

Your Guide to Investment in Afghanistan

Your Investment Destination in the Heart of Asia.



invest in
AFGHANISTAN

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Introduction

Afghanistan's strategic location makes it a vital land bridge connecting Central Asia, South Asia, the Middle East, and Europe. This geographical advantage has established Afghanistan as a key point for trade and investment in the region.

The Islamic Emirate of Afghanistan has worked to simplify and facilitate investment procedures. As a result, obtaining business licenses has become faster, and land has been allocated to investors within industrial parks. Additionally, investment laws and regulations have been improved, and facilities related to taxation and customs have been enhanced to support investors better.

The country offers a large consumer market, a youthful labor force, abundant natural resources, and strategic transit routes. These factors create significant opportunities for investment across various sectors, including mining, energy, agriculture, industry, and information technology. These sectors present promising potential for both domestic and foreign investors.

This guideline aims to introduce investment opportunities, explain available incentives, and outline the practical steps involved in the investment process. It is organized into seven chapters. The first three chapters provide an overview of Afghanistan's investment environment and highlight reasons why the country is a favorable destination for investment. The fourth chapter details the existing opportunities and projects across various economic sectors. The final three chapters serve as a practical guide, supporting investors step by step throughout their investment journey in Afghanistan.

We hope this guide will serve as a valuable resource for traders and investors, assisting them in making informed economic decisions.

Message from the Minister of Industry and Commerce

In the name of Allah

Afghanistan is a land of opportunities. Despite years of challenges and changes, the country has now reached a stage where new doors for investment are open. The current situation is encouraging, with efforts underway to promote transparency and attract investors to help revive the national economy. In recent years, Afghanistan's economy has shown promising signs of growth. We are witnessing steady development in sectors such as industry, agriculture, energy, and trade. Exports are increasing, and the environment for both domestic traders and foreign investors has become more favorable than before.

The Ministry of Industry and Commerce, as the responsible institution for attracting investment, is committed to facilitating procedures, reducing bureaucratic hurdles, and supporting the private sector. Based on this vision, the Ministry has initiated a new investment development framework. This framework aims to present incentives, laws, and opportunities in an organized and transparent manner, aligned with current needs. These efforts are part of a broader strategy to make Afghanistan an attractive destination for investment.

As a result, Afghanistan has become one of the most appealing investment destinations in the region. The availability of ready land in industrial parks, expansion of energy resources, a young workforce, and a simple tax system have created favorable conditions for investment. Additionally, numerous opportunities exist across various sectors, including mining, renewable energy, construction industries, and the export of agricultural products. These opportunities are waiting for both domestic and foreign investors.

We invite all Afghan traders and investors, both inside and outside the country, as well as our international partners, to participate in the reconstruction and growth of Afghanistan. Together, we can build a prosperous future for our nation. We are confident that investing in Afghanistan is not only an economic activity but also a contribution to building a bright future for a nation.

With respect

Alhaj Nooruddin Azizi

Minister of Industry and Commerce



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Major Economic Cities

Afghanistan's key economic cities play a vital role in the country's trade and investment development. Kabul, as the capital city, is the main center for commercial and industrial activities. Herat, strategically located on the Iranian border, is considered one of the most important export gateways for the country. Mazar-e-Sharif, with its transit connection to Central Asia, has quickly become an economic hub in the northern region. Kandahar, situated in the south, serves as a major trade link with Pakistan and Gulf countries. Nangarhar, focusing on agriculture and cross-border trade, experiences significant economic activity. These cities form the backbone of Afghanistan's economy and offer extensive opportunities for investors.

Introduction to Afghanistan

Afghanistan is a country with a rich historical background and a unique geographical position in the heart of Asia. It shares borders with six countries: Pakistan to the south and east, Iran to the west, Turkmenistan, Uzbekistan and Tajikistan to the north, and China to the northeast. This strategic location makes Afghanistan an important economic and transit hub in the region.

Provinces of Afghanistan

Afghanistan is composed of 34 provinces, each with its own unique characteristics, capacities, and economic opportunities. From agriculture and local production in the northern and eastern regions to rich mineral resources in the south and central areas, as well as favorable transit and trade corridors in the west and southwest, every province holds the potential to play a significant role in advancing investment. This diversity makes Afghanistan a suitable country for sector based, regional, and provincial investment.

Area of Afghanistan

Area of Afghanistan

The area of Afghanistan is approximately 652,230 square kilometers, which is equivalent to about 251,830 square miles.

Borders of Afghanistan with neighboring countries

Neighboring Country	Border Length (km)	Location & Importance
Pakistan	~2,670 km	Afghanistan's longest border; includes major trade corridors such as Torkham and Spin Boldak.
Iran	~921 km	Western Afghanistan; a key route for exports and imports via Milak and Islam Qala.
Tajikistan	~1,357 km	Northeast; several bridges and crossings enabling trade with Central Asia.
Uzbekistan	~144 km	Short but critical; includes Hairatan port and the Mazar-e-Sharif Termez railway.
Turkmenistan	~804 km	Northwest; important for energy projects and the Lapis Lazuli (Dahlez Lajaward) Corridor.
China	~76 km	In the remote Wakhan corridor (Bada-khshan); Afghanistan's shortest border with major transit potential.

Afghanistan's Transit Partners

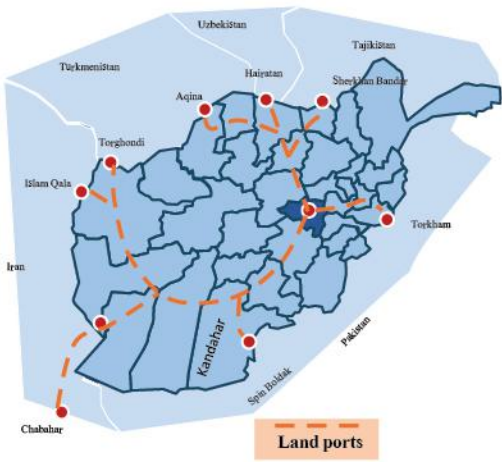
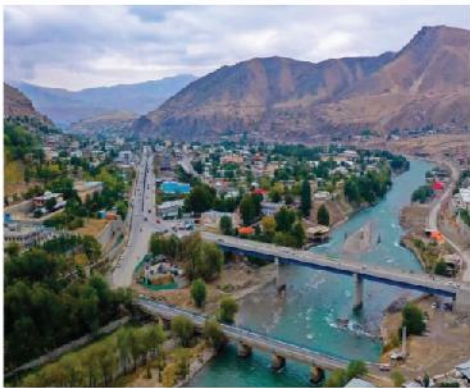
Currently, several active transit routes pass through Afghanistan, including :

- Pakistan: transports its goods through Afghanistan to Uzbekistan, Tajikistan, and Turkmenistan.
- Iran : maintains trade links with Tajikistan and Uzbekistan via Afghanistan.
- Tajikistan : also trades with Iran and Pakistan through Afghan territory.
- Uzbekistan : accesses Pakistan through Afghanistan and delivers goods to South Asia.
- Turkmenistan : also trades with Pakistan via Afghanistan.

These routes not only make Afghanistan a key regional transit hub but also provide major opportunities for investment in transit, transport, logistics, and infrastructure sectors.

Major Economic Cities

Chabahar	1840 KM
Aqina	647 KM
Hairatan	453 KM
Sher Khan Bandar	398 KM
Turghundi	931 KM
Islam Qala	936 KM
Torkham	229 KM
Spin Boldak	580 KM







Economic Infrastructure of Afghanistan

Despite numerous challenges and limitations, Afghanistan now possesses significant economic infrastructure that offers valuable potential for growth and development. In the telecommunications sector, approximately 23.03 million mobile subscribers have been reported, with a mobile penetration rate of about 55.5 subscriptions per 100 people. This indicates a growing connectivity within the country, facilitating communication and economic activities. In the energy sector, Afghanistan has signed a major contract worth 10 billion USD to generate 10,000 megawatts of electricity. This project reflects the country's long-term vision for energy production and potential energy exports. Additionally, it is estimated that Afghanistan has the capacity to generate over 300,000 megawatts from renewable sources such as solar, wind, and hydro power, highlighting its vast renewable energy potential. In transportation, the Ministry of Public Works has announced the initiation of approximately 300 kilometers of new road construction. This development signifies progress in infrastructure enhancement and regional transit capabilities, which are essential for economic integration and trade facilitation. Overall, these initiatives demonstrate Afghanistan's efforts to develop infrastructure in telecommunications, energy, and transportation sectors. These improvements create favorable conditions for economic growth and attract investment, contributing to the country's broader development goals.



Population

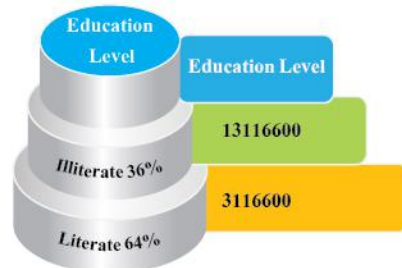
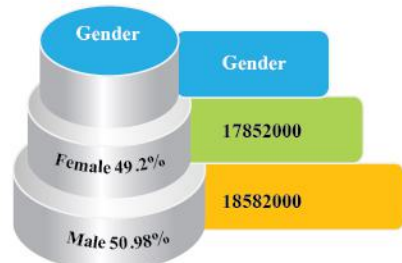
36.4 million

Estimated population in 2030

40 million

Estimated population in 2040

56 million



Source of Information : National Statistics and Information Authority —

Afghanistan Population 2025

The Afghanistan economy grew by 1.9% in 2025

Afghanistan Economy

Afghanistan's economy has experienced notable growth over the past two decades, demonstrating resilience across all economic sectors. The country's gross domestic product (GDP) has increased steadily, reflecting ongoing development and stability. According to data from the Central Statistics Office, the GDP was 17.153 billion USD in the year 1403 (2024) and rose to 17.77 billion USD in 1404 (2025). This growth indicates a positive economic trend, with an increase of approximately 1.9% in 2025.



Economic Indicator	Economic indicator
Gross Domestic Product (GDP)	17,77 billion USD
GDP per Capita	497.99 USD
Exports	1.7 billion USD
Major Export Items	Fresh and dried fruits, medicinal plants, mineral resources
Imports	11.7 billion USD
Major Import Items	Petroleum products and lubricants, machinery, vehicles and spare parts, textiles, metals and metal products
Labor Force	17.2 million
Unemployment	18.6 million
Major Agricultural Products	Hides, saffron, wheat, rice, barley, fresh fruits, dried fruits, wool, beef and mutton
Major Industries	Steel, soap, footwear, organic fertilizers, clothing, food products, non-alcoholic beverages, mineral water, cement, handmade carpets

Table 1 : Afghanistan's Economic Situation - 2025
Source : National Statistics and Information Authority

Why Invest in Afghanistan?



		
Untapped Market	Low Costs	Government Support
Existence of an untapped Afghan market with less competition	Low cost to start a business in Afghanistan	The Islamic Emirate of Afghanistan supports investors

		
Availability of Resources	Existence of Corridors	Access to the World
Afghanistan's natural resources and investment opportunities	Access to transit corridors and important ports	Access to the global market through Afghanistan's strategic location

		
Incentive Packages	Human Resources	Existence of Institutions
Tax and customs exemptions	Availability of young and affordable labor	Institutions supporting investors and resolving disputes



Islamic Emirate of Afghanistan Supporter of Investors

Government Commitment to Supporting Investments

The Islamic Emirate of Afghanistan recognizes the importance of investment for national economic growth, job creation, and the development of domestic industries. The government is fully committed to supporting both domestic and foreign investors. It provides security, allocates land in industrial parks, and simplifies administrative procedures to create a safe and conducive environment for commercial and industrial activities.

Economic Policy Focused on Production and Self-Sufficiency

The Islamic Emirate emphasizes economic growth and domestic production, aiming to reduce imports and increase national output. Development programs have been implemented in sectors such as agriculture, mining, energy, and industry to foster economic expansion based on the country's internal capacities and natural resources. Additionally, the government supports the private sector to promote economic self-sufficiency and reduce dependency on imports.

Rebuilding Legal Frameworks

To better organize investment processes and coordinate efforts among ministries and sectoral agencies, an Inter-Ministerial Investment Committee has been established. This committee is responsible for evaluating investor projects, addressing challenges, simplifying administrative procedures, and resolving issues faced by investors. Furthermore, a Private Sector Support Fund has been created to provide financial backing for large industrial and production projects. The government is committed to reviewing and updating all laws and procedures related to investment to meet the current needs of the country.

Improving Process of Investment Services

The Ministry of Industry and Commerce has established a One-Stop-Shop to simplify licensing, company registration, and land allocation processes. This center is now operational in several provinces, allowing investors to complete all procedures at a single location. Additionally, the digital enterprise licensing system is expanding, which helps save time and enhances transparency in business operations.

Incentive and Support Packages

The Islamic Emirate of Afghanistan has introduced various incentive packages and special privileges to encourage investment in the production sector. These incentives include tax exemptions for new investors, preferential export tariffs, and facilitation of machinery and raw material imports. The government is also collaborating with the Ministry of Finance to develop new tax exemptions for the private sector, aiming to reduce financial burdens on investors and promote economic growth.

