

# MEMORANDUM OF UNDERSTANDING

between



**PAKISTAN-  
AFGHANISTAN  
JOINT CHAMBER  
OF COMMERCE &  
INDUSTRY (PAJCCI)**

**AFGHANISTAN  
INVESTMENT  
SUPPORT AGENCY  
(AISA),  
AFGHANISTAN**

signed at KABUL SERENA

(Date: 25 DEC 2013)



**Pakistan-Afghanistan Joint  
Chamber of  
Commerce & Industry  
(PAJCCI)**



**Afghanistan Investment  
Support Agency (AISA),  
Afghanistan**

## **MEMORANDUM OF UNDERSTANDING**

***This MEMORANDUM OF UNDERSTANDING*** (hereinafter "MoU") dated: \_\_\_\_\_ is agreed between **Pakistan-Afghanistan Joint Chamber of Commerce & Industry (PAJCCI)**, and **Afghanistan Investment Support Agency (AISA), Afghanistan** herein referred to collectively as the "Parties".

### **PREAMBLE**

THAT the parties are desirous of defining a framework of cooperation with each other and developing a number of actions aimed further to strengthen the bilateral trade and relationship between the **Pakistan & Afghanistan** in the light of their defined charters.

WHEREAS, both the parties agreed that in view of the need to build a dependable, pragmatic, and advantageous relationship between both the countries, they desire to initiate the establishment of friendly and cordial relations between the two parties through an increased cooperation mode among the industrialists, businessmen, and entrepreneurs of the two parties.

WHEREAS, the scope of work of both parties is specified as under:-

### **PAKISTAN-AFGHANISTAN JOINT CHAMBER OF COMMERCE & INDUSTRY (PAJCCI)**

Pakistan-Afghanistan Joint Chamber of Commerce & Industry (PAJCCI) is an entity which is duly recognized and licensed by Islamic Republic of Pakistan as well as Islamic Republic of Afghanistan. The core objective of this trans-border arrangement is not only to transform the economic landscape of the South and Central Asian region but also to facilitate peace prospects and to curb extremism and terrorism. The Chamber was established having members of Trade and Industrial community with a motive to provide level playing field for promoting the bi-lateral trade and investment, ensuring transfer of technology, exploring new trade opportunities and areas of mutual interests, alleviating illegal trade and promoting positive image of both the countries across the globe.

### **AFGHANISTAN INVESTMENT SUPPORT AGENCY (AISA), AFGHANISTAN**

Afghanistan Investment Support Agency (AISA) was established in September 2003 in accordance with a directive issued by the Government of Afghanistan as a "One Stop Shop for Investors". AISA has been charged with the responsibilities of registration, licensing and promotion of all new investments in Afghanistan. AISA began as an agency that provided licenses to companies wishing to invest in Afghanistan. AISA has now evolved into a pro-active institution in promoting and attracting investment to Afghanistan

**WHEREAS;** in accordance with their respective interests and objectives, both parties are willing to cooperate with each other to actively facilitate and cooperate each other, and;

**RECOGNISING** the possibilities and potentials of growth, development and promotion of bilateral trade, investment and joint ventures between respective countries, and;

**APPRECIATING** the scope of further expansion of bilateral trade relations within the framework of the laws and regulations prevalent in the two countries; and;

**REALIZING** the need to foster a spirit of better cooperation and coordination between business communities of both countries in general and their respective members in particular for the development of trade and commerce;

**NOW, THEREFORE,** in recognition of their interests and objectives, both parties hereby confirm their mutual understanding of the following:

### **ARTICLE-1: SCOPE OF COOPERATION, ROLES AND RESPONSIBILITIES**

For mutual cooperation in respect of encouraging bilateral trade activities, exchange of trade delegations/ participation in trade fairs/ exhibitions, both parties will play their facilitation role. Both parties shall establish effective consultation, co-operation and the exchange of information on bilateral trade and relationship; refer trade queries/inquiries/ disputes of their members to each other for needful action and follow-up. Both parties shall appoint permanent staff to serve as focal point for execution of this MoU.

Both parties, with mutual understanding and consent, shall jointly organize/hold conference/meetings/ seminars/ workshops/ presentations/ for their members (must have PAJCCI membership) to strengthen bilateral commerce and explore new trade opportunities; engage in joint ventures, transfer of technology & expertise; allow each other to post their website addresses/links on respective website and other publications/ news/ trade bulletins.

Both parties will mutually cooperate in best possible manner so that the bilateral trade and investments can grow and flourish with required interventions and coordination, likewise, both parties shall carry out their respective roles and responsibilities with due diligence and in a professional manner, and with due regard to applicable laws and regulations. Both parties shall have no liability to each other for non-performance of any services under this MoU to the extent that any such performance would result in the breach of applicable laws and regulations applicable in their respective countries.

#### **ARTICLE-2: EXCHANGE OF INFORMATION & COOPERATION**

Both parties shall exchange information on the economy, trade, publications, trade regulations, industrialization, economic legislation and business practices being enforced in their countries. Wherever applicable, both parties may extend best cooperation and support to achieve the aims, mentioned in this MoU.

