

CUSTOMS COOPERATION COMMITTEE
Forum on Public-Private Partnership
for Customs Modernization

Kyrgyz Republic
Customs Reform and Modernization
Strategy

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14-16 October 2004, Manila, Philippines

Kyrgyz Republic



Name of the country	Kyrgyzstan (Kyrgyz Republic)
Population	5.00 millions
Area	199,900 sq km
Neighboring countries	China, Kazakhstan, Uzbekistan, Tajikistan
People	Kyrgyz population 58.6%, Russians 17.1%, Uzbeks 13.8%, Ukrainians 1.9%
Language	Kyrgyz and Russian
Capital	Bishkek
Head of State	President
Head of Government	Prime Minister appointed by President and approved by Parliament
Legislature	Two Chambers Parliament
Administrative division	Seven regions (oblasts), divided into districts (rayons)

History of Customs Service of the Kyrgyz Republic

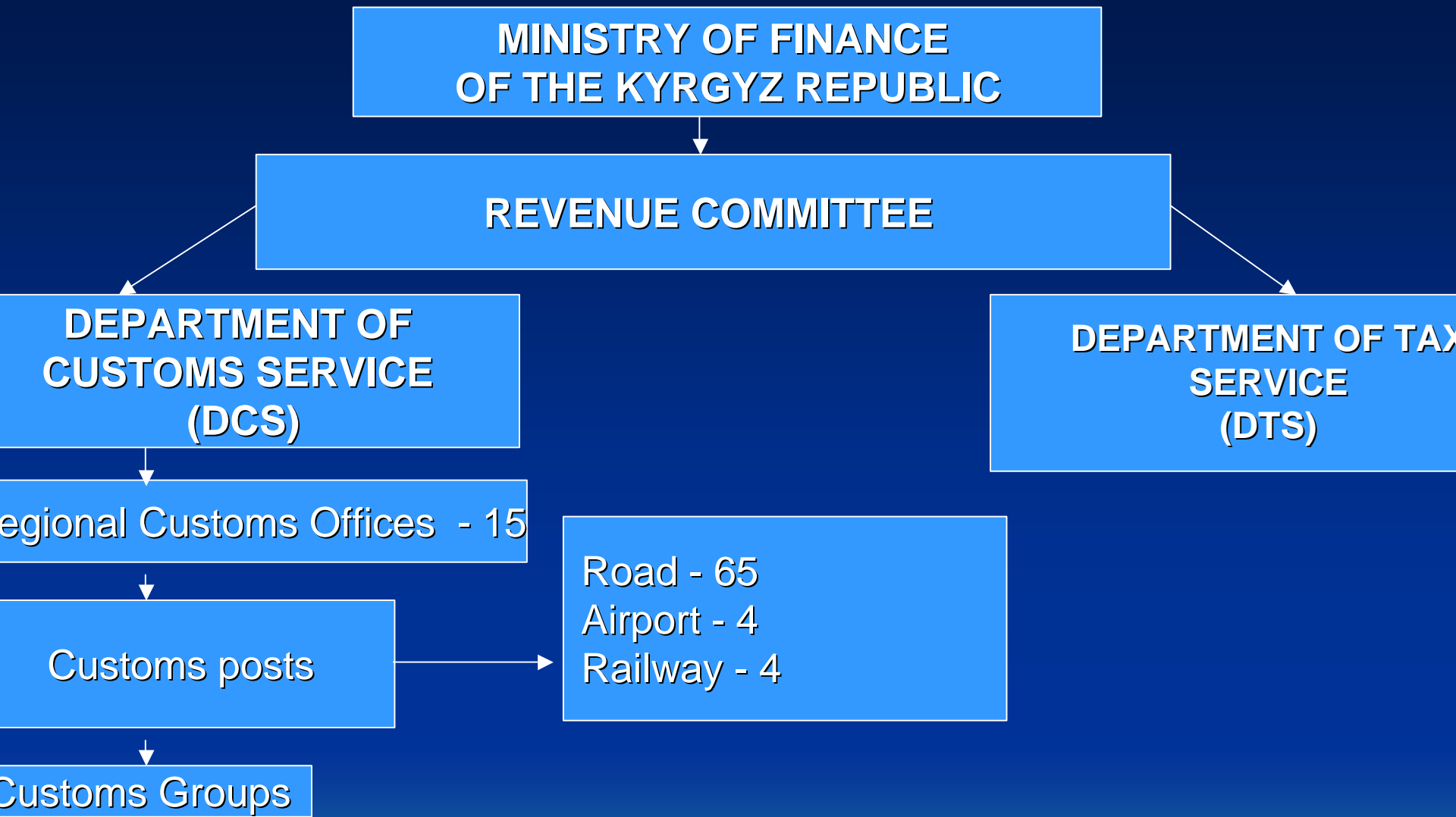
31 December, 1991 - establishment of the Customs Service of the Kyrgyz Republic

