

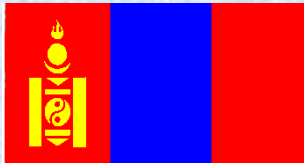
Mongolian Customs New Approach to Joint Customs Control

CAREC Seminar on Joint Customs Control
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Content

- Country overview
- Foreign trade with neighboring countries
- Locations of Mongolian customs
- Mongolia-Russia: Border crossing points
- Mongolia-P.R.C: Border crossing points
- Mongolia-P.R.C: Customs Cooperation
- Joint Customs Control
- Joint customs control (S.W.O.T) analysis
- Conclusions

COUNTRY OVERVIEW



- Area: 1.6 mln. sq. km
- Population: 2.6 mln. (2008)
In Ulaanbaatar (capital city): 1 million
- Geography: Between Russian Federation and P.R of China
mountains, forest, steppe, desert
- Membership: UN, ESCAP, WCO, WTO,
- Border length: 8,220km
with PRC 4,677km
and with Russia 3543

Foreign Trade

Year 2008 /mln.USD/

	Export	Import	Total	%
Total	2,539.3	3,615.8	6,155.1	100
PRC	1,631.3 (1 st)	1,182.6 (2 nd)	2,813.9	45.7
Russian Federation	84.6 (6 th)	1,244.5 (1 st)	1,329.2	21.6

