

between the shelves. Given these factors, avoiding errors in the work was quite difficult, which led to an additional slowdown in the process.

As a result, it was decided to robotize the warehouses. The robot does not get tired, can work an unlimited amount of time and lift any weight, as a result it completely replaces the employee.

Developed infrastructure and huge scale allow this company to keep minimum prices. Amazon Robotics is also continuing to improve and is exploring options to reduce drone delivery times.

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#### **«Provision of tariff preferences in relation to developing countries in the EEU»**

*Research Field:*

*Customs in the age of globalization and regionalization*

Tariff preferences are one of the elements of customs tariff regulation. Preferences are granted to promote the development of developing and least developed countries by expanding their exports. The country providing tariff preferences regulates the import of goods to the domestic market, taking into account primarily its economic interests and the interests of the national commodity producer. And the beneficiary country exports its goods at a reduced or zero customs duty rate, which contributes to the development of its foreign trade activities.

The unified system of tariff preferences of the Eurasian economic Union (further USTP EEU) takes into account the level of development of the state. The list of countries that established is based on the size of gross national income. The structure of the USTP EEU user countries is numerically dominated by developing countries – 67.3% (103 countries), so we consider the validity of granting tariff preferences to these countries in terms of their level of development.

Many developing countries increase their share of the global export market by producing competitive products. This is confirmed by UNCTAD data, according to which the volume of exports of developing countries tends to increase. If in 2010 it was 6.4 trillion us dollars, in 2018 it was 8.7 trillion us dollars (table 1). At the same time, developed preference-granting countries

have begun to review their national schemes, changing the list of countries and products for which preferences are granted.

Table 1 – Exports by countries <sup>1</sup>, trillion US dollars

Group of countries	Export volume by year		
	2010	2015	2018
Developing country	6,4	7,4	8,7
Countries with economies in transition	0,6	0,5	0,7
Advanced Countries	8,3	8,6	10,1
The volume of world exports of all	15,3	16,6	19,5

To assess the validity of including countries in the list of users of tariff preferences of the EEU ETS, we will analyze their rating by the size of gross national income (table 2).

Table 2 – Ranking of countries by gross national income per capita for 2018 <sup>2</sup>

Place	Country	GNI per capita, US dollars
10	Qatar	61 190
13	Singapore	58 770
17	Hong Kong	50 310
26	United Arab Emirates	41 010
29	Kuwait	33 690
30	Korea	30 600
40	Bahrain	21 890
42	Saudi Arabia	21 540
59	Chile	14 670
72	Turkey	10 380
73	Russia	10 210
75	China	9 470
77	Maldives	9 310
79	Brazil	9 140
83	Kazakhstan	7 830
102	Belarus	5 670
116	Armenia	4 230
169	Kyrgyzstan	1 220

As the analysis of table 2 shows, many countries in this list have a higher annual level of national income per capita than in the Republic of Belarus and other EEU member countries. In this case, in our view, it is not economically justified to grant tariff preferences for the import of goods, for example, from Qatar (GNI per capita – 61,190 US dollars), Hong Kong (58,770 US dollars), Korea (30,600 US dollars) and a number of other countries.

To assess the effectiveness of the USTP EEU application, we will consider the dynamics of imports of goods to the Republic of Belarus from countries that are granted tariff preferences (table 3).

Table 3 – Imports of goods to the Republic of Belarus from selected developing countries, 2010 - 2018 <sup>3</sup>

Country	Import volume, million US dollars			
	2015	2016	2017	2018
Bahrain	–	–	–	–
Brazil	124,5	82,8	72,6	125,7
Qatar	–	–	–	–
China	2 401,2	2 129,5	2 745,3	3 158,2
Korea	113,2	85,4	118,2	124,5
Mexico	37,9	23,3	28,2	36,7
UAE	4,7	8,5	11,8	14,3
Saudi Arabia	88,2	75,6	59,1	65,6
Singapore	16,9	18,5	18,2	32,4
Turkey	487,9	734,9	807,6	802,4
Chile	13,2	10,6	14,6	22,1
Volume of import	30 291,5	27 609,9	34 234,9	38 441,1

The analysis of table 3 data shows that trade relations with some States are not significant in the system of Belarus' foreign trade relations: the share of goods deliveries in the total volume of all imports of the Republic of Belarus is on average 0.1% (for example, Mexico, Singapore, Chile), while imports of goods from Bahrain and Qatar to Belarus are absent. The granting of preferences to these States does not significantly affect the revenue part of the Republican budget of the Republic of Belarus at the expense of revenues from foreign economic activities. A country like China exports to Belarus in large volumes (3,158. 2 million US dollars in 2018) and the negative consequences of granting preferences will be the lack of receipt of customs payments to the budget of our country.

In our view, the revision of the parameters of the USTP EEU should be based on reducing the scale of preferences provided. Thus, tariff preferences can only be granted to countries that are not classified by the world Bank as countries with an upper-middle and high income (12,616 US dollars and more).

However, the exclusion of countries from the list may have an adverse impact on political, trade and economic relations with them and will contradict the current international practice of granting tariff preferences, which may have a negative impact on the trade and political relations of the EEU with other countries. In this aspect, the experience of the United States is interesting, which is on the way to expand the overall territorial coverage of swaps while reducing the volume of actually granted preferences in order "not to harm economic and political relations with these States" [4, p. 12]. A country that enjoys preferences can be excluded from the list if it has reached a certain level of GNP per capita (set by American law) and if there

is significant progress in trade and economic development. Also, if the supply of goods from this country exceeds 50% (in some cases – 25%) of all imports of this product to the United States, or if the cost of imports exceeds a pre-established amount, then tariff preferences will cease to apply to such goods.

Currently, in order to revise the list of countries that use preferences, a draft decision of the EEC Council on the revision of the list of developing and least developed countries that use tariff preferences has been approved. The proposed list will include 31 developing countries, instead of the current 103.

Thus, some developing countries were able to take the advantage of the provisions of the Common system of preferences more effectively and achieve an increase in their economic level (for example, the United Arab Emirates, Korea, Singapore, China, etc.). In this regard, the current system of tariff preferences in the EEU needs to be revised. Reducing the number of countries subject to preferential treatment will lead to a significant increase in the effectiveness of preferences and will allow us to focus on compliance with the principles on which they are granted. In our opinion, the main directions for improving the effectiveness of the USTP EEU should also be the introduction of quotas for certain goods depending on the country's "sensitivity" and level of development, the division of the list of goods for developing and least developed countries, and the establishment of criteria for excluding goods from such a list.

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