



# Mongolian Customs Presentation

Mr. Bayarsaikhan (CGA)



## *1. Reforms on Customs Legislations and Regulations*

- 2008 Customs Law is in a process of revision and the Final Draft was submitted to the Ministry of Finance at the moment.
- Next steps are that the Draft should be presented to the Cabinet for its approval and then tabled to the Parliament for its readings.
- The main changes to the existing law - introduction and development of single window system, electronic data exchange, advance rulings on rules of origin, valuation and Customs tariffs, AEO and relief consignments procedures, new provisions on publication, enquiry points and opportunities to comment and information before entry into force of legal documents and detailed provisions on risk management, post-clearance audit, IPR and some other procedures such postal traffic and inward and outward processing, simplified procedures for appeal or review, and so on (all over 72 percent of the current law is to be changed)



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## *2. Temporary measures undertaken in response to COVID-19*

- Within the framework of best protection against the outbreak of coronaviruses and prevention measures, cross-border movements are partially restricted and only importation and exportation of goods and means of transport are allowed.
- The Period of Cross-Country Enhanced Preparedness Actions against the Covid-19 Pandemic was extended until 15 September 2020.
- Scheduled international flights and international railway passenger movements were suspended.
- Customs inspections are carried out only after the goods and means of transport are properly decontaminated and in separate areas classified as red, orange and green. The Customs inspectors use full and half sets of personal protective cloths and equipment.
- Limited number of special chartered flights are being arranged to locations outside Mongolia to bring Mongolian nationals back at their requests. They are isolated at special quarantine areas for 21 days. Thereafter, the Customs carries out the necessary Customs inspections.



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## ***2. COVID-19 Pandemic: Current Situation in Mongolia***

- Confirmed cases: 310 (all arriving travelers)
- Death: 0
- Recovered: 216
- Monitored: 3740 (all arriving travelers)



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## ***3. Progress on ongoing projects (ADB RIBS and EU TRAM projects)***

### ***ADB RIBS (Regional Improvement of Border Services) Project Outputs are:***

- (i) Upgrading and improvement of facilities and equipment, and construction of a road at certain border crossing points (Construction of dual carriage road, additional roads and parking in Altanbulag BCP began in September 2019 and expected to be completed in Q3 of 2020. In addition to the Altanbulag BCP, ADB approved additional financing to the project to upgrade other two (Bichigt and Borshoo) BCPs on 31 August 2019.);
- (ii) Strengthening and upgrading of communication infrastructure for Customs automated information system (CAIS) (The CAIS impact assessment to identify detailed gaps was conducted and the adaptive CAIS enterprise architecture to change barriers, the roadmap and implementation plan to make CAIS compliant to the World Customs Organization Data Model standards were developed); and
- (iii) Preparatory work for Single Window (A Request for Proposal was approved by ADB in September 2019. A contract was awarded in November 2019).



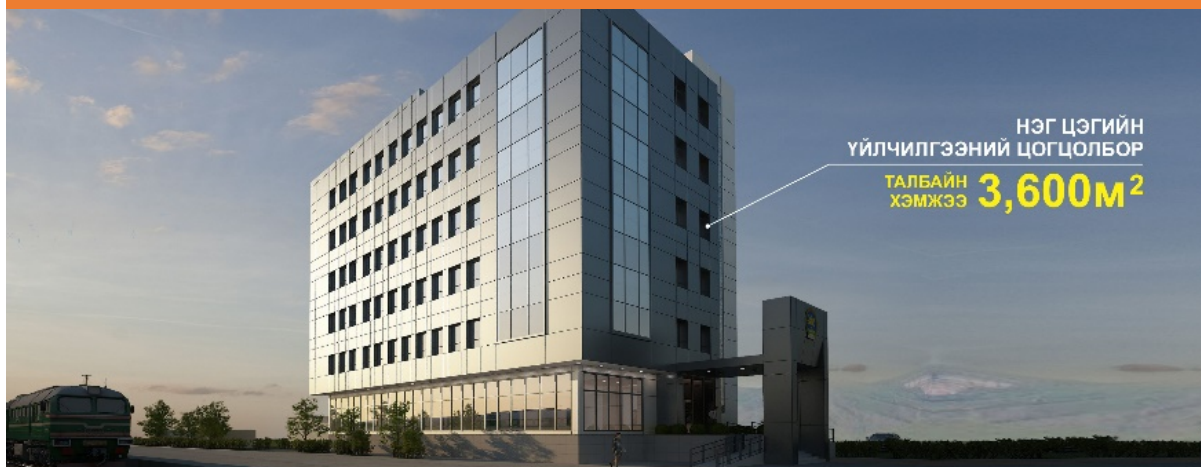
Current view of the Altanbulag BCP



Upgraded view after the Project implementation



CONSTRUCTION OF SUKHBAATAR BCP SINGLE STOP SERVICE CENTER BUILDING



COST AND TIME OF COMPLIANCE WITH TRADE PROCEDURES WOULD BE REDUCED BY 30%.

