

**Agreement on
The Establishment of an International Transport and Transit Corridor
among the Governments of
the Republic of India, the Islamic Republic of Afghanistan and
the Islamic Republic of Iran
(Chabahar Agreement)**

Preamble

The Governments of the Republic of India, the Islamic Republic of Afghanistan and the Islamic Republic of Iran hereinafter referred to as the Contracting Parties:

Desiring to support and consolidate cooperation and develop economic relations among their nations also at regional and global levels;

Understanding the need of Afghanistan as a land-locked country for accessing open seas through Chabahar Port in accordance with relevant international conventions;

Taking into account the Chabahar Port as one of the main regional hubs in transport cooperation among the three Contracting Parties, aiming to utilizing rail, road and/or air and customs capabilities of the Chabahar Port and Free Trade and Industrial Zone of Chabahar;

Expressing their willingness to develop and improve their capabilities to facilitate transport and transit of goods, and passengers based on prevalent national legislations and according to the international conventions and standards of transportation to which the Contracting Parties are members;

Emphasizing to utilize the existing and future transport infrastructure in order to transport and transit Goods and Passengers through their territories;

Affirming the importance of Chabahar Port as a hub for development of transport and transit cooperation among the three countries;

Recalling the memorandum of understanding concluded in January 2003 among Republic of India, Islamic Republic of Afghanistan and Islamic

Republic of Iran as development of transport and transit infrastructures in the territories of the three countries;

Have agreed as follows:

Article (1)

Definitions

Terms and definitions used in this Agreement shall have following meanings:

- a) Carrier: any natural or legal person registered in the territory of one Contracting Party in accordance with its national legislation which allowed carrying out international transportation of Passengers and Goods;
- b) Dry port: an inland location as a logistics centre connected to one or more modes of transport for the handling, storage and regulatory inspection of goods moving in international trade and the execution of applicable customs control and formalities;
- c) Follow-up Committee: it will be an entity assisting the Coordination Council and composed of representatives of all Contracting Parties responsible for organizing all activities in the framework of the Agreement;
- d) Founding Parties: collectively the Governments of Republic of India, Islamic Republic of Afghanistan and Islamic Republic of Iran;
- e) Goods: all types of goods (with Harmonized System Codes) that the Carrier undertakes to transport by virtue of a transport contract through the international transport and transit corridors;
- f) Hazardous goods: any internationally recognised material, products, wastes, which because of characteristics may, In the process of transportation, loading or unloading cause an explosion, fire or damage to goods and transport infrastructure as well as life, health , environment and national security;
- g) International airport: the places where airplanes land and open to international air transportation and used to load and unload

goods and for the embarkation and disembarkation of passengers;

- h) International sea port: the places where ships berth and are open to international maritime navigation and are used to load and unload goods and for the embarkation and disembarkation of passengers;
- i) International transport and transit corridor: a network of main transportation systems connecting the Contracting Parties intended for the international transportation through Chabahar Port;
- j) International transportation: the legal movement of goods and passengers by various modes of transportation (land, sea and/or air) through the national territories of the Contracting Parties;
- k) Investment: any investment provided by any entity, financial institutions or donor (national or international) for the development of transport infrastructure project along the international transport and transit corridor;
- l) Multimodal Transport: the transportation of goods by at least two different modes of transportation;
- m) Passenger: any natural person who legally travels from one place to another by land, sea or air transportation or their combination through the international transport and transit corridors;
- n) Perishable Goods: any type of goods which require protective measures and fast transit procedures crossing the border (land, sea and/or air) and through the international transport and transit corridors;
- o) Transit: the transportation of goods and passengers across the territory of one Contracting Party through the international transport and transit corridors in which the points of origin and destination are located outside the territory of that Contracting Party;

- p) Transport: the means to carry out movement of goods and passengers via road, rail, sea and air or a combination of any of these;
- q) Transportation of goods and passengers: the transportation of goods and passengers by one or various modes of transportation from one place to another for a consideration.

Article (2)

General Scope

1. The provisions of the Agreement shall regulate the international transport and transit of goods and passengers through the territories of the Contracting Parties carried out by any modes of transportation along the routes approved by the Coordination Council which shall be formed in accordance with Article 9 of this Agreement;

2. For the implementation of this Agreement, the competent authorities of the Contracting Parties shall be as follows:

- In the Islamic Republic of Iran: Ministry of Roads and Urban Development
- In the Islamic Republic of Afghanistan: Ministry of Transport and Civil Aviation
- In the Republic of India: Ministry of External Affairs

3. This Agreement shall not affect the rights and obligations of any of the Contracting Parties resulting from existing international agreements and treaties to which the Contracting Parties are members, including those concluded between the Contracting Parties. In the event of provision of the Agreement coming in conflict with other international obligations of the Contracting Parties, the Contracting Parties would discuss the matter within the Coordination Council.

