

**The customs value of goods is an important factor in collecting customs fees.**

**Pardaev Tulkin Nasirovich**  
**Associate Professor of**  
**the Customs Institute of**  
**the Customs Committee,**  
**Candidate of Economic Sciences.**  
**e-mail: tulkinpardayev@uzbi.uz**

**Abstract:** This article describes the essence of determining the customs value of goods and its role in collecting customs fees. The current situation of determining the customs value in the Republic of Uzbekistan is analyzed. The problems in determining the customs value of goods are studied. On the basis of international standards and foreign experiences in this field, scientifically based suggestions and recommendations are given for improving the customs value determination mechanism

**Key words:** Customs value, customs fees, Incoterms, customs value determination methods, fiscal function, economic security, liberalization of foreign economic activity, economic integration, collection of customs fees, state budget.

The customs service plays an important role in ensuring the stable development of the economy of the Republic of Uzbekistan, regulating foreign trade by the state, encouraging domestic producers and creating a favorable business environment for them. Proper implementation of the customs policy in foreign economic activity, support of foreign economic activity subjects, encouragement of enterprises that produce goods that substitute for imports, creation of a favorable investment environment, increase of the level of competitiveness of export goods in world markets, as well as ensuring the effective integration of the republic's economy into the world economic system, the state the budget provides an opportunity to enrich the revenue part and ensure economic security.

In the regulation of foreign economic activity through customs payments, the customs value of goods serves as the basis for calculating customs fees. Correct determination of the customs value of the goods will result in full collection of customs duties.

Currently, one of the main tasks of the customs authorities is to form the revenue part of the state budget by collecting customs fees.

The Decree of the President of the Republic of Uzbekistan dated September 11, 2023 No.158 on the strategy "Uzbekistan - 2030" set the goals and performance indicators for the development of our country until 2030.

In the goal No.46 "Ensuring fiscal stability and effective management of state obligations":

- Performance indicator in 2030: Ensuring that the consolidated budget deficit is less than 4 percent of GDP in 2024 and less than 3 percent in the following years" [1].

Based on the tasks set in the above strategy, the research of the role of customs fees in the regulation of foreign trade in ensuring economic security, the factors affecting the customs fees in filling the state budget, i.e. the main factor affecting it, the research of the determination of the customs value of goods and a scientifically based conclusion on its improvement, and development of proposals is one of the urgent issues of today.

Several scientists of the world have conducted their research and expressed their opinions on the nature and importance of customs value.

For example, according to the Russian scientist, professor A.N. Kozirin, "Customs value is a separate value of the goods determined by the third party between the seller and the buyer, that is, the

customs body" [2].V. Belyashev defines the customs value as follows: "In practice, the customs value is the real value of the goods, which is actually paid for the goods and has to be paid, which is the sole basis for the collection of customs fees, and is the basis for adjustments based on certain additions and deductions" [3 ].

Customs value is the value of goods imported into the customs territory determined by one of the methods of determining the customs value and used for the purpose of calculating customs fees. By correctly determining the customs value of the goods imported into the customs territory of the Republic of Uzbekistan, the country's budget will receive the full amount of money, it will accelerate the integration of the country's economy into the world economic system, and it will have a direct impact on the development of the economy.

Along with the process of international unification of the classification of goods in the world, an international system of determining the customs value of goods has also been developed. Such a system came into effect almost simultaneously with the Brussels Convention on Customs Valuation, which was adopted in 1950 and has since been applied in more than 120 countries. Customs value is an extremely important aspect of modern customs-tariff systems. However, it is also important as a means of calculating duty in fiscal interests and as a means of promoting and protecting national industries. Customs value is one of the important factors of foreign trade, such as customs statistics, licensing and quota agreements, taxes and excises on the import of goods and the use of preferential systems.

Purposes of using customs value:

- calculation of customs fees;
- keeping customs statistics;
- collection and analysis of information necessary for the implementation of customs currency control;
- to determine the real basis for the application of legal measures for violations;
- determining the value of goods for other customs purposes (Fig. 1) [4].

