NOTIFICATION UNDER ARTICLES 10.6.2 AND 12.2.2 OF THE AGREEMENT ON TRADE FACILITATION

COMMUNICATION FROM MONGOLIA

Addendum

The following communication, dated 9 December 2019, is being circulated at the request of the delegation of Mongolia for Members' information.

Mongolia hereby makes the following notifications in accordance with Articles 10.6.2 and 12.2.2 of the Trade Facilitation Agreement (WT/L/931).

Article 10, paragraph 6.2

CUSTOMS LAW OF MONGOLIA
SUB-CHAPTER SEVEN
CUSTOMS BROKER

Article 66 Customs Broker

66.1. Customs clearance of the goods intended to enter the Customs territory of Mongolia may be affected by a Customs Broker on a contractual basis.

66.2. A Customs Broker shall be a Mongolian legal body authorized to be a Customs Broker and such permission shall be authorized by the Cabinet member responsible for Customs matters.

66.3. A legal body specified in 66.2 of this Law shall run brokerage activities engaged solely in the specified territory where he/she may perform clearance for certain types of goods.

66.4. The permission to run Customs brokerage activities specified in 66.2 of this Law shall be prohibited for transfer to others.

Article 67 Requirements to Customs broker's activities

67.1. The Customs Broker shall meet the following requirements:

67.1.1. not to have outstanding debt of taxes;

67.1.2. be solvent to run Customs Broker's activities;

67.1.3. to have at least two Customs certified specialists;

67.1.4. set up a risk fund for prevention of possible losses against payment of Customs and other duties or securities issued for payment of duties.
67.2. As specified in 67.1.4 of this Law, the amount to be kept in the risk fund shall be approved by the Customs central administration depending on the volume of goods covered by the Broker’s activities.

67.3. The Customs shall control the activities of the Customs Broker and Customs certified specialist and regulations on control on Customs broker’s activities shall be approved by the Customs central administration.

Article 68 Customs Certified Specialist

68.1. The Customs central administration shall award the person who meets criteria to act as a Customs certified specialist.

68.2. An accreditation for assessment of the Customs certified specialist’s activities and professional skills shall be conducted every two years by the Customs central administration.

68.3. The certificate awarded to the Customs certified specialist shall be annulled on the basis of reasons as follows:

68.3.1. a court ruling has been enforced proving the crime committed by him/her;
68.3.2. multiple cases of offences violating Customs legislation occurred;
68.3.3. there is a proof that a certificate was awarded against forged or counterfeit documents;
68.3.4. failed the accreditation specified in 68.2 of this Law.

Article 69 Rights and Obligations of a Customs Broker

69.1. The Customs Broker has the right to obtain timely information from the Customs on the amendment to the Customs legislation besides those specified in 57.1 of this Law.

69.2. Customs Broker is obliged to the following besides those specified in 57.2 of this Law:

69.2.1. to conclude a contract to represent a declarant at the clearance;
69.2.2. to get involved in Customs activities through the certified Customs specialist;
69.2.3. to keep financial reports, records on Customs brokerage activities and provide the Customs with them;
69.2.4. to inform the Customs when there is any change to the registered information submitted to the Customs while obtaining Customs brokerage authorization as specified in 66.2 of this Law;
69.2.5. not to disclose the declarant’s confidential information or use it unlawfully;
69.2.6. to provide the Customs with the pre-arrival information 10 days earlier than actual crossing of goods through the national border.

Article 70 Authorization, Suspension or Termination of Customs brokerage activities

70.1. The authorization to run Customs brokerage activities shall be given for a period not less than 3 years.

70.2. An applicant requesting for an authorization to run Customs brokerage activities shall submit to the Customs the following documents besides those specified in 11.1.1-11.1.4 of the Law on the Special Permission for economic entity’s business activities.

70.2.1. references and certificates given by the competent authorities proving that the conditions and requirements specified in 70.2 of this Law are met;
70.2.2. records from the Customs and police authorities proving that offences against the Customs legislation are not committed;

70.2.3. a request to run Customs brokerage activities covering a certain type of goods and territory.

70.3. If the request is made concerning 70.2.3 of this Law, the certificate shall indicate the type of business.

70.4. If the holder of the authorization to run Customs brokerage activities meets no longer the conditions and requirements specified in 67.1 of this Law or fails to fulfill the obligations specified in 69.2 of this Law, the brokerage authorization shall be suspended by the Cabinet member responsible for Customs matters upon the proposal made the Customs central administration.

70.5. If the offences specified in 70.4 of this Law still occur or offences against the Customs legislation occurred twice or repeatedly, the authorization to run Customs brokerage activities shall be terminated by the cabinet member responsible for Customs matters upon the proposal made by the Customs central administration.

70.6. If the matters concerning authorization, termination, extension and suspension of Customs Brokerage activities and control on their activities are not regulated by this Law, the Law on the Special Permission for economic entity's business activities shall govern those issues.

Article 12, paragraph 2.2

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