

The background features abstract, overlapping green geometric shapes in various shades, including light lime green, medium green, and dark forest green. These shapes are primarily located on the left and right sides of the slide, framing the central text. The overall aesthetic is modern and professional.

The Concept of a New Customs Code of Ukraine

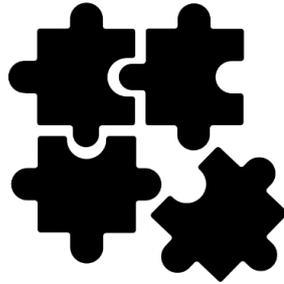
Key issues in customs regulation

Insufficiency of automation of customs processes

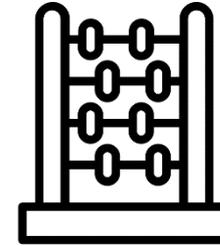
The complexity and regulation of the customs legislation

The lack of a simplification system for a good business

Information protection, ineffective counseling, lack of a preliminary decision system



IT under-development, lack of electronic services, prevalence of paper environment



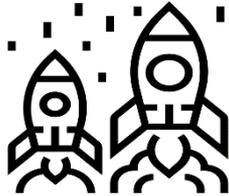
Significant human factor in decision making

The absence of customs accountability to the business for wrongful actions or inaction

Unpredictability and opacity of customs procedures



New Customs Code



New CCU:

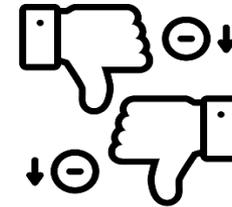
the opportunity to realize the customs obligations of Ukraine under the Association Agreement with the EU

modernize the "customs constitution" of Ukraine in accordance with international customs standards

settle key institutions and regulations ensuring the transition to a paperless electronic customs environment,

implementation of a comprehensive system of customs simplifications for a good business

simplify and rationalize customs legislation, transfer the detailing to the sub-legal level, which will ensure flexibility and timeliness of customs regulation



CCU of the year 2012:

backwardness from international standards, technologies and practices, in the first place does not comply with the EU Customs Code

insufficient automation of customs procedures, minimization of the human factor

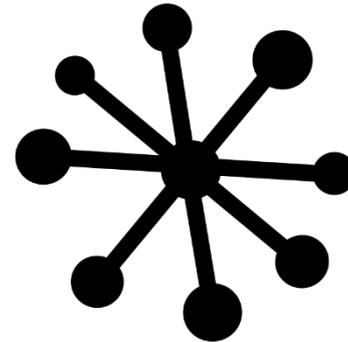


excessive specification of technical and procedural issues at the Code level, which does not contribute to the speed of customs regulation

lack of simplification system, complexity and bureaucratization of customs processes

The Structure of the New Customs Code

- ▶ 1. General provisions and terms.
- ▶ 2. The structure and organization of the customs authorities.
- ▶ 3. Information on customs issues.
- ▶ 4. Moving and passing goods through the customs border.
- ▶ 5. Customs formalities for various types of transport.
- ▶ 6. International postal and express shipments.
- ▶ 7. Organization and implementation of customs control.
- ▶ 8. Declaring. Customs clearance.
- ▶ 9. Customs regimes (procedures).
- ▶ 10. Authorized economic operator.
- ▶ 11. Custom decisions. Preliminary decisions.
- ▶ 12. Customs value.
- ▶ 13. Classification of goods.
- ▶ 14. Country of origin.
- ▶ 15. Customs payments. Exemption from customs payments.
- ▶ 16. Customs duty.
- ▶ 17. Warranty.
- ▶ 18. Pass and taxation of goods transported by citizens.
- ▶ 19. Protection of intellectual property rights.
- ▶ 20. Responsibility for violation of customs regulations.
- ▶ 21. Responsibility of customs officials.

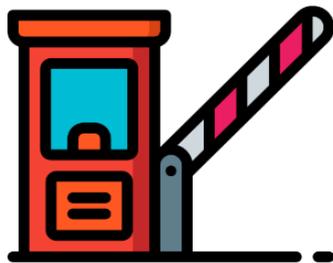


Declaring of goods



Simplified Customs Declaration

simplification of the declaration procedure, reducing the number of documents submitted for customs clearance, in fact delaying the payment of customs payments for 5 days



Prime entry

the use of a prime entry not only as a document controlling the delivery of goods, but also as a full-fledged customs declaration on which goods are released into the declared customs regime

Short import declaration

an effective mechanism for the customs authorities to obtain advance information about the product prior to its arrival, which allows for analyzing the risks of a specific operation, primarily with a view to ensuring customs security. Clear regulation of the deadlines for submitting a short import declaration, automating the process of its processing will allow you to avoid delays at checkpoints