Investment Security Guarantee

With nationwide stability, economic activities such as goods transportation, mining, and industrial production continue safely in most provinces. The Islamic Emirate, working in cooperation with local security agencies, provides a secure and reliable environment for investors. This secure environment enables investors to participate peacefully in the country's economic development and ensures the protection of their investments.

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Regional and International Economic Relations

The Islamic Emirate of Afghanistan, by expanding economic and trade cooperation, is creating a new chapter of regional engagement. Cooperation with China, Iran, Pakistan, Uzbekistan, Russia, and Qatar has opened new opportunities for trade and joint investment. Projects such as the Lapis Lazuli Corridor, the TAPI project, and the Termez-Mazar railway have further strengthened Afghanistan's role as a regional trade crossroads. The government is ready to cooperate with all countries interested in contributing to the development and reconstruction of Afghanistan.

Economy Centered Policy and National Self Sufficiency

The Islamic Emirate of Afghanistan focuses on domestic production and the growth of key sectors with the aim of reducing dependency on imports and reinforcing economic self-sufficiency. Investment in the sectors of industry, agriculture, mining, and energy remains a top priority. Today, Afghanistan is moving toward building an economy based on internal capacity, an economy shaped through the cooperation and trust of both domestic and foreign investors.



Financial Support

The Islamic Emirate of Afghanistan, recognizing the key role of the private sector in national economic growth, has implemented significant reforms in the tax and support system to make the investment environment easier, more transparent, and more encouraging.

Key reforms include :

- Reducing the profit tax in the production sector from 4% to 2% to encourage expansion of production and trade.
- Reducing the business tax from 2.5% to 0.3% to support small and medium enterprises.
- Waiving tax penalties to encourage traders to register and pay taxes regularly.
- Exempting the industrial sector from the 7% specific tax to promote domestic industries.
- Increasing tariffs on certain similar imported goods to protect domestic products.
- Encouraging the use of domestic products in public and private projects.
- Establishing a private-sector support fund to financially assist start-up industries and domestic investors.
- Allowing 100% foreign ownership of companies.
- A flat 20% tax on company profits.
- Zero tax on the import of industrial machinery.
- A 1% to 2.5% tax on the import of raw materials.
- Permission to freely transfer capital and profits abroad.

These reforms show that the government considers itself not just a supporter but a partner of the private sector, working to ensure that investors can operate confidently in a stable and transparent economic environment.



Low Cost of Starting a Business in Afghanistan

The process of business registration and license issuance is completed in less than eight hours and costs under 300 USD. Registration services are provided through a One-Stop Service Center equipped with a biometric system and a modern information database. Such centers currently operate in most provinces, allowing investors to start their activities easily and transparently.

To support investors, the Islamic Emirate provides land equipped with basic infrastructure in industrial parks at an affordable rate of about 150 AFN per square meter. These facilities, along with supportive government policies, enable investors to start businesses in Afghanistan with lower capital.



Afghanistan's Untapped Market with Low Competition

In 2024, the total trade value reached approximately 12 billion USD. Exports totaled 1.8 billion USD, while imports reached nearly 10 billion USD.

These figures show that the domestic market still has significant capacity for production and import substitution.



Access to Global Markets Through Afghanistan's Strategic Location

Due to its strategic position in the heart of Asia, Afghanistan offers unique opportunities for domestic and foreign investors. Rapidly growing markets such as China, India, and Pakistan are only a few kilometers away, providing access to more than two billion consumers. Besides its commercial importance, Afghanistan is recognized as a regional transit and energy-transfer hub. Major energy and irrigation projects strengthen this role, including:

the 500 kV TAP transmission line, the TAPI gas pipeline, the CASA-1000 project, and the Qosh-Tepa project.

Access to Transit Corridors and Major Ports

By signing the trilateral transit agreement (CBTA) with Tajikistan and Kyrgyzstan and joining CAREC, Afghanistan has gained improved access to regional markets and major Iranian ports such as Chabahar and Bandar Abbas. CAREC Corridors 5 and 6, along with key routes like APTTA and Lapis-Lazuli, have turned Afghanistan into a vital connector between East Asia, South Asia, the Middle East, and Europe. This creates excellent opportunities for investors to expand their exports and international trade.

Afghanistan's Natural Resources and Investment Opportunities

Afghanistan is a land of hidden wealth, with mountains and plains rich in valuable natural resources. It holds a unique regional position in terms of resource quality and diversity, with many reserves still untouched. According to official data, Afghanistan has more than 1,400 mines containing oil, gas, coal, gold, iron, and copper. The country is also rich in precious and semi-precious stones, including emerald, jade, ruby, garnet, lapis lazuli, white marble, tourmaline, and beryl all of which command high value on international markets.

Supporting Institutions and Investor Dispute Resolution

Investor confidence in Afghanistan is strongly supported by effective institutions that resolve issues, facilitate procedures, and provide consistent support.

The Economic Deputy of the Islamic Emirate plays a key role in policy-making and economic coordination, focusing on improving the investment climate, boosting domestic production, and strengthening regional economic ties.

Additionally, the Investment Facilitation Directorate within the Administrative Office of the President handles investor requests, concerns, and recommendations daily.



Availability of a Young and Affordable Workforce

Afghanistan is considered one of the youngest countries in the region based on its demographic structure. According to global statistics, the average age of the population is approximately 17.3 years, indicating that most Afghans are young and active. This youthful population offers a significant human resource potential for the growth of production, industry, and services within the country. Furthermore, the unemployment rate among youth aged 15-24 in 2024 was reported at around 16.69%. While this presents a challenge in terms of creating enough jobs, it also shows that there is a ready, eager, and capable workforce available for new investment projects. Additionally, the labor force participation rate for this age group is estimated at about 33-34%, demonstrating the active involvement of young people in the labor market and their willingness to participate in economic activities.



Successful Investors

This section introduces several investors who have invested in sectors such as the iron industry, services, and energy in Afghanistan and have achieved remarkable results. These individuals are now recognized as successful investors, and a summary of their key characteristics is provided below.





Melli Steel

The Melli Steel factory was established in 2017 and officially began its operations in 2022. It is considered one of the largest aluminum production centers in Afghanistan and has created direct employment for more than 350 people, as well as indirect employment for around 1,000 individuals. Melli Steel operates with a production capacity of 200 tons of aluminum and is equipped with modern machinery. Its smelting system includes a dual-unit furnace valued at 160,000 USD, which enables extensive purification and melting of aluminum. Aluminum scrap collected from across the country is recycled and used in various industrial products such as boxes, paint, and other manufacturing items. The factory is in the Kabul Industrial Park and employs a total of approximately 890 staff members across its various departments. With a strong focus on quality, professional integrity, and environmental protection, Melli Steel transforms aluminum scrap into high quality, market competitive materials.

Kam Air - Afghanistan's First Private Airline

Kam Air is the first private airline in Afghanistan, established by an Afghan investor, Iftekhar Kamgar. It is fully owned by the private sector. Kam Air is the first Afghan private airline to receive an IATA license and provides services that meet international standards. Since its inception, Kam Air has expanded its routes and is recognized as the leading private airline in Afghanistan. The airline plays a significant role in boosting trade, industry, transportation, and tourism within the country. It has launched extensive domestic and international flight programs.

Flights and Destinations

International Flights

Kam Air operates flights to several key cities in the region and around the world, including:

- New Delhi
- Istanbul
- Peshawar
- Dubai
- Other regional and Asian destinations

Domestic Flights

Within Afghanistan, Kam Air also offers flights to:

- Herat
- Kandahar
- Mazar-e-Sharif
- Other domestic routes as needed

Safety and Accreditation

- Holds an Air Operator Certificate (AOC) issued by the Afghanistan Civil Aviation Authority
- Official member of IATA
- IOSA certified, demonstrating adherence to the highest international safety standards
- By 2020, Kam Air aligned its operations with globally recognized safety and operational criteria

Kam Air Fleet

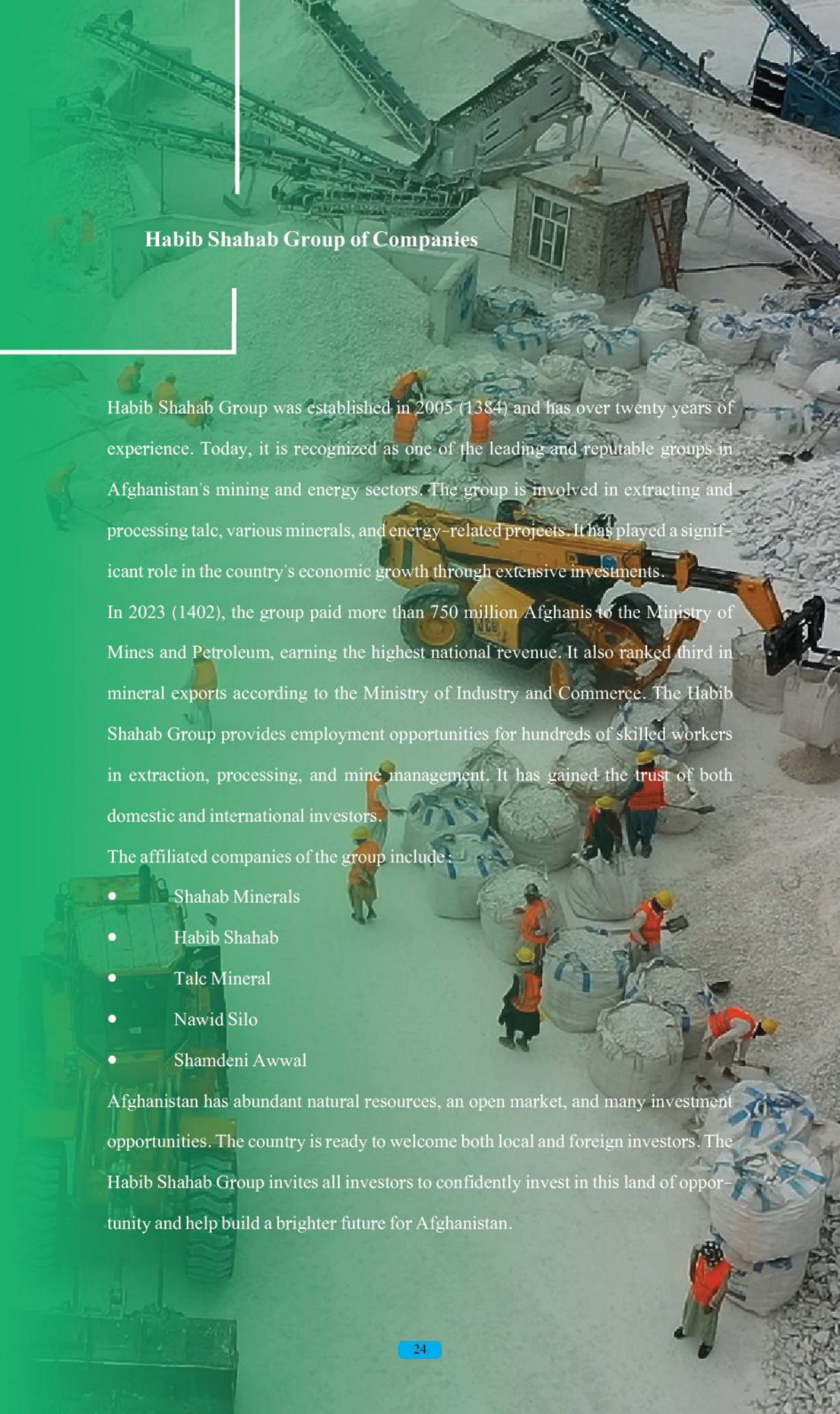
The active fleet of Kam Air includes approximately 12 aircraft, such as:

- MD-80 Series (MD-82/83/87)
- Boeing 737
- Airbus A340-300

Services Provided

- Domestic and international passenger services
- Cargo services

Support for Afghanistan's commercial, tourism, and transportation sectors



Habib Shahab Group of Companies

Habib Shahab Group was established in 2005 (1384) and has over twenty years of experience. Today, it is recognized as one of the leading and reputable groups in Afghanistan's mining and energy sectors. The group is involved in extracting and processing talc, various minerals, and energy-related projects. It has played a significant role in the country's economic growth through extensive investments.

In 2023 (1402), the group paid more than 750 million Afghanis to the Ministry of Mines and Petroleum, earning the highest national revenue. It also ranked third in mineral exports according to the Ministry of Industry and Commerce. The Habib Shahab Group provides employment opportunities for hundreds of skilled workers in extraction, processing, and mine management. It has gained the trust of both domestic and international investors.

The affiliated companies of the group include:

- Shahab Minerals
- Habib Shahab
- Talc Mineral
- Nawid Silo
- Shamdeni Awwal

Afghanistan has abundant natural resources, an open market, and many investment opportunities. The country is ready to welcome both local and foreign investors. The Habib Shahab Group invites all investors to confidently invest in this land of opportunity and help build a brighter future for Afghanistan.

