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EVALUATION

Mid-Term Evaluation

Trade and Accession Facilitation for Afghanistan (TAFA) Project

March 2012

This report was produced for review by the United States Agency for International Development (USAID). It was prepared under contract with Checchi and Company Consulting, Inc. for USAID's Afghanistan "Services under Program and Project Offices for Results Tracking" (SUPPORT) project.

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Checchi and Company Consulting, Inc.
Afghanistan SUPPORT Project
Wazir Akbar Khan
Kabul, Afghanistan

SUPPORT Project
Activity Signature Page

Evaluation Title: Trade and Accession Facilitation for Afghanistan (TAFA) Mid-Term Evaluation.

Team Leader: Bea Cellar
Team Members: Nihal Pitigala,

This Activity was initiated by OEG through Mr. Sayed Aqa, COR/SUPPORT Program, OPPD, USAID/Afghanistan.

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Paul King, Chief of Party/SUPPORT:
Hoppy Mazier, Deputy Chief of Party/SUPPORT:

Disclaimer:

The views expressed in this report are those of the authors and do not necessarily reflect the views of USAID, the Government of Afghanistan, or any other organization or person associated with this project.

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ACRONYMS

AAFFCO	Afghanistan Association of Freight Forwarding Companies
ACCI	Afghanistan Chamber of Commerce and Industry
ACD	Afghanistan Customs Department
AISA	Afghan Investment Support Agency
ANSA	Afghanistan National Standards Authority
APTTA	Afghanistan Pakistan Transit Trade Agreement
APTTCA	Afghanistan Pakistan Transit Trade Coordinating Authority
ASYCUDA	Automated System for Customs Data
ATTA	Afghan Transit Trade Agreement
BCP	Border Crossing Point
BMTF	Border Management Task Force
CAREC	Central Asian Regional Economic Cooperation Program
CSO	Central Statistics Office
CVA	Customs Valuation Agreement
DBI	Doing Business Indicator
DFID	Department for International Development
ECO	Economic Cooperation Organization
ECOTA	Economic Cooperation Organization Trade Agreement
EPAA	Export Promotion Agency of Afghanistan
EU	European Union
FAIDA	Finance Access for Investing in the Development of Afghanistan
FIATA	Federation International of Freight Forwards Associations
GATT	General Agreement on Tariffs and Trade
GIRoA	Government of the Islamic Republic of Afghanistan
GIZ	German International Cooperation
ICD	Inland Customs Depot
IMWG	Inter Ministerial Working Group
ISAF	International Security Assistance Force
KIA	Kabul International Airport
MoCI	Ministry of Commerce and Industry
MoF	Ministry of Finance
MoFA	Ministry of Foreign Affairs
MoTCA	Ministry of Transport and Civil Aviation
MoWA	Ministry of Women Affairs
OEG	USAID Office of Economic Growth
OSS	One Stop Shop
PPP	Public Private Partnership
SAFTA	South Asian Free Trade Area
SATIS	South Asian Trade in Services Agreement
TAFA	Trade and Accession Facilitation for Afghanistan
TLP	Trade Liberalization Program (SAFTA)
TSC	Trade Services Centers
UNCITRAL	United Nations Commission on International Trade Law
UNDP	United Nations Development Programs
WTO	World Trade Organization

I. EXECUTIVE SUMMARY

The Trade and Accession Facilitation for Afghanistan (TAFA) which is implemented by Chemonics, International and managed by USAID's Office of Economic Growth (OEG) began in November 2009 with an initial investment of $63 million for five years. TAFA's goal is to improve the trade environment of Afghanistan with a specific focus on cross-border trade and transit to foster increased investment, exports, and market-based employment opportunities. To accomplish this, TAFA supports the Government of the Islamic Republic of Afghanistan (GIRoA) and the private sector in four main areas:

1. Trade-policy liberalization;
2. Customs reform;
3. Trade facilitation; and
4. Public outreach on trade-related issues.

The objective of conducting a mid-term evaluation of TAFA is to determine project effectiveness and achievements thus far; to assess whether the project has met its objectives and benchmarks; and if not, why not. The evaluation is intended to provide recommendations for TAFA's focus of activities for the remainder of the project and to guide USAID in the design of future projects.

1. TRADE POLICY LIBERALIZATION

Findings

Key achievements by TAFA include establishing the World Trade Organization Unit and the Trade Policy Unit (TPU) within the Ministry of Commerce and Industry (MoCI), and assisting the Afghanistan Customs Department (ACD) to improve the methodology for combining and verifying customs trade statistics.

TAFA's analysis on the impact of South Asian Free Trade Areas (SAFTA) reveal positive effects on revenue, exports and sensitive lists that exclude products from trade preferences under trade agreements such as SAFTA. The analysis generated support among stakeholders in both the public and private sectors, many of whom had been skeptical about the benefits of joining SAFTA. TAFA also facilitated signing of the Afghanistan Pakistan Transit and Trade Agreement (APTTA) in 2010.

Major accomplishments of TAFA's World Trade Organization (WTO) Accession activities include:

- Creating the Inter-Ministerial Working Group (IMWG);
- Facilitating signing a Memorandum of Foreign Trade Regime (FTR) submitted to the WTO Secretariat in April of 2009;
- Facilitating two Working Party meetings;
- Drafting laws for MoCI in conformance with WTO requirements;
- Facilitating formation of the MoCI Sectoral Business Groups; and

- Conducting training seminars on the WTO accession process.

It appears that TAFA has had very little interaction with the private sector other than through the Afghanistan Chamber of Commerce and Industry (ACCI), or with stakeholders in academia, other associations, or civil society organizations, thus missing opportunities to gain a broad base of local knowledge and ownership. Many of the new generation of entrepreneurs view the ACCI as an 'old boy's club' that lacks integrity and transparency.

Conclusions

TAFA objectives relative to Trade Policy and Trade Agreement focus on improving the GIRoA's capacity to negotiate and implement regional and international agreements. Challenges for TAFA as it moves through the WTO accession process include bottlenecks in the GIRoA administrative processes; weak institutions; fragile legal structures related to real and intellectual property ownership; limited capacity and knowledge regarding multilateral trading systems; and poor awareness among key stakeholders of the issues and benefits involved in WTO accession. If TAFA's program activities and financial support for WTO are implemented as planned, Afghanistan's accession to the WTO by the end of 2014 appears to be technically possible.

While efforts to support inter-agency coordination on trade policy negotiations have been effective in terms of SAFTA, Economic Cooperation Organization Trade Agreement (ECOTA) and the WTO, activities with the Afghanistan Pakistan Transit Trade Agreement (APPTA) have been less effective.

TAFA's sole reliance on ACCI for private sector engagement may result in policies and initiatives that will not garner the support of a new generation of business owners.

Summary of Recommendations

- Focus on trade, tariff reforms and WTO accession supported by robust economic analysis;
- Deepen engagement with stakeholders to gain buy-in with other governmental agencies and private sector for Trade Agreements and WTO Accession, targeting new emerging business leaders and groups;
- Hire a post graduate economist for a full-time, long-term staff position embedded with MoCI to both conduct analysis and build capacity in addition to conducting analysis as needed; and
- Provide technical and financial support to APPTA to ensure effective implementation for Afghanistan's integration into world trading systems.

2. CUSTOMS REFORMS

Findings

TAFA's work with Afghan Customs Department (ACD) has helped to reduce the time and cost of customs clearance, thereby reducing the transaction costs of commerce. For

example, the number of steps at Kabul International Airport (KIA) to clear goods was reduced from 32 to 22; clearance time per transaction has also been reduced. TAFA has helped to streamline KIA customs operations; supported creation of the new ACD Tariff Research and Statistics Unit; generated the Revenue Action Plan (RAP); and advocated cooperation with the Border Management Task Force (BMTF). Among TAFA's most significant accomplishments include:

- Streamlined procedures at the Kabul Inland Customs Depot (KICD) and the KIA;
- Job descriptions for ACD officers;
- Streamlined procedures at inland customs depots (conducted with other donors); and
- Introduction of a new customs valuation database (TARVAL) to generate an Automated System to Capture Customs Data (ASYCUDA).

Conclusions

The macro issues that stymie ACD financial targets include a pervasive system of corrupt customs officials and provincial authorities that limit the effectiveness of reforms. As voiced by a number of stakeholders interviewed, a system of cross-border trade that functions through "connections" remains an obstacle to the reform process.

Summary of Recommendations

- Increase the emphasis on standardization of reforms;
- Support the speedy implementation of ASYCUDA with other donors and foster closer ties between regional provincial leaders and customs officers; and
- Facilitate closer ties between ACD and Afghanistan's Provincial leaders and Council to insure that reforms are integrated provincially and regionally.

3. TRADE FACILITATION

Findings

The objective of TAFA relative to trade facilitation includes improving the efficiency of transport and transit for imports and exports. Afghanistan's land-locked position poses significant challenges for successful integration into global trading systems.

TAFA was instrumental in establishing the One Stop Shop OSS that is designed to expedite export document processing and to support Export Promotion Agency of Afghanistan (EPAA) and the Afghanistan Association of Freight Forwarding Companies (AAFFC).

Despite the benefits many traders continue to use agents rather than the OSS because they are more familiar with the old procedures. Furthermore, guild memberships for exporters and certificates of origin are mandatory, thus negating many benefits of OSS.

The potential benefits of Public Private Partnerships (PPPs) have not been realized due to (1) poor buy-in by key Ministries and (2) lack of collaboration between agencies that own

land such as MoCI and the Afghan Investment Support Agency (AISA) whose mandate is to facilitate private sector development. TAFA is attempting to facilitate closer cooperation and collaboration among these entities.

A major hindrance to these efforts is MoCI's lack of initiative in implementing PPPs. In fact, AISA has acknowledged that the rigidity in transfer of land and therefore access to land as one of the major obstacles to domestic and foreign investment in Afghanistan.[1]

Conclusions

Although MoCI is TAFA's main counterpart, it has not participated in the Working Group to address the *Doing Business Indicators*. With MoCI participation, the initiatives to streamline exporting, such as eliminating export quality certification and reducing the time and cost of exporting, could raise Afghanistan's rating on the *Trading Across Borders* indicator. Furthermore, TAFA staff embedded at MoCI puts the project in an ideal position to increase cooperation regarding the issues of land transfers.

In order for benefits of OSS to be fully realized, issues with guilds will need to be addressed; exporters will need to be trained to increase usage of the new system; and awareness will need to be raised among exporters of the existence of OSS and the benefits it offers.

Summary of Recommendations

- Facilitate private sector logistics services such as cargo handling, insurance, warehousing, storage facilities, transportation and trade finance in order to expedite cross-border movement;
- Assist in resolving issues created by guilds, certificates of origin, and licensing to reduce transaction costs;
- Raise awareness and conduct training with exporters on OSS; and
- Explore options for transit arrangements beyond APTTA such as the Central Asian Regional Economic Cooperation Program (CAREC) to reach markets beyond Asia.

4. PUBLIC OUTREACH

Findings

TAFA conducted economic journalism training and supported the establishment of the Economic Press Club, undoubtedly the most notable accomplishment of Public Outreach. Through these activities 766 journalists, including 117 women, were taken on 20 site visits throughout the country, visiting industrial parks, custom houses, and power plants to gain more in-depth understanding of issues related to cross-border trade and commerce. The Project also hosted three sessions of trade reporting training involving 161 journalists in 28 provinces on topics such as the WTO, trade agreements, standards,

[1] AISA, June, 2009 Volume 2, Issue 7.

advocacy, international marketing, and cross-border trade. In addition, sessions included the training local trainers. This outreach effort resulted in the training of 4,486 Afghans (2,791 men and 1,695 women) through 131 training sessions.

Although TAFA has attempted to include women in the training, there are few women holding management-level positions with TAFA counterparts ACD, MoCI Trade Policy and WTO Teams. A focus group was conducted with members of the Afghan Women's Business Council (AFWBC), who had attended various TAFA training events.

In 2010 TAFA conducted a *Knowledge, Awareness and Perceptions* (KAP) baseline survey as a first step towards measuring change in public perception relative to international trade policy and practice. In order to measure change, the KAP will need to be repeated either in 2013 or 2014.

Conclusions

Training journalists in cross-border trade and WTO economic issues has contributed to increasing their in-depth understanding of trade-related issues. As evidenced by a recent event, they are now able to engage in informed discussion.

Formation of the Press Club provides a platform through which TAFA may increase media awareness of key issues and ongoing reforms, and thus build support for WTO accession and trade reforms.

Summary of Recommendations

- Training should continue for the Press Club and for journalists through TAFA directly or through other USAID projects such as AMDEP;
- Identify ways to create opportunities for women in professional positions within MoCI, AISA and EPPA and build their capacity to fully participate in WTO and trade reform initiatives.
- Engage female business-owners, faculty and government staff by instituting a program at a university or think tank to build a cadre of well-informed women who can lend their voices to WTO accession, trade agreements, standards, and customs.
- Leverage journalists in the Press Club to develop media products that promote the trade reform agenda and the benefits of WTO accession.
- Conduct a follow-up KAP survey to measure change.

