

**Third meeting of Customs Cooperation Committee
(3 December of 2004, Baku, Azerbaijan)**

Dear colleagues!

Let me welcome all participants and to express my thanks to Asian Development Bank, as well as to head of Customs Service of Azerbaijan for holding this event, for hospitality and opportunity to meet colleagues and to discuss the actual problems and future interrelationships.

I would like to inform you, that in accordance with the statement of the Government of Kazakhstan Republic №1133 on 29 October of 2004, the Customs Control Agency of Kazakhstan renamed as the Committee of Customs Control of Ministry of Finance of Kazakhstan.

The workshop meetings held since first meeting of CCC, enabled us to make the progress and the Common Action Plan, which were discussed during the sessions, related to transit development, collective customs control, information technologies seem to be quite realistic. The mentioned directions are very important for customs service of Kazakhstan and I think would be fulfilled in real life.

For near future the government of Kazakhstan is going to develop the transit corridors, so accessibility to the foreign markets would be sustained and to facilitate the rational communication network. We are planning to finish the adjoining of the Kazakhstan to international agreements and conventions, dealing with the car transportation.

The automated information systems are going to be developed and be integrated to international information transport network.

However the list of tasks, though quite short and subject to ADB concurrence, has a great importance to us. In accordance with that the customs service tasks are to promptly and accurately perform the custom matters. The customs service charge is in further development of forms and methods of custom control and

in development of simplified customs transit with sustaining of border safety and goods cargos control.

The customs service of Kazakhstan is dealing with gradual exclusion of trade barriers, decreasing the number of personal and non-personal barriers during the customs procedures, as well as in transit through the state territory, the development of in-regional trade relations, transport and communication infrastructure.

In accordance with that in 2003-2004 years we conducted the experimental implementation of the pilot project for collective control on custom body “Korday”-“Akjol”. There were raised quite a lot of questions, but the project was generally accepted. At the present time “The Agreement about collective control on the Kazakhstan-Kyrgyzstan border between governments of Kazakhstan and Kyrgyzstan” project is under discussion and technical issues of implementing as well.

Additionally, in order to simplify the transit procedures, the Agreement was signed between governments of Kazakhstan and Kyrgyzstan on 26 March of 2004 about transit passing of cargos through the territory of Kazakhstan. That agreement will enable us to stimulate the goods passing under control of the Kazakhstan Republic and simplify the international cargos.

In August of the same year, experiment on the collective customs control on the Kazakhstan-Russia border in “Sharbakti” settlement was started.

The collective control will allow to simplifying the goods and cargos passing, will decrease the time needed for custom procedures.

At the present days the joining initiation of the country-members to the new edition of International Convention on simplifying and harmonization of customs procedures (Kyoto Convention) is the most actual question for customs services of CCC countries.

The importance of this convention based on the principles and statements, were expressed in the new edition and comes as follows: the maximal cooperation to the world trade throughout of

accepting the standard simplified customs rules and procedures and modernization of custom control.

In order to simplify the customs procedures the custom service of Kazakhstan recently started some activities for gradual transfer to electronic system of goods and transport declaration.

The main element of the new system would be the program of electronic custom, which allows withdrawal of the papers in customs clearing procedures and use network technologies.

In July of the last year the visit of specialists of the Korean companies “CTNET” and “Samsung CDC” was proposed to consult and support in implementing “e-customs”- electronic custom in Kazakhstan.

As the result of the visit there was signed the Memorandum of Understanding between the Head of the Customs Control Agency of Kazakhstan Republic and Executive Vice-President of “CTNET”, which proposes the further cooperation of the Kazakhstan customs and Korean companies in the “e-customs” project.

It is important to express that “e-customs” project implementing will allow decreasing of the terms of custom procedures for goods in Republic, as well as decreasing the paper work expenditures and man factor.

At the present time the “Web-declarant” component is being developed under pilot study.

In order to simplify the customs procedures and to maximally exclude the man factor during the customs control and customs preparations there has been implemented the “Automated cargo procurement system” in custom “Korgas” (in entrance to Kazakhstan Republic), “Korday” (border with Kyrgyz Republic) and custom body “Baurjan Konispayev”, which includes the videotape and video control system for vehicles and containers, the car code number identifying system (independently of the weather and vision access), the system for classification of vehicles by weight and size, the system for electronic stamping of the containers and vehicles.

