

Statement of the Customs Cooperation Committee
at
the Fifth Meeting of the Heads of Customs Administrations
under the Central Asia Regional Economic Cooperation (CAREC) Program
11–13 October 2006, Astana, Kazakhstan

Introduction

1. The Customs Cooperation Committee (CCC), comprising heads/deputy heads of customs administrations from member countries of the Central Asia Regional Economic Cooperation (CAREC) Program, held its Fifth Meeting in Astana, Kazakhstan on 11-13 October 2006 to deliberate on the progress and chart the strategic direction of the CAREC Trade Facilitation Program (the Program). Mr. Kunio Mikuriya, Deputy Secretary General of the World Customs Organization (WCO), and Mr. Jan Hoffman, Economic Affairs Officer, United Nations Conference on Trade and Development (UNCTAD), participated as resource speakers during the consultation forum.

2. The participants conveyed their gratitude to the Customs Control Committee of the Republic of Kazakhstan for hosting the Meeting and for their gracious hospitality and excellent arrangements. The CCC also appreciated the efforts of the eminent speakers who generously shared their knowledge on integrated border management, logistics development and trade facilitation. The participants thanked the Asian Development Bank (ADB) for providing financial support and serving as the Secretariat.

3. The CCC reconfirmed its commitment to be the frontrunner in promoting regional trade facilitation initiatives through concerted customs reforms and modernization efforts and deepened regional cooperation, interagency coordination and public-private partnership.

4. The CCC recognized ADB's efforts to promote capacity building by partnering with international organizations and customs administrations supporting the Program. The members of the CCC expressed their appreciation to the Government of Singapore, Republic of Korea, Japan Customs, and PRC Customs for hosting regional forums and study tours. The CCC likewise noted the support of WCO, Thailand Customs Department, United Nations Economic Commission for Europe (UNECE), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and International Road Transport Union (IRU) for sharing international best practices and modern customs techniques during the Program's regional and in-country activities. In line with this, the CCC acknowledged the importance of continually exploring opportunities to draw international support for sustaining the momentum of reforms initiated under the Program.

5. The CCC members reaffirmed their intention to implement the WCO Framework of Standards to Secure and Facilitate Global Trade, while recognizing the challenges of this undertaking. They value the assistance of WCO in fielding diagnostic missions to help them implement the Framework of Standards.

Review of Progress

6. The CCC appreciated the extensive knowledge-sharing activities organized since the fourth CCC Meeting including: (i) a forum on TIR Customs transit system in Shanghai in October 2005; (ii) a seminar in Daejeon and Seoul, Republic of Korea on trade facilitation and e-governance in December 2005; (iii) a forum in Singapore in January 2006 focusing on issues

related to customs automation and IT platform for trade and logistics; (iv) an in-country workshop in Ulaanbaatar on trade logistics and customs modernization, in February 2006; (v) an in-country workshop in Urumqi, People's Republic of China (PRC) focusing on Xinjiang's trade logistics development, in April 2006; (vi) a seminar in Tokyo in April 2006 on trade facilitation and customs modernization; (vii) a seminar in Urumqi, PRC in July 2006 on the WCO's framework of standards and customs data model; and (viii) training programs in Shanghai Customs Academy for Kazakhstan customs officials in May 2006 and for Mongolia customs officials in September 2006 sponsored by the PRC Customs General Administration.

7. The CCC welcomed the progress achieved over the past year, including:

- (i) accession to the Revised Kyoto Convention by Mongolia in October 2006;
- (ii) membership of Afghanistan to the WCO;
- (iii) draft revisions of Customs Code in Afghanistan, Kazakhstan, Kyrgyzstan, Mongolia, development of the new Customs Code of the Azerbaijan Republic and completion of drafting of the new Customs Code of the Republic of Uzbekistan, in line with modern international standards;
- (iv) ongoing implementation of the ADB-assisted Regional Customs Modernization and Infrastructure Development Project for the Kyrgyz Republic and Tajikistan;
- (v) preparation of an investment project for the modernization of Mongolia customs administration, expected to be approved by ADB in 2006;
- (vi) bilateral agreement on joint customs control signed between Kazakhstan and Kyrgyz Republic;
- (vii) initiatives to pilot-test joint customs control between Mongolia and PRC;
- (viii) efforts on harmonization of accompanying documents for the goods being transported between Mongolia and PRC;
- (ix) efforts to prepare agreement on information data exchange between Kyrgyz Republic and Uzbekistan;
- (x) PRC's effort to accelerate its accession to the TIR Convention;
- (xi) initiative to enhance SafeTIR system in the Kyrgyz Republic to facilitate transit development; and
- (xii) publication of several papers to disseminate knowledge products, including papers on TIR Customs transit system and risk management highlighting the experiences and initiatives of CAREC participating countries; customs reforms and modernization strategy and experience of Thai Customs; and several articles published in the CAREC Newsletter.

Future Work Plan

8. The CCC broadly endorsed the work plans proposed by the Working Group Chairs including pursuing the ongoing initiatives discussed above. Other major activities are highlighted below.

9. The CCC endorsed the training seminars on TIR Transit System to be conducted by IRU in October 2006 in Ulaanbaatar for Mongolia customs officials and transport operators, and in Geneva for Kyrgyz customs officials.

10. The CCC welcomed ADB's support for customs modernization needs assessment study in Afghanistan and Uzbekistan. In addition, the CCC is pleased to note that ADB is preparing a regional technical assistance project to support the development of an integrated regional trade facilitation strategy for each CAREC member country. This initiative will be useful in pursuing the CCC's long-term goal of promoting an integrated approach to trade facilitation.

11. The CCC requested assistance from ADB to support capacity building seminars including:

- (i) a regional forum on joint border control
- (ii) ICT and data and information exchange¹
- (iii) issues related to trade facilitation, such as best practices on implementation of the Revised Kyoto Convention, and harmonization of customs processes and documentation, including revision of Customs Codes, legal basis for e-declaration and international best practice in this area, and Istanbul Convention
- (iv) protection of intellectual property rights, and
- (v) challenges and experiences in the implementation of risk management and post-entry audit systems.

12. The CCC agreed that after each seminar a Working Group meeting will be held. The meeting will provide a policy forum to develop an action plan to move forward the regional trade facilitation agenda.

13. The CCC acknowledged that trainings conducted by the Customs Academy in Shanghai have been very useful and they requested continued support from ADB and PRC to finance participation of CCC members in these training programs.

14. The CCC members recognized that the CAREC Trade Facilitation Program could serve as a useful forum to share country experiences in implementing the Framework of Standards and they agreed to continually update each other of WCO diagnostic missions' findings and recommendations during the CCC forums.

15. CCC members noted the importance of the Data Exchange Project and availability of all the preconditions to commence its pilot implementation in several countries. Taking this into account, the CCC requested ADB assistance to provide the expert on this matter.

16. The CCC urged Kazakhstan and PRC to continue their efforts on harmonization of accompanying documents for the goods being transported.

¹ The CCC requested ADB to support a seminar in the 1st quarter, 2007 in Bishkek with participation of all the parties concerned.

17. The members of the CCC welcomed the offer of Kyrgyz Republic to host the Sixth CCC Meeting, tentatively on the second week of September 2007.