



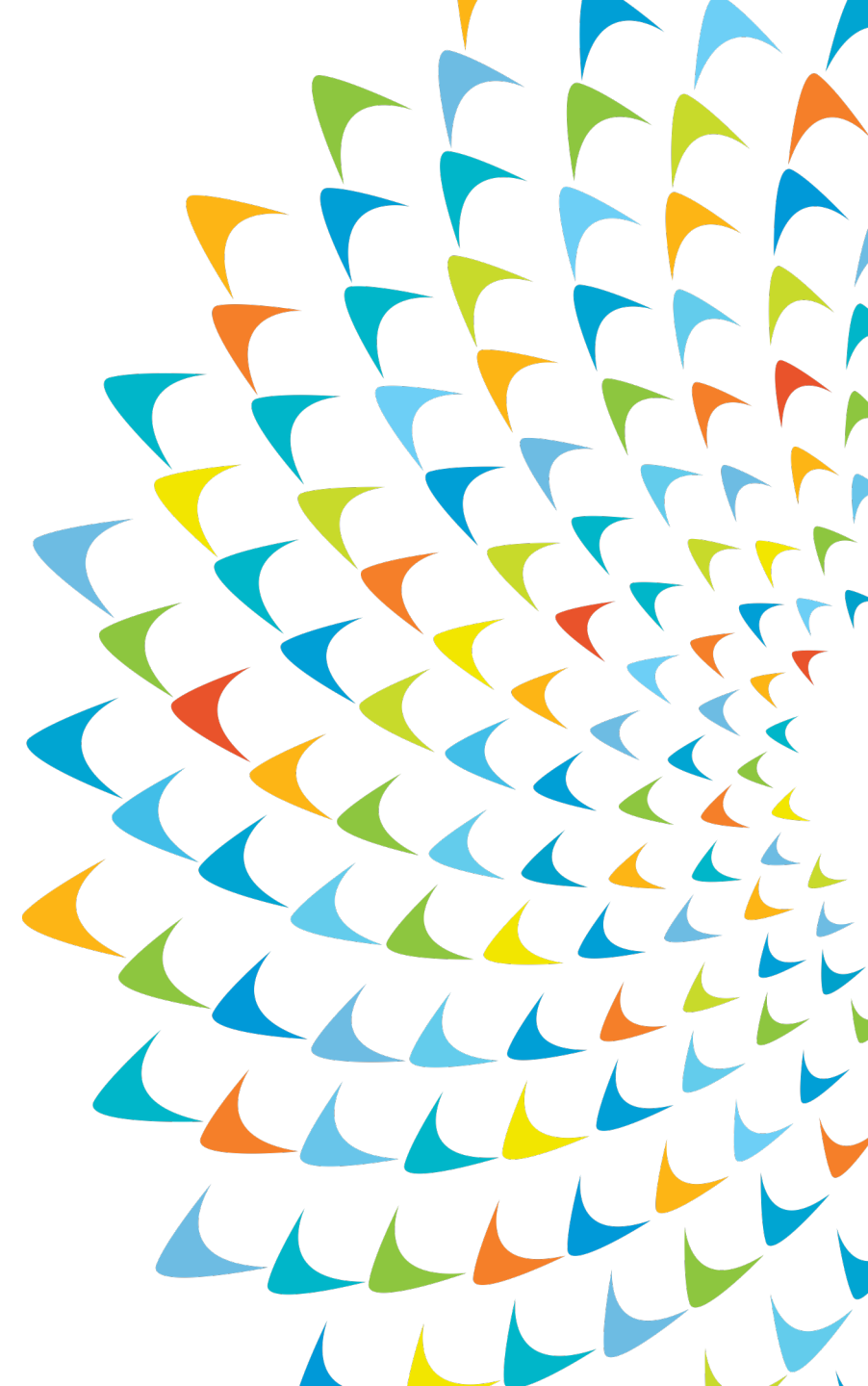
ENHANCE AND ACCELERATE THE IMPLEMENTATION OF THE AEO PROGRAM IN MONGOLIA

**In-person Workshop on Authorized
Economic Operator (AEO) Program**

Session 8: Survey Results Discussion

Dennis Capistrano Pantastico

29-30 April 2024





Overview

Section A:
Overview of
the
Methodology

Section B:
About the Survey
Questionnaire

Section C
Summary of the
July 2023
completed
questionnaire

Section D
Survey Results
Discussion

Section E
Mapping the current
AEO program against
the 2021 version of
the WCO SAFE
Framework



Section A: Methodology

A questionnaire was provided to Mongolian Customs to understand the level of digitalization, legal and technical infrastructures in place, which supports the AEO program.