Mofeed Group Industrial, Manufacturing, and Agricultural Services Company

Founded in 2015, Mofeed Group is a leading industrial, manufacturing, and agricultural services company in Afghanistan. The company has established four active production lines that significantly contribute to strengthening the country's agricultural and industrial value chains. These production lines include:

- Poultry feed production
- Animal feed production (dairy and egg-laying)
- Fish feed production
- Edible cooking oil production

Mofeed Group was among the first companies to introduce research based and improved seeds into the Afghan market. These seeds are distributed to farmers under the supervision of experts. After harvest, the company purchases the products at standard, market based rates and processes them into high quality industrial products.

The company provides direct employment for approximately 150 individuals and creates indirect employment opportunities for thousands more. Additionally, Mofeed Group has made a significant breakthrough by exporting various types of animal feed and fish feed to neighboring countries, marking an important step in expanding Afghanistan's industrial exports.

The core goal and strategy of Mofeed Group is to transform Afghanistan from an import-dependent country into a productive and self sufficient nation. The company aims to ensure that Afghan industrial products secure a prominent place in regional and global markets, contributing to economic growth and stability.



Zolaristan Energy for Afghanistan

Zolaristan Energy for Afghanistan was established in 2002 by a group of specialists in Kabul. It started its operations as a reputable entity in the renewable energy sector. The company has implemented over 45 solar projects across different regions of the country, playing an important role in the development of clean energy.

Zolaristan has practical experience in areas such as feasibility studies, solar project design, system installation, and maintenance services. Using standard technologies, the company has successfully met the needs of both government and private sectors.

Through professional work, collaboration with local experts, and connections with reputable international manufacturers, Zolaristan has become a successful example of investment in Afghanistan. This demonstrates that the renewable energy sector in the country has significant and reliable investment potential.



Investment Opportunities

Afghanistan is a country full of significant investment opportunities across various sectors, including industry, energy, agriculture, mining, and services. The industrial sector remains import-dependent, with annual imports exceeding 10 billion USD. This creates substantial opportunities for local production of construction materials, food products, textiles, spices, and plastic goods. Industrial parks located in Kabul, Balkh, and Nangarhar are prepared for operational activities, encouraging domestic manufacturing and reducing reliance on imports. In agriculture, Afghanistan boasts over eight million hectares of fertile land and abundant water resources, with an estimated 75 billion cubic meters of water annually. These resources provide excellent potential for producing export-oriented goods such as dried fruits, saffron, grapes, and vegetables. Investments in cold storage facilities, packaging industries, and modern irrigation systems can significantly enhance productivity and profitability, supporting both local consumption and export markets. The mining sector in Afghanistan is rich with over 1,400 registered mines, including deposits of gold, copper, lithium, coal, and gemstones. The estimated value of these mineral resources exceeds one trillion USD, presenting unique opportunities for investors seeking to develop mining operations, processing plants, and export channels. The sector's growth can contribute substantially to the national economy and create numerous employment opportunities. The services sector is experiencing rapid expansion, with potential in transit, telecommunications, information technology, transportation, financial services, and tourism. Afghanistan's strategic geographical location in the heart of Asia makes it a regional crossroads, facilitating the development of logistics companies, international trade, and digital services. This positioning enhances the country's role in regional connectivity and economic integration. Currently, Afghanistan's investment opportunities are categorized into three main sectors: primary industries, light industries, and heavy industries. Additionally, various service activities offer further avenues for investment and development, supporting economic diversification and sustainable growth.

Sector	Examples / Description
Primary Industries	Agriculture (farming, forestry, and fishery) and mining
Light Industries	Food products, non-alcoholic beverages, tobacco and textiles, clothing and leather, paper and printing, other manufactured goods
Heavy Industries	Plastic and chemical products, minerals, refineries, metals and machinery
Services Sector	Construction, public utilities, transport and communications, trade

Ministry of Industry and Commerce, Ministry of Mines and Petroleum, Ministry of Agriculture, Irrigation and Livestock, and Da Afghanistan Breshna Sherkat (DABS) - Official Data 2024-2025





Afghanistan Agriculture Sector

Agriculture is a vital sector of Afghanistan's economy, with over 70% of the population relying directly or indirectly on it for their livelihood. The country has extensive natural resources that support the development of agriculture, livestock, forestry, and natural resources. According to official statistics, Afghanistan possesses 30.24 million hectares of pasture, 17.4 million hectares of uncultivated and barren land, 3.7 million hectares of fallow land, 3.6 million hectares of irrigated land, and 1.78 million hectares of forest. These resources provide a strong foundation for economic growth in these sectors. Afghanistan produces a variety of products, including wheat, rice, fresh and dried fruits, saffron, and medicinal plants. These products have gained international recognition and are exported to many countries, contributing significantly to the country's economy.

Sources : Ministry of Agriculture, Irrigation and Livestock of Afghanistan - General Directorate of Planning and Policy and the Directorate of Extension (Official data for the years 2024-2025).

Production Sector:

- Establish commercial fruit orchards such as pomegranate, almond, pistachio, walnut, olive, grape, fig, and cherry.
- Invest in the production of seeds, fertilizers, pesticides, and agricultural machinery.
- Create modern dairy farms, calf rearing farms, poultry farms, and fish farms.

Processing and Packaging Sector:

- Set up factories for processing dairy products, jams, juices, and oilseeds like olives, sesame, and soybeans.
- Build standard cold storage facilities, equipped slaughterhouses, and packaging units for agricultural and animal products.
- Produce domestic packaging materials such as bottles, cartons, crates, and metal parts.

Natural Resources and Irrigation Sector:

- Invest in modern irrigation systems, including drip and sprinkler irrigation.
- Utilize solar-powered pumps in irrigation systems.
- Implement projects for artificial forest restoration, establishing fruit orchards, and watershed management to collect rainwater.

Ancillary and New Industries Sector:

- Produce and package honey and beekeeping products.
- Develop model farms, modern greenhouse towns, and eco-tourism projects such as national parks.

Energy Sector Opportunities and Projects



The total supply capacity is around 825 MW, with a demand of about 1220 MW, resulting in an average deficit of 395 MW. Therefore, large projects are underway to connect networks and develop a unified national electricity system



Currently Afghanistan's electricity consumption is about 7381 GWh per year. Approximately 20% of electricity is generated from domestic sources (mainly dams and small to medium thermal facilities), while the remainder is imported from neighboring countries.





In the list of 20 top projects, a mix is included: large and medium hydropower projects (7), thermal/coal projects (3), large and medium solar projects (7), wind projects (2), one biomass project, and one transmission/substation project. Hydropower and transmission projects have strategic importance for grid stability and regional electricity export, while solar and wind projects are faster to implement and suitable for reducing electricity deficits and developing mini grids.

Afghanistan has four independent (islanded) power grids, supplying a total of nine sub-networks. These grids include:

- Northeast System (NEPS): Connecting Kabul, Mazar-i-Sharif, and Jalalabad with Uzbekistan and Tajikistan via 220 and 110 kV lines.
- Southeast System (SEPS): Connecting Kandahar with Kajaki Dam.
- Herat System: Connected with Iran and Turkmenistan via 132 and 110 kV lines.
- Turkmenistan System: Supplying north-western provinces such as Faryab, Jowzjan, and Badghis.



Renewable Energy Potential

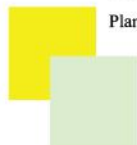
- Solar Energy: Over 300 sunny days per year, with an estimated capacity of 222,000 MW
- Hydropower: Over 23,000 MW for large dams, and about 600 MW for small and mini-hydro dams
- Biomass Energy: Around 4,000 MW (91 MW from urban waste, 3,090 MW from agricultural residues, and 840 MW from animal waste)
- Geothermal Energy: Over 70 sites in three regions, with potential capacity ranging from 4 to 100 MW



Projects ready for investment in the energy sector

Project Name	Province	Type	Capacity	Grid Connection
Grid Connection	Kunar	Hydro	~798 MW	On-Grid
Qala Mamiai Hydropower Project	Takhar	Hydro	~445 MW	On-Grid
Chunuk Hydropower Project	Kunar	Hydro	~390 MW	On-Grid
Kapisa Bagh Dara Hydropower Project	Kapisa	Hydro	~240 MW	On-Grid
Badakhshan Kochi Hydropower Project	Badakhshan	Hydro	~332 MW	On-Grid
Gulbahar Panjshir Hydropower Project	Panjshir	Hydro	~120 MW	On-Grid SS
Logar Pul-e-Alam Solar Project	Logar	Solar	100 MW	On-Grid
Dasht Alwan Solar Project	Parwan	Solar	100 MW	On-Grid
Bamyan Coal/Thermal Power Plant	Bamyan	Thermal (Coal)	~400 MW	On-Grid
Sholgara Coal Project.	Balkh	Thermal / Coal	~750 MW	On-Grid
Baghlan Khwaja Alwan Coal Project	Baghlan	Thermal / Coal	~300 MW	On-Grid
Guzara Solar Project	Herat	Solar	50 MW	On-Grid
Zarnai Solar Project	Nimroz	Solar	50 MW	On-Grid
Dasht Howz Wind Project	Herat	Wind	40 MW	On-Grid
Robat Sangi Wind Project	Herat	Wind	25 MW	On-Grid
Khak Jabbar Biomass Project	Kabul	Biomass	~30 MW	On-Grid
Pul-e-Khumri Hydropower Renovation	Baghlan	Hydro Renovation	~9 MW (3x3)	On-Grid
Ahmad Beik Solar Project	Kapisa	Solar	80 MW	On-Grid
Parwan Solar Project	Parwan	Solar	40 MW	On-Grid

Sources: Ministry of Energy and Water and Da Afghanistan Breshna Sherkat (DABS) - Renewable Energy Directorate and Planning & Policy Directorate (Official Data 2024-2025)





Investment Opportunities in the Mining Sector

Afghanistan is one of the richest countries in the world in terms of mineral resources. Over 1,400 mines have been identified across the country, including precious metals, construction materials, gemstones, oil, gas, and coal. The total estimated value of these resources exceeds 1 trillion USD. Currently, dozens of extraction and exploration projects are active in various provinces.

Among the key projects are Aynak Copper Mine in Logar, Hajigak Iron Mine in Bamyan, coal mines in Samangan and Baghlan, gemstone deposits in Badakhshan and Panjshir, and marble quarries in Herat and Nangarhar.

The Ministry of Mines has announced over 190 small-scale projects for private investment. These projects offer good opportunities for medium-sized investments and are feasible in many provinces.

Key Investment Opportunities and Capacities

Afghanistan's rich and diverse resources provide extensive opportunities for investment across all stages of the mineral value chain—from exploration to processing and export. Some of the most important areas include:

Key Capacities and Investment Areas

A. Exploration and Geological Studies

Investing in survey and exploration projects to discover new mineral deposits in less explored provinces. Collaborating on geophysical mapping projects and developing geological databases.

B. Extraction and Production

Extracting essential metals such as copper, iron, chromite, and bauxite. Utilizing coal reserves in the northern and central regions for energy production and industrial materials.

C. Processing and Downstream Industries

Establishing smelting and metal refining factories, especially for copper and iron. Creating factories for cutting and processing decorative stones and marble for regional export. Setting up laboratories for mineral quality control and testing.

D. Precious and Semi-Precious Stones

Afghanistan is renowned globally for its valuable stones. High-value exports include Panjshir emeralds, Badakhshan lapis lazuli, rubies, and Herat white marble. Developing processing and packaging facilities for these stones can significantly increase their added value for investors.

E. Service and Support Industries

Establishing transportation and mining equipment companies. Building warehouses, mineral storage centers, and transport hubs.

Investing in technical and training centers to develop a skilled workforce.

