



## ORDER OF THE CHAIRMAN OF CUSTOMS AN TAX GENERAL ADMINISTRATION

24 February, 2016

No. A/40

Ulaanbaatar

### APPROVAL OF PROCEDURE

Based on Article 79.7 of the Customs Law and the decision of the meeting of the Professional Council dated December 11, 2015, ORDER:

1. to approve "Procedure for implementing customs clearance procedures for import of goods for domestic consumption" in accordance with Annex 1;

"Procedure for implementing customs clearance procedures for processing goods for domestic consumption" in accordance with Annex 2;

"Procedure for implementing the customs clearance procedure for temporary admission of goods into the customs territory" in accordance with Annex 3;

"Procedure for implementation of customs clearance procedures for processing goods in the customs territory" in accordance with Annex 4;

"Procedure for Implementing Customs Clearance Procedures for Return of Goods to Customs Territory" in accordance with Annex 5.

2. To instruct the Customs Control and Clearance Department /B.Batgerel/ to organize the implementation of this order and provide guidance to the relevant customs offices and committees.

3. To enter the newly approved customs clearance procedure code into the CAIS classification database / Information Technology Center / Sh. Assign to Batzayaat.

4. In connection with the issuance of this order, the Director General of the General Department of Customs and Taxation in 2008 676, 2009 363, 2010 330, 2011 254, 2012 136, A / 67, A / 221, A / 205, A / 69, A / Orders No. 235, 2013 A / 77, A / 250, 2014 A / 89, A / 131, 2015 A / 13, A / 209, 2015 A / 263 and A / 283 are considered invalid.

CHAIRMAN

S.PUREV

**PROCEDURE FOR IMPLEMENTING CUSTOMS CLEARANCE PROCEDURE FOR IMPORT  
OF GOODS FOR DOMESTIC CONSUMPTION**

**One. General background**

1.1. The customs legislation of Mongolia, international treaties of Mongolia and this regulation shall be followed in implementing the customs clearance procedure for importing goods for domestic use (Articles 82-84 of the Customs Law, hereinafter referred to as "procedure").

1.2. This regulation shall regulate the relations related to the selection of the procedure for importing goods for domestic consumption, compiling documents, imposing, paying and confiscating taxes and fees, placing goods under the procedure, and terminating 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 in the procedure with the permission of the customs.

**Two. Mode goods and mode code**

2.1. Goods specified in Article 83 of the Customs Law shall be placed in the procedure.

2.2. Goods specified in 2.1 of this regulation shall be subject to non-tariff restrictions.

2.3. The procedure is followed by customs clearance with the following code:

	The value of the mode	Clearance mode code	Previous clearance mode code
1	Import for domestic use from abroad	400	not required
2	Full or partial exemption from customs and other taxes in accordance with international agreements for domestic consumption	401	Not required for imports
			Requires imports from other modes
3	Exemption from customs and other taxes for domestic use in accordance with loan agreements with foreign governments and international financial institutions	402	Not required for imports
			Requires imports from other modes
4			Not required for imports

	Full or partial exemption from customs and other taxes in accordance with the laws of Mongolia and for domestic consumption	403	Requires imports from other modes
5	Currency and securities to be imported from abroad for domestic consumption	404	not required
6	Civil aviation fuel:		
	-Zamiin-Uud and Sukhbaatar ports	405	not required
	-From customs bonded warehouse	406	700
7	Import of goods exempted from customs and other taxes for payment of customs and other taxes for domestic consumption	410	401-403
8	Import for domestic use from abroad gasoline and diesel fuel:		
	Tsagaannuur, Borshoo, Yarant, Tes, Burgastai, Artssuuri, Gashuun Sukhait, Bichigt, Khavirga, Shiveekhuren	411	not required
	Hankh, Ulkhanmaikhan	412	not required
	Zamyn-Uud, Sukhbaatar and Altanbulag	413	not required
	Bayankhoshuu	414	not required
	Ereentsav	407	not required
9	Imported flour for domestic consumption:		
	-Tsagaannuur, Yarant, Borshoo, Artssuuri and Burgastai	417	not required
	- Another port	418	not required
10	Goods temporarily imported into the customs territory for domestic use:		
	Import of goods temporarily imported into the customs territory for domestic use	420	500,508,512
11	Goods temporarily or completely exempted from customs and other taxes in accordance with international agreements and the laws of Mongolia shall be imported into the customs territory and customs duties and other taxes shall be paid for domestic consumption.	421	507
12	Goods temporarily imported into the customs territory shall be exempted from	422	500,507,508,512,