CONSTRUCTION OF DUAL CARRIAGE ROAD8  
ADDITIONAL ROADS, AND PARKING





Current view of BORSHOO BCP



Current view of BICHIGT BCP



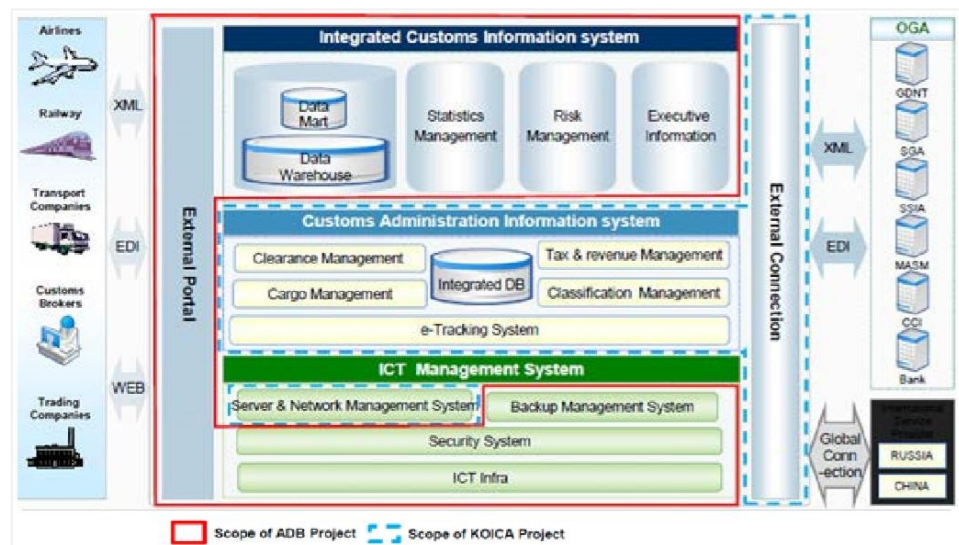
Upgraded version of BORSHOO BCP after the Project implementation