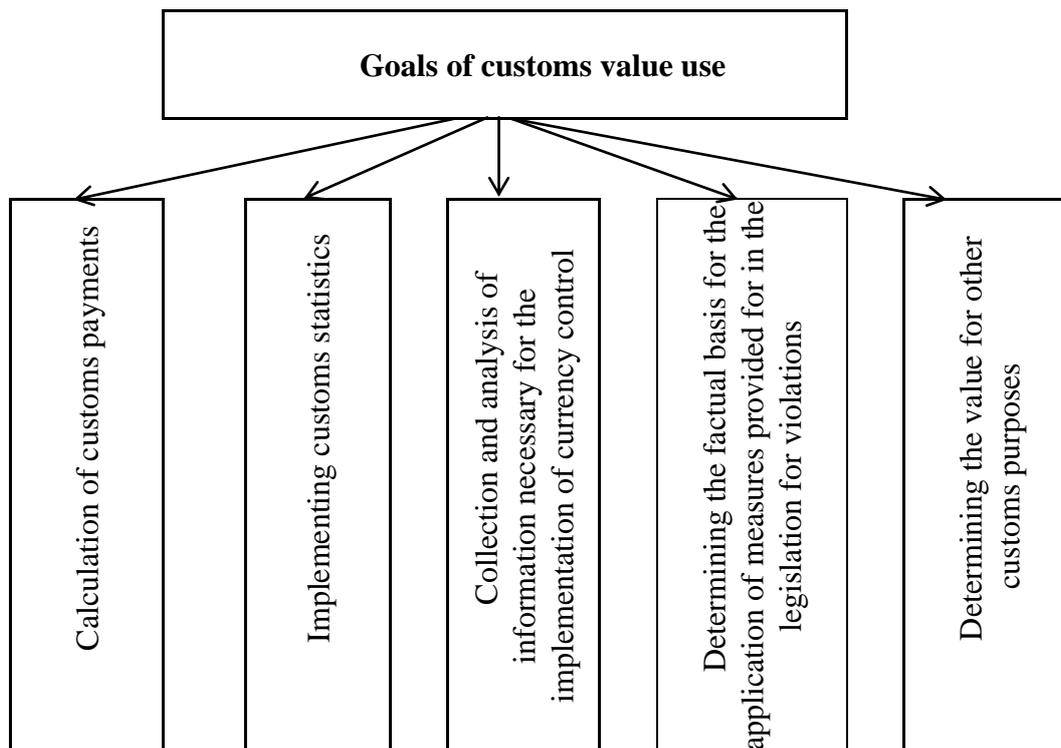
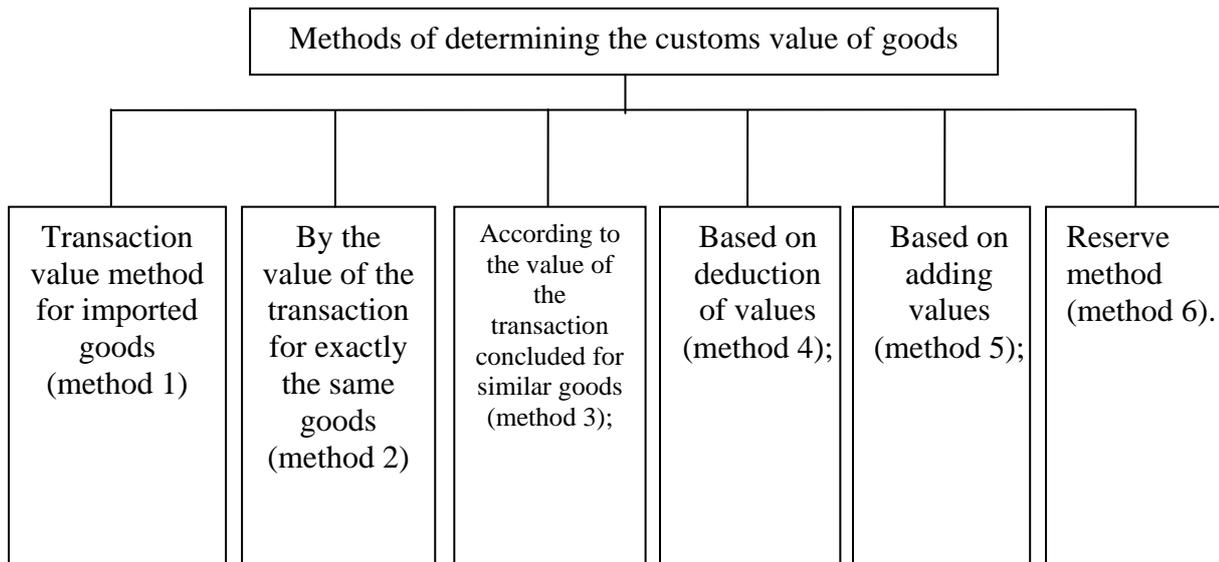


