



Initial Assessment of Key Road Sector Issues with Recommendations

April 2012

A. Alternatives to the Salang Pass.

1. **Importance.** The highway from Charikar across the Salang mountain range to Khenjan and Doshi is the most critical link of the north-south corridor and can be described as the lifeline of the Afghan economy. It will probably remain so for the foreseeable future. The traffic is currently on the order of 4-5000 vehicles a day with a high percentage of heavy vehicles including international transit traffic. Irrespective of future development of the corridor, there is a need to improve the road sections where the highway is crossing the mountain between Jabal-os-Saraj and Khenjan. The work would include at a minimum a new concrete lining (and possible widening) of the tunnel to make it safer and more reliable, but also extensive repairs are needed to the snow galleries¹. Also between the snow galleries there are improvements needed to the highway including widening in places for truck rest areas.

2. **MPW Priorities.** The Ministry of Public Works in charge of the road sector (MPW) recognizes the importance of this, but a Salang tunnel rehabilitation project is only number 6 on the short list of unfunded priority projects behind US\$ 1.2b of other investments:

1. Kabul City Ring Road estimated at US\$280m
2. East-West Corridor 1, Herat- Chaghcharan US\$315m
3. East-West Corridor 2, Chaghcharan-Gardan Diwal, US\$280m (365 km of which 40 km is under construction under MOF funding)
4. North-South Corridor 1 (south) Yakawlang-Charanile- Tarin Kot 350km at US\$ 280m. (Yakawlang-Dar-i-Suf funded by ADB under a later tranche of the MFF Program, completion time unclear)
5. North-South Corridor 2 (south) Tarin Kot – Khandahar 173 km at US\$ 103m
6. Rehabilitation of Salang Tunnel 2.7 km at US\$50m
7. Second Salang Tunnel at US\$200m (Feasibility Study to be funded by USAID and to be awarded shortly will review both 6 and 7)

¹ A closed drainage system inside of galleries would prevent soaking of the pavement, ice buildup and water eroding the asphalt and base layers.

8. Doshi-Bamyan highway (no study undertaken, costs uncertain).

3. **Detour Necessity.** Given the strategic importance of the Salang pass and the expected traffic increase in the coming years, it is critical to establish a good alternate road that can take the Salang traffic for an extended time period (2 years at least) while the existing tunnel and snow galleries are rehabilitated. A detour road with good technical standards will also be necessary after the road and tunnel is opened to traffic again, during times when the tunnel and approach roads are closed due to adverse winter weather, rock falls or avalanches, and when serious accidents happens that can disable the tunnel for extended periods.

4. **Only Alternative.** The current detour from Jabal-os-Saraj via Bamyan to Doshi is critical as it is the only relatively short bypass of the mountain range. The current road from Pol-i-Matak (at the turnoff south of Jabal-os-Saraj) to Bamyan is under upgrading. The road is divided into 8 sections to be completed by military PRTs (Provincial Reconstruction Teams). Section 8 is 10 km long and completed to paved standard. Section 7 is 19 km and under construction also to paved standard. Also sections 2-5 are under construction (each about 20 km) and the central section 6 will be the responsibility of the US Army Corps of Engineers (Afghanistan District) from what we understand. Section 1 from Pol-i-Matak is completed (20 km) but there is some post construction issues to be addressed. Sections 1-6 will be completed with Double Bituminous Surface Treatment (DBST), rather than Asphalt Concrete pavement.

5. **PRT experiences.** The experience of the military with PRT road construction contracts are mixed: (i) Quality control is often difficult given the security situation, (ii) the local contractors are technically weak causing a lot of post construction problems, (iii) the costs are relatively high, (iv) there are concerns regarding the widespread collusion and apparent price fixing among many local contractors causing some bids to come in with identical rates and contract price, and the PRT units are favoring bypasses of towns rather than squeezing through developed areas to provide wider roads with room for shoulders and pedestrians.

6. **Assessment of Needs.** The current status of the Bamyan to Doshi road section is not known, but extensive repairs and upgrading is likely to be needed to allow two-way truck traffic during winters.

