



**REPUBLIC OF SERBIA
MINISTRY OF FINANCE**

**CUSTOMS
ADMINISTRATION
OF THE
REPUBLIC OF SERBIA**

**BUSINESS PLAN FOR IMPROVING THE
ORGANIZATION AND OPERATION OF
THE CUSTOMS SERVICE OF THE
MINISTRY OF FINANCE FOR THE
PERIOD
2020-2024**



Ministry of Finance

CUSTOMS ADMINISTRATION

1. INTRODUCTION

The Customs Service of the Ministry of Finance performs its tasks and duties in the Customs Administration Headquarters and 15 territorial units – customs offices, with smaller internal units organized as customs posts, sections and units. Through their organizational elements, customs offices apply customs procedures in movement of passengers and goods, measures of customs surveillance, customs clearance, prevention of illegal imports, customs administrative procedures, take actions aimed to detect, suppress and sanction customs offences, carry out collection and enforced collection of customs duties and sale of customs seized goods.

The Customs Administration (hereinafter referred to as CAS) is an administrative authority within the Ministry of Finance, which implements the customs policy of the Republic of Serbia. Through simplifying the procedures, modernization of customs operations systems, professional training of employees and strengthening cooperation with other national institutions and services, as well as by active participation in international and regional customs services cooperation, CAS contributes to ensuring steady inflow of public revenues, efficient international trading, as well as to upholding security, safety and overall protection.

CAS ensures proper and uniform application of relevant regulations, controls the operation of customs offices, coordinates customs operations, performs intelligence – analytics related activities, prevents smuggling and conducts customs investigations, takes measures for protection of intellectual property rights, performs activities related to information technologies, financial and material, legal, general affairs and procurement activities. CAS performs tasks and activities under its competences through Bureau of Director General and six divisions – Customs Procedures Division, Tariff Affairs Division, Human Resources and General Affairs Division, Financial, Investments and Legal Affairs Division, Enforcement Division and Information and Communication Technologies Division, as well as through separate organizational units: International Customs



Ministry of Finance
CUSTOMS ADMINISTRATION

Cooperation and European Integration Department, Internal Affairs Department and Audit Department. Customs offices also perform a part of HR, financial and general affairs-related activities. The Organization Chart is shown in the *Image 1* below.

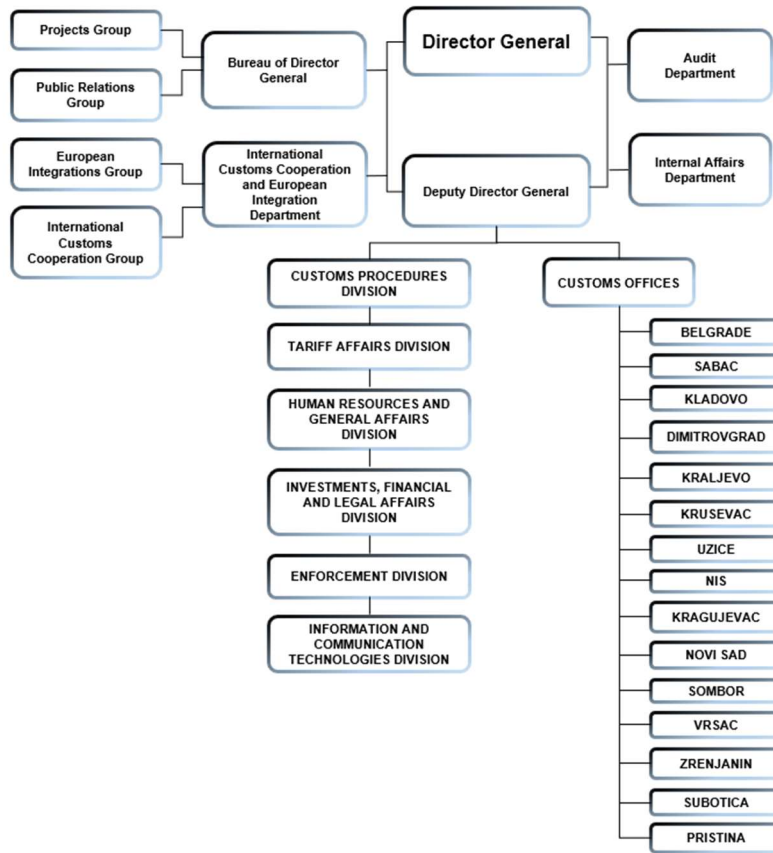


Image 1. CAS Organization Chart

From a historic perspective, the role of the customs service of the Republic of Serbia has changed over time from traditional to modern one. The traditional role of the customs service reflected mainly in its fiscal and protection related performance through collection of customs duties, protection of economy and assuring proper market supply. Today, its place and role have changed significantly. Besides being an important link in the international trade chain, modern customs service also plays a very important role both



Ministry of Finance

CUSTOMS ADMINISTRATION

in collecting customs duties, VAT and excise duties, as well as within the security system. By fighting international terrorism and cross-border crime, the customs service of the Republic of Serbia contributes to establishing overall safety of the citizens, creating at the same time the conditions for reducing the time required for completion of customs procedures.

