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**THE ADAPTATION OF CUSTOMS LEGISLATION TO THE INTERNATIONAL
STANDARDS OF THE SIMPLIFIED CUSTOMS CONTROL OF CITIZENS WHEN
CROSSING THE CUSTOMS BORDER OF UKRAINE**

The customs control, which relies on customs service in accordance with the laws of Ukraine, is an important element of state regulation of foreign economic activity. The simplified customs control may be used with the agreement of specially authorized central executive authority in the field of customs. The article is devoted to combining and deepening the theoretical approaches to the organization of customs control and implementing the simplified customs control during Ukraine's integration into the world economy as well as developing the proposals to improve customs forms to ensure economic security of Ukraine. It is concluded that in order to maximize the national interest and the successful integration into the EU, we have to ensure the smooth movement of goods and people with the necessary speed and quality, to reduce customs control and customs clearance. To sum up, this is the main strategic goal of the Customs Service of Ukraine with the expected results in reforming the customs, the implementation of which depends primarily on the improvement of customs control, the decrease in customs control and customs clearance, the improvement of the international image of the state.

Keywords: integration into the global market, simplified customs control, "green" corridor, "red" corridor, customs, customs clearance, zone of the simplified customs control.

Кийда Л. Адаптація митного законодавства до міжнародних стандартів спрощеного митного контролю громадян при перетині митного кордону України

З моменту переходу до ринкової системи взаємовідносин перед Україною стоїть проблема інтеграції української економіки до світового ринку, тому виникає ряд завдань, які потребують невідкладних рішень. Головні з них – наближення митного законодавства до міжнародних норм, правил та стандартів, у тому числі й відносно впровадження спрощеного митного контролю в умовах інтеграції України до світового економічного простору. Проблеми використання процедури спрощеного митного контролю в практичній діяльності митних органів і направлення їх рішень запропоновані в даній статті.

Ключові слова: інтеграція до світового ринку, спрощений митний контроль, «зелений» коридор, «червоний» коридор, митниця, митне оформлення, зона спрощеного митного контролю

Кийда Л. Адаптація таможенного законодательства к международным стандартам упрощенного таможенного контроля граждан при пересечении таможенной границы Украины

С момента перехода к рыночной системе взаимоотношений перед Украиной стоит проблема интеграции украинской экономики в мировой рынок, поэтому возникает ряд задач, требующих неотложных решений. Главные из них – приближение таможенного законодательства к международным нормам, правилам и стандартам, в том числе и относительно внедрения упрощенного таможенного контроля в условиях интеграции Украины в мировое экономическое пространство. Проблемы использования процедуры упрощенного таможенного контроля в практической деятельности таможенных органов и направлення их решения предложены в данной статье.

Ключевые слова: интеграция в мировой рынок, упрощенный таможенный контроль, «зеленый» коридор, «красный» коридор, таможня, таможенное оформление, зона упрощенного таможенного контроля.

Introduction

Ukraine, like other countries in the period of implementation of its foreign economic policy, adapts the international standards in the regulation of customs. The main subject of customs policy is

the implementation of the State Customs Service of Ukraine, activities of which significantly affect the processes of social development, economic and political independence of the state. That is why the analysis of the functioning of the Customs Service, the definition of priorities and opportunities for the effective implementation of the national customs policy are based on global trends in the field of customs and acquire contemporary character.

The customs control, which relies on customs service in accordance with the laws of Ukraine, is an important element of state regulation of foreign economic activity. The simplified customs may be used with the agreement of specially authorized central executive authority in the field of customs.

Analysis of resent research

The challenges of organization and implementation of the simplified customs control are widely debated in the special professional literature, especially in the works by V.A. Argunova, V.P. Datig, E.M. Beresnoy, J.P. Solovkova, P.V. Pashka, I.G. Berezhenyuk and other scientists and practitioners in the sphere of the customs system. However, the impact of proper customs control in terms of integration into the global economic space and modern control methods in these studies are not adequately disclosed.

Particularly noteworthy is the improvement of customs control through the introduction of the fiscal authorities of the customs post – an audit.

These problems are researched by P.V. Pashka and L.M. Ivashova. However, despite of the relatively wide coverage of the customs control topic, currently there are still many unresolved issues in scientific studies related to the unambiguous understanding of customs control's role and place in the system of public administration and the distinction between customs control and customs post – the audit.

