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CUSTOMS SYSTEM IMPORTANT FACTOR IN THE DEVELOPMENT OF THE COUNTRY

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Abstract
This study tries to knock a step towards giving an overview of the state of negotiations between Albania and the European Union for signing the Free Trade Agreement (FTA) within the Agreement of a SAA, the state in which the implementation of FTAs with countries in the region as well as information on the CEFTA agreement that constitutes one of the specific nature of international business development. Given that 90% of Albanian exports go to the EU and over 70% of imports come from the community signing of FTA with this region it takes a special importance. The impact will be mostly in consumer pockets of Albanians will pay less for the same quality products, according to European standards. This is the biggest benefit of short-term that will give a whole chain of side effects to increased competition, improved tax collection, increasing the welfare of the population (confirmed by a World Bank study) and crossing a step closer being part of the European Union.
Albania, is always presented as a country with financial problems which have always been complicated due to a protracted course of the Albanian transition. Big clashes international Our country has had over the years, having been isolated for nearly five centuries, not only did not advance but walked a few steps back trying occasionally even printing it. After these years of hard financial system needed some reforms and to start construction of a complete economy.
Customs itself, as each institution has its missions, economic or social. Fiscal mission is one of the main missions of Albanian Customs consisting of collection of customs duties of imported goods. In addition, Customs collects a range of other taxes on behalf of the tax authority as VAT, excises, etc. What makes the specific weight of the revenue collected and customs shed in the state budget to be a significant figure?
Key words: *trade free, customs, reform, taxes, application*

Introduction

An important role of Albanian Customs consists in protecting and promoting the economy of the country. Customs as an important state body, by applying different tax levels, seasonal tariffs for agricultural products, the license checking system protects domestic producers and imports stimulates certain areas and encourages foreign investment in our country.
Topics for which we will talk next is of particular importance, especially for Albania which aims accession in the EU, where the good functioning and customs control are preconditions for liberalization and integration. Following this paper will try through explanatory touch method the importance of Customs system, to this day, we will talk about the types of customs duties and challenges that arise in their operation, as part of the economic system Perbes. Customs system represents more voluminous variety of complex implementation procedures for the implementation of works from the business of foreign trade. Is the interest and duty of every state in the active and comprehensive way oppose any form of smuggling, especially that of high-tariff goods to customs, being committed to taking preventive and repressive measures by the police and customs aimed at preventing this form of organized crime, both within the country and outside its territory, thus making available all possible mechanisms for

combating this phenomenon in our society. Customs is of great importance to the process of market balance and price stability. It is also an instrument for the harmonization of economic systems. Charges customs help maintain the stability of the domestic market to increase production in the country, and through taxes on goods exported to stimulate increased local production and exportation of its foreign market this process has reached its peak with the creation of markets common sense of the term and economic union, as well as implementing policies fiscal harmonization.

Methodology

This paper aims to reflect the economic and financial activity of customs. For the realization of this goal are used quantitative and qualitative methods of collecting and processing data. Data collection was conducted through interviews with customs inspectors and their official websites. The period of data collection is from 2012 up to 9 months of 2016. Based on a review of the literature and empirical data analysis reach conclusions and recommendations.

I. Meaning and role of customs in Albania

I.1 The meaning and importance of customs.

Customs is a tax paid when crossing the state line beyond customs. As a rule, the customs line coincides with the state border, which defines the customs area, where our obligations for the payment of customs and other taxes on goods entering the customs area of the country. Exclusive purpose of customs has had a fiscal character, which means to serve the fulfillment of the budget. As a product of the customs have: Fee paid by the state on the occasion of the entry of goods through the line customs as per the needs of the state treasury as well as to achieve the goals set out in the international trade exchange, such as the protection of the production of the country, promoting economic development and reconciliation in the country's foreign trade balance. Customs taxes are taxes that the state collects on the occasion of the passage of goods through the state border and is part of the group of indirect taxes.

Tax Customs - is entered which is levied after customs tariff set by law, for the goods, which crosses the border customs and enters the territory of certain customs, is entered public, which collects any sovereign state by customs tariff determined by law, while an importer is expense. Customs tax - is protective instrument of the national economy.

I.1.1 Types of customs duties

Takes distinguish some types of customs:

- ✓ the movement of goods Management Customs (import, export and transit)
- ✓ the manner of calculation and payment of customs tax (value, specifically, combined)
- ✓ Economic Action - Political (Fiscal Protection, Preferential, Differential etc.)
- ✓ By way of determining customs rate (Autonomous and Conventional).

Import customs duties customs is the most important instrument in international trade and is represented in developed countries as well as in developing countries.

Exporting customs duty is not characteristic of modern customs systems therefore apply measures contrary to stimulate the export of products in foreign markets.

