



RAPID SCAN OF TRADE PREPAREDNESS IN TIMES OF CRISIS: MONGOLIA





CONTENTS



I

RAPID SCAN



II

MONGOLIA'S DIGITAL RESPONSE
TO COVID-19



III

FURTHERMORE





PART I

RAPID SCAN



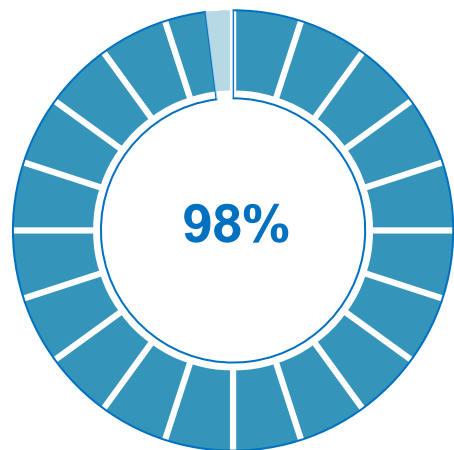
RAPID SCAN (Preliminary result): DESK RESEARCH: legal study



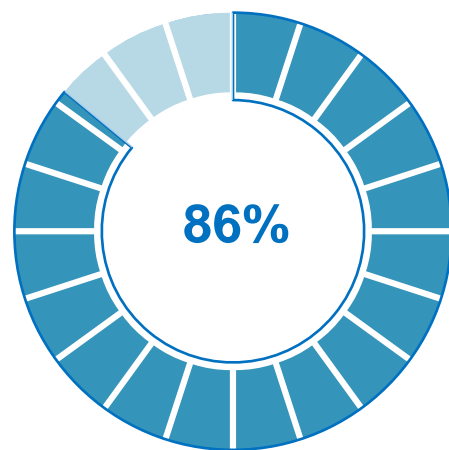
- ❑ Before the COVID-19 pandemic: Mongolian trade and transport related legislation (235) starts from the Mongolian acceded international treaties and agreements; and many other legal documents, which are adopted by the authorized organizations (International treaties and agreements (63); Customs Law, Customs tariff and duties Law (2); Other related Laws (73); Policy documents (13); Parliament Resolution (47); and Government Decree (37)).
- ❑ After the COVID-19 pandemic): 42 legal documents related to the trade and transport.

| No | Name of legislation | Number | Related to the Trade & Transport |
|--------------|--|------------|----------------------------------|
| 1 | Law | 1 | 1 |
| 2 | Decree of the Parliament | 1 | 1 |
| 3 | Decree of the President | 1 | 1 |
| 4 | Recommendation the National Security Council of Mongolia | 2 | 1 |
| 5 | Resolution of the Government of Mongolia | 54 | 15 |
| 6 | Legal document of the State Emergency Commission | 35 | 15 |
| 7 | Legal document of the Minister of Health | 29 | 8 |
| Total | | 123 | 42 |

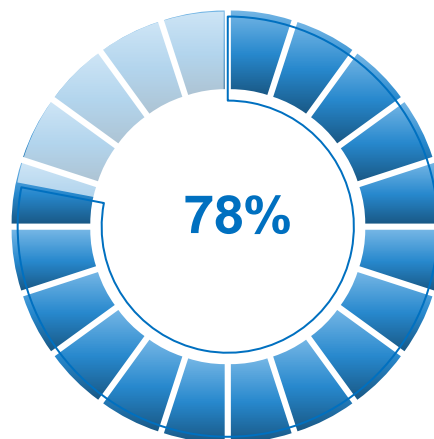
RAPID SCAN (Preliminary result): SURVEY RESPONDENTS (by category)



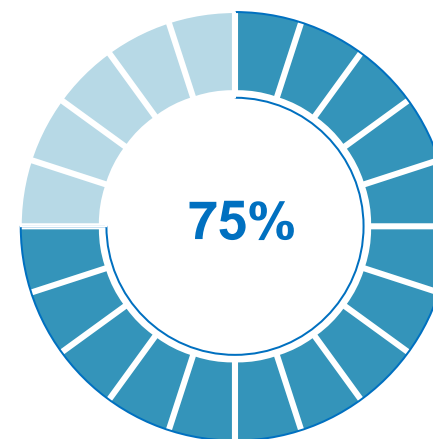
1. Background information
(7)



