

LEGAL MECHANISM FOR ENSURING CUSTOMS SECURITY OF UKRAINE

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Abstract. It has been proven that administrative liability for violation of customs rules is one of the most effective means of ensuring law and order in the customs affairs and customs policy of Ukraine, and contributes to strengthening the customs security of the country. It has been established that at the present stage the customs system of Ukraine is at the stage of stagnation, characterized by the existence of a large number of objective and subjective problems that must be solved by joint efforts of government officials in various fields through large-scale effective reform of customs authorities. The statistical analysis of smuggling in Ukraine for 2013-2018 has been carried out. The directions of coping with smuggling patterns has been proposed. In the context of European integration of Ukraine, the solution to this complex problem is seen through the study of the successful experience of representative European states as regards building and operation of customs systems, which are based on the use of European customs principles and operate effectively at European and international levels. The system of risk management and analysis operates on the basis of built-in analytical tools, which are used by customs authorities to develop and implement a full range of control measures for high-risk goods. This allows identifying fiscal and non-fiscal risks ensuring the implementation of the principle of selectivity. Such approach to customs control maintains an optimal balance between facilitating foreign trade and ensuring the financial security of the state, reducing the time of customs clearance and shifting the emphasis to customs control after the release of goods for free circulation. Development and implementation of new software products will allow improving the electronic declaration system, making the most of its capabilities. The fight against customs offenses of an economic nature, the main purpose of which is to import goods into the country with evasion of customs duties, can be effective and efficient only if it is conducted by measures of an economic nature.

Keywords: customs security; smuggling, risks; customs offenses; customs control

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1. Introduction

At the present stage of development of Ukraine, there is a clear trend towards the introduction of European norms of civil society, especially with regard to the progressive dynamics of the country development, reform of state institutions, ensuring the implementation of state policy in general and its separate institutions. The state policy in the customs area, which is one of the most important components of the economic policy of a country and is aimed at maximally filling the state budget, is no exception. Reforming the activities of the customs authorities of Ukraine and adapting their activities to the requirements of the European Union are identified as one of the most important tasks provided by the Sustainable Development Strategy “Ukraine 2020”.

The issue of preventing and combating violations of customs rules, which are commonly identified as a negative phenomenon, is particularly relevant in the process of reforming the activities of customs authorities. The existence of such violations causes damage to the state undermining its economic stability. That is why the state attaches great importance to this problem. Today, such phenomenon as violation of customs rules has become widespread and is considered not only within a particular country or region, but at the global level, due to its inherence in almost all countries and regions of the world.

To provide an effective mechanism for preventing and counteracting this negative phenomenon, each state makes every effort possible to develop and implement a number of programs, tasks, improving its legislation in terms of combating customs offenses. Similarly, in Ukraine, the existing scale of violations of customs rules is impressive in its scope and methods of implementation. This encourages both the central executive authorities and law enforcement agencies to use new methods to prevent and counteract this negative phenomenon. The issue of counteracting violations of customs regulations attracts considerable attention from both scientists and practitioners. Considering and highlighting some problematic aspects of the mechanism for preventing and combating violations of customs regulations, they outline the main directions of eliminating the negative impact of this phenomenon on the development of the national economy.

In addition, it should be noted that the administrative and legal mechanism for preventing and combating violations of customs rules is quite problematic due to its actual uncertainty. On the one hand, there is its obvious instability, and on the other hand, there is growing legal nihilism of citizens, and, as a result, the effectiveness of this mechanism is reduced.

Violation of customs rules is the most common type of offense in the area of customs affairs. And the mechanism of prevention and counteraction to violations of customs rules gain currency in the process of development of Ukraine as a legal, social state. The process of carrying out a comprehensive fight against these delicts in the customs area is a necessary condition for integration of Ukraine into the European space.

The purpose of the paper is to determine the theoretical foundations and features of the administrative and legal mechanism for preventing and combating violations of customs rules in Ukraine on the basis of analysis of current legislation and generalization of the practice of its application and on this basis to develop proposals for its improvement.

2. Literature Survey

The main trend in the standardization of customs procedures, which takes place in the framework of the World Customs Organization, is to improve the conditions for the development of international trade by accelerating and simplifying customs procedures (Nowak, T., Sowiński, C., & Czyżowicz, W. (2015)). However, maintaining an adequate level of security and ensuring compliance with customs legislation remains an important requirement (Nguyen, T. C. N., Kettle, M., & Doherty, C. (2019)). These two, at first glance, contradictory tasks require the introduction of new forms and methods of customs control, the integration of security elements into the customs procedures themselves.

As one of the key results of the simplification of customs procedures is the reduction of time spent on customs clearance of goods, and consequently the need to reduce the volume of customs control measures carried out regarding specific goods and transport vehicles (Kiyanchuk, I. (2017)). Therefore, customs control should be based on the principle of “less volume — more efficiency”. One of the ways to ensure the implementation of this principle is the implementation of the concept of risk management and, in a broader sense, the concept of protection of customs security (Lay, C., & Astrina, A. R. (2020)).

