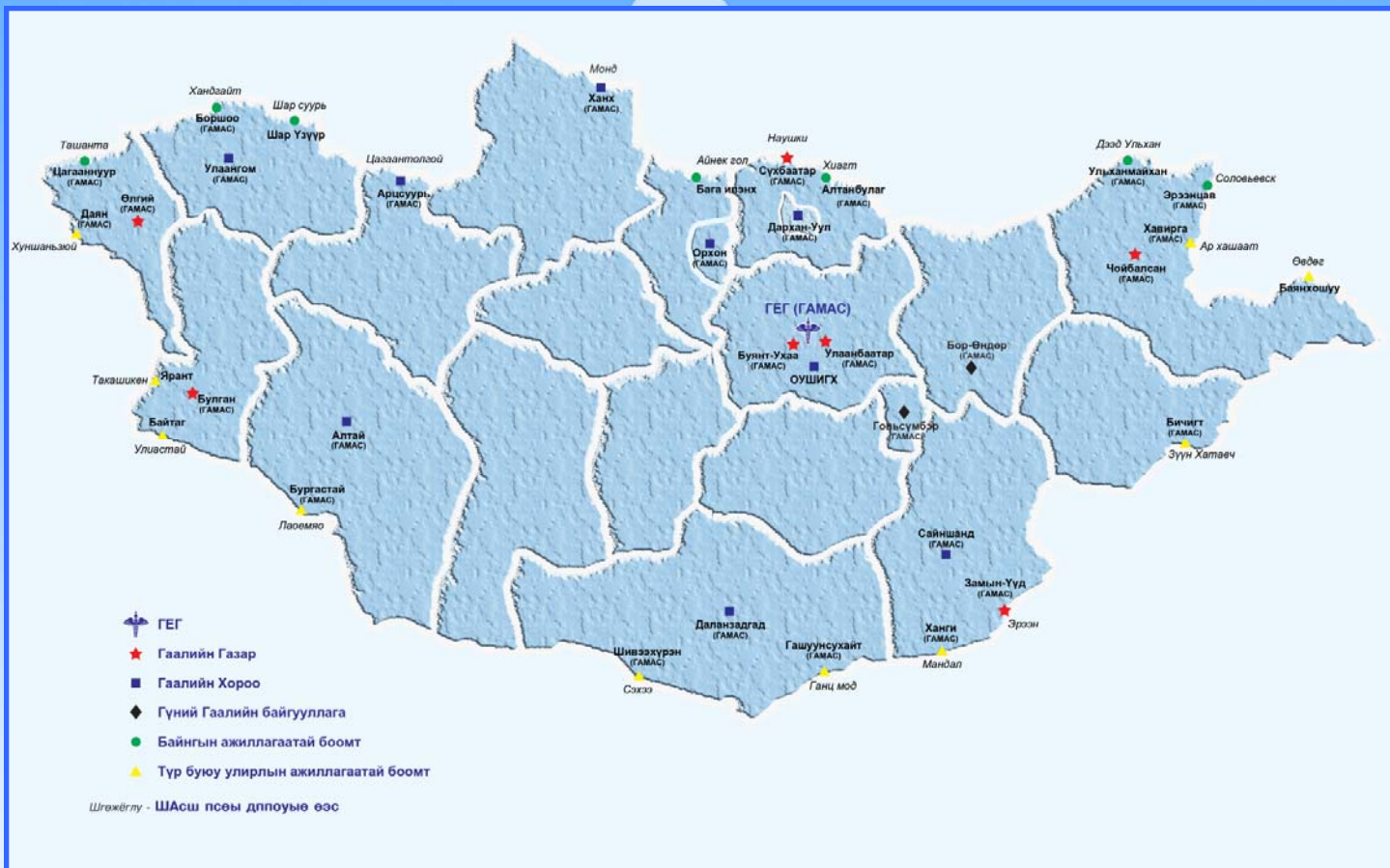




TRADE SIMPLIFICATION



Mongolia Customs

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Mongolian Parliament after the second hearings has passed and put into force on July 1, 2008 the Law on Customs and the Law on Customs Tariffs developed in compliance with yjr principles of the revised Kyoto Convention on simplification and harmonization of customs procedures.



