



Mongolian Customs: Joint Customs Control with PRC Customs

CAREC/11th CCC Meeting

October 22-24, 2012

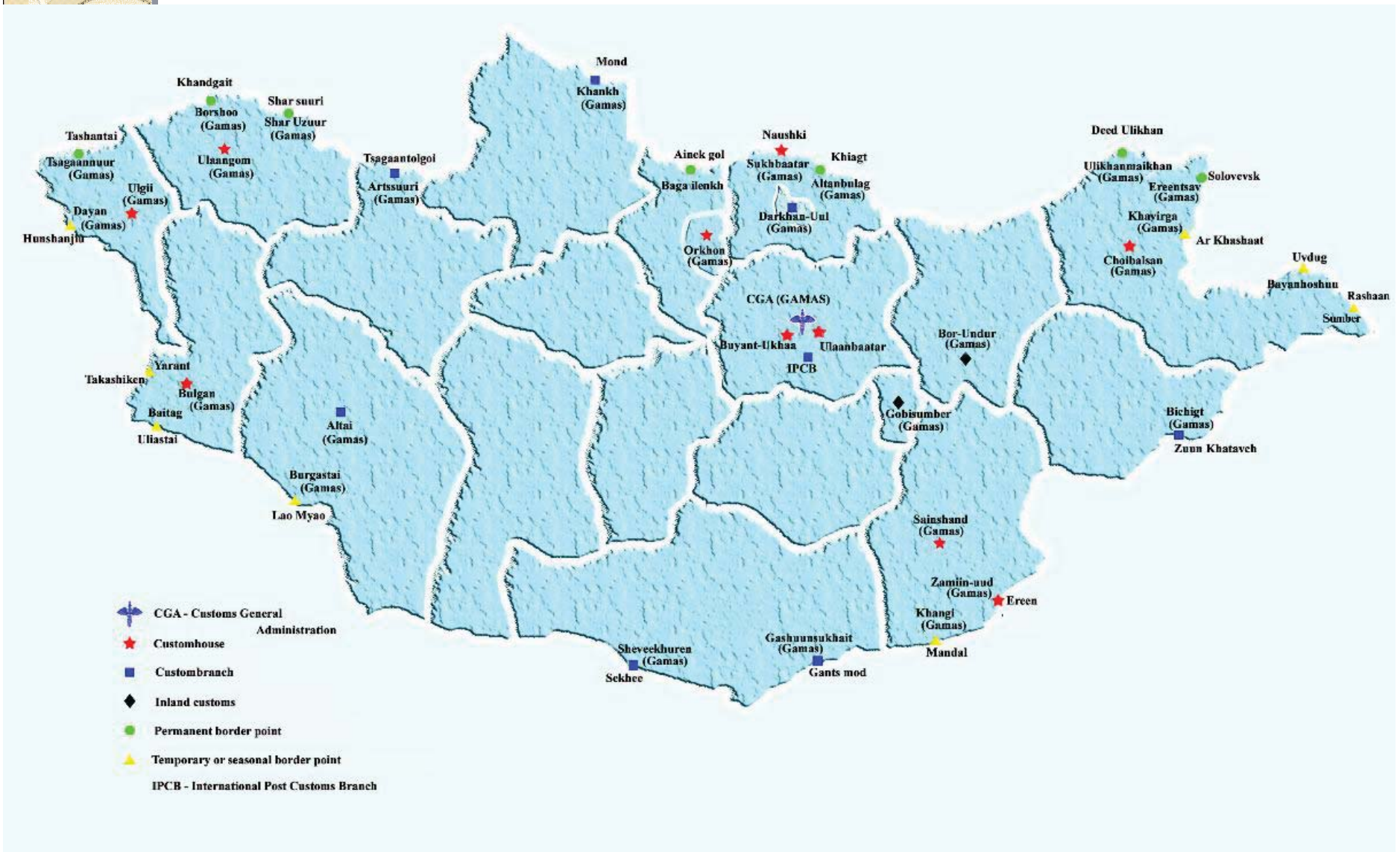
Chengdu, PRC



Content

- Bilateral Initiatives on JCC under CAREC/CCC
- Success factors, challenges, future actions needed
- Conclusion