	customs and other taxes and imported for domestic consumption		
13	Goods imported for processing for domestic consumption include:		
	-processed or enriched the product	431	561,571,581,591
	-Made a new product with the product	432	562,572,582,592
14	Import of goods imported for processing in the customs territory for domestic consumption:		
	-processed or enriched the product	441	501,521,531,541,551
	-made a new product with the product	442	502,522,532,542,552
	-Revised the product	443	503,523,533,544,554
	-The product was used to produce another product	444	504,524,534,544,554
15	For domestic use from the customs guarantee zone include for:		
	-from customs bonded warehouse	451	700,703-709
	- from a customs certified enterprise	452	710,712-715
	-Customs certified exhibition center	453	720,722-725
	-from customs bonded construction site	454	730-734
	-from special customs zone	455	750-753,758-765
	-from duty-free shops	456	740,742,743
16	For domestic use from the customs guarantee zone for gasoline and diesel fuel:		
	-Tsagaannuur, Borshoo, Yarant, Tes, Burgastai, Artssuuri, Gashuun Sukhait	457	700
	-Khankh, Ulkhanmaikhan	458	700
	-Ereentsav, Zamyn-Uud, Sukhbaatar and Altanbulag	459	700
17	Free zone for domestic use include for	460	770,771,774-778
18	Based on the results of the post-clearance inspection	470	inspection report
19	From domestic bonded warehouse for domestic use Flour for:		

	-Tsagaannuur, Yarant, Borshoo, Artssuuri and Burgastai	471	700
	- Another port	472	700
20	Import of goods for domestic use from other customs controls	480	not required

### Three. Documents

- 3.1. The following documents are required for customs clearance under this procedure.
- 3.1.1. foreign trade agreement or price invoice or foreign settlement document;
  - 3.1.2. transport documents (transport documents, packing lists, technical documents, etc.);
  - 3.1.3. proof of origin;
  - 3.1.4. permission, license and certificate of the competent authority;
  - 3.1.5. documents of the organization authorized to certify complete or partial exemption from customs and other taxes;
  - 3.1.6. laboratory test report (if necessary);
  - 3.1.7. other required documents.
- 3.2. The declarant may submit the documents specified in paragraph 3.1 to the customs office by e-mail, fax or through the customs information network.
- 3.3. If the information and documents specified in paragraph 3.1 of the Regulation do not meet the requirements of the procedure, the Customs may request additional information and documents.
- 3.4. The state customs inspector shall affix the "Mongolian Customs Approved" check mark to the customs declaration of goods to be placed under this procedure.

### Four. Procedure requirements

- Customs and other taxes shall be imposed on goods imported for domestic consumption, and this shall also apply to goods exempt from Customs and other taxes.
- 4.2. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if this obligation is not fulfilled, the customs office shall refuse to place the goods in the order chosen by the declarant.
- 4.3. In case of full payment of customs duties and other taxes imposed by the Customs or a guarantee of payment of taxes in accordance with Article 41.2 of the Law on Customs Tariffs and Duties, clearance shall be made in accordance with this procedure.
- 4.4. Goods that are fully or partially exempted from import customs and other taxes shall not be used for purposes other than those permitted by the customs authority.
- 4.5. Issues related to imposition, payment, confiscation, guarantee and refund of customs and other taxes on goods to be placed under this procedure shall be resolved in accordance with the Law on Customs Tariffs and Taxes.
- 4.6. Customs clearance and other taxes shall be levied for customs clearance under codes 420, 431, 432, 441-444 of the Customs Clearance Procedure.

### Five. Others

5.1. The procedure for importing goods for domestic use shall be terminated upon delivery of the goods to the declarant or placement in another regime.

5.2. If the goods placed under the procedure are confiscated due to a customs violation, the procedure shall be deemed terminated.