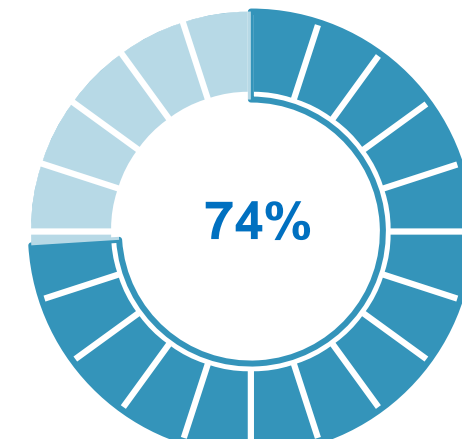
2. Existence of national
crisis related regulations &
measures on international
trade & transit (7)



3. Implementation of such
regulations & measures
(9)

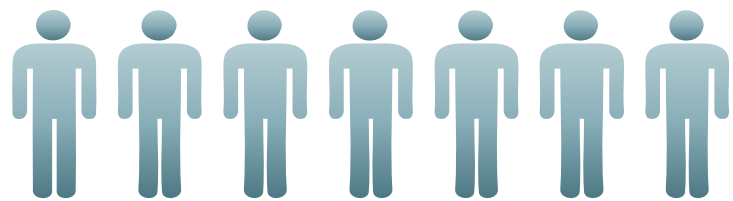


4. Impact of the
implementation (12)

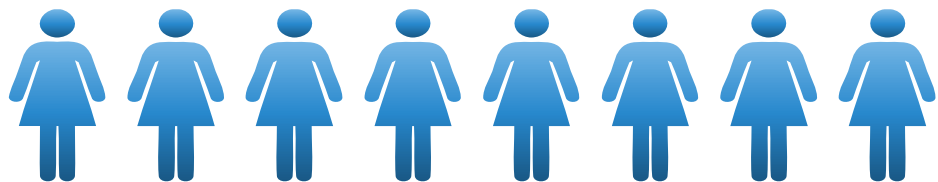


5. Regional relevant
regulations & measures
(6)

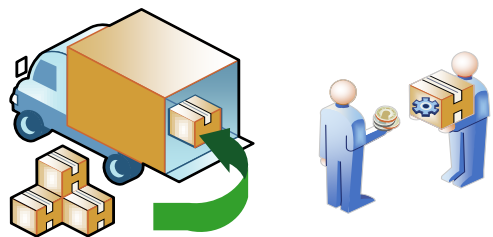
Background information: 153



65 (42.5%)



88 (57.5%)



Private sector: 63 (41.2%)

