



# Harakat's Newsletter

Issue 9 (January 2021)

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## Message from the CEO

Dear Readers,

It is with great pleasure that I announce to you that following tireless efforts by Harakat's committed team and with great contribution from our partners at the private sector, Harakat's performance during the year 2020 was scored an 'A' grade by our donors. While we are proud of this incredible achievement, we feel the responsibility and the eagerness to continue to do more.

Furthermore, our efforts in the month of January focused on providing support to and coordinating with the Afghanistan Chambers Federation and representatives of the government and private sector to review the draft Private Investment Law. Harakat hosted multiple sessions to revise the law during the month and will hold the final consultation meeting on developing the law in February before it is handed over to the Afghanistan Investment Facilitation Unit (AIFU) for approval and implementation.

In addition, we organized an online meeting for the donor agencies of Afghanistan's chambers of commerce and industries so private sector can discuss and share productive views on inclusive growth & development.

We also supported the Ministry of Industries and Commerce (MoIC) to revise the Afghanistan-Pakistan Trade Transit Agreement (APTTA). Harakat expects that all stakeholders including the government, private sector and all chambers are involved in the revision process and that their feedback is included in the revised document. The consultation and revision will enable the Afghan Government to benefit from the terms of the agreement and will, in the long-term, contribute to economic growth in the country.

In the coming month, Harakat will provide its support to finalization of the Private Investment Law. Harakat will also focus on communicating with a range of potential donors to ensure sustainability of the program for long term.

Sincerely,

**Noor Alam Hakimyar**  
Chief Executive Officer - Harakat



### **Donors' Rating of Harakat Performance**

Harakat received an A score in its 2020 Annual Performance Review by the donors. This means that Harakat was able to successfully achieve all its annual targets despite numerous challenges faced during 2020.

The Annual Performance Review was conducted in January 2021 by the Department for International Development (DFID) and the Swedish International Development Cooperation Agency (Sida).

This incredible accomplishment was made possible by the tireless efforts of Harakat's dedicated team and valuable contributions from Harakat's partners at private sector, the government and its delivery partners.

Harakat is committed to continue its thriving efforts for better business opportunities in Afghanistan.

### 1 Review of the Draft Investment Law

On January 16-17, Harakat hosted a high-level meeting of the Afghanistan Chambers Federation (ACF) and private sector to review the initial draft of the Private Investment Law. The meeting was attended by CEOs of the ACF member chambers and representatives from the private sector.

Following detailed discussions about articles of the drafted law, the participants proposed specific amendments to the draft law. It was decided that the draft law should be finalized during upcoming meetings.

Discussions of this meeting were also focused on participation of private sector in pre- and post-peace negotiation process, and preparation for the International Public Private Dialogue.



### 2 Revision of Afghanistan-Pakistan Transit Trade Agreement (APTTA)

Through its USAID-funded Trade for Peace project, Harakat supported a workshop on January 23-24 at the Ministry of Industries and Commerce (MoIC) to revise the Afghanistan-Pakistan Trade Transit Agreement.

The two-day intensive workshop was attended by representatives of the government and private sector. Participants of the workshop provided technical inputs and suggestions for a revised APTTA.

The consultation process with all relevant stakeholders will continue at the provincial level as well.



### 3 Private Sector and Donors Virtual Meeting

On January 25, Harakat organized a virtual meeting for the donor agencies of Afghanistan's chambers of commerce and industries to offer a platform for private sector to discuss and share productive views on inclusive growth & development in the country. Major donors including the World Bank, USAID and the EU.

Participants welcomed this initiative and expressed their willingness to continue this dialogue in future.



### 4 E-commerce in Afghanistan Workshop

Harakat sponsored a one-day National Inception Workshop on E-commerce in Afghanistan organized by Biruni Institute on January 28, 2021, in Kabul.

The overall aim of the workshop was to enhance the knowledge and capacity of entrepreneurs, particularly female entrepreneurs, in the application of e-commerce platforms to expand their business exports and participate in local, regional and global supply chains.



