light of the imminent adoption of the Tajikistan customs nomenclature, which is a list of classifications of commodities for customs purposes. While currently occupied with the development of the customs nomenclature, Tajik Customs requested ATAR provide an action plan for presentation in August.

ATAR discussed its legal analysis of joint customs controls with Afghanistan. Tajik Customs will adopt upon instruction from the Tajik government if joint border controls are included within the new version of the National Border Management Strategy, which is expected to be formally adopted after August. Tajik Customs expressed ongoing concerns regarding security in Afghanistan, a factor that the Tajik government will consider regarding joint controls.

ATAR conducted pre-roundtable analyses and participated in two roundtables with the Ministry of Economic Development and Trade and donors regarding the draft terms of reference for the establishment of the Coordinating Committee for Trade Facilitation (CCTF), the draft RKC compliance action plan following the government's ratification of RKC, and the draft TFA legal action plan. The RKC compliance action plan and the draft TFA legal action plan are expected to be presented at the inaugural CCTF meeting in August.

Trade Facilitation

Afghan Commercial Attaché

ATAR submitted a work plan to the Afghan commercial attaché to conduct a study of entrepreneurship challenges faced by Afghans operating in Tajikistan. ATAR developed a 30-question survey to elicit information from the Afghan entrepreneurs, and the Afghan commercial attaché agreed on immediate action.

The Afghan commercial attaché invited ATAR to participate in a roundtable with seven Afghan entrepreneurs and embassy staff, at which ATAR introduced the project and the study. This initial discussion focused on the bureaucratic pressure applied by the Tajik Tax Committee. The Afghan entrepreneurs agreed to cooperate with the survey and assist with its dissemination to other Afghan entrepreneurs in Tajikistan.

The survey was submitted to 36 entrepreneurs, and 24 responses were received, translated, and analyzed. ATAR drafted the summary report including trade statistics of Afghan exports to Tajikistan and prepared presentation materials for a roundtable to be held in July 2016 with the Afghan commercial attaché and Afghan entrepreneurs.

ATAR met with the chamber of commerce and industries to extend an invite for their members' participation in the "Made in Afghanistan" show in India, for which ATAR submitted analyses of agricultural imports to India to be shared with interested agribusiness considering participation. ATAR also extended the invitation to UNDP in Tajikistan, Uzbekistan, and Kyrgyzstan at its request.

Donor Coordination

ATAR participated in a regional seminar on transport and logistics that was funded by GIZ. ATAR discussed the draft of a Central Asian Republic regional legal framework of international transport and the development of an action plan to coordinate the efforts of Central Asian actors seeking improvement in transport logistics networks. Customs officials, transport associations, and customs brokers from Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan attended the seminar. At the request of the forum, ATAR conducted post-seminar analyses of the potential learning opportunities in the area of supply chain security management.

4. Turkmenistan

Trade Facilitation

ATAR started analysis to identify business constraints and regulatory challenges in trading with Turkmenistan. As part of its research, ATAR met with a representative of Muntaz Petroleum, an Afghan transportation company, to identify challenges associated with doing business in Turkmenistan and assess demand for goods. ATAR also visited two Turkmen cities to interview Turkmen companies doing business with Afghanistan.

ATAR provided USAID's Regional Agricultural Development Program-West (RADP-West) with Turkmen market information on fruit and vegetables to assess the competitive advantage of marketing Afghanistan's agricultural products in Turkmenistan.

In order to raise awareness of Afghanistan's products and forge business relationships between Afghan and Turkmen traders, ATAR began preparing for a possible exhibition in Turkmenistan that would focus on Afghan products. ATAR plans to partner with the Afghan Embassy in Turkmenistan, Afghanistan's MOCI, MOCI's Export Promotion Agency of Afghanistan, RADP-S, CHAMP, and UN Women to invite 35 Afghan exporters to Turkmenistan. ATAR prepared a draft concept, agenda, and budget.

ATAR met with USAID's Regional Economic Cooperation (REC) project in Kazakhstan to finalize potential participants for the Central Asian Trade Forum (CATF) in September 2016 in Almaty, Kazakhstan. ATAR organized meetings for REC with Turkmen companies to discuss the potential for participation in CATF. ATAR also coordinated with REC regarding the design for a Turkmenistan section in CATF.

In addition, ATAR visited the TIR department of the Turkmen Association of International Road Carriers to clarify the procedure of issue and use of TIR carnets by the Turkmen transport companies. ATAR will use the information to plan an assessment of the use of TIR carnets in Turkmenistan.

5. Uzbekistan

Customs Support

ATAR completed preparation for a four-day training on “Risk Management and E-declaration” for Uzbek customs officials, including those in the regions. ATAR prepared communications transmitted by USAID through a diplomatic note to Uzbek Customs detailing the agenda. It was agreed to hold the first training on risk management and e-declaration in July.

ATAR also prepared a communication to be transmitted in a diplomatic note to Uzbek Customs via the Ministry of Foreign Affairs proposing support in the development of implementing regulations for the recently adopted Customs Code.

Trade Facilitation

Afghan Commercial Attaché

ATAR held three meetings with the Afghan commercial attaché in Uzbekistan and discussed ways to cooperate with Afghan businesses and identify problems facing traders and possible solutions. ATAR conducted sessions with the Afghan commercial attaché on trade opportunities of Uzbekistan and Afghanistan and provided a list of goods and products that can be imported from Afghanistan to Uzbekistan and from Uzbekistan to Afghanistan.

ATAR met with Uzbekistan Chamber of Commerce and Industry and discussed potential cooperation on trade promotion activities. Participants agreed to organize a meeting of the Afghan commercial attaché and the chamber’s chairman to discuss trade promotion activities.

During June, ATAR had series of meetings with various Uzbek entrepreneurs and representative of Uzbek Chamber of Commerce and Industry and discussed the export potential of Uzbek goods to Afghanistan. ATAR worked with International Forwarders Association of Uzbekistan and GIZ in organizing roundtable tentatively planned for August. The roundtable will focus on ATAR’s route mapping study and Central Asian opportunities.

E. COMPONENT 3: IMPROVED CUSTOMS ADMINISTRATION

1. Support Regional Integration

The Ministry of Foreign Affairs continued to review the memorandum of understanding on mutual assistance on customs matters between the United Arab Emirates (UAE) and Afghanistan. ATAR awaited an update from ACD on progress on this initiative. Following signature of Afghanistan and the UAE, ATAR will provide assistance on customs matters raised between ACD and UAE, advise on staff exchange proposals, possible funding of equipment by UAE, and training that can be provided by UAE.

2. Organizational Compliance

ATAR continued efforts to develop an Internal Audit Unit and Professional Standards Unit at ACD.³ These control mechanisms will provide a framework so ACD can audit compliance with its own internal policies and identify and investigate misconduct, including corruption.

ATAR met with ACD's manager of the department for the prevention of custom transgressions to discuss the department's roles, responsibilities, procedures, and training needs. In addition, ATAR performed a review of the department's work procedures and a review of an audit report published by the Ministry of Finance.

ATAR began developing an intensive two-week training package that will cover the full audit process. The material includes trainer notes, exercises, and case studies based on real life internal audits and non-conformance incidents. These mechanisms will provide a framework so ACD can audit compliance with its own internal policies and identify and investigate misconduct, including incidents of corruption.

3. Trade Compliance

Post Clearance Audit

ATAR held a workshop with ACD's Director Operations, PCA team, and PCA working group to brainstorm on challenges in effectively conducting PCA. ATAR then held periodic trainings on PCA for relevant staff and activated WCO E-learning for staff to enable self-study.

What is PCA?

Post clearance audit (PCA) is an audit-based customs control performed subsequent to the release of cargo from customs' custody. The purpose of such an audit is to verify the accuracy and authenticity of declarations and covers the control of traders' commercial data, business systems, records, and books.

ATAR reviewed ACD's current PCA process through desktop research and an onsite assessment at Hamid Karzai International Airport (HKIA). This resulted in a revision of the

³ Following the departure of an advisor who had been working to improve ACD's compliance initiatives, ATAR fielded a new expatriate advisor and a national specialist to progress the activities. Unfortunately, the expatriate advisor left the country in April due to a family emergency and then departed Afghanistan for the majority of June due to an injury.

process flow to align PCA activities with international best practices that are suitable within the Afghan context. ATAR also reviewed ACD's risk profiling process for the selection of PCAs and changed the process from one based on random selection to an intelligence-based process that includes multiple criteria risk profiles.

ATAR helped to develop a closer working relationship between the PCA team and ACD's risk management team to enable the PCA team to identify the most suitable criteria to select companies for PCAs. This resulted in the establishment of a trilateral team – including intelligence, risk management and PCA staff – that began working on the first PCA case.

Risk Management

To improve ACD's approach to conducting risk management, ATAR held a workshop with key players, including the risk management team, risk management working group, and ACD's Director Enforcement, to identify challenges in enabling proper risk management. ATAR held trainings with risk management officials to build their capacity on international best practices and activated the WCO E-learning module to enable self-study.

What is Risk Management?

Risk management is an internationally accepted approach to using limited resources to identify consignments assessed as posing a risk. Under risk management, ACD's Automated System for Customs Data (ASYCUDA) identifies cargo for different clearance methods: potentially high-risk cargo goes to a red lane for physical exam; moderate risk cargo is sent through a yellow lane for a documentary check; and remaining cargo is regarded as low risk and goes to a green lane for immediate release.



ATAR leads a workshop with ACD officials on priorities and challenges for risk management.

ATAR reviewed ACD's current risk management process and found that the risk management team was not applying standard risk management methodology; they were investigating risks and not transferring cases to PCA. ATAR presented a revised process to ACD's Director Enforcement and ensured the risk management team worked closely with the intelligence unit and PCA. The new team approach is being formalized and rolled out to all customs offices.

ATAR helped ACD develop the first multiple criteria risk profile as a test process that helped ACD select the first case for PCA. The singular risk criteria were too wide and resulted in ACD selecting cases on an uninformed basis.

