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У журналі здійснюється публікація наукових і оглядових праць з основних проблем зовнішньоекономічної діяльності, партнерства митних адміністрацій та бізнес-структур, професійної освіти в галузі митної справи, впровадження та реалізації стандартів Всесвітньої митної організації, оглядові статті про досвід реалізації стратегій інституційного розвитку митних адміністрацій країн-членів Всесвітньої митної організації, публікації молодих науковців у галузі митної справи та зовнішньоекономічної діяльності, реферативні матеріали та анонси.

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ЗМІСТ

CONTENTS

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ECONOMIC DEVELOPMENT OF THE MODERN WORLD AND REVIEW OF THE THEORY OF DEVELOPMENT

The subject of the article is the most well-known theories of economic development, which describe tools and strategies for achieving sustainable development of society.
Methods and methodology. When considering and analyzing well-known theories and strategies of economic development, methods of social, cultural, political comparison of some aspects of the impact of these theories on the economic life of society, systemic and institutional analysis of their changing interaction over time in a particular country were used. It is noted that by focusing on one of the only factors, it is not possible to determine the guaranteed success in the development of new concepts of growth strategy.
Results. As a result, it is noted that in order to achieve an optimal level of coordination, economists should conduct a generalized analysis of investment programs for government regulation and assess the attitude of a wide competent public to this. It is emphasized that the early development models, the "big push" strategy fell out of favor when the world witnessed the collapse of the centrally planned economy and slow growth. It is also noted that the dependence of these models on international trends was pursued by an internal orientation associated with development models, which suffered a collapse of state-encouraged production, entered as a neoclassical counter-revolution of the free market, privatization and export expansion that did not lead to anything.
Conclusions. All of this indicates that there is no single path of economic development that can be taken by all countries and, in the long term, the process of economic development requires changes in policy in order to take into account new emerging factors and trends.
The novelty of the article is the study of early ideas about the nature of economic prosperity, consideration of classical theories with four main groups: linear stages of growth models; models of structural change; dependence of these models on international trends; analysis of some aspects of neoclassical counterrevolutionary models, as well as the theory of growth and impaired coordination.
Practical and/or theoretical significance. The results obtained will be used in the future to develop the conceptual foundations of socio-economic models for the development of the national economy for sustainable development.

Key words: goals of economic development, theories of economic development, developing countries, classical theories, modern theories.

JEL Classification: O 10, O 50.

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Introduction (problem setting). In the modern world, with the intensification of globalization processes, great changes have taken place. Significant progress has been made in many areas critical to human well-being. Despite this, countries with developing economies are still experiencing serious economic difficulties, and the number of people living in absolute poverty has increased.

When designing these economic development strategies, it is also necessary to take into account the social, cultural, political aspects, systems and institutions, as well as their changing interactions over time in a given country. Research has shown that focusing on one single factor cannot guarantee success in the development process. Thus, investment in industry is necessary, but agriculture should not be neglected. Let us consider this on the example of the Republic of Azerbaijan.

As you know, the changes that have occurred in the sectoral structure of Azerbaijan's economy over the years of sovereignty have led to a number of contradictions between the enormous potential of the republic's economy and the existing sectoral structure. First of

all, these changes are associated with the main structure-forming industries such as industry, agriculture and the service sector. The reforms carried out in the republics over the past 20 years have stimulated the inflow of foreign capital, most of which was directed to the extractive industry, which was reflected in the structure of the republic's GDP (Babaeva, 2018).

Note that the history of the economic development of Azerbaijan, the specific features of the republic and the natural-geographical location and demographic data determine the dependence of economic growth on both the state of industrial production and the development of agriculture.

The purpose of the article is to review and analyze some of the most prominent theories of economic development, which describe the tools and strategies for achieving sustainable development.

Review of recent publications. According to scientists, the general pattern of changes in the sectoral structure of the world economy is a consistent transition from a high share of agriculture, extractive industry, manufacturing industries to technically relatively simple industries (light, food industry), capital and material-intensive industries (metallurgy, chemical industry) and finally, to knowledge-intensive industries that create products based on high technologies (Stiglits, Sen, Fitussi, 2016).

The foregoing indicates the complexity and multifacetedness of the problems of economic development, for the solution of which a number of theories, explanations and arguments have been developed. The study of theories of international development suggests that economic development is a multidimensional process that involves interaction between different development goals and, therefore, requires systematic strategy development.

Although development economics took root as a discipline in economics half a century ago, economic prosperity has been addressed by such classics of economics as Adam Smith and Karl Marx (Stiglits, Sen, Fitussi, 2016). According to Smith, the wealth of nations is "focused on the market" and the correct division of labor can create more productive processes, while strengthening the national economy. Thus, wealth depends on specialization and exchange. Adam Smith argued that in a competitive environment, private investors, in pursuit of their own interests, are guided by the principle of the "Invisible Hand", which maximizes results at the national level and thereby contributes to the development of the public. The invisible hand doctrine became the foundation of capitalism (Skousen.pdf, 2021). However, free capitalism is often criticized for bringing wealth only to the rich while the poor get poorer.

On the other hand, Karl Marx in the "capital" (original work published in 1867), argued that the wealth of the capitalists comes from the exploitation of the surplus value created by the workers (Sukharev, 2007). Consequently, private property and the free market were seen as the causes of poverty for many millions of workers. Therefore, private property must be completely abolished. A national economy must be planned and managed by the state in order to meet the interests of the population. But the philosophy of socialism was also not viable. The collapse of the Soviet Union in 1991 demonstrated that the central planning model did not solve the problems of poverty and inequality.

Whereas prior to the 1970s, rapid economic growth was considered the main hallmark of development, since 1970 the concern of millions of people living off their livelihoods has attracted the attention of economists (Shokin, 1978).

Many of the developing countries have recorded high GDP rates, but little has changed in the living conditions of a large part of the population.

Given this situation, the question arises, is economic growth a development goal? Research shows that, in emerging economies, growth in gross national income and income per capita is accompanied by an increase in poverty, inequality and unemployment. Illness, malnutrition and death that occur in the daily lives of people in developing countries have dramatically changed the perception of development goals. Thus, the British economist Dudley Seers, having studied the economies of developing countries, noted that development cannot be limited to economic growth and the main goal of economic development is to reduce poverty, inequality and unemployment.

The concept of the Nobel laureate in economics Amarantia Sena has led to the broadest perspective of development goals (United Nations General Assembly, 1991). According to Sen, the ultimate goal of development is human empowerment, not just material or economic well-being. Thus, according to the Seine, a higher income is necessary, but not sufficient in terms of improving the quality of life of the population. According to his approach, the goals of economic development change from promoting production growth to promoting welfare (United Nations General Assembly, 1991).

In the 1990s, economists increasingly recognized that it is the quality of life of the population that determines the economic status of the countries of the world.

In the report of the UN General Assembly "On world development. Development problems" it is indicated that "to improve the quality of life, especially in the poor countries of the world, requires higher incomes, which consists in better education, higher standards of health and nutrition, lower unemployment, resolution of environmental problems, greater personal freedom and a richer cultural life" (Acemoglu, Johnson, Robinson, 2001).

Presentation of the main material. The first generation of economic development models was formulated in the years after World War II. These early models focused on the usefulness of large capital injections to achieve rapid GDP growth. Two well-known models The Rostow stage growth model and the Harrod – Domar model (Acemoglu, Johnson, Robinson, 2001).

Theorists of the second half of the last century viewed the development process as a sequence of historical stages. This performance was popularized by W. Rostow. Which, based on the historical model of developed countries of that period, proposed to single out three stages of growth, then he increased their number to five, and in 1971 added a sixth stage: traditional society, transitional society – the stage of "creating the prerequisites for take-off", the stage "take-off", The stage of "maturity" and the era of "high mass consumption". According to Rostow, the decisive stage is the take-off, through which developing countries will transit from an underdeveloped to a developed state, and the main criterion for the stage of "creating the prerequisites for take-off" is the "shock dose" of investments (Acemoglu, Johnson, Robinson, 2001). The Harrod-Domar theory also emphasized that the driving force of the economy is investment.

Although Rostow, Harrod and Domar were right about the important role of investment, which is most closely related to the economic growth rate, this is not enough for the sustainable development of the country (Acemoglu, Johnson, Robinson, 2001). For much of the 1960s and early 1970s, economists generally described the process of economic development in terms of structural change. Structural changes were accompanied by a process of labor redistribution, replacement of leading technological orders and creation of new opportunities for economic growth.

For much of the 1960s and early 1970s, economists generally described the process of economic development in terms of structural change. Structural changes were accompanied by a process of labor redistribution, replacement of leading technological orders and creation of new opportunities for economic growth.

Marginalists considered structural change by identifying industry imbalances. With the emergence of macroeconomics, Keynesianism and the Chicago School, the analysis of the structure of the economy is expressed in models of economic growth (one-factor models by R. Harod and E. Domar; multivariate neoclassical models based on the apparatus of production functions according to R. Solow; two-factor models of economic development by W. Lewis, J. Fairy, G. Rannis and others). Based on the works of T. Schultz, representatives of the neoinstitutional school of H. Becker, economics began to describe structural changes and problems of economic growth using the concept of the presence of several basic sectors, including the sector of human capital reproduction (Acemoglu, Johnson, Robinson, 2001).

Thus, according to the British economist W. Lewis, in order to modernize the economy and achieve sustainable economic development, a process of redistributing resources from the agricultural sector to the industrial one is necessary. In this case, it is necessary to solve two main problems: firstly, accumulation (i. e., mobilizing savings and turning them into investments), and secondly, employment (Banerjee, Iyer, 2005).

According to the Lewis model, the labor force should move from the agricultural sector to the industrial sector. By getting rid of surplus labor in the agrarian sector, it is possible to achieve an increase in the marginal productivity of labor, which will lead to higher wages, an increase in total costs and the replacement of manual labor by machine labor. Under such circumstances, the mechanism of economic growth in industry and agriculture is predetermined. These two types of economic development correspond to two different investment functions. In industry, it is mainly about the expansion of capital. This investment function, which is basically Keynesian, depends on the demand for the final industrial product. With a stable wage, it leads to an increase in profits and investment. On the contrary, in agriculture, the investment function manifests itself according to Schumpeter's definition: a decrease, not an increase in profits leads to investment in this industry. An increase in wage costs reduces profits, and, consequently, the purpose of investment is to replace manual labor with machine labor in order to reduce costs and increase profits (Banerjee, Iyer, 2005).

At the same time, the Lewis model had its drawbacks. So, because the redistribution of labor from the agricultural sector to the industrial sector is considered the engine of economic growth, many developing countries are pursuing policies that often promote industrial development while neglecting agriculture.

Another indisputable factor of economic growth is urbanization. Thus, the World Bank report "on global monitoring" for 2013 noted that countries and regions with a high level of urbanization are ahead of other states in achieving the goals set at the Millennium Summit (Bardhan, 2006). One of the authors of the Global Monitoring Report, Jos Verbeek, identified the reasons why the pace of social development in cities is higher than in rural areas. In his opinion, "Cities are centers of economic activity, economic growth and job creation. Consequently, the poverty rate is much lower in cities than in rural areas" (Banerjee, Iyer, 2005). But at the same time, we must not forget that uncontrolled population growth in cities can quickly lead to the emergence of slums, so the government must pursue the correct urban planning policy.

In addition, in both cities and provinces, one of the important development factors is improving the efficiency of health care and social services. Since the late 1960s, policymakers have shifted their focus to human capital development. The World Bank recommends that countries with significant reserves of oil and other minerals use the proceeds from the sale of these resources to finance health and education.

Studies of structural transformations show that, when carrying out structural policies, special attention was paid to models of economic development, while it was suggested that the structure of the economy is similar in all countries and is identifiable.

Thus, in the 60s and 70s, American researchers developed a model of economic growth with two deficits, which is a system of medium and long term regressive models, where the growth rate is determined depending on the deficit of either internal or external resources. The purpose of this model is to identify the relationship between domestic savings and external sources of funding, as well as in the crowding out of external resources by internal ones.

In the 1980s, neoclassical counterrevolutionary economists identified three main factors for sustainable economic growth: the demand factor, the supply factor, and the distribution factor.

In the early 80s of the last century, the international theory of dependence was very popular. The historical roots of addiction theory go back to debates about free, trade, protectionism, and the issues of imperialism and colonialism. Even the 19th century German economist, Friedrich List, argued that free trade reinforces backwardness and perpetuates the advantages of developed countries. According to the Latin American revolutionary Ernesto Che Guevara, the inflow of capital from developed countries to the periphery is nothing more than the establishment of economic dependence. Thus, dependency theorists have argued that backwardness exists due to the dominance of developed countries and multinational corporations over developing countries. It has been argued that the undeveloped states of the "periphery" become poorer as a result of the fact that their resources and capital flow to the rich countries of the "center". Thus, due to dependence, developing countries cannot achieve sustainable growth. According to the professor of the London School of Economics Maitrish Ghatak, developing countries should end dependence by breaking economic relations with the developed world.

In contrast to the international model of dependence, neoclassical counterrevolutionary economists advocated the free market. In their view, the backwardness of the "periphery" is not the result of the predatory activities of developed countries and international institutions, but rather was caused by intense state interference, subsidies, state property and corruption (Meier, 2000). So, neoclassical economists saw the way out for developing countries by market liberalization, stabilization and privatization.

A new growth theory emerged in the 1990s. New growth theorists (Romer, 1986; Lucas, 1988; Agion and Howitt, 1992) argue that economic growth is the result of increased returns from the use of knowledge rather than labor and capital. In their opinion, it is investment in human capital (education), research and development (R&D) that can ensure sustainable economic growth.

In the early 1990s, the theory of coordination gained particular popularity. The issues of coordination between complementary industries were first raised by Rosenstein-Rodan, who back in 1943 in his article "Problems of Industrialization of Eastern and Southeastern Europe" formulated the theory of the "big push". Professor of the University of California H. Leibenstein paid special attention to investments. Thus, in his book "Economic Backwardness and Economic Growth", he indicated the size of the minimum investment required for the development of the economy. R. Nurkse, in his "theory of balanced growth", proposed to modernize the economy by investing in various sectors of the economy, in his opinion, the synchronization of capital injection into production sectors will allow achieving self-sustaining growth, overcome the

narrowness of the domestic market, and stimulate the expansion of entrepreneurship. A. Hirschman in his book "Strategy for Economic Development" proposed an alternative concept of unbalanced growth, where he proposed to invest in various industries pointwise. Professor of the University of Sussex H. Singer, developing the ideas of A. Hirschman and R. Nurkse, proposed to increase labor productivity in agriculture and in traditional export industries through import substitution and the development of our own production and social infrastructure (Myrdal, 1992).

In order to achieve an optimal level of coordination, economists have proposed a massive investment program regulated by the state and under the leadership of the public. Like early development models, the big push strategy fell out of favor when the world witnessed the collapse of the centrally planned economy and slow growth. Professor of Stockholm University G. Myrdal noted that in developing countries prices and factors of production very weakly respond to supply and demand and to economic incentives in general, there is a high level of monopolization in the market, the bureaucratic system pursues its own interests, which means that the positive effect of large capital injections in the framework of the theory of the "big push" is limited (Shirley, 2005).

Carla Hoff, a professor at Columbia University and a leading economist at the World Bank, described the economy as a shared ecosystem in which "evil preferences can become an obstacle to cooperation, trade, and therefore economic development" (UNFAO, 2006).

Modern economists studying development problems have come to the following conclusions: 1) the market does not coordinate everything and there are uncertainties in the market mechanism; 2) the firm's performance depends not only on its own efforts and abilities, but many factors influence its productivity (for example, macroeconomic factors, the environment, corruption and the legal system); 3) when the market mechanism does not work, an active role of the government is necessary, since it is the government that can coordinate the activities of firms and achieve balance (World Bank, 2008).

However, the theory of coordination failure has been criticized for its overemphasis on the role of government. Critics argued that the government's economic policies were ineffective and that the government could be misdirected, as models of failed coordination lacked details on how the government could coordinate the country's economy.

Conclusions. So, the models of international dependence pursued an internal orientation, the development model that encouraged state production collapsed, the neoclassical counter-revolution of the free market, privatization and export expansion did not bring the expected results.

All this indicates that there is no single path of economic development that can be taken by all countries and, in the long term, the process of economic development requires changes in policy in order to take into account new emerging factors and trends.

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ЕКОНОМІЧНИЙ РОЗВИТОК СУЧАСНОГО СВІТУ ТА ПЕРЕОСМИСЛЕННЯ ТЕОРІЙ РОЗВИТКУ

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Об'єктом статті *є найбільш відомі теорії економічного розвитку, які описують інструменти та стратегії для досягнення сталого розвитку суспільства.*
Методи і методологія. *У процесі розгляду відомих теорій і стратегій економічного розвитку використані методи соціального, культурного, політичного порівняння деяких аспектів впливу цих теорій на економічне життя суспільства, системний та інституціональний аналіз змін їх взаємодії з плином часу в тій чи іншій країні. Зазначається, що шляхом зосередження уваги на одному з факторів неможливо визначити гарантованість успіхів у розробленні нових концептів стратегії зростання.*
Результати*. Визначається, що з метою досягнення оптимального рівня координації вчені-економісти повинні провести узагальнений аналіз інвестиційних програм регулювання державою та оцінити ставлення до цього широкої компетентної громадськості. Підкреслюється, що ранні моделі розвитку, стратегія «великого поштовху» натепер не актуальні, адже у світі спостерігається крах централізованої планової економіки та повільного зростання. Також встановлюється, що залежність цих моделей від міжнародних трендів переслідувала мету внутрішньої спрямованості, пов'язаної з моделями розвитку, які зазнали невдачі, заохочуваного державою виробництва, неокласичної контрреволюції вільного ринку, приватизації та розширення експорту, що не дало очікуваних результатів.*
Висновки. *Наведене вказує на те, що немає єдиного шляху економічного розвитку, яким могли би скористатися всі країни, у довгостроковій перспективі процес економічного розвитку вимагає внесення змін у політику, щоб вести облік нових факторів і тенденцій, що виникають.*
Новизною в статті *є дослідження ранніх уявлень про природу економічного процвітання, розгляд класичних теорій із чотирма основними групами (лінійними етапами зростання моделей, моделями структурних змін, залежністю цих моделей від міжнародних трендів, аналізом деяких аспектів неокласичних контрреволюційних моделей), а також теорії зростання й порушення координації.*
Практична та/або теоретична значимість. *Отримані результати надалі будуть використані для розроблення концептуальних основ соціально-економічних моделей розвитку національної економіки зі сталим розвитком.*

Ключові слова: цілі економічного розвитку, теорії економічного розвитку, країни, що розвиваються, класичні теорії, сучасні теорії.

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ON THE ISSUE OF CARRYING OUT OF RUMMAGE ON THE BASIS OF AUTHORIZATION OF LAW ENFORCEMENT AGENCY

The purpose of the research is installation of essential characteristics of implementation of rummage (revision) of goods and vehicles of commercial purpose on the initiative of law enforcement agencies.
Methodological basis of scientific research, logic of idea of the studied material were general and special methods of scientific knowledge: method of system analysis, dialectical method, formal-logical method and structural functional, and also a number of empirical methods.
Results. The article reveals theoretical-applied aspects of carrying out of rummage (revision) of goods, vehicles of commercial purpose on the basis of written authorization of law enforcement agencies. The order of interaction between customs authorities and law enforcement agencies is analyzed at the part of implementation of customs formalities. A discrepancy has been established between norms of current customs legislation at the part of encroachment on the exclusive competence of customs authorities regarding implementation of customs control and volume selection of customs formalities from the side of law enforcement agencies. Attention is paid to condition of realization of experimental project on the organization of centralized sending by law enforcement agencies in electronic form of orders for customs inspection (re-inspection) of goods, commercial vehicles. The directions of further use of information telecommunication technologies during interaction of customs and law enforcement agencies are offered.
Conclusions. "Rummage" is defined as one of forms on customs control, the implementation of which is attributed to the exclusive competence of officials of the customs authority, which is to carry out a set of actions for visual and factual inspection of goods and vehicles for commercial purposes, which are under customs control, aimed at verifying the factual data, as stated in the documents and/for compliance with customs legislation. Herewith, the choice of grounds and limits of customs inspection is carried out exclusively within the limits set by the Customs Code of Ukraine. Artificial expansions of individual elements of mechanism of carrying out of rummage (revision) of goods, vehicles of commercial purpose on the basis of by-laws are a violation of the rule of law. A two-step approach to reform is proposed for rummage (revision) of goods, vehicles of commercial purpose on the basis of written authorization of law enforcement agencies. On the first step is proposed establishing of interaction between law enforcement and customs authorities with the help of information and telecommunication technologies, on the second – unification of customs legislation by amending the Customs Code of Ukraine in terms of excluding the possibility of customs inspection (re-inspection) of goods, commercial vehicles on the basis of a law enforcement order with the simultaneous implementation of these actions within the criminal procedure legislation.

Key words: customs law, customs authority, interaction, customs formalities, experimental project.
JEL Classification: K 23, K 38, Z 18.

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1. Introduction

Customs security is still one of the main tasks of any state. Herewith, choosing the appropriate vector of national policy in the direction of protection and defense of customs and national interests, states should keep in mind the guarantees of foreign economic activity, which are an important component of national security, an element of the State budget. Therefore, customs policy should be designed in such a way as to minimize any negative impact and risks of pressure on business.

At the same time, Ukrainian state has some gaps in relation of carrying out of rummage (revision) of goods and vehicles of commercial purpose on the initiative of law enforcement agencies, to which attention is paid by scientists and practitioners. A number of changes have been made to the customs legislation even

experimental project has been implemented, this one is aimed at bringing national legislation and practice of its application to recognized international standards. Despite this, issues of carrying out of rummage (revision) of goods and vehicles of commercial purpose on the initiative of law enforcement agencies, which is not yet resolved, that certifies the relevance of the choice and novelty of its scientific solution.

The purpose of the research is to establishment of theoretical and applied principles of carrying out of rummage (revision) of goods and vehicles of commercial purpose on the initiative of law enforcement agencies by performing research tasks, as following determination of the boundaries of legalization of the procedure for customs inspection (re-inspection) of goods and commercial vehicles on the basis of instructions from law enforcement agencies; separation of the institutionally established system of law enforcement agencies, which are authorized to submit instructions to customs authorities; installation of mechanism of interaction of law enforcement and customs authorities, which is aimed at carrying out of rummage (revision); assessment of the level of efficiency from implementation of experimental project on the organization of submission by law enforcement agencies of instructions for customs inspection (re-inspection) with the help of information and telecommunication technologies.

2. Literature review

Problems of determining the essential characteristics of accomplishing of rummage (revision) of goods and vehicles of commercial purpose on the initiative of law enforcement agencies needs some attention to be paid at such aspects as scientific interpretation of the main categories of customs law that determine these issues (for example, "rummage", "customs formalities", "customs revision" and others), outlining the grounds and limits of customs inspection, defining the system of law enforcement agencies in accordance with the national concept of legal regulation. Accordingly, to determine the main categories of customs law in this study, the conclusions of following scientists, namely: I.H. Berezhniuk, Y.V. Harmash, Y.V. Donin, N.M. Dukova, S.V. Kivalova, T.O. Kolomoiets, B.A. Kormych, A.V. Mazur, D.V. Pryimachenko, V.V. Prokopenko, V.V. Chentsova and others.

The correct approach is that the customs inspection of territories and premises should be focused on the application after the actual movement of goods and vehicles across the customs border of Ukraine, which determines the specifics of the grounds (special document in the form of a decision of the authorized entity) and purposes of its application (Prokopenko, 2017: 98; Pryimachenko, Prokopenko, 2016: 70). Customs inspection is characterized by a number of features that distinguish it from other types of inspection, in particular: special subject of conducting, which are officials of the customs authority, whose official duties are vested in the authority to conduct customs inspection of goods and commercial vehicles; the object of inspection are goods and vehicles of commercial purpose which are under customs control; exclusive competence of customs authorities to conduct customs inspection; is carried out in the presence of the bases defined by the customs legislation.

The definition of "rummage" is expedient as of the forms of customs control, the implementation of which is attributed to the exclusive competence of customs officials, which is to carry out a set of actions for visual and factual inspection of goods and commercial vehicles under customs control, aimed at verifying the factual data as stated in the documents and/or compliance with customs legislation.

Regarding interpretation of law enforcement agencies, then in the modern sense it's only executive bodies, which in accordance with the legislation, the status and powers of the state law enforcement body are granted to protect important for society and the individual interests, rights and freedoms of man and citizen, ensuring which is a priority of their activities (Rudenko, Shaituro, 2019: 171). At the same time, system of law enforcement agencies can be interpreted as integral, hierarchical, structured set of interconnected and associated law enforcement agencies, by functional criteria aimed at the professional implementation of law enforcement activities to ensure the rule of law and order, protection of rights, freedoms and legitimate interests of individuals, rights and legitimate interests of legal entities, the interests of society and the state from unlawful encroachments (Farion-Melnyk, Yaremko, 2020: 69).

At the same time, large amount of problematic questions of rummage and revision of goods, vehicles of commercial purpose in the initiative of law enforcement remains unresolved in terms of determining the principles of interaction between customs and law enforcement agencies in this area.

3. Concept of national regulation of carrying out of rummage on the initiative of law enforcement agencies

General questions regarding the rummage inspection of goods and vehicles of commercial purpose are regulated by Customs Code of Ukraine. Herewith, Customs Code of Ukraine does not contain the definition of "rummage of goods and vehicles of commercial purpose".

Based on the provisions of the article 336 of Customs Code of Ukraine it can be concluded that in understanding of customs legislation rummage is one of forms of customs control. At the same time, in the specified article the legislator specifying in brackets the corresponding list specifies, that rummage can be divided in three different groups depending on the object of review as following 1) rummage and revision of goods, vehicles of commercial purpose; 2) rummage and revision of hand luggage and luggage; 3) personal inspection of citizens (Customs Code of Ukraine, 2012).

Simultaneously with the term "customs inspection" in the Customs Code of Ukraine is often used such a definition as "inspection", which in many cases is identified by the legislator with the term "customs inspection". In particular, in the article 338 of Customs Code of Ukraine, this is named "Inspection and re-examination of goods, vehicles", which states about existence of several types of inspection of goods, commercial vehicles, which can be used as a result of the application of the risk management system: 1) identification – without opening the packing places and without inspecting the vehicle; 2) partial – with opening of up to 20 percent of packing places and selective inspection of the vehicle; 3) full – with the opening of up to 100 percent of the packing places and in-depth inspection of the vehicle; Article 207 of the Customs Code of Ukraine, which states the right of the customs authority to inspect and re-inspect the vessel during its stay under customs control; etc.

Herewith, in other cases, the term "inspection" serves as an independent legal category, which in content should not be equated with the definition of "customs inspection". For example, in paragraph 5 of part 7 of Article 15 of the Customs Code of Ukraine (on the right of customs officials during the conformity assessment to clarify issues related to such assessment to inspect objects (buildings, structures, open or closed areas) etc.) used by the enterprise and relevant for conformity assessment, reflecting the results of such inspection in the relevant act); paragraph 2 of part 1 of Article 203 of the Customs Code of Ukraine (on the possibility of the owner of goods in temporary storage under customs control, or a person authorized by him with the permission of the customs authority to conduct inspection and measurement with these goods) and others.

It should be noted about the existence in national legislation of other terms, at first sight similar or consonant with the terms "customs inspection" and "inspection". In particular, "care" means a security control procedure using technical or other means used to detect weapons, explosives, objects or devices that may be used to commit an act of unlawful interference (On the State Program of Aviation Security of Civil Aviation, 2017); "physical inspection of goods" as a type of inspection that the declarant has the right to conduct before filing a customs declaration subject to obtaining permission from the customs authority to verify the conformity of the description (information) specified in the accompanying documents, sampling and sampling of goods (Customs Code of Ukraine, 2012).

The general basis for the possibility of initiating a review by law enforcement agencies is indirectly provided by Ukraine in Part 5 of article 338 of the Customs Code of Ukraine. Accordingly, the duty of the customs authority to inspect and re-examine goods, commercial vehicles arises, inter alia, in the case of obtaining relevant official information from law enforcement agencies. However, the Customs Code of Ukraine does not clearly indicate the instructions of the law enforcement agency as a basis for customs inspection (re-inspection).