Customs taxes for transit at all stages of economic development, have had fiscal character on trading free goods.

Customs duty amounting applied in almost all modern customs systems. This tax is intended to protect domestic products from international competition. This tax is calculated at a certain percentage rate of duty on customs value of goods that are taxed. These taxes are an expression of the implementation of the principle of "vertical equity" in taxation, which is the dominant principle in modern taxation. Equality lies in the fact that all goods of the same type are charged with the same level or have the same level of tax. Since this level consists of a percentage of the value of equality reappears in the process of tax collection, where merchandise "free" paid less than for merchandise "expensive" of the same kind. It is precisely this aspect of democratic economic and taxation that have made "ad valorem" busy exceptionally large customs fees sotme.This days kind of tax can have negative effects: p.sh importation of modern technology, the external market which has great value and it is the reason for not importing this technology. As negative quality of this customs duty assignment problem presented to the customs counter base due to incorrect declaration of the

invoice value. The amount calculated in the amount of duty is always associated with the movement of the market price.

Customs tax disadvantages are:

- ✓ Any discount price on the foreign markets when applying customs duty on securities,
- ✓ It stimulates new imports of goods and quality,
- ✓ To make room for incorrect declaration of the value of the goods by presenting incorrect invoices.

Customs tax advantages are:

- ✓ charged all goods adequately with their value,
- ✓ it reaches full effect of protecting domestic products, and fiscal effects.
- ✓ Its customs tax calculation is very simple.

Specific customs duty was introduced late. For the first time they appear in the second half of the century. XIX. Specific customs duty is calculated and collected by customs goods measuring unit (Kilo, liter, pieces, and tons).

Combined taxes consist of taxes combined application of "ad valorem" and specific. Rates or fixed cash amounts on which customs duties or calculation of customs duties referred levels.

Antiduping taxes levied on imported goods which are subject dupingut. By duping we understand each case when foreign goods imported into a country with a price much lower than the price of their competitors in the place and time of exporting and if an import of such damages or could harm the domestic production of goods such or development this production. This tax has emphasized character as it aims to restore economic competitiveness clean.

Countervailing taxes with which means a special kind of tax, which is collected for the purpose of counterbalancing the subsidy may be direct or indirect, for the creation, production or exportation of certain goods. Economic character and aims to regulate competition distorted by subsidies.

Fee for responsive understood Sur charge, which was added to normal levels, or, where appropriate, to impose a special tax on goods that are not subject to customs duties in accordance with the Customs Tariff, which are set for a certain period of retaliation against imported goods from a country that discriminates against importing country in economic relations.

Seasonal customs duties established for a certain period of the year, collected on imports of all goods of a certain nature, regardless of the country of the origin. In general, agricultural or livestock products and is an expression of a political the pure protectionist.

Value added tax collected for all goods imported supplies, though it is not customs duty in the strict sense, it normally meets for all imported goods are also subject to this tax in the country. In the final analysis this is a tax on consumption and therefore has the character of fiscal noted.

Excise duties are taxes paid on the importation of a certain category of goods considered as state monopolies. Excise duties are imposed on goods, demand for which it is inelastic, such as cigarettes, alcohol, coffee, fuel, etc. tablespoon salt.

Another important role of Albanian Customs consists in protecting and promoting the economy of the country. Customs as an important state body, by applying different tax levels, seasonal tariffs for agricultural products, the license checking system protects domestic producers and imports stimulates certain areas and encourages foreign investment in our country.