A necessary condition for the effective functioning of a sovereign state governed by the rule of law is to ensure the rights and freedoms of citizens, security in all areas of foreign and domestic policy, prevention of any offenses, as well as identification and elimination of their causes (Rogers, T. W., Jaccard, N., Morton, E. J., &

Griffin, L. D. (2017); Gaile, Dž., Tumulavičius, V., Skrastiņa, U., Načiščionis, J. (2020), Vigliarolo, F. (2020)). Ensuring customs security is the main task of the customs authorities of each state, within which they must ensure the receipt of customs duties and other customs payments to the state budget, protect the national producer, prevent the import of banned and dangerous products, ensure compliance with laws, etc (Kormych, B. (2018)).

In the conditions of deepening and acceleration of European integration processes the problems of preventing and counteracting customs offenses and violations of customs rules in particular gain special currency. Since it is the violation of customs rules that negatively affects the economic interests of the state and, as a result, the standard of living of the population (Hu, R., Tan, Y. H., & Heijmann, F. (2016)).

In the conditions of globalization of the world economy and strengthening interdependence of the countries, the value of a customs component of their economic policy has sharply increased (Avdeev, V. A., Rozenko, S. V., Bulygin, A. V., & Byzova, I. G. (2019)). Effective customs policy and rationally organized customs services promote using the benefits of globalization (stimulate the growth of foreign trade of a country, improve the structure of its goods turnover and increase the competitiveness of export products) (van Engelenburg, S., Janssen, M., & Klievink, B. (2019)).

In parallel with the dynamic development of customs control technologies, the patterns of committing customs offenses are also getting more complicated, and vice versa, because these processes are interrelated (Świerczyńska, J. (2016)). Once effective mechanisms for combating customs offenses and smuggling are no longer able to provide customs authorities with effective and reliable means of customs control and guarantee of customs security of the state (Danijela, M. (2016)).

The inadmissibility of ignoring such challenges and threats of today necessitates the modernization of customs regulation mechanisms and the introduction of modern customs control technologies (Grotтели, M. (2015)). Accordingly, the state customs policy must be reactive to those dynamic changes in the area of foreign economic activity and international trade in order to ensure the national customs interests and security of the state (Komarov, O. (2016)).

Thus, the lack of developments at the theoretical level, the presence of practical legal problems, as well as the need for a comprehensive study of the theoretical foundations of the administrative and legal mechanism to prevent and combat violations of customs regulations in Ukraine led to the choice of research topic.

3. Methods

In the paper there was used a set of methods and techniques of scientific cognition, both general theoretical and special scientific. The use of these methods is guided by a system approach, which primarily provides an opportunity to explore problematic aspects in the unity of their social content and legal form allowing for scientific study on the nature of the administrative-legal mechanism to prevent and combat violations of customs rules. Separate methods of scientific cognition were also used in the work. In particular, with the help of the epistemological method of study, the essence of violations of customs rules as a subject of the administrative-legal mechanism for ensuring their implementation was defined, the essence of the administrative-legal mechanism for prevention and counteraction to violations of customs rules was characterized; the logical-semantic method and the method of transition from the abstract to the concrete allowed deepening the conceptual framework; the comparative-legal method was used to highlight the state of legal support for the mechanism of prevention and counteraction to violations of customs rules, development of recommendations for optimizing the system of subjects of this mechanism; analytical method provided an opportunity to identify the need to improve legislation in the area of prevention and counteraction to violations of customs rules. Methods of classification and grouping were used to study the administrative-legal measures to prevent and combat violations of customs rules and determine the place of administrative liability in this mechanism. The use of the inductive method allowed to confirm the conclusion about the need to improve the administrative-legal mechanism to prevent and combat violations of customs regulations.

Scientific works of specialists in the area of philosophy, management theory, general theory of state and law, administrative and customs law, other sectoral legal sciences are the regulatory framework of the study. The Constitution of Ukraine, current laws and regulations that determine the legal basis for the implementation of state customs policy are also the regulatory framework of the study. Documents of international organizations, which experience in implementing state customs policy can be used in Ukraine, were also used in the study. Generalizations of the practice of the State Fiscal Service of Ukraine, reference books, statistical materials are the information and empirical basis of the study.

4. Results

Due to its important geopolitical position, Ukraine has acquired the characteristics of a developed center of foreign trade relations, which determined the future of a country with a powerful scientific, technical and industrial potential. The partnership relationships of the country cover more than 70 countries. The largest flows of goods go to Russia, Pakistan, Kazakhstan, Estonia, Belarus, Hungary, Austria; largest import trading partners are Russia, Kazakhstan, Italy, Germany, Belgium and other EU countries.

