8th Customs Cooperation Committee Meeting under the Central Asian Regional Economic Cooperation Program

Introduction of the Safe-Packets System when moving goods across the state border of the Kyrgyz Republic

The introduction of the "safe packets" when moving goods across the state border of the Kyrgyz Republic is aimed at:

- excluding unauthorized access to shipping and customs documents when moving goods across the state borders and for goods in transit;
- improving the control efficiency when clearing transit goods and, as a result, increasing customs revenues.

To introduce the safe-packets system, in October of 2008 the customs service of the Kyrgyz Republic approved the dummy safe-packet.

In December of 2008 the State Customs Committee of the Kyrgyz Republic and the Asian Development Bank signed the Memorandum of Understanding on technical assistance for introduction of the safe-packets system in the Kyrgyz Republic. Later, under the mentioned Memorandum, the ADB provided technical assistance under which 20000 units of safe packets have been purchased.

The work is being conducted to give a legal status to the safe packets to be introduced. Thus, a proposal has been submitted to the Government of the Kyrgyz Republic on amendments to the Customs Code of the Kyrgyz Republic to give the safe packets the status of a means of customs identification, thus prohibiting unauthorized opening of a safe packet.

The State Customs Committee of the Kyrgyz Republic has developed the Instructions on application of safe packets and electronic identification means for customs purposes, which is currently being considered by concerned ministries and agencies of the Kyrgyz Republic and subsequently will be approved for enforcement.

In August of the current year the State Customs Committee of the Kyrgyz Republic approved a new dummy safe packet. The new dummy significantly differed from the current one, as it is made as a cardboard package with a transparent film on the front side. When enclosing customs document, the first document on the front side shall be the delivery control document used by the customs for internal customs transit or export. This excludes the need to open the safe packet every time and provide access to customs documents by other state controlling agencies. At present a tender is conducted to identify the producer of the new dummy safe-packet.

As you may know, the State Customs Committee of the Kyrgyz Republic actively cooperates with the customs service of the Republic of Kazakhstan and is

already implementing some work on introduction of safe packets for movements across the state border of the Kyrgyz Republic.

Thus, based on the Protocol on introducing the joint safe packet technology signed between the State Customs Committee of the Kyrgyz Republic and the Customs Control Committee of the Ministry of Finance of the Republic of Kazakhstan, since July 1, 2009 the pilot use of safe packets has been started for goods moved across some road check points at the Kyrgyz-Kazakh border.

For information: road BCP Ak-Jol (juxtaposed to BCP Kordai), road BCP Ak-Tilek (juxtaposed to BCP Karasu) and road BCP Chaldovar (juxtaposed to Novovoskresenovka).

As a result of the safe packets system introduced at these check points, we have achieved guaranteed delivery of customs documents from the customs service of Kazakhstan and back, excluding a possibility for illegal possible corrections in customs documents, and as a result the confidence in carriers of goods is increasing and the customs procedures are becoming simplified.

As it was mentioned above, currently the technology of safe packets is applied only to exported goods, but the customs service has the intentions to move further. As an extension to the pilot, the introduction of the safe packets system for Narun customs is being considered: international check point Torugart at the Kyrgyz-Chinese border, for which a new dummy safe packet will be used for the internal customs transit procedure.

At the same time the application of safe packets is considered as an integral part to the measures aimed at simplification of administrative procedures at the border.

Summarizing the above stated, the customs service of the Kyrgyz Republic expresses its readiness to share its positive experience in using safe packets and continue their introduction for movement of goods across the state borders of the countries in the region.

Thank you for attention!