Article (3)

Objectives

The objectives of the Agreement are as follows:

1. Create a reliable transport corridor for the smooth transport and transit of goods and passengers through Chabahar Port among Republic of India, Islamic Republic of Afghanistan, and Islamic Republic of Iran;
2. Increasing the efficiency of the transport corridor aimed at optimizing transport costs;
3. Attract transit of goods and passengers of other countries through the international transport and transit corridors;
4. Facilitate access to international markets by using land, sea and/or air transportation through Chabahar Port;
5. Ensure travel safety and implement safety standards with respect to the transport and transit of goods and passengers, as well as environmental protection among Contracting Parties;
6. Simplify, harmonize and standardize procedures governing the international transport and transit of goods and passengers in accordance with the international agreements and conventions in which Contracting Parties are members.

Article (4)

International Transport and Transit Corridors

1. The Contracting Parties shall determine the routes of the international transport and transit corridors and indicate the transport infrastructure which will be used to transport Goods and Passengers;
2. The Contracting Parties shall endeavor to take all necessary measures to provide assistance to each other through investment in promoting transport infrastructure projects along the international transport and transit corridors.
3. Dry Ports of any Contracting Party located in the designated transit corridors shall be considered as the origin or destination points.

Article (5)
Extended facilities for

The International Transport and Transit of Goods and Passengers

1. During the implementation of this Agreement, the Contracting Parties shall provide effective facilities in respect with the international transport and transit of Goods and Passengers through their territories in accordance with their national legislation;
2. Contracting Parties shall facilitate issuing visas;
3. Contracting Parties shall take steps to facilitate movement of vehicles along the international transit and transport corridors.

Article (6)
**Rules Governing the Transportation of
Hazardous, Prohibited or Dual Use Goods**

1. It is prohibited under this Agreement to transport and transit hazardous, prohibited or dual use goods through the territory of a Contracting Party without prior permit from the concerned Contracting Party;
2. The Contracting Parties shall specify these goods and subsequently a list will be compiled by the Follow-up Committee formed in accordance with Article 10 of this Agreement; the Follow-up Committee will send the list of specified goods to the Coordination Council for approval;
3. The Depository State and Secretariat of the Agreement shall inform the Contracting Parties regarding the approved list.

Article (7)
Rules Governing the Transportation of Perishable Goods

1. Contracting Parties shall facilitate and accelerate the transit of Perishable Goods while crossing the borders of the Contracting Parties without unreasonable delay.

Article (8)
Customs, Taxes and Duties

1. Contracting Parties shall take steps to standardize, simplify and harmonize customs rules and procedures governing movement of Goods and Passengers along international transit and transport corridors.
2. The Contracting Parties shall seek to reduce government taxes, excise duties and other duties including charges emanating from the services on Goods in transit;
3. Charges emanating from the services rendered by Government and private service providers of transport may be levied on Goods and Passengers in transit.

Article (9)
Coordination Council

1. For the purpose of the implementation of the Agreement, the Contracting Parties shall form a Coordination Council, consisting of the Deputy Ministers or Secretaries of the concerned Ministry or their legal representatives (according to paragraph 2 of Article 2), to be entrusted with the following duties:
 - a. Supervise concrete implementation of the provisions of the Agreement;
 - b. Confirm proposed amendments to this Agreement;
 - c. Confirm proposals elaborated by the Follow-up Committee for improving the flow of Goods and Passengers in transit and to increase the attractiveness of the international transport and transit corridors;
 - d. Confirm the routes of the transport and transit corridors elaborated by the Follow-up Committee;
 - e. Confirm the proposals elaborated by the Follow-up Committee on reducing taxes, duties and cost of transport and transit of Goods and Passengers through transit and transport corridors with extensive use of multimodal transport;
 - f. Decide the outcomes of studies done by Follow-up Committee aiming to reduce existing taxes and tariffs exerted by the Contracting

Parties on ports, road border terminals, airports, road, rail and maritime routes and any other proposals.

2. The Coordination Council shall hold its first meeting within three months from the date of entry into force of this Agreement in order to formulate rules of procedures of the Coordination Council as well as the mechanism of functioning of the Follow-up Committee.

3. The Coordination Council shall meet at least once a year alternatively in the territories of the Contracting Parties in accordance with the English Alphabetical order or at the request of any of the Contracting Parties.

