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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

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The government has suspended the deadline for foreign economic contracts concluded until February 24, 2022, with counterparties from the Russian Federation and Belarus

Decree of the Cabinet of Ministers of Ukraine No. 459 of May 2, 2023, No. 406-r "On Amending the Appendix to the Decree of the Cabinet of Ministers of Ukraine of February 13, 2019, No. 76"

Resolution of the National Bank of Ukraine No. 71 of May 30, 2023, "On Amending the Resolution of the Board of the National Bank of Ukraine No. 67 of May 14, 2019"

The government changed the appendix to the list of goods and (or) sectors of the economy for which the National Bank of Ukraine has the right to establish exceptions and (or) specifics of the protection measure provided for by the first paragraph of part one of Article 13 of the Law of Ukraine "On Currency and Currency Operations."

These changes allow the suspension of deadlines for foreign economic contracts that have arrived before February 24, 2022, for the export and (or) import of goods concluded by Ukrainian and foreign subjects of foreign economic activity located in the Russian Federation or the Republic of Belarus. Thus, the deadlines for such operations are temporarily suspended, from February 24, 2022, for the period of the legal regime of martial law in Ukraine and within 90 days from its termination or cancellation.

Prior to that, there was a problem: Ukrainian companies that signed contracts with companies in Russia and Belarus until February 24, 2022, could not receive the goods or return the money paid for them because of Russia's armed aggression against Ukraine. The specified changes will allow the relevant enterprises not to be responsible for not returning foreign exchange earnings to Ukraine in accordance with the contracts concluded during the specified terms.

The NBU adopted the relevant resolution on May 30, 2023.

Source: http://surl.li/hvblb

http://surl.li/hygqt

The electronic border crossing queue was extended to other international road board checkpoints

Resolution of the Cabinet of Ministers of Ukraine No. 442 dated May 2, 2023, "On Amending Resolution No. 1349 of the Cabinet of Ministers of Ukraine dated December 2, 2022"

By a corresponding resolution, the Government extended the experiment of the introduced electronic border crossing queue for trucks of the system ("Electronic border crossing queue"), which operated at the international road border checkpoint (IRBC) "Yagodin - Dorogusk" to other international road checkpoints according to the list, approved by the Ministry of Infrastructure of Ukraine.

Currently, the electronic system "Electronic Border Crossing Queue" works at 16 IRBCs.

It was determined that the property rights owner to the electronic system is the state represented by the Ministry of Infrastructure, its administrator is the Ministry of Infrastructure, and the technical administrator is the Recovery Agency.

Also, this resolution updated the Procedure for the implementation of the experimental project on the organization of truck queue management at international checkpoints across the state border of Ukraine for road traffic using the electronic system "Electronic border crossing queue."

Source: http://surl.li/hreba



Export of cattle meat, poultry, eggs, rye, and millet is allowed

Resolution of the Cabinet of Ministers of Ukraine No. 472 dated May 12, 20236 "On Amending Appendix 5 to Resolution No. 1466 of the Cabinet of Ministers of Ukraine dated December 27, 2022"

The government has again changed the lists of goods, the export and import of which are subject to licensing and the quotas for 2023.

Taking into account the improvement of the food supply situation for the population, the following items have been excluded from the list of goods, the export of which is subject to licensing: cattle, frozen cattle meat, poultry, meat and edible meat offal, beef, chicken eggs, rye, oats, and millet.

Currently, the export of the specified products is allowed.

Source: http://surl.li/hhsgs

The list of goods prohibited for import into Ukraine from Russia has been supplemented

Resolution of the Cabinet of Ministers of Ukraine No. 459 dated May 9, 2023, "On Amending the List of Goods Prohibited for Import into the Customs Territory of Ukraine Originating from the Russian Federation"

The government added to the list of goods prohibited for import into Ukraine from Russia.

Because of the improvement of the situation with the supply of fuel and lubricants, the following items were included in the specified list: crude oil and petroleum products, petroleum gases and other hydrocarbons in a gaseous state, alternative motor fuel, biodiesel and its mixtures, which do not contain or contain less than 70 % of oil or oil products obtained from bituminous rocks. At the same time, the import ban does not apply to goods imported in transit by pipeline transport.