Customs rules establish a system of regulations that, depending on the objects, subjects, purposes, means, methods and stages of movement across the customs border determines the procedure for such movement and the scope of customs procedures that are carried out.

Historically, the development of mankind outlined the development of crime. Any discovery was accompanied not only by progress, but also gave a significant impetus to the development of crime. This is most noticeable in recent years.

In the modern economy of Ukraine there is a tendency to increase the level of violation of customs rules and import of smuggled goods, which poses a real threat to the economic security of the state. Smuggling and export of items such as drugs, weapons, cigarettes, and items of cultural value are particularly dangerous as there appeared highly organized transnational markets related with smuggling of these goods.

The public danger lies in the fact that illegal movement of goods and objects across the customs border of Ukraine violates the procedure for state regulation of foreign economic activity, which includes the general, and for certain goods — a special procedure for moving them across the border. At the same time, in the current political situation in the country, the mechanisms of centralized management lose the ability to control these processes, hence the need to take measures to improve the system of combating customs crime in the context of economic security.

In the Concept of realization of state policy in the field of prevention of offenses for the period up to 2015, approved by the order of the Cabinet of Ministers of Ukraine dated November 30, 2011 No. 1209-r (Concept of realization of state policy in the field of prevention of offenses for the period up to 2015 (2011)), it is noted that today there is a tendency to increasing the scale of criminalization of the main spheres of social life. Along with the decrease in the number of committed crimes of medium gravity, grave and especially grave crimes, there is a tendency to increasing the number of customs offenses.

As a result of all organizational-practical measures taken during 2017, including joint operations and analytical-search work, the customs offices of the State Fiscal Service (SFS 32 282) detected violations of customs rules with the value of targets of offenses amounting to almost 1.6 bln hryvnias. (Official site of the State Fiscal Service of Ukraine).

Here are the statistics on smuggling in Ukraine. The total budget losses due to the existence of smuggling patterns for 2013-2018 in Ukraine (WITS nomenclature by sector) are shown in Figure 1.

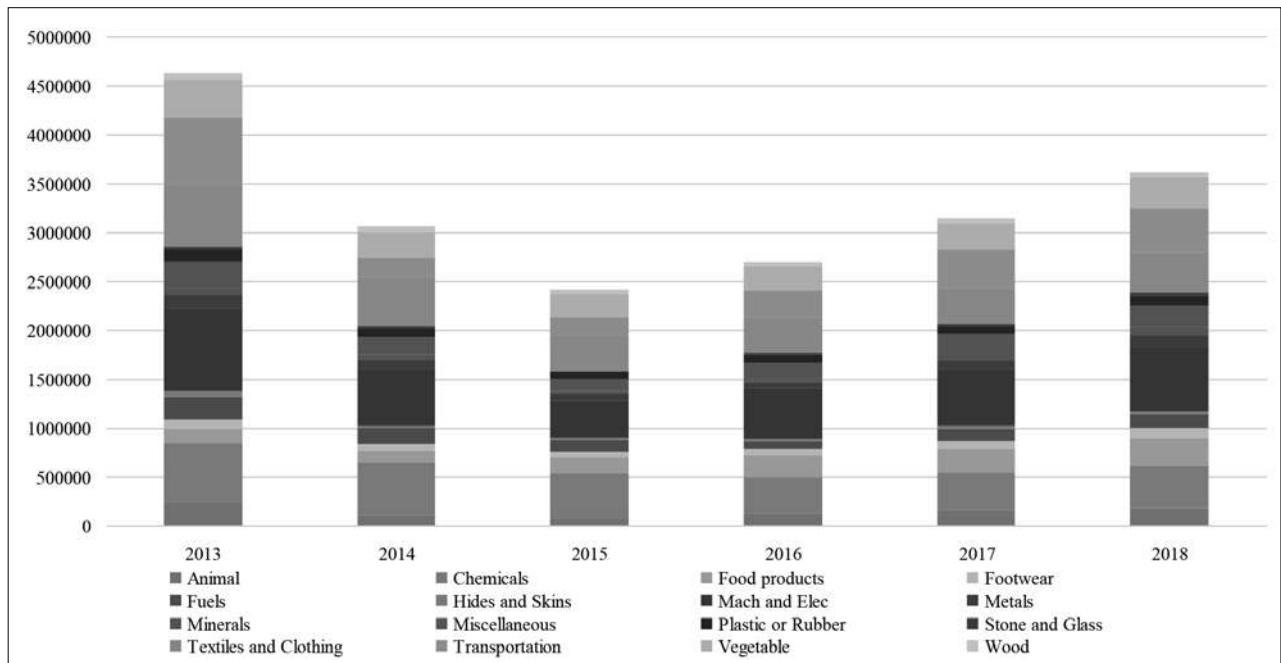


Figure 1. Total budget losses due to the existence of smuggling patterns for 2013-2018 in Ukraine, thousand US dollars