7. **Comprehensive Study.** The USAID is funding a feasibility study to consider the cost of improving the current crossing/tunnel but also alternatives such as providing a second longer tunnel as a more reliable crossing of the Salang massif. US\$ 200m + has been mentioned by MPW as a preliminary cost estimate

for a new tunnel. The TOR for the study is not available as the consultancy contract is about to be awarded shortly, but it seems that the study is limited to the tunnel only and not the approach roads and snow galleries (?), and the possible detours necessary during the construction works and later operation of the mountain pass may also not be covered. An eight months period was mentioned as a minimum for completion of the study.

8. **Supplemental Study.** Given the above understanding of the current status a feasibility-preliminary engineering study should be undertaken of the Pol-i-Matak - Bamyan – Doshi corridor that would serve mining related traffic and as a detour for all Salang pass traffic when the pass is blocked. It would also facilitate the development and operation of the planned power plant at Ishpushta south-west of Doshi. Coordination would be necessary with the USAID financed Salang Tunnel Feasibility Study. Some upgrading and strengthening of the PRT constructed road sections may be considered in this effort and included in the scope of work (TOR) for the detour study.

9. **New Railway.** A new railway line between Kabul and Masar and Kabul and Torkham has been agreed with the Chinese mining company to serve the Aynak copper mine as well as general transport. It is also meant to serve future developments along this corridor and reduce traffic on the road network presumably. It is not clear how feasible the various options are given the longer term nature of such investments, traffic potential and the costs. However, if a relatively short rail alignment with tunnel(s) would be feasible between Jabal-os-Saraj and Khenjan under the Salang Mountain, a single dual track rail tunnel would be able to take all the trucks in the foreseeable future that would otherwise go over the pass, allowing the current mountain road and tunnel to serve light vehicles and possibly non-winter traffic only.

10. **Rolling Road.** There are many examples of such *piggyback operated railways* in India, Switzerland and Austria using flat wagons and specialized roll on – roll off terminals at each end. The current road traffic development seems to indicate that another road tunnel and extensive investments in a second carriageway across the pass could be required in a few years without a railway². If this is the case, a railway tunnel(s) and rail connection should be considered as an option to handle future traffic rather than relying on the Salang highway only. At least studies should be undertaken that look at the transport strategy between Kabul and Mazar/Kunduz and *the role of rail and road in facilitating all types of traffic*, including expected traffic on the links to Bamyan and Doshi.

² The USAID funded feasibility study would address traffic forecasting.

B. Kabul – Jalabad - Torkham highway

11. ***Four-lane Road to Torkham.*** According to MPW the road between Jalalabad and Torkham is financed by Pakistan. The existing carriageway was already rehabilitated and a contract for the second carriageway has been awarded some time back and the contractor has completed 40% of the second carriageway. It appears that when the new additional road from Kabul to Jalalabad financed by ADB is completed, there will be adequate capacity on this highway to Torkham.

12. ***Need to look beyond the borders.*** What is not clear is the current status of rail and road infrastructure on the other side of the border. You will have to reach Peshawar to get on the expressway system in Pakistan and the road from Torkham is deteriorated (as far as I know). The railway line constructed towards the Khyber Pass long ago from Peshawar has not been put into operation and the current status and condition of the infrastructure requires renewed assessment as far as I know. It seems that upgrading of the highway should have first priority, and feasibility and preliminary engineering studies are necessary to determine traffic demand, costs and best approach of rehabilitating the current road. Coordination with Pakistan Highway Authority is needed.

13 ***Bamyan to Kandahar road south of Kabul.*** Italy is financing the important link between MaidanShar and Bamyan. The road is crossing a very high mountain range and would be difficult to keep open during the winter due to snow, but the gradients are gentle and manageable by trucks when the road is upgraded. Current status is not clear and more information should be sought from the Italian Embassy in Kabul. This road would provide a more direct connection from Bamyan to the Kabul-Kandahar road and towards Jalalabad without passing through Kabul.

C. Sustainable O&M arrangements

14. The ***Ministry of Public Works*** is responsible for all highways (main roads) in the country, including construction and maintenance. All MPW maintenance and construction works are done by force account units. The work is planned and supervised by MPW. The developments since 1980 imply that the present operations are largely not functioning for lack of equipment, funding, and institutional capacity. The MPW, however, still operates a few road maintenance units, which are engaged in the maintenance of the Salang highway and the highway to Jalalabad with MPW financing. This work has been supported with assistance from donors.