Statement of research objectives

The main objective of this article is combining and deepening the theoretical approaches to the organization of customs control and implementing the simplified customs control during Ukraine's integration into the world economy as well as developing the proposals to improve customs forms to ensure economic security of Ukraine.

Results

The activity of the Fiscal Service of Ukraine is related to the implementation of customs control and customs clearance of goods, items, currency values, and vehicles crossing the customs border of Ukraine. The unified system of customs control,

which must meet the challenges that confront a country, is formed in every country. All products and automobiles, which go through the customs border of Ukraine, are subject of customs control.

The customs control provides minimum of customs formalities for the fiscal service necessary for the enforcement of legislation of Ukraine on customs. The volume of these procedures and their application are determined in accordance with the Code, other normative legal acts and international treaties of Ukraine signed as prescribed by the law.

The simplified customs may apply with the approval of the specially authorized central executive authority in the field of customs. The simplified customs control is used in case of movement of goods by persons through the customs border of Ukraine that are not subject to mandatory declaration and taxation and do not belong to the category of goods, which have limitations or restrictions to take for.

The simplified customs control is used by the fiscal authorities. There are the equipped areas (corridors) of the simplified customs control. People, who pass through the areas (corridors) of the simplified customs control, shall be exempted from submission of the customs declaration. However, such exemption from the customs declaration presentation does not mean the exemption from mandatory public compliance with the order of movement of goods across the customs border of Ukraine [5].

The implementation of the simplified customs control arrangement as "red" and "green" corridors were introduced in Ukraine in order to approach the application of the international standards by the Fiscal Service of Ukraine. Dual system of customs control is used both for persons entering the customs territory of Ukraine and for those leaving the country with the necessary equipment of "green" and "red" corridors.

The "green" corridor is the area of the simplified customs control, which is a part of customs control in the area (in the premises) of an airport, equipped with the appropriate technical equipment and intended for realization of the simplified customs control of goods transported through the customs border of Ukraine. It does not require written declaration and taxation of goods that are not under restrictions or limitations for carrying them through the customs border of Ukraine.

The "red" corridor is a part of the customs control on the territory (in the premises) of an airport, intended for realization of customs control

and customs clearance of goods that go through the customs border of Ukraine and are the subjects to the written declaration and also are the subjects for taxation if there are any kinds of limits or restrictions to take these goods through the custom border.

The simplified customs control is used both at entering the customs territory of Ukraine and at leaving it. The customs control zone is created and identified at the places of exercise of customs control, including the simplified one, in the territory (in the premises) of the airport. The “red” and the “green” corridors have color corresponding markings, inscriptions, pointers of motion and so on. The termination of the “green” corridor is identified by the white line [2, p. 2-5].

Information about the customs rules shall be placed before the customs control area and at this zone in order for the person to determine the possibility of passing the “green” corridor. Such information shall contain warnings about responsibility for violation of customs regulations.

The customs control zone may provide informational assistance in customs matters to clarify the order of movement of citizens’ articles through the customs border of Ukraine.

The customs articles that go with its owner may be carried out selectively according to the decision of a customs officer with unpacking the luggage accommodation and / or with the use of technical means of customs control.

The contents carry on and / or the accompanied luggage are obliged to present under the request of an officer of the Fiscal Service.

The review of articles is carried out in the especially dedicated areas for this fiscal service agency premises.

The customs control articles that were taken by people can be carried out jointly with other control agencies (border protection, control of aviation security, etc.).

Subjects of citizens are under customs control from the moment these articles come to the area of customs control. The customs control ends citizens’ articles.

The movement of these articles outside the customs control zone is in case of selection of a national “green” corridor. The exercising customs clearance of articles in full is in case of importing into the customs territory of Ukraine and after the election of the national “red” corridor. The exercising the customs clearance of articles and crossing the customs border of Ukraine in full

except customs regimes, which involve staying under customs control during the entire time of action of the customs regime, is in case of exporting the articles from the customs territory of Ukraine and choosing the national “red” corridor.

People make their choice about where to go: to the simplified customs control or customs control with customs declaration – “green” or “red” corridor.

Responsibility for violation of customs regulations occurs:

- for a person who has chosen to pass the “green” corridor – from the moment of crossing the white line that marks the end of the “green” corridor;

- for a person who has chosen to pass the “red” corridor – from the moment when the official organ of the fiscal services customs takes the declaration for registration, that means when it is stamped.