Upgraded version of BICHIGT BCP after the Project implementation

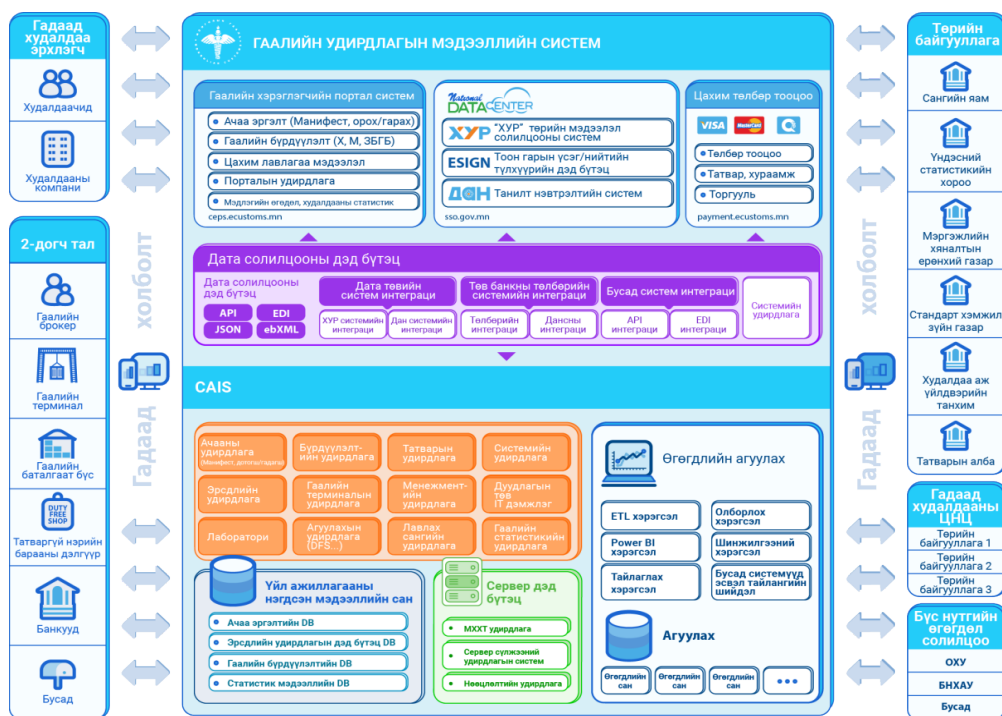






CAIS was launched in 2010 under the Customs Modernization Project financed by the ADB replacing previous GAMAS system.

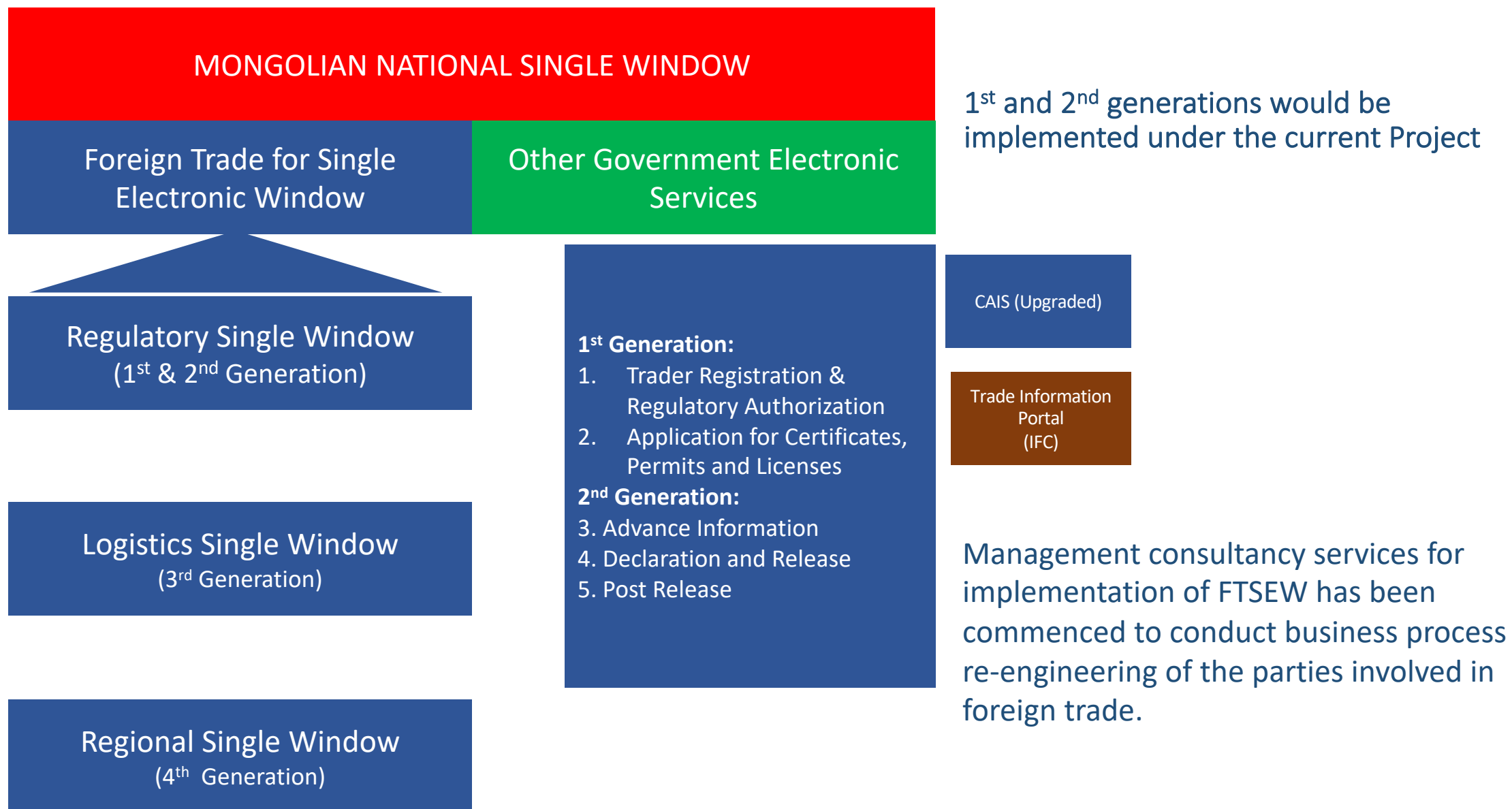
Most of applications, software and hardware were outdated



