

Country Progress Report Afghanistan



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Major Transport and Trade Facilitation Sectors Progress

National Joint Transport and Trade Facilitation Committee

National Trade and Transit Facilitation Committee of Afghanistan (AFPRO)

- The Government issued a presidential decree (2006).
- AFPRO's four main functions and working groups:
 - (i) trade facilitation,
 - (ii) transport facilitation,
 - (iii) training/capacity building, and
 - (iv) public-private partnership and investment projects.
- The AFPRO secretariat was established in 2008.

Major Transport and Trade Facilitation Sectors Progress

National Transport Sector Strategy

- Vision: Ensure that transport is used as a tool for economic growth and poverty reduction.
- Goals:
 - Fully upgrade and maintain the ring road and international road corridors;
 - Ensure Kabul International Airport and Herat Airport in compliance with the International Civil Aviation Organization's (ICAO) and the International Air Transport Association's (IATA's) requirements;
 - Pursue public-private partnerships in the building and operation of new road transport corridors that will help integrate Afghanistan into the Middle East, and South and Central Asia;
 - Reduce transit time through Afghanistan by implementing cooperative border management and other multilateral or bilateral trade and transit agreements.

Major Transport and Trade Facilitation Sectors Progress

Current Rehabilitation Program

- **Ring Road**

- Connects the major cities in the country such as Kabul, Doshi, Pul-e-Khumri, Mazare-e-Sharif, Herat, and Kandhahar.
- Total length: 2,210 km
- Completed section: 1,504 km (about 75 per cent)
- Total cost: \$ 1.142 billion.
- Planned completion: by the end of 2009.

Major Transport and Trade Facilitation Sectors Progress

Current Rehabilitation Program

- **Regional Roads Connecting with Neighbours**
 - Regional roads connect Afghanistan with its neighbours
 - (Kabul-Torkham; Herat-Torghandi; Herat-Islam Qila; Kandahar-Spin Boldok; Aquina-Andkhoy; Delaram-Zeranj; Pul-e Khomri-Shirkhan Bandar; Khost-Ghulam Khan; and Naibabad-Hairatan)
 - Total length: 1,153 km
 - Completed section: 1,119 km
 - Remaining section: 34 km being improved

Major Transport and Trade Facilitation Sectors Progress

Trade Facilitation

- Improved customs infrastructure and logistics along the three CAREC Corridors (CAREC 3b, 5, 6a, 6b, and 6c) and Afghanistan's North-South and East-West road networks,
 - connecting Central Asian countries with Iran and Pakistan, and providing access to the other Gulf and South Asian countries.

Major Transport and Trade Facilitation Sectors Progress

Customs Infrastructure Improvement

- Completed:
 - the new headquarter building of Afghan Customs Department (ACD) in Kabul.
 - the main Customs Building at Torkham and installed a cargo scanner.
 - the construction and renovation work at Jalalabad, Torghundi, and Mazar.
- Ongoing construction of customs buildings at Hairatan, Islam Qila, and Shirkhan Bandar.

Major Transport and Trade Facilitation Sectors Progress

Customs Infrastructure Improvement (continued)

- Procured cargo handling equipment that cost about \$2.4 million to facilitate the Customs operations at various Customs stations.
- Built warehouses at various Customs stations for storing of imported cargo.
- Allocated substantial budgets for construction/renovation of Customs facilities in the 5-year Strategic Plan of ACD.

Major Transport and Trade Facilitation Sectors Progress

Automation of Internal Transit Procedures

- Introduced ASYCUDA transit module.
- Computerized the internal transit procedures for import/export at the border Customs stations of
 - Torkham on the Pakistan border
 - Torghundi on the Turkmenistan border
 - Islam Qila on the Iran border
 - Hairatan on the Uzbekistan border
- The Afghan Customs Department expects to complete introducing ASYCUDA by September 2009.

