



**NORTH ATLANTIC TREATY ORGANIZATION
RESOLUTE SUPPORT**



DIPLOMATIC NOTE

DATE: 12 April 2021

TO: Ministries of the Government of the Islamic Republic of Afghanistan (GIROA)

SUBJECT: Diplomatic Note Regarding Large Tax Office Audit for 2015 and 2016 of North Atlantic Treaty Organization (NATO) and United States of America (U.S.) Contractor, Nordic Camp Supply (NCS)

1. References:

- a. Agreement between the North Atlantic Treaty Organization and the Islamic Republic of Afghanistan on the Status of NATO Forces and NATO Personnel Conducting Mutually Agreed NATO-Led Activities in Afghanistan, signed 30 September 2014.
- b. Security and Defense Cooperation Agreement between the Islamic Republic of Afghanistan and the United States of America, signed 30 September 2014.

2. This Diplomatic Note serves to emphasize that in accordance with the NATO Status of Forces Agreement (SOFA) (reference a.) Article 15, paragraphs 3 through 5; and the U.S. Bilateral Security Agreement (BSA) (reference b.) Article 17, paragraphs 3 through 5, contractors that are non-Afghan entities, and their employees that do not "normally reside" in Afghanistan are not subject to taxation.

3. NATO and U.S. Contractor, Nordic Camp Supply (NCS), has no commercial activity in Afghanistan and the company's activity is limited to supporting NATO and U.S. Missions. Consequently, NCS is tax exempt.

4. In April 2020, GIROA's Large Tax Office (LTO) notified NCS that they are conducting a tax audit for 2015 and 2016. LTO directed NCS to provide further financial information, namely foreign bank statements detailing contract income, or have Resolute Support (RS) / U.S. Forces-Afghanistan (USFOR-A) confirm the company's tax exemption status in 2015 and 2016.

5. In accordance with the negotiations on 20 August 2020 of the Finance Working Group, part of the Afghanistan-NATO Implementation Commission (ANIC) and the Joint Commission (JC), the parties agree that information sought in the LTO audit can be made available through the NATO/U.S. Contractor Supplementary Information Form (NUCSIF). Information sought during audit should be limited to the information contained in the NUCSIF. The NUCSIF serves to standardize and streamline the information required by Ministry of Finance (MoF)-Revenue Department to process RS and USFOR-A contractors' tax exemption request in accordance with the NATO SOFA and U.S. BSA. NUCSIF is the format that NATO, U.S., and GIROA implemented in 2018, and revised on 1 June 2020.

6. RS / USFOR-A are submitting with this Diplomatic Note the required 2015 and 2016 NUCSIFs to resolve the matter, and with this action GIROA will not pursue tax claims against NCS for 2015 and 2016.

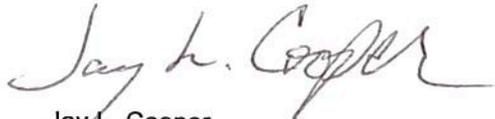
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7. Immediate notification of all Afghan Ministries and their subordinate organizations is required to ensure implementation and full adherence to the steps outlined in this Diplomatic Note, the NATO SOFA, and U.S. BSA.

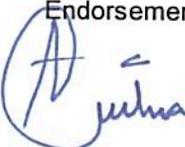
8. This Diplomatic Note is signed and endorsed by the Afghanistan and NATO/U.S. Co-Leads for the Finance Working Group of the ANIC and JC. The ANIC oversees the adherence to the Afghanistan-NATO SOFA, and the JC oversees the adherence to the United States-Afghanistan BSA. The points of contact for the Diplomatic Note are Ms. Jennifer Allen, JC Secretariat, at 070-414-7519, jennifer.l.allen3.civ@mail.mil, or Ms. Nivia Butler, ANIC Secretariat, at 070-309-3649, cj4iacchead@hq.rs.nato.int.

This letter is prepared in both English and Dari. Both texts are equally authentic, the texts are in conformity with each other, and have the same meaning in all substantive respects.



Jay L. Cooper
Senior Executive Service, U.S. Navy
Chief of Resource Management, CSTC-A
& Co-Lead, Finance Working Group
Afghanistan-NATO Implementation Commission
& Joint Commission

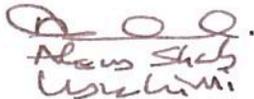
Endorsements:



Ms. Amina Ahmady
Director General - Customs
Ministry of Finance
& Co-Lead, Finance Working Group
Afghanistan-NATO Implementation Commission
& Joint Commission

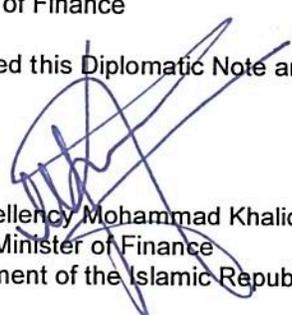


Mr. Nasrullah Durrani
Director General - Revenue
Ministry of Finance



Mr. Alem Shah Ibrahim
Deputy Minister - Customs and Revenue
Ministry of Finance

I reviewed this Diplomatic Note and concur with the contents.



His Excellency Mohammad Khalid Payenda
Acting, Minister of Finance
Government of the Islamic Republic of Afghanistan



ANIC/JC EXECUTIVE STEERING COMMITTEE CONCURRENCE

In accordance with the Implementing Arrangement of the Agreement between the North Atlantic Treaty Organization (NATO) and the Islamic Republic of Afghanistan on the Status of NATO Forces and NATO Personnel Conducting Mutually Agreed NATO-led Activities in Afghanistan, dated 30 September 2014 (NATO SOFA), and the Security and Defense Cooperation Agreement between the United States of America and the Islamic Republic of Afghanistan, dated 30 September 2014 (U.S. BSA), NATO and U.S. acting in our capacity as co-chairs of the Afghanistan-NATO Implementation Commission (ANIC) and the Joint Commission (JC) Executive Steering Committees, agree that the following are approved and should be signed by their respective governmental agency: Diplomatic Note Regarding Large Tax Office Audit for 2015 and 2016 of North Atlantic Treaty Organization (NATO) and United States of America (U.S.) Contractor, Nordic Camp Supply (NCS), dated 12 April 2021.

This text is prepared in both English and Dari. Both texts are equally authentic; the texts are in conformity with each other, and have the same meaning in all substantive respects.

Executed 5 May 2021 in Kabul, Afghanistan.


 Thorsten Poschwatta
 Lieutenant General, German Air Force
 Chief of Staff, Headquarters Resolute
 Support & Co-Chair, Afghanistan-NATO
 Implementation Commission, Executive
 Steering Committee


 E. John Deedrick, Jr.
 Lieutenant General, U.S. Army
 Commanding General, Combined
 Security Transition Command- Afghanistan
 & Co-Chair, Joint Commission, Executive
 Steering Committee


 Mr. Abdullah Raqeebi
 Government of the Islamic Republic of Afghanistan
 Assistant Minister of Defense, Acquisition Technology & Logistics
 & Co-Chair, Afghanistan-NATO Implementation Commission /
 Joint Commission, Executive Steering Committee