

Speech by  
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Deputy Director of Customs Department,  
at the Fourth meeting of the Customs Cooperation Committee,  
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Dear Colleagues!

Taking this opportunity, I would like to express my thanks to the organizers of the this meeting – the management of the Asian Development Bank and our Mongolian colleagues – for organizing the current forum of the Committee on Customs Cooperation at such a high organizational level.

It should be noted that this forum is useful and timely in resolving the customs issues related to the movement of goods and means of transportation through border customs, as well as in the development of relations between the countries.

During the First meeting of the CCC (Urumqi, August, PRC), an agreement was reached on a Joint Action Plan (JAP) which identified seven areas of operation. Among the initiatives proposed on trade facilitation, the CCC attributes special importance to the development of transit system since the majority of CCC member states do not have access to the sea and their economies are not of significant scale. Without effective transit systems that facilitate trade within the region and encourage movement of goods within the region as well as outside the region, some member countries are at risk of remaining isolated and not having an opportunity to benefit from the more globalizing world economy.

The Second meeting of the CCC held during October 9-10, 2003 in Tashkent, Uzbekistan, conducted an analysis of the results of the works accomplished by the Working Groups on Transit during its session held in Yssyk-Kul, Kyrgyz Republic, during August 3-8, 2003, and approved the need to develop a more simplified regional transit system as a key component in the Joint Action Plan.

It was admitted during the meeting that the development of the regional transit system could be initiated on the basis of separate bilateral agreement which could serve as a basis and used for the establishment of a regional agreement on transit in the future. The countries accordingly supported the development of such bilateral agreements on transit and fully supported the proposal to apply these to other countries.

During recent years, we have been talking a lot at different levels about the need to simplify the customs procedures on controlling goods and mean of transportation. Finally, as a result, based on the Agreement on Unified Terms on Transit Through the Territories of Customs Union of January 22, 1998, and with the purpose of implementing the provisions of the Protocol on customs control of goods and means of transportation moving between the customs bodies of the member states of the Customs Union of February 17, 2000, an Agreement on Transit of Goods by Automobile Transport was signed on July 22, 2005, in Dushanbe between the Government of the Republic of Tajikistan and the Government of the Republic of Kyrgyzstan.

The main provisions of the Agreement are as follows:

1. The Agreement is valid for the transportation of transit goods by automobile through the territories of the Kyrgyz Republic and the Republic of Tajikistan, i.e., the

Agreement will apply equally for the territories on both parties which will positively contribute to the development of trade in the Central Asian region in general.

2. The Agreement stipulates that in case the transit goods are not delivered in accordance with the Agreement, the amount due to be paid to the transit side in accordance with the payment guarantee shall be paid in monetary terms in convertible currency by the customs agency who has issued the guarantee.

I hope that the Agreement will undergo relevant in-country procedures on its adoption and will efficiently serve to the benefit of our nations.

It should be taken into consideration that any form of simplified system could be seen by fraudulent participants as an opportunity to produce false declaration (declaration of goods with high customs tariffs and duties instead of low ones), transportation of banned goods and narcotics etc. The spirit of being sure to stay unpunished can jeopardize the whole idea of creating a regional chain of guarantees initiated by the customs bodies.

In accordance with the statistical data of the Republic of Tajikistan, goods worth USD 5.7 million with the total weight of 65.1 thousand tons were declared as transit goods during the first seven month of 2005.

It should be noted that the freight passing through a newly opened direct customs point Kulma bordering with China has increased significantly compared to previous years avoiding transit movements through other countries. The amount of freight passed through the point during the first half of 2005 increased five-fold compared to the same period of 2004. There are already some signs of using the territory of Tajikistan as a transit area for transporting goods from China.

The development of regional transit transportation as a long-term development objective will depend on the presence of an agreement in the actions of the CCC member states in the areas of establishment of legal and physical infrastructure which ensure the development of such a regional transit system. Therefore, regional efforts aimed at finding an alternative regional transit system should be based on the efforts of each country to reform and modernize its customs services.

In view of intensifying the economic and trade relations and cooperation, we would like to propose to our Mongolian colleagues to review the Agreement on Assistance and Cooperation in Customs Affairs between the customs authorities of the Republic of Tajikistan and Mongolia.

On behalf of Tajik delegation, I would like to wish all the participants successful and fruitful resolution of current issues that play important role for our region in the area of establishing mutual understanding and economic interests.

Thank you for your attention.