Instead, details of the grounds for inspection (re-inspection) of goods, commercial vehicles are contained in the Resolution of the Cabinet of Ministers of Ukraine (On approval of an exhaustive list of grounds on the presence of which an inspection (re-inspection) of goods, commercial vehicles may be carried out by the bodies of revenues and fees of Ukraine, 2012). It should be noted that this normative legal act, defining such a ground as "receiving relevant official information from law enforcement agencies" details through the wording: "receipt in cases prescribed by law from law enforcement agencies written instructions in the form of criminal proceedings". However, the normative specification of the procedure for initiating a customs inspection at the initiative of a law enforcement agency has not been developed so far. At the same time, this norm contradicts the provisions of the Customs Code of Ukraine in terms of the exclusive competence of customs authorities to determine the boundaries of customs inspection.

Thus, it can be stated that there is no single normative enshrinement of both the concept of customs inspection and the grounds for its application at the initiative of law enforcement, which is a violation of the principle of legal certainty as the basis of any public administration entity.

The next aspect, which should be resolved, is legal consolidation of law enforcement agencies authorized to initiate customs inspection (re-inspection). It is erroneous for these purposes to pay attention to the provisions of Art. 1 of the Law of Ukraine "On State Protection of Court and Law Enforcement Employees", which bodies endowed with law enforcement or law enforcement functions include: prosecutors, National Police, security service, Military Law Enforcement Service in the Armed Forces of Ukraine, National Anti-Corruption Bureau of Ukraine, security agencies state border, bodies of revenues and fees, bodies and institutions of execution of punishments, pre-trial detention centers, bodies of state financial control, fish protection, state forest protection, etc. (On State Protection of Court and Law Enforcement Officials, 1993).

By the way, normative provisions of profile character, which enshrine the right of law enforcement to initiate inspection (re-inspection) of goods, commercial vehicles, contained in the Resolution of the Cabinet of Ministers of Ukraine "On approval of an exhaustive list of grounds on which inspection (re-inspection) of goods, commercial vehicles by the bodies of revenues and fees of Ukraine". Thus, the entities that may issue instructions include: the investigator, the prosecutor and the investigating judge (On approval of an exhaustive list of grounds on the presence of which an inspection (re-inspection) of goods, commercial vehicles may be carried out by the bodies of revenues and fees of Ukraine, 2012). At the same time, the investigator is an official of the National Police, security body, body supervising compliance with tax legislation, the State Bureau of Investigation, the Main Detective Unit, the Detective Unit, the Detectives Unit, and the Internal Control Unit of the National Anti-Corruption Bureau of Ukraine, competence provided by the criminal procedure legislation to carry out pre-trial investigation of criminal offenses (Criminal Procedure Code of Ukraine, 2012).

Therefore, the system of law enforcement agencies that can initiate inspection (re-inspection) of goods, commercial vehicles are: National Police, security authorities, the body that monitors compliance with tax legislation, the State Bureau of Investigation, the State Bureau of Investigation, the internal control unit of the National Anti-Corruption Bureau of Ukraine, Prosecutor's Office. It is advisable to pay attention to the legalization of the method of submitting a power of attorney from law enforcement to the customs authority to conduct a customs inspection (re-inspection). Thus, the form of the power of attorney is fixed at the regulatory level by determination under the name "power of attorney for inspection (re-inspection) of goods, commercial vehicles". These groups of information must be such that they can be identified and processed and be sufficient for the customs authorities to decide on the inspection (re-inspection) of goods, commercial vehicles (On approval of an exhaustive list of grounds on the presence of which an inspection (re-inspection) of goods, commercial vehicles may be carried out by the bodies of revenues and fees of Ukraine, 2012).

A priority in the digital age is the transfer of correspondence between public authorities in electronic form. It is no exception to submit a power of attorney for customs inspection (re-inspection). It is noteworthy that in Ukraine this practice was tested by the Resolution of the Cabinet of Ministers of Ukraine № 861 of 02.10.2019 (On the implementation of an experimental project on the organization of centralized sending by law enforcement agencies in electronic form of orders for customs inspection (re-inspection) of goods, commercial vehicles, 2019). In general, an experimental project on the organization of centralized sending by law enforcement agencies in electronic form of orders for customs inspection (re-inspection) of goods, commercial vehicles. Instead, no further legal regulation was carried out in this direction.

4. Empirical results

To solve the problem of lack of jurisdictional procedure for initiating law enforcement agencies to conduct inspections (re-inspections) of goods and commercial vehicles and the availability of an open list of grounds for its application, it is initially necessary to amend Art. 338 of the Customs Code of Ukraine (the proposal is shown in table 1) and the Resolution of the Cabinet of Ministers of Ukraine dated 23.05.2012 № 467 meeting of Ukraine, "On approval of an exhaustive list of grounds on which the inspection (re-inspection) of goods, commercial vehicles by the bodies of revenues and fees of Ukraine", providing for the possibility of inspection of goods and vehicles commercial appointment by law enforcement agencies within the framework of criminal proceedings and in the manner prescribed by criminal procedure legislation (that is, on the basis of a court decision in order to provide temporary access, search and possible seizure of goods).

Table 1

Comparison of the current version and the proposed version of paragraph 5 of Art. 338. Customs Code of Ukraine

Current edition	Proposed edition
Customs Code of Ukraine	
§ 5 of Art. 338. Inspection and re-inspection of goods, vehicles 5. Except for the cases specified in parts two to four of this Article, inspection (re-inspection) of goods, commercial vehicles may be carried out if there are sufficient grounds to believe that the movement of these goods, vehicles across the customs border of Ukraine is carried out outside customs control or with concealment, from customs control, including in the case of obtaining relevant official information from law enforcement agencies. An exhaustive list of relevant grounds is determined by the Cabinet of Ministers of Ukraine. For the purpose of inspection (re-inspection) of goods, customs officials shall independently take measures provided for by this Code throughout the customs territory of Ukraine, including stopping vehicles for inspection (re-inspection), within the controlled border area and frontier. Such review (re-review) is carried out at the expense of the body, on the initiative or on the basis of the information of which the decision to conduct it was made. If the inspection (re-inspection) reveals the fact of illegal movement of goods, commercial vehicles across the customs border of Ukraine, the costs associated with the inspection (re-inspection) are reimbursed by the owner of these goods, vehicles or his authorized person.	*§ 5 of Art. 338. Inspection and re-inspection of goods, vehicles* 5. Except for the cases specified in parts two to four of this Article, inspection (re-inspection) of goods, commercial vehicles may be carried out if there are sufficient grounds to believe that the movement of these goods, vehicles across the customs border of Ukraine is carried out outside customs control or with concealment, from customs control, including in the case of obtaining relevant official information from law enforcement agencies. Such review (review) is carried out in accordance with the criminal procedure legislation. An exhaustive list of other grounds is determined by the Cabinet of Ministers of Ukraine. For the purpose of inspection (re-inspection) of goods, customs officials shall independently take the measures provided for in this Code throughout the customs territory of Ukraine, including stopping vehicles for inspection (re-inspection), within the controlled border area and border strip. Such review (re-review) is carried out at the expense of the body, on the initiative or on the basis of the information of which the decision to conduct it was made. If the inspection (re-inspection) reveals the fact of illegal movement of goods, commercial vehicles across the customs border of Ukraine, the costs associated with the inspection (re-inspection) are reimbursed by the owner of these goods, vehicles or his authorized person.

Making these changes is the ultimate way to reform the customs inspection (re-inspection) at the initiative of law enforcement. The first step should be to intensify the use of information and telecommunications technologies in the interaction of law enforcement and customs authorities.

Assessing the level of efficiency from the implementation of the pilot project to organize the submission of orders by law enforcement agencies for customs inspection (re-inspection) using information and telecommunications technology, we note that during the pilot project law enforcement agencies – its participants sent to customs authorities more than 200 orders (the instructions were sent by the SBU, the Office of the Prosecutor General of Ukraine, the National Police of Ukraine, the State Border Guard Service of Ukraine, the SFS (tax police)).

In order to ensure proper processing of orders of law enforcement bodies of the SCSU, the Order of processing of orders and inspection (re-inspection) of goods, commercial vehicles was developed and approved by the order of 11.02.2020 № 50. At the same time according to the information received by the SCSU among law enforcement agencies, only the National Police of Ukraine issued an order dated 25.02.2020. There is no information on determining the procedure for centralized sending in electronic form of orders for inspection (re-inspection) of goods, commercial vehicles by other law enforcement agencies by issuing the relevant administrative documents in the SCSU (On the results of the experimental project, 2020).

Thus, there is a low level of regulatory specification of the provisions on electronic submission of orders for customs inspection (re-inspection). At the same time, due to the possibility of sending orders in paper form, the practice of electronic means did not spread. The reason for this may be that the electronic

method marks the need to comply with the principle of legality and consistency. While paper, allows you to correlate the procedure for submitting orders for customs inspection (re-inspection). A possible way to address these gaps is to introduce a single electronic form of sending orders from law enforcement to customs.

5. Conclusions

As a result of the research: the author's definition of the concept of "customs inspection" is offered; the system of law enforcement bodies which can initiate inspection (re-inspection) of the goods, vehicles of commercial appointment according to the current legislation is defined; the state of introduction of information and telecommunication technologies in the sphere of interaction of customs and law enforcement bodies is established. A two-stage approach to reforming the customs inspection (re-inspection) of goods and commercial vehicles on the basis of a written order from law enforcement agencies is proposed. At the first stage it is proposed to tax the interaction between law enforcement and customs authorities with the help of information and telecommunication technologies, and at the second – to unify customs legislation by amending the Customs Code of Ukraine to exclude the possibility of customs inspection (re-inspection) of goods and commercial vehicles, instructions of the law enforcement body with the simultaneous implementation of these actions within the criminal procedural legislation.

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ЩОДО ПИТАННЯ ПРОВЕДЕННЯ МИТНОГО ОГЛЯДУ НА ПІДСТАВІ ДОРУЧЕННЯ ПРАВООХОРОННОГО ОРГАНУ

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Метою дослідження *є встановлення сутнісних характеристик здійснення митного огляду (переогляду) товарів та транспортних засобів комерційного призначення за ініціативою правоохоронних органів.*

Методологічну основу *наукового дослідження, логіку уявлення дослідженого матеріалу становили загальні та спеціальні методи наукового пізнання (метод системного аналізу, діалектичний метод, формально-логічний та структурно-функціональний методи), а також низка емпіричних методів.*

Результати. *У статті розкрито теоретико-прикладні аспекти проведення митного огляду (переогляду) товарів, транспортних засобів комерційного призначення на підставі письмового доручення правоохоронних органів. Проаналізовано порядок взаємодії митних та правоохоронних органів у питанні здійснення митних формальностей. Встановлено суперечність між нормами чинного митного законодавства стосовно посягання на виключну компетенцію митних органів щодо здійснення митного контролю та обрання обсягу митних формальностей із боку правоохоронних органів. Звернено увагу на стан реалізації експериментального проєкту з організації централізованого надсилання правоохоронними органами в електронному вигляді доручень на проведення митного огляду (переогляду) товарів, транспортних засобів комерційного призначення. Запропоновано напрями подальшого використання інформаційно-телекомунікаційних технологій у взаємодії митних та правоохоронних органів.*

Висновки. *Визначено поняття «митний огляд» як одну з форм митного контролю, здійснення якої віднесене до виключної компетенції посадових осіб митного органу, що полягає у здійсненні сукупності дій щодо візуального й фактичного огляду товарів і транспортних засобів комерційного призначення, які перебувають під митним контролем, спрямованих на перевірку фактичних даних на відповідність тим, що заявлені в документах, та стосовно дотримання митного законодавства. При цьому вибір підстав і меж митного огляду здійснюється виключно в межах, які визначені Митним кодексом України. Штучне розширення окремих елементів механізму проведення митного огляду (переогляду) товарів, транспортних засобів комерційного призначення на підставі підзаконних нормативно-правових актів є порушенням принципу верховенства права. Запропоновано двоетапний підхід реформування процедури проведення митного огляду (переогляду) товарів, транспортних засобів комерційного призначення на підставі письмового доручення правоохоронних органів. На першому етапі пропонується налагодження взаємодії правоохоронних і митних органів за допомогою інформаційно-телекомунікаційних технологій, а на другому – уніфікація митного законодавства шляхом внесення змін до Митного кодексу України в частині виключення можливості проведення митного огляду (переогляду) товарів, транспортних засобів комерційного призначення на підставі доручення правоохоронного органу з одночасним здійсненням цих дій у межах кримінального процесуального законодавства.*

Ключові слова: митне право, митний орган, взаємодія, митні формальності, експериментальний проєкт.

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COMPARATIVE ANALYSIS OF ORGANIZATIONAL AND MANAGERIAL MODELS OF FUNCTIONING OF CUSTOMS ADMINISTRATIONS (ON THE EXAMPLE OF THE CUSTOMS ADMINISTRATION OF SINGAPORE)

The purpose of the article is theoretical and methodological substantiation of the mechanisms of state management of customs affairs on the basis of a comparative analysis and the development of directions for their improvement on the example of the customs administration of Singapore.
Research methods. To achieve the purpose of the research, a complex of general scientific and special methods was used. In particular, the following methods were applied:
dialectical – to understand the interconnection between the basic concepts that form the basis of state management of customs;
systemic – to characterize the system of state administration of customs and determine the ownership of the parameters of the customs system;
comparative analysis – to study foreign experience in public administration of customs;
structural and functional – to compare the foreign experience of public administration of customs and determine indicators for diagnostics of the structural and functional dynamics of public administration of customs;
modeling method – for the development of a diagnostic model.
Results. The scientific novelty lies in the theoretical and methodological substantiation of the mechanisms of state management of customs affairs on the basis of a comparative analysis of world experience and determination of the directions for their improvement.
In particular, in the article: the theoretical and methodological substantiation of the mechanisms of state management of customs affairs is comprehensively considered and carried out, which will contribute to the implementation of the European principles of strategic development of customs in the modern model of public administration in Ukraine; on the basis of a comparative analysis of the experience of state management of customs affairs, mechanisms and tools for regulating customs relations at the global, regional and national levels are identified and classified.
Conclusions. It is important to take into account the experience of the formation and functioning of the Singapore customs service at the stage of searching for an effective model of customs management in Ukraine in the direction of improving the organizational structure, introducing new approaches to the implementation of customs formalities, and strengthening the personnel potential of customs authorities.

Key words: simplification of customs procedures, customs administrations, customs formalities, TradeNet, importers, exporters, anti-corruption, smuggling.

JEL Classification: K23, K33, K34, O23, O53, P48.

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1. Introduction

In modern conditions of globalization of the economy, national tax and customs systems are becoming active participants in international relations, becoming one of the important factors in the redistribution of production processes in the context of the global economic system. The deepening of integration processes and the intensification of the activities of international organizations have led to a tendency to equalize the economic conditions in different countries and international regions in many ways. That is why research on the mechanisms of state management of customs affairs as a factor influencing the competitiveness of the national economy is growing, in particular due to the insignificant institutional determinism at the supranational level and the preservation of the sovereign rights of the state to regulate this area. It is also necessary to take into account the role of customs sphere as a factor in the

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development of the national economy. Customs administration in individual countries is now becoming one of the most important elements in ensuring the competitiveness of the national economy. The defining integrated parameter characterizing the efficiency of public administration of customs is the ability of the relevant authorities not only to ensure the financial viability of the state, to guarantee the high quality of public services and social obligations it provides, to promote qualitative and quantitative economic growth, but also to create competitive advantages for the country in struggle to attract additional resources to their own economic environment.

2. Literature review

A great contribution to the development of theoretical and methodological problems of the implementation of customs in Ukraine was made by: Ivan Berezhnyuk, Oleksandr Hrebelnyk, Yevhen Dodin, Liliya Dorofyeyeva, Serhiy Dorotych, Yuriy Domin, Serhiy Kivalov, Borys Kormych, Volodymyr Komzyuk, Yuriy Kunyev, Nataliya Lypovska, Anatoliy Mazur, Vasyl Nastyuk, Volodymyr Naumenko, Pavlo Pashko, Dmytro Pryymachenko, Lyudmyla Pysmachenko, Ihor Pysmennyy, Kostyantyn Sandrovskyy, Oleksandr Yehorov and other Ukrainian scientists.

Fundamental research into the problems associated with mechanisms for regulating customs activities at the international, regional and national levels belongs to such scientists and statesmen as: Jean Acri, Olga Bakaeva, Demyan Bakhrakh, Sergey Baramzin, Nikolai Blinov, Paul Brenton, Patricio Castro, Tom Doyle, Paul Durand, Michael Engelschalk, Anthony Estevadeordal, James Ferguson, Theo Ficher, John Fonseca, Boris Gabrichidze, Lothar Gellert, Pravin Gordhan, Andrew Grainger, Stephen Holloway, Jan-Erland Jansson, Michael Keen, Erich Kick, Alexander Kozyrin, Vadim Kukharenko, Michael Lahne, Michael Lux, Takashi Matsumoto, Gerard Mclinden, Kunio Mikuriya, Alexander Nozdrachev, Jose B. Sokol, David Widdowson, Luc de Wolf, Hans Michael Wolfgang and others.

3. The main text

Singapore is an important donor country for foreign direct investment. In 2019, Singapore investments abroad totaled 33.0 billion USD.

Singapore is a party to 15 regional trade agreements, including concluded bilateral free trade agreements with the European Free Trade Association (EFTA), USA, Australia, Jordan, India, Japan, Republic of Korea, New Zealand, Panama. (Merezhko et al., 2018).

A feature of Singapore is its location at the crossroads of world trade routes, which is of significant interest to Ukraine. Through Singapore, the access of Ukrainian goods to the market of the countries of South-East Asia with the number of consumers in 3 billion people is realized (Indonesia, Thailand, Malaysia, Philippines, Vietnam, etc.). Trade restrictive measures (anti-dumping and special measures and investigations) are not currently used in bilateral trade between Ukraine and the Republic of Singapore.

After Ukraine gained membership in the WTO, the most favored nation regime is in effect in bilateral trade between Ukraine and the Republic of Singapore. For the Ukrainian side, this means that Singapore has canceled all customs tariffs for Ukrainian goods, except for six items (beer, alcohol, etc.). Having

opened its market for Ukraine, the Singapore side insists on concluding a bilateral free trade agreement (https://ua.interfax.com.ua/news/economic, 2017).

On August 16, 2019, the Minister of Finance of Ukraine signed the Protocol on Amendments to the Agreement between the Government of Ukraine and the Government of the Republic of Singapore on the avoidance of double taxation in relation to goods exported or imported from states. The Ministry of Finance of Ukraine says that the provisions of the Protocol fully comply with the requirements of the Model Convention of the Organization for Economic Cooperation and Development (Merezhko et al., 2018).

The document provides for a new expanded version of the article "*Exchange of information*" – without reservations regarding the requirements of national tax interest or bank secrecy, which will lead to improved cooperation between the customs and tax authorities of Ukraine and the Republic of Singapore (Merezhko et al., 2018).

The Agreement guarantees the entrepreneurs of both countries profits received from entrepreneurial activities in the territory of another country, as well as from sources in this country in the form of dividends, interest, royalties. These types of contributions will not be subject to double taxation.

During the visits of state delegations of both countries, agreements were made to hold Ukrainian-Singaporean business forums, and the introduction of IT in the field of public services in Ukraine (Olujko, 2018). Memorandums of cooperation were signed between the Council of Exporters and Investors under the Ministry of Foreign Affairs and the Singapore-Chinese Chamber of Commerce and Industry, as well as between the Minor Academy of Sciences of Ukraine and the Science Center of Singapore (Olujko, 2018).

The implementation of the agreements largely depends on the coordination of the activities of the customs administrations of both countries.

In connection with the above, an urgent issue is to study the experience of organising the activities of the Singapore customs service.

Singapore Customs Service (hereinafter – S.C.S.) is a separate department under the Ministry of Finance of Singapore. S. C. S. was founded in 1910 under the name of the Central State Customs Department. The main task of the created body was to collect import duties on alcoholic beverages. Over the past 90 years, there have been significant changes in the functions of the customs service, caused by globalization and changes in laws, tariffs and trade. S.C.C. reorganized in 2003 by merging such government bodies as the Department of Duties and Excise (hereinafter – DDE), the Department of Trade and Facilitation (hereinafter – DTF), the Department of Statistics and Audit. At the same time, the functions of border control at checkpoints were transferred to the Department of Immigration and Border Control (hereinafter – DIBC) under the Ministry of Internal Affairs of Singapore (https://news.ati.su/article, 2017).

Singapore Customs Serivice plays an important role in collecting customs duties and simplifying customs procedures. S.C.S. is responsible for the implementation of customs and trade agreements, including free trade agreements concluded with other countries. The customs authorities are tasked with collecting customs revenues, preventing the evasion of customs duties and taxes and complying with the law, and simplifying trade procedures. In addition, the customs authorities themselves are responsible for issuing licenses, certificates of origin and classification decisions.

Main Functions of S.C.S. are:

1. Simplification of customs procedures. S.C.S. provides advisory services and partnerships with businesses across a wide range of industries to identify customer needs through tailored solutions for the business community.

2. Trade regulation. The Singapore Customs Service ensures competitiveness and a level playing field for all businesses, and implements a system of measures aimed at minimising the evasion of customs duties and taxes by importing contraband goods and forging customs declarations.

3. Ensuring the security of trade. S.C.S is a leading trade security agency that is implementing a voluntary certification program for companies seeking to implement robust security measures in their trade operations. This helps to improve the security of the global supply chain.

The Singapore Customs Service is headed by a Director General. The structure of the central office of the administration includes the following subdivisions:

- trade department,

- Human Resource Management Department,
- planning Department,
- corporate services department,
- information technology department,
- department of statistics and audit,
- Intelligence and Investigation Department.

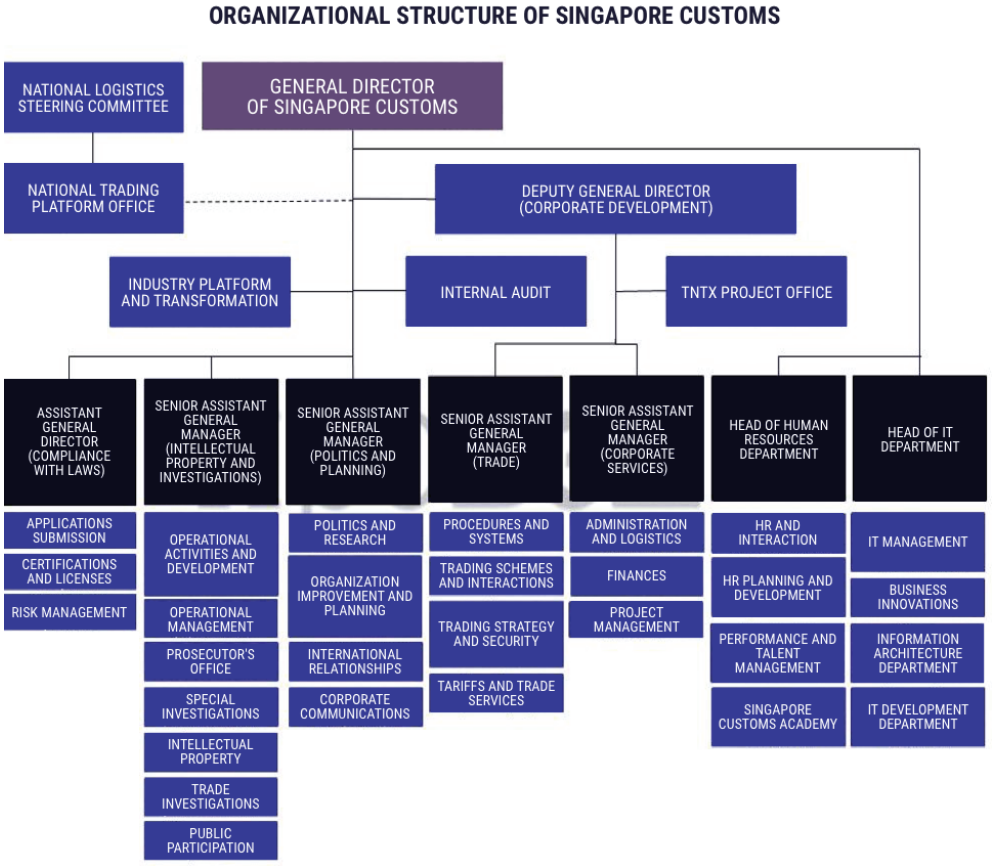

Figure 1. Organizational Structure of Singapore Customs (Koh, 2017)

In addition to the units that are directly related to trade, tariffs and customs investigations, among the key bodies of the department there is a control unit that deals with risk management and control of customs schemes and transactions at enterprises; internal audit units, which are involved in the control of all customs work.

The taxation service of the customs district, as a territorial subdivision, is responsible for the organization, planning and development of activities related to the forms of customs declaration and collection of customs payments, and also deals with the development of tax control and its coordination, management of the implementation by local subdivisions of the collection of excise duty and tax from transport owners. funds. At the local level, in the districts, regional (local) divisions of the customs service function, they directly carry out customs control, registration and collection of customs payments.

The administrative and management structure has been redesigned based on the functions and principles that are dictated by the WTO Framework of Standards (Koh, 2017).

Internal reports in the organization are transmitted directly to the CEO, which greatly simplifies the management decision-making process. In general, the organizational structure was, first of all, adapted to work with business, and it minimized time costs and bureaucratic barriers. (Merezhko et al., 2018). Based on the recommendations of the WTO framework standards, the customs service is now positioning itself, first of all, not as a public authority, but rather as a business structure providing public services.

The transition to such an organizational structure was the result of the introduction of information technology and changes in the principles of work. The tax administration was reorganized according to functions, not according to the types of taxes collected, the audit unit was strengthened and the work with clients was restructured. In addition, work was separately carried out to streamline the internal procedures for the interaction of the employees themselves.

According to the results of 2016 which was provided by the World Bank, Singapore customs became the fastest and most efficient in the world. These results are presented in the annual study "The Logistics Performance Index and Its Indicators 2016". In total, 160 countries participated in the study, and even the traditional leaders of the rating – Germany and the Netherlands – were ahead of the indicators characterizing the work of the customs authorities of Singapore (Koh, 2017).

According to the research, the country received one of the highest ratings in terms of the convenience of the location of seaports and airports, the speed of customs clearance (less than 1 day for export and 1 day for import) and the share of physical inspections of goods (only 1%) (Merezhko et al., 2018).

However, the country needs a high level of customs service. The city-state is considered one of the largest ports and economic centers, and firmly holds the first place in the world in terms of the number of ship calls. In addition, free economic zones and technology parks operate in Singapore, which produce products for the foreign and domestic markets, and the city-state's foreign trade turnover is 624.40 million USD, which is one third more than the Russian trade volume. Therefore, lowering customs barriers and simplifying formalities is one of the main factors in attracting investors to the country.

According to the existing system of simplification of customs procedures, TradeNet allows to prepare, submit, receive and process trade declarations and issue the result of consideration. The system covers import declarations (duty / goods and services tax (GST) / non-duty / warehousing / free trade zone), exports (goods and services tax (GST) / non-duty) and transit movement of goods. All customs formalities are carried out using the TradeNet Single Window system (Oluyko, 2016).

The TradeNet system works over the Internet, users can connect to it from anywhere using a web application. The system works around the clock, seven days a week, so the submission and processing of applications is ongoing. With 8,000 users using TradeNet, Internet access saves time and resources. Productivity is improved as a result of a decrease in the total processing time for a trade declaration.

TradeNet allows for quick regulatory and policy changes. For example, you can impose restrictions on the import of certain types of goods from certain countries in connection with any epidemic. At the same time, there is no need to waste time and resources on distributing this information among employees, which is inevitable when submitting documents manually. TradeNet allows timely and accurate application of norms, as well as collection of statistical data for analyzing patterns and identifying possible trends in the import-export of goods.

The main services for importers, exporters and forwarders include the following:

- user and company registration;
- Receiving and forwarding applications for trade permits and certificates of origin from the user (via the Trade Net client software) to the Customs and other regulatory authorities in Singapore for their processing;
- syntactic check of the message structure;
- verification of received applications for compliance with table codes (for example, commodity codes, Harmonized System codes, etc.);
- automatic processing of documentation for the issuance of permits based on the rules and criteria of the customs service and other regulatory authorities of Singapore and others.