Source: based on <http://ua-outlook.com.ua/wp-content/uploads/2019/07/Аналіз-обсягів-контрабанди—прямі-та-непрямі-втрати-бюджету-та-економіки.pdf>

The following conclusions can be drawn regarding the change in total budget expenditures due to the existence of smuggling patterns by 16 commodity groups in the period of 2013-2018 in Ukraine. First, an increase in the volume of smuggling was observed only by three commodity groups during the analyzed period. By the commodity group “Food Products» smuggling increased by 88.19% (129,132 thousand US dollars), by the commodity group “Minerals” it increased by 44.81% (25,467 thousand US dollars), and by the commodity group “Footwear” it increased by 12.39% (11,123 thousand US dollars). Smuggling decreased by all other commodity groups. The three leaders in terms of decreasing the volume of smuggling include the following commodity groups: “Hides and Skins” – 43,58% (124,792 thousand US dollars), “Fuels” – 39,05% (91,453 thousand US dollars), “Textiles and Clothing” – 35% (221,068 thousand US dollars). As a whole, for the period of 2013-2018, Ukraine reduced the total budget losses due to the existence of smuggling patterns by 21.98% or 1,019,306 thousand US dollars, which indicates an effective customs policy.

The change in the dynamics of smuggling volume in terms of the TOP-20 partner countries of Ukraine for 2013-2018 is shown in Figure 2.

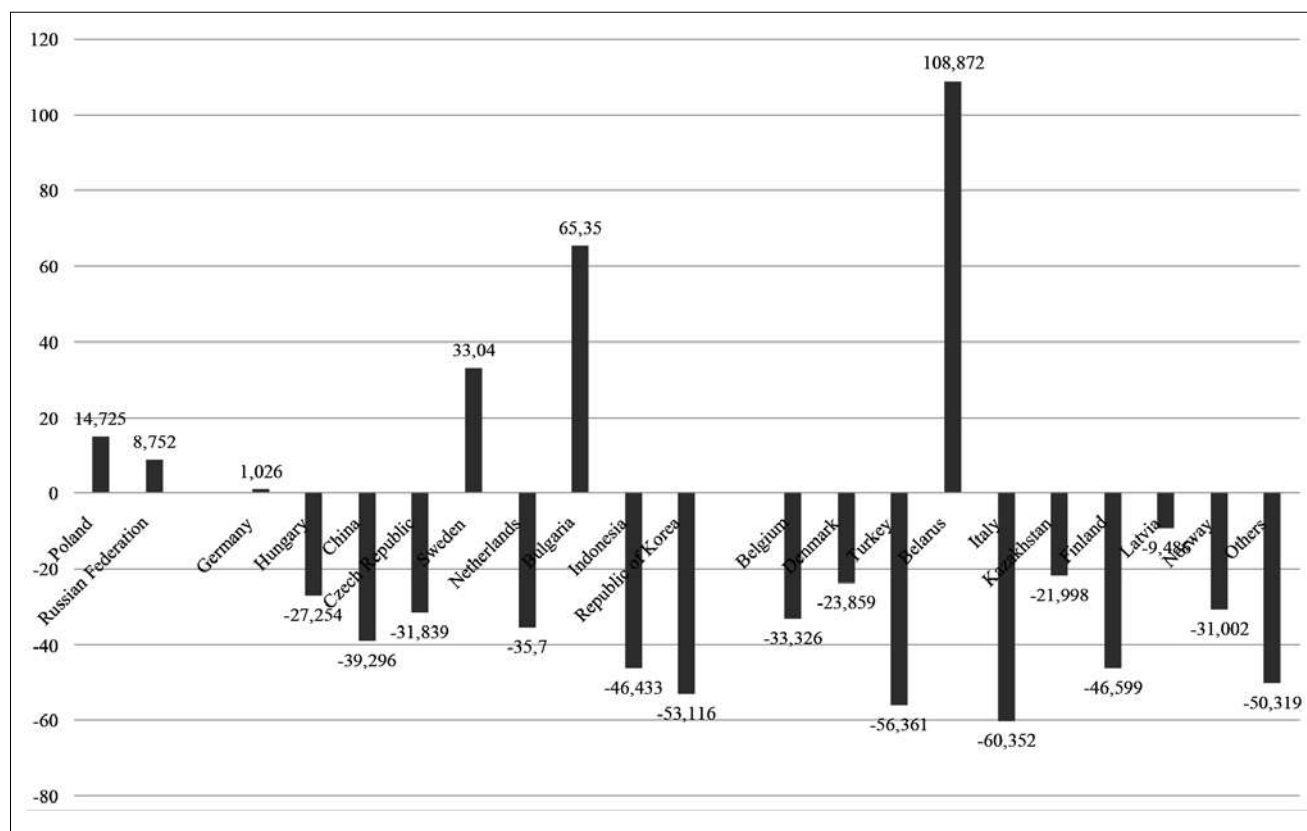


Figure 2. Change in the dynamics of smuggling volume in terms of the TOP-20 partner countries of Ukraine for 2013-2018, %

Source: based on <http://ua-outlook.com.ua/wp-content/uploads/2019/07/Аналіз-обсягів-контрабанди—прямі-та-непрямі-втррати-бюджету-та-економіки.pdf>

The following conclusions can be drawn regarding the change in the dynamics of smuggling volume in terms of the TOP-20 partner countries of Ukraine for 2013-2018. The three leaders in terms of increasing the volume of smuggling are the following countries: Belarus (108.87%), Bulgaria (65.35%), and Sweden (33.04%). The three leaders in terms of decreasing the volume of smuggling are the following countries: Italy (60.35%), Republic of Korea (53.17%), and other countries (50.32%).

