



4 NATIONAL POLICY AND LEGISLATION IN TRADE AND TRANSIT

Key documents regulating trade and transit operations in Ukraine include the Customs Code of Ukraine and the Law of Ukraine “On Transit”. The Customs Code is widely recognized to be in line with *acquis communautaire* and, in particular, with EU Customs Code. In addition to this, in order to support country’s intention to attract additional transit cargo flows to pass through the territory of Ukraine, in 2002 the GoU adopted the National program “On promoting Ukraine as a transit country”. However, in spite of these efforts, many operators report on prevailing discrepancies in customs formalities, e.g. between the provisions of TIR Convention and effective rules and regulations, which they need to follow even though creating additional “paper work”. Provided the number of border-crossing checks (e.g., phyto-sanitary, veterinary and/or radiological services), delays and duplication of customs inspections (cargo is usually checked both at the border crossing point and inland custom office) there is an obvious need to simplify existing procedures and regulations.

The adaptation and implementation of international customs conventions is a core issue for Ukraine in the field of legal approximation to EU. The list of key international conventions for Ukraine includes now:

- On temporary import regime (dated of 26th June 1990, joined on 24th March 2004);
- On simplification and harmonisation of customs procedures (dated of 18th May 1973, joined on 5th of October 2006);
- On simplification of formalities in trading goods (dated of 25th March 2003);
- On joint transit procedure (dated of 20th May 1987).

Ukraine has already joined 2 conventions and now the issue is to bring the national norms and regulations in line with the international ones. And the remaining two conventions are a mid-term priority for Ukraine.

On top of that, Ukraine makes a stepwise progress in introducing electronic data exchange at customs. In 2008 GoU approved the concept for a comprehensive “electronic customs” system. The very system should be put into operations by 2014. At present, it is approbated by potential users in order to uncover its potential technical malfunctions. E-customs system should help to speed up clearance procedures at the border, eliminate possible mistakes while filling-in customs declarations, etc.

The bilateral relations of Ukraine in the field of customs cooperation are presented in Table 1 above.