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EURASIAN ECONOMIC
COMMISSION



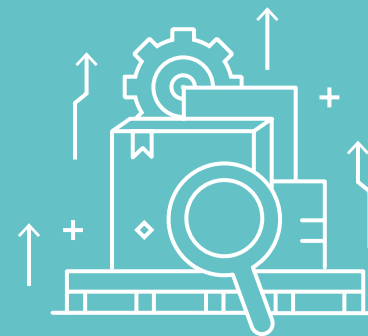
2020

EURASIAN
ECONOMIC
UNION

FACTS AND FIGURES



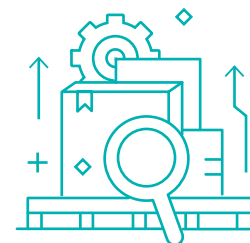
CUSTOMS COOPERATION



CUSTOMS INFRASTRUCTURE
DEPARTMENT

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CUSTOMS INFRASTRUCTURE AND INFORMATION TECHNOLOGY



The customs authorities of the Member States interact with each other on a regular basis, exchanging information from customs documents, as well as under individual requests

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In the context of Eurasian integration, it is impossible to overestimate the importance of the unification of infrastructure and information and communication processes in the customs area. In this regard, there are several significant development directions, the regulation of which lies in the plane of the customs infrastructure. The main goal of such areas is the unification of technologies and technical solutions used in customs operations and customs control. Work in these unification areas is carried out by the Customs Infrastructure Department of the Eurasian Economic Commission.

The next, no less important direction of unification is the organization of interstate interaction between information systems of the Union Member States' customs authorities, the development of information interaction between the Union Member States' customs authorities and the customs authorities of third countries. The customs authorities of the Member States interact with each other on a regular basis, exchanging information from customs documents, as well as under individual requests. Such an exchange allows customs authorities to promptly use information held by other customs authorities during control.

The Customs Infrastructure Department coordinates work on the implementation of the international treaties' provisions regarding the exchange of information on goods and vehicles of international transport moved across the customs borders of the EAEU and other states (between the customs authorities of the Union Member States and the customs authorities of China, Viet Nam and Iran).

Another important area of unification is the rules according to which electronic customs documents are created. This allows all stakeholders, regardless of the Member State whose customs authorities the information is submitted to, to use common rules for creating electronic documents.

Despite the already achieved significant degree of unification, all the listed areas of integration have great potential for development.

DEVELOPMENT OF CUSTOMS INFORMATION TECHNOLOGIES IN THE TERRITORY OF THE EURASIAN ECONOMIC UNION

The customs authorities of the EAEU Member States are recognized leaders in terms of the automation level, the degree and number of technologies implemented using information systems.

Given the implementation of the unified customs regulation in the Eurasian Economic Union, the Customs Code of the Eurasian Economic Union, which came into force in January 2018, drove the transition to a new qualitative integration level in the field of customs regulation—integration at the level of information systems and information technologies.

One of the tasks assigned to the Customs Infrastructure Department as a structural subdivision of the Eurasian Economic Commission is to unify the conditions for the functioning of information systems and information technologies of the Member States' customs authorities.

Unified Structures of Electronic Customs Documents

Work on creating unified structures of customs documents began even before the Customs Code of the Eurasian Economic Union entered into force. At that time, five unified structures of electronic customs documents were used.

In 2020, work was completed regarding implementation of the Customs Code of the Eurasian Economic Union provisions in terms of defining unified structures and formats for electronic customs documents. Thus, at present, 16 unified structures of customs documents are used in the territory of the EAEU.

In addition, the customs IT section within the Customs Infrastructure Department is constantly working to improve and update the structures in accordance with the dynamically developing law of the EAEU. At least twice a year, the Commission approves new versions of the electronic customs document structures.



In terms of the level of automation, the degree and number of technologies implemented using information systems, the customs authorities of the EAEU Member States are recognized leaders



In the course of amending the EAEU Customs Code, it is planned to expand the competence of the Commission to define unified structures of electronic customs documents, as well as the rules for forming their requisite composition.

This work is one of the strategic directions for developing the Eurasian economic integration until 2025.



Materials on the structure and formats of electronic customs documents are posted on the Commission's website.

Unified Classifiers in Customs Documents

A necessary element of electronic document management when creating and processing documents is the indication of information in a codified form.

The EEC Customs Unit maintains 26 unified classifiers used to fill out customs documents on the EAEU's territory.

Classifiers for compliance with the EAEU law and legislation of the EAEU Member States are kept up to date on an ongoing basis.

Unified Formats and Structures of Electronic Customs Documents

- Goods declaration and transit declaration
- Correction of goods declaration
- Declaration of customs value
- Calculation of the amount of security for ensuring the fulfillment of obligation for payment of customs duties, taxes, special, anti-dumping, countervailing duties
- Calculation of customs duties, taxes, special, anti-dumping, countervailing duties
- Application for release of goods before filing a declaration for goods
- Statement on the performance of operations in relation to international transport vehicles outside the EAEU's customs territory, which are goods placed under the customs procedure for temporary import (admission)
- Preliminary information on goods intended for import into the EAEU's customs territory by water transport
- Preliminary information on goods intended for import into the EAEU's customs territory by air
- Preliminary information on goods intended for import into the EAEU's customs territory by rail
- Preliminary information on goods intended for import into the EAEU's customs territory by road

Enactment of the EAEU Customs Code

Goods declaration for express cargo and passenger customs declaration

- Certificate of security for ensuring the fulfillment of obligation for payment of customs duties and taxes
- Passenger customs declaration
- Goods declaration for express cargo, correction of goods declaration for express cargo, passenger customs declaration for express cargo, and correction of passenger customs declaration for express cargo