Ready to Invest Projects Mining Sector

Project	Mineral Type	Brief Description
Parian Iron Mine, Panjshir	Iron	Located 180 km from Kabul, 65 km from Golbahar, Fe grade 47.8%, estimated reserves ~275 million tons
Zarkashan Mine, Ghazni	Gold / Copper	Southeast, area 1,692 km ² , estimated gold reserves 12,000-15,000 kg
Coal-fired Power Projects (Baghlan, Bamyan, Balkh, Herat)	Coal	5 proposed sites, total capacity ~1,700 MW
Coal Mine, Samangan	Coal	Estimated reserves 555 million tons
Coal Mines, Sar-e-Pul	Coal	Reserves 141 million-1.5 billion tons
Coal Mine, Bamyan	Coal	Reserves ~113 million tons
Coal Mine, Baghlan	Coal	Reserves ~16 million tons
Coal Mine, Herat	Coal	Reserves ~11 million tons
Cement Raw Material Mine, Charbolak, Balkh	Cement Raw Material	25 km south of Mazar-i-Sharif, estimated reserves 2.4 billion tons
Cement Raw Material Mine, Paktia (Tireh-Pas)	Cement Raw Material	20 km north of provincial center, estimated reserves 345 million tons
Marble Mine, Daikundi	Marble	Estimated reserves 47.9 million tons
Marble Mine, Jerzmas-tani, Herat	Marble	800-1,000 m along the river, reserves 117.52 million tons
Marble Mine, Chesht Sharif, Herat	Marble / Travertine	13 blocks (10 marble, 3 travertine), reserves 31 million tons
Marble Mine, Zandajan, Herat	Marble	45 km west of Herat, reserves 36 million tons
Onyx Mine, Helmand	Onyx Stones	Dishu and Khanashin districts, 22 areas identified, final studies ongoing
Gemstone Mines (Bada-khshan, Panjshir, Kabul, Zabul, Kunar, Daikundi)	Gemstones	Includes emerald, lapis lazuli, ruby, beryl, nephrite; exact reserves not yet determined
Amu Darya Block	Hydrocarbons	57,000 km ² , 6 blocks, gas in 8 structures, oil in 6 structures, gas reserves 141 billion m ³
Afghan Tajik Block	Hydrocarbons	31,000 km ² , 12 blocks, 2 contracted, 10 open for bidding

Sector of Industry

The industrial sector is a vital and expanding part of Afghanistan's economy, offering significant opportunities for investment despite existing challenges. Currently, there are over 1000 small and medium sized factories operating across the country, primarily in food processing, construction materials, beverages, plastics, and textiles. Most Afghan industries are situated in industrial parks located in Kabul, Herat, Mazar-i-Sharif, Nangarhar, and Kandahar. The government provides investors with land, electricity, and infrastructure services at affordable rates to support industrial growth. Afghanistan remains largely import-dependent, importing goods worth over 10 billion USD annually. These imports mainly include raw materials, unpackaged food, construction

supplies, medicines, and textiles. This dependency presents a significant opportunity for domestic production and import substitution, which can help strengthen the local economy and reduce reliance on imports. The Islamic Emirate has introduced policies to promote industrial investment. These include reducing profit tax from 4% to



2%, lowering industrial taxes from 2.5% to 0.3%, and offering industrial land at a low rate of 150 AFN per square meter. Additionally, the government has established a private sector support fund and an inter-ministerial investment committee to facilitate further industrial activities and attract more investments.

Major investment opportunities in Afghanistan's industrial sector include:

- Construction materials such as cement, ceramics, iron, and glass
- Food industries and agricultural product packaging
- Pharmaceutical and chemical production
- Textile and garment industries
- Plastic, paint, and consumer products industries
- Light machinery and equipment manufacturing
- Development of new industrial townships and energy intensive factories

Sector / Product	Market Demand (Unit /Ton)	Domestic Production	Active Domestic	Import Quantity (Ton	Import Value (USD)	Raw Material Supply (%)	Type of Investment Opportunity	Estimated	Short Opportunity Analysis
Human Spices Production	54,000 tons	0	0	54,000	182,000,000	50% imported / 50% local	Establish processing factory	5,000,000	Large market with no domestic production; potential for exports.
Sugar	514,000 tons	0	1	514,000	108,000,000	100% domestic	Establish refining factory	5,000,000	Raw materials available locally; high demand.
Solar Systems	3,115,000 units	15,000	4	3,100,000	235,670,700	40% domestic	Panel and inverter production	200,000	Growing renewable energy sector; rural demand.
Aluminum Cans	17,000 tons	0	0	17,000	65,000,000	100% imported	Beverage and paint can production	3,000,000	Packaging industry requires domestic production.
Leather Goods	2,630 tons	630	1	2,000	200,000,000	100% domestic	Boot and bag production	500,000	Domestic raw materials and export market.
Ceramics and Tiles	170,000 tons	0	0	170,000	25,000,000	60% domestic	Building tile production	3,500,000	Construction projects growing rapidly.
Motor Oils	55,600 tons	5,500	5	50,100	48,000,000	100% domestic	Engine oil production	1,280,000	Large market with continuous consumption.
Iron Nails	6,885 tons	1,240	3	5,645	50,458,550	100% domestic	Nail and wire production	120,000	Iron raw materials available; stable market.

Diapers and Kotex	2,500,000 dozen	0	0	2,500,000	26,000,000	80% imported	Hygiene product manufacturing	400,000	Large household market.
Boots	116,000 pairs	0	0	116,000	25,000,000	100% domestic	Leather boot production	350,000	Export opportunities; sufficient raw materials.
Herbal Spices	9,357 tons	0	0	9,357	13,880,757	50% domestic	Herbal medicine production	1,000,000	Abundant medicinal plants in the country.
Plastic Containers	119,000 tons	0	0	119,000	54,260,000	60% domestic	Consumer container production	200,000	Large food industry market.
Construction Glass	8,300 tons	181	1	8,119	8,658,064	70% domestic	Building glass production	1,200,000	Major opportunities in construction sector.
Insulation (Izogam)	51,837 tons	30,837	12	21,000	9,700,000	70% domestic	Insulation material production	140,000	Local raw materials available; growing market.
Soap	11,500 tons	0	0	11,500	10,500,000	70% domestic	Soap and detergent production	200,000	High general consumption; profitable.
Shampoo	2,899 tons	0	0	2,899	3,856,085	60% imported	Cosmetic product manufacturing	1,000,000	Large market among youth.
Container Manufacturing	545 units	0	0	545	8,000,000	100% imported	Metal container production	8,000,000	High demand in construction projects.
Coolers and Fan	234,491 units	500	1	234,000	4,300,000	60% domestic	Cooling equipment production	50,000	High seasonal demand; easy assembly.
Children's Toys	4,236 tons	0	0	4,236	7,621,950	100% imported	Toy manufacturing	50,0	Large untapped import market.
Tissue and Hand Towels	5,205 cartons	0	0	5,205	173,000	70% domestic	Paper tissue production	190,000	Daily consumer needs; domestic production opportunity.



Small and Medium Enterprises (SMEs)

SMEs form the backbone of Afghanistan's economy. Approximately 80-90% of businesses operate in this sector and play a key role in job creation, income generation, and poverty reduction. Currently, about 400,000 registered SMEs operate in the country, employing over 1.5 million people directly.

Major SME growth sectors:

1. Agriculture & Food Industry : Production, processing, and packaging of agricultural products, dairy, and dried fruits.
2. Manufacturing : Construction materials, textiles, leather, shoes, plastics.
3. Services & IT : Digital commerce, online services, urban transport.
4. Handicrafts : Handwoven carpets, jewelry, gemstones, and other exportable crafts.

Indicator	Description	Value
Total registered SMEs	Total active companies	400,000 companies
Employment share	Direct & indirect employment	1.5 million (~40% of workforce)
GDP contribution	SMEs contribution to economy	25% of GDP
Women-led companies	Owned or managed by women	Over 12,000 companies
SME sector distribution	Sector share	45% trade, 30% services, 20% industry, 5% agriculture
SME exports 2023	Export value	\$450 million
Average investment per SME	Initial capital	\$20,000 - \$50,000
Access to bank loans	Percentage of SMEs using formal finance	10%
Most active provinces	Leading provinces	Kabul, Herat, Nangarhar, Balkh, Kandahar
Average annual growth	Growth rate of companies and production	5.2% per year

Ready to invest projects: Small and Medium Enterprises (SMEs)

Sector	Investment Opportunity	Description / Economic Capacity
Agricultural processing	Fruit, saffron, and nut processing factories	Export capacity over \$1 billion
Dairy production	Milk, yogurt, and dairy factories	Current imports exceed \$150 million/year
Leather products	Boot and bag production factories	Over 2 million animal skins per year
Textile & apparel	Clothing, fabric, and wool products	Replace annual imports of around \$400 million
Construction materials	Cement, tiles, paint, and iron production	Growing domestic demand for construction materials
Renewable energy	Small solar and micro-hydro systems	Electrification of rural areas
Technology & ICT	Software development, financial and service apps	Rapid growth of urban digital commerce
Tourism & handicrafts	Local and cultural crafts trade development	High export potential and local employment



Sources for SME analysis and table:

Ministry of Industry and Commerce of Afghanistan, National Statistics and Information Authority; Ministry of Finance; ATRA; Central Bank of Afghanistan; Afghanistan Chamber of Commerce and Investment; World Bank reports (Doing Business & SME Development); UNDP reports; UNIDO reports

Service Sector

The service sector includes various industries such as trade, transportation and logistics, finance and banking, hotels and restaurants, vocational training, telecommunications, and information technology. This sector is a significant part of Afghanistan's economy and contributes substantially to the country's gross domestic product (GDP). According to reports, the value added by the services sector accounted for approximately 46.37% of Afghanistan's GDP in 2023. Employment in the services sector is also notable, with around 36% of the country's workforce engaged in this sector. The contribution of services to the GDP was about 46.5% in 2021, which indicates a slight decrease compared to previous years but remains a vital component of the economy. The main subsectors within services include trade, transportation and storage, telecommunications and internet, as well as hotels and restaurants. Despite facing challenges such as infrastructural limitations and financial constraints, there are significant opportunities for growth in specialized areas like logistics, transit, ICT, regional transit, and vocational training. These areas have the potential to further boost economic development and employment in Afghanistan.

Services sector: Market situation and investment opportunities

Subsector	Current Demand / Market Status	Estimated Initial Investment (USD)	Investment Opportunity	Key Note for Investors
Transit & Logistics	Increasing regional trade and transit projects (TAPI, Lapis)	2.5 million	Transit centers, warehouses, transport companies	Afghanistan's geography favors profitable transit services
ICT & Technology	10% annual growth in internet and mobile use	1.3 million	Data centers, accounting software, commercial systems	High demand for digitalization in government & private sectors
Telecom & Internet	Over 90% population has mobile access	5-10 million	4G/5G networks, value-added services	Competition among local companies increases
Vocational & Technical Training	Over 65% population under 25 needing skills	1-2 million	Technical, language & ICT training centers	Collaboration with Ministry of Labor and Social Affairs essential
Hotels, Restaurants & Tourism	Growing business and domestic tourism after 2023	2.8 million	Mid-range hotels, quality restaurants, leisure parks	Kabul, Herat & Balkh are priority provinces
Financial Services	80% cash-based transactions, digital banking needed	5-10 million	Payment apps, digital remittance, mobile banking	Collaboration with Central Bank is critical
Industrial Maintenance & Machinery	Growing construction and mining projects	0.5-2 million	Workshops, machinery repair centers	High demand in industrial parks of Kabul, Herat & Balkh
Digital Marketing & E-commerce	Rapid social media and mobile growth	0.3-1 million	Online stores, advertising services	Women & youth lead digital market share
Private Healthcare	Increasing demand for quality clinics	1.3 million	Diagnostic labs, dental centers	Medical equipment imports are another investment opportunity
Consulting & Business Services	Companies need legal, financial & commercial advice	0.2-0.8 million	Consulting, auditing, commercial translation	Excellent opportunity for local professionals & returning Afghans
Urban & Inter-provincial Transport	Growing urban population, need for regular transport	2.5 million	Public transport systems, city buses, online services	Large provinces like Kabul & Herat have highest demand
Media & Commercial Content Production	Increasing advertising & information demand	0.3-1 million	Commercial TV, video production, marketing campaigns	Excellent opportunity for local investors in new media
Urban & Environmental Services	Urbanization and solid waste increase	1.4 million	Waste collection, recycling, management projects	Opportunity in sustainable urban services



Guidelines for Domestic and Foreign Investors

The Investor Guidelines for Domestic and Foreign Investors have been developed to assist and facilitate the investment process in Afghanistan for both local and international investors. This document provides a clear, step-by-step framework for individuals planning to invest in Afghanistan, ensuring they understand the necessary procedures and requirements. The Ministry of Industry and Commerce, as the primary authority responsible for attracting, supporting, and regulating investments, is committed to creating a transparent and stable business environment. This environment aims to promote economic growth and development across the country. The guidelines cover all essential stages of investment, from initial information gathering to company registration, land access, obtaining operational licenses, and benefiting from exemptions and incentives.

In accordance with Decree No. 60 dated 1445/02/04 AH issued by the Leader of the Islamic Emirate of Afghanistan, Amir al-Mu'minin (may Allah protect him), it has been mandated that appropriate facilities must be provided to all investors. Consequently, the Ministry of Industry and Commerce, through its Investment Directorate, the Directorate of Registration and Intellectual Property, and other relevant institutions, strives to deliver necessary services efficiently and transparently, minimizing delays and bureaucratic hurdles.

To streamline the investment process further, the Ministry has established a One-Stop Shop Service Center. This center consolidates all registration and licensing procedures in a single location, significantly reducing time, costs, and administrative burdens for investors.

The guidelines include comprehensive information on :

- The legal and procedural stages of investment
- The main facilitating authorities involved
- Incentive packages and tax exemptions available to investors
- The role of the private sector in Afghanistan's development

Step 1: Information Gathering

Before taking any practical action, domestic and foreign investors need to fully understand the laws, regulations, investment opportunities, projects, and incentives in Afghanistan. Information sources are available online and offline.

