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SNAPSHOT

Now, More a Part of the Global Marketplace

Afghanistan has adopted the internationally recognized system of tariff nomenclature for goods that are traded



Photo: USAID/TAFA

A shop owner in Kabul holds up a pomegranate, one of Afghanistan's most lucrative exports

'...we did it, and we can now continue to trade with the rest of the world. We have proved we are part of the global marketplace'

***Sarwar Siddiqi,
Afghanistan Customs
Department***

Afghanistan has become much more a part of the global marketplace with the adoption of the internationally recognized system of tariff nomenclature for trade products. Transition to the Harmonized Commodity Description and Coding System, which is used by more than 190 countries, began late last year with crucial assistance from USAID's Trade and Accession Facilitation for Afghanistan (TAFA) project.

"This system is very important," said Sarwar Siddiqi, tariff and valuation director of the Afghanistan Customs Department. "It allows us to more efficiently trade with other countries and ensures we charge the correct tariffs on imports."

Afghanistan has tailored the system to its needs. It has two separate columns – one for countries such as India and Pakistan that enjoy preferential tariffs under the South Asia Free Trade Area, and the other for the rest of the world.

The system, which gives a special six-digit code to more than 98 per cent of the world's traded goods (ranging from live animals to machinery or medical devices) is used to classify exports and imports and to determine the level of duty required on imports. Developed by the World Customs Organization, the codes are updated every five years.

"This was a very complex process. The system has more than 5,000 goods and associated tariffs," said Mr. Siddiqi. "But we did it, and we can now continue trade with the rest of the world. We have proved we are part of the global marketplace."