**PROCEDURE FOR IMPLEMENTING CUSTOMS CLEARANCE PROCEDURES FOR  
PROCESSING GOODS FOR DOMESTIC CONSUMPTION**

**One. General background**

1.1. The customs legislation of Mongolia, international agreements of Mongolia and this regulation shall be followed in implementing the procedure for processing goods for domestic use (Articles 85-92 of the Customs Law, hereinafter referred to as "procedure").

1.2. This procedure shall regulate the relations related to the selection of the processing procedure for domestic consumption of goods, compilation of documents, imposition, payment and confiscation of taxes and fees, placement of goods in the procedure, 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 in the procedure with the permission of the customs.

**Two. Mode goods and mode code**

2.1. Goods specified in Article 87 of the Customs Law shall be placed in the procedure.

2.2. Mongolian goods are not included in the goods to be placed in this mode.

2.3. Goods specified in paragraph 2.1 of this regulation shall be subject to non-tariff restrictions.

2.4. The procedure is followed by customs clearance with the following code:

	The value of the mode	Clearance mode code	Previous clearance mode code
1	To process foreign goods for domestic consumption: -processing or concentrating the goods -produce a new product with the product	561 562	not required
2	Extend the period for processing foreign goods imported for domestic consumption in accordance with Article 89.2 of the Customs Law: -processing or concentrating the goods -produce a new product with the product	571 572	561,581,591 562,582,592
3	From a bonded warehouse for processing for domestic use: -processing or concentrating the goods -produce a new product with the product	581 582	700,703,704, 706

4	From the special customs zone for processing for domestic use: -processing or concentrating the goods -produce a new product with the product	591 592	750-753,758-765
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### Three. Documents

- 3.1. The following documents are required for customs clearance under this procedure.
- 3.1.1. foreign trade agreement or price invoice or foreign settlement document;
  - 3.1.2. transport documents (transport documents, packing lists, technical documents, etc.);
  - 3.1.3. proof of origin;
  - 3.1.4. permission, license and certificate of the competent authority;
  - 3.1.5. documents of the organization authorized to certify complete or partial exemption from customs and other taxes;
  - 3.1.6. laboratory test report (if necessary);
  - 3.1.7. other required documents.
- 3.2. The declarant may submit the documents specified in 3.1 to the customs office by e-mail, fax or through the customs information network.
- 3.3. If the information and documents specified in 3.1 of the Regulation do not meet the requirements of the procedure, the Customs may request additional information and documents.
- 3.4. In case of extension of the procedure in accordance with Article 89.2 of the Customs Law, the Customs shall issue a new customs declaration and complete the clearance under the procedure code 571-572.
- 3.5. The state customs inspector shall affix the check mark “under customs control” to the customs declaration of goods to be placed in accordance with this procedure.

### Four. Procedure requirements

- 4.1. Goods to be placed under the procedure shall meet the requirements set forth in Article 86 of the Customs Law.
- 4.2. A legal entity that has obtained a permit specified in Article 90 of the Customs Law shall import goods in accordance with this procedure.
- 4.3. In case of permission to extend the term by the state administrative body in charge of customs matters, a new customs declaration shall be made and the previous customs declaration shall be attached.
- 4.4. If the goods are not returned within the specified time in accordance with this regulation, a contract in the form approved by the Annex on transferring customs duties and other taxes deposited in the special account to the budget revenue account shall be concluded and attached to the customs declaration.
- 4.5. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if this obligation is not fulfilled, the customs office shall refuse to place the goods under the procedure chosen by the declarant.
- 4.6. Goods placed under the customs clearance procedure for processing for domestic use shall be inspected by the customs first clearance, a special register shall be maintained, and at the end



of the period, the clearance shall be transferred to other procedures and the closing information shall be submitted to the relevant department. If the state administrative body in charge of customs matters is required to submit information for the purpose of urgent clarification, it shall be complied with in a timely manner.

#### **Five. Guarantee of compliance with customs clearance procedures**

5.1. Import Customs and other taxes shall be imposed on confiscated goods and confiscated and deposited in a special account.

5.2. When placing goods under the procedure, the customs authority may obtain a guarantee to pay import customs duties and other taxes in accordance with Article 41.2 of the Law on Customs Tariffs and Duties.

5.3. The tax on imports of goods and products processed in accordance with the procedure for domestic consumption shall be calculated and the tax difference deposited in the temporary account shall be refunded.