1. Online Sources



Official Investment Website: details about priority sectors, investment opportunities, incentives, and procedures
www.investinafghanistan.af



Mobile App: "Invest in Afghanistan" for real-time access to investment information



Official Facebook Page: direct contact with Investment Department, latest news and updates
<https://www.facebook.com/investAFG>



YouTube Channel: videos about sectors, ready-to-invest projects, interviews, progress reports
<https://www.youtube.com/channel/UC8z7k9s0F4VPIrXe1bB-5Dg>



Instagram: visual showcase of investment opportunities and major projects
https://www.instagram.com/invest_afg



LinkedIn: professional network connecting investors, sector specialists, and government institutions
<https://www.linkedin.com/in/invest-afg>



X Platform: fast news and project announcements



. Direct Contact with Investment Department
Email: info@investa.af
Email2: afghanistan.ipd@moci.gov.af
Phone: 0202502351

Resources for In-Person Visits

In-person resources include government agencies and departments related to investment. Investors can visit these offices directly to obtain more accurate and official information about investment conditions, procedures, and opportunities. This method is suitable for those who need technical, legal, or administrative advice and wish to communicate directly with officials at ministries, directorates, or provincial offices of the Ministry of Industry and Trade.



Afghanistan Investment Regime



Afghanistan has a free and open investment regime. According to the Investment Law, all domestic and foreign investors enjoy equal rights. Every investor, regardless of nationality, can fully own their business and assets and freely invest in permitted sectors.

Ownership of 100% : Foreign investors can fully own their company without the need for an Afghan partner.

Right to Transfer Capital and Profits : Investors have the legal right to transfer their capital, profits, and revenues abroad.

Right to Employ Foreign Specialists : Companies are allowed to hire foreign experts, consultants, and technical staff based on project requirements.

Access to Domestic and International Banking Services : Investors can open accounts in private or government banks and utilize international banking services.

Access to Industrial and Commercial Land : Investors may acquire land in industrial parks or other designated areas through long term leases, up to 50 years.

Right to Participate and Compete in Government Projects : Both domestic and foreign investors have equal rights to participate in national and international tenders.

Legal Protection of Investments and Assets : No investment can be expropriated without following legal procedures and providing fair compensation.

Types of Investment and Business Licenses

License Type	Fee (AFN)	License Type	Fee (AFN)
Commercial	18,500	Real Estate Activities	18,500
Logistic Services	18,500	Professional, Scientific and Technical Activities	18,500
Large Mining	202,500	Administrative and Accounting Services	18,500
Transit & Cargo	18,500	Public Administration and Defense	18,500
Labor Services	18,500	Information Technology and Telecommunications Activities	18,500
Aviation Services	18,500	Printing and Publishing Activities	18,500
Insurance	18,500	Wholesale Trade and Fresh Produce Market Activities	18,500
Oil & Gas Production	302,500	Agriculture and Food Preparation Activities	18,500
Security Company	1,002,500	Construction	18,500
Industrial Production	18,500	Travel Services Activities	18,500
School	18,500	Water Supply, Wastewater System, and Waste Management	18,500
Health Services	18,500	Arts, Entertainment, Performance and Cultural Activities	18,500
Education Services	18,500	Electricity, Gas, Steam and Related Supply Activities	18,500
Agricultural Activities	18,500	Transportation Activities	18,500
International Institutions	18,500	Small-Scale Mining	18,500
Household Activities	18,500	Certificate Issuance	20,000
General Services	18,500		
Trade Certificate (Alama)	25,000		

Investors can obtain one of the following licenses based on the type of activity and the legal structure of the company:

1. Individual License

For individuals who wish to conduct their business or production activities personally. All profits and losses are the responsibility of the individual owner.

2. Limited Partnership License

Multiple persons invest together, but each partner's financial liability is limited to their contribution.

3. Guarantee Partnership License

All partners have full responsibility for the company's debts and obligations. Decisions must be made jointly.

4. Limited Liability Company (LLC) License

One of the most popular structures for domestic and foreign investors. The company has a separate legal entity, and partners' liability is limited to their shares.



Starting the Investment Process

After obtaining the necessary information from online and in-person sources, investors enter the practical phase of investment. The investment initiation process in Afghanistan is divided into two main types, each with distinct steps and documentation requirements :

Type 1 - Investment in Government-Announced Projects

Every year, sectoral ministries and relevant agencies of the Islamic Emirate of Afghanistan announce a list of projects ready for investment, aligned with their development programs. Most of these projects are structured as Public-Private Partnerships (PPP). Since these projects are prepared by the government, all technical, financial, and legal documents are already available, and the investment process is clear and straightforward. Domestic and foreign investors can obtain project documents and submit their expressions of interest through the Investment Directorate of the Ministry of Industry and Commerce or other responsible agencies.

Type 2 - Investment Based on Investor-Proposed Plans:

In this type, the initiative comes from the investor. Domestic or foreign investors can propose a new project in permitted economic sectors such as energy, mining, construction, industrial production, or others. In this case, the investor must prepare all technical, economic, and financial documents. Afterward, the project undergoes legal review, evaluation, and approval.

Details of the steps for both types of investment (announced and proposed) are explained in subsequent sections of this guide.





Type 1: Investment in Announced Projects

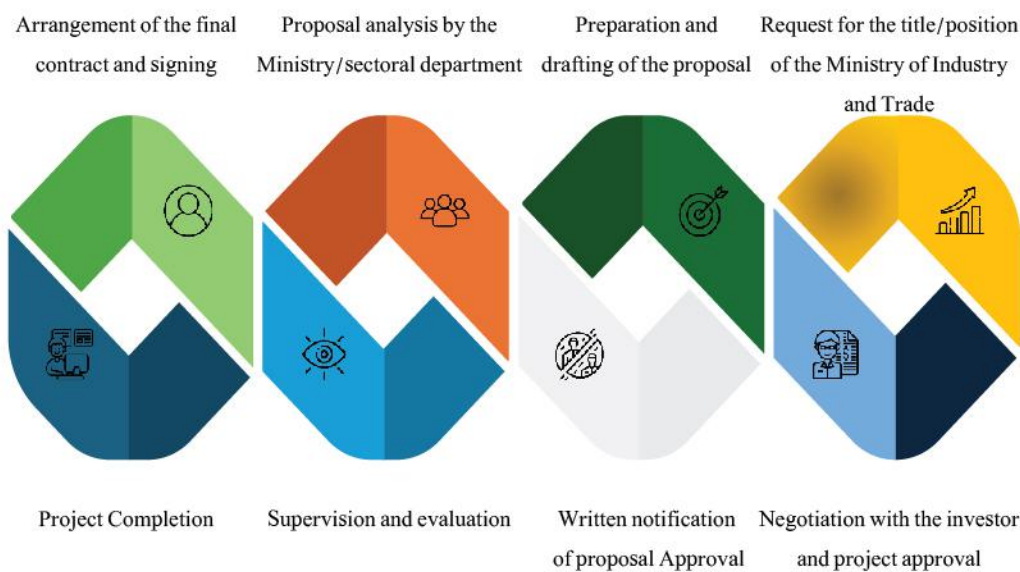
1	❖ The investor selects one or more projects from the list of announced projects.
2	❖ If the investor is abroad, they should inform the Afghan commercial attaché in their country, embassy, or consulate to obtain detailed project information from the Investment Directorate. This helps facilitate communication and gather necessary details about the project.
3	❖ If the investor prefers not to visit any of the above offices, they can contact the Investment Directorate directly through online sources for further assistance and information.
4	❖ The investor must submit a Letter of Interest in either one of the national languages or in English, expressing their interest in the selected project.
5	❖ For technical projects such as mining, energy, ICT, or other projects requiring technical discussions, the Investment Directorate will organize an online meeting with relevant sectoral offices and the investor to reach a preliminary agreement.
6	❖ Foreign investors who wish to own 100% of the project without an Afghan partner must enter Afghanistan to obtain the necessary license. The entry procedures are explained in the section "How Investors Can Enter Afghanistan."
7	❖ Foreign investors who want to collaborate with a local Afghan partner can start their activities without coming to Afghanistan. The relevant authorities will facilitate this process to ensure smooth cooperation and investment.



Type 2: Investment Through New Project Proposals

Domestic and foreign investors may submit their required proposals for the purpose of initiating investment in Afghanistan. In this regard, priority will first be given to those interested foreign investors who are nationals of other countries and who live and reside outside Afghanistan.

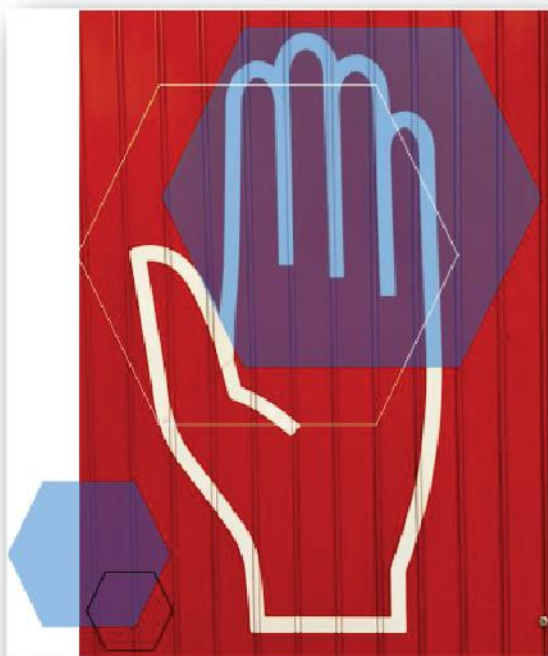
- Domestic and foreign investors can submit their detailed project proposals either in person at the Afghan embassy, commercial attaché, or consulate in their country, or directly through the online tools mentioned above to the Investment Directorate. It is preferable that proposals are submitted in one of Afghanistan's national languages.
- The Investment Directorate reviews the submitted proposals. If a proposal does not meet the national standards or requirements, the Directorate provides guidance and support to help investors improve their proposals.
- Once the proposal is complete and finalized, the Investment Directorate analyzes and evaluates it thoroughly.
- For technical projects such as mining, energy, ICT, or other specialized fields, the Directorate will hold an online meeting with relevant sectoral offices and the investor to reach a preliminary agreement.
- If both parties agree, the Investment Directorate forwards the proposal along with a dossier and work report to the Economic Commission for approval.
- Upon approval, the investor receives confirmation of the decision.
- The Economic Committee considers the sector and project type. If the project is in a Public-Private Partnership (PPP) format, it is forwarded to the Public-Private Partnership Directorate for contract execution.
- Projects not in PPP format are sent to the relevant offices for contract implementation.



Prohibited Investment Sectors in Afghanistan

Domestic and foreign investors should note that, according to the laws and regulations of the Islamic Emirate of Afghanistan, investment in certain sectors is prohibited. The purpose of these restrictions is to protect public interests, safeguard Islamic and cultural values, and ensure national security. The following investments are not permitted:

- Production and trade of narcotics and alcoholic beverages
- Activities related to gambling, betting, and games contrary to Islamic principles
- Production or dissemination of immoral, obscene, or media content against Islamic culture
- Production or import of military weapons without official government authorization
- Activities posing threats to national security, public health, or the environment
- Investment in projects that lead to illegal exploitation of natural resources or damage to cultural heritage



The Ministry of Industry and Commerce of the Islamic Emirate of Afghanistan and other sectoral authorities are responsible for monitoring compliance. Violations will be dealt with according to national law.



Entry of Foreign Investors and Obtaining Business Visa in Afghanistan

General Overview

After selecting the desired sector and obtaining preliminary information from online and in-person sources, foreign investors wishing to start business activities need legal entry into Afghanistan. The Islamic Emirate of Afghanistan provides three main methods for visa issuance, coordinated by the Ministry of Foreign Affairs and the Ministry of Industry and Commerce :

Method 1 : Visa at Embassy Investors can obtain a business visa through Afghan diplomatic missions abroad.	Applicants must visit the nearest Afghan embassy or consulate, submit the Single-Entry business visa application, and provide required documents (application form, valid passport, photo, etc.). This visa is usually for an initial stay of about one month. After arrival, investors can extend it or convert it to a Multiple Entry visa via the Ministry of Industry and Commerce in Kabul.
Method 2 : On-Arrival Visa at Kabul International Airport	For countries without Afghan diplomatic representation, the Islamic Emirate established an “Investment Desk” at Kabul International Airport. Investors and specialists can obtain an on-arrival business visa, coordinated with relevant authorities at the airport.

Process for Obtaining a Visa on Arrival (Method 2)

1

Submission of Online Visa Form The applicant fills out the online visa application form available on the Investment Department's website. Completed forms and supporting documents are submitted through online platforms to the Investment Desk.

2

Initial Evaluation by Investment Desk The Investment Desk reviews the application and supporting documents. Once verified, the application is forwarded to the Investment Directorate for further processing.

3

Issuance of Official Introduction Letter The Investment Directorate, after reviewing the documents, prepares an official introduction letter for the applicant. This letter serves as the visa approval, allowing the applicant to travel to Afghanistan.

4

Arrival and Visa Issuance at Airport Upon arrival at Kabul International Airport, the applicant presents the official introduction letter. Immigration authorities issue the visa on arrival, allowing the applicant to enter and conduct business or professional activities legally in Afghanistan.

5

At Kabul International Airport, investors are required to pay a visa fee of USD 200 upon arrival, along with a tariff of 2,000 Afghanis. Additionally, a visa sticker will be affixed in the investors' passports upon entry.