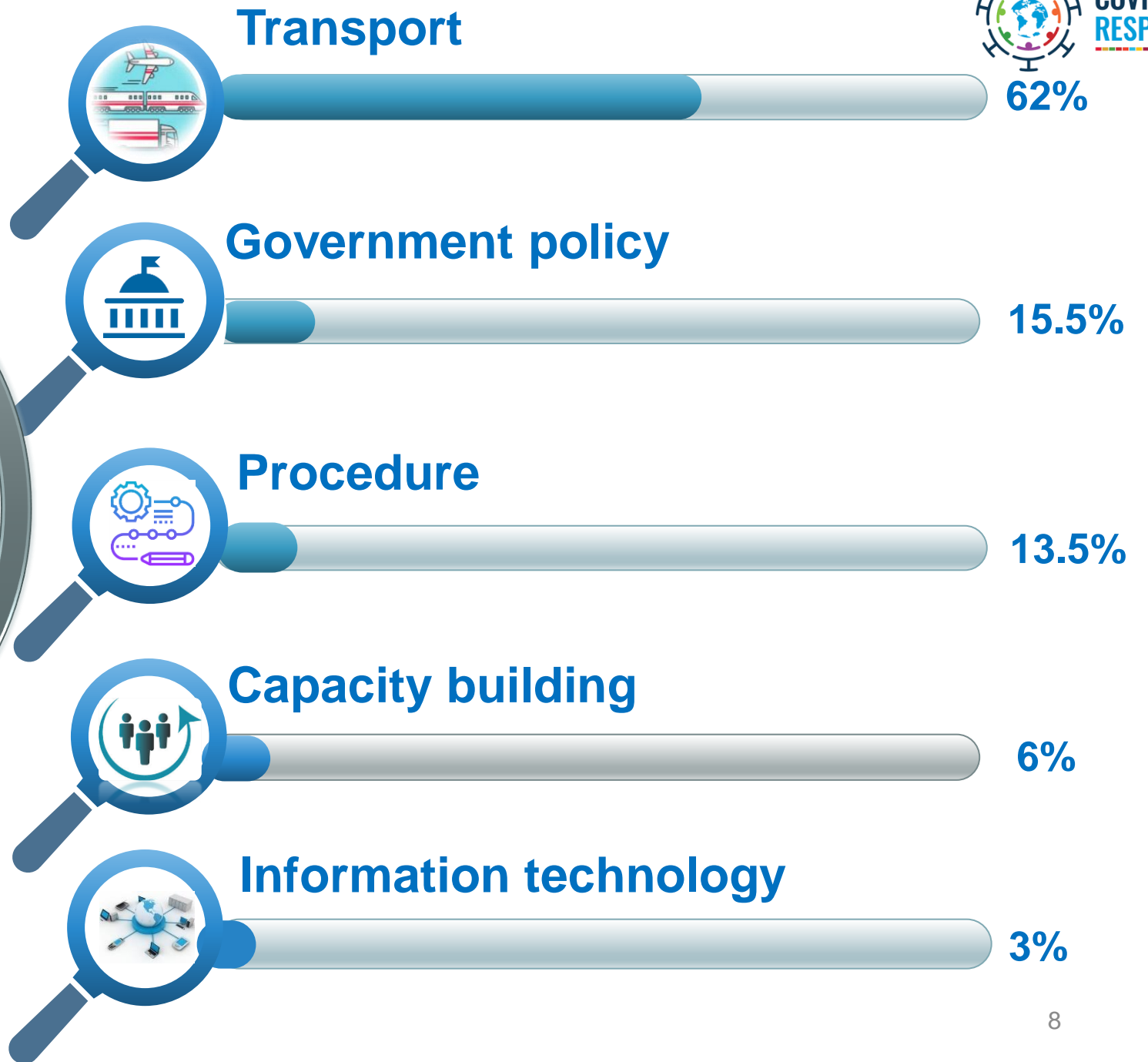
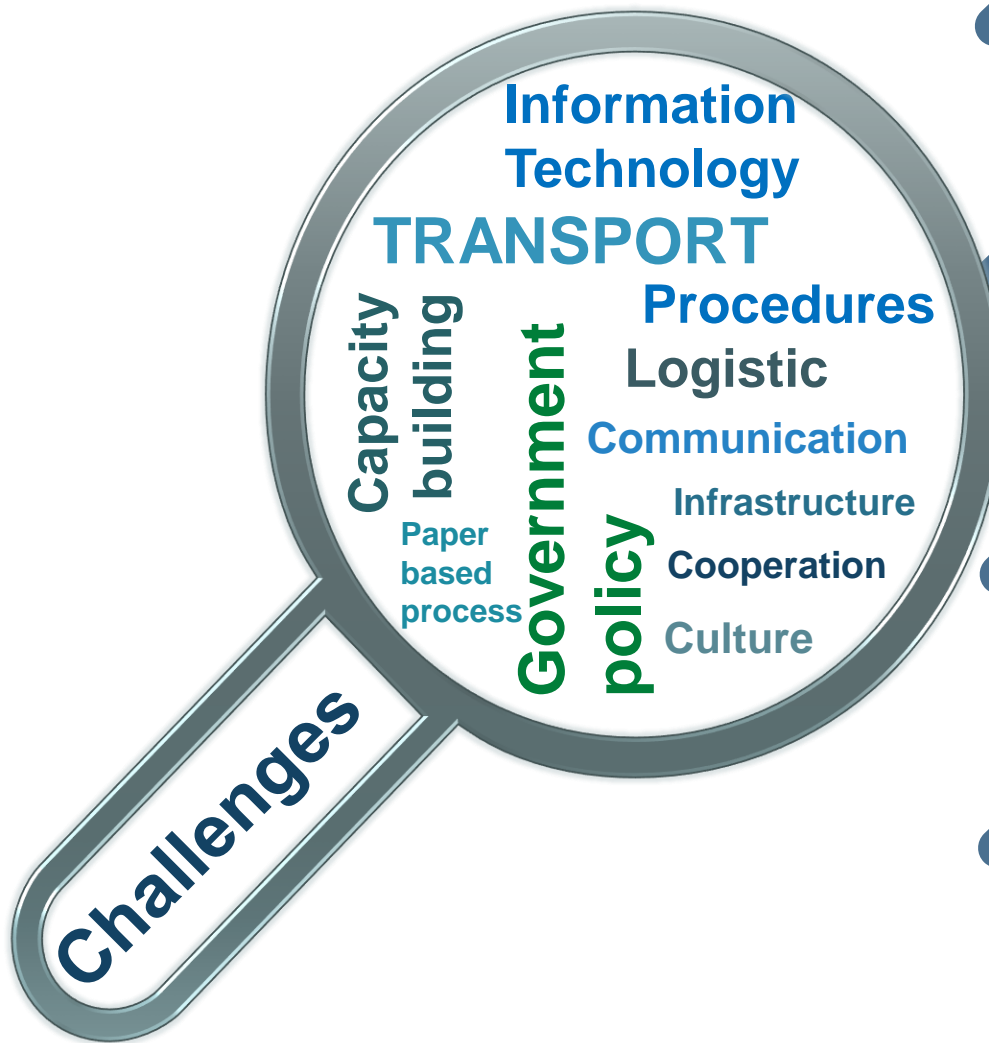