II. INTRODUCTION

The TAFA project, implemented by Chemonics, International, began in November 2009 with $63 million for one base and four option years. In May 2010, USAID increased the burn rate of the project to accommodate changing GIRoA priorities and to take advantage of emerging opportunities. The accelerated pace of project implementation (without a commensurate change in the initial investment) shifted the expected project life from five years to three and one-half years without an amended contract.

TAFA was created to improve the trade environment, including cross-border trade and transit to enable the GIRoA to foster increased investments, exports, and market-based employment opportunities. This will be accomplished through: (1) increasing Afghanistan's ability to participate more effectively in the regional and global economy while maintaining a liberal trade regime; (2) improving the conditions for international and cross-border trade and transit by removing bottlenecks and reforming customs and other border-clearance procedures; and (3) helping the GIRoA and the private sector to pursue and realize the advantages of greater regional and global trade linkages and economic integration. To accomplish these objectives, TAFA supports the GIRoA and the private sector in four main areas:

1. Trade-policy liberalization;
2. Customs reform;
3. Trade facilitation; and
4. Public outreach on trade-related issues.

The objective of conducting a mid-term evaluation of TAFA is to determine project effectiveness and achievements thus far; to assess whether the project has met its objectives and benchmarks; and if not, why not. (Annex A: Statement of Work) Ultimately, the evaluation is intended to provide recommendations for revising TAFA's focus of activities for the remainder of the project and to inform USAID in designing subsequent projects.

The evaluation is intended to provide an informed basis from which to consider improvements to the existing program and for follow-up trade and customs assistance that can nurture continued development and stabilization in Afghanistan.

The evaluation followed the USAID guidelines offered by *Trade Capacity Building Methodologies and Indicators,* focusing on activities stemming from the Sub-Intermediate Results Framework. Table 1 illustrates the Results Framework upon which TAFA was designed, along with project objectives and resulting activities defined within TAFA workplans.

Table 1: Evaluation Framework

Component[1]	Sub-Intermediate Result[1]	Goals and Objectives[1]	Activities Evaluated[2]
1. Trade policy liberalized	1.1. Interagency coordination for consistent trade-related policy improved	Develop Afghan capacity to formulate strong, well-coordinated trade & tariff policy that contributes to improved trade policies, laws & regulations	• Streamline intra-government process, procedures and policies and institutions for international best practices • Improve inter-agency coordination including private sector for efficient policy-making • Establish and improve an institutional framework for trade and tariff policy liberalization with lower and uniform rates. • Improve collection, analysis and dissemination of trade data for inform policy decisions
	1.2 Significant progress achieved on regional trade /bilateral agreements	Build Capacity of implementing institutions to draft legislation and institutional reforms required to improve the trade regime within the region especially SAFTA and APTTA and to meet WTO requirements.	• Assist GIRoA with completion of APTTA • Support the completion of "Unauthorized trade" study • Assist GIRoA implements SAFTA and boost market access. • Support GIROA prepare legal and regulatory framework for WTO accession • Assist GIRoA prepare responses for the Working Party • Provide support to the WTO Unit so that it is sustainable
	1.3 Significant progress achieved toward World Trade Organization accession		
2. Customs procedures streamlined	2.1. Customs management processes improved	Assist the Afghan Customs Department in implementing its comprehensive Five-Year Plan (2007-2012) focusing on area of greatest returns in revenue- such as increased transparency and consistent application of customs procedures nationwide.	• Serve as an adviser to ACD management with expatriate mentors • Assist GIRoA reform customs legislation, policies, procedures and guidelines ; strengthen internal audit procedures • Standardize and adopt uniform customs procedures at ACD
	2.2. Customs procedures improved to reduce delays and cost		• Review customs law and amend as necessary for post-release audits and risk management • Build capacity at border customs points • Aid in developing and managing IT systems and ASYCUDA
	2.3. Border management model improved		• ACD and GIRoA will have a clear roadmap for the implementation of collaborative Border Management activities
3. Trade facilitation strengthened	3.1. Trade-related initiatives enhanced to expand the export sector	Improve the time, cost and predictability of transporting shipments along the transit corridor and remove impediments to transportation and transit goods	• Build capacity of GIRoA to develop and manage industrial parks with an export focus • Export promotion techniques developed in cooperation with EPPA
	3.2. Trade processes, systems, and export services simplified		• Provide technical, legal, institutional, and financing constraints to establishing a PPP program for trade-related infrastructure

Component[1]	Sub-Intermediate Result[1]	Goals and Objectives[1]	Activities Evaluated[2]
			Adoption of Standards meeting WTO and other international requirements • Establish One Stop Shop for Exporters in Kabul that reduce the number of documents and ease export transactions • Facilitate improvement in Doing Business Trading Across Borders indicator
	3.4. Best practices reflected in transport institutions and road and rail transport legislation enacted		• Technical assistance to the Ministry of Transport and Civil Aviation (MOT), including drafting modern rail and road legislation; • Technical assistance to the private sector esp. freight forwarders, (cargo handling, shipping, insurance and transport/trucking • Provide technical assistance to ACCI in developing the capacity to join and administer its responsibilities under the TIR Convention • Provide GIRoA develop product standards and certification requirements by building capacity at ANSA and providing
4. Public support for and knowledge of market-based free trade strengthened	4.1. Public outreach on trade-related issues increased	Increase awareness of the costs and benefits of regional trade negotiations and the WTO accession process to promote "ownership of agreements reached; and ensure public knowledge of latest trade-related legislation.	• Build capacity of media, especially economic journalists to understand and report on trade. • Encourage women's and youth organizations to engage in advocacy and outreach on trade, • Understand benefits of trade and provide promotional and information materials that help businesses take advantage of trade and trade agreements. • Build public awareness and support for market based free trade among Afghan stakeholders and citizens.

[1] Extracted from TAFA Scopes of Work; [2] selected from TAFA annual work plans

As set forth in the TAFA Mid-Term Evaluation Statement of Work, USAID defined five questions to guide the evaluation's effort to gauge the challenges, strengths, weaknesses, and lessons learned, and to provide recommendations for the future of the project:

1. Were the design assumptions regarding the trade policy and trade facilitation development approach in Afghanistan sound?
2. What has been the overall effect/impact of the project to date? Are there trade and customs reform areas where the TAFA Program has not been addressing?
3. Which of the different TAFA Program activities were most effective and efficient (from a cost and time perspective) meeting targets and programmatic objectives? Which were least effective and efficient?
4. Which activities have the largest potential to have a significant impact on generating economic growth, trade, and investment?
5. What recommendations/suggestions does the Evaluation Team propose for potential future activities?

The evaluation also added the dimension of sustainability to the evaluation through the following question: *Did the capacity building activities result in sufficient knowledge and skill to ensure sustainability of interventions?*

METHODOLOGY

The evaluation was conducted over a six-week period by a team of two international consultants and two Afghan consultants. TAFA activities span numerous institutions (public and private) throughout the country. As a result, the time frame in which the evaluation was to be conducted proved a binding constraint; security conditions during the field work rendered a parsimonious evaluation approach. Additionally, results and impact of some activities may not be evident for several years. For example, impacts of institutional capacity building and reforms to policy and procedures tend to lag several years. Furthermore, progress in economic growth, trade reform and investment are affected by a host of factors including domestic politics and the global economy that significantly influence the pace of program success.

The evaluation was principally qualitative using semi-structured interviews with key stakeholders (private and public); direct observation at project sites; focus groups; and document review. Annex B provides a detailed description of methodology; Annex C contains a list of stakeholders interviewed. Questionnaires were designed to extract consistent information among stakeholders to compare situations prior to and since TAFA intervention (See Annex D). The evaluation considered a review of project outcomes including effectiveness and efficiency of program resources expended.

III. FINDINGS

1. TRADE POLICY LIBERALIZATION

Under this Component, TAFA was tasked to develop Afghan capacity to formulate strong, well-coordinated trade and tariff policy that contributes to improved trade policies, laws and regulations. Assumptions about the liberalized trade regime as envisaged by USAID are highly appropriate because open trade increases efficiency and reduces costs for industry and for consumers. This is especially important in Afghanistan where a significant share of the population lives in poverty. TAFA was appropriately designed around the components of Institutional Capacity, World Trade Organization (WTO), and Regional Agreements.

a. Inter-Agency Coordination

To facilitate the formulation of more open and liberal trade policies, TAFA provided the GIRoA with institutional capacity building. TAFA's efforts in establishing the World Trade Organization (WTO) Unit and the Trade Policy Unit (TPU) at the Ministry of Commerce and Industry (MoCI) as well as the Statistics Unit at the Afghanistan Customs Department (ACD) have been instrumental in strengthening coordination of trade-related policies. Currently, the WTO Unit demonstrates limited capacity among the local staff to support WTO accession- related functions; however, the Trade Policy Unit does not demonstrate capability for independent and robust trade policy analysis.

The second priority of TAFA under the USAID Results Framework (Table1) is the improvement of GIRoA Inter Agency Co-ordination. To address this concern, TAFA is facilitating WTO accession through Working Party meetings that include members of the Afghanistan Pakistan Transit Trade Agreement (APTTA), the Afghanistan Pakistan Transit Trade Coordinating Authority (APTTCA), and the South Asian Free Trade Area (SAFTA). These initiatives were based on an evolving trade agenda and proved effective as evidenced by the bilateral discussions that were fostered among Afghan officials, private sector representatives, and neighboring countries in the context of APTTA, the South Asian Association of Regional Cooperation, and the Economic Cooperation Organization (ECO). According to TAFA, facilitation of the Working Party meetings was at marginal cost to the project.

The interagency coordination mechanism for trade-related policies relies almost exclusively on the Afghanistan Chamber of Commerce and Industries (ACCI) for private sector representation. Best practices in other countries point to the need for a broad base of stakeholder involvement in the trade liberalization process. Successful processes typically engage a wide spectrum of traders, freight forwarders, service suppliers, NGOs, consumer associations to maximize benefit, relevance, and successful adoption of trade-related policies and procedures. Interviews conducted during the evaluation revealed weak interaction among government institutions engaged in policy-making, academic institutions, and other stakeholder (domestic and international) organizations.

Ministry responsibilities have yet to be clarified, which is not uncommon in developing countries.

TAFA's initial analysis on trade policy appears to have been carried out by a seasoned trade economist; however, subsequent work on tariffs and trade do not demonstrate the same level of sophistication relative to methodology and indicators on tariff policy, key interventions that were proposed by USAID. For example, tariff bands, weighted and simple averages and their reductions are indicators of success in achieving trade liberalization objectives. Tariffs can be low (on average 5.5 percent, and can range between 0 and 40 percent), but high tariff dispersion and escalation can create a disincentive to industries and cause inefficient allocation of resources, which has not been duly recognized. TAFA's focus on tariff liberalization does not go far enough to address underlying distortions of an escalated tariff structure that is observed in Afghanistan.

b. WTO Accession

To promote Afghanistan's integration into the world trade system, TAFA provided support to prepare its accession to the WTO. TAFA has achieved targets such as organizing two Working Party meetings in the WTO Secretariat in Geneva; extending offers according to the procedures of the WTO; and revising quality management standards and Afghan laws for adherence to WTO guidelines. The Inter Ministerial Working Group established within the MoCI to coordinate the WTO accession process with other Afghan Ministries is working to inform Afghan governmental stakeholders of WTO requirements and processes.

Based on documented achievement per WTO procedures, it appears as though Afghanistan's accession to the WTO is technically possible by the end of 2014. To enable WTO accession, the GIRoA is expected to undertake legal reforms aimed at bringing the policy, legal, and institutional aspects of foreign trade in alignment with WTO agreements. The first WTO Working Party process meeting was held in January 2011; the second meeting is scheduled for June 13, 2012.

In addition to WTO conformity of the foreign trade regime, the GIRoA will need to enter into bilateral-market access negotiations on goods and services with interested WTO members; these commitments on market access will be binding for Afghanistan. Following a 20-day retreat for all stakeholders in Dushanbe, Tajikistan, the TAFA and MoCI WTO Team will prepare the Preliminary Offer on Services. It will be presented during the summer 2012 Working Party Meeting in Geneva for discussion with stakeholders and eventual approval by authorities before being forwarded to the WTO.

The Offer on Goods is expected to be ready by late in 2012. The first draft of the Factual Summary has been prepared. This will evolve over the next two years to become the

Draft Working Party Report, an essential part of the plan for WTO accession that TAFA has produced.