In 2020, work was completed to implement the provisions of the Customs Code of the Eurasian Economic Union in terms of defining structures and formats for electronic customs documents. 16 unified structures are used between EEA participants and the EAEU's customs authorities. Two times a year, structures are updated in accordance with the dynamically developing law of the EAEU, taking into account optimization and improvement

Enactment of Amendments to the Customs Code of the Eurasian Economic Union

- Methodology for preparing requirements for the electronic form of customs documents
- Requirements for the electronic form of customs documents
- Rules for the formation of details of the structures of customs documents

2018

2019

2020

2021

2025

At the stage of implementation in the software, there is a unified classifier of customs authorities, which will provide FEA participants with up-to-date information on the location of the customs departments of the EAEU Member States, their mode of operation, the specifics of customs activities, etc.



Materials about the issue of classifiers used in customs documents are posted on the Commission's website.

Preliminary Information

A unique customs document, from the point of view of its application, is an electronic document intended for preliminary information.

The institution of preliminary information began in 2011, initially for goods transported by road.

Currently, preliminary information has been introduced for all types of transport (road, rail, sea and air). Preliminary information features the exchange of information only in electronic form.

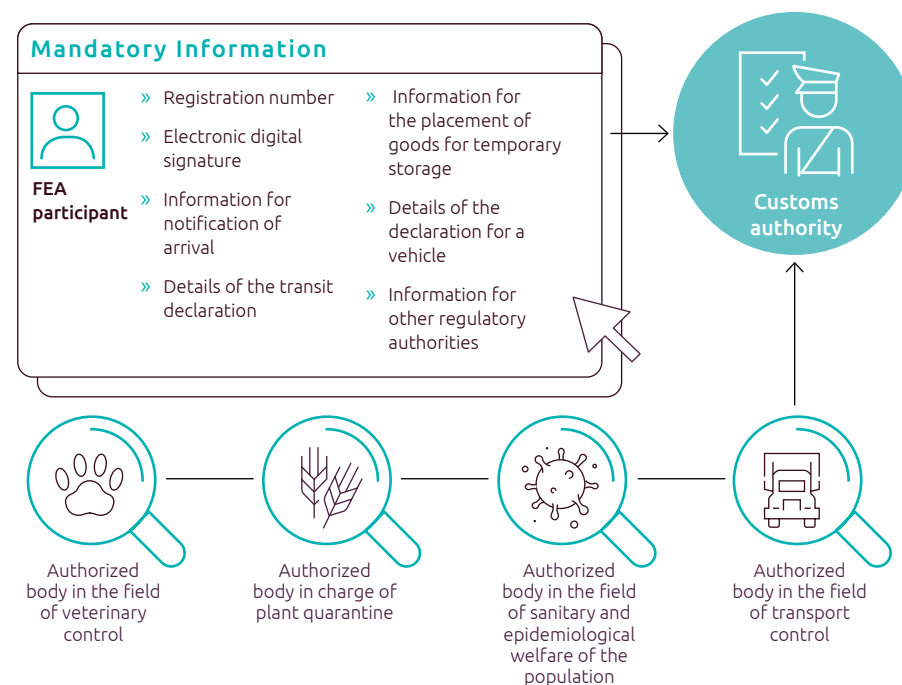
The acts constituting EAEU law implement the possibility of using preliminary information submitted once in the form of an electronic document when carrying out six types of customs operations, including the placement of goods under the customs transit procedure, the declaration of means of international transport, etc.

In addition, preliminary information submitted to the customs authority once, if there is sufficient information in it and the availability of technical capabilities, can be used when carrying out four more types of state control at checkpoints (transport (automobile) control, sanitary and epidemiological surveillance, veterinary and quarantine control).

This document has never had and does not have a paper equivalent.

At the site of the Eurasian Economic Commission, measures are being taken to improve the use of preliminary information presented in the form of an electronic document.

PRELIMINARY INFORMATION IN THE FORM OF ELECTRONIC DOCUMENT



Materials about the preliminary information are posted on the Commission's website.

Information Interaction between Customs Authorities of the EAEU Member States

In the context of unified customs regulation on the territory of the EAEU, one of the topical issues is the organization of information interaction between the customs authorities of the EAEU Member States, aimed at ensuring the performance of customs operations.

To date, the Board of the Commission has approved 16 sets of technological documents that fix the requirements for the electronic form of documents (electronic documents), a unified procedure and regulations for sending and receiving messages as part of the interaction between customs authorities.

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The customs authorities are actively working on finalizing national information systems for the implementation of such information interaction.

At present, seven general processes in the field of customs regulation have been put into effect by dispositions of the Commission's Board.

Work in this direction is provided for by the Strategy for Developing the Eurasian Economic Integration until 2025.

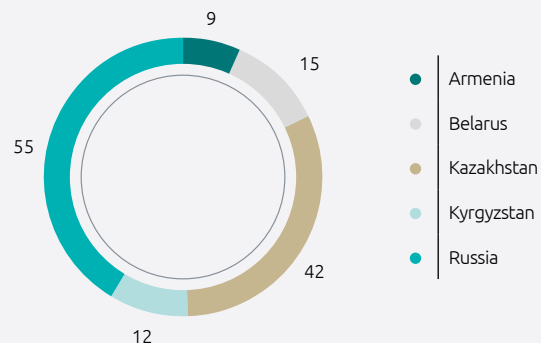


Materials about information interaction between customs authorities are posted on the Commission's website.

Information Interaction between Customs and State Authorities (Organizations) of the EAEU Member States

The peculiarity of performing customs operations in electronic form is the possibility of non-submission to the customs authorities of the documents on the basis of which customs declarations were filled out.

