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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 made changes to the list of goods whose export is subject to licensing

Resolution No. 324 of the Cabinet of Ministers of Ukraine dated April 11, 2023, "On amending Appendix 1 to Resolution No. 1466 of the Cabinet of Ministers of Ukraine dated December 27, 2022"

On April 11, 2023, the government amended its own resolution No. 1466 dated December 27, 2022, which approved the lists of goods whose export and import are subject to licensing and quotas for 2023.

In particular, amendments were made to Appendix 1, which defines the volume of quotas and goods whose export is subject to licensing. A new quota volume of 540,000 tons has been established for the export of liquid fuel (fuel oil), which is classified under the following UCG FEA codes: 2710 19 51 00, 2710 19 55 00, 2710 19 62 00, 2710 19 66 00, 2710 19 67 00. The previous volume of the quota was 0 tons, which actually prohibited the export of this product.

After amending the relevant government resolution, it is allowed to export fuel oil in specified volumes under licenses issued by the Ministry of Economy of Ukraine.

Source: http://surl.li/gkuct

The Cabinet of Ministers of Ukraine approved the Government's Priority Action Plan for 2023

Decree of the Cabinet of Ministers of Ukraine dated March 14, 2023, No. 221 "On approval of the government's priority action plan for 2023"

The Government's Action Plan for 2023 has been approved, which contains 569 steps (measures) distributed among 15 sections in various spheres of society. Each step includes a responsible executor, a deadline and performance indicator, and specific expected performance results. Implementation of an electronic system of monitoring and control over its implementation is foreseen.

The 15 sections of the Plan are divided into the following directions: Security and defense; Integration into the EU and NATO; Energy security; Reconstruction of the country; Macro-financial stability and business support; Veteran policy; Safe, accessible, and quality education; Continuation of decentralization and regional development; Support of citizens who find themselves in difficult circumstances; Effective public administration, which includes such units as public property management reform and digitalization and public administration reform; Science and innovation for high-tech development; Consolidation of Ukrainian society; The healthy nation; The rule of law and sanctions policy; Environmental protection.

The Action Plan contains steps related to the customs reform, including the following:

p. 57. Facilitation the conclusion of the Agreement on mutual recognition of authorized economic operators between Ukraine and the EU, which includes the implementation of measures to increase the number of enterprises that have applied for authorization of an authorized economic operator;

p. 67. Development of a draft law on the ratification of the Agreement between Ukraine and the European Union on the participation of Ukraine in the "Customs" program for cooperation in the customs sphere;

p. 68. Development and submission by the Cabinet of Ministers of Ukraine of a draft law on amendments to the Customs Code of Ukraine to ensure Ukraine's fulfillment of international legal obligations within European integration to bring Ukraine's national legislation closer to EU customs legislation, introducing modern European practices of customs control and customs procedures in the activities of the customs authorities of Ukraine;

p. 71. Implementation of joint border control at checkpoints on the border with EU member states and the Republic of Moldova by preparing drafts of relevant international treaties (in case of the consent of the adjacent Party);

p. 86. Development and submission by the Government of Ukraine of a draft law on amending the Customs Code of Ukraine and other laws of Ukraine regarding the harmonization with European and North Atlantic standards of the procedures for declaring military equipment and other goods for the armed forces, the introduction of provisions on the integration of Form 302 into national legislation (harmonized declaration for multinational training within the military cooperation), used in the EU and NATO; simplification of the procedure for moving military equipment and some other goods across the state border in terms of passing control and obtaining permits;

p. 176. Development and submission by the Government of Ukraine of a draft law on amending the Customs Code of Ukraine regarding some issues of administrative liability for customs rules violation, which should allow a more flexible mechanism for bringing persons to administrative responsibility for violation of customs rules.

Source: http://surl.li/gkued

The Government has expanded the list of dual-use goods that can be imported into Ukraine without export control procedures

Resolution of the Cabinet of Ministers of Ukraine dated March 30, 2023, No. 290 "On amending the Resolution of the Cabinet of Ministers of Ukraine dated December 9, 2022, No. 1378"

The Government of Ukraine amended its resolution of December 9, 2022, "On the list of goods, international transfers (imports) of which are not subject to the Law of Ukraine "On state control of international transfers of military and dual-use goods" during the period of martial law on the territory of Ukraine."

