

Presentation by R. H. Sadykov, Deputy Head of Non-tariff Regulation and Export Control Department of the Customs Service under the Government of the Republic of Tajikistan, at a CAREC Single Window Implementation Workshop: Azerbaijan Case Study, July 6-8th, Baku

Dear ladies and gentlemen, colleagues!

I would like to thank the organizers of this meeting for inviting a delegation from Tajikistan, and the opportunity to participate in the work of this seminar.

We attach special significance to trade, economic and customs cooperation within the bounds of the Central Asian Region as to the factor of convergence and interaction between the customs and information systems, and their effective utilization for international trade facilitation. It is pertinent to note that trading with the countries of the Central Asian Regional Economic Cooperation stands for about one third of the total volume of Tajikistan foreign trade. As a result of cardinal measures taken from year to year by the Republic Tajikistan on liberalization of foreign trade and minimization of non-tariff barriers, foreign trade turnover is dynamically growing. Positive experience of multilateral and bilateral cooperation has been build up under the umbrella of the Central Asian Regional Cooperation, including that in the area of customs relations. We already have agreements on transit with the Kyrgyz Republic; on cooperation and mutual aid in customs affairs with the Republic Kazakhstan and the Republic of Azerbaijan, and we intend to sign similar agreements with the Islamic Republic of Afghanistan and the Peoples Republic of China.

Integration of Tajikistan into international economic system and strengthening of its foreign trade potential in social and economic development of the country provide a conducive platform for improving foreign trade procedures and bringing them into accordance with international standards. Foreign trade procedures simplification and harmonization issues have become especially pressing at the present stage of economic transformations in the Republic of Tajikistan.

Economic and political situation that developed in the country over the recent years is conducive to sustainable development of the Republic Tajikistan and its integration into the world economy. At present stage of development, when everybody – and domestic producers and businessmen are not least of all – are interested to see that the customs service of Tajikistan corresponds to the 21st century world customs model, and that it is competitive, the Government of Tajikistan is leading the work on minimization of administrative barriers to export and import of goods. In particular, the Government developed and approved a Plan of Actions for simplification of administrative barriers to export and import of goods (Decree No.487 of 01.10.08). One of the items of the Plan of Actions provides for establishing a single window system for the export/import and transit procedures (Concept Paper for the SW system development was approved by Governmental Decree No.659 of 31 December 2008).

This initiative of the Government of Tajikistan has been fully supported by the Customs Service and traders community as it reflects aspiration for simplification of customs formalities and reduction in time outlays, and optimization of foreign trade administrative procedures through the introduction and use of electronic systems for information processing and transfer between the government authorities and traders involved in such process.

Aiming to implement the SW System Development Concept Paper, the Government established an interagency working group, which is commissioned to develop a Program for implementing an export/import and transit clearance single window scheme in the Republic of Tajikistan.

Such Program has been developed and approved by the Decree of the Government No.222 of 03.05.10. The Program determines the main lines of activity of the Government of Tajikistan for the next five years on simplification and improving efficiency of foreign trade administrative procedures by means of implementing and employing electronic systems for information processing and transfers between the government stakeholders and trading community.

However, these indicators of export and import operations may not be interpreted as unambiguously positive results as some negative factors remain, which are related to the existing administrative barriers to foreign trade. Often times, licensing government authorities establish their own rules and set forth some complicating conditions for foreign economic activity that multiply both material and moral costs of the traders, which in the final run are transferred to end users in terms of high prices for goods and services. The key problems faced by traders in Tajikistan include:

- lack of access to information on procedures to be taken, timelines, locations and tariffs for services, especially in remote locations of the country;
- lack of information sharing among involved agencies, which make businessmen to repeatedly apply to various government agencies to register the documents;
- administrative difficulties during interaction among subdivisions within one agency (remote location, a need to obtain several signatures, etc.);
- a remote location of a place to make payments for services from the place, where the services are provided;
- an unreasonably large number of documents required by the government agency, which is outside the competence of this agency;
- much time required for consideration and issuance of permits.