ATAR compiled cargo risk management data, sent a summary of the results to ACD senior management, and held a workshop to share the statistics with ACD managers. The implementation of the multiple criteria risk profiles will result in a substantial change in the cargo cleared through the red, yellow, and green channels. The chart below that provides an-overview of the clearance time in minutes for the period June 2015 through June 2016.

Month	Herat ICD			HKIA			Jalalabad ICD			Balkh ICD			Aquina ICD			Sher Khan Bandar ICD		
	Green	Yellow	Red	Green	Yellow	Red	Green	Yellow	Red	Green	Yellow	Red	Green	Yellow	Red	Green	Yellow	Red
June	45	60	180	50	68	75	85	98	130	60	90	120	50	90	120	60	80	150
July	40	60	145	N/A	N/A	N/A	72	90	140	40	70	90	50	90	120	40	70	100
Aug.	50	60	105	N/A	N/A	N/A	55	70	100	50	70	90	50	90	120	40	70	100
Sept.	45	70	90	N/A	N/A	N/A	54	66	100	70	90	120	50	90	120	40	70	100
Oct.	55	100	150	N/A	N/A	N/A	58	72	95	70	90	120	50	90	120	40	70	100
Nov.	55	75	90	64	85	140	52	66	90	40	70	110	50	90	120	40	70	100
Dec	45	85	105	32	50	72	40	60	90	50	80	110	50	90	120	40	70	100
Jan	NA	NA	NA	35	57	144	40	52	75	50	80	110	50	90	120	40	70	100
Feb	45	95	100	25	34	84	42	50	80	50	80	110	50	90	120	40	70	100
Mar	35	105	80	30	41	88	37	50	80	40	60	90	60	100	120	50	80	90
June	45	105	95	30	40	80	40	50	80	45	70	95	55	95	120	50	75	100

- All time in minutes. N/A stands for unavailable.

ATAR regional specialists continued to monitor the current number of procedures at Inland Clearance Depots (ICDs) compared to the national blueprint for streamlined import procedures, which contains 13 steps. ACD's new Director General will take steps to revert to the streamline process in the next quarter, eliminating additional steps that have been implemented at operational levels. The latest status report is below:

	Kabul ICD	HKIA	Hairatan ICD	Herat ICD	Jalalabad ICD
Non-compliant steps reintroduced	1	6	1	0	0
New steps introduced	4	1	5	3	7
Total additional steps	5	7	6	3	7
TOTAL	18	20	19	15	20

4. ANCA

ATAR continued to provide support to the Afghanistan National Customs Academy (ANCA) in developing curricula for various training courses for customs officials. By the end of the quarter, ATAR completed development of 12 training modules covering management, mobile verification teams, airport training, examination and search techniques, train-the-trainers techniques, and basic customs training.

ATAR discussed providing “how to deliver” training sessions for ACD staff on the modules, but the newly appointed ACD Director General felt ANCA staff were not ready for the delivery of such training. He instead requested a focus on the actual administration of ANCA prior to the delivery of the courses. At the request of the Director General, ATAR delivered a policy and procedure manual that detailed administration of the academy.

In addition, ATAR assisted the manager of ANCA in developing standard operating procedures in stock control, audit of equipment, training plans, and specialist trainers. The standard operating procedures will be rolled into the policy and procedure document.

ACD also requested that ATAR prepare a policy and procedure document on international trainings to combat nepotism and favoritism in the department dealing with international events. ATAR began preparing the document and is awaiting information from ACD’s international relations department to finalize the document.

5. E-Pay

ATAR continued to encourage ACD and DAB to progress electronic payment of customs duties, or E-Pay, which had been implemented in Kabul and Mazar-e Sharif in 2015 with ATAR support. E-Pay allows traders across the nation to pay their customs duties at any commercial bank rather than in cash at the customs location clearing their goods.

In April, ACD and DAB agreed to implement a phased national rollout, as opposed to simultaneous national rollout, of E-Pay at remaining sites with ASYCUDA: Andkhoy, Herat, Islamqala, Torghundai, Nangarhar, Torkham, Kandahar, Weesh, Khost, Nimoroz, and Kunduz. ACD and DAB also agreed to rollout E-Pay under the current system that requires some manual intervention and continue talks on technical specifications to fully automate the E-Pay system.

On June 21, the Ministry of Finance held a press conference with ATAR’s support to inform the

media and public of the phased national rollout of E-Pay. Minister of Finance Eklil Ahmad Hakimi opened the press conference, and announced the national rollout of E-Pay, and USAID Mission Director Herbert Smith and ACCI Vice Chairman Khan Jan Alokozai joined the Minister of Finance in explaining the benefits of E-Pay at the press event.



USAID Mission Director Herbert Smith and Minister of Finance Eklil Ahmad Hakimi listen as ACCI Vice Chairman Khan Jan Alokozai speaks about the benefits of E-Pay for traders.

On June 30, ACD's Director Operation Director officially inaugurated E-pay in Herat in western Afghanistan in the presence of DAB, ACCI, ACD, traders, brokers and commercial bank representatives. With ATAR support, ACD conducted training on how to use E-pay to brokers and customs officers from Islamqala, Torghondi and Herat and distributed posters, stand banners, stickers, and brochures to customs sites and commercial banks in the area.



ACD Director of Operations addresses traders, brokers, and commercial banks in Herat regarding the launch of E-Pay.

6. Implement Outreach Programs

ATAR finalized with ACD and DAB the marketing materials to help raise awareness of E-Pay and support the rollout of the system. ATAR printed the marketing materials, including posters, brochures, stand banners, and stickers, and provided them to ACD for distribution. ATAR also supported ACD in preparing for the E-Pay press conference held by the Minister of Finance, including preparing a press release, invitations, and talking points for speeches.

7. Trade Awareness/Education Program

On May 10, ACD and the Afghanistan Revenue Department (ARD) held their second Trader and Taxpayer Awareness Program at ANCA with ATAR support. About 50 company officials and taxpayers attended the event, and ARD and ACD briefed them on tax and customs reforms and procedures. This program is part of an ATAR initiative to increase dialogue on tax and customs between the public and private sector.

The event was divided in two main sessions, one for ACD and one for ARD. ACD covered its mission statement, core values of customs, five-year plan, new reforms, and valuation methods. ARD covered objectives of tax collection, type of taxes, tax declarations, tax identification number, penalties, and dispute resolution between traders and ARD.



ACD and ARD hold a Taxpayer and Trader Awareness Program for about 50 participants.

8. Enhancing ACD Human Resources Department

In an effort to improve ACD human resources practices, ATAR reviewed ACD's policy and procedure document regarding recruitment and staff appraisals. ATAR reviewed the document with a working group and provided amendments, comments, and additions. The policy document emphasized that staff would be hired and promoted by merit rather than directly on the basis of recommendation. ATAR also assisted a working group led by ACD's Director Support and Development in developing two procedures on recruitment and training.

On April 30, ATAR recruited 14 female interns who will be deployed to various departments within ACD for six months. This is ATAR's third internship program for young graduates to gain experience in a professional environment and attempt to reduce the gender gap in the government.

9. Strengthening the Customs Code and Customs Policies

ATAR prepared an overview of ACD's powers and responsibilities regarding currency control and reviewed Afghanistan's anti-money laundering legislation and valuation procedures. In support of the overview, ATAR reviewed the customs code and collected data on customs control over passengers' baggage. ATAR worked with ACD on a currency control policy and procedures at HKIA and other border customs stations.

In addition, ATAR assisted ACD in reviewing tax and duties exemption agreements and in developing a policy regarding the import of gold and jewelry to facilitate customs clearance.

10. Strengthening the Capacity Building of ACD Managers

ATAR began capacity building sessions with ACD's new Director General, his advisor, and selected directors. Topics included roles and responsibilities of customs and an overview of the RKC; international trade terminology and documentation; revenue evasion in the customs environment; compliance management framework; tactical enforcement activities; risk management; intelligence; mobile verification teams; and investigations.

ATAR regional staff also completed content for management standards and a template for management and site risk profiles. This is part of ATAR's initiative to support the capacity of ACD managers through the implementation of management standards, management profiles, and site profiles, which will allow managers to continually review their current capabilities against the perceived risk to customs and how to treat those risks.

11. Strengthening the Capacity of ACD Valuation Department

ATAR conducted high-level meetings and presentations to senior management of ACD and MOF. At these meetings, ATAR discussed the broader scope of valuation and the intention to produce practical recommendations to move forward.

ATAR began work to understand the links between the valuation section, the regional valuation units, and the use of the system as a risk management tool to control revenue loss associated with undervaluation.

ATAR also gathered documents specific to the valuation section to further its analysis and compile background material. For example, ATAR started collecting copies of airway bills and invoices at HKIA for analysis to identify the main commodities that arrive via air and the potential revenue risks associated with undervaluation and/or false claims for duty free exemptions.

F. ACTIVITY IMPLEMENTATION⁴

ATAR Project Objective: Improved trade environment for Afghanistan, fostering increased investment, export, and market-based employment opportunities

USAID Afghanistan DO1: Sustainable, Agricultural-led Economic Growth Expanded

USAID OEG Afghanistan Mission PMP IR 1.1: addressed: Employment Opportunities

USAID OEG Afghanistan Mission PMP Sub-IR 1.1.4: addressed: Regional Trade Increased

USAID Afghanistan DO3: Performance and Legitimacy of GIROA Improved

USAID OEG Afghanistan Mission PMP IR 3.1: addressed: Citizens Hold the GIROA Accountable

USAID OEG Afghanistan Mission PMP Sub-IR 3.2.2: addressed: Policies and Procedures Improved

⁴ In the following indicators, annual statistics gathered by the Afghan government are reported according to the Afghan solar calendar, in which 1392 corresponds to March 2013-March 2014, 1393 corresponds to March 2014-March 2015, and 1394 corresponds to March 2015-March 2016, etc.