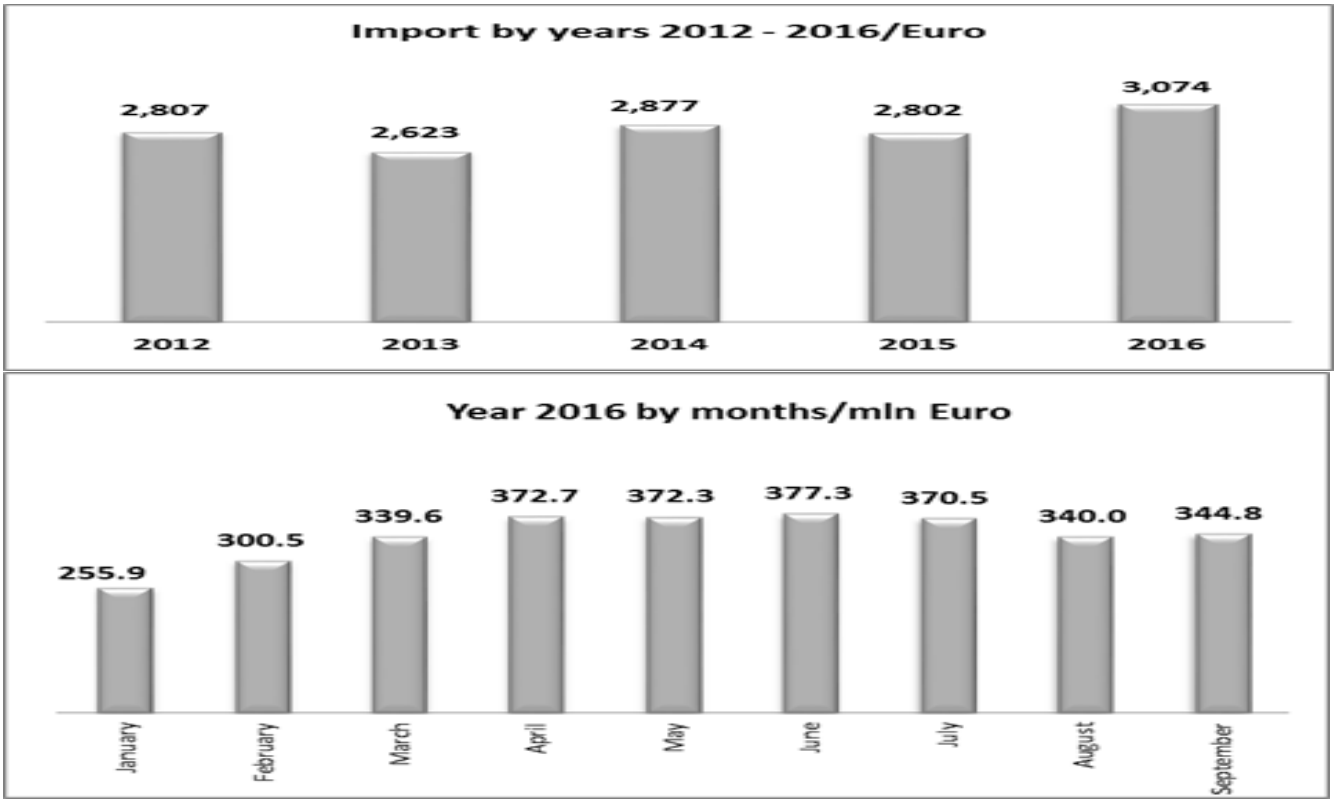
Albanian customs, as well as those of European countries, is a matter of greater attention for the defense mission. Having a strong legal support, being placed at the border crossing points, taking on the lookout border area as well as keep track of the national road network, customs has an important mission defensive across many fields.

I.1.2 Current customs

The value of imports 3.073.7 million euros compared with 2012,2013,2014,2015 years by statistics that Customs General Directory for the period January-September 2016 is increasing.

Table 1. Values of Imports in mln Euro

Months	2012	2013	2014	2015	2016
January	266.7	244.8	265	251.7	255.9
February	270.1	238.7	281.3	280.7	300.5
March	316.12	276.3	304.1	315.8	339.6
April	285.4	296.7	329.8	311.9	372.7
May	318.1	321.7	346.7	317	372.3
June	332	296.3	349.3	347.2	377.3
July	345.3	346.6	339.2	373.1	370.5
August	333.4	300.4	321.8	288.8	340
September	339.6	301	340.3	315.8	344.8
Total	**2806.72**	**2622.5**	**2877.5**	**2802**	**3073.6**

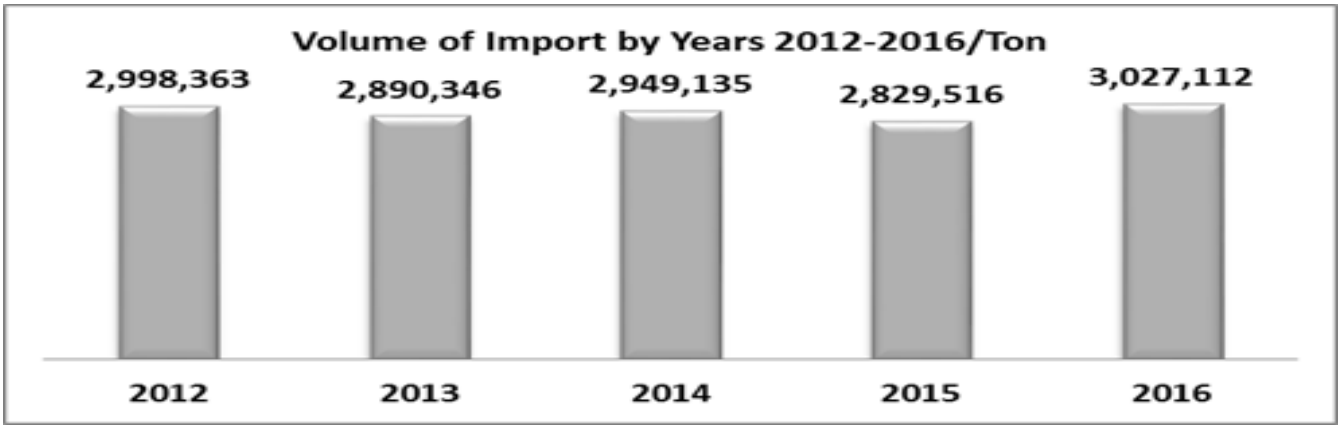


The same can be said about import volumes in net weight (table 2).

