

INTER-AGENCY COORDINATION FOR TFA IMPLEMENTATION OF THE GOVERNMENT OF MONGOLIA

Jakarta, 18 March, 2015

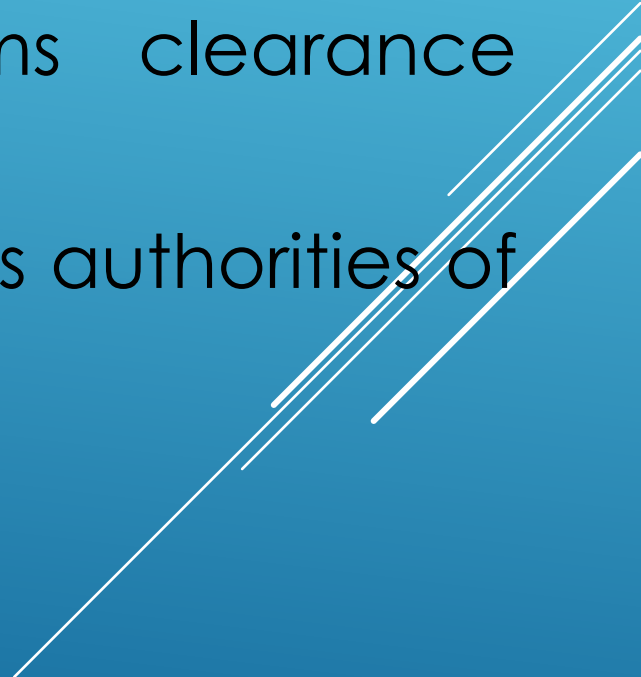
BACKGROUND

- ❖ Since the beginning of the TFA negotiations in 2014 Mongolian government has been supporting the main principles of the agreement.
- ❖ In 2007 Mongolia, along with Japan, Korea, China, Switzerland and Hong Kong, has proposed immediate implementation of several core elements of GATT 1994 by all the Members upon the entry into force of the TFA.

ACTIONS TAKEN BY THE GOVERNMENT

- ❖ The National Committee on trade facilitation headed by Minister and Head of the Cabinet Secretariat has established, 2013
- ❖ Several prompt actions were taken to:
 - reduce number of formal documentations required for foreign trade;
 - ensure cooperation of border control agencies to provide a smooth flow of goods;

ACTIONS TAKEN BY THE GOVERNMENT

- increase the crossing capacity of the Border points;
 - introduce new initiatives into Customs clearance procedures;
 - strengthen cooperation between Customs authorities of the neighboring countries;
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INITIATIVES CARRIED OUT BY CUSTOMS

Number of foreign trade documentations reduced from 9 to 4.

BEFORE:

- 1/commercial contract;
- 2/invoice, packing list;
- 3/ waybill and/or shipment documents;
- 4/certificate of origin;
- 5/permissions, licenses;
- 6/foreign trade remittance for payment;
- 7/documents authorizing complete or partial exemption of goods from customs duties and taxes;
- 8/documentary evidence of the customs value ...

NOW:

- 1/commercial contract or invoice;
- 2/waybill and/or shipment documents;
- 3/permissions, licenses required for goods subject to non-tariff restrictions;
- 4/results, analysis issued by specialized authorities for goods specified in other laws.

INITIATIVES CARRIED OUT BY CUSTOMS

Unified cargo manifest was launched at 4 Border crossing points bordering with PRC.

Outcome:

- 1/mis-declaring of goods value, weight and quantity reduced;
- 2/technological configuration is setting up to receive pre-arrival of cargo and means of transport information;
- 3/information exchange between the two customs administrations enhanced.

INITIATIVES CARRIED OUT BY CUSTOMS

Paperless clearance was introduced for specific export commodities.

Outcome:

1/required number of customs officers decreased from 6 to 3;

2/required steps of clearance reduced from 23 to 13;

3/required time reduced from 27 minutes to 6;

4/clearance cost diminished significantly.

INITIATIVES CARRIED OUT BY CUSTOMS

Customs clearance procedures have streamlined.

Outcome:

- 1/steps required reduced from 14 to 8 at most;
- 2/required time and cost diminished significantly;
- 3/duplication of customs officers's actions eliminated;
- 4/clearance process became much more smooth;
- 5/responsibility of each officer increased noticeably.

INITIATIVES CARRIED OUT BY CUSTOMS

The average market prices of specific goods were determined, quarterly updated and made publicly available.

Outcome:

- 1/decreased number complaints related to customs value;
- 2/time required reduced by 2-5 times;
- 3/the opportunity to accurately assess the customs value was enabled.

INITIATIVES CARRIED OUT BY CUSTOMS

1/Expansion of customs control lanes and construction of new paved roads at Zamyn-Ud and Gashuun Suhait ports were made;

2/Large scale X-Ray and passenger inspection X-Ray equipments were installed at the major ports.

Outcome:

The crossing capacity of the major BCPs increased notably.

TFA IMPLEMENTATION OBSTACLES

- 1/Unstable political situation in the country;
 - 2/Incompetent decision making /adoption of a law on border ports/;
 - 3/Lack of capacity to meet some obligations imposed by TFA;
 - 4/A weak inter-agency coordination;
 - 5/A weak inter-agency cooperation;
 - 6/Financial and fiscal constraints in the country.
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FUTURE ENDEAVORS OF THE GOVERNMENT

- 1/Endorse the TFA by the end of July.
- 2/Establish a sustainable mechanism /agreement/ of inter-agency cooperation;
- 3/Focus on capacity building issues among major players;
- 4/Allocate a special fund for TFA implementation.
- 5/Foster any initiatives consistent with the implementation of the TFA.

THE END

