

GOVERNMENT OF PAKISTAN DIRECTORATE GENERAL TRANSIT TRADE CUSTOM HOUSE KARACHI



Dated: 25.04.2019

SI/Misc/21/2014-(Estt.)/DTT

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1.	H.E. Mr. Hamid Ullah Tarin,	2.	The Col (Rtd) Muhammad Hassan,
'	Consul General,		General Manager,
	Islamic Republic of Afghanistan,	İ	DP-NLC,
	St-26, Block 5, Clifton, Karachi		Keamari, Karachi
3.	Mr. Zubair Motiwala,	4.	Ms. Faiza,
	President, PAJCCI,		Secretary General, PAJCCI,
	Room No. 802, 8 th Floor,		Room No. 802, 8 th Floor,
	International Trade Center,		International Trade Center,
	Hasarat Mohani Road, Karachi		Hasarat Mohani Road, Karachi
5.	Mr. Zia-ul-Haq Sarhadi,	6.	Mr. Farooq Ahmed,
	Former SVP, PAJCCI,		KPK Chamber of Commerce & Industry,
	Sarhad Chamber House,		Sarhad Chamber House,
	GT Road Shahi Bagh,		GT Road Shahi Bagh,
	Peshawar		Peshawar
7.	Mr. Qazi Zahid Hussain,	8.	Syed Shams Burney,
	Partner, Adnan & Co.,		Chairman,
	10-A, Pak Chamber, West Wharf Road,		All Pakistan Bonded Carriers' Association,
	Karachi		Karachi
9.	The Director,	10.	The Director,
	Directorate of Transit Trade,		Directorate of Transit Trade,
	Custom House,		100-B Chaman Housing Scheme,
	Peshawar		Quetta

Subject: MINUTES OF MEETING OF PAK-AFGHAN LIAISON COMMITTEE AT KARACHI FOR RESOLVING OPERATIONAL ISSUES OF AFGHANISTAN PAKISTAN TRANSIT TRADE AGREEMENT (APTTA-2010)

Kindly refer to the subject cited above.

2. Minutes of the meeting of Liaison Committee, chaired by the Director General, Transit Trade, Karachi held on 17.04.2019 at 11:30 A.M. in the office of Pakistan Hosiery Manufacturers & Exporters Association at PHMA House: 37-H, Block-6, P.E.C.H.S, Karachi are enclosed herewith for necessary action and record.

Abdul Haye Sheikh)
Additional Director/SA to Director General

Copy to:

- 1. The Director General, Transit Trade, Custom House, Karachi.
- 2. The Director, Transit Trade, Custom House, Karachi.
- 3. Mr. Mohammad Jawaid Bilwani, Proprietor, J.B. Industries, D-62/A, S.I.T.E, Karachi.
- 4. Mr. Haji Hameed Ullah, Proprietor, Hameed Ullah & Company, Sanatan Bazar,
- 5. Mr. Abid Ullah Khan Yousafzai, Managing Partner, Sky Leasing Company, Circular Road, Sirki Gate Peshawar.

- 6. Mr. Faiz Muhammad Faizi, Director, Haji Noor Elahi & Sons (Pvt.) Ltd., Hotel Noor Building, Namak Mandi, Peshawar.
- 7. Ahmad Shah Yarzada, President, Masood Najeeb Ltd., Gur Mandavi, District 1, Kabul, Afghanistan.
- 8. Mr. Nouman ul Haq Director, PAJCCI, Peshawar.
- 9. Syed Faisal Saeed Bhkhari, Additional Director, Transit Trade, Peshawar.
- 10. Mr. Muhammad Ismail, Additional Director, Transit Trade, Quetta.
- 11. Mr. Muhammad Naeem Safi, Commercial Attaché, Islamic Republic of Afghanistan.

(Abdul Haye Sheikh)
Additional Director/SA to Director General

Subject: MINUTES OF MEETING OF PAK-AFGHAN LIAISON COMMITTEE AT KARACHI FOR RESOLVING OPERATIONAL ISSUES OF AFGHANISTAN PAKISTAN TRANSIT TRADE AGREEMENT (APTTA-2010)

In pursuance of the directions of Ministry of Commerce and Federal Board of Revenue, Islamabad, a meeting was held under the Chairmanship of Director General, Transit Trade, Karachi on 17.04.2019 at 11:30 A.M. in the office of Pakistan Hosiery Manufacturers & Exporters Association, PHMA House, 37-H, Block-6, P.E.C.H.S, Karachi to discuss, among other issues, the issue of empty containers which had recently stuck up for entry into Pakistan on Afghan side at Torkham border and to find out a proper mechanism to clear the backlog.