Table 2. Values of Import in net mass

Months	2012	2013	2014	2015	2016
January	255,391	237,125	277,099	261,475	254,919
February	240,016	240,015	272,562	247,460	260,902
March	337,223	267,753	285,956	279,002	319,979
April	318,750	297,795	298,891	293,833	387,235

May	336,973	362,497	364,348	365,205	363,803
June	372,383	325,166	345,468	346,627	355,011
July	357,303	388,439	346,337	373,321	354,328
August	379,143	393,730	352,438	345,121	377,417
September	401,180	377,825	406,037	317,471	353,518
Total	**2,998,363**	**2,890,346**	**2,949,135**	**2,829,516**	**3,027,112**



While exports for the period January-September 2016 were 1284.5 million euro realized, unlike imports have a decrease compared to the same period as the value.

Table 3. Value of Exports in mln Euro

Months	**2012**	**2013**	**2014**	**2015**	**2016**
January	96.7	130.0	127.3	127.6	119.5
February	101.8	113.5	144.7	127.5	126.6
March	127.2	137.8	151.9	162.1	140.4
April	128.5	147.5	162.0	145.8	152.1
May	137.9	158.8	180.1	173.7	148.6
June	127.0	153.7	161.4	168.9	163.4
July	141.7	171.7	163.2	161.6	163.1
August	124.7	129.5	133.2	111.2	121.3
September	138.9	152.3	151.8	146.5	149.4
Total	**1,124**	**1,295**	**1,376**	**1,325**	**1,284**

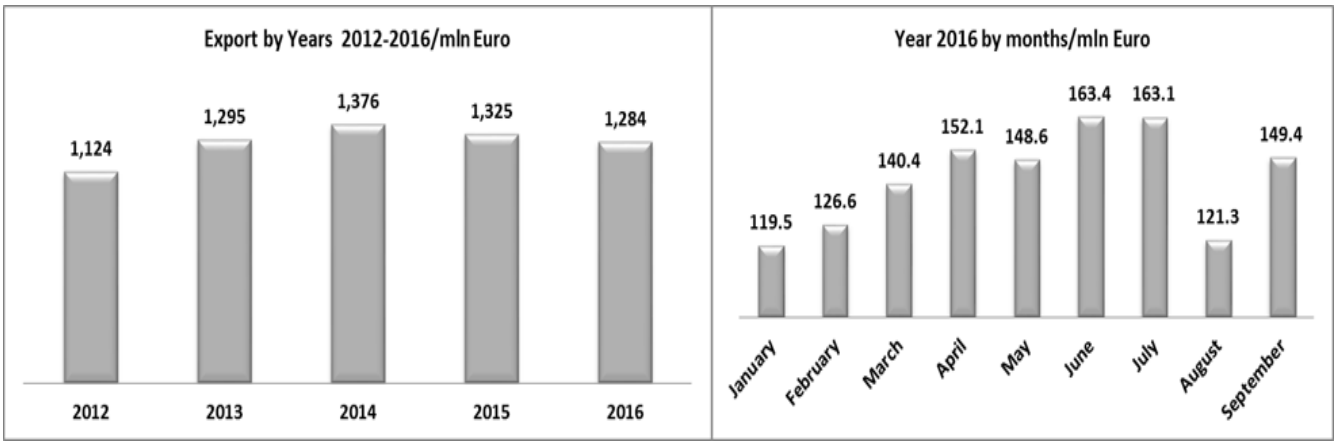
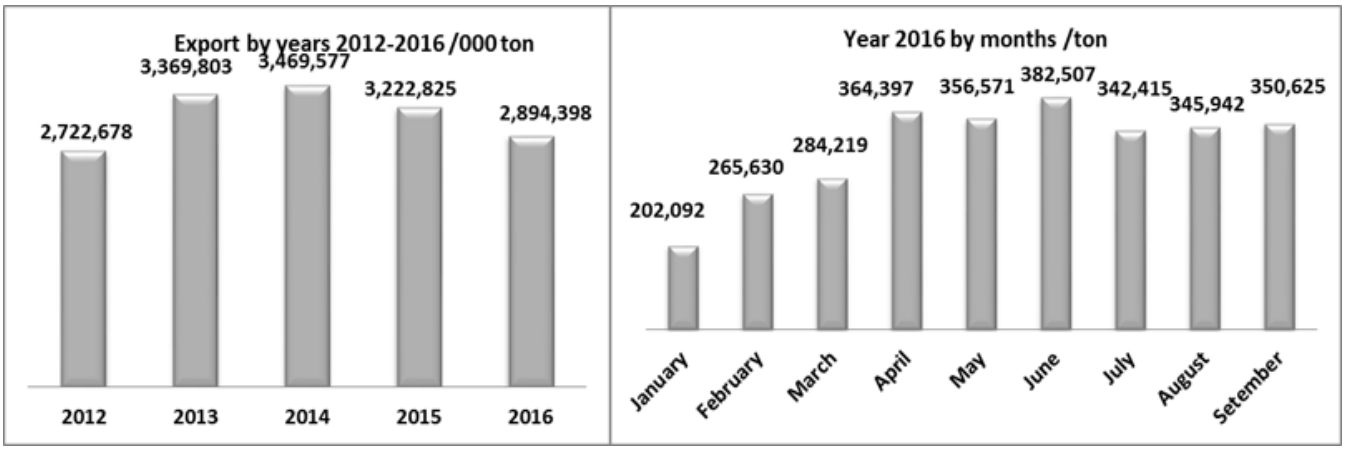


