OPERATIONAL PROCEDURES FOR TRADE IN GOODS REFERRED TO IN CHAPTER 2 UNDER THE AGREEMENT BETWEEN JAPAN AND MONGOLIA FOR AN ECONOMIC PARTNERSHIP

These Operational Procedures for Trade in Goods describe the operation of tariff rate quotas (hereinafter referred to as "TRQ") and a certificate of a good under the Agreement between Japan and Mongolia for an Economic Partnership (hereinafter referred to as "the Agreement").

Definitions

- 1. For the purposes of these Operational Procedures, the term "competent governmental authority of the importing Party" means the Ministry of Agriculture, Forestry and Fisheries of Japan which is responsible for TRQ administration including the issuance of a relevant certificate and other relevant matters covered by these Operational Procedures.
- 2. For the purposes of these Operational Procedures, the term "competent governmental authority of the exporting Party" means the Ministry of Food and Agriculture of Mongolia which is responsible for TRQ administration including the issuance of a relevant certificate and other matters, including the issuance of a certificate of a good, covered by these Operational Procedures.
- 3. For the purposes of these Operational Procedures, the term "authorized body of the exporting Party" means any entity or body of the exporting Party authorized by the competent governmental authority of the exporting Party to administer TRQ and other matters, including the issuance of a certificate of a good, covered by these Operational Procedures.

SECTION 1 GENERAL RULES

Rule 1 Designation of Authorized Bodies

The competent governmental authority of the exporting Party may, in accordance with the laws and regulations of the exporting Party, designate authorized bodies of the exporting Party to administer TRQ and other matters, including the issuance of a certificate of a good, covered by these Operational Procedures.

Rule 2 Communications

For the purposes of these Operational Procedures, communications between the competent governmental authorities of the Parties or between the competent governmental authority of a Party and the customs authority of the other Party should be made by a method with a confirmation of receipt. The language to be used for such communications should be English.

Rule 3 Prevention of Falsification

The competent governmental authorities of the Parties will take all necessary measures to prevent any falsification of relevant certificates.

Rule 4 Modification

These Operational Procedures can be modified by a decision of the Joint Committee in accordance with subparagraph 2(d) of Article 1.13 of the Agreement, on the basis of the recommendations made by the Sub-Committee on Trade in Goods to the Joint Committee in accordance with subparagraph 2(c) of Article 2.19 of the Agreement.

SECTION 2 SCHEDULE OF JAPAN

Rule 1 Tariff Rate Quota

- 1. For the purposes of subparagraphs 1(9)(a)(iii), 1(10)(a)(iii), 1(11)(a)(iii), 1(12)(a)(iii) and 1(13)(a)(iii) in Section 1 of Part 2 of Annex 1 of the Agreement, the competent governmental authority of the exporting Party or authorized bodies of the exporting Party will issue a certificate in English for each export, upon request of exporters or producers in accordance with the procedures established by the competent governmental authority of the exporting Party or authorized bodies of the exporting Party.
- 2. A certificate issued by the competent governmental authority of the exporting Party or authorized bodies of the exporting Party will include the following minimum data:
 - Exporter's Name and Address;
 - Certificate Number;
 - Importer's Name and Address;

- Description of Good(s);
- HS Tariff Classification Number:
- Quantity (with unit of measure);
- Validity of Certificate (commence/expire); and
- Signature of official and stamp of the competent governmental authority of the exporting Party or authorized bodies of the exporting Party, and the date of issuance.
- 3. Upon the entry into force of the Agreement, the Government of the exporting Party will notify the Government of the importing Party of the identity of any authorized bodies of the exporting Party and the format of a certificate and specimen impression of stamps used by the competent governmental authority of the exporting Party or authorized bodies of the exporting Party for the certificate, through the diplomatic channels. The Government of the exporting Party will notify the Government of the importing Party of any change of such format and stamps or any other relevant information for a certificate before the effective date of such change, through the diplomatic channels. For greater certainty, such notifications should be made by a method with a confirmation of receipt.
- 4. An importer may apply for a certificate of TRQ to the competent governmental authority of the importing Party by providing a valid certificate issued by the competent governmental authority of the exporting Party or authorized bodies of the exporting Party referred to in paragraph 1.
- 5. For the purposes of the administration of TRQ, the Parties will exchange information on any related matter. The competent governmental authorities of the Parties will exchange information related to the aggregate amount of allocated quotas, which should be exchanged within the month following the month in which any quota is allocated.
- 6. If any matter arises with respect to the issuance of a certificate referred to above or other administrative issues, a Party may, through the diplomatic channels, make a written request to the other Party to hold a meeting of the Sub-Committee on Trade in Goods and discuss the matter in accordance with subparagraph 2(c) of Article 2.19 of the Agreement.

Rule 2 Certificate of a Good

1. For the purposes of subparagraphs 1(9)(b), 1(13)(b) and 1(16) in Section 1 of Part 2 of Annex 1 of the Agreement, an importer who claims preferential tariff

treatment in accordance with Annex 1 of the Agreement will submit to the customs authority of the importing Party a certificate of a good issued by the competent governmental authority of the exporting Party or authorized bodies of the exporting Party.

- 2. Upon the entry into force of the Agreement, the Government of the exporting Party will notify the Government of the importing Party of the formats of a certificate of a good, the identity of any authorized bodies of the exporting Party and all the officials accredited to issue the certificate of a good, as well as specimen signatures and impressions of stamps used for the issuance of the certificate of a good, through the diplomatic channels. The Government of the exporting Party will notify the Government of the importing Party of any change thereof before the effective date of such change, through the diplomatic channels. For greater certainty, such notifications should be made by a method with a confirmation of receipt.
- 3. (a) The customs authority of the importing Party may, through the diplomatic channels, request the competent governmental authority of the exporting Party to check the authenticity of the certificate of a good or the accuracy of the information included in the certificate of a good. The competent governmental authority of the exporting Party will, through the diplomatic channels, provide the information requested in a period not exceeding 90 days after the date of receipt of the request.
 - (b) The customs authority of the importing Party may deny preferential tariff treatment under Annex 1 of the Agreement where:
 - (i) the competent governmental authority of the exporting Party fails to respond to the request within 90 days after the date of the receipt of the request; or
 - (ii) the competent governmental authority of the exporting Party fails to check the authenticity of the certificate of a good or the accuracy of the information included in the certificate of a good.
- 4. The customs authority of the importing Party may suspend preferential tariff treatment under Annex 1 of the Agreement to the goods covered by the certificate of a good concerned while awaiting the answer to its request. However, the suspension of the preferential tariff treatment should not be a reason to stop the release of the goods.

5. For the purposes of resolving any matter arising with respect to this Rule, the consultations between the Parties may be made through the competent governmental authority of the exporting Party and the customs authority of the importing Party.