These two accession schedules, along with the Draft Working Party Report and the Protocol of Accession, will constitute the Accession Package to be approved by Afghanistan's Working Party and subsequently adopted by the WTO General Council. In an accelerated, fast-track process, Afghanistan will likely conclude accession negotiations in 2014 and become a WTO member 30 days after ratification by the Afghan Parliament of the accession package.

TAFA has played a critical role in preparing Afghanistan for the WTO accession process. During the two years since its inception in November of 2009, TAFA has made significant progress. According to interviews with TAFA, MoCI, and other stakeholders, many of the earlier delays in processing Afghanistan's accession documents were caused by the WTO Accessions Secretariat in Geneva. With help from TAFA, Afghanistan has promptly and concisely answered 170- and 156-item question sets that were raised by the WTO Working Party. The questions raised at the Working Party in Geneva are important for clarifying the trade regime and other issues related to Afghanistan's accession to the WTO.

The TAFA/MoCI WTO Accession Team is well-structured and demonstrates a high level of integration among members who appear to work well together. The synergy within the WTO unit at MoCI is the result of the seamless integration of Afghans and expatriates. TAFA budgetary constraints in this area could potentially have a negative impact on moving the agenda forward.

Regarding legal reform, ten laws have been submitted to the WTO in Geneva in the areas of intellectual property. Two additional laws relate to the special and differential status of developing nations. One law relates to customs and one refers to standards. Thirteen more pieces of legislation are in the pipeline, constituting the first legislative plan. However, the implementation and the required regulations for enforcement pose serious challenges that need to be addressed. If these laws can be implemented, the journey to WTO accession will furnish Afghanistan with significant benefit in the form of an improved, stable, legal environment and framework. A sustainable trade arena is the most significant requirement for foreigners to consider investment in Afghanistan, especially in the face of security concerns.

The vast majority of legal reform has been undertaken by TAFA via short-term consultants; however, some MoCI staff and management believe that knowledge transfer to local staff needs to have higher priority than simply conducting the work quickly. For example, MoCI Deputy Minister Shinwari said that although MoCI has been assembling one of the most highly professional (theoretical and practical) critical mass of Afghans in the areas of WTO accession, trade legal reform, and trade agreements (thanks to the

excellent cooperation with the TAFA) he emphasized the need for more "Afghanization" of the process.

Although TAFA has conducted over 150 training sessions for the WTO accession of Afghanistan, there are concerns over political buy-in regarding the viability and schedule of 2014 WTO accession.

c. Regional Trade Integration

Consistent with the strategic objectives of the trade strategy of Afghanistan to integrate regionally, TAFA assisted with preparations for SAFTA negotiations by providing analytical, advocacy, and advisory assistance to MoCI. These were among TAFA's most important interventions in terms of setting the stage for attaining long-term market-access and for improving growth and for meeting welfare objectives as envisaged by USAID.[2] TAFA's analytical work that demonstrates the benefits of SAFTA as well as the revenue outcomes of exports as sensitive lists was particularly effective in providing guidance for negotiations and for generating support, especially by desensitizing skeptics within the public and private sector. TAFA provided further guidance with an analytical report on alternatives for fulfilling Economic Cooperation Organization Trade Agreement (ECOTA) commitments regarding positive, negative, and sensitive lists, taking into account correspondence between the ECO Secretariat and the MoCI.

Afghanistan's participation in SAFTA is critical to more fully integrating the country into regional trade in that it provides the framework in which many of Afghanistan's trade-related disputes may be resolved. Although SAFTA is included in TAFA objectives, its strategic role is yet to be recognized by Afghanistan's policy makers and as a result, SAFTA remains under-utilized.

One of the principle challenges facing a landlocked country such as Afghanistan involves optimal exploitation of transit routes in order to access global markets. Afghanistan is highly dependent upon the sea ports in Pakistan. With TAFA assistance, the GIRoA negotiated both the rules and ratification of the APTTA in 2010 which led to finalizing the agreement. TAFA initiatives in facilitating APTTCA and governing rules provide a vehicle for clarifying legalities and for settling disputes effectively; rules governing transit trade are now more transparent. Nonetheless, APTTA is yet to be fully implemented due to unresolved insurance and bank guarantees and the lack of initiative from GIRoA to push for these revisions.

2. CUSTOMS

In order to assist the Afghan Customs Department (ACD) in implementing its comprehensive Five-Year Plan (2007-2012), TAFA focused on areas of greatest returns

[2] USAID, *Request for Proposal for TAFA Project*, 2009, p. 13

in revenue such as increased transparency and consistent application of customs procedures nationwide.

TAFA's work with the ACD has reduced the number of steps for customs clearance 25%-30%; thus far the monetized benefits of this work exceed $12 million based on four of the five locations in which work has been done (as illustrated in Table 2). TAFA has conducted a significant number of initiatives contributing to this achievement, including streamlined procedures of the Kabul Inland Customs Depot (ICD) and Kabul International Airport (KIA); new job descriptions for ACD officers; streamlined procedures (with assistance from other donors) at inland customs depots; and the introduction of a new customs valuation database (TARVAL) to generate a compatible Automated System for Custom Data (ASYCUDA) as shown in Table 3. Despite these accomplishments, challenges remain for consistent implementation throughout Afghanistan and with roadblocks that are ingrained in the culture such as corruption.

Table 2: TAFA Streamlining Efforts at the Kabul International Airport (KIA) and Inland Customs Depot (ICD) with Monetary Outcomes

Location	Steps before TAFA	No. Steps Removed	Steps after TAFA	Monetized Benefits
KIA Cargo (Import)	32	10	22	**$1,290,246**
KIA Cargo (Export)	32	13	19	**$137,991**
Kabul ICD (Import)	26	7	19	**$3,696,635**
Hairatan ICD (Import)	26	7	19	**$7,512,212**
Jalalabad ICD (Import)	35	9 (5 more by mid-April 2012)	26	Not yet done

Source: TAFA Customs Team.

Table 2 indicates progress in the reduction of steps in customs clearance. At this point, implementation of reforms is still in process and results are not able to be fully captured or verified. TAFA has calculated the financial benefits of these reforms but has not yet disseminated this information to ACD; results have not been integrated into ACD systems.

The ACD has an official system of benchmarks (financial targets) for each regional office which creates a competitive situation for recruiting companies to use their facilities - regardless of their logistical or geographical appropriateness. This system of competition complicates TAFA's reform implementation procedures because customs officials are encouraged to change the duty level for the traders to achieve their own unit's financial target.

TAFA's advisors who are embedded at ACD and work in day-to-day administration to reduce the costs of unnecessary customs-clearance procedures have contributed immensely to achieving reforms. They have also reduced the number of steps in customs procedures with KIA; increased cooperation with the Border Management Task Force (BMTF); and achieved reforms in policy within the new Tariff Research and Statistic Unit of the ACD and within the revenue action plan. However, a variety of conditions may limit effectiveness of these reforms. For example, ACD has established financial targets for each of its regional office which has resulted in creating a competitive situation in which customs officials are encouraged to modify fee structures to entice businesses to use a particular customs office regardless of the logistical or geographical appropriateness. TAFA confirms the existence of this system, which is apparently supported by ACD and MoF. When combined with rampant graft and fear among customs workers that reforms will eliminate their jobs, effectiveness of policy reforms may be clouded.

a. Mazar-i-Sharif Findings

In Mazar-i-Sharif, TAFA has been unable to reduce the steps for customs clearance as officers' income is derived in large part from graft which is facilitated by the labyrinth process. In August 2011 TAFA supported ACD's efforts to reduce the number of steps in the import process from 26 to 16. In December 2011 TAFA discovered that three of the steps that had been removed were once again in use. To prevent similar incidences in the future, TAFA is working through ACD's legal department to institutionalize procedures.

ASTRAS is a 1970s Soviet model for coordinating the system of transportation uploading and loading. ASTRAS is still being used in Hairatan. The Evaluation Team attended a TAFA-sponsored press conference with the Director of ASTRAS in February 2012. This was a unique event at which journalists who had received training from TAFA in trade and commerce questioned public officials. Approximately 29 journalists questioned the Director of ASTRAS on activities, revenue, and procedures. Journalists used the opportunity to ask pointed questions about the incidence of traders whose business had suffered due to excessive fees, delays, and missed opportunities as a result of the archaic ASTRAS system.

In late 2011, a conflict arose between the Ministry of Interior Border Police and ACD Police regarding uploading goods at Hairatan on the Uzbekistan border. TAFA intervened, called a conference of stakeholders, and facilitated a resolution that gave authority to ACD for full control of cargo and documents. This intervention by TAFA resolved 18 months of turmoil.

b. Jalalabad Findings

The outcome of TAFA-sponsored streamlined procedures that were put into effect on February 19, 2012 in Jalalabad cannot yet be evaluated. Prior to the new procedures, 25 steps were required to process goods imported into Jalalabad. Since adoption of TAFA-

supported procedures, only 12 steps are required. In Jalalabad, conflicts have emerged between customs officers supporting the TAFA-sponsored reforms and other customs officers with strong links to the provincial leaders who oppose reform. Nonetheless, TAFA has received a letter of appreciation from the Jalalabad Customs Director for its accomplishment.

A joint TAFA/ACD team voiced the opinion that implementation of streamlined customs procedures should not be undertaken solely by TAFA personnel. Throughout the Evaluation, stakeholders voiced concerns regarding the need for information on trade and standards as well as improved infrastructure for customs offices, warehouses, and parking lots for trucks. Jalalabad customs officers requested that TAFA and ACD organize a study tour so the officers can visit the route that traders take from Karachi to Torkham. They also reported a need for training in capacity building and perhaps equally important, an attempt at creating positive working relationships among Afghan and Pakistani customs officers.

c. Herat Findings

In Herat, streamlined customs procedures are stalled while awaiting instruction from the ACD to begin implementation. TAFA has conducted meetings with the customs officials for export and import clearance. The new procedures will reduce customs clearance steps from 30 to 12.

Most brokers, traders, and customs officers, express enthusiasm about the streamlined procedures; however, several customs officers registered concerns over elimination of their "privileges" and "job security" with the old system. Several TAFA staff indicated that Pakistani border issues have led to increased shipments from Iran and Turkmenistan; as a result, corruption within Herat customs is reported to have increased.

In Islam Qala (on the border with Iran), TAFA assisted the border management stakeholders in creating a management training module for customs offices on the new streamlined border procedures and import/export clearance systems.

3. TRADE FACILITATION

To improve the time, cost and predictability of transporting shipments along the transit corridor and to remove impediments to transportation and transit goods, TAFA supported a number of initiatives, including public-private partnerships (PPPs) for critical infrastructure development, a One-Stop-Shop (OSS) for exporting, streamlining import and export procedures (part of the Doing Business Indicators), support for export promotion, and building the capacity of private freight forwarders.

a. Public Private Partnerships

Partnerships between the public sector and business sector are critical to enhancing the efficiency and sustainability of transport and trade infrastructure and services. TAFA has pursued PPPs for trade facilitation among the GIRoA, public sector Ministries and agencies, and private sector investors for designing, financing, or operating projects, such as for infrastructure.

TAFA assessed the main technical, legal, institutional, and financing constraints on PPPs to establish trade-related infrastructure and proposed viable solutions. It also identified trade-related infrastructure projects for inclusion in a PPP program, offering brief descriptions of the projects and technical requirements for procurement. TAFA developed two of the proposed projects for implementation in the third year of the project, including establishment of project groups and contractor selection through tendering and contract structuring.

TAFA assessed potential PPPs in a number of locations including Hairatan, Herat, Islam Qala, Mazar, and Towraghondi as well as Laghman and Torkham. TAFA conducted due diligence and identified two viable projects, one in Mazar/Hairatan and one in Herat/Islam Qala. Both projects involve the construction of trade infrastructure for MoCI. Since PPPs are new in Afghanistan, considerable time was required to thoroughly educate Ministries on the concept, benefits and process of PPPs. The process has taken longer than anticipated and as a result, implementation of PPPs has been slow. Transfer of land from one Ministry to another and leasing to the private sector has been a protracted process and has further slowed progress.

As an ongoing activity, TAFA staff interviews private sector representatives on their need for trade infrastructure services at each port and assesses their interest in funding and operating such projects as part of a PPP. This practice reflects a scaled down approach to TAFA's ambitious initial targets for completing the PPP process. TAFA is currently in the process of finalizing its Performance Management Plan (PMP) indicators and targets.