4. The decisions made by the Coordination Council shall be by consensus.

Article (10) **Follow-up Committee**

1. The first meeting of the Follow-up Committee will be held within two months of the first meeting of the Coordination Council. Subsequently, the Follow-up Committee will also meet at least once a year just prior to the Coordination Council meeting or at the request of any of the Contracting Parties;

2. The head of the delegation representing each Contracting Party in the Follow-up Committee will be of the level of Director General/Joint Secretary or equivalent. The names of members of the Follow-up Committee will be informed through diplomatic channels;

3. The exact time and place of the Follow-up Committee meeting will be determined with the coordination of member countries and shall be informed through diplomatic channels;

4. The Follow-up Committee will have the following tasks:

a. Determine the routes of the International Transport and Transit Corridors.

- b. Study the matters related to taxes, charges and tariffs currently applied at ports, railways, roads and border checkpoints by each Contracting Party and submit proposals to the Coordination Council in order to increase attractiveness of the international transport and transit corridors.
- c. Study the matters related to the existing and future facilities of the transportation and transport infrastructures in the territories of the Contracting Parties, if necessary.
- d. Prepare proposals to achieve the objectives of this Agreement in such a manner that shall not contradict the national legislation of any Contracting Parties.
- e. Elaborate necessary operational protocols such as those related to transport and transit, customs procedures, ports and consular affairs within agreed timeframe for smooth implementation of this Agreement.
- f. Elaborate proposals to harmonize and coordinate transport and transit policies in order to develop the international transport and transit corridors and the necessary transport infrastructure, road border terminals and ports, capacity building and training.
- g. Elaborate proposals in order to increase the flow of Goods and Passengers in transit through the international transport and transit corridors.
- h. Prepare periodic and comprehensive reports on the progress of the implementation of this Agreement.

Article (11)

Settlement of Disputes

1. Any disputes between any of the Contracting Parties arising from the interpretation or application of this Agreement shall be settled through negotiations between the concerned Contracting Parties.
2. If the Contracting Parties concerned in the dispute fail to reach a settlement through negotiations within nine (9) months from the beginning of negotiations, the dispute shall be referred to the Coordination Council.

3. If the Coordination Council fails to resolve the dispute within one (1) year of the dispute being referred to it, it shall be settled by arbitration. The Contracting Parties in the dispute shall agree on the method of arbitration.

Article (12)

Accession

1. This Agreement is open for accession by any country.
2. Any country intending to accede to this Agreement shall notify the Depositary State and the Secretariat in writing of its intention to accede.
3. The accession of the applicant country is subject to the consent of all the Founding Parties.

Article (13)

Depositary State and Permanent Secretariat

1. The Islamic Republic of Iran shall be the Depositary State and the place of Permanent Secretariat of the Agreement. The Depositary State shall submit the certified copies of this Agreement to the Contracting Parties.
2. The Secretariat shall inform the Contracting Parties regarding accession or withdrawal of any Contracting Party from the Agreement.

Article (14)

Amendments

1. Amendments to this Agreement, after confirmation by the Coordination Council and upon signature by all the Contracting Parties, taking into account Article 15 of the Agreement, will come into force and shall be an integral part of the Agreement.

Article (15)

Validity and Entry into Force

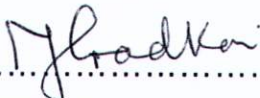
1. This Agreement shall enter into force for a period of ten years after 30 days from the date of the last written notification by any Contracting

Party to the Depository State and the Permanent Secretariat through diplomatic channels, that it has fulfilled all its necessary legal procedure. The Depository State and the Permanent Secretary shall notify the other Contracting Parties of such notification.

2. After the said period, this Agreement shall remain in force thereafter, unless one of the Founding Parties notifies the Depository State and the Permanent Secretariat in writing of its intention to withdraw from Agreement through diplomatic channels. In the latter case, the Agreement shall be terminated after six months with respect to that Contracting Party.

3. Any Contracting Parties other than the Founding Parties can also withdraw in the same manner.

This Agreement consisting of a Preamble and 15 Articles was prepared in three originals, each in Dari, Pashto, Hindi, Persian and English languages, in Tehran on May 23, 2016 corresponding to 3 Khordad, 1395 all of which being equally authentic, in witness whereof, the plenipotentiaries of each Contracting Party have signed this Agreement. In case of divergence, the English text shall prevail.



For the Government of
the
Republic of India

Nitin Gadkari
Minister of Shipping,
Road Transport and
Highways

For the Government of
the
Islamic Republic of
Afghanistan

Mohammadullah
Batash
Minister of Transport
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