Paragraph 2, Article 80 of the Code enables the FEA participants not to submit to the customs authority the documents necessary to carry out customs operations, if information from such documents can be obtained by customs authorities from the information systems of state bodies of the EAEU Member States.



The EAEU Member States have implemented information interaction of customs services with individual authorized bodies, the list of which will only increase in the future: in the Republic of Armenia — with three authorized bodies (for nine documents), in the Republic of Belarus — with six (for 15 documents), in the Republic of Kazakhstan — with 15 (for 42 documents), in the Kyrgyz Republic — with seven (for 12 documents), in the Russian Federation — with 30 (for 55 documents and data).

Interstate information interaction is carried out on the basis of the EAEU law using the EAEU Integrated Information System (IIS).

Such information interaction is another direction provided by the Strategy for Developing the Eurasian Economic Integration until 2025.

The Commission is working to organize the receipt by the customs authorities of the EAEU Member States of information from the seven most relevant documents (issued in the areas of technical regulation, sanitary and quarantine measures, non-tariff regulation).



Materials about the information interaction between customs and state bodies (organizations) of the Member States are posted on the Commission's website.

Performing Customs Operations through the Information System without Participation of Customs Officials

In the EAEU Member States, technologies for performing individual operations in an automatic mode are legally enshrined and successfully used. The implementation of these technologies is carried out on the basis of paragraph 3, Article 82 of the Customs Code of the Eurasian Economic Union.

About 200 thousand customs documents are processed daily by the information systems of customs authorities without the participation of officials. Below are the customs operations performed by the information systems of the customs authorities of the EAEU Member States without the participation of officials.



Performing Customs Operations through Information Systems without Participation of Customs Officials



RUSSIAN FEDERATION

Name of customs operation	Share of customs operations performed automatically, %
Automatic registration of declarations for goods submitted in the form of an electronic document	74
Automatic registration of transit declarations	13
Automatic generation of a customs receipt voucher for goods for personal use	65
Automatic generation of notification of collection at the expense of a cash collateral	100
Automatic generation of a notification about the collection out of advance payments	100
Automatic execution of a document confirming the acceptance of security for the fulfillment of the obligation to pay customs duties and taxes (customs receipt)	76
Automatic generation of a document on payment of customs duties and taxes in relation to goods for personal use, the customs declaration of which is carried out using the passenger customs declaration for express cargo	100
Automatic release of goods when declaring goods using a declaration for goods submitted in the form of an electronic document	22
Automatic release of goods when declaring goods using a transit declaration	3
Automatic release of goods when declaring goods using the CN23 customs declaration	16



KYRGYZ REPUBLIC

Name of customs operation	Share of customs operations performed automatically, %
Automatic registration of declarations for goods	100
Automatic registration of transit declarations	100
Automatic registration of passenger customs declarations	100
Automatic registration of declarations for vehicles	100



REPUBLIC OF ARMENIA

Name of customs operation	Share of customs operations performed automatically, %
Automatic registration of declarations for goods	86
Automatic registration of transit declarations	18
Automatic registration of customs value declarations	100
Automatic registration of statistical forms (on the organization of maintaining statistics on mutual trade between the Republic of Armenia and the EAEU Member States)	100



REPUBLIC OF BELARUS

Name of customs operation	Share of customs operations performed automatically, %
Automatic registration of declarations for goods	100
Automatic registration of transit declarations	2
Automatic release of goods when declaring goods using a declaration for goods	16
Automatic release of goods when declaring goods using a transit declaration	1



REPUBLIC OF KAZAKHSTAN

Name of customs operation	Share of customs operations performed automatically, %
Automatic registration of declarations for goods	100
Automatic release of goods when declaring goods using a declaration for goods	71





The customs authorities of the EAEU Member States and the Commission's customs unit are working towards expanding the list and number of customs operations performed automatically without the participation of customs officials.



Materials about the performance of customs operations through the information system of customs authorities without the participation of customs officials are posted on the Commission's website.

IMPROVING CUSTOMS INFRASTRUCTURE



The strategic goal of developing customs infrastructure in places where goods move across the customs border of the EAEU Member States is to protect the national interests of the EAEU Member States, to maximize the promotion of foreign trade activities based on improving the quality and efficiency of customs administration at the points of movement of goods across the EAEU customs border, while maintaining high efficiency of all forms of state control.

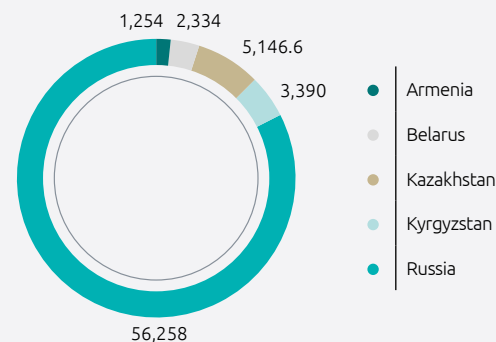
One of the foundations for the delivery of the EAEU infrastructure projects in order to increase passenger and freight traffic, improve business processes and minimize customs formalities is the harmonization of the approach to arrangement and technical equipment of customs infrastructure facilities located at the points of movement of goods through the customs border of the EAEU Member States.

The Commission, within the framework of its powers, monitors the state of equipping the customs border of the EAEU Member States.

The external border passes through a significant part of the Eurasian continent.

