

**PROTOCOL
OF
ACCESSION OF ISLAMIC REPUBLIC OF AFGHANISTAN
TO AGREEMENT
ON SOUTH ASIAN FREE TRADE AREA (SAFTA)**

The Governments of SAARC (South Asian Association for Regional Cooperation) Member States hereinafter referred to as “Contracting States”

TAKING NOTE of Islamic Republic of Afghanistan having joined the South Asian Association for Regional Cooperation as its eighth Member on 3rd April 2007 during the Fourteenth SAARC Summit held in New Delhi on 3-4 April 2007;

NOTING that the Islamic Republic of Afghanistan has agreed to subscribe or accede, as the case may be, to the provisions of the SAARC Charter, all legal instruments of SAARC, all SAARC Declarations, all Agreements and Decisions of SAARC; and

ALSO NOTING that Article 24 of the Agreement on South Asian Free Trade Area (SAFTA) provides for amendments by consensus.

HAVE AGREED AS FOLLOWS:

1. The Government of Islamic Republic of Afghanistan shall be a Contracting State of the Agreement on SAFTA.
2. The Government of Islamic Republic of Afghanistan shall accept all the rights and obligations under the Agreement on SAFTA as accorded on the date of entry of this Protocol.
3. Islamic Republic of Afghanistan shall extend the tariff concessions to all other Contracting States as are being extended at the date of coming into force of this Protocol by Least Developed Contracting States and shall continue the tariff reduction programme in favour of all other Contracting States in accordance with the provisions of Articles 7(b) and 7(d) and the schedule agreed during the first meeting of the SAFTA Committee of Experts held in Dhaka on 18-19 April 2006.
4. Islamic Republic of Afghanistan may not apply the tariff reduction programme as in paragraph 3 above, to the tariff lines included in its Sensitive List attached at Annex-I, which shall be treated as an integral part of the Agreement on SAFTA.
5. All other Contracting States shall extend tariff concessions to Islamic Republic of Afghanistan as are being extended at the date of coming into force of this Protocol to all Least Developed Contracting States and shall continue the tariff reduction programme in favour of Islamic Republic of Afghanistan in accordance with the provisions of Article 7 of the Agreement on SAFTA and the schedule agreed during the first meeting of the SAFTA Committee of Experts held in Dhaka on 18-19 April 2006.
6. As far as the Annex-III of SAFTA Agreement i.e. Mechanism for Compensation of Revenue Loss (MCRL) under SAFTA is concerned, it has been agreed that

Afghanistan will get compensation, if due, from Sri Lanka for a period of four years; from Pakistan for a period of five years; and from India for a period of six years.

7. This Protocol shall enter into force on 90th day after issuance of a notification thereof by the SAARC Secretariat upon completion of formalities, including ratification by all Contracting States, by which all Contracting States shall issue necessary customs notifications extending the tariff concessions in accordance with the provisions of this Protocol.
8. This Protocol shall form an integral part of the SAFTA Agreement.

DONE at Colombo, Sri Lanka On This The Third Day of August Two Thousand Eight, In Ten Originals In English Language, All Texts Being Equally Authentic.

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