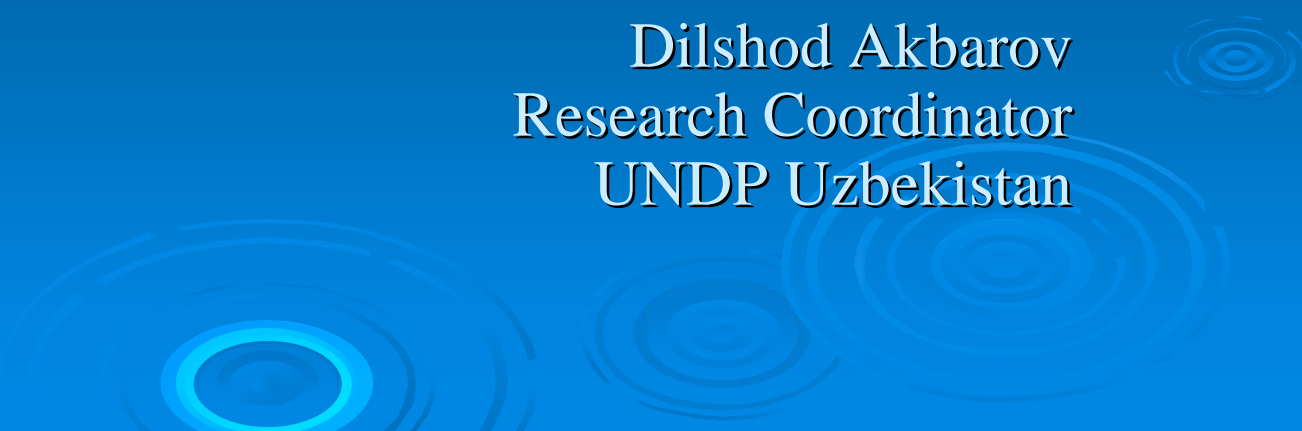


# Enhancing the efficiency of customs administration in Uzbekistan

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The background of the slide features several decorative elements consisting of concentric circles in shades of blue, resembling ripples in water. These circles are positioned in the lower half of the slide, with one prominent circle in the bottom left and several others of varying sizes and opacities scattered across the bottom right and center.


# Background

- Economic growth of Uzbekistan to a large extent depends on development of the country's foreign economic activity
- In 2003-2008 average growth rate constituted 7-9%
- Exports increased from US\$3.7 billion in 2003 to US\$11.6 billion in 2008
- The expansion was a result of measures undertaken on liberalization of foreign trade and currency policies, as well as stimulation of private sector development