If there is a fact of violation of the national customs regulations, the customs official shall take measures envisaged by the legislation of Ukraine.

The procedure of customs control and customs clearance of items is carried out by persons travelling by air, using dual system of “green” and “red” corridors designed to align the application of fiscal agency services the simplified customs control of citizens’ articles to the international standards, in accordance with the Convention on International Civil aviation (Chicago, 1944), the International Convention on the Simplification and Harmonization of Customs Procedures (Kioto, 1973), Article 68 of the Customs Code of Ukraine and involves the use of the simplified procedure for the exercise of customs control articles that go with citizens who have arrived by the aviation transport.

The enter to “red” and “green” corridors has colored markings, provides information about customs rules for citizens and information needed to determine their needs for customs clearance through the simplified procedure (“green” corridor) or necessarily through the written declaration (“red” corridor).

Such information and directions are placed on public notice boards and panels and provide clarification on the responsibilities of citizens in accordance with applicable customs legislation.

Line of citizens to “green” and “red” corridors is defined so to avoid crossing paths of citizens traveling on “green” and “red” corridor.

The citizens use technical means of customs control on their way. The mode of access is

established at the customs control zones for prohibiting persons not involved in the customs control, creating of conditions for work and protection of personnel and property of customs authorities.

The mode rules in the areas of customs control are developed by the customs and are necessary to be done by persons who are control officers and other control services. Citizens independently decide to pass “green” or “red” corridor under the applicable legislation 3.2.

When a citizen enters “green” corridor, the customs officer may invite the citizen to present air ticket and passport or other document proving the identity. After that the customs official can ask about criteria for going through the customs control by this corridor and people may be interviewed.

If you break the customs rules, officials of fiscal services can make a protocol on violation of customs regulations.

The selective control of subjects of citizens who go through “green” corridor can be done by using technical means and unpacking luggage subjects. The citizen is obliged to submit the contents of baggage on the request of the customs official.

A thorough review of items is carried in specially designated customs facilities. If you choose “red” corridor, the customs clearance is carried out in full on general terms of customs duties.

A citizen who mistakenly chooses the “red” corridor can be allowed to enter the “green” corridor according to the criteria by the customs official, to whom he applies, provided that the moved items meet the criteria of this corridor.

The customs control items for the “red” corridor are carried out by officials of the fiscal service in general practice. In case of violation of customs regulations persons who use special customs procedures are subject to administrative or criminal liability in accordance with the current legislation on general grounds.

A “single office” at checkpoints across the state border, involving placement of representatives of all state control services that exercise their activity at the checkpoints in one of the rooms were introduced to improve the procedure of state control over the movement of goods and vehicles at checkpoints across the state border control.

Bodies, the State Border Guard provides ecological and radiological controls and the central fiscal services provide sanitary and

epidemiological, veterinary, phytosanitary control and monitoring of the movement of cultural values. This is the hardest work – to delegate the fiscal service the environmental, health, veterinary and other controls with the withdrawal of the representatives of these checkpoints of control services.

In some cases, these official bodies are entitled to involve such kinds of controls that are relevant for representatives of state control body.

It should be noticed that in case of occurrence of problem or controversial issues for a control of goods at checkpoints across the state border on the “single office” the fiscal authorities are obliged to immediately inform the Department of Customs Control of the State Customs Service of Ukraine. The implementation of these principles and technologies of customs significantly contribute to the humanization and simplification of control over the movement of people and goods through checkpoints. However, the system of border crossings requires constant and systematic improvement based on trends of customs policy and international experience of the customs authorities.

Thus, the formation of joint international markets, global division of labor, intensive tourism development etc. cause acceleration of trade and passenger traffic between the countries that primarily requires humanization of customs services of the world. Quality and speed of customs service, attention, and goodwill are the business card, whereby people from other countries want or don’t want to come to our country and to cooperate in various spheres of social activity.

The most active steps the government needs to meet are the business organization of “one stop” for all Ukrainian customs.

There is a need to note, that the “single window” was used for customs clearance, but there was no vacant procedural, technological and organizational mechanisms for implementing the principle of organizational unity of customs procedures. As a result, the practical implementation of the “single window” at customs, especially at checkpoints across the state border of Ukraine, was reduced to that of the representatives of the state control, supervision in one room, and the documents they filled for registration were literally in the “single window”.