The purpose of monitoring the equipment of the EAEU customs border is to harmonize and unify the activities of customs authorities of the EAEU countries in the field of arrangement and technical equipment of places for the movement of goods across

LENGTH RATIO OF THE EAEU MEMBER STATES' EXTERNAL BORDER, KM

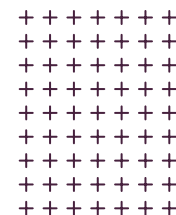


the customs border of the EAEU and to facilitate the efficiency of customs control.

Examples of modern customs infrastructure facilities at the EAEU customs border:



Nur-Zholy border crossing point (Kazakhstan)





 *Dubki border crossing point (Russian Federation)*

As of 2020, the customs border of the EAEU Member States comprises 374 checkpoints.


BORDER CHECKPOINTS OF THE EAEU MEMBER STATES

					
 For motor vehicles	4	26	14	8	78
 Rail	1	15	6	4	37
 Air	2	7	17	2	81
 Marine	-	-	3	-	57
 River	-	3	-	-	2
 Pedestrian	-	-	-	-	1
Mixed	-	-	-	-	6
Total	7	51	40	14	262

The Customs Infrastructure Department, as part of its monitoring activities, regularly summarizes the best practices of the EAEU Member States in equipping the customs border and, within its powers, develops standard requirements for the arrangement and technical equipment of checkpoints located at the areas of movement of goods across the customs border of the EAEU.

Customs inspection complexes are paramount components of modern border checkpoints of the EAEU.



 *Stationary customs inspection complex at the Karamyk border crossing point (Kyrgyzstan)*



 *Example of mobile customs inspection complex*



Radiation monitoring system, a mandatory component for all checkpoints in the EAEU Member States.

An example of a stationary radiation monitoring system located at the customs border of the EAEU:



 *Bavra border crossing point (Armenia)*

INFORMATION EXCHANGE WITH CUSTOMS SERVICES OF THIRD COUNTRIES



The Eurasian Economic Union (EAEU), which has a unique geographical location and impressive economic potential, plays a significant role in terms of the development of international economic and trade cooperation.

The Free Trade Agreement with Viet Nam, the Interim Agreement leading to the formation of a free trade area with Iran, and the Agreement on Trade and Economic Cooperation with China have already been in force.

An important place in such cooperation is also occupied by the interaction of the customs services of the EAEU Member States with the customs services of other countries, international agreements are concluded with third countries on the exchange of customs information on a regular basis, cooperation and mutual assistance in customs affairs.

In line with the World Customs Organization's Framework of Standards to Secure and Facilitate Global Trade, the exchange of information between customs authorities is a pivotal element of the system of agreements between customs administrations, which facilitates the continuous passage of goods through reliable international supply chains.

Exchange of information with Viet Nam

The customs services of the EAEU States and Viet Nam, coordinated by the Commission, signed a Protocol on Information Exchange in 2018 following the Free Trade Agreement in force with Viet Nam.

In October 2018, a trial information exchange on certain types of goods in mutual trade between the Federal Customs Service of Russia and the General Department of Customs of the Ministry of Finance of the Socialist Republic of Viet Nam began. It is expected that other EAEU Member States will join the initiative.

To date, preparations are underway for the signing of the second Protocol on Information Exchange with a view to expanding the list of goods traded between the EAEU Member States and Viet Nam, on which information will be exchanged.

Exchange of information with the PRC

On the sidelines of the St. Petersburg International Economic Forum - 2019 that took place on June 6, 2019, the Chairman of the EEC Board, Deputy Chairmen of the Governments of the EAEU Member States and the Minister of Foreign Affairs of the PRC signed an Agreement on the Exchange of Information with the PRC. It enters into force on November 21, 2020.

Compared with international treaties with other countries, this Agreement will lay the groundwork for the exchange of information not only on goods in trade between the EAEU Member States and the People's Republic of China, but also on goods transported in transit.

Information is scheduled to be exchanged in stages, in accordance with separate protocols concluded between the central customs authorities of the EAEU Member States and the PRC.





For the timely implementation of the Agreement on the Exchange of Information with the PRC, the Commission, in cooperation with the EAEU Member States, started working on a draft Protocol between the central customs authorities of the Eurasian Economic Union and the General Customs Administration of the People's Republic of China on the procedure for information exchange.

This protocol will determine the scope and type of information in respect of which the exchange will be effected at the first stage, as well as the technical specifications for the information exchange (the structure and format of information, classifiers and directories used, the procedure and regulations for the exchange, methods of exchange, the scheme of organizing information interaction, and security requirements).

During the negotiations, key understandings have already been reached, the main approaches to the implementation of information exchange at the first stage have been identified, and technical issues of interaction are being elaborated.

Exchange of information with Iran

As part of the implementation of the Interim Agreement leading to the formation of a free trade area with Iran, the issues of organizing the information exchange with the Iranian customs service are being elaborated.

Impact of the information exchange with third countries

Full-scale implementation of the Union's international agreements on the exchange of customs information with other countries will provide for the following:

- » accelerating the execution of customs operations with goods transported across customs borders for bona fide participants of foreign economic activity;
- » tracking trade flows, receiving reliable information about consignments, enhancing trade flow transparency;
- » identifying suspicious transactions and improving efficiency in risk management, improving the procedure for conducting customs control and the application of its forms;
- » cutting the risks of importing potentially dangerous, prohibited and restricted goods;
- » identifying, suppressing and preventing violations of the law, reducing the supply of counterfeit products;



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- » enhancing the quality of collection and comparison of statistical information;

- » building trust between customs services.

The work related to the conclusion of international treaties and the exchange of customs information in the interests of all EAEU Member States is coordinated by the Commission; the responsible unit is represented by the section of integration of customs authorities' information systems of the Customs Infrastructure Department.



Materials about information exchange with customs authorities of other states are posted on the Commission's website.

