Land Allotment Process For Investors

Office of Economic Advisor

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EXECUTIVE SUMMARY

Currently, three public entities are involved in the allotment process of land in Afghanistan including: (1) ARAZI, (2) Amlak Department of MoF, and (3) Kabul Municipality. ARAZI is in charge of all public lands (without a GoIRA owner) in Afghanistan. Currently ARAZI leases land for three purposes: (1) installing telecom, TV, & radio antenna, (2) agricultural purposes, and (3) for services, businesses, & development projects.

The Amlak Department of MoF is in charge of leasing the land of ministries and all public independent authorities. As per (Cabinet decision, #42 dated 19/12/1394 & Council of Ministers' decision #39 dated 21/10/1388), all ministerial and independent public directorate leasing authority was transferred to the MoF (Amlak Department) except Tasadees' land.

However, after Council of Ministers' decision #39 dated 21/10/1388, Kabul Municipality also received permission from MoF (#4268, dated 10/9/1392) to lease some of its lands independently. However, on the rest of Kabul Municipality's lands the cabinet decision #39 dated 21/10/1388 is enforceable. The following chart will summarize the bidding process of land in Afghanistan.

ENTITIES INVOLVED IN LAND ALLOTMENT PROCESS

Type of land

	Lease	Sell/transfer ownership
Owner's land (with owner)	**Responsibility: ARAZI** • *Currently, ARAZI leases land for three purposes including: (1) installing telecom, TV, & radio antenna, (2) agriculture, and (3) services, businesses, & development projects.* • *The detailed bidding process of land is attached at the end of this memo*	**Responsibility: ARAZI** • *ARAZI has the authority of selling/transferring public land which doesn't have (GoIRA owner) from one entity to another*
No GoIRA owner	**Responsibility: MoF Amlak Department** • *Amlak has the authority to lease & transfer land of ministries and independent public directorates (cabinets' decision #42 dated 19/12/1394 and Council of Ministers' decision #39 dated 21/10/1388)*	**Responsibility: ARAZI** • *ARAZI has the authority of selling/transferring public land which has (GoIRA owner) from one entity to another* • *The detailed process of transferring land is provided in the following pages*

Type of contract

ARZAI LAND ALLOCATION PROCESS FLOW

In this section, we will present the current land allotment process of ARAZI. ARAZI, as an independent authority, is the owner of all public (governmental) lands throughout Afghanistan. The land allocation process is different for private and private sector. Currently ARAZI is leasing land for three purposes including: (1) installing telecom, TV, & radio antenna, (2) agricultural purposes, and (3) for services, businesses, & development projects.

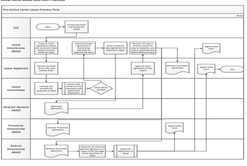
For sale of public land, the process starts with the request of ministry or any other government institution. If the requested land is inside the urban area (city), then the requestor is also required to send his/her request via an official maktoob to the Municipality office of that city (in the case of this report, it is Kabul Municipality). The municipality reviews whether the requested land location is according to city's master plan. If the requested land location is according to the city master plan, the municipality will give its approval to ARAZI via maktoob. After that ARAZI will send a Pechnehad to H. E the President for receiving approval. After receiving H.E's confirmation, ARAZI will transfer the land the new owner and inform the Amlak (مأمور) Department of MoF to register the land under the supervision of that requestor

However, if the requested land is outside of the urban area, the requestor only send his/her request via an official Maktoob directly to the ARAZI without involving the Municipality office.

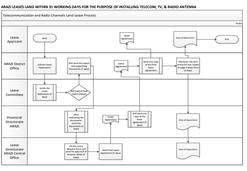
PROCESS FLOW OF TRANSFERRING LAND TO PUBLIC ENTITIES

ARAZI, at its own discretion, can also lease land to private entities. For this process the requestor should fulfill ARAZI's lease requirements specified in the lease manual. After submitting the request to ARAZI, ARAZI will evaluate the proposal by taking into consideration the requestor's financial plan, historical performance, use of land, and any other criteria set in the Lease Manual. Then, an auction will be set and those who pays the highest prices will be granted the land. Moreover, during signing the lease contract, ARAZI makes sure that the land should is used according to the submitted proposal.

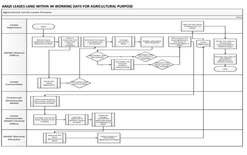
ARAZI LAND LEASE AUCTION PROCESS



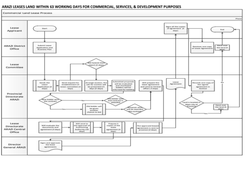
ARAZI LEASES LAND WITHIN 15 WORKING DAYS FOR THE PURPOSE OF INSTALLING TELECOM, TV, & RADIO ANTENNA



ARAZI LEASES LAND WITHIN 40 WORKING DAYS FOR AGRICULTURAL PURPOSE

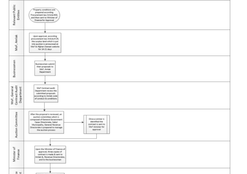


ARAZI LEASES LAND WITHIN 45 WORKING DAYS FOR COMMERCIAL, SERVICES, & DEVELOPMENT PURPOSES



AMLAK LAND ALLOCATION PROCESS

Amlak's land allocation process starts by preparing a property condition document (according to Procurement law article #30), which is then sent to Minister of Finance for approval. Upon his approval, Amlak announces the surplus land which is put into auction at MoF website & Afghan Elanat for 21 days. Businessmen can then submit their proposals. The MoF contract audit department then reviews all proposals to evaluate whether they are according to the established conditions.

Afterwards, an auction committee comprised of Government Cases Directorate, Kabul Municipality, and General Revenue Department manages the auction process. Once the winner is identified, the contract is sent to Minister of Finance for approval. Upon his approval, the contract is registered and the property is transferred to the bid winner.

AMLAK LAND ALLOCATION PROCESS