

India-Afghanistan PTA

PREFERENTIAL TRADE AGREEMENT
BETWEEN
THE REPUBLIC OF INDIA
AND
THE TRANSITIONAL ISLAMIC STATE OF AFGHANISTAN

PREAMBLE

The Government of the Republic of India and The Transitional Islamic State of Afghanistan, (hereinafter referred to as the "Contracting Parties"),

CONSIDERING that the expansion of their domestic markets, through economic integration, is a vital prerequisite for accelerating their processes of economic development.

BEARING in mind the desire to promote mutually beneficial bilateral trade.

CONVINCED of the need to establish and promote free trade for strengthening intra-regional economic cooperation and the development of national economies.

FURTHER RECOGNISING that progressive reductions and elimination of obstacles to bilateral trade through a bilateral preferential trading arrangement (hereinafter referred to as "The Agreement") would contribute to the expansion of world trade.

HAVE agreed as follows:

Article I

Objectives

1. The Contracting Parties shall establish a Preferential Trading Arrangement in accordance with the provisions of this Agreement.
2. The objectives of this Agreement are:
 - i. To promote through the expansion of trade the harmonious development of the economic relations between India and Afghanistan.
 - ii. To provide fair conditions of competition for trade between India and Afghanistan.
 - iii. In the implementation of this Agreement the Contracting Parties shall pay due regard to the principle of reciprocity.
 - iv. To contribute in this way, by the removal of barriers to trade, to the harmonious development and expansion of world trade.

Article II

Definitions

For the purpose of this agreement:

1. **"Tariffs"** means basic customs duties included in the national schedules of the Contracting Parties;
2. **"Products"** means all products including manufactures and commodities in their raw, semi-processed and processed forms.
3. **"Preferential Treatment"** means any concession or privilege granted under this Agreement by a Contracting