



**ORDER OF THE CHAIRMAN OF THE STATE CUSTOMS GENERAL
ADMINISTRATION**

22 October, 2008

No. 679

Ulaanbaatar

ON APPROVAL OF PROCEDURE / Procedure for implementation of customs
clearance procedure for transit of goods between countries /

Pursuant to Article 79.7 of the Law on Customs of Mongolia and the decision of the meeting of the Professional Council of the State Customs General Administration dated October 9, 2008, the ORDER:

1. Approve "Procedure on implementation of customs clearance procedures for transit of goods between countries" in accordance with Annex 1;
"Procedure for implementation of customs clearance procedures for domestic transit of goods" in accordance with Annex 2;
"Procedure for implementing customs clearance procedures for transshipment of goods" in accordance with Annex 3.
2. Obligate the Deputy Chairman and the Head of Control and Risk Management Department /D.Oyunchimeg/ to organize the implementation of this order and provide guidance to the relevant customs offices and committees.
3. Instruct the Information Technology Center /B.Tsog/ to submit the newly approved customs clearance procedure codes to the GAMAS classification database by December 1, 2008.
4. This order shall come into force on January 1, 2009.

CHAIRMAN D.Tseveenjav

PROCEDURE FOR IMPLEMENTATION OF CUSTOMS CLEARANCE PROCEDURES FOR TRANSIT OF GOODS

One. General provision

1.1. The customs legislation of Mongolia, international agreements of Mongolia and this regulation shall be followed in implementing the customs clearance procedure for transit of goods between countries (Articles 180-187 of the Customs Law).

1.2. This procedure regulates the relations related to the selection of the clearance mode, placement of goods in the mode, preparation of documents and termination of the procedure.

1.3. The procedure shall be selected by the declarant and, if the conditions and requirements of the procedure are met, the goods shall be placed under the procedure with the permission of the customs authority.

1.4. The declarant (carrier) shall declare the goods within the period specified in Article 58 of the Customs Law, and this period shall also apply to the cargo manifest, information and documents submitted through the information network.

1.5. Upon receipt and registration of the cargo manifest and accompanying documents by the authorized customs official, the goods shall be deemed to have been declared to the customs.

1.6. This rule does not apply to vehicles transiting between countries with TIR carnets.

1.7. Goods prohibited from entering the country shall not be placed under this regime.

Two. Goods to be placed at this mode and code

2.1. In this mode, foreign goods are placed in transit through the customs territory from the consignor to the consignee abroad.

2.2. The goods shall not be subject to non-tariff restrictions other than those prohibited for transit between countries.

2.3. For international transit, the following codes are used for customs clearance:

	Mode content	Clearance mode code
1	Transit of goods between countries without changing vehicles in the customs territory	840
2	Transit of goods between countries by means of vehicles in the customs territory	841

2.4. Customs clearance under Code 840 of the Customs Clearance Procedure applies to foreign goods that pass directly through the border customs office, leaving the customs office of entry without changing the means of transport.

2.5. Customs clearance under Code 841 of the Customs Clearance Procedure includes foreign goods that are exchanged directly from the customs control zone of the import

border, and from the customs control zone of the vehicle exchange through the border customs control zone.

Three. Documents

- 3.1. Customs clearance by customs code 840 shall be performed by electronic manifest.
- 3.2. For customs clearance under code 841 of the Customs Clearance Procedure, a vehicle shall be replaced under customs control within one customs office.
- 3.4. For customs clearance under this procedure, the carrier shall submit the following documents:
 - 3.4.1. transport documents;
 - 3.4.2. packing list;
 - 3.4.3. if necessary, the permission of the competent authority.
- 3.5. For goods cleared under code 841 for international transit, the first clearance customs officer shall affix the check mark "Under Customs Control" in the consignment manifest, and the final clearance customs officer shall affix the check mark "Mongolian Customs Accepted" and certify it with a personal identification number. Enter the personal number of the state customs inspector in the network, block the entry and leave the customs border.