Method 3: Obtaining a Visa through Official Invitation by Registered Companies in Afghanistan

In this method, companies registered within Afghanistan, whether Afghan or foreign-owned, can submit an official request to the Ministry of Industry and Commerce to invite investors, specialists, or foreign employees. The request must be completed according to the specific checklist provided by the Ministry. After review, the Ministry issues an Official Invitation Letter to the foreign investor or specialist.

Holders of the invitation letter can obtain their business visa through two methods:

1. **Via Embassy/Consulate:** Visa issued through the Afghan embassy or consulate in the applicant's country of residence.
2. **On Arrival:** Visa obtained upon arrival at Kabul International Airport.

This process ensures a legal entry for invited foreign professionals and investors, making the procedures more straightforward for conducting business and investment activities in Afghanistan.



Procedures and Required Documents for Investment Visa Application (Method Three)

Procedures and Required Documents for Investment Visa Application (Method Three) To issue an investment visa through a registered Afghan company, the procedures and required documents are the same for both methods : visa issuance via the embassy/consulate in the applicant's home country or visa on arrival. The inviting company must clearly specify in an official company letter whether the visa will be issued through the embassy/consulate or on arrival. This request must be signed and stamped, then submitted to the Ministry of Industry and Commerce, including the following details :

- Full details of the invited person (full name, nationality, passport number)
- Purpose of visit (investment, project assessment, business partnership, or professional activity)
- Preferred visa issuance method (through consulate/embassy or on arrival)
- Duration of stay and type of visa requested

In addition, the following supporting documents must be attached to the application :

- Clear copy of the company's activity license with a valid date
- Copy of the applicant's valid passport
- Translated academic certificates (if the applicant is a specialist or professional; not required for investors or shareholders)
- Copy of the latest tax clearance certificate of the domestic company
- Official introduction or power of attorney letter of the company representative on official company letterhead, including a copy of the representative's ID card or passport (if the process is handled by a single representative)

Administrative procedure steps include :

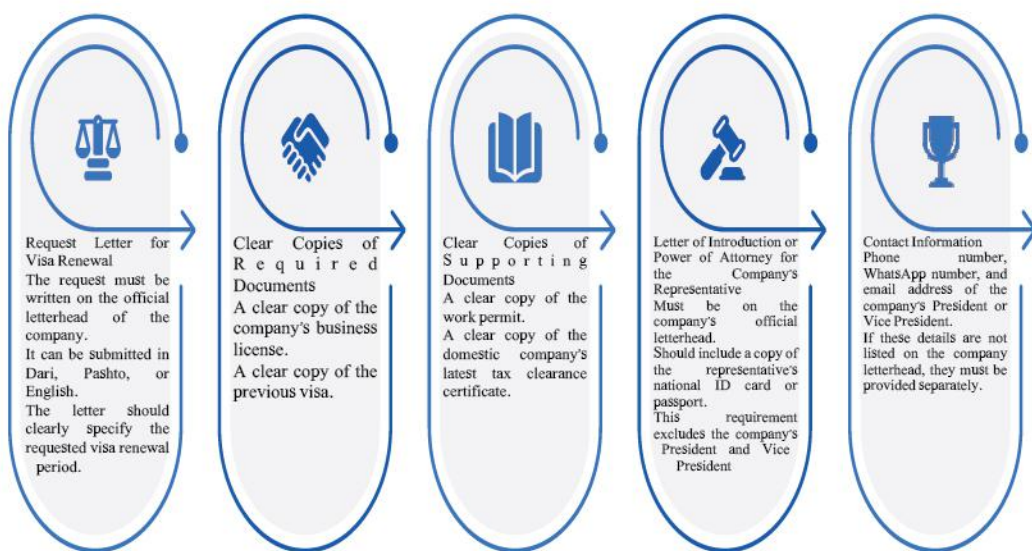
- The company submits the request and supporting documents to the Office of the Ministry of Industry and Commerce for ministerial approval.
- The office reviews and verifies all documents, obtains ministerial approval, and forwards the request to the Investment Directorate for further processing.
- The Investment Directorate, considering the request and supporting documents, collects the required fee of AFN 2,000, and sends the request through an official letter to the Ministry of Foreign Affairs for further action.
- The Ministry of Foreign Affairs forwards it to the Border Directorate of the Ministry of Interior, which issues the official invitation letter.
- The finalized invitation letter is delivered to the applicant by the Investment Directorate of the Ministry of Industry and Commerce.

This type of visa becomes valid and executable within 6 working days after the issuance of the official approval.

How to Renew Investment and Business Visas

Those investors, traders, specialists, and employees who have previously entered Afghanistan through the Ministry of Industry and Commerce for the purposes of investment, economic activities, or technical duties are required, if they wish to continue their work and stay, to renew their business or work visa according to the procedures specified by the Ministry. Visa renewal ensures the continuity of legal activities, guarantees regular presence, and prevents interruptions in their operational affairs.

Required Documents:



Note :

- Applicants must submit their renewal request in person to the Ministry of Industry and Commerce seven days before the visa expiration date.
- Requests can be made in one of Afghanistan's official languages (Dari or Pashto). If the applicant is a foreign national, the request may also be submitted in English.
- The office directorate reviews all applications thoroughly and, after ensuring compliance with these guidelines and obtaining approval from the Ministry authorities, forwards the request to the Investment Department for further processing.
- After reviewing the application and supporting documents, and upon payment of the fee of 1,000 or 2,000 Afghanis, the Investment Department sends an official letter to the General Passport Directorate to proceed with the next steps.
- The visa renewal process becomes effective within 4 working days after receiving the Ministry's approval.

Company Registration or Obtaining an Activity License in Afghanistan

After entering Afghanistan, foreign investors must acquire one of the following licenses to legally commence commercial or professional activities, in accordance with the country's laws :

1. Commercial or Investment Activity License:

This license is issued to individuals intending to invest in Afghanistan. It covers activities related to investment, production, services, or import/export operations. The license is issued by the Ministry of Industry and Commerce.

2. Work Permit:

Required for foreign or domestic nationals working as specialists, consultants, project managers, or technical staff in registered companies. It must be obtained from the Ministry of Labor and Social Affairs. The details and requirements for each license type are explained further below.

How to Register Investment and Commercial Licenses at the Ministry of Industry and Commerce (MoIC), Afghanistan

All foreign nationals intending to invest in Afghanistan are required to obtain an investment or commercial license from the Ministry of Industry and Commerce. These licenses authorize activities related to investment, production, services, or import and export within Afghanistan. There are three categories of investors, each with different document requirements and procedures:

1. Foreign investors starting operations from scratch in Afghanistan:

These investors do not have an existing company in their home country and wish to establish a new business in Afghanistan.

2. Foreign investors with a parent company abroad:

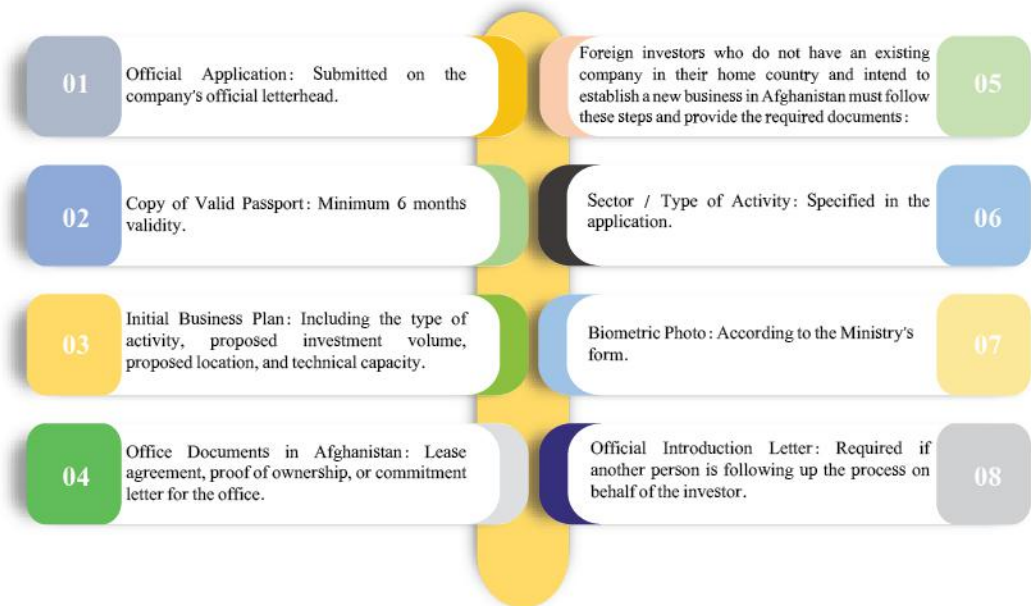
These investors have an established company in their home country and plan to open a branch or representative office in Afghanistan.

3. Domestic investors:

Afghan nationals who want to obtain an investment or commercial license to conduct business locally.

A. Foreign Investors Starting Operations from Scratch in Afghanistan

Foreign investors who do not have an existing company in their home country and intend to establish a new business in Afghanistan must follow these steps and provide the required documents:



Process for Foreign Investors Starting from Scratch in Afghanistan

After preparing the necessary documents, the process to obtain an investment license is as follows :

1. **Application Submission** : The investor applies to the Investment Directorate of the Ministry of Industry and Commerce.
2. **Initial Evaluation** : The technical department reviews the investment proposal to assess the type of activity, its feasibility, and compliance with regulations.
3. **Security and Identity Check** : The investor's identity and background are verified according to the standards of relevant authorities.
4. **Registration in the Central Investment System** : The investor's information is recorded in the central investment system, and an official profile is created.
5. **Payment of Legal Fees** : The investor pays the applicable fees according to the Ministry's tariff.
6. **Issuance of Investment License** : The license is issued with a specified validity period and can be renewed.
7. **Guidance for Next Steps** : Assistance is provided for subsequent procedures such as company registration, work permits for foreign employees, land acquisition, electricity, customs, and other administrative requirements.

B. Foreign investors with a parent company abroad (Establishing a Branch Office in Afghanistan)

Foreign investors who already have a registered company in their home country can conduct their activities in Afghanistan through an official representative office or a branch office. In this case, the parent company is required to submit all its legal documents in accordance with international standards and the regulations of the Ministry of Industry and Commerce of Afghanistan, and have them verified.

This approach is suitable for companies that intend to operate officially in Afghanistan, execute large contracts, and carry out production, service, or project-based activities.



Mandatory Documents for the Parent Company (Foreign Company)

A foreign company must provide valid and official documents according to the following requirements :

- Original documents of the parent company.
- All documents must be official, valid, and officially translated.
- Business Incorporation Certificate - Certificate of Registration / Establishment of the company.
- Articles of Association / Memorandum of Association - The company's charter documents.
- Board Resolution - Official decision of the Board of Directors to establish a representative office in Afghanistan.
- Audited Financial Report - Transparent and valid financial statements of the parent company.
- List of Shareholders and Board of Directors - Complete details of ownership and management.

Documents Certified by Afghan Embassies Abroad :

According to the official procedures of the Islamic Emirate, Afghan embassies and consulates only certify the following four documents of companies :

- Original, copy, and translation of the Power of Attorney.
- Board Resolution.
- Certified Articles of Association.
- Copy of company registration license.

All these documents must :

be certified in the issuing country;

be officially translated into English, Dari, or Pashto; and

subsequently be authenticated by the Embassy of Afghanistan.



Documents Related to Office and Operations within Afghanistan

These items are mandatory to complete the registration process :

- Office agreement document (legal ownership or lease contract with transaction guidance).
- Interpol clearance (proof of no international criminal record).
- Valid business plan (to determine the type of activity).
- Opening a bank account in a recognized Afghan bank.
- Obtaining a Tax Identification Number (TIN).
- Completing the foreign company registration form at the Ministry of Industry and Commerce.

Registration and License Issuance Stage

After submitting the documents :

- Legal review of documents by the Central Registration and Intellectual Property Directorate.
- Payment of the legal fee for foreign company registration.
- Issuance of the final investment/trade license upon completion of all procedures.



A. Domestic investors (Afghan natural or legal persons)

who wish to start commercial, production, or service activities must obtain an investment or trade license from the Ministry of Industry and Commerce. The process and documents for domestic investors are simpler than for foreign companies but must be complete, clear, and valid.

Sole Proprietorship (Individual)	Legal Entity (Company)
Tazkera (national ID) or e – Tazkera – clear copy	Passport or Tazkera of shareholders and board members
Three recent photos	Office lease/ownership contract
Proposed trade/company name	Articles of association and company structure (for legal/personality companies)
Office contract approved by the local authority	Official company name
Contact number and representative details	Representative introduction letter with Tazkera copy
Payment of official license fee	Payment of registration fee at the bank
Tax Identification Number (TIN) – issued during license registration	Documents regarding initial company capital (if required)
Approval from relevant sector authorities (if special regulations apply : health, education, telecom, construction, etc.)	Approval from relevant sector authorities for regulated activities
	National ID (Tazkira) or passport of the partners and members of the Board of Directors.

