

MATRIX OF RECOMMENDATIONS			INVESTMENT COUNCIL SECRETARIAT MAY 2017
ON THE FACILITATION OF CUSTOMS PROCEDURES			
PILLAR	RECOMMENDATIONS	RESPONSIBLE INSTITUTION	TIME-FRAME
I. LEGAL FRAMEWORK ON CUSTOMS	<p>Recommendation 1. Due adoption of the secondary legislation and consultation with business as a good practice for increasing partnership.</p> <ol style="list-style-type: none"> 1. Preparation and adoption on time of the secondary customs legislation to ensure the proper application of the new Customs Code. 2. The transition phase - until the replacement of the customs legal framework and entry into force of the new Customs Code on 1 June 2017 - in meetings and roundtables with businesses, experts, customs agencies, business associations, etc., to hear opinions, to inform all interested parties about the drafting of these by-laws and to hold consultations with them, with a focus to DCM “On Implementing Provisions of the Customs Code”, as being of particular importance. 	GCD/MF	Short-term

II. AVAILABLE DATA (REFERENCE PRICES)	<p>Recommendation 2. Clearly record and trace in the GCD internal system how the customs value is calculated. In order to clarify the procedures, for both, the customs administration and businesses is suggested:</p> <ol style="list-style-type: none"> 1. A more comprehensible manual with the steps to be taken for customs revaluation (reviewing Instruction No. 25, dated 30.11.2007), by reducing the indicators that need to be analysed/followed by the customs officials in recognising the value of the transaction. 2. The final inspection act should clearly identify all the steps followed and should be formatted in the system to document alternative ways of valuation. 3. The customs authorities shall make available to the economic operator (either printed or electronically) the act of inspection which keeps records of the customs value and the results of physical control, if any. 	GCD	Short-term
	<p>Recommendation 3. Update the list of available data on the website</p> <p>In order to increase transparency and businesses' trust, it is necessary to refresh the list of available data with also the history of its updates. It is preferable to include information on the consultation process with businesses or other sources as well as the date of the list update.</p>	MoF/GCD	Short-term

	<p>Recommendation 4. The GCD should publish data on the application of reference prices and the most commonly dealt cases related to the origin of goods, their nature, etc.</p> <p>The GCD should periodically publish monitoring reports or as part of the annual activity report the progress of the application of alternative valuation of customs values, especially reference prices, about the most typical cases, etc.</p>	GCD	On-going
	<p>Recommendation 5. MoF and GCD to consider with an order/instruction the removal of reference prices for the costs of transport by container.</p>	MF/GCD	Short-term
	<p>Recommendation 6. Interpretation through a Council of Ministers Decision of procedures that must be followed to adequately meet recommendations of SAI reports¹.</p> <p>Public administration bodies, including the customs administration, should establish working groups to review the tasks and recommendations given by the SAI, avoiding their <i>a priori and automatic</i> fulfilment, especially where their arbitrary implementation and with retroactive effect violates legal certainty and legitimate business rights.</p>	CoM	Short-term

¹ This issue has been the object of the IC's analysis in the context of the topic: "On improving dispute resolution mechanisms between the business and public administration" in March 2016 and part of the matrix of recommendations to this end. Given that this issue emerges cyclically in the relations of institutions among themselves and with businesses, as well, the Secretariat deems that this issue must be given more attention for purposes of finding a solution.