5.4. Upon expiration of the period of goods imported in accordance with the procedure, customs clearance shall be carried out in accordance with the procedure for import for domestic consumption, and customs and other taxes deposited in temporary accounts shall be paid to the state budget.

5.5. Customs and other taxes shall be reimbursed if the goods specified in Article 41.2 of the Law on Customs Tariffs and Duties are not cleared through the procedure for import of goods for domestic consumption.

5.6. The origin of the final product of the regime is the origin of foreign goods temporarily imported. If the foreign goods originate in two or more countries, the rules of origin of imported goods shall apply.

#### **Six. Others**

6.1. Wastes and balances generated during the implementation of the procedure shall be cleared in accordance with the customs clearance procedure selected by the declarant.

6.2. Any residues and wastes generated during the implementation of the procedure shall be resolved in accordance with Article 91 of the Customs Law.

CONTRACT

Date: \_\_\_\_\_

On the one hand \_\_\_\_\_  
/ applicant /  
Certificate \_\_\_\_\_ register № \_\_\_\_\_ applicant,

On the other hand, the customs / department / in  
\_\_\_\_\_  
/ customs office /  
as stated in Article 89 of the Customs Law on \_\_\_\_\_, \_\_\_\_\_

concluded this agreement for a period of time.

1. The declarant shall be obliged to place the goods in the customs clearance procedure for import for domestic use within the specified period.

2. In case of non-compliance with the requirements of the customs procedure, the Customs shall undertake the obligations specified in Article 43 of the Law on Customs Tariffs and Duties.

3. If the declarant does not place the goods in the customs clearance procedure for import for domestic use or uses them for other purposes, the Customs shall transfer the customs duties and other taxes deposited in the temporary account to the budget revenue account in accordance with Article 62.1.1 of the General Tax Law.

Parties to the Agreement:

Customs:  
Deputy Chairman .....

Applicant:  
.....

Stamp

Stamp



## **PROCEDURE FOR IMPLEMENTING THE CUSTOMS CLEARANCE PROCEDURE FOR TEMPORARY ADMISSION OF GOODS INTO THE CUSTOMS TERRITORY**

### **One. General background**

1.1. The customs legislation of Mongolia, international agreements of Mongolia and this regulation shall be followed in implementing the procedure for temporary admission of goods to the customs territory (Articles 93-98 of the Customs Law, hereinafter referred to as "procedure").

1.2. This procedure shall regulate relations related to the selection of the procedure for temporary admission to the customs territory, compilation of documents, imposition and payment of taxes and fees, payment, confiscation, placement of goods under the procedure, and termination of the procedure for return of foreign goods without change.

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. This procedure does not apply to the temporary import of goods and vehicles with ATA and SPD carnets.

### **Two. Mode goods and mode code**

2.1. Goods specified in Article 94 of the Customs Law shall be placed in the procedure.

2.2. Mongolian goods are not included in the goods to be placed under the regime.

2.3. Goods specified in 2.1 of this regulation shall be subject to non-tariff restrictions.

2.4. The procedure is followed by customs clearance with the following code:

	The value of the mode	Clearance mode code	Previous clearance mode code
1	Temporary entry of goods into the customs territory	500	not required
2	Full or partial exemption from customs and other taxes in accordance with international agreements and the laws of Mongolia and temporary admission to the customs territory	507	not required
3	Temporary import of goods from a bonded warehouse	508	700,703,704, 706,707,709
4	Temporary import of goods under other customs control	512	not required

2.5. Customs clearance code 512 requires a document confirming that the goods have been subject to customs control. This document shall be attached to the customs declaration.

### **Three. Documents**

3.1. The following documents are required for customs clearance under this procedure.

- 3.1.1. foreign trade agreement or price invoice or foreign settlement document;
- 3.1.2. transport documents (transport documents, packing lists, technical documents, etc.);
- 3.1.3. proof of origin;
- 3.1.4. permission, license and certificate of the competent authority;
- 3.1.5. documents of the organization authorized to certify complete or partial exemption from customs and other taxes;
- 3.1.6. laboratory test report (if necessary);
- 3.1.7. other required documents.

3.2. The declarant may submit the documents specified in 3.1 to the customs office by e-mail, fax or through the customs information network.