15. **Cost of New Roads.** The MPW indicated that the local private road contractors are very expensive and quality of their work is not good. The PRT road contracts were mentioned as examples, and some staff of MPW feels that with equipment and funding, they could produce new construction of roads far cheaper than the current cost of roads constructed by local contractors. One option the MPW is considering is to establish a core construction capability to undertake road construction under direct contracting with MPW (State Owned Enterprise). This would also provide a much needed emergency road repair capability.

16. **Road Authority.** Various reports covering the government's development strategies in the road sector focus on the setting up of a national road authority to: (i) centralize revenue collection from road users to a dedicated Road Fund; (ii) manage future maintenance and expansion of the road network; and, (iii) contract out road construction and maintenance works to the private sector.

17. **Strategy under Revision.** From meetings with the MPW it is clear that the ministry is not committed to such a strategy at present. An internal reform and restructuring strategy group has been set up to look at the institutional arrangements in the road sector among others. Some actions have already been taken: (i) a new third Deputy Minister has been appointed in charge of maintenance. He will have maintenance units in each province (34) reporting to him. The in-house maintenance work is currently undertaken as force account works mostly on provincial roads in addition to the units mentioned above; (ii) Construction of new roads is no longer carried out, and the road construction units have been abolished and staff transferred to maintenance units or other departments; and (iii) capacity development plans are being prepared as part of the new strategy.

18. Key donors in the road sector such as the USAID and ADB have not yet reacted to this development. In the case of ADB the establishment of a road agency with dedicated off-budget funding is a covenant in the recently approved MFF: Transport development grant. USAID indicated that their support for the road sector is coming to an end, but in any case, the government should take full responsibility for management of the sector.

19. **Financing of the Sector.** In theory, Afghanistan has a *self-financing system for roads* implemented by way of a new regulation from 1999 (see Annex A). The new system improves on an older toll collection system, but also introduces earmarking of revenues. The toll revenues are to be spent on construction, rehabilitation and maintenance of paved highways as well as the maintenance of

other paved roads. Toll collection is organized by the MPW and the tolls are to be considered as the revenues of the MPW.

20. ***How it should work.*** According to the regulation a road use charge (toll) is to be paid when vehicles use inter-city roads that cross provincial borders. A slip consisting of three parts is issued to the driver when he pays the toll. One part is to be retained by a representative of MPW. The second part is kept by the representative of the National Bank of Afghanistan (DA Bank) when collecting the money (toll). The third part is kept in the vehicle as proof of payment. The money collected is subsequently supposed to be deposited into an account in the name of MPW. The tolls are set per km and for different types of vehicles. Vehicles that bear an official license plate (government and embassies) do not pay tolls. Current toll rates were not available.

21. ***Current Toll System.*** According to MPW the toll collection is still continuing in most provinces and currently about 600 staff members in 34 provinces are assigned the task of collecting road tolls. However, the three slip system and collection by the DA Bank is only partly functioning from what we understand. On many toll check points the MPW staff in the provinces collects tolls directly from the driver, and in many cases the funds collected are not accounted for and may not be used for the purpose intended. According to MPW, a donor-funded consulting firm estimated that this tolling system should generate about US\$ 125m annually if carried out the way intended in the regulation. However, it seems that only about US\$ 20m is deposited in the DA Bank annually (needs to be confirmed). There are at least two main issues here: (i) there appears not to be any external financial auditing of the system; and (ii) no performance auditing (technical) is being carried out to demonstrate that road users receive value for the tolls they pay.

22. ***Fuel Levy on Gasoline and Diesel.*** To improve cost recovery from road users and possibly move away from road tolling by MPW the Cabinet has approved a fuel levy of Afg 1 per liter (2 cents), which would raise the pump price of gasoline and diesel from about 64 to 65 Afg per liter. This relatively small fuel levy will have to be approved by the Parliament and would generate about US\$ 35m in addition revenues when implemented (estimate by ADB).

23. ***Cost of Self-financed O&M.*** In broad terms, a self-financed road preservation system would require that an average vehicle pay about 1 US cent per km (to be confirmed); the fuel levy and present MPW tolls are nowhere near this. The annual maintenance costs for the 8000km Regional and National Highways

and the 9,500 km Provincial Main Roads are roughly estimated (ADB) to about US\$140-150m, four times what the levy would generate. To what extent the MOF would allow the additional revenues from the fuel levy to be deposited in what is called a *Special Deposit Account (Road Fund)* separate from general revenues is unclear. In any case, how do you secure that funds are being spent on maintenance when new construction as well as maintenance is severely underfunded and high priority new road projects totaling US\$1.2b are being considered by donors?