Process of obtaining a license for domestic investors:

Submit an official application to the Ministry of Industry and Commerce, including completed forms and required documents.

The ministry reviews the submitted documents, verifies the applicant's identity, assesses the type of activity, office address, and other relevant information.

The investor pays the official license fee at a private bank and provides the payment receipt.

After completing the administrative procedures, the company or individual is registered in the central ministry system, and a Tax Identification Number (TIN) is issued simultaneously.

The company's details are published in the official gazette as required by law.

The final trade or investment license is issued to the applicant.

Depending on the type of activity, additional specialized licenses from relevant sector authorities such as health, agriculture, mining, environment, and other related agencies may also be required.





Obtaining a Tax Identification Number (TIN)

All natural and legal persons conducting commercial, production, service, or investment activities in Afghanistan must obtain a Tax Identification Number (TIN). This 10-digit number is unique and non repetitive, used for tax registration, declarations, payments, and all official activities with the Ministry of Finance. When applying for a commercial license at the Central Registration Directorate, the TIN is issued simultaneously by the Ministry of Finance.

For Afghan individuals:

- Valid Tazkera or passport
- For foreigners: valid passport and entry/residence visa

Company documents (for legal entities):

- Copy of commercial license or investment license (if issued simultaneously, the system handles it automatically)
- Copy of Articles of Association or registration documents, office lease or ownership contract, exact office address, official phone number, and official email (if available)

Presence of legal representative:

- Physical presence of the founder or representative
- If represented:
- Official authorization letter with stamp and signature
- Copy of the representative's Tazkera or passport

Step-by-step process for obtaining TIN:

Submit the application to the Central Registration and Intellectual Property Directorate (ACBRIP). When applying for a commercial license, the TIN request is processed together with it. The registration system verifies the applicant's identity and then sends the request to the Ministry of Finance.

Verification by Ministry of Finance:

Ministry checks if applicant already has a TIN. If not, a new number is issued. 10-digit TIN recorded in tax system, viewable on commercial license, ACBR printout, or Ministry of Finance printout.

Use of TIN:

After receiving of TIN applicant must:

- Activate company bank account
- Submit tax declarations
- Register all official invoices and contracts

Important notes:

- Everyone or company has only one TIN
- New investment companies get a new TIN
- Branches of foreign companies get a separate TIN
- Without TIN, opening bank accounts, paying taxes, or obtaining industrial land is impossible

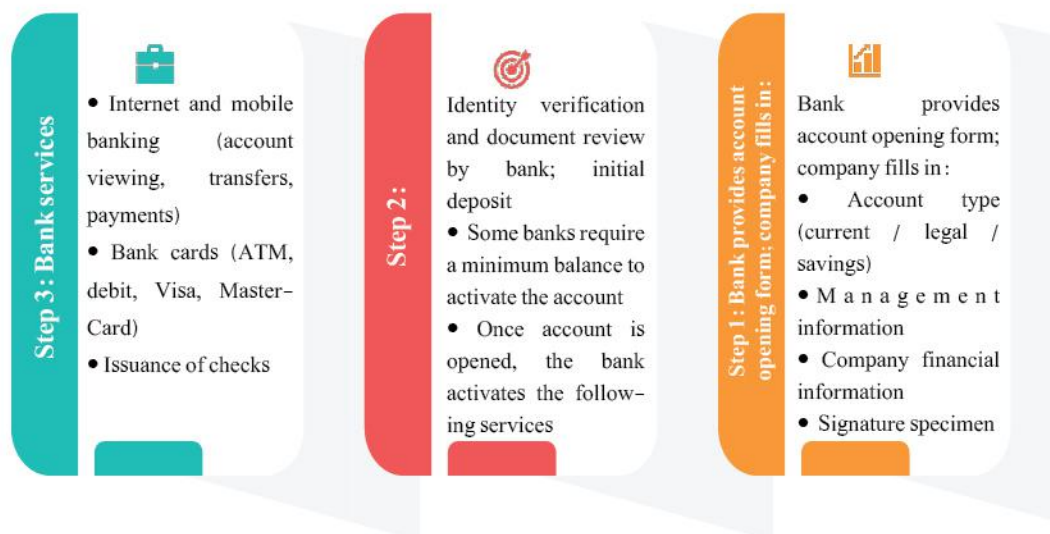
Opening a Bank Account to Start Company Operations

After obtaining a commercial or investment license and receiving a TIN, companies are required to open a business bank account in a licensed bank. Since each bank has specific requirements, the following general procedure applies to all banks.

Documents Required for Opening a Bank Account

1. Copy of the commercial or investment license.
2. Copy of the Tax Identification Number (TIN).
3. Articles of Association or company registration documents (for legal entities).
4. Information of the CEO or authorized person : a copy of the passport or Tazkera and a recent photograph.
5. Office lease agreement or ownership documents of the business premises.
6. Signature specimen of authorized persons who can operate the account.
7. Official contact details, address, and bank forms to be completed at the branch.

General steps for opening an account:

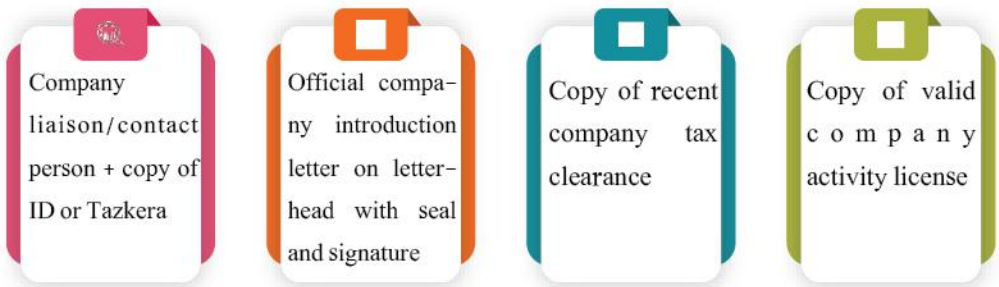


Work Permit for Foreign Nationals in Afghanistan

Foreign nationals entering Afghanistan to provide specialized, technical, managerial, or consultancy services must obtain a work permit from the Ministry of Labor and Social Affairs. This permit is mandatory for all individuals working in Afghanistan as specialists, consultants, technicians, engineers, project managers, or contract employees. The work permit is entirely separate from investment or commercial licenses . investors obtain their license from the Ministry of Industry and Commerce, while foreign specialists and employees obtain theirs from the Ministry of Labor and Social Affairs. Therefore, all companies (domestic and foreign) must obtain a legal work permit for every foreign employee.

Documents required for foreign work permit:

Company documents:



Documents for Foreign Individuals:

- Copy of a valid passport
- Valid visa (investment or work)
- Three passport-sized photos
- Official translation of educational and professional certificates (if applicable)
- Official translation of relevant work experience (if necessary)
- Employment contract between the company and the foreign individual

Supplementary documents:

- Work permit application form (from Ministry of Labor and Social Affairs)
- Copy of company office contract (ownership or official lease)
- Receipt of payment of work permit fee
- Job Description for the foreign individual, including :
 - o Job title
 - o Required skills
 - o Duration of employment
 - o Reason for hiring foreign specialist

Work Permit Application Steps

Step 1: Register the application with the Ministry of Labor	The company submits the required documents and registers the application with the Ministry of Labor and Social Affairs.
Step 2: Evaluate the need for a foreign specialist	The ministry reviews whether the required skills are available locally in Afghanistan. If no local alternative exists, the application is approved.
Step 3: Identity verification	The file is sent to the relevant authorities for identity verification and background checks.
Step 4: Issuance of work permit	After completing all steps, the work permit is issued as an official document and delivered to the company.
Step 5: System registration and annual renewal	The work permit has a limited validity period and must be renewed annually.

Important notes and legal requirements

- No foreign specialist may work in Afghanistan without a work permit.
- Companies must notify the ministry when the person's contract ends.
- The work permit is valid only for the position stated in the contract.
- Changing the role, job title, or company requires a new work permit.
- The Ministry of Labor may reject the application to protect local employment if a qualified Afghan specialist is available.





Land Allocation and Industrial Park Facilities Process in Afghanistan

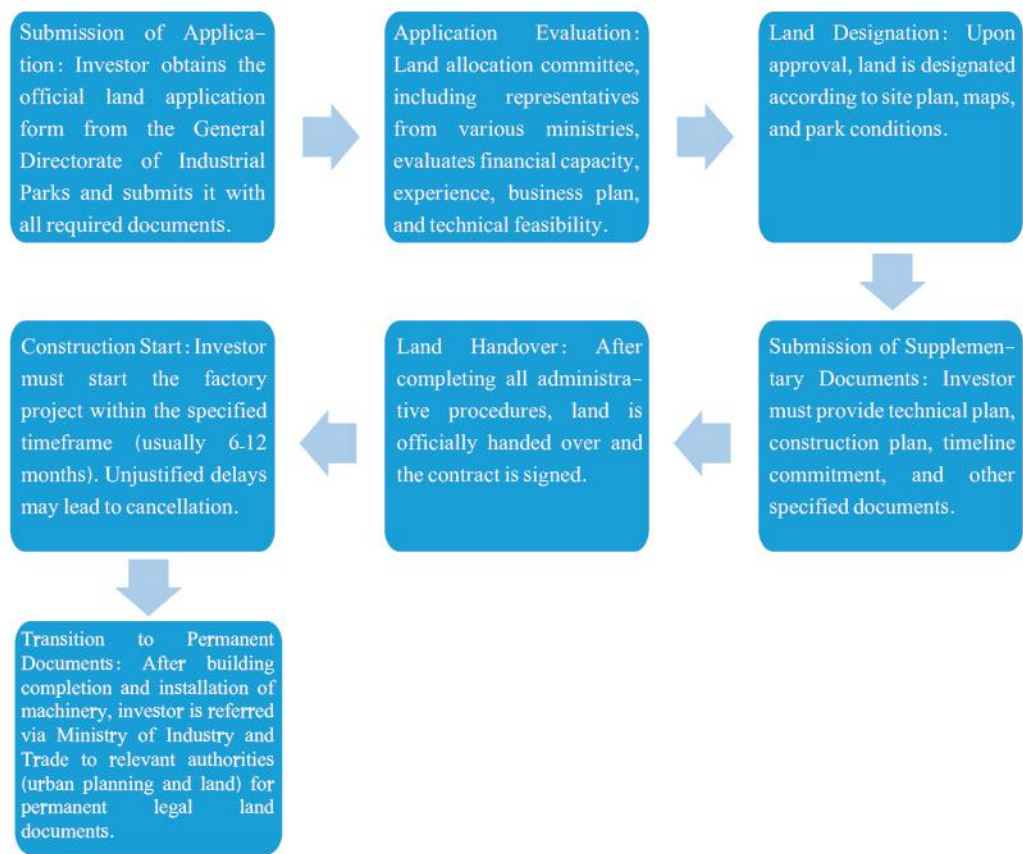
The Ministry of Industry and Trade aims to create a suitable environment for the development of the country's industry. It provides standardized land along with essential infrastructure such as roads, electricity, water, sewerage, and support services. This initiative ensures that investors have access

Item	Details / Conditions
Ownership for domestic investors	Can acquire land directly in the company's name; no share restrictions
Ownership for foreign investors	Foreigners cannot acquire land directly; must have a registered company in Afghanistan with Afghan partner holding at least 1% shares
Land price per Acres	According to official rates set by the Ministry of Industry and Trade
Infrastructure price per m ²	Includes public services: standard roads, electricity, sewer system, sidewalks, boundary walls, and basic facilities
Payment method	Land and infrastructure prices can be paid in installments; final contract issued after all payments completed
Water access	Limited public network; most companies use private deep wells; large-scale usage requires coordination with park and environmental authorities

Electricity access	Companies connected to park substation; long distances paid by company; emergency generators recommended
Production license requirement	Only companies with valid production license can receive land; non-production companies not eligible
Land use outside the park	Allowed if legal ownership, survey, maps, and environmental approvals are complete
Construction start deadline	Companies must start construction within specified period (usually 6-12 months) or ministry may take action
Environmental and infrastructure obligations	Wastewater treatment, industrial waste management, technical spacing, safety equipment installation required
Park service usage rights	Includes electricity, roads, security, sewerage, coordination with authorities, and other support services

Required Documents for Land Application in Industrial Parks:

1. Land application form 2.Comprehensive and realistic business plan 3.Site plan of the land and area 4.Last six months bank statement 5.Valid and up-to-date work permit 6.Tax declaration for companies with history 7.Digital copy of all documents (preferably on CD)





Customs Facilities for Importing Machinery and Production Raw Materials

To support industries and encourage investment, the Islamic Emirate of Afghanistan provides significant customs facilities for importing production machinery and raw materials not available locally. These facilities reduce initial investment costs and support the growth of emerging industries.

Import of Machinery and Production Equipment
Machinery, equipment, and production line tools directly used in manufacturing are exempt from all customs duties and taxes under the current policy.