Figure 1. Purposes of using the customs value of imported goods

There are 6 ways to determine the customs value, they are:

- according to the value of the transaction regarding the imported goods;
- according to the value of the transaction for exactly the same goods;
- according to the value of the transaction for similar goods;
- on the basis of deducting values;
- based on adding values;
- backup method (Fig. 2) [5].

The method of determining the customs value based on the transaction value of the imported goods is the main method.

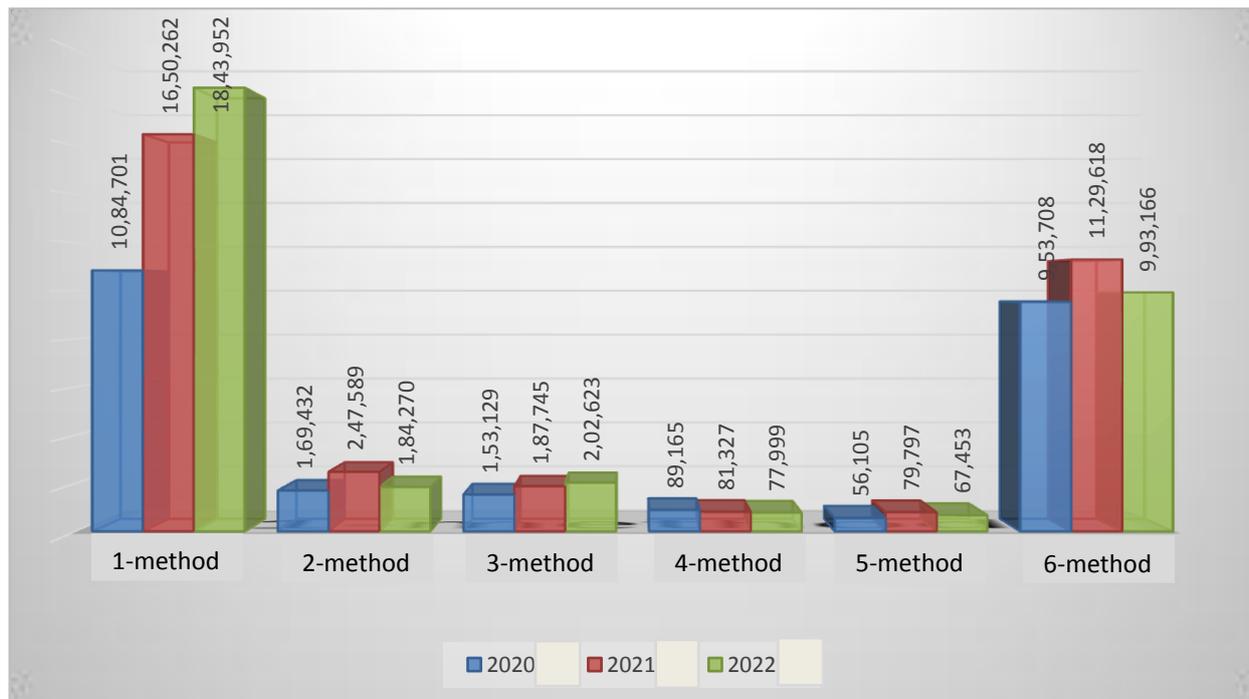


**Figure 2. Methods of determining the customs value of goods**

If it is not possible to use the main method, the following methods are used in a consistent order, that is, one after the other.

