

- develop liability measures for persons providing false preliminary information.

Solving of these problems will improve the system of preliminary information, as well as customs clearance, which will reduce the time of customs control of goods and vehicles.

Barviankova Yana Sergeevna

Belarusian State University, The Republic of Belarus

The research advisor: Tararyshkina Lubov Ivanovna, PhD in Economics, Associate Professor

«Implementation of cross-border e-commerce: technology, safety and facilitation»

Research Field:

Innovative technologies in international trade.

Cross-border e-commerce offers new opportunities to buy products directly from foreign suppliers, to increase supply through a supplementary channel of satisfying existing demand, and to underpin micro-, small- and medium-sized enterprises. In the end, it boosts economic activity. E-commerce is not only a new means of standard practice, but it also involves a revolution in the supply chain system: distribution takes place before goods per se cross the customs border, goods reach customers bypassing intermediaries and without prior incorporation into a complex consignment. Since e-commerce is continuously expanding, customs have to deal with an enormous number of parcels, which have a low value and are traveling from an unknown seller to an unknown purchaser.¹ The following issues arise: how to ensure efficient customs control in the case of e-commerce goods; how to simplify customs clearance and make it accessible to individuals while still maintaining the foundation for risk assessment; is there any reduction in revenue collection from value added tax (VAT) and customs duty on goods that don't pass the *de minimis* threshold (the value of these goods is negligible and no customs payments are due); how to capture such goods fully in foreign trade statistics.

To tackle these issues, a balance between e-commerce safety and facilitation has to be found. In addition to addressing gaps in regulations and restructuring the risk management system in place, what also calls for consideration is the exchange of information between customs authorities and interested parties, customs' cooperation with other government bodies. At an international level, it applies to the WCO's collaboration with the OECD, the Universal Postal Union (UPU), UNCTAD, the WTO, the World Economic Forum.

¹ Hinojosa, A. B. E-Commerce- What's in a name? / A. B. Hinojsa. – WCO. – 4 p.

‘Resolution on Cross-Border E-Commerce’, endorsed in Luxor, Egypt, in 2017, laid the foundation for adaptation to the emerging form of trade. The document included 8 guiding principles. On the basis of the fact that e-commerce is initiated with the help of information technology, it has to be handled utilizing *advance electronic data and risk management*, not to mention much-needed use of the e-document and information processing technologies such as big data, etc. In order to guarantee *simplification and facilitation*, it’s offered to complement standard ways with the integration of authorized economic operators and some new type of intermediaries, who develop all the benefits of e-commerce, into the system. Alternative revenue collection methods, such as an intermediary or vendor account-based model as opposed to a transaction-based model (this requires obligatory indication of a person's ID instead of their name), must be considered in order for customs authorities to *perform their intrinsic fiscal function fairly and effectively*. Another possibility to consider is transparent tax collection before goods are dispatched. On the subject of making intermediaries accountable to customs, it might as well be postal authorities (though they may not receive full information on delivered goods) or an e-commerce platform (similar system already functions in China). *Safety and security* imply realistically assessing risks of splitting invoices so as to underpay customs payments, misdeclaration of goods, illicit goods being concealed in a fast-growing commodity flow. Data on detected risk factors has to circulate freely among customs. Nothing but *measurement and analysis* can aid the management in decision-making. *Partnership* with businesses and foreign customs administrations improves compliance and facilitation, among other ways, by means of *outreach and public awareness*. In comparison with all the fields that require information exchange, e-commerce, sharing the position with international cooperation, is at the top of the list. Not one of the aforementioned objectives can be reached without *leveraging transformative technologies*.¹

Countries are advancing various forms of facilitation; advance electronic information is among them. As a rule, if the destination country declares the use of advance electronic information (as of July 2021 there are 47 of them²), then the departure country’s postal service informs local economic agents about the fact. Afterwards postal items with hand-written labels are frequently not accepted, as they might be returned by the destination country (for example, member-states of the EU), on the grounds that they cause customs clearance inconveniences.

¹ Cross-Border E-Commerce Framework of Standards – Brussels ; World Customs Organization, 2018. – 17 p.

² Electronic Advance Data (EAD) [Electronic resource] – Australian Post. – Mode of access: <https://auspost.com.au/sending/send-overseas/customs-forms-regulations/electronic-advance-data-ead>. – Date of access: 23.04.2022.

Clearance with the use of advance electronic information can be carried out via the Internet. Most probably, on arrival such goods will be released automatically.

