



European Union Border Assistance Mission

TRADE FACILITATION WORKING GROUP





Trade Facilitation International Background

Revised Kyoto Convention:

- transparency and predictability of customs actions,
- standardization and simplification of the goods declaration and supporting documents,
- simplified procedures for authorized persons,
- maximum use of information technology,
- minimum necessary Customs control to ensure compliance with regulations,
- use of risk management and audit-based controls,
- coordinated interventions with other border agencies,
- partnership with economic operators

**CONVENTION INTERNATIONALE
POUR LA SIMPLIFICATION ET L'HARMONISATION
DES REGIMES DOUANIERS
(amendée)**

Conseil de Coopération douanière
(Organisation Mondiale des Douanes)

Rue du Marché 30
B-1210 Bruxelles



WORLD CUSTOMS ORGANIZATION

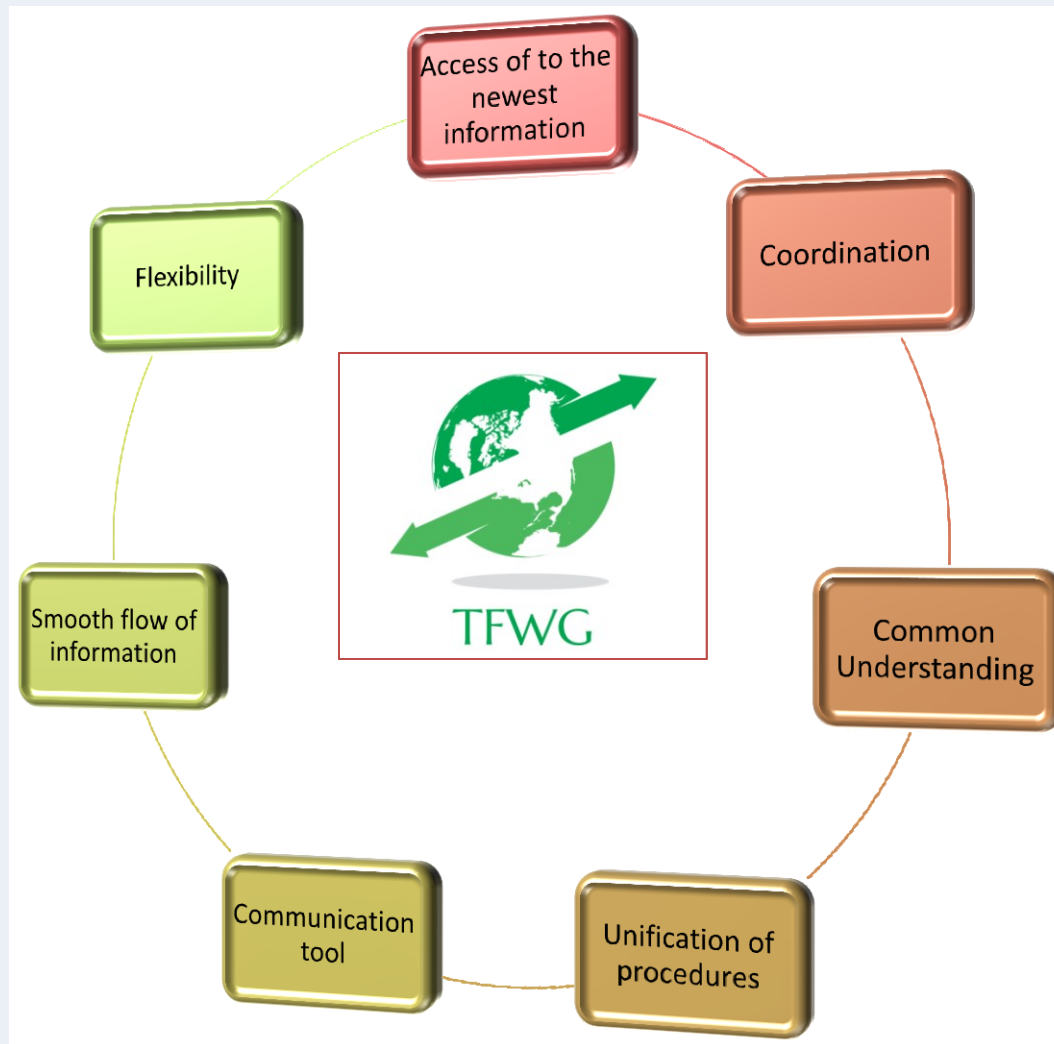
Benefits of the Revised Kyoto Convention

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Trade Facilitation Working Group(MDCS, UASFS, AmCham, EBA, ICC, Odessa Business Forum, Major business...)