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CREATION OF A UNIFIED IDENTIFICATION SYSTEM FOR PARTICIPANTS OF FOREIGN ECONOMIC ACTIVITY (FEA) WITHIN THE EURASIAN ECONOMIC UNION

In order to ensure a unified identification of interested persons (including from states outside the Union) not only within one state, but also within the Union as a whole, the Commission proposed an approach that provides for the creation of a unified identification system in the Union based on the use of unique identification numbers featuring a single dimension and structure.

In doing so, the unified identification system does not replace or cancel the national systems of registration of individuals and legal entities in the Union Member States, and the national taxpayer identification number assigned in the national registration system is used to generate a unique identification number.



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At the first stage of establishing the unified identification system within the Union, a mechanism has been put into place to ensure unique identification for participants of foreign economic activity (FEA), including foreign persons carrying out foreign economic activity in the Union. As part of the developed mechanism, unique identification numbers will be used for the purposes of customs, currency, tax and other types of state regulation within the Union.

The unified identification system based on the use of unique identification numbers will provide for the following:

- » ensuring the identification of stakeholders within the Union as a whole;
- » simplifying the forms of electronic documents, the procedure for their filling, the structure and formats of electronic copies of documents, as well as increasing the reliability of information they contain;
- » reducing the amount of data required for the collection, storage, and processing of e-documents used in foreign economic activity;
- » simplifying B2G, G2B and B2B electronic interaction.



Materials about the creation of the unified system for identifying participants of foreign economic activity within the Union are posted on the Commission's website.



DEPARTMENT FOR CUSTOMS
LEGISLATION AND LAW
ENFORCEMENT PRACTICE

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IMPROVING CUSTOMS REGULATION IN THE EURASIAN ECONOMIC UNION

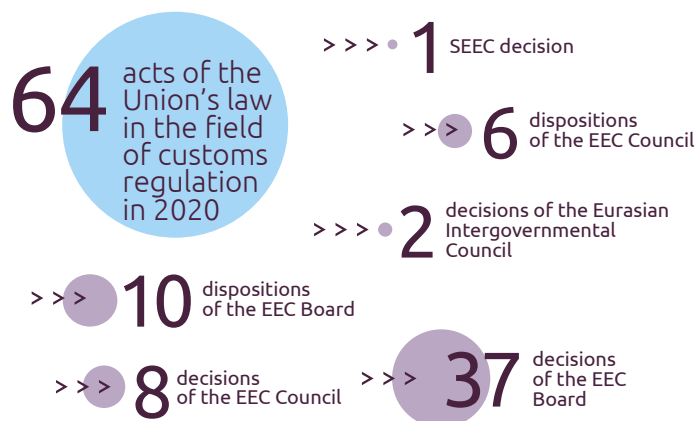
In 2020, 64 acts of the Union's law in the field of customs regulation were adopted



1. As per Article 32 of the Treaty on the Eurasian Economic Union dated May 29, 2014, the Union implements unified customs regulation in accordance with the Customs Code of the Eurasian Economic Union (hereinafter referred to as the Treaty on the EAEU, the Customs Code of the Union, the Union), which regulates customs legal relations by means of international treaties and acts constituting the law of the Union, as well as in line with the provisions of the Treaty on the EAEU.

By early 2020, the Union's legal framework in the field of customs regulation, along with the Union's Customs Code that entered into force on January 1, 2018, included, in particular, 6 international treaties signed as part of the formation of the Customs Union legal framework, which continue to be applied in the Union, as well as 130 decisions of the Customs Union Commission and the Eurasian Economic Commission (hereinafter referred to as the CUC, EEC).

In 2020,* 64 acts of the Union's law in the field of customs regulation were adopted.



* Data as of early November 2020.

Among these, the following main acts should be outlined:

1) Decision No. 5 of the Eurasian Intergovernmental Council dated July 17, 2020 "On Non-marking of Transport (transportation), Commercial and (or) other Documents by Customs Authorities when Performing Customs Operations in Electronic Form".

This decision provides that from March 1, 2021, when performing customs operations in electronic form, customs marks will not be additionally placed on paper documents. Following this decision, the work will be initiated on the transfer of the Union Member States' regulatory acts in various fields to "information rails", since the mandatory presence of these marks in paper documents remains in such acts due to the absence in some cases of electronic interaction of state bodies (hereinafter and respectively referred to as the Member States) with each other and with participants of foreign economic activity;

2) Decision No. 19 of the EEC Council dated February 21, 2020 "On amendments to the list of categories of goods for which a special customs procedure may be established, and the conditions for their placement under such a customs procedure and some issues of import (export) of goods in order to organize and host the 2020 UEFA European Football Championship" and Decision No. 39 of the EEC Board dated March 17, 2020 "On Amendments to Decision No. 43 of the Eurasian Economic Commission's Board dated May 2, 2017".

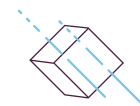
The above-mentioned decisions are aimed at organizing the European Football Championship postponed from 2020 to 2021 amid the COVID-19 pandemic, as well as at determining the specifics of import (export), application of a special customs procedure, and introduction of a simplified customs declaration procedure in respect of such goods;

3) Decision No. 6 of the Eurasian Intergovernmental Council dated July 17 2020, "On enacting Decision No. 126 of the EEC Board dated July 23, 2019".

