

Update on Nepal's Accession to Revised Kyoto Convention (English Summary Translation of Nepali Presentation)

Background

- Revised Kyoto Convention is a convention adopted by World Customs Administration for the Simplification and Harmonization of Customs Procedure.
- Ninety nine members countries are the party to the convention.
- India, Sri Lanka, Bangladesh, Pakistan and Bhutan are the parties to the convention from South Asia.
- As a member of WCO, Nepal realized and initiated process to be the party to the convention.

Chronology of Initiatives

- 8-11 March, 2011: On the request of Customs, WCO Experts (Ms. Kameswari Subramanian and Mr. Yoshihiro Kosaka) assisted Nepal Customs to construct a checklist of Nepal Customs Legislation against the RKC standards.
- 16 July, 2011: Budget Speech declared to initiate the Accession process to accede to RKC.
- 10-12 July, 2012: During the visit of Mr. Kunio Mikuriya, Secretary General, Prime Minister, Finance Minister, Finance Secretary and Former Finance Minister showed commitment to accede to the RKC.

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Chronology of Initiatives

- 7 November, 2011: Consultant Mr. Alan Morley reviewed the gaps and submitted report under USAID support.
- 4 October 2012: It was further reviewed and the legal draft was prepared by Mr. Brian J. O'Shea under IFC support.
- An intergovernmental committee composed of Customs, MOF, Ministry of Law, Justice and Parliamentary Affairs was formed.
- 25 June 2013: The intergovernmental committee revised the legal draft and submitted legal formulation to Department of Custom for consideration.
- The Department of Customs internal experts minutely reviewed the draft and prepare a final draft in English and Nepali.

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Chronology of Initiatives

- 25 February 2013: Government of Nepal included one of the policy actions in SASEC TF Program to submit a resolution to the Cabinet for the RKC accession SASEC TF Program.
- 16 July 2013: The Customs Reform and Modernization Strategies and Action Plan 2013-17 included one of the priority activities and milestone to accede to RKC.
- 16 July, 2013: The Budget Speech 2013/14 announced to complete all the process required to accede to Revised Kyoto Convention.
- 11 August, 2013: ADB National Trade Facilitation Expert prepared a compilation of all the document and submitted a report to Department of Customs.

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Chronology of Initiatives

- August 2013: Department of Customs submitted a proposal requesting MOF to submit the resolution to Cabinet for accession.
- September 2013: MOF and DOC officials internal meeting agreed to submit the proposal to Cabinet after reviewing all the improvement that may be required in the Legislation.
- 5 September, 2014: Department of Customs completed a Regulatory Impact Assessment of the proposed changes taking support from International Expert under ADB assistance.
- 22 October 2013: Director General of Customs made a presentation before the Finance Minister and MOF officials. Finance Minister instructed to submit the proposal to Cabinet after getting approval from the Ministry of Law Justice and Parliamentary Affairs.

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Chronology of Initiatives

- 1 December 2013: The First Proposal was submitted to Cabinet, but the Cabinet was dissolved before taking any decision on the Proposal.
- 30 April 2014: The Second Proposal was submitted to Cabinet.
- 8 May 2014: The Cabinet delegated power to its Economic and Infrastructure Committee to take decision on the proposal.
- 21 May 2014: Economic and Infrastructure Committee approved and decided to (i) submit the resolution to the Legislative Parliament for Accession to the Body of the Convention and its General Annex, (ii) and authorize Finance Minister to sign on the Instrument of Accession.
- 26 January, 2015: Department of Customs translated the RKC into Nepali and release in a printed book format under ADB support.
- 27 March, 2015: Ministry of Finance submitted the Resolution to the Legislative Parliament.
- Proposal is likely to be tabled in the Legislative Parliament during the Budget Session.
- On approval, Ministry of Finance has to submit the Instrument of Accession to the WCO.
- Ministry of Finance and Department of Customs has to revise the Customs Legislation to comply with the 21 RKC Gaps within 36 months or 60 months depending on the standards.

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Chronology of Initiatives

- The exiting Customs Legislation comply with 101 general standards out of 122.
- The remaining 21 standards requires changes in Customs Act (19), Customs Rules (1) and Administrative Decision (1).
- The 14 standards have be be complied within next 36 months and 7 standards within next 60 years of accession.
- 19 Standards that requires Customs Act changes, 13 should be complied within 36 months and 6 within 60 months.
- Customs Rules needs to amend within 36 months for 1 standard.
- Administrative decision requires to be issued within next 60 months for 1 standard.
- The above 21 legal provisions have already been formulated.

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