Public sector: 90 (58.8%)

The Cross-Impact matrix of the key stakeholders of the international trade supply chain

| No | Key stakeholders of International trade | Exporter (Export clearance) | Importer (Import Clearance) | Customs officer (Customs control) | Quarantine officer (Quarantine control) | Freight forwarder (Transportation) | Customs Broker (Customs declaration) | Bank and Financial institute official (Payment) | Border force officers (Border regulation) | State emergency officer (preventive measures) | Score (dependence) | Ranking |
|----|---|-----------------------------|-----------------------------|-----------------------------------|---|------------------------------------|--------------------------------------|---|---|---|--------------------|---------|
| 1 | Exporter | | 0 | 3 | 3 | 3 | 1 | 1 | 0 | 3 | 14 | IV |
| 2 | Importer | 0 | | 3 | 2 | 3 | 1 | 1 | 1 | 3 | 14 | IV |
| 3 | Customs officer | 3 | 3 | | 1 | 3 | 3 | 1 | 1 | 1 | 16 | II |
| 4 | Quarantine officer | 3 | 3 | 2 | | 2 | 0 | 0 | 0 | 3 | 13 | V |
| 5 | Freight forwarder | 3 | 3 | 3 | 2 | | 1 | 0 | 1 | 3 | 16 | II |
| 6 | Customs Broker | 3 | 3 | 1 | 1 | 2 | | 1 | 0 | 3 | 14 | IV |
| 7 | Bank and Financial institute official | 3 | 3 | 1 | 1 | 3 | 1 | | 0 | 3 | 15 | III |
| 8 | Border force officer | 2 | 2 | 1 | 1 | 3 | 0 | 0 | | 3 | 12 | VI |
| 9 | State emergency officer | 2 | 1 | 3 | 3 | 3 | 1 | 1 | 3 | | 17 | I |
| | Score (influence) | 19 | 18 | 17 | 14 | 22 | 8 | 5 | 6 | 22 | | |
| | Ranking | II | III | | | I | | | | I | | |

Main challenges:



Challenges: 'Transport; Government Policy; Procedure; Capacity Building and Information Technology' categories. The majority (62%) of respondents are highlighted 'Transport' procedures. Since crises, international trade transport process delayed, up to 2-5 times higher than normal transport time.