In developed countries, up to 95-99% of the customs value of goods is determined by the 1st method. This leads to a decrease in the time required to determine the customs value of goods, shortens customs procedures and, as a result, speeds up the movement of goods across the customs border.

If we analyze the customs value methods in the customs value declarations issued by the customs authorities of the Republic of Uzbekistan in 2020-2022, there were 2,506,240 customs value declaration methods for importing goods in 2020, and by the end of 2022, there were 3,369,463. As it can be seen from the analysis, as the foreign trade turnover increases, the number of issued customs cargo declarations and the number of customs value determination methods are increasing year by year (Figure 1).



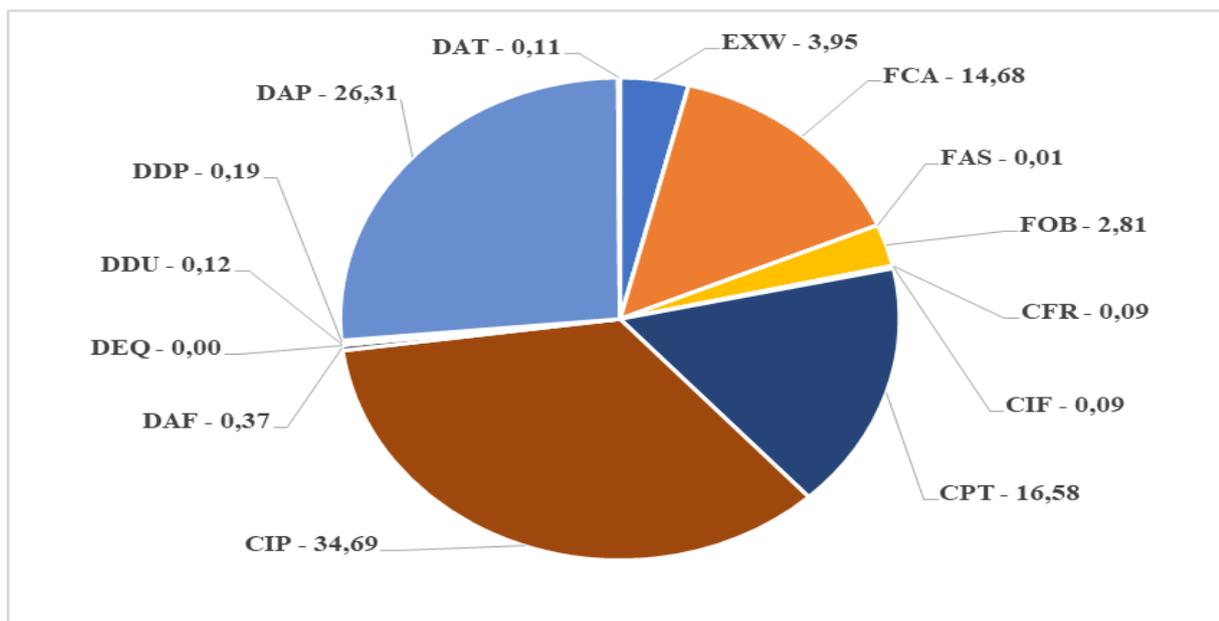
**Figure 1. In the CGD section of customs value determination methods used in the customs clearance process in the Republic of Uzbekistan in 2020-2022. (Developed by the author based on information from the Customs Committee)**

Turning to the analysis, the data shows that method 1, which is considered the main method of determining the customs value, accounts for almost half of all identified methods (2020 - 43.28 percent, 2021 - 48.88 percent, and 2022 - 54.73 percent). In recent years, method 6 is decreasing in all identified methods (2020 – 38.05 percent, 2021 – 38.05 percent, and 2022 – 29.48 percent), and on the contrary, the weight of method 1 is increasing in all identified methods. According to the results of 6 months of 2023, method 1 made up 82.0 percent of all identified methods.

This was influenced by factors such as the fact that in recent years the Republic of Uzbekistan is improving the regulatory and legal framework related to the determination of the customs value of goods, the procedures and principles related to the customs value are being changed based on world standards, and the processes related to the determination of the customs value are being digitized.