2002 - Tax and Customs Services are reorganized within the Revenue Committee of the Ministry of Finance

As of 2004 – staff of 1159 officers

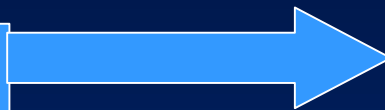


Structure

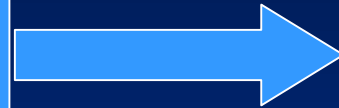


International cooperation

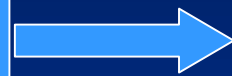
**Customs Service
of the Kyrgyz Republic**



Bilateral level



Multilateral level



International organizations
International financial institutions

WTO/GATT (World Trade Organization) – December 1998

WCO/CCC (World Customs Organization) - February 2000

Convention on international road transportation of 1955 – 1997

International Convention on Harmonized system of specification and coding of goods

1983 as amended by Protocol of 24 June 1986 - 30 December 2003

Accession to the Revised International Convention on Simplification and Harmonization of Customs Procedures, 1999 (Kyoto Convention) is expected.

Kyrgyz Republic Customs Reform and Modernization

Concept of Customs Development in Kyrgyz Republic

Regulation of Government of the KR

? 403

25.06.2002

Reform and improvement of Customs legislation

Customs clearance and control

Improvement of Customs Management System and Human Resource Development

Development of Information and Technical (IT) policy in Customs (automation and computerization of Kyrgyz Customs)

Logistics

Customs- related infrastructure

Reform and Improvement of Customs Legislation

**New Customs Code
of the Kyrgyz Republic**

New Customs Code is in accordance with the main principles of Revised Kyoto Convention and provisions of WTO\GATT

Development and revision of legal acts in accordance with New Customs Code

Simplification and unification of customs clearance and control procedures

- Unification of national customs legislation in accordance with international standards;
- System and procedures of customs clearance should not become a bottleneck in growth of international trade;
- Fundamentally new methods of customs control, significant simplification of Customs Code provisions, predictability and openness. Provisions of Customs Code are clear and easy to understand for participants of foreign economic activity (FEA).

The necessity of adoption of the New Customs Code

Unification of Kyrgyz Customs rules in accordance with international standards

Providing rational balance of trade interests of states

Introduction of progressive technologies of customs clearance and customs control with using information technologies