Record in the declarant's accounting system

allows enterprises to release goods into the customs regime without the need to submit a full customs declaration using a simplified data set through their entry in their electronic commercial record system

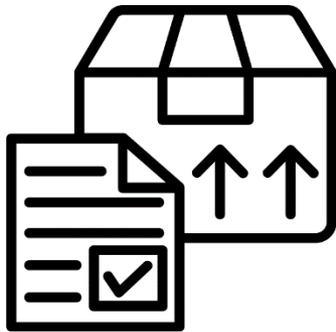
Customs Clearance

“Automated IT solutions” will allow to send “saved” personnel resources of customs to post-customs control and customs audit and/or to dismiss workers who will be replaced by “automated IT solutions” in order to increase the material support of others; anti-corruption mechanism and minimization of “subjective” decisions with simultaneous transfer of responsibility from the customs officer to the declarant.

Centralized Customs Clearance

Automated system of Customs clearance

The introduction of customs clearance technology according to the principle of “remote declaration” provides an opportunity to process goods at the location of the enterprise, regardless of the actual presentation of goods to customs



minimization of influence “Human factor” on the process of customs control and clearance by introducing automatic release of goods into the customs regime (using the customs IT system without the participation of its officials) and other automated decision-making modules on the implementation of customs formalities for risk-free declarations and economic operators using an automated risk management system

Post-customs control

reducing the number of documents submitted at the time of customs clearance, and shifting the emphasis of documentary control to the post-clearance stage



Export

Export without a contract at the time of customs clearance

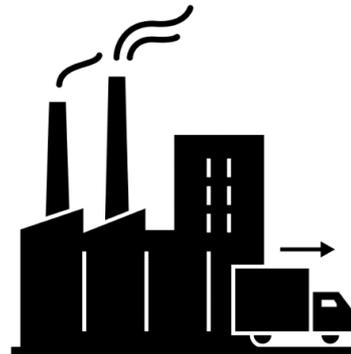
- the possibility to export goods under a temporary customs declaration if, at the date of customs clearance of goods, a foreign economic agreement (contract) is not concluded
- in this case, an obligation is given to submit an additional declaration no later than the first working day after the expiry of the period for this export transaction established in accordance with the legislation

Automated export release (without entry to the customs terminal)

- 30 minutes after registration of export customs declaration; no action by customs - applying the principle of "tacit consent"
- the cancellation of any mandatory state controls, the introduction of the declarative principle of compliance with non-tariff regulation measures and the imposition of responsibility for the types of control at the enterprise.

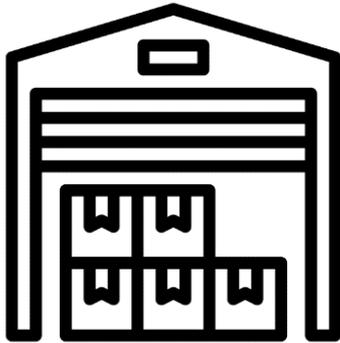
Simplification fo the export

- introducing for export such simplifications as "Centralized customs clearance", "entry in the declarant's accounting system"
- self-application of of a special type seals



Customs warehouse

Expansion of the functionality of the customs warehouse regime



4 types of customs warehouses



Introduction of a new guaranty, providing by the warehousekeeper, which will ensure the payment of customs duties in case of unauthorized operations with goods and failure to store goods

No restrictions on shelf life.

Possibility to file a simplified declaration

The list of operations that can be carried out in stock has been expanded

Possibility to process goods or end use procedure

The possibility of placing Ukrainian goods

Possibility to conduct transactions with equivalent goods

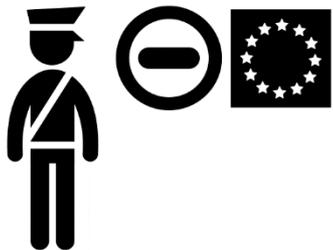
Common transit regime

Simplifications with the help of special IT-solutions, the use of the pan-European electronic transit system (NCTS)

Countering “interrupted” transit, cargo substitution by introducing mandatory sealing, guaranteeing the security of customs payments

The system of special transit simplifications: general financial guarantee; self-imposition of seals of a special type; authorized shipper; authorized consignee

Analysis of the transit operation for riskiness even before the arrival of goods in Ukraine, reasonable determination of the forms of customs control



Reducing the time and financial costs on goods transporting, improving security and communication between participants in the supply chain



Authorized Economic Operator (AOE)

An enterprise acquires AEO status by obtaining one or two types of certificates



Certificate of simplification of customs procedures

Provided to AEO to simplify and speed up customs formalities in domestic customs



Certificate of reliability and safety

It turns out now to minimize customs control of goods and reduce the time of crossing the border

The main difference between the two types of certificates is in various types of simplifications and advantages

Criteria for evaluating enterprises

In order to obtain simplifications, an AEO or within the framework of a joint transit regime, enterprises must meet certain criteria.