This decision provides for the entry into force of Decision No. 126 of the EEC Board dated July 23, 2019 "On amendments to the Procedure for Filling Out Goods Declaration" (hereinafter referred to as the Procedure) on January 1, 2021. The revised Procedure aligns the mechanism for reflecting the information related to the origin of goods in declarations and the special requirements stipulated by the Union's non-preferential and preferential rules for determining the origin. In this case, the Procedure will get clearer, and the participants of foreign economic activity will have the opportunity to indicate comprehensive information pertaining to the origin of goods they declare;



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4) Decisions No. 45 of the EEC Council dated April 29, 2020 "On Amendments to Decision No. 109 of the EEC Council dated December 20, 2017" and No. 55 dated May 27, 2020 "On Some Issues of Extending the Validity of the Customs Procedure for Temporary Import (Admission)".

These decisions have been prepared as part of the work of the Subcommittee on Economic Issues under the Advisory Committee on Customs Regulation and are focused on adapting the process of applying the customs procedure for temporary import (admission) to the objective conditions for entrepreneurs to conduct foreign economic activity amid the coronavirus pandemic.

In particular, Decision No. 45 of the EEC Council dated April 29, 2020 extended the deadline for temporary stay and use without payment of import customs duties for some goods placed under the customs procedure for temporary import (admission) from March 1 to October 31, 2019, and Decision No. 55 of the EEC Council dated May 27, 2020 granted participants of foreign economic activity the opportunity to perform necessary operations aimed at extending the validity of the customs procedure for temporary import (admission) of some goods in a more comfortable time frame;

5) Decision No. 6 of the EEC Board dated January 14, 2020 "On Amendments to Some Decisions of the Eurasian Economic Commission's Board."

It provides for the introduction of legal and technical amendments in decisions on the determination of the customs value of goods, which will eliminate legal uncertainty and ensure uniform approaches in the Member States to determining customs value;

6) Decision No. 94 of the EEC Board dated August 11, 2020 "On Amendments to Paragraph 43 of the Procedure for Filling Out the Calculation of Customs Duties, Taxes, Special, Anti-dumping and Countervailing Duties, and Making Adjustments (Additions) to Such Calculations".

This decision introduces some adjustments in terms of customs operations when filling out the specified calculation, based on the established practice of administering customs payments in the Member States and the level of development of information systems of customs authorities;

7) Decision No. 4 of the EEC Board dated January 14, 2020 "On Amendments to the Procedure for Filling Out a Passenger Customs Declaration for Express Cargo" and Decision No. 5

dated January 14, 2020 "On Amendments to paragraph 10 of the Procedure for Filling Out a Document on Payment of Customs Duties and Taxes Relating to Goods for Personal Use, which are Declared Using the Passenger Customs Declaration for Express Cargo" (hereinafter referred to as the payment document).

The decisions prepared following the analysis of law enforcement practice within the Working Group under the Advisory Committee on Customs Regulation on improving customs operations for express cargo and international postal items are aimed at improving the procedures for filling out passenger customs declarations for express cargo and payment documents;

8) Decision No. 48 of the EEC Board dated April 16, 2020 "On Amendments to Decision No. 142 of the Eurasian Economic Commission's Board dated August 28, 2018" and Decision No. 49 dated April 16, 2020 "On Amendments to Decision No. 158 of the Eurasian Economic Commission's Board dated October 16, 2018".

These decisions approved the forms for adjusting the declaration for goods for express cargo and passenger customs declaration for express cargo, as well as the procedures for their filling, which will be used to amend the declaration for express cargo;

9) Decision No. 67 of the EEC Board dated May 26, 2020 "On Amendments to the Procedure for Filling Out the Declaration for Goods".

The decision amends the Procedure for Filling Out the Declaration for Goods approved by Decision No. 257 of the (Customs Union Commission) dated May 20, 2010 and provides for the indication of comprehensive information about the manufacturer of exported goods;

10) In order to ensure the uniform application of the Union's Commodity Nomenclature for Foreign Economic Activity, the EEC Board adopted 4 decisions (Nos. 14 and 15 dated January 28, 2020, No. 29 dated February 26, 2020 and No. 55 dated April 21, 2020) on the classification of the following goods: steel cabinet, hygienic silica gel filler, sensitized printing plates, and electrical connectors;

11) Decision No. 127 of the EEC Board dated October 20, 2020 "On Requirements for Seals Imposed by an Authorized Economic Operator on Cargo Spaces (Compartments) for Vehicles or Parts Thereof, for Their Recognition by Customs Authorities as Means of Identification" was prepared in order to implement the provisions of subparagraph 6, paragraph 2, Article 437 of the Union's Customs Code.



AEOs will be able to apply seals that comply with the Requirements in order to implement the appropriate AEO-provided customs benefits. The decision establishes the Requirements for Mechanical Seals, compliance with which when using seals will exclude the possibility of unauthorized access to goods under customs control.

The following requirements for mechanical seals are defined:


- » design requirements;
- » ergonomic requirements;
- » operating conditions, transportation and storage requirements;
- » requirements relating to durability of protective properties and resistance of mechanical seals to unauthorized “non-destructive” opening;
- » requirements for coatings of mechanical seals;
- » requirements related to staining and marking of mechanical seals.




Approval of the Requirements will enable AEOs to use their seals, and not just seals imposed by customs authorities and/or recognized by customs authorities as means of identification in each individual case. This will reduce the time spent on customs operations related to the arrival or departure of goods from the customs territory of the Union, and, accordingly, the costs, since AEOs optimize customs control when goods arrive or depart;

12) Decision No. 138 of the Board dated October 27, 2020 “On Amendment of Certain Decisions of the Commission of the Customs Union and the Board of the Eurasian Economic Commission” (comes into force on October 1, 2021) aimed at ensuring a uniform approach to reflecting information on the calculation and payment of customs duties, taxes, special, anti-dumping and countervailing duties for the customs declaration of goods using transport (shipping), commercial and (or) other documents as a declaration for goods, as well as when making adjustments (additions) to the information declared in such declarations (amendments to Decision No. 263 of the CUC dated May 10, 2010 and Decision No. 289 of the EEC Board dated December 10, 2013).