As part of the Trade Facilitation component, TAFA worked with industrial parks to develop business plans, such as the one for the expansion of Bagrami Industrial Park (BIP). Although BIP has been in operation for nearly a decade, the BIP Director claims that business has declined in recent years; no new industries moved into the park in 2010 which the Director attributes to high taxes, utility costs, and lack of trained people with skills to meet industry needs.

b. One Stop Shop (OSS)

In order to ease export procedures, TAFA paved the way for an export One Stop Shop (OSS) on behalf of the Export Promotion Agency of Afghanistan (EPAA) in February 2011. The purpose of OSS is to bring the majority of export document processing under

one roof for faster and more convenient exports.[3] TAFA financed the construction of the OSS facility adjacent to ACD and was also instrumental in mapping the OSS process by geographical consolidation. These activities have reduced the time needed for export processing from seven days to one day and have reduced the number of signatures required from 28 to eight. According to the OSS Director Designate, these efficiencies enable traders to reduce export processing on average from four days to one day. In the beginning of 2011 OSS had 750 users and by the end of 2011 had 1,018 users, an increase of 36 percent.

Despite the obvious interest in using OSS, many traders continue to use agents instead of OSS because they are familiar with the old customs and licensing procedures. The consolidation of documents under OSS masks a significant problem that still exists with regard to reducing transactions costs to traders. Exporting from Afghanistan still requires certificates of origin and quality. These certificates are available only through associations that charge fees for certificates based on consignment value. Charges for these certificates are tantamount to an additional transaction costs on an *ad valorem* basis, making them inconsistent with GATT.

c. Doing Business Indicators

Doing Business Indicators (DBIs) measure the burden of selected business regulations across 178 countries[4] and ranks the countries' ease of doing business on ten dimensions.[5] TAFA's prioritization for improving Afghanistan's DBI ranking is appropriate for facilitating trade in that it provides a performance-based framework to reduce the time and cost (excluding tariffs) associated with exporting and importing. TAFA opted to focus on the *Trading across Borders* indicators. In 2010 Afghanistan was ranked 183 in *Trading across Borders*. One of TAFA's indicators was to reduce this ranking to 179 by the end of 2011. TAFA has successfully met this indicator; DBI rankings list Afghanistan as 179 in *Trading across Borders* in 2011 and 2012.

d. Export Promotion Agency of Afghanistan (EPAA)

EPAA is the state agency with primary responsibility for the promotion and development of export in Afghanistan. TAFA has provided operational guidance to EPAA through a short-term expatriate specialist who prepared export-marketing campaigns for Afghan companies, producers, and associations. EPAA services include facilitating interaction among exporters, producers, and senior officials of the EPAA. TAFA also provided guidance on market research techniques used to identify new customers in specific sectors, particularly in foreign markets. According to people interviewed, this effort was not designed to transfer or retain know-how within EPAA; unless the issue of capacity building is addressed, EPAA's ability to provide these services will be lost.

[3] TAFA two-Year Annual Report Nov, 2010 to Nov, 2011
[4] The survey ranks 179 countries and 4 'sub-economies.'
[5] http://www.doingbusiness.org/rankings/

e. Freight Forwarding

In cooperation with the Afghanistan Association of Freight Forwarding Companies (AAFFCO), TAFA sponsored the Federation International of Freight Forwards Associations' (FIATA)[6] freight forwarding and road transportation training courses in Herat, Kabul, and Mazar to support private sector implementation of trade facilitation measures. The courses covered two of 14 FIATA modules and gave logistics providers, transport operators, and freight forwarders the knowledge to handle cargo according to international best practices. As a result, the participants have an increased awareness of how to use FIATA documents to transport goods across international borders, thus enabling them to compete with international providers. Due to the high level of interest, TAFA and AAFFCO conducted a second FIATA training in Herat for 50 participants in May 2011 and a third training in Kabul for 88 participants in October 2011. In addition to creating awareness of best practices in transportation and freight forwarding, participants learned risk reduction strategies that are critical, as cargo insurance is not available in Afghanistan. Raising awareness of cost/risk reduction highlighted the need for developing insurance markets in Afghanistan. The participants also learned about the International Road Transport Convention and the International Carriage of Goods by Road Convention. Sixty participants, including 42 men and 18 women, graduated in December 2010 from this training program in Mazar-i-Sharif.

The American University in Afghanistan (AUAF) is keen on developing an internationally accredited training program which could be conducted with the Federation of International Freight Forwarding Associations. AUAF has submitted a grant application that will require funding for at least two years. This grant application should be given serious consideration.

4. PUBLIC OUTREACH

TAFA's public outreach component is intended to increase awareness of the benefits of regional trade negotiations and the WTO accession process to promote ownership of agreements and to ensure public knowledge of new trade-related legislation.

a. Knowledge, Awareness, Perceptions (KAP) Survey

One measure of success for TAFA's Public Outreach activities is to determine the change in public perception toward trade. In order to measure this change, TAFA is using a *Knowledge, Awareness, and Perceptions (KAP) Survey.* The baseline survey was conducted in October 2010. A summary of the survey results is as follows:

- *People see trade as a means for economic growth. Ninety-one percent of survey respondents were positive toward trade, seeing it as a means to better job*

[6] The purpose of FIATA is to act as an umbrella organization for the national and regional associations of freight forwarders throughout the world as well as to safeguard, promote, and coordinate professional and branch interests of an international plan.

opportunities (32 percent) and increased economic growth (31 percent). Regardless of trade status, respondents felt regional trade agreements were beneficial to Afghanistan (traders: 96 percent, non-traders: 92 percent). Approximately 90 percent of respondents felt that trade prospects are tempered by insecurity and government corruption.

- *Most respondents would do business with a female trader (79 percent); some interviewees stated that females could be as successful, if not more successful, than men. In-depth interviews indicated that trade as an occupation for women would be acceptable with some caveats: travel and cultural norms may create impediments (48 percent); security was a concern (60%).*

- *Respondents have specific ideas of what is needed to increase international trade. About 65 percent of survey respondents said that building cold storage or buying cold trucks to transport products comprised one of the top three measures to increase a farmer's ability to access foreign markets. Moreover, about 50 percent of respondents stated that better technology would be one of the top three measures to improve the sale of Afghan products in international markets. Higher product quality (about 63 percent) and better packaging (about 65 percent) were also mentioned.*

  Results from in-depth interviews support the survey results. In addition to the technology, packaging, and quality concerns, respondents were particularly concerned about tariffs and the impact on trade. Respondents were perplexed by the complicated and detailed tariff schedule on goods (e.g., different tariffs for yellow- and orange-colored hard candies). Respondents advocated for a more simplified system of tariffs.

Afghans interviewed felt that continued strengthening of the market economy in the post-Taliban era was a priority. Respondents expressed the universal view that trade plays a large role in economic prosperity. However, in-depth interviews revealed that while many are in favor of market principles in theory, they do not feel that operating within such a system is a practical reality in Afghanistan at this time. Citing corruption and a lack of government support for constitutionally identified market principles, many stated that the economy does not currently operate on market principles; rather, people are forced to adjust to the reality of economic operations within Afghanistan, such as corruption, government policy positions, and in some cases, smuggling.

Over 131 outreach training sessions were conducted on WTO, trade agreements, standards, advocacy, training of the trainers, marketing, reasons for trade, and how to trade. A total of 4,486 Afghans— 2,791 men and 1,695 women—attended the training, exceeding TAFA's target numbers.

b. Journalism Training

TAFA has conducted training for journalists to elevate their understanding of cross-border trade and WTO accession issues. Training has included 766 journalists, 117 of whom are women. As part of the training journalists were taken to 20 site visits to industrial parks, custom houses, and power plants throughout Afghanistan. Three rounds of Trade and Industry Reporting were attended by 161 journalists in 28 provinces and included 40 women. TAFA has also helped to establish an Economic Press Club.

As a result of journalist training, journalists have been able to formulate and confidently pose informed questions as witnessed at a press conference with the Director of ASTRAS. During this conference, journalists raised questions about the incidence of traders whose business had suffered due to excessive fees, delays, and missed opportunities. Reporting on these issues can help generate public support for reforms.

c. Women's Inclusion

Although the 131 training sessions conducted by the Outreach Team included 1,695 women out of 4,486 trainees, there are very few women in positions of authority and decision-making at MoCI, within TAFA trade policy staff, and on WTO teams. Focus groups conducted with four members of the Afghan Women's Business Council (AWBC) who had attended TAFA training indicated that they require considerably more in-depth training in packaging and standards in order to increase their competitiveness. They also indicated that without transferring knowledge of packaging, standards, trade agreements, WTO accession, and customs to Afghan women trainers to train other women, women business owners would lose out on this opportunity to become more competitive in international trade. Building a cadre of women trainers within AWBC and other women's business support organizations would increase opportunities for women-owned businesses while making the business support organizations even more relevant to their members.

Women are represented in the Press Club but a more concerted effort is required to engage universities, think tanks, and Afghan women's groups to build a cadre of women who are knowledgeable about WTO accession, trade agreements, and standards, and who can help other women benefit from these efforts.

IV. CONCLUSIONS

Despite considerable institutional challenges, TAFA's performance in the area of trade policy has largely met project targets with a few exceptions. While TAFA was tasked with increasing exports, exports from Afghanistan to SAFTA countries have dropped by 17% from US$ 244 million in 2009 to US$ 199 million in 2011.[7] Furthermore,

[7] World Bank WITS database.

Afghanistan's tariff structure (the main trade policy instrument) remains at 12 bands, short of the target of 10. While efforts to support interagency coordination on trade policy negotiations have been effective in terms of South Asian Free Trade Area (SAFTA), the Economic Cooperation Organization Trade Agreement (ECOTA), and the World Trade Organization (WTO), other initiatives such as assessing the increase of trade facilitated through the Afghanistan Pakistan Transit Trade Agreement (APTTA) were not met due to unresolved issues with APTTA. It must be noted that the outcomes of TAFA activities such as generating trade and economic growth attributed to APTA and SAFTA are contingent upon a host of factors and institutions that are beyond TAFA's control. While it may be possible for TAFA to influence people and institutions to facilitate progress, doing so requires years of investment in building relationships and trust.

Afghanistan's lack of territorial access to the sea; its isolation from world markets; and high transit costs impose serious constraints on trade competitiveness and as a result, on Afghanistan's overall socioeconomic development.

Progress on liberalization of trade policies is contingent upon both the capacity built at MoCI and the level of inter-Ministerial coordination on key trade-related issues. While TAFA has conducted an analysis that has led to a negotiation strategy for APTTA, local capacity has not been built.

The WTO unit in TAFA and the Ministry of Commerce and Industry (MoCI) operate with a high degree of integration and collaboration on activities initiated by TAFA international staff. The national staff in these teams do not appear as though they initiate collaborative activities on their own. The two organizations have created a logical plan of action and are on-track to meet the deadlines of the plan. Whether or not the WTO programs succeed depends less on the technical issues and staff competency than it does on the security situation in Afghanistan and buy-in from the political and influential figures in the private sector. Targets for 2012-2014 WTO accession can be accomplished provided that the country's security situation does not further deteriorate, and that both expatriate and Afghan staff that have been instrumental in progress thus far remain on the team.

TAFA's effectiveness and efficiency appear to be at the expense of sustainability. The Trade Policy unit requires far more technical support to build its capacity to sustain policy reform independent of donor-driven initiatives. Few activities have been geared toward encouraging policy analysis, design and implementation (or monitoring) among independent institutions, particularly universities and other agencies.

TAFA's MoCI/WTO Unit is an exception, operating in a well-organized, effective manner, with all indications of sustainability. Some challenges facing TAFA's WTO accession component include bottlenecks in the government's administrative processes, weak institutions, the fragile legal state of real and intellectual property ownership,

limited capacity and knowledge about the multilateral trading system, and poor awareness by key stakeholders of the issues and benefits involved in WTO accession.

Embedding staff at the ACD and border posts have proven to be an effective means of transferring knowledge. TAFA advisors embedded at ACD in day-to-day administration have succeeded in reducing time and cost by eliminating unnecessary customs-clearance procedures. Through these advisors, TAFA has helped to streamline KIA customs operations. Based on global best practices, TAFA's initiatives relative to ACD are appropriate however local resistance, provincial relationships, financial targets, and corruption issues often dilute the positive steps for reform. Furthermore, lack of coordination and collaboration with other international agencies such as the World Bank, UNDP and GIZ have thwarted potential synergies that could have been achieved in the preparations and implementation of activities.

In terms of trade facilitation, the outcome of the OSS infrastructure would have been more effective if mandatory affiliation with guilds and licensing were first made voluntary. As it currently stands, establishing the OSS was the least effective intervention by TAFA in facilitating trade. With regards to supporting EPPA while the short-term expat consultant was knowledgeable, the duration of consultancy was inadequate for knowledge transfer to EPAA staff has largely proved inefficient use of resource. Effectiveness with regard to training targeted at Afghanistan Association of Freight Forwarding Companies was effective, resulting in heightened awareness and movement toward adoption of best practices among freight forwarders for cargo handling and road transportation.

The lack of direct interaction with lead personnel at MoCI played a part in sub-optimal results on PPPs and doing business indicators (DBIs). While focusing on getting the correct software is a suitable approach, the technical, legal, institutional, and financing constraints to seeking amendments to the existing laws created obstacles. Furthermore, lack of coordination and collaboration with other international agencies such as the World Bank, UNDP and GIZ has thwarted potential synergies that could have been achieved in the preparations and implementation of activities.