This exemption includes the following:

- New and modern machinery
- Factory equipment
- Essential tools for setting up the production line
- Laboratory devices related to product quality

Conditions for Obtaining Exemption:

1. Possession of a valid production license issued by the Ministry of Industry and Commerce
2. Submission of a list of equipment by the company
3. Confirmation that the machinery will be used for production activities"

Import of Required Raw Materials (Preferential Tariff)

When raw materials necessary for production are not available domestically or are insufficient, the government offers a special tariff rate ranging from 1.5% to 2.5%, depending on the type of raw material and its tariff classification. This reduction in import tariffs aims to support local industries by making imported raw materials more affordable, thereby encouraging domestic production and competitiveness.

The benefits of this preferential tariff include:

- Reducing the final cost of domestically produced goods
- Enhancing the ability of local industries to compete with imported products
- Providing investors with sufficient resources to expand and develop their factories

Conditions for obtaining the preferential tariff:

- Possession of a valid production license
- Official request from the company indicating the lack of the required materials in the domestic market
- Certification from the Industry Department or the relevant sector authority confirming the shortage



Afghanistan Product Export Process

Afghanistan's agricultural products, due to their high quality and global demand, are among the country's key export sectors. Investors wishing to export saffron, almonds, pine nuts, raisins, watermelon, fresh vegetables, medicinal plants, or other products must follow these steps:

Stage	Details
Afghanistan export process	Exporters must have: 1: Trade or production license, 2: TIN, 3: Registered company. Without these documents, customs will not allow the product to leave the country.
Preparing products according to export standards	Product preparation is essential: 1: Sorting, 2: Standardized packaging, 3: Labeling according to the destination country's standards (weight, packing date, company name, etc.)
Obtaining Certificate of Origin	Obtain a Certificate of Origin from the Ministry of Industry and Trade (Foreign Trade Directorate), proving that the agricultural product was produced or processed in Afghanistan. Required for export to Europe, India, and China.
Registration in ASYCUDA system	All exports must be registered in the customs system: 1: Product type, 2: Quantity, 3: Price, 4: Destination country, 5: Package numbers. Without registration, customs will not allow export.
Transfer to customs and clearance	At customs, products go through: 1: Packaging inspection, 2: Quantity verification with documents, 3: Quality check (if necessary), 4: Issuance of export green sheet. Perishable goods (e.g., fresh vegetables) are prioritized for fast processing. Transfer to customs and clearance
Transport via land or air	Common export routes: 1: Pakistan: Torkham/Spin Boldak (India, Pakistan, Bangladesh), 2: Iran: Islam Qala (Gulf, Turkey), 3: Uzbekistan/Turkmenistan: Central Asia, 4: Air transport: Kabul/Kandahar/Mazar-i-Sharif (saffron, pine nuts, dried fruits). Air export is generally best for saffron and medicinal plants.



Import Process Regulations in Afghanistan

Imports are one of the most important commercial activities in Afghanistan and a large share of production needs raw materials machinery construction equipment and consumer goods are supplied through imports.

1. Customs and Import Regulations in Afghanistan

All domestic and foreign companies involved in import activities must adhere to specific legal and procedural requirements to ensure compliance with Afghan customs regulations. These requirements are essential for legal operation and facilitate smooth customs clearance processes.

Legal Requirements for Companies

- Possess a valid license issued by the Ministry of Industry and Commerce.

- Maintain an active Tax Identification Number (TIN).

- Have an official bank account registered in the company's name.

- Be registered and active with the Ministry of Finance for tax and customs purposes.

2. Documentation from Foreign Sellers

Investors are required to obtain specific documents from their foreign suppliers to proceed with import procedures. These documents include:

- An invoice detailing the product specifications, price, HS Code, quantity, quality, and transportation conditions.

3. Import Data Entry in Afghan Customs System

Companies must register their import information in the Afghanistan Customs System, known as ASYCUDA. This process involves:

- Entering company details.

- Selecting the appropriate customs entry point.

- Adding information about the type of goods and HS Code.

- Defining the destination and clearance type.

4. Official Entry Routes

Goods must enter Afghanistan through designated official routes to be considered legal. These routes include:

- Torghundi, Aqina, Hairatan, Islam Qala, Torkham, Spin Boldak, Sher Khan Bandar, and Kabul Airport.

Any goods entering through unofficial routes are deemed illegal and subject to penalties.

5. Customs Tariffs and Charges

Customs authorities determine applicable tariffs, taxes, BRT, and other charges based on the HS Code and UVR. The rates vary depending on the type of goods:

- Production machinery is exempt from customs duty.

- Raw materials for production are taxed between 1.5% and 2.5%.

- Consumer goods generally attract higher rates.

6. Inspection and Verification

Afghan customs conduct inspections to verify:

- Matching quantities and quality.

- Weight and volume accuracy.

- Laboratory testing if necessary.

- Prevention of prohibited items from entering the country.

7. Payment of Customs Duties

Payments for customs tariffs are processed through the official banking system. The necessary documentation includes:

- Bank confirmation.

- Bank receipt.

These documents must be attached to the import file for record-keeping and compliance purposes.

8. : Receiving the clearance permit and releasing the goods

- After completing all procedures, a customs receipt is issued. The goods leave the port and are transported to the company. The company is required to keep the clearance document in its tax records.

9. : Special incentives

- Production machinery and equipment for the production line are 100% exempt from customs duties. In some cases, only a 2% tax is applied.

Conditions for exemption

- The company must have a valid production license.

- The list of equipment must be approved by the Ministry of Industry and Commerce, and official letters from the Ministry must be obtained for import

exemption.

10: Import of raw materials for production

- Raw materials not available within Afghanistan are subject to a customs duty rate of 1.5% to 2.5%.

Companies must confirm that these goods are used for production purposes.

12: Prohibited imported goods

- According to Afghan customs law, the following items are prohibited: drugs, weapons and ammunition without official permission, alcohol, anti-Islamic publications, infected animals and plants, antiquities, and sanctioned goods.

13: Documents required for clearance

- Original documents, invoice, Bill of Lading or AWB, packing list, certificate of origin (COO), insurance document if available, company license, TIN, and a formal request in the ASYCUDA system.

Supporting documents if necessary

- Laboratory reports from the Ministry of Health, plant quarantine, animal quarantine, Afghanistan National Standards Authority, and exemption letters for machinery.



Tax information

Important tax information for investors in Afghanistan

The tax system in the Islamic Emirate of Afghanistan is based on the principles of Islamic Sharia economic justice and support for lawful commercial and industrial activities. The main purpose of this system is to provide legitimate state revenue deliver public services and create a suitable environment for economic growth which is summarized as follows

Income tax

Revenue Source	Rate	Assessment and Payment Date	Notes
Legal persons on annual net profit	20 percent	After the end of the fiscal year and within the first three months of the next year when submitting the annual return	It is assessed and paid by the taxpayer
Natural persons on taxable income from			
1 Afghani to 60000	0 percent		
Natural persons on taxable income from 60001 to 150000	2 percent		
Natural persons on taxable income from 150001 to 1200000	10 percent		
Natural persons on taxable income above 1200000	20 percent		

Business Transaction Tax (on Gross Income)

Table : Details of Revenue Sources

Revenue Source	Rate	Assessment and Payment Date	Notes
Advance business tax	2 percent	Assessed quarterly and paid to the designated account by the 15th of the next month	It is assessed and paid by the taxpayer
General activities of most economic sectors during import of goods at customs based on the total cost of imported goods plus charges	percent		
Natural persons with gross income of 750000 Afghani or more in each quarter	4 percent		
Gross income (sales) of airline transport companies and wedding halls	4 percent		
Gross sales income of airline transport companies and wedding halls	10 percent		
Above 1200000	20 percent		

Continuation

Revenue Source	Rate	Assessment and Payment Date	Notes
Advance business tax during import		During import	It is imposed and collected by customs officials
General activities of most economic sectors during import based on the total cost of imported goods plus customs duty	4 percent		
Industrial sector based on the total cost of imported goods plus customs duty	2 percent		

Specific/Subject Tax

Table: Specific/Subject Tax - Salaries and Rent

Revenue Source	Rate	Assessment and Payment Date	Notes
0.5,000 Afghani	0%	By the 10th of the following month	Imposed and paid to the Ministry of Finance by the employer. Note: If the taxpayer has additional sources of income, this tax is treated as an advance and calculated when submitting the annual tax return.
5,001-12,500 Afghani	2%		
12,501-100,000 Afghani	10%		
above 100,000 Afghani	20%	According to contract, by the 15th of the following month	Imposed and paid by the tenant.

Withholding tax on rent

Revenue Source	Rate	Assessment and Payment Date	Notes
2. Objective financial considerations regarding rent Less than 10,000 Afghanis are exempt from tax.	0%	According to the contract, until the fifteenth day of the following month.	The tax is levied and paid by the tenant.
Monthly rental segments From 10,000 to 100,000 Afghanis	10%		

Continuation

Table: Specific/Subject Tax - Salaries, Contracts, Royalties, and Bonuses

Revenue Source	Rate	Assessment and Payment Date	Notes
Monthly salary above 100,000 Afghani	15%	By the 10th of the following month	Imposed and paid to the Ministry of Finance by the employer. Note: This tax is considered post-paid and applied when submitting the annual tax return.
Contractual tax - persons without a license for social or financial services, not in industrial, commercial, or agricultural sectors	7%	According to contract, by the 10th of the following month	Imposed and paid by the payer.
Contractual tax - persons with a license for social or financial services entering into contracts, or cumulatively receiving over 500,000 Afghani from one source in a fiscal year	2%	According to contract, by the 10th of the following month	Imposed and paid by the payer.
Tax on shares, royalties, rewards, and gifts	20%	At the time of distribution and by the 10th of the following month	Imposed and paid by the distributor. Note: If the payer submits an annual tax return, this tax is treated as an advance payment.

Fixed Tax

Table: Fixed Taxes

Revenue Source	Rate	Assessment and Payment Date	Notes
Fixed tax on imported goods	2%	Collected at customs during import	All goods brought for sale or production are subject to this tax. It is credited against product taxes. The importer is responsible for payment.
Fixed tax on concessions	10%	At the end of a s s e s s m e n t programs and by the 15th of the following month, transferred to the g o v e r n m e n t account	Individuals or legal entities who receive financial, commercial, industrial, extractive, service, or similar concessions from the government are subject to this tax. They are responsible for payment.
Fixed tax on property benefits (real estate)	0.3%	Assessed once every three years and collected periodically	Individuals benefiting from small economic properties with total annual income above 200,000 Afghani are subject. Applies to small real estate holdings.
Fixed tax on public grazing	Fixed amount	Annually during license renewal	Property used for economic purposes through public grazing is subject to this tax. Owners of public grazing lands are responsible.

Tax on Transfer or Sale of Movable and Immovable Property

Revenue Source	Rate	Assessment and Payment Date	Notes
Tax on sale of real estate	20%	In the fiscal year when the property is sold	The seller is responsible for payment.
Tax on sale of assets (movable and immovable)	1%	At the time of asset sale	The buyer is responsible for assessment and payment.

Useful Links

Website	Institution Name
www.mail.gov.af	Ministry of Agriculture, Irrigation, and Livestock
www.momp.gov.af	Ministry of Mines and Petroleum
www.moph.gov.af	Ministry of Public Health
www.moci.gov.af	Ministry of Industry and Commerce
www.mfa.gov.af	Ministry of Foreign Affairs
www.moj.gov.af	Ministry of Justice
www.mof.gov.af	Ministry of Finance
www.moec.gov.af	Ministry of Economy
www.mudl.gov.af	Ministry of Urban Development and Housing
www.dab.gov.af	Da Afghanistan Bank
main.dabs.af	Da Afghanistan Breshna Company
www.mohe.gov.af	Ministry of Higher Education
www.motca.gov.af	Ministry of Transport and Civil Aviation
www.molsamd.gov.af	Ministry of Labor and Social Affairs
www.moic.gov.af	Ministry of Information and Culture
www.nsi.gov.af	National Statistics and Information Authority
www.moi.gov.af	Ministry of Interior Affairs
www.mew.gov.af	Ministry of Energy and Water
www.mcit.gov.af	Ministry of Communications and Information Technology
nep.gov.af	National Environmental Protection Agency
www.aop.gov.af	General Directorate of Administrative Affairs
www.dpmea.gov.af	Economic Deputy Office of the Prime Minister

Famous Brands of Afghanistan





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This guide has been prepared to facilitate a secure economic journey in Afghanistan.

In this book, all the key and practical steps for starting and developing a business in the country are presented clearly and step by step: from obtaining licenses, visas, TIN, and opening bank accounts, to customs exemptions, access to land and industrial parks, importing machinery, exporting, and taking advantage of the largest opportunities and projects in the energy, mining, agriculture, and industrial sectors.

The general aim of this guide is to enable both domestic and foreign investors to enter the Afghan market with full confidence, understand the correct procedures, and launch their projects with trust and foresight. Today, Afghanistan is an open, growing market filled with opportunities—and this guide serves as a roadmap for leveraging them.

Wishing you success, progress, and sustainable investment in Afghanistan.



Islamic Emirate of Afghanistan

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