

Ministry of Finance of the Republic of Kazakhstan Committee of Customs Control

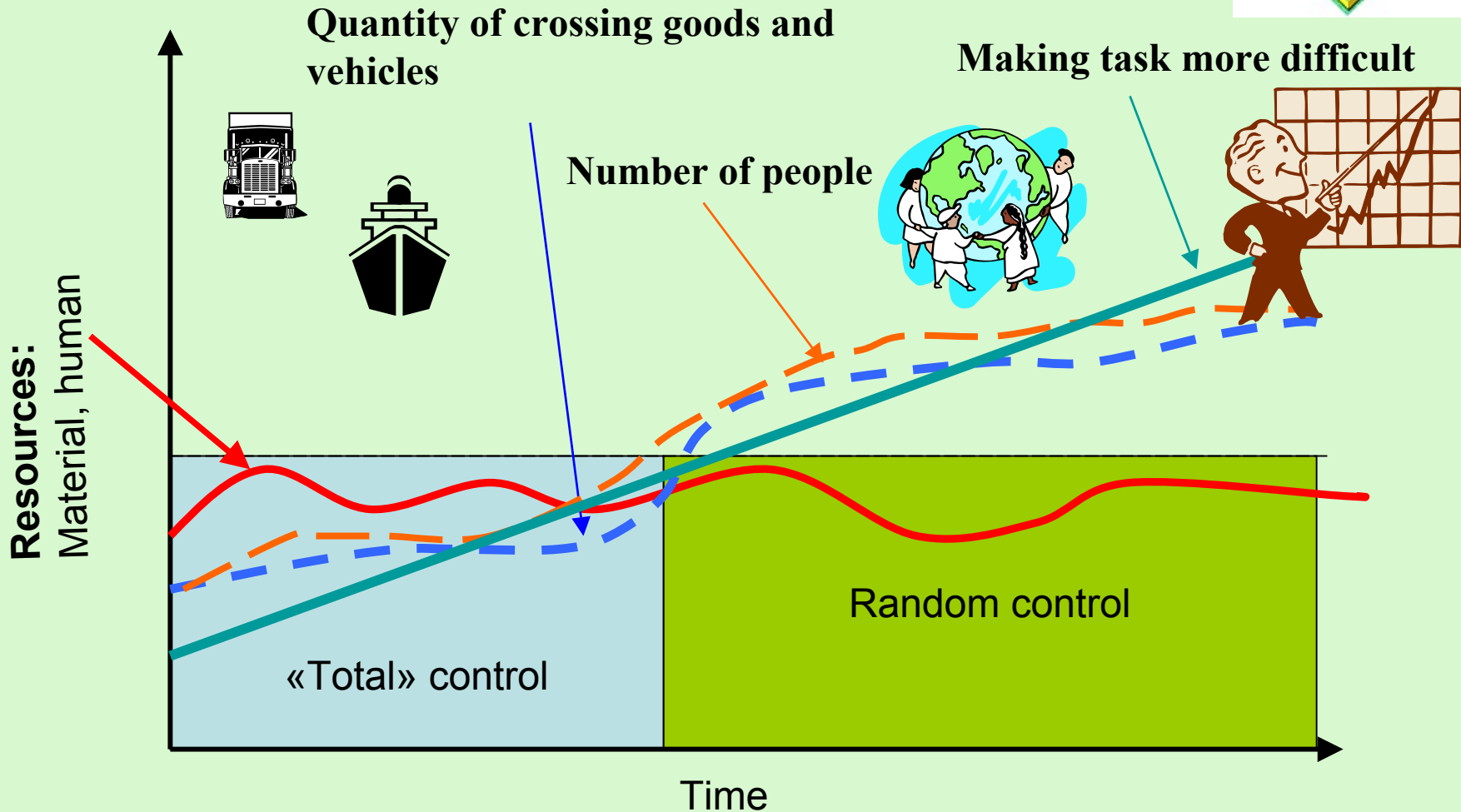


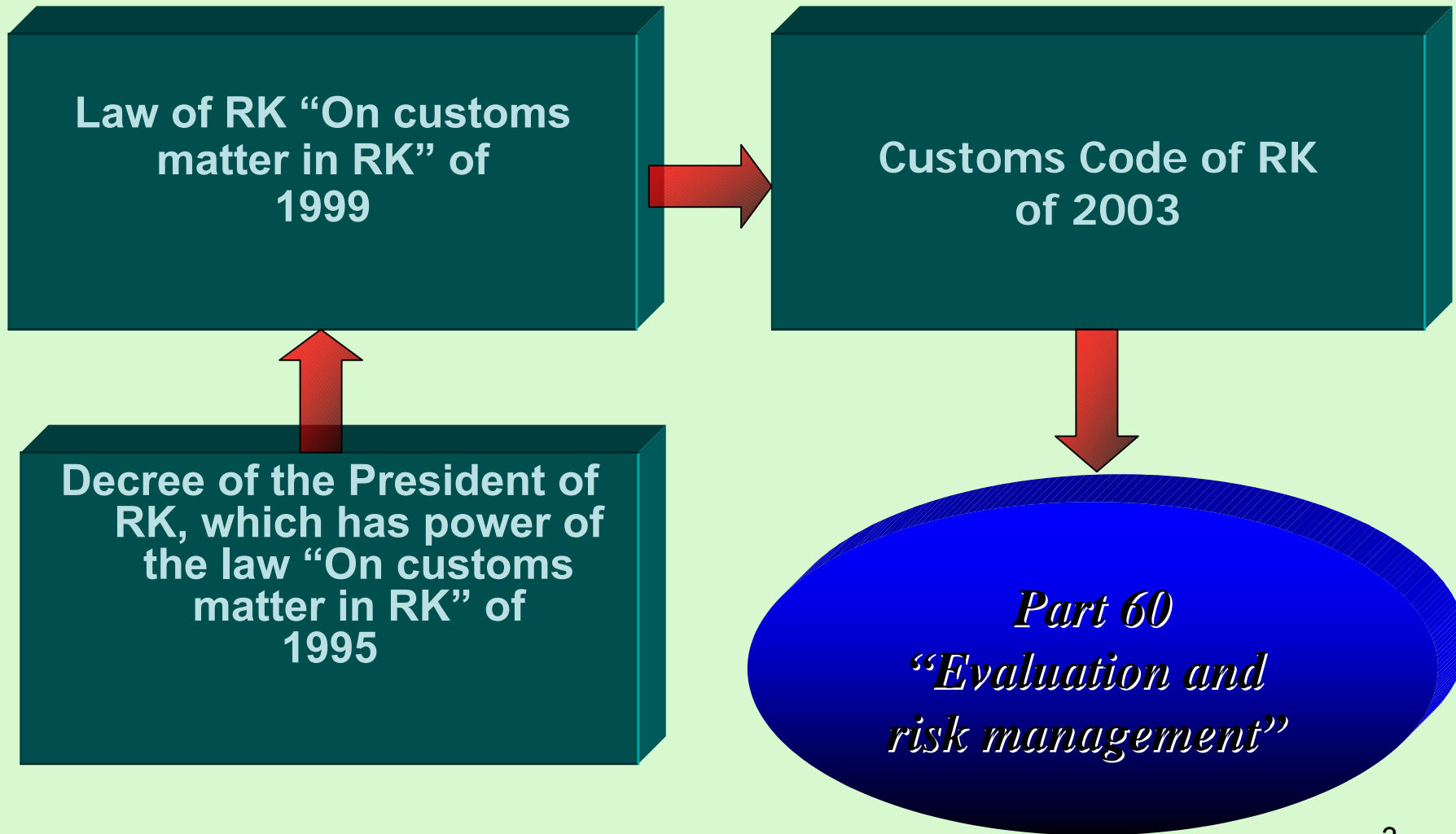
Development of risk management in the customs service of RK

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Why risk management?







Sun-paragraph 27, para 1 of article 7

customs control is an aggregate of measures, carried out by customs bodies of RK, **including the ones based on the risk management system** aimed at compliance with customs and other legislation of RK.