3.3. If the information and documents specified in 3.1 of the Regulation do not meet the requirements of the procedure, the Customs may request additional information and documents.

3.4. The state customs inspector shall affix the check mark "under customs control" to the customs declaration of goods to be placed in accordance with this procedure.

### **Four. Procedure requirements**

4.1. The following goods may not be placed under the temporary admission procedure.

- 4.1.1. Commercial food products, alcoholic beverages, tobacco, raw materials, semi-finished products and goods that will be lost during use;
- 4.1.2. Industrial and other wastes;
- 4.1.3. Goods prohibited to cross the border of Mongolia and prohibited to pass through the territory of Mongolia;
- 4.1.4. Goods that cannot be marked with customs and customs control is not possible;
- 4.1.5. Goods whose purpose of temporary use in the Customs territory is unclear.

4.2. The customs office shall create a file for customs clearance of goods to be placed under this procedure by using customs marking, marking, marking, sampling, sampling, detailed description of goods and means of transport, taking photos, recording and making schematic drawings. The customs declaration submitted for the return of goods across the customs border and the above markings made for customs purposes shall be checked in detail in the CAIS system database and placed in the mode selected by the declarant.

4.3. The list of goods to be temporarily imported to the unit in charge of the General Department of Customs and Taxation shall be submitted to the Customs clearance procedure code 507 for clearance.

4.4. Prior to the return of goods placed under the procedure, the customs office that first cleared the customs shall maintain control, maintain a special register, transfer the goods to the appropriate procedure at the end of the period, perform customs clearance and submit the closing report to the relevant department of the State Administration. If the state administrative body in charge of

customs matters is required to submit information for the purpose of urgent clarification, it shall be complied with in a timely manner.

4.5. In case of non-return of goods within the set timeframe in accordance with this Regulation, a sample guarantee approved by the Annex on transfer of customs duties and other taxes deposited in the special account to the budget revenue account shall be issued and attached to the customs declaration.

4.6. A person who has issued a guarantee to the customs for temporary importation of goods shall be liable to the customs in accordance with the law.

4.7. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if this obligation is not fulfilled, the customs office shall refuse to place the goods under the procedure chosen by the declarant.

### **Five. Guarantee of compliance with customs clearance procedures**

5.1. Customs clearance and other taxes imposed by the Customs shall be collected and deposited in a special account or a guarantee of tax payment shall be made in accordance with Article 41.2 of the Law on Customs Tariffs and Duties.

5.2. Customs and other taxes related to this procedure shall be refunded in cases specified in Article 43.1 of the Law on Customs Tariffs and Taxes.

5.3. Upon expiration of the period of goods imported in accordance with the procedure, customs clearance shall be carried out in accordance with the procedure for import for domestic consumption, and customs and other taxes deposited in temporary accounts shall be paid to the state budget.

5.4. Customs and other taxes shall be reimbursed in case of non-return of temporarily imported goods with the guarantee specified in Article 41.2 of the Law on Customs Tariffs and Duties.

Annex to the procedure approved by Annex 3 to the Order A/40 of 2016 of the Chairman of Customs and Taxation General Department

### **GUARANTEE**

20 ... November ... day

/ name of the enterprise, organization, citizen who paid the tax, registration № /

If goods temporarily imported across the customs border are not returned within the period specified in Article \_\_\_\_\_ of the Customs Law or are not transferred to another regime, \_\_\_\_\_ togrogs paid for customs and other taxes by the customs declaration No.

\_\_\_\_\_ / tax amount in letters /

It is allowed to transfer MNT from the special treasury account to the state budget on an undisputed basis.

GUARANTEED:

.....  
/ Name of position,  
Stamp and mark /

/ signature /

.....  
/ Name of official /

**PROCEDURE FOR IMPLEMENTATION OF CUSTOMS CLEARANCE PROCEDURES FOR  
PROCESSING GOODS IN THE CUSTOMS TERRITORY**

**One. General grounds**

1.1. The customs legislation of Mongolia, international treaties of Mongolia and this regulation shall be followed in implementing the customs clearance procedure for processing goods in the customs territory (Articles 99-107 of the Customs Law, hereinafter referred to as the procedure).

1.2. This procedure shall regulate relations related to the selection of the procedure for temporary entry into the customs territory, compilation of documents, imposition and payment of taxes and fees, placement of goods under the procedure, and termination of the procedure for processing and return of foreign goods on time.

