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Trade Facilitation Monitoring in Ukraine

Monitoring period:
June, 2023

Issue № 80
July 2023



Dear readers!

Here is the new issue of the Information Bulletin "Trade Facilitation in Ukraine Monitoring," a product of the Institute for Economic Research and Policy Consulting, published with the support of the European Union, International Renaissance Foundation, and ATLAS Network within the project "Support to the Civil Society Initiative "For Fair and Transparent Customs." We strive to provide you with the latest and most up-to-date information on the state of customs reform implementation and the implementation of measures to facilitate international trade in Ukraine. Therefore, send your opinion, feedback, and wishes regarding communication links and methods of providing information to: customs@ier.kyiv.ua

Content

INTRODUCTION 4

Regulatory legal acts that entered into force 4

Amendments were made to the Procedure for Conducting the UCG FEA..... 4

The government has approved the methodology for assessing the quality of the implementation of tasks of integrated border management..... 4

Draft laws 6

It It is proposed to exempt residents from liability for violation of settlement terms for export operations..... 6

It is proposed to exempt the central executive body from paying the court fee, which implements the state customs policy considering on cases on the assessment and payment of customs fees..... 6

Improvement of the procedure for reimbursement of costs for storage of goods and vehicles in customs authorities' warehouses..... 7

News 8

On September 1, 2023, Ukraine will switch to the NCTS Phase 5 (NCTS P5)..... 8

The State Customs Service has updated the contact numbers of the support service for NCTS..... 8

Methodological recommendations for authorized consignors and authorized consignees (NCTS) have been updated..... 9



Amendments were made to the Procedure for Conducting the UCG FEA

Resolution of the Cabinet of Ministers of Ukraine No. 633 of June 24, 2023, "On Amending the Procedure for Conducting the Ukrainian Classification for Goods of Foreign Economic Activity"

Within the approximation of Ukrainian customs legislation to the legislation of the European Union, the Government changed the Procedure for conducting the Ukrainian Classification for Goods of Foreign Economic Activity (UCG FEA).

It will contribute to the uniform application of the rules of classification of goods by all customs authorities when making decisions on the classification of goods in accordance with the UCG FEA and decisions on binding information on the classification of goods. Decisions must be made by customs authorities using the approaches to the classification of individual goods in accordance with EU provisions established in the relevant acts of EU law, provided that such approaches do not contradict the provisions of the International Convention on the Harmonized Commodity Description and Coding System.

The amendments provide for:

publication of the list of decisions on the classification of goods according to the Combined Nomenclature provided for in the relevant acts of the European Union (EU acquis) on the date of adoption of this resolution, provided that such decisions do not contradict the provisions of the International Convention on the Harmonized Commodity Description and Coding System, and updating such a list at least once a quarter;

publication of information on the compliance of the product codes specified in the relevant acts of the European Union law (EU acquis) with the codes of the current version of UCG FEA product nomenclature;

improvement of the corresponding software.

Source: http://surl.li/iyojd

The government has approved the methodology for assessing the quality of the implementation of tasks of integrated border management

Resolution of the Cabinet of Ministers of Ukraine No. 595 of June 13, 2023, "On the approval of the National methodology for assessing the quality of the implementation of integrated border management tasks"

The Government has approved the National Methodology for Assessing the Quality of Implementation of Integrated Border Management Tasks. The methodology determines the mechanism for assessing the quality of the performance of tasks and the achievement of goals defined in the Strategy of Integrated Border Management for the period until 2025, approved on July 24, 2019.

REGULATORY LEGAL ACTS THAT ENTERED INTO FORCE

Integrated border management is a coordinated activity of the competent state bodies of Ukraine and military formations aimed at creating and maintaining a balance between ensuring the appropriate level of border security and maintaining the openness of the state border for legal cross-border cooperation and travelers.

The strategy defines the main directions of the state policy for the development and effective management of the state border for the period until 2025. Its purpose is to ensure the development of foreign economic ties and international trade and facilitate the movement of people and goods across the state border and its security. The strategy aims to introduce effective tools of cooperation and coordination at the intra-departmental, inter-departmental, and international levels and with the private sector.

Therefore, the approved methodology determines performance indicators and methods of assessing the achievement of relevant results during the implementation of the Strategy.

