

# **MONGOLIA**

## **This paper for the Facilitation of International Road Transit Transport of Mongolia under TIR System**

**By Ts.TOGTMOL – General Secretary of  
NARTAM**

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# Road Network in Mongolia



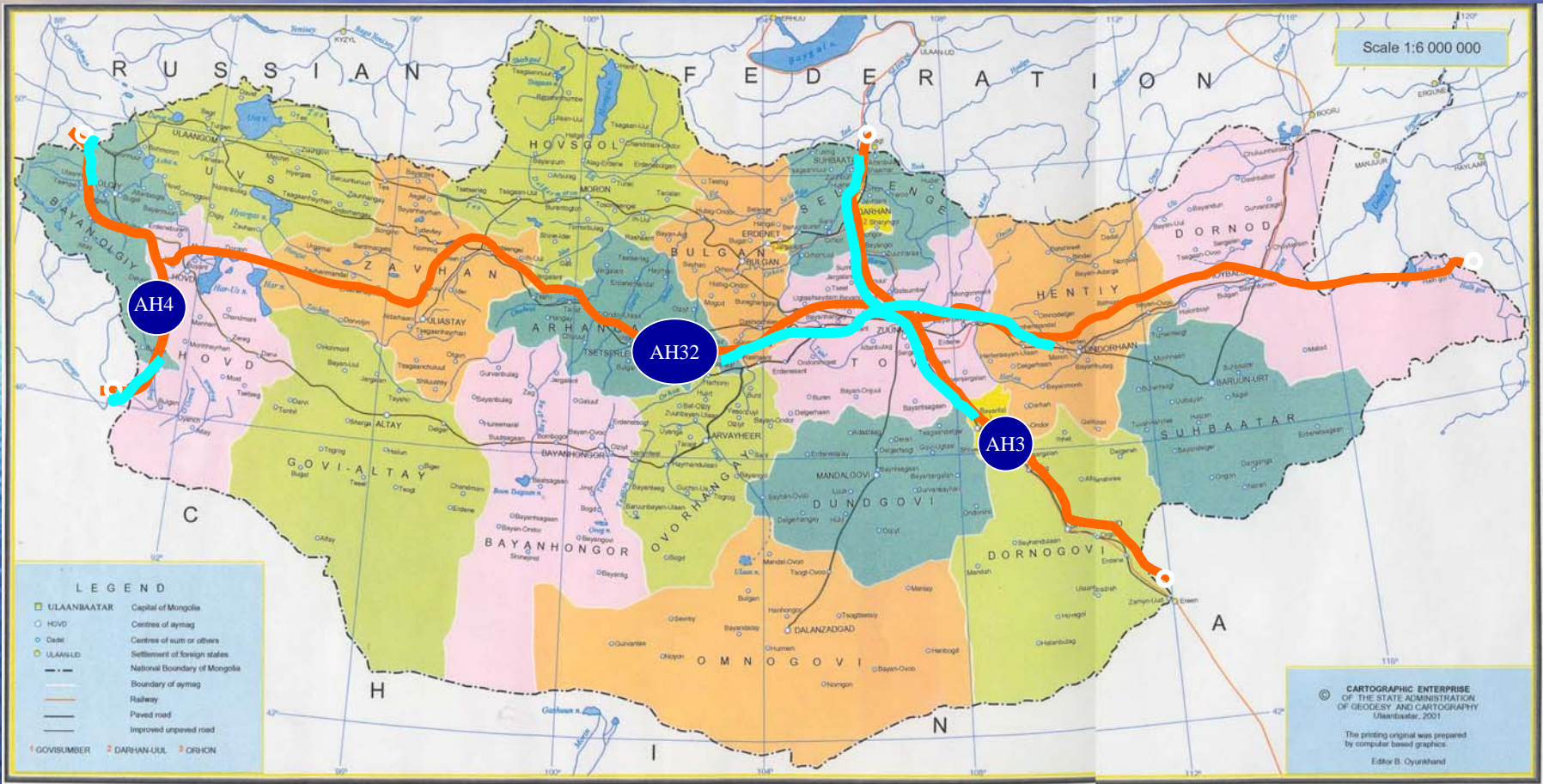
-  Paved road
-  Gravel road
-  Earth road

# Road Network in Mongolia

- Mongolia's road network overall (including both state and local roads) totals approximately 49,000 kilometers, connecting 21 major cities and towns and 160 smaller villages (soums and bags) . Roads in Mongolia are administratively classified into two:
  - 1. State Roads, which are intended to connect Ulaanbaatar with aimag centers, important towns, and important border crossings; and
  - 2. Local Roads, which are intended to connect aimag centers with other aimag and soum centers. There are approximately 11,063 km of state roads and 38,187 km of local roads in Mongolia. Most of the roads in Mongolia are poorly maintained gravel or earth roads and as much as 75.6% of state roads and 97.7% of local roads are earth roads.



