

Foreign Customs Experience as a Basis for Reforming Ukrainian Customs System in Terms of European Integration¹

Olha Melnyk¹, Marta Adamiv², Andrii Todoshchuk³

1. Foreign Economic and Customs Activity Department, Lviv Polytechnic National University, UKRAINE, Lviv, S. Bandery street 12, E-mail: olia_melnyk@ukr.net
2. Foreign Economic and Customs Activity Department, Lviv Polytechnic National University, UKRAINE, Lviv, S. Bandery street 12, E-mail: marta_adamiv@i.ua
3. Foreign Economic and Customs Activity Department, Lviv Polytechnic National University, UKRAINE, Lviv, S. Bandery street 12, E-mail: a.todoshchuk@gmail.com

Abstract – The article analyzes the foreign customs experience in the context of the organizational construction of customs authorities and key trends of development of national customs systems. On the basis of received results the key problems of Ukrainian customs system have been identified.

Keywords – customs, customs system, customs authorities, customs experience, European integration.

Introduction

In the conditions of strengthening the role of globalization and integration processes in the global space and thus transforming state borders into conditional boundaries, deepening of international economic cooperation and intensification of foreign economic activity, and at the same time the growth of external threats and dangers of military-political character, increasing the level of smuggling and fraud, customs authorities play an important role in the system of public authorities of any country. Realizing such tendencies, many developed European countries have managed to build highly progressive national customs systems. In developed European countries, the customs is one of the key authorities aimed at protecting the state and its citizens from prohibited dangerous and poor-quality goods, raising the level of national security (including economic security), and the intensification of legal international trade. Unfortunately, today we are compelled to state the fact that the national customs system is in the stage of stagnation. This situation is caused by a number of internal and external problems, both objective and subjective, which must be adequately resolved in order to preserve the territorial integrity of the state, ensure an adequate level of national security, protect society and, at the same time, provide the harmonious Ukraine's accession to the European Union.

Main part of research

According to the World Customs Organization (WCO) research [1], there are no generally accepted terminologies and definitions regarding customs organizations. Customs organizations differ in different countries in many details, and have been often modified reflecting changes in their priorities. Thus, the WCO identified five categories, considering the relationship between customs and tax administrations [1]: Customs Department; Revenue Department; Revenue Authority; Customs Agency; and Border Agency.

According to the last WCO research [2], in 2017-2018, the prevailing share (36.8%) of customs administrations in the world were organized in the form of departments of ministries; 31.9% - as customs organizations; 29.7% - tax authorities; and only 1.6% - border protection services. As we can see, the dominant tendency towards the organization of the work of customs

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authorities is the functioning of customs authorities as separate independent bodies that are concentrated on customs functions (68.7%).

In the conditions of unification of customs and taxation spheres into a single authority, Ukrainian customs system gradually declined, there was a leveling of the customs component and the priority of the fiscal function; most of the customs decisions were taken on the principles of "political convenience", which led to the suspension of the development of state customs. Thus, the key problem is the absence of a separate authority that would be positioned as an independent body exclusively for the customs profile and ensured an efficient, coordinated, and goal-oriented management of the national customs activity at different levels. It is about a lack of a qualitative organizational structure of customs authorities that reflects clear vertical and horizontal links, determines optimal functional load and clear responsibility at different levels. Today, we can talk about the decentralization of customs management and the lack of an institutional level of management in the customs sphere, which prevents making the effective, targeted decisions on customs-specific functions related to the promotion of legitimate international trade and protection of the state and its citizens. Another major problem is the hypertrophied fiscal function of the customs, which is not essential for any customs administration in Europe. Although, in fact, it is a derivative of other customs functions - protection of the domestic market, the application of legislation regulating foreign economic operations, the organization of the safe movement of goods.

Conclusion

On the basis of the study of foreign customs experience, it is possible to distinguish key modern trends in the customs sphere:

- contributing to the activation of international trade, especially in the territory of the European Union by simplifying customs procedures, reducing the time that business entities spend for customs formalities, absolute automation of customs procedures;
- expanding the role of customs authorities at the border in the context of strengthening national security, protection of society from dangerous and harmful goods, improve the security of the international supply chain;
- increasing the complexity and volume of functional loading of the customs authorities in the conditions of globalization and integration processes, as well as under the influence of external threats and hazards;
- shift of accents in the work of customs authorities to ensure compliance with European and international customs standards and rules;
- strengthening the interaction of customs authorities with other national and international authorities in the context of improving the efficiency of customs systems, etc.

References

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