

**Presentation by the Deputy Chairman
of State Customs Service
of Turkmenistan Mr. Amanov Ch.Kh.**

Dear Ladies and Gentlemen, Colleagues!

Allow me to start my presentation by once again welcoming the participants of this seminar, and express gratitude to ADB for the work done and great organization of this event, and also to management of Customs Service of People's Republic of China for hospitality and warm welcome.

Today the development of Turkmenistan's economy is determined by a number of key factors. These are the social-political climate in the country, stable high growth rates in practically all sectors of national economy, and world market conjuncture. Also they include such a factor as management quality at the levels of individual companies and public regulation.

I will give you several figures that characterize country's socio-economic development. According to Turkmenistan's National Institute of State Statistics and Information in 2004 economic growth comprised 21 percent, and growth rate in industrial production compared to 2003 comprised 122%, in agriculture – 120.2% and 120.5% in construction. In general, in manufacturing sectors the gross production compared to 2003 increased by 21.3%, and in services – by 21.5%.

This year 3 large facilities totaling around 1 billion USD were built in Turkmenistan, including "Dotluk" water reservoir, cement plant in Bakharli etrap and Tedjen carbamide fertilizers plant.

Also in Turkmenistan, and in particular in its capital Ashgabat, 986 industrial, administrative and economic constructions with total cost of over 6 billion USD are being built. Over 80 foreign firms and companies deal with construction in Turkmenistan.

Foreign trade turnover indicators evidence the significant increase in exports and imports.

State Customs Service of Turkmenistan plays an important role in regulating foreign trade of the country. Its main task is to ensure compliance with customs legislation, and also to create conditions facilitating the fastest movement of goods, other items and passengers through customs border of Turkmenistan.

Development of Turkmenistan's economy and foreign trade, annual increase in transit movements on Turkmenistan's territory, issues of rational distribution of customs service's resources, and opportunity to apply modern information technologies encourage Customs Service of Turkmenistan to change its procedures and rules of customs control while introducing the risk management system.

At present State Customs Service of Turkmenistan is implementing certain works in this direction, i.e. the list of goods that require experts of corresponding public authorities to participate in their customs clearance was identified along with the list of goods importing which requires compulsory customs escort. Technological schemes and methodic recommendations on the basis of which customs inspection of vehicles and goods is made have been developed, customs officials are trained in methods of inspecting vehicles and cargos, and are studying ways for concealment and transportation of smuggled goods, and

measures are taken to further technically equip customs posts to detect smuggling. Risk goods moved through customs border of Turkmenistan and having the possibility of violating customs rules are selectively determined based on the criteria.

To build modern customs posts and equip them with latest means to control vehicles, cargos and luggage the funds are continuously allocated to Customs Service of Turkmenistan according to decisions of the President of Turkmenistan.

Moreover, thanks to constant care of the President of Turkmenistan, for these purposes the special account of Customs Service of Turkmenistan was opened in the beginning of the current year, on which off-plan incomes and penalties collected by customs authorities, that will also be used to further equip with modern customs inspection and control facilities, are accumulated.

All border customs posts with large cargo-passenger flow and also main temporary storage customs warehouses have installed x-ray-television technical facilities for inspection and control of vehicles and luggage.

Customs authorities are equipped with radiation control means and hardware, the work is ongoing to equip them with communications.

To improve customs administration corresponding customs structural subdivisions were imposed with tasks to detect the threat of breach of customs and other legislation.

A lot is done to further improve human resources policy.

The system for training and retraining customs staff should correspond with quickly changing conditions of customs service operation and should satisfy highest professional requirements.

For these purposes a training center was established on the basis of Ashgabat customs, and functions with active support from Embassies of the USA and Great Britain in Turkmenistan, OSCE and other international organizations. The issue of expanding the training center and purchasing technical means, including modeling facilities for training, is being considered.

To improve professional skills of personnel a 2 weeks course for 21 staff was conducted on the basis of the training center with assistance from US Embassy in Turkmenistan. The training was done by 3 instructors of US Customs. Besides that, 8 customs officers from Turkmenistan participated in 2 weeks internship in the USA and studied the work of their American colleagues on USA – Mexico border in Texas.

In 2004 20 customs officers participated in a training course on the possibilities of technical means of control and how to work on them, which was held in ICAO center in Ukraine. With assistance from Embassy of Great Britain in Turkmenistan and UN ODC 52 customs officers from Turkmenistan participated in a 2 weeks training course on detecting precursors and narcotics.

In 2005 6 customs officers participated in specialized trainings in training centers of Russian Federation and Federative Republic of Germany to learn modern methods and ways of customs control.

In the context of priorities the high risk was determined in the movement of goods, on which high customs duties and excise taxes are levied, foodstuffs with short shelf life, and also of goods the movement of which through the customs border is prohibited or made on

the basis of special permission documents.

Given the priority of ensuring complete collection of excise taxes and customs duties, spirit, tobacco and tobacco goods, alcoholic beverages, textile and knitted wear, and also a certain list of foodstuffs are generally considered as risk goods for imports to Turkmenistan.

According to current legislation of Turkmenistan, imports and transit on Turkmenistan territory of spirit, alcoholic beverages and tobacco goods with automobile transport is made with compulsory customs escort.

Information on goods and hauling units moved through customs border of Turkmenistan is collected and processed as an element of a risk management system. Importer's and exporter's operation, purposes and periods of travel by citizens and their routes, origin of goods and their transportation route, and information received from law enforcement authorities are analyzed.

Developed are the information systems on the basis of which the work on data processing will be done for a more complex statistical analysis.

The Law of Turkmenistan "On narcotics, psychotropic substances, precursors and measures to combat their illegal trafficking" was adopted on October 9, 2004 and determines legal basis for state policy in the area of controlling the turnover of substances included in the List of Narcotics, Psychotropic Substances and Precursors subject to control in accordance with legislation of Turkmenistan, Turkmenistan's international treaties, including 1961 Common UN Convention on Drugs with amendments made pursuant to 1972 Protocol on amendments to 1961 Common UN Convention on Drugs, and 1971 UN Convention on Psychotropic Substances.

In accordance with this Law a work to combat illegal trafficking of narcotics, psychotropic substances and precursors is carried out together with law enforcement authorities.

This Law regulates the issues of utilizing narcotics, psychotropic substances and precursors in accordance with legislation of Turkmenistan in carrying out controlled supplies, controlled procurements, criminal expertise and collection of samples for identification purposes, to train officers combating with illegal trafficking of narcotics, psychotropic substances and precursors, and also for special training of search dogs.

To further develop legal framework of customs service's operation a new Customs Code is being drafted, and it will undoubtedly reflect significant positive experience accumulated by the customs service in previous years, and also main principles of international practice, including on the issues of customs authorities' activity in risk evaluation and management.