In the past period, CAS has applied the Development Plan of the Customs Service of the Republic of Serbia 2017-2020 adopted by the Government's Conclusion 05 number: 021-11436/2017 dated 24 November 2017 ("Official Gazette of the Republic of Serbia", number 108/17). To ensure continuous strategic planning of CAS, it was necessary to issue a new document, which would elaborate further development of the customs service. This is in line with the recommendations from the Annual Progress Reports of the European Commission for Serbia for 2015, 2016, 2018 and 2019. Furthermore, the passing of the development strategy for CAS is mentioned in the Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on Accession of the Republic of Serbia to the European Union for Chapter 29 – Customs Union, as well as in the European Union Common Position for Chapter 29, adopted at Intergovernmental Conference on Accession of the Republic of Serbia to the European Union in June 2017.

In the period from 2017 to 2019, CAS continued to work on development and modernization of the customs service. Along with the Customs System and Policy Sector of the Ministry of Finance, CAS had the leading role in the Negotiating Chapter 29 – Customs Union. In addition, CAS participated in the activities related to other negotiating chapters (Chapters 1, 7, 16, 18, 23, 24, 27, 28, 30, 33).

When it comes to projects and strategic management, numerous activities related to IPA projects were carried out with the goal of CAS modernization. Based on IPA 2013 Programme, in September 2019 the project *Technical Assistance for Establishing the Institutional Framework for the Implementation of AIS/AES* was completed, within which, inter alia, recommendations for amendments to the Development Plan of the Customs Service with the Action Plan were also made, as well as recommendations for



Ministry of Finance

CUSTOMS ADMINISTRATION

amendments to ICT Strategy. Also, the project of establishing National *Single window* started in 2019 in cooperation with the World Bank.

In the previous period, a significant continuous cooperation was established with the German Agency for International Cooperation (GIZ), for the implementation of numerous projects related to specific areas of work of the customs service (applications for customs procedures with express consignments, IT applications for origin of goods etc.)

All said activities were effectively communicated to the public as per the European visibility criteria and in accordance with the internal standards for development and promotion of transparency of all business and reform processes.

One of the indicators of increased level of activity of CAS is the number of declarations, which has been in constant rise since 2011 (*Table 1.* below). In 2018 CAS accepted a total of 2,574,994 customs declarations, while in the first nine months of 2019 the total number of declarations was 1,984,737.

Year	C1 (export)	C4 (import)	C1 – C9 (total)
2011	422,567	754,027	1,463,378
2017	729,639	1,147,856	2,421,010
2018	773,912	1,230,672	2,574,994
2019 ¹	579,706	970,594	1,984,737

Table 1. Tendency of growth of number of declarations

¹ Data of the first three quarters 2019



Ministry of Finance

CUSTOMS ADMINISTRATION

The same period was also marked by an increase in collection of budget revenues (*Table 2.* below): customs duties and VAT.

Year	Collected revenues (customs duties + VAT) in billions EUR
2011	2.53
2016	3.03
2017	3.62
2018	4.04
2019 ²	3.22

Table 2. Overview of collected budget revenues per year
(customs duties + VAT)

At the end of 2018, the construction of border crossing point Bajmok was finished. Commission for technical inspection of facility allowed the trial of the constructed facility at the Border Crossing Point Bajmok. The construction of this Border Crossing Point was financed from IPA Programme. The construction of Kotroman Border Crossing Point with Bosnia and Herzegovina, financed from IPA Programme, started in 2019. The works are expected to be completed in the second half of 2020.

The construction of Sot Border Crossing Point with the Republic of Croatia started in 2018 and was scheduled to be completed by the end of 2019. CAS has started the construction of Gostun Border Crossing Point with Montenegro that is expected to be completed in second half of 2020. Phase I of the construction of Dimitrovgrad Customs Post for storage and clearance of goods, as part of Gradina Border Crossing Point, was completed in 2018. Phase II of the construction started in 2019 and its completion is scheduled for 2022.