TradeNet, the world's first nationwide trade filing system, is recognized as a major contributor to an enabling environment for doing business in Singapore. The innovative use of information technology has increased efficiency and reduced costs for the Singapore trading community (Koh, 2017).

Singapore Customs pays great attention to the quality of their work and creating a positive image. Therefore, on the official website of the organization, like large firms, not only the mission and principles of work are indicated, but also the time frame during which the customs undertake to respond to emails and inquiries. For some operations, the process takes only a few minutes. The agency notes that it strives to provide excellent service, and their main pride is satisfied customers.

Table 1

Singapore Customs Customer Service Standards (Koh, 2017)

Operations	***Terms***
FOR BUSINESS	
Reply to emails and inquiries	3 days
Submission and editing of the declaration through the system TradeNet	99% within 10 minutes
Obtaining a license to store goods in a warehouse with zero tax on goods and services	7 working days
Refund of tax on GST on imported goods	5 working days (with accompanying documents, 12 working days without accompanying documents)
Obtaining a certificate of origin (via the online application)	For goods produced in Singapore – 2 hours, upon receipt of preferential certificates for re-export of goods – 2 working days
Issuance of import certificates and references	2 hours
Requests for customs regulations	30 days from the date of receipt of the full package of documents
FOR TOURISTS	
approval of a tax refund request	95% within 10 minutes
the process of assessing the collection of duties on goods of tourists / crew members	95% within 8 minutes
obtaining a permit for the export of goods in hand luggage (hand–carried exports scheme	95% within 15 minutes

This system is considered as public-private, so a fee is charged for its use, however, the amounts are quite modest – 20 Singapore dollars (about 420 UAH). Monthly for the presence of an account and 2.88 Singapore dollars (about 60 UAH). For each operation.

It should be added that money for transactions and accrued taxes are deducted from clients' accounts automatically – the system is also two-way interconnected with other state bases.

Future plans for the Singapore developers include further integration of the TradeNet system with the commercial information systems TradeXchange – a platform that simplifies the exchange of information in the supply chain between logistics and trading companies (Busol, 2017).

Table 2

Benefits of using the TradeNet system (https://www.tradexchange.gov.sg, 2017)

Name	**Before using TradeNet (when using the manual feed documentation)**	**while working with the TradeNet system**
submission of documents	through exporters	without leaving office
submission of documents	only during working hours	24/7
number of visits to regulatory authorities, for each document	at least 2 visits were required	not required
number of copies of documents	a plenty of (approx. 35 forms)	only 1 copy (can be printed only by user)
term of consideration of the application	from 4 hours to 10 days	within 10 minutes
import / export of goods subject to duty	submission of individual documents for customs clearance	the same document is sent to customs for processing
import / export of goods, which is subject to restrictions	issuance of individual documents to various regulatory authorities	the same document is sent to regulatory authorities for processing
levied fee	10–20 Singapore dollars	2,88 Singapore dollars
duty collection method	using checks (bills)	automatic debiting of funds from a bank account

Singapore has its own rules for companies that want to do foreign trade. In order for the company to obtain this right, an account must be created at the Singapore Customs, which is made for 1–2 days and is valid for the entire period of the company's existence. Further, in order to import or export a company's goods, it is necessary to obtain through the TradeNet system a permit of the appropriate type – "IN" or "OUT", and permits from specialized regulatory authorities may also be required if, for example, cigarettes, medicines or foodstuffs are transported (Busol, 2017).

Despite the fact that there is a free trade zone in Singapore, and most goods are not taxed, some goods will still have to pay tax – these are alcoholic beverages, tobacco products, cars and oil products. In addition, all goods imported into the country for domestic consumption are subject to the GST goods and services tax, which is collected by the Singapore customs. For all goods, its size is the same – 7% of the cost of goods.

Since there are many industries in the country, the products of which are then exported within the framework of re-export, there are a number of simplifications for business associated with the return of GST or the delay in payment. So, for example, there is a program for large trading companies whereby they can postpone the payment of GST until the final point of entry (Koh, 2017).

There are also special FTZs in seaports and airports, where taxes are temporarily not levied on imported goods. In turn, GTS and duties must be paid only after the goods leave this territory and enter the customs zone. This scheme is widely used for transshipment of goods and re-export of goods (Koh, 2017).

Licensed warehouses with zero GST operate in a similar way – payment of duties and taxes on goods moved to its territory is postponed until export.

The main achievement of the Singapore Customs is the single window system, which has received many awards from international organizations.

Singapore became one of the first countries to introduce electronic technology in customs clearance.

In addition to the American one, Singapore and Swedish, working on the principle of "single window", are considered to be the most advanced models of customs activity in the world today. So, for example, in Singapore, all interactions of participants in foreign economic activity pass through the authorized state body, and in the future information is sent to the customs authorities, veterinary and sanitary services, tax and banking systems of the state. Electronic declaration works 100% in Singapore (Koh, 2017).

The reason for the establishment of a Single Window in Singapore should be determined starting from the prehistory – in the mid-1980s, the Singapore government decided to simplify and streamline trade authorization procedures in order to further strengthen Singapore's status as a trade center and improve the situation in foreign trade. To provide adequate support for the use of information technology to review and improve trade laws and procedures, ad hoc committees have been established with the participation of senior government officials and leading representatives of the business community. Thus, the chairman of the supervisory board, which oversaw the plans and their implementation, was the Minister of Trade and Industry, Brigadier General Lee Sien Loon (the current Prime Minister of Singapore).

Today, 100% of all declarations are submitted through the system and 9 million applications for trade permits are processed through it every year.

Work on creation of TradeNet began in 1986. The developers took as a basis the principle of reducing the number of interfaces with which the user must interact. A huge amount of work was done to standardize the forms of documents, change the work of existing departmental programs and restructure all processes of interaction between departments. A private company, Crimson Logic Pte Ltd., was established to build and maintain the system (Busol, 2020).

TradeNet is a multifunctional system. The submitted documents are automatically checked against the codes of the Harmonized System, syntactic check and analysis is carried out on the basis of normative acts. It is also possible to cancel the application and receive a refund of the already paid processing fee. More than 90% of applications are processed without the manual intervention of customs officers or employees of other authorities, and users can receive and print an import permit within 10 minutes (Busol, 2020).

Today, the system provides businesses with the ability to submit documents to all the necessary authorities (Singapore customs and regulatory authorities) electronically through a single electronic window. Within 10 minutes after filing an application for a permit, the applicant is given an electronic response indicating the decision (issue or refusal to issue a permit), as well as the conditions of issue or reasons for refusal (Khomutenko, 2017).

TradeNet, the world's first nationwide trade filing system, is recognized as a major contributor to an enabling environment for doing business in Singapore. The innovative use of information technology has increased efficiency and reduced costs for the Singapore trading community. The TradeNet System was launched on January 1, 1989 The Government believes that the implementation of the TradeNet System will bring significant benefits to the Singapore trading community, and therefore to the economy as a whole. Large cost savings, efficiency gains and shorter processing times are a consequence of the use of TradeNet, which has greatly improved the competitiveness of Singapore as an international trade center (Khomutenko, 2012).

Thus, among the main innovations to simplify customs procedures, one should highlight the introduction of a "single window" system for the implementation of various types of state control based on the use of electronic technologies. "Single window" is an electronic data exchange system that allows various government services to automatically exchange information about the cargo that passes through the customs border and the results of its passing the necessary types of control. The concept of a "single window" occupies a leading place in the practice of customs clearance in many countries of the world – Japan, Singapore, the USA, Senegal, the countries of the European Union, since it facilitates the simplification of customs formalities, trade procedures and allows parties – participants in trade and transport operations to submit standardized information and documents using a single channel to comply with all regulatory requirements for the import, export or transit of goods and vehicles Single Window models differ in the way they are financed: in Finland, Sweden and the United States, the system is fully supported by the state; in Guatemala it is the private sector, and in Hong Kong, Malaysia, Mauritius, Senegal and Singapore, single windows operate on the basis of public-private cooperation (Khomutenko, 2017).

In the national legislation of Ukraine, the regulatory framework for the functioning of a "single window" is defined in the Resolution of the Cabinet of Ministers of Ukraine dated May 25, 2016 № 364 "Some questions of realization of the principle of a "single window" when implementation of customs, sanitary and epidemiologic, veterinary and sanitary, phytosanitary, ecological, radiological and other types of the state control".

The interaction of enterprises, customs and regulatory authorities on the principle of a "single window" is carried out using an information and telecommunication system that receives information, processes it and automatically appropriate messages for all involved subjects. The "single window" system provides for the creation of a unified electronic database, which allows state bodies authorized to carry out the relevant types of control and structural divisions of customs to automatically exchange information about the cargo that moves across the customs border of Ukraine. All types of control (customs, sanitary and epidemiological, veterinary and sanitary, phytosanitary, environmental, radiological) are carried out using electronic data exchange. Thus, instead of seals and stamps of government agencies, electronic marks are put on paper documents in a common database (Raxman, 2016).

The creation of a "single window" helps to simplify customs procedures and reduce the time spent on them, minimizes the influence of the human factor in decision-making by officials of the revenue and collection authorities and regulatory authorities, which will significantly reduce corruption risks and opportunities for abuse of office.

The advantages of a Single Window are obvious:

- inspection of goods is carried out simultaneously by all regulatory authorities;
- costs for business are reduced, because the passage of control provides for a reduction in contact between business and regulatory agencies;
- the regulatory authorities have only 4 hours to decide on the appropriate type of control. If within four working hours from the moment of receipt of e-mail and scanned documents via the web interface, the authorized official of the supervisory authority did not enter any decision into the information system, in this case the principle of "tacit consent" is applied, that is, the system automatically considers that the corresponding types state control has been carried out. This decision is the basis for the completion of customs control and customs clearance of goods transported across the customs border of the state.

It should be noted that, as evidenced by world experience, most countries are not ready for changes in the field of simplification and harmonization of customs procedures at the universal and regional levels. This is confirmed by the publication of the report at the World Economic Forum in 2008 (The Global Enabling Trade report 2008), according to which Singapore is recognized as the country with the least

burden of customs procedures with an indicator of 6.4 (on a 7-point rating scale, where 1 is slow in time and cumbersome customs procedures, 7 is fast and effective passage) (Merezhko et al., 2018).

Also noteworthy is the ease of further improvement as trade volumes and international exchange of trade information increase.

Hardware scalability. Hardware investments can be scaled up or down, depending on the predicted and required performance.

Portability and reusability. One of the advantages of J2EE technology is portability (written once when you run a program on any system) and reusability.

A key factor in the success of the TradeNet system is the Government's ability to proactively identify the problem, find a solution and implement it aggressively. In addition, the interaction of all stakeholders, systematic planning and phased implementation, as well as the right choice of technologies played an important role.

The TradeNet system increases transparency through online filing and automation of procedures. Duties, taxes and fees are collected from the participants in the trading process quickly and accurately. The payment system is directly related to banks, allows direct debiting and crediting of funds to the bank accounts of participants in the trading process and government agencies.

The automated system for checking and calculating customs taxes and fees does not allow for loss of income.

In general, the TradeNet system has significantly improved and simplified the process of obtaining permits, having an extremely positive impact on the Singapore economy (Busol, 2020).

Singapore is implementing a national supply chain security program, the Trade Security Partnership, which aims to improve overall security in international trade.

It was launched back in May 2007 based on the standards of the World Customs Organization and is an implementation of the institution of authorized economic operators.

In practice, this is a voluntary certification program in which companies commit to implementing more stringent security measures in their trading operations (Busol, 2020).

In particular, the agency has created guidelines that participants in the supply chain must follow in their work. They are designed to enable companies to identify and focus on any security gap in the supply chain, and, by closing it, provide the customer with the best level of service and a guarantee of reliability. In turn, the customs authorities, having checked the work of the company, not only provide certificates of compliance with these principles, but also enjoy some advantages in foreign trade.

The rules of procedure for the release of goods under the 2011 WCO Regional Agreement relate to release at the port of arrival without temporary transportation to warehouses or other places, the provision of guarantors in the form of surety, pledge or other relevant documents to cover the final payment of customs duties, duties, taxes, and the like. For example, some agreements between the United States and its trading partners (including Chile, Peru, Colombia, Singapore, Australia, Oman, and Morocco) require goods to be released within the time required to ensure compliance with customs laws and regulations (but no longer than that, and, if possible, within 48 hours of arrival) (Prokopenko, 2018).

The Customs Service is part of 14 ministries that make up the civil service as a whole, there are committees, which are characterized as autonomous government agencies, created in accordance with acts of parliament to perform certain functions depending on the branch of the civil service. They are not subject to the legal privileges of government ministries, but they have great independence and flexibility. A specific system of activities of the customs service, based on 10 principles, is applied to any of the types of public service, including the customs one. It was first introduced as a principle by the British in 1951, when the country's leadership emphasized the dependence of career advancement on a person's abilities. So, the gifted and the best, after four or six years of work for the government, go to public service. The civil service is protected from political interference. Competitive salaries – the guarantee that talented employees do not go to work in the private sector of a Singaporean employee can be described as follows: honest, competent, efficient, well paid, but constantly under pressure. Computerization has helped cut employees. Another limiting point is the fact that job offers must be substantiated (http://ukrexport.gov.ua, 2020).

The effectiveness of the service is a consequence of strict discipline, perseverance and diligence of officials, low levels of corruption, recruiting the most capable candidates based on the principles of meritocracy, excellent training, regular campaigns aimed at improving the quality of services provided, high demands from the country's political leaders, tireless striving for excellence.

The success and excellence of the Singaporean civil service lies in how these principles and practical implications are integrated into one complex, which is then intensively and carefully applied and supported by appropriate resources, thoughtful planning, strict discipline and comprehensive instructions. Feedback and consistency are important elements of the Singapore system.

The state reveals promising students at an early age, observes and encourages them during their studies. They receive scholarships to enter universities, some go abroad. In turn, promising students pledge to work for the government for four to six years, and some of them are offered to join the Popular Action Party (hereinafter – PAP). During the 1991 general election, with 11 new PAP candidates, 9 were from the public service and 2 from the private sector. During the 1997 general elections, with 24 new candidates, 15 were from the public service and 9 from the private sector. Thus, the best and most gifted move into civil service, and government-linked companies (GLCs) in Singapore have access to this stock of human resources. Indeed, some senior officials are members of the board of such companies and may be recruited to work for them on a permanent basis.

There is a shared ideal of integrity in the public service in Singapore. Strict laws and regulations, as well as severe disciplinary action from the Civil Service Commission and the Bureau of Corruption Investigation, discourage engaging in corruption-related activities. The personal example of political leaders and high-ranking officials also sets the tone for others to follow (Koh, 2017; Merezhko et al., 2018).

At the time of obteining independence in 1965, Singapore was a state with a high level of corruption in the form of bribes, gifts, embezzlement of the budget, sexual blackmail, abuse of personal influence and official position. Politics was dominated by the purchase of votes, illegal receipts in electoral funds, lobbying interests in parliament by donating certain amounts to factions. In some areas, corruption was organized and on a large scale. Customs officials received bribes to "expedite" checks on vehicles carrying contraband and prohibited goods. The staff of the Central Supplies Office (the government department that dealt with procurement and supplies) for a certain "fee" provided interested parties with information about the applications received for the tender. Officials in the Import and Export Department received bribes to expedite the issuance of permits. In the implementation of anti-corruption legislation, the role of a special agency is quite large (Prokopenko, 2018). The main functions of the CSO:

1) receive and investigate complaints containing allegations of corruption in the public and private spheres;

2) investigate cases of negligence and negligence committed by civil servants;

3) check the activities and operations carried out by civil servants in order to minimize the possibility of corruption (Koh, 2017).

Accordingly, the government's approach to fighting corruption by reducing or eliminating the incentive to commit corrupt acts was the best justification for raising the salaries of political leaders and senior civil servants. The Singaporean government has developed its own logic of the fight against corruption, namely, to minimize the ability of officials to act at their own discretion, that is, to reduce the number of required signatures on documents. There should be a clear line between government responsibilities and personal interests. In the country, the decision-making procedure was simplified as much as possible and the possibility of a double interpretation of laws was eliminated, clear and transparent rules were established for everyone, unnecessary administrative barriers to economic development were eliminated, an effective and transparent market economic system with a minimum licensing system was created.

Also, the inevitability of punishment is the first factor deterring corruption. Activities should concern both parties: those who give bribes and those who take them. No one – not a minister, not a member of parliament, not a high-ranking official – can stand above the law. The centerpiece of Singapore's anti-corruption policy has become (and continues to function to this day) a permanent specialized anti-corruption body – the Corruption Investigation Bureau, which has political and functional autonomy and whose head reports directly to the Prime Minister (Busol, 2017).

The next and last link in the fight against corruption and bringing the country to the international level is the introduction of wages that correspond to the market level. As the President of Singapore said, "We decided to pay civil servants and members of the government the salaries that they could earn in the private sector. If the country were not ruled by the best specialists, our story would have ended with mediocre government, unsatisfactory monetary policy and corruption" (Prokopenko, 2018).

Today, Singapore, along with China, is considered one of the countries with the lowest level of corruption at customs. However, in order to achieve such results, it took the country's authorities more

than a dozen years. Like other Asian countries, bribery has historically been an integral part of the culture and life of society.

The customs authorities were also no exception – it was necessary to pay a bribe to pass the contraband and "speed up" the inspection of vehicles. However, over time, this approach began to threaten not only the security of the state, but also further economic growth. Therefore, as in China, the authorities decided to fight corruption with harsh methods – the introduction of criminal liability and a sharp increase in fines. At the same time, the minimum fine for a corruption offense is from 100,000 Singapore dollar (Koh, 2017).

Another element of the anti-corruption program was the presumption of guilt of a government agent or other agency. According to her, an employee is obliged to prove his innocence before a court on his own. Moreover, if the accused lived beyond their means or owned excessively expensive properties, then this will also confirm that the accused had corrupt income. If the official's guilt can be proved, then he faces a fine, confiscation of funds and imprisonment for a term of 10 years or more, and the bribe-taker's family will be considered outraged, and none of its members will be able to get a good job in Singapore (Koh, 2017).

Despite all this, the work of a Singaporean civil servant is considered not only prestigious, but also highly paid, while the level of salary is tied to the average salary of persons working in business in comparable positions.

In addition, great attention in the framework of the fight against corruption is paid to its public coverage. For example, in 2016, Prime Minister of Singapore Lee Hsien Loong presented an honorary award to customs officer Siou Tek Meng for rejecting a bribe from a tourist who came to Singapore. The negligent traveler himself received 3 weeks in prison.

In addition to the customs officer, 34 more civil servants and 13 civilians received high marks at the solemn event.

The public service of Singapore is considered one of the most effective in Asia, this efficiency is the result of strict discipline, perseverance and hard work of officials, low levels of corruption, hiring the best candidates based on the principles of meritocracy, excellent training, regular campaigns aimed at improving the quality of the provided services, high demands from the political leaders of the country, relentless pursuit of excellence. Officials are provided with the necessary equipment, computers, and air conditioners necessary in the hot and humid climate of Singapore (Khomutenko, 2020).

The effectiveness of government policy implementation is also related to the small size of the country; careful planning and foresight of the problems that may arise in the future, the government of the country enjoys a good reputation, which has been deserved for many years and makes its stay in power even more legitimate; providing adequate resources; public support, which is achieved through educational activities and publicity; the discipline of a people who takes tough but necessary measures, such as strict rules that must be followed in order to buy and use a car.

The effectiveness and efficiency of the public service is also explained by the desire to achieve concrete results. The civil service is neutral and not involved in politics. Civil servants are not allowed to go on strike because their work is considered a vital service. This tradition of neutrality has been inherited from the British and allows for the continuity of the civil service in the face of political change. Neutrality does not translate into a decline in the quality of services or a decrease in commitment to serving the public. Neutrality also does not lead to a loss of persistence in striving to achieve the goals set for the state. In its work for the good of society, the public service must act fairly and impartially, but neutrality does not concern the conduct of government policy: the implementation of government policy must be decisive, effective and responsible (Koh, 2017). The civil service must clearly understand the national interests of the country. The civil service has set a goal that every employee must complete at least 100 hours of training per year.

For example, in order to train employees to work with the TradeNet system, in addition to other basic computer skills, three key topics were identified, on which training was conducted before the implementation of the system:

- business process management and their restructuring;
- adoption of standards;
- subject knowledge in the field of trade documentation.

Data were examined on users and found out what training each of them needs. Then various categories of users received appropriate training (Busol, 2020).

The Civil Service College, with the help of the Institute for Policy Development and the Institute of Public Administration and Management, are constantly revising their curricula to help create the conditions necessary for the implementation of government and community initiatives. Established relations with foreign state institutions and services, allows you to use the experience of public services around the world, to receive information regarding education and training. In addition, the College of Civil Service conducts special courses to help educate civil servants in the skills necessary to operate in an increasingly demanding society. Moreover, the civil service unit plays a central role in shaping and revising personnel management policies and decides on the appointment to a particular position, as well as on the training and performance appraisal of government officials (Khomutenko, 2020).

4. Conclusions

It is important to take into account the experience of the formation and functioning of the Singapore customs service at the stage of searching for an effective model of customs management in Ukraine in the direction of improving the organizational structure, introducing new approaches to the implementation of customs formalities and strengthening the personnel potential of customs authorities.

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КОМПАРАТИВНИЙ АНАЛІЗ ОРГАНІЗАЦІЙНО-УПРАВЛІНСЬКИХ МОДЕЛЕЙ ФУНКЦІОНУВАННЯ МИТНИХ АДМІНІСТРАЦІЙ (НА ПРИКЛАДІ МИТНОЇ АДМІНІСТРАЦІЇ СІНГАПУРУ)

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Метою дослідження *є теоретико-методологічне обґрунтування механізмів державного управління митною справою на засадах компаративного аналізу та розроблення напрямів їх удосконалення на прикладі митної адміністрації Сінгапуру.*

Методи дослідження*. Для досягнення мети дослідження був використаний комплекс загальнонаукових і спеціальних методів. Зокрема, були застосовані такі методи:*

− діалектичний – для розуміння взаємозв'язку основних понять, що становлять основу державного управління митницею;

− системний – для надання характеристики системи державного управління митницею та визначення права власності на параметри митної системи;

− порівняльний аналіз – для вивчення зарубіжного досвіду державного управління митницями;

− структурно-функціональний – для порівняння зарубіжного досвіду державного управління митницями та визначення показників для діагностики структурно-функціональної динаміки державного управління митницями;

− метод моделювання – для розроблення діагностичної моделі.

Результати*. Новизна дослідження полягає в теоретико-методологічному обґрунтуванні механізмів державного управління митною справою на засадах порівняльного аналізу світового досвіду та у визначенні напрямів їх удосконалення.*

Зокрема, у статті комплексно розглянуто та здійснено теоретико-методологічне обґрунтування механізмів державного управління митною справою, що сприятиме впровадженню європейських принципів стратегічного розвитку митниці в сучасну модель державного управління в Україні. На основі порівняльного аналізу досвіду державного управління митною справою визначено та класифіковано механізми й інструменти регулювання митних відносин на глобальному, регіональному та національному рівнях.

Висновки*. Досвід становлення й функціонування митної адміністрації Сінгапуру необхідно враховувати на етапі пошуку ефективної моделі управління митною справою в Україні в напрямі вдосконалення організаційної структури, упровадження новітніх підходів до реалізації митних формальностей, укріплення кадрового потенціалу митних органів.*

Ключові слова: спрощення митних процедур, митні адміністрації, митні формальності, TradeNet, імпортери, експортери, антикорупція, контрабанда.

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THE ANALYSIS OF THE RELATIONSHIP BETWEEN THE LEVEL OF SOCIO-ECONOMIC DEVELOPMENT, MORTALITY AND LIFE EXPECTANCY

The purpose and objectives of the study. The main purpose of the study is to assess the relationship between the level of socio-economic development and mortality and life expectancy. To achieve this goal, it is necessary to identify the main factors affecting the age and sex structure of the population and to determine the mechanism of the impact of these factors on mortality and life expectancy.
Research method and methodology. Comparative analysis, logical-systematic approach, comparison and generalization, analysis and synthesis, economic and statistical methods were used in the research work.
Scientific novelty of the research is based on the relationship between the level of socio-economic development and mortality and life expectancy, as well as the factors determining the age-sex structure of the population, the mechanism of birth, death and migration.
Results. The study analyzes the relationship between the level of socio-economic development and birth and life expectancy based on statistical indicators of Azerbaijan, Turkey, Georgia, Russia and Iran using the FIML strategy. The study found that the age-sex structure of the population is formed as a result of long-term historical changes in the level of births, deaths and migration and the evolution of these processes. Research shows that each of the factors, such as birth and death, more or less affects the age-sex structure of the population.
Conclusions. Research shows that there is a correlation between socio-economic development and mortality and life expectancy. Thus, the full provision of the population with all services in the social sphere, including health, will ultimately reduce mortality and increase life expectancy. At the same time, GDP per capita contributes to the reduction of the maternal mortality rate and the increase in life expectancy by ensuring the material development of the population.

Key words: socio-economic development, human development, economic growth, health development, living standards, life expectancy.

JEL Classification: J11 – Demographic Trends, Macroeconomic Effects, and Forecasts.

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1. Introduction

Human development is one of the main factors characterizing the sustainable socio-economic development of any state. The concept of human development, introduced by UN experts in 1990, emphasizes that the main goal of sustainable development is the well-being of the population. Along with all this, in terms of ensuring socio-economic development, improving the welfare of the population is the main goal of the state. All this shows that socio-economic development and human development are interrelated.

Demographic aspects of human development are based on population health, life expectancy, as well as population aging, reproductive health, fertility and other issues. Ensuring sustainable human development requires, above all, the proper organization of education and medical services in the country.

In addition to the above, one of the main indicators of human development is the provision of decent living standards. As a logical consequence of socio-economic development, the welfare of the population is determined by the efficient use of labor resources, the level of employment, income, productivity, working conditions and other factors, as well as the effective distribution of government revenues.

In terms of demographic development, the sustainability of human development means the optimal growth of the population, as

well as the optimal rate of reproduction. This is an indication that the rapid growth of the population, as well as the steady decline, hinders sustainable development. The high rate of population growth observed in the world today is characterized by an effective increase in environmental impact and an increase in the general needs of the people, which ultimately has a significant impact on economic backwardness, social instability and poverty. At the same time, in many highly developed countries, a sharp decline in population and the rapid development of the aging process result in a reduction in labor resources. Thus, at the national and global levels, sustainable human development, combined with social, demographic and economic development, constitutes a complex system of interactions (Arland, Philipov, 2007).

Demographic factors in socio-economic development. The impact of demographic factors on socio-economic development has long been the subject of discussion by social scientists. Thus, the discussions on the degree of impact of demographic factors on socio-economic development were carried out in three main directions (Birdsall, Kelley, Sinding, 2017):

- population growth accelerates socio-economic development;
- population growth hinders socio-economic development;
- there is no correlation between population growth and socio-economic development.

There has been considerable discussion around these three hypotheses, and although some evidence has been presented for the validity of each hypothesis, it has been argued that demographic factors (population growth, age, etc.) have a profound effect on socio-economic development.

The rules of behavior of the population and their economic needs differ at different stages of life. Thus, any change in the age-sex structure of the population can significantly affect the overall economic activity of the state. It is clear that while young people and children are investing in education and health, the middle-aged population tends to save. The elderly need medical services and social security, as well as pensions. In this case, countries with a large population of young people and children spend most of their resources to meet the needs of the contingent. This will lead to low economic growth in those countries. At the same time, if the share of the elderly in the country is high, the age structure will have a slowdown in the socio-economic development of the country. The working-age population above and below represents a non-productive labor force, and the maintenance of this class requires higher resources. This, in turn, slows down the growth rate of socio-economic development (Keifits, 2015).

The opposite of the above (high proportion of the able-bodied population) not only leads to a rapid increase in socio-economic development, but also creates a "demographic dividend" (Bloom, 2019).

In economically rapidly developing countries, the process of "demographic transition" is over. This process is characterized by a decline in mortality and fertility rates from high to low. In the early stages of the demographic transition, the population in the 0–14 age group decreases during the decline in birth rates. During this period, the labor force (age group 15–64) is growing at a higher rate than the protected population groups (age groups 0–14 and 65+) and the demographic burden is declining, which provides resources for investment in economic development and social security. The income of the population is growing faster (Bongaarts, 2009).