The survey maps their AEO system, if any, with the 2021 WCO SAFE standards .

As reflected in the assessment report, majority of CAREC countries requested technical assistance in the following areas:

- Benefits for Trusted Partners
- Post validation procedures of security measures and supply chain security best practices, including on-site validation procedure, if necessary
- Raising awareness campaign within Customs
- Security and Compliance Requirements
- Post Authorization Audit, Suspension and Revocation
- Basic concepts of the AEO program
- Customs-Business Partnership and Customs-Trade Regulators (PGAs) partnership in extending the AEO benefits.
- Outreach with PGAs and Trading Community
- AEO Scheme for E-Commerce Shipment Actors
- AEO Scheme for SMEs



Section A: Data Collection

Data collection for this survey are through the following:

- desk research of relevant materials and information
- completed surveys that were distributed to targeted respondents in coordination with the ADB AEO team and Mongolian Customs General Administration (MCGA).





Section B: About the Survey Questionnaire

- The questions were more about the current processes, awareness, and challenges that the MCGA face in developing / managing their AEO program, including compliance with the 2021 SAFE Framework
- For continuity, the completed questionnaire (July 2023) provided by Mr. Munkhzul Kuhuderchuluum, Customs Senior Officer, was included as part of the appendix.
- Some questions from the July 2023 survey were asked again to allow Mongolian Customs to update their responses in line with the thematic areas of this survey questionnaire.



Section C: Summary of the July 2023 Survey

- There a senior-level support and buy-in to ensure continued support and necessary funding for its development, implementation, and maintenance.
- Outreach programs that were ticked that can support the development and implementation of the AEO program:
 - A workshop about the 2021 WCO SAFE Framework
 - The synergy between the AEO Program and the Integrated Risk Management
 - Business Continuity for the AEO Program
- There is an interest to join the AEO program pilot project with any other CAREC member country



Section C: Summary of the July 2023 Survey

- The paperless trade measures that are already in place supporting the AEO program are:
 - Electronic submission of customs declarations by the traders
 - Electronic application and issuance of Import/Export Permit, Certificates, Licenses
 - Electronic submission of air cargo manifests
 - Electronic application of Preferential Certificate of Origin
 - E-Payment of customs duties/fees (TFA Article 7.2)
 - Laws and regulations for electronic transactions
- The Customs training module for AEO validation is under development



Section D: Survey Results Discussion

Date	April 24, 2024
Name	Bolor-Erdene Tserendorj
Agency/Office	Customs General Administration
Position	Customs senior officer
E-mail (for updates and feedback)	Email address was provided
Phone Number (optional)	Phone number was provided, too



Section D: Survey Results Discussion

- Risk Management Division is responsible for implementing the AEO program. According to the job profile there are 3 customs officers in charge of the trade facilitation and AEO program.
- The downloadable forms that can be accessed or requested from the AEO management portal are the legal orders, self-assessment questionnaire, AEO brochure and outreach materials.
- Self-assessment questionnaire is already being used by interested applicants.
- Evaluation and validation procedures are already in place
- There is an interest from the Risk Management Division to develop an AEO Operations Manual.
- Seal of integrity for secure containers standards were all complied.



Section E: Mapping the AEO program vs. 2021 WCO SAFE

- Assess the compliance with the 2021 WCO SAFE Framework
- Establish a voluntary certification program, initially for selected economic operators, consistent and aligned with international best practices. It will be administered by the Customs Authority to help certain economic operators in the international supply chain adopt acceptable control measures to enhance the security of such chain
- Enhance Customs-Business, Customs-Customs and Customs-PGA partnerships on trade security and trade facilitation based on trust and mutual respect
- Establish accreditation procedures that offer certain benefits and incentives to certain economic operators considered as trusted allies