# Current Situation

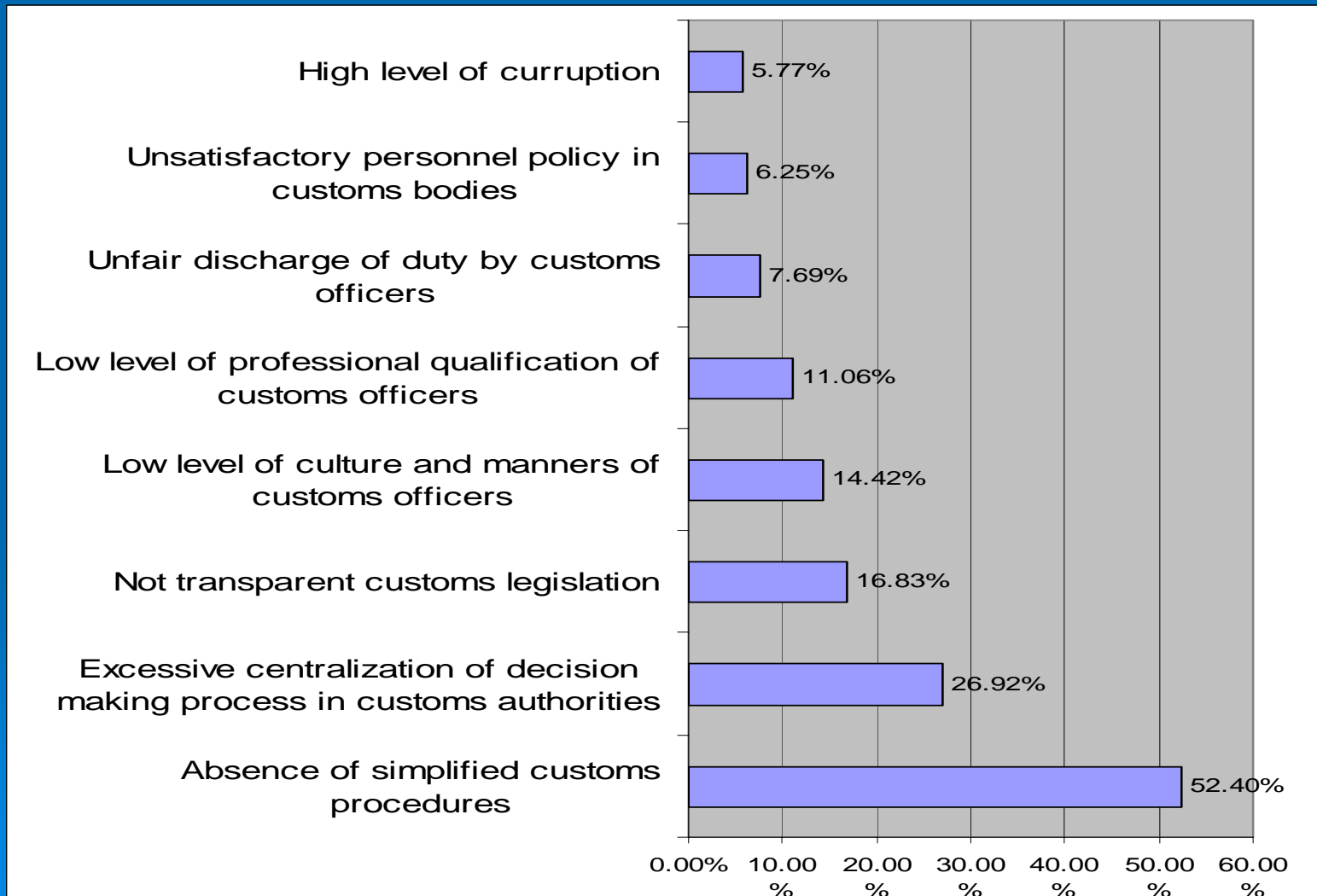
- Transparent and effective customs administration – vital for foreign trade and private sector development
- Current customs administration in Uzbekistan creates certain administrative barriers due to:
  - complicated and not transparent customs procedures
  - existing large number of by-laws that sometimes contradict the Customs Code
  - lack of harmonization between Uzbek customs legislation/methods with international standards (Kyoto Convention, WTO and WCO standards, etc.)
  - limited usage of modern ICTs in customs administration

# Research Tasks

- Analysis of international experience, identification of best practices on enhancing the efficiency of customs administration
  - Analysis of the current customs administration system and procedures in Uzbekistan, institutional infrastructure and identification of problems
  - Elaboration of recommendations on improving the customs administration system
- 