The impact of the above-mentioned dividend on the country can cover a period of more than fifty years (Keifits, 2015). It is clear that the low birth rate leads to a reduction in the labor force. A decrease in mortality and a corresponding increase in life expectancy leads to an increase in the number of older generations and an aging population. Taking into account such changes in age structures, the growth rate of per capita income is also declining. This shows that the dividend received earlier has the opposite significance. At the same time, on the other hand, there is a basis for the state to receive a second demographic dividend. One of the main tasks for the able-bodied population, which includes the upper age groups, is to meet their needs after retirement. Thus, this contingent, which does not have full confidence that it will be provided by the family or the state as it approaches retirement age, has a strong incentive to accumulate financial assets. As a result, the amount of national income increases, regardless of where the assets are accumulated.

The study found that the age-sex structure of the population is formed as a result of long-term historical changes in the level of births, deaths and migration, the evolution of these processes, as well as demographic disasters. The main factors that shape the age-sex structure of the population are birth, death and population migration. Each of these factors has the potential to more or less affect the sex-age structure of the population.

2. Theoretical framework and major hypotheses

The suspicions based on both hypothetical and observational comes about recommend that the anticipated changes within the life anticipation at birth as an marker for past, display, and future flow of mortality levels basically were and will be beneath noteworthy influence of the changes within the financial improvement in these nations and particularly with progressing of the living standard and wellbeing conditions of their individuals. In this respect (Shkolnikov et al., 2011: 428) indicated that "The prolongation of life into ancient and oldest-old ages changes the conventional adjust between the diverse stages of the life cycle and has large-scale financial results that will be tended to completely different ways." The current consider is conducted to check whether financial improvement through its foundation factors (GDP per capita and newborn child mortality rate) have pertinent impact on life hope at birth (Andreev, Biryukov, Shaburov, 1994).

Salary impacts the condition of people's lives and could be a primary financial determinant of wellbeing (Bayati et al., 2013). Several studies considered wage as one of the most determinants of wellbeing (Bayati et al., 2013). The national living measures had a coordinate and positive affect on the statistic changes (direct effect of pay on mortality or to the life hope). The next living standard raises utilization goals and cultivates the development and the improvement. The national level of financial improvement works on the nation's statistic alter by means of the middle of the road factors as mortality and life hope at birth, i. e., expanding life span and progressing the life anticipation of all ages and decreasing the mortality dangers in all age bunches.

The rich/poor isolate is well known to demographers. It brings us back to commonplace designs that are watched in statistic marvels and where the hypothesis of the "second statistic transition" clarifies the forms (Bloom, 2019). Social orders where the basic handle is in an afterward stage create less financial development and advancement. But the timing of the decay in newborn child mortality is additionally connected to a broader issue, a pivotal one within the hypothetical writing on the connection between life anticipation and GDP: the primary statistic move (Felice, Andreu, Ippoliti, 2016). In financial matters, the bound together development hypothesis holds that the statistic move plays a significant part in starting the move from stagnation to development (Felice et al., 2016: 814): "The thought is that with the statistic move, higher life anticipation leads to lower ripeness and lower populace development, and hence to higher returns of human capital ventures to those living longer". In turn, lower ripeness and higher human capital both contribute to the rise of GDP per capita. Be that as it may, the roots for the theoretical system bring us once more back to the method of the primary statistic move. Regularly, amid the middle of the road stage of the statistic move when the ripeness rate begins to fall, there are less subordinate children who need to be upheld. In that period, the number of working age individuals develops moderately quicker than the number of children and the share of ancient subordinate individuals has not however expanded. As Artisan and Lee (2012) have clarified the concept of moment statistic profit and its associations with a moo ripeness as a statistic figure; in any case, they have underlined that consistent and proceeding enhancement in grown-up mortality are moreover critical, as is the rising extent of the populace at the more seasoned ages. In this way, amid this stage, more assets for venture in financial improvement and family welfare are accessible, and with all other things being rise to, per capita wage develops quicker. Among a number of potential variables, the center of the investigate is on the part of GDP per capita (Bongaarts, 2009). Within the long run, the slant in financial development, as measured by GDP per capita, is exceptionally likely to be related with the drift in mortality reduction, which is the most component captured by numerous of the stochastic mortality models (Ediev, 2011).

One of the prior benchmark thinks about of the income-health relationship is Preston (1975) who compared diverse countries' life hope and per capita pay for distinctive benchmark a long time (1900, 1930, and 1960) and proposed the "Preston curve" a non-linear and concave experimental relationship between the two (Stengos, Thompson, Wu, 2008: 4). The concave Preston bend has given the method of reasoning for much of the observational work that has taken after. In any case, concurring to Stengos et al. (2008), basic health-per capita salary connections may endure from endogeneity, particularly when it comes to nations on the level parcel of the Preston bend, where wellbeing has come to such a progressed arrange where extra advancements coming from salary development cannot be accomplished. In that case, it would be the turn around affect from wellbeing to salary that would be vital. Around the world information on life anticipation does show up to be emphatically related with financial advancement and business. Enhancements in financial conditions are an critical constrain behind mortality decay.

Sickles and Taubman (1997) appeared prove that life hope increments as a nation moves forward its standard of living. Looking into the hypothetical center and experimental work of Preston in 1976 on this point, Sickles and Taubman (1997) appeared that the information unequivocally recommend that life span is an financial great, prove that life hope increments as a nation makes strides its standard of living long has been recognized since the higher pay regularly related with advancement makes conceivable in portion the utilization of merchandise and administrations that make strides wellbeing. A number of cross-country ponders have found a positive impact of life hope, or a negative impact of mortality on pay per capita, but the wrangle about is still progressing. The relationship between wellbeing and GDP for 13 Organization for Financial Participation and Advancement (OECD) nations over the final two centuries uncovered that GDP per capita and add up to GDP have a critical affect on life hope for most nations (Niu, Melenberg, 2013), and thus, it was taken after by lower mortality rates. A causal clarification of the flow by age and cohort effects and financial conditions may be a promising line of mortality inquire about. As a great illustration, Ediev (2011) pointed out the life span within the eastern European nations. The sudden change of financial conditions within the previous Eastern Piece nations that joined the European Union moderated down wellbeing weakening in those nations and expanded presentation terms to lower mortality levels. Concurring to Ediev (2011), this was expeditiously reflected by the meeting of these nations to the western European patterns.

3. Data and methods

Data for the variable GDP per capita were gained from UN National Accounts Main Aggregate database. The infant mortality rate data and life expectancy variable data were acquired from World Bank development indicators databases (World Bank, 2021).

Thus, in the research, as aggregate time series with annual data level were included: The GDP per capita in US$ and infant mortality rate (as regressors) and life expectancy at birth (dependent variable). In order to examine the data at comparable level, the research was focused on regression model for the pooled cross-sectional time series with FIML method. Cross-section-specific time series are those that have values that differ between cross-sections. A set of these series are required to hold the data for a given variable, with each series corresponding to data for a specific cross-section (IHS Global Inc., 2019). Since cross-section-specific time series interact with cross-sections, they were defined in conjunction with the identifiers in pool object and there was applied estimation method that account for the pooled structure for the data. Having in mind that the aim was to estimate a complex specification that cannot easily be estimated using the built-in features of the pool object and that it is not available in pooled estimation, in these circumstances, the pool was used to create a system using both common and cross-section specific coefficients. After the parameters of a system of equations were estimated, the likelihood function under the assumption that the contemporaneous errors have a joint normal distribution was estimated as well. Provided that the likelihood function is correctly specified, FIML is fully efficient (IHS Global Inc., 2019). The resulting system using FIML method was further customized and estimated using all of the techniques available for system estimation. The restricted diagonal estimation was chosen to be set up zero restrictions on the off-diagonals of the residual covariance matrix. Only the diagonal elements of the residual covariance matrix that corresponded to the variances were estimated (IHS Global Inc., 2020). The life expectancy at birth function has two factors with five equations. Our full system can be written as in Eq. (1) and Eq. (2):

$$YQ + XB = E \qquad Assume: E \mid X \sim N(0 \sum \otimes I_T - An\, M_x M\ matrix \tag{1}$$

This case can be characterized by defining the *M* x *M* matrix of contemporaneous correlations, Σ. Y is the matrix of endogenous variables, X is the matrix of exogenous variables, Σ is cross-equation covariance matrix of the error terms. In Eq. (1) above, $Q_j^{'} = \left(-1\alpha_j^{'}, 0\right) and\ B_j^{'} = \left(\beta_j^{'}, 0\right)$ (look for example, IHS Global Inc., 2019, p. 543). Furthermore, I_T is identity matrix of order T and $\otimes$ denotes the Kronecker product (Balestra & Varadharajan-Krishnakumar, 1987). The likelihood function can be written in the form as:

$$L(B, Q, \sum | X) = \left(2\pi\right)^{-T/2} | \sum |^{-T/2} \exp\left[tr\left\{ -\frac{1}{2} E' \sum E \right\} \right] \tag{2}$$

Taking account of the normalization rule and the zero restrictions, a typical structural equation, say the *j*th one, can be written as:

$$y_i = Y_j \alpha_j + X_j \beta_j + \mu_j = Z_j \delta_j + \mu_j \qquad (3) \tag{3}$$

Where, α and β are the parameters to be estimated and where $Z_j = \left[X_j Y_j \right], \delta_j^{'} = \left[\alpha_j \beta_j \right]$. The system was estimated by full information maximum likelihood (FIML) method. Over the years, a number

of approaches for FIML estimation have been proposed. In our case, the standard Broyden-Fletcher-Goldfarb-Shanno (BFGS) algorithm with the simple interpretation of Marquardt steps was used. The standard model that was used has been shown in Eq. (4):

$$f = (y_t, x_t, \beta) = \epsilon_t \quad (4)$$

Where y_t is a vector of endogenous variables and x_t is a vector of exogenous variables. The Full Information Maximum Likelihood (FIML) estimator finds the vector of parameters β by maximizing the likelihood under the assumption that ϵ_t is a vector of *i.i.d.* multivariate normal random variables with covariance matrix Σ (IHS Global Inc., 2020: 678).

Under the normality assumption, the log likelihood is given by:

$$LogL^* = -\frac{T}{2}\log|\Sigma| + \sum_{t=1}^{T} log\frac{\delta f_t}{\delta y_t} - \frac{1}{2}\sum_{t=1}^{T} f_t' \Sigma f_t \quad (5)$$

Where, $f_t = f(y_t, x_t, \beta)$. The log determinant of the derivatives of f_t captures the simultaneity in the system of equations. For the unrestricted and diagonal restricted covariance variants of the model, the first-order conditions for the variance parameters was used and then the likelihood was rewritten in concentrated form:

$$LogL = \sum_{t=1}^{T} log\frac{\delta f_t}{\delta y_t} - \frac{T}{2}\log(T^{-1}\sum_{t=1}^{T} f_t f_t') \quad (6)$$

The diagonal restricted estimator replaces the off diagonal terms in the latter matrix with zeros. The corresponding FIML estimator maximizes the concentrated likelihood with respect to the β (or equivalently, the full likelihood with respect to β and the free parameters of Σ (IHS Global Inc., 2020: 679). The estimator for β is asymptotically normally distributed with coefficient covariance which typically may be computed using the partitioned inverse of the outer-product of the gradient of the full likelihood or with the inverse of the negative of the concentrated likelihood.

4. Main findings and discussions of the results

Table 1 shows the estimated common coefficients and regression statistics for FIML.

Table 1

Results of FIML method for Life expectancy at birth

Estimation method: Full Information Maximum Likelihood				
Dependent variable: life expectancy at birth				
Sample: 2000–2020				
Included observation: 21				
Total system (balanced) observation: 126				
Independent variables	Coefficient	Std. error	t-statistics	Prob.
GDP per capita	0.0148	0.0154	2.748	0.0087
Infant mortality rate	-0.0324	0.0112	-3.0024	0.0029
Intercept_Azerbaijan	4.2625	0.0724	56.3418	0.0000
Intercept_Turkey	4.2247	0.0685	62.2472	0.0000
Intercept_Georgia	4.2831	0.0822	57.3542	0.0000
İntercept_Russia	4.2562	0.0245	69.4571	0.0000
İntercept_İran	4.2381	0.0591	61.3675	0.0000
Log likelihood	-122.1989			
Avg. log likelihood	-0.8794			
Akaike info criterion	9.1682			
Determinant residual covariance	3.8463			
Schwarz criterion	9.5103			
Hannan-Quinn criter.	9.2867			

The results in Table 1 depict the framework estimation detail utilizing FIML strategy and give coefficients and standard error estimates, *z*-statistics, *p* values, and summary statistics. From the results of the framework of condition estimation in Table 1, it can be seen that all of the coefficients are positive and statistically significant, except the coefficient of the newborn child mortality rate, which is additionally noteworthy but with negative sign. The residuals are picking up the effect of undetectable variables conjointly they are all positive and noteworthy at 5% level. It implies that higher values of the GDP per capita and lower values of infant mortality levels lead to higher life expectancy at birth suggesting that the longevity of people in these five countries is increasing. These results are upheld by our speculations and theories. The newborn child mortality rate coefficient contains a negative sign and is subsequently thought to contribute fittingly to clarify the slant in life hope. The comes about appear that the life anticipation at birth is generally affected by the populace wellbeing and financial improvement within the nation: in other words, when populace wellbeing and financial improvement in a nation are getting way better, newborn child mortality rate is diminishing; appropriately, the life hope at birth shows up to have expanded. GDP per capita increments the life anticipation at birth through expanding financial development and improvement in a nation and in this way leads to the prolongation of life span. The signs of both the GDP per capita and newborn child mortality variable are steady with the inquire about speculations and affirm the contentions for the impacts of the financial advancement to life span.

1. The first major demographic process (postpartum) that affects the formation of the age-sex structure of the population is death. The general scheme of the impact of mortality on the overall age structure of the country's population in different age groups can be characterized as follows: The reduction of infant and child mortality plays an exceptional role in the rejuvenation of the age structure of the population. At the same time, the decrease in deaths among the able-bodied population leads to a decrease in the share of children and the elderly in the total population. The decrease in mortality in the upper age groups, especially at the age of 65 and older, leads to an increase in the share of this contingent in the overall structure, which leads to an aging population with all the socio-economic consequences of this process (www.stat.gov.az).

2. The main positive trends in the decline in mortality have led to an increase in life expectancy at birth. Thus, if the life expectancy at birth in Azerbaijan in 1970 was 70.9 years, including 66.8 years for men and 74.3 years for women, in 1990 this figure was 71.1 years, including 67 years for men. age, and 74.8 years in women. During 1990–1995, life expectancy in Azerbaijan as a whole was 69.1 years, including 65.2 years for men and 72.9 years for women. In the following periods, the dynamic development of the country's economy, as well as the rapid improvement of the social situation of the population had a positive impact on life expectancy, and in 2011 the life expectancy at birth was 73.8 years, including 71.8 years for men and 76 years for women. 5 years, and in 2012, the life expectancy at birth was 73.9 years, including 71.3 years for men and 76.6 years for women. The statistics for 2018–2019 allow us to say that the life expectancy at birth in Azerbaijan in these years was 75.8 years, including 73.3 years for men and 78.2 years for women (www.az.undp.org). The main reason for the different life expectancy at birth is the socio-economic development of the country. Thus, as a result of successful reforms implemented by the state in the socio-economic sphere, the main indicators of life expectancy at birth are also expressed in high figures.

The second factor that significantly affects the formation of the age-sex structure of the population is related to the level of population migration. As is known, as a result of the Nagorno-Karabakh war, which began in the 1990s, there was a mass exodus of refugees and internally displaced persons. At the same time, the lack of any level of material well-being of the population is one of the main factors accelerating population migration. If we take into account that a large part of population migration is the able-bodied population, then we can say that the acceleration of population migration leads to a decrease in the number of able-bodied people in proportion to this rate. From this point of view, by successfully implementing measures in the socio-economic sphere, the state is trying to reduce migration.

5. Conclusions

This paper analyzes the affiliation between socio-economic development and life expectancy at birth with both pay per capita and newborn child mortality rate as foundation factors for the financial advancement. Thusly, information from five, already understudied, EU promotion candidate nations from 2000–2020 have been utilized. A encourage oddity in a statistic setting is the utilization of the FIML strategy. Both coefficients of the foundation factors appear that the affect of a alter in wage per capita and newborn child mortality rate on life anticipation at birth have critical impacts. It appears that the life hope at birth is generally influenced by

the populace wellbeing and financial improvement within the nation; in other words, when populace wellbeing and financial improvement in a nation are getting superior, newborn child mortality rate has diminished; in like manner, the life anticipation at birth shows up to have expanded. GDP per capita increments the life hope at birth through expanding financial development and advancement in a nation and in this way leads to the prolongation of life span. It can be concluded that the increment within the rate of GDP per capita as well as the decrease within the newborn child mortality rate has the same impact on the life anticipation in all five nations. Causality that runs one-way from life hope at birth to newborn child mortality rate was found.

The study found that there is a correlation between socio-economic development and mortality and life expectancy. Thus, the provision of the population with all services in the socio-economic sphere, especially health care, will ultimately lead to a decrease in the mortality rate and an increase in life expectancy.

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АНАЛІЗ ЗВ'ЯЗКУ МІЖ РІВНЕМ СОЦІАЛЬНО-ЕКОНОМІЧНОГО РОЗВИТКУ, СМЕРТНІСТЮ ТА ТРИВАЛІСТЮ ЖИТТЯ

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*Основна **мета дослідження** – оцінити зв'язок між рівнем соціально-економічного розвитку та показниками смертності й тривалості життя. Для досягнення цієї мети встановлено основні чинники, що впливають на статево-вікову структуру населення, та визначено механізм впливу цих чинників на смертність і тривалість життя.*
***Метод і методологія дослідження.** У роботі використані порівняльний аналіз, логіко-системний підхід, порівняння та узагальнення, аналіз і синтез, економіко-статистичні методи.*
***Наукова новизна дослідження** заснована на взаємозв'язку рівня соціально-економічного розвитку зі смертністю та тривалістю життя. Також встановлені фактори, що визначають статево-вікову структуру населення, механізми народжуваності й смертності, міграцію.*
***Результати.** У процесі дослідження аналізували взаємозв'язок рівня соціально-економічного розвитку та народжуваності й очікуваної тривалості життя на основі статистичних даних Азербайджану, Туреччини, Грузії, Росії та Ірану з використанням стратегії FIML. У результаті дослідження встановлено, що статево-вікова структура населення формується внаслідок тривалих історичних змін рівнів народжуваності, смертності та міграції, а також еволюції цих процесів. Результати свідчать про те, що кожен із факторів, наприклад народжуваність і смертність, тією чи іншою мірою впливає на статево-вікову структуру населення.*
***Висновки.** Результати дослідження вказують на зв'язок між соціально-економічним розвитком та смертністю і тривалістю життя. Таким чином, повноцінне забезпечення населення всіма послугами в соціальній сфері, зокрема й охорона здоров'я, у підсумку впливає на зниження смертності та збільшує тривалість життя. Водночас зростання ВВП на душу населення сприяє зниженню материнської смертності та збільшенню тривалості життя, що забезпечує матеріальне благополуччя населення.*

Ключові слова: соціально-економічний розвиток, людський розвиток, економічне зростання, розвиток здоров'я, рівень життя, тривалість життя.

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HISTORICAL ASPECT OF FORMATION OF INTERNATIONAL CUSTOMS RELATIONS OF UKRAINE WITH THE STATES OF THE WORLD

The article is devoted to the analysis of the historical stages of formation of international customs relations between Ukraine and other countries. The purpose of the article is a theoretical and legal analysis of the factors that, at different times, influenced on the development of Ukrainian customs cooperation with various countries worldwide.

Methods. The article uses a comparative legal method (which allows to systematize the main stages of customs cooperation); the method of analysis and synthesis (which helps to outline the basic principles and methods of international customs relations); and the method of generalization (which allows to draw conclusions from the analysis).

Results. The authors emphasizes that international customs cooperation directly determines the directions of international norms implementation into the customs legislation of Ukraine. The results of such implementation are very important for the formation of Ukrainian customs policy because they help to increase the protection level of country's customs interests and guarantee the rights of foreign economic entities. The article argues that the active development of customs cooperation begins with the Ukraine's independence. It is proved that the century-old history of customs international relations in Ukraine testifies to the constant evolution and improvement of not only the types of duties and categories of customs but approaches to the state customs policy. This also applies to the authorities' approaches to customs policy development, which have changed from imperative to more dispositive ones. It was established that the conditions for the formation of customs policy in Ukraine have always been difficult and affected the level of customs legislation integration into European standards of customs regulation.

Conclusions. It was found that the implementation of international norms into the customs legislation of Ukraine affects only the rules of procedural nature, i. e. the procedure for certain customs activities (customs control, customs clearance), and therefore does not affect the structure of customs authorities and their competence. Such conclusions were obtained due to a thorough analysis of certain historical stages of customs and customs cooperation development. We will talk about the following five stages of historical development, which are distinguished by specialists in the field of customs law: the period of Kyivan Rus, the period of the Cossack Hetmanate, the period of the Ukrainian People's Republic, the period of the USSR, the period of independent Ukraine.

Key words: foreign economic activity, customs legislation, customs affairs, international customs relations, customs relations, customs policy, formation and development.

JEL Classification: K23, K29, K33.

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1. Introduction

The development of customs today is one of the priorities of the Ukrainian authorities, which seek to harmonize customs legislation and adapt it to the European model of customs regulation. A significant obstacle to this task is the lack of an effective state mechanism for the implementation of international norms into customs legislation. As a result, Ukraine is slow to adjust its customs legislation to European standards. By the way, such adaptation is an international obligation of our country, which is fixed in the norms of the EU-Ukraine Association Agreement. In addition, the need to implement international norms is due to the transition period in which Ukraine has been since 2014. This period necessitates a comprehensive reform of government institutions, including customs. It is also quite important to recognize systemic errors in the development of customs policy, which is the starting point for the

development of foreign economic activity. The introduction of perfect implementation mechanisms is not possible without a comprehensive understanding of the history of international customs relations, which provides an insight of the main factors that have influenced the process of customs cooperation. Today, this problem, after radical changes in public policy in 2014, has hardly been studied, which is a significant problem for the theory of customs law.

2. Analysis of recent research and publications

The history of customs affairs and customs cooperation was studied by such scientists as A.A. Dubinina, L.V. Yerofeyenko, O.V. Morozov, Yu.V. Makogon, B.M. Novosad, S.M. Popova, P.V. Pashko, J.L. Rysich, S.V. Selezen, S.V. Sorokina, V.V Sergiyenko, V.B. Chornyi, R.B. Shyshka, A.B. Yatsenko and others. However, in the conditions of transition period and European integration, this topic does not lose its relevance, but, on the contrary, becomes a priority area of the scientific research. This is due to the need to introduce an effective mechanism for implementing international norms in the customs legislation of Ukraine.

3. Presenting main material

The excursion into the historical domain is essential in this research because it allows us to trace the evolution and influence of international norms on the development of customs affairs in our country, to find out what factors contributed to and negatively influenced the formation and development of international customs cooperation. The first information about the concept of "customs affairs" dates back to ancient times namely to III–II millennia BC. Historical documents attest to the existence of customs relations in countries such as Greece, Egypt, Byzantium, Babylon. The emergence of customs relations is directly related to the development of society's economy and the growth of trade between countries. Even then, internal and external trade spaces were created, thanks to which it was possible to simplify the procedure of trade between the countries as well as the introduction of customs tariffs. In our opinion, the most perfect customs system existed in the Ancient Rome. It gave us not only a developed customs law, but also a huge legal heritage, which formed the basis of the modern legal system. The main function of customs relations at that time was the fiscal function, the performance of which depended on the filling of the state treasury. On behalf of the state, it ensured the obligation to pay duties (Chornyi, 2000: 37).

Customs affairs in Ukraine have a long history too. Prerequisites for the emergence of customs relations in Ukraine are divided into two main groups. The first one includes economic factors in the appearance of customs relations, which subsisted in the growth of production, division of labor and the introduction of private property. The second one represent political factors, which determine the formation of the state, the emergence of law and state power. These preconditions stimulated the advent and development of customs relations in Ukraine. The history of customs affairs in Ukraine is categorized into five periods, which differ significantly from each other and have peculiar features. Specialists who study the history of Ukraine distinguish the following periods: the period of Kyivan Rus; the period of the Cossack Hetmanate; the period of the Ukrainian People's Republic (hereinafter – UPR); the period of the USSR; period of independent Ukraine. These historical periods will be studied separately (Filatov, 2013: 18).

3.1. The period of Kyivan Rus

The foreign trade activity of Kyivan Rus had its directions. One of them was trade with Scandinavia, to which iron ore was exported. Much attention was paid to trade with Italy and Byzantium, which imported furs and handicrafts to Kyivan Rus. The leading trading countries of the time were India, China and Persia, from which Kyivan Rus received silk, gold products and cattle. The countries of Western Europe also played an important role in the trade doctrine of Kyivan Rus. It exported weapons to these countries, and imported grain, honey and cattle. Kyivan Rus had many trade agreements with Byzantium, which, at that time, was the center of world trade. These agreements favored the state compared to other countries. In addition, the country participated in international customs agreements: Ostrog Customs Charter in 1288 and Regensburg Corporation in 1192. As early as 911, Prince Igor signed the agreement with Byzantium, which created favorable conditions for Kyivan Rus merchants. The purpose of these agreements was to simplify customs relations between trading partners and to study the experience of international customs regulations. The customs system of Kyivan Rus had its own structure, headed by Velykyi Kniaz (the Grand Prince of Kiev), and consisted of tax collectors, who were empowered to collect duties on behalf of the country. The protection of the customs border and forced collection of duties was performed by the druzhina (prince's armed forces). The structure of the customs system also included the boyars, who were the main payers of customs duties. The status of a boyar had to be earned. History confirms the existence

of about two hundred types of duties in the times of Kyivan Rus, each of which had its own characteristics and applications. The main ones were travel, export and trade.

It must be noted that, in those days, customs significantly affected the economic situation in the country as a whole. The period of Kyivan Rus is the Golden Age in the history of Ukraine. This is a period of economic growth, development of international relations and the formation of the customs system that made it possible to effectively replenish the treasury by establishing simplified conditions for the movement of goods across the customs border (Chornyi, 2000: 48).

3.2. The period of the Hetmanate

The customs system of that period was based on world experience, and it did not have a single regulatory mechanism. All power was concentrated in the hands of the Hetman, and the duty went to the state treasury. The first step in the normative consolidation of customs regulation principles was the Constitution of Pylyp Orlyk (or Pacts and Constitutions of Rights and Freedoms of the Zaporizhian Host). This document raised the issue of the need for state regulation of customs relations. It must be recalled that Bohdan Khmelnytskyi established customs duties for goods imported into the territory of Ukraine in his Universal of 1654. The example from "Pacts and Constitutions of Rights and Freedoms of the Zaporizhzhian Host" given in B. Novosad's textbook "History of Customs and Customs Policy in Ukraine" testifies to the great attention of Cossack officers to customs. The analysis of this document allows us to state that the regulation of customs relations during the Hetmanate was carried out only on the principles of social justice (Rysich et al., 2000: 39).

At the beginning of the 18th century, Ukraine was gradually losing its statehood and becoming dependent on Russia. L.V. Yerofeienko characterizes the state of affairs at that time as follows: few customs offices operating in those years on the territory of Ukraine were completely powerless (Yerofeienko et al., 2006: 47). After the defeat of the Zaporozhian Sich, Russia began the process of establishing full control over Ukraine that meant the liquidation of the Ukrainian customs system as an independent element. It was subordinated to Russia, which had a much more perfect customs system than the Ukrainian one. The process of gradual liquidation of the customs autonomy of Ukraine began in 1739 and consisted of certain stages. Initially, restrictions were imposed on the export of certain types of goods from Ukraine. Then, a ban on the import of alcoholic beverages from Poland was introduced. In 1764, the customs border of Ukraine was liquidated, and, ten years later, a manifesto on the abolition of the Hetmanate was issued. In 1724, Catherine I issued a decree on the patronizing customs tariff, which imposed a duty on goods imported into Russia so that Russian merchants could export goods without any obstacles.

