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THE ROLE OF INTERNATIONAL ORGANIZATIONS IN TAX AND CUSTOMS LEGAL RELATIONS: GLOBAL GOVERNANCE AND IMPLICATIONS FOR UKRAINE

РОЛЬ МІЖНАРОДНИХ ОРГАНІЗАЦІЙ У ПОДАТКОВИХ ТА МИТНИХ ПРАВОВІДНОСИНАХ: ГЛОБАЛЬНЕ УПРАВЛІННЯ ТА НАСЛІДКИ ДЛЯ УКРАЇНИ

Customs and tax law has emerged as an area of multinational legal integration and institutional cooperation due to the increase in international trade, capital movement, and cross-border economic activities. This article looks at the impact of international organizations on the construction of legal relations within the sphere of taxation and customs as components of global economic governance. The Apostles John and Thomas and dozens of other international organizations, including the UN, the OECD, the WTO, and the IMF, take an active part in the development of international instruments, advocacy of policy frameworks, and definitions of technical criteria for the unification of taxes and customs in different states. These organizations act as providers of standard treaties, such as the UN Model Tax Convention, and issue guidelines on transfer pricing, as well as anti-avoidance, customs valuation, and advocate for transparency, good governance, and efficiency in administration. Their impact is especially pronounced in the processes of negotiation of international agreements on the elimination of double taxation agreements, anti-base erosion measures, dispute settlement arrangements, and international customs procedures.

The study examines the role of these organizations using Ukraine as a case study, focusing on how their above international functions interface with the establishment and development of national legal systems in tax and customs law. Given Ukraine's geographic location at the crossroad of eastern and western economic zones, its projected integration with the European Union, as well as how it strategizes to recover economically post war, the country's reliance on international cooperation and legal integration is pronounced.

Key words: international organizations, tax law, finance law, global economic governance, Ukraine, UN, OECD, WTO, IMF, BEPS, legal harmonization, fiscal reform, trade facilitation, international cooperation.

Митне та податкове право виникло як сфера багатонаціональної правової інтеграції та інституційної співпраці завдяки збільшенню міжнародної торгівлі, руху капіталу та транскордонної економічної діяльності. У статті розглядається вплив міжнародних організацій на побудову правовідносин у сфері оподаткування та митної справи як складових глобального економічного управління. Апостолів Іоанна і Фоми та десятки інших міжнародних організацій, включаючи ООН, ОЕСР, СОТ, МВФ, беруть активну участь у розробці міжнародних інструментів, пропаганді політичних рамок і визначення технічних критеріїв для уніфікації податків і мит у різних державах. Ці організації діють як постачальники стандартних угод, таких як Типова податкова конвенція ООН, і видають вказівки щодо трансфертного ціноутворення, а також запобігання уникненню, митної вартості та виступають за прозорість, належне управління та ефективність адміністрування. Їхній вплив особливо виражений у процесах узгодження міжнародних угод про усунення подвійного оподаткування, заходи протидії розмиванню бази, механізми врегулювання суперечок та міжнародні митні процедури.

Дослідження розглядає роль цих організацій на прикладі України, зосереджуючись на тому, як їхні вищезазначені міжнародні функції взаємодіють із створенням і розвитком національних правових систем у сфері податкового та митного права. Враховуючи географічне розташування України на перехресті східної та західної економічних зон, її прогнозовану інтеграцію з Європейським Союзом, а також її стратегію економічного відновлення після війни, залежність країни від міжнародного співробітництва та правової інтеграції є явною.

Ключові слова: міжнародні організації, податкове право, фінансове право, глобальне економічне управління, Україна, ООН, ОЕСР, СОТ, МВФ, BEPS, правова гармонізація, фіскальна реформа, сприяння торгівлі, міжнародна співпраця.

Problem Statement. Thanks to the continued advancement of globalization and the digital transformation, tax and customs relations together with their legal implications have become highly intricate due to the interaction of international law, economy, and various institutions. Multinational businesses are growing for various reasons, including increases in international trade and the development of advanced strategies for tax planning, all of which have posed new problems to the equity and efficiency of domestic tax and customs issues. These problems range from erosion of tax base, profit shifting, double taxation and non taxation, financial leakages, circumvention of tariffs, to money laundering through trade. Owing to this, international organizations developed comprehensive policies, frameworks, and rules to solve tax and customs problems at a global level.