Pillar 1 Customs-Customs Partnership

SAFE Framework of Standards	Validating the AEO Program	Complied
Standard 1 - Integrated Supply Chain Management	Provision 33 of the Customs Law; General Directive No.342 of 2022; General Directive No.287 of 2019	Yes
Standard 2 – Cargo Inspection Authority	Provision 35 of the Customs Law	Yes
Standard 3 – Modern Technology in Inspection Equipment	Provision 232 of the Customs Law	Yes
Standard 4 – Risk Management Systems	CGA Director General Directive No.287 of 2019; CGA Director General Directive No.342 of 2022	Yes
Standard 5 – Selectivity, profiling and targeting	Regulations about selectivity, profiling and targeting are included on Risk Management in Customs Control approved by the CGA Director General Directive No.287 of 2019	Yes
Standard 6 – Advance Electronic Information	The principal clauses to be applied for “Advance electronic information” are the provision 38.2.7 of the Customs Law	Yes



Pillar 1 Customs-Customs Partnership

SAFE Framework of Standards	Validating the AEO Program	Complied
Standard 7 – Targeting and Communication	Regulations about targeting and communication are included on Risk Management in Customs Control approved by the CGA Director General Directive No.287 of 2019	Yes
Standard 8 – Performance Measures	The Regulations about performance measures are included on Risk Management in Customs Control approved by the CGA Director General Directive No.287 of 2019	Yes
Standard 9 – Security Assessments	The principal clauses to be applied for “Security Assessments” are the provision 233.5 of the Customs Law	Yes
Standard 10 – Employee Integrity	Civil Service Law Article 37.1.7.abide by civil servants' code of conduct, organizational culture and order, and uphold the reputation of the civil service; Article 40.The code of conduct of civil servants holding positions stated in subparagraphs 10.1.1 and 10.1.3 shall be established by legislation	Yes
Standard 11 - Outbound Security Inspections	Regulations about outbound security inspections are included on Risk Management in Customs Control approved by the CGA Director General Directive No.287 of 2019	Yes



Pillar 2 Customs-Business Partnership

SAFE Framework of Standards	Validating the AEO Program	Complied
Standard 1 - Partnership	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021)	Yes
Standard 2 – Security	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021)	Yes
Standard 3 – Authorization	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021)	Yes
Standard 4 – Technology	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021); 232.7. The Customs may use information technology for Customs control.	Yes
Standard 5 – Communication	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021); Customs control, the Customs shall promote cooperation with its clients and stakeholders.	Yes
Standard 6 – Facilitation	2021 AEO Regulations (CGA Directive No. A118 dated 17 March 2021); 233.4. In order to ensure effective Customs control, the Customs shall promote cooperation with its clients and stakeholders.	Yes



Pillar 3 Customs-PGA Partnership

SAFE Framework of Standards	Validating the AEO Program	Complied
Standard 1 - Mutual Co-operation between Customs and PGAs	Customs Law of Mongolia: Article 272. Cooperation of Customs with Other Ministries and agencies Article 257. Specialist's Involvement in Customs Control Article 258. Involvement of Other State Agencies and Officials in Customs Control	Yes
Standard 2 – Cooperative Arrangement / Procedures	Customs Law of Mongolia: Article 272. Cooperation of Customs with Other Ministries and agencies Article 257. Specialist's Involvement in Customs Control Article 258. Involvement of Other State Agencies and Officials in Customs Control	Yes
Standard 3 – Alignment of Security Programs		No
Standard 4 - Harmonization of National Control Measures		No



Pillar 3 Customs-PGA Partnership

SAFE Framework of Standards	Validating the AEO Program	Complied
Standard 5 – Development of Continuity and Resumptions Measures		No
Standard 6 – Harmonization of Data Filing Requirements		No
Standard 7 – Mutual Cooperation	Customs Law of Mongolia: Article 272. Cooperation of Customs with Other Ministries and agencies	Yes
Standard 8 – Development of Cooperative Arrangements and Protocols	Customs Law of Mongolia: Article 272. Cooperation of Customs with Other Ministries and agencies	Yes
Standard 9 – Harmonization of Security Programs		No



Recommendations

- Optimize the uptake of the AEO program
- Capacity building activities for the Customs AEO team to comply with the SAFE Framework Pillar 3 standards on the alignment of security measures, harmonization of national control measures, business continuity, harmonization of data filing requirements and cooperation between and among government agencies involved in the AEO program.
- Continue developing training modules for AEO validation, alignment of security modules and business continuity
- Technical support in completing the AEO Operations Manual



Thank you