24. **Road Budget Situation.** To put the above into perspective, the last year's (1390) road development budget from MOF was totaling 46 projects receiving a total of US\$380.6m. Of this, 100% locally funded projects was 17 in all and received \$76m. The 1391 budget (2012-2013) is only US\$ 282.5m for 37 projects approved by Cabinet. Of these 37 projects, 20 are funded entirely by MOF (5 of them new this year) with no donor support. The recurrent budget receives about US\$ 25m each year to support the maintenance work in the 34 provinces. Again, no technical audit carried out to document use of these funds (to be confirmed).

25. **Focus on Road Maintenance.** Based on the above understanding and the fact that institutional reform such as establishing a full-fledged Highway Agency takes time even under favorable conditions, it seems that a simpler and more modest approach initially would be to focus exclusively on road maintenance of a reduced road network for example the about 8200 km of regional and national highways as a first step in reforming the sector. An appropriate *fuel levy* (distance charge to be increase in steps to at least 3 Afg per liter) in combination with *annual vehicle license fees* (access charge for the Ring Road and international connectors in the form of a decal to be displayed in the front screen of vehicles) would annually generate enough funds for regular maintenance (routine and periodic) of the reduced network. Tolling of strategic highways such as the Salang Pass should be considered in addition (see below). The funds collected should be put in a dedicated account for maintenance (*Road Maintenance Fund*) and to be managed by a *Highway Maintenance Agency*. The agency would contract out networks of roads of appropriate length as term maintenance contracts to be tendered among private "Operators" that would subcontract actual maintenance works to local contractors providing much needed training and employment.

26. **Role of MPWH unchanged.** The rest of the road network would be managed by MPW including management of new construction of highways, while the Highway Maintenance Agency would be delegated responsibilities for the 8200 km highway network where traffic is heavy and subject to rapid deterioration. The degree of autonomy of this agency would need to be clarified. It could be an

external directorate of MPWH with delegated responsibilities or operating as a revenue earning authority with a Board. MPW's role would be to approve the agency's planning, programming and budgeting of maintenance works and oversee the award of maintenance contracts, besides being responsible for investments on the whole network and all management activities related to the rest of the road network.

27. Given the security concerns and other risks, the maintenance contracts should not be entirely performance based as such contracts by experience are risky and therefore costly and difficult to enforce. Regular road maintenance works would better be carried out through several network-wide, fixed-term, activity-based contracts (term maintenance contracts) using local contractors adequately supervised. The works would include:

- (i) routine maintenance activities that are annual by nature and involve manual labor, such as pothole patching, clearing of side drains and culverts, sealing of cracks in pavements, etc.;
- (ii) resurfacing activities for instance applying bituminous seals or a thin asphalt concrete wearing course, and reshaping existing road shoulders;
- (iii) emergency maintenance activities including snow removal operations;
- (iv) small labor-based road protection works to reduce future maintenance needs; and
- (v) limited spot repairs of the road structure with pavement failure.

D. Ministry of Transport and Civil Aviation - MTCA

28. The Deputy Minister for Policy and Planning in Land Transport is responsible for certification of land transport companies, setting transport tariffs and collection of transport commissions, among other duties. The MTCA has no role in maintaining a vehicle register or in legislation and enforcement of truck loading and vehicle dimensions. Vehicle registers are under the Ministry of Interior and there are no annual license fees (to be confirmed). Legislation and enforcement of axle load limits are under the MPW.

29. **Trucking Sector.** There are about 150,000 active trucks in Afghanistan and in addition there are 3,500 international trucks working across borders according to MTCA. There are 280 trucking companies registered in Afghanistan and in addition there are 700 "Unions" operating at least 15 trucks each. The Unions are understood to be freight forwarding companies that have a collection of owner operators that do the actual transport assignments. The Unions are proposed to be abolished and replaced by larger companies with minimum of 30 vehicles each, but

this has not been implemented. MOTCA is also operating a fleet of about 250 Kamaz trucks involved in non-commercial freight transport for the government.