- 2. The Chair started the meeting and welcomed all the participants. He stated that Pakistan and Afghanistan have historical, religious and cultural relations since centuries and they are very close to each other. He said that the scope of transit trade between Afghanistan and Pakistan will grow in future and cover TIR, CEPC and other regional agreements. He said that trade volume under different regimes i.e. import, export, transit and empty containers through Torkham border station is about 970 vehicles per day which pass through the border. The President, PAJCCI informed that due to changing regional economic scenario during past several years and hiccups caused by different government agencies on both side of the border, the trade volume between Afghanistan and Pakistan has reduced from US\$ 2.7 billion to US\$ 1.5 billion per annum. Apart from the participants in Karachi, the participants at Peshawar and Quetta attended the meeting through video link. List of participants is attached at Annex-A.
- The Director, Transit Trade Peshawar informed that they are working fourteen hours daily for clearance of transit trade cargo and that the perishable goods in transit from/to Afghanistan are accorded priority. The Additional Director, Peshawar explained that more than 600 empty containers meant for coming back into Pakistan have been cleared during last two/three days and that remaining 1500 plus containers will be cleared shortly. He said that the daily incoming empty containers' average from Afghanistan is 200 whereas the Directorate of Transit Trade, Peshawar can handle 400 empty containers per day. Later, the Director Transit Trade, Peshawar vide letter dated 23-04-2019 informed that total backlog of empty containers (2023 vehicles/ 2446 containers) was cleared by 22-04-2019. The chair directed the Director, Transit Trade Peshawar to get an extensive report prepared on the issue and furnish the same to the Directorate General of Transit Trade, Karachi. The Consul General, Islamic Republic of Afghanistan said that for the goods in Afghan transit transported in containers, an amount of Rs.100,00/- per container have to be paid by Afghan traders to the shipping company on account of demurrage. However, he confirmed the number of empty containers cleared during last two/three days. He added that government agencies on Afghan side have now started working 24 hours. The President, PAJCCI observed that demurrages and other losses occurring due to delays are borne by all of us and there is no discrimination whether it is a loss to Afghan side or Pakistan side.
- 4. The Secretary General, PAJCCI informed in the meeting that PAJCCI had contacted His Excellency the President of Afghanistan who sent a team on Afghan side to expedite the work of Afghan Customs and other government agencies which had a positive impact and helped a lot in accelerating the process of coming back of empty containers into Pakistan. Mr. Zia-ul-Haq Sarhadi, Former SVP, PAJCCI, Peshawar highlighted that due to the congestion and delay in clearance of cargo, the cost of doing business has increased. He suggested that loose cargo

should also be allowed in transit and that Pakistan Railways should also develop its infrastructure to promote the transit by rail. Mr. Ahmed Shah from Khan Jan Alokozay Ltd., Kabul expressed his concerns on the human issue of drivers who are stuck up across the border due to delays and this situation besides discomfort also adds to the cost of doing business. While responding to the issue of parking fee charged by the NLC authorities at Chaman, General Manager, NLC, Karachi said that he would take up the issue with NLC Headquarters for its proper resolution. The Chair emphasized the importance of better coordination between Afghanistan and Pakistan Customs and other government agencies. The Chair further said that benefitting the presence of Counsel General of Islamic Republic of Afghanistan he would suggest that electronic data interchange (EDI) should be established between ASYCUDA and WeBOC systems by the Customs authorities of Afghanistan and Pakistan. He added that as per APPTA, 2010, all transit trade cargo including reverse cargo (except oversized, bulk and perishable) should be transported only in containers (beyond three years limitation period after coming into force of the Agreement), which is not being practically done and may be looked into by concerned Afghan authorities. This would help in ensuring the integrity of cargo en route.

- 5. All the participants agreed and resolved that (i) immediate corrective action may be completed to clear the backlog of empty containers; (ii) a comprehensive system should be put in place to know the number of empty containers stuck up across the border in Afghanistan on real time basis; and (iii) periodical flag meetings should be held between Afghanistan and Pakistan Customs including other government agencies of both sides at Torkham and Chaman border stations to sort out the issue and take immediate action for correction/clearance of backlog.
- 6. The meeting ended with a vote of thanks to the Chair and vice versa.

LIST OF PARTICIPANTS

- Mr. Hamid Ullah Tarin, Consul General, Islamic Republic of Afghanistan. 1.
- Col (Rtd) Muhammad Hassan, General Manager, NLC, Karachi. 2.
- 3. Mr. Zubair Motiwala, President, PAJCCI, Karachi.
- 4. Ms. Faiza, Secretary General, PAJCCI, Karachi.
- 5. 6. Mr. Mohammad Jawaid Bilwani, Proprietor, J.B. Industries, Karachi.
- Mr. Zia-ul-Haq Sarhadi, Former SVP, PAJCCI, Peshawar.
- 7. Mr. Faroog Ahmed, KPK Chamber of Commerce & Industry, Peshawar.
- 8. Syed Shams Burney, Chairman, All Pakistan Bonded Carriers Association, Karachi.
- 9. Mr. Qazi Zahid Hussain, Partner, Adnan & Co., Karachi.
- 10. Ms. Zeba Azhar, Director, Transit Trade, Karachi.
- Mr. Faiz Ali, Director, Transit Trade, Peshawar. 11.
- 12. Mr. Irfan ur Rehman, Director, Transit Trade, Quetta.
- Syed Faisal Saeed Bhkhari, Additional Director, Transit Trade, Peshawar.
- 14. Mr. Muhammad Ismail, Additional Director, Transit Trade, Quetta.
- 15. Mr. Abdul Haye Sheikh, Additional Director, Transit Trade, Karachi.
- 16. Mr. Muhammad Naeem Safi, Commercial Attaché, Afghanistan.
- 17. Mr. Haji Hameed Ullah, Proprietor, Hameed Ullah & Company, Chaman.
- 18. Mr. Abid Ullah Khan Yousafzai, Managing Partner, Sky Leasing Company, Peshawar.
- 19. Mr. Faiz Muhammad Faizi, Director, Haji Noor Elahi & Sons (Pvt.) Ltd., Peshawar.
- 20. Mr. Nouman ul Haq Director, PAJCCI, Peshawar
- 21. Mr. Ahmed Shah from Khan Jan Alokozay Ltd., Kabul, Afghanistan.