Source: http://surl.li/iyoip





It is proposed to exempt residents from liability for violation of settlement terms for export operations

Draft Law No. 9230 of April 21, 2023, "On Amending the Article 16 of the Law of Ukraine "On Currency and Currency Transactions" regarding liability for violations by residents of the settlement period for export transactions"

Registration date: April 21, 2023

Initiator: Members of Parliament of Ukraine

The draft law was developed to exempt from responsibility for the period from February 24, 2022, until the termination or abolition of martial law on the territory of Ukraine, residents - business entities that violated the terms of settlements from operations for the export of goods/services supplied to counterparties - residents of the Russian Federation or the Republic of Belarus until February 24, 2022, and such residents have not received funds from such counterparties within the terms established by Article 13 of the Law of Ukraine "On Currency and Currency Operations."

Currently, there is a problem that Ukrainian enterprises, which signed contracts with Russian and Belarusian enterprises until February 24, 2022, could not receive the goods or return the funds paid for them due to Russia's armed aggression against Ukraine. The specified changes will allow the relevant enterprises not to bear responsibility for not returning foreign exchange earnings to Ukraine in accordance with the contracts concluded during the specified terms.

Currently, the issue has been partially resolved by the decisions of the Government and the National Bank of Ukraine, which stopped the passage of the relevant terms for the mentioned enterprises.

Sources: http://surl.li/iyoig

It is proposed to exempt the central executive body from paying the court fee, which implements the state customs policy considering on cases on the assessment and payment of customs fees

Draft Law of Ukraine (No. 9359 of June 6, 2023) "On Amending the Article 5 of the Law of Ukraine "On Court Fees" regarding the payment of court fees in cases of assessment and payment of customs fees



Registration date: June 6, 2023

Initiator: Members of Parliament of Ukraine

The draft law aims to create conditions for the proper functioning of customs authorities to exercise powers to control the timeliness, reliability, and completeness of the assessment and payment of customs fees. It is proposed to exempt the central executive body, which implements the state customs policy, from paying the court fee while considering cases on the assessment and payment of customs fees in all court instances.

According to the draft law initiators, this will contribute to the work of the State Customs Service in accompanying relevant cases in all court instances.

Source: http://surl.li/iyohz

Improvement of the procedure for reimbursement of costs for storage of goods and vehicles in customs authorities' warehouses

Draft order of the Ministry of Finance of Ukraine "On Amending the Procedure for Reimbursement of Costs for Storage of Goods and Vehicles in Customs Warehouses"

Registration date: June 19, 2023

Initiator: the Ministry of Finance of Ukraine

The draft order was developed to improve and resolve the gaps in the current version of the procedure for reimbursement of costs for storage of goods and vehicles in customs warehouses.

It is proposed:

- include in the amount of reimbursement of costs of the customs body related to the storage of goods, the amount of funds actually spent on transporting goods and vehicles to the place of their storage and carrying out loading and unloading operations;
- establish that when calculating costs by the customs authority, the settlement period does not include the time during which the goods and vehicles were stored in the warehouse of the customs authority as items temporarily seized by criminal procedural legislation if the property seizure was canceled by the court and/or the criminal proceedings were closed;
- establish that costs are not calculated and not reimbursed if they are placed in the customs regime of refusal in favor of the state or the customs regime of destruction or (except for cases in which such calculation is objective);
- introduce clarifying changes regarding the specifics of covering costs for storage of goods that, in accordance with the provisions of the Customs Code of Ukraine, have acquired the status of being stored in the customs authority warehouse, and, in particular, goods seized in a case of violation of customs rules, proceedings in which have been terminated by the customs body through a compromise (conclusion of a settlement agreement).

Proposals for the draft order can be submitted until July 18, 2023, in written or electronic form at the following addresses: Ministry of Finance of Ukraine, Hrushevskyy str., 12/2, Kyiv-8, 01008, e-mail: infomf@minfin.gov.ua. State Regulatory Service of Ukraine, Arsenalna str., 9/11, Kyiv, 01011, e-mail: inform@dkrp.gov.ua.

Source: http://surl.li/hvamz

On September 1, 2023, Ukraine will switch to the NCTS Phase 5 (NCTS P5)

For businesses currently using NCTS, the transition to NCTS Phase 5 will mean that from September 1, 2023, transit declarations will be submitted in the updated transit system NCTS Phase 5 and in a slightly changed format, in particular, in data detailing.

At the same time, all the rules and principles of the common transit, and transit simplifications, remain relevant and valid.

The State Customs Service will develop new methodological recommendations for companies to enter information in transit declarations taking into account the features of NCTS Phase 5. It will be possible to submit them, as before, through brokerage software in accordance with the specifications for NCTS Phase 5.

