The sixth wave of annual survey of Ukrainian exporters and importers

Theme 2. TRADE FACILITATION IN UKRAINE: customs procedures, appeals and digital products

Summary of key results

The study was conducted by the Institute for Economic Research and Policy Consulting as a part of the project “Support for the Public Initiative “For Fair and Transparent Customs” with financial support from the European Union, the International Renaissance Foundation, and Atlas Network

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Contents

THE MAIN RESULTS 3
1. Structure of the surveyed enterprises 5
2. Problems related to certain procedures 5
2.1. "Advance customs clearance" procedure 6
2.2. "Making decisions on product classification" procedure 7
2.3. "Making decisions on the customs value of goods" procedure 8
2.4. "Material and commodity sampling" procedure 9
2.5. "Obtaining certificates of origin for goods at the customs" / "Providing certificates of origin for goods during customs clearance" procedure 10
2.6. "Customs inspection of goods" procedure 11
2.7. "Post-customs audit" procedure 12
3. Cargo delays during customs control 13
4. Should businesses agree with unreasonable customs demands to avoid downtime of goods? 15
5. Appeals against the actions of customs authorities 17
6. Single Window 21
7. New computerized transit system (NCTS) 23
8. AEO status 26
9. Digital products 29
Survey methodology 31
Distribution of respondents by region 32
Distribution of respondents by customs 33
Customs posts where businesses carry out registration 34

THE MAIN RESULTS

Enterprises rarely report difficulties regarding going through customs clearance procedures. Exporters point to the complexity and long duration of procedures with the requirements to provide many documents. Importers see difficulties in specific procedures (making decisions on customs value and classification of goods). Delays of cargo at the border are still an urgent problem for businesses, queues at the border being the main reason for this. The use of administrative appeal as a tool for protecting one's rights was not common on the part of businesses. Businesses tend to adapt to the existing business climate in the field of foreign economic activity, even if it is not perfect. 56.5% of respondents supported the idea that in order to avoid downtime of goods, it is more expedient to agree with excessive (in their opinion) requirements of the customs than to legally challenge the application of these requirements to a particular enterprise. Business awareness about the new procedures (the NCTS and AEO status) and the new digital customs products ("personal cabinet", BI) is low. To improve the situation, it is recommended to apply measures to raise awareness of new procedures/products and measures to ensure the principles of validity and impartiality in decision-making during administrative appeals.

In this survey, exporters and importers were asked what customs procedures they undergo during foreign trade and what difficulties they face while undergoing these procedures.

In particular, exporters reported on the following procedures:

(1) advance customs clearance;
(2) material and commodity sampling;
(3) obtaining certificates of origin for goods at customs;
(4) customs inspection of goods;
(5) post-customs audit (documentary checks after customs clearance).

Importers reported the following procedures:

(1) advance customs clearance;
(2) making decisions on the customs value of goods;
(3) making a decision on product classification;
(4) material and commodity sampling;
(5) provision of certificates of origin for goods during customs clearance;
(6) customs inspection of goods;
(7) post-customs audit (documentary checks after customs clearance).

For each procedure, a list of difficulties that enterprises participating in foreign economic activity may face was identified.

Businesses rarely report difficulties with customs procedures, with the exception of some procedures.

Importers face difficulties in customs procedures more often than exporters.

Classification of goods and deciding on their customs value are the most problematic customs procedures for the surveyed enterprises.

Exporters often point to the complexity and length of the procedures, as well as the requirements to provide many documents and the unreasonableness of some procedures (customs inspection, post-audit).

Importers most often report unreasonable assignment of customs codes with higher duty rates and price increases, refusal to recognize the contract price of goods, different approaches to the same legislation and the same goods, unreasonable procedures and their long duration.

Almost 2/3 of exporters did not face cargo delays compared to less than half of importers.

Queues at the border remain the main reason for delays in exports and imports.

The success of business appeals against customs actions has deteriorated compared to 2020, when the share of companies with fully or partially successful appeal experience was the largest in 4 waves of the survey since 2016.

The level of awareness about the appeal procedure remains low: only half of the respondents are familiar with it. Only one in five respondents has the experience of appealing.

The most needed steps are improvement of the validity of decisions and ensuring impartial, complete and fair consideration of the complaints.

Less than 2% of respondents are well aware of the new common transit system (NCTS) and less than 14% are familiar with it by name. Most companies plan to use the NCTS once it is available internationally, and about a third, in the near future.

The main advantage of the NCTS, according to the respondents, is the ability to travel to different countries with one transit document and a financial guarantee. The main disadvantage is the need to obtain this guarantee.

Less than 7% of respondents know well what an AEO is, and 10.6% are familiar with it only by name.

The main advantages of the AEO are international recognition of this status, fewer documents and less waiting time at the border. The main potential problem is the complicated procedure for obtaining this status.

Among digital products related to customs, respondents know best about the Single Window for International Trade web portal, and the worst about the Business Intelligence module (BI, foreign trade indicators on the State Customs Service website).

1. Structure of the surveyed enterprises

The total number of foreign economic activity participating enterprises surveyed in 2021 was 1,006. Among them there are microenterprises (46.6%), small (31.3%), medium-sized (14.9%) and large (7.2%) enterprises.

Enterprises participating in foreign economic activity that took part in the survey are divided into three groups according to the type of foreign economic activity:

- those that only export (25.2%) - hereinafter referred to as "exclusively exporters",
- those that only import (42.6%) – hereinafter referred to as "exclusively importers",
- enterprises engaged in both export and import (32.1%).

Surveyed enterprises operate in the agricultural, industrial, trade and service sectors (hereinafter referred to as "services").

89% of businesses reported working with customs brokers.

The European Union is the most common export and import destination for the enterprises surveyed.

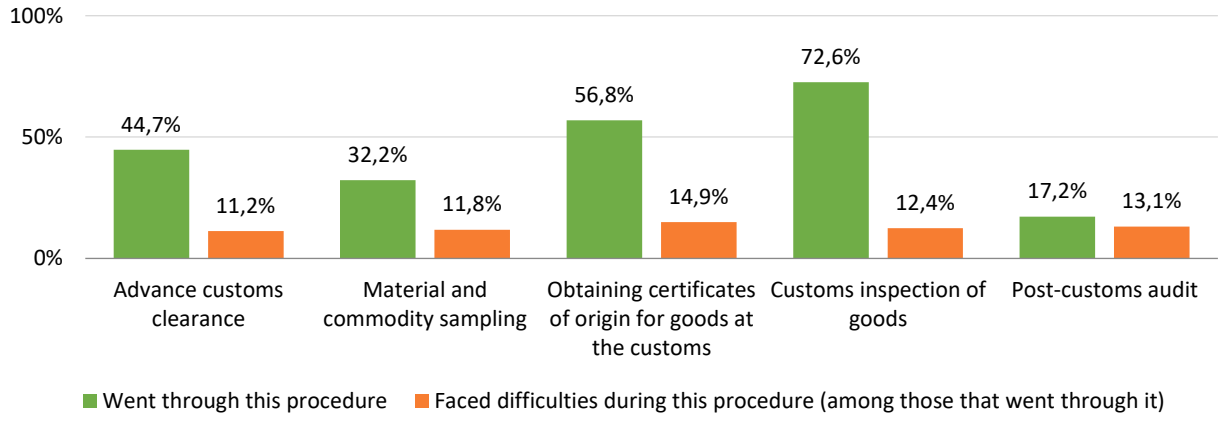
67.6% of respondents were men, 32.4% were women.

2. Problems related to certain procedures

The enterprises that took part in the survey reported on what customs procedures they went through in their foreign economic activities and what difficulties they face in each of these procedures. Exporters and importers reported on these procedures separately.

- Customs inspection is the most common procedure for exporters, despite the fact that it should be carried out only on certain grounds. The next most common procedures are obtaining certificates of origin and preliminary customs clearance.

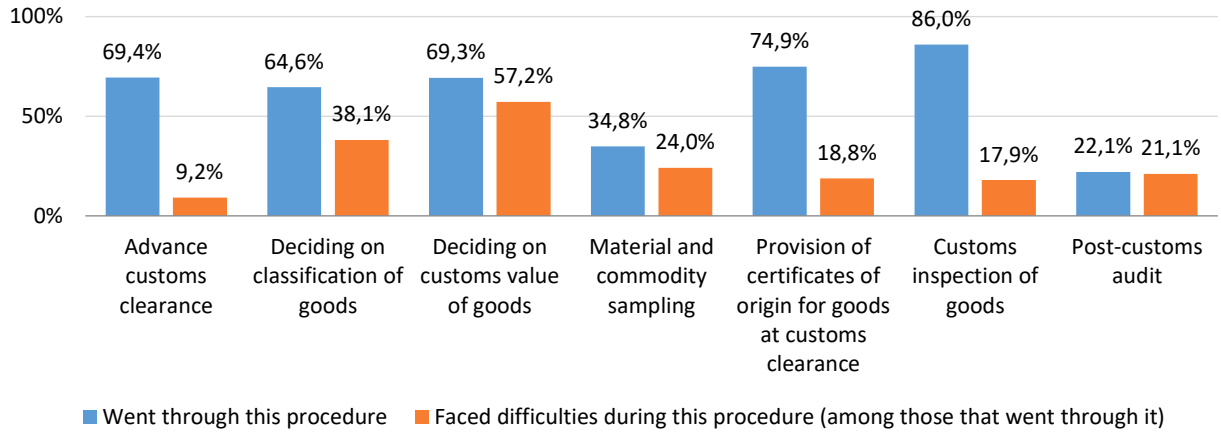
Fig. 1. Shares of enterprises that underwent export procedures and encountered difficulties, %



- Difficulties with each procedure were experienced by 11% to 15% of exporters who underwent these procedures.
- The most common procedures for importers are customs inspection and provision of certificates of origin for goods. Next in prevalence are decisions on the customs value of goods and preliminary customs clearance.

- Procedures for deciding on the customs value of the goods and deciding on the classification of the goods cause the most difficulties for importers.

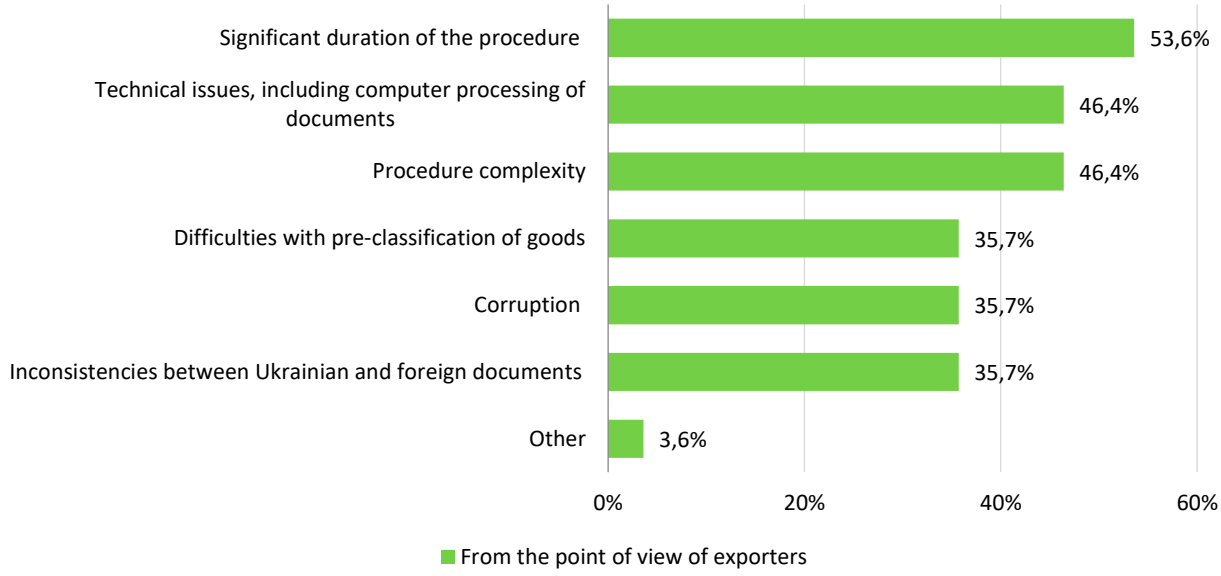
Fig. 2. Shares of enterprises that underwent import procedures and encountered difficulties, %



2.1. "Advance customs clearance" procedure

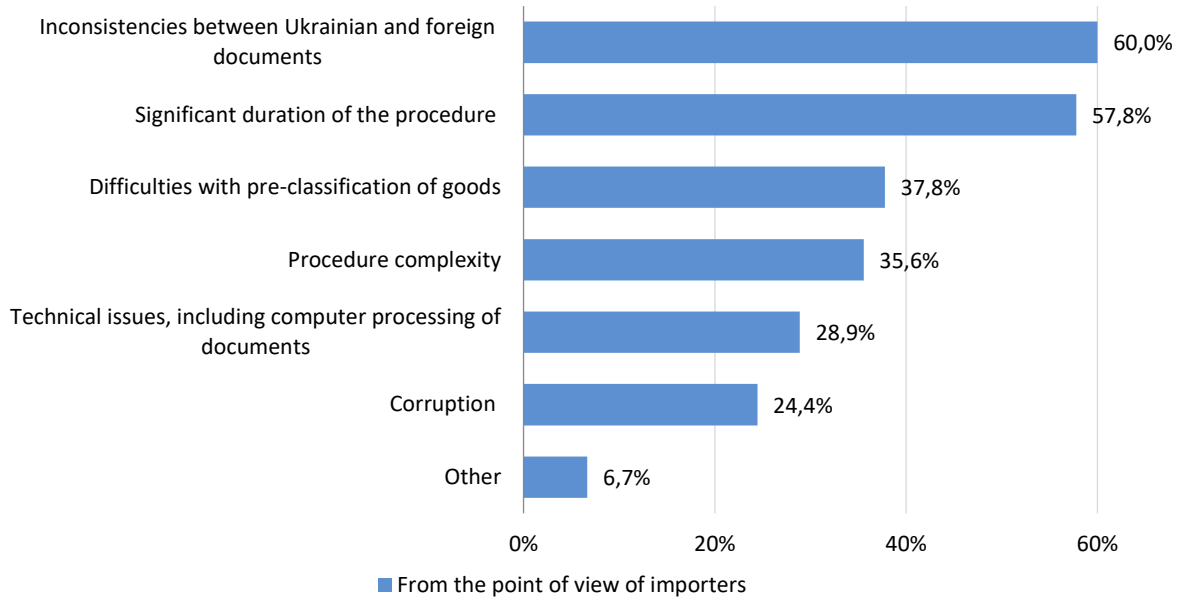
- The biggest problem at the stage of advance customs clearance, according to exporters, is the significant duration of this procedure.