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Year 3 Targets/Achievements										Assumptions	Definition/Notes
						Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015 - Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)		
A. GOAL: Business climate strengthened to enable private investment, enhanced trade, job creation, and fiscal sustainability through the critical Transition Period and continuing into the Transformational Decade.																	
1	Growth in trade volume (import, exports, and transit) (Contractual)	Annual	AFN 382,848 million (1394) excluding transit	12%	11%	0%	NA	0%	1.60%	0%	1.60%	0.0%		1.3%	1.3%	As per the contract, this indicator is tracking only and Chemonics will set targets for reporting purposes; indicators used for tracking purposes show at a higher level whether efforts in the sector by many contributors are producing results. Changes in these indicators cannot be attributed to the efforts of one donor and can be caused by factors outside the control of any one donor. These targets also assume that transit data is not available for monitoring. The value of trade may not grow as much in Year 3 and Year 4 due to falling energy prices, noting that energy accounts for more than 15% of total imports. Statistics are in AFN as reported by ACD.	Trade volume is defined as the licit trade value of goods brought into Afghanistan (import), the value of Afghan goods sold in a foreign country or countries (export) and value of goods imported to Afghanistan from a country and exported to another country (transit). Total volume of trade in 1394 was AFN 420,157 million based on ACD data, including imports (AFN 387,460 million) and exports (AFN 32,697 million) – representing 11% growth over the baseline. Transit volume statistics were unavailable.
2	Value of goods imported to the United States taking advantage of Generalized System of Preferences (GSP). (Contractual)	Annual	AFN 6,175 million (1391)	AFN 9 million	AFN 24 million	0	NA	0	AFN 24 million	0	AFN 24 million	0		AFN 7.5 million	AFN 9 million	ATAR was requested by USAID not to work on GSP although it is an illustrative activity in Section C. No other project is supporting in this regard.	The U.S. GSP is a program designed to promote economic growth in the developing world by providing preferential duty-free entry for up to 5,000 products when imported from one of 126 designated beneficiary countries including Afghanistan.
3	Export (4.2-10d)	Annual	AFN 16,328 million (1391)	AFN 40,000 million	AFN 32,697 million (1394)	0	NA	0	AFN 32,697 million (1394)	0	AFN 32,697 million (1394)	0		AFN 36,000 million	AFN 40,000 million	As per the contract, this indicator is tracking only and Chemonics will set expected targets for reporting purposes; indicators used for tracking purposes only show at a higher level whether efforts in the sector by many contributors are producing results. Changes in these indicators cannot be attributed to the efforts of one donor only and can be caused by factors outside the control of any one donor.	Missions are not expected to report on this indicator. The information is tracked by EGAT. As per the contract, this indicator is tracking only. Growth of exports is expected to increase 3% annual as per the contract. Exports of goods and services represent the value of all goods and other market services provided to the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services such as communication, construction, financial, information, business, personal, and government services. They exclude labor and property income (formerly called factor services), as well as transfer payments. Statistics are as reported by ACD.
4	Import (4.2-10c)	Annual	AFN 366,519 million (1391)	AFN 410,000 million	AFN 387,460 million (1394)	0	NA	0	AFN 387,460 million (1394)	0	AFN 387,460 million (1394)	0		AFN 394,000 million	AFN 410,000 million	These targets are set at a higher level, because efforts in the sector by many contributors are producing results. Changes in these indicators cannot be attributed to the efforts of one donor only and can be caused by factors outside the control of any one donor.	Missions are not expected to report on this indicator. The information is tracked by EGAT. As per the contract, this indicator is tracking only. Imports of goods and services represent the value of all goods and other market services received from the rest of the world. Statistics are as reported by ACD.
5	Change in World Bank's Doing Business ranking for trading across borders indicator.(Contractual)	Annual	184 (Doing Business Annual Report 2014)	177	174 (Doing Business Annual Report 2016)	0	174 (Doing Business Annual Report 2016)	0	174 (Doing Business Annual Report 2016)	0	174 (Doing Business Annual Report 2016)	0		180	177	These targets are set at a higher level, because efforts in the sector by many contributors are producing results. Changes in these indicators cannot be attributed to the efforts of one donor only and can be caused by factors outside the control of any one donor.	The World Bank Doing Business report presents quantitative indicators compared across 189 economies over time. Afghanistan was ranked 179 out of 183 in 2012, 178 out of 185 countries in 2013, 184 out of 189 in 2014, and 184 out of 189 in 2015. According to the 2016 report, Afghanistan is ranked 174 out of 189 countries. This is an annual indicator, and ATAR reports once a year against this indicator.

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015-Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)	Assumptions	Definition/Notes					
IR1: Capacity of Afghan government to formulate and implement liberal policy framework for trade and investment strengthened																						
Sub IR 1.1: WTO accession process finalized																						
Milestone 1.1.1 Adoption of Afghanistan's WTO Accession Package																						
						X	X															
Milestone 1.1.2 Ratification of WTO accession by the Afghan Parliament																						
										X	X											
6	Number of WTO-related legal acts adopted through the legislative process with ATAR support. (Custom)	Quarterly	0	24	7	0	0	2	2	5	1	5		12	8	This depends on political will and the pace of the legislative process as local authorities and stakeholders need to assume ownership of drafts.	Bringing main aspects of the legal framework in line with the WTO agreements is a pre-condition for becoming a WTO member. The legislative process for draft laws (including amendments) and sublegal acts (regulations, procedures) move from one stage to another. This indicator will monitor the legal acts once they have completed this process and are adopted into law. This indicator was revised in Year 3 to replace the word "advanced" to "adopted" to better monitor progress toward actual adoption. The legal acts in the results are: 1. Procedure on Intellectual Property Border Enforcement 2. Law on Trademarks 3. Procedure on Advance Ruling on Binding Decisions 4. Law on Plant Protection and Quarantine 5. Procedure on Customs Storage Fees 6. Regulation on Drafting Procedure and Processing of Legal Acts 7. Regulations of Production and Importation of Medicines and Medical Equipment of 24 February 2007					
Sub IR 1.2: WTO implementation process developed and executed																						
7	Number of WTO related institutional reforms supported by ATAR. (Custom)	Quarterly	0	12	11	0	0	0	0	1	2	1		2	1	According to the WTO requires the establishment of new institutions or restructuring of existing institutions as well as development of new institutional processes/procedures related to customs, trade, and other areas. This indicator captures these types of institutional reforms supported by ATAR. The reforms in the project's results are: 1. institutional proposal accepted by MOCI for establishing a safeguard unit 2. Five ISO minor committees established: petroleum products and lubricants; food products; textiles; gas cylinders; concrete, reinforced concrete and pre-stressed concrete 3. Mechanism for coordination and cooperation between ANSA and other government entities on enquiry/notification 4. Institutional proposal accepted by MAIL's Plant Protection and Quarantine Department for establishing three pest risk assessment units 5. Voluntary copyright registration mechanism established at MOIC 6. Database for recording intellectual property rights for border enforcement and standard operating procedures accepted by ACD 7. MOCI's ACBR-IP system upgraded						
8	Number of draft legislative items (including regulations, procedures and amendments) prepared by the Working Group at Ministerial Level with ATAR support. (Custom)	Quarterly	0	50	40	0	0	0	0	3	1	4		7	4	This indicator captures the new draft laws and sublegal acts prepared at the Ministerial level with ATAR support. This mainly refers to the first draft finalized at the Ministerial level. The project's results include: 1. Twelve procedures related to food safety drafted and agreed by working group at MOPH 2. Three procedures related to Food Safety Law drafted and agreed by working group at MOPH during Dec. 2014-March 2015 3. One procedure related to Food Safety Law drafted and agreed by working group at MOPH during April-June 2015 4. Draft regulation for implementing Law on Animal Health finalized 5. Seven procedures for implementing the Law on Animal Health prepared by the working group at MAIL 6. Five additional procedures implementing the Law on Animal Health prepared by the working group at MAIL during Nov. 2014-March 2015 7. Four additional procedures implementing the Law on Animal Health prepared by the working group at MAIL during April-June 2015 8. Draft regulation to implement Law on Plant Protection and Quarantine prepared by working group at MAIL during April-June 2015 9. Four draft procedures for implementing Law on Plant Protection and Quarantine finalized during April-June 2015 10. Draft copyrights coordination procedure finalized during April-June 2015 11. Draft MOU for Sanitary and Phytosanitary Enquiry and Notification Point during April - June 2016						