SUB-GROUP

Usually called upon Partner's Initiative

One or both partners involvement

Focused on Particular Problem solution





TFWG Activities

POST CLEARANCE CONTROL AND AUDIT

- 1st info on current development in PCC/PCA delivered by Czech Post Clearance Control expert on the TFWG Kick-off meeting (April 2015)
- UASFS and MDCS Representatives participated in the Research Visit on PCC/PCA to Czech Customs Administration in Prague and Ceske Budejovice on 1-3 July 2015





POST CLEARANCE CONTROL AND AUDIT

- The current trends in worldwide customs focused on facilitation of international trade and movement of control from the moment of release of goods to the PCC/PCA, the New EU CC/PCA guidelines, respective processes and advantage of using the PCC/PCA as a modern customs tool was the highlight of the EUBAM organised and hosted WS for 22 Moldovan and Ukrainian Customs experts; Odessa, 9-11 September.
- Delivered by EU Customs experts from Czech Republic, Lithuania and Slovenia





MAIN GAP IDENTIFIED

The missing concept of post clearance control mirroring the AA/DCFTA and TFA requirements; low efficiency of the PCC, lack of competence, lack of educated officers.





ACHIEVEMENTS

Complete information on the PCA/PCC delivered

Risk profiles exchange launched

Direct communication to the EU Experts facilitated

GAPS IDENTIFIED

Official responses from the foreign Customs are not respected by the court

Customs have no right to ask bank for info on payments made by controlled subject

Payment of the customs debt is postponed until the court decision

Cash payment is acceptable

Controlled subject has the right to not allow Customs to enter the company and control its bookkeeping





TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

- The Czech AEO National AEO Manager delivered presentation on the TFWG Kick-off meeting (April 2015)
- In the course of the Research Visit UASFS and MDCS Representatives visited the Czech AEO National Centre on AEO in Ceske Budejovice—connection between AEO& PCA were stressed





TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

The joint EC/DG-TAXUD - EUBAM support to UASFS in introduction of the AEO Programme peaked in 2015. four AEO events organized in cooperation between EUBAM and EC took place in Poland, Brussels, Germany and Lithuania.



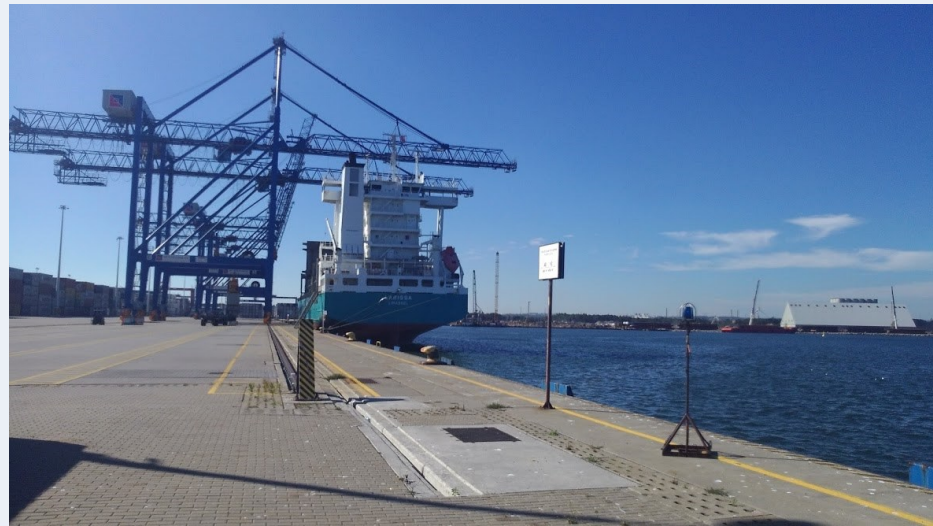


TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

Poland, Gdynia and Gdansk; 23-24 September.

- checking the application for AEO, risk analysis procedures for the issue of an AEO Certificate for reliable economic operators.
- 2 companies visits; one applicant for the AEO Certification and the other the AEO Certified company—both operating container terminals





TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

Belgium, Brussels; 30 September – 1 October.