Fig. 3. Difficulties in the advance customs clearance procedure from the point of view of exporters, % of respondents who reported difficulties



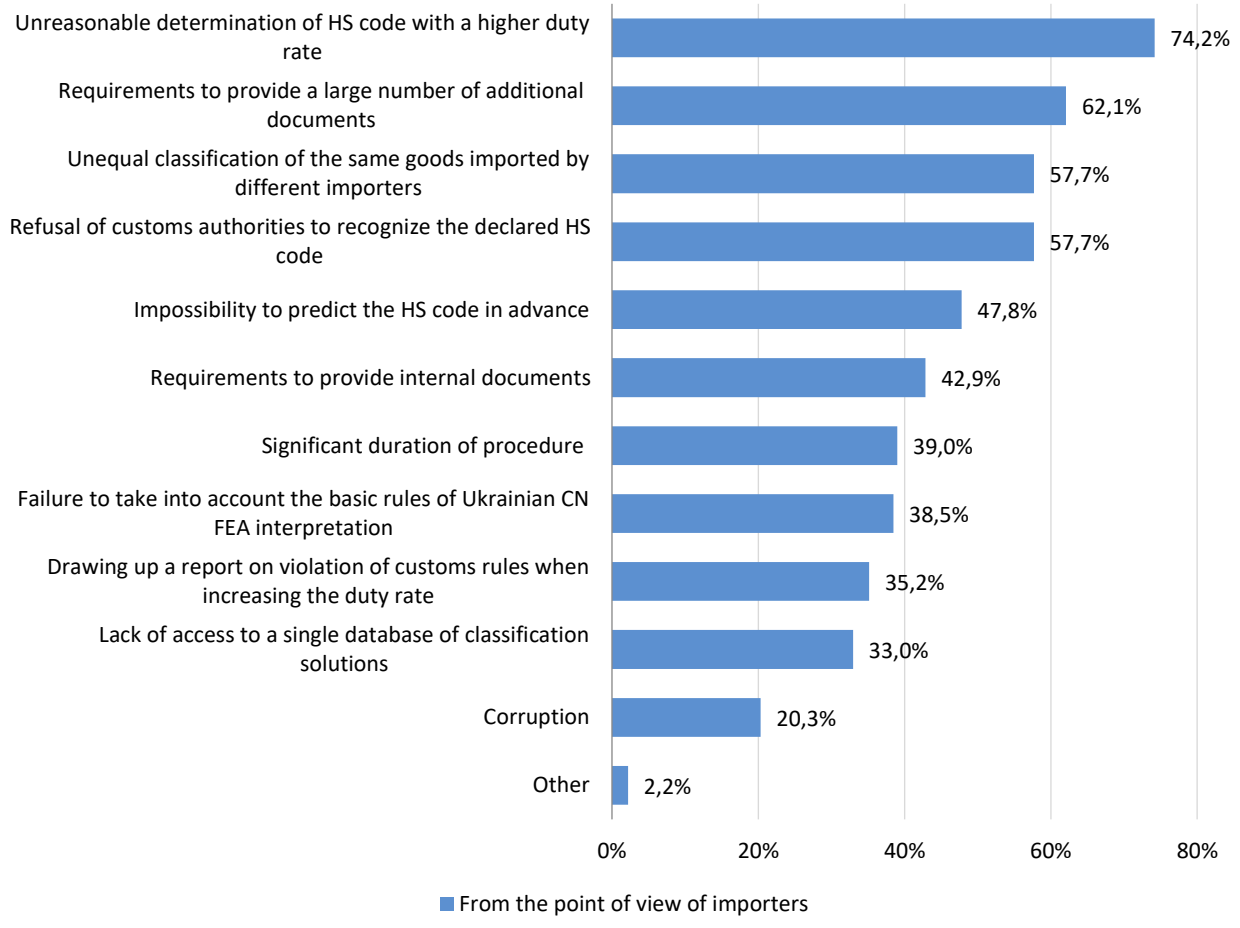
- The next most important problems are technical problems, in particular with computer processing of documents and the complexity of this procedure.
- The two main problems for importers in advance customs clearance are the inconsistency of Ukrainian and foreign documents and the considerable duration of this procedure.
- Importers more often than exporters point to inconsistencies between Ukrainian and foreign documents, while the problem of significant duration of advance customs clearance is important for both exporters and importers.

Fig. 4. Difficulties in advance customs clearance from the point of view of importers,% of respondents who reported difficulties



2.2. "Making decisions on product classification" procedure

Fig 5. Difficulties in the procedure for making a decision on product classification from the point of view of importers, % of respondents who reported difficulties

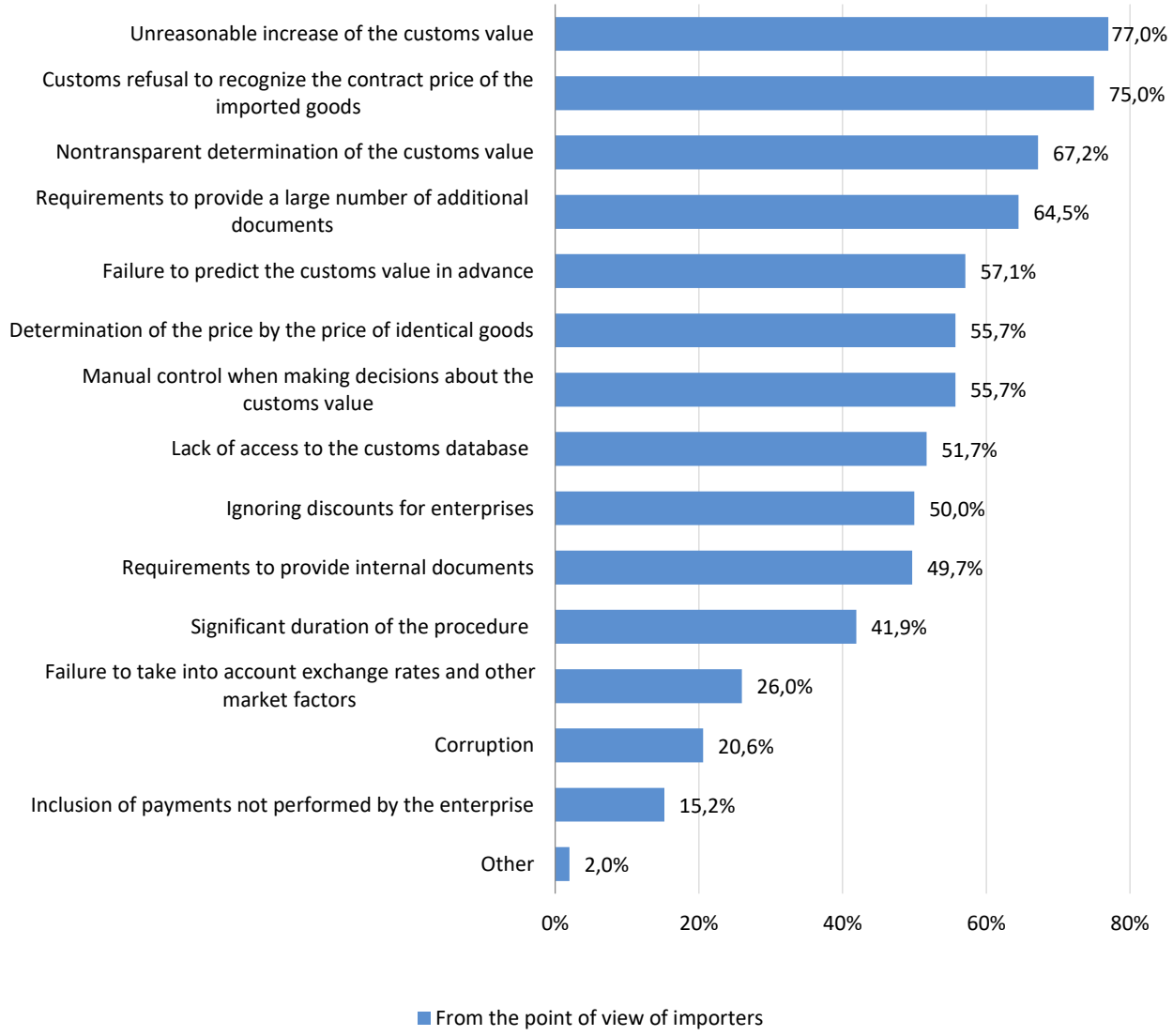


- This procedure was evaluated only by importers. The most common problem from the point of view of importers is the unreasonable identification of a product code with a higher duty rate.
- The requirement of customs to provide a large number of additional documents is on the second place among the problems with this procedure.

2.3. "Making decisions on the customs value of goods" procedure

- This procedure was evaluated only by importers. More than 70% of importers report unreasonable increases in the customs value of goods and the refusal of customs to recognize the contract price of goods.
- More than 60% report non-transparent customs valuation of goods and requirements to provide many documents.

Fig 6. Difficulties in the procedure for making decisions on the customs value of goods from the point of view of importers, % of respondents who reported difficulties



2.4. "Material and commodity sampling" procedure

- The main difficulties from the point of view of exporters are the considerable duration and complexity of this procedure.
- Exporters report these problems more often than importers.

Fig 7. Difficulties in the procedure for sampling and samples of goods from the point of view of exporters, % of respondents who reported difficulties

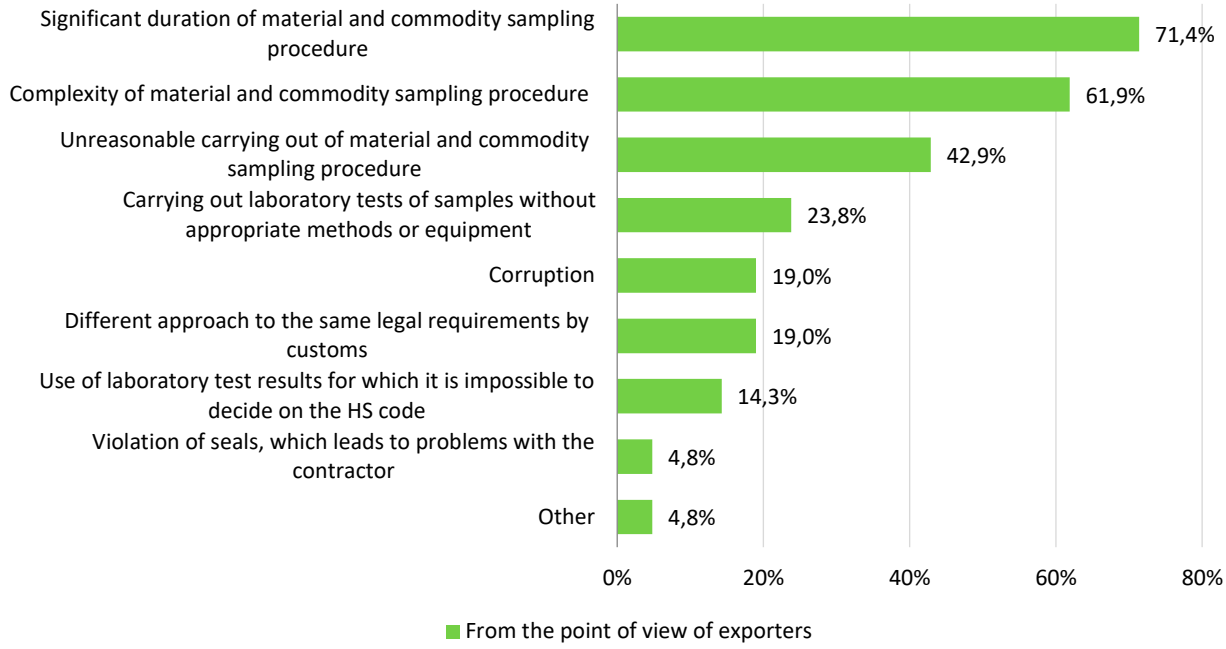
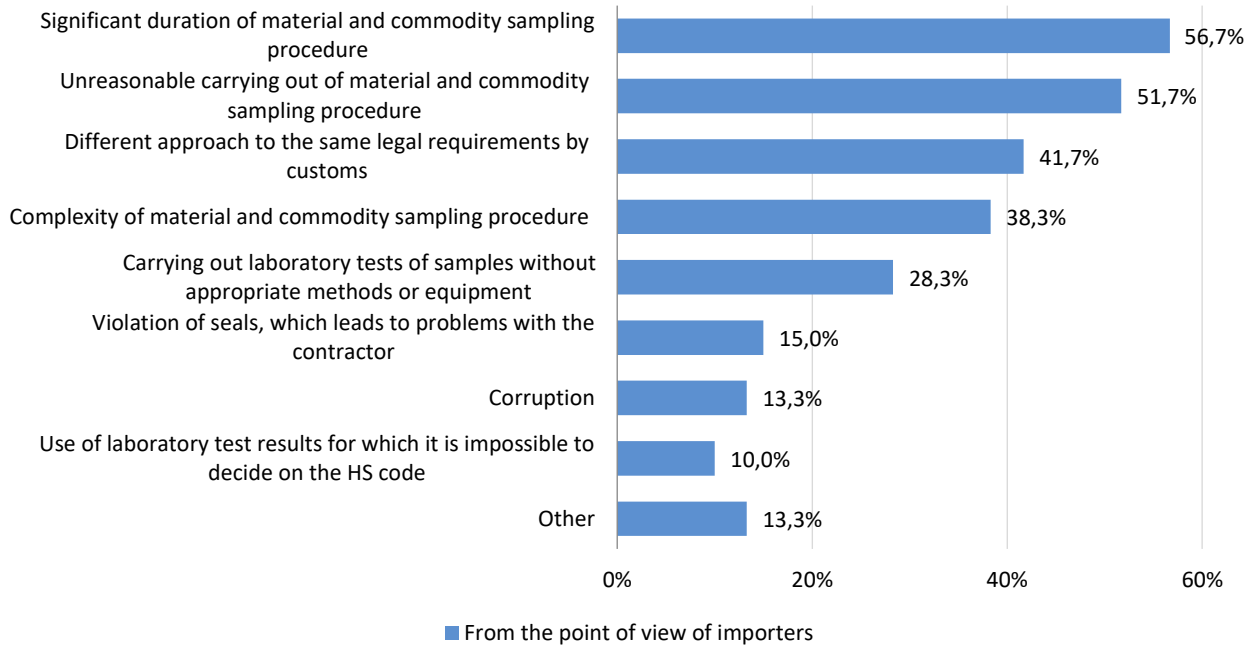


Fig 8. Difficulties in the procedure for sampling and samples of goods from the point of view of importers, % of respondents who reported difficulties

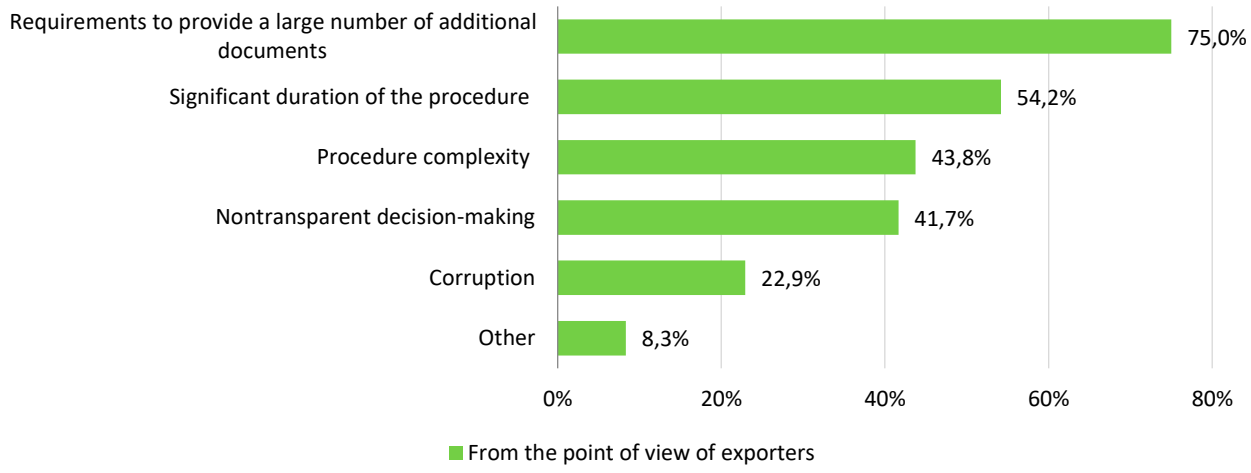


- The unreasonable carrying out of the material and commodity sampling procedure occupies the third place among the problems for exporters.
- The main problem for importers is the considerable duration of the material and commodity sampling procedure.
- Unreasonable carrying out of this procedure and a different approach to the same legal requirements by customs are on the second and third places.
- Importers report the different approach to the same legislation by the customs more often than exporters.