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015-Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)	Assumptions	Definition/Notes
Sub IR 1.3: Private sector awareness of new opportunities for trade-related business development increased																	
9	Number of awareness events held targeting the private sector. (Custom)	Quarterly	0	40	43	0	3	4	2	4	4	4		12	4	During Year 3 and 4, GIRA will start leading most awareness programs and implementing them on their own.	<p>It is critical to educate the private sector about opportunities resulting from WTO accession and other trade agreements in order to enable necessary adjustments.</p> <p>The project's awareness seminars to date include:</p> <ol style="list-style-type: none"> 1. WTO awareness seminar for MOJ in Feb. 2014 2. Awareness about regional opportunities (Dushanbe business-to-business event) June 2014 3. Fourteen awareness events about food control authority and the legal authority contained in the draft food law and its supporting regulations 4. Three events in October 2014 on building awareness of trade opportunities under CATF and World Food/Almaty 5. Sanitary and phytosanitary (SPS) awareness seminar at MAIL in Feb. 2014 6. Awareness training seminar on trademarks for the private sector in Feb. 2015 7. Awareness training seminar on procedures for trademark registration for the private sector in Feb. 2015 8. Awareness training seminar on trademarks for the legal community in Feb. 2015 9. Two training seminars on geographical indications for the private sector in March 2015 10. Two awareness seminar on patents for private sector 11. Three awareness seminar on trademarks for academia 12. TIR awareness workshop for transport operator (ACC) 13. Three WTO awareness events in September 2015 14. WTO - Implications for Afghanistan Wheat and Flour Trade seminar in Oct. 2015 15. Copyrights publishers awareness event in Nov. 2015 16. TIR awareness Oct. 2015 17. Two plant variety protection awareness roundtables at MAIL (Jan-Mar 2016) 18. Awareness training on trade remedies for academics in May 2016 19. Awareness training on trade remedies for the private sector in May 2016 20. Trader and taxpayer awareness program in May 2016 21. E-payment launch in Herat in June 2016
Sub IR 1.4: Understanding and support for benefits of WTO and regional and bilateral trade agreements increased																	
Milestone 1.4.1 General Equilibrium Model tested																	
x																	
10	Number of instances in which GIRA requests for trade policy research and analysis can be provided by TPAU (Contractual)	Annual	0	8	17	0	4	1	8	0	5	1		2	2	This depends on the number of requests made by MOC management.	<p>This indicator tracks the capacity of the TPAU by monitoring the research and analysis provided to MOC. This indicator was added to the contract in Modification 7 signed Dec. 21, 2015. ATAR will begin monitoring this output-level result starting from Year 3 and retroactively report based on available project data.</p> <p>The following policy research and analysis were requested from the TPAU in support of:</p> <ol style="list-style-type: none"> 1. Reduction in SAFTA sensitive list 2. Educating on the impact of WTO accession 3. Analyzing agricultural production (juices, beverages, wheat, flour, fruits, vegetables, nuts) for the purpose of tariff policy evaluation 4. Analyzing tariff policy for import of vehicles 5. Application of WTO bound rates (revenue effect) 6. Comparison of current tariff schedule 2015 with WTO negotiated tariff schedule 7. Impact on exports due to WTO accession 8. Wheat and wheat flour market and prices 9. Seasonal fluctuation of imports and exports of fruits nuts and vegetables 10. Transport sector, share of GDP, number of vehicles, cost/revenue 11. Transit of goods via Iranian vs Pakistan sea ports 12. Reports on trade statistics by products and countries 13. Analysis of industrial production (cement, mineral fuel, plastic, steel, marble, cloth, textile, carpets, washing preparation) for the purpose of tariff policy evaluation 14. Analysis of agricultural production for the purpose of tariff policy evaluation 15. Analysis of tariff schedules and tariff rates of neighboring countries 16. Correlation between trade, tariff and revenue collected by ACD with customs duties and other taxes 17. Calculation of average and weighted average tariffs based on different strategies
11	Reduction in discrepancy between the Central Statistics Office (CSO) and ACD on trade statistics. (Custom)	Annual	27%	9%	13%	0	NA	0	11%	0	13%	0%		15%	9%	It is crucial to have reliable trade-related data. ATAR supports ACD and CSO to harmonize trade-related data between the two organizations. The difference between values reported by ACD and CSO divided by the average of the two values, shown in percentage.	The slight increase in discrepancies is due to factors such a difference in exchange rate and difference in number of lines recorded.

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015 - Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)	Assumptions	Definition/Notes																		
12	Number of awareness documents prepared to educate about WTO and regional integration. (Custom)	Quarterly	0	40	44	0	7	2	3	3	4	3		8	2		<p>Project results include:</p> <ol style="list-style-type: none"> 1. Document for President Karzai office on WTO 2. Presentation developed for WTO awareness seminar for MQJ 3. Awareness materials on TIR 4. Copyrights general pamphlet 5. Copyrights music pamphlet 6. Copyrights publishers pamphlet 7. Copyrights awareness article 8. Educational materials on indication of production of place 9. Presentation to educate Tajik public and private sector about APTTA 10. Note to President Ghani on Afghanistan's WTO accession 11. Strengthening food safety in Afghanistan 12. Good hygiene practices for businesses 13. SPS agreement awareness power point 14. Note for President Ghani regarding bilateral trade issues with Pakistan 15. Note for President Ghani regarding transit trade issues with Pakistan 16. Awareness materials on geographical indications 17. Awareness materials on trademarks 18. Awareness materials on patents 19. Ten WTO awareness presentations and two WTO fact sheets 20. 10-page summary covering WTO status and merits 21. Note on the road to the Nairobi Ministerial Conference 22. Note on WTO and manufacturing in Afghanistan 23. Note on the dispute settlement process and transit 24. Note on benefiting from WTO membership 25. WTO rules and commitments of Afghanistan and detailed clarifications on commitments and service commitments 26. WTO on wheat flour 27. WTO billboard 28. WTO poster 29. WTO press release on WTO Ministerial approval of Afghanistan's accession package 30. WTO video for social media 31. WTO video for local TV 32. WTO notification note 33. WTO press release on Parliament approval of Afghanistan's accession 																		
13	Change in public perception towards trade (Contractual)	Annual	91%	95%	N/A	0%	NA	0%	NA	0%	NA	0%		0%	95%		<p>This indicator monitors the change in perception of trade through a targeted survey. ATAR intervention, through the development and dissemination of outreach/awareness materials and awareness-raising events reaching the public and private sector, has the expected outcome-level result of an increase in the positive perception of trade in Afghanistan and its benefits.</p> <p>ATAR has not reported on this indicator as of Year 3, as it was anticipated to conduct a third-party national public survey but funding was not available for this purpose. ATAR instead will conduct a survey on targeted populations engaged in trade-related issues at both the public and private sector. ATAR will use as a baseline the "Knowledge, Attitude, and Practice (KAP) Survey of Afghanistan towards Trade" sponsored by USAID/TARA and conducted by ARI Consulting in September 2010. Specifically, for this indicator, the baseline reports percentage agreement (91%) with the question, "Do you think increased trade creates more jobs, wealth, and economic opportunities?" ATAR will also analyze other survey questions, such as "Do you think that international/regional trade agreements benefit Afghanistan?" which 94% of respondents answered yes in 2010.</p>																		
IR2: Regional and global integration enhanced																																			
14	Bilateral and regional agreements are advanced at meetings (Contractual)	Quarterly	0	10	7	0	0	0	0	1	0	1		2	1		<p>This depends on interests and political will of other countries and Afghanistan</p> <p>Alghanistan is interested in deepening and expanding regional integration through new and existing agreements on trade, investment, economic cooperation, transport, and transit. This indicator will capture bilateral and regional agreements (including MOUs and protocols) advanced at meetings. Advanced indicates some type of tangible result, such as signature, implementation, public launch, removal of a trade barrier, etc., with ATAR support. This indicator name was revised in Y3 to reflect the contract. Previous indicator was: "Number of initiatives on regional integration disaggregated by signed and launched."</p> <p>The results include:</p> <ol style="list-style-type: none"> 1. Transit and Transport Agreement with Azerbaijan launched 2. Mutual Assistance Agreement on Customs between Afghanistan and Tajikistan signed 3. Protocol of Accession of Afghanistan to the CBTA-5 signed by the Council of Ministers of Afghanistan 4. Trade and transit agreement with Azerbaijan, Georgia, and Turkmenistan launched 5. Pakistan Afghanistan Tajikistan Transit Trade Agreement (PATTTA) 6. India allowed Afghan trucks to unload cargo in Indian territory 7. Lapis Lazuli Trade and Transit Agreement launched (Afghanistan, Azerbaijan, Georgia, Turkey, and Turkmenistan) 																		
15	Percentage share of Afghan trade with regional partners. (Contractual)	Annual	38% (1391)	60%	See notes	0%	NA	0%	38.80%	0%	38.80%	0%		50%	60%		<p>The level of trade with regional partners has been around 40% for the past 4 years. Overall trade with regional partners is not likely to dramatically increase. Most imports from Central Asia are energy-based products. The fall in the prices of fuel will reduce the value of trade with regional partners. Further, with increase in purchase power and access to new markets, Afghanistan will be likely trading more with non-regional countries in the future. Note that if China and Iran are considered in addition to CAR, India, and Pakistan, the percent of regional trade is presently at 70%.</p> <p>ACD trade statistics for 1394 show the following:</p> <table border="1"> <thead> <tr> <th>Country</th> <th>Percent Total Trade</th> </tr> </thead> <tbody> <tr> <td>India</td> <td>4.6%</td> </tr> <tr> <td>Kyrgyzstan</td> <td>0.2%</td> </tr> <tr> <td>Kazakhstan</td> <td>5.6%</td> </tr> <tr> <td>Pakistan</td> <td>21%</td> </tr> <tr> <td>Tajikistan</td> <td>0.4%</td> </tr> <tr> <td>Turkmenistan</td> <td>3.6%</td> </tr> <tr> <td>Uzbekistan</td> <td>3.4%</td> </tr> <tr> <td>Total trade with neighboring countries</td> <td>38.8%</td> </tr> </tbody> </table>	Country	Percent Total Trade	India	4.6%	Kyrgyzstan	0.2%	Kazakhstan	5.6%	Pakistan	21%	Tajikistan	0.4%	Turkmenistan	3.6%	Uzbekistan	3.4%	Total trade with neighboring countries	38.8%
Country	Percent Total Trade																																		
India	4.6%																																		
Kyrgyzstan	0.2%																																		
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Turkmenistan	3.6%																																		
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Total trade with neighboring countries	38.8%																																		
Sub IR2.1: Enabling environment for enhanced access to regional markets established																																			