The vast menu of TAFA interventions requires a high level of coordination among GIRoA agencies and donors. TAFA is ideally positioned to facilitate synergies with donors, the World Bank, GIZ and other international organizations working with trade issues to address the gaps within the broader trade-facilitation framework.

1. EVALUATION QUESTIONS

The TAFA Evaluation Statement of Work posed five questions as a basis for the evaluation:

1. Were the design assumptions regarding the trade policy and trade facilitation development approach in Afghanistan sound?

The overall objective of TAFA was to improve the trade environment, including cross-border trade and transit, for Afghanistan in order to facilitate exports, investment and market-based employment opportunities. The following were the critical actions that were assumed to be needed to improve the trade environment, given Afghanistan's development context:

- An increase in Afghanistan's ability to participate more effectively in regional, bilateral and WTO regimes and by liberalizing trade;
- The improvement of the conditions for transit and cross-border trade by removing impediments, reforming customs and other border clearance procedures; and
- Greater capacity of GIRoA and the private sector to pursue and realize the advantage of greater regional and global trade linkages and economic integration.

By and large, the assumptions that informed the design of TAFA were appropriate, as part of a broader USAID strategy with complementary activities to support private sector development. Trade integration is a critical mechanism to drive private-sector led growth and employment.

TAFA objectives relative to trade policy and trade Agreement focus on improving the GIRoA's capacity to negotiate and implement regional and international agreements. With evidence that a more open trade regime increases efficiency and reduces costs for industry and for consumers through lower prices,[8] USAID design assumptions about the continued liberalization of the trade regime are highly appropriate in guiding TAFA activities. Unfortunately, TAFA significantly underestimated the extent to which graft and personal connections control customs and cross-border trade activities.

Although setting the incentive environment though liberalization is necessary it is not sufficient to integrate Afghanistan into the global economy. Geographic remoteness is the biggest challenge to integration for landlocked countries such as Afghanistan; under these circumstances trade facilitation is critical. Reducing transaction costs at the border and along the transit corridors through customs modernization and management improvements, upgrading standards, and eliminating redundant processes are all important contributions. Likewise, the development of trade-related infrastructure, such as industrial parks and transportation, are practical measures to support trade

[8] B. Hoekman, A. Mattoo and P. English, *Development, Trade and WTO*, World Bank, Washington, DC, 2010.

development. Objectives under trade facilitation ought to have been defined more broadly to include related infrastructure, services providers, and cross-border trade.

Some TAFA indicators measure conditions that are beyond TAFA's realm of influence. While project indicators such as "Increased trade with SAFTA member countries," "Increased volume of transit trade as a result of APTTA implementation," and "Increase in overall exports" are legitimate measures of TAFA's ultimate goals, these outcomes are frequently at the whim of factors beyond TAFA control. Factors influencing these goals include world market conditions; domestic demand and production in Iran and Pakistan; currency fluctuations; and security incidents. For example, in 2011 the closing of the Pakistan border with Afghanistan significantly constrained trade. In fact, Afghanistan Customs Department (ACD) reports that exports declined more than 50% between 2009 and 2011 (World Bank, WITS data).

2. What has been the overall effect/impact of the project to date? Are there trade and customs reform areas that TAFA has not been addressing?

Thus far, TAFA has a mixed record with respect to meeting objectives. One the one hand it has achieved targets with respect to preparing Afghanistan for WTO accession by organizing two Working Party meetings in the WTO Secretariat in Geneva; extending offers according to the procedures of the WTO; and revising quality management standards and Afghan laws for adherence to WTO guidelines. On the other, TAFA's focus on tariff liberalization does not go far enough to address underlying distortions of an escalated tariff structure. These can be attributed to widespread corruption, graft and lack of motivation. Although TAFA senior Afghan staff that are embedded at MoCI are work well with other agencies for activities in progress, they are not proactive in initiating coordination.

3. Which of the TAFA Program activities were most effective and efficient (from a cost and time perspective) meeting targets and programmatic objectives? Which were least effective and efficient?

WTO accession: TAFA has been highly effective in breaking through delays in processing Afghanistan's accession documents with the WTO Accession Secretariat in Geneva. With help from TAFA, Afghanistan answered 170- and 156-item questions that are important for clarifying the trade regime and other issues related to Afghanistan's accession to the WTO. Combined with TAFA's assistance in organizing Working Party meetings in the WTO Secretariat in Geneva and facilitating the Inter Ministerial Working Group within the MoCI to coordinate the WTO accession process, it appears as though Afghanistan's accession to the WTO is technically possible by the end of 2014.

Customs: TAFA's work with ACD has helped to reduce time and cost of customs clearance. TAFA has streamlined procedures of the Kabul Inland Customs Depot (ICD) and Kabul International Airport (KIA); created job descriptions for ACD officers; streamlined procedures (with assistance from other donors) at inland customs depots; and introduced a new customs valuation database (TARVAL) to generate a compatible ASYCUDA (as shown in Table 3).

Press Club and journalist training: Economic journalism training and establishment of the Economic Press Club have created professional competence and a national structure through which issues relating to trade, commerce and WTO accession can be publicly examined.

Export: The success of OSS was mixed. The purpose of OSS is to bring the majority of export document processing under one roof for faster and more convenient exports.[9] While OSS has dramatically reduced the time required for export processing from seven days to one day and has reduced the number of signatures required from 28 to eight, many traders continue to use agents instead of OSS because they are familiar with the old customs and licensing procedures. Furthermore, issues with guilds and certificates of origin remain, resulting in *ad valorem* charges that are inconsistent with GATT. Although it has enormous potential, OSS was the least effective intervention by TAFA in facilitating trade.

SAFTA: TAFA's assistance to MoCI with SAFTA negotiations were among TAFA's most effective interventions in terms of setting the stage for attaining long-term market-access and contributing to economic growth. Although SAFTA is included in TAFA objectives, its strategic role is yet to be recognized by Afghanistan's policy makers and as a result, SAFTA remains under-utilized. While efforts to support inter-agency coordination on trade policy negotiations with SAFTA, ECOTA and the WTO have been effective, initiatives with APPTA have been less effective.

Afghanistan Association of Freight Forwarding Companies: In cooperation with the Afghanistan Association of Freight Forwarding Companies (AAFFCO), TAFA sponsored the Federation International of Freight Forwards Associations' (FIATA)[10] freight forwarding and road transportation training courses in Herat, Kabul, and Mazar to support private sector implementation of trade facilitation measures. Training generated a high level of awareness and interest among stakeholders; after the initial training with 60 stakeholders in Mazar-i-Sharif, additional training was added in Herat for 50 participants and in Kabul for 88 participants.

4. Which activities have the largest potential to have a significant impact on generating economic growth, trade, and investment?

[9] TAFA two-Year Annual Report Nov, 2010 to Nov, 2011

[10] The purpose of FIATA is to act as an umbrella organization for the national and regional associations of freight forwarders throughout the world as well as to safeguard, promote, and coordinate professional and branch interests of an international plan.

Strengthening SAFTA: Exploiting SAFTA has enormous potential to positively impact trade and investment in Afghanistan. With mechanism through which trade-related disputes may be resolved, the risk of doing business in Afghanistan is reduced, making it more attractive to investors and cross-border traders. At this point, SAFTA is under-utilized. In order for the impact of SAFTA to be realized, considerable outreach to policy makers and the private sector is required.

Knowledge transfer and building local capacity: A significant amount of TAFA's accomplishments have been achieved through local experts who have accelerated the process of reform and movement toward WTO accession; however, knowledge transfer has not been treated as a priority. TAFA has assisted MoCI to assemble a critical mass of people to work on WTO accession, trade legal reform, and trade agreements but little has been done to build their capacity to operate independent of TAFA supervision. Likewise, TAFA has provided operational guidance to EPAA through short-term international consultants who have prepared export-marketing campaigns. Building local capacity to institutionalize reforms, move the WTO process forward and provide commercial trade services not only has significant potential but is critical to continued economic growth.

Building support among stakeholders: Although TAFA has conducted over 150 training sessions for the WTO accession of Afghanistan, there are concerns over stakeholder buy-in regarding the viability and schedule of 2014 WTO accession. TAFA has relied almost exclusively on ACCI for outreach to the private sector; the new generation of progressive entrepreneurs who are not part of the ACCI establishment has not been tapped. Building support among a wide swath of GIRoA and private sector stakeholders is critical to maintain momentum for institutionalizing reforms and WTO accession.

Questions relative to recommendations are answered in the following section of the report.

a. *What still needs to be done on trade policy, customs reform, trade facilitation, and public outreach development in Afghanistan?*

Trade Policy new tools, such as *Effective Protection Estimates*, and new strategies implementing the Trade Agreements, and broader stakeholder engagement with the private sector are critical to ensure that initiatives within TAFA are institutionalized. In Customs Reform, greater emphasis on national standardization procedures, swift implementation of ASYCUDA, and further training of journalists should be considered. In Trade Facilitation TAFA should support an Agenda that encourages private sector logistics services, improved use of PPP's, development of dry port, training for transport operators and freight forwarders should be evaluated.

b. *How much USAID support should be given to specific program areas, potentially including program areas that have not been previously included in the project*?

Significant support should continue to be directed toward Trade Facilitation, particularly Customs. No additional program areas should be considered since the range of TAFA is wide enough.

c. Potential synergies with other USAID/Afghanistan other donor programs

TAFA's work should be closely aligned with other USAID projects working in economic growth such as FAIDA and ACE, as well as the upcoming ABADE (SME development) project. The AMDEP project may be useful in continuing to strengthen journalists' ability to report on trade issues and use of alternative media. TAFA should work closely with World Bank, GIZ, and UNDP on WTO, cross-border trade and customs reform issues.

The Evaluation Team considered the area of sustainability an important factor in evaluating project effectiveness and added the following question:

Did the capacity building activities result in sufficient knowledge and skill to ensure sustainability of interventions?

Findings indicate that sustainability of TAFA achievements beyond the life of the project have not received sufficient attention; GIRoA relies heavily on expatriate staff to initiate and manage activities with some exceptions at the MoCI WTO Unit.

V. RECOMMENDATIONS

Based on findings and conclusions, the following recommendations are proposed. These recommendations address the following Evaluation questions:

a. What still needs to be done on trade policy, custom reform, trade facilitation, and public outreach development in Afghanistan;
b. How much USAID support should be given to specific programs areas, potentially including program areas that have not been previously included in the project; and,
c. Potential synergies with other USAID/Afghanistan and other donor programs.

1. TRADE POLICY

What still needs to be done?

- Focus on liberalizing the tariff regime toward a lower and more uniform structure with fewer exceptions;
- Support operationalization of APTTA;
- Strengthen capacity of the Trade Policy Unit;
- Continue path toward WTO accession; and
- Broaden inter-agency coordination framework to include wider stakeholder participation including more private sector groups, academia and NGOs.

Trade liberalization and Inter-Agency Coordination

- To promote more rapid tariff liberalization, TAFA should undertake *Effective Protection Estimates* that capture the distortions in the tariff system that demonstrate the effect of incentivizing investment.
- More effort is required to increase buy-in for reforms. A growing contingent of young, active Chief Executive Officers (other than those affiliated with ACCI) of leading consulting and production firms can act as industry champions of reform; the potential to expand market access through trade liberalization could entice these influential opinion leaders to act as agents of influence who can persuade others to remove impediments to trade.
- TAFA can benefit from a long-term expat postgraduate economist on staff to provide guidance on trade policy and regional trade facilitation activities, as well as to conduct training and ensure knowledge transfer to local staff, policy makers at MoCI and the Ministry of Finance.
- TAFA needs to explore avenues for broader stakeholder consultation involving more private sector associations, NGOs, and civil society in key trade policy decisions.
- TAFA has paid little attention to sustainability and capacity building. While TAFA has recruited and embedded Afghan nationals at MoCI, greater emphasis must be directed toward training and upgrading their skills.

Regional Trade Integration

- Successful integration of Afghanistan into the world trading system is largely contingent upon the effective implementation of APTTA. To operationalize APTTA while seeking assistance from the US administration, TAFA must continue supporting operationalizing APTTA with technical and financial support to APTTCA. At the same time, close coordination with USAID/Pakistan and the Pakistan Trade Project should be pursued to resolve outstanding issues on both sides of the border.
- Emphasis should be placed on information dissemination to educate stakeholders (especially the private sector) on the benefits of WTO and the accession process. Efforts should be increased to gain support and buy-in of the following stakeholders:
    - Cabinet Ministers;
    - Private sector stakeholders who are as yet uninformed about the benefits of Afghanistan's accession to the WTO, beyond ACCI and to include new, young, and emerging business leaders, groups such as freight forwarders and bankers, and other emerging business entities;
    - Think tanks and university professors;
    - Parliamentarians; and
    - Political party leaders in the Upper and Lower Houses and Provincial Council members.

