The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Logistics Improve With Customs Union

By Rachel Nielsen

April 08, 2012



Despite customs streamlining, Internet orders still slow shippers down. **Vladimir Filonov**

The customs union between Russia, Belarus and Kazakhstan that took full effect on Jan. 1 and eliminated red tape for cross-border shipments has sped up deliveries among those countries by at least one day, global shipper DHL Express Russia said.

The customs union also has reduced the amount of time and people needed for those shipments, Yury Shevchenko, vice president of operational activities for the company, said in an interview Friday.

Smaller companies that wouldn't have had the expertise or scale for international customs now are entering the market, Shevchenko said. They aren't siphoning business from DHL or other major players but expanding the size of the market, he added.

In addition to DHL, other big international shippers here include U.S.-based FedEx and Netherlands-based TNT Express.

Shippers are still waging war against graft and theft. DHL prefers to use air transportation within Russia because getting goods across the country's nine time zones is not only faster that way, but more secure.

Comparing road shipping to X-rays, Shevchenko said goods are "exposed" during road transit and that exposure should be limited. Security is far higher at airports than along highways between major cities.

"You can't put a policeman at every tree along the road," Shevchenko said.

Theft is the most significant problem that shipping companies experience on the roads here. "[It] can come from various crime groups that can look at the truck as a potential object of interest," he said.

When it moves goods by road, DHL takes a slew of precautions, including putting two drivers in each truck, using video and GPS tracking in the trucks themselves and using only full-body metal trucks rather than tented flatbeds.

Meanwhile, though much of the logistics bureaucracy has disappeared among the customs union countries, red tape is a problem for shipping Internet orders. DHL still does not ship items into the country for eBay customers, division spokeswoman Maria Venrnomudrova said by telephone.

Shevchenko said having the simplest possible paperwork is essential to getting goods through Russian customs quickly. The system can be slowed down when a separate buyer, seller and payer are listed on customs documentation, as can happen with goods that are shipped based on online orders.

"A considerable part of our inbound parcels are coming from Internet shops," he said, but only for those Internet retailers and platforms that can provide clear paperwork.

Original url:
https://www.themoscowtimes.com/2012/04/08/logistics-improve-with-customs-union-a13883