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015-Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)	Assumptions	Definition/Notes
16	Number of interactions between businesses (and other relevant groups) with government entities in the region involving policy reform dialogues. (Custom)	Annual	0	30	30	0	6	1	2	2	1	2		5	4		<p>This indicator will capture the number of interactions and dialogues between businesses and government organizations in the region on policy reform issues.</p> <p>Results include:</p> <ol style="list-style-type: none"> Two trade facilitation workshops in the Kyrgyzstan in April and June 2014 A session during the Dushanbe business-to-business event related to policy reform involving businesses and government representatives A session led by MOCI/EPA in March 2014, with women businesses A session at MOCI in July 2014 regarding para-tariffs under SAFTA A session at MOCI in July 2014 regarding issues related to rules of origin Session on regional trade challenges and practices under an export development course in the Kyrgyzstan in May 2014 Two roundtables in Kabul with private sector to discuss problems with APTTA Transport and Logistics workshop held in Kyrgyzstan in December 2014 Three public-private roundtables in Dushanbe on PATTTA in Feb. and March 2015 One public-private forum in Bishkek on the WTO TFA in March 2015 A session led MOCI to finalize SAFTA sensitive list in consultation with private sector, ACD, and other ministries Seminar on "Promoting Afghan Exports to South Asia" entailed significant dialogue between 80 businesses and government officials A roundtable in Bishkek on trade facilitation involving Ministry of Economy, border agencies, and traders in April 2015 Roundtable in Tajikistan in Aug. 2015 on AEO Co-planned the IRU TIR Roundtable in Aug. 23, 2015 and the TIR National Capacity Building Workshop in Kabul, on Aug. 24-25, 2015. Roundtable with private transport sector in MOCI on TIR, Kabul, on Aug. 10, 2015 Roundtable at MOCI with private sector in Aug. 2015 concerning APTTCA meeting Global Supply Chain Forum in Kabul in Oct. 2015 Customs Consultative Council on customs security in Bishkek in Oct. 2015 Global Supply Chain in Oct. 2015 Customs Consultative Council in Kyrgyzstan in Oct. and Dec. 2015 EU regional trade conference in Tajikistan Customs valuation training Nov. 2015 Two Customs Consultative Council meetings in Kyrgyzstan in Feb 2016 Experts of Kyrgyzstan Customs Consultative Council meet on an almost weekly basis (businesses and customs officials)
17	Percentage of respondents reporting improved climate for trade (Custom)	Biannually	33.3% 2013 (ACC/GIZ)	35%	19.3% (2015)	0	19.30%	0	NA	0	NA	0%		34%	35%		<p>This indicator monitors the outcome-level result of the improved climate for Afghan trade, based on ACCI Business Tendency Survey Report, in cooperation with GIZ. The survey asks the managing directors of businesses for their opinions on the current business situation, with disaggregated data on trade, and their expectations for the next six months.</p> <p>This indicator was added to the ATAR M&E results framework during Year 3 of implementation to monitor the outcome of interventions in the trade environment (harmonization, trade facilitation, regulations, procedures, trade/transit agreements), and baseline figure is from the first report from April 2013</p> <p>Note: The ACCI and GIZ have not yet made updated data available</p>
18	Number of proposals accepted to harmonize customs procedures or documents on transit corridors. (Custom)	Annual	0	20	13	0	0	1	0	1	1	2		4	4		<p>This indicator will capture the modernization and harmonization of customs rules and procedures with international standards on transit corridors to reduce border crossing costs and delays, including TIR. The indicator will track proposals (documents, procedures, recommendations, etc.) that are accepted. Accepted is defined as a tangible result, such as barriers removed or solved, enactment or implementation of proposals, public launch of initiatives, memorandums signed, or recommendations accepted. This indicator was revised in Year 3 to replace the term "discussed" to "accepted".</p> <p>ATAR launched customs harmonization initiatives, including risk management and PCA, that are ongoing. Results include:</p> <ol style="list-style-type: none"> Memorandum on information exchange and trade facilitation between Afghanistan and Tajikistan Memorandum on mutual exchange of risk management information in customs matters (Afghanistan, Kyrgyz Republic, and Tajikistan) Modality for single border stop between Afghanistan and Pakistan Recommendations for conformity with WTO TFA in Afghanistan Recommendations for conformity with WTO TFA in Kyrgyz Republic Recommendations for conformity with WTO TFA in Tajikistan Recommendations on advance rulings in Kyrgyz Republic Recommendations on AEO for Uzbekistan Recommendations to improve coordinated border management in Tajikistan Recommendations to Tajik Customs regarding institutional settings for effective management of post clearance audits and linking audit findings to the risk management system Proposal for establishing AEO in Tajikistan presented to Tajik Customs Modality for Afghan customs operating at Karachi port presented to ACD Kyrgyzstan adopted sublegal acts to implement AEO

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Sub IR 2.2: Benefits from enhanced market access expanded																	
19	Number of firms receiving USG capacity building assistance to export (A.2.2.3)	Quarterly	0	850	1,127	0	163	9	70	9	81	10		28	9	<p>ATAR was requested to no longer support export promotion events in Year 3 and Year 4.</p> <p>Capacity building assistance refers to market research, short-term technical assistance to government and/or private-sector beneficiaries, study tours and international trade fairs/exhibitions, exporter training sessions, networking and training supported by ATAR. ATAR will report on the number of firms sponsored in international trade events, with the outcome tracked in indicator 20. ATAR helped build the capacity of firms detailed below:</p> <ol style="list-style-type: none"> 1. Dushanbe business-to-business event: 45 Afghan businesses, 60 Tajik businesses, 50 Kyrgyz businesses, 2. 107 businesses from Dushanbe business-to-business event 3. EPAA seminar series on market research and international markets: 10 4. Seminar series on global logistics: 8 5. Training to prepare for participation in CATT/World Food: 13 6. Preparatory meetings for CADC in Afghanistan: 40 7. 20 business attended two trainings on exports in Kabul 8. 110 business attended TIR conference in Kyrgyzstan 9. 81 businesses attended two roundtables and one seminar on export credit 10. 7 businesses were assisted to participate in Domtote 11. 15 businesses participated in India Stone Mart 12. 9 businesses were assisted to participate in Gulfood 13. 9 businesses participated in Auhar exhibition 14. 10 business were trained on Letter of Guarantee 15. 5 businesses participated in World Food Exhibition in Kyrgyzstan 16. 13 businesses were assisted to participate in a craft selling exhibition in Italy 17. 51 businesses comprising of businesses and government officials participated in TIR awareness seminar in Kabul 18. 22 businesses participated in access to finance for trader conference 19. 23 businesses participated in trade finance training 20. 80 private exporters participated in "Promoting Afghan Exports to South Asia" 21. 25 carpet producers and exporters business-to-business event co-organized with ABADE 22. 42 Central Asian Trade Forum participants (Afghan firms) in Kyrgyzstan 23. 84 Global Supply Chain Forum participants in Afghanistan 24. 17 businesses participated in Women and Trade: Opportunities and Challenges in Afghanistan 25. 15 Gulfood orientation Baron in Kabul 26. 22 business skill Baron in Kabul 27. 33 Trade and Taxpayer Awareness Program 28. 1 roundtable on Food Safety Law 29. 21 Awareness training on trade remedies for the private sector 30. 40 Trade and Taxpayer Awareness Program 31. 13 Eid Bazaar Handicraft Exhibition 32. 6 E-Payment Launch 	
20	Estimated self-reported value of new deals by ATAR supported participants in trade events (Custom)	Quarterly	0	AFN 680 million	AFN 980.5 million	0	NA	0	AFN 164 million	0	AFN 0.5 million	0		AFN 476 Million	AFN 204 Million	<p>ATAR is focusing more on women business in the third year of the project. Women have traditionally exported less than men.</p> <p>This indicator tracks the outcome results from ATAR-supported firms in international trade events, recorded by the value of self-reported new deals as well as the actual signed deals. This indicator was added in Year 3 to report on the outcome of ATAR sponsorship and support in such events. This indicator was added in Year 3 to monitor the outcome of ATAR-supported participants, reported under indicator 19.</p> <p>During the Eid Bazaar exhibition in June 2016, Afghan business women sold their products for a total value of AFN 458,887.</p>	
IR3: Revenue generation for fiscal sustainability strengthened through reforms and anti-corruption measures in customs and taxation																	
21	Growth in customs revenue (overall and per border crossing). (Contractual)	Annual	AFN 49,460 Million in 1392	3%	24%	0%	NA	0%	24%	0%	24%	0%		3%	3%	<p>This indicator tracks the overall growth of customs revenue as an expected outcome from implemented reforms and anti-corruption measures. A customs duty and tax refers to tax on the importation and exportation of goods collected by custom houses. ATAR will report on this indicator, but will not be held accountable for achieving specific results. Statistics are as reported by ACD.</p> <p>Note: Customs revenue was 49,460 million in 1392 and declined 9 percent to 44,846 Million in 1393. Considering the decrease, ATAR sought a realistic target and set the target at a 3% increase for Year Three. In 1394, the customs revenue increased to 55,510 Million, showing a 24% rise over the prior year.</p>	
22	Revenue collection by electronic means. (Contractual)	Annual	0%	75%	1%	22%	0.75%	32%	0.40%	43%	1%	0%		53%	75%	<p>This indicator assumes that traders are interested and willing to use E-Pay, and that DAB and ACD roll out to remaining locations.</p> <p>This will monitor the collection of revenue by E-Pay as a percentage of total revenue collected. It will be reported in locations where E-Pay is available and will be disaggregated by location and include new locations as they become available.</p> <p>The total customs revenue collected by E-Pay in the seven months of 1395 at HKIA was AFN 371 million, and customs revenue in total for the seven months of 1395 was AFN 26,749 million, which is 0.74% of revenue collected through E-Pay.</p>	
23	Revenue leakages due to undervaluation of cargo are reduced. The overall goal is a 50% increase in accuracy in classification and 25% increase in revenues resulting from proper valuation. (Contractual)	Annual	TBD	50%	TBD	TBD	0%	TBD	0	TBD	0	TBD		TBD	TBD	<p>As per the contract, this indicator is tracking only. This indicator was added in Year 3 as per the contract.</p> <p>The first part of this indicator measures tariff classification competence of ACD staff. An ATAR advisor will conduct a tariff classification competence assessment at HKIA, Jalalabad, Herat and Mazar-e Sharif. This will give ATAR the classification competence baseline of staff.</p> <p>The second part of this indicator measures an increase in revenue resulting from proper valuation. The ATAR advisor will conduct a risk-based assessment to sample and review valuation of at least 10 commodities on ASYCUDA to find the 25% undervaluation.</p>	