### What is the Trade and Transit (T&T) pillar of Harakat about?

Harakat supports the Government of Islamic Republic of Afghanistan (GIROA) in the area of trade policy to identify and eliminate constraints to Afghan exports and design, in addition to implementing a coherent trade agenda based on rigorous evidence-based policy analysis, to improve Afghanistan's trade and transit terms within the region.

### Who is funding the T&T program pillar?

The T&T pillar of Harakat is funded through USAID's Afghanistan Value Chains – High Value Crops (AVC-HVC) project.

### What will Harakat's support include?

Harakat supports the T4P projects by providing high-level technical assistance to the MoIC, Office of the Presidential Envoy for Pakistan Affairs, other government stakeholders, and the private sector stakeholders to critically analyze the deeply rooted trade and transit issues stemming from the skewed implementation of trade agreement with the neighboring and regional countries where Afghanistan is consistently at a disadvantage.

Harakat is also supporting the broader transit framework of Afghanistan to realize H.E. President Ashraf Ghani's vision to transform Afghanistan's geography into a transit hub between South and Central Asia.

### What does Harakat want to achieve from the T&T?

Harakat wants to ensure that Afghanistan negotiates the implementation of the International Road Transports (TIR) and a new Afghanistan-Pakistan Transit Trade Agreement (APTTA) in a way that is balanced, fair and as such, promotes the growth of Afghanistan's export-led industries.

## Harakat as your Mentor

This month's issue will be focusing on how to register your business with the government which is the fifth step of "how to start your business".

You will need to acquire a variety of business licenses before you can legally operate your business. There are several documents you must prepare before registering.

### Articles of incorporation

To become an officially recognized business entity, you must register with the government. Corporations need an "articles of incorporation" document, which includes your business name, business purpose, corporate structure, stock details and other information about your company.

### Tax Identification Number (TIN)

After you register your business, you may need to get a Tax Identification Number. While this is not required for sole proprietorships with no employees, you may want to apply for one anyway to keep your personal and business taxes separate, or simply to save yourself the trouble later if you decide to hire someone.

### Income tax forms

You also need to file certain forms to fulfill your income tax obligations. The forms you need are determined by your business structure.

**Key takeaway:** Register key documents like articles of incorporation, a TIN, income tax forms and other applicable licenses and permits.

### Japan Pledges \$122.2 million in Aid for Afghanistan

February 01, 2020: According to a statement released by the Embassy of Japan in Kabul, the country will provide \$122.2 million in aid to Afghanistan to support humanitarian and development programs in the country. The aid will enable the implementation of 17 humanitarian and development assistance projects orchestrated by various organizations throughout the country aimed at improvement of livelihoods through multiple approaches.

With the upcoming disbursement of \$122.2 million, the cumulative Japanese assistance to Afghanistan since 2001 will amount to \$6.9 billion.

Full link: [Tolonews](#)



### Afghan Government launched 'biggest Saffron exhibition' in Kabul

January 31, 2021: The Ministry of Agriculture, Irrigation and Livestock organized the country's largest saffron exhibition in Kabul through the Agricultural Value Chain Project.

The Minister of Agriculture, Irrigation and Livestock said the amount of saffron yield in the country is increasing, adding that in 2020, Afghanistan's saffron production reached to 21 metric tons, of which \$26 million" were earned in revenue.

Full link: [Khaama Press](#)



### Afghanistan Opens \$6 Million Pine-Nut Factory as Sales to China Boom

January 19, 2021: A new pine-nut processing factory has opened in Gardez, the capital of the southeastern Afghan province of Paktia. Officials say \$6 million was invested in building the facility, which they say could create up to 1,000 new jobs. Started by a private investor, it is hoped it will further open up international markets to Afghan nut producers, with exports abroad rising after Afghanistan and China signed a \$2.2 billion pine-nut export deal.

Full link: [Radio Free Afghanistan](#)



For more news and updates about these projects and many other activities, please visit Harakat's website and follow us on our social media accounts on:



[www.harakat.af](http://www.harakat.af)



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