2.5. "Obtaining certificates of origin for goods at the customs" / "Providing certificates of origin for goods during customs clearance" procedure

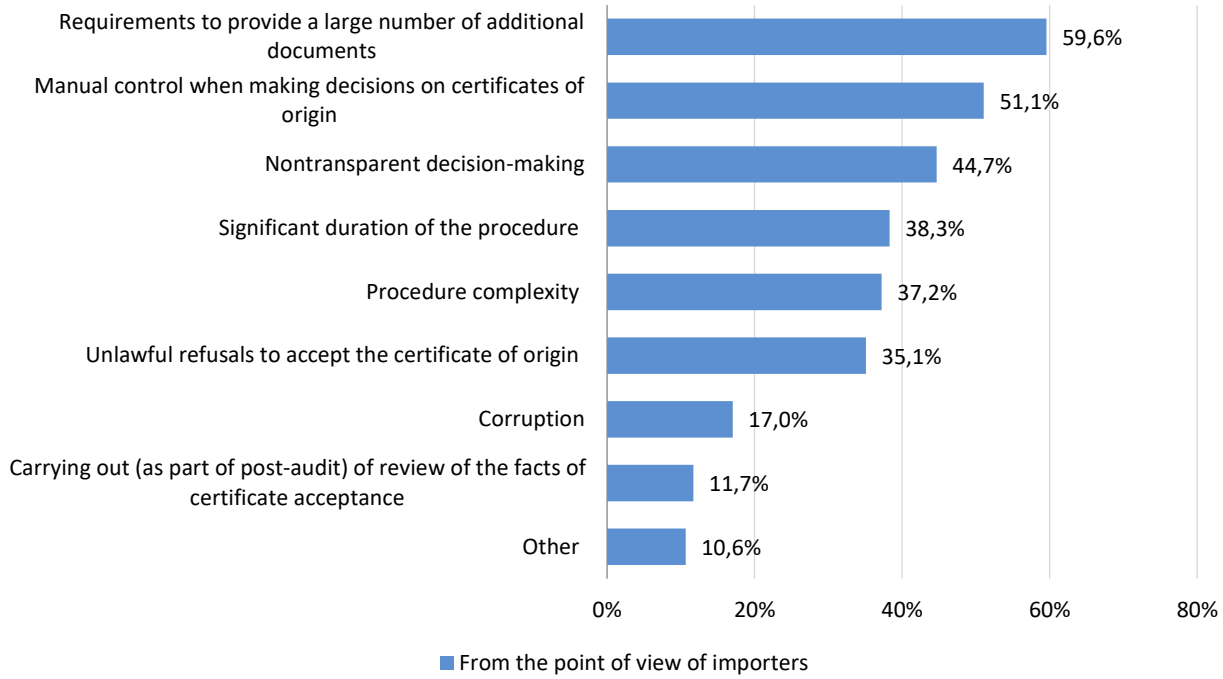
- Exporters evaluated the procedure "Obtaining certificates of origin for goods at customs." Those who have encountered difficulties in this procedure most often report the problem of the requirement to provide many additional documents.
- The problem of the considerable duration of this procedure is on the 2nd place.

Fig 9. Difficulties in the procedure for obtaining certificates of origin for goods at customs from the point of view of exporters, % of respondents who reported difficulties



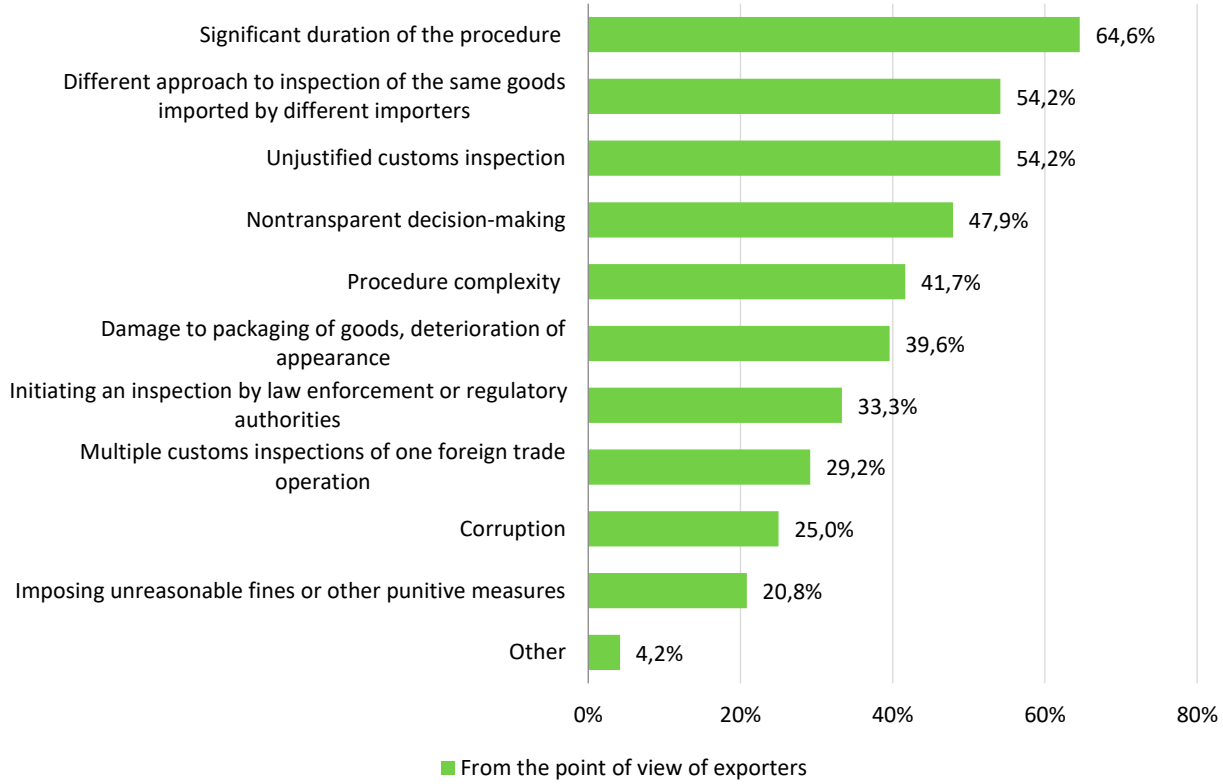
- Importers most often report the problem of the customs' requirements to provide many additional documents.
- Half of importers report manual decision making when deciding on certificates of origin.
- The opacity of decision-making is on the third place among the problems during this procedure.

Fig 10. Difficulties in the procedure of granting certificates of origin for goods at customs clearance from the point of view of importers, % of respondents who reported difficulties



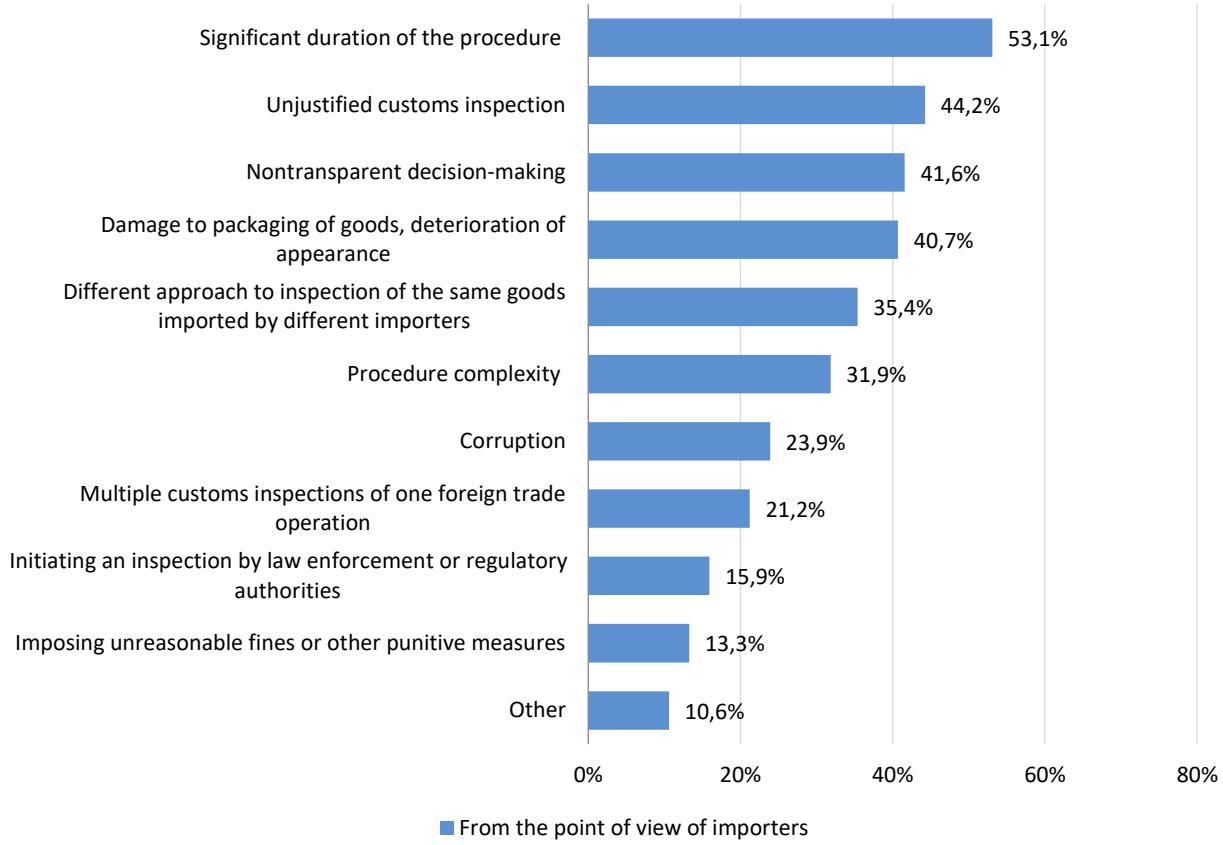
2.6. "Customs inspection of goods" procedure

Fig 11. Difficulties in passing customs inspection of goods from the point of view of exporters, % of respondents who reported difficulties



- The considerable duration of the customs inspection ranks first among the problems with this procedure from the point of view of exporters.
- The second place is shared by such problems as unequal approach to inspection of identical goods by different enterprises and unjustified customs inspection.
- The long duration of the customs inspection is the main problem for importers, too.
- The problem of unfounded customs inspection is on the second place for importers.
- The third and fourth places are occupied by non-transparent decision-making and damage to the packaging of goods and deterioration of their appearance.

Fig 12. Difficulties in passing customs inspection of goods from the point of view of importers, % of respondents who reported difficulties



2.7. "Post-customs audit" procedure

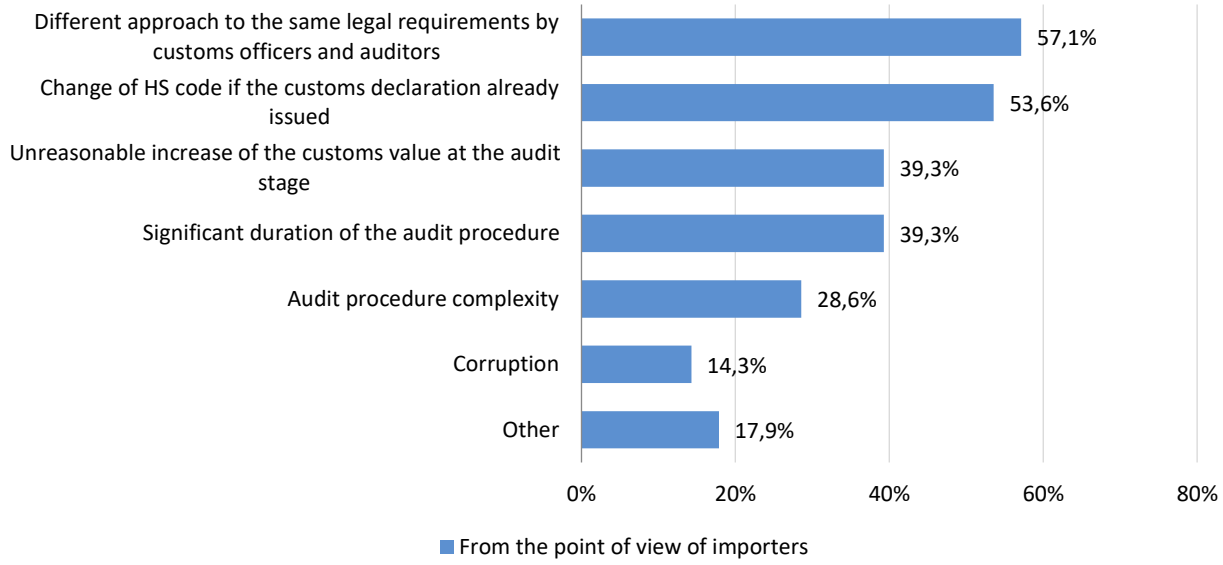
- The complexity and duration of the post-audit procedure are the main problems for exporters.
- Exporters report these problems more often than importers.
- The third place is occupied by the unreasonable increase in the customs value of goods at the stage of post-customs audit.
- The main problem with post-customs audit for importers is the different approach to the same legal requirements by customs officers and auditors.

- For exporters, this problem is in the last place in the ranking and is reported by almost half as many exporters.
- The second most important problem for importers is changes of the product code when the declaration has been already issued.

Fig.13 Difficulties in the post-customs audit procedure from the point of view of exporters, % of respondents who reported difficulties



Fig 14. Difficulties in the post-customs audit procedure from the point of view of importers, % of respondents who reported difficulties

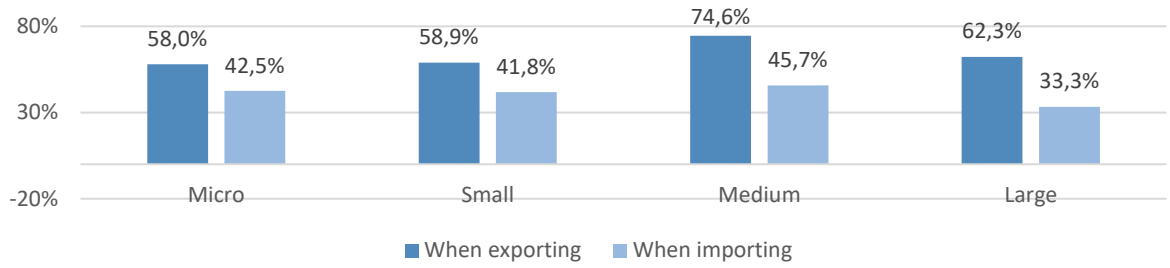


3. Cargo delays during customs control

- The results of the study show that exporters face delays less often than importers. Almost 2/3 of exporters (62.4%) reported not experiencing cargo delays, compared to less than half of importers (42.0%). At the same time, in 2020 the situation was similar - 59.6% of exporters and 45.2% of importers.