In 2005 we plan to settle the “Automated cargo procurement system” on the customs bodies “Janajol” and “Kayrak”, located on border with Russian Federation.

In the second decade of December of 2004 there been planned the consulting meeting of experts on comparison of statistic data for mutual trade between Kazakhstan and Uzbekistan. It is planned to discuss during the meeting the methodological statements for goods reports in foreign trade as well as the project of Protocol of information exchange on goods passing between Kazakhstan and Uzbekistan and its custom preparation.

The cooperation between the custom services of Kazakhstan and Peoples Republic of China is now actively delivered. The regular statistic data exchange on foreign trade between the Committee of Customs Control of Ministry of Finance and the Head Customs Administration of PRC is delivered once in three months regimen. The Statement on the information exchange on legislation issues in customs matter has likewise been signed. .

Since May 2003 we have been conducting the experiment on current data exchange related to “About the passing through the Kazakhstan-Chinese border the vehicles, goods and people” on the custom body “Korgas-Khorgos”. The existing data exchange (once in two months) has enabled us to provide analysis and correct all faults. Starting from 1 January of 2005 we plan to extend the experiment for the whole borderline.

In order to improve the customs preparation and control, to decrease the time of custom matters on Kazakhstan-Chinese border we have decided to create the collective group of specialists from custom staff of two countries, which will study the reasons for the delay, will provide analysis of custom control on the border, on “Dostiq-Alashankou” and ”Khorgas-Xorgos” customs.

On 17-19 November of 2004 in Beijing thefirst meeting of Subcommittee for cooperation between custom bodies and in sphere of customs matter of Kazakhstan-Chinese Cooperation Committee was held. During the meeting the participants have discussed the activity of the custom bodies and had studied the problems with passing of people, vehicles and cargos and have decided to create the joint workshop on investigation and improvement of the activity of the customs bodies.

There has been accepted, that corresponding institutions will actively promote the International Border Cooperation Center “Khorgos”. The perspective of the multifunctional complex is to become the part of the general free economy zone.

The constructing works have already started on rail way terminal “Dostig”.

The custom service of Kazakhstan has approved the initiative of the Chinese customs to finish in-country procedures on joining to the Customs Convention on International Cargos with MDP book in 2005.

It would be another step to simplify and harmonize the custom procedures through the countries of Central Asia region.

With aim to increase the control quality, to decrease the unexpected cargos delay, to find out the prohibited items, for inspection of different closed containers on border custom “Korgas” there has been installed the inspection system TC-SCAN.

At the present time the custom service of republic of Kazakhstan is highly interested in risk analysis, which is the quite new direction in custom matter. Therefore, the workshop group, composed of staff from the Central Custom Authorities and regional custom offices, has been arranged with proposal to prepare the analysis and risk management system. It will provide in the future the selective custom control for goods as well as for luggage and passengers. Although as been mentioned in meeting of Authorities in Almaty on 13-14 September of 2004 in advance to 3rd Conference of Ministers, at that stage there is need to increase the qualification of staff, i.e. training and consulting programs as well as experience exchange on the priority directions of custom issues. So the following activities were accepted as the main for regional and mutual cooperation

- Provide the regional and the country level training-seminar for risk management and investigations in 2005;**
- Regional training-seminar on MDP Convention in 2005 (initiative CC PRC);**

- CCC forum on automatization of custom service in February 2005;
- To create the information platform for data exchange between Kazakhstan and PRC.

I would like to express that the achievements of certain plans and tasks is impossible without close cooperation and mutual activity of neighboring countries.

The workshops and the regional meetings, held since the CCC started, showed that only collective efforts of country-members made a big progress and enabled us to achieve the results, which been identified by the Common Action Plan of CCC.

So that, dear colleagues, let me express my hope that this meeting will give opportunity for open discussion of all questions and problems, and the agreements going to be accepted will come true.

Let me finally welcome participants of this event and to express thanks arrangers of the meeting for opportunity to discuss all actual questions.

Thank you for attention!