The preventive measures during the COVID-19 pandemic related to the 'Working environment; Operational procedures; Coordination and cooperation with the relevant both public and private organization'. The private sector been involved in the adoption of these measures.

There are a number of positive impact of the implementation of regulations and measures, For instance, these measures are ***increased online transactions and online payment***.

The majority of the respondents are shared ***challenges and comments*** on further improvements.

The public awareness programme of the regional relevant regulations and measures is very low.

The public receive the crisis related regulations and measures from the dedicated, official and commercial website, social media and many other sources.

FINAL RECOMMENDATIONS:

TRANSPORT:

- To monitor ongoing transport related legal documents;
- To develop high-level cooperation and communication between trading partner countries; and
- To improve domestic transshipment and operational process.



GOVERNMENT POLICY:

- To develop technological framework for trade and transport logistic hab;
- To develop business process re-engineering and to design tailor made Single Window; and
- To introduce permanent consultant mechanism.

PROCEDURE:

- To introduce integrated RM framework;
- To eliminate face to face communication between government agencies and traders; and
- To enhance research and development capacities.

CAPACITY BUILDING:

- To develop enhancing public awareness programme;
- To develop leadership management programme for improving knowledge and skill of the senior and middle level managers; and
- To develop appropriate training modules for enhancing capacity of public and private sectors.

INFORMATION TECHNOLOGY:

- To create integrated coding system, in line with the international standards and best practices;
- To improve electronic data exchange procedures;
- To introduce pre-arrival information sharing system international, regional and national level.

PART II

MONGOLIA'S DIGITAL RESPONSE TO COVID-19 (Infrastructure, IT system and procedures)



POLICY AND REGULATION FOR ENABLING DIGITAL ENVIRONMENT

Action Plan of The Government of Mongolia for 2020-2024;

Mongolia's Five-Year Development Guidelines for 2021-2025;

Action Plan for 2021-2030 of Mongolia's Long-term Development Policy "Vision-2050"; and
"Vision-2050" Long-term Development Policy of Mongolia.

Ensure dynamic economic growth by establishing transit transportation, trade and export-oriented production facilities in parallel with transport, logistics and border infrastructure (3.7.16);

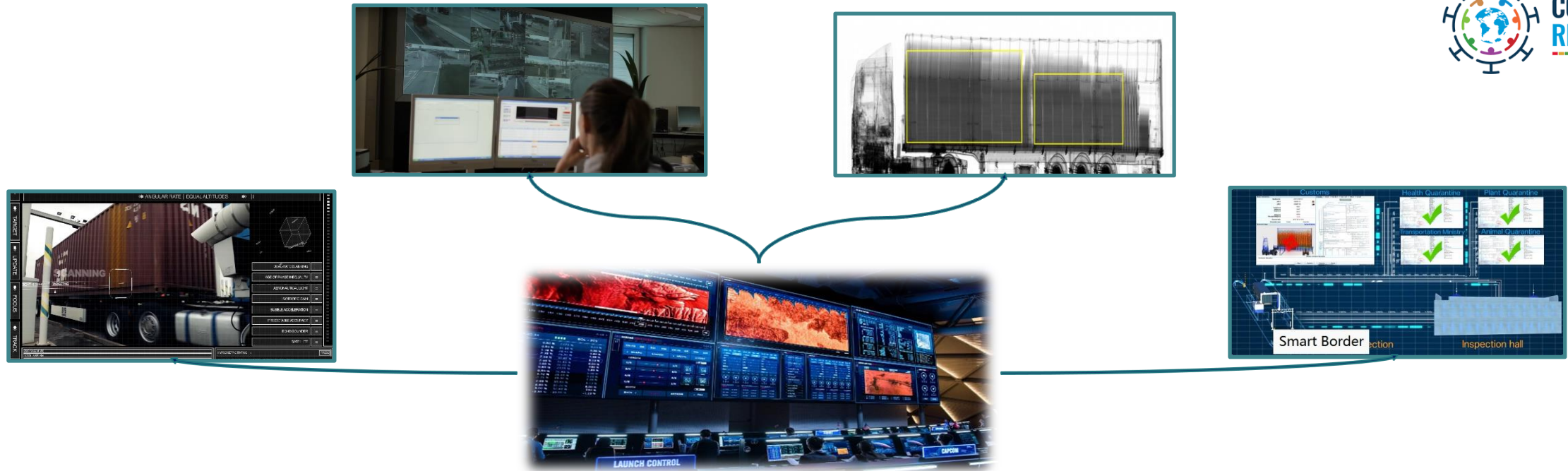
Digitalize information related to export and import markets, create opportunities to enter the export market and provide relevant policy support (3.3.23); and