² Data of the first three quarters 2019



Ministry of Finance
CUSTOMS ADMINISTRATION

The constructions of Border Crossing Points Sot, Gostun and Gradina are financed from the budget of the Republic of Serbia.

The projects for construction of Border Crossing Points Bajina Basta and Vatin have been assigned to the Republic Directorate for the Property of the Republic of Serbia pursuant to the Law on border control.

CAS is one of the key institutions in the process of integrated border management and one of the state administration authorities implementing activities to meet the goals defined in the Integrated Border Management Strategy in the Republic of Serbia 2017-2020 ("Official Gazette of the RS" no. 9/17). With the purpose of further harmonization of integrated border management, the Republic of Serbia intends making further investments in the infrastructure and equipment of border crossing points, in which CAS will also take part.

Implementation of new Customs Law along with corresponding secondary legislation started in June 2019. Provisions of the Customs Law are harmonized with the EU Union Customs Code (UCC) to the maximum extent possible. Furthermore, the Law on Customs Services entered into force in December 2018.

The Customs Tariff Law has been implemented since 2005 and it had certain minor changes in 2007, 2009 and 2018. Based on this Law, the regulations on harmonization of nomenclature of the Customs Tariff with the EU Combined Nomenclature are passed continually for each year in progress, as well as other secondary legislation with reference to the customs tariff, required for proper collection of customs and other duties and for proper tariff classification of certain goods.

Dynamic changes of customs regulations have led to intensified activities of the customs officers of the Customs Procedures Division and the Tariff Affairs Division pertaining to preparation of numerous explanations for the conduct of customs officers



Ministry of Finance
CUSTOMS ADMINISTRATION

and other participants in customs procedure, as well as participations/presentations at numerous seminars and workshops intended for CAS and the economy.

Starting from September 1, 2014, CAS has been implementing an institution of Authorized Economic Operator (AEO), which is aligned with the legislation of the European Union (hereinafter: EU) and based on which so far 22 economic operators have been granted AEO certificates. Furthermore, CAS implements the simplified import procedure at destination and the simplified export procedure at departure (so-called „local clearance “), also in accordance with EU legislation, based on which so far a total of 175 approvals have been issued for 106 companies.

Also, the Protocol on implementation of the Agreement between the Government of the Republic of Serbia and the Government of the Republic of North Macedonia on defining border procedure for railway border crossing point Presevo/Tabanovce was signed in 2016. The Agreement between the Government of the Republic of Serbia and the Government of the State of Israel on mutual assistance in customs matters was signed in 2018.

Moreover, the Protocol between the Customs Administration of Serbia and the State Fiscal Service of Ukraine in the field of exchange of statistical data was signed in the same year. Letter of Intent between the Customs Administration of the Ministry of Finance of the Republic of Serbia and the Directorate General of Customs and Excise of the French Republic and the Agreement between the Government of the Republic of Serbia and the Government of the Republic of North Macedonia on Mutual Recognition of Authorized Economic Operator – Security and Safety (AEOS) Authorizations were signed in 2019, as well as two documents with the Federal Customs Service of Russia: Memorandum of Understanding on cooperation of customs authorities at the airports “Nikola Tesla” and “Sheremetyevo” in fight against fraud and the Protocol on cooperation of the Customs Administration of the Ministry of Finance of the Republic of Serbia and the Federal Customs Service (the Russian Federation) in the sphere of combating customs violations in air traffic.



Ministry of Finance
CUSTOMS ADMINISTRATION

In 2017, CAS formed the Canine Customs Control Section, with the purpose of enhancing the fight against smuggling of tobacco, tobacco products and drugs.

In fulfilling one of its main strategic tasks and goals – fight against corruption – CAS conducts both preventive and repressive measures. With the goal of improving integrity and enforcement of anti-corruption policies and preventive measures, cooperation has been established with state authorities and institutions, as well as with foreign customs administrations. When it comes to the repressive measures, CAS has an ongoing cooperation with the Public Prosecutor's Office and the Ministry of Interior.

Development and promotion of anti-corruption policies, which reflects a professional, ethical and transparent customs service, create a positive attitude of the public.

In the observed period, as part of the implementation of the system of financial management and control, important activities have been carried out regarding basic business processes and business process mapping, the flow of important information and data between the CAS headquarters and customs offices, establishing the CAS Registry of Operational Risks, Audit Department and methodological directions for work. Draft strategy for risk management for the period 2020-2022 has been created.