It also emphasized that the translation of the Convention on the common transit procedure has already been updated in accordance with the changes made in 2022 and related to the data set of electronic transit declarations in NCTS Phase 5 (addendum IIIa to the Convention). (bit.ly/4482xN1).

All member countries of the Convention on the common transit procedure must switch to the application of NCTS Phase 5 by December 1, 2023. Ukraine's willingness to do this synchronously with all member countries of the Convention was one of the main prerequisites for joining the Convention.

For more information see the special section "NCTS Phase 5" of the section "Common transit (NCTS)" https://customs.gov.ua/rezhim-spilnogo-tranzitu-ncts.

Source: http://surl.li/iypdx



The State Customs Service has updated the contact numbers of the support service for common transit and NCTS

Updates to the contact details of the Common Transit Support Service and NCTS of the State Customs Service refer to mobile phone numbers with messenger support.

From now, the Support Service accepts calls and messages at the following phone numbers:

+380 (44) 481-18-07

+380 (44) 481-19-14

+380 (44) 481-19-16

+380 (95) 783-67-01 (Viber, What's app, Telegram)

+380 (97) 813-08-60 (Viber, What's app, Telegram)

The common transit user support service has been operating since March 15, 2021, and was created to provide technical and advisory support to the national electronic transit system users.

Inquiries from users on issues related to the common transit regime and NCTS can be sent to the Support Service via an electronic mailbox, using the Technical Support Module for users of software products of the State Customs Service, and by phone to contact phone numbers.

The support service accepts requests around the clock. From 8:00 p.m. to 8:00 a.m. on weekdays, weekends, and holidays, requests for trouble-shooting critical technical problems of NCTS work are accepted at the electronic mailbox ncts-monitoring@customs.gov.ua

Information on the contact details of the Common Transit Support Service and NCTS is available in the Support Service of the Common Transit (NCTS) section on the official website of the State Customs Service https://customs.gov.ua/rezhim-spilnogo-tranzitu-ncts

Source: http://surl.li/iypdt

Methodological recommendations for authorized consignors and authorized consignees (NCTS) have been updated



The State Customs Service has published updated methodological recommendations for filling out the customs declaration for goods placed in the customs transit regime under the Convention on the common transit procedure.

New sections have been added to the Methodological Recommendations regarding the features of placing goods under the common transit procedure by the authorized consignor and the features of completing the common transit procedure by the authorized consignee.

The document is posted in the subsection "Methodical and educational materials" of the section "Common transit (NCTS)" on the official web portal of the State Customs Service bit.ly/3NYr6H2

Source: http://surl.li/iypgk

"Trade facilitation monitoring in Ukraine" is a continuation of the Monthly Trade Facilitation Monitoring in Ukraine issues, prepared by the Institute for Economic Research and Policy Consulting within the framework of the "Trade Facilitation Dialogue" project, funded by the European Union and co-financed by the International Renaissance Foundation.

The proposed Information Bulletin is a continuation of the previous one and is published within the project **"Support to the Civil Society Initiative "For Fair and Transparent Customs"** accomplished with the support of the European Union, the International Renaissance Foundation, and ATLAS Network and monitors customs reform and international trade facilitation implementation.

The publication consists of three parts:

regulatory legal acts that entered into force;

draft laws;

news.

We understand that small and medium-sized businesses do not have enough time to analyze new legislation or possible regulatory innovations. Also, a significant number of such acts are difficult for the average person to understand. "Trade Facilitation Monitoring in Ukraine" is designed to draw attention to interesting events and innovations in Ukrainian legislation related to the trade procedures simplification that may directly affect foreign economic activity actors. In these publications, we will also analyze draft regulations on this issue.

The Institute for Economic Research and Policy Consulting (IER) is an internationally recognized independent Ukrainian think tank founded in 1999.

IER analyzes economic development problems, international trade, and business climate (particularly in the SME sector) and participates in developing policy documents at the national and regional levels.

The IER regularly issues its macroeconomic forecast for Ukraine and participates in developing the consensus forecast of the Ministry of Economic Development and Trade of Ukraine.

The IER sociologists' team conducts regular surveys of enterprises and experts to assess the business climate and expectations of Ukrainian business. IER successfully combines its analytical activities with advocacy for change and participation in the public life of Ukraine. IER cooperates with central and local authorities, national and foreign think tanks, and civil society organizations.

IER's work is funded by grants, charitable contributions and technical assistance.

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