Upon the initiative of Russia, customs districts were established on the territory of Ukraine: Rodzyvylivskyi, Skulianskyi, Izmailskyi, Odeskyi, Feodosiivskyi, Tahanrozkyi ta Sevastopolskyi. According to the structure, each district had four or five customs offices. In 1857, customs were divided into classes. First-class customs allowed the importation of non-prohibited foreign goods, and the duty was paid once a year. All duty-free goods were transported through the second-class customs. The term of customs clearance of such goods was two months. The third-class customs had a one-month period of goods clearance. In addition, the customs statute provided customs pledges and checkpoints. Customs policy in those years was chaotic. In 1822, there was a ban on the export of 21 types and the import of 300 types of goods. The establishment of the Department of Customs Duties as a part of the Ministry of Finance was an important event in 1864.

3.3. The period of the Ukrainian People's Republic

The period of the Ukrainian People's Republic (UPR) made a significant contribution to the development of the national customs system. At that time, in the early 20th century, the south-western and southern customs districts were created. The Fourth Universal of January 22, 1918 proclaimed the formation of the UPR. One of the first steps of the authorities was the creation of the Department of Customs Duties and the Commission for the Organization of the Customs Service in Ukraine. Understanding the importance of customs, the state authorities made its development a priority of domestic policy. In 1918, an order was signed by the Minister of Finance of the UPR, which approved the procedure for collecting duties and the list of people responsible for establishing the country's customs service.

The customs office at that time was subordinated to the Ministry of Finance. The leading body was the Department of Customs Duties, which included customs agencies. According to their structure, the UPR customs was divided into two classes, which differed in the list of transported goods and the term of their customs clearance. Border guard corps, which had its own organizational structure, were also involved

in the customs activities. In a short time of its existence, the UPR created its own customs system with certain units. In addition, the procedure for collecting customs duties was legally established as well as its types were outlined. Under pressure from the Soviet authorities in 1919, the UPR resigned. Ukraine became a part of the Soviet Union.

3.4. The period of the USSR

As R.B. Shyshka points out, during the years of the Soviet Union, Ukrainian customs officers gained a lot of experience (Shyshka, Serhiienko, 2004: 68), because the USSR was a powerful state with many international trade partners as well as the extensive experience in customs regulation. In 1922, the Customs and Tariff Committee was established within the People's Commissariat for Foreign Trade. Subsequently, customs was subordinated to the national economy. It was at this time that the first customs districts were established on the territory of Ukraine in Odesa, Kyiv and Kharkiv. In 1924, the Customs Charter was adopted, establishing the structure and basic principles of the customs system of the USSR. The management of this system belonged to the People's Commissariat for Foreign Trade.

The system of customs consisted of the Main Customs Department, the Customs Tariff Committee and territorial customs departments. As early as December 9, 1928, the USSR Customs Code came into force. The articles of this document established the rights and obligations of the subjects of customs relations, regulated the customs procedure and control, determined the list and amount of customs duties as well as the liability for violations of customs legislation. This is the first document that covered almost the entire field of customs relations, and it was valid for about forty years. In 1964, a decree of the Presidium of the Supreme Soviet of the USSR approved a new Customs Code. It took into account the latest trends in customs regulation and the needs of society. In the last year of the Soviet Union's existence, in 1991, a new USSR Customs Code was adopted (Melnyk et al., 2018: 5).

3.5. The period of independent Ukraine

In 1991, Ukraine became an independent state. This moment is considered to be the beginning of the formation of the modern customs system of Ukraine. The introduction of a market economy has led to a sharp increase in foreign economic activity in Ukraine. The state faced the issue of developing and implementing its own customs legislation, building the national customs system of Ukraine. Due to the lack of an effective customs policy, criminals intensified their activities in the direction of the illegal movement of goods across the state border. Historically valuable artifacts and other prohibited goods were exported from the country. As the result, smuggling volumes reached large levels (almost 29%) and posed a significant threat to Ukraine's economy. It should be noted that during the years of independence, Ukraine, unfortunately, has not created a perfect legal framework to combat this type of crime. The state had to take the first step against crimes that encroach on the established procedure of moving goods across the state border. This step was the adoption of the Law of Ukraine "On Customs in Ukraine" and the Law of Ukraine "On the Implementation of the Customs Code of Ukraine" in 1991. They regularised the right of the state to independently form its own customs system and carry out customs affairs (Naidenko et al., 2018: 510).

The country's authorities pay a lot of attention to international cooperation in the field of customs. In 1992, Ukraine acceded to the Convention on establishing the Customs Cooperation Council (Council of Europe, 2005). Two years later, in 1994, an agreement "On Customs Cooperation" was signed between China and Ukraine (Cabinet of Ministers of Ukraine, 2010). Ukraine is constantly looking for partners in the field of customs regulation. For example, in 1999, the trade union of customs officers of Ukraine became a permanent member of a reputable trade union organization (PSI).

In 1996, in accordance with Art. 106 of the Constitution of Ukraine, the President of Ukraine issued the Decree "On the establishment of the State Customs Service of Ukraine on the basis of the State Customs Committee of Ukraine". The scientist A.A. Dubinina notes that this Decree created the conditions for the deep structural adjustment and reform of the customs system of Ukraine (Dubinina, Sorokina, 2004: 56). This document actually had a positive influence on the development of the national customs system of Ukraine. In 1997, tariff and cost departments were established in the structure of regional customs.

During the years of independence, the customs of Ukraine has reached a significant pace of development, proved by the increase in the quality indices of Ukrainian customs officers' work and the growth of the authority of customs bodies. It should be noted that these achievements became possible only due to the legislative work of the State Parliament and the implementation of modern management methods. The customs affairs in Ukraine is a component of the foreign policy of the state as a whole. According to

Yu.V. Makohon, foreign economic contacts are a powerful factor in the social and economic progress of the society (Makohon, Yatsenko, 2005: 67). However, it should be said that these contacts affect the authority of the whole country. Since 1991, Ukraine has signed customs agreements with almost all CIS countries and other countries worldwide. Thus, international customs cooperation is conditioned by Ukraine's foreign policy. P.V. Pashko argues that customs affairs are one of the most important manifestations of state sovereignty (Pashko, 2008: 23). That is why it is important to provide a reliable and perfect mechanism for the implementation of international norms into the customs legislation of Ukraine.

4. Conclusions

Since the period of Kyivan Rus, wars, internal power disputes, territorial divisions, etc. have hampered the development and formation of customs relations in Ukraine. However, despite the difficulties, the customs affairs in Ukraine have always adopted foreign experience and moved in the direction of global trends in customs regulation. The independence has brought Ukraine freedom and autonomy in building its own customs system and developing customs policy. The purpose of international customs cooperation is to study the world experience in the field of customs regulation; simplify the procedure of customs control and clearance; search for partners to combat crimes related to violation of the established procedure of movement of goods, objects and vehicles. The process of intensifying international customs cooperation began in Soviet times, when the rule of national law prevailed. At present, international relations in the customs sphere are based on the same principle.

Thus, the implementation of international norms into the customs legislation of Ukraine covers only those norms of international law that do not contradict the Constitution of Ukraine. However, special attention must be paid to the state's foreign policy, namely the integration of Ukraine into the European Union, the prospect of accession to which requires the solution of such a task as the place of the European Union's acts in the domestic legal system. Today, Ukraine has considerable experience in the implementation of customs legislation. Nevertheless, there are some shortcomings, which do not allow considering its formation as a completed process. This is primarily due to the lack of a fixed order of international law implementation in the customs legislation of Ukraine, namely the lack of normative consolidation of the concept and its mechanisms. The excursion into the historical domain has also revealed that the implementation of international norms into the customs legislation of Ukraine can be attributed only to the rules of procedural nature, i. e. conducting certain customs activities (customs control, customs clearance), and, therefore, it does not affect the structure of customs authorities and their competence, which the government determines independently.

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ІСТОРИЧНИЙ АСПЕКТ ФОРМУВАННЯ МІЖНАРОДНИХ МИТНИХ ЗВ'ЯЗКІВ УКРАЇНИ З КРАЇНАМИ СВІТУ

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Статтю присвячено аналізу історичних етапів формування міжнародних митних зв'язків України зі світовими державами. ***Метою статті*** *є теоретико-правовий аналіз чинників, які в різні часи впливали на розбудову митного співробітництва України з державами світу.*

Методи. *Для написання статті використано порівняльно правовий метод (дає можливість систематизувати основні етапи розвитку митного співробітництва), метод аналізу та синтезу (дає змогу окреслити основні принципи й методи формування міжнародних митних зв'язків), а також метод узагальнення (дає можливість сформувати висновки з проведеного аналізу).*

Результати. *Автори акцентують увагу на тому, що міжнародне митне співробітництво безпосередньо визначає напрями процесу імплементації міжнародних норм до митного законодавства України. Результати такої імплементації дуже важливі для формування митної політики України, адже сприяють підвищенню рівня захисту митних інтересів країни та дають можливість гарантувати права суб'єктів зовнішньоекономічної діяльності. У статті аргументовано, що активний розвиток митного співробітництва починається з моменту отримання Україною незалежності. Доведено, що багатовікова історія становлення митних міжнародних відносин України свідчить про постійну еволюцію та вдосконалення не лише видів мита та категорій митниць, а й підходів до митної політики держави. Це стосується підходів влади до розбудови митної політики, які змінювалися з імперативних на більш диспозитивні. Встановлено, що умови формування митної політики в Україні завжди були складними, що позначалося на рівні інтегрованості митного законодавства з європейськими стандартами митного регулювання.*

Висновки. *Вдалося з'ясувати, що імплементація міжнародних норм у митне законодавство України торкається лише норм процедурного характеру, тобто порядку проведення окремих митних процедур (митного контролю, митного оформлення), а отже, не впливає на структуру митних органів та питання їхньої компетенції. Такі висновки вдалося отримати завдяки ґрунтовному аналізу окремих історичних етапів розвитку митної справи та митного співробітництва. Ідеться про такі п'ять етапів історичного розвитку, які виокремлюють фахівці в галузі митного права: період Київської Русі, період Гетьманщини, період Української Народної Республіки, період СРСР, період незалежної України.*

Ключові слова: зовнішньоекономічна діяльність, митне законодавство, митна справа, міжнародні митні зв'язки, митні правовідносини, митна політика, становлення й розвиток.

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THE PHENOMENON OF COLLECTIVE SECURITY AS AN ELEMENT OF INTERNATIONAL SECURITY IN THE SYSTEM OF INTERNATIONAL RELATIONS

International security is a special state of international relations that reflects the degree of national interests of all actors in world politics. The foreign policy relations of states are based on their observance of generally accepted principles and norms of international law. Adherence to such norms ensures the resolution of conflicting issues and differences between them without the use of force or threat of force.

It is noted that arms control is aimed at limiting the number of weapons and regulating their use through bilateral and multilateral treaties and agreements. At the same time, disarmament is aimed at eliminating entire categories of weapons systems. It is noted that the proliferation of weapons of mass destruction poses a serious threat to international security.

The purpose of this work is to explore the role of collective security and its characteristics as an element of international security in the system of international relations. This study is based on the work of scientists who have studied at different times issues related to the system of collective security, namely: V.G. Butkevych, S.V. Riznyk, O.S. Kuchyk, I.I. Lukashuk, O.S. Vlasiuk, and others.

The article highlights the modern interpretation of the content of international security, which is characterized by certain areas, as following arms control, environmental protection, reduction and non-proliferation of weapons of mass destruction, counter-terrorism, migration flows to prevent ethno-national and religious conflicts.

It is stated that collective security prefers universal or global forces with the participation of all states, to maintain international peace and security, and therefore these measures are aimed at ensuring a stable, comprehensive peace. Accordingly, states are jointly ready to defend international peace and security by conducting joint military action against acts of aggression. The system of collective security guarantees by neutralizing by joint efforts any acts of aggression or war against the victim state.

Key words: act of aggression, world peace and security, war, collective defense, national security.

JEL Classification: K33, Z18.

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1. Introduction

International security – is specific state of international relation, which represents degree of security of national interests for all subjects of world politics. Foreign relations of states are based on their observance of generally accepted principles and norms of international rights. Observance of such norms provides solutions to controversial issues and differences between them without using of power or threats of force.

2. Analysis of recent research and publications

Research of some issues associated with system of implementation of collective security at the different time was studied by researchers, namely: V.G. Butkevych, O.S. Vlasiuk, O.S. Kuchyk, I.I. Lykashuk, S.V. Riznyk and others. Analysis of this and other researcher's works became scientific base for this scientific work.

The purpose of the article – to explore the role of collective security and it self's characteristics as element of international security at system of international relations.

3. Presenting of main material

In the last decade, geopolitical problems of implementation of international peace and security bring international relations to a new level. At the last years states are trying to develop

mechanisms to ensure national security for creation of general approaches and effective tools that affect global security.

Interest in the problem of regulation of international (global) security is shown by all of subjects of international relation from The United Nations to non-governmental organizations and other establishments which are not integrated into international system. For example, Article 1 of the UN Charter defines main aim of organization as maintaining effective collective action to prevent and eliminate threats to peace and suppression of acts of aggression or any other violations of peace.

3.1. Modern interpretation of the content of international security

Modern interpretation of the content of international security is characterized by directions as following arms control, disarmament – is reducing the number of and nonproliferation of weapon of mass destruction, environmental protection, counter-terrorism, migration flows to prevent ethno-national and religious conflicts.

Arms control aimed at limiting the number of weapons and regulation of its usage through bilateral and multilateral agreements and arrangements. Such agreements complemented by international cooperation in the field of export control, due to the relevant aspect of counter-terrorism and human rights activities of the international community. As example, states of European region developed an integrated approach to build trust and security, which is reflected in The Vienna Document on Confidence- and Security-Building Measures 2011. It increases level of international security, predictability, transparency, military stability and reduces the risk of conflict in Europe; also, it promotes trust and predictability through transparency and verification measures, which cover the armed forces and main systems of arms and technique. Thus, arms control agreements often impose restrictions on testing, deploying or using certain types of weapons. Such agreements mutually oblige States parties to limited control of their weapons.

On the other side, states enter into agreements the purpose of which is reduction or elimination of armaments. Disarmament is aimed at liquidation of whole categories of weapon systems, which directly forbid possession or production of weapons. First trial of arms limitation happened at 1899 at The Hague Peace Conference, where it couldn't limit arms, but it regulated a number of territory and functional questions. Subsequently, The Land War Laws and Customs Regulations, which is an addition to the IV Convention on the Laws and Customs of War on Land 1907 approve bans on the use of poison; poisoned weapon; weapon, ammunition or substances that can inflict unnecessary suffering. After First World War at The Washington Conference 1921–1922 and before its early adjournment they reached an agreement on disarmament, limiting of arms and arms control aimed to stop the naval arms race. The world's leading states of that time, the United States, Britain, France, Italy and Japan, agreed to limit the number and tonnage of their large ships.

Modernity dictates its terms, so UN Security Council Resolution 1540, in 2004, obliges States parties to refrain from providing any support to non-state subjects seeking to acquire weapons of mass destruction. Also, it obliges states to develop national criminal law and expand international cooperation for preventing proliferation of weapons of mass destruction. States parties should implement effective export control and shipment of nuclear, chemical and biology weapons, means of its delivery and derived materials in this regard.

Most countries of the world suffer from the effects of climate change such as floods, fires, droughts, earthquakes and others. Climate change has various consequences, because of that measures to combat this phenomenon should be included to all aspects of public policy, including foreign and security policy, trade and development policy.

Terrorism in all its forms and manifestations poses a direct threat to global peace, stability and prosperity, also to the personal security of the person too. It is regular global threat, which doesn't know the borders, nationality or religion. So, international society should resolve this problem by joint efforts. Directions of world cooperation to fight terrorism focused on raising awareness of the threat, developing opportunities for training and response and also to expand cooperation with partner countries and other international participants. World community answers to these transnational threats with development and implementation of a comprehensive strategy aimed on prevention and fights it; border management and security; and building a modern, democratic and efficient police.

About migration flows we need to understand that migration – is multifaceted term, which includes all kinds of population relocation both – voluntary and forced. Character, structure and way of development of voluntary relocation is affected on by demographic, economic, socio-cultural and psychological

problems, by the way, forced migration is caused by civil war, political or ethnic persecution, famine or environmental catastrophe. Such relocation of people opens up opportunities and creates new challenges (positive or negative) for both of migrants and host country. Conflicts which are caused by migration between different groups of population can have negative influence not only for coexistence in a certain territory, but also endanger international peace and security, for example, at the new religious community. Unlimited migration can turn ethnic groups into a minority at their own territory, and this phenomenon often causes acts of violence inside of community. As example, rebel movement in the state of Tripura in northeastern India was started as reaction to unlimited migration of the Hindu Bengali population from East Bengal to Tripura (Shanthie Mariet D'Souza, 2012).

3.2. Collective defense and collective security

International security consists of collective defense and collective security. For the first time, the idea of collective security arose with the advent of the Deprivation of Nations, which took all of responsibility for providing international security at the Europe and outside it. Main conception of international security includes the principle of indivisibility of the world. So, it means that attack to any of states will be recognized as a violation of worldwide peace and aggression. But unfortunately, given doctrine could not keep Germany from two World Wars.

Security threat of one country is has a significant impact to a level of security in the region and poses a threat to international peace. For the purpose of protection of states from external aggression there is a need to start a modern system of collective defense arose with the help of international organizations. Today there are such regional forms of collective defense as NATO – includes 30 states of European region and USA (NATO, 2021), SEATO – includes USA and 2 European states: Great Britain and France and states of Southeast Asia: Thailand, Philippines, Pakistan and others (Office of the Historian, 2021).

The capabilities and features of collective defense are demonstrated by the North Atlantic Treaty of 1949 (NATO Treaty, Washington Treaty). North Atlantic Treaty is based on principle of collective defense, which stays unique and the main rule which unites States parties binding them to protect each other and creating a spirit of solidarity at the North Atlantic Union.

The peculiarities of collective defense are that an act of aggression against one member state is seen as an attack against all allies. For the first time, NATO applied the principle of collective defense enshrined in Art.5 of the Washington Treaty following the September 11, 2001 terrorist attacks against the United States. Subsequently, NATO has taken collective defense measures several times, for example, in response to the situation in Syria and during the Russian-Ukrainian crisis.

NATO has a unified force that is active in the service on an ongoing basis and contributes to the Alliance's collective defense efforts.

From our point of view one of the arguments to support the model of collective security it's any state at any period of time has limited opportunities regarding own resources and without help from outside of other countries can effectively protect national interests.

Collective security – is mechanism of crisis management that obliges all states to resist aggression collectively, which can be committed by any state against another one. At such situation war or acts of aggression can be treated as violation of international peace and security and collective security – is joint actions of all states, which are aimed at protection of peace. States, which support the idea of collective security, chose the way of creating global system of benefits joint national armed forces against any acts of aggression. Thus, UN General Assembly Resolution 3314 (XXXIX) of December 14, 1974 defines aggression; the need to create a global security system based on international organizations (UN, OSCE, NATO and others) is determined; enhancing the role of the UN Security Council, given that its permanent members must not only be staunch supporters of the ideas of international peace and collective security, but also exclude the possibility of their initiative in the manifestation of aggression.

Collective security also can be considered as a means of deterring aggression as it installs that collective power of all nations will be used to repel acts of aggression or war against any state. Thus, collective security is based on well-known principle "One for all and all for one" – aggression against any member of the international community – is aggression against international peace and security. Therefore, states must act together against every case of aggression or war.

At the Encyclopedia of Modern Ukraine (Riznyk, 2014) collective security is defined as system of enshrined in the UN Charter of international law, which regulates the procedure for collective decision-making at the state level on the use of force to maintain or restore international peace and security.

At the monograph “Ukraine in the system of international security” (Vlasiuk et al., 2009) collective security allocated as a system of joint actions of the states of the world or a certain region to prevent threats to the general peace, suppression of aggression or other disturbances of peace in the world or region.

Therefore, summarizing the above we come to the conclusion that collective security its means aimed at ensuring a stable, non-violent, comprehensive peace. System of collective security guarantees by joint efforts to neutralize any acts of aggression or war against the victim state.

3.3. Elements of collective security

Given that international security means maintaining peace and security through joint action, we can define two main elements of collective security: national and collective. Thus, national security as constituent element of collective security and characterized with modern security of any state which inextricably linked with security of other states and nations. Any encroachment on security of state actually threatens to national security of other states. Thus, responsibility for security of victim state also relies on other states. Collective – as a part of conception of international security refers to the method of protection in the situation of war or any aggression against security of every state. According to collective security is expected that the aggressor must resist joint effort of all countries. For this purpose, States parties of program/agreement of collective security can create a joint armed force to repel aggression or end the war.

3.4. Features of collective security

Considering phenomenon of collective security, we can highlight its basic features.

Collective security – is one of the effective means of managing the armed forces or anti-crisis management. It strives to preserve international peace with the help of crisis management at the situation of threats to world peace or security.

Collective security admits universal character of aggression. Unfortunately, in today’s world it is impossible to preserve the national security of an individual state, therefore, war and aggression cannot be completely excluded from international relations. States join forces to stop acts of aggression. Thus, at the situation of violation of international peace and security at the any part of world all states are obliged to join their powers and resources to take effective action against any aggression and to restore international peace.

Collective security prefers universal or global powers with the participation of all states, to maintain international peace and security. In accordance to these states are ready to defend international peace and security together by means of conducting collective military action against acts of aggression.

Collective security involves the creation of international organization (as example – NATO), under the auspices of which States shall, individually or jointly with other States, take the necessary action to put an end to acts of aggression, including the use of allied forces. Thus, at the 2014 NATO introduced the largest strengthening of collective defense since the end of the Cold War. The reason for this was: Russia’s annexation of the southern part of the territory of Ukraine, the Autonomous Republic of Crimea; growing security challenges on several southern continents, including acts of aggression by ISIS and other terrorist groups. For example, the NATO Response Force has been tripled, an extremely rapid response force, the so-called Spearhead Force of 5,000 troops has been set up, and multinational battle groups have been deployed in Estonia, Latvia, Lithuania and Poland (NATO, 2020).

4. Conclusions

In our opinion, the pursuit of peace with all peoples and governments and international security is the common goal of all peoples, and it is expedient to ensure it by the collective efforts of all states.

It should be noted that system of collective security is one of effective methods to contain the war. Within this system, each state understands that any aggression against it must be met by the collective use of force by all other states. Thus, collective security can be an effective means of deterring a state that has aggressive intentions.

At the same time collective security can work successfully when system of international relations provided with the following conditions - concluding an agreement on defining aggression; popularizing peaceful ways of resolving conflicts; adherence to a clearly developed mechanism of action aimed at ensuring collective security; strengthening peaceful means of resolving crises and international peacekeeping; creation of permanent international peacekeeping forces; stable and effective ways of socio-economic development of all states.

Thus, collective security is a modern tool of crisis management. The joint activity of states to ensure world peace and security, using the system of collective security to achieve this goal, can save humanity from war and acts of aggression.

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ФЕНОМЕН КОЛЕКТИВНОЇ БЕЗПЕКИ ЯК ЕЛЕМЕНТ МІЖНАРОДНОЇ БЕЗПЕКИ В СИСТЕМІ МІЖНАРОДНИХ ВІДНОСИН

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Міжнародна безпека – це особливий стан міжнародних відносин, що відображає ступінь забезпеченості національних інтересів усіх суб'єктів світової політики. Зовнішньополітичні відносини держав ґрунтуються на дотриманні ними загальновизнаних принципів і норм міжнародного права. Дотримання таких норм забезпечує вирішення суперечливих питань і розбіжностей без застосування сили або погрози силою.

Зазначено, що контроль над озброєнням спрямований на обмеження кількості зброї та регулювання її використання за допомогою двосторонніх і багатосторонніх договорів та домовленостей. Водночас роззброєння спрямоване на ліквідацію цілих категорій систем зброї. Зауважено, що поширення зброї масового знищення представляє серйозну загрозу міжнародній безпеці.

Метою роботи є дослідження ролі колективної безпеки як елементу міжнародної безпеки в системі міжнародних відносин та її характерних рис. Дослідження ґрунтується на роботах учених, які в різні часи вивчали питання, пов'язані із системою колективної безпеки (це, наприклад, В.Г. Буткевич, О.С. Власюк, О.С. Кучик, І.І. Лукашук, С.В. Різник та інші автори).

У статті надано сучасну інтерпретацію змісту міжнародної безпеки, що характеризується певними напрямами, такими як контроль над озброєнням, охорона навколишнього середовища, зменшення кількості та нерозповсюдження зброї масового ураження, боротьба з тероризмом, міграційні потоки, запобігання етнонаціональним і конфесійним конфліктам.

Констатовано, що колективна безпека віддає перевагу універсальним чи глобальним силам за участю всіх держав для підтримання міжнародного миру й безпеки, а отже, це заходи, спрямовані на забезпечення стабільного, всеосяжного миру. Відповідно, держави спільно готові захищати міжнародний мир і безпеку шляхом проведення спільних військових дій проти актів агресії. Система колективної безпеки гарантує спільними зусиллями безпеку шляхом нейтралізації будь-яких актів агресії або запобігання війні щодо держави-жертви.

Ключові слова: акт агресії, всесвітній мир та безпека, війна, колективна оборона, національна безпека.

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MARKETING IN CUSTOMS ACTIVITIES

The situation in the Ukrainian economy continues to be difficult. The key to the growth and stabilization of the macroeconomic indicators of the economy should be the improvement of socio-economic and managerial strategies, so that the state can always set goals and achieve them most effectively.
Since the Ukrainian economy is market-oriented, therefore, all state institutions involved in management should be adapted to the specifics of the market, including customs.
The social and economic efficiency of customs activity characterizes the ratio of the amount of socially significant effect achieved and the amount of costs for its achievement. In this regard, there is a need to consider the issues and problems of customs activity from a slightly different point of view: the need to use marketing in customs activities as a system of measures aimed at improving the efficiency of the organization and activities of customs entities, which is due to the growing level of development of foreign economic relations between Ukraine and other states.
In the theory and practice of marketing, the marketing issues of state institutions are not sufficiently developed and studied, which is due to the relevance of the article.
The methodological basis of the article is a systematic and logical approach to substantiating the role of marketing in customs activities.
The theoretical basis of the study is the scientific works of national and foreign scientists on the development of state marketing, customs administration, customs security and customs affairs.
General scientific methods and techniques were used in the course of the work: monographic – for studying literature sources on the research topic; formal logic – for analyzing, generalizing and systematizing the material; abstract-logical – for substantiating theoretical provisions and formulating conclusions.
The article investigated the essence, characteristics and factors of marketing in customs activity, revealed the problems of customs marketing in Ukraine, and considered approaches to improving customs administration based on marketing management of customs activity.

Key words: customs business, marketing in customs activities, customs product, marketing tools, marketing of customs services, customs broker.

JEL Classification: M31, M38.

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1. Introduction

The role of marketing is growing in the modern world based on the wide introduction of information technologies. Competition involves not only goods and their technologies, but also types of management and their elements: planning systems, advertising, information technologies, communication systems, motivation, incentives, staff competence (Romanenko, 2010).

State marketing in the context of globalization and digitisation becomes a systemic determinant of the competitiveness of national economies and the formation of a single social, information, and economic space.

Public sector marketing is aimed at formulating and offering solutions for the exchange and relationship between a public organization and individuals, groups of people, organizations or communities in connection with the request and performance of socially oriented tasks and services. First of all, it should be borne in mind that marketing in the activities of government bodies is usually the marketing of services.

It is absolutely natural when goals, tasks, plans are set in business. Business affects the implementation of this through marketing,

through product promotion, employee training, and competitiveness. And depending on how it is done, the plan is either implemented or not.

Customs is a statistical body. How many goods the business has delivered, so many the customs is required to collect taxes and fees. But the government prescribes collection plans to the customs, which are often conflicting but must be fulfilled, and that's when corruption and pressure on business start. For example: raising the customs value in order to meet the plan.

Analyzing the quality of customs services, we see that cases of poor quality provision of customs services are not isolated and manifest themselves in violation of customs legislation, insufficient reliability of customs control. Harmful, dangerous and poor quality products and services enter the territory of Ukraine, as well as personnel corruption is a significant problem, which together lead to negative serious consequences and reduce the level of quality of customs activities. For the state, this means losing the reputation of the customs system, risks of reducing the volume of customs payments, reducing the level of economic and environmental security of the country. For a foreign economic activity participant, these are losses from downtime, obstacles in the transition to more rational methods of organizing production, and increased risks in commercial activities (Makrusev, 2017).