CAS conducts continuous training of the customs officers through a Special Programme of Training, in line with the specific requirements and the competency of the authority. The training sessions are held in the Vocational Education and Training Center and in the customs offices, as well as abroad with support of the World Customs Organization, EU Customs 2020 Programme etc.

Digitalization and development of new information-communication technology (ICT) systems have been recognized in the Organization and Work Improvement Business Plan of the Customs Service of the Ministry of Finance for the period 2020-2024 as the most important segment of CAS modernization, and they are the subject of the special strategic document – the Work Plan for Development and Use of Electronic Systems of the Customs Service of the Ministry of Finance for the period 2020 – 2024. ICT trends,



Ministry of Finance

CUSTOMS ADMINISTRATION

such as service oriented architecture, enterprise architecture, project management and quality control, as well as methodologies and standards TOGAF, TEMPO, SOA, BPMN 2.0, SRPS ISO/IEC 27001 and SRPS ISO 21500 have been undertaken in accordance with the DG TAXUD directions.

In order for the importance and the role of CAS to become visible and recognized in the society, CAS has improved its work by starting to implement, in consistent manner, the principles of transparency in its work. It has modernized the way it communicates with the public, which implies being open to co-operate with the citizens, government and non-governmental organizations, with the business community and the media. By fostering a cooperative relationship between the customs and the public, a relationship based on providing regular information regarding the results of the customs work and the speed of progress, as well as by introducing modern, innovative and efficient communication channels, the trust of the public in customs and its work has increased and customs are now seen as a modern institution that contributes to the economic growth of the Republic of Serbia, and it will certainly continue to strive in that direction. By implementing this Business Plan, CAS will continue to improve its own functioning and to communicate openly about it, which will establish it as an essential link in the process of wider social reforms.

With reference to this, numerous day-to-day activities are carried out aiming to promote the work of CAS and the role of the customs service. The information on the work results, novelties and modernization of the customs service are provided to the broadest public in order for them to be well informed of the customs mission and the strategic goals, as well as the speed of achieving them. All information regarding the most important CAS activities are provided in clear and illustrated form, via announcements, CAS website news, social media posts (Facebook, Instagram), organization of the press conferences, distribution of internal periodical "Carinik", publishing promotional brochures, leaflets and posters, as well as participation in the events, such as fairs and expos. The Manual for CAS communication within the project *Technical Assistance for Establishing the Institutional Framework for the Implementation of AIS/AES*) has been adopted within the work on the strategic communication documents.



2. VALUES

CAS is a competent and transparent customs administration with the focus on sustainable capacity building that allows for efficient and effective revenue collection, transit of goods and passengers, an administration working in compliance with national legislature, international standards and professional ethics for the benefit of all citizens, with the respect of human rights and liberties.

CAS plan is to become a more developed and modern customs administration, one which contributes to economic development through its professional attitude and guarantees protection to all citizens and the entire society, while taking into consideration:

CAS Values:

- Professionalism;
- Integrity;
- Transparency;
- Reliability;
- Responsibility;
- Operationally and Efficiency;
- Orientation towards all participants in customs procedures;
- Partnership with state organs, business community, customs administrations and international and other organizations;
- Innovation and willingness to change.



3. STRATEGIC CONTEXT

With the purpose of capacity building and modernization, CAS defines and implements its priorities based on the following documents:

- *Customs-related legislature of the Republic of Serbia;*
- *Positive EU practice in application of customs regulations;*
- *Stabilization and Association Agreement between the European Communities and their member states of the one part and the Republic of Serbia of the other part and the Protocol of the Stabilization and Association Agreement between the European Communities and their member states of the one part and the Republic of Serbia of the other part which considers the accession of the Republic of Croatia to the European Union;*
- *National Programme for the Adoption of the Acquis (NPAA), for the period 2018 – 2021;*
- *Annual progress reports for Serbia by the European Commission;*
- *Screening reports for the Negotiating Chapter 29 – Customs Union and other negotiation chapters in which CAS takes part;*
- *Negotiating Position of the Republic of Serbia for the Intergovernmental Conference on Accession of the Republic of Serbia to the European Union for Chapter 29 – Customs Union and other negotiation chapters in which CAS takes part;*
- *Common Position of the EU for Chapter 29 – Customs Union;*
- *National priorities of international assistance for the period 2014-2017, with projections through 2020;*