- Queues at the border remain the main cause of delays in customs control for both exporters and importers. This was reported by 67.5% of exporters and 57.9% of importers with delays. In 2020, queues at the border were also the main cause of delays in cargo (69.8% of exporters and 65.4% of importers).
- For exporters, important reasons for delays are also the lack of on-site inspectors, comments on documents, and the lack of customs infrastructure. At the same time, it is important for importers to change the customs value of goods, lack of inspectors and comments on documents.
- The change in the customs value of goods as a reason for the delay of goods in 2021 and 2020 was on the second step, but in 2021 it became even more relevant. If in 2020 this reason was indicated by 26.9% of respondents who had delays, then in 2021 - 46.3%.

Fig 15. Share of enterprises without cargo delays, by size of enterprises, % of respondents



- In 2020, the results of the study showed that as the size of the enterprise increased, the probability of delays during customs control decreased. Big business has experienced the least delays at the border. However, in 2021 the situation has changed and medium businesses are experiencing the least delays.

Fig 16. Main reasons for the delay of Customs cargo during customs control during export, % of respondents with delays

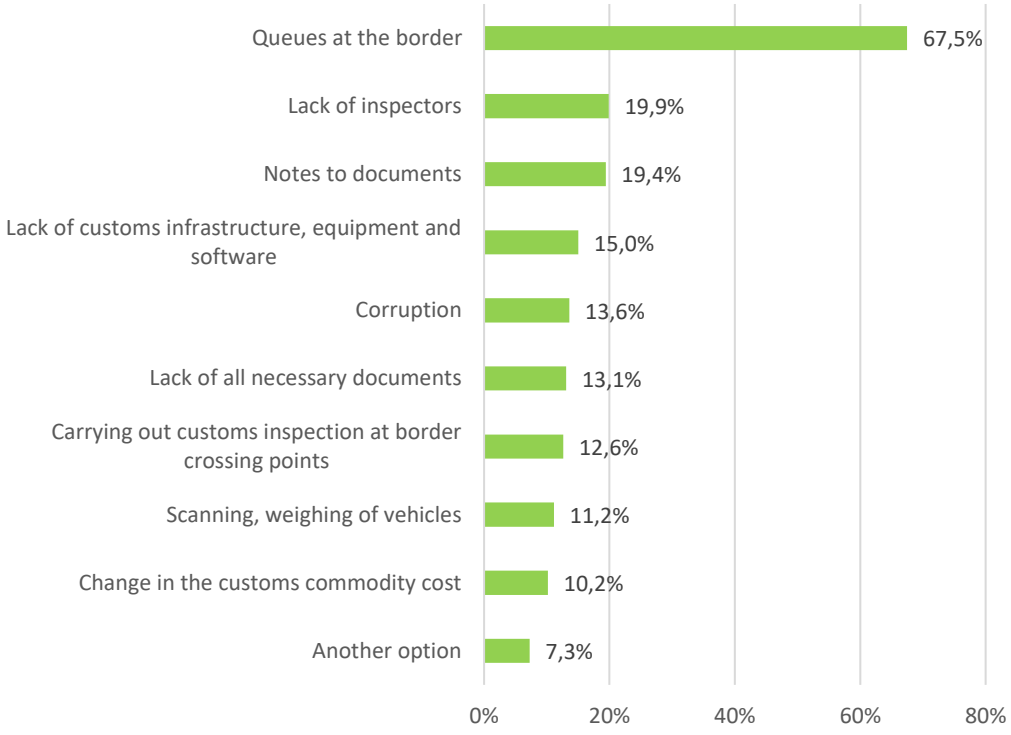
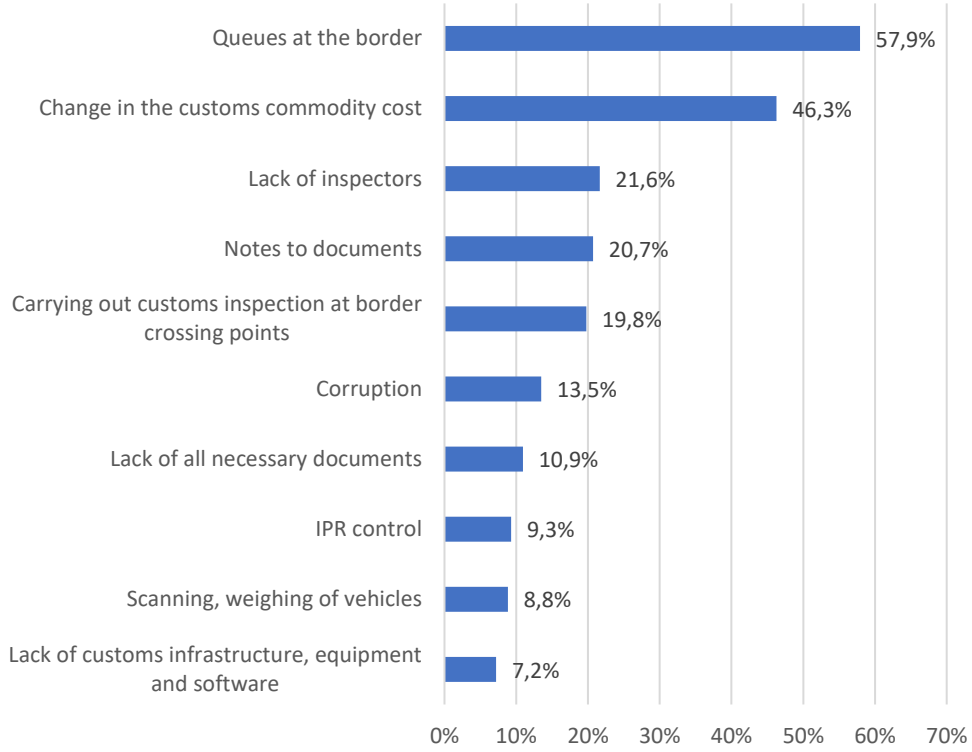


Fig 17. Main reasons for the delay of Customs cargo during customs control during import, % of respondents with delays



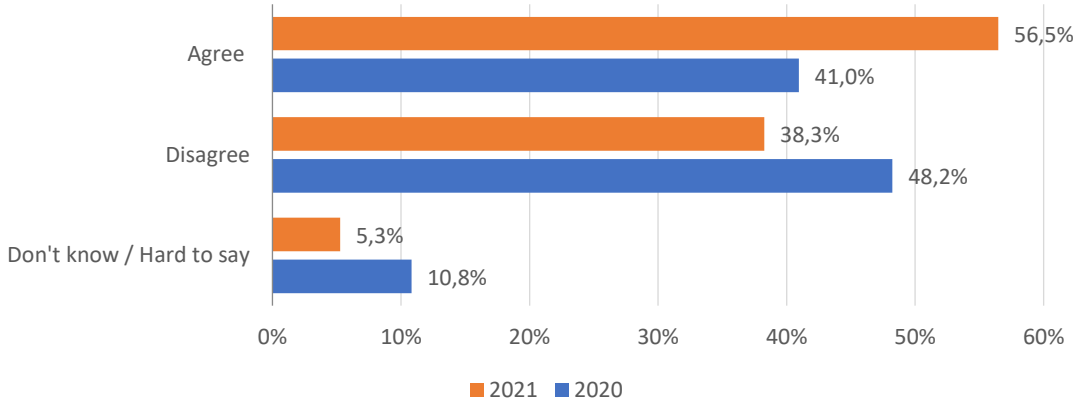
- By sector, the results are almost the same for exporters. At the same time, imports have the largest delays among representatives of the service sector.

4. Should businesses agree with unreasonable customs demands to avoid downtime of goods?

- In 2021, businesses were asked for the second time whether they agreed with the statement that in order to avoid downtime of goods, it is better to agree with illegal or excessive, in their opinion, customs requirements than to challenge them legally. This question was first asked in the 5th wave of this survey in 2020.
- 56.5% of the respondents agreed with this statement. This is more than in 2020 (41%). This suggests that lengthy and complicated customs procedures create an opportunity for corruption and violations of the law.
- More than a third of respondents (38.3%) do not agree with this statement (48.2% in 2020).
- Only importers and importing and exporting companies more often than only exporters agree with this statement.
- Therefore, importers may be more vulnerable to the threat of downtime due to illegal or excessive customs requirements.
- Micro and small enterprises are more likely than medium and large enterprises to agree with this statement.
- The enterprises that carry out customs clearance at the Pivnichna and Odesa customs offices agree with this statement most often.

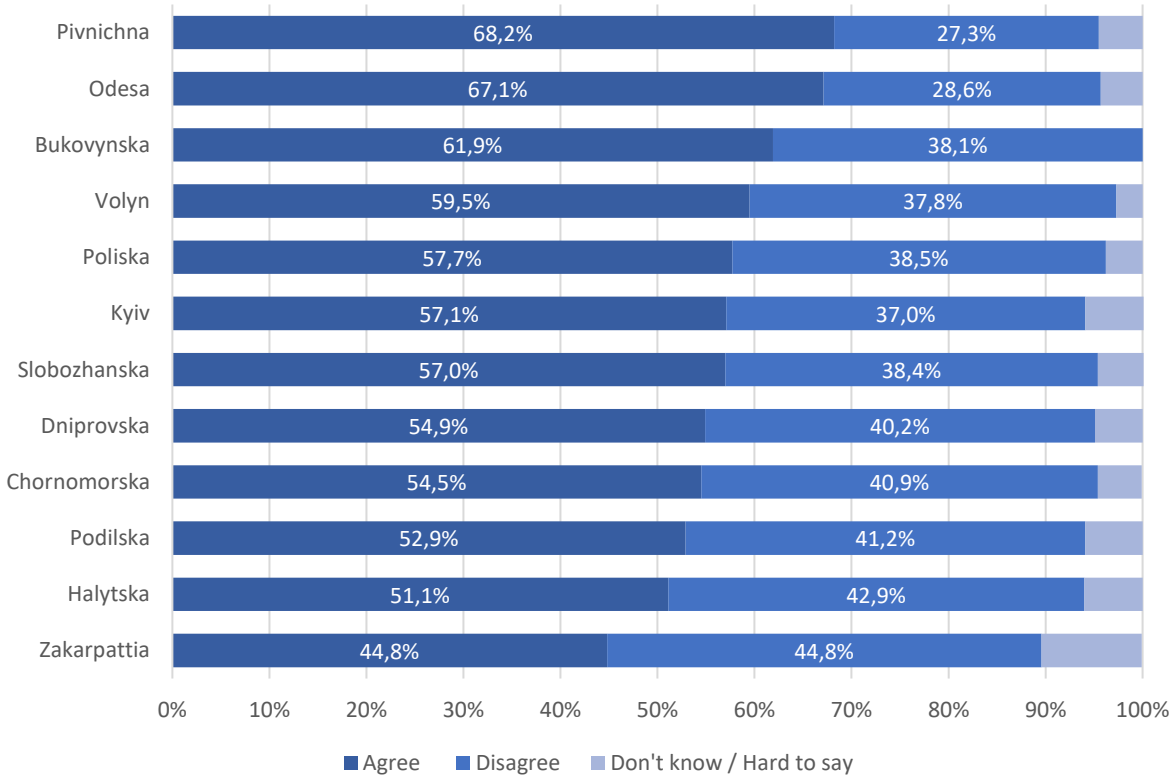
- Those who carry out customs clearance at the Zakarpattia customs office agree most rarely.

Fig 18. Reaction to the statement that it is more expedient to agree with illegal or excessive customs requirements than to challenge them legally, % of respondents



- The Zakarpattia customs office also recorded the largest share of respondents who could not answer this question (10.3%).
- At Bukovyna customs office, all respondents answered this question.

Fig 19. Reaction to the statement that it is more expedient to agree with illegal or excessive customs requirements than to challenge them legally, according to customs, % of respondents[1]



[1] Answers of enterprises at the Azov and Skhidna Customs Offices are not analyzed due to the insufficient number of respondents.

5. Appeals against the actions of customs authorities

- In 2021, 59.1% of respondents said they were familiar with the possibility and procedure of administrative and judicial appeals against the actions of customs authorities. This is slightly more than in 2020 - 53.5% of respondents, and in 2018 - 51.5%. Thus, the level of business awareness of administrative appeals has increased slightly in recent years.
- In 2021, 17.8% of respondents reported that they had experience appealing (in 2020 - 18%, in 2018 - 15.9%). Thus, the situation has remained almost unchanged in recent years.
- Exporting and importing businesses, as well as large enterprises, remain more familiar with the possibility of appeal and have more experience.
- Respondents at the Dnipro Customs (72.5%) are best acquainted with the possibility and procedure of administrative or judicial appeal against customs actions, and the worst at the Chornomorska Customs (40.9%).
- Dnipro Customs enterprises most often had an appeal (31.4%), and Pivnichna Customs (9.1%) the least.