Statistics on foreign trade with 37 countries, import counterparties of Ukraine, covering about 90% of the total imports of the country were used to estimate the volume of smuggling in the paper. The list includes the following countries: Belarus, Switzerland, Kazakhstan, Canada, Norway, Israel and 18 EU countries.

At present, Ukraine sets a 0% customs duty rate for the EU only on such commodity items as: pork, poultry and semi-finished poultry and sugar. However, the lion's share of both official imports from the EU and smuggling falls on other goods. Considering that 18 EU countries are half of the total sample, to assess the impact of the zone of free trade with the EU on the non-receipt of customs duties to the budget, the existing average customs duty rate for the commodity group "Animals" was reduced from 12% to 7%. As for the other six countries, due to the lack of opportunity to obtain information on the detailed terms of free trade agreements with these countries to identify commodity groups potentially imported at a 0% customs duty rate, it was decided to determine that all goods imported from these countries are not subject to customs duty.

Based on a questionnaire survey of economists specializing in the customs and fiscal sectors and representatives of relevant sectors, Table 1 was created presenting the distribution of smuggled imports of each of the 16 commodity groups according to the main patterns.

Table 1. Proportion of each of the main smuggling patterns in the import of goods in Ukraine

Sectors	“Zelenka”	“Empties”	“In transit”	“Jackets”	“Post”	“False declaration”	“Channels”
Animal farming	41%	1%	4%	8%	0%	45%	0%
Chemical industry	16%	16%	0%	0%	0%	60%	7%
Finished food products	21%	9%	1%	33%	7%	20%	10%
Footwear	6%	13%	4%	19%	18%	29%	11%
Fuels	36%	20%	7%	0%	0%	38%	0%
Hides	19%	18%	5%	4%	0%	49%	4%
Machinery and electronics	16%	6%	7%	11%	20%	29%	11%
Metals	25%	15%	13%	1%	1%	43%	1%
Minerals	32%	5%	9%	0%	0%	48%	5%
Miscellaneous (toys, furniture, optical devices, camera devices, works of art)	15%	12%	3%	17%	15%	25%	12%
Polymeric materials, plastics, rubber	32%	12%	7%	0%	0%	45%	5%
Products from stone, plaster, cement, and precious stones	44%	22%	8%	0%	0%	17%	8%
Textiles and clothing	15%	5%	1%	19%	18%	28%	13%
Transport	21%	11%	12%	0%	0%	55%	1%
Products of plant origin	30%	4%	12%	9%	0%	39%	6%
Wood and wood products	16%	4%	4%	0%	0%	76%	0%

Source: based on <http://ua-outlook.com.ua/wp-content/uploads/2019/07/Аналіз-обсягів-контрабанди—прямі-та-непрямі-втрати-бюджету-та-економіки.pdf>

The weighted average estimate of smuggling by each of 7 main smuggling patterns is shown in Figure 3.

