

## **Business License Regulation**

**Date: 2004**

### **General Provisions**

This Regulation is governed by the Commercial Law of Afghanistan (1955) and will be further defined and broadened to incorporate and streamline all of the regulations of the Commercial Law, including but not limited to, import, export, and transit licensing.

Until the activities of the national norms and standards of Afghanistan are established, those sectors of business activities that require specific approvals from related agencies must be obtained.

### **Purpose**

#### **Article 1**

This regulation replaces the procedural requirements of the previous Trade License Regulation. The purpose of this Regulation is to promote a free market environment for the promotion of trade and investment in Afghanistan. This Regulation conforms to the principles of transparency, equality, and accountability.

### **Definitions**

#### **Article 2**

“Business” is any entity engaged in a lawful economic activity for the purpose of gain or profit, including but not limited to trade.

“Business Activity” is deemed to refer to actions carried out by a person involving any business for the purpose of generating economic profit (income) and/or achieving other measurable objectives. The type of business that falls under this Regulation includes, but is not limited to, trade.

“Business Enterprise” is any person that is engaged in the forms of business activity established by Article 3 hereof and registered or incorporated in Afghanistan.

business activities shall be classified as foreign for the purposes of determining the appropriate regulation regime.

“License” is an approval document required prior to engaging in the specified activity.

“Person” is a natural person or legal entity constituted or organized under applicable law, and includes a corporation, partnership, merchant, sole proprietorship, limited liability company, joint venture, association, joint stock company, trust or other entity in accordance with the laws of Afghanistan.

“Regulation” shall refer to this Business Licensing Regulation in Afghanistan and any rules or procedures duly promulgated pursuant to the Commercial Law of Afghanistan.

“State” refers to Afghanistan.

“Trade” is a for profit business established for the exchange of goods and/or services, including, but not limited to money for goods, goods for goods and services for goods or money.

### **Scope of Regulation**

#### **Article 3**

Business licenses shall be issued in accordance with the scope of economic activities undertaken by a person. Business licenses may be categorized according to the type or types of activities undertaken.

### **Unlawful to Transact or Offer to Transact Business Unless Authorized**

#### **Article 4**

It shall be unlawful for any person to transact or engage in business activities unless they are in possession of a current and valid business license. The penalty for operating a business without a current and valid license shall be the immediate revocation of the business license.

### **Licensing Authority**

#### **Article 5**

The Ministry of Commerce and related branch offices shall have the authority to issue all business licenses after an apf4(h)6a

All business applicants must provide the following documentation to obtain a business license:

- a. Passport and/or national identity card;
- b. Certificate of Good Standing from the appropriate law enforcement authority;
- c. Completed application form (See Appendix 1); and
- d. Two photographs in the format as specified on the application form.

**Article 8**

All business applicants must complete the application form provided by the Ministry of Commerce's Department of Business License attached hereto.

**Article 9**

All business applicants must specify the place at which the business activity is to be carried out in the State.

**Article 10**

The Business Licensing Department of the Ministry of Commerce shall be notified of any changes to any information supplied in applying for or renewing a business license. Failure to comply with this provision may result in revocation of the business license.

**Article 15**

Any and all changes to the business license fee shall be set by the Minister of Commerce and shall be published in the Official Gazette at least 30 days prior to the application of