



KAZAKHSTAN: CROSS-BORDER INITIATIVES ¹

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Dear Colleagues!

The new Customs Code of the Republic of Kazakhstan joined into force on May 1, 2003 envisages that one of the main tasks of the customs bodies is “to ensure compliance with the international commitments of the Republic of Kazakhstan and participation in development of international treaties of the Republic of Kazakhstan on customs issues; implementation of cooperation with customs and other competent bodies of foreign states, international organizations dealing with all customs affairs”.

Republic of Kazakhstan ratified several international conventions promoting creation of environment to speed up turnover of commodities through the customs frontiers:

TIR (on transit), Presidential Decree from May 12, 1995 No. 2275;

On containers, RK Law from May 6, 2002 No. 319-11;

On Coordination of Border Control Conditions, RK Law from May 6, No. 320-11.

Besides, several important agreements were signed between the customs services-members of Customs Control Statistics under the international cooperation and bilateral initiatives.

- **On April 7, 2000** an Agreement was signed between us and the **Azerbaijan Customs Service** on cooperation and mutual acknowledgement of customs documents and customs provisions (ratified on March 1, 2001 No. 157-11). To implement provisions of the Agreement Customs Committee of the Ministry of State Revenues of RK samples of customs identification means were sent.
- Agreement on Cooperation and Mutual Acknowledgement of Customs Documents and Provisions was signed between the МГД of the Republic of Kazakhstan and the **Customs Committee under the Government of the Republic of Tajikistan**.
- A Protocol on methodological and exchange of information on external trade customs statistics (effective since signing) between the Customs Committee of the Ministry of State Revenues of the Republic of Kazakhstan and the State Customs Inspection under the Ministry of Finance of the Kyrgyz Republic was signed on **April 17, 2002**. Quarterly information exchange is conducted under this Protocol.
- Agreement on border transit on the Almaty – Bishkek route (ratified No. 318-11 from May 6, 2002) was signed between the Governments of the Republic of Kazakhstan and the **Republic of Kyrgyzstan on November 15, 1999** in Bishkek.

The reached agreements are aimed at development of regional and international trade, preserving of rational, agreed and mutually beneficial transport-communication system at the border crossings and transit road-transport agreements at the border Akjol-Chu (Korday) located on the automobile road Almaty-Bishkek.

Article 6 of the Agreement (Frontier Means) envisages that the Parties will ensure adequate border means and necessary facilities, including:

«working premises for the customs border control personnel»;

administrative premises for the customs, Transport Control Committee, traffic committee, as well as additional premises for temporary border guard personnel as needed, health organizations, veterinary and sanitary services;

transport examination facilities;

sufficient parking area for transport means during transit document clearance;

separate transport lines for cargo and passenger transport;

clear sign boards written in Cyrillic or latin;

border services will be located inside the border control zones, physically located and organized so that the transport means and goods are examined in one place, and recurrent examination, unloading and loading of goods are prevented. **The Parties will make efforts to consolidate border control facilities at the Akjol-Chu (Korday) border and create combined border control based on the “one stop” scheme in every direction. A possibility of merging the neighboring checkpoints of the Traffic Police will be considered.”**

Thus, legal basis for introduction of a pilot program for joint customs control in the Korday checkpoint (Republic of Kazakhstan) – Akjol (Kyrgyz Republic) exists.

- Protocol between the Customs Committee of the Ministry of State Revenues of the Republic of Kazakhstan and **the State Customs Committee of the Republic of Uzbekistan** on methodological cooperation and exchange of information on the external trade customs statistics was signed in Jibek-Joly on **April 18, 2002**, and to implement the Protocol quarterly exchange of information is implemented.
- An Agreement on Common Transit Terms through the territories of the Customs Union countries (January 22, 1998, effective January 4, 1999) under the **Customs Union** was signed to simplify international transits using all transport means by harmonization and unification of customs procedures without prejudice to the national interests of every state participating in the Agreement.