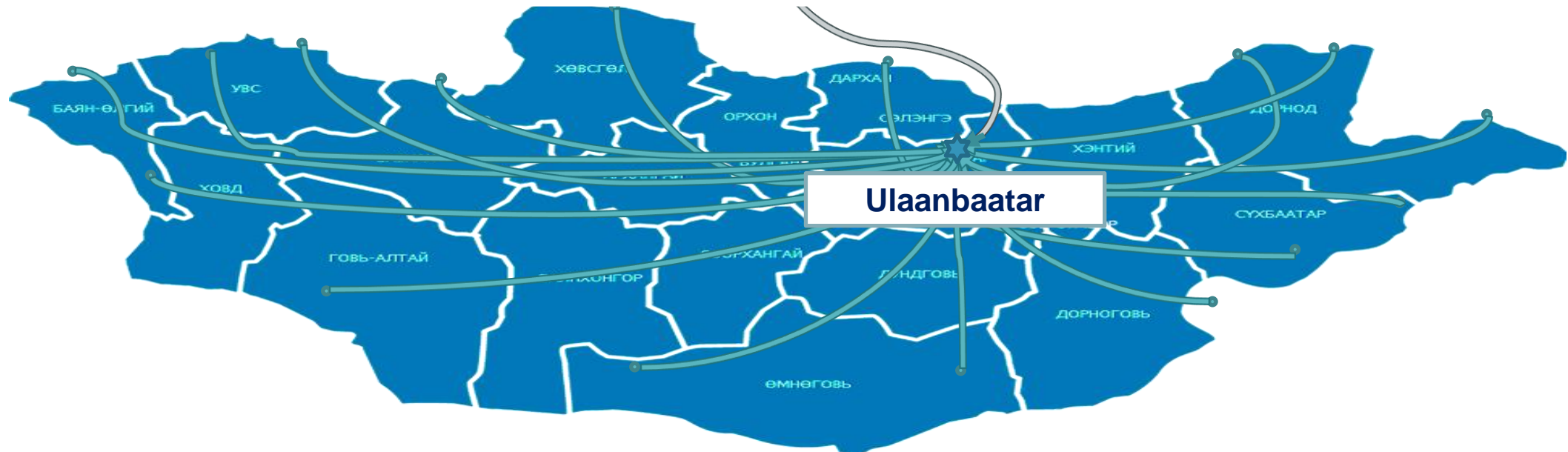
- Under the E-Mongolia Digital Nation programme approximately 1,943 public services are delivered by electronically to the customer; and
- Import, export and transit activities requirement, including permission, licenses, quota, payment, national registration, and foreign trade statistic statement etc.

CUSTOMS MODERNIZATION: Information Communication Technology Development





MONGOLIAN CUSTOMS GENERAL ADMINISTRATION: *Targeting center*



INFORMATION TECHNOLOGY SYSTEM OF MONGOLIAN CUSTOMS



COVID-19
RESPONSE



WCO Data Model 2.0v

- ❑ Limited connection

WCO Data Model 3.7v

- ❑ Able to exchange information between region

Result:

- ❑ Paperless trade
- ❑ Trade facilitation
- ❑ Risk based selectivity system
- ❑ AEO