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 in the procedure with the permission of the customs.

1.4. "Repairs" include the following activities:

- repair of damaged parts of the goods;
- update,
- to fill in the gaps, or
- exchange of goods for other goods of the same type at the 8-digit level of the BTCS classification.

**Two. Mode goods and mode code**

2.1. Goods specified in Article 101 of the Customs Law shall be placed in the procedure.

2.2. Mongolian goods are not included in the goods to be placed in this mode.

2.3. The procedure is followed by customs clearance with the following code:

	The value of the mode	Clearance mode code	Previous clearance mode code
1	The goods are processed in the customs territory Temporary repatriation:  -processing or concentrating the goods -produce a new product with the product -repair the product -use the product to produce another product	  501 502 503 504	  not required



2	Extend the period of temporary admission of goods for processing in the customs territory in accordance with Article 104.2 of the Customs Law: -processing or concentrating the goods -produce a new product with the product - take a break from the product -use the product to produce another product	521 522 523 524	501,531,541,551 502,532,542,552 503,533,543,553 504,534,544,554
3	Temporary import of goods from a bonded warehouse for processing in the customs territory: -processing or concentrating the goods -produce a new product with the product - take a break from the product -use the product to produce another product	531 532 533 534	700,703,704, 706,707,709
4	Temporary import of goods from the special customs zone for processing in the customs territory: -processing or concentrating the goods -produce a new product with the product - take a break from the product -use the product to produce another product	541 542 543 544	750-753, 758-765
5	Temporary entry of goods from the free zone for processing in the customs territory: -processing or concentrating the goods -produce a new product with the product - take a break from the product -use the product to produce another product	551 552 553 554	770,771,774-778

**Three. Documents**

- 3.1. The following documents are required for customs clearance under this procedure.
- 3.1.1. foreign trade agreement or price invoice or foreign settlement document;
  - 3.1.2. transport documents (transport documents, packing lists, technical documents, etc.);
  - 3.1.3. proof of origin;
  - 3.1.4. permission, license and certificate of the competent authority;
  - 3.1.5. documents of the organization authorized to certify complete or partial exemption from customs and other taxes;
  - 3.1.6. laboratory test report (if necessary);
  - 3.1.7. Technological documents, as well as estimates of ingredients and materials for each model and product;
  - 3.1.8. other required documents.
- 3.2. The declarant may submit the documents specified in 3.1 to the customs office by e-mail, fax or through the customs information network.
- 3.3. If the information and documents specified in 3.1 of the Regulation do not meet the requirements of the procedure, the Customs may request additional information and documents.
- 3.4. In case of extension of the procedure in accordance with Article 104.2 of the Customs Law, the Customs shall issue a new customs declaration and complete the clearance under the procedure code 521-524.
- 3.5. The state customs inspector shall affix the check mark "under customs control" to the customs declaration of goods to be placed in accordance with this procedure.

#### **Four. Procedure requirements**

- 4.1. Processing of goods in the customs territory shall include the activities specified in Article 99.2 of the Customs Law.
- 4.2. Goods to be placed under the procedure shall meet the requirements set forth in Article 100 of the Customs Law.
- 4.3. If the Central Customs Authority issues an extension permit, a new customs declaration shall be made and the previous customs declaration shall be attached.
- 4.4. The technology / methodology / instructions for processing in accordance with the procedure shall specify the processing activities, such as the method of processing the goods, stages, time, what repairs and changes will be made, and what new products will be used for production.
- 4.5. The declarant shall submit to the customs office the norms of input of the goods to be placed in the customs territory under the processing procedure. The customs shall control the amount of the input norm. The help of a professional organization can be used to determine the amount of input norms.
- 4.6. When registering a business entity that processes in accordance with this procedure and an export contract, the customs office shall mark the date of reconciliation of material consumption estimates and confirm it by stamping with a personal number.
- 4.7. If the material consumption calculation is not made in time, the next goods to be crossed the customs border of the business entity shall not be cleared through customs.
- 4.8. When processing and repatriating in accordance with the procedure, the design album and material consumption estimates shall be prepared prior to customs clearance.
- 4.9. Processing of goods may be performed by another person with prior notification to the customs.