The resolution expanded the list of dual-use goods, the import of which during the period of martial law is carried out without permission documents of the State Export Control Service of Ukraine.

Technical means with the functions of secretly determining the location of vehicles or other objects (including remote control devices) with one of the following criteria are exempted from export control:

- a miniature implementation of a technical device that contains a subsystem of object coordinates (GLONASS, GPS, etc.) and a subsystem of registration or transmission of information regarding control over the location (movement) of vehicles or other objects (item 5A903.d.5.b of the Unified List dual-use goods (hereinafter the Unified List);
- the presence in technical means of miniature transmitters of devices (radio beacons) that emit radio signals used by radio receiving devices to determine their location (item 5A903.d.5.d of the Unified List); or:
- the presence in technical means of miniature transmitters of devices (radio beacons) that emit radio signals used by radio receiving devices to determine their location (item 5A903.d.5.d of the Unified List); or:

The above-mentioned goods are an exception if they are imported into Ukraine under the condition that the Ukrainian side issues state guarantees and obligations regarding the use of imported goods for declared purposes.

Source: http://surl.li/gkyuz



The Agreement on the participation of Ukraine in the EU program for cooperation in the customs sector "Customs" submitted for ratification

Draft Law (No. 0198 dated April 12, 2023) "On the ratification of the agreement between Ukraine and the European Union on Ukraine's participation in "Customs," the Union's program for cooperation in the customs sphere"

Registration date: April 12, 2023

Initiator: President of Ukraine

The draft Law of Ukraine was developed to ratify the Agreement between Ukraine and the European Union on the participation of Ukraine in the EU program for cooperation in the customs sphere - "Customs."

On September 5, 2022, the Agreement on cooperation between Ukraine and the European Union on the support of the customs union and customs authorities, which work together and act as a whole, was concluded in Brussels. The objectives of the "Customs" program for cooperation in the customs are to protect the financial and economic interests of the Union and its member states, to ensure safety and security within the EU, and to protect against unfair and illegal trade while supporting legitimate commercial activities.

Following the provisions of the Agreement, Ukraine participates in the "Customs" program as an associated country and contributes to the parts of the "Customs" program specified in the Regulation of the European Parliament and the Council (EU) No. 2021/444 dated 11.03.2021, namely: 1) meetings and similar special events; 2) structured cooperation based on projects, for example, a joint development by an IT group of member states; 3) measures to strengthen the potential of IT, including the development and operation of European electronic systems; 4) professional development and other capacity development measures, including training and exchange of best practices; 5) support measures and other actions, including research; innovation activities, including proofs-of-concept, pilot projects, prototyping initiatives, data mining, and cross-system collaboration; jointly developed communication actions; any other actions provided for in the work programs.

Source: http://surl.li/gkyyr

The draft law on establishing the specifics of service in the customs authorities was adopted in the first reading

Draft Law of Ukraine (No. 6490 dated April 6, 2023) "On amending the Customs Code of Ukraine on establishing features of service in customs authorities and certification of customs authorities' officials"

Registration date: April 6, 2023

Initiator: Members of Parliament of Ukraine

The draft law is the result of the finalization of other draft laws "On amending to the Customs Code of Ukraine on the introduction of certification of officials

of customs authorities" (No. 6490 dated December 30, 2021) and an alternative to it under No. 6490-1 dated January 18, 2022. Both draft laws related to introducing certification of customs authorities' officials.

According to its authors, the proposed project is caused, among other things, by frequent changes in customs office management. Thus, since its formation in 2019 as a new independent body of executive power, seven heads have already changed; five of them were appointed temporarily as acting heads of the State Customs Service. According to the initiators of the draft law, it is necessary to ensure the appropriate level of qualification and integrity of all officials at the State Customs Service, including senior management, and not only those who already hold certain positions in the customs authorities and will be subject to attestation. The draft law determined that the appointment of the new head of the State Customs Service is based on the results of a transparent competition held by a highly qualified competition commission. The head will be appointed for five years with the conclusion of a contract with specific measurable performance indicators, which will contribute to stability in the work of customs authorities in general.