This Agreement promotes simplification of customs procedures, as it provisions some conditions releasing transit goods from payment of customs duties, taxes and fees for customs clearance, as well as from economic policy sanctions. Moreover, this Agreement identifies the list of goods prohibited and restricted for transit through the territories of the parties.

- Protocol on methodological cooperation and exchange of information on the external trade customs statistics was signed between the Customs Committee of the Ministry of State Revenues of the Republic of Kazakhstan and the **State Customs of the PRC on December 25, 2000 in Beijing.**
- Minutes of meetings of border customs departments of RK and PRC were signed on **February 28, 2003** and June 6, 2003; in accordance with these Minutes the Parties discussed issues of mutual cooperation between the customs services and agreed on exchange of on-line information bulletins “Korgos” PRC and “Korgas” RK, initially on paper and in perspective – electronic versions, twice a month. In the process of practical implementation of the Pilot project the Parties will improve the information exchange mechanism, as there are several inaccuracies and different approaches to forming of statistical information.

Creation of Conditions for Joint Customs Control

The current legal base allows ensuring joint customs control by the customs of the Republic of Kazakhstan and the Kyrgyz Republic.

The Custom Union Agreement from January 20, 1995 envisages that the Contracting Party *arranges joint control over transfer of goods and transport means. Procedures and arrangement of such control will be regulated by separate agreements (protocols) between the customs of the Contracting Parties.*

The Decision of the Council of Customs Authorities of Eurasian EC approved the Main Principles of Organization of Joint Customs Control, envisage drafting of typical technologies of joint customs control (at the next meeting of the Council of Customs Authorities of Eurasian EC in 2002 it was proposed to develop typical bilateral technologies,

which means that there is ground for a pilot project on joint control if the Kyrgyz Party is interested).

Moreover, the Agreement between the Government of the Republic of Kazakhstan and the **Government of the Kyrgyz Republic** on Transit on Almaty-Bishkek route envisages creation of favorable environment for transfer of goods in the border checkpoint Akjol-Korday at the Kyrgyz-Kazakh border.

«Article 24 of the Agreement

Acceleration of Clearance from Customs Duties During Cross-Border Transfer and in Transit»

To provide freight traffic through the Akjol-Chu border (Korday) or by transit, the Contracting Parties guarantee to make efforts to:

ensure availability of properly trained human resources for quick passing of formalities provisioned by the legislation in the transit points of the Akjol-Chu (Korday) pass, where the personnel has experience in checking of international transport, trade documents and simplified procedures.

Establish favorable regime for enterprises located in the territory crossing the states of the Contracting Parties;

*Promote quick and efficient transit of goods between the territories of states of the Contracting Parties by adopting of **common forms of transport and trade documents**;*

Consider implementation of procedures on risk assessment while checking the goods at the border and in transit to reduce delays caused by checking at the border and clearance at dispatch-destination points;

Consider existing clearance procedures, taking into account acceleration of traffic transport for border crossing and transit traffic separating documentation and procedures related to transports from document on transport means from documents on goods being transported;

Consider application of simultaneous conducting of control envisaged by the legislation at the intermediate points of the Akjol-Chu (Korday) pass by competent bodies of the Contracting Parties, which will prevent double control;

Introduce computerized system of customs clearance with the purpose to register goods at borders; and

Help customs to introduce changes promoting and facilitating trade between the states of the Contracting Parties.

CUSTOMS CONTROL AND PROCEDURES

Article 25

Simplification and Harmonization of Customs Procedures

The Contracting Parties will take measures to simplify and harmonize customs control of transport means, goods, luggage and passengers, transferring through the border pass Akjol-Chu (Korday) and in the territories of their own states.

Taking into account that the above Agreement is ratified by the Republic of Kazakhstan No. 318-11 from May 6, 2002 and according to the Article 4 of the Customs

Code of the Republic of Kazakhstan, which recognizes the rules of international agreements in case of its ratification, we consider that there is preliminary assessment of the legal base for possible arrangement of joint customs control at the Korday-Akjol pass.