All other procedures related to the customs clearance of goods and vehicles are carried out in the same manner and with the same problems

as before. This has led to a painful accumulation of employees and concentration of customs procedures at one point of administrative services in one room. The formal application of the principle of the “single window” has led to a drop in efficiency and quality of services of customs clearance.

The introduction of the principle of the “single window” at customs did not give opportunities to increase the efficiency of customs clearance. Moreover, it created inconvenience for employees and for economic operators. In order to implement the “single window” in more practical and effective way, it is useful primarily to implement the following measures:

- to legally define the “single window” principles, criteria and procedures for its organization, based not on the accumulation of employees in one room, but on the rapid exchange of information between data and electronic documents;

- to make changes in the customs legislation, regulations of fiscal agency services, as well as legislation regulating the procedure of state control and supervision carried out at customs checkpoints goods;

- to set an optimal and uniform set of documents that should provide economic operators of customs control and customs clearance for each of customs modes;

- to provide operational and reliable documentation circulation between different authorities during clearance;

- to increase the level of knowledge of employees of service and other fiscal control and supervision agencies.

Another step to simplify customs clearance is a customs right to make customs control at the end of the export-import operations entrepreneur. It will not detain goods at customs awaiting completion of verification and quickly pass.

There are special simplified customs procedures for bona fide competition. The Ukrainian entrepreneurs who have been operating in the market do not allow significant violations and obtain the status of the authorized economic activities operators.

Currently a limited form of a mechanism of an application procedure of using the “regime of assistance in foreign economic activity” operates. Persons, who have received this status, will be able to permit:

- simplification of customs procedures;

- simplification of customs control concerning safety and security;

- simplification of customs procedures and the customs control concerning safety and security.

New Customs Code of Ukraine allows entrepreneurs to choose customs in which they declare goods by themselves. It will allow businesses to reduce transportation costs – after crossing customs border these products can immediately be taken to the end user, “on the road”, to be driven to the nearest customs for customs clearance.

We introduce a new concept of a “compromise in customs”. This is the setting cases, when goods can be passed through the customs border of Ukraine even if there is some violation of customs regulations, before the end of the case of the violation. However, it is so if these goods are not subject to confiscation and will not need further proceedings or in the case when the declarant shall pay all taxes or represents a guarantee of payment.

The decriminalized commodity smuggling is moved from the category of the criminal misdemeanors to the category of the administrative offenses. The abbreviated list of violations of the customs regulations and the revised penalties are applicable for their commission. So there are 18 kinds of offenses for committing, 5 of which provide for penalties in the form of confiscation (compared to the old Customs Code, where there were 27 types of offenses, 11 of which were for penalties in the form of confiscation). There was a removal of vehicles due to customs violations. So there are only 3 cases now, where such vehicles can be confiscated. This can happen only if:

- they were prohibited from importing goods into Ukraine;

- these vehicles were moved between the checkpoints;

- there was a specially manufactured repository in vehicles.

In other cases, commercial vehicles are not the subject for withdrawal.

Conclusions

Thus, in order to maximize the national interest and the successful integration into the EU, we have to ensure the smooth movement of goods and people with the necessary speed and quality, to reduce customs control and customs clearance.

This is the main strategic goal of the Customs Service of Ukraine with the expected results in reforming the customs, the implementation of which depends primarily on the improvement of

customs control, the decrease in the customs control and the customs clearance, the improvement of the international image of the state.

Furthermore, the customs control, which is based on audit methodology – customs post-audit, is a special branch of the customs activity. It has specific forms and methods and, as a means of implementing customs policy, not only provides economic protection of customs borders, but also acts as an important part of ensuring the legality of the foreign economic activity as a necessary condition for the existence and the development.

The implementation of the customs post audit will increase the revenue in taxes and fees. The compliance with legislation of the economic entities engaged in the foreign economic activity will enable the use of the simplified customs

procedures for enterprises of the audit, which confirmed the compliance of the applicable law and economic analysis of the efficiency measures taken for the minimization of risks. It will also ensure the expansion of practice selectivity of the application forms of customs authorities' fiscal services.

Therefore, improving the organization of the customs control and the development of methodology for its implementation should greatly simplify the collection of the customs procedures to ensure their transparency and openness, the harmonization of customs legislation of Ukraine with the international standards and strengthen the role of the fiscal services in protecting economic interests in the implementation of the customs policy.

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Section 3.
PUBLIC ADMINISTRATION
ON THE REGIONAL LEVEL AND
CHALLENGES OF RURAL AREAS