4.10. In case of non-return of goods within the specified time in accordance with this Regulation, Customs and other taxes deposited in the special account shall be transferred to the budget revenue account.

4.11. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if this obligation is not fulfilled, the customs office shall refuse to place the goods under the procedure chosen by the declarant.

4.12. For the purpose of continuous customs control, the TV camera shall be located in the production area and connected to the state administrative body in charge of customs affairs and the relevant committees.

4.13. Goods placed under the customs clearance procedure for processing in the Customs territory shall be monitored by the Customs that first cleared the Customs, maintained a special register, transferred to other procedures upon expiration of the Customs clearance and submitted the closing report to the relevant Customs Administration. If the state administrative body in charge of customs matters is required to submit information for the purpose of urgent clarification, it shall be complied with in a timely manner.

4.14. The Customs shall mark the goods to be placed in the Customs territory for processing for Customs purposes. When making markings, the appropriate one shall be used from the markings specified in 261.1 of the same law.

#### **Five. Guarantee of compliance with customs clearance procedures**

5.1. In case of imposition, confiscation and transfer of customs and other taxes imposed by the Customs to a special account or issuance of a tax payment guarantee in accordance with Article 41.2 of the Law on Customs Tariffs and Duties, customs clearance shall be performed in accordance with this procedure.

5.2. In accordance with this regulation, a business entity or enterprise that manufactures products from the materials of a foreign customer shall pay taxes imposed to the state budget in the following cases and perform customs clearance.

5.2.1. In case of non-fulfillment of the conditions specified in the contract or failure to register another contract concluded in case of termination of the contract, failure to extend the term of goods imported under the previous contract;

5.2.2. It was not immediately notified that the contracted goods were mixed with goods from one manufacturer to another.

5.3. Customs and other taxes shall be reimbursed if the goods specified in Article 41.2 of the Law on Customs Tariffs and Duties are not returned after processing under the customs procedure.

#### **Six. Others**

6.1. Wastes and balances generated during the implementation of the procedure shall be cleared in accordance with the customs clearance procedure selected by the declarant.

6.2. In case of customs clearance for importation of any residues and wastes generated during the implementation of the procedure for domestic use, import customs duties and other taxes shall be imposed on the import of such residues and wastes in their current state.

6.3. When imported goods for domestic consumption, the origin of the final product is the origin of foreign goods temporarily imported. If the foreign goods originate in two or more countries, the rules of origin of imported goods shall apply.

Annex to the procedure approved by  
Annex 4 to the Order A/40 of 2016 of the  
Chairman of Customs and Taxation  
General Department

## GUARANTEE

20 ... November ... day

/ name of the enterprise, organization, citizen who paid the tax, registration №

/

If goods imported across the customs border for processing in the customs territory are not returned or transferred to another regime within the period specified in Article \_\_\_\_\_ of the Customs Law, \_\_\_\_\_ togrogs paid for customs and other taxes by the customs declaration No. \_\_\_\_\_

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/ tax amount in letters /

It is allowed to transfer MNT from the special treasury account to the state budget on an undisputed basis.

GUARANTEED:

.....  
/ Name of position,  
Stamp and mark /

/ signature /

.....  
/ Name of official /

**PROCEDURE FOR IMPLEMENTING CUSTOMS CLEARANCE PROCEDURES FOR  
RETURN OF GOODS TO CUSTOMS TERRITORY**

**One. General background**

1.1. The customs legislation of Mongolia, international agreements of Mongolia and this regulation shall be followed in implementing the procedure for returning goods to the customs territory (Articles 108-112 of the Customs Law, hereinafter referred to as “procedure”).

1.2. This procedure shall govern the selection of the procedure for returning goods to the customs territory, compiling documents, imposing taxes, fees, payment, confiscation, placing goods under the procedure, and terminating 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 in the procedure with the permission of the customs.

1.4. Repairs and maintenance performed without changing the amount of the goods in order to preserve the goods and ensure the integrity of the goods shall not be grounds for refusing to place the goods in this mode.