Fig 20. Awareness and experience of appealing against the type of foreign economic activity, % of respondents

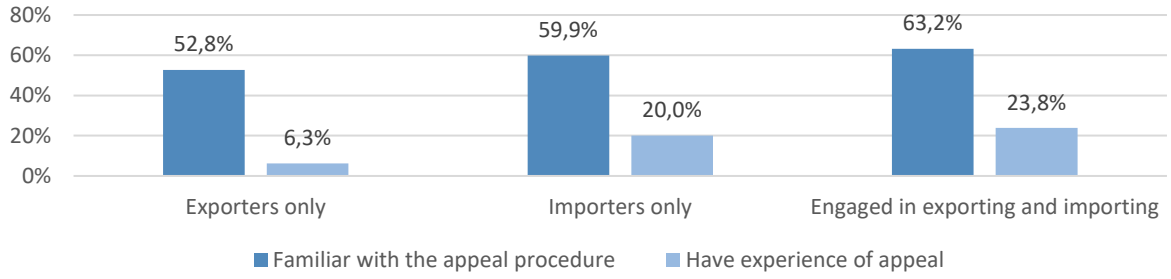


Fig 21. Awareness and experience of appealing by type and size of enterprises, % of respondents

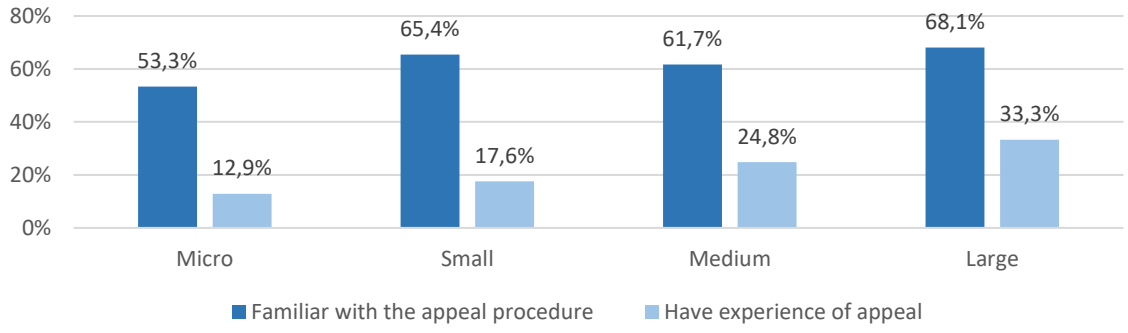
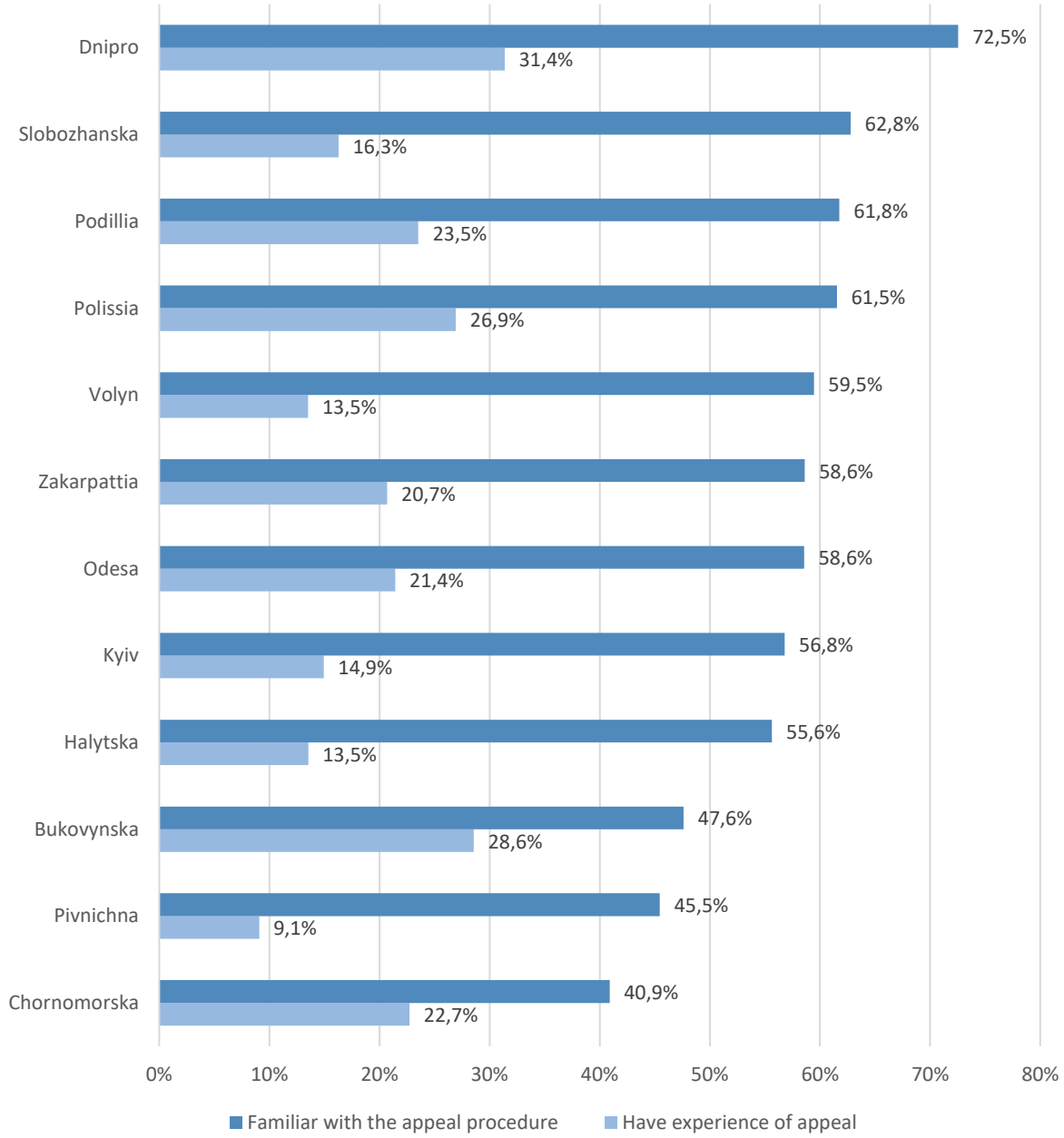


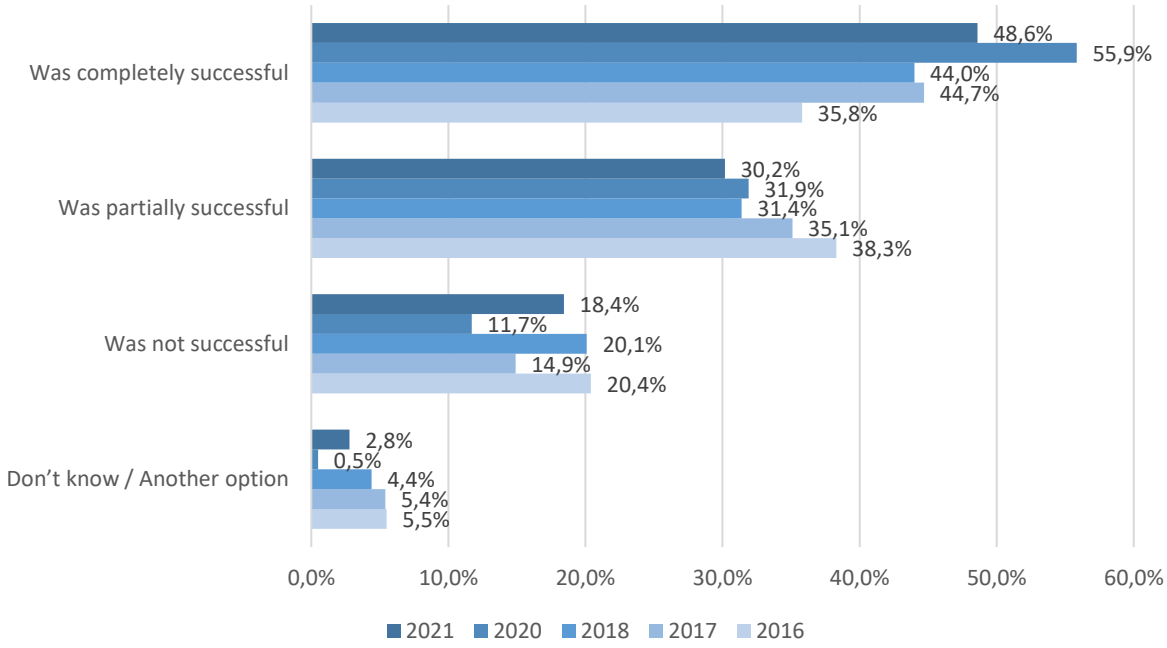
Fig 22. Awareness of Appeals and experience of Customs appeals, % of respondents[2]



- In 2021, appeals against customs actions were partially or completely successful for 78.8% of enterprises that had experience of appeals. At the same time, in 2020 this figure was 87.8%. This was the largest share for the first 4 waves of the survey since 2016.
- According to the results of the study, the share of respondents with unsuccessful experience has increased more than one and a half times compared to 2020.

[2] Answers of enterprises at the Azov and Skhidna Customs Offices are not analyzed due to insufficient number of respondents.

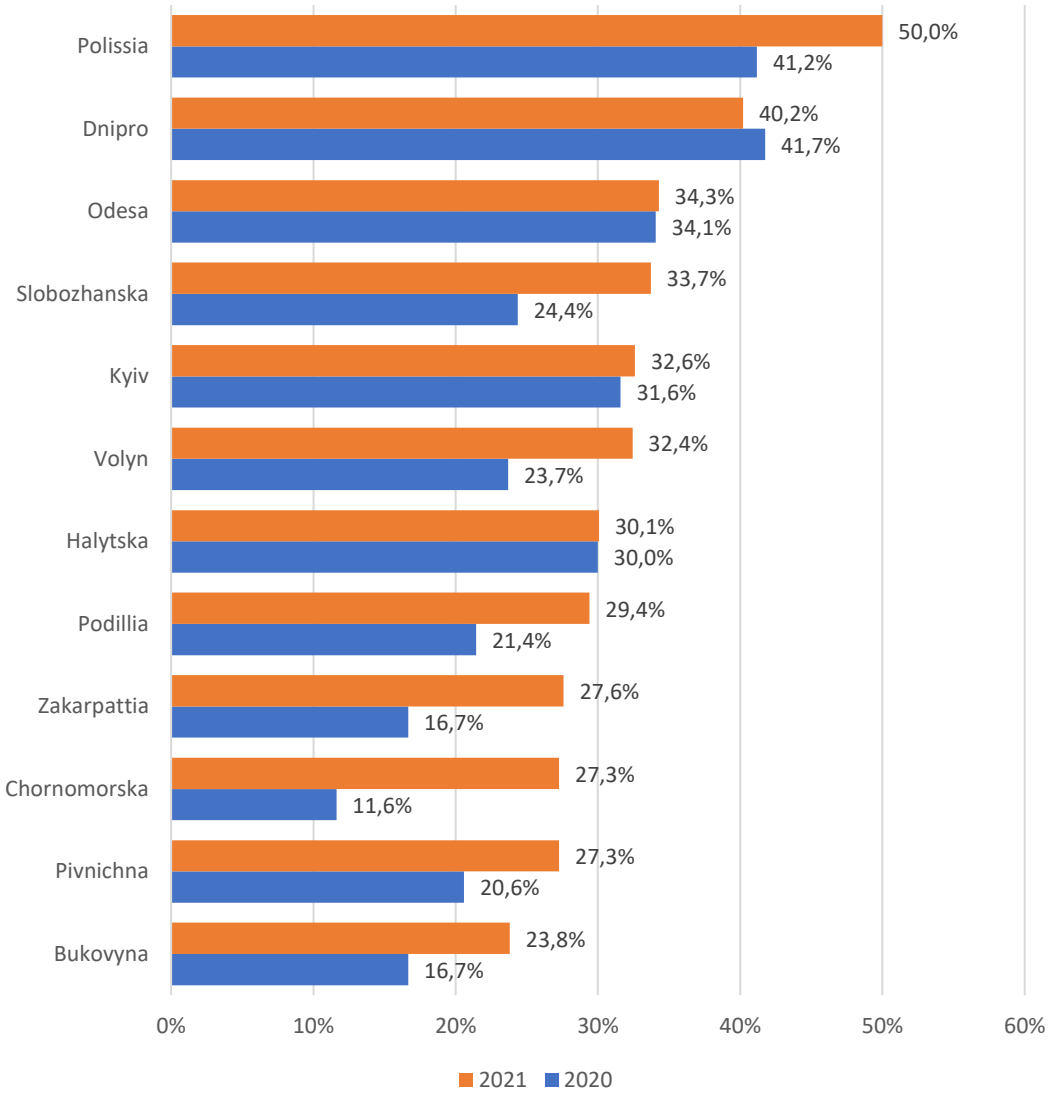
Fig 23. Assessment of the success of administrative or judicial appeals against actions of customs authorities, % of enterprises that had such experience[3]



- Only 55.3% of companies that challenged the actions of customs authorities indicated that they were guaranteed the right to be heard (51.1% in 2020)
- Only 32.4% of enterprises that had experience in customs appeals consider the response of the customs authority to the complaint justified (36.2% in 2020).
- 32.7% of enterprises reported that they did not appeal against the actions of the customs authorities due to economic inexpediency (due to simple transport, legal aid costs, etc.), although they considered the decisions and / or actions of the customs illegal (29.7% in 2020)
- Economic inexpediency is more often reported by importers and representatives of the trade sector. At the same time, large enterprises most often refused to appeal, which is the opposite of the situation in 2020, when such a refusal was most often reported by smaller enterprises.
- Most often, the actions of customs authorities were not appealed due to economic inexpediency at Polissia and Dnipro Customs Offices. Rarely – at Bukovyna, Pivnichna and Chornomorska Customs Offices.[4]
- Cases of economic inexpediency of customs appeal are most often reported by enterprises of the Poltava and Odesa regions. The least reported are in the Donetsk, Ternopil and Sumy regions
- In nine regions, the share of enterprises that did not challenge the actions of customs authorities due to economic inexpediency is a third or more of the respondents.

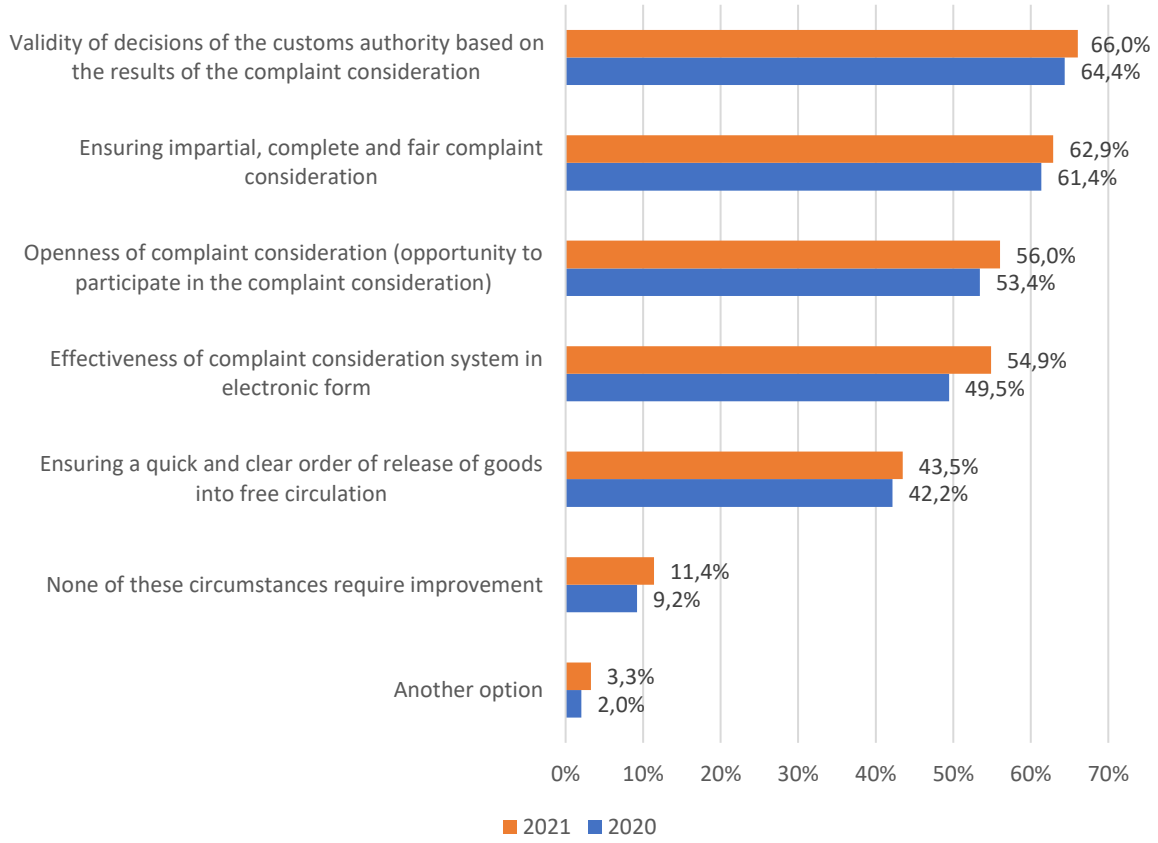
[3] Another option, in particular, may include complaints that are still being considered.
[4] The responses of enterprises at Eastern customs are not taken into account in the analysis due to the insufficient number of respondents.