Four. Procedure requirements

- 4.1. Goods to be placed in the international transit regime shall be transported by a carrier business entity or organization accredited by the central customs authority.
- 4.2. A carrier business entity or organization accredited by the Central Customs Administration shall transport goods on an international transport route and by customs within the time period set by the customs.
- 4.3. A carrier business entity or organization shall fulfill the obligations specified in Article 38 of the Customs Law.
- 4.4. Goods to be placed in the transit mode shall meet the following requirements:
 - 4.4.1. to be able to control the goods by the customs;
 - 4.4.2. the customs authority shall be able to make markings for customs purposes;
 - 4.4.3. the goods shall be in their original condition with no changes other than the standard depreciation during storage and transportation.
- 4.5. Transit of goods requiring special conditions of transportation and storage, such as explosives, hazardous and especially toxic chemicals, shall require the permission of the relevant authority.
- 4.6. No customs or other taxes shall be levied on the transit of goods between countries.
- 4.7. If necessary, the customs authority shall obtain a guarantee for payment of customs duties and other taxes from the carrier.

Five. Mode expires

- 5.1. Transit of goods across the state border or placement under another regime shall terminate the transit procedure between countries.

PROCEDURE FOR IMPLEMENTATION OF CUSTOMS CLEARANCE PROCEDURES FOR DOMESTIC TRANSIT OF GOODS

One. General provision

- 1.1. The customs legislation of Mongolia, international treaties of Mongolia and this regulation shall be followed in implementing the customs clearance procedure for domestic transit of goods (Articles 188-196 of the Customs Law).
- 1.2. This procedure regulates the relations related to the selection of the mode, placement of goods in the mode, preparation of documents and termination of the procedure.
- 1.3. The procedure shall be selected by the declarant and, if the conditions and requirements of the procedure are met, the goods shall be placed under the procedure with the permission of the customs authority.
- 1.4. The declarant shall declare the goods within the period specified in Article 58 of the Customs Law, and this period shall also apply to the cargo manifest, information and documents submitted through the information network.
- 1.5. Upon receipt and registration of the cargo manifest and accompanying documents by the authorized customs official, the goods shall be deemed to have been declared to the customs.
- 1.6. Goods prohibited from entering the country shall not be placed under this regime.

Two. Mode code

- 2.1. Goods to be transferred from one customs control to another shall be placed in the procedure.
- 2.2. For the transit of goods domestically, the goods shall not be subject to non-tariff restrictions other than those prohibited.
- 2.3. For transit, the following codes are used for customs clearance:

	The value of the mode	Clearance mode code
1	Transit from the border customs control zone to the inland customs control zone	842
2	Transit from the inland customs control zone to the inland customs control zone	843
3	Transit from the inland customs control zone to the border customs control zone	844
4	Transit from the border customs control zone to the border customs control zone	845

Three. Documents

- 3.1. The manifestation of rail freight shall be based on the placement of goods delivered by rail from the border customs office to the inland customs office in the domestic transit mode.

3.2. The cargo manifest of a motor vehicle shall be based on the placement of goods delivered by road from the border customs office to the inland customs office in the domestic transit mode.

3.3. In addition to the documents specified in Article 35 of the Customs Law, the carrier shall submit the following documents for customs clearance in accordance with this procedure:

- 3.3.1. cargo manifest;
- 3.3.2. transport documents;
- 3.3.3. trade documents;
- 3.3.4. other supporting documents.

3.4. In the transit cargo manifest code 842-845, the first customs office shall stamp the check mark "Under customs control" and send it to the other customs office.

Four. Procedure requirements

4.1. Goods to be placed under the domestic transit procedure shall be transported by a carrier business entity or organization accredited by the central customs authority.

4.2. A carrier business entity or organization accredited by the central customs authority shall transport goods through the customs territory within the time period set by the customs authority.

4.3. A carrier business entity or organization shall fulfill the obligations specified in Article 38 of the Customs Law.

4.4. Goods to be placed in the domestic transit mode shall meet the following requirements:

4.4.1. to be able to control the goods by the customs;

4.4.2. the customs authority shall be able to make markings for customs purposes;

4.4.3. the goods shall be in their original condition with no changes other than the standard depreciation during storage and transportation.