Major Transport and Trade Facilitation Sectors Progress

Simplification of Clearance Procedures for International Transit Cargo

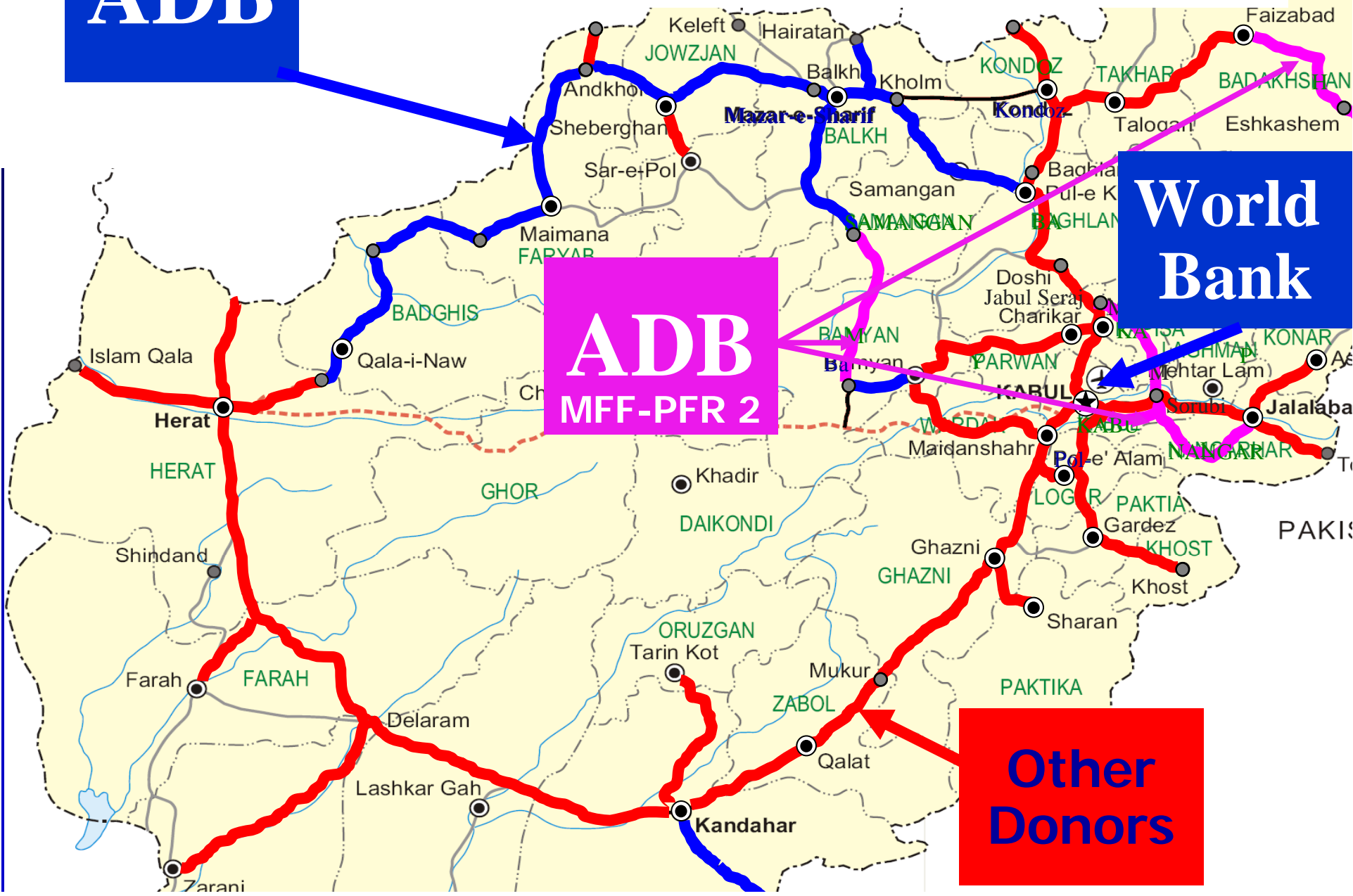
- A simplified procedure has evolved for movement and clearance of international cargo through Afghanistan.
- Talks are being held with Pakistan for extending reciprocal facilities.
- Similar trade and transit arrangements could also be worked out with Tajikistan, Uzbekistan and other CAREC countries.