30. ***Trucking Tariffs Controlled.*** The MOTCA is setting the trucking tariffs (“making policies on rates”) and currently the ton-km transport tariff is Afg 3.5 (7 US cents) per ton-km for paved roads and 4.5 (9 cents) per ton-km for unpaved roads. The market for transport services seems therefore to be highly controlled. This policy on rates appears to encourage improvised modifications to trucks to carry more freight and induces systemic overloading of trucks to cover operating costs and to make a (reasonable?) profit.

31. ***Transport Commissions.*** The MOTCA has agents in 22 of the 34 provinces and also in the capital of neighboring countries. The agents are (among others) collecting a fee/commission of 5% on the value of all transport contracts undertaken by the private sector companies and unions. This amount has to be paid by the truckers to the MOTCA agent in each province before undertaking a transport assignment, and a receipt has to be carried by the truck driver together with the transport contract for verification that the commission has been paid. The MOTCA agents in neighboring countries collect commissions on international and transit freight transport as well. This is in effect also a road use charge that is distance related such as the fuel levy, and comes in addition to taxes paid on fuel.

E. Reform the Cost Recovery and Financing Regime

32. ***Road User Charge Study.*** Based on the understanding of the road transport sector as outlined above, it is proposed that consultancy services are commissioned to review and possibly reform the cost recovery and financing regime currently in place, including the transit fees imposed on trucks at national borders by the Ministry of Commerce. The outline scope of work would include:

- a) Undertake a review and analysis of the current toll regime;
- b) Prepare a policy paper setting out proposed modified toll regime and a new policy for undertaking road maintenance by contracting to the private sector;
- e) Review regulations applicable to public procurement and propose changes
- c) Assist with a public consultation process;
- d) Draft amendments to effect changes to Regulations and initiate the legal process;
- f) Make recommendations for how to establish a Special Deposit Account (Road Maintenance Fund) including (possible) changes in regulations required to enable

the account to be denominated in US\$ and contracts to be awarded to international O&M firms;

- g) Draft proposals for how to audit the Road Maintenance Fund, including procedures for financial and technical audits;
- h) Review together with MPW the need for current toll stations and the best use of staff currently involved in tolling of traffic;
- i) Identify training needs of staff of MPW and a possible new road maintenance agency;
- j) Assist in carrying out these training needs;
- k) Prepare an awareness campaign for informing the public about the reformed road user charge system, and assist MPW to implement this campaign.

F. Operation and Maintenance of Salang Pass

33. ***Private O&M of the Salang Pass.*** The World Bank or other donors may be prepared to inter alia finance a full rehabilitation of the Salang Tunnel and snow galleries, one of the priority projects of MPW and presumable the Resource Growth Corridor initiative. Once rehabilitation is completed, adequate local funding dedicated for maintenance and operation (including for winter maintenance) should be available. Also, a private operating company and private contractors should be engaged for administrating and carrying out the maintenance works under strict quality control and with performance standards such as response time regarding operation of the tunnel, removal or assistance to broken down vehicles, snow clearance and emergency assistance. To meet these requirements it is suggested that a (separate) toll be imposed on road users making use of this stretch of road and that the revenues from that toll be earmarked to finance a contract for maintenance and operations, including the operations of the tunnel (generators, ventilation system, lighting, cleaning of roadway and tunnel and its drainage system, in addition to ordinary maintenance of pavement).

34. ***Rationale.*** The cost for maintaining this part of the road network, including the snow galleries and the approaches to the Salang Tunnel from Doshi and Charikar, is difficult to estimate but would be millions of US\$ on an annual basis. Winter operations, tunnel cleaning, traffic surveillance, emergency response capabilities, and the cost of electricity for the ventilation and illumination of the Salang Tunnel would be the major costs. These costs far exceed routine and periodic maintenance of road pavements, which are the main costs of regular maintenance of the rest of the primary road network.

35. A self-financing system for the maintenance and operations of the Salang Tunnel and related network of roads would be dependent on traffic development but would require road tolls that are several times the normal self-financing cost for road preservation of about one US cent per km for an average vehicle (2004 price, level to be confirmed).

36. ***Private Operator Study.*** Various approaches should be considered and evaluated in addition to the above proposed reforming of the Afghanistan cost recovery and financing regime to allow specialized O&M contracts (including private operators) to meet donors' likely requirements for funding a full rehabilitation of the Salang tunnel, snow galleries and approach roads. It is suggested that a study should be undertaken to evaluate options to address likely sustainability requirements of donors. To which extent the current legislation could be retained or reformed to allow a private operator to collect and retain real tolls, receive shadow tolls from MPW/MOF, and how control of axle load limits could be part of O&M contract should be included in the scope-of-work.