In China, return of goods without payment of customs duty and taxes is allowed, provided the goods return to the original Customs control area within 30 days. If the consignment doesn't return the agents shall make the payment before 45 days have elapsed since the moment the goods are released. In the US, customs duty refund is possible by filling in a drawback claim; the whole procedure was simplified in 2016. In those ways, the issues of warranty service and faulty item disputes settlement are resolved. What is also of use is improvements in a goods tracking system. A block chain platform is operated in the UAE for that purpose. It makes items traceable and links orders with declarations (especially helpful as far as return goods are concerned).¹ Customs as well as other government bodies are able to enhance consumer protection that is not fully developed in the field of e-commerce.

In Australia, a SAC declaration (self-assessed clearance declaration) is submitted for goods with value below AUD1000 (around USD730), later on collected data helps to prevent the emergence of a gap in information on goods, the clearance of which doesn't involve payment of indirect taxes and customs duty.² Korea's customs also have a simplified declaration form for e-commerce goods. As regards export, a number of graphs is reduced by over 30%.³ Apart from information, another tool to streamline the process is technical means of customs control. Some technologies allow officers to X-ray goods at a vertical angle and at a diagonal angle simultaneously, which creates a 3D X-ray image.

Some national customs authorities have supplied the WCO with reports on pilot and existing regulations in respect of e-commerce goods. In China, they place emphasis on information exchange with interested parties. Customs receive information through three channels: from an e-commerce platform (data on the placed order and declaration), from the company handling payment transactions and from a logistics company. They cross-reference, and check the facts and then decide on the category of risk the consignment falls into before its arrival. Even after the release of goods customs can track the item on the logistics operator's website, verify the item's receipt by phoning customers and contact third parties.⁴

¹ The role of advanced technologies in cross-border trade: A customs perspective – World Trade Organization, 2022. – 58 p.

² WCO Study Report on Cross-Border E-Commerce – World Customs Organization, 2017. – 31 p.

³ Sung, T., Choi, Y. Supporting e-commerce: Korea Customs Service's strategy / T. Sung, Y. Choi // WCO news. – 2015. – № 78. – P. 44–47.

⁴ China Customs Use of electronic data for risk management to control cross-border E-Commerce – World Customs Organization. – 3 p.

Within the framework of the Eurasian Economic Union (EAEU) e-commerce goods continue to be regarded by law as goods for personal use, therefore duty-free entry thresholds, like *de minimis* thresholds in many other countries, are determined, though it's well worth considering that by its nature it's still a trade channel, judging by the fact that physical goods cross the customs border. Exemption threshold of €22, €200 or €1000 may seem insignificant in contrast to the turnover in traditional trade. However, e-commerce goods are only involved in B2C and C2C sales, whereas when buying goods from a retailer, even at a price of €1, the consumer has to pay some of the customs duty collected from the very same goods, when they were part of a large consignment. That's why it is planned to regulate e-commerce goods as a separate category. According to the statistics of the Federal customs service of Russia, last year 230 million shipments were imported, largely due to e-commerce. This is over 40 times the number of submitted and processed customs declarations of goods. Accordingly, the issue resolution cannot do without the notion of 'e-commerce declaration'. Another novel agent would be an e-commerce operator in charge of commodity, information and financial flows. Now similar tasks are undertaken by postal services and express carriers.

A good deal of the EAEU legal norms are aimed at creating a unified commodity, service, capital and labor force market. It has to be studied how the situation stands with e-commerce. At the moment, Russian companies selling goods to Kazakhstan and Belarus are forced to pay VAT twice. In addition, businesses are mildly discontented with the fact that they have to prepare almost the same documents as required for customs declaration, when the customs border between member states is non-existent. A positive list of e-commerce goods must be drawn up, subjects of e-commerce and other concepts are yet to be defined. Regulations will be enhanced at the level of the Customs Code of the EAEU and a designated international treaty.¹

Inevitable growth in e-commerce volume encourages policy-making within the EAEU. Further amendments and innovation must reflect overarching standards developed by the WCO with due regard for regional peculiarities, and learn from foreign customs` experience. Current solutions as well as those found in the future are designed to regulate e-commerce across the borders of the EAEU member states and the common outer border of the EAEU.

¹ Конференция по развитию регулирования электронной торговли в ЕАЭС [Электронный ресурс] // Евразийская экономическая комиссия. – Режим доступа: https://eec.eaeunion.org/news/events/konferenciya-po-razvitiyu-regulirovaniya-elektronnoy-torgovli-v-eaes/?sphrase_id=95107. – Дата доступа: 23.04.2022.