Ministry of Finance

CUSTOMS ADMINISTRATION

- *Multi-country Indicative Strategy Paper for 2014-2020;*
- *Indicative Strategy Paper of the European Commission for the Republic of Serbia – IPA II (2014-2020);*
- *Fiscal Strategy for 2019 with projections for 2020 and 2021;*
- *Public Financial Management Reform Program for 2019-2020;*
- *Economic Reform Program ERP for 2019-2021;*
- *National Anti-Corruption Strategy in the Republic of Serbia for the period 2013-2018 and the Action Plan for implementation of National Anti-corruption strategy in the Republic of Serbia for the period 2013-2018;*
- *Public Administration Reform Strategy;*
- *Strategy on Development of Electronic Communications in the Republic of Serbia for the period 2010-2020;*
- *Strategy for Integrated Border Management in the Republic of Serbia for the period 2017-2020 and the Action Plan for implementation of the Strategy for Integrated Border Management in the Republic of Serbia for the period 2017-2020;*
- *National Strategy for the Fight Against Organized Crime;*
- *National Sustainable Development Strategy;*
- *Strategic EU documents defining CAS responsibilities up until and after accession to the EU (Electronic Customs Multi-Annual Strategic Plan – MASP, Strategy of the Evolution of the Customs Union...);*
- *Central European Free Trade Agreement - CEFTA;*
- *Free Trade Agreement between the Republic of Serbia and EFTA countries;*
- *Free Trade Agreement between the Republic of Serbia and the Republic of Turkey;*



Ministry of Finance

CUSTOMS ADMINISTRATION

- *Agreement between the Federal Government of the Federal Republic of Yugoslavia and the Russian Federation on Free Trade between the Federal Republic of Yugoslavia and the Russian Federation;*
- *Free Trade Agreement Between the Republic of Serbia and the Republic of Belarus;*
- *Free Trade agreement between the Republic of Serbia and the Republic of Kazakhstan;*
- *International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention);*
- *Revised Kyoto Convention;*
- *The Customs Convention on International Transport of Goods Under Cover of TIR Carnets (TIR Convention);*
- *International Convention on Harmonization of Frontier Controls of Goods (Geneva Convention);*
- *International Convention on the Harmonized Commodity Description and Coding System of the World Customs Organization;*
- *Customs Convention on the ATA Carnet for the Temporary Admission of Goods;*
- *Convention on Temporary Admission (Istanbul Convention);*
- *Convention on a Common Transit Procedure;*
- *Convention on the Simplification of Formalities in Trade in Goods;*
- *Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin;*
- *WCO Framework of Standards to Secure and Facilitate Global Trade;*
- *Facilitations for cross-border movement of goods within the component 1. of the Loan Agreement (Western Balkans Trade and Traffic Improvement Project with*



Ministry of Finance

CUSTOMS ADMINISTRATION

the application of multi-phase programme approach) between the Republic of Serbia and the International Bank for Reconstruction and Development;

- *Communication Strategy on accession of the Republic of Serbia to the EU;*
- *Visibility Manual for EU-funded projects in the Republic of Serbia;*
- *CAS Communication Manual within the project Technical Assistance for Establishing the Institutional Framework for the Implementation of AIS/AES.*

CAS has an important role in assuring financial and fiscal stability, as a body within the Ministry of Finance, responsible for the implementation of customs, tax and other regulations and for collecting customs duties and other import duties, VAT and excise duties and other duties that the acts of the National Parliament and the Government of the Republic of Serbia have entrusted it with.

Establishing comprehensive and well-organized public finances is a prerequisite for successful reform processes and for further development of all economy sectors. Thanks to its role in securing budget revenues, CAS is included in the Public Finance Reform, which is one of the key pillars of the Public Administration Reform in the Republic of Serbia. The five-year Public Financial Management Reform Program is of the highest priority for the Ministry of Finance and the Government of the Republic of Serbia.

Through the results achieved, year after year CAS justifies the role it has been entrusted with, deepens the trust in the customs service as in an important, professional, reliable, unbiased institution and enables the communication with other competent authorities and the public.