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Appendix A

Official Bulletin

Regulations for Collecting Toll Fees

Section One

General Rules

Article One:

These regulations are created based on the need for construction, reconstruction and protection of highways and roads in the country in order to organize the collection of toll fees for transportation vehicles (motor vehicles) on highways and to determine the amount of toll fees and the methods of collection.

Article Two:

In accordance with these regulations, the Ministry of Public Works, as the office in charge of creating, protecting, preserving and reconstructing the highways and roads, shall collect the toll fees.

Article Three:

Except for the transportation vehicles that bear an official government license plate, the drivers of all types of transportation vehicles shall pay the highway toll fee in accordance with the articles of these regulations.

Article Four:

(1) The Ministry of Public Works shall collect the toll fee according to the following formula:

(Specific fee for one kilometer) x (Distance) = Payable toll fee.

(2) The toll fees collected in Item (1) shall be considered revenue of the Ministry of Public Works deposited in certain bank accounts in the capital and other provinces; accounts created by the Ministry of Finance in the capital and in the provinces created by the provincial Finance Departments. Except for the purposes stated in Article Five of these regulations, use of the fees for any other purpose shall not be permitted.

Article Five:

Transportation vehicles shall be charged the toll fee while leaving the city, for the following purposes:

- (1) Construction of new paved highways;
- (2) Repair and reconstruction the previously paved highways;
- (3) Protection and preservation of the paved highways, asphalt-type work and repair of unpaved roads.

Section Two

Organization

Article Six:

Collection of the highway toll fees and organization of its affairs in the capital and provinces shall be done by the General Authority of the Toll Fee Collection of the Ministry of Public Works.

Article Seven:

Considering budgetary feasibility, the Ministry of Public Works shall organize the central and provincial collection of highway toll fees and get the approval of authorities in charge.

Section Three

Method of Collecting Toll Fee

Article Eight:

(1) The toll fees in the capital and provinces shall be collected by Ministry of Public Works staff in designated areas within the city boundaries when the transportation vehicles are leaving

(2) Collection of toll fees shall not be not permitted in any other areas or by any other persons.

Article Nine:

(1) The toll fees shall be collected from commercial and non-commercial transportation vehicles that are traveling on the highways, after their tax sheet is checked, in the following manner:

- a. Transportation vehicles: Sarache, Volga, Crown, Land Cruiser, Serf, Jeep and the like
– 110 Afghanis per kilometer.
- b. Transportation vehicles: Flankouich, Tounes, Super Custom, Raf and the like
– 150 Afghanis per kilometer.
- c. Transportation vehicles: minibuses, Caster and the like
– 170 Afghanis per kilometer.
- d. Transportation vehicles (302): Kamaz, Beloulin, Yaz, Tractor and the like
– 200 Afghanis per kilometer.
- e. Commercial vehicles (1620) and the like
– 450 Afghanis per kilometer.
- f. Commercial vehicles with trailers and the like
– 500 Afghanis per kilometer.

(2) If the total amount of the payable toll fee is calculated at less than 500 Afghanis, 1,000 Afghanis exactly shall be collected; if the payable amount is more than 500 but less than 1,000 Afghanis, 1,000 Afghanis also shall be collected.

Article Ten:

(1) In order to collect toll fees as stated in Article Nine of these regulations, the Ministry of Public Works shall prepare beige (tan) colored sheets in three copies.

(2) The Ministry of Finance shall supply toll sheets, as stated in Item (1) of this Article, in accordance with its own procedures and provide them to the Ministry of Public Works.

(3) The Ministry of Public Works shall pay the printing charges for the toll sheets to the Ministry of Finance.

Article Eleven:

(1) The staff in charge of collecting the revenue shall give two copies of the toll sheet to the driver when the vehicle is leaving.

(2) The driver of the transportation vehicle shall give both copies to the city branch of the bank without delay in order to pay the money.

(3) The staff in the city branch of the bank shall be required to receive the required fee as stated on the toll sheet without delay. Instead of a bank receipt, the back of the second toll sheet will be stamped, signed and returned to the driver. This signature and stamp shall serve as the bank receipt for the money received.