- EC/AEO Network meeting; 28 EU MSs UASFS presentation delivered
- noted that the implementation of AEOs, according to the AA/DCFTA in Ukraine, is still in the preparatory stage
- bilateral UASFS - EC/AEO Network meeting. Gaps and measures that determine future tasks and the way forward identified
- EUBAM and the EC/AEO Network cooperation enhanced





TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

- **Germany, Nurnberg; 13-14 October**
- the German Customs AEO structure
- AEO Certificate holders monitoring system
- Schneider Company –on-line monitoring of the AEO security and safety requirements.
- the German- Polish- Lithuanian/Ukraine Twining project representative on board





TFWG Activities

AUTHORISED ECONOMIC OPERATORS (AEO)

Lithuania, Vilnius; 20-22 October

- AEO certificate issuing procedures
- reporting requirements
- communication with the applicant
- role of the regional customs in the issuing procedure
- monitoring of the AEO Certificate holder
- connections in between the AEO Programme, post clearance audit, simplified procedures and other customs simplifications
- The tangible benefits promoted by Lithuanian Customs & AEO company during the visit of the DHL's Logistic and Customs Warehousing Centre





TO BE FULFILLED (EUBAM SUGGESTION)

EU-Model legislation to be submitted to the UA Verkhovna Rada by the end of 2015.

EUBAM will monitor and support UASFS in the course of the legislative procedure

The Workshop on New EU AEO Guidelines to be delivered to both UASFS and MDCS

The New Guidelines and the self-assessment questionnaire to be translated

Pilot project to be facilitated and arranged

Workshop on Risk Analysis for AEO to be arranged

The Mutual recognition Programme to be introduced

All above mentioned projects will be delivered under supervision of the EC/DG-TAXUD AEO Network, while the cooperation with other organizations (e.g. Twinning Project, EUAM etc.) is to be considered





SUB-GROUP Activities

Reduction of supporting documents

Rationalizing documents is one of the highlights of all trade facilitation tools such as TF Agreement, WCO guidelines and UNCE TF Implementation Guide - all mirrored in the EU legislation. The number of docs is considered as one of indicators of the trade barrier (part trading across border) in the ranking methodology of the Doing business report delivered yearly by the World Bank.

March 2015 - Following a request from MDCS a written advice on reduction of supporting documents for customs clearance was delivered by EUBAM

April 2015 – EUBAM-MDCS meeting on reduction of docs

April 2015 - MDCS drafted the Governmental decision

May 2015 - Governmental decision on amendment of the Decision No 1140 of Nov. 2nd, 2015 issued

August 2015 - EUBAM Monitoring action on implementation of the Decision launched

October 2015 - Letter on monitoring results + report sent to MDCS



SUBGROUP

Customs Terminals/Temporary storage (MD)

2014 – AmCham report drafted by the GDS Company on Customs Terminals

February 2015 – analysis; EUBAM-MDCS meeting on temporary storage

April 2015 - joint EUBAM –BRITE position; AmCham-MDCS-EUBAM –BRITE meeting

May 2015 - Customs Terminals Working Meeting, held in Chisinau, some terminals visited

August 2015 – Coordination meeting - comments to the draft legislation on temporary storage; comments hand over to MDCS

Present – Legislative procedure ongoing





SUBGROUP

Odessa Forum/ legislation on Port procedures (UA)

June 2015 - 1st meeting of the Focus Group 'Odessa Forum – Business Community'

July – Subgroup on draft legislation - Customs Code amendment related to the Procedures at the Port – EUAM, UASFS, EBA, AmCham (UA) on board; Comments were included into the draft submitted by the Mo Infrastructure/Port Authority

September - EUBAM and AmCham joint meeting - draft legislation on Procedures at the Sea Ports. UASFS, veterinary, phyto, sanitary, ecological services together with the EBA, Container- Shippers Association, PricewaterhouseCoopers, and the USAID Trade Project & Ministry of Infrastructure/Ukraine Sea Port Authority. Most of comments were directly included to the draft.





TFWG SUMMARY

- **Association Agreement/ DCFTA Implementation assistance Tool**
- **Communication Tool, common understanding**
- **Unification of Procedures**
- **Sub-group as a flexible working tool**
- **Short-term Experts involvement**
 - **Round table – communication with Economic Operators**
 - **Workshops on Association Agenda topics**

FLEXIBILITY