Table 4. Value of Exports

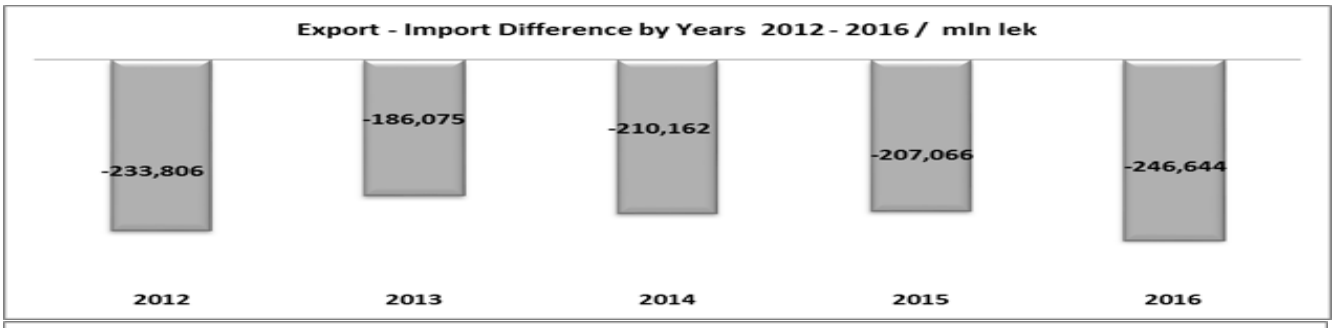
Month	2012	2013	2014	2015	2016
January	172,456	249,462	261,231	296,656	202,092
February	164,190	256,910	286,235	279,194	265,630
March	271,676	402,622	320,046	331,914	284,219
April	329,742	409,683	386,434	370,432	364,397
May	378,488	439,121	510,865	458,594	356,571
June	311,366	370,283	437,858	421,925	382,507
July	311,222	425,862	446,481	366,416	342,415
August	436,827	429,156	407,183	326,018	345,942
September	346,711	386,704	413,245	371,676	350,625
Total	**2,722,678**	**3,369,803**	**3,469,578**	**3,222,825**	**2,894,398**



The total volume of trade exchanges during the 9- months of 2016 decreased 1,789.2 million euro.