- The Center for WTO Studies, a private think tank in Ukraine, can easily be replicated in Afghanistan. The organization has been highly instrumental in building understanding and support among NGOs and business leaders in achieving Ukraine's accession to the WTO. Such an activity should be investigated by TAFA.
- TAFA needs to ensure retention of the WTO team of Afghans and expatriates at TAFA and MoCI. This will require a commitment from USAID on TAFA budget issues. Expatriate and Afghan staff in both TAFA and MoCI must receive assurances that their contracts will be continued. Without this, both TAFA and MoCI risk losing staff whose institutional knowledge is critical to moving things forward in a timely manner.

Potential synergies with other USAID projects and/or other donor programs:

TAFA should pursue improving coordination with other stakeholders, especially the World Bank, the Asian Development Bank, and United Nations agencies. These groups should have close collaboration to realize complementarities and to avoid duplication of effort. For example, HARAKAT-DFID and the World Bank are working on trade policy through a technical assistance program, "Integrated Framework," which will be anchored at the MOCI. This program should provide the template for Trade Policy Unit (TPU) programs and for coordinating donors and funding.

2. CUSTOMS REFORMS

What still needs to be done?

- Nationwide standardization of the Afghanistan Customs Department (ACD) procedures would address the problems that have been observed with regional offices meeting financial targets and corruption resulting from procedures varying from place to place. Although the Customs National Blueprint, a standardized template for national implementation, is a start in the right direction, stakeholders, including those from the International Security Assistance Force (ISAF) and Border Management Task Force (BMTF), indicate the need to accelerate implementation.
- Streamlined procedures should be uniformly applied throughout Afghanistan and not customized to regional needs. The existing customs *Tashkeel* (legal structure) that was designed for previous customs clearance procedures will need to be revised for alignment with the new procedures. Customs line officers will need to be trained in implementation of new procedures, which will require translation into local languages and design of training courses and materials.

USAID should consider the following areas of support:

- The legal structure of ACD is not compliant with ASYCUDA; however implementation of ASYCUDA would facilitate the transit of goods through Afghanistan. ASYCUDA would assist all stakeholders involved in customs reform. TAFA should work with other ACD stakeholders (Afghan and international) to ensure that the ASYCUDA reforms are promptly implemented.
- TAFA should develop an outreach plan for the Economic Press Club to disseminate information on customs to print, radio, television and social media in Afghanistan regarding importance of customs work.
- In order for reform to be enacted, support is required to move from policy design to implementation. TAFA should consider directing resources toward training in implementation and working with ACD to design monitoring systems that ACD can and will utilize to ensure implementation at all borders.

3. TRADE FACILITATION

What still needs to be done?

- Provide support for infrastructure and service providers;
- Increase regulatory reforms to boost private sector development and export;
- Simplify trade processes, systems, and export services; and
- Build capacity of transport related institutions and road and rail transport regulation.

USAID should consider the following areas of support:

- Support establishing a clear regulatory and institutional framework for PPPs. Supporting the private sectors to advocate for the implementation of PPPs can help to promote the resolution of outstanding institutional issues that have slowed progress.
- Facilitate inter-agency land transfer through active engagement at senior levels of decision-making within MoCI; assist pre-clearance of projects by providing environmental impact studies.
- Conduct a feasibility study for a dry port and identify private sector businesses who may want to invest. Fund creation of a business plan and facilitate financing and agreements with GIRoA
- Provide Training for transport operators and freight forwarders in tools and methods of cargo handling according to international guidelines.
- Facilitate resolution of the guild membership and quality certification issue as it can pay immediate dividends. ACCI, TAFA's main private sector partner, has significant financial incentives to maintain quality certification and is unlikely to support recommendations.
- Support a senior export-promotion and institution-building advisor for EPAA to focus include on identification of markets, marketing techniques and the provision of export support services to local traders.

Potential synergies with other USAID/Afghanistan and other donor programs:

TAFA should pursue improving coordination with other stakeholders, especially the World Bank, the Asian Development Bank, and United Nations agencies. These groups should have close collaboration to realize complementarities and to avoid duplication of effort. For example, HARAKAT-DFID and the World Bank are working on trade policy through a technical assistance program, "Integrated Framework," which will be anchored at the MOCI. This program should provide the template for Trade Policy Unit (TPU) programs and for coordinating donors and funding.

4. PUBLIC OUTREACH

What still needs to be done?

- A *Knowledge Attitude and Practice* (KAP) survey should be conducted in 2013 or 2014 to measure change in awareness of trade issues.
- TAFA should develop a plan to engage women business owners and to build a cadre of women in government, academia and civil society knowledgeable about international trade and WTO and who can take part in design and implementation of reforms and WTO accession.
- Involve women: Although women have been included as beneficiaries of training, they have not been involved in the design or implementation of TAFA initiatives. There are virtually no women in professional positions within MoCI, AISA or EPPA. TAFA could use this opportunity to build capacity of women in government agencies, business organizations, civil society and academia and create opportunities for them within counterpart organizations, shadowing international consultants and being trained in technical analysis.

USAID should consider the following areas of support:

- Training in economic journalism training and work with the Economic Press Club should be continued as a means of raising awareness and gaining support for WTO accession and customs reforms.

Potential synergies with other USAID/Afghanistan and other donor programs:

- There should be a connection with women business owners who are supported through other USAID projects such as ACE and FAIDA and upcoming projects such as ABADE and AIPDP. Training should be conducted in courses of three to six months rather than one shot two or three day training programs and should include female university students. Course topics may include WTO Accession Studies, Trade policy, Standards and Customs.

- As a way of providing role models to Afghan women interested or involved in international trade, women involved in these issues from countries such as Kazakhstan, Georgia, Jordan and Ukraine could be invited as guest lecturers, as well as Afghan and Expatriate leaders in TAFA and MoCI.

ANNEX A: STATEMENT OF WORK

STATEMENT OF WORK

For

EVALUATION OF USAID'S

TRADE AND ACCESSION FACILITATION FOR AFGHANISTAN (TAFA)

PROJECT

Afghanistan is recovering from more than 30 years of war and economic devastation. As a least-developed country (LDC), Afghanistan requires an enhanced trade capacity to achieve its development goals, many of which are predicated on broad-based growth of the economy. As a landlocked country, it is dependent upon well-defined, efficient and cooperative trade and transit relationships with its neighbors, especially those with access to the sea such as Pakistan, in order to increase trade. As noted in USAID's Strategy on Building Trade Capacity in the Developing World, "Trade expansion is particularly critical for many of the smallest and poorest developing and transition economies, where local demand is too weak to support rapid expansion of production, employment, and incomes." Thus Afghanistan's ability to negotiate trade terms with both global and regional partners, as well as its willingness to create an enabling environment for the private sector to flourish, are essential to achieving economic growth and poverty reduction.

BACKGROUND

As stated in the TAFA Evaluation Scope of Work:

The Trade and Accession Facilitation for Afghanistan (TAFA), implemented by Chemonics, Inc. and managed in the Office of Economic Growth, was awarded on November 14, 2009 with an initial investment of $63 million for one base year and four option years. In May 2010, USAID increased the burn rate of the project to accommodate changing GIRoA priorities and take advantage of emergent opportunities. The increased burn rate (without changing the initial investment) shifted the projected project life from five to three and a half years, without amending the original five year contract term.

TAFA's goal is to improve the trade environment, including cross-border trade and transit, for Afghanistan to foster increased investment, exports, and market-based employment opportunities. This will be accomplished through (1) increasing Afghanistan's ability to participate more effectively in the regional and global economy while maintaining a liberal trade regime; (2) improving the conditions for international and cross-border trade and transit by removing bottlenecks and reforming customs and other border clearance procedures; and (3) helping the GIRoA and the private sector to pursue and realize the advantages of greater regional and global trade linkages and economic integration. To accomplish these improvements, TAFA supports the GIRoA and the private sector in four main areas: 1) trade-policy liberalization; 2) customs

reform; 3) trade facilitation; and 4) public outreach on trade-related issues. The project also supports regional coordination with a trade program in Pakistan.

Evaluation Objective

The main objective of this evaluation is to conduct a performance evaluation of the TAFA project; evaluating overall project effectiveness and achievements, assessing whether the project has met its objectives and specific benchmarks, and if not, why not. Further, the evaluation team will provide USAID/Afghanistan with an independent and unbiased assessment of what worked well and what didn't work well in the project, and provide expert opinions and recommendations for follow-on projects.

Evaluation Questions

The evaluation shall answer the following five questions, which are intended to guide, but not limit, the evaluation team's analytical effort to gauge the challenges, strengths, weaknesses, lessons learned and provide recommendations for the future of the project:

1. Were the design assumptions regarding the trade policy and trade facilitation development approach in Afghanistan sound?

2. What has been the overall effect/impact of the project to date? Are there trade and customs reform areas where the TAFA Program has not been addressing?

3. Which of the different TAFA Program activities were most effective and efficient (from a cost and time perspective) meeting targets and programmatic objectives? Which were least effective and efficient?

4. Which activities have the largest potential to have a significant impact on generating economic growth, trade, and investment?

5. What recommendations/suggestions does the Evaluation Team propose for potential future activities? These recommendations must address:

    a. What still needs to be done on trade policy, customs reform, trade facilitation, and public outreach development in Afghanistan;
    b. How much USAID support should be given to specific program areas, potentially including program areas that have not been previously included in the project; and,
    c. Potential synergies with other USAID/Afghanistan other donor programs.

REQUIREMENTS AND DELIVERABLES

a) **In-briefing:** The Evaluation Team, upon arrival to Afghanistan, shall meet the USAID/Afghanistan OEG team for introduction; presentation of the Team's understanding of the assignments, initial assumptions, evaluation questions, etc.; discuss and answer questions on initial work plan; and/or adjust SOW if necessary, etc.

b) **Work Plan:** The Evaluation Team shall provide an initial work plan prior to the arrival of international consultants in country, and the revised work plan within 3 days after the in-briefing. The work plan may include suggestions for revisions in the statement of work, evaluation design and methodologies, and an outline of the evaluation report. The work plan shall reflect the evaluation team's schedule for interview, data collection, field visits, report writing, and periodic interim briefings/updates with USAID.

c) **Interim Briefings/Updates:** The evaluation team shall provide regular interim briefings/updates --via email, phone, and meeting-- to the USAID/Afghanistan OEG team. To the extent possible, weekly meetings will be held at USAID.

d) **Draft Evaluation Report:** The outline of evaluation report shall be approved by USAID. A draft report shall be submitted to USAID four days prior to the presentation of evaluation findings to USAID and other USG agencies.

e) **Discussion and Review of Draft Evaluation Report**: The evaluation team will submit a draft of the evaluation report to USAID, who will provide preliminary comments prior to the presentation. The team will submit the draft report four days prior to the presentation. USAID will have approximately two days to return their comments, and the evaluation team will have two days to make any changes prior to the presentation.

f) **Presentation of Evaluation Findings to USAID and other USG agencies:** Prior to leaving Afghanistan and submitting the final evaluation report, the evaluation team shall present the evaluation findings to USAID and other USG agencies. This session shall also be used to further solicit comments and clarify issues.

g) **Final Report:** The final evaluation report shall be submitted to USAID by the evaluation team leader no later than 7 working days upon receiving USAID comments.

TEAM COMPOSITION AND QUALIFICATIONS

The Evaluation Team shall consist of four persons: two international consultants and two local consultants. Both international specialists shall be familiar with USAID Bureau of Economic Growth, Agriculture and Trade studies and recommendations on Trade development.

A. The Evaluation Team Leader (one, international) must have**:**

- Advanced degree in economics, business, or related field.
- At least 10 years professional experience in project evaluation.
- Demonstrated ability in planning and conducting impact evaluations in economic growth promotion/trade facilitation programs.
- Possess a broad understanding of issues relative to trade policy reform and trade promotion/facilitation.
- Proven ability to analyze data collected as part of program evaluations and develop reports, including program recommendations.
- Proven writing and leadership skills.
- Excellent written and verbal communications skills; ability to communicate ideas effectively and to write quickly and clearly under pressure.

- Familiarity with USAID project planning, implementation, and evaluation processes.
- In-depth knowledge of development issues in Afghanistan and Pakistan is an advantage.
- Strong interpersonal skills and demonstrated track record of working in a team environment with multiple priorities and tight deadlines.
- Must be fluent in English.