Source: http://surl.li/hrech

From November 9, 2023, the Agreement between Ukraine and Russia on the procedure for crossing the Ukrainian-Russian state border by residents of border regions will expire

On May 19, 2023, the Ministry of Justice of Ukraine announced the termination from November 9, 2023, of the agreement between the Cabinet of Ministers of Ukraine and the Government of the Russian Federation on the procedure for crossing the Ukrainian-Russian state border by residents of the border regions of Ukraine and the Russian Federation dated October 18, 2011.

Source: http://surl.li/hredc



It is proposed to change the import and export duty rates for certain types of livestock products

Draft Law on Amending the Customs Tariff of Ukraine and the Law of Ukraine "On Export Duties on Livestock and Leather Raw Materials" on the rates of import and export duties on certain types of agricultural products Publication date: No 9254, dated May 1, 2023

The draft law proposes establishing a 0% import duty rate on the import of large and small cattle (lambs, goats) and introducing a 0% export duty rate on the same products by December 31, 2026.

According to the initiators of the project, its adoption will stimulate an increase in the number of cattle and small cattle, their production and sale in high-weight conditions, which will contribute to an increase in the total amount of profit received, income to the budget and an increase in the number of jobs, contribute to an increase in foreign exchange earnings in the country by 32%, as well as to expand Ukraine's export opportunities.

At the same time, the draft proposes the establishment of zero import and export duty rates for some goods belonging to product categories 0102 ("Cattle, live") and 0104 ("Sheep and goats, live"). But the explanatory note to the project lacks an analysis of the impact and assessment of the stimulating effect of changes in import and export duty rates on the relevant products under the Association Agreement between Ukraine, on the one hand, and the European Union, the European Atomic Energy Community, and their states- members, on the other hand, (art. 29, 31, Appendices I-A, I-C), which provides for a gradual reduction up to the cancellation of such duties. Also, the project contains other inconsistencies, including the date of its entry into force from January 1, 2023, and its validity period.

Source: https://itd.rada.gov.ua/billInfo/Bills/Card/41828

A new version of the Procedure for verifying the authenticity of certificates of origin of goods from Ukraine is proposed

Draft Resolution of the Cabinet of Ministers of Ukraine "On Amending the Procedure for Verification (Checking the Authenticity) of Certificates and Declarations on the Origin of Goods from Ukraine"

The new version updates the rules of the Procedure, in particular:

- issues certificates on the origin of goods from Ukraine by authorized bodies or organizations;
- determines the procedures for the verification (authenticity check) of certificates and declarations based on the request of the customs authority of the country of import of the goods and on the initiative of the customs authorities under Articles 337^1 and 345 of the Customs Code of Ukraine;
- determines the grounds for cancellation of a certificate by the authorized body or organization that issued such a certificate to comply with the legality of the application of the preferential tax regime under the conditions of free trade;
- determines the procedure for informing the customs authority of the country of import of the goods, the authorized organization, and the manufacturer and/or exporter of the goods about detected violations based on the results of the verification (authenticity check) of certificates and declarations.

The project is aimed at improving and updating relevant procedures.

Source: http://surl.li/hvamz

The government temporarily banned the export of sugar

On May 30, 2023, the Cabinet of Ministers of Ukraine temporarily banned sugar export. The Government of Ukraine made such a decision at a meeting on Tuesday, its representative in the Verkhovna Rada, Taras Melnychuk, said.

The ban is formalized as a zero export quota from June 5 to September 15, 2023.

Source: http://surl.li/hxeqi

Two "dry ports" for the export of agricultural products will become operational in the Volyn region

In Volyn, the infrastructure for two "dry ports" is being built, which will serve to export Ukrainian crops to the foreign market.

Currently, construction and reconstruction work is underway on the elevators located near the railway tracks. It will make it possible to export grain not only by sea but also by rail after the introduction of their operation.