Putting into force the Law on Customs and the Law on Customs Tariffs represents a regulatory base for simplification and harmonization of customs procedures :

- **according to the Art. 233.2. the customs control will be carried out based on risk management;**
- **The new Law on Customs has legalized a possibility of joint customs control in the territory of a foreign state on the basis of mutual agreement. For the purpose of simplification, harmonization of customs procedures the Central Customs Authority may conclude Mutual Recognition Agreement of foreign trade documents with customs authorities of foreign countries;**





- **Art. 55.4: Customs Declaration may be submitted electronically in compliance with the Customs Declaration form;**
- **customs payments On-line.**

Amendments to the legal acts related to enforcement of the legislation have been developed or made.



Customs Headquarters Distant Direct TV Control system for the customs clearance procedures and customs control was introduced and is functioning at the customs authorities of Ulan-Baator and in the 4 large border crossing points at the border with China. Expansion of the system is planned.

The Project “X-Ray Customs” was passed and is being implemented. It is proposed, within the Project, to equip the customs authorities, especially at the border, with X-Ray equipment over the period of 2008-2010. In Zamyn-Ude, the largest border crossing point at the border with China, the X-RAY has been installed and is being used for inspection of trucks. In the nearest future some more X-Ray equipment is planned to be placed in Zamyn-Ude for inspection of railway vehicles along with border crossing point Altanbulag and Suhe-Bator at the border with Russia.



Foreign trade operators have been provided with an opportunity to transfer the necessary information on goods and vehicles using the “distance declaration” software. Thus, there is no need any more to pay mandatory visit to customs authorities, time spent for customs clearance has been reduced.

Cargo Manifest for railway has been introduced into paper- free electronic declaration system, which allowed to reduce number of steps and stages, to draft Manifest on the basis of a single data and to make advance declaration abroad. Time of processing of transit documents becomes zero.



Future harmonization and unification of documents related to trade is proposed as well as possibility to exchange electronic data with Russia and China.

In compliance with the decision of the Second meeting with China on carrying out joint customs control the Working Group is drafting the uniform template of Cargo Declaration and “Provisional Regulation on joint customs control at the road border crossing point Zamyn-Uud-Erlan”. The Project will be presented for the discussion to the Third Joint Meeting with China, which is planned to be carried out by the end of this year in China.



For the purpose of implementing the standards of the General Attachments 6, 7, 8, 9 of the revised Kyoto Convention the risk management is implemented :

- **collection and analysis of intelligence data**
- **systemic risk assessment**
- **The Comprehensive Plan for Mongolian Customs Development by 2010 has included the objective of Module implementation**

“Information + Risk Management = Operation customs management, optimal customs control”

Risk management is introduced at all levels of customs control and oversight. The put through capacity of the border crossing points is substantially improved.



The new Law on Customs provides post-customs control as one of the kinds of customs control.

Implementation of risk management and combining it with post-customs audit allows to place special focus on inspection of goods and “high risk profile” passengers and, thus, to reduce the number of inspections in the customs control zones as well as to reduce the time for movement of goods.



Master Plan has been drafted on ICT Modernization of Mongolian Customs.

Work on implementation of the ADB Project on development of ICT Modernization of Mongolian Customs started in July 2008.