The draft law proposes to change the competitive selection procedure for the position of the head of the State Customs Service based on the best practices of the National Anti-Corruption Bureau of Ukraine, the Specialized Anti-Corruption Prosecutor's Office, the National Agency for the Prevention of Corruption, including the procedure for forming the competition committee and requirements to it. The procedure for selection and involvement in the open competition for the position of the head of the State Customs Service of international experts with high professional skills, for example, work experience in such sectors as law, economics, and corruption prevention for at least five years, is also regulated; a decision-making algorithm by the competition committee was established, and it was determined that the committee sends a submission to the Prime Minister of Ukraine for one candidate (the winner of the competition). The new head of the State Customs Service is given the opportunity to form the customs bodies' staff, including the appointment of his deputies at the request of the Prime Minister of Ukraine in accordance with the proposals of the head. The need to agree with the Minister of Finance of Ukraine on the appointment and/or dismissal of middle-level managers (the heads of customs and directors of departments of the central apparatus) and provisions on territorial bodies have been abolished. For the head of the State Customs Service to properly exercise his powers, an annual external independent audit of the customs authorities' work is introduced, the negative conclusion of which is grounds for the dismissal of the head. The specifics of acceptance into the customs authorities, completion and termination of the service in the customs authorities have been determined: establishment of a specific list of restrictions, because of which a person cannot enter the service at the customs authorities, and the non-proliferation of the procedure for evaluating the results of the official activities of officials, with which the contracts for state service were concluded. A one-time attestation of officials of customs authorities is foreseen to establish compliance with the position held. To establish the motivation and stability of work at customs authorities, the draft law determines the salaries for the officials of the central executive body that implements the state customs policy and its territorial bodies and establishes the salary components of such persons.

Service: http://surl.li/gkzev





It is proposed to improve the information protection in systems that ensure the functioning of customs authorities' electronic information resources

Draft Law of Ukraine (No. 9135 dated March 21, 2023) "On amending to the Customs Code of Ukraine on ensuring information protection in systems ensuring the functioning of customs authorities' electronic information resources"

Registration date: April 6, 2023

Initiator: Members of Parliament of Ukraine

The Law of Ukraine "On the information protection in information and communication Systems" established that state information resources or information with limited access, the requirement for protection of which is established by law, must be processed in the system using a comprehensive information protection system with confirmed compliance or an information security management system. Confirmation of the compliance of the comprehensive information protection system is carried out based on the results of the state expertise, which is carried out taking into account industry requirements and information security norms established by law. Confirmation of the compliance of the information security management system is carried out based on the results of the procedure for assessing compliance with the national standards of Ukraine on information security management systems held by the conformity assessment body. However, the customs authorities have not created an appropriate information protection system. The Customs Code of Ukraine does not include the protection of customs authorities' electronic information resources among their main tasks according to the legislation on infor-

mation protection in information and communication systems and cyber security. It also does not provide for responsibility for unauthorized actions regarding information in electronic information resources of customs authorities. In this regard, according to the draft law authors, numerous concepts of creating Electronic Customs remain on paper. And the processing of information in customs bodies' unified automated information systems is not protected. It is a consequence of the exploitation of electronic information resources by the customs authorities without applying a comprehensive system of information protection with confirmed compliance according to the legislation on information protection in information and communication systems and cyber security, which requires immediate standardization.

The draft law proposes:

- establish that information processing in systems that ensure the functioning of customs authorities' electronic information resources must be carried out using a comprehensive information protection system or an information security management system in accordance with international standards with confirmed compliance according to the legislation on information protection in information and communication systems and cyber security;
- include the information protection in the customs authorities' electronic information resources as one of the main tasks of the customs authorities;
- introduce the responsibility of the head of the State Customs Service for the operation of systems that ensure the functioning of customs authorities' electronic information resources without the use of a comprehensive information protection system or an information security management system in accordance with international standards with confirmed compliance;
- establish that from January 1, 2026, customs authorities are prohibited from processing information in systems that ensure the functioning of customs authorities' electronic information resources without applying a comprehensive information protection system or an information security management system following international standards with confirmed compliance;
- The Cabinet of Ministers of Ukraine is proposed to instruct the Verkhovna Rada of Ukraine to consider proposals for funding in 2023-2025 measures to protect customs' electronic information resources following the legislation on information protection in information and communication systems and cyber security.

Source: http://surl.li/glnvj



The State Customs Service has launched a web service to allow guarantors who have the right to guarantee the movement of goods under the joint transit procedure to submit guarantees electronically

On April 24, the State Customs Service launched a web service to allow guarantors with the right to guarantee the movement of goods under the joint transit procedure to submit guarantees electronically.