**Two. Product to be placed in the mode, mode code**

2.1. Goods specified in Article 109.1 of the Customs Law shall be placed in the procedure:

2.2. Upon return of goods to the customs territory, customs clearance shall be performed by the following code:

	The value of the mode	Clearance mode code	Previous clearance mode code
1	Return of Mongolian goods permanently exported abroad to the customs territory	600	100,101,110, 120
2	Return of Mongolian goods temporarily exported abroad to the customs territory	610	200,210,
3	Return of Mongolian goods exported for processing abroad to the customs territory:		
	-Produced for processing or enrichment of the goods	621	201,211
	-Released to produce new products	622	201,212
	- issued for repair of the goods	623	203,213
	- use the product to produce another product	624	204,214

4	Return of Mongolian goods placed under the customs bonded zone regime to the customs territory		
	- from a bonded warehouse	631	701,702
	- from a customs certified enterprise	632	711
	- from the customs certified exhibition center	633	721
	- from special customs zones	634	754-757
	- duty free shops	635	741
5	Return of Mongolian goods placed in the free zone regime to the customs territory	640	772,773
6	Return of Mongolian goods illegally exported abroad to the customs territory	641	not required.

### Three. Documents

- 3.1. The following documents are required for customs clearance under this procedure.
- 3.1.1. foreign trade agreement or price invoice or foreign settlement document;
  - 3.1.2. transport documents (transport documents, packing lists, technical documents, etc.);
  - 3.1.3. proof of origin;
  - 3.1.4. permission, license and certificate of the competent authority;
  - 3.1.5. documents of the organization authorized to certify complete or partial exemption from customs and other taxes;
  - 3.1.6. laboratory test report (if necessary);
  - 3.1.7. other required documents.
- 3.2. The declarant may submit the documents specified in 3.1 to the customs office by e-mail, fax or through the customs information network.
- 3.3. If the information and documents specified in 3.1 of the Regulation do not meet the requirements of the procedure, the Customs may request additional information and documents.
- 3.4. The state customs inspector shall affix the "Mongolian Customs Approved" check mark to the customs declaration of goods to be placed under this procedure.

### Four. Procedure requirements

- 4.1. Import customs and other taxes shall not be imposed on goods returned to the customs territory if it is proved that they are Mongolian goods.
- 4.2. Mongolian goods exported abroad shall not be subject to any changes other than depreciation under normal conditions of storage, transportation and use.
- 4.3. In case of any changes other than those specified in 4.2 of this Regulation, the goods permanently exported abroad shall be considered as foreign goods, placed under a different customs clearance procedure, customs duties and other taxes shall be imposed and confiscated and transferred to the state budget.

4.4. The Customs shall determine the cost of processing and delivery of Mongolian goods abroad, and if Mongolian goods are produced by supplying foreign goods, the price of foreign goods shall be determined in accordance with Article 9 of the Law on Customs Tariffs and Duties. Taxes shall be levied and collected and transferred to the state budget.

4.5. The customs authority may obtain an expert opinion if necessary for the return of goods exported for processing abroad.

4.6. The time limit for temporary export and return of goods placed under the customs processing procedure shall not exceed 1 year from the date of placing the goods under this procedure and may be extended by the customs central administration once for up to 6 months upon request of the declarant.

4.7. In case of temporary return of goods temporarily exported or processed abroad, the export tax deposited in the temporary account shall be refunded upon prior departure.

4.8. Export tax shall not be refunded upon return of goods permanently exported abroad to the Customs territory.

4.9. Goods permanently exported across the customs border may be returned by another business entity, organization or individual.

4.10. Clearance under this procedure requires a previously cleared customs declaration.

4.11. The declarant shall be obliged to provide additional information and documents within the period specified by law, and if this obligation is not fulfilled, the customs office shall refuse to place the goods under the procedure chosen by the declarant.

4.12. Goods under the customs clearance procedure for temporary export shall be inspected by the customs office where the customs clearance was originally performed, a special register shall be maintained, and at the end of the period the goods shall be transferred to other customs clearance procedures. If the state administrative body in charge of customs matters is required to submit information for the purpose of urgent clarification, it shall be complied with in a timely manner.

4.13. Previous customs declaration is not required for goods cleared by a professional organization under the "641" procedure code.

## **Five. Others**

5.1. The procedure for re-entry of goods into the customs territory shall be terminated upon their re-entry into the customs territory or transfer to another regime.

5.2. If the goods placed under the procedure are confiscated due to a customs violation, the procedure shall be deemed terminated.