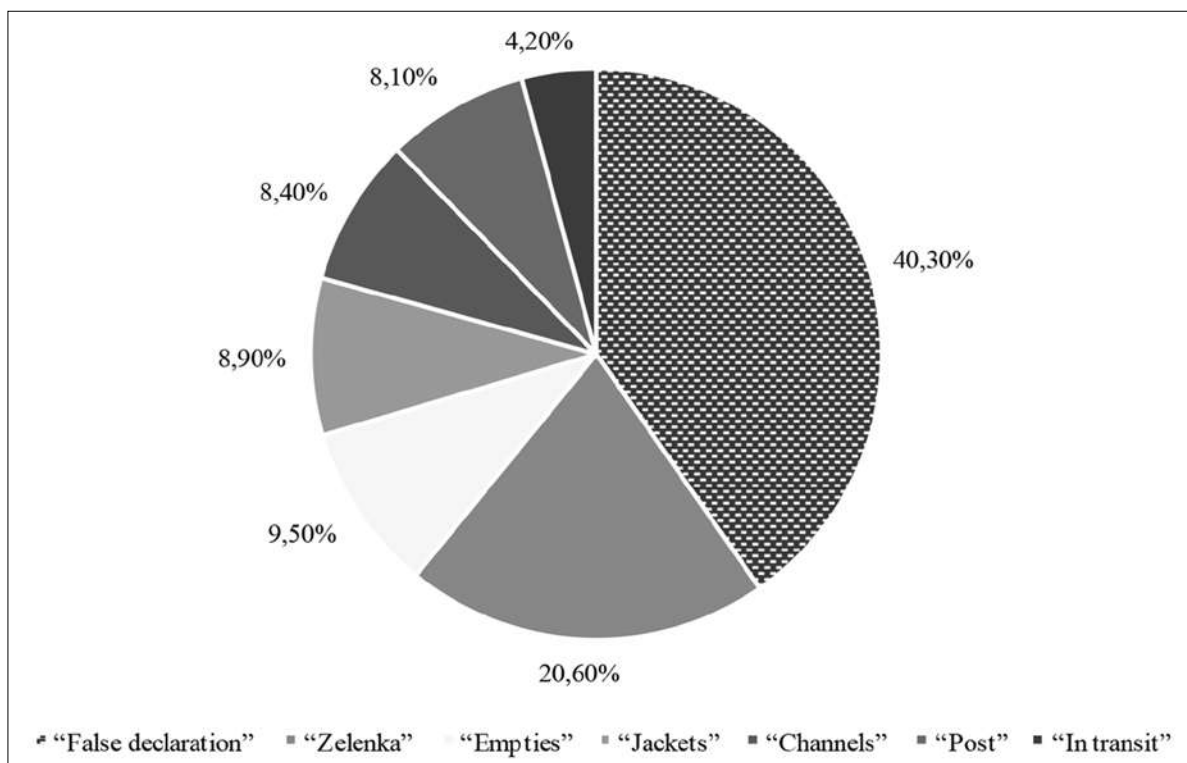


Figure 3. Proportion of each of 7 main smuggling patterns in total smuggling volumes in Ukraine

Source: based on <http://ua-outlook.com.ua/wp-content/uploads/2019/07/Аналіз-обсягів-контрабанди—прямі-та-непрямі-втрати-бюджету-та-економіки.pdf>

Based on the results of the author's study, it is possible to provide basic recommendations on combating smuggling patterns in Ukraine.

Zelenka. In Ukraine the problem of illegal crossing of the border is at a rather high level due to the long-term inaction of the central authorities regarding this loophole. The root of the problem is that for years in border areas there has been built a hierarchical distribution of power by spheres of influence on certain parts of the «border». The local population is fully integrated into the established smuggling patterns, and these are one of the main “easy” ways to earn money, as a result of which there is no question of cooperation with public services to combat smuggling. To illustrate the aggravation of the situation, it is worth mentioning only the scandal with the so-called «private border» in Transcarpathia when the border land was sold by local authorities to private persons for agricultural use. Later, these areas were simply turned into transshipment points of smugglers, which are protected from border guards by private property law. And there is no point in waiting for search warrants, as there will be no more smuggled goods. To combat this complex and integrated system, we propose to launch the next steps:

Increase the material support of border guards, especially remuneration of labor, to reduce corruption, as the effectiveness of the fight against this smuggling pattern depends almost entirely on the human factor. Equip “problem” border areas with a system of covert round-the-clock surveillance, which will allow to quickly response in cases of violation of the law. Actually, the number of such areas is small and they are well known. Also, it is necessary to eliminate areas of “private border” where part of the border is privately owned. Strengthen the supply of security forces of border authorities, both in terms of equipment (transport, weapons, surveillance devices, etc.) and personnel training.

Also, it is important to identify other types of “green” smuggling in Ukraine, in particular smuggling by sea. For example, when a cargo ship enters the territorial waters of Ukraine, it stops and is unloaded by 80-90% using small boats before it enters the port. This situation is due to the fact that at the moment the powers of the customs authorities are limited to the port area and until a ship enters the port they can not check it without special suspicion. To solve this problem, we propose the following:

Strengthen water policing. Expand the area of influence of customs services on all territorial waters of Ukraine, with the right to check all vessels for the accuracy of documentation on the transported goods. Provide the possibility to send an inspector/observer from the customs service on suspicious vessels, who will control the further movement of a vessel to the port.

“Empties”, replacement/re-sorting. This pattern of smuggling of goods is currently tied to the human factor, as the verification of the presence and characteristics of the goods in a transport vehicle is carried out by customs officers without any external control.

To solve this problem, it is necessary to continue equipping all customs points with special scanners that will check the load of transport vehicles and enter the relevant information into a special unified information system, as well as compare the actual characteristics of the goods with those declared by the carrier/importer. Upon arrival at the regional customs point for unloading, there will be a repeated scanning procedure and check whether the cargo has been replaced or unloaded “on the road”. Such database and the principle of its operation will not allow a customs officer to unilaterally fabricate the results of scanning and their comparison with transport documents. In this case, a customs officer and the person crossing the border have no personal contact and at the same time a customs officer cannot unilaterally make changes to the database on the results of cargo scanning.