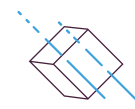
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 **2. In 2020, the preparation of a draft Agreement on the Specifics of Enforcement of the Obligation to Pay Customs Duties, Taxes, Special, Anti-dumping and Countervailing Duties for the carriage (transportation) of goods in accordance with the customs procedure of customs transit (hereinafter referred to as the Agreement) was completed.**

The draft Agreement is focused primarily on establishing a more convenient system for ensuring payment of customs duties, taxes, special, anti-dumping and countervailing duties during customs transit of goods. The “preferential” mechanism laid down in the draft Agreement will reduce costs of foreign economic activity participants when performing transit traffic within the Union. By Disposition No. 16 of the EEC Council dated July 10, 2020 the approved draft Agreement was sent to the Member States to perform internal legal procedures required for its signing.

 **3.** It should be noted separately that by Disposition No. 15 of the EEC Council dated July 10, 2020, a committee was established to resolve differences and disputes and ensure free movement of goods in the Eurasian Economic Union (hereinafter referred to as the Committee). The key challenge that the Committee faces is the preparation of proposals to eliminate barriers arising from the movement of goods in the mutual trade of the Member States. The Committee and the Technical Bureau established under it are actively discussing problematic issues arising from the movement of goods between the Member States. The Committee elaborates measures fostering the elimination of identified restrictions.

In order to address disagreements and controversial situations on ensuring free movement of goods in the Union, the Committee has prepared a List of Measures aimed at eliminating differences and controversial situations and ensuring free movement of goods in the Eurasian Economic Union.



INTERNATIONAL COOPERATION IN CUSTOMS REGULATION



One of the key areas of activity of the EEC Customs Unit is international cooperation, in particular, with the World Customs Organization (hereinafter referred to as the WCO).

The WCO is the primary international platform defining international standards for customs administration. Today, more than 180 countries are members of the WCO, accounting for more than 98% of international trade. The WCO standards are considered when forming the Union's law in customs regulation.

The initial stage in establishing interaction with the WCO was signing of a Memorandum of Understanding between the Eurasian Economic Commission and the World Customs Organization on June 17, 2016 (hereinafter referred to as the Memorandum). The Memorandum is aimed at fostering cooperation between the EEC and the WCO to coordinate efforts to improve customs administration in order to facilitate trade. The document allows interaction between organizations through participation in working bodies and other WCO activities.

After the signing of the Memorandum, significant efforts were made to strengthen interaction with the WCO bodies, which made it possible to obtain observer status and the opportunity to participate in the activities of a number of WCO working bodies, such as the WCO Council (supreme body), the Permanent Technical Committee, the Revised Kyoto Convention Management Committee, and working groups on the Framework of Standards to Secure and Facilitate Global Trade, on E-Commerce, etc.

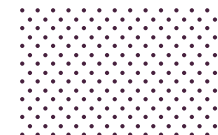
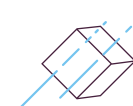
The EEC efforts have already demonstrated their efficiency during individual meetings of the WCO working bodies. As a result, the Union became more recognizable for the international customs community, which makes it possible to include new features in customs regulation adopted under the Union Customs Code (such as priority of electronic declaration, submission of a declaration for goods without accompanying documents, the AEO institution, "single window", etc.), in the documents developed by the working bodies of the WCO, for example, in the new version of the Kyoto Convention,

Framework of Standards to Secure and Facilitate Global Trade, Framework of Standards on Cross-Border E-Commerce, as well as take into account the provisions of the WCO documents when improving the Union's law structure.

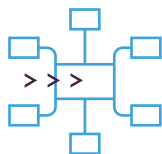
At the same time, active work is underway to interact with representatives of UNCTAD and ESCAP, within which representatives of the EEC Customs Unit exchange experience and achievements in trade facilitation and the elaboration of a "single window" mechanism in the Member States. International organizations have shown great interest in the "single-window" project. **Reference Model of the "Single Window"** (a basic document serving as a guideline for the Member States in building their national "single windows") **was presented several times at various international platforms such as UNECE, UN/CEFACT, UNESCAP, UNCTAD**, as well as major digital forums.

The EEC Customs Unit received a number of proposals from leading international organizations (UNCTAD, UNECE, UNESCAP, ASEAN, etc.) on positioning this project on international platforms and developing joint proposals.

The ideas contained in the description of the Reference Model of the "Single Window", among other things, served as the basis for amending the basic international recommendation on a "single window" — UN/CEFACT has launched a project to amend the Basic Recommendation No. 33. In this regard, it can be stated that the Reference Model of the "Single Window" elaborated by the EEC Customs Unit was recognized by international experts.



DEVELOPING THE SINGLE WINDOW MECHANISM IN THE FEA REGULATION SYSTEM



The EEC Customs Unit, in cooperation with the Member States, is implementing a project to develop a “single window” mechanism in the FEA regulation system. The “single window” development project is national in nature. The countries of the Union are developing their “single windows” according to common rules and standards to further ensure the interoperability of the 5 “single windows” between each other along with cross-border data exchange in foreign trade.

Based on the Decision of the Intergovernmental Council No. 6 dated April 30, 2019, the description of the reference model of the “single window” national mechanism in the FEA regulation system was approved. The reference model of the “single window” national mechanism is a response to the challenges of the onset of digital modernization. **It serves as a guide for the Member States in building their national “single windows”.** Its elaboration was related to the general digitalization process in the Eurasian space, the transition from documents to data, the introduction of end-to-end digital technologies, and the establishment of paperless (dematerialized) trade and data economy. In other words, **its development is aimed at establishing a new model of FEA management**, where it is not just about automating existing business processes but is rather related to creating a digital ecosystem. Digital technologies enable FEA participants to perform all operations without resorting to intermediaries and establish a brand-new ecosystem.