Article 469–1. “Supplying preliminary information”

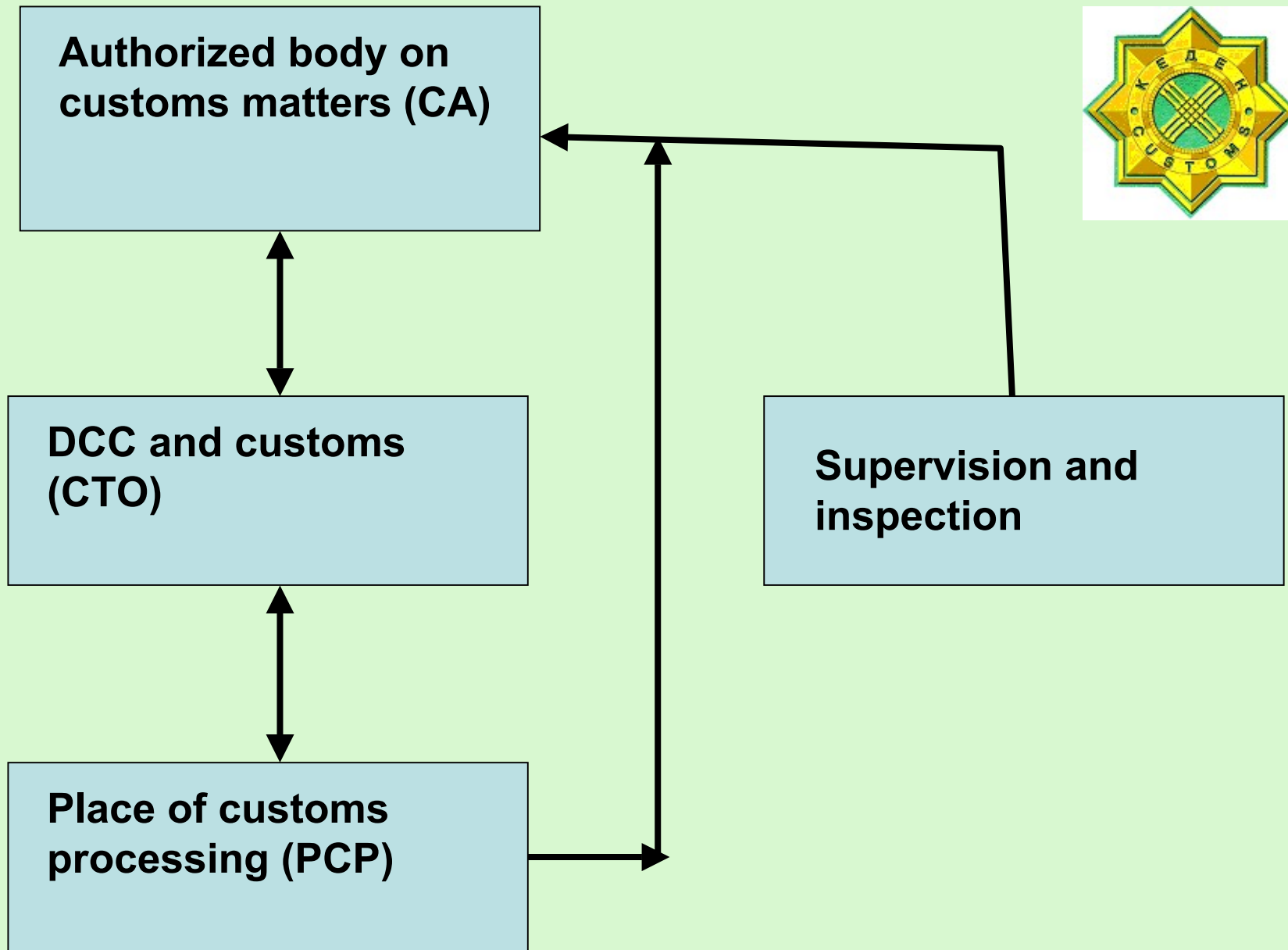
Traders, carriers and persons, who have licenses in the customs area, shall supply an electronic version of information about goods, passengers and carriage to customs bodies.

Customs bodies shall share the preliminary information with customs bodies of other foreign states in compliance with international agreements of RK.



Rules for applying the risk management system for customs processing of goods

- Defining consequent actions of the customs bodies for customs processing of goods and vehicles, moved through customs territory, based on the risk management system.





Rules for defining risk indicators

a procedure for setting up risk management indicators and their sources is regulated for the purpose of defining differentiated forms of customs control by customs authorities.

Risk categories



- 1) Types of goods;
- 2) Code of goods in compliance with Commodity Nomenclature of Foreign Trade (CNFT);
- 3) Country of origin of goods;
- 4) Country of shipment of goods;
- 5) Destination country for goods;
- 6) Transport vehicles;
- 7) Customs value;
- 8) Route of movement of goods;
- 9) traders;
- 10) Documents submitted for customs processing.