Self declarant system: Since the 1st January, 2021



Introduced simplified E-clearance system



Customs clearance supporting documents are submitted by electronically



All customs clearance stages are automated



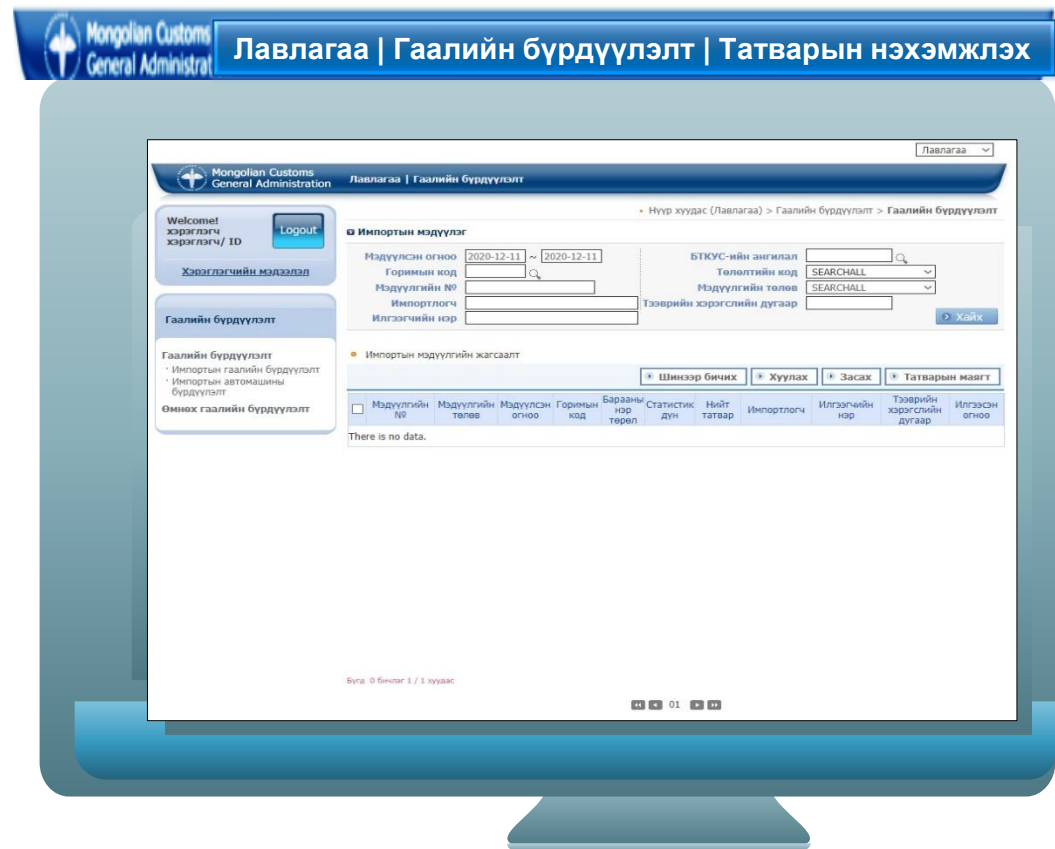
More than 3,747 individual and companies are registered to the E-clearance system (2,103 customs declaration)

BENEFIT



Decreased face to face relations and customs clearance time and cost

<http://portal.ecustoms.mn>



“Future of Transit Transport in Mongolia: Challenges and Opportunities” on May 25, 2022



“Future of Transit Transport in Mongolia: Challenges and Opportunities” on May 25, 2022



Customs Procedure on International Transit: Simplification Issues

Challenges Faced by Landlocked Mongolian Importers

Transit Challenges in Central Asia

Realizing trade facilitation benefits in Mongolia: building blocks for the implementation of the WTO TFA