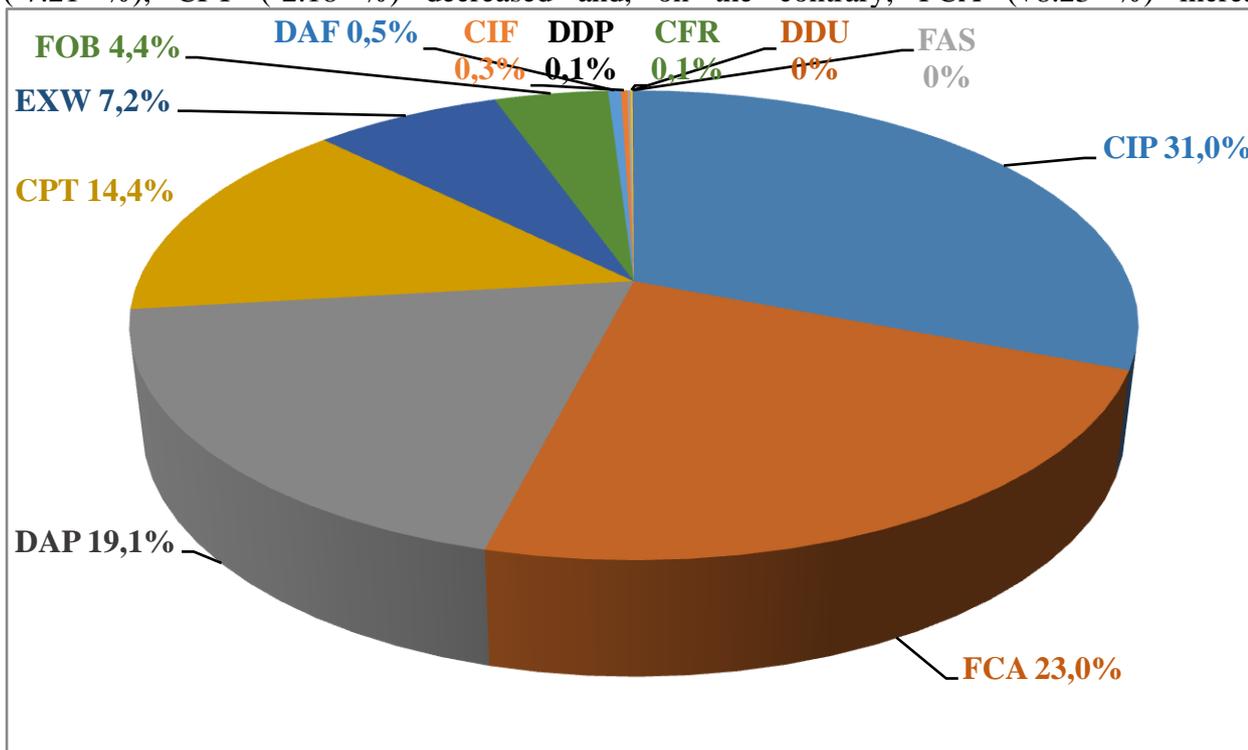
Incoterms international delivery conditions are also important in the process of determining the customs value of goods. Incoterms are international rules recognized by government bodies, legal firms and business representatives around the world as interpretations of the most commonly used terms in international trade. Its scope is applied to the rights and obligations of the parties under the terms of delivery of goods under the sales contract. They are an important element of international trade agreements.

Incoterms are important not only in the transportation of goods, but also in determining the customs value of goods and keeping customs statistics. The customs value of imported goods is CIF or CIP. If the goods are imported to the customs territory of the Republic of Uzbekistan (up to the border) under CIF or CIP terms, the customs value of the goods is exactly equal to the contract value of the imported goods.