Fig 24. Share of enterprises that did not challenge the actions of customs authorities due to economic inexpediency, according to customs, % of respondents



- The validity of decisions, and impartial, complete and fair consideration of the complaint need to be improved the most.
- Only circa 10% of respondents believe that none of the aspects of the appeal needs to be improved.
- SMEs more often than large enterprises point to the need for openness of complaints consideration and improved validity of decisions (the same in 2020). At the same time, large enterprises often express the need for a quick and understandable release of goods into free circulation. The situation has not changed compared to 2020.

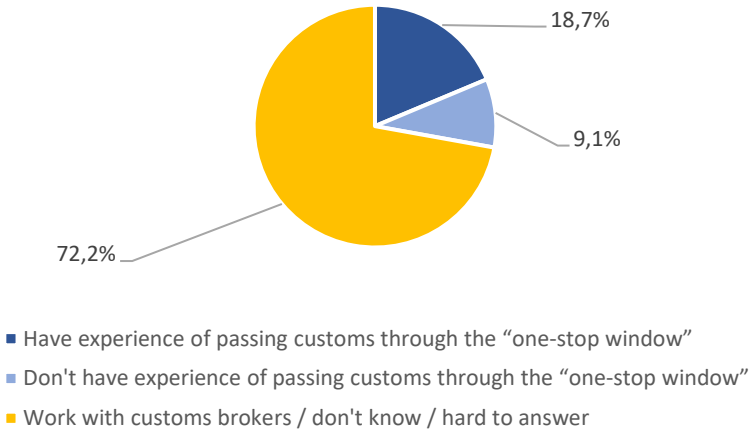
Fig 25. Elements of administrative appeal implementation that need to be improved, % of respondents



6. Single Window

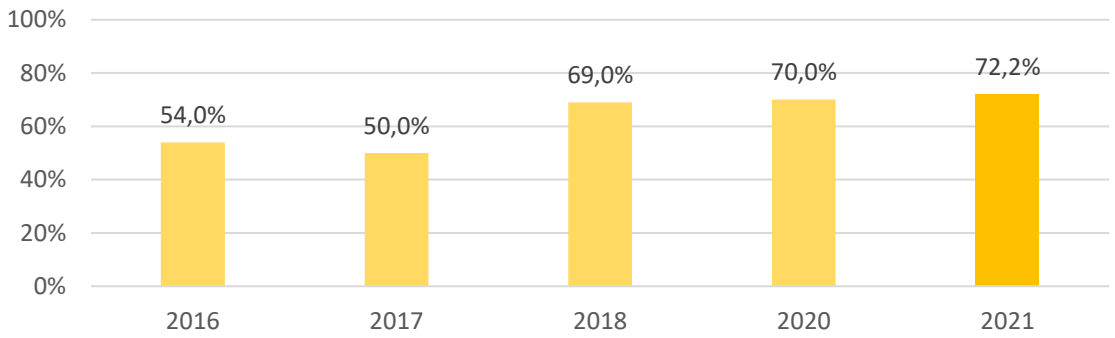
- Customs legislation foresees that all subjects of foreign economic activity, with rare exceptions, pass customs procedures through the “single window” system.
- In 2021, 18.7% of surveyed companies reported that they passed customs control through the “single window”.

Fig 26. Experience in passing customs control measures through the "single window", % of respondents



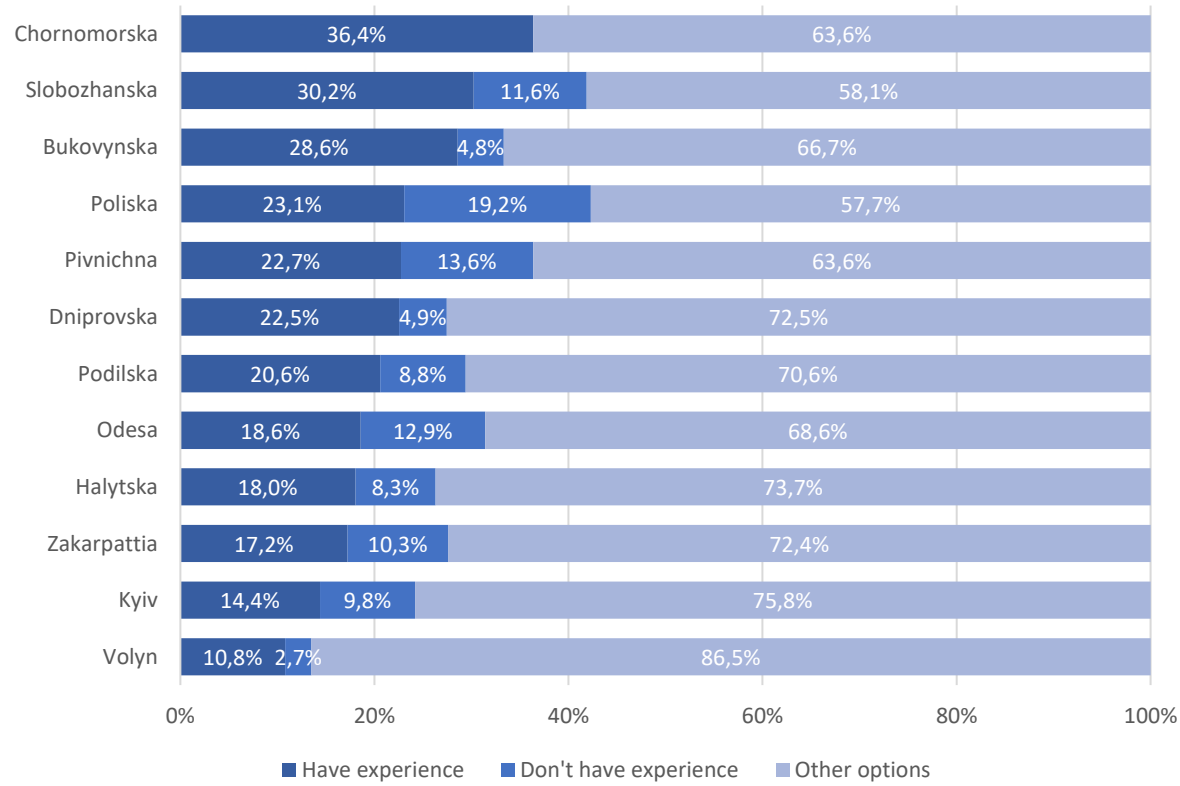
- The majority of the respondents (72.2%) work through customs brokers or could not answer this question. This is more than in the previous waves of the survey.
- Excluding these respondents, the share of the enterprises that used the “single window” is 67.1%, which is much less than required by law.

Fig 27. Respondents who work through customs brokers or did not answer the question about the "single window", %



- Enterprises that are simultaneously exporters and importers most often report that they have experience of passing customs procedures through the “single window”.
- The larger the size of enterprises, the more they use the “single window”: the share of the enterprises operating through customs brokers decreases.

Fig 28. Experience of passing customs control measures through the “single window” by customs, % of respondents[5]



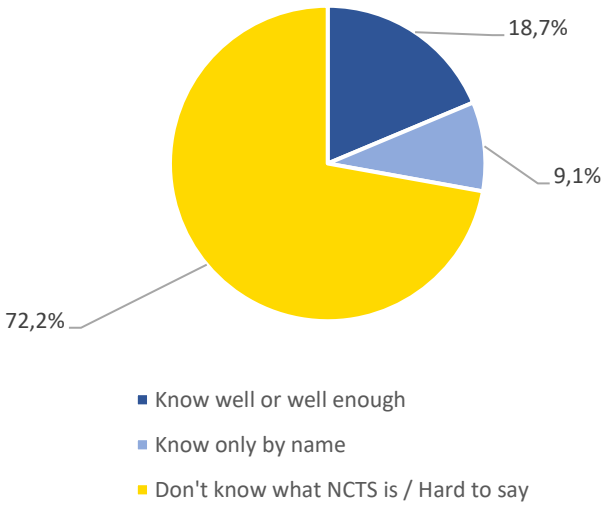
[5] Responses of enterprises at the Azovska and Skhidna customs offices are not analyzed due to insufficient number of respondents

- Enterprises at the Chornomorska, Slobozhanska and Bukovynska customs offices report that they have experience of passing customs procedures through the “single window“ most often.
- Enterprises at the Volyn customs office are the least likely to report such an experience. There is the largest share of respondents who work through customs brokers or could not answer here (86.5%).
- At Poliska, Pivnichna and Odesa customs, businesses report that they do not have such experience most often.

7. New computerized transit system (NCTS)

- National application of the NCTS in Ukraine began in March 2021.
- Only 1.6% of respondents know what the new computerized transit system (NCTS) is. The majority (85%) do not know about it and another 13.4% know it only by name.

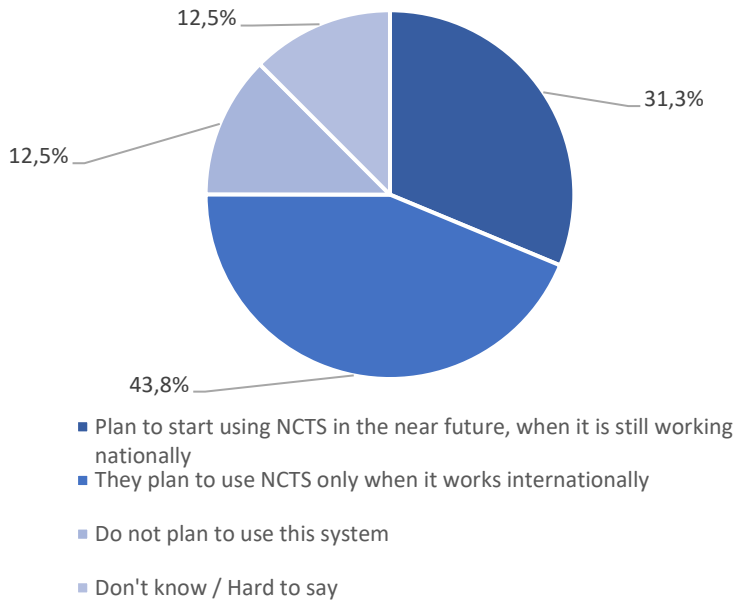
Fig 29. Respondents' awareness about the NCTS, %



- The share of the respondents who know well about NCTS is very small among enterprises of different sizes, sectors and types of foreign trade.
- Against the background of others, only large enterprises and enterprises with import and export differ. Their representatives know about NCTS by name more often than others. This indicates possible gaps in communication regarding this possibility.
- This may also be related to working through customs brokers. Representatives of the companies not working with brokers are more likely to know about the NCTS well or by name (27.3% compared to 13.5% of the representatives of those working with brokers).
- No company whose representatives know about the NCTS well used this system at the time of the survey[6].

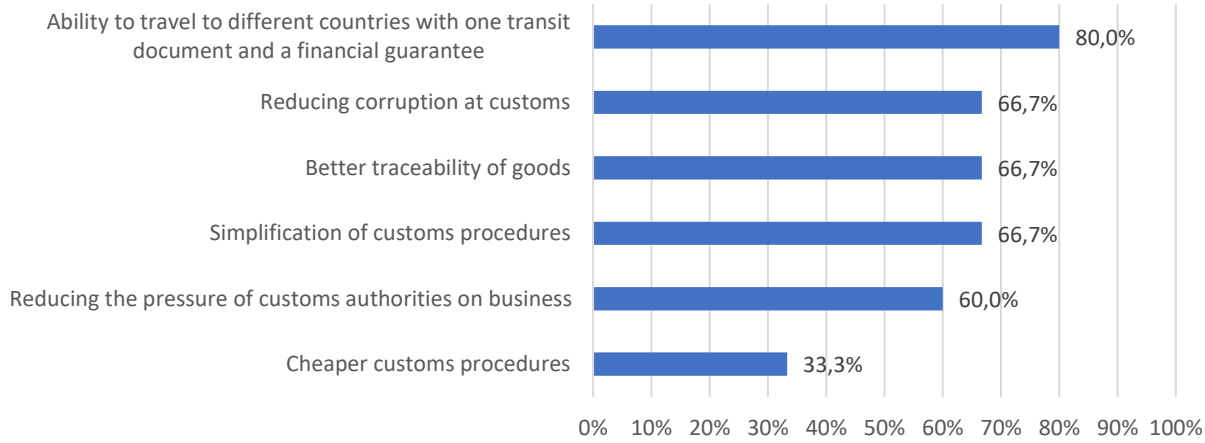
[6] The analysis of the responses was conducted on a small sample (N = 16) of the respondents who said that they know well or fairly well about the NCTS.

Fig 30. Plans about using the NCTS, %



- Most companies (43.8%) planned to use the NCTS after it started operating internationally. About a third of enterprises (31.3%) planned to start using the NCTS in the near future.
- Equal shares of the respondents (12.5% each) indicated that they do not plan to use the NCTS and did not answer this question.

Fig 31. Advantages of the NCTS according to the respondents who know about it well or well enough, % of respondents



- Respondents who are well or fairly familiar with the NCTS often name its almost every benefit. The main advantage is the ability to pass through different countries with one transit document and a financial guarantee[7].
- The least important advantage of the NCTS is the reduction of the cost of customs procedures (33.3%).

[7] The analysis of the responses was conducted on a small sample (N = 16) of the respondents who said that they know well or fairly well about the NCTS.

- The respondents who are well or fairly familiar with the NCTS often cite the need for a financial guarantee for all NCTS transit movements as a major disadvantage of the NCTS.

Fig 32. Disadvantages of the NCTS system according to respondents who know well or fairly well about it, % of respondents

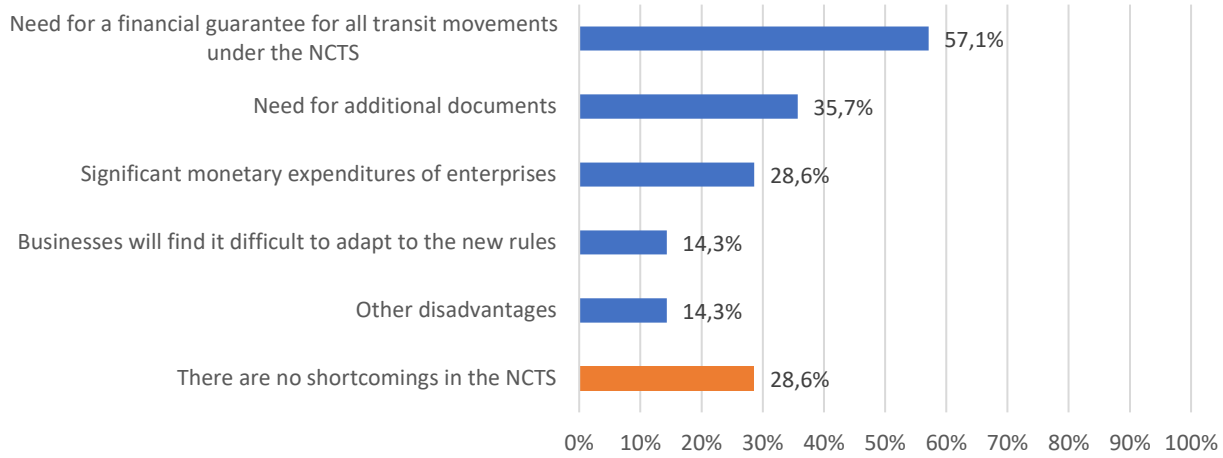


Fig 33. What information about NCTS is lacking, %

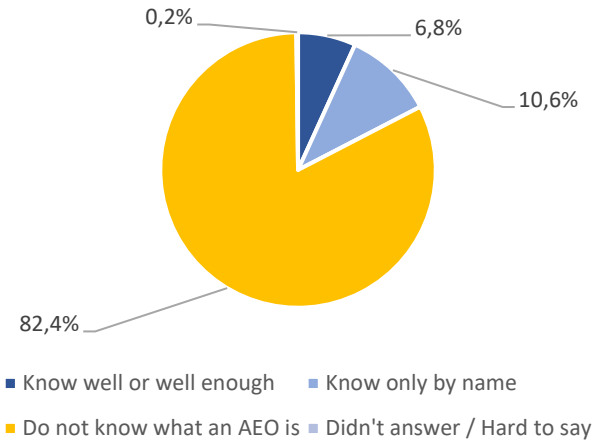


- The smallest share of the businesses voiced reservations about the adaptation to the new rules. And approximately one in four respondents believes that there are no shortcomings in the NCTS.
- The respondents who know the NCTS well or only by name are often interested in when it will be implemented and what are its benefits for their companies.
- The third place among the issues on which there is a lack of information is occupied by the question whether the NCTS will require additional investment for businesses.
- Almost a third of the respondents indicated that they have enough information about NCTS.