Thus, the interaction between the State Customs Service, guarantors, and the procedure entities for registering the guarantee in NCTS and obtaining data for working with it will take place in electronic form. The structure and format of notifications are determined by the State Customs Service order dated 04/13/2023 No. 143, "On electronic registration of guarantees for joint transit," posted on the State Customs Service website in the subsection "Regulatory framework" of the section "Common transit (NCTS)."

The system allows for paperless interaction between guarantors, procedure entities, and the State Customs Service in case of registering guarantees for joint transit. Before the service introduction, the procedure entity had to obtain the original paper guarantee from the guarantor, bring such guarantee for registration to the State Customs Service, and only then receive the data necessary for its application. The web service allows the guarantor to submit the guarantee electronically using the qualified electronic signature directly to the State Customs Service; it significantly speeds up registering of new guarantees. After the registration of the guarantee, the guarantor receives information about the registration number (GRN) assigned to it, and the procedure entity can view the information about the guarantees registered in his name in the Personal Account on the "One Window" web portal.

In the Personal Account on the "One Window" web portal, the guarantor can view information on all guarantees issued by him, including the amount of the guarantee, the date of registration, and the procedure entity to whom the guarantee was issued.

In the Personal Account, the procedure entity can see information about his guarantees and their use, indicating the corresponding transit declarations MRN, the dates of reservation and release of the corresponding amounts, and the balance under the guarantee.

Guaranteeing goods that are moved under the common transit procedure is mandatory.

Джерело: http://surl.li/globf

The State Customs Service launched Telegram Bot in test mode for the "One Window for international trade" service

As the State Customs Service reports on its website, with the bot, you can already:

- to receive notifications about the status of submitted customs declarations (acceptance for processing, refusal of acceptance, processing, refusal of customs processing, border crossing);
- to request information about the balance of funds in the Unified treasury account.

It is necessary to register the Personal Account on the Unified

state information web portal "One Window for international trade" to use the bot

https://cabinet.customs.gov.ua/tmb.

The bot itself is located here:

https://t.me/Sw_customs_UA_bot, it can also be found in Telegram by the ID @Sw_customs_UA_bot, the name One Window of Customs, or the QR code.

No confidential information or personal data can circulate in the bot in both directions. Information that must be signed by the qualified electronic signature cannot be accepted by customs through the bot.

Its functionality will be further expanded according to the suggestions.

Declarants and customs brokers are invited to test the bot and provide suggestions for its further improvement (suggestions are accepted by e-mail o.nikolaichuk@customs.gov.ua).

Source: http://surl.li/glocv

The State Customs Service reported on the results of the international application of NCTS for the first six months

The State Customs Service reported on the first six months of the international application of the common transit regime (NCTS). Thus, during October 2022 - March 2023, the total number of transit declarations for entry into Ukraine exceeded 900, of which almost 300 were issued in March 2023. The top 5 countries of departure are Belgium, Germany, Poland, Latvia, and Turkey.

The number of relocations started in Ukraine exceeded 1,900 in 6 months, almost 800 in March, which is twice as much as in the previous month. The top 5 destination countries included Latvia, Germany, Poland, Lithuania, and Italy.

Additionally, the State Customs Service is actively working to attract enterprises to provide authorization for the use of transit simplifications in accordance with the Convention. Thus, 25 authorizations for the use of transit simplifications have already been granted, including 9 authorizations for the use of a general guarantee, 14 authorizations for the facilities of authorized consignors and consignees, and 2 authorizations for the use of special seals. More than 10 applications from enterprises are at various stages of consideration.

Since October 1, 2022, 12 general guarantees have been registered in the NCTS guarantee management system by the State Customs Service, 8 of which are valid as of the beginning of April 2023.

The State Customs Service also cooperates with the customs authorities of other countries within the administrative assistance in following the Convention. In 6 months, more than 70 requests regarding the proper completion of the joint transit procedure were initiated, and almost 100 requests received from customs administrations of other countries were processed.

The common transit support service of the State Customs Service processed more than 500 requests, consulting business representatives and customs authorities' officials since the beginning of the international application of NCTS.

Source: http://surl.li/glodr



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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.

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