**Fig. 4. Analysis of goods imported in 2015 by the customs authorities of the Republic of Uzbekistan according to the conditions of delivery in the segment of CCDs [6].**

The main Incoterms terms CIP (34.69 %), DAP (26.31 %), CPT (16.58 %), FCA (14.68 %) with a high share in customs cargo declarations for goods brought to the Republic of Uzbekistan in 2015 ) formed (Fig. 4). In 2022, the main Incoterms terms CIP (31.00%), FCA (23.00%), DAP (19.10%), CPT (14.40%) have a high share in customs cargo declarations for goods brought to the Republic of Uzbekistan. ) corresponded to (Fig. 5). In the above years, the Incoterms terms CIP (-3.69 %), DAP (-7.21 %), CPT (-2.18 %) decreased and, on the contrary, FCA (+8.23 %) increased.



**Figure 5. Analysis of goods imported in 2022 by the customs authorities of the Republic of Uzbekistan on terms of delivery in the segment of CCDs. (Developed by the author based on information from the Customs Committee)**

Taking into account whether the customs value of imported goods corresponds to CIF or CIP conditions, increasing the above delivery conditions in future international trade contracts will lead to an increase in the first method of determining the customs value of goods.

Incoterms rules apply to all countries in the same order. Also, a set of rules that clarify the costs to be added and deducted when determining the customs value of goods.

Incoterms rules are now of great importance in determining customs value and calculating transport costs. In addition, the rights of transfer of the goods from the seller to the buyer are explained.

In the customs practice, the following shortcomings and problems are encountered in determining the customs value, namely:

- Customs value manipulation (improper determination of customs value);
- Failure to follow the principle of sequential application of customs value determination methods;
- In determining the customs value of the imported goods in the 4th method, the disproportion of the prices of exactly the same and similar goods in the markets of different regions of the republic;
- Misinterpretation of the terms of delivery and absence of a specific normative document on the application of the terms of delivery;
- The process of determining the customs value of goods is not fully digitized;
- A lot of time is spent on determining the customs value of goods during customs clearance procedures.

Based on the above, the following is proposed to solve the existing problems in determining the customs value of goods and to further improve the mechanism in this area:

- In order to determine the customs value of goods, the Republic of Uzbekistan has established an information exchange system with 8 foreign countries. However, we can observe that the information exchange system with the main partners: China, Korea and Turkey is not automated. As a result of adding them to the information exchange system, the data of imported goods coming from the above countries is ensured to be correct and correct, and the occurrence of various hassles to collect additional customs fees is prevented. there are no cases of formation of statistical data at a low price.

- It is known from practice that during the clearance process of imported goods, the customs value of most of the goods is calculated in relation to additional measurement units. However, there are cases of bypassing the customs value control process for additional units of measurement of many goods. As a result, customs value is incorrectly determined and customs fees are not fully collected. Based on this, in relation to many goods (carpet, material, tile, glass, tires, etc.), we should go to the index, that is, the value of the goods in relation to 1 kg. As a result, it is ensured that the customs value of the goods is correctly determined and the customs fees are collected fully.

- Absence of the customs value control procedure after the imported goods have been cleared and exported. Also, to eliminate this problem, it is proposed to develop a scheme of customs value control after the export of goods.

In conclusion, taking into account the above, improving the customs value determination mechanism will contribute to the further development of the economy of our country by ensuring economic security and fiscal stability in the foreign trade of the Republic of Uzbekistan.

### **Literature:**

1. Decree of the President of the Republic of Uzbekistan dated September 11, 2023 No. 158 "On the strategy of Uzbekistan - 2030". <https://t.me/lawyakhakhborot>.
2. A.Козыгин. Таможенная пошлина / - Moskva : [b. i.], 1998. - 299 s.
3. Belyashov V.A. Таможенный энциклопедический справочник. V 2-x tomax. / Pod red. I.Yu. Krasnyanskogo / M.: Letopises, 1999.
4. A.Shadmankulov, T.Pardaev, Sh.Alimuxamedov. Bojxona qiymati. Darslik. T.: Yangi asr avlodi-2016 y. 62 b.
5. T.Pardaev. Bojxona xizmatining fiskal faoliyati. O'quv qo'llanma. T.2023 y. 100 b.
6. T.Pardaev. Bojxona to'lovlarini undirishda bojxona qiymati va uni aniqlashni takomillashtirish yo'llari. J. "Bozor, pul va kredit" 9/2019 (268) 28 b.
7. [www.customs.uz](http://www.customs.uz)