Table 5. Values of Import-Export like years 2015-2016 in mln Euro

	2012		2013			2014			2015			2016	
Months	Difference	Export	Import	Difference	Export	Import	Difference	Export	Import	Difference	Export	Import	Difference
January	-170.0	130.0	244.8	-114.8	127.3	265.0	-137.7	127.6	251.7	-124.1	119.5	255.9	-136.5
February	- 168.2	113.5	238.7	-125.2	144.7	281.3	-136.6	127.5	280.7	-153.1	126.6	300.5	-173.9
March	- 188.9	137.8	276.3	-138.5	151.9	304.1	-152.1	162.1	315.8	-153.7	140.4	339.6	-199.2
April	- 156.9	147.5	296.7	-149.2	162.0	329.8	-167.9	145.8	311.9	-166.1	152.1	372.7	-220.6
May	- 180.2	158.8	321.7	-162.9	180.1	346.7	-166.6	173.7	317.0	-143.3	148.6	372.3	-223.7
June	-205.0	153.7	296.3	-142.5	161.4	349.3	-187.9	168.9	347.2	-178.3	163.4	377.3	-213.9
July	-203.6	171.7	346.6	-174.9	163.2	339.2	-176.0	161.6	373.1	-211.5	163.1	370.5	-207.4
August	-208.7	129.5	300.4	-170.8	133.2	321.8	-188.6	111.2	288.8	-177.6	121.3	340.0	-218.7
September	-200.7	152.3	301.0	-148.7	151.8	340.3	-188.5	146.5	315.8	-169.3	149.4	344.8	-195.4
Total	-1,682.2	1,295.0	2,622.5	-1,327.5	1,375.6	2,877.5	-1,501.9	1,325.0	2,802.0	-1,477.0	1,284.5	3,073.7	-1,789.2
Exp/Im %)	40			49			48			47			42



With an annual decrease of 5% by weight of specific exp / import compared to 2015. In September 2016 exports of goods amounted to 21 billion, increasing by 0.6% compared to September 2015 and 25% compared to August 2016. Imports of goods in the month of September 2016 amounted to 47 billion, increasing by 6% compared to September 2015 and 0.3% compared to August 2016. This month the trade deficit is 27 billion, increasing by 10.6% compared with September 2015 and decreasing by 13.2% compared to August 2016 (according to INSTAT).

I.1.3 Impact of the main groups in annual exports

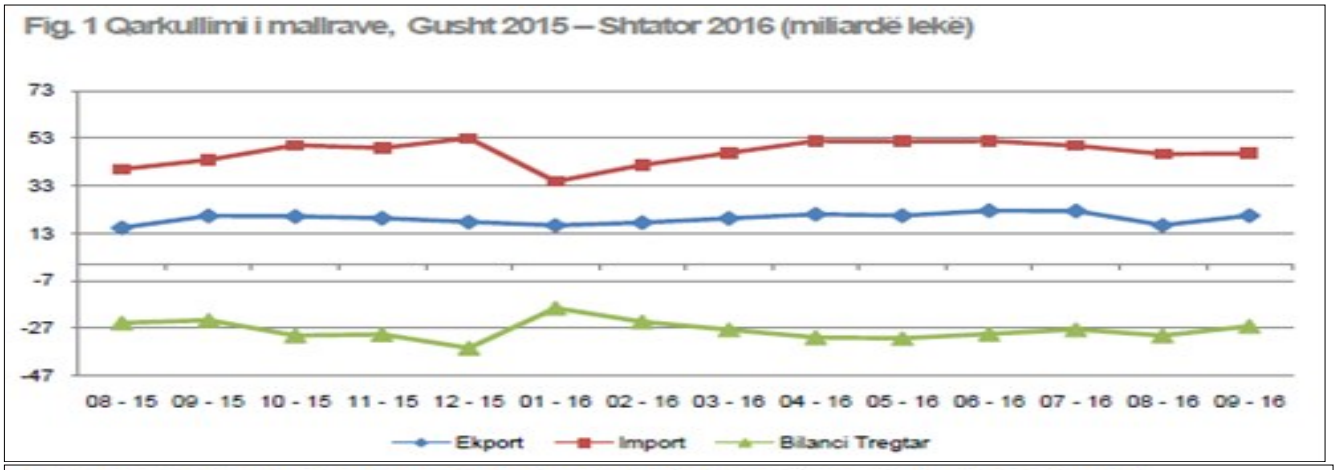
Annual export growth of 0.6% this month was mainly influenced by the groups: "Textile and footwear" by +5.1 percentage points, "machinery, equipment and spare parts" by +1.0 percentage points, "Food, drinks , tobacco "contributed +0.5 percentage points. In annual exports adversely affected groups, "Minerals, fuels, electricity" with -5,6 percentage points, "Leather and articles thereof" with -0.4 percentage points, "Construction materials and metals" by - 0.3 percentage points