4. BUSINESS STANDARDS

By implementing the Business plan for improving the organization and operation of the Customs Service of the Ministry of Finance for the period 2020- 2024 (hereinafter referred to as the Business Plan of the Customs Service), CAS will achieve the following standards of customs work:

- Harmonization of the procedures and operational systems with the EU, WTO and WCO principles, in compliance with the standards of the Revised Kyoto Convention;
- Trade facilitation through minimum expenses and reduced administrative procedures for the business community and the citizens;
- Efficient protection of Serbian citizens and economy from illegal and illicit trade and all forms of cross-border crime in international trade in goods through the systems of control;
- Efficient collection of revenues;
- Transparent and impartial working procedures oriented towards the business community and the citizens of Serbia;
- Responsible implementation of business audit procedures, available to the public;
- Professional, qualified and highly motivated customs officers;
- Open and responsible policy of employment, improvement and development of human resources, efficient performance assessment;



Ministry of Finance

CUSTOMS ADMINISTRATION

- The highest possible level of utilization of new information and communication technologies that facilitate customs procedures, internal and external communication;
- Increasing the visibility and improving the image of CAS.



5. STRATEGIC GOALS

Realization of the development of the customs service is planned with the respect of business standards and key strategic priorities defined as seven strategic goals, always keeping in mind the challenges and expectations from CAS, as well as the level of business changes expected until 2024, which have to be supported via appropriate IT tools.

1. Efficient Revenue Collection

In order to ensure financial sustainability and security of the Republic of Serbia, CAS will develop the efficient revenue collection while reducing the costs borne by the business sector and citizens, with the long-term strategic goal to provide conditions for full harmonization of national and adequate implementation of EU regulations in the field of collection of import and other duties, development of an accounting management system, along with the constant improvement of control and risk assessment

Until it joins the EU, CAS will, within its competencies, ensure appropriate procedures and administrative capacities in order to collect, calculate, audit and control revenues in a proper and transparent manner. Providing administrative capacities as a strategic measure is a guarantee that the implementation and application of laws and regulations will be ensured by constant improvement of the capacities of the employees as well as technical capacities of CAS. Fulfillment of the obligations established in the negotiation process is closely related to activities aiming to enhance the administrative capacities.

2. Effective Customs Procedures and Controls

To establish effective customs procedures, it is necessary to develop paperless environment through eCustoms, having in mind the EU, WCO and WTO standards and best practice. Effective customs procedures imply the implementation of new ICT systems,



Ministry of Finance

CUSTOMS ADMINISTRATION

for which the carrying out of customs procedures will be based on the effective risk analysis and the intelligence work, in line with the EU best practice.

In order to achieve full implementation of the acquis, CAS will carry out its activities continuously with the application of effective customs procedures and controls.

In order to facilitate trade, speed up cross-border traffic and improve the partnership with the business community, CAS will continuously improve and harmonize customs procedures that allow for an advanced system of controls based on effective risk analysis.

3. EU Integration and Strengthening of International Cooperation

CAS will participate intensively in the process of accession to the EU through engagement in the Negotiating Chapter 29 – Customs Union and other chapters that relate to its work. CAS will continue to strengthen the cooperation with other customs administrations and international institutions, bearing in mind the obligations stemming from the Stabilization and Association Agreement, membership in the World Customs Organization, recognized international conventions, signed bilateral agreements on customs cooperation and memoranda of understanding, as well as the integration into international courses. CAS will continue to develop customs procedures and proceedings, following the best practices of customs administrations of the EU.

Challenges that CAS will be facing in the forthcoming period are in direct relation with the new Customs Law and the entire set of accompanying by-laws, which are harmonized with the Union Customs Code and regulations adopted for its implementation. In order to conduct the activities pertaining to the EU integration process, CAS will continue to use EU support funds, such as TAIEX – the EU instrument of short-term technical assistance, and the CUSTOMS 2020 Programme.



Ministry of Finance
CUSTOMS ADMINISTRATION

4. Developing Information and Communication Technologies

In accordance with EU information and communication standards, CAS will improve the development of information and communication technologies system (hereinafter: ICT), that is, systems that provide full support to the functioning of all segments of the customs service, ensure effective risk management, facilitate trade, allow for the highest efficiency of customs work, as well as interoperability and interconnectivity with other systems. The customs information system is developed in accordance with the development and modernization of the CAS, in terms of both business and technology. Although the existing ICT system covers most of the business processes in the CAS, further continuous development and application and service upgrade of the existing customs declaration processing system as well as the customs management system are necessary, in order to computerize customs procedures and connect with the correspondent ICT systems of the EU.

Further development of the CAS ICT system and the improved use of ICT represent an opportunity for CAS to strengthen its position as a pioneer of hi-tech progress in the Republic of Serbia, through which it is making the first step in the biggest transition in its existence so far. A major transition has started, leading to a customs service organization that will be much more oriented towards the business community. ICT system has the central place within the EU eCustoms strategy for the implementation of electronic customs, and as such plays a major role in the implementation of the CAS development strategy. Strategic document for development of ICT system will be adopted through Development Programme of electronic systems of the customs service for the period 2020-2014 and will present the future business needs from the ICT aspect, mainly from three angles: business relations in the EU Customs Union, common domain relations, and then with other member states, business relations with national business partners (external domain) and with other relevant national organizations.