Foreign Trade

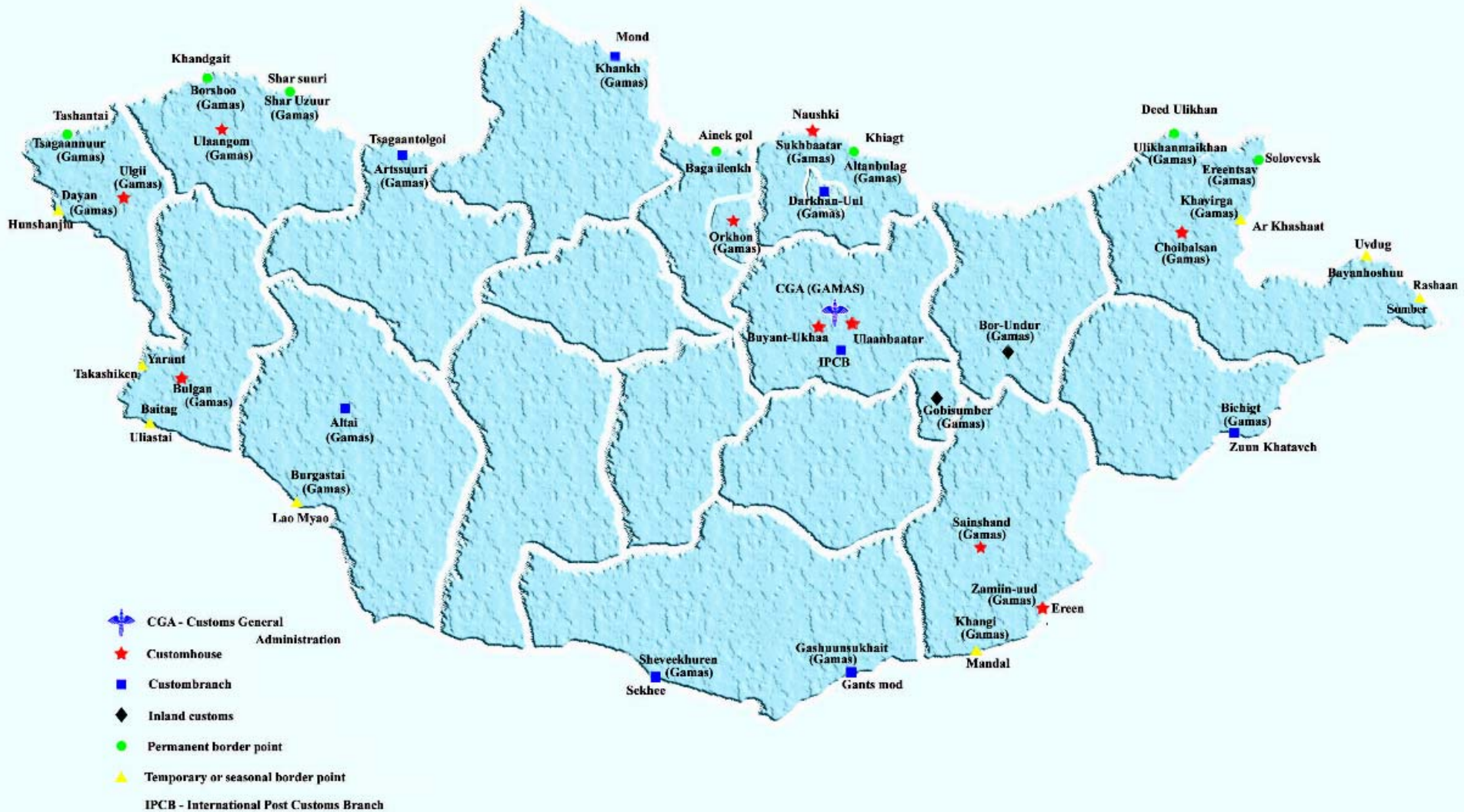
2005-2008 /%/

	Export	Import	Total
PRC	318.20	401.25	348.50
Russia	302.90	291.28	292.00

Export of Minerals to China

Commodity description	Measurement Unit	2008	
		Quantity	Amount /USD'000/
Export			2,539,265.0
China			1,631,301.8
- Copper ores and concentrates	th.ton	585.9	835,625.3
- Zinc ores and concentrates	th.ton	137.5	154,617.4
- Coal	th.ton	4,062.5	180,932.0
-Crude oil	barrel	1,053,838.5	101,716.8
-Iron ores and concentrates	th.ton	1,011.4	92,114.2

Locations of Mongolian Customs



Mongolia-Russia: Border crossing points

1. Tsagaannuur-Tashantai
2. Borshoo-Khandgait
3. Sharuzuur-Sharsuuri
4. Arcsuuri-Tsagaantolgoi
5. Khankh-Mond
6. Baga-ilenkh-Ainek gol
7. Sukhbaatar-Naushki
8. Altanbulag-Khiagt
9. Ulikhanmaikhan-Deed Ulikhan
10. Ereentsav-Solovevsk

/Total border length-3543km/

Mongolia-P.R.C: Border crossing points

1. Zamyn-Uud-Erlian
2. Gashuunsuhait-Ganc mod
3. Shiveehuren-Sekhee
4. Havirga-Ar hashaat
5. Bichigt-Zuun hataavch
6. Baynhoshuu-Uvdug
7. Baitag-Uliastai
8. Dayan-Hunshanzui
9. Hangi-Mandal
10. Bulgan-Takashiken
11. Sumber-Arshaan
12. Burgastai-Lao Myao



/Total border length-4677km/

Mongolia-P.R.C: Main border crossing points for mining product

1. Zamyn-Uud-Erlian -
Copper and
molibdenium
concentrates
2. Gashuunsuhait-Ganc
mod-Coal
3. Shiveehuren-Sekhee -
Coal
4. Havirga-Ar hashaat -
Zinc ores
5. Bichigt-Zuun hataavch -
Crude oil
6. Burgastai-Lao Myao -
Iron ores

Gashuunsuhait-Ganc mod



Mongolia-P.R.C: Customs Cooperation

- Agreement on Customs Mutual Assistance and Co-operation was signed on 07 September 1993



- The “Agreed Minutes of the Meeting between the Customs Administration of Mongolia and the Customs Administration of People’s Republic of China” was signed during the 4th CCC Meeting in Ulaanbaatar, Mongolia on 8 September 2005

Activities

- Commencement of bilateral consultations and preparatory work for the pilot-testing of joint customs controls at selected crossing points.
- Training courses on Customs administration and management conducted by the China Customs
- X-ray inspection system was installed at the border Zamiin-Uud under the aided Project of P.R.China .
- Two bilateral meetings on JBC (Huh-Hot and Ulaanbaatar)
- Harmonization of cargo manifest - was the main topic



Joint Customs Control

- Adoption of customs policies and procedures in line with international best practices;
- Inter-agency coordination among customs administrations, immigration authorities, and standards and inspection agencies; and
 - Increased transparency of rules and regulations;
 - Bilateral and regional cooperation among customs authorities of neighboring countries and trading partners.
 - Signatories of the Revised Kyoto Convention, CAREC member countries have committed to customs reform and modernization, including joint customs control



Joint Customs Control S.W.O.T Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats



Strengths

- Political will from the both sides
- JCB issue to be discussed at the Cabinet meeting on February 18, 2009
- Strong partnership relations in all level
- Geographical situation – Joint border and existing cross border points
- Revised Kyoto Conventions recommendations
“At common border crossings, the Customs administrations concerned shall, whenever possible, operate joint controls.”
- Bilateral agreement



Weaknesses

- No experience
- Lack of laws and regulations on JCC
- Lack of financial resources
- Under development of infrastructure at the Mongolian side of the border



Opportunities

- Economic growth
- Trade facilitation
- Increase of Foreign trade
- Mineral resources potential of Mongolia
- Growth of minerals export
- Developed infrastructure at the Chinese border (railway, paved road, loading and unloading facilities, etc.)



Threats

- Time factor
- Infrastructure development needs
- Lack of Financial resources for investment
- Protection of Natural environment



Conclusions

- New approach- Pragmatic approach to JBC issue
- Set-up modern border crossing points
- Start pilot-testing of joint customs controls at selected crossing points, namely Gashuunsuhait-Gants Mod, Shiveehuren-Sekhee on bulk goods (coal)
- Enhance efficiency and transparency in customs services
- Data sharing and paperless e-clearance
- 60th Anniversary of establishment of diplomatic relations between Mongolia and P.R.China
- CAREC Ministerial meeting to be held in October 2009 in Ulaanbaatar, Mongolia



THANK YOU FOR YOUR ATTENTION!

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Customs officers at Gashuunsuhait customs branch



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