Under the current Project the core CAIS application modules will be upgraded

CAIS would be single window "ready"

Multi-Generations of FTSEW recommended by  
the International consultant







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## ***3. Progress on ongoing projects (ADB RIBS and EU TRAM projects)***

***EU TRAM (The European Union funded "Trade Related Assistance for Mongolia) Project:***

### **Activities:**

**Component 1:** Trade Policy Formulation and Negotiation

**Component 2:** Trade Facilitation

**Component 3:** Capacity Building of Business Associations

The key beneficiaries of TRAM are the Ministry of Foreign Affairs and The Mongolian National Chamber of Commerce and Industry.



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## ***3. Progress on ongoing projects (ADB RIBS and EU TRAM projects)***

### ***EU TRAM (The European Union funded "Trade Related Assistance for Mongolia) Project:***

However, the Mongolian Customs is a main actor to implement the WTO Trade Facilitation Agreement.

In this sense, the Mongolian Customs is working closely with the TRAM to work out the Roadmap and strategic plan for implementation of the TFA, attend the National Trade Facilitation Committee Meetings, strengthen its capacity building within the framework of the WTO TFA **in very general terms** and translate several WCO publications such as the Transit Guidelines, the Cross-Border E-Commerce Framework of Standards, the Why & How of Performance Measurement Contracts and the Framework of Principles and Practices on Customs Professionalism.

Recently together we had released the Glossary of International Trade and Customs Terms in English and Mongolian.





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## ***3. Progress on ongoing projects (ADB RIBS and EU TRAM projects)***

***EU TRAM (The European Union funded "Trade Related Assistance for Mongolia) Project: TFA Commitments by Categories as notified to the WTO by Mongolia:***

| Category A  | Category B   | Category C  |
|---|--|---|
| 1.4 Notification<br>2.2 Consultations<br>4. Procedures for Appeal or Review<br>5.2 Detention<br>6.1 General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation<br>6.2 Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation<br>10.1 Formalities and Documentation Requirements<br>10.2 Acceptance of copies<br>10.7 Common Border Procedures and Uniform Documentation Requirements<br>10.8 Rejected Goods<br>11. Freedom of Transit | 1.3 Enquiry points<br>2.1 Opportunity to Comment and Information Before Entry into Force<br>5.1 Notification for Enhanced Controls or Inspections<br>5.3 Test procedures<br>6.3 Penalty Disciplines<br>7.2 Electronic Payment<br>7.3 Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges<br>9. Movement of Goods Intended for Import under Customs Control<br>10.5 Pre-shipment Inspection<br>10.9 Temporary Admission of Goods and Inward and Outward Processing<br>12. Customs Cooperation | 1.1 Publication<br>1.2 Information available through internet<br>3. Advance rulings<br>7.1 Pre-arrival Processing<br>7.4 Risk Management<br>7.5 Post-clearance Audit<br>7.6 Establishment and Publication of Average Release Times<br>7.7 Trade Facilitation Measures for Authorized Operators<br>7.8 Expedited Shipments<br>7.9 Perishable Goods<br>8. Border Agency Cooperation<br>10.3 Use of International Standards<br>10.4 Single Window<br>10.6 Use of Customs Brokers |



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## ***3. Progress on ongoing projects (ADB RIBS and EU TRAM projects)***

### ***EU TRAM (The European Union funded "Trade Related Assistance for Mongolia) Project: TFA Categories Commitments as notified by Mongolia:***

- All B and C categories are to be implemented by 2025 at least as we had notified to the WTO. However, without additional technical assistance **in specific terms**, these categories are not easy to be implemented by our own resources. The TRAM has very limited resources and is about to stop soon. At the moment it is not certain whether it will be further extended or not.





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## *4. Short- to medium-term issues and proposals for CAREC CCC workplan for the CITA's RSAP 2020-2022*

### Proposals:

- To consider the technical assistance issues **in specific terms** in order to implement the B and C categories of TFA by Mongolia and other CAREC members as notified to the WTO.

If to be more specific, the Mongolian Customs is wishing a technical assistance (**not a loan!**) in strengthening its capacity in **enquiry points, advance rulings** and **the Single Window**, etc.



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*Thank you for Attention!*