8. AEO status

- More than 80% of respondents do not know what the status of the Authorized Economic Operator (AEO) is. Only 6.8% know well or well enough what it is. Every tenth respondent (10.6%) knows about it only by name.
- This indicates probable gaps in communication regarding the AEO, despite the fact that at the time of the survey the enterprises already had the opportunity to register as AEOs.

Fig 34. Awareness about the AEO status, %



- Representatives of companies that are both exporting and importing know about the AEOs best.
- Representatives of large enterprises know about AEOs three times more often than respondents from medium-sized businesses, and ten times more often than representatives of micro-enterprises.
- Among the representatives of enterprises of different sectors, those in the trade sector know about the AEO the least.
- Respondents in Ivano-Frankivsk and Volyn oblasts are best informed about the AEO status. Every tenth respondent in Ternopil, Vinnytsia and Donetsk oblasts is well aware of AEO.
- None of the respondents in Cherkasy and Sumy oblasts indicated that they knew well about the AEO status.
- The largest share of respondents who do not know about the AEOs at all is in Rivne oblast (91.7%).

Fig 35. Awareness about the AEO by region[8], %

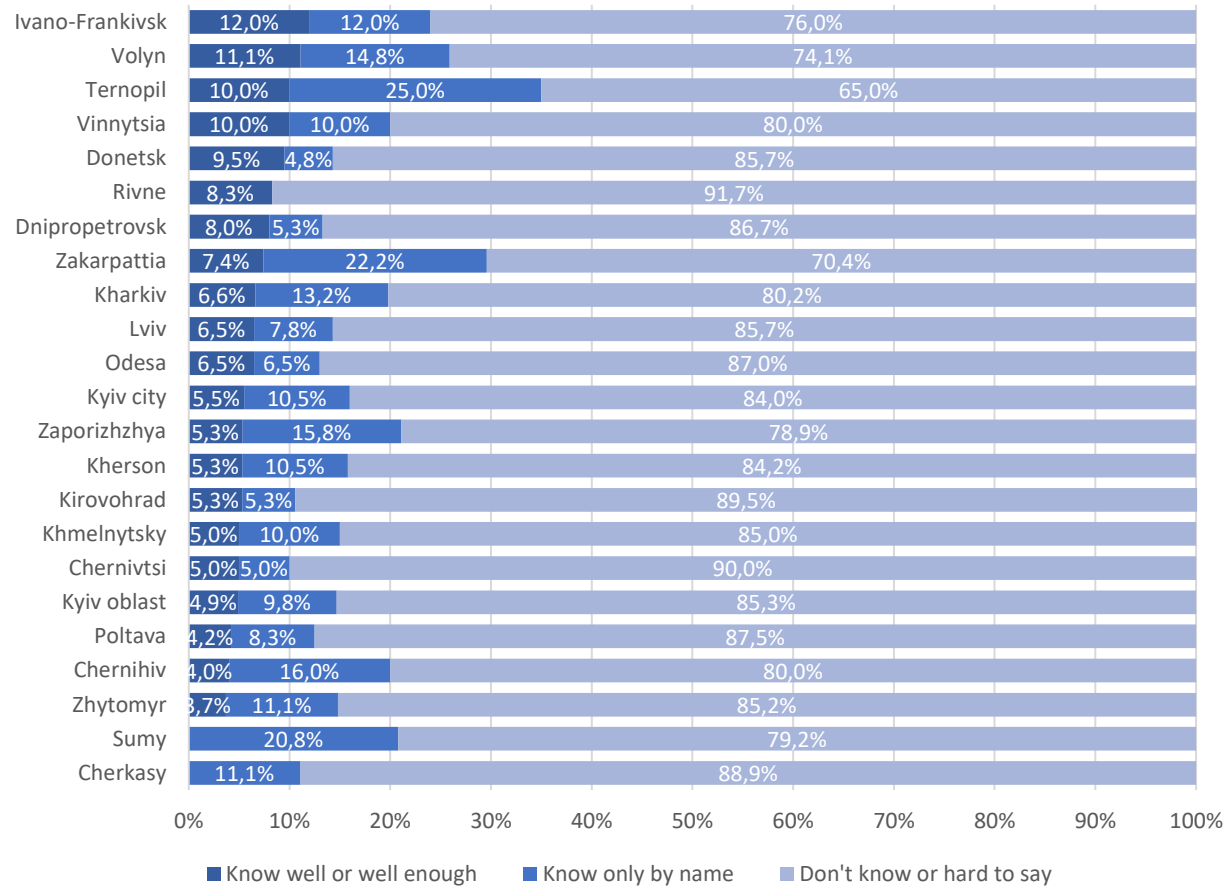
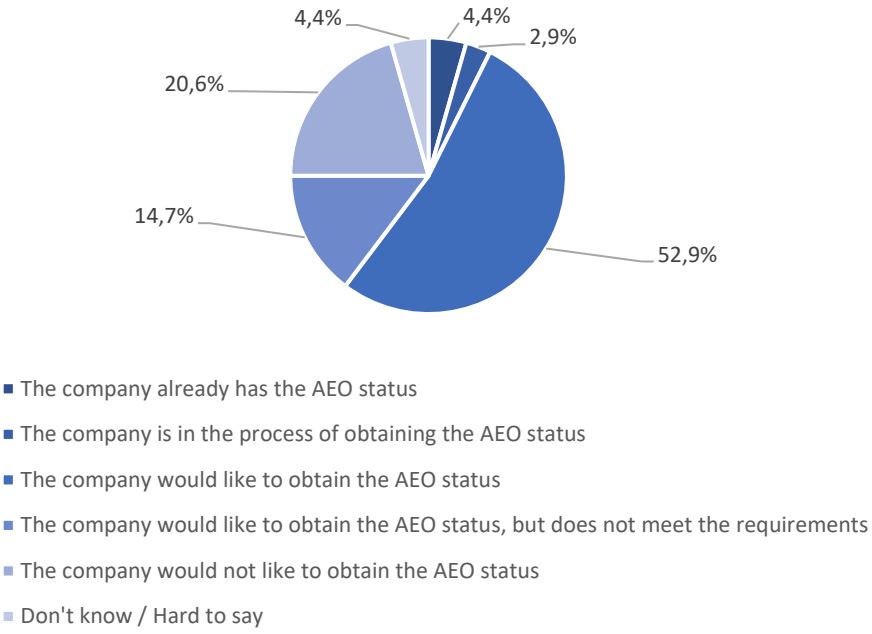


Fig 36. Desire to obtain the AEO status, %



[8] Respondents' responses in Luhansk and Mykolaiv oblasts are not taken into account in the analysis due to insufficient number of respondents

- More than half of the companies whose representatives know well about the AEO would like to receive this status. Almost 3% (2 companies) are in the process of obtaining it and 3 companies claim to have this status, despite the fact that they are not in the AEOs register.
- Almost 15% said they would like to receive this status, but do not meet the requirements.
- One in five companies (20.6%) does not want to receive the AEO status. The main reason why they do not want to receive this status is because they do not think they need it.
- Other frequently mentioned reasons for not wanting to become AEOs are the expectations that the financial costs of obtaining the AEO status may exceed its benefits, that this will require the disclosure of confidential information about the company, and that the AEO status will not simplify customs procedures.

Fig 37. Advantages of the AEO status according to respondents who know well or fairly well about it, %

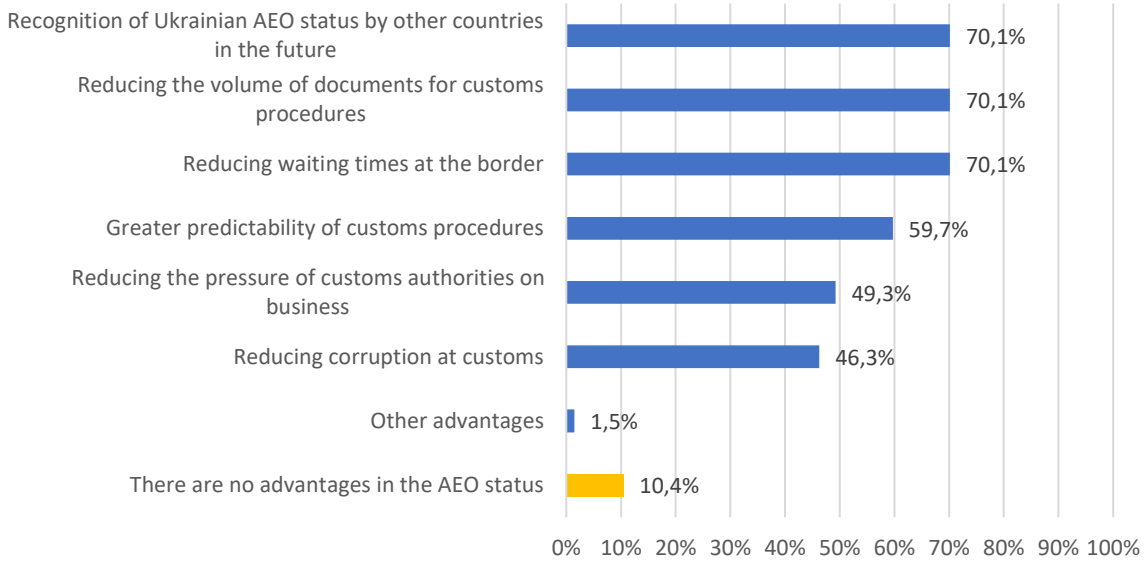
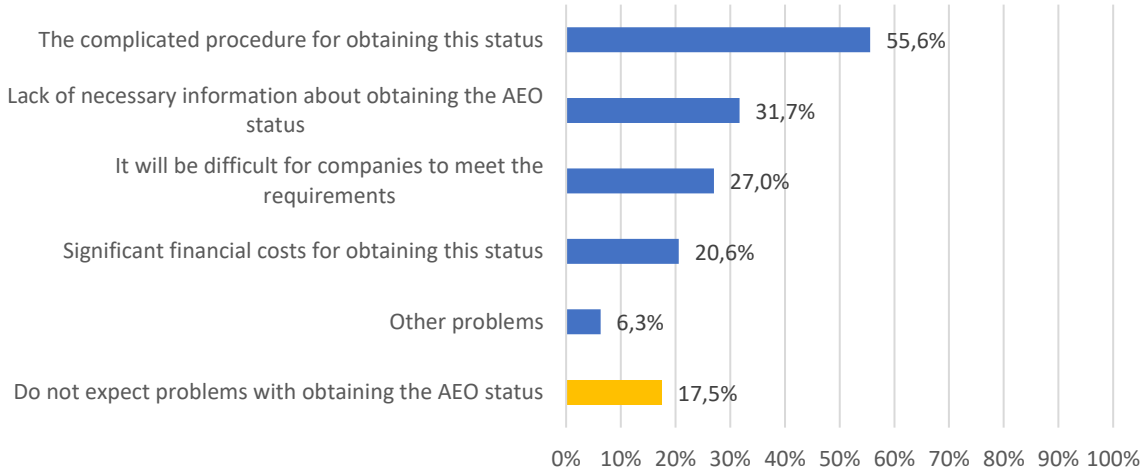


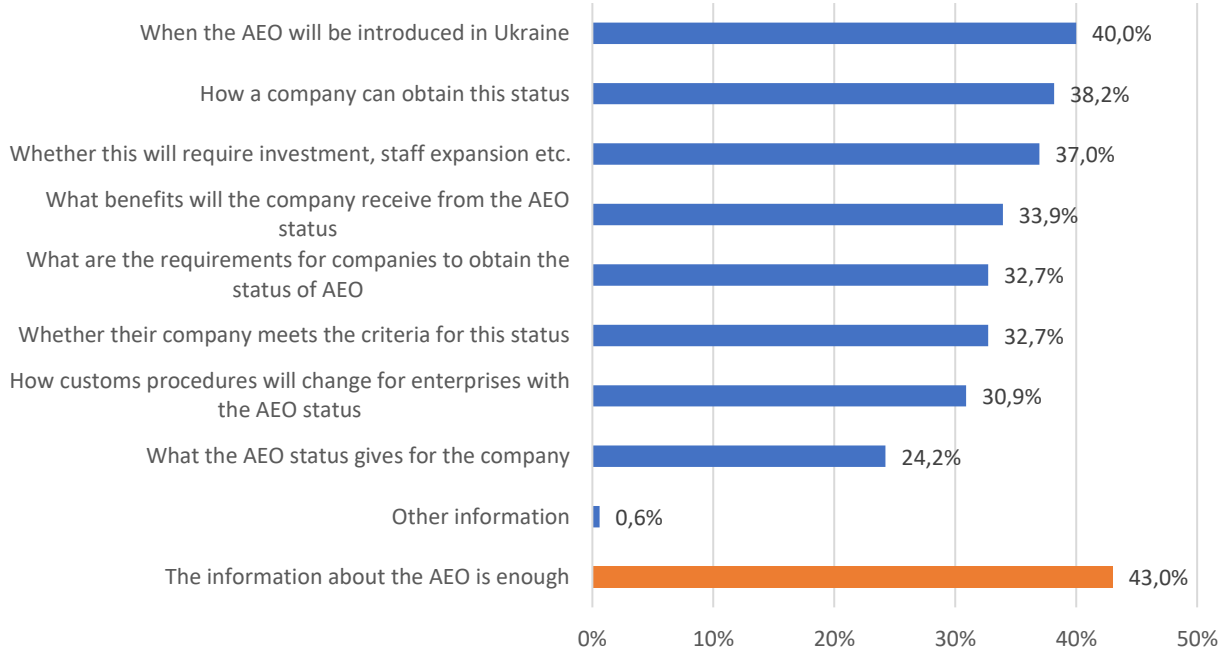
Fig 38. Potential problems with obtaining the AEO status according to respondents who know it well or well enough, %



- Respondents who know about the AEO well or fairly well name its following three main advantages most often: recognition of the AEO status of a Ukrainian enterprise by other countries in the future, reduction of the number of documents required for customs procedures, and reduction of waiting time at the border (70,1% of respondents per each).