JCC at 2 BCP's





Bilateral Initiatives towards JCC

1. September 2005 – CAREC CCC 4th Meeting, Ulaanbaatar, Mongolia
2. April 2006 - Hohhot, PRC
3. July 2007- Ulaanbaatar, Mongolia
4. November 2009- Beijing, PRC
5. May 2011- Ulaanbaatar, Mongolia
6. May 2012 - Erlian, PRC

Harmonization of cargo manifest was the main topic of the discussions and parties agreed to pursue activities on launch of the JCC

HARMONIZED CARGO MANIFEST

Манифест 载货清单

Дугаар 编号 _____

Тээврийн хэрэгслийн харьяалагдах улс 运输工具国籍 Монгол 蒙古国 Хятад 中国

Чингэлгийн дугаар 集装箱编号: _____

Ачилт хийсэн газар 装货地点: _____

Хилээр нэвтэрсэн огноо 出境日期: _____

Тээврийн хэрэгслийн дугаар 车牌号: _____

Чиргүүлийн дугаар 拖车号: _____

Буулгах газар 卸货地点: _____

д/д 编号	Барааны нэр, төрөл 货物名称及规格	Марк, дугаар 唛头及编号	Баглаа боодлын 包装方式及件数		Хүндийн жин 重量		Барааны үнийн дүн 货物价格		Бараа илгээгч 发货人	Бараа хүлээн авагч 收货人
			тоо 数量	төрөл 类型	бохир жин (кг) 毛重(千克)	цэвэр жин (кг) 净重(千克)	тоо 金额	валютын төрөл 币种		
1										
2										
3										
4										
5										
6										
Нийт 合计										

(Тээвэрлэгчийн нэр 承运人名称) _____ - ны тодорхойлолт: Дээр дурьдсан барааг хариуцан тээвэрлэж байгаа бөгөөд аливаа зөрчилгүй болохыг батламжилж байна. 声明: 上列货物由本承运人承运, 并负责向海关承担责任。

Тээвэрлэгчийн улс хоорондын тээвэр гүйцэтгэх зөвшөөрлийн дугаар 承运车辆进出境许可证号码: _____

Жолоочийн овог нэр 驾驶员姓名: _____ Гарын үсэг 签名: _____ огноо 日期 _____

Гэрээний дугаар 合同号	Гаалийн лац, ломбоны дугаар 海关关锁号	
Гаалийн хяналтын хэлбэр 海关监管方式 <input type="checkbox"/> транзит 过境 <input type="checkbox"/> бусад 其它	Илгээгч улсын гаалийн байгууллага, тамга 起运国海关批注、签章	Хүлээн авагч улсын гаалийн байгууллага/тамга 指运国海关批注、签章
Хавсралтын тоо, барааны төрлийн тоо 随附 页 项货运清表	Огноо 日期: ГУБ гарын үсэг 关员签名	ГУБ гарын үсэг 关员签名 Огноо 日期:

Нэгдүгээр хувь: Илгээгч улсын гааль хадгална 第一联: 出境地海关留存

Mongolia and PRC Customs

Moving Toward Pilot Testing of Joint Customs Control

Trade liberalization poses a number of challenges for customs administrations around the world. These challenges arise from the need to respond to sharp increases in trade volumes while meeting quality and safety standards and ensuring border protection.

Under the current practice, all goods, means of transport, and persons accompanying the goods being transported undergo customs inspection and clearance by the border control of both the exporting and importing countries. Effective border cooperation and joint customs control between neighboring countries not only expedite the movement of goods across borders but also generate significant savings in financial and human resources. The reduction in transaction costs also enhances country competitiveness, encourages foreign investment, enhances revenue collection, and helps deter corruption and smuggling.

