



ISLAMIC REPUBLIC OF AFGHANISTAN

**Ministry of
Mines and Petroleum**



MEMORANDUM OF UNDERSTANDING

By and Between

MINISTRY OF MINES AND PETROLEUM

And

German-Afghan Chamber of Commerce & Industry

26, January 2020



This Memorandum of Understanding (the “MoU”) is signed between the Ministry of Mines and Petroleum (the “MoMP”) and German Afghan Chamber of Commerce and Industries (the “GACCI”), collectively referred as (“the Parties”).

Objectives

Article 1:

This MoU describes the willingness to cooperate in line with the goal of “supporting knowledge-based development, transparency, and sustainable use of Afghanistan's extractive resources” by and between the Parties.

Mutual Responsibilities of the Parties

Article 2:

1. MoMP serves as Afghanistan’s mining and hydrocarbons policymaking and regulatory institution; and GACCI promotes bilateral business relationship between German and Afghan businesses;
2. The Parties acknowledge and affirm support of international activities to sustainable development of extractive industries in Afghanistan;
3. The Parties will endeavour to manage resources and introduce new technologies to safeguard benefits of natural resources for future generations;
4. GACCI will endeavour to create business combinations such as Joint Ventures, Partnerships or Consortiums among its members to solve the demands of each project required by MoMP. Through creation of these business syndicates, a synergistic relationship among MoMP, Afghan companies and German businesses will be created that will benefit all parties in the areas of:
 - Mining and hydrocarbons project evaluation and feasibility studies;
 - Exploration and production of mineral and hydrocarbons resources;
 - Resource and reserve estimation;
 - Mine and hydrocarbons access planning;
 - Detailed engineering design and development;
 - Mines and hydrocarbons support: Upscaling and optimization of mining operations;
 - EPC of mineral and hydrocarbons processing plants;
 - Health & Safety in Mining and hydrocarbons;
 - Mine and Hydrocarbons Water and Wastewater Management.



Declaration

Article 3:

- (1) This MoU is a non-binding statement of the Parties' mutual understanding of their proposed cooperation framework. The MoU is not intended to create any legally enforceable rights or obligations in respect of either Party.
- (2) It is mutually understood that this MoU is neither a contract nor a treaty. Each party shall bear its own costs and expenses in relation to this MoU, except in relation to a specific project. Provisions of any services related to the present MoU is subject to the condition that it is fully permitted to both parties and does not affect or conflict with any financial or other sanctions or embargoes in place.

Credibility Period and Extension

Article 4:

This MoU upon its signature by the Parties shall be in effect for a period of three years. This MoU can be extended based on mutual consent of the Parties.

Amendment and Termination

Article 5:

Any amendment to this MoU is based on the mutual consent of the parties. This MoU can be terminated based on the mutual consent and prior written notice of 30 days to the parties.

Enforcement

Article 6:

This MoU is drafted in 6 Articles and shall be enforceable upon signature by the parties.

Enayatullah Momand

Acting Minister
Ministry of Mines and Petroleum

1398 / 12 / 06
26 January / 2020

Wais Pashtoon

Director of Operations
Afghan German Chamber
of Commerce and Industry