At the same time the main document turnover in state bodies of the Republic of Tajikistan is still paper-based, thus leading to a delayed process of registration of export and import procedures. There is a low level of introduction and application of information technologies and computerization of the document turnover in government agencies. It should be noted that at present the Customs Service under the Government of the Republic of Tajikistan started the final stage of implementing the first phase of the Unified Automated Information System for customs offices, which envisages electronic filing procedures, control and preparation of the cargo customs declaration, which is put in line with the Single Administrative Document used in the European Union.

In this connection the Customs Service proposed not to establish the State Unitary Enterprise "Single Window", but using the Unified Automated Information System being established for customs offices and the human capacity of the Customs Service, to establish the Single Window system under the Customs Service of the Republic of Tajikistan to avoid establishing one more administrative barrier for export/import and transit. It is worth mentioning, that this proposal has been supported by the Government of the RT and members of the interagency working group.

Taking into account that the international community is reducing tariff barriers in customs operations, as well as to avoid a corruption-related factor, the Customs Service proposed that

the services of the Single Window system shall be provided for free, and the system can be maintained at the expense of grants and funds collected by customs for customs clearance (customs duties). Meanwhile the state bodies involved in the Single Window system could use the funds collected for their own services to upgrade the technical component of the system in their local offices. The Single Window system to be introduced in the Republic of Tajikistan is based on international standards, including the requirements of the World Trade Organization and the World Customs Organization for reducing non-tariff barriers in external trade. To achieve the established goal the Project specified the following tasks:

- to establish and introduce the single automated information and communication channel for documents and information submission, decision making by involved agencies to meet regulatory requirements for export/import and transit procedures;
- to standardize information and documents used for export/import and transit procedures;
- to establish a mechanism for effective and simplified information exchange between traders and involved agencies;
- to ensure an effective interaction among involved agencies;
- to form a single, accessible and regularly updated information database for the documents required for export/import and transit procedures;
- to introduce information technologies to allow for information sharing and data flow management;
- to ensure a secured access to the Single Window information system;
- to introduce an automated system for assessment and collection of payments.

The Single Window system will be managed by the Single Window Center, which will be established in the form of the state unitary enterprise under the Customs Service under the Government of the Republic of Tajikistan.

Such form of management will enable to ensure operations of the Center based on general principles of production activities and in future to adopt and introduce the Single Window system into the Unified Automated Information System of customs authorities. The Center's operations will cover all regions of the republic by establishing territorial services.

The Steering Committee will be established in the management structure of the Single Window system to ensure its motivation and transparency, which is expected to include representatives from involved agencies, international donor organizations and business representatives.

Automated work stations will be established in state agencies involved in Single Window operations, which will ensure functioning of the Single Window system in each of the involved agencies.

A continuous monitoring of implemented activities will be conducted to ensure effective operations of the system. The introduction of the Single Window system for export/import and transit procedures in the Republic of Tajikistan shall become a considerable contribution to liberalization of cross-border trade, promote growth in external trade turnover and competitiveness of the country's economy, as well as improvement of Tajikistan's performance in generally recognized international ratings.

Implementation of the Program will help to ensure transparency and predictability of administrative procedures and improve efficiency of customs procedures. Concluding my statement I would like to note some aspects of regional cooperation of customs in the Central Asian region on issues of information sharing. In November of 2009 working groups on Single

Window development of some countries in the region, namely Kyrgyzstan, Kazakhstan and Tajikistan had a meeting in Bishkek to discuss the issue of identifying the system model for each of the countries.

I am pleased to note that customs authorities, given the bilateral and multilateral agreements, proposed to international donor organizations to consider a possibility of financing and establishing a regional Single Window system so that the system of the mentioned countries can be connected first on a pilot basis. The adoption of the regional Single Window will enable the countries of the region to introduce one of the key elements of the framework standards for international trade security recommended by the World Customs Organization, i.e. harmonization of requirements to prior electronic notification about export/import and transit cargo. At the same time the pre-customs clearance procedures for traders will be significantly simplified, in particular the certification bodies of the CIS adopted the Agreement on Mutual Recognition of Certificates, and the introduction of the regional Single Window will have a significant impact on simplification and reducing the time needed for customs clearance for imports. Today we should strive to apply an international information system enabling us to reduce the time required for customs clearance from 3 hours to 15 minutes.

The willingness and readiness to apply the Single Window system in practice will enable the CAREC countries to demonstrate their aspiration to ensure a secure and simplified regime for global trade operations.

Thank you for your attention.

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