«A1» - goods, customs duty rates of which are less than customs duty rates of the goods, classified in the same position of commodity and/or which refer to this goods by their characteristics and external appearance;

«A2» - goods, volumes of import of which, according to the customs statistics of RK, and volumes of export of which, according to the statistics of the counter-agent countries, have big discrepancies;

«A3» - weight of a unit of commodity or sizes are not characteristic to this commodity or similar homogeneous goods, goods of the same class or type;

«B1» - changing code of goods, which have similar physical and chemical characteristics, composition and functional purpose;



«C3» - goods with regards to which there is information about lack of production or discrepancy between volumes of production of concrete goods in the country, declared as a country of origin of the goods, and volumes of their import to RK.

«D1» - a vehicle according to practice is not aimed at carrying this type of commodity.

«E1» - there is a considerable discrepancy between a declared customs value of a unit of a commodity and the one available in official information books on prices;

«E4» - there is discrepancy between a price of an imported commodity, including customs duties and taxes, and a retail price in the domestic market;



Criteria for referring traders to the category of minimum risk:

- Timely and full payment of fees and taxes;
- Innocence of traders on some articles of the Criminal Code and Administrative Code;
- Traders' external economic activity for more than 2 years;
- Restrictions in number of supplies.

Share of customs processing of goods by traders referred to the category of minimum risk



	Processed commodity customs declarations	Weight of passing goods, mln. tons	Statistical value, \$mln.
Traders referred to the category of minimum risk	36 170	12,3	3 736,1
Total number of traders	372 989	130,5	40 122, 5
Share, %	9,7	9,4	9,3