# Asian Highway Routes in Mongolia



**AH32**

**2325km**

**AH3**

**1009 km**

**AH4**

**758 km**

**Constructed**



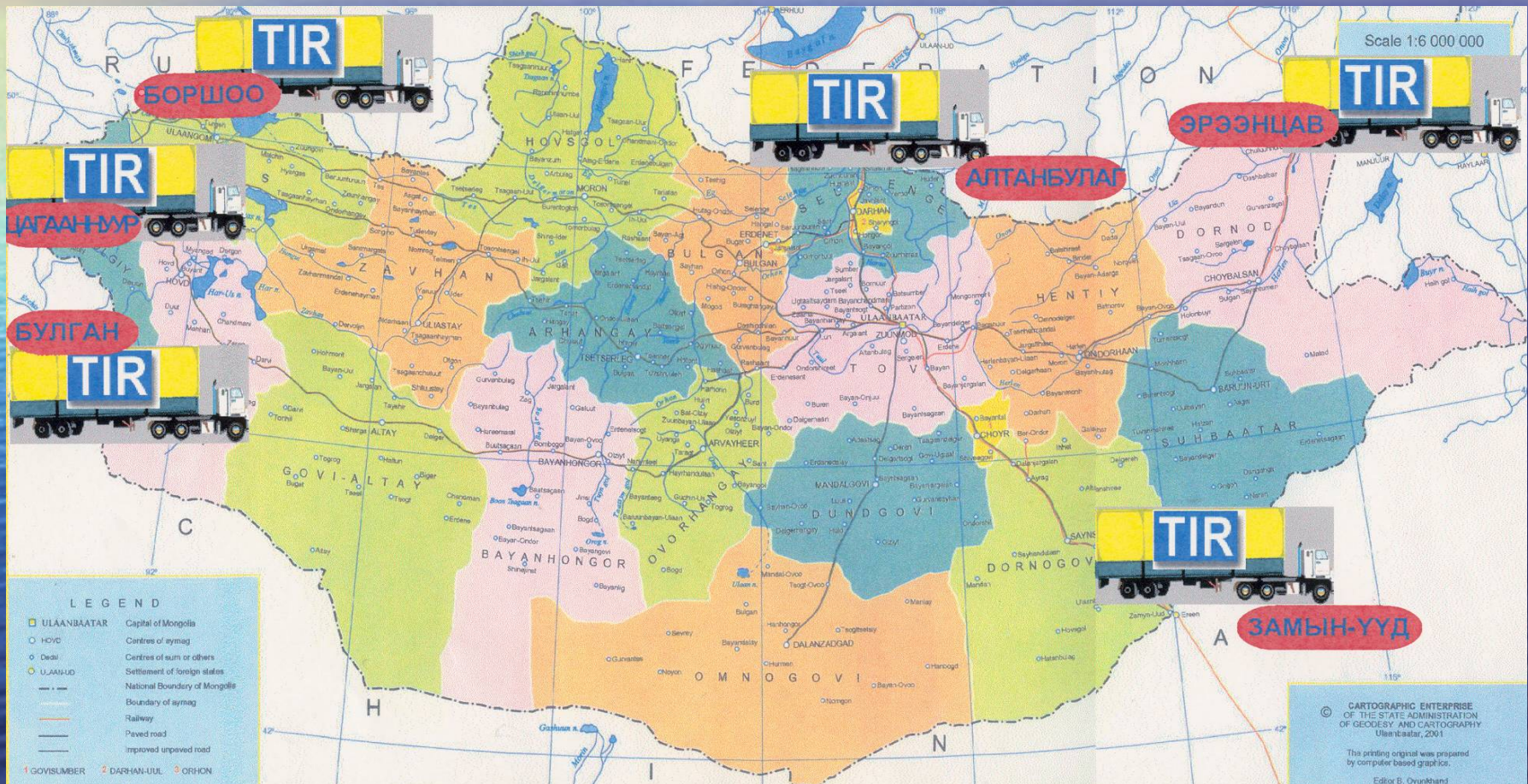
# Agreements relating to Mongolian Transit transport

In Mongolia, there is substantially less development of transportation infrastructure.