Sustainable Transit and Transport Economic Corridors for Mongolia

Tools Including Automation for Transit Management

Operationalization of National Transit Coordinator

TIR and eTIR, the present and future of a global transit system

Development of transit potential and supply chain resilience with TIR

Managing the Transit Diversion Risks



PART III

FURTHERMORE

WTO TRADE FACILITATION AGREEMENT: IMPLEMENTATION CHECKLIST MATRIX

| TFA measures | category | Number of issues | Approved | | Yet | |
|---|----------|------------------|-----------|------------|-----------|------------|
| | | | Number | Percentage | Number | Percentage |
| 1.1. Publication | C | 5 | 4 | 80% | 1 | 20% |
| 1.2. Information Available Through Internet | C | 5 | 3 | 60% | 2 | 40% |
| 1.3. Enquire Points | B | 5 | 4 | 80% | 1 | 20% |
| 1.4. Notification | A | 2 | 0 | 0% | 2 | 100% |
| 2.1. Opportunity to Comment, Information Before Entry Into Force, and Consultations | B | 3 | 3 | 100% | 0 | 0% |
| 2.2. Consultations | A | 2 | 2 | 100% | 0 | 0% |
| 3. Advance Rulings | C | 6 | 4 | 67% | 2 | 33% |
| 4. Procedures for Appeal or Review | A | 4 | 3 | 75% | 1 | 25% |
| 5.1. Notifications for Enhanced Controls or Inspections | B | 3 | 3 | 100% | 0 | 0% |
| 5.2. Detentions | A | 2 | 2 | 100% | 0 | 0% |
| 5.3. Test Procedures | B | 4 | 0 | 0% | 4 | 100% |
| 6.1. General Disciplines on Fees and Charges Imposed on Or In Connection With Importation and Exportation | A | 5 | 5 | 100% | 0 | 0% |
| 6.2. Specific Disciplines on Fees and Charges for Customs Processing Imposed on or In Connection With Importation and Exportation | A | 2 | 2 | 100% | 0 | 0% |
| 6.3. Penalty Disciplines | B | 5 | 0 | 0% | 5 | 100% |
| 7.1. Pre-Arrival Processing | C | 2 | 2 | 100% | 0 | 0% |
| 7.2. E-Payment | B | 2 | 2 | 100% | 0 | 0% |
| 7.3. Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges | B | 3 | 3 | 100% | 0 | 0% |
| 7.4. Risk Management | C | 4 | 3 | 75% | 1 | 25% |
| 7.5. Post Clearance Audit | C | 5 | 0 | 0% | 5 | 100% |
| 7.6. Establishment and Publication of Average Release Times | C | 4 | 3 | 75% | 1 | 25% |
| 7.7. Trade Facilitation Measures for Authorized Operators | C | 6 | 3 | 50% | 3 | 50% |
| 7.8. Expedited Shipment | C | 3 | 3 | 100% | 0 | 0% |
| 7.9. Perishable Goods | C | 5 | 5 | 100% | 0 | 0% |
| 8. Border Agency Cooperation | C | 3 | 0 | 0% | 3 | 100% |
| 9. Movement of Goods Intended for Import Under Customs Control | B | 4 | 4 | 100% | 0 | 0% |
| 10.1 Formalities and Documentation Requirements | A | 6 | 5 | 83% | 1 | 17% |
| 10.2. Acceptance of Copies | A | 3 | 3 | 100% | 0 | 0% |
| 10.3 Use of International Standards | C | 2 | 1 | 50% | 1 | 50% |
| 10.4. Single Window | C | 4 | 0 | 0% | 4 | 100% |
| 10.5. Pre-shipment Inspection | B | 2 | 2 | 100% | 0 | 0% |
| 10.6. Use of Customs Brokers | C | 4 | 4 | 100% | 0 | 0% |
| 10.7. Common Border Procedures and Uniform Documentation Requirements | A | 4 | 4 | 100% | 0 | 0% |
| 10.8. Rejected Goods | A | 3 | 3 | 100% | 0 | 0% |
| 10.9. Temporary Admission of Goods and Inward and Outward Processing | B | 3 | 3 | 100% | 0 | 0% |
| 11. Freedom of Transit | A | 8 | 8 | 100% | 0 | 0% |
| 12. Customs Cooperation | B | 3 | 2 | 67% | 1 | 33% |
| 23. National Trade Facilitation Committee | | 5 | 0 | 0% | 5 | 100% |
| Total | | 141 | 98 | 70% | 43 | 30% |

Furthermore

To raise awareness of the Public-Private Sector campaigns

To improve freedom of transit

To develop Single Electronic Window

To enhance customs cooperation



To update the National legislation

To Improve capacity building

To conduct Business process re-engineering

To improve collaboration mechanism within the Government ministries and agencies

**THANK YOU FOR YOUR
KIND ATTENTION**