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24	Ratio of customs revenue collected to GDP (Contractual)	Annual	7.5% World Bank (2012)	20%	5%	0%	0%	0%	0	0%	5%	0%		10%	20%	This assumes trade and revenue continues to increase, and that customs and other tax collection agencies are compliant.	This indicator tracks the overall growth of customs revenue collected as a percentage of overall GDP. ATAR will report on this indicator, but will not be held accountable for achieving specific results. This indicator was added in Year 3 as per the contract. In 2015, the ratio of customs revenue in the GDP of the county was 5% while in 2014 this ratio was 4% – showing a 1% increase.
25	Increase in customs duties (Contractual)	Annual	AFN 27 billion	AFN 2 billion	18%	TBD	0%	TBD	0	TBD	18%	TBD		TBD	TBD		This indicator measures the increase in customs duties. This indicator was added in Year 3 as per the contract and revised in the second quarter of Year 3. The previous wording is "Increase in customs non-tax revenue." Customs duties make up only a portion of overall revenue collected by ACD. This indicator aims to measure only the collection of customs duties apart from business receipt tax and other taxes collected by ACD. ATAR forecast a AFN 2 billion increase in customs duties, taking into account the increase in valuation and reduction in tariffs as a result of WTO accession. In 2015, ACD data showed a AFN 4 billion increase – customs duties was AFN 29.3 billion in 2015, while it was almost AFN 25 billion in 2014. ATAR will report on this indicator, but will not be held accountable for achieving specific results.
Sub IR 3.1: Customs procedures to increase transparency, efficiency, and uniformity in the collection of revenue, performance of core functions, and facilitation of trade improved																	
Milestone 3.1 MoU on Mutual Customs Matters signed between Afghanistan and UAE																	
26	Number of declaration forms processed in each ICD in Afghanistan. (Contractual)	Annual	(As of 2012) Hairatan: 66,851 Imports: 2,734 Exports: Torqand: 43,209 Imports: 542 Exports: Sher Khan Bandar: 16,199 Imports: 4,050 Exports: Torkham: 175,770 Imports: 32,451 Exports: Weish: 35,166 Imports: 2,167 Exports	2%	NA	0%		0%	NA	0%	5%	0%		2%	2%	ACD's five-year strategic plan projects that main import products will increase per year by 2%. All quarterly figures will show a 2% increase. However, this will depend on continuing increase in trade, the security situation and ACD becoming more effective in dealing with imports.	This indicator refers to the number of declarations processed, paying custom duties, disaggregated by import/export and ICD. The contract stipulates the number of laden vehicles; ATAR is recording declaration forms as laden vehicle data was limited. ATAR will report on this indicator, but will not be held accountable for achieving specific results. According ASYCUDA data, in 2014 the number of declaration was 258,443 and in 2015 the number was 271,697 which shows a 5% increase over the previous year.
27	Average customs processing time (Contractual)	Annual	Hairatan: 6 hrs, 17 minutes Mazar: 3 hrs, 42 min Jalalabad: 4 hrs, 18 min Sher Khan Bandar: 2 hrs, 13 min Aquna: 3 hrs, 21 min	2 hours	Herat: 1 hour and 18 minutes Mazar (Balkh ICD): 1hour 20 minutes Jalalabad 1 hour 03 minutes HKIA 51 mins Sher Khan Bandar 1 hours 10 minutes Aquna 1 hours 27 minutes	5 Mins	See notes. End of Dec. figures stated.	5 Mins	See notes	5 Mins	See notes	5 Mins		20 Mins	20 Mins		This indicator measures the processing of cargo from the time the entry is submitted on ASYCUDA to the time the release order is generated. This is a more accurate definition of customs processing time at border crossing (which is mentioned in ATAR's contract). ICD Mazar (Balkh ICD) 46 mins 1hr 11 mins 1hour 38 mins Aquna ICD 55 mins 1 hr 35 mins 2 hours Sher Khan Bandar 46 mins 1 hr 15 mins 1 hour 36 mins Herat 35 mins 1 hr 25 mins 1 hour 16 mins Jalalabad 39 mins 49 Mins 1hour 19 mins HKIA 29 mins 40 mins 1 hour 30 mins
28	Number of documents required to export/import goods across borders decreased (4.2.1-17) (Contractual)	Annual	10 Import/ 10 Export (World Bank Doing Business report 2014)	Tracking only	10 Import/ 10 Export (World Bank Doing Business report 2016)	Tracking only	10 Import/ 10 Export (World Bank Doing Business report 2016)	Tracking only	10 Import/ 10 Export (World Bank Doing Business report 2016)	Tracking only	10 Import/ 10 Export (World Bank Doing Business report 2016)	Tracking only		Tracking only	Tracking only	ACD will reduce this through paperless declarations using ASYCUDA World.	Reduction in the number of documents required to trade goods across borders as imports or exports; change in the total number of documents required as per World Bank Doing Business Indicator, confirmed by the Mission. Reducing the number of different economic growth and poverty reduction. Business report. Based on the 2016 report, Afghanistan requires 10 documents for import and 10 for export while the average document required for South Asia is 8 for import and 10 for export.
29	Number of steps reduced or streamlined at border (Contractual)	Annual	0	13	13	0	remains at 13	0	remains at 13	0	0	0		6	0	ACD will implement single window and other border initiatives such as joint border crossings / one stop shop. This will be done in consultation with the World Bank initiative.	This indicator measures the number of steps that have been eliminated to align the cargo clearance process to the blueprint of 13 steps. The number of steps reduced or streamlined is related to the implementation of the national blueprint decree of 13 total steps. This indicator will report at the Border Crossing Points (BCPs), but the main focus will be at the ICDs where ATAR is working to implement risk management strategies, so that compliant traders are routed to green and those that are non-compliant / higher risk go either to yellow or red lane. Note: ATAR is targeting a reduction of an average of 6 steps across locations. (An overall total of 38 extra steps across 6 locations is an average of 6 steps.) This indicator was added in Year 3 as per the contract.

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30	Time to export/import (days). (4.2.1-16)	Annual	85 days, import, 81 days, export (World Bank Doing Business report 2014)	Tracking only	18 days, import, 12 days, export (World Bank Doing Business report 2016)	Tracking only	18 days, import, 12 days, export (World Bank Doing Business report 2016)	Tracking only	18 days, import, 12 days, export (World Bank Doing Business report 2016)	Tracking only	18 days, import, 12 days, export (World Bank Doing Business report 2016)	Tracking only	18 days, import, 12 days, export (World Bank Doing Business report 2016)	Tracking only	Tracking only	ACD will become compliant. Capacity building initiatives by ATAR and the World Bank will see an improvement in efficiency and effectiveness through internal governance, internal compliance, effective use of resources, tackling corruption and implementing a more robust risk-based selectivity criteria.	The time necessary to comply with all procedures required to export goods. If a procedure can be accelerated for an additional cost, the fastest legal procedure is chosen. Doing Business complies procedural requirements for exporting a standardized cargo of goods by ocean transport. Documents associated with every official procedure are counted—from the contractual agreement between the two parties to the delivery of goods—along with the time and cost necessary for completion. For exporting goods, procedures range from packing the goods at the warehouse to their departure from the port of exit. The time and cost for ocean transport are not included. Payment is made by letter of credit, and the time, cost and documents required for the issuance or advising of a letter of credit are taken into account. The ranking on the ease of trading across borders is the simple average of the percentile rankings on its component indicators. 2016 Doing Business reports time of import and export as follows: Time to export: Border compliance (hours 48) Time to export Documentary compliance (hours 243). Time to import: Border compliance (hours 96) Time to import Documentary compliance (hours 336) Days total number of hours divided by 24.	
31	Number of customs systems in line with international best practices adopted. (Custom)	Annual	0	15	3	2	0	3	0	3	0	3	0	3	11	1	ACD will implement systems in areas agreed with ATAR	Systems refer to valuation, risk management, E-Pay, appeals, simplified import procedures, and the national hotline. Those implemented under ATAR are according to international best practice. 1. E payment has been implemented at three locations. 2. Hotline has been re-activated and is pending launch. 3. ANCA Standard Operating Procedures agreed with ACD Note: The new Director General is actively supporting ATAR in forging the way forward, and ATAR expects his support will result in changes being expedited.
32	Number of risk management procedures adopted at customs depots. (Custom)	Annual	0	10	2	2	0	2	0	2	1	2	0	8	1	ACD will implement procedures in areas agreed with ATAR	A procedure refers to risk awareness self-assessments, risk profiling, risk registers, and management controls as part of roll-out of risk management. Site Profile: This gives complete information on a site, including map, site layout, type of business and imports/exports coming through the site, top imports/exports and top importers/exporters, security information, stakeholders working close to the site, risks at the site, type of risk, level of risk, and work load at the site. Management Profile: Management profiles increase professionalism of the managers. The profile reduces the time it takes for a new manager to become familiar with the location, staff, work, organizational structure and business ethics and provides a common understanding of risk assessment and risk management. Multiple criteria risk profiles: ATAR introduced to ACD multiple risk-based criteria to improve its risk management approach to clearing cargo. ACD's use of multiple risk-based criteria should facilitate its risk management approach by drastically reducing cargo going for physical exam. ACD has traditionally used single criteria, based only on commodity.	
33	Number of training modules developed by ATAR. (Custom)	Annual	0	45	38	4	0	4	0	4	12	4	0	16	3	This indicator captures number of modules ATAR developed in support of ANCA.	Training modules developed: 1. Mobile Verification Team Foundation, 2. Airport Passengers Baggage, 3. Vehicle Examination, 4. Examination of Public Service Vehicle, 5. Container and Freight Examination, 6. Mobile Verification Team First Aid, 7. Internal Audit Awareness, 8. Post Clearance Audit, 9. Risk Management Basic, 10. Risk Management Level 1, 11. ASYCUDA Profile request form, 12. Intelligence Awareness, 13. Pocket Notebook, 14. Automated Selectivity and Targeting, 15. Intelligence 5*5 form, 16. Professional Standard Awareness, 17. Management Training Effective Communication, 18. Decision Making, 19. Leadership and Influence, 20. Staff Motivation, 21. Problem Solving Advanced, 22. Chairing and Participating in Meetings, 23. Planning and Time Management, 24. Presentation Skills, 25. Developing Effective Teams, 26. Management Training Delegation, 27. Changing Role of Management, 28. Managing the Managers, 29. Trainer Development Course 13 Modules, 30. Train the Trainer Course on Contemporary Management, 31. Train the Trainer Changing Role of Management, 32. Train the Trainer Motivation, 33. Train the Trainer Leadership and Empowerment, 34. Train the Trainer Delegation, 35. Train the Trainer Problem Solving and Decision Making, 36. Customs Valuation, 37. Customs Transit, 38. Planning	
34	Number of audit cases selected using risk-based criteria (Contractual)	Annual	0	40	1	0	0	0	0	1	1	4	0	5	35	ACD will implement PCA as a compliance function. The legislation will be changed to show this. ACD staff will be competent to perform such audits.	All post clearance audit will be selected using risk-based criteria. This indicator was added in Year 3 as per the contract. Multiple criteria risk profiles were used to select cases for PCA. The new risk profiling method was launched this quarter. One case was selected for PCA and is in progress. Note: This audit is a live case that began in the classroom and will proceed to client premises. The classroom activities are guiding the auditors through the process. Auditors will conduct the physical audit at the client's premise once the desk audit is complete.	
35	Share of cases yielding additional assessment (revenue) to cases selected for audit (Contractual)	Annual	0	30%	0	0%	0	0%	0	100%	0	0%	0	50%	50%	ACD will implement PCA. ACD will assign audits as per risk based selectivity criteria.	This indicator states percentage. ATAR will also track additional revenue collected during the risk-based audits. This indicator was added in Year 3 as per the contract.	