To prevent and eliminate these problems in the State Customs Service of Ukraine, it is necessary to introduce marketing tools and methods of conducting marketing policy of foreign developed countries, attract specialists with market thinking and fresh ideas, conduct marketing research, promote the expansion of research and strengthen control over all customs activities.

2. Analysis of major research and publications

A significant contribution to the development of modern concepts and applied tools has been made by scientists in relation to state marketing (E. Romat, K. Romanenko), customs administration (E. Garmash, V. Chentsov, I. Mordvin, Yu. Kunev, D. Priymachenko), and marketing of customs services (A. Yershov, V. Makrusev, V. Dianova, I. Ermilov).

However, these studies relate to customs or marketing in public administration, and the use of marketing technologies in customs activities remains an underinvestigated issue.

The purpose of the article is to analyze the problems and prerequisites for the development of marketing in customs activities. Based on the purpose of the research, the paper solves the following tasks: the essence and characteristics of customs marketing are deepened; the problems of customs marketing in Ukraine are revealed, and the improvement of customs administration based on marketing management is proposed.

3. Presentation of the main research material

Customs is a state institution whose primary task is to collect customs duties and control the turnover of goods across the border within the limits of customs law.

Customs activity is a form of customs affairs that includes customs regulation, customs rules, customs procedures, combating smuggling and violations of customs legislation, other means of ensuring customs security and achieving the goals and tasks established by the state for the Fiscal Service.

Modern requirements for the performance of state institutions' functions are significantly different from the requirements of the past, because they require, in addition to performing priority tasks, the implementation of marketing functions: planning, strategy, control, promotion of services and citizen orientation, so the State Fiscal Service of Ukraine has taken a course to establish partnership relations with the business community. The framework standards define transparency and predictability of customs procedures, a balance between customs control in the context of security and measures that contribute to the development of trade, passenger traffic, and partnership between customs, the public and business. So, changing the communication model of the State Fiscal Service of Ukraine should include changing the image, creating a new corporate culture, in particular in relation to citizens, and changing the negative stereotype of perception of customs officials – increasing the level of business reputation of Customs (Prus, Popel, 2018).

Marketing of the domestic economy is considered as an external and internal perspective: making a profit by fully meeting the needs of customers. In connection with the expansion of the activities of joint-stock companies for the sale and after-sales service of products abroad, the creation of mixed production and trade enterprises, as well as the possibility of independent entry of individual enterprises and associations into the foreign market-customs marketing is necessary, because the social and economic transformations taking place in Ukraine do not bypass the State Customs Service, that is, the satisfaction of customs customers depends on the quality of work of customs services (quality of customs product), which determines the expediency of using customs marketing, but so far the issue of implementation and effectiveness of customs marketing is a problem with many unknown.

On the one hand, marketing in customs activities should have the properties of state marketing: successful regulation of Ukraine's foreign trade activities by customs methods and tools contributes to the stability of the position of the customs system in the public services market. In customs marketing, as well as in state marketing, it is necessary to take into account the main approaches: customer orientation and formation of a marketing culture of professionally trained state officials – the customs officer of the new formation should be fully responsible for meeting the needs of customers (taxpayers).

On the other hand, marketing in customs activities should have the properties of international marketing: customs marketing is associated with the activities of all participants in foreign trade relations. In customs marketing, as well as in international marketing, it is necessary to take into account the political risks associated with all countries to which the enterprise supplies or is going to supply goods or services. By exporting, and especially by setting up foreign branches, an enterprise is at a greater risk of losing its assets than in its own country: wars, revolutions and unrest can lead to the destruction of buildings, equipment, damage to stocks, and political decisions can lead to confiscation of property. Similarly, economic situations in different countries may differ, as a result of which consumers of customs services can be enterprises, associations, and individuals.

If we consider the customs as an enterprise that produces specific types of services, and customers as consumers of these services, then these problems can be designated by the "producer-consumer" scheme, which is the main feature of marketing.

The customs product differs from a similar concept used in marketing of consumer goods in that it is characterized by "hardness" and the inability to create stocks: even if it were possible to program the demand for customs services, the product itself can still only be produced simultaneously with its consumption.

Regional customs offices, specialized customs agencies and organizations, as well as other organizations and institutions of the customs system (consulting, health, sports, and construction, economic and other) are subordinate to the State Customs Service of Ukraine. Separate functions of customs services are the implementation of measures to protect the interests of consumers of goods and compliance by participants in foreign economic relations of state interests in the foreign market and the creation of favourable conditions for accelerating trade and passenger traffic across the customs border of the country, that is, it can be noted that the activities of the State Customs Service of Ukraine are aimed at achieving the final effect, characterized by economic effect (economic efficiency) and public (social) effect (public efficiency). The social or socio-economic effect acts as the main result of the activities of organizations and institutions of the customs system, the size and significance of which depends on the level of their funding and incentives from the state. The social effect of the activities of customs authorities is expressed in an indirect impact on the development of the Ukrainian economy as a whole, and individual industries as well as on improving the standard of living of society.

Each organization and institution of the customs system performs an analysis that allows you to determine the final result. Such an analysis seems too obvious to some, because everyone believes that he is more competitive than others, knows his own business and better organizes activities on his territory. However, it should be noted that often people are not able to look at their business from the outside and objectively determine their strengths and weaknesses. It is special marketing research that will help neutralize this shortcoming. In addition, the use of special marketing tools will solve a number of issues aimed at improving the efficiency of customs services to the population.

Customs marketing is associated with the creation of an effective and fair system that directs the flow of goods and services from producer to consumer and contributes to the achievement of a social and useful goal. In other words, the Customs Service needs to focus on the social effect and coordinate its strategies, goals and ideas with the national development strategy of the country.

Currently, there is interaction between the State Customs Service of Ukraine and the business community, which are evidence and a key element of marketing support for customs activities.

The peculiarity of marketing in customs activity is its focus on the study of customs products: export and import operations developed by customs officials and the quality of satisfying the declarants' requests in order to achieve greater profit, as a result of improving customs activities and increasing the quality of customs services.

Thus, the efforts of marketers in the field of customs marketing should be aimed at achieving comprehensive goals: improving the quality and competitiveness of customs administration, providing prerequisites and optimal conditions for promoting international trade, accelerating Ukraine's foreign trade turnover and ensuring the comfort of conducting foreign economic activities without reducing the effectiveness of customs control.

Marketing in customs activities is the concept of management, according to which effective efforts to meet the needs of participants in customs activities are the guarantee of the success of the customs service. That is, customs marketing is aimed at attracting customers, helping to increase the efficiency of not only customs authorities, but also other participants in foreign economic activity and preserving the purchasing loyalty of customs entities in the long term (Khurdei, 2020).

Marketing areas in customs activities are:

1) comprehensive study of the customs services market, including a forecast of its development, a study of the behavior of declarants, market segmentation;

2) assessment of customs' own capabilities as a state organization (service), its production potential of the service system;

3) formation of a marketing development strategy;

4) development of tactics, that is, the choice of means and methods for achieving goals at certain stages of customs activity;

5) development of methods of active influence on the market of customs services, that is, carrying out active measures aimed at maximum satisfaction of requests and needs of declarants, in accordance with the level of their expectations;

6) management of marketing activities, that is, a combination of analytical and control functions (evaluation of the results obtained, determination of the effectiveness of activities, assessment of the approach to the goals set, development of corrective plans for the organization of customs services, change and adaptation of the management structure of customs services to the changing market environment).

According to the marketing concept, within the framework of its tasks, the Customs provides business with a large number of services and services, including administrative services that provide such activities, the implementation of which is controlled by customs authorities (Official site of the State Customs Service of Ukraine, 2020):

- customs brokerage activities;
- opening and operation of a duty-free store;
- opening and operation of a customs warehouse;
- opening and operation of a free customs zone of commercial or service type;
- opening and operation of a temporary storage warehouse;
- opening and operation of a cargo customs complex.

Each of these activities is provided by a group of Administrative Services, some of which are provided by the Central Office and some by territorial bodies. These Administrative Services are provided exclusively to legal entities and enterprises that have obtained such permits are entered in the relevant registers.

Administrative service is a social and economic benefit in the form of customs activities: customs regulation, administration and control.

Administrative service is an action or sequence of actions that is implemented by special customs tools in order to increase the consumer utility of the field of foreign trade for the state and participants in foreign trade (Berezhnyuk, 2013).

The main task of marketing research is to identify bottlenecks in the service of customs service consumers, in particular:

- collection and analysis of information about customs technologies and services that do not satisfy consumers;
- development of appropriate marketing solutions to solve the identified problems.

One more thing, it is necessary to design administrative services on the basis of marketing research, because administrative services that take into account the traditions and national characteristics of each particular state can not only bring additional income to the state, but also contribute to the creation of long-term relations between producers and consumers of different countries.

Thus, customs marketing appears to be a complex organizational system. The development and implementation of a marketing concept, the correct use of marketing tools will contribute to increasing the efficiency of customs authorities and participants in foreign economic activity.

The interaction of customs authorities with participants in foreign economic activity becomes the most important factor in the effective fulfilment of the tasks that the customs service faces: accelerating trade, replenishing the budget and ensuring the national security of the country (Pashko, 2017).

The State Customs Service of Ukraine creates all conditions for improving the quality and development of the range of services provided to foreign economic activity participants. One of the main ideas of the development of customs administration institute is the idea of customs service. An information service, e-Customs, has been created for personalised information exchange between a foreign trade participant and the customs authorities.

Electronic Customs is a multifunctional integrated customs system, the basic component of the organizational and economic mechanism for ensuring customs security, which combines information and communication technologies and a set of mechanisms for their use, which provides the opportunity to form electronic documents (declarations, messages, reports, descriptions, etc.), send electronic documents to customs authorities, request and receive information from customs authorities, and which makes it possible to improve the quality of customs regulation and improve customs administration in order to strengthen the customs security of Ukraine.

That is, the State Customs Service of Ukraine has begun to decisively introduce information technologies into the daily work of the Customs, in order to create a simple and paperless environment for the Customs and foreign economic activity entities, speed up customs procedures, achieve an appropriate level of information interaction between the State Customs Service of Ukraine and foreign economic activity participants, and this is evidence of the development of customs marketing.

Marketing technologies in customs activities are implemented by a special type of intermediaries – customs brokers.

Customs brokerage activities are carried out by customs brokers – enterprises providing services for the declaration of goods, commercial vehicles that move across the customs border of Ukraine. Accordingly, a customs broker has a license for the right to carry out customs brokerage activities issued by a specially authorized central executive authority in the field of customs affairs. The customs broker carries out brokerage activities in accordance with the norms of the Code and license conditions approved by the specially authorized licensing body and licensing authority. The customs broker's relationship with the person he represents is determined by the assignment agreement. Evidence of the declaration authority granted by the customs authority, in whose area of activity the declaration specialist performs the declaration of goods, is a personal qualification certificate issued to him as a person authorized to declare in the customs authorities.

A special feature of the activity of customs brokers is the desire and effort to protect the client's interests before the customs authorities: to defend both the classification and value of goods and not to fully agree to the conditions proposed by the customs authorities.

As a rule, a customs broker is a dynamic team that can quickly solve unexpected problem situations, navigate regulatory and procedural changes, and helps foreign economic activity participants in:

- accreditation at the customs;
- conclusion of an external economic agreement, and other necessary documents;
- prompt and professional customs clearance of cargo;
- consulting on all foreign economic activity issues;
- obtaining a sanitary report, certificate, license, etc.

For customs brokers, every client is important, so they offer their clients:

- protection of the customer's interests before customs authorities;
- professionalism;
- high rate of customs clearance;
- detailed report for each paperwork.

So, marketing technologies in customs activities are implemented by AEO (authorized economic operators).

An authorized economic operator can be a manufacturer, exporter, importer, customs representative, carrier, freight forwarder, warehouse owner – this is a resident enterprise that performs any role in the international supply chain of goods and has received appropriate authorization (Verkhovna Rada of Ukraine, 2019).

AEO marketing management relates to a combination of analytical and control functions: evaluation of the obtained results, determination of the activity effectiveness, assessment of the approach to the set goals, development of corrective effects on the organization of customs services, change and adaptation of customs management to constantly changing market conditions.

For AEO applying marketing means implementing a systematic approach to management activities with a clearly defined goal – to detail the set of measures aimed at achieving it, as well as to use appropriate organizational and economic mechanisms.

Now the Public Council under the State Customs Service of Ukraine has already been established and started working, which will contribute to the service-oriented work of the State Customs Service of Ukraine through the use of marketing technologies (Official site of the State Customs Service of Ukraine).

In view of this, it can be concluded that marketing in customs activities is a system of measures aimed at creating optimal economic, financial and psychological conditions for foreign economic activity participants in the implementation of export-import operations and procedures.

At the meeting of the National Reform Council on June 30, 2020, which was attended by representatives of all branches of government, the concept of comprehensive customs reform was agreed upon. Creating open customs spaces, raising customs officers' salaries, modernizing the customs infrastructure, automating and digitalizing the customs system are provided for in the concept. According to the document, the Customs should move away from bureaucratic procedures and become a convenient service for business. The reform provides for strengthening responsibility for violations of customs rules and unification of customs rates.

4. Conclusions

Consequently, the reform of public administration requires an expansion in the use of marketing tools. Achieving this goal involves the introduction of basic marketing principles in the provision of public services. Therefore, it should be based on a qualitative transformation of the administrative and procedural principles of implementing marketing tools of public administration, taking into account the satisfaction of public needs and specific requests of citizens-consumers.

Improving customs administration based on a marketing approach to customs management will contribute to the growth of socio-economic efficiency of the state, because there is a close link between the state of customs administration, the state of the economy and the standard of living of the country's population.

Further research should be directed to substantiate the marketing concepts that are most relevant for the Ukrainian customs. Certain provisions of scientific research can be used in the educational process and in writing scientific papers.

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МАРКЕТИНГ У МИТНІЙ ДІЯЛЬНОСТІ

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Ситуація в економіці України продовжує залишатися складною. Запорукою зростання та стабілізації макроекономічних показників економіки має стати вдосконалення соціально-економічних та управлінських стратегій, щоб держава завжди могла ставити цілі й досягати їх найефективніше.
Оскільки економіка України має ринковий характер, усі державні інститути, що беруть участь в управлінні, зокрема й митниця, повинні бути адаптовані до специфіки ринку.
Суспільно-економічна ефективність митної діяльності характеризує співвідношення величини досягнутого суспільно значимого ефекту та величини витрат на його досягнення. У зв'язку із цим виникає необхідність розглянути проблеми митної діяльності під дещо іншим кутом зору, а саме потребу у використанні маркетингу в митній діяльності як системи заходів, спрямованих на підвищення ефективності організації та діяльності митних суб'єктів, що зумовлюється зростаючим рівнем розвитку зовнішньоекономічних зв'язків України з іншими державами.
У теорії та практиці маркетингу питання маркетингу державних установ не досить вивчене й розроблене, чим саме зумовлена актуальність статті.
Методологічним підґрунтям статті є системний і логічний підходи до обґрунтування ролі маркетингу в митній діяльності.
Теоретичною основою дослідження є наукові праці вітчизняних та зарубіжних учених стосовно розвитку державного маркетингу, митного адміністрування, митної безпеки та митної справи.
У процесі роботи були використані загальнонаукові методи та прийоми: монографічний – для вивчення літературних джерел із теми дослідження; формальної логіки – для аналізу, узагальнення й систематизації матеріалу; абстрактно-логічний – під час обґрунтування теоретичних положень і формулювання висновків.
У статті досліджено сутність, характеристику та чинники маркетингу в митній діяльності, розкрито проблеми митного маркетингу в Україні, розглянуто підходи до вдосконалення митного адміністрування на основі маркетингового управління митною діяльністю.

Ключові слова: митна справа, маркетинг у митній діяльності, митний продукт, маркетинговий інструментарій, маркетинг митних послуг, митний брокер.

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PECULIARITIES OF INTERNATIONAL AND NATIONAL EXPERIENCE OF PREVENTION OF CONFLICT OF INTEREST SETTLEMENT

The purpose of the article is to analyze international and domestic regulations governing the activities related to the prevention and settlement of conflicts of interest, identify shortcomings in the legislation in this area and provide proposals for their elimination.

Methods. The study used methods of analysis and synthesis to determine methods of constructive conflict of interest settlement, as well as to study the international experience of conflict of interest settlement in the civil service. Statistical and graphical methods are used to analyze the current state of conflict of interest. Modeling and forecasting to develop proposals to improve the procedure for preventing and resolving conflicts of interest.

Results. The normative-legal acts of the national and international legislation, which regulate the activity in the direction of prevention and settlement of the conflict of interests, are analyzed. The main normative act of international law has been found to be the 2003 UN Convention against Corruption. In domestic legislation, the concept of "conflict of interest" was first enshrined in the Law of Ukraine "On Principles of Preventing and Combating Corruption" in 2011. It is most often studied as an element of the mechanism to prevent abuse of state power or as a principle of integrity of state power. It is determined that in the national legislation the conflict of interests is divided into potential and real, in the international legislative practice into obvious and potential. The main signs and causes of conflict of interest as a type of corruption-related offense are highlighted. It is stated that conflicts of interest and corruption cannot be considered in direct connection. Transparency International's statistics on the Corruption Perceptions Index 2020, the report of the National Agency for the Prevention of Corruption for 2020 were studied, and it was substantiated that in Ukraine, despite anti-corruption reform, the overall level of corruption remains high.

It is theoretically substantiated that the main mechanism for resolving a conflict of interest is its legal regulation at the level of law. The main directions for preventing and counteracting conflicts of interest are outlined. The positive experience of resolving conflicts of interest in the civil service in Germany and France is considered, whose anti-corruption policy is mainly aimed not at resolving conflicts of interest, but at preventing their occurrence. It is stated that in international practice there are three models of conflict of interest settlement: preventive, "difficult way", compliance-based.

Conclusions. It is concluded that counteracting the negative manifestations of conflicts of interest is possible only by defining the order of actions of civil servants in which it arose and by defining a clear mechanism for resolving conflicts. Proposals for amendments to the Law of Ukraine "On Prevention of Corruption" and the Code of Ukraine on Administrative Offenses were submitted.

Key words: anti-corruption policy, normative legal acts, international practice, state powers, counteraction of conflict of interests, settlement mechanism.

JEL Classification: K10 General; K19 Other.

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1. Introduction

The legislative and reform processes currently taking place in Ukraine are primarily aimed at overcoming corruption, the most negative phenomenon that stands in the way of building an economically viable and self-sufficient state. At all the times corruption exert destructive influence to all spheres of public life acting as a crisis phenomenon that erodes the entire state apparatus from within and manifests itself in criminal and administrative offenses (Drozd, Titko, 2014). In Ukraine, despite anti-corruption reform, general level of corruption remains high this is negatively perceived by society and requires decisive action. Thus, according to the Transparency International Corruption Perceptions Index, in 2020 Ukraine ranked 117th among 180 countries (Transparency

International Ukraine, 2021). The level of legal regulation of the sphere of conflict of interests in public law relations is also insufficient. Thus, among the people's deputies of Ukraine 9% have signs of conflict of interest, and this directly affects the objectivity, fairness and completeness of the person's state power, and therefore there is a need for regulation of precautionary measures or their resolution in favor of interests of society (Yurchyshyn, Poltavets, 2017; Bytiak, 2005).

2. Analysis of recent research and publications

The issue of conflict of interest was addressed in research of following scientists Yu.P. Bytiak, T.E. Vasylevska, V.I. Vasylynchuk, N.H. Dekhanova, V.K. Kolpakov, I.P. Lopushynskyi, V.Ya. Malynovskyi, O.Y. Obolenskyi, O.M. Oleshko, I.D. Pastukh, M.I. Rudakevych, Y.O. Kholodenko and others. Among foreign practitioners who have studied this area, noteworthy are the studies of David Arellano-Gault, Laura Zamudio-Gonzalez, Walter Lepore.

The purpose of the article is an analysis of international and domestic normative-legal acts, which regulate activity in the part concerning prevention and settlement of conflict of interests, revealing of imperfections of the legislation in this direction and granting of offers on their elimination.

3. Presenting of main material

In order to form an understanding of the content of the institution of prevention and settlement of conflicts of interest, it is necessary to analyze the regulations of national and international law governing activities in this area. The main normative act of international law in this direction is the UN Convention against Corruption, adopted by General Assembly resolution 58/4 of October 31, 2003 and ratified by the Law of Ukraine of October 18, 2006 № 251-V (entered into force only on January 1, 2010), which provides: "<…> Each State Party seeks to create, maintain and strengthen systems that promote transparency and prevent conflicts of interest; introduce measures and systems that oblige public officials to provide the relevant bodies with declarations of extracurricular activities, occupations, investments, assets and significant gifts and profits, which may result in a conflict of interest regarding their functions as public officials" (United Nations, 2007).

The basic principles of prevention and settlement of conflicts of interest are set out in the International Code of Conduct for Public Officials, adopted by Ukraine on July 23, 1996. In particular, it is stipulated that civil servants do not use their official position for unjustified personal gain or personal and financial benefit for their families. They do not perform any functions and do not have any financial, commercial or other interests that are incompatible with their position, functions, responsibilities (United Nations, 1996).

In domestic law, the concept of "conflict of interest" was first enshrined in 2011 in the Law of Ukraine "On Principles of Prevention and Combating Corruption" (in 2016 it expired due to the adoption of the Law of Ukraine "On Prevention of Corruption", which, incidentally, definition of the definition of "conflict of interest" is missing). According to this document, a conflict of interest – is contradiction between personal property interest, intangible interest of person or people close to her and official authority, the existence of which may affect the objectivity or impartiality of decision-making, as well as the commission or omission of actions in the exercise of official powers (Article 1 of Section 1) (Verkhovna Rada of Ukraine, 2011). It is most often studied as an element of the mechanism to prevent abuse of state power or as a principle of integrity of state power. Conflicts of interest are divided into potential (having a private interest in the field in which he performs his official or representative powers) and real (conflict between the private interest of the person and his official or representative powers) (Verkhovna Rada of Ukraine, 2014).

The National Agency for Prevention of Corruption monitors and controls the implementation of legislation on ethical conduct, prevention and settlement of conflicts of interest in the activities of persons authorized to perform state or local government functions and persons equated to them.

According to the National Agency for the Prevention of Corruption (2020 report), the Department for Compliance with Conflicts of Interest and Restrictions on the Prevention of Corruption in 2020 issued 31 injunctions for violations of the law on ethical conduct, prevention and settlement of conflicts of interest, other requirements and restrictions provided by the Law, and 95 requests were sent to identify and/or resolve conflicts of interest (National Agency for the Prevention of Corruption, 2021).

In addition, 239 protocols on administrative offenses were drawn up: Part 1 of Art. 172-4 of the Code of Administrative Offenses (violation of restrictions on engaging in other paid activities or business); Part 2 of Art. 172-4 of the Code of Administrative Offenses (violation of restrictions on membership in the board, other executive or control bodies, etc.); Part 1 of Art. 172-5 of the Code of Administrative Offenses (violation of restrictions on receiving gifts); Part 1 of Art. 172-7 of the Code of Administrative

Offenses (failure to report the existence of a real conflict of interest); Part 2 of Art. 172-7 of the Code of Administrative Offenses (taking actions or making decisions in conditions of real conflict of interest); Art. 188-46 of the Code of Administrative Offenses (failure to comply with legal requirements (instructions) of the NAPC) (see fig. 1).

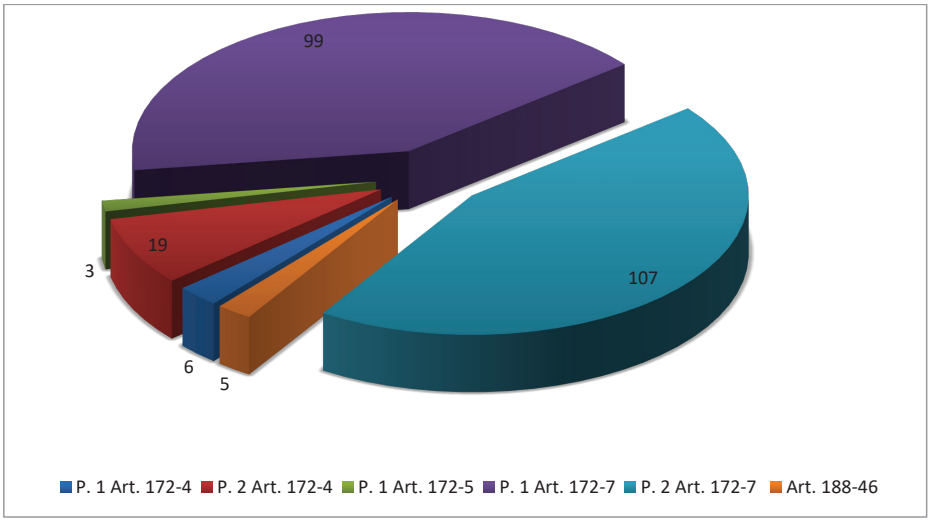

Figure. 1. Protocols on administrative offenses related to conflicts of interest

Signs of conflict of interest as a type of corruption-related offense include: violation of the requirements, prohibitions and restrictions provided by the Law of Ukraine "On Prevention of Corruption"; committed by persons authorized to perform the functions of the state or local self-government and persons equated to persons authorized to perform the functions of the state or local self-government.

In international legal practice, the definition of "conflict of interest" proposed by the OECD Recommendations is common, according to which a conflict of interest is a conflict between public law obligations and the private interests of a public official, in which the public official's interest is related to private opportunities of individuals may adversely affect their performance of their duties and functions (OECD, 2021). It should be noted that according to these recommendations, there is an obvious (there is a personal interest that affects the performance of public officials, even if such a negative impact does not actually have) and a potential conflict of interest.

Among main reasons of the emergence of private interests and, as a consequence, conflicts of interest distinguish: distorted moral level of civil servants; creation of such conditions under which a civil servant has a situation that may lead to a conflict of interest; imperfection of the mechanism for preventing conflicts of interest; lack of an effective mechanism for criminal and administrative prosecution.

We need to pay attention at the fact that existence of conflict of interest doesn't indicate direct corruption component that a person independently decides what to do in a given situation, the arbiter here is the morality of man. That is why we cannot consider conflicts of interest and corruption in direct relation.

However, although conflicts of interest cannot be equated with corruption, in most cases corruption arises when the private interest affects or may affect the performance of the duties of civil servants, indicating that the conflict between private interests and obligations of civil servants can be a source of corruption. The scientific approach of K.L. Buhaichuk and O.I. Bezpalova deserves attention, according to whom "conflict of interest can occur not only when the conflict has actually affected the objectivity and impartiality of decision-making (whether or not to act), but also when it can potentially affect them" (Buhaichuk, Bezpalova, 2016).

In international regulations, the definition of "conflict of interest" is defined in Section 2 of the International Code of Conduct for Civil Servants (UN), Article 13 of the Model Code of Conduct for Civil Servants of the Committee of Ministers of the Council of Europe, Guidelines for Organizing Economic Cooperation and Development, ethical and anti-corruption codes of conduct of public services. It should be noted that the Model Code of Conduct for Civil Servants is an appendix to Recommendation

№ R (2000) of the Committee of Ministers to member states of the Council of Europe on codes of conduct for civil servants, and based on this code developed the vast majority of codes of ethics for civil servants.

Main mechanism of settlement of conflict of interest is its legal regulation at the level of law. In particular, conflict of interest in Poland is settled by norms of legislation on public service (Tokar-Ostapenko, 2013). It should be noted that Polish conflict of interest doesn't connect with corruption and this is the main reason that the legal system put in place is not fully applied; in Bulgaria, Latvia, Lithuania by the norms of the legislation on the conflict of interests (Council of the Baltic Sea States, 2008); in Slovenia and Estonia, on the prevention of corruption (Kovryzhenko, 2011).

Criminal law, public administration law, civil service, and ethics of conflict of interest in the United States (Raile, 2004), codes of conduct in Korea, public service law in Hong Kong and Singapore in Asia and the Pacific (OECD, 2003). The outlined legislative acts provide mechanism of settlement of conflict of interest which covers different in essence, but interconnected in content tools aimed at preventing, preventing, overcoming conflicts of interest in public authorities.