Creation of proper legal basis for customs administration reform



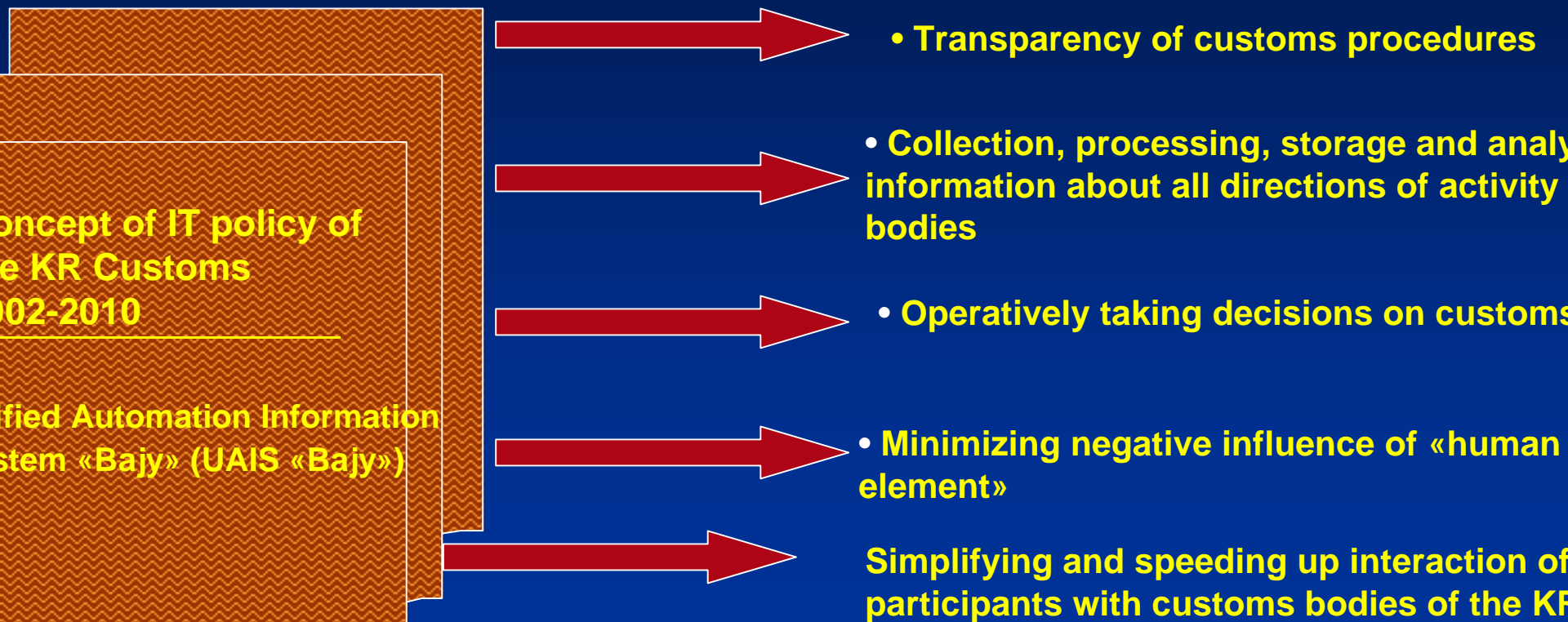
Improvement of management system and human resource development

Improvement of management system and human resource development

- Improvement of Management and Human Resource Development of the KR C
- Increasing professional skills and culture of Customs officers

Objectives: forming the necessary human resource and providing effective activity of officers on so tasks set for Customs agencies

Development of Information and Technical (IT) policy in customs sphere (automation and computerization of Kyrgyz Customs)



Customs material and technical basis

Strategy on border post infrastructure development and technical facilities

- determine the number of border posts, status, location and operating mode;
- determine plan of capital investments for construction, rehabilitation and equipping customs bodies, border posts and points;
- provide customs bodies with customs control technical facilities

- Border posts
- Technical facilities of customs control
- Dog service
- Customs laboratory
- Training basis
- Uniform

KYRGYZ REPUBLIC CUSTOMS MODERNIZATION AND INFRASTRUCTURE DEVELOPMENT PROJECT

Supported by Asian Development Bank

Objectives of the Project:

- improve the efficiency and transparency of customs services
- reinforce the ongoing legal reforms
- simplification of customs procedures
- facilitate trade and promote regional customs cooperation

Implementation of the Project will provide protection of economic interests of the state by using modern methods of administrating and will promote further integration in world trade.



The Project components

1. Development of a unified automation information system (UAIS)

ADB - \$5 million Government – \$1.25 million.

2. Development of border post infrastructure

ADB– \$2.5 million Government – \$0.625 million



The Project includes:

PROJECT LOAN

- Introducing a unified automation information system (UAIS)
- Improving border post infrastructure

TECHNICAL ASSISTANCE

- Re-engineering of customs business process
- Quality and security assurance of the UAIS development
- Consultations with customs staff and private sector stakeholders to ensure sustainability and support for customs modernization efforts