Joint customs control involves the following: (i) adoption of customs policies and procedures in line with international best practices; (ii) increased transparency of rules and regulations; (iii) interagency coordination among customs administrations, immigration authorities, and standards and inspection agencies; and (iv) bilateral and



regional cooperation among customs authorities of neighboring countries and trading partners.

Joint customs control is a key thrust of the International Convention on the Simplification and Harmonization of Customs Procedures (commonly known as the Revised Kyoto Convention) of the World Customs Organization. As signatories of the Revised Kyoto Convention, member countries of the Central Asia Regional Economic Cooperation (CAREC) Program have committed to customs reform and modernization, including joint customs control. To this end, CAREC member countries have initiated regional dialogue on joint customs control under the CAREC's trade facilitation program and have launched background and assessment work in their respective countries.

The customs authorities of Mongolia and the People's Republic of China (PRC) have begun bilateral consultations and preparatory work for pilot-testing joint customs controls at selected crossing points. The "Agreed Minutes of the Meeting

between the Customs Administration of Mongolia and the Customs Administration of People's Republic of China" was signed during the 4th Customs Cooperation Committee Meeting in Ulaanbaatar, Mongolia in September 2005. Mongolia and PRC Customs have since convened bilateral meetings to set the direction and scope of bilateral cooperation. During the most recent bilateral meeting held in Huhe Haote, PRC in April 2006, an Expert Group and a Working Group with well-defined roles and responsibilities were established, and the first Expert Group meeting is scheduled to be held in Mongolia in the third quarter of 2006. The customs authorities of the two countries have also held preliminary discussions on the harmonization of cargo manifests to facilitate data exchange and reduce customs clearance time.

The joint customs control initiatives of Mongolia and the PRC will reduce transaction and transit costs, and will facilitate trade between the two countries by providing one-stop, single electronic window services for traders and the business community. It will likewise complement a project on Mongolia's customs modernization currently under preparation. The proposed project aims to enhance efficiency and transparency in customs services and administration through information and communication technology development, improvement of infrastructure at selected customs houses and border posts, and capacity building of relevant institutions. ■



BILATERAL AND REGIONAL COOPERATION AMONG CUSTOMS AUTHORITIES OF TRADING PARTNERS Geriletu (right) Deputy Director General, Huhhot Customs District, PRC Customs, and Chadraabal Enkhbayar (middle) Director, Customs Policy and Cooperation Division, Mongolian Customs General Administration lead the bilateral meeting on joint border control in April 2006

Article on Pilot Testing of JCC,
CAREC News, July 2006

JCC Launching Ceremony

Dec. 2009, Erlian, PRC



JCC pilot project was replicated to the 2nd Gashuunsukhait-Gants-Mod BCP from November 15, 2011



Key success factors

- Political will from the both sides
- Strong partnership relations at all levels
- Support by international financial institution/programme - ADB/CAREC

Revised Kyoto Convention

recommendations *“At common border crossings, the Customs administrations concerned shall, whenever possible, operate joint controls.”*

Challenges faced

- New approach and new technique in Customs Control: change management
- More in-depth training of the customs officers of the necessity and advantages of using the harmonized document
- Joint training activities for the mongolian and chinese operational customs officers in JCC (based on and within the framework of implementation of MoU between CCES of Canberra University to enhance the capacity building capabilities of the Mongolian Customs)
- Proper management and organization of the filling out the manifests



Future actions needed

- To elaborate a sophisticated system of mutual exchange of manifest information (hardcopy has its weakness)
- To start exchange of manifests in electronic form as soon as possible
- Bilateral and furthermore regional approach to JCC training



Conclusion

- Trade Facilitation tool
- Important tool for Customs enforcement activities (helps to intercept the illegal activities and offences)
- Improved compliance level of foreign trade entities
- The cross border flow of goods is more organized and under the control
- Real input towards WCO 2012 theme “Border divides, Customs connects”

THANK YOU FOR YOUR ATTENTION!

5th Working Group Meeting on JCC, May 2012



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