Due to the blocking of seaports, agricultural products will be sent by rail. After putting these ports into operation, the Volyn region will be able to export more than 3 million tons of crops per year. It is about the export of grain and industrial crops. There is no attachment to any crops.

Source: http://surl.li/hxeop

From June 1, 2023, a pilot project was launched on the border with Romania, which will contribute to the reduction of queues at checkpoints

From June 1, 2023, a pilot project testing the System of early notification of emergencies will be implemented at checkpoints on the state border of Ukraine and Romania.

Thus, representatives of the State Customs Service of Ukraine and the Customs Administration of Romania agreed to introduce the System on the Ukrainian-Romanian border for three months.

Testing of the Advance Notification System will involve determining the optimal number of vehicles accepted by the border authorities of each party during one shift at the automobile checkpoints, agreeing on the order of interaction during emergencies at the checkpoints, and ensuring the rhythm of border crossing operations.

The pilot project will be implemented at the checkpoints:

"Orlivka - Isakcha";

"Porubne - Siret";

"Krasnoyilsk - Vicovu de Sus";

"Dyakove - Halmeu."

Similar projects are already being implemented in the areas of the border with other neighboring countries - EU members and have received high marks from the control services of Ukraine and neighboring states.

Source: http://surl.li/hxeoz

An additional checkpoint will be opened on the border with Romania

In the Chernivtsi region, it is planned to complete the reconstruction and put into operation the "Ruska" checkpoint on the border with Romania by the end of this year.

In addition, the design and cost documentation for the reconstruction of the "Shepit" checkpoint on the mountainous border with Romania is at the final stage.

Reconstruction of the "Bila Krynytsya" checkpoint is also planned, which will be designed for the crossing of freight vehicles. For this purpose, a joint project for the development of the entire infrastructure of this customs border crossing is being developed together with the Romanian side. Funds for construction are planned to be raised from the funds of the European Union.

It is expected that the "Bila Krynytsya" checkpoint will be crossed up to 1,200 trucks per day. It will be the maximum power. The same mirror project should be on the Romanian side to achieve this.

Source: http://surl.li/hxewi

On the Ukrainian-Belarusian border, the "Vilcha" customs post of the Kyiv Customs has been liquidated

Due to the military aggression of the Russian Federation against Ukraine and in order to optimize the structure of the Kyiv Customs, the order of the State Customs Service of Ukraine dated May 16 No. 201 liquidated the customs post "Vilcha" of the Kyiv Customs.

The "Vilcha" customs post is located on the Ukrainian-Belarusian border and has not been working since the full-scale invasion. It is currently liquidated.

Source: http://surl.li/hxexz

The State Customs Service has updated methodological recommendations for business entities on filling out declarations for goods under the common transit procedure

On May 1, 2023, the State Customs Service published updated methodological recommendations for filling out a customs declaration for goods when they are placed in the customs transit regime under the terms of the Convention on the Common Transit Procedure. The document is posted in the subsection "Methodical and educational materials" of the section "Common transit (NCTS)" on the official website of the State Customs Service https://bit.ly/42uYKc3

Thus, the methodological recommendations detail the requirements for entering security data into the transit declaration, which can, among other things, be used instead of the ENS when importing goods into the territory of EU member states. Security data additionally included in the transit declaration are, in particular:

- approximate date and time of arrival at the transit customs,
- place of loading,
- indicator of special circumstances,
- information on the method of payment for transportation costs,
- place of unloading,
- маршрут,
- carrier, sender and recipient data.

At the same time, the country of registration and the entity's identification number (TIN) or its name and address are filled in the security data for the carrier, sender, and recipient.

Also, in the updated methodological recommendations, the requirements for entering information about vehicles when moving goods by rail are detailed. Thus, in railway transportation, the train number can be used as a transport identifier (in the case of declaring in one declaration all cars of the train) or the number of railway wagons/platforms (in the case of declaring each separate railway car or platform in a separate declaration when forming the rolling stock from deliveries of different subjects of the procedure).

Source: https://bit.ly/42uYKc3



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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.

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