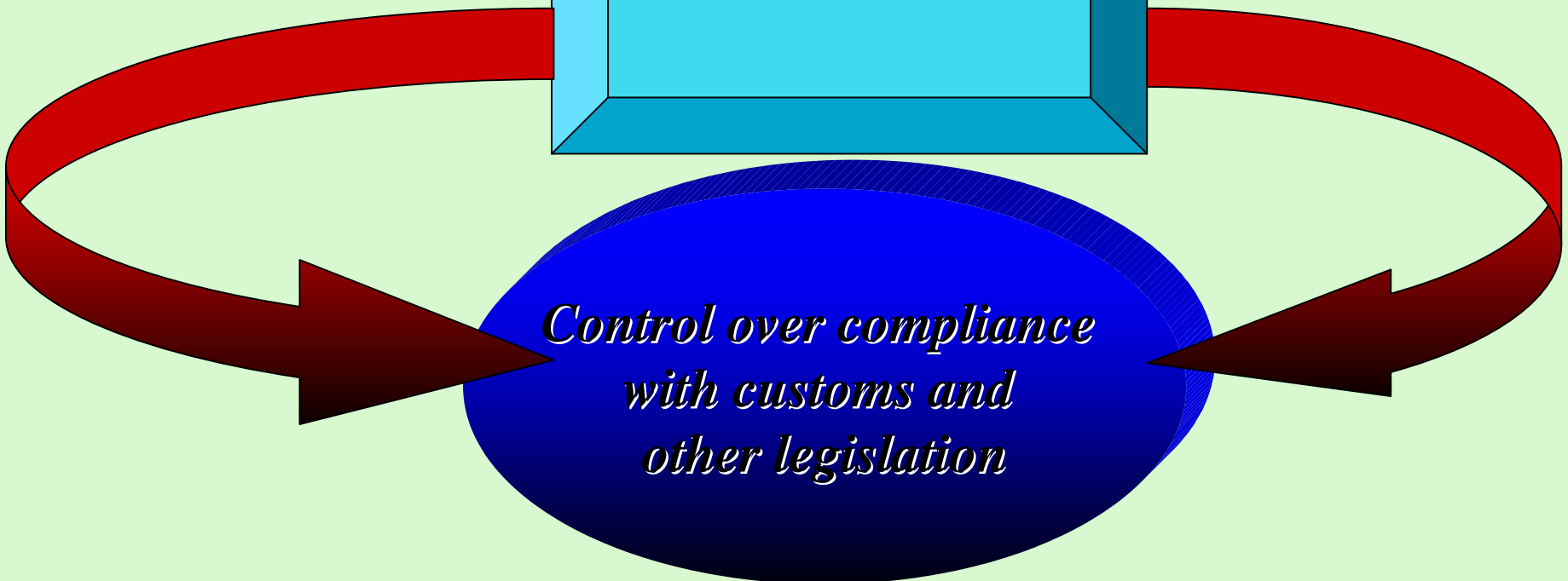


Simplified customs processing procedure

- Without applying measures of delivery of goods;
- Placing goods in own (rented) warehouses or traders' territories;
- without customs examination;
- customs processing of goods based on the preliminary declaration procedure on copies of commodity escorting documents;
- without selecting goods for independent expertise for the purpose of determining their customs value;
- goods are released after minimum volume of information is supplied.