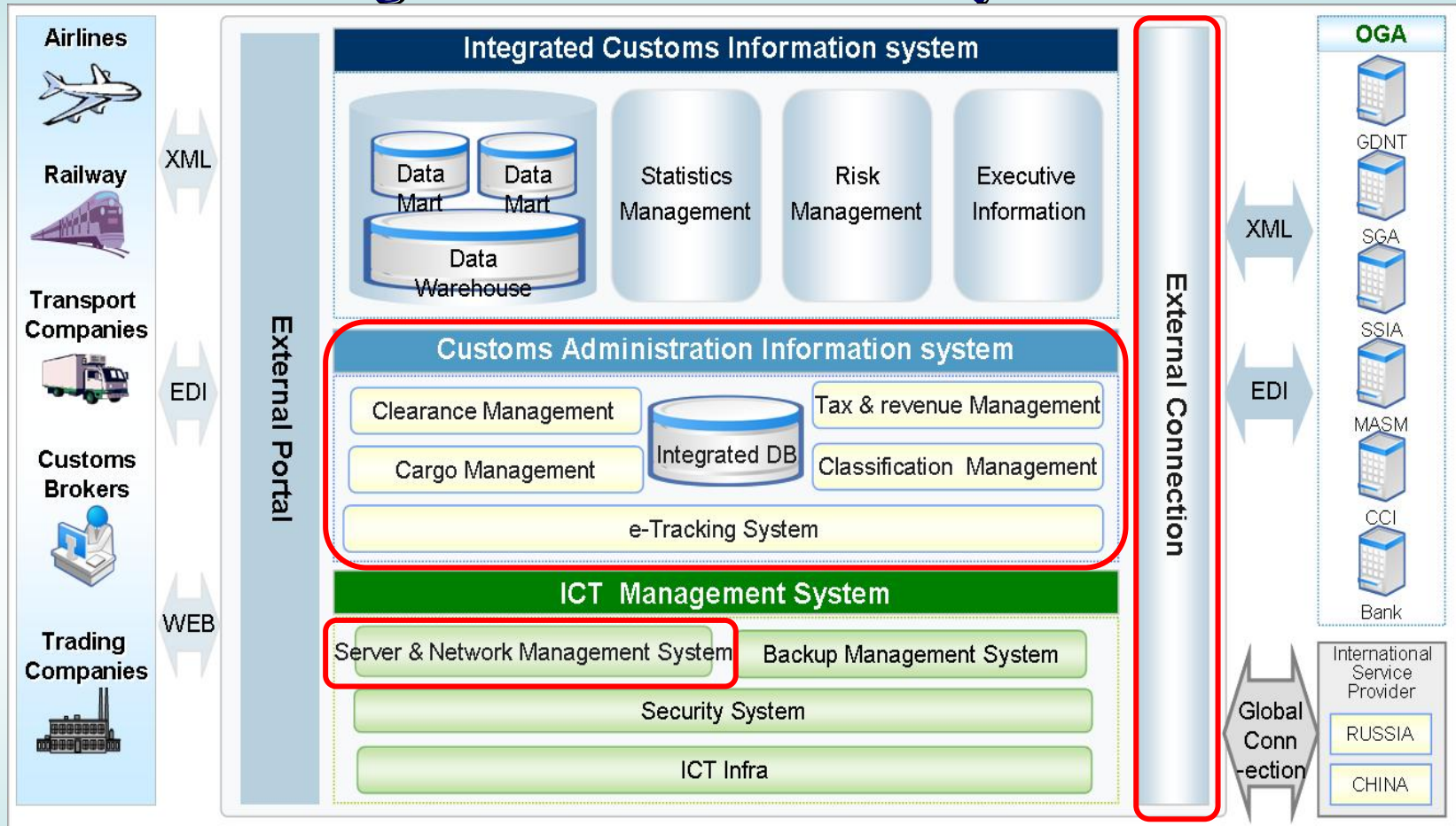
Financial provision: KOICA

ADB

Project implementation period: 2008-2010



Enterprise Architecture View of Customs Integrated Information System



1. External portal
2. Customs administration information system
3. Integrated Customs information system
4. External connection
5. ICT Management, Hardware and Software

KOICA Funded

ICT Modernization of Mongolian Customs allows the following:

- 1. Introduction of “cargo management system”**
- 2. Electronic customs clearance**
- 3. Improvement of the system of collection and making payments and taxes**
- 4. Possibility of obtaining compatible statistical information, improvement of the system of classification and codification of goods**
- 5. Information sharing system**
- 6. Information security system**
- 7. Revision and improvement of rules and regulations.**



The “Single window” system has been set up, which allows to combine in one point the services of participating organizations, such as the following authorities: transport; banking; customs; sanitary; phyto-sanitary; and other oversight authorities.

Involvement of governmental organizations in the services of the “Single window” electronic system allows to form the single space of electronic information.





**Thank you
for attention**