Compliance with the legislation of Ukraine

Owners and officials of the company must have an impeccable business reputation.



Satisfactory system of keeping commercial and transport documentation

The company must ensure the maintenance of the reporting system, effective management and control of operations



Paying capacity

The financial sustainability of the enterprise and a positive history of the obligations



Providing practical professional qualification standards

The company identifies a professional person responsible for internal control and monitoring.



Compliance with safety and reliability standards

The company ensures the reliability of international trade facilities and business partners

Provisional solutions

Provisional solutions can be made on:

- 1) the classification of goods;
- 2) the country of origin of the goods;
- 3) determination of customs value;
- 4) permission to place goods in separate customs regimes.

issued for 3 years or for a specific operation; are mandatory for any customs and enterprise



deadline for decision making 30 days (with the possibility of extending up to 15 days)

possibility of further use of the solution up to 6 months in case of cancellation (not the fault of the applicant)

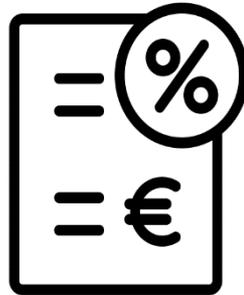
“competence centers” are created, which make preliminary decisions using the appropriate software and information systems

The introduction of preliminary decisions will minimize the occurrence of disputes between customs and business

Customs Value

Introduce deferred customs valuation procedure for goods: enterprises have the right to use a deferral (up to 15 months) to determine the exact customs value of goods if at the time of customs clearance the numerical values of the customs value of goods are not known for objective reasons

Raise the cost threshold when the customs value declaration (customs value data) is submitted to EUR 20,000 (now EUR 5,000)



Cancel the customs value declaration and transfer its basic elements (data) to the electronic customs declaration

Allow the determination of individual components of the customs value (for example, commission) on the basis of certain criteria, if they are incalculable on the date of the customs declaration

The possibility of preliminary decisions on customs value and the use of a deferral to determine the exact customs value allows determining the customs value on the basis of the transaction value and not using other “valuation methods”.

Simplification of the customs value declaration

Customs Debt

It is proposed to introduce a new customs debt institution for the customs legislation of Ukraine. Customs debt arises in such cases:



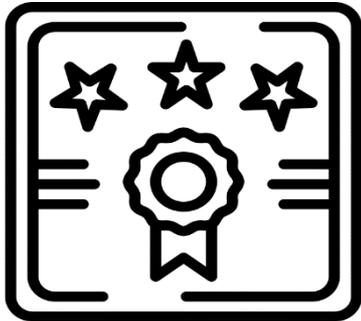
1) compliance with customs legislation, namely when importing goods subject to taxation and payment of customs duties when they are placed in the customs regime (import or temporary import with partial exemption)

2) non-observance of customs legislation (failure to comply with the conditions for placing goods into the customs regime; violation of requirements for the movement of goods; removal of goods under customs control)

If in the first case, the customs debt arises at the time of the adoption of the customs declaration, in the second - at the time of identifying that the obligations resulting in customs debt are not being fulfilled or cease to be fulfilled

Guarantee

Large-scale implementation of the guarantee system for the movement of goods, the application of certain customs regimes and procedures, obtaining permits, etc. is one of the most important innovations of NCC. Security in the form of a financial guarantee is applied to an existing or potential customs debt.



The provision of customs debt is carried out in the following forms:

- 1) the provision of financial guarantees issued by the guarantor;
- 2) transfer of funds to the customs account (cash deposit)
- 3) another form of guarantee, which ensures the payment of customs debt.

If the provision of a guarantee is mandatory, the customs authorities determine the amount of such a guarantee at the level of the exact amount of customs payments (customs debt), if this amount can be determined at the time when the guarantee is required. If it is impossible to establish the exact amount, the guarantee is determined at the level of the maximum amount of customs payments (customs debt) to be paid or may be payable.



Customs control and monitor the use of guarantees through an electronic guarantee management system.

International postal and express shipments

Strengthen control on the movement of international postal and express shipments from the border checkpoint to the sorting station or international postal exchange by introducing:

- submission of an electronic delivery control document;
- introduction of mandatory delivery guarantee;
- sealing of vehicles.

Additional criteria for obtaining the status of express carrier and postal operator:

- Providing customs with advance information on parcels;
- automating the process of accumulating data on parcels (registries, identification, online access to information);
- transfer of all processes exclusively in electronic form.