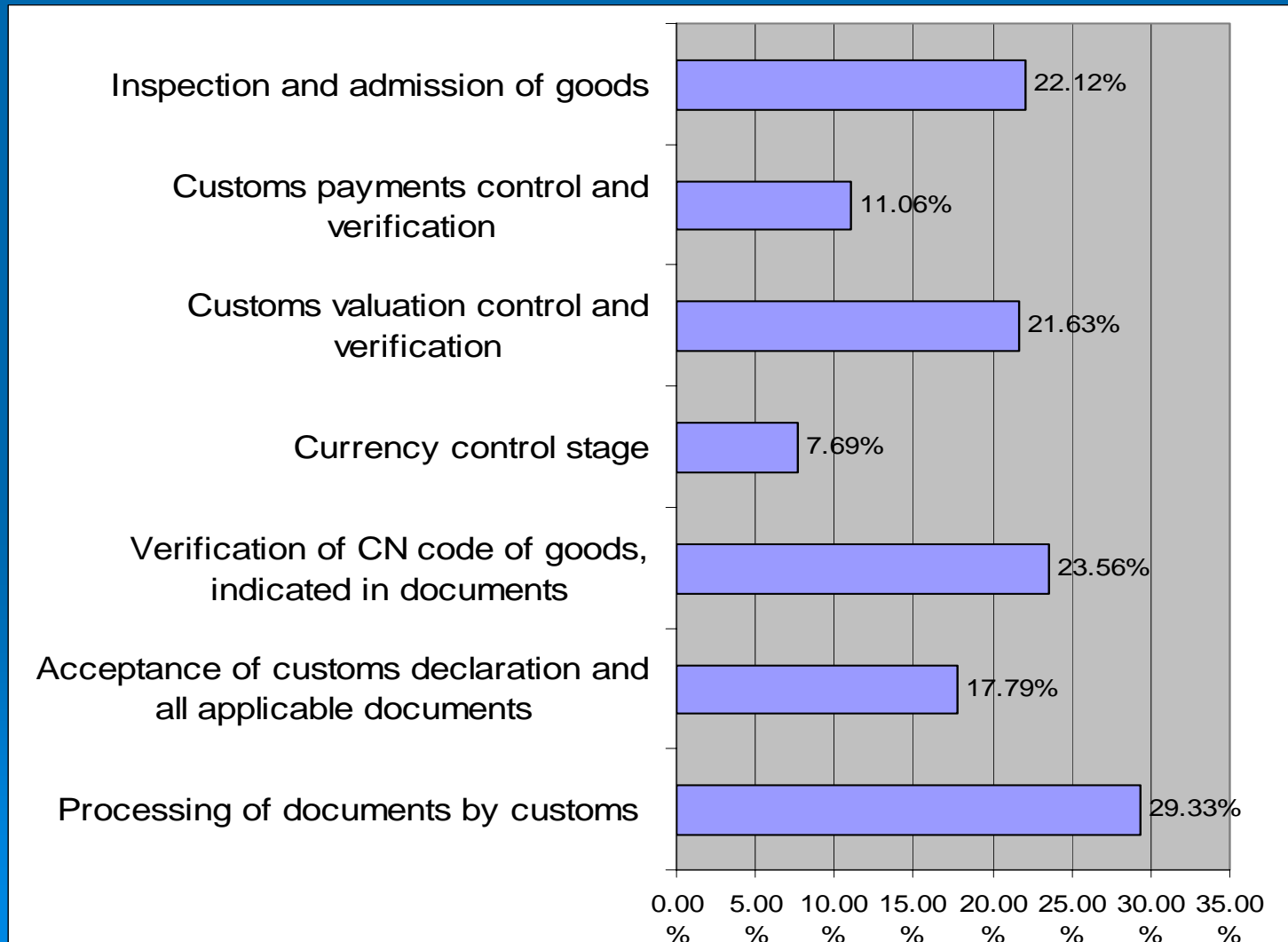
# Existing Problems

2007 Survey results  
(shortcomings in customs administration)



# Existing Problems

2007 Survey results  
(most problematic stages of customs clearance process)



# Why to improve?

- International experience shows importance of transparent and uncomplicated customs procedures in facilitating foreign trade operations
- Uzbekistan customs regulation should become an effective tool for creation of more favorable conditions for broader participation of private sector in country's foreign trade
- New system should be transparent, with precise regulation of rights and duties of business entities and customs bodies

# Research Objective

Working out effective policy recommendations on enhancing the efficiency of customs administration in the following directions:

- customs clearance (declaration, registration of goods)
- customs control and risk management
- customs valuation
- transit control
- access to information on customs requirements, rules and regulations
- use of modern ICTs in customs administration (existing applications, infrastructure, etc.), Single Window system



# Research Objective

- **Customs clearance (declaration, registration)**
  - From paper-based to automated e-declaration system
  - Harmonization of declaration forms with international standards (adoption of Single Administrative Document)
  - Introduction of pre-arrival declaration system
  
- **Customs control**
  - Introduction of Risk management techniques (risk analysis to determine who and what should be examined and the extent of examination)
  - Introduction of post-clearance audit mechanism

# Research Objective

## ➤ Customs valuation

- Harmonization of national valuation methods with WTO norms
- Ensuring conformity of the sequence of application of national valuation methods with WTO requirements

## ➤ Automation of transit control

- Introduction of innovative systems of transit monitoring (RFID/GPRS/GSM/WiMAX, etc.)

# Research Objective

- Access to information on customs requirements, rules and regulations
  - Introduction of web portal where customs law information is readily available
  - Timely provision of specific information requested by interested party by customs bodies
- Implementation of Single Window mechanism on a pilot basis
  - Facility that allows to lodge standardized information and documents with a single entry point to fulfill all import, export and transit related regulatory requirements

# Expected Results

- Increased trade flow due to faster, simpler and more transparent procedures and documents, based on international standards
- Faster electronic lodgment of customs declarations using Direct Trader Input or other on-line connections
- Reduced time of customs clearance and less physical examination of shipments owing to the use of risk management applications
- Increased collection of duties and taxes and less fraud due to the uniform application of laws and regulations
- Automated calculation of duties and taxes as well as built-in security

# Questions/Comments

- Are stated objectives fully cover research tasks?
- Your suggestions/recommendations to the research team

**Thank you**