III. TARIFF CLASIFFICATION OF GOODS	Recommendation 7. Customs Branches shall inform the business via written response to the conclusions of the Customs Laboratory when taking a sample for analysis by arguing the reasons for changing the tariff classification of the goods.	GCD	Short-term
	Recommendation 8. The Compulsory Tariff Information guidelines should be more visible at the GCD website and publish all decisions taken on such requests by the business for obligatory information. At the same time, cooperation with business associations should be enhanced as their role to encourage the use of this tool.	GCD	Short-term
IV. EFFICIENCY OF PHYSICAL INSPECTIONS	Recommendation 9. Publication of data on types inspections (excluding data on risk indicators or findings from controls that serve only for internal use within GCD) as part of the annual performance report of the customs administration to increase transparency and accountability to taxpayers.	MoF/GCD	Ongoing
	Recommendation 10. Consider the possibility of reducing the percentage of physical inspections through the continuous update of risk indicators, investment in Intelligence and IT systems and coordination of inspections with the General Tax Directorate (use of blue channel). Ongoing investments in information technology to enable the updating of indicators and exchange of information among law enforcement agencies will increase the efficiency of the risk management system. These measures will also address the requirements of the new Customs Code regarding the <i>preliminary risk analysis</i> on the basis of prior submission of information by economic operators.	GCD	Ongoing

	<p>Recommendation 11. Të ndërtohen ambiente të përshtatshme për kontroll fizik pranë degëve doganore. Në pamundësi për realizimin e këtij rekomandimi në afat të shkurtër, të rritet numri i kontrolleve fizike që kryhen në ambjentet e operatorëve ekonomikë ku gjatë gjatë shkarkimit të mallit të ketë dhe përfaqësues të autoritetit doganor. Arritja e objektivave të mësipërm kërkon mbështetjen nga Qeveria me buxhet dhe burime njerëzore në dispozicion të DPD.</p>	<p>MoF/GCD</p>	<p>Long-term</p>
<p>V. INSTITUTIONALISATION OF INFORMATION AND CONSULTATION WITH BUSINESSES</p>	<p>Recommendation 12: Reconfigure the website; preferably test it with businesses to make it more informative and usable by businesses. It should be enriched with information and explanatory guidelines in Albanian and English. Consider the possibility of online registration of businesses to get real-time notifications and news. It is suggested that the information be updated and supplemented with clarifications and guidelines for businesses and be provided in English language, also.</p>	<p>GCD</p>	<p>Short-term</p>
	<p>Recommendation 13. Consider the publication of a consultation agenda with representatives of business community and maybe sectorial ones. Consult with groups of interest on the implementing provisions of the new Customs Code being drafted by the GCD and the Ministry of Finance is crucial. Number of consulted businesses should be an indicator of GCD performance and part of the annual report. The Secretariat can serve as a mechanism to provide consultation opportunities with certain groups of interest.</p>	<p>GCD/MoF</p>	<p>Short-term</p>
	<p>Recommendation 14. Financial support to the GCD for establishing a dedicated structure to provide ongoing assistance and communication with economic operators and business associations.</p>	<p>MoF</p>	<p>Mid-term</p>

VI. OTHERS	Recommendation 15: Applications for authorizations should be made online. 1. Applications for authorisations or certifications to be submitted online and be acknowledged the scanned documents. 2. The businesses should not be requested to provide to the customs administration the certification on their financial situation, when the customs administration can verify itself in the system.	GCD	Short-term
	Recommendation 16: Businesses need more clarity regarding published and actual working hours at customs points.	GCD	Short-term
	Recommendation 17: Enhance online exchange of information or access to a certain amount of information to reduce the burden on businesses and to increase the speed of processing trade exchanges, e.g. the case of fiscal liabilities attestations.	GCD/GTD	Mid-term

Matrix of Recommendations *On the Facilitation of Customs Procedures (The Matrix)* is the outcome of the Technical Note drafted by the Investment Council Secretariat during April – May 2017. The purpose of the Matrix is to provide a summary of the proposed Recommendations and Solutions. Besides, the Matrix serves as the Secretariat’s Internal Monitoring Plan so that it follows up on the implementation of Recommendations as per the following terms:

- **Short-term**- from 1 month to 6 months.
 - **Long-term** - over one year.
- Mid-term** – from 6 months to 1 year
- Ongoing**

ABBREVIATIONS:

- GTD**-General Tax Directorate
GCD-General Customs Directorate
IC-Investment Council
MoF-Ministry of Finance
CoM- Council of Ministers