4.5. No customs or other taxes shall be levied on the transit of goods.

4.6. Transit of goods requiring special conditions of transportation and storage, such as explosives, hazardous and especially toxic chemicals, shall require the permission of the relevant authority.

4.7. If necessary, the customs authority shall obtain a guarantee to pay customs and other taxes from the carrier business entity or organization in accordance with the Customs Tariff and Customs Tax Law.

Five. Mode expires

5.1. The movement of goods across the Mongolian border or placement under another regime shall terminate the transit procedure.

PROCEDURE FOR IMPLEMENTATION OF CUSTOMS CLEARANCE PROCEDURES FOR TRANSSHIPMENT OF GOODS

One. General provision

- 1.1. The Customs Law, Customs Tariffs, Customs Law, international agreements of Mongolia and this regulation shall be followed in implementing the Customs clearance procedure for transshipment of goods / Articles 197-201 of the Customs Law /.
- 1.2. This procedure shall regulate relations related to the customs clearance procedure for transshipment of goods.
- 1.3. The procedure shall be chosen by the declarant and, if the conditions and requirements of the procedure are met, the goods shall be placed in the procedure with the permission of the customs.
- 1.4. The declarant shall declare the goods within the period specified in Article 58 of the Customs Law, and this period shall also apply to customs declarations, information and documents submitted through the information network.
- 1.5. Upon receipt and registration of the cargo manifest and accompanying documents by the authorized customs official, the goods shall be deemed to have been declared to the customs.
- 1.6. Goods prohibited from crossing the state border shall not be placed under this regime.

Two. Product to be placed in mode, mode code

- 2.1. This procedure applies to foreign goods exported from a vehicle imported across the border to a vehicle leaving the country without transit through the customs territory.
- 2.2. Customs clearance for international transit shall be performed by the following code:

	The value of the mode	Clearance mode code
1	Transshipment mode	900

Three. Documents

- 3.1. The declarant shall submit the information and documents required for customs clearance to the customs office within the period specified by law.
- 3.2. The declarant shall submit the following documents in original or a copy to the customs office for customs clearance under the transshipment procedure:
- 3.2.1. transport documents entering the country;
- 3.2.2. border transport documents;
- 3.2.3. manifest;
- 3.2.4. trade documents.
- 3.3. The declarant may submit the documents specified in 3.2 to the customs office by e-mail, fax or through the customs information network.

3.4. If the Customs considers it necessary, it shall check the documents specified in 3.2 and 3.3 against the originals.

3.5. If the information and documents obtained in accordance with Article 3.2 of the Regulation do not meet the requirements, the Customs may request additional information and documents. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if he / she fails to declare this obligation, the customs shall refuse to place the goods in the manner chosen by the declarant.

3.6. The border customs office that performed customs clearance in accordance with this procedure shall affix the check mark "Customs under control" on the customs declaration and the check mark "Mongolian Customs approved" on the transport document.

Four. Procedure requirements

4.1. Transfer of goods from one vehicle imported to the customs border to another means of transport shall be performed within 3 working days after arrival of the goods in the customs control zone.

4.2. Transshipment of goods shall be carried out only within one customs office, and if they are to be exported through another customs office, they shall be cleared through an international transit procedure.

4.3. The transport organization may be responsible for customs clearance under the transshipment procedure.

4.4. Goods unloaded from a vehicle and imported into a customs bonded zone or free zone shall not be subject to this regulation.

4.5. Goods cleared under this procedure shall be under customs control for the entire period from the moment of their entry into the customs border until their return.

4.6. No customs or other taxes shall be imposed on the transshipment of goods.

4.7. If necessary, the customs office may obtain a guarantee for payment of customs duties and other taxes from the declarant.

Five. Mode expires

5.1. The transshipment procedure ends when the goods are exported across the state border or placed in another regime.