

A Modernized Customs Trade Facility System

The Trade and Transport Facilitation in Southeast Europe Project

Four years ago, a wait of seven hours in customs was commonplace for people like Vasile Danu, the manager of a Moldovan export company. But that's not the case anymore.

"I no longer have to wait for an interminable amount of time to register merchandise, as clearance procedures are now completed in less than two hours," says Danu. "When customs brokers start their work, I know all the registration procedures will be carried out in a professional and efficient manner."



Major improvements in customs services in Moldova occurred after the Automated SYstem for CUsoms Data, or ASYCUDA World, was put into operation at all 15 Moldovan customs offices in October 2005, with support from UNCTAD and the World Bank. Moldova was the first country in Europe to introduce the system.

ASYCUDA World enables computerization of all customs operations, including risk management, tax computations, and automation and control of transit operations. It enables customs officers and economic agents to complete most customs operations electronically. The system facilitates an electronic exchange of documents among customs, state institutions, economic agents and customs services from other countries.

Established in 1991, Moldova's relatively young customs system was operating in compliance with a modernized Customs Code along EU requirements. But the system was inefficient. Corruption was rampant, and waiting times were long. Excessive logistical costs were hindering Moldovan traders from carrying out export, import and transit operations. A lack of authorized customs brokers was affecting the movement of loads. Information systems were outdated, and facilities archaic.



In February 2002, the Government adopted an action plan aimed at reforming the customs services, which included improvements in customs operations and procedures and strengthening of regional cooperation. That same year, the Government also asked the World Bank to support a Customs Service improvement project, with the goals of customs modernization and involvement of the Moldovan Customs Service in regional cooperation.



The current upgrade of the customs system is a component of the Trade and Transport Facilitation in Southeast Europe program (TTFSE), which aims to modernize the customs administration and border agencies in eight countries. Besides Moldova, which joined the program in November 2001, Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Serbia and Montenegro, and Romania also take part in the program.

The ASYCUDA World information system became operational in October 2005. Over 22,000 customs declarations were legalized that month, compared to a monthly average of 10,000 declarations before the system's implementation. New regulations for customs brokers took effect in January 2006, with the first customs brokers accredited shortly afterwards.

“Since the onset of reform implementation, the Customs Service has acted as a mature, well-organized and efficient public authority,” says the new director general of the Customs Service Feodosia Furculita. “We will continue supporting customs reforms, so as to successfully complete this project that contributes to the realization of the Government’s ‘Country’s Modernization, People’s Welfare’ action program, the Economic Growth and Poverty Reduction Strategy, and the EU-Moldova Action Plan.”