- Approximately one in ten respondents (10.4%) believes that there are no advantages in the status of the AEO.
- Respondents who are well or fairly familiar with the AEO often believe that possible problems with obtaining the AEO status may arise due to the complicated procedure for obtaining this status (55.6%).
- About a third of respondents (31.7%) name the lack of information about obtaining the AEO status among the potential issues.
- 17.5% of respondents do not expect any problems with obtaining the AEO status.
- Respondents who know about AEO well or only by name most often say that they have enough information about it (43%).
- The information that is often lacking is:
  - when the AEO will be introduced in Ukraine;
  - how an enterprise can obtain this status;
  - whether the acquisition of AEO status will require additional investment, staff expansion, etc. from the enterprises.

Fig 39. What information about AEO the respondents lack, %



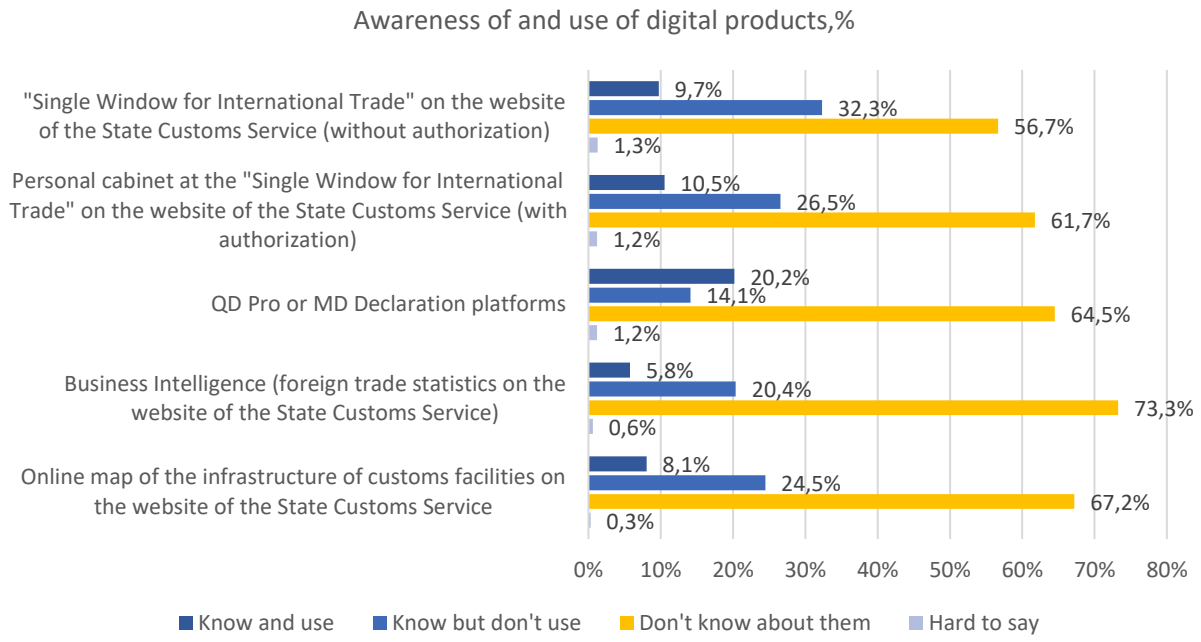
9. Digital products

- Representatives of the enterprises reported whether they are aware of digital products related to customs and whether they use these products. In particular, they gave answers regarding the following products:
  - Unified government information web portal “Single Window for International Trade” located on the website of the State Customs Service https://cabinet.customs.gov.ua

- Personal account on the web portal “Single Window for International Trade” on the website of the State Customs Service https://cabinet.customs.gov.ua/login
- The QD Professional (QD Pro) or MD Declaration platform
- Foreign trade indicators on the website of the State Customs Service https://bi.customs.gov.ua (the Business Intelligence interactive import-export operations analytics module)
- The online map of the infrastructure of Customs Service facilities on the State Customs Service website https://map.customs.gov.ua/

- Most respondents know about the “Single Window for International Trade” web portal (42%). Fewer respondents (37.1%) know about a personal cabinet on this portal.
- However, only every tenth respondent uses this portal without authorization (9.7%) and with authorization (10.5%).

Fig 40. Awareness of and use of digital products, %



- QD Pro and MD Declaration platforms are the only digital products where the share of the respondents who know about them and use them is higher than the share of those who just know about them.
- The share of the respondents who know about the Business Intelligence module and use it is the smallest.

Survey methodology

Businesses engaged in foreign trade – import and export – face its conditions, advantages and disadvantages based on their own experience. Therefore, in order to study the existing problems in this area and identify the reforms and policy steps needed to solve them, it is important to hear the opinion of these businesses.

To this end, the Institute for Economic Research and Policy Consulting (IER) regularly conducts national monitoring of business opinion through an annual survey of more than 1,000 exporters and importers. Such a survey makes it possible to receive "feedback" directly from business representatives and find out what obstacles they face in their work, what changes they need, and how they respond to various innovations.

In 2015-2016, the IER conducted such monitoring for the first time within the framework of the Trade Facilitation Dialogue project. This wave of the survey was experimental and exploratory and covered 381 enterprises engaged in foreign trade. The field stage of information gathering was held in April-August 2015. In the following years, within the framework of the Trade Facilitation Dialogue project, the IER conducted four more waves of this monitoring:

- The second wave of the monitoring was carried out in 2016-2017. The information was gathered in October-December 2016. 1,044 enterprises participating in foreign trade were interviewed.
- The third wave of the monitoring was carried out in 2017-2018. The information was gathered in November 2017 – February 2018. 1,019 enterprises participating in foreign trade were interviewed.
- The fourth wave of the monitoring was carried out in 2018-2019. The information was gathered in October-December 2018. 1,012 enterprises participating in foreign trade were interviewed.
- The fifth wave of the monitoring was carried out in 2020. The information was gathered in April-June 2020. 1,045 enterprises participating in foreign trade were interviewed.

The sixth wave of this survey was held in 2021 as a part of the "Public Initiative "For Fair and Transparent Customs" project. The field stage of the survey was held from May 26 to September 8, 2021. 1,006 enterprises participating in foreign trade were interviewed.

Field stages of the second, third and fourth waves of the survey were conducted by GfK Ukraine, and field stages of the fifth wave in 2020 and the sixth wave in 2021 were conducted by the Info Sapiens Research Agency. Samples from the second, third, fourth, fifth, and sixth waves of the survey are representative in the national dimension.

2021 survey was conducted using a quantitative telephone survey using a computer (CATI – computer assisted telephone interviews). All interviews were conducted with representatives of enterprise who can assess the economic situation of the enterprise and the conditions for carrying out foreign trade (owners, directors, deputy directors, chief accountants, heads of the department or deputy heads of the department related to the implementation of export or import).

Enterprises from all over Ukraine took part in the survey, with the exception of those located on the territory of the temporarily occupied Autonomous Republic of Crimea and the city of Sevastopol, as well as certain regions of Donetsk and Luhansk regions that are not controlled by the Government of Ukraine.

At the data analysis stage, the number of observations for each sample parameter was controlled. If the number of observations was insufficient for statistical analysis, such analysis was not performed and, accordingly, is not provided in the report.

To conduct monitoring, the IER has developed a standardized questionnaire for interviewing enterprises. This report compares the results of the surveys of different waves on a number of questions, the wording of which in the sixth wave of the survey did not change compared to previous waves of the survey. At the same time, some questions are also compared with the results of the first wave of the survey in 2015-2016. However, it should be taken into account that the sample of this wave of the survey was different from the subsequent ones, which may affect the difference in indicators.

Distribution of respondents by region

The survey was conducted in all regions of Ukraine, with the exception of the temporarily occupied Autonomous Republic of Crimea and the city of Sevastopol, as well as certain districts of Donetsk and Luhansk regions. In each region, from 8 (Luhansk region) to 181 (Kyiv city) enterprises took part in the survey.

Table 1. Distribution of surveyed enterprises by region

	Number of businesses	Percentage of the sample
Vinnytsia	30	3,0%
Volyn	27	2,7%
Dnipropetrovsk	75	7,5%
Donetsk	21	2,1%
Zhytomyr	27	2,7%
Zakarpattia	27	2,7%
Zaporizhzhia	38	3,8%
Ivano-Frankivsk	25	2,5%
Kyiv	102	10,1%
Kirovohrad	19	1,9%
Luhansk	8	0,8%
Lviv	77	7,7%
Mykolayiv	9	0,9%
Odessa	46	4,6%
Poltava	24	2,4%
Rivne	24	2,4%
Sumy	24	2,4%
Ternopil	20	2,0%
Kharkiv	91	9,0%

	Number of businesses	Percentage of the sample
Kherson	19	1,9%
Khmelnytsk	20	2,0%
Cherkassy	27	2,7%
Chernivtsi	20	2,0%
Chernihiv	25	2,5%
Kyiv city	181	18,0%
Total amount	1006	100%

Distribution of respondents by customs

To assess customs procedures carried out by businesses at the customs offices, the respondents were asked to indicate at which customs office they mainly carry out processing of their goods. For this purpose, the classification of customs offices of 2019 was used, when 16 customs offices were formed in the structure of the State Customs Service, including 14 regional customs offices, as well as the Energy Customs and Coordination and Monitoring Customs. Since the assessment in the survey was made for the previous year, during which this structure was still in effect, we use this classification to make comparisons for some indicators.

The largest share of the surveyed enterprises (368 or 36.6% of the total sample) carries out customs clearance at the Kyiv customs office, which united Zhytomyr, Kyiv, Kyiv city and Cherkasy customs offices of the State Fiscal Service. The next largest share of respondents (133 enterprises surveyed or 13.2% of the sample) carries out customs clearance at the Halytska customs, where three customs offices were combined: Ivano-Frankivsk, Lviv, and Ternopil.

Dnipro customs (102 surveyed enterprises, which is almost 10.1% of the total number of respondents) and Slobozhanska customs (86 enterprises or 8.5% of the sample) are in the third and fourth places in terms of the largest number of enterprises that carry out customs clearance there. Services of other customs offices are used by a smaller proportion of the surveyed enterprises. In addition, 36 enterprises did not name the customs where they carry out customs clearance. They made up 3.6% of the sample.

Table 2. Distribution of the surveyed enterprises by customs, where they mainly process goods

	Number of businesses	Percentage of the sample
Azovska customs (Donetsk customs of the State Fiscal Service of Ukraine)	12	1,2%
Bukovynska customs (Chernivtsi customs of SFS)	21	2,1%
Volynska customs (Volyn customs of SFS)	37	3,7%
Halytska customs (Ivano-Frankivsk customs of SFS, Lviv customs of SFS, Ternopil customs of SFS)	133	13,2%

	Number of businesses	Percentage of the sample
Dniprovska customs (Dnipropetrovsk customs of SFS, Zaporizhzhia customs of SFS, Kirovohrad customs of SFS, Poltava customs of SFS)	102	10,1%
Zakarpatska customs (Transcarpathian customs of SFS)	29	2,9%
Kyyivska customs (Zhytomyr customs of SFS, Kyiv customs of SFS, Kyiv city customs of SFS, Cherkassy customs of SFS)	368	36,6%
Odeska customs (Odessa customs of SFS)	70	7,0%
Pivnichna customs (Chernihiv customs of SFS)	22	2,2%
Podilska customs (Vinnytsia customs of SFS, Khmelnitskyi customs of SFS)	34	3,4%
Poliska customs (Rivne customs of SFS)	26	2,6%
Slobozhanska customs (Sumy customs of SFS, Kharkiv customs of SFS)	86	8,5%
Skhidna customs (Luhansk customs of SFS)	8	0,8%
Chornomorska customs (Mykolaiv customs of SFS, customs of the State Fiscal Service in the Kherson region, the Autonomous Republic of Crimea and the city of Sevastopol	22	2,2%
Did not specify customs	36	3,6%
Total amount	1006	100%

Customs posts where businesses carry out registration

The majority of enterprises (610 enterprises) indicated a customs post where they mainly carry out customs clearance. The customs post, which was most often called by the surveyed enterprises, is Kyiv airport, located at the International Airport Kyiv (Zhuliany). 146 enterprises are surveyed here, which is 14.5% of the sample.

More than 20 enterprises carry out customs clearance at the customs posts Yavoriv, Konstiantynivka, Zaliznychnyi, Odessa-airport, Yahodyn and Pivdennyi. 396 enterprises or 39.4% of the sample did not name the post where they carry out customs clearance.

Table 3. Distribution of surveyed enterprises by customs posts, where they mainly make out the goods

	Number of businesses	Percentage of the sample
Kyiv airport customs post	146	14,5%
Yavoriv customs post	43	4,3%
Kostiantynivka customs post	37	3,7%
Zaliznychnyi customs post	37	3,7%
Odessa-airport customs post	30	3,0%

	Number of businesses	Percentage of the sample
Yahodyn customs post	30	3,0%
Pivdennyi customs post	20	2,0%
Chop-Zaliznychnyi customs post	16	1,6%
Mostyska-Zaliznychnyi customs post	14	1,4%
Zaporizhzhia-airport customs post	13	1,3%
Spetsializovanyi customs post	12	1,2%
Prykarpattia customs post	12	1,2%
Sumy customs post	12	1,2%
Zhytomyr-Tsentralnyi customs post	12	1,2%
Chernivtsi customs post	10	1,0%
Vinnytsia customs post	9	0,9%
Boryspil customs post	9	0,9%
Shcherbakivka customs post	8	0,8%
Rava-Ruska customs post	8	0,8%
Mostyska customs post	8	0,8%
Diakovo-avtomobilnyi customs post	7	0,7%
Poltava customs post	7	0,7%
Kharkiv Airport customs post	7	0,7%
Kovel customs post	7	0,7%
Uzhhorod-avtomobilnyi customs post	7	0,7%
Cherkassy-Tsentralnyi customs post	6	0,6%
Kherson customs post	5	0,5%
Rivne customs post	5	0,5%
Korosten customs post	5	0,5%
Bilhorod-Dnistrovskyi customs post	5	0,5%
Kryvyi Rih customs post	5	0,5%
Novi Yarylovychi customs post	5	0,5%
Zakhidnyi customs post of the energy customs of the State Customs Service	5	0,5%
Kostiantynivka customs post	4	0,4%
Stolychnyi customs	4	0,4%
Izmail customs post	4	0,4%
Chernihiv customs post	4	0,4%

	Number of businesses	Percentage of the sample
Berdiansk customs post	3	0,3%
Kherson customs post	3	0,3%
Sarny customs post	3	0,3%
Mariupol-port customs post	3	0,3%
Odessa-vnutrishnii customs post	3	0,3%
Dnipro-Buzskyi customs post	2	0,2%
Dnister customs post	2	0,2%
Luzhanka customs post	2	0,2%
Reni customs post	2	0,2%
Tysa customs post	1	0,1%
Druzhba customs post	1	0,1%
Ovruch customs post	1	0,1%
Dolsk customs post	1	0,1%
Domanove customs post	1	0,1%
Uhryniv customs post	1	0,1%
Vadul-Siret customs post	1	0.1
Mamalyha customs post	1	0.1
Starokozache customs post	1	0.1
Didn't specify a customs post	396	39,4%
Total amount	1006	100%