- Transit agreement with the Russian Federation /1991/
- Transit agreement with the China /1991/
- Road transport agreement with China /June, 1991/ but in practice Mongolian trucks are still prohibited from entering China, while Chinese trucks can enter into Mongolia /at least up to the border town/
- Road transport agreement with the Russian Federation /February, 1996/, where Russian and Mongolian trucks can transport goods into each other countries.
- Mongolian is currently negotiating a proposed draft transit framework agreement between China, Mongolia and the Russia Federation with UNCTAD acting as facilitator.
- Mongolia has acceded to the Convention on the International Transport of Goods under Cover of TIR Carnets / TIR Convention, 1975/ on October 1, 2002. The TIR Convention will enter into force for Mongolia on 1 April 2004. The international Road Transport Union /IRU/ is authorized the National Road Transport Association in Mongolia /NARTAM/ as an issuing association.



# Name of the customs branch offices within the Territory of Mongolia assigned to carry out the customs control and clearance of goods covered by the TIR Carnet





# The following advantages will provide in result of TIR implementation in Mongolia:

- Custom tax and duties will collect completely.
- Normally avoids the need for physical inspection of goods in transit.
- Facilitates transit movements by the application of standardized controls & documentation
- Mongolian transporters will work together with international transporters.
- Goods move across international frontiers with minimum interference.
- Simplification of documentation
- No need for guarantee deposit at transit borders
- On the result of international transport development Mongolian Road condition also infrastructure along the road will develop.
- Mongolian freight transport will grow.
- Co-operation with international transport organizations will develop and proved exchanges of experiences.



# The reasons of delay starting TIR procedure in Mongolia

- Mongolia did not make International and Transit transport by road before only surrounding border transport;
- Transition to market economy has break down existing road transport system and still doesn't develop well.
- low population density;
- limited economic development and traffic;
- lack of investment;
- lack of experience in the International Transportation under TIR system. Mongolian transport operators have not sufficient knowledge of TIR transport advantages, and it required time.
- In 2004 Mongolia had a chance to transport meat by TIR, but Russian side canceled
- The organizations using road transport for freight have old habit in custom control

# The Short term action plan for implement TIR transport

## 1. Government side

- Power and methodological assistance for implementing international transit transport under TIR procedure
- To provide legal conditions to make agreement about transit transport and co-operation with neighbor countries
- Approve the list of goods to transport in TIR transport and inspect its implementation
- Food safety and inland custom control regulation in TIR procedure and to make decision its implementation control
- Combine state monitor with neutral own control on development transport service



# The Short term action plan for implement TIR transport

## 2. Association side

- To prepare drafts of Laws, rules and regulations related to the TIR Transport implementation in Mongolia and introduce to approve high-ups furthermore implement them.
- To give Permission for the TIR operation together with Custom office.
- To organize training and seminar together with IRU for TIR transport operators.
- Regularly introduce to the all transport operators about TIR transport advantages and what is going on in this field.
- To organize joint meetings with transport operators and custom officers concerning TIR transport development.
- To arrange participation transport operators in the International meetings and seminars on Transit transport and enlarge co-operate with international transport operators.

# Conclusions

- The Government of Mongolia gives priority to improvement of the eastern roads which is connected to the Asian Highway Network Routes A3 and A32.
- The horizontal arterial road which is given priority by Government of Mongolia influences not only the development the Facilitation of International Road Transit Transport of Mongolia under TIR system. It improves the connectivity with Russia, China, Kazakhstan and countries of North-East Asia in the Future;
- The Priority Roads would give Mongolia a more efficient route to the sea and would help in further development and commercial exploitation of Mongolia's rich mineral resources.



- The proposed Nomrog Bridge is best suited for ecotourism and traffic supporting tourism;
- The TIR Convention, 1975 and the transit framework agreement between China, Mongolia and the Russia Federation will provide a legal framework for efficient transit systems to and through Mongolia.
- Adopting the transit framework agreement between Russian Federation, China and Mongolia will provide utilization of using TIR system.
- This Shanghai meeting is very important for establishing TIR regime in South East Asia.

Thank you for your attention