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Cross-cutting And Gender Indicators																	
36	Person hours of training completed in trade and investment enabling environment supported by USG assistance. (4.2.1-19)	Monthly	0	166 trainings (1,660 participants)	169 trainings (3,322 participants including 2,635 male and 687 female) 24,683 person hours of training	5	18 trainings (455 participants including 294 male and 161 female) 2,971 person hours of training	7	4 trainings (154 participants including 119 male and 35 female) 769 person hours of training	4	12 trainings (218 participants including 159 male and 59 female) 1,293 person hours of training	4		15	0		This indicator tracks all USG-supported trainings under ATAR. This indicator uses the following equation to express the number of USG-supported training hours that were completed by training participants: Hours of USG supported training course x Number of people completing that training course. Support from the USG. This indicator counts training hours that were delivered in full or in part as a result of USG assistance. This could include provision of funds to pay teachers, providing hosting facilities, or other key contributions necessary to ensure training was delivered. This indicator encompasses contractual indicator "Number of US supported training events held that relate to improving the trade and investment environment, number of participants (female/male), and person days of training". For accuracy, ATAR is reporting on training hours instead of days, as well as USAID Standard F indicator 4.2.1-19. Note: ATAR already achieved the life-of-project target for this indicator. Based on USAID's request, ATAR set a new target for Year Three. The target was 20 training sessions; ATAR has already exceeded that target with 34 sessions.
37	Person-days of training of key personnel in trade and customs regulation. (Custom)	Quarterly	0	213 days	204	4	0	5	0	4	18	5		18	0	ANCA is fully funded and operational. Participants are identified and will attend.	This indicator tracks only the trade related customs trainings in number of days as per Afghan info requirement. These trainings are also reported under indicator #36. During this quarter, there was a training on Enforcement of Intellectual Property Right in Borders for 13 participants including 1 key personnel (ACD's Tariff Department Manager).
38	Percentage of participants reporting increased knowledge and skills in trade, transit, or customs (Custom)	Quarterly	0%	95%	85%	95%	0%	95%	95%	95%	0%	95%		95%	95%	ANCA is fully funded and operational. Appropriate participants selected, participants answer honestly, etc.	This indicator tracks the outcome of ATAR training events that are substantial in capacity building and duration. The project will monitor increased knowledge and skills through pre-/post-testing where applicable, or through self-reported post-surveys. This indicator was added in Year 3 to strengthen the monitoring of the outcomes of training events. There were no such surveys conducted during this quarter.
39	Number of public events held to discuss trade and business policy matters with stakeholders, the public and the private sector. (Contractual)	Quarterly	0	280	263 events (participants include 2,586 males, 415 female)	0	6 events (participants include 38 males, 0 females)	15 events (150 participants)	23 events (150 participants 140 males, 10 females)	15 events (150 participants)	26 events (427 participant: 378 males, 49 females)	15 events (150 participants)		45 events	26 events (280 participants)		A public event is defined as an ATAR-led and/or supported trade-related activity such as conference, seminar, trade forum, presentations to university students, trade campaign, presentation to Parliament or Ministries, working group meetings, roundtable discussions, and other trade gathering.
40	Number of consultative processes with private sector as a result of U.S. government assistance. (Contractual)	Quarterly	0	24	21	0	2	1	1	1	1	1		3	4		Negotiating and implementing agreements requires intense coordination and cooperation among ministries and state bodies as well as with the private sector and civil society. Working groups for consultations on developing trade policies, negotiation strategies, trade procedures, and draft legislation with private sector will be captured under this indicator. The results to date include: 1. Consultative meeting on Feb. 22 with fruit and vegetable businesses 2. Consultative meeting on March 3 with handicraft, carpet, gemstones, and marble businesses 3. Consultative group with representatives of chambers from four regional counties (Afghanistan, Kyrgyzstan, Pakistan, Tajikistan) to establish a sustainable mechanism for cooperation across the region 4. Consultative meeting with Kabul Chamber of Commerce and Industries regarding customs valuation practices 5. Working group for development of implementing regulations for food safety law 6. Consultations by the MOPH with private sector regarding changes to fees for import of pharmaceuticals and medical equipment 7. Working group on developing implementing legislation for the law on animal health 8. Consultative meeting on sensitive list with stakeholders 9. Consultative meeting with Afghan Marble Association on problems faced by marble sector 10. Consultative meeting with the Ministry of Transport on revising transport laws in the context of TIR 11. Consultative meeting with MOCI on reactivation of TIR 12. Customs Consultative meeting in Bishkek between customs and traders on June 18 13. Consultative working group on trade facilitation Lake Issyk-Kul June 15-16 14. Roundtable in Tajikistan on Post Clearance Audit in Sept. 2015 15. Roundtable with private transport sector in Ministry of Commerce and Industries on TIR, Kabul, on Aug. 10, 2015 16. Consultative process with Afghan Marble Association on removing ban on export of marble in rough form in August 2015 17. Roundtable at MOC with private sector early August concerning APTCA meeting 18. Customs Consultative Council on customs security in Kyrgyzstan in Oct. 2015 19. Customs Consultative Council in Kyrgyzstan in Oct. and Dec. 2015 20. Customs Consultative Council in Kyrgyzstan Feb. 2016 21. Customs Consultative Council in Kyrgyzstan April 2016
41	Number of females who report increased self-efficacy at the conclusion of USG supported training/programming. (GNDR-3 F indicator)	Annual	0	200	0	0	NA	0	25	0	0	0		110	90		This indicator measures the percentage of females who report increased self-efficacy through post-surveys of G/ROA internships and possibly other substantial trainings, to also monitor the effectiveness of the Gender Action plan. This indicator was added in Year 3. No such surveys were conducted during this quarter.
42	Number of permanent professional positions allocated for women within MOCI, ACD, AFSA, MALL and MOPH. (Contractual)	Quarterly	173 females in ACD and MOCI	175	3	0	0	0	3	0	0	0		90	85	The MDF / ACD Tashkeel will highlight positive discrimination to identify a minimum number of positions for females MOCI allocated 30% of positions for women in 1395.	In line with the Tokyo Mutual Accountability Framework and the National Action Plan for Women, ATAR will support ACD in meeting benchmarks related to increasing female participation in elected and appointed bodies at all levels of governance to 30 percent by 2020. Originally, this indicator was tracking only positions at ACD, but has been revised in Year 3 to include all ATAR-related counterpart ministries and departments. This indicator was revised in Year 3 to expand from monitoring permanent positions at ACD to all ATAR counterparts.