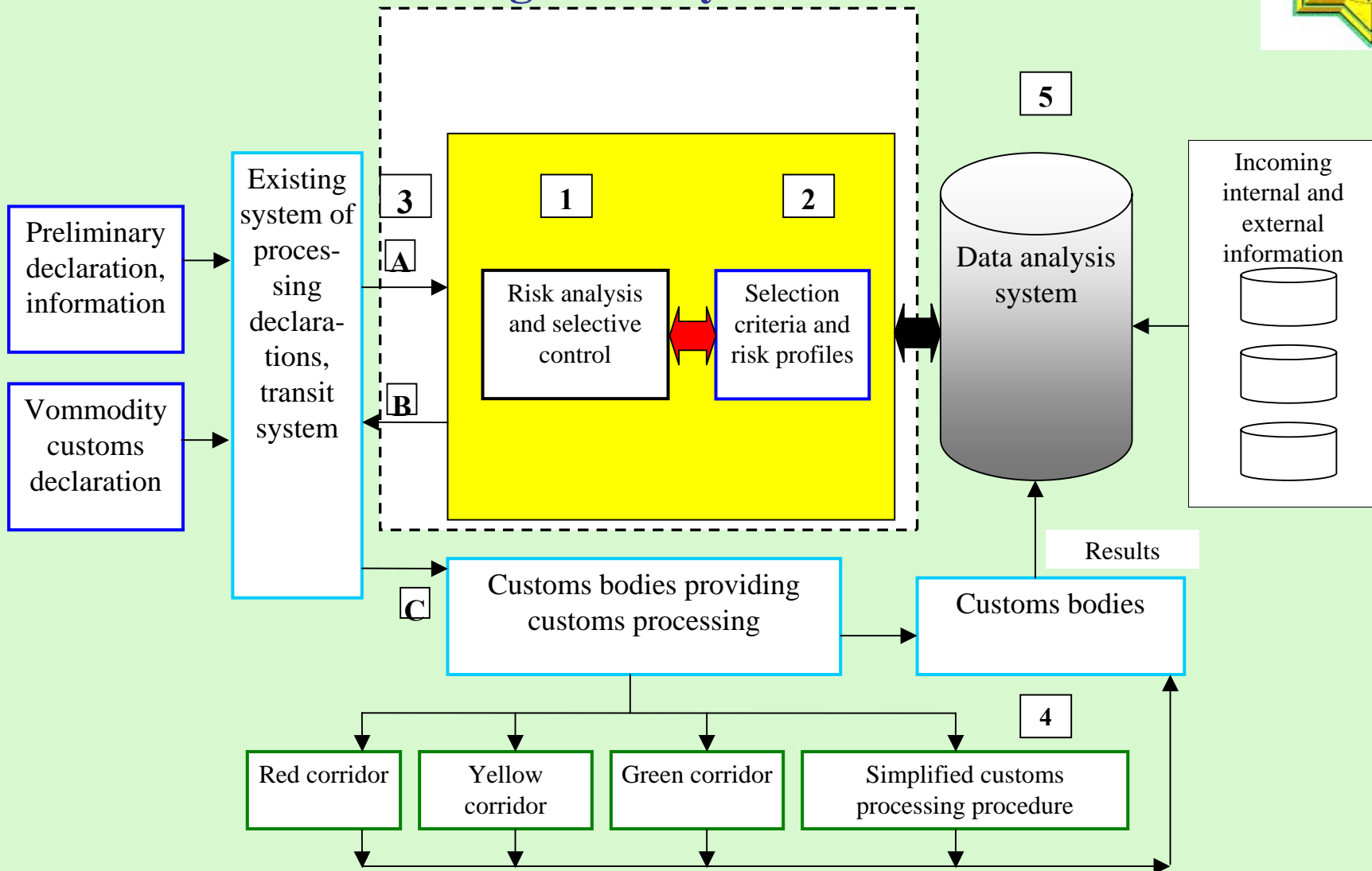
Purpose of examination



*Control over compliance
with customs and
other legislation*



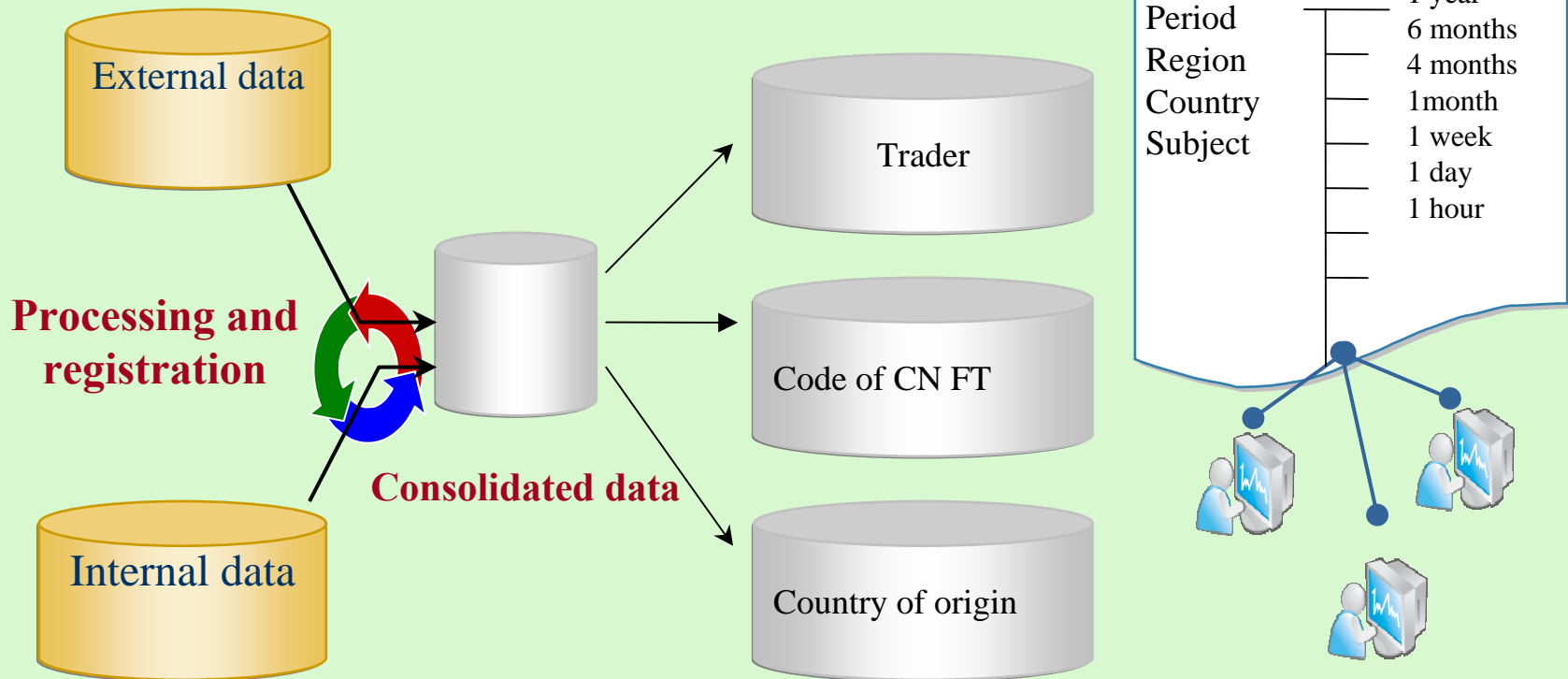
Risk management system





Data analysis system

Classification





Activity	2009	2012
Customs processing and control based on risk management	Red: < 25% Yellow: < 60%	Red : < 20% Yellow: < 40%
Post customs control based on risk management as a percentage of total number of transactions	15%	10%
Increase of additional customs fees, levied on the result of audit, based on risks, %	20%	30%
Reduction of average time for customs processing both at border and inside a country (time to receive documents after submission):	25%	50%



THANK YOU!!!