(4) The city branch of the bank shall be required to clear the accounts daily with the respective offices.

(5) The staff in charge of collecting the toll fees shall report their activities to the central office at the end of each week.

(6) An issued ticket shall be valid for one time only.

Article Twelve:

The driver of the transportation vehicle shall be required to do the following:

- (1) Pay the amount stated on the toll sheet;
- (2) Obtain two toll sheets and present them to the bank in order to pay the stated amount to the bank;
- (3) Present the toll sheet to the inspector (controller) at the city exit points;
- (4) Observe certain rules of conduct while paying the fees;
- (5) Observe all other advice that is given to the driver in order to comply with these regulations.

Section Four

Penalty Regulations

Article Thirteen:

If a staff in charge of collecting the toll fee does not issue a toll sheet to the driver of a transportation vehicle leaving the city, who, according to these regulations is required to pay the toll fee, the inspector shall be penalized accordingly as follows:

- (1) If this is the first violation, a written warning shall be issued and be reflected in his personal record;
- (2) If the violation is repeated, in addition to being transferred from duty, the violator shall be prosecuted in accordance with the governing laws.

Article Fourteen:

If it is proven that the driver of the transportation vehicle has exited the exit points without obtaining the toll sheets, the following steps shall be taken:

- (1) If this is the driver's first violation, in addition to paying a certain fee, the violator shall be referred to the applicable Office of Transportation and shall not be issued a driving pass for one week.
- (2) If the driver violates the orders stated in these regulations repeatedly, in addition to paying a certain fee, the violator shall be referred to the applicable Office of Transportation and shall be denied a driving pass for two weeks.

Article Fifteen:

If the staff collecting the toll fee or the driver uses forged toll sheets, the violator shall be officially prosecuted.

Section Five

Final Orders

Article Sixteen:

In cooperation with the General Authority of Transportation, the Ministry of Public Works shall be required to prepare a table of distances between highways and roads considering the provinces and local governorships. This table shall be distributed among the staff in charge of collecting the toll fees and be posted at a place easily viewed by all the drivers.

Article Seventeen:

The staff in charge of collecting the toll fee shall be required to provide the drivers with the toll sheets taking into account the type of transportation vehicle and the table of distances. Those who violate this procedure shall be legally prosecuted.

Article Eighteen:

The Ministry of Public Works may, if necessary, revise the amount of toll fee. This revision shall be valid after it is approved by the Council of Cabinet Members.

Article Nineteen:

The Ministry of Public Works may pass a separate bill to enforce these regulations.

Article Twenty:

These regulations shall become effective as of the date signing and publication in the Official Bulletin. As this regulation becomes effective, the regulations concerning the toll fee for motor vehicles published in Official Bulletin No. (238), dated October 7, 1974, and all other regulations shall become invalid.

Decree Issued by the Islamic Emirate of Afghanistan Regarding the Separation of Nish # 3 off the Local Governorship of the Province of Orozgan and its Connection to the Province of Kandahar.

No. (223)

Date: June 4, 2001

Article One:

This is to approve the separation of Nish # 3 from Orozgan Province and its connection to the province of Kandahar.

This decree shall become effective on the date of its signing and publication in the Official Bulletin.

Thank you.

Servant of Islam

Emir of the Moslems, Mullah Mohammad Omar (Mujahed)

Decree of the Islamic Emirate of Afghanistan Regarding the Reduction of Taxes and Official Dues in Courts by Fifty Percent and Amendment of Section Four, Article Nine Regarding the Types and Methods of Collecting Dues.

No. (396)

Date: July 14, 2001

Article One:

The fees and emirate dues that are currently charged in the courts shall be reduced by fifty percent and in the future, the dues charged by the courts shall be reduced by fifty percent.

Article Two:

Section Fourth, Article Nine of the Methods of Collecting Dues, published in Official Bulletin No. (786), dated July 13, 1999, shall be amended as follows:

(1) The Revenue Office shall collect five percent of the money collected from the debtor as the official tariff and deposits it in bank account No. (6001) as Emirate income.

Article Three:

This decree shall become effective on the date of its signing and publication in the Official Bulletin.

Thank you.

Servant of Islam

Emir of the Moslems, Mullah Mohammad Omar (Mujahed)