Regional Road Improvement

- **ADB's MFF for the Road Network Development Program (Nov 2008)**
 - \$60 million grant for reconstruction of the Andkhoy-Qaisar road (CAREC Corridors 6ab, 3b) and north-south roads
- **ADB plans to approve the tranche 2 grant (2009)**
 - to rehabilitate the Kabul-Jalalabad road (CAREC Corridors 5, 6c), Faizabad-Eshkashim road, and Jabal Saraj-Sourbi road
- **World Bank approved an \$18 million grant (Dec 2008)**
 - to improve traffic flows in Kabul (CAREC Corridors 5, 6c)

ADB

AFG: Regional Road Improvement



ADB
MFF-PFR 2

World Bank

Other Donors

Status of Investment and Technical Assistance Projects

Roads

- AFG IP 1: Qaisar-Bala Murghab Road (ongoing)
 - The project is proceeding well.
 - Total grant financing: \$55 million
 - Utilized grant: \$41 million
 - Completion: Revised from 2008 to 2010.

Status of Investment and Technical Assistance Projects

Roads

- AFG IP 2: Bala Murghab-Leman Road (ongoing)
 - Expected Completion: 2013.
 - Recruitment of supervision consultants, MIS consultants, and project management consultants is ongoing.

Status of Investment and Technical Assistance Projects

Roads

- AFG IP 3: Leman- Armalick Road (new to ongoing)
 - Expected Completion: 2011
 - Financing: \$ 30 million from Saudi Fund for Development
 - Bidding process ongoing

Status of Investment and Technical Assistance Projects

Roads

- AFG IP 4: Pul-e-Khumri–Doshi Road (ongoing)
 - Expected Completion: 2011
 - Financing: \$ 22 million from Islamic Development Bank
 - Status: Bidding process completed and the contract to be awarded soon

Status of Investment and Technical Assistance Projects

Roads

- AFG IP 5: Naibabad-Hairatan Road
 - Successfully completed
- AFG TA 1: Preparing the Road Network III
 - Completed
- AFG TA 2: Salang Tunnel Expansion Feasibility Study (2011)
 - Programmed for 2011
 - Secure financing

Status of Investment and Technical Assistance Projects

Roads

- AFG TA 3: Kabul-Jalalabad Road Feasibility Study (2011)
 - Ongoing to 2011
 - Part I of the feasibility study (about 50 km) was completed and design is being prepared
 - Part II (remaining 106 km) will start when financing is secured

Status of Investment and Technical Assistance Projects

Railways

- AFG TA 5: Rail Feasibility Study (Shantikh–Herat) (ongoing)
 - Financing: \$ 1.2 million from Iran
 - Consultants to be recruited soon

Status of Investment and Technical Assistance Projects

Railways

- AFG TA 6: Rail Feasibility Study (Hairatan–Mazare-e-Sharif–Herat and Shirkhan Bandar–Kunduz–Naibabad)
 - ADB financing (\$1.2 million) approved in March 2009.
 - Consultant recruitment ongoing.

Status of Investment and Technical Assistance Projects

Railways

- AFG TA 7: Rail Feasibility Study (Hairatan–Naibabad–Kabul–Torkham)
 - Financing from the Chinese copper mine concessionaire.
 - Programmed for 2010
 - Contract has not been signed yet

Status of Investment and Technical Assistance Projects

Airports

- AFG IP 6: Rehabilitation of Regional Airports Phase II
 - Cancelled due to low traffic because of the ongoing global economic downturn

Transport Sector

- AFG TA 4: Transport Sector Planning (all modes)
 - Programmed for 2011

Corridor Performance Measurement and Monitoring

- AFG attended the Corridor Performance Measurement and Monitoring meeting held in Guangzhou, PRC on 23-24 February 2009.
- Data collection started in March 2009.

Follow-up Actions

- Secure support to AFPRO to enable it to fulfill its mandates.
- Secure external financing to the investment and TA projects.
- Monitor CPMM and NJC activities regularly.



Thank you