In international practice distinguish three models of settlement conflict of interest: first – *preventive model* (conflicts of interest are settled by instruments on a residual basis; there is almost no systemic corruption, and the settlement covers the best practical tools for prevention, prevention, overcoming conflicts of interest – Germany, France, Switzerland, EU countries) (Rivchachenko, 2015); second – *"the hard way"* (settlement of conflict of interest which is based on moral requirements of the employee, provided by the recommended codes of ethics – Australia, Canada, USA). It should be noted that the issue of conflict of interest becomes relevant in the US Congress. In particular, according to the Harvard Business Review, the number of members of Congress who own shares tends to increase. Members of the House of Representatives and the Senate generate an abnormally high return on their investment. According to foreign jurists, this is due to a number of tools available to parliamentarians: from pushing or "burying" legislative initiatives to regulating contracts, subsidies and tax rebates (Yurchyshyn, Poltavets, 2017; Rivchachenko, 2015); third – *compliance-based* (acts according to the principles established by the code of rules of conduct, is fixed by normative legal acts of direct action; where the key areas for resolving conflicts of interest are nepotism, patronage, gifts, use of official information in selfish interests – Japan, Singapore, Hong Kong, South Korea) (Rivchachenko, 2015).

Thus, among the main areas for preventing and combating conflicts of interest are: limiting of combination; declarations about personal income, income of family, personal property, presents; declaration of private interest which has related to contract management, decision-making, participation in the preparation or provision of policy recommendations; limiting and control after ending of labor activity of business or activities of non-governmental organizations, gifts and other forms of assistance, external revenues; refusal and procedure of removal of public officials from the performance of public duty with the participation of representatives of the parties or the adoption of a specific decision that may lead to a conflict of interest; alienation through the sale of business interests, investments or through the creation of trust or "blind trust" in management (Zibold, 2013).

Worth noting is the experience of settlement of conflict of interest at the Public Service of Germany, where principle of settlement s based of idea that every person who performs public functions, must inform about any personal interest, which may even approximately affect the decision of the official. In Germany that is important not only to prevent conflicts of interest in advance, but also to avoid even the appearance (assumption) of untruths (Petrova, 2015). As we can see, Germany's anti-corruption policy is not aimed primarily at resolving conflicts of interest, but at preventing them.

As for sanctions to those who violated the rules of conflict of interest policy, the most severe restrictions were introduced in France. Thus, the Criminal Code of the country provides for three groups of criminal acts of corruption: 1) abuse of power, acts that encroach on government; 2) abuse of power, acts that infringe on the rights of the individual; 3) violation of the duty of decency (Kabashov, 2021). In addition criminal law of France contains a separate article for a crime involving a conflict of interest, which is "illegal promotion of interests". Charges under this article may be brought against any civil servant who commences employment with a company which has been under his control for the last 5 years of service, i. e. over which an official has supervised or supervised (Yurchyshyn, Poltavets, 2017). It should be noted that according to the Law of Ukraine "On Prevention of Corruption", the term of such a restriction is only 1 year.

4. Conclusions

Thus, it is possible to counteract the negative manifestations of conflicts of interest only by defining the order of actions of civil servants in which it arose and by defining a clear mechanism for resolving conflicts (Pastukh, 2020). Positive international experience in this area shows that the management of conflicts of interest in the civil service takes place at the stages of conflict prevention, conflict detection and elimination of the negative consequences of the conflict. The basis in this direction is the well-established activities of: the legislature on the application of current and implementation of positive experience; executive power to ensure the organization of control and monitoring of anti-corruption bodies; the judiciary on the effectiveness of the anti-corruption court, the abolition of illegal decisions taken in the event of a conflict of interest, the improvement of law enforcement practices to resolve conflicts of interest through a system of judicial precedents.

In order to prevent and resolve conflicts of interest, it is advisable to make appropriate changes to current domestic legislation, in particular in the Law of Ukraine "On Prevention of Corruption": provide for the definition of "conflict of interest"; distinguish between corruption crimes and corruption-related offenses. In addition, the Law of Ukraine "On Prevention of Corruption" provides for administrative liability for violation of the deadlines for taking appropriate measures to resolve conflicts of interest, accordingly supplementing the Code of Administrative Offenses of Ukraine with the article "Violation of deadlines for conflict of interest".

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ОСОБЛИВОСТІ МІЖНАРОДНОГО Й НАЦІОНАЛЬНОГО ДОСВІДУ ВРЕГУЛЮВАННЯ КОНФЛІКТУ ІНТЕРЕСІВ ТА ЗАПОБІГАННЯ ЙОМУ

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Метою статті *є аналіз міжнародних та вітчизняних нормативно-правових актів, які регламентують діяльність щодо врегулювання конфлікту інтересів і запобігання йому, виявлення недосконалостей законодавства в цьому напрямі та надання пропозицій щодо їх усунення.*

Методи*. У дослідженні з метою визначення методів конструктивного врегулювання конфлікту інтересів, а*

також вивчення міжнародного досвіду врегулювання конфлікту інтересів на державній службі використано методи аналізу та синтезу. Статистичний і графічний методи застосовано для аналізу сучасного стану конфлікту інтересів. Моделювання та прогнозування – для розроблення пропозицій щодо вдосконалення процедури врегулювання конфлікту інтересів та запобігання йому.

***Результати**. Проаналізовано нормативно-правові акти національного й міжнародного законодавства, яке регламентує діяльність у напрямі врегулювання конфлікту інтересів та запобігання йому. З'ясовано, що основним нормативним актом міжнародного права є Конвенція ООН проти корупції 2003 року. У вітчизняному законодавстві поняття «конфлікт інтересів» уперше закріплене у 2011 році в Законі України «Про засади запобігання та протидії корупції». Найчастіше його досліджують як елемент механізму недопущення зловживання державними повноваженнями або як принцип доброчесності державної влади. Визначено, що в національному законодавстві конфлікт інтересів поділяють на потенційний і реальний, у міжнародній законодавчій практиці – на очевидний та потенційний. Виокремлено основні ознаки та причини виникнення конфлікту інтересів як різновиду правопорушення, пов'язаного з корупцією. Констатовано, що конфлікт інтересів та корупцію не можна розглядати у прямому взаємозв'язку.*

Досліджено статистику Transparency International щодо індексу сприйняття корупції за 2020 рік та звіт Національного агентства з питань запобігання корупції за 2020 рік, за результатами чого обґрунтовано, що в Україні, незважаючи на антикорупційну реформу, загальний рівень корупції залишається високим.

Теоретично обґрунтовано, що основним механізмом урегулювання конфлікту інтересів є його правове унормування на рівні закону. Окреслено основні напрями щодо протидії конфлікту інтересів і запобігання йому. Розглянуто позитивний досвід урегулювання конфлікту інтересів на державній службі в Німеччині та Франції, антикорупційна політика яких спрямована здебільшого не на врегулювання конфлікту інтересів, а на запобігання його виникненню. Констатовано, що в міжнародній практиці виокремлюють три моделі врегулювання конфлікту інтересів: превентивну, модель «важкого шляху», compliance-based.

***Висновки**. Зроблено висновок, що забезпечувати протидію негативним проявам конфліктів інтересів можна лише шляхом визначення порядку дій державних службовців, у яких він виник, та встановлення чіткого механізму врегулювання конфліктів. Надано пропозиції щодо внесення змін до Закону України «Про запобігання корупції» та Кодексу України про адміністративні правопорушення.*

Ключові слова: антикорупційна політика, нормативно-правові акти, міжнародна практика, державні повноваження, протидія конфлікту інтересів, механізм урегулювання.

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HUNGARY AND CHINA: CHALLENGES AND RISKS FACING THE TAX AND CUSTOMS AUTHORITY

The objective of the study is to provide an overview of the current state of the Chinese-Hungarian trade policy, particularly taking into account the fact that Hungary is a member-state of the European Union, moreover its revenue authority will presumably face certain professional as well as quantitative challenges.
The research study summarizes the findings available within the domestic and international academic literature, with special concern on the issues of Belt and Road Initiative (BRI) and its specific aims involving Hungary as one of the main railroad gateways of the container cargo-shipments. Besides, we shall also analyze the data of the Hungarian Central Statistical Office, furthermore the figures of the National Tax and Customs Administration.
The aim of the "Eastern opening" of Hungary is to find new raw material resources and markets for the Hungarian corporations, since the economies to the west of Hungary are featured by high wages and shipment costs. It is no question that the focal point of the global economy has shifted towards the East in the 21st century, and Asia has become the continent with the biggest buyer's market in the world. Based on this idea it is important to mention that the Eastern opening does not focus exclusively on the People's Republic of China, but it also involves all the major regions (Majoros, 2008: 11), from the Caucasus region through the Balkans to the Arab world.
The gross volume of the bilateral trade between China and Hungary rested on HUF 382 billion in 2001 based on the figures of Hungarian Central Statistical Office, and HUF 1 284 billion in 2010, while after a 4-year long drop it soared to HUF 1 700 billion by 2018 (data without Hong Kong and Taiwan).
The rising figures also imply the transformation of the task system of the national revenue authority, furthermore with the necessity of tackling the growing number of new type of professional procedures related to human resources and customs administration. It can be observed that the national revenue authority does whatever it can within its framework to comply with the European expectations, among other issues by decreasing the customs procedures length, by implementing the so-called fair price policy, centralizing the customs locations, altogether contributing to the implementation of unitary and swift customs procedures.
For the purpose of recognizing and tackling with the risks, it also shares tight cooperation protocols with the World Customs Organization as well as with the institutions of the European Union, for instance with the OLAF and the Europol.

Key words: international trade, Eastern opening, New Silk road, revenue authority, solutions, customs.

JEL Classification: F13, F15, F18, F63, K39.

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1. Introduction

The objective of the study is to provide an overview of the current state of the Chinese-Hungarian trade policy, particularly taking into account the fact that Hungary is a member-state of the European Union, moreover its revenue authority will presumably face certain professional as well as quantitative challenges.

2. Trade relations between China and Hungary

The People's Republic of China, with its population of 1.3 billion people currently is the second largest economy in the world, behind the United States. The country produced 15% of global GDP back in 2015 (KSH, 2014: 1), which has been rising ever since then mostly triggered by intensive export activities. For this reason Beijing tends to prevent any scenarios which would result in a fallback in export. Parallel with its rising importance in global trade, and besides its domestic reforms this high-ranking prestigious position may be accounted for through the improvement of Chinese technological,

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military capacities, increasing regional and global influence and joining international institutions.

The global financial crisis of 2008 demonstrated the significant and rising economic importance of China, since from among its competitor adversaries China proved to be the fastest country to get through and raise from the crisis. The US announced the "Pivot to Asia" program in 2011 (Chen, 2013) aiming to contain and counterbalance the ambitious expansion of China. China responded with the "One Belt, One Road" program (P. Szabó, 2020: 23; EPSC, 2016), which undoubtedly has demanded amicable and peaceful trade environment and prosperous international relations (Kocsis et al., 2017: 14; Kína Online, 2017).

Hungarian Central Statistical Office (hereinafter – KSH) issued its last analysis exclusively focusing on the relations of the two countries in 2014. From this document reveals that in terms of import China is one of the most significant trade partners of Hungary. In the period of 2003 and 2008 import from China rose with 24% in average per annum with a trade value of HUF 1,200–1,300 billion between 2010 and 2012 (Szunomár, 2015: 64). As for the structure of commodities, more than half of import trade consisted of telecommunication, voice record and player devices (P. Szabó, 2011: 49–50). Besides these, the amount of food industrial products, raw materials and fuels constitute a negligible proportion. Interestingly, contrary to the common belief the ratio of imported textile and clothing products from China made up only 0.6% (KSH, 2014: 3).

It is noticeable, that Hungary could significantly expand its export trade to China even in the global crisis year of 2009. This implied a 6.5% rise in export compared to the figures of the previous year, while the Hungarian import from China fell with 13% in that year. In 2012 the Hungarian export grew with 7%, while the import trade fell with 11%. As for the Hungarian export to China, it significantly lags behind the import trade value. In 2012, for instance we sold products in value of USD 407 billion, which made up merely the 1.8% of total Hungarian export trade (Szunomár, 2015: 64).

According to the data of KSH Hungary, in 2018–2019 from the top 10 most important trade partners of Hungary 8 countries were from the European Union, besides China and the Russian Federation. In 2018 China occupied the 4th position, while by 2019 it came up to the second position with HUF 2,071 billion gross value imported goods (KSH, 2020: 23).

Among Hungarian products with the best chances to break into the Chinese market we can find the raw and prepared meat products, baby food and sweets, candies. There is also room for expansion in the field of quality mineral water since there is a spectacular demand for high quality foreign products in China. There is also a significant growth in the export of quality wine compared to the previous years, which is also partly due to the more active participation of Hungarian wineries in international wine fairs. The biggest demand is shown for premium quality wine category, competing with the wine products from Chile, Spain, Italy, and South Africa.

In order that our export trade to China may increase and expand, there are certain necessary actions that must be taken in various fields. The Hungarian corporations lack the funds to conduct market surveys and maintain permanent representative offices in China.

The Hungarian corporations have to prepare to various factors before entering the Chinese market, for example, being aware of copycats of their branded products, different consumer habits from Europe and weaker remuneration willingness.

The data of PAGEO Geopolitical Research Institute show that the gross value of Chinese foreign direct investment (FDI) in Hungary reached USD 2.1 billion in the 17-year long period between 2001 and 2017 (Róma, 2018). In comparison, the value of FDI in the whole region accounted for USD 3.8 billion, with Poland coming second with USD 1 billion investment rate (Róma, 2018). We can state that the great bulk, almost two-third of the Chinese investments arrived into Hungary within this time-frame.

At the China-Central East European (CEE) countries summit held in Bucharest in November 2013, there was a decision in principle made on the renovation of the Belgrade-Budapest railroad with the participation of the Hungarian and Serb prime ministers. The total cost of the project was then estimated to be set on HUF 750 billion, a great bulk of it would be covered from a Chinese loan to Hungary (URL1). In December 2014, China and the CEE countries signed the so-called Belgrade Directives, which among other things contained guidelines for easing the customs procedures (Belgrade Guidelines, 2015). In the fall of 2017 Budapest hosted the "16+1 Cooperation"[1] (Eszterhai, 2017; URL2; Goreczky, 2017; Rácz, 2020: 151) summit, where the heads of delegation of the two countries signed more than 10 agreements (URL3). In 2019 the Hungarian minister of finances pursued discussions in Beijing about the planned railroad reconstruction. According to the feasibility plan, the project will be elaborated by a consortium comprising Hungarian and Chinese companies with a deadline date of 2023 (URL4), though currently the project completion deadline has been updated and shifted to 2025 (URL5).

Thanks to the loans and tight cooperation a pneu-press-equipment manufacture subsidiary of the Himile corporation was established in Székesfehérvár, the Lenovo company mostly producing IT devices announced a factory expansion plan, while at Szolnok the citric-acid factory was established and in Komárom the project of the first electric-bus factory plant in Europe was elaborated. The Wanhua Industrial Group acquired the Hungarian BorsodChem Closely Held Corp., establishing a chemical industrial plant, which has turned into the third largest isocyanides-producer in the world. The Hungarian subsidiary of the Huawei Inc. also carried out a serious expansion and development project, thus the European Huawei Logistic Center as well as the Huawei Europe Supply Center can operate in Biatorbágy (Hszü, 2019: 60). The latest investment of the company consists in the establishment of the research and development facility center in Budapest which focuses on the examination of artificial intelligence, signal transmission and procession technologies and research and development of big volume network and switch-systems (MTI, 2020).

Prior to the new Silk Road rail-link between China and Europe the preferred means of trade were either by maritime shipments (slow but low-fare) or air-cargo (expensive but fast). However, the new Eurasian rail-link enables the shipments to arrive at their destinations within two weeks (Engelberth – Sági, 2017: 89) for half the price of the air-cargo costs, which altogether would mean quick and low cost transportation of goods. By establishing the transcontinental railroad connections China aims to benefit from transporting goods by train, which previously had been predominantly carried by sea or by air.

Europe and Asia are linked by diverse rail-freight corridors (URL6), from which two lines have direct access to Hungary, too:

1. Záhony (HU) – Chop (UA): RFC 6 line 7,000 km long with countries accessed: Spain, France, Italy, Slovenia, Hungary, Croatia.
2. Svilengrad (BG) – Kapikule (TR): RFC 7 line, 7,700 km long, connected countries: Czech Republic, Austria, Hungary, Romania, Greece, Bulgaria, Slovakia.

This latter line is to be involved into the railroad reconstruction project between Belgrade – Budapest, and since Greece also develops its own railroad network the commodities arriving from China into the Pireus or Thessaloniki ports will also be forwarded through this rail line towards South-East or Central Europe. At present the biggest problem seems to stem from the different track-gauge of the lines and from the resulting freight reload.

3. Risks – threats – dangers

Hungary with the European Union accession also joined the common customs union, so the Hungarian tax and customs authorities must comply with full responsibility with the regulations and protection of the financial interests of the European Union. In compliance with this state of affairs, all the risks must

[1] It has been extended to Greece, too into 17+1 cooperation since 2019.

be tackled with proper care and the authorities must introduce certain measures that they simply cannot neglect. In case of risk elements, the time span of customs procedures may be affected by various factors, for example, the quality of the initial consignment report, the necessity of goods-sampling, freight control, abundance of risky shipments, furthermore the human resource capacities of the assigned customs control directorate (Csaba, 2012a). IT support, the development of which began before EU accession, is also important. The Interoperability Project (IOP), established at the National Headquarter of the Customs and Finance Guard (NHCFG) in early 2002, was responsible for the development and implementation of customs information systems, the existence and operation of which was an expectation of the EU. This working group also performed the testing and implementation of the systems, the preparation of the users, the preparation of the changes in the legal sources necessitated by the IT developments, and all other related tasks (Suba, 2015). It can be also stated in connection with certain products coming from China, e. g. shoes and clothing products, that they share multiple risk factors, such as under-invoicing, copyright and industrial brand protection problems, deficiencies related to quality regulations and standards etc., which may emerge simultaneously, thus it may deserve increased concern and care.

Stemming from the aforementioned freight transport irregularities the expected eastbound empty containers would pose not only fiscal problems as well. The customs authorities deal differently with inbound and outbound destination freight traffic. Export transport is promoted even despite security risks by the states, while their own security measures are primarily implemented with the imported shipments, so security risks for outsiders is rarely taken into consideration (Barton, 2007). It would be worth thinking over and developing further the elastic border control ideas of Barton, regarding the options for improving the security measures related to long distance empty container transportation in both directions. In compliance with the framework of WCO SAFE, the risk-management and reduction measures may as well be applied at the unit-based container loading processes or at the multimodal relations[2] through monitoring and controlling the containers and forwarding and sharing the risk assessments and control results digitally with all the customs agencies along the long supply chain. Promoting the participation of freight transport companies in the AEO program of the European Union would also facilitate security and transparency concerning the visibility of the low-risk shipments within the intercontinental freight transport systems. For decreasing the specific reverse logistical security risks posed by the empty containers' transport, locking these units and digitally tracking and sharing their details with the risk assessment authorities may be a proper solution (Csaba, 2012b; Csaba, 2013). These issues, though raise the necessity of participation in the customs administrations' cooperation framework of all the countries along the supply chain, not only that of China, the European Union members states involved or of the European Commission.

Along the recent years there has been such a significant growth in rail cargo transport and volume of shipments between Asia and the European Union, Hungary included, which must be considered serious security risk since it has created new opportunities not only for legal freight transport but also for illegal trade activities, too. The features of this phenomenon must be continuously and repeatedly analyzed, examined and the research findings must be inserted into the risk assessment systems. We can initially presume that through the opening of new routes and channels of freight transport the multiplicity of shipments may also involve the emergence of new segments and aspects of criminal activities.

Significant amount of the illegal tobacco products targeting the European markets are produced within the territory of People's Republic of China, furthermore this country can also be regarded as the main source of fake cigarette produces, too. More than 200 billion fake cigarette threads are produced in China annually, partly ending up in Europe. Majority of filters used in illegal cigarette manufactories in Europe also originate from China (URL7).

Cigarettes proves to be an attractive object of smugglers: it has relatively small mass, easy to transport, large buyers' markets and it provides an extremely high revenue for the criminal organizations involved. In contrast the criminals involved in smuggling must face with quite low reconnaissance risks and the sanctions are also rather mild. Cigarette smuggling proves to be one of the major generator of corruption and bribery along the Eastern frontiers of the Union (Europol, 2017a).

All the same, one of the major social challenges of the new millennium constitutes the quick spread of psycho-active materials, designer drugs, which also share serious Chinese affiliations, since significant amount of these drugs are produced there (Erdős, 2021: 8). Ever since the beginning of the 2000's in Europe as well as in Hungary the presence of this kind of narcotics has been prevailing, for which many

[2] Here referrimg especially to: road-railroad and railroad, road and sea connections.

correlating factors may be blamed, such as partly the low price set by the producers, easy access and the advantages of online trade used as a global drug-market (Erdős, 2018: 87). Besides the criminal aspects of international trade, it is a commonly known revelation that the expanding Chinese economic and political affection also poses significant strategic challenges for the Westerns world, especially for the leading global power, the United States (Csutak, 2019; Csutak, 2020).

Along the external frontier line of the European Union there are either few, reduced or no border control for railroad crossing. The places where border control procedures are applied, these are carried out with X-ray equipment, sniffing dogs, video endoscopes, detectors, mirrors. On the spot X-ray scanner exists only at Malaszewicze and at Záhony, since all the other railroad border crossing stations do not possess such an equipment (Kovács, 2016; Horváth, Kovács, 2014).

The physical control of the freight carriages proves to be clumsy and complicated, thus for the efficient, swift and undamaged check and control of the rail cargo the application of X-ray devices is of outstanding importance. Another very important factor is the professionalism of the controllers, the usage of the technical appliances, since without these factors the rail cargo control can easily become fragile and vulnerable. Moreover, experience also shows that the authorities may not or hardly can access the rail freight related data: registry number of trains, number of carriages, timetable, number of containers, or details of the carried goods. Exclusively the details of the dangerous materials must be reported beforehand.

4. Duties of the Hungarian revenue authority – solutions

The expectation of the European Union from the European customs administrations – for ensuring the revenues from customs duties – does not restrict and imply the supervision of the international trade solely or taking action against the illegal and unfair business conducts, but it is also partly their duty and responsibility to protect and safeguard all those living and working within the boundaries of the Union. Accordingly, the National Tax and Customs Administration of Hungary (hereinafter – NTCA) can perform all the necessary customs procedures available (Suba, Szendi, 2018).

Merging two predecessor institutions of NTCA – the national Customs and Finance Guard and the Hungarian Tax and Financial Control Administration – the legislator intended to elevate into a new, higher and more efficient dimension, which would desirably result in collecting the state budgetary income with much bigger efficiency (Magasvári, 2018: 35). The 13 § paragraph of the Hungarian Law on NTCA[3] meticulously describes the duties and responsibilities of NTCA – adjusting to the competences and tasks of the predecessor institutions – which can be categorized as tax management, customs administration, revenue administration, crime prevention and prosecution, moreover law enforcement and justice administration (Szabó, 2016: 202).

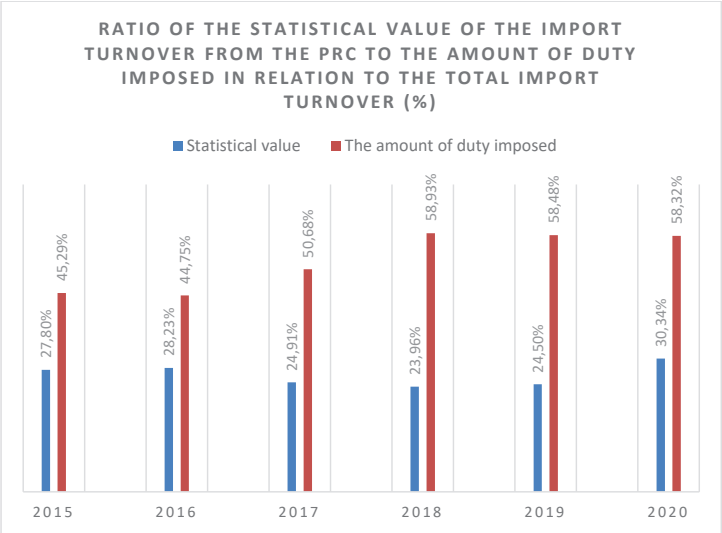
As a result of the organizational integration (Magasvári, 2015; Magasvári, 2018) it can be affirmed that the tax, customs, crime investigation and law enforcement type of reactions and solutions belong to the task force of one state authority in Hungary since 2011, particularly related to the "quantitative and qualitative" challenges posed by the European and especially Hungarian import of Chinese commodities, as it is also analyzed in this paper.

The Chinese "One Road One Belt Initiative" (recently renamed to Belt and Road Initiative, BRI) (Connections, 2013; EPSC, 2016; Kocsis et al., 2017; Kína Online, 2017) resonates well with the Hungarian "Eastern opening" economic policy program, also launched a few years ago. The National Tax and Customs Administration takes an active role in all the operational areas, like the 16+1 cooperation initiative, or the Piraeus railroad-related 4+1 customs cooperation formation. NTCA tend to do its best to fulfill its tasks and duties in compliance with the valid legislation so as to perform swiftly and smoothly the customs administration of the Chinese commodities (NAV, 2020a: 49).

The NTCA has also made efforts for improving and facilitating the flow of information between the Chines partners and the customs authorities, furthermore to extend the information share with the Chinese partners concerning the European customs and tax legislative framework. For this reason a Chinese version website of NTCA has also been developed, and with the contribution of some NTCA experts useful publications have been compiled for informing the foreign trade partners and customers (P. Szabó, 2011: 49–50).

Provided that we examine the figures on the imported Chinese goods, we can realize that the statistical value inclines between 24–30% compared to the gross import value, while the customs rate imposed on the Chinese products is around 44–58% of the total imported volume and it also produces a steady growth.

[3] CXXII. Law (2010) on establishing the Hungarian National Tax and Customs Administration.

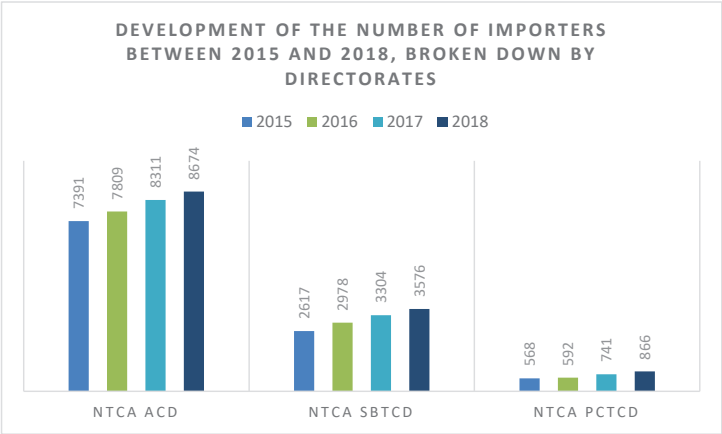


Source: NTCA

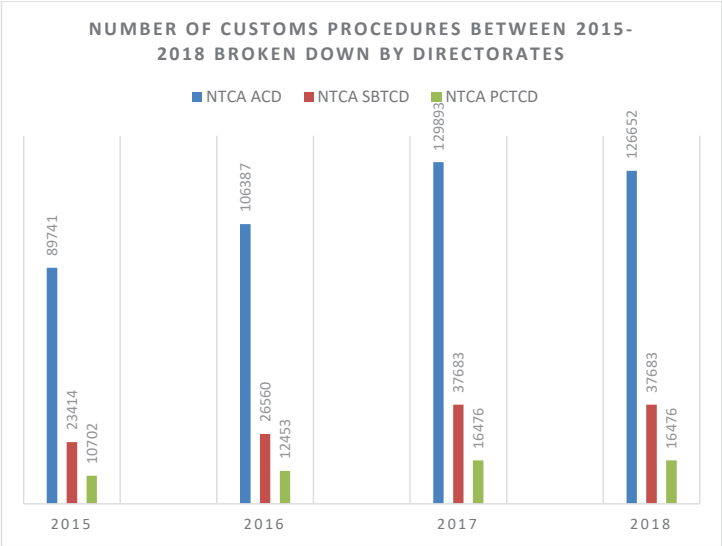
NTCA performs its activities professionally, legally and in a customer-oriented manner, laying great emphasis on promptness. Provided all the necessary documents are available for the authority and all the legal conditions are also valid to perform the customs control procedures, the cargo may be delivered on within 23 minutes average control time. In case of emerging risk, this process may take even more days. Most frequent risks factors are the low customs value (undervaluation), incorrect customs tariff numbers, breaching product safety regulations, compromised brand or copyright protection (fraud) (Bakai, 2016).