Interrupted transit. The accession of Ukraine to the EU/EFTA Common Transit Procedure, use of the New Computerized Transit System (NCTS) and other modern technologies for control over the delivery of goods. Introduction of mandatory sealing of transport vehicles and guaranteeing the payment of customs duties during the movement of goods through the customs territory of Ukraine. Introduction of a system of special transit

simplifications: general financial guarantee; self-application of special type seals; authorized shipper; authorized consignee. Introduction of exchange of customs information at the time of customs clearance of goods and its use to expand the capabilities of the risk analysis system: analysis of transactions for their risk even before the arrival of goods in Ukraine, a reasonable definition of forms of customs control.

“Jackets”. This method is the basis for the recognition of imported goods as commercial imports.

The next steps to improve the existing system should be:

maintaining regulations according to which, if a private person has been absent from Ukraine for less than 24 hours or enters Ukraine more than once within 72 hours, the tax-free minimum is 50 euros;

improving the organization and ensuring the practical implementation of the exchange of information between the databases of the State Border Guard Service and the SFS (State Fiscal Service) on the control of the frequency of movement of citizens, in order to ensure effective implementation of the above regulations.

“Postal smuggling”:

1. Strengthen control over the movement of international postal and express postal items from the border crossing point to the sorting station or place of international postal exchange by introduction of: electronic delivery control document; mandatory delivery guarantee; transport vehicle sealing.
2. Introduce the following additional criteria (conditions) for obtaining the status of express carrier and postal operator.
3. Provide customs offices with preliminary information about parcels (name, quantity, cost of goods, information about the consignee, etc.).
4. Automate the processes of data collection on parcels (registers, identification, online access to information), transfer all processes exclusively into electronic form.
5. Establish basic provisions introducing the use of exclusively electronic registers of international postal and express postal items, identification of recipients, simplification of procedures for declaring and paying customs duties, including the use of web services, granting express carriers and postal operators the status of tax agents.
6. Create a software and information complex at the central level, which will be used for management of parcels and accumulation of relevant information, as well as automation of accrual and payment of customs duties, etc.

The state must provide conditions and conclude agreements with at least the main trading partners and countries with a common border using the example of the Georgia on 100% exchange of information with countries from where goods are imported and where they are exported (so far there has been no success on this issue due to a lack of confidence in the confidentiality of information) This will allow to clearly see the mask of goods to arrive to us in Ukraine and effectively combat the false declaration of goods moving across the customs border. At the same time, above mentioned scanners should be used to check the load. According to the results of the scanning, if a customs officer cannot clearly understand which goods are being transported, the cargo will be inspected by customs officers themselves in order to prevent the illegal transportation of similar goods.

The current process of reforming the activities of the customs authorities of Ukraine, which has been taking place in recent years, to some extent does not bring the expected results. In the absence of a long-term concept of modernization of the customs service, as well as a thorough analysis of made transformations, mechanical transfer of functions, change of subordination or name of the central body or its structural units do not lead to qualitative changes in the customs system. In the course of modernization of customs authorities of Ukraine, much attention should be paid to studying the experience of other countries, its critical analysis and adapted use, and the choice of the European vector of development forces to pay the increased attention to studying the models of the organization and administration of customs authorities in the countries just in the context of prevention and counteraction to violations of customs rules.

It is necessary to create a state structure that will effectively perform the functions of law enforcement, human rights advocacy and analysis aimed at solving the problem of ensuring the financial and economic interests of the state in the context of strategic European integration processes. That is, it is necessary to institutionally reorganize the system of criminal justice bodies and introduce new forms and methods of their activities to combat crime in the areas of financial and economic activities. The next factor, the presence of which determines the creation of the above entity endowed with the necessary state powers, is the need to optimize the distribution of competence, eliminate its duplication on issues related to financial security of the state.

Although the range of such issues is extremely wide and includes not only issues of law enforcement activities in the financial-economic sphere, but also organizational problems, solving the problem of optimizing management relationships between authorized entities in the field of financial security will contribute to achieving the strategic task of reducing the shadow sector of the economy, "blocking" the processes of "shadowing". Violations in the field of customs, tariff and tax relations are one of the most common in the system of shadow economic relations.

Four ways to prevent and combat customs offenses are used in Ukraine: customs control, which includes documentary control (examination of documents for cargo) and physical control (customs inspection of moving goods of transport vehicles), as well as detection of customs offenses using the method of risk assessment, operational-investigative activities, and such an element of customs control as post-audit (posteriori), which allows customs authorities to control the legality of the movement of goods.

5. Discussion

The system of risk management and analysis operates on the basis of built-in analytical tools, which are used by customs authorities to develop and implement a full range of control measures for high-risk goods. This allows identifying fiscal and non-fiscal risks ensuring the implementation of the principle of selectivity. Such approach to customs control maintains an optimal balance between facilitating foreign trade and ensuring the financial security of the state, reducing the time of customs clearance and shifting the emphasis to customs control after the release of goods for free circulation.