No.	Indicator/Milestone	Frequency of Reporting	Baseline	Life-of-Project Target	Project Achieved (Nov. 2013 - June 2016)	Q1 Target Oct. 2015 - Dec. 2015	Q1 Achieved Oct. 2015 - Dec. 2015	Q2 Target Jan. 2016 - March 2016	Q2 Achieved Jan. 2016 - March 2016	Q3 Target April 2016 - June 2016	Q3 Achieved April 2016 - June 2016	Q4 Target July 2016 - Sept. 2016	Q4 Achieved July 2016 - Sept. 2016	Year 3 Total Target (Nov. 2015 to Nov. 2016)	Year 4 Total Target (Nov. 2016 - Nov. 2017)	Assumptions	Definition/Notes
43	Number interns completing a six-month internship at CIRDA. (Contractual)	Quarterly	20	100	59	0	16	21	0	0	24	21		42	43	Based on receptivity of counterparts, female applicants, appropriateness for placement, task/role, etc.	ATAR will support CIRDA to implement an internship program at counterpart ministries and departments for university women. The internships will be headquarter-based rotational placements for a period of six months. Originally, this indicator was tracking only internships at ACD, but has been revised in Y3 to include all ATAR-related counterpart ministries and departments. This indicator was revised in Year 3 to track all interns, disaggregated by gender, from just ACD to all counterparts. During this quarter 24 interns including 17 females and 7 males, were hired. During this quarter, 14 interns including 8 females and 6 males, completed their six month internship.
44	Percentage of Afghan long-term female staff employed on ATAR (Custom)	Quarterly	8%	20%	13.24% (Total long term staff during this quarter 68 - male 59, female 9)	0	12% (Total long term staff during this quarter 58 - male 51, female 7)	0	11% (Total long term staff during this quarter 55 - male 49, female 6)	0	13.24% (Total long term staff during this quarter 68 - male 59, female 9)	0%		15%	20%	Qualified female applicants will apply.	As part of the gender action plan, ATAR is focusing efforts to increase the representation of women on its professional staff to increase capacity building in trade and customs related activities and project management. This indicator will monitor the percentage of female professional staff as part of all ATAR professional staff. This indicator was added in Year 3.
45	Percentage of participants reporting increased agreement with the concept that males and females should have equal access to trade (social, economic, and political) opportunities (GNDR 4 F indicator)	Annual	59% placeholder baseline based on KAP survey	65%	N/A	0%	0%	0%	0%	0%	0%	0%		0	65%		As part of the gender action plan, ATAR recognizes that comprehensive gender integration may be a new area of intervention for some counterparts. As such, in order to successfully initiate change, increasing understanding and awareness of gender equality issues within the trade sector in Afghanistan will be imperative. This indicator will track the outcomes of the gender action plan with attitudes about equal access for males and females to trade opportunities. It is also a USAID standard F-indicator for gender. As a placeholder for the baseline, ATAR is citing the "Knowledge, Attitude, and Practice (KAP) Survey of Afghanistan towards Trade" sponsored by USAID's Trade Accession and Facilitation for Afghanistan (TAF) project in September 2010. Specifically, for this indicator, the survey reports a percentage agreement of 59% with the question, "Would you do business with a female trader?" without reservation (an additional 20% said yes if they knew the female trader). This indicator was added in Year 3.
46	Percentage of participants reporting increased understanding and knowledge of gender related issues in trade (Custom)	Quarterly	0%	100%	N/A	85%	0%	85%	0	85%	0%	85%		85%	100%	ACD will continue with the gender awareness program, advised by ATAR, when ANCA is fully funded and operational.	As part of the gender action plan, ATAR recognizes that comprehensive gender integration may be a new area of intervention for some counterparts. As such, in order to successfully initiate change, increasing understanding and awareness of gender equality issues within the trade sector in Afghanistan will be imperative. This indicator will track the outcomes of the gender awareness trainings as presented in the gender action plan. Through post-surveys, the indicator will report the percentage of participants reporting an increased understanding and knowledge of gender-related issues in trade. This indicator was added in Year 3.
47	Number of outreach materials developed and disseminated on gender-related issues in trade, transit, or customs (Custom)	Quarterly	0	6	3	0	0	0	0	0	3	0		3	3	ACD will continue with the gender awareness program, advised by ATAR, when ANCA is fully funded and operational.	As part of the gender action plan, ATAR recognizes that comprehensive gender integration may be a new area of intervention for some counterparts. As such, in order to successfully initiate change, increasing understanding and awareness of gender equality issues within the trade sector in Afghanistan will be imperative. This indicator will track the number of outreach and awareness materials on gender-related issues in trade as part of the gender action plan. This indicator was added in Year 3. 1. One business skill training for women 2. Two flyers

G. COLLABORATION

Links with Relevant Afghan Government Ministries

ATAR's success is dependent on its close relationship with the Afghan government, specifically MOCI, ACD, and other ministries and government agencies relevant to Afghanistan's WTO accession and trade environment. ATAR had staff embedded at ACD and MOCI to work with the entities regularly, but the staff faced security challenges. ATAR's expatriate staff was unable to embed at ACD due to security restrictions; the expatriate staff conducted meetings and visits as possible and relied on local staff that remained embedded with intermittent restrictions.

Despite the security issues, ATAR continued working closely with ACD, MOCI, MOJ, and other relevant ministries and related entities such as MAIL and MOPH by conducting meetings, trainings, and working groups to ensure that government officials were part of the decision-making process and had a thorough understanding of topics such as WTO activities (including draft laws, regulations, and procedures).

In June, ATAR also partnered with the Ministry of Women's Affairs to organize a two-day exhibition in Kabul to help businesswomen increase sales and raise public awareness of their contribution to the economy.

Links with Other Donor Agencies

In support of the project's activities in Central Asia, ATAR continued to work with other donor agencies. For example, in Tajikistan, ATAR participated in a regional seminar on transport and logistics that was funded by GIZ. In Kyrgyzstan, ATAR presented information on the trade potential of Kyrgyzstan and Afghanistan to GIZ and the American Chamber of Commerce and liaised with the European Union's Border Management Program in Central Asia (BOMCA 9).

In Kabul, ATAR also began work with UN Women to support the participation of Afghan businesswomen in the "Made in Afghanistan" event to take place in India.

Links with Other USAID Projects

In partnership with USAID's CHAMP, USAID's RADP-S, and USAID's FAIDA, ATAR began preparing for a "Made in Afghanistan" event to be held in July in India. ATAR also partnered with FAIDA to hold a handicraft exhibition for craftspeople in April and a "Youth and Trade" event in June.

In Central Asia, ATAR was co-located with USAID's REC project at the Chemonics' office in Tashkent, Uzbekistan, and continued to coordinate on regional trade activities – including helping the project identify participants for CATF. In Turkmenistan, ATAR researched the market for Afghan exporters working with USAID's RADP-W.

H. MANAGEMENT AND ADMINISTRATIVE MATTERS

Personnel

ATAR's Deputy Chief of Party Safir Sahar replaced the project's Chief of Party Francois Pepin, and ATAR's former Communications Director assumed the position of Deputy Chief of Party. The Component 3 Team Manager resigned during the quarter for another position. ATAR began recruiting for his replacement. Recruitment for the Component 1 Team Manager was pending as of the end of the quarter.

Modifications and Amendments

ATAR's contract was not modified or amended during the quarter.

ANNEX A: PRESS RELEASES



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WTO APPROVES AFGHANISTAN'S ACCESSION TERMS

For Immediate Release

Thursday, December 17, 2015

Kabul, Afghanistan – The World Trade Organization (WTO) formally adopted Afghanistan's terms of accession into the renowned multilateral trading organization at the WTO's 10th Ministerial Conference on December 17 in Nairobi, Kenya. Afghanistan will have until June 2016 to ratify the deal and formally become WTO's 164th Member, joining a global trading organization that accounts for about 95 percent of the world's commerce.

In preparation, Afghanistan engaged in ambitious legal and administrative reforms in areas such as trade policy, customs, food safety, animal and plant health, intellectual property, and standardization. These reforms will benefit Afghan consumers and businesses as well as foreign firms seeking to do business with Afghanistan. Afghanistan also concluded bilateral market access negotiations on goods and services with nine WTO Members (Canada, Chinese Taipei, the European Union, Japan, the Republic of Korea, Norway, Thailand, Turkey, and the United States).

"I would like to assure you that Afghanistan is committed to playing by the rules of the multilateral trading system," said Afghanistan's Minister of Commerce and Industries Humayoon Rasaw at WTO's headquarters in Geneva prior to the Nairobi meeting. "We view adherence to WTO agreements as critical for strengthening the rule of law, increasing transparency, and building the foundation for sound economic development in Afghanistan."

WTO membership will open lucrative markets for Afghanistan and provide a number of rights for the landlocked country, including the critical right to transit. WTO membership will send a signal that Afghanistan has established a predictable, transparent, and cost-efficient business environment that upholds the rule of law and protects investor rights.

"As we acknowledge the importance of this development, we want to congratulate Afghanistan in becoming a member of the WTO," said U.S. Ambassador P. Michael McKinley. "The government of Afghanistan has not only met most of the requirements for membership but has undertaken reforms that will benefit Afghan consumers and businesses. By joining the WTO, Afghanistan also becomes more attractive to investors and facilitates the growth of trade and economic ties with the region. Afghanistan's people and businesses will benefit from greater job opportunities, administrative transparency, and confidence in the future."

USAID has worked closely with the Afghan government and private sector since 2009 and will continue supporting Afghanistan in fulfilling its WTO commitments following membership through the Afghanistan Trade and Revenue (ATAR) project.

[Press Release - WTO Approves Afghanistan's Accession Terms \(Dari\)](#) [DOCX, 83K]

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E-PAY OF CUSTOMS DUTIES READY FOR NATIONWIDE ROLLOUT

For Immediate Release

Wednesday, June 22, 2016

Kabul, Afghanistan – Traders across Afghanistan will soon have the opportunity to pay customs duties electronically through any commercial bank. This will eliminate the need to pay with cash at the specific customs sites to clear the goods.

"Traders have traditionally paid customs duties in cash. This new system will allow them to pay fees at any bank in Afghanistan," said Minister of Finance Eklil Hakimi. "Trade is vital to our economy and E-pay will help traders to do business more quickly and easily," said Minister of Finance Eklil Ahmad Hakimi.

The Afghanistan Customs Department (ACD) and Da Afghanistan Bank (DAB), with support from USAID's Afghanistan Trade and Revenue project, implemented the first electronic payment of customs duties, called E-Pay, in Kabul and Mazar-i Sharif in 2015. Almost 25 percent of all customs duties paid at Hamid Karzai International Airport are now paid through E-Pay.

In June 2016, ACD and DAB started phasing in E-Pay in other locations across the country, including at Andkhoy, Herat, Islamqala, Torghundai, Nangarhar, Torkham, Kandahar, Weesh, Khost, Nimoroz, and Kunduz. This rollout will result in the nationwide implementation of E-Pay.

"This is a major step toward aligning Afghanistan with international best practices and facilitating trade," said USAID Mission Director Herbert Smith. "E-Pay helps traders save time, improve security, and reduce opportunities for corruption."

E-Pay eliminates the need for a trader to pay cash at the DAB branch located at the customs site processing the customs declaration. E-pay also helps automate the collection of customs duties, speeds the release of goods, and is considered a best practice for modern customs administrations. ACD collects almost 50 percent of the Afghan government's revenue.

USAID's Afghanistan Trade and Revenue project worked closely with ACD to launch E-Pay and is supporting ACD in other customs reforms. The project is also helping Afghanistan in its accession to the World Trade Organization and in improving regional trade relationships.