The customer may require customs control anywhere in the territory of the EU, according to this regulation almost all the container shipments coming from China arrive at the NTCA South Budapest Tax and Customs Directorate for customs procedures. The directorate deals with so-called target freight trains coming from major European ports, like Hamburg, Koper, Piraeus in several logistical centers (NAV, 2020b: 10). As we indicated before, more and more cargo arrive on direct railroad links also into these logistical centers.

The chart below shows on two diagrams the change of Chinese product importers' numbers as well as the number of customs procedures in the three major directorates in Budapest. Based on these figures, the Airport Customs Directorate shows extremely high numbers – thanks to its special characteristics and venue (international airport, post office and external border station of the EU) (NTCA ACD: NTCA Airport Customs Directorate; NTCA SBTCD: NTCA South Budapest Tax and Customs Directorate; NTCA PCTCD: NTCA Pest County Tax and Customs Directorate).

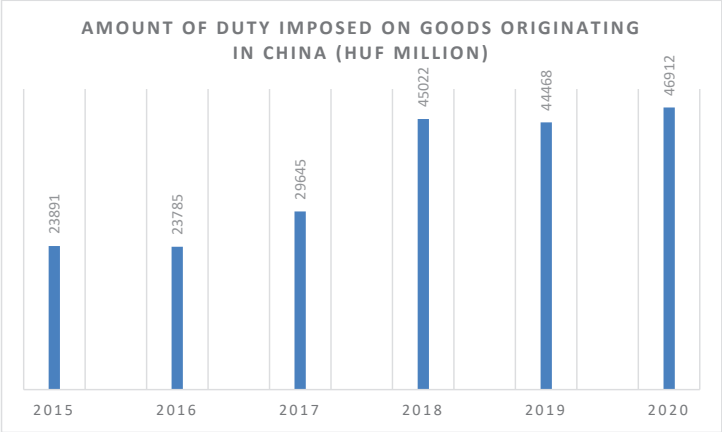


Source: NTCA



Source: NTCA

In the European Union as well as in Hungary it has been a recurring problem for several years the issue of under-billing, which cause significant budgetary losses both for the EU and the member states. To prevent and avoid this phenomenon the European Commission has imposed a so-called "fair price" threshold in the case of certain sensitive products – shoes and textile items – coming from Asian countries, and demands increased care and supervision in this case from the customs authorities (Andó, 2019).



Source: NTCA

From the diagram it reveals that the amount of customs tariff paid after the Chinese products shows growth since 2018, due to the implementation of the aforementioned fair pricing and the focused control carried out by the customs authorities. As it can also be highlighted from the previous chart, the COVID-19 pandemic did not have a significant impact on the volume of trade.

The European Union not only expects the supervision of international trade from the customs authorities – so as to ensure the revenues from the customs tariffs – and proper counteraction against any illegal and unfair business conduct but these authorities are also in charge of the safety and protection of all the subjects residing or sharing business facilities on the territory of the Union. According to this prerequisite, NTCA as customs organ may and can perform all the necessary customs procedures under its authority (Suba, Szendi, 2018: 166).

As of July 1, 2021 significant change is due with the abolition of the VAT-free category for any product under 22 Euro value. This primarily affects the online market sector. From one hand, the trans-border trade resulted in loss of revenues for the European Union, from the other hand the VAT-free closure also provided illegitimate business advantage for third party traders. The Hungarian Postal

Service is preparing with automatic customs control for the ensuing change in legislation, while the EU tends to ease the administrative burdens with launching a new and simpler type of freight-report document (NAV, 2021).

The Council of the European Union so as to perform its duties is assisted by the Customs Cooperation Work Panel (CCWP), which deals with the operational level cooperation among the national customs authorities to foster executive competences. This workgroup defines the strategic and tactical objectives of the common customs operations. It tries to make success in performing cargo seizures, identifying new threats and eliminating criminal groups (URL8). The workgroup maintains tight cooperation with Europol, the European anti-fraud office (OLAF) and European border and coast guard agency (Frontex).

The Europol databases as well as the analytic workfiles and projects, target groups enable the organization to show prompt and accurate response, furthermore the national liaison officers' networks and the successful criminal prosecution cooperation schemes provide helping tools for spotting and investigating various illegal activities, rolling up organized crime networks and taking the perpetrators into court (Szabó, 2012). Europol has a strategic cooperation agreement to withhold and push back cross-border organized crime signed with the People's Republic of China in April 2017. The agreement, though does not involve and permit the exchange of personal data (Europol, 2017b).

One of the outstanding operations heralding the cooperation between OLAF and the customs authorities of nation states, proved to be the customs operation with the codename SNAKE from 2016, which aimed to restrain and push back the under-billed textile and shoe products imported from China (Bakai, 2016). The operation partnered and got involved with the Chinese Anti-Smuggling Bureau, too. The operation resulted in hindering the European budget loss in the value of 80 million Euro (URL9).

5. Conclusions

Chinese trade connections prove to be of great importance in many states of the region, and according to the statistics China has become the largest trade partner of the EU. It is a non-concealed aim of the EU to deepen and expand the current ties and connections and to make further investment projects, though strictly within the frameworks of commonly approved norms and standards.

There is no question about the importance of the Chinese connections for Hungary, also underlined by the statistical figures, since China has become one of the most important trade partners of Hungary next to the EU. Experiences so far also demonstrate that Hungary proves to be a similarly important partner for China, taken the advantageous geographic position of our country, being situated along the external frontier line of the EU as well as in the middle of the Central and East European region. We can assume that the sectors with the brightest perspectives from Hungarian standpoint would be tourism, water management, environmental protection, agriculture, healthcare industry, education and technology-focused know-how industry (Mátyás, 2016).

The priorities may change from both parties' standpoints and directions, thus taken these factors into account may be important in the future, too, especially that our country does not share autonomous decision-making capacity in a series of crucial, trade-related matters. The latter is not merely a disadvantage by all means, only demands more careful considerations in cooperation frameworks.

The customs procedures of container shipments' at Záhony border-crossing station and along the Belgrade-Budapest railroad pose quite a significant challenge for the Hungarian customs authority, similarly to the effects of legislative changes coming into effect as of July 1, 2021 concerning the abolition of VAT-free status of all consignments under 22 Euro value. Regarding the COVID-19 pandemic effects we can conclude that it did not alter significantly the volume of trade, rather reorganized it, particularly concerning various swaths of cargo shipments.

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УГОРЩИНА ТА КИТАЙ: ВИКЛИКИ Й РИЗИКИ, З ЯКИМИ СТИКАЮТЬСЯ ПОДАТКОВІ ТА МИТНІ ОРГАНИ

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Метою дослідження є огляд поточного стану китайсько-угорської торгової політики, а беручи до уваги той факт, що Угорщина є державою – членом Європейського Союзу, угорська податкова служба, імовірно, зіткнеться з певними професійними та кількісними викликами.

Дослідження узагальнює висновки, доступні у вітчизняній і міжнародній академічній літературі, та занепокоєння щодо питань ініціативи «Один пояс, один шлях» та її конкретних цілей, залучення Угорщини як одного з головних залізничних шлюзів контейнерних вантажних перевезень. Крім того, також проаналізовано дані Центрального статистичного управління Угорщини та Національної податкової та митної адміністрації.

Метою «східного відкриття» Угорщини є пошук нових джерел сировини та ринків збуту для угорських корпорацій, оскільки економіка на захід від країни характеризується високими зарплатами та витратами на транспортування. Немає сумніву, що у XXI столітті фокус світової економіки змістився на Схід, а Азія стала континентом із найбільшим ринком покупців у світі. З огляду на це варто зазначити, що «східне відкриття» не зосереджується виключно на Китайській Народній Республіці, а включає також усі основні регіони (Majoros, 2008: 11) – від Кавказького регіону через Балкани до арабського світу.

Валовий обсяг двосторонньої торгівлі між Китаєм та Угорщиною, згідно з показниками Центрального статистичного управління Угорщини, становив 382 млрд форинтів у 2001 році та 1 284 млрд форинтів у 2010 році, тоді як після чотирирічного падіння показник зріс до 1 700 млрд форинтів у 2018 році (без урахування даних для Гонконгу та Тайваню).

Таке зростання свідчить про трансформацію системи завдань національної податкової служби, а також про необхідність вирішення кількості нових типів професійних процедур, пов'язаних з управлінням персоналом та митним управлінням, що постійно зростає. Можна помітити, що національна митна служба робить усе можливе, щоб відповідати європейським очікуванням, зокрема: зменшує тривалість митних процедур, здійснює так звану політику справедливої ціни, централізує митні пункти, загалом сприяє здійсненню унітарних і швидких митних процедур.

З метою визнання та боротьби з ризиками служба обмінюється протоколами тісної співпраці із Всесвітньою митною організацією, а також з установами Європейського Союзу, наприклад ОЛАФ та Європолом.

Ключові слова: міжнародна торгівля, східне відкриття, Новий шовковий шлях, митна служба, рішення, митниця.

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ISRAEL: TRANSPORT COSTS AND CUSTOMS DUTIES – IT'S ON YOU

Purpose and methods. Sea freight prices have risen sharply, due to the COVID-19 crisis, global shortages of ships, declining competition in the field, and containers of contagious demand. In addition, there is a "Made of Israel" reason, since due to the congestion at ports in Israel, there are ships that prefer not to dock in Israel, and then the number of ships that can dock in Israel is even smaller.
In Israel, the value for customs purposes includes the transportation costs, as in Singapore, and the majority of the states. On the contrary, the US, Australia and NZ, have chosen to exclude transportation costs, for customs value purposes.
Results. The GATT valuation agreement sets out a number of rules regarding the way goods are valued for customs purposes, but it does not stipulate any binding rules regarding transportation. Therefore, the increase in transportation costs in Israel, leads to the increase in the value of goods for customs purposes, and to a further collection of customs duties.
The Israeli law allows the state to facilitate importers and waive the extra customs duties, and similar and other facilitations have been made in the past, for example, in a war or strike situations.
Conclusions. In my opinion, if the Second Lebanon War is an unforeseen event over which the importer has no control, as well as sanctions or strikes, then the interpretation of the law could be a little more flexible, and determined that a global COVID-19 crisis, shortage of ships, containers, to be considered as special circumstances over which the importer has no control. Therefore, all that is required is the flexibility and activation of goodwill on the part of the state, when interpreting the law, in order to relieve the importers from extra duties, caused by the COVID-19 crisis.

Key words: GATT, valuation, transport, COVID-19, CIF, FOB.

JEL classification: F13.

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1. Introduction

In the past year, sea freight prices have risen sharply, an increase that has not been remembered for many years. Thus, according to various publications, about a year ago, renting a container for sea transportation from China to Israel, costed about 2,000$, and today, the same transportation costs about 15,000$.

According to the publications, the reasons for this significant increase are due, among other things, to the COVID-19 crisis, global shortages of ships, declining competition in the field, and containers of contagious demand. In addition, there is a "Made of Israel" reason, since due to the congestion at ports in Israel, there are ships that prefer not to dock in Israel, and then the number of ships that can dock in Israel is even smaller (Maritime freight prices continue to rise…, 2021).

Apart from the increase in transportation costs, which is expected to lead to a wave of price increases in the sale of products in Israel, there is another parameter that is slightly pushed to the margins, and that is the increase in the value of goods for customs purposes, due to rising transportation prices. This increase in prices leads to further collection of customs duties, purchase tax and import taxes, due to the increase in value.

As I will present in this review, in my opinion – the Israeli law already allows the state to facilitate importers at this point – and similar and other facilitations have been made in the past. All

that is required is the flexibility and activation of goodwill on the part of the state, when interpreting the law.

2. How is the value of the goods determined for customs purposes in the State of Israel?

The Israeli law (Israeli Customs Ordinance, Section 132 (a)) stipulates that the value of the transaction is:

"The price paid or to be paid for the goods, when sold for export to Israel <…> plus the expenses and amounts specified in section 133…"

The relevant Section which refers to "assists" to the transaction price for customs purposes (Israeli Customs Ordinance, Section 133), enumerates a large number of examples, one of which, relevant to its case, relates to transportation costs, and subscribes (Israeli Customs Ordinance, Section 133 (a)(5)(a)), which relates to:

"The following costs involved in bringing the goods to the port of import or place of import – (a) The cost of transporting the goods to the port of import or place of import, excluding such costs incurred due to special circumstances beyond the control of the importer and the Director determining not to include them in the transaction; This includes types of goods, types of transportation and other services".

And –

"The cost of insurance" (Israeli Customs Ordinance, Section 133 (a)(5)(c)).

That is, if we try to compare this to the terms of sale of Incoterms (ICC, 2020), it seems that the State of Israel has determined that the customs duty will be levied on the value of CIF (cost, insurance & freight), i. e. the value of the goods including transport and insurance.

3. How is the value determined for customs, worldwide? Is it FOB or CIF?

It should be noted that there is no uniform rule in this matter.

Most countries in the world are members of the World Trade Organization (WTO) and the World Customs Organization (WCO), and by virtue of their membership, have signed an international agreement on the valuation of goods for customs purposes (WTO, 1994).

The agreement sets out a number of rules regarding the way goods are valued for customs purposes, but it does not stipulate any binding rules regarding transportation.

GATT Valuation agreement, stipulates as follows (Section 8.2 of the Customs Valuation Agreement):

"In framing its legislation, each Member shall provide for the inclusion in or the exclusion from the customs value, in whole or in part, of the following: (a) the cost of transport of the imported goods to the port or place of importation;

(b) loading, unloading and handling charges associated with the transport of the imported goods to the port or place of importation; and

(c) the cost of insurance".

There are countries where the value on which the customs duty is imposed is FOB (free on board), that is, without the international transport cost – Such as the United Stated, Australia, New Zealand, as will be discussed below.

But, the majority of countries have chosen to impose customs duties on CIF value of the goods, including the international transport cost – such as Israel, Singapore (Singapore Customs, 2021), and many more, as is clearly indicated by the WCO review from 2018 (WCO, 2018):

"The majority of WTO Members made the one-off decision to include these elements in the Customs value; known as CIF (cost, insurance, freight) basis. The system used by the few Members who chose not to include these elements is known as FOB (free on board)".

3.1. Customs valuation in the United States

The United States have chosen a different method than in the State of Israel, and in the United States, customs duties are imposed on the value without international transportation cost.

Thus, the corresponding section in American law to the Israeli Customs Ordinance, which deals with the "transaction price", states in US law that (United States, 1930, §1401 a(b)(1)):

"The transaction value of imported merchandise is the price actually paid or payable for the merchandise when sold for exportation to the United States".

As for transportation costs, American law goes on to declare that the value to customs will not include them (United States, 1930, §1401 a(b)(3)):

"The transaction value of imported merchandise does not include any of the following, if identified separately from the price actually paid or payable and from any cost or other item referred to in paragraph (1): (A) Any reasonable cost or charge that is incurred for –

(ii) the transportation of the merchandise after such importation".

3.2. Customs valuation in Australia

The Australian legislator has chosen to impose customs duties on the FOB value, similarly to the United States. The Australian relevant law, rules (Australian Government, 2020):

"Unless the contrary intention appears in this Act or in another Act, the value of imported goods for the purposes of an Act imposing duty is their customs value and the Collector shall determine that customs value in accordance with this section".

The law defines the customs value as the transaction value (Australian Customs Act of 1901, Section 159(2)):

"Where a Collector can determine the transaction value of imported goods, their customs value is their transaction value".

The law continues and rules that the transaction value should be adjusted, as follows (Australian Customs Act of 1901, Section 161(1)):

"The transaction value of imported goods is an amount equal to the sum of their adjusted price in their import sales transaction and of their price related costs to the extent that those costs have not been taken into account in determining the price of the goods".

Afterwards, the law defines the price related costs which should be added to the transaction value (Australian Customs Act of 1901, Section 154):

(c) foreign inland freight and foreign inland insurance in relation to the goods paid or payable, directly or indirectly, by or on behalf of the purchaser;

Therefore, since the Australian Law rules that only inland freight and insurance should be added to the customs value, marine or aerial transportation costs, are excluded from the customs value.

This point is well explained in the Australian customs valuation guide, as follows (Australian Government, Department of Immigration and Border Protection (2011):

"Note that the above provisions are aimed at assessing the total amount paid for the goods, packed and in export condition, at their place of export.

CIF ("cost, insurance, freight") contracts will require adjustments in respect of: (1) overseas inland freight and insurance after the place of export; (2) overseas freight and shipping charges; and (3) other charges imposed after the place of export".

3.3. Customs Valuation in New Zealand

The New Zealand relevant law, defines the customs valuation method, as follows (New Zealand legislation, 2018, Part 1, method 1, section 4(1)):

"The primary basis for determining the Customs value of imported goods is the transaction value of the goods".

The Law continues and notes that several adjustments should be made to the customs value (New Zealand legislation, 2018, Part 1, method 1, section 7):

"The transaction value of imported goods is to be calculated by –

(a) taking the price paid or payable for the goods when sold for export to New Zealand; and

(b) on the basis of sufficient information, adding amounts (to the extent that each amount is not included in the price paid or payable for the goods when sold for export to New Zealand) equal to the following:

(vii) the costs of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the imported goods until the goods have left the country of export if those costs, charges, and expenses are paid or payable by the buyer, directly or indirectly, to or for the benefit of the seller as a condition of the transaction".

The New Zealand Law does not stop right here, but also defines the exclusions, the deductions which should be made to the customs value (New Zealand Customs Service, 2018):

(c) on the basis of sufficient information, deducting amounts (to the extent that each amount is included in the price paid or payable for the goods when sold for export to New Zealand) equal to the following:

(i) the costs of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the imported goods from the time the goods have left the country of export, other than any cost, charge, or expense referred to in subparagraph (ii) (B).

Therefore, is seems that the customs valuation method of New Zealand is similar to the United States and Australia.

3.4. Customs Valuation comparison

Hence, it seems that in the US, Australia and New Zealand, since the customs valuation method is based on the FOB value, an increase in international freight rates, does not increase the value of the goods for customs purposes.

In Israel, Singapore and most of the States, on the other hand, any increase in international freight also embodies the increase in value to customs, and, accordingly, increases the customs burden imposed on the importer.

That is, if we assume for the purpose of the example, that a spare part for a car is subject to a purchase tax of about 20% of the value to customs, then any increase of 1,000$ in transportation prices embodies an additional purchase tax of 200$, collected by the State of Israel.

Since this is an indirect tax, it will, by its very nature, ultimately be passed on to the entire public, in the form of rising prices.

4. How has the State of Israel dealt with such similar situations in the past?

Price increases in the field of transportation can be caused by a wide variety of reasons. Among other things, wars, closures, sanctions, strikes, and a host of other reasons may increase transportation prices.

In this regard, the Israeli law stipulates that in exceptional situations, the director of customs may not include in the value of customs certain transportation costs. The law calls them (Israeli Customs Ordinance, Section 133 (a)(5)):

"such costs incurred due to special circumstances over which the importer has no control and the manager has determined that they should not be included in the value of the transaction;"

These are, in fact, transportation costs that are a kind of "force majeure" that the importer did not have the ability to prevent.

It should be noted that the Customs Authority exercised this authority, and sometimes exempted transport costs, due to certain circumstances.

On April 24th, 2006, Customs ruled that transportation costs due to the Second Lebanon War would not be included in the customs entry:

"In accordance with my authority under section 133 (a) (5) (a) of the Customs Ordinance, I stipulate that war levies and additional transportation costs incurred by importers due to the security incidents in the north of the country, should not be included in the value of the transaction for the purpose of calculating the import taxes. It is clarified that these are additional transportation, unloading and loading costs listed in the cargo account that were caused due to the security incidents".

On June 6th, 2008, the Customs ruled that the container demurrage fee beyond the agreed, will not be included in the customs entry:

"The demurrage fee in the importing country, which is charged for the use of the container beyond the agreed period between the ship's agent and the importer, will not be included for import taxes".

On September 7th, 2008, Customs exempted certain transportation costs in respect of strikes from being included in the customs entry, stating:

"In accordance with my authority under section 133 (a) (5) (a) of the Customs Ordinance, I provide that additional transportation costs incurred by importers due to sanctions in the ports of Israel, will not be considered for the transaction value for the purpose of calculating import taxes. It is clarified that these are additional transportation, unloading and loading costs listed in the cargo account, which were caused due to the sanctions and the importer has no control over them. The importer must prove the existence of such additional costs".

5. Conclusions

Can the state of Israel relieve importers in the current situation?

According to the publications, the Israeli Chamber of Commerce recently appealed to the director of customs to exercise his authority and set a type of ceiling on which customs would be imposed, even if in practice transport costs are currently more expensive, and this application was denied by customs (Chamber of Commerce News, 2021).

Customs stated that this was a request to reduce the actual cost of transport – something that is not possible, noting that when it came to a request to reduce additions to the value of transport, such as vessels that declared "end of journey" in Cyprus and refrained from entering Israel due to the COVID-19 crisis. Customs further stated that it has not been proven that the increase in transportation prices is due to the COVID-19 or an unforeseen situation, therefore no reduction can be made under the exception in section

133 (a)(5) of the Customs Ordinance, and even claimed that if the State of Israel accepts the claim, this will be a breach of the International Agreement on the Valuation of Good.

So the question is basically: can in the present case, transportation costs raised by tens or hundreds of percent, due to global COVID-19 crisis, shortage of ships, heavy loads in Israeli ports, shortage of containers, constitute "special circumstances beyond the importer's control"?

With all due respect, in my opinion, this point deserves further thought and discussion.

In my opinion, if the Second Lebanon War is an unforeseen event over which the importer has no control, as well as sanctions or strikes, then the interpretation of the law could be a little more flexible, and determined that a global COVID-19 crisis, shortage of ships, containers, to be considered as special circumstances over which the importer has no control.

In this regard, I would like to bring to the readers' attention a ruling given in the Israeli court on another issue, but it was stated in it, in relation to the Corona crisis, that it is certainly an unexpected event (Israeli judgement…, 2020):

"It is hard to believe that the reasonable person could or should have expected the full far – reaching consequences of the Corona epidemic, including on the economy and commercial life, in Israel and around the world. We are dealing with an unparalleled epidemic which has no precedent in the last hundred years (at least since the Spanish Flu epidemic which caused many deaths around the world between the years 1918–1920).

These right things can and should be applied, in my opinion – also in the field of international trade and customs valuation.

Does anyone in the Customs Authority believe that the simple, lone importer, even if it is a wealthy business company, has any control over the changes in world freight rates? Could any importer have anticipated the corona crisis?

In the end, if my opinion will be adopted, the legal solution, is to relieve the importers of the customs duty imposed on the transport that has become more expensive – it already exists. The "invention of the wheel" is not required here.

Now only goodwill is required, and little flexibility in interpreting the law.

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ІЗРАЇЛЬ: ТРАНСПОРТНІ ВИТРАТИ ТА МИТНІ ЗБОРИ – ЗА ВАШ КОШТ

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***Мета та методи**. Ціни на морські перевезення різко зросли через кризу COVID-19, глобальну нестачу кораблів, зниження конкуренції на місцях та великий попит на контейнери. Крім того, можемо виокремити суто «ізраїльську» причину – перезавантаження портів Ізраїлю: керівництво на кораблях не вважає за краще швартуватися тут, через що кількість кораблів, які користуються портами Ізраїлю, зменшується. В Ізраїлі до митної вартості товарів додані транспортні витрати, як, наприклад, у Сінгапурі та в більшості країн. США, Австралія та Нова Зеландія, навпаки, вирішили виключити такий вид витрат із митної вартості товарів.*

***Результати**. Генеральна угода з тарифів і торгівлі ГАТТ встановлює низку правил щодо того, як оцінюється митна вартість товарів, проте не передбачає жодних обов'язкових правил щодо перевезень. Тому збільшення транспортних витрат в Ізраїлі призводить до збільшення митної вартості товарів та до подальшого стягнення митних зборів.*

Ізраїльське законодавство дозволяє державі сприяти імпортерам і відмовлятися від додаткових митних зборів. Ці та інші спрощення були прийняті ще в минулому (наприклад, під час війни або страйку).

***Висновки**. На мою думку, якщо Друга Ліванська війна, так само як санкції чи страйки, – це непередбачувані події, які імпортери не можуть контролювати, то тлумачення закону може бути дещо гнучкішим та визначати, що глобальна криза COVID-19, дефіцит кораблів і контейнерів вважаються такими ж особливими обставинами, які не підвладні контролю імпортерів. Тому все, що потрібно, – це гнучкість та активізація доброї волі з боку держави у процесі тлумачення закону, щоб звільнити імпортерів від додаткових мит, спричинених кризою COVID-19.*

Ключові слова: ГАТТ, оцінка, транспорт, COVID-19, CIF, FOB.

Для опублікування статті

у науковому журналі «Customs Scientific Journal» необхідно заповнити довідку про автора за посиланням на сайті та надіслати електронною поштою на адресу editor@csj.umsf.in.ua такий пакет документів:

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Мова публікацій: **англійська**.

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5. *Анотація та ключові слова*.

Обсяг анотації: мінімум – 300 слів, максимум – 350 слів. Обов'язковою є така структура анотації: Мета, Методи, Результати та Висновки. До анотації обов'язково додають 5–10 ключових слів чи словосполучень, жодне з яких не дублює назву статті.

6. *Класифікація* **JEL** для ключових слів.
7. *Текст статті*:

Вступ (Introduction) є обов'язковою частиною роботи, в якій автор вказує новизну теми та актуальність наукових рішень. Мета дослідження повинна бути чітко вказана поряд з науково-дослідницькими завданнями. Необхідно вказати методологію дослідження, логіку уявлення дослідженого матеріалу.

Основний текст повинен бути поділеним на змістовні розділи з окремими заголовками (до 4–6 слів).

Стаття повинна містити висновки з проведеного дослідження (Conclusions), в яких представлені розгорнуті конкретні висновки за результатами дослідження і перспективи подальших досліджень у цьому напрямку.

8. *References.* Оформлюється відповідно до стандарту APA (APA Style Reference Citations). Автор (трансліт), назва статті (трансліт), назва статті (в квадратних дужках переклад англійською мовою), назва джерела (трансліт), вихідні дані (місто з позначенням англійською мовою), видавництво (трансліт). Наприклад:

Dikhtiievskyi, P. V., Lahniuk, O. M. (2015). Kadrove zabezpechennia sudiv zahalnoi yurysdyktsii: administratyvno-pravovyi aspekt [Staff assistance of of courts of general jurisdiction: administrative and legal aspect]. Kherson: Helvetyka. [in Ukrainian]

Bondarenko, I. (2002). Sudova systema Ukrainy ta yii reformuvannia v suchasnykh umovakh [Judicial system of Ukraine and its reforming in the modern conditions]. Pravo Ukrainy, no. 8, pp. 37–39.

Транслітерація імен та прізвищ з української мови здійснюється відповідно до вимог Постанови Кабінету Міністрів України «Про впорядкування транслітерації українського алфавіту латиницею» від 27 січня 2010 р. № 55.

Транслітерація з російської мови здійснюється відповідно до ГОСТ 7.79-2000. Система стандартов по информации, библиотечному и издательскому делу. Правила транслитерации кирилловского письма латинским алфавитом.

9. Наприкінці статті вказується *українською мовою:*

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Обсяг анотації українською мовою: мінімум – 300 слів, максимум – 350 слів. Обов'язковою є така структура анотації: Purpose, Methods, Results, Conclusions. До анотації обов'язково додають 5–10 ключових слів чи словосполучень, жодне з яких не дублює назву статті.

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Посилання на літературу подаються у тексті тільки в круглих дужках відповідно до прикладу:

Many researchers have considered the issues of theory and implementation of international customs law's standards in their publications, thus the analysis of existing developments in the sphere of scientific research indicates the diversity of views upon their understanding. The generalization of published scientific papers allows us to combine the existing diversity of views in understanding the standards of international customs law within the framework of two approaches: scientific and practical (Baimuratov, 2006).

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