



The meeting of the session *“Customs and logistics - "alpha" and "omega" of foreign trade”* was organized on **November 30, 2018** in Moscow in the conference hall of Lotte Hotel Moscow within the work of the *Fifth Moscow International Financial And Economic Forum “The Eurasian Economic Union and the EU: search for new formats of cooperation”*.

The moderators of the session were **Vladimir Obydenov** – President of group holding “ANTARES” and **Maria Serebrova** – Director of the Association of Customs Auditors and Consultants.

Besides the representatives of business, audit companies and legal & logistics companies the session was attended by independent press and the Federal Customs Service of Russia (FCS).

The first topic of the session was **“Customs logistics – improvement of management mechanism for export-import commodity flows”** with the speakers S. Fedorov, Ph. Delmotte, A. Neronov.

In his presentation *“International trade and settlement system in the context of the development of the “Big Eurasian Partnership” initiative and “The Belt and Road Initiative” (One Belt One Road)*, Chairman of the Riga Chamber of Commerce and Industry **Sergey Fedorov** spoke about the huge potential for cargo traffic growth across the EAEU countries as well as about the importance of usage of the national currencies in servicing this cargo traffic.

Among other things he stressed the role of container shipping in the cargo traffic, anticipating here a five times growth by 2020 in comparison to 2016. S. Fedorov argued that the biggest potential of cargo traffic growth across the EAEU countries is expected towards China. He offered to the EAEU and the EU companies concerned, to create a joint information resource which would ensure a single information realm and single cooperation rules on the basis of smart-contract. This will develop an effective business model, using high technologies. At the same time there will be an opportunity to automate the “supply chain”, which in its turn will eliminate most risks and restrictions of the participants and improve the logistics effectiveness.

**Aleksey Neronov**, Project Manager of Biforium Ltd. (Russia) from Saint-Petersburg spoke about the role of logistics in the development of current business processes, while **Philippe Delmotte**, founder and CEO of POD CONSULTING FFF, in his report focused on effective assistance to small and medium enterprises. In particular he spoke about the necessity to implement the “principle of three fives” – the creation of a wide network of loans to businessmen under the following conditions: 5 percent loan for 5 years and for the amount of 5 million Euros. According to the expert such financial instrument will allow to reduce the burden on importers due to lower price of debt service and to minimize currency risks.

The second topic of the session **“Information technologies – the key element of effectiveness of logistic systems in customs”** involved two speakers.

**Olga Alexeeva**, Head of Clients Department of “Multiservices payment system” Ltd. told the audience about *the payment system “ROUND”*.

“Round” is an operator of customs payments and a nationally important payment system, a system integrator which offers the participants of foreign trade different services, for example the possibility for legal entities and individuals to pay customs fees at the moment of applying the customs documents to the customs bodies, thus avoiding advanced payments, excess payments, remaining balance. This system is also applicable for reporting and document exchange with state bodies. Additionally the service can be used to check the potential contractors and for online cargo insurance.

**Inna Yelisanova**, Senior lawyer of St. Petersburg branch of “DLA Piper Rus Limited” presented the *automation processes of “customs audit”* and told about *customs audit as a multifunctional mechanism of control of goods after their release*.

The presentation was distinctive because the author’s technology of customs audit is widely used today in practice, while the idea of “customs audit” is simply missing in the Customs Code of EAEU. At the same time the World Trade Organization (WTO) started to practice customs audit 20 years ago.

Customs audit implies either direct involvement of customs administration in the check of foreign trade participants with regards to the requirements of customs legislation, or the access to the final audit report for an accredited audit organization. In case of successful audit, a faithful foreign trade participant gets to the “green corridor” and receives a number of simplifications from the customs service. The most important simplification is the Fast Track. Thus the customs audit allows to remove risks of after release state control.

The lack of the basic instrument of a reliable state control in the EAEU legislation reduces the speed of the development of the “green corridor” and hinders its work.

However according to **Anastasia Vyatkina**, Head of preventive control in the Federal Customs Service, such work is already going on. The FCS has decided to include the “customs audit” into the Strategy of the development of Customs Service of Russia up to 2030.

**Irina Kirillova**, Deputy Head of interaction with law-enforcement and control bodies of FCS, added that a work group is going to meet by the end of 2018 to discuss the effectiveness of customs control after the goods release using the methods of customs audit.

The third topic of the session **”Institute of customs audit – key element of better quality, facilitation and harmonization of customs administration”** was covered by Arina Makarova, lawyer of “SALUS”. She pointed out that the report of independent qualified experts provides for the opportunity of pre-trial settlements, therefore the foreign trade participant can secure his reputation and avoid excess loses, while the results of self-checking play an important role in case of contestation of the adjustment of customs value in court.

**Alexander Bogatyrev**, Expert of "Metallservice" JSC covered the final topic of the session **“Green sector” – backbone of risk management**. He provided a report *“Kew problems of customs formalities and ways to overcome them”*. A. Bogatyrev shared the problems of authorized economic operators and underlined the necessity to relieve of responsibility the final control inspector. He doesn’t have the capacity to inspect all cargos, to check documents for false data, let alone to reveal “sketchy schemes”, since a customs servant can’t be an expert in all supply chains.

**Vyacheslav Nevskiy**, deputy General Director of “Assistant” CJSC informed about his experience as a representative of audit organization at the first stage of FCS experiment. He underlined the necessity of the soonest introduction into the customs legislation of the definition “customs audit” and a list of all simplifications for the foreign trade participants who have passed the verification at the second stage of the experiment.

Among other participants of the session were top managers of Russian and international companies-retailers for example “X5 Retail Group”, “Decathlon”, “Leroy Merlin”, “Pepsico” and “Schaeffler Russia”.

In conclusion the moderator M.Serebrova and V.Obydenov thanked the participants and summed up the discussion. The Forum revealed a serious problem to be addressed to the legislative and executive authorities.

It was offered to create a work group under the Customs and Logistics Center of FBA EAC (CLC FBA) which unites commercial and financial structures of more than 25 leading countries of Europe and Asia. The final goal of the CLC FBA work group was set to create a “green sector” of CLC FBA which would include those businesses which have passed the checking under the customs audit principles.

All the participants of “green sector” of CLC FBA after their consent will be recommended to FCS of Russia as participants of the second stage of experiment on the possibility to use audit reports for customs control.

The recommendations after the Forum will be considered in the work of FBA EAC and the suggestions will be passed to the Eurasian Economic Commission and FCS.

The Forum was very informative and gained positive reaction from Russian and foreign participants. The speeches, presentations and information materials of the speakers were of great interest to the audience, while the issues discussed were updated and applicable.

