

WORKING GROUP A – CUSTOMS COOPERATION COMMITTEE
CHAIRMAN'S STATEMENT
Baku, Azerbaijan 3rd December 2004

Working Group A: Chaired by Mr Wang Donghong, PRC Delegation

Component 1 – Simplification and Harmonisation of Customs Procedures and Documentation

The Working Group recognized the progress achieved to date in this component, particularly the modernisation of Customs Codes. Given that some countries have completed the revision of their Codes while others are actively engaged in the process, it was proposed that those countries that have recently modernized their Codes should circulate them to others in order to use that experience. The Revised Kyoto Convention represents the pathway to modernization and it was recommended that seminars be conducted as needed to facilitate those members who have not acceded to the Convention to do so.

Trade facilitation is based largely on 'informed compliance'. This places an obligation on Customs to inform the trade and transport industry on their requirements in order to promote enhanced compliance levels. Customs have different approaches to the communications mechanisms to advise and consult with the private sector on these requirements. It was proposed to exchange information on the various methods of such communication, such as the use of web-based technologies and consultation mechanisms with representatives of the trade and transport community. This subject could be included in one of the Working Group Meetings.

The Central Asian Republics and Azerbaijan use similar documentation. It was proposed that the main documentation should be exchanged between member Customs and the patterns of customs stamps with a view to mutual recognition of each others documentation.

The problem of different documentation requirements at the borders was acknowledged. It was proposed that the potential for a minimized standardised document 'pack' for presentation throughout the Region should be examined, using the recommendations of the EU TRACECA project as an initial basis. It was appreciated that this would not compromise the requirement for additional support documentation to be presented at the point of clearance. The TRACECA recommendations would be circulated to members for their comments.

Component 2. – Development of Border Posts and Facilities

The Working Group recognized the significant progress achieved under this component, especially the joint processing pilot and the proposed investments on border infrastructure in the Kyrgyz Republic and Tajikistan. It was considered important that these initiatives should continue to be supported and further developed.

The problem of implementation of the joint processing pilot scheme at Akzhol-Korday being compromised by lack of corresponding support from other agencies at the border was appreciated. There was a need to include these other agencies in comprehending the 'goal' and implementation process of joint border processing as indicated within the Revised Kyoto Convention. Thus, it was proposed that a joint-border processing forum

be conducted at Bishkek in the spring of 2005 involving customs, border guards, other border agencies, stakeholders and international specialists to explain the concept and address the residual problems. It was suggested that Customs from the other member countries could attend as observers. It was agreed that Kazak and Kyrgyz Customs would provide the participating of interested institutions and ministries of their countries and Secretariat would consider the finances.

It was considered that the progress towards implementation of joint processing would be facilitated by site visits to countries that have established joint processing operations. The resultant knowledge sharing of developed countries on joint processing on the borders would enable customs officers from the region to physically see the operation and discuss issues with those involved in the processing initiative. An alternative could be for Heads of a joint border post in Europe or the Far East to attend the Bishkek forum to relate their experiences and how they overcame the perceived joint processing constraints.

Members recognized the problems associated with the interests of large number of control agencies, working on the border. The European approach, now adopted by other countries, has been to develop integrated border management. It is proposed that such an initiative could be explored by means of a technical presentation at the Bishkek Seminar for members to be in a position to assess whether piloting might be possible at a future date.

The EU TRACECA program proposed standardization of procedures and performance standards for borders in the Region. Unfortunately, these were only provided shortly before the project was completed. It was proposed that these recommendations be circulated in order to consider whether these could be used as a standard for the Region.

The need to upgrade border infrastructure is ever-present. In 2005 implementation of the border infrastructure loans should be effected in the Kyrgyz Republic and Tajikistan. Similar initiatives were under consideration for Mongolia and for Uzbekistan. Requests for possible interventions should be directed to the Secretariat for consideration.

Component 3 – Development of Simplified Transit Systems

The Working Group attached high priority to the need to enhance transit systems in the region to promote regional trade. Members expressed the requirement for all countries to accede to the TIR Convention. PRC indicated their desire to progress towards possible accession by proposing to host a Transit Seminar in PRC during 2005. The purpose would be to knowledge share on the experience of TIR with other countries that have implemented TIR and to invite technical specialists from the IRU and ADB to assist in the discussions.

The need for an alternative to the TIR system to address intra-regional transits was recognized as vital to regional growth. It was proposed that the Secretariat present a plan of action for possible development of such a system for discussion at the Transit Seminar. In the meantime, the strategy of development of bilateral transit agreements should be encouraged and support for such bilateral meetings in pursuit of such agreements should be considered. Therefore, it needs to recognize efforts of the countries to sign mutual agreements on regional transit, as Tajikistan and Kyrgyzstan have undertaken.

A particular aspect was access to the rail database to obtain advance information on transits that could potentially reduce border transit processing requirements. Uzbekistan agreed to present a paper on the subject at the PRC Transit Seminar.