

Opening Remarks

**Ms. Noy Siackhachanh
Director, Governance, Finance, and Trade Division
East and Central Asia Department
Asian Development Bank**

**Fourth Customs Cooperation Committee Meeting
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Honorable Finance Minister Altankhuyag,
Distinguished Members of the Customs Cooperation Committee,
Country Delegates,
Resource Persons,
Ladies and Gentlemen,

I am honored and pleased to join Minister Altankhuyag in welcoming you and opening the fourth meeting of the Customs Cooperation Committee (CCC). On behalf of the Asian Development Bank (ADB) and distinguished country delegates and representatives from international organizations, I would like to thank the Customs General Administration of Mongolia for hosting this event, and for the warm hospitality and excellent arrangements that they have extended to us. We are privileged to be holding this event in this Land of Blue Skies – Mongolia, a country with a long and proud history.

We are again honored to see the heads or deputy heads of customs administrations leading the country delegations. This high-level participation reflects your strong ownership of the regional trade facilitation initiatives, and sends a positive signal to the international

community that you are committed to pursue trade facilitation and regional cooperation.

This regional trade facilitation initiative is a flagship program of the broad Central Asia Regional Economic (CAREC) Program supported by ADB and other multilateral institutions. Your continued active involvement, leadership, and collective efforts will serve to inspire not only the international development community, but more importantly, your own country's citizens who are counting on your efforts to create an enabling trading environment for sustainable economic growth and poverty reduction.

Since the third meeting of the CCC in Baku in December 2004, substantial progress has been made in implementing the priority areas endorsed by the CCC, particularly in (i) promoting bilateral initiatives, (ii) supporting country-specific customs modernization efforts, and (iii) training and knowledge-sharing. Notably, Azerbaijan and the PRC entered into an agreement on mutual assistance and customs cooperation on 17 March 2005, while the Kyrgyz Republic and Tajikistan signed a bilateral transit agreement on 22 July 2005. Support for country-specific initiatives is being pursued with the launch of a needs assessment study for Mongolia and formulation of strategies for customs modernization and "single electronic window" service for the business community. Similar assistance is being initiated for Azerbaijan. The technical assistance (TA) for the Kyrgyz Republic and Tajikistan will commence in October, which will help these two countries' customs administrations to prepare for customs

automation through business process reengineering, training and “change management,” and development of a master plan for automation.

Several regional forums were organized to promote capacity building on priority areas and address implementation issues. These include the (i) Singapore Forum last January, focusing on issues related to customs automation, (ii) Seminar in Shenzhen, PRC, in June, covering risk management and post-entry audit, and (iii) Seminar in Bangkok, in July, on joint customs control and one-stop services. These regional forums did not only promote knowledge-sharing but also helped strengthen trust and confidence-building among the participating countries.

Other notable achievements during this year include improvements in your program of events with (i) the holding of Working Group Meetings in each of these regional forums, and (ii) participation of other relevant government agencies, such as representatives from (a) tax administration service in the Singapore Forum and (b) border guard service in the Bangkok Forum.

Distinguished members of the CCC, this Fourth Meeting again provides a venue for two purposes: (i) your consideration and endorsement of a Joint Statement to provide guidance on future directions and priorities, and (ii) knowledge-sharing on international best practices and country experiences with presentations from the World Customs Organization (WCO) and Thailand Customs

Department in addition to country presentations from CCC member countries. In this regard, let me extend a warm welcome, on behalf of the CCC, to Mr. Mikuriya and Dr. Sathit Limpongpan, for joining us as our guest speakers. We would like to thank Dr. Sathit for co-hosting the successful Bangkok Seminar. We hope that we can continue collaboration with you under our 2006 program.

We have also received interest from the Government of Singapore, Japan Customs and the Customs Service of the Republic of Korea to sponsor study-tours and regional forums to further customs cooperation. Their keen interest and support to our Program shows that the cooperation mechanism under CAREC's trade facilitation program serves as a platform to coordinate and channel international support for your collective endeavors.

Distinguished country delegates, let me underscore the importance of this meeting in charting the course of the Regional Trade Facilitation Program. During your deliberations, the guidance of the CCC is crucial in firming up not only the priority areas to be pursued for the following year, but more importantly, the institutional measures and approaches envisaged to attain the Program's objectives. You may also wish to review some of the institutional cooperation mechanisms you proposed at the Third CCC Meeting.

Ladies and gentlemen, while the immediate priority of our Program is on customs reforms and modernization, our long-term vision should be to promote the most efficient and convenient trade

facilitation services to the trade community through one-stop and “single electronic window” services. ADB as the Secretariat, together with other international organizations, stand ready to support your long-term goal in trade facilitation. In this regard, we are pleased that Mongolia is spearheading the initiative to develop a strategy for “single electronic window” services. Two other studies have likewise been launched to support your move toward your long-term vision for trade facilitation, namely: (i) Trade Logistics Strategy for the PRC’s Xinjiang Uygur Autonomous Region to address behind-the-border issues related to logistics services, and (ii) an integrated trade facilitation strategy that will provide interagency cooperation and partnership with the business community.

The visible progress achieved in the three years of our Program may present a small step but is nonetheless significant in pursuing an enabling trading environment. Needless to say, this momentum has to be sustained. It is noteworthy that all your priority areas compliment each other and if pursued in a sustained manner, will work in synergy to attain your longer-term objective.

I wish you success in your deliberations.

Thank you for your attention.