CAS will improve the current foreign trade by introducing modern customs procedures based on ICT system.



5. Strategic Management, Modernization and Reforms

Establishing the strategic management processes is of great importance for CAS for the period 2020-2024, having in mind numerous changes and international commitments needed to be implemented in order for CAS to achieve all its goals stipulated in the business strategy.

It is necessary to monitor the implementation of the Business Plan of the customs service and other CAS strategic documents through the realization of the Programme of measures and activities with key performance indicators.

It is required to establish the project management processes and enterprise architecture as key elements that would enable successful implementation of main CAS strategic goals, ensure efficient resources control and management, and also ensure that the outcomes of those processes are promoted adequately and visible to the broadest public.

6. HR Management and Development

CAS operates in an extremely complex business environment, one that changes rapidly, and new demands, often appearing conflicting, are constantly placed before employees. Bearing in mind that people are the most important resource of any organization, it is of utmost importance to develop their knowledge, capabilities and skills, appropriate competences, as well as to instill basic values of the customs service (focus on safety and security, ethics and high level of integrity, orientation towards business community and citizens, commitment to service to society, procedures harmonized with the EU procedures, professionalism and expertise, and continuous learning and professional development).



Ministry of Finance

CUSTOMS ADMINISTRATION

CAS will build and develop an environment in which customs employees will be able to develop and contribute to the fullest to the achievement of the customs service goals and to the whole society.

CAS will carry out significant reorganization of the service in accordance with the needs for modernization. Adoption of European standards and the development of a modern management and labor system requires improvement of the work and performance of employees, as well as development of human resources management.

New systems and procedures require trained and motivated customs officers. Accordingly, it is necessary to develop and consistently implement the Special Programme of training for customs officers, and hence develop the functional competencies specific for the customs service.

Plan document of HR management, drafted in the framework of the project *Technical Assistance for Establishing Institutional Framework for the Implementation of AIS/AES* will respond to challenges placed before the customs service by supporting the process of learning and continuous improvement, strengthen the existing potentials, raise standards and enable reducing the difference between current and aspired knowledge, skills and competencies of customs officers.

Development and promotion of personal integrity and anti-corruption policy strengthen the integrity of the service as a whole, which acts in accordance with the highest professional and ethical standards, thus building a positive public image, strengthening trust in institutions and improving efficiency and effectiveness of the customs service.

7. Improving Working Conditions

Improved working conditions will create conditions for free movement of people, goods, capital and services, implementation of projects of common interest, especially



Ministry of Finance

CUSTOMS ADMINISTRATION

those related to border management and the fight against organized crime, corruption, money laundering, illegal migrations and human trafficking.

CAS will provide all the infrastructure and equipment necessary for modernizing and improving working conditions and efficient customs control at all border crossings, with the aim of facilitating cross-border traffic and trade, as well as passenger flow, while ensuring proper collection of revenues, prevention of illegal trade and protection of health and safety.



6. Measures for Achieving Strategic Goals

With the purpose of achieving strategic priorities for each of said strategic goals, the following specific goals or measures have been defined:

1. Efficient Revenue Collection

- 1.1. Strengthening administrative capacities for an efficient revenue collection;
- 1.2. Developing the Management system for Traditional Own Resources;
- 1.3. Improving post-clearance procedures through improvement of risk management system, increase of the number of employees as well as administrative capacities;
- 1.4. Improving procedures in the field of customs values, preferential origin and classification of goods.

2. Effective Customs Procedures and Controls

- 2.1. Implementation of customs procedures, standards and practices harmonized with the EU, WTO, WCO, etc. ones.
- 2.2. Procedures for implementation of AIS/AES, NCTS phase 5 and customs decisions management system and all other supporting systems required for more efficient customs declarations processing, as well as improved trade facilitation and customers service, Procedures for implementation of National Single-window system;
- 2.3. Promoting the concept of the Authorized Economic Operator to continue with development of WCO Framework of Standards (SAFE);



Ministry of Finance

CUSTOMS ADMINISTRATION

2.4. Implementation of mutual recognition of AEO status;

2.5. Strengthening the capacities of customs laboratories to increase the level of accuracy, certainty and consistency in customs procedures;

2.6. Effective partnership and communication with the business community to adjust procedures;

2.7. Improving the techniques of customs control with the purpose of protecting the revenues and the society from evasion of import duties, cross-border crime and terrorism, strengthening anti-smuggling capacities and protection of the intellectual property rights;

2.8. Strengthening the Audit Department capacities for the assessment of adequacy and effectiveness of the internal controls and checks of system reliability, as well as the assessment of economics, efficiency and effectiveness of operations in the organizational units.