#### **ARTICLE-3: SUPPORT ON BILATERAL TRADE & Investment**

Both parties shall provide mutual support in order to encourage their citizens to participate in the different business events/ international exhibitions and to organize productive seminars on bilateral trade & investment in their two countries, or any other mutually agreed destination/station. Both parties will help visits of commercial and economic delegations between both countries enabling the counterparts for best realization of business contacts, and shall inform each other about national and international fairs/exhibitions etc.

AISA will also facilitate PAJCCI in establishment of "Export Warehouse / Trading House" for enhancement of trade linkages between business and trading community across the border

All the actions set out in this article shall be subject to specific letters of engagement or amendments/addendums to this MoU setting out the terms and conditions applicable thereto, and particularly, the financial conditions.

#### **ARTICLE-4: BUSINESS LICENCE FOR PAKISTANI BUSINESSES IN AFGHANISTAN**

AISA will issue business licence to any Pakistani businessmen who intend to do business in Afghanistan especially on single letter of recommendation issued by PAJCCI for PAJCCI members on priority basis.

This requirement of PAJCCI's letter of recommendation would also be compulsory at the time of renewal of business license by AISA.

#### **ARTICLE-5: SUPPORT ON JOINT VENTURES**

Both entities should facilitate joint ventures specifically with respect to revamping industrial set-up in Afghanistan through transfer of technology and expertise from Pakistan.

#### **ARTICLE-6: JOINT MEETINGS**

Both parties will organize joint meetings of their representatives in respective countries or elsewhere, subject to proper issuance of agendas/ ensuring availability of representatives from both side with mutual consent.

#### **ARTICLE-7: TRADE & INVESTMENT AGREEMENTS BETWEEN TWO COUNTRIES**

Both parties agreed to lobby for a mutually beneficial Preferential Trade & Investment Agreement between both the countries, influence the initiation of investment protection, taxation, and other treaties, prepare and maintain information on markets, cultural, religious, and national factors.

#### **ARTICLE-8: EFFECTIVENESS & AMENDMENTS**

This MoU, drawn up in English in Two-Originals, shall become effective on the date of signature thereof, for an unlimited period. This MoU may be amended or modified through mutual consent of both parties in writing.

#### **ARTICLE-9: LIABILITY OF PARTIES**

To the extent that the performance by both parties of any of the services contemplated in this MoU is delayed or prevented by causes beyond its reasonable control including, but not limited to, acts of God, acts of Governments and authorities of both countries or any instrumentality thereof, strikes, civil commotion etc., two parties shall not be in default of their obligations stated under this MoU.

**ARTICLE-10: ARBITRATION/ MEDIATION**

Both parties will assist for the amicable and friendly settlement of trade disputes arising out of business transactions between the members of both parties through conciliation, negotiation and arbitration/ mediation wherever necessary, taking into account the international standards and conventions in this regard.

**ARTICLE-11: BUSINESS VISA RECOMMENDATION**

Both parties agreed to issue visa recommendation letters to the members of both the entities to visit their respective countries for Business-to-Business meetings and to enhance bilateral trade and commerce.

**ARTICLE-12: NON-EXCLUSIVITY**

This MoU is not exclusive in any way or manner. Both parties are at liberty to sign and make identical MoUs/Agreements with other institutions of their choice.

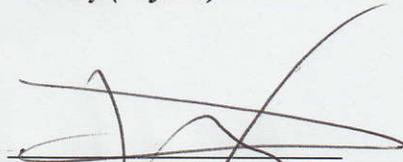
**ARTICLE-13: JOINT APPEAL**

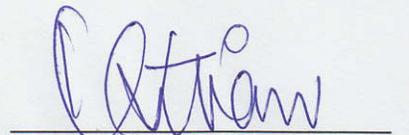
Both parties/organizations agreed to unequivocally call upon their governments/ respective ministries to officially recognize and endorse both parties and undertake sincere efforts to introduce confidence building measures so that bilateral trade opportunities are augmented, diplomatic initiatives are developed, and geopolitical cooperation is assured; for the enhancement of trade and commerce between the two countries.

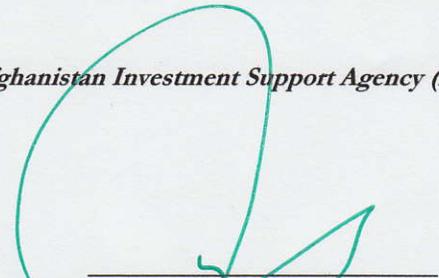
IN WITNESS WHEREOF, the Parties have caused this MoU to be signed on \_\_\_\_\_ at \_\_\_\_\_ in their respective names.

For: *Pakistan-Afghanistan Joint Chamber of Commerce and Industry (PAJCCI)*

For: *Afghanistan Investment Support Agency (AISA)*

  
Khan Jan Alkozai  
President, PAJCCI

  
Muhammad Zubair Motiwala  
Co-President, PAJCCI

  
Wafiullah Iftikhar  
President & CEO