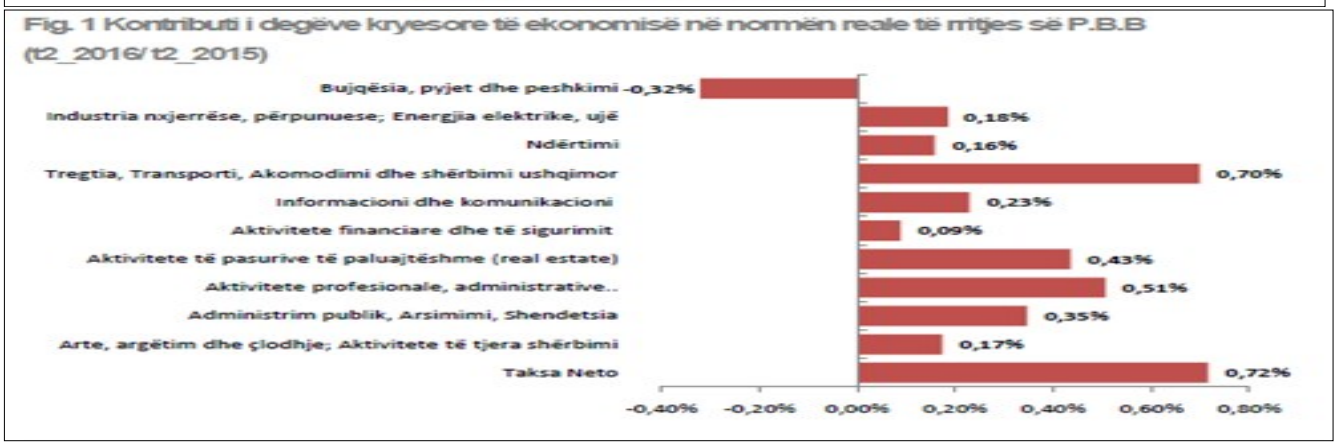
I.1.4 Impact of the main groups in annual imports

Annual import growth of 6% this month was mainly influenced by the groups: "Construction materials and metals" by +2.3 percentage points, "machinery, equipment and spare parts" by +2.0 percentage points "," Textile and footwear "to +1.6 percentage points. In annual imports have negatively affected the group: "Minerals, fuels, electricity" with in percentage. During -1.8 points in September 2016, countries with which Albania has had the largest increase in exports, compared with September 2015 are Italy with 1,1%, Greece with 19% and Germany with 20.2%. While exports to countries that have had the greatest reduction are: Kosovo with 10.2%, Malta with 18.4% and China with 11.5%. In September 2016, the countries with which Albania has had the largest increase in imports, compared with September 2015 are Italy with 4.2%, Germany with 81.7% and China 2.2%, while countries that imports have had the greatest reduction are: Turkey with 1,4%, Russia with 66.9% and Switzerland with 41.9%.

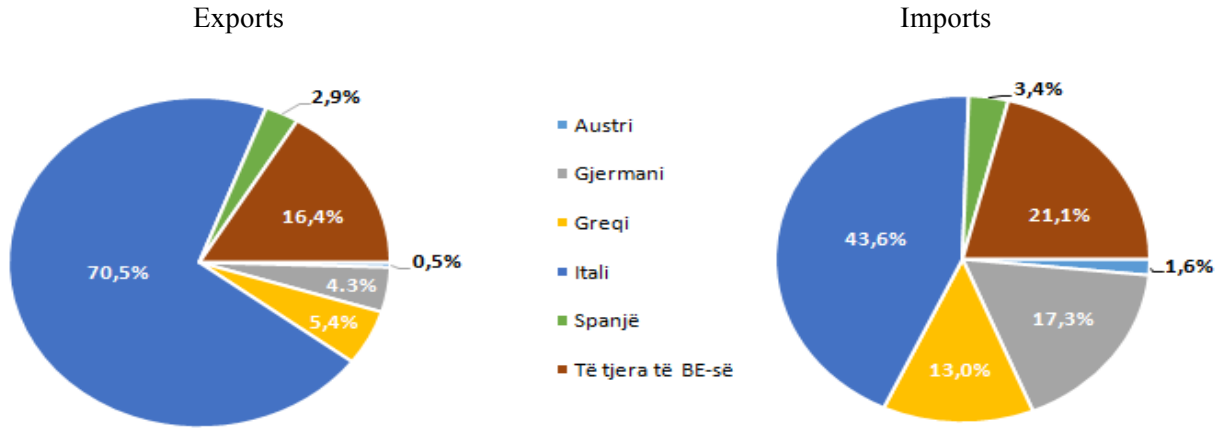
Gross Domestic Product (GDP) in the second quarter of 2016 is estimated to increase by 3.21% compared to the second quarter of 2015. The main contribution to this growth was given as the main economic and trade Hotels and Restaurants Transport with + 0.70 percentage point, professional activities and administrative services with +0.51 percentage points, Real estate activities with +0.43 percentage point, public Administration, Education and Health with +0.35 percentage points to + information and Communication 0.23 percentage points, Industry, Energy.and water with + 0.18 percentage points, other services +0.17 percentage points Building with +0.16 percentage points and financial and insurance activities with +0.09 percentage points. Contributed negatively Agriculture, Forestry and Fishing with -0.32 percentage points. Net taxes on products contributed positively to +0.72 percentage points.

