Siman Kseniya Alexandrovna

Belarusian State University, The Republic of Belarus

The research advisor: Prakapovich Tatsiana Alexandrovna, Lecturer

«Use of the Latest Technologies to Improve Risk Management in the Customs Authorities of the EAEU Member States»

Research Field:
Data Analysis for Effective Border Management

In present-day conditions, there is an increase in the world trade volume, in this connection the number of goods moved across the border has also increased. To optimize and accelerate the customs control process of these goods, it is relevant to study the risk management system and its improvement, in order to increase the capacity of customs clearance points and improve the efficiency of customs control.

The Kyoto Convention states that "risk management in the customs service is the main underlying principle of modern customs control methods". In other words, a risk management system (hereinafter referred to as RMS) is a system of customs administration that ensures the implementation of effective customs control according to the principle of selectivity, based on the optimal resource allocation of the customs service.

The main objectives of the risk management system are to ensure effective customs control, as well as to create conditions for accelerating and simplifying the movement of goods across the customs border, for which there has not been identified the need to apply risk mitigation measures.

Nowadays, the RMS in each EAEU member state is developing in the same direction, but it is worth noting that these processes are independent at the level of both legal regulation and the use of software tools.

Speaking about improving the risk management system in the EAEU member states, it is worth paying attention to the experience of more developed countries in this area. Thus, the customs service of Australia and the United States can be considered generally recognized leaders in the application of the risk management system during customs control, the experience of these countries seems to be the most progressive and developed [5] [6].

The Australia's risk management system is based on trust in the trader. Thus, in accordance with the Framework of Standards to Secure and Facilitate Global Trade, there is an analogue of the Authorized Economic Operators Program in Australia – Australian Trusted Trader operates program, which provides for the voluntary confirmation of the company's

reliability in the field of foreign trade in exchange for some advantages and benefits during customs clearance. The use of Australian Trusted Trader as an institution of Authorized Economic Operators helps to reduce risks at the level of interaction between countries through cooperation between customs services of the world and the creation of partnerships with actors in the international supply chain of goods, namely economic operators. Following the introduction of the Australian Trusted Trader program and collaboration with countries implementing the Authorized Economic Operator programs, Australia's risk management approach takes into account risks in the international supply chain. Furthermore, on the territory of Australia, the Integrated Cargo System is used for customs control. A unique software product developed by the Customs Service together with ImpexDocs, which is designed for this system, is the Customs Connect Facility . This system minimizes costs, and also provides access to all information about foreign trade participants in a short time [1] [2].

The USA experience in applying the risk management system does not lag behind Australia's one. It is noted that the USA Customs and Border Protection has developed and implemented a number of programs that are aimed at implementing the risk management process, among others:

the Customs-Trade Partnership Against Terrorism which aims to voluntarily assist all participants in the transport of goods to organize the supply security of goods when they enter the United States;

Container Security Initiative which pre-selects containers destined for shipment to the United States by the USA Customs and Border Protection at the port of departure based on risk assessment criteria;

the SENTRI program (the Secure Electronic Network for Travelers Rapid Inspection) implies a preliminary submission of information about an individual and verification of this information by the Customs and Border Protection. Further, there is issued a registration card which is used for accelerated person identification. Moreover, a transmitter is installed on the car windshield for the purpose of automatic registration by a customs officer of a vehicle and an individual.

The USA Customs Service can provide the entire list of imported goods data in real time. The computer system, in addition to independent decisions-making, analyzes the situation, makes forecasts, and also provides information to other government agencies. These technologies significantly speed up the clearance of goods and facilitate the work of customs officials [3].

It should be noted that the customs service of the Kingdom of the Netherlands has reached a qualitatively new level of the RMS functioning. In their work, they use the SAS data analysis system, which is a powerful complex consisting of over 20 different software products, combined with each other by an "information delivery vehicle". All valid risk profiles are also loaded into the PRISMA system in which a certain number of points are assigned through the scoring of each customs declaration. Taking into account the score assigned to the customs declaration, the consignment of goods is categorized into three groups: "red", "orange" or "white". The scoring of declarations for goods can become one of the main prospects for the development of the RMS in the customs authorities of the EAEU member states [2] [4].

Thus, having collected and analyzed information on countries where the experience in the field of risk management seems to be the most progressive and developed, it is possible to propose some ways to improve the risk management system in the EAEU member states.

Firstly, it is recommended to develop and implement a program, based on the American SENTRI system, for providing information about individuals crossing the customs border of the EAEU, and checking this information by the customs authorities of the EAEU member states. This program may provide for the issuance of a registration card containing identification data about a person and a QR-code. Such a card is installed on the car windshield in order to further scan this code and, therefore, accelerate the passage of customs control by individuals.

Secondly, it is considered justified to introduce a declarations categorizing method based on the experience of the customs service of the Kingdom of the Netherlands. World leaders in the field of the RMS are already moving to the declarations categorization provided by business entities when moving goods across the borders.

Thirdly, in the circumstances of the growth in the volume of information and the limited time for its processing, an important aspect of work on improving the RMS in the EAEU member states, in our opinion, should be the use of Data Mining technologies in the activities of the customs authorities.

Thus, it seems possible to improve risk management systems in the EAEU member states by introducing the latest technologies based on the experience of the customs services of other countries.

References

1. Australian Border Force [Electronic resource]. – Mode of access: https://www.abf.gov.au. – Date of access: 15.05.2021.

2. Customs risk management (CRiM): A Survey of 24 WCO Member Administrations / J. Hintsa [et al.]. – Lausanne: World Customs Organisation, 2011. – 54 p.

3. U. S. Customs and Border Protection [Electronic resource]. – Mode of access: https://www.cbp.gov. – Date of access: 15.05.2021.

4. World Customs Organization, Customs Risk Management Compendium. Vol. 1, Brussels, 2016 – p. 54.

5. Kostin, A.A. Risk management system in the implementation of customs control: a tutorial. - SPb.:Intermedia, 2014 . – 224 p.

6. Customs Code of the Eurasian Economic Union. – Moscow: Prospect, 2018. – 512 p.

Statnikov Nikita Dmitrievich

Belarusian State University of Transport, The Republic of Belarus

The research advisor: Morozova Oksana Vladimirovna, PhD in Economics, Associate Professor,

Makutonina Elena Yurievna, lecturer

«The system of electronic customs declaration as a factor in the development of foreign trade activities of foreign economic actors»

Research Field:
Modern technologies in international trade

In the modern world, information technologies play an increasing role both in foreign trade and in the life of people in general. Thus, a large number of foreign trade transactions are carried out through the use of information technology, due to its higher speed of transactions, convenience, and lower financial costs. Considering the above, the introduction of digital technologies, and in the infrastructure of customs authorities in particular, is one of the important ways to develop foreign trade. One of the areas of digitalization of customs authorities is the introduction of an electronic declaration system, which is actively used not only in the Republic of Belarus, but all over the world right now.

The electronic declaration system is a form of electronic document circulation, and therefore has inherent methodological approaches to assessing the effectiveness of electronic document circulation in general. So, in this regard, it is worth focusing on the quantifiable effects of the introduction of an automated electronic document management system in customs. This group of effects includes, firstly, cost savings, and secondly, time savings [1]. Both of these effects refer to both customs authorities and business entities

---

[1] Tsekhan, O.B. Indicators of a comprehensive assessment of the effectiveness of electronic document management / O.B. Tsehan // Technologies of informatization and management: materials of a scientific-practical conference, Minsk, 2012 / Belarusian State University; ed .: N.P. Fomich. - Minsk, 2012 .- S. 448-457