3. EU Integration and Strengthening International Cooperation

3.1. Harmonising the procedures in preparation for the accession to the EU;

3.2. Coordinating CAS activities in the process of negotiations with the EU;

3.3. Improving cooperation with other customs administrations with the purpose of fulfilling international customs-related obligations;

3.4. Improving customs cooperation with international institutions and organizations.

4. Developing Information and Communication Technologies

4.1. Developing a unique information system of the CAS;



Ministry of Finance

CUSTOMS ADMINISTRATION

- 4.2. Developing IT systems in accordance with EU MASP requirements;
- 4.3. Implementation of Anti-fraud information system (AFIS);
- 4.4. IT system for all support processes, such as human resources, procurement, finance, ERP etc.;
- 4.5. Improving support to business processes of customs service;
- 4.6. Allocating funds for improvement of infrastructure;
- 4.7. Developing a data safety, security system and disaster recovery site;
- 4.8. Enterprise architecture framework;
- 4.9. CAS employees possess required IT skills.

5. Strategic Management, Modernization and Reforms

- 5.1. Implementing business strategy and planning system within CAS;
- 5.2. Quarterly or annual assessment of CAS organizational units performance;
- 5.3. A unit established within Bureau of Director General that deals with the planning and monitoring CAS plans and programmes;
- 5.4. Project programming and preparing (the EU and other donors);
- 5.5. Projects implementing and monitoring;
- 5.6. Increasing the visibility and improving the image of CAS;
- 5.7. Customers service.



Ministry of Finance
CUSTOMS ADMINISTRATION

6. Managing and Developing Human Resources

- 6.1. Transparent recruitment and promotion processes in line with the legislation of the Republic of Serbia and the EU best practice;
- 6.2. Developing modern management system;
- 6.3. Strengthening integrity, anti-corruption policy and preventive measures;
- 6.4. Creating and implementing the Special Programme of training for customs service, which is adopted in line with the valid rules;
- 6.5. Appropriate workplace health protection and safety in line with the EU best practice;
- 6.6. Risk analysis of customs system legal framework corruption;
- 6.7. Strengthening administrative capacities in terms of integrity.

7. Improving Working Conditions

- 7.1. Developing functional infrastructure compatible with the one in the neighboring country and integrated border management;
- 7.2. Modernization and construction of border crossing points through infrastructure investments with the purpose of increasing the capacities for traffic and trade flow, control and surveillance at border crossing points;
- 7.3. Reconstruction of customs facilities and improving customs officers' working conditions



7. IMPLEMENTATION

The Business plan for improving the organization and operation of the Customs Service of the Ministry of Finance for the period 2020- 2024 is created with the purpose of achieving the vision of a modern state authority that successfully performs its tasks and provides services to the business community in a good and efficient manner.

To reach the tasks and goals, it is necessary to employ all the available financial resources (both from the budget of the Republic of Serbia and from donations), capable and trained human resources and adequate material resources.

The Overview of the planned measures and activities is provided in the Annex to The Business plan for improving the organization and operation of the Customs Service of the Ministry of Finance for the period 2020- 2024 and represents the integral part thereof.

The overview of the planned measures and activities defines the organizational units responsible for the implementation of measures, key performance indicators, deadlines for realization of said activities, as well as financial means required for their realization in the amount known at the moment of creation of the Overview.

A part of the Action Plan for implementation of the Development Plan of the Customs Service for 2017-2020, adopted through the Government's Conclusion ("Official Gazette of the RS", number 116/17), which refers to 2020, has been replaced with corresponding part in the Overview of planned measures and activities (goals, measures and activities).



Ministry of Finance

CUSTOMS ADMINISTRATION

8. FINAL PROVISIONS

CAS will work on implementation of The Business plan for improving the organization and operation of the Customs Service of the Ministry of Finance for the period 2020- 2024 in order to fulfill Government request for improvement of the customs service's work. The measures will be established and the activities will be monitored and assessed regularly. CAS will present to the Government annual reports on fulfillment of the goals of this plan.