Given that GDP measures the production of all of a country's economy, it can also be measured by collecting all expenditures incurred by all four sectors. Using this method is called expenditure method.





Foreign trade of products according some EU countries, September 2016



From this equation we obtain the value of nominal GDP (at current prices), which adjusted price index giving us the value of real GDP (at prices of previous year), as the indicator most important for determining growth the volume of annual GDP.

Despite GDP growth in the second quarter according to INSTAT, for 9 months of 2016 the difference between the Export - Import is negative, which will cause a reduction of GDP in - 1,789.2 million euro only this factor that undoubtedly will

influence the domestic production and in the pockets of consumers.

I.2 Customs Policy

Customs duties and quantitative restrictions on the import and export constitute what are often called customs policy instruments. Through the implementation of duty on customs and / or quantitative restrictions on import each country seeks to regulate the flow of goods to its market by increasing in this market offer goods at prices less competitive than those of goods supplied by the domestic product market interior, which affects definitely in creating consumer prices in the domestic market. In this case it said that this country seeks to protect national production.

If such protection becomes necessary or takes some importance for a country, then it needs in policy materialized customs called "protectionist". Protectionism is the opposite of what is called liberalism customs. The latter, always in relation to customs, that means the international exchange of goods are carried out in conditions of free competition. However, even within a political customs liberal establishment of customs duties on the import of goods may serve to establish the conditions of fair competition while protecting domestic production from international competition when this competition is distorted because enterprises Interior are required afford the extra cost compared with enterprises situated outside. Changes in production costs may have with various reasons. We can do, for example with a detaxim (not making a decision or removal of tax) or subsidies that other countries make goods for export arising. So we can deal with any political practice duping enterprises that can set off to compete in an "unfair" domestic production.

Conclusions

Based on reports and publications of different institutions, domestic or foreign, and empirical data that falls more in the eye is a stable Albania. But nowadays, the global financial crisis did not how to leave no trace on the economy of our country. These are direct impacts, thanks to low economic integration of Albania in the world, particularly in financial markets.

A number of factors explain the decline in exports and increased the difference with imports, such as:

- ✓ Decline in demand and GDP, high level of trade and economic globalization, lack of finance and trade protectionist measures. The collapse in demand and GDP is an important factor which is expected to affect in 2016. First of all, a drop in a link connection whatever transmitted quickly throughout the global chain.
- ✓ In the presence of the international supply chain, goods cross borders to become components in the final product, taking into account at all times to cross the border. This increases the flow of trade at rates higher than production itself.
- ✓ An irreplaceable impact on the Albanian economy also play Free Trade Agreements.
- ✓ they have an important role in competitiveness and economies of scale as a result of the creation of a larger market. Through them, these countries will also have the lowest cost production enabling a higher efficiency in the domestic economy.
- ✓ Reduction of tariffs between countries lead to increased trade flows of goods while prices fall.
- ✓ Grow and diversify product by promoting competition, also improve the quality of production and introduced new technology.
- ✓ FTA-s are effective in reducing local monopolists, reduce transaction costs by promoting the interests of foreign investments in the country.
- ✓ Regional market already is the largest, and necessarily the purchasing power is higher.
- ✓ Trade liberalization threatens to eliminate inefficient enterprises, reduce the number of producers thus increasing unemployment and causing social crises.
- ✓ Reductions in tariffs could result in lowering tariff revenue for the government and this will be balanced by reducing government spending or raising taxes.
- ✓ VAT, excise, etc. What makes the specific weight of the revenue collected and customs shed in the state budget to be a significant figure.
- ✓ It also serves as a catalyst for the development of the local economy by promoting domestic producers also.

Recommendations

Through the application of customs duties and quantitative restrictions on import each country seeks to regulate the flow of goods to its market by increasing in this market offer goods at prices less competitive than those of goods supplied by the domestic electricity production in the domestic market, which affects definitely in creating consumer prices in the domestic market. In this case it said that this country seeks to protect national production. However, even within a liberal customs policy the imposition of customs on imported goods may serve to establish fair conditions of competition while protecting domestic production from international competition.

Modern system of data processing during the clearance process bring faster clearance of cargo, improved control over income and provides accurate and updated information on trade in goods.

The effectiveness of customs work is linked to the continuation of work on the tax system, which in turn threatens the logic realizing the budget revenues as necessary.

• The privatization of the management of customs would make it possible, namely the use of financial and human resources in other directions necessary for Albania and will also show that in many cases, economic crime has cooperated not only with Albanian corrupt, but also with officials of foreign specialized services.

• It will also make it possible to focus the energies of Albanian institutions in enhancing the effectiveness of budget expenditures and improving the Albanian tax system mandatory, as the first absolute necessity of European integration process.

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