B. Team Members:

Trade Facilitation/Customs Reforms Specialist (one, international):

- Advanced degree in economics, business, or related field.
- At least 10 years of experience in trade facilitation and policy, customs administration and reform, tariff regulatory reform, import and export mechanisms, and cross-border trading practices.
- Knowledge of World Trade Organization (WTO), U.S. Generalized System of Preferences (GSP), and South Asian Free Trade Area (SAFTA) and the Afghanistan Pakistan Transit Trade Agreement standards and regulations.
- Experience evaluating complex trade and customs programs for USAID or other international donors.
- Excellent written and verbal communications skills; ability to communicate ideas effectively and to write quickly and clearly under pressure.
- Strong interpersonal skills and demonstrated track record of working in a team environment with multiple priorities and tight deadlines.
- Must be fluent in English.

Local Trade Consultant (one, local):

- University degree in economics, business, or related field.
- At least 3 years of working experience in trade policy reform and trade promotion/facilitation.
- Familiarity of the various donor supported projects and efforts to support Trade Facilitation in Afghanistan.
- Knowledge of key players in the Trade Sector in Afghanistan and ability to communicate for and arrange meetings for evaluation team.
- Must be fluent in English.

Local Translator/Logistician (one, local):

- University degree in economics, business, or related field.
- At least 3 years experience providing logistical and translation support for expatriate consultant teams.
- Must be fluent in English.

ESTIMATED LEVEL OF EFFORT (LOE)

It is anticipated that fieldwork for this assignment shall start o/a October 16, 2011, and is expected to take a total of 124 days. Document review, prior to arrival in country of the ex-pats, will consist of four workdays for each consultant team member. The local logistician shall be allotted four workdays for arranging initial meetings and other logistical arrangements prior to the start of fieldwork. Each of the four team members will have five workdays to work on the draft report. This is included in the days in country,

and the Team Leader will have five additional workdays, with the rest of the Team contributing two days to prepare the final evaluation report. A six-day workweek will be allowed.

Position	**Preparation (days)**	**Travel (days)**	**In-Country (days)** (field work & draft report preparation)	**Final report (days)**	**Total (days)**
Evaluation Team Leader	4	3	28	5	40
Trade Facilitation/Customs Reform Specialist	4	3	28	5	40
Local Trade Consultant	4	--	28	5	37
Local Translator/ Logistician	4	--	28	--	32
Total LOE (days)	16	6	116	15	149

Evaluation Report Requirements

The evaluation report shall include the following:

1. Title Page
2. Table of Contents
3. List of any acronyms, tables, or charts (if needed)
4. Acknowledgements or Preface (optional)
5. Executive Summary (not to exceed 5 pages, see also g. final report under VI. Requirements an Deliverables)
6. Introductory Chapter
    a. A description of the projects evaluated, including goals and objectives.
    b. Brief statement of why the project was evaluated, including a list of the main evaluation questions.
    c. Brief statement on the methods used in the evaluation such as desk/document review, interviews, site visits, surveys, etc.
7. Findings – Describe the findings, focusing on each of the questions the evaluation was intended to answer. Organize the findings to answer the evaluation questions.
8. Conclusions – This section will include value statements that interpret the facts and evidence and describe what the facts and evidence mean.
9. Recommendations – This section will include actionable statements of what remains to be done, consistent with the evaluation's purpose, and based on the evaluation's findings and conclusions. This section will provide judgments on what changes need to be made for future USAID programming. Since this is a country-wide and all Mission activity, this section should also recommend ways to improve the performance of future USAID programming and project implementation; ways to solve problems this project has faced; identify

adjustments/corrections that need to be made; and recommend actions and/or decisions to be taken by management.

10. Annex
    a. Statement of Work
    b. Places visited; people interviewed
    c. Methodology description
    d. Copies of all survey instruments and questionnaires
    e. Critical background documents
    f. Copies of any key documents reviewed

ANNEX B: METHODOLOGY

The purpose of this evaluation is to provide answers to the Evaluation Questions defined by USAID in the Statement of Work (Annex A). The evaluation will determine the impact TAFA has had on Afghanistan's ability to develop and implement sound trade policies that provide the foundation for increased trade and investment, and inform future programming. The evaluation will be both quantitative and qualitative.

The evaluation applied USAID's *Trade Capacity Building Methodologies and Indicators,* to TAFA's intermediate and sub-intermediate results framework as illustrated in Table 1. The evaluation focused on outcomes rather than impact, as impact is almost impossible to measure at mid-term evaluation especially at the early stage of the project as some activities have intangible results in the short-run.

Qualitative Approach

The evaluation followed a qualitative approach using semi-structured interviews with key Ministries (Ministry of Commerce and Industry, Department of Customs and its agencies) and private sector associations; direct observation at project sites; focus groups; and literature review.[11] The evaluation considered a review of project outcomes including effectiveness and sustainability, and efficiency of program resources expended. Questionnaires were designed to extract consistent information across a variety of stakeholders to compare situations prior to and since TAFA intervention. In addition, TAFA component leaders and staff working in the four thematic areas were interviewed.

Literature Review

Documents reviewed included those internal to the project such as annual, quarterly, progress, and terminal reports; technical reports from consultants/subcontractors; methodological documents; tools and training guidelines; as well as external documents from GIRoA and other development organizations. (Annex C: List of Documents Reviewed)

Field Visits and Interviews

Field interviews were conducted in Kabul, Herat, Mazar-i-Sharif and Jalalabad.

- Interviews with the TAFA leaders and key staff were conducted prior to the field visit to Afghanistan.
- In-depth interviews and analysis of project interventions targeting a sample of recipients of TAFA technical assistance, in key Ministries and agencies and in border regions, were conducted.

[11] Annex B contains a list of people and organizations interviewed.

- Interviews with representatives of all public- and private-sector stakeholder groups were conducted as focus group discussions or one-to-one consultations.

Verification

Information verification was conducted through comparison of the following elements:

- Documentary versus oral and anecdotal claims;
- Interviews with multiple parties;
- Repeat interviews in different contexts to corroborate and secure different perspectives; and
- Differences between TAFA specialists and counterpart representatives.

TAFA performance management plan indicators and their relevance in achieving set objectives were the bases of quantitative evaluation. However, many TAFA activities are not measurable, such as meeting facilitation and logistics provision. Major indicators related to sub-intermediary results were the primary focus of the evaluation.

Literature Review

Documents reviewed included those internal to the project such as annual, quarterly, progress, and terminal reports, technical reports from consultants/subcontractors, methodological documents, tools and training guidelines, as well as external documents from GIRoA and other development organizations. (Annex C: List of Documents Reviewed)

a. Checklists and Questionnaires: The evaluation team developed checklists and/or questionnaires to ensure consistency in data collection. The evaluation team shall submit the checklists and/or questionnaire for USAID approval prior to use. See also Development of Evaluation Methods section below.

b. Focus Group Discussions: The evaluation included focus group discussions with USAID/Afghanistan OEG staff, TAFA staff, TAFA partners, private business sector, beneficiary groups, local leaders, US Embassy, and other donors and organizations working in Afghanistan.

c. Individual/Key Informant Interviews: The evaluation team interviewed representatives of USAID/Afghanistan OEG staff, TAFA staff, TAFA partners, private business sector, beneficiary groups, local leaders, US Embassy, and other donors and organizations working in Afghanistan.

ANNEX C: LIST OF INTERVIEWS & ORGANIZATIONS CONTACTED

No	Name	Title	Organization	Email	Telephone	Date of meeting
1	Abdelkader "Ed" Elrahal	Chief of Party	TAFA	aelrahal@tafa-af.com	0793-400-682	09.Feb.2012
2	Andrew Allan	Customs Reform Team Leader	TAFA	aallan@tafa-af.com	0793-400-677	09.Feb.2012
3	Carmel Whelton	Public Outreach Team Leader	TAFA	cwhelton@tafa-af.com	0793-400-673	09. Feb.2012
4	Fred Witthans	Trade Facilitation Team Leader	TAFA	fwitthans@tafa-af.com	0793-400-659	09. Feb.2012
5	Ahmad Khalid Yosofi	Trade & Policy Liberalization Team Leader	TAFA	kyousofi@tafa-af.com	0793-411-075	09. Feb.2012
6	Scott Cameron	OEG/USAID	USAID	scomenow@usaid.gov		06. Feb.2012
7	Khalil Bahrami	OEG/USAID	USAID	kbehrami@usaid.gov		06.Feb.2012
8	M.Haseeb Kabiri	Director of M&E	TAFA	hkabiri@tafa-af.com	0772-544-758	13. Feb.2012
9	Rawajuddin Dakhunda	Monetization and M&E Advisor	TAFA	rdakhunda@tafa-af.com	0700-065-581	13. Feb.2012
10	Ramazan Jumazada	Member of Parliament-Vice Chair of Economy Commission	Parliament	rjzali@yahoo.com	0799-658-658	16.Feb.2012
11	Katrina Yunus	Marketing & Product Development Advisor	EPAA	katrina.yunus@epaa.org.af katrina.yunus@cimonline.de	0702-050-076	16.Feb.2012
12	Mirza Mohammad Amiri	Director and Chief Executive Officer	EPAA	mirza.amiri@epaa.org.af mirza.amiri@gmail.com	0791-777-786	18.Feb.2012
13	Rahimullah Faizan	AIU Board Member and President of JMM IA	Bagrami IP Association Director	faizan_filter@yahoo.com	0700-274-822	18.Feb.2012
14	Habib Zmaray	Trade Policy Reform Senior Advisor	TAFA	hzmaray@tafa-af.com	0795-400-180	19.Feb.2012

15	Andrey Moisseyev	Trade & Policy Results Leader	TAFA	amoisseyev@tafa-af.com	0793-400-662	19.Feb.2012
16	Masooda Zia	Board Member of Press Club Directors	TAFA/Press Club	masooda_zia@yahoo.com	0779-524-059 0786-500-122	20.Feb.2012
17	Mohammad Tamim Shaheer	Journalist/Board Member of Press Club Directors	TAFA/Press Club	Shaheer@tolo.tv	0796-009-186	20.Feb.2012
18	Ali Reza Yasa	Head of Economic Journalists/Press Club Directors	TAFA/Press Club	Aliyasa20@gmail.com	0799-104-122	20.Feb.2012
19	Popalzai Popal	ANSA General Director	ANSA	dg@ansa.gov.af ansa.ceo@gmail.com	0752-041-445 0700-039-592	21.Feb.2011
20	Dr. M. Afzal Haider	Director Policy and Coordination	ANSA	plan.ansa@hotmail.com	0799-286-532 0752-041-448	
21	Abbas Aieen	Chief of Executive Officer (CEO)	AAFFCO	afcokabul@yahoo.com	0799-323-172 075-200-6991	21.Feb.2011
22	Mohammad Sharif Kawesh	Representative of Export Promotion Program in Afghanistan EPPA in One Stop Shop	OSS			22.Feb.2012
23	Sarah Meyer	Acting Deputy Chief of Party – Programs	TAFA	SMeyer@chemonics.com	0791-998-219	23.Feb.2012
24	Safir Sahar	Deputy Chief of Party-Program TAFA	TAFA	ssahar@tafa-af.com	0799-211-294	23.Feb.2012
25	Atiqullah Nusrat	Chief Operation Officer (COO)	ACCI	atiqullah.nusrat@acci.org.af	0799-462-388	25.Feb.2012
26	Mohammad Umar Momand	Planning & Reforms Director	ACD	m_umar25@yahoo.com	0799-721-441 0752-015-018	26.Feb.2012
27	Elhamuddin Mazhar	Customs Director General	ACD	alhammazhar@gmail.com	0777-302-626 0799-302-626	26.Feb.2012
28	Mohammad Naseem Akbar	Vice President, Investment	AISA	naseemA@aisa.org.af akbar.naseem@gmail.com	0700-288-304 0799-336-526	27.Feb.2012
29	Mozammil shinwari	Deputy Minister for Trade	MOCI	shinwari000@yahoo.com	0700-774-501 0202500334	27.Feb.2012

30	John Baillie	Programme for Sustainable Economic Development Afghanistan NaWi	GIZ	john.baillie@giz.de	0789-990-239	28.Feb.2012
31	Farhat Farhat	Trade & Policy Team Leader TAFA	TAFA	fyfarhat@eif-inc.com	0796-300-553	28.Feb.2012
32	Hasan	World Bank	WB	hzaidi@worldbank.org	+ 33 (0) 553 836 108 Cell: + 33 (0) 616 303 107	28.Feb.2012
33	Michel Żarnowiecki	World Bank	WB	mz@zarnowiecki.net		28.Feb.2012
34	Amar Azizi	World Bank	WB	azia@worldbank.org,		28.Feb.2012
35	Clifforet Heinzer	BMTF Team Coordinator	US Embassy		0700-108-120 0702-592-664	29.Feb.2012
36	Shante J Moore	Economic Officer	US Embassy	MooreSJ3@state.gov		29.Feb.2012
37	Mustafa M.Bahrami	Economic Affairs Section	US Embassy			29.Feb.2012
38	Captain Humphreys	ISAF Border Management Team	AISAF	BahramiM@state.gov	0700-108-694 0797-771-121	29.Feb.2012
39	Mahbooba Waezi	Head of Afghan Women Business Center	AWBC	waizi_56@hotmail.com	0789-489-424 0799-334-135	29.Feb.2012
40	Nabila Osmani	Head of Afghan Women Business Center	AWBC		0788-540-934	29.Feb.2012
41	Shekeiba Qayoomi	Head of District 11 Women Vocational Association	DWVA	shakibaqayumi@yahoo.com	0774-226-074	29.Feb.2012
42	Suleman Fatimie	Partner/Afghanistan Financial Services	AFS	suleman.fatimie@afs.af	0797-000-111 0796-336-616	04.March.2012

ANNEX D: QUESTIONNAIRE

Questionnaire on Trade Policy and Integration:

For each of the following areas, please provide feedback on your organization's capabilities in the relevant areas, the assistance received from TAFA and future needs.