Using only electronic registers of parcels, identifying recipients, simplifying the procedures for declaring and paying customs duties, including by using web services, providing express carriers and postal operators the status of tax agents.

gradual reduction of the non-taxable limit from EUR 100 during 2019-2021 and the introduction from 2022 of the VAT taxation of all postal and express shipments, regardless of their value.

Pass and taxation of goods transported by citizens

introduction of the norms of Directive 2007/74/EC of December 20, 2007 on the establishment of thresholds for citizens to import goods without taxation in the amount of EUR 430 (aviation and sea checkpoints) and EUR 300 other checkpoints)



basic provisions on the organization and features of information exchange between the databases of the State Border Service and the State Customs Service to control the frequency of movement of citizens in order to ensure the effective implementation of the above standards

the preservation of the norms according to which, if an individual was absent in Ukraine for less than 24 hours or enters Ukraine more than once within 72 hours, then the non-taxable minimum is EUR 50

Intellectual property protection

Actual importation of goods to the checkpoint across the customs border (even without filing a preliminary customs declaration) is enough to apply measures to protect intellectual property rights if there is a suspicion of violating them



Introduction of a simplified procedure for the destruction of small quantities of goods suspected of violating intellectual property rights, which are sent across the customs border in international postal and express shipments

Expansion of the list of intellectual property rights protected by the movement of goods across the customs border



The terminology is harmonized with the EU acts, in particular, the definitions of “counterfeit goods”, “pirated goods”

The possibility of early release of goods, the customs clearance of which is suspended on suspicion of violating intellectual property rights

Information on Customs Procedures Issues

Transparency in the activity of customs, the availability of information, ensuring its relevance - the basic principles that are proposed to consolidate the new CCU

Publication of information on customs clearance of goods, including information relating to the customs value of goods, without determining specific enterprises

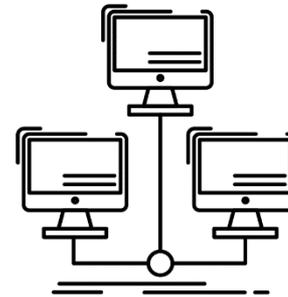


Creation and operation of online systematic directories (taxation, non-tariff measures, rules of origin, customs value, classification) in relation to goods by UGC FEA codes (by analogy of product certificates in brokerage programs and EU information resource Trade Helpdesk).



The right to file an appeal and receive advice in electronic mode using online services

- to typical questions, the answers to which are contained in the relevant information and reference resource of the State Customs Service, a response period of a maximum of 10 days;
- the provision of clear and understandable explanations of the customs legislation with the obligatory binding to the consideration of the specific situation of the enterprise.



Responsibility for violation of customs regulations



It is proposed to introduce two types of liability for violations in the field of customs:

1. Financial liability (fines).
2. Administrative liability (fines and confiscation).

Financial responsibility should occur in the following cases:

- illegal operations with goods;
- malfunction of duty-free shops;
- violation of the procedure for the processing of goods;
- non-declaration of goods, etc.

The subject of the offense is the enterprise and, accordingly, it also bears financial responsibility in the form of penalties.



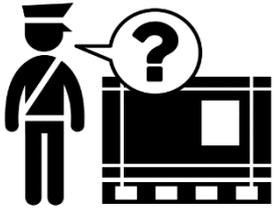
Administrative responsibility comes for violation of customs rules, where the entity is a person. Mandatory confiscation is provided for:

- movement of goods concealed from customs control (hiding, forged documents, documents containing knowingly false information);
- movement of goods out of customs control (out of place, time, or with evasion)
- the movement of prohibited or counterfeit goods.

All other violations foresee a fine, and such cases are dealt with by customs.



Responsibility of Customs Officials



An important institution in the relationship between business and customs is the responsibility of the customs officer for illegal decisions/actions (actions or inactions) and compensation for harm caused by such decisions/actions.

In order to avoid fuzzy interpretations and dilution of responsibility, it is necessary to formalize customs procedures, as well as develop and approve job descriptions of customs officers with a clear definition of rights, duties, and grounds for bringing to justice

For making unreasonable decisions and / or committing wrongful acts or omissions, the customs officer bears:

- financial responsibility (system of fines and deprivation of bonuses and other salary bonuses, reduction of the amount of premiums for qualification)
- disciplinary (in the form of disciplinary action: reprimand, dismissal, etc.);
- material (compensation for damage caused to the subjects of foreign economic activity)

As an option for quick and effective compensation for material damage, it is possible to use compulsory insurance of professional liability of customs officers, whose activities may cause harm to third parties. Damage is reimbursed from the insurance fund.

