



د کتونو او پترولیم وزارت
وزارت معادن و پترولیم

د افغانستان اسلامي جمهوریت
جمهوری اسلامی افغانستان



Islamic Republic of Afghanistan
Ministry of Mines & petroleum

Date: 24/10/2018

Office of Chief of Staff

S. No.:

To: Fredrik Reinfeldt
Chair of the Board
EITI International Secretariat
Skippergata 22, 0154 Oslo, Norway

Subject: EITI Board Decision on Validation of Afghanistan

Dear Mr. Fredrik Reinfeldt,

First of all, I would like to extend greetings of myself and Dr. Humayon Qayoumi Acting Minister of Finance on behalf of the Government of the Islamic Republic of Afghanistan. I also would like to sincerely thank EITI international secretariat for supporting us continuously in implementing EITI benchmarks.

As you are aware, as part of Afghanistan's ongoing Validation and we have received a copy of the initial assessment and draft Validation report. We are concerned that the EITI Board may decide that Afghanistan has made inadequate progress in implementing the Standard and, as a consequence of this, that Afghanistan may be suspended. As stated in the validation report, the period under review covers Afghanistan's progress until November 2017. I am appointed as Acting Minister of Mines and Petroleum in May-2017. Right after my appointed I have undertaken series of reforms such as digitalization of all contracts, publishing all contracts, development of Non-tax Revenue System, and Mining Cadaster Administration System and entering all information in the system, collection of revenues with penalties, adoption of new hydrocarbon and new minerals laws and reviewing of all current active contracts especially to register all beneficiaries. It is worth mentioning that I have canceled several contracts because of lack of performance or issues related to ownership of licenses. Because of these reforms Afghanistan progress is marked satisfactory under some requirements in the draft validation report and, in the case of publication of contracts, beyond the requirements of the Standard.

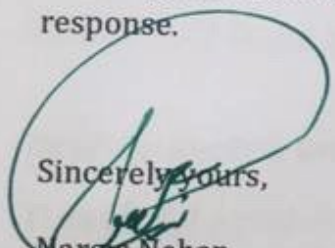
We understand that our progress is still not adequate and we are committed to demonstrating considerable progress on all the EITI's requirements and assure you that in the coming months you will witness more progress.

Should the Board decide to suspend Afghanistan, the decision would come at a critical time when we are preparing for Afghanistan International Conference in Geneva in November 2018. As you are aware Afghanistan is an aid-dependent country, and demonstrating progress on the implementation of the EITI is an important element in our relationship with our donors. A decision to suspend Afghanistan at this time could have an important, negative impact on the considerations of the international donors, who will be making decisions on whether and how to continue pledging funds to Afghanistan. The decision could thus have substantial, unintended ramifications far beyond the normal reputational risk associated with a decision to suspend the

country. Importantly, it is a concern that a decision by the Board at this time would not take sufficient account of recent developments as we continue the process of entering and quality-assuring information in the newly established administration system (the Transparency Portal).

Therefore, on behalf of the Government of Afghanistan, I would like to request that the EITI Board consider postponing making a decision on Afghanistan's validation until the next Board meeting. I would be happy to participate in the next EITI Board meeting myself to brief the Board on our progress in implementing the requirements of the Standard.

I once again would like to thank you for your support and remain hopeful to your positive response.


Sincerely yours,

Nargis Nehan
Acting Minister of Mines and Petroleum

CC: EITI International Secretariat
Hon. Olga Bielkova, implementing country EITI Board member representing Afghanistan
Office of H.E. the President
Ministry of Finance
Afghanistan EITI Secretariat