**STATEMENT ON NEEDS ASSESSMENT**

**MONGOLIA**

**NGTF**

**20XX-07-03**

Distinguished Delegates,

My delegation is pleased to share with you some of our experiences in undertaking self- assessment on trade facilitation needs. Upon request from the Ministry of Foreign Affairs and Trade of Mongolia, the WTO Secretariat offered support to conduct needs assessment. The Workshop on Needs Assessment took place successfully on 25-29 May in Ulaanbaatar facilitated by experts from the World Bank, Ministry of Foreign Affairs of Sweden and Ministry of Finance of Japan.

More than 30 officials attended the Workshop representing relevant ministries, government agencies for customs, transport, railway, freight forwarding, inspection, standardization, information, communication, taxation and private sector. They considered 46 proposed measures and described their current situation in the country, compliance level with the requirements of measures and identified barriers, doable actions to overcome barriers, and technical assistance needs related to the implementation using the revised self assessment guide. The participants were working in three groups and actively engaged in discussions by exchanging views and experiences.

The participants assessed that, among the 46 proposed measures, 17.5% were already compliant, 71.7% partially compliant and 6.5% not compliant.

A wide range of barriers to implementation of the proposed measures were identified.

Although the institutional trade facilitation environment is very fragmented with many different ministries and agencies involved in cross-border trade, cooperation and coordination between agencies is not sufficient to facilitate trade. Consequently, there is lack of effective information sharing amongst the stakeholders.

The participants agreed that legal framework governing trade needs further improvement. They were also not satisfied with the performance of the National Committee on Trade and Transport which was established in 2005. Low recognition of electronic means of publication among all stakeholders and consequently, lack of financial resources, infrastructure, skilled staff and limited use of ICT in public agencies is another challenge.

After identifying the main barriers to trade facilitation, participants described a number of actions to be taken to overcome barriers to implementation of all partially- and non- compliant measures among others:

* Review of existing laws and legislation, improve legal environment of cross-border trade.
* Improve coordination amongst the various stakeholders
* Strengthen activities of the National Committee on Trade and Transport Facilitation
* Enhance transparency
* Capacity building
* Creation of unified data base
* Simplification and harmonization of trade related documents
* Improve technical capacity and technology transfer etc.

For the implementation of certain measures, concrete actions were recommended. Here I would like to mention one measure as an example; National Committee on Trade Facilitation. The participants recommended that the National Committee on Trade and Transport Facilitation currently headed by the Minister for Road, Transport and Construction should be led by Deputy Prime Minister in order to coordinate activities of the state authorities. Subcommittees on various fields should be established within the National Committee, for example Subcommittee on customs, transport, control and inspection etc. Trade facilitation issues should be incorporated into work plan and job description of responsible officials of the member agencies and organizations. National Committee should have dedicated fixed term staff and financial resources should be ensured that is necessary to effective and sustainable functioning of the Committee.

Like many other developing countries, Mongolia needs technical assistance to implement proposed measures. It would include among other things international advisers to assist in preparation of national trade legislation including trade law, trade remedies law; building infrastructure for coordinated border control and capacity building.

Top ten priorities of measures to be supported in the negotiations have been identified including proposals relating to publication, pre-arrival processing, risk management, transit and customs cooperation.

Recommendations for the way forward have been set out during the workshop towards continuing to review and update of needs assessment findings reflecting the ongoing TF negotiations, improving coordination between Permanent Mission in Geneva and capital-based experts.

A final report on needs assessment was presented to Minister for Foreign Affairs and Trade, who attended the closing session. A final written report was submitted to relevant agencies and as well as the WTO Secretariat. As it was recommended during the workshop, the report will be presented to the Government Session in order to inform Ministers about current situation of the TF in Mongolia and to draw their attention to the importance of the trade facilitation, existing challenges and way ahead. Generally, we appreciate needs assessment as useful instrument to raise awareness of the importance of the trade facilitation negotiations, encourage active participation in the negotiations and identify technical assistance and capacity building.

In conclusion, my delegation would like to extend thanks to the WTO Secretariat and World Bank for their valuable offers of assistance and cooperation. We would also like to thank the UNCTAD for its contributions to preparatory work for the needs assessment.

Thank you for your attention.