Based on the results of information collection (for example, from shipping and accompanying documents), its evaluation is carried out, depending on which the relevant decision is made and control is carried out in one form or another. At the same time during control additional information is received. If the evaluation of the initially collected information provided an opportunity to identify a customs offense, in the case of similar situations, appropriate decisions should be made regarding customs control. If it turns out that the situations are frequently repeated, and the control detects customs offenses, this indicates the detection of a pattern of illegal movement of goods, the method of committing a customs offense.

The use of a set of software and information complexes that ensure the functioning of the risk management system during customs control and clearance of goods and transport vehicles allows revenue authorities to quickly establish areas of risky operations, to distinguish between low and high risk operations, which allows control authorities to carry out inspections of particularly risky operations.

At parallel improvement of the national and international legislation the procedure for realization of foreign economic operations is also necessarily improved, logistic cycles, the international routes are optimized, the structure of a commodity turnover changes. With the consistent bringing of the customs legislation of Ukraine in accordance with the legislation of the European Union and international conventions, certain innovative models and mechanisms are created, which are implemented in practice through organizational and technical measures of production, administrative, and commercial nature after a certain period of time.

However, in some cases the simplification of customs formalities at the border leads to the impossibility of objective determination of customs value, classification, targeted use of goods, which negatively affects the

level of economic security of the national market and the amount of tax revenues to the state budget. However, in our opinion, such risks are offset by the creation of an effectively functioning system of customs post-audit and timely elimination of violations identified by its results. Thus, reducing the process of customs clearance and customs formalities to the objectively necessary minimum has a positive effect on the international image of the state, reduces bureaucracy and grounds for abuse and corruption.

All this allow to conclude that the customs post-audit should not be applied to entities of foreign economic activities that are unscrupulous and have signs of fictitiousness, including absence of production capacities, fixed assets, office space, staff). Also, it should not be applied to those entities of economic and foreign economic activities, regarding which activities the SFS bodies have information on cases of violation of the legislation, participation in patterns to minimize customs duties, as well as on certain types of goods used in risky foreign economic operations.

The basis of international cooperation in the process of preventing and combating violations of customs rules is the exchange of information on the activities of criminal groups operating in other countries, the activities of law enforcement officers under cover, the facts of illegal movement of excisable goods, the peculiarities of cross-border surveillance. The results of preventing and combating violations of customs rules indicate that, despite the application of a complex of measures being taken by public authorities, including the SFS bodies, customs offenses are one of the key factors destabilizing the development of the state economy, including its strategic areas, contribute to the increase in crime level in the economic sphere, especially in the field of taxation.

In our opinion, one of the factors leading to such consequences is insufficient cooperation of Ukraine with other states in the field of combating violations of customs legislation. In particular, there is a lack of a proper mechanism for providing mutual assistance, assistance in conducting investigative and operational actions, detention and extradition of persons to Ukraine to prosecute them. This is most noticeable in the investigation of criminal offenses committed by transnational organized criminal groups.

Conclusions

The functioning of the reformed system of customs authorities should be based on the principles of automation of processes and avoidance of the subjective factor; creation of an effective system of corruption risk analysis; functioning of a unified system of electronic document flow between state bodies in order to speed up the process of information exchange; interaction with the customs authorities of the other countries. The positive experience of the functioning of the customs authorities of developed countries in the field of prevention and counteraction to violations of customs rules testifies to the extreme importance of a comprehensive study of statistical data on violations of customs rules. In further activities, this allows to establish the dynamics, determine the causes and conditions of illegal actions in the field of customs affairs, which, as a consequence, allows the legislative bodies to reform the regulatory framework in this area.

It is noted that in the process of studying the organizational and staffing structure, procedure for management and functioning of customs authorities of developed countries, it is necessary to note the lack of a single model of organization of their activities. In spite of the uniformity of tasks and unification of functions of customs authorities, the activities of these structures in each country have their own characteristics that depend on the procedure for public administration, as they are part of the state mechanism.

It is noted that the task of the activities of customs authorities should be the continuous improvement of the risk management system, which should combine regulatory, methodological, information technology, technological, organizational and personnel aspects. In view of this, the main directions of implementation of the risk management system are strengthening expert and analytical work on risk detection, as well as the development of risk detection methods. The system of risk management and analysis operates on the basis of built-in analytical tools, which are used by customs authorities to develop and implement a full range of control measures for high-risk goods.

Introduction of information technologies is at least as important in improving customs control. The electronic declaration system, like any new technology, is still imperfect. Development and implementation of new software products will allow improving the electronic declaration system, making the most of its capabilities. The fight against customs offenses of an economic nature, the main purpose of which is to import goods into the country with evasion of customs duties, can be effective and efficient only if it is conducted by measures of an economic nature.

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