

AGREEMENT INCLUDES NEW VISA AND BUSINESS REGISTRATION REQUIREMENTS FOR US CONTRACTORS IN AEGHANISTAN

US contractor employees working in Afghanistan will be required for the first time to obtain visas to enter and exit Afghanistan, under the terms of an agreement that became effective January 1, 2015. The agreement defines US contractor employees to include employees working for legal entities who are supplying goods and services in Afghanistan to or on behalf of the United States forces.

The visa requirement is included in the Bilateral Security Agreement (BSA) between the US and Afghanistan, signed by Afghan President Ashraf Ghani shortly after his inauguration a few months ago. Details of the visa requirement are being worked out now and will be publicized when a separate document is signed by President Ghani.

Once finalized, the visa requirement will be phased in during a transition period between January 1 and approximately June 1. During the transition period, US contractor employees are expected to be able to enter, work, otherwise be present in and exit Afghanistan at commercial airports with: (1) a valid passport; (2) a letter from their US contractor employer indicating that they are an employee; and (3) either a valid, unexpired visa or an exemption letter issued by the International Security Assistance Force (many US contractor employees currently have and use such letters). It is "strongly" recommended that US contractor employees presently without visas apply for them now. More information can be found on the Embassy of Afghanistan website.

No work permit is required, but, in accordance with an additional BSA requirement for US contractors that will be operating in Afghanistan after January 1, an employee's company must have a valid business registration license.

Business Registration Process

The normal registration process for foreign companies is cumbersome. It requires translating, legalizing and consularizing corporate and power of attorney documents and then filing them with various offices of the Afghan government in Kabul. This registration must be renewed on an annual basis.

Fortunately, the BSA provides that US contractors can take advantage of an expedited process for registration in Afghanistan. The exact procedures are still being developed, but the initial guidance suggests that this process will be significantly streamlined for US contractors. Moreover, the registration is valid for three years.

Contractors using the expedited process will deal directly with the Afghanistan Investment Support Agency (AISA). They will need to pay the AISA a one-time "reasonable" service charge to register. Importantly, the BSA states that as long as US contractors comply with this expedited registration requirement, they will be exempt from all other Afghan licensing requirements in relation to their entry into or execution of contracts or subcontracts with the US government in Afghanistan. If the nature of the company's business is such that coordination is required with other ministries (for example, the Ministry of Interior for private security companies, or the Civil Aviation Administration for aviation companies), AISA will so coordinate.

Visa Issuance Procedures

Currently, only single entry visas are being issued, but it is anticipated that the procedures being worked out now will allow for the issuance of one year multiple-entry visas.

US contractor employees presently in Afghanistan do not need to leave the country to obtain or renew a visa. They can apply through their employer at the Passport/Visa Office of the Ministry of Interior, meaning no personal appearance is required. Contractors may submit block or group applications on behalf of employees already in the country, per past practice.

US contractor employees not presently in Afghanistan can apply for visas at Afghan embassies and consulates around the world, but again, only single entry visas are being issued for now. Likewise, no personal appearance is required; applications can be submitted by employers in blocks or groups with a letter of authorization from the employee.

US contractor employees entering and exiting Afghanistan at military terminals can expect no change in current procedures, until procedures are in place for the issuance of one year multiple-entry visas. Such employees must have a valid passport and a visa exemption letter; it would be advisable to have a US contractor employer letter as well.

There are no fines or penalties for US contractor employees who have never held a visa. Those with expired visas, however, will have to pay fines, per past practice.

The US Embassy in Kabul advises that timelines for visa issuance and business licensing vary according to individual circumstances.

The Embassy also advises that the guidance upon which this alert is based will be updated periodically as circumstances warrant, so one should visit the Embassy website regularly.

For additional information on these requirements, please contact one of the individuals listed in this publication.

Contacts

Shaoul Aslan

+1 202 457 6095 shaoul.aslan@squirepb.com

Clark K. Ervin

+1 202 457 5234 clark.ervin@squirepb.com

David M. Tafuri

+1 202 457 6471 david.tafuri@squirepb.com

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