The adoption of the reference model by the heads of governments of the **Member States is only the first step towards further development and modernization of national “single window” mechanisms.** The Member States and the EEC will further need to jointly elaborate an appropriate toolkit for the implementation of the provisions of the reference model to establish a legal environment and amend the current national legislation, as well as acts of the Union’s law in the field of customs regulation in order to create conditions for the development of FEA with stable horizontal links between business and government, ensure the transition from documents to data management, develop a mechanism for managing information interaction based on sharing data and mechanisms for intelligent analysis and forecasting based on “big data”, and move to change management.

In 2021, work on the “single window” project will remain relevant and will be continued within the Strategic Directions for Developing the Eurasian Economic Integration until 2025.

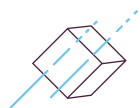
The EEC Customs Unit is currently developing the digital customs institution. The development of the digital customs institution involves revision and radical change in the strategy of customs administration in order to apply an integrated approach to using information and communication technologies and services in real time. Digital customs involves the use of digital systems to ensure the collection of customs payments, organize a safe supply chain of goods, as well as protect cross-border trade from violations of customs regulations. Digital customs features the transition to work with data, the introduction of end-to-end processes and promising digital technologies.

The reference model and digital customs are in tune with the Union’s digital agenda and do not lose their relevance.

KEY AREAS FOR FURTHER DEVELOPMENT OF THE EURASIAN ECONOMIC INTEGRATION IN CUSTOMS REGULATION

Improving customs regulation in the Union involves extended use of digital technologies and the introduction of technologies aimed at ensuring the automatic execution of customs operations without the participation of officials, including when administering e-commerce; improving the Union’s Customs Code, taking into account its application and introducing appropriate amendments to the acts of the Union’s bodies; developing a common system for the transit of goods in the Union; unifying electronic document flow between customs authorities and FEA participants; developing digital customs as part of the “single window” mechanism.





One of the topical issues today that require a solution within the Union is the establishment of a common system for the transit of goods. Ensuring a transparent and simplest transit system will contribute to the investment attractiveness of both the Union as a whole and each Member State.

Along with the common transit system in the Union, the issue of using electronic navigation seals and establishing a system for tracking the transportation of goods using such seals is also **being worked out** (Disposition No. 4 of the EEC Council dated February 21, 2020).

The EEC Council agreed on an approach based on which it is necessary to prepare 2 draft international treaties, one of which will cover tracking the transportation of goods using navigation seals, and the other will regulate enhancing the Union's common transit system (Instruction No. 30 of the EEC Council dated July 10, 2020).

Signing a separate international treaty regulating tracking the transportation of goods across the territory of two or more Member States using navigation seals will not only improve the mechanisms for control over goods placed under the customs transit procedure but will also make it possible to use electronic navigation seals for other transportations of goods, becoming a guarantee that certain categories of goods (for example, "sanctioned" goods) will be delivered to their destination. The draft Agreement on the use of navigation seals in the Union for tracking the transport of goods has already been prepared by the EEC and sent to the Member States for further work.

Another priority is further development of the AEO institution in the Member States. In particular, the EEC analyzes the issues of concern hindering the development of the AEO institution in the Member States, and their substantive consideration to develop measures to resolve such issues.

It is also planned to assess the feasibility of introducing additional special customs benefits for AEOs or enhancing existing customs benefits for the active involvement of businesses in AEO programs in the Member States. In particular, the possibility of granting the AEO the right to independently determine and declare the origin of goods exported from the Member States under free trade agreements between the Union and third countries is being considered, which will allow avoiding the need to issue paper certificates of origin of goods in some cases.



The AEO institution in the Union countries develops with different intensity, and the level of business interest in this status is different as well. At the same time, reaching indicators comparable to foreign countries in terms of the number of AEOs, including export-oriented participants of FEA, and the volume of goods they move will prove essential for the Union countries as a basis for initiating negotiations on the mutual recognition of AEOs with foreign countries and integration associations.

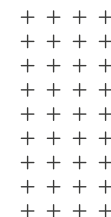
Since the basis of customs legal relations is represented by customs declaration of goods, there is a lot of work to improve the rules for filling out customs declarations.

The procedure for filling out customs declarations is to be simplified through the widespread use of information technologies and minimizing manual filling (manual input of information), eliminating duplicate information or automatically filling them in, as well as establishing the procedure for specifying text information in the declaration and its minimization.

In addition, it is necessary to develop improved and unified rules for the registration of customs declarations that provide ample opportunities for automatic registration of customs declarations and reduce the time for registration of customs declarations, as well as optimize the process of amending customs declarations in order to establish an understandable, unified, and cost-effective algorithm for that.

It is also expected to further develop the “single window” mechanism in the FEA regulation system, which provides for taking measures by the EEC and the Member States to develop priority tools required for its implementation.

The EEC is faced with the task of developing the Union's export potential, and one of the tools to solve this problem is the "single window" mechanism. This mechanism will help develop the Union's export potential, facilitate the entry of the Union exporters' products into new markets, eliminate mistrust within the Union countries when carrying out FEA, enhance interdepartmental interaction of regulatory bodies, improve the quality and shorten the time for the provision of public services and the exercise of public functions, optimize resources, including labor, as part of carrying out FEA, overcome the "digital divide", and enhance the transparency and predictability of business processes.



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