1) Tariff/Trade Policy Analysis

a) *What type of analysis was done to the impact of tariff policy on Afghanistan's trade and welfare since June 2010? Please specify.*

b) *What areas of trade analysis and research did you undertake since 2010? (specify activity(s) briefly)*

1. Trade policy analysis_____
2. Regional Trade Arrangements_____
3. WTO_____
4. Trade and agriculture_____
5. Trade in services _____
6. Trade and investment _____
7. Trade and competition _____
8. Export competitiveness_____
9. Trade and poverty_____
10. Other, please specify _____

c) *On a scale from 1 to 5, how would you rate the ability to process and analyze trade related researchers in your institution (Please tick)?*

	Very poor (1)	Poor (2)	Moderate (3)	Good (4)	Very good (5)	N/A
Quantitative analytical skills Qualitative analytical skills Ability to formulate trade research agenda Understanding of trade research methodology Understanding of national and international trade issues Ability to analyze trade policy						

d) *Did you seek assistance from Universities in Afghanistan, research organizations, NGOs or other institutions in analytical advisory support since 2010? If yes, what were the topics of such analysis?*

e) *What specific assistance (technical advice, training/capacity building, and procurement) did you receive from* ***TAFA*** *over the past year to support your mandate in this area?*

f) *How did this assistance improve your organization's abilities in each of the relevant areas? What were the outcomes of this assistance in terms of skills/capacities within your organization?*

g) *How would you rate this assistance in terms of quantity and quality?*
Was the amount of assistance sufficient to meet the needs of your organization in the above areas? Were there any gaps in the assistance provided by **TAFA** that were not being met by other resources (including other donor programs)?

How would you rate the quality of support? Please provide comments, with specific examples.

Very poor (1)	Poor (2)	Moderate (3)	Good (4)	Very good (5)	N/A

h) *What specific support do you require to improve your organization's capacity in this area?*

2) *APTTA/SAPTA and the WTO*

a) *What laws and regulations were implemented in facilitating APTTA/SAPTA and the WTO?*

b) *What briefs and reports were prepared by your institutions part of WTO accession process (WTO questionnaires), schedules, and responses to questions submitted to the WTO Working Party members.*

c) *What specific assistance (technical advice, training/capacity building, procurement) did you receive from TAFA over the past year to support your mandate in this area?*

d) *How did this assistance improve your organization's abilities in each of the relevant areas? What were the outcomes of this assistance in terms of skills/capacities within your organization?*

e) *How would you rate this assistance in terms of quantity and quality?*
Was the amount of assistance sufficient to meet the needs of your organization in the above areas? Were there any gaps in the assistance provided by **TAFA** that were not being met by other resources (including other donor programs)?

How would you rate the quality of support? Please provide comments, with specific examples.

Very poor (1)	Poor (2)	Moderate (3)	Good (4)	Very good (5)	N/A

f) *What specific support do you require to improve your organization's capacity in this area?*

3) *Institutional Coordination*

a) *On a scale from 1 to 5, how would you rate the level of cooperation of your organization with the following types of partners?*

	Very poor (1)	Poor (2)	Moderate (3)	Good (4)	Very good (5)	N/A
Governmental institutions						
NGOs						
Local research						
International research institutes						
Bilateral development agencies						
International development organizations						
Academia						
Private sector						

b) *How do you rate the improvement in cooperation with other institutions over the past 2 years:*

Very poor (1)	Poor (2)	Moderate (3)	Good (4)	Very good (5)	N/A

c) *What specific assistance (technical advice, training/capacity building, and procurement) did you receive from TAFA over the past year to support your mandate in this area?*

d) *How did this assistance improve your organization's abilities in each of the relevant areas? What were the outcomes of this assistance in terms of skills/capacities within your organization?*

e) *How would you rate this assistance in terms of quantity and quality?*
Was the amount of assistance sufficient to meet the needs of your organization in the above areas? Were there any gaps in the assistance provided by **TAFA** that were not being met by other resources (including other donor programs)?

How would you rate the quality of support? Please provide comments, with specific examples.

Very poor	Poor	Moderate	Good	Very good	
(1)	(2)	(3)	(4)	(5)	N/A

f) *What steps would you recommend to improve the cooperation with public and private sector institutions?*

a) Improve institutional mechanism (especially skills within your unit)
b) Improve communication mechanism
3) Other (pl. specify)

g) *What specific support do you require to improve your organization's capacity in this area?*

4) Product Standards, Certification, Licensing

a) *What measures were taken to improve product standards, certification, licensing procedures?*

b) *What specific assistance (technical advice, training/capacity building, procurement) did you receive from TAFA over the past year to support your mandate in this area?*

c) *How did this assistance improve your organization's abilities in each of the relevant areas? What were the outcomes of this assistance in terms of skills/capacities within your organization?*

d) *How would you rate this assistance in terms of quantity and quality?*
Was the amount of assistance sufficient to meet the needs of your organization in the above areas? Were there any gaps in the assistance provided by **TAFA** that were not being met by other resources (including other donor programs)?

How would you rate the quality of support? Please provide comments, with specific examples.

Very poor	Poor	Moderate	Good	Very good	
(1)	(2)	(3)	(4)	(5)	N/A

e) *What specific support do you require to improve your organization's capacity in this area?*

Questionnaire on Customs

Questions for General Director of Customs, Planning Director and Technical Director of Customs in Mazar-i-Sharif, Herat and Jalalabad Customs Directors.

1. *To what extent TAFA implement ACD strategic five years plan and Revenue Action Plan? What components were most effective and what was the lease effective, please describe?*
2. *Which of the TAFA capacity building efforts; a) Customs Procedures, b) Customs Management and c) Border Management Model and the various programs targeting sub-categories were most important in improving Customs procedures to reduce delays and cost for compliance with customs requirements? Please describe.*
3. *How effective were a) b) and c) above, in terms of time and cost and efficiency?*
4. *What alternative interventions you consider to be more effective or efficient. Please specify?*
5. *To what extent these programs had buy-in from regional platforms? And what may be done to improve ownership at the regional level?.*
6. *How would you rate TAFA support in regards reduction of clearance time in border customs and Inland Customs?*
7. *What recommendations would you provide to improve too expedite the clearance time and reduce cost? Please describe.*
8. *What Customs Law and Regulation made under TAFA and amended? Were these Customs Law and regulation was efficient and affect? Do you have any information to accelerate Customs process due to new Customs Law and Regulation?*
9. *To what extent TAFA help improve organization structure at ACD, Mazar Customs, Herat Customs and Jalalabad Customs with their borders?*
10. *Please specify the training program etc., targeting key officials and stuff TAFA delivered that you consider to be most useful and which were least useful? What others training and skill enhancements due you consider be effective and building capacity to effectually to carry out day to day functions at ACD and border regions?*
11. *What type of support did TAFA add to standardize Customs Valuation and Valuation process?*
12. *Please specify other relevant issues that you consider to be important in building capacity at ACD and other processes and procedures that may deem relevant?*

The following questions for Component 2 Team Leader.

13. *What training and capacity building efforts did TAFA carry-out at the ACD?*
14. *What type of quantifications was done to identify cost of customs clearance process by TAFA and what were the results?*
15. *What steps did TAFA implement for the improvement of ranking in World Bank Trading Across the Borders Indicator and improve trade data collection at the national and regional levels?*

16. *What measures did TAFA implement for the simplification of the customs procedures and streamline border clearance process as a Single Window approach to expedite cross border trade?*
17. *To what extent these programs had buy-in from regional platforms? And what may be done to improve ownership at the regional level?*
18. *What surveys have been done by local institutions?*
19. *What Other steps did TAFA used to identify the amount which increased revenue in Hairatan Border?*
20. *What assistance ASYCUDA system received from TAFA? Was it efficient and effect?*
21. *What policies, procedures and guidelines are took place from 2010 till date due to TAFA intervention?*
22. *To what extend TAFA strengthen internal audit procedures in ACD and contribute to the MOF's higher-level internal audit department to address to identify problems?*
23. *Please specify the training program etc., targeting key officials and stuff TAFA delivered that you consider to be most useful and which were least useful? What others training and skill enhancements due you consider be effective and building capacity to effectually to carry out day to day functions at ACD and border regions?*

QUESTIONNAIRE FOR TAFA COMPONENT III – TRADE FACILITATION

For the Component Lead and TAFA Staff

1) *What support or role did TAFA's provide in developing and implementing PPP over the past 2 years?*

2) *What were the key pieces of law and regulatory changes affected under the TAFA program?*

3) *How many trade related infrastructure projects did TAFA identified over that past 2 years?*

4) *How many of these infrastructure projects did TAFA extend assistance? Please specify the sector and the type of assistance provided?*

5) *What Training Modules did TAFA develop? (copies of training modules, and any information about those who received training)*

6) *Who were the recipients of that training?*

7) *Please describe effectiveness of those activities?*

8) *To what extent have the expected outputs and outcomes been achieved or are likely to be achieved? How efficient were they? For example: How were the training or workshop were designed with given the TAFA budget resources and the needs.*

9) *What do you consider to be key achievements over the past 2 years? Please list.*

10) *What do you consider to be key challenges in your respective component(s), and how do*

you propose achieving them?

11) *What steps are being taken to improve efficiency and reduce costs through encouraging modern trade support services such a) cargo handling) insurance, c) shipping and transport tracking. And, measure taken to encourage cooperation and negotiation with regional trade partners.*

12) *Were there measures implemented necessary type of insurance and transit guarantee mechanism?*

13) *What steps have been taken by TAFA to survey or audit extent of delays, inspection and corrupt practises and cost to market survey to inform advocacy efforts and reduce time and cost of overland shipments?*

From the key recipients of TAFA Assistance

AAFFCO

1. *What was TAFA's contribution in enabling imports or exports under APTTA?*

2. *How many of your members from your institution have taken part in TAFA transport capacity building training? How effective was the program?*

3. *What benefits did you reap from the TAFA training course conducted in upgrading knowledge Cargo handling?*

4. *How did you benefit from FIATA training program?*

5. *What other training and skill development you consider to be important to undertake freight forwarding functions?*

6. *Is there other challenges that freight forwarders encounter in importing and exporting, what other changes in laws and regulations needed to ease the process of trading?*

7. *What more needs to be addressed in improving trading under APTTA..*

OSS

1. *Describe the assistance extended to OSS by TAFA? Physical and process oriented assistance.*

2. *How many traders have used the OSS since its inception? Please specify by year.*

3. *How much did a trader saved by consolidating the process through OSS?*

4. *What other interventions are necessary to further reduce transactions costs for traders.*

ANSA

5. *How exactly did it help the private sector and what area of activity under ANSA can improve the standards?*

6. *What has been the progress of the development and adoption of standards meeting WTO and other internationally required requirements? (Note: Component I is responsible for legal development in this area).*

7. *How many traders have used the ANSA since its exemption?*

8. *Which specific (by sector) standards in Afghanistan have been updated? What role and value added has TAFA been?*

9. *What measures you consider to be most important in upgrading Standards in Afghanistan and why?*

Industrial Parks

10. *How has TAFA contributed to the improvement of the investment climate in Afghanistan? Please describe.*

11. *What role did TAFA play in the development of the Bagrami Industrial Park? Has TAFA built the capacity of the Government of Afghanistan to develop and manage industrials parks?*

12. *What are the unmet needs in the development of PPP in industrial parks in Afghanistan? Are there plans for develop thematic/sector specific industrial parks to provide facilities and services to investors?*

13. *What are the main remaining impediments to encouraging investment in Industrial Parks?*

EPPA

14. *How has TAFA contributed to the improvement in the level and quality of exports (quantitative and qualitative) in Afghanistan?*

15. *Please describe the effectiveness export promotion techniques developed by TAFA expert?*

16. *To what extent the tools and techniques are currently adopted by EPPA staff?*

17. *What other challenges and constraints do traders encounter exporting from Afghanistan?*

ANNEX E: BIBLIOGRAPHY/KEY DOCUMENTS REVIEWED

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