General international bodies, such as the United Nations (UN), The Organization for Economic Cooperation and Development (OECD), The World Trade Organization (WTO), and The International Monetary Fund (IMF) have been particularly active in developing legal and policy norms for taxation and customs regulation. Such contributions include the preparation of model tax treaties, guidelines on transfer pricing, recommendations on tax leaks and information exchange, systems for countering base erosion and profit shifting (BEPS), and customs system reforms toward liberalization of trade while ensuring regulatory control and revenue protection. These initiatives have a powerful impact on the domestic legal systems of countries, compelling them to change legislation, regulatory policy, and institutional infrastructure in accordance with established international standards and norms.

In recent years, Ukraine has had an enhanced relevance on this issue due to the post-war economic reconstruction, the European integration efforts, international financial institution cooperation, and the urgent need to fight corruption and improve fiscal governance. Now, Ukraine has to deal with the paradox of having to harmonize its legal and regulative practices with international obligations while trying to retain fiscal control and make sure reforms align with national development priorities. This raises the need to study the role of international organizations in the construction of tax and customs laws and their lack of concrete legal and institutional reforms within Ukraine's borders.

This study attempts to understand the role and impact of international organizations in tax and customs law relations, their legal methods of influence, and what such participation means for Ukraine's legal order, economic independence, and policymaking

effectiveness. The problem is both theoretical, in regard to the restructuring of the international legal order and its actors to fit the system of economic regulation, and sociological in regard to the problem of law implementation in Ukraine.

Analysis of Recent Research and Publications.

The role of international organizations in the sphere of tax and customs legal relations is multi-faceted and fosters interest from different branches of scholarship, especially from the perspective of international economic law and global governance. Scholars have studied how international institutions influence the formulation of national fiscal policies, facilitate the harmonization of legal parameters, and coordinate the conflicts of states concerning taxation and trade.

In international tax law, certain scholars like Reuven Avi-Yonah have studied the comparative functions of the OECD and the United Nations regarding the framing of tax treaties, as well as standards for transparency and compliance. Avi-Yonah describes the development of a global regime for taxation which is organized around soft law and multilateral cooperation, especially the OECD's Base Erosion and Profit Shifting (BEPS) project that seeks to curb aggressive tax planning and profit shifting by multinational corporations [1]. Other scholars have also critiqued the over dominance of developed countries in international tax norm construction and the almost non-existent participation by the developing countries in the OECD processes [2].

A few specialists have analyzed the normative and practical ramifications of these efforts for transitional and developing economies, observing the advantages of enhanced tax governance and the issues posed by legal transposition and administrative capacity [3]. Specifically, there has been controversy concerning the willingness of some countries, particularly Ukraine, to accept complex regulatory structures along with matching enforcement practices following the implementation of BEPS minimum standards' [4].

As concerns customs law, the academic literature has dealt with the trade facilitation and standardization of customs procedures by the World Trade Organization (WTO) and the World Customs Organization (WCO). The agreements of the WTO, especially the Trade Facilitation Agreement (TFA), have been examined from the perspective not only of elimination of trade barriers, but also as of preconditions for major reforms in customs administration for the member states [5]. Other scholars have focused on the effects and scope of the so called customs facilitation activities for the authorities responsible for customs in developing and transitional economies [6].

Main Aim of the Article. This article is devoted to studies of the international organization's legal role and functional participation in the formation and regulation of tax and customs relationships as well as their impact on the international and domestic sphere. The purpose of this research is to determine and analyze how international organizations such as the United Nations (UN), Organisation for Economic Co-operation and Development (OECD), World Trade Organization (WTO), and International Monetary Fund (IMF) influence the evolution of legal norms, harmonization, and enactment of changes in the system of taxation and customs [1], [2], [5].

With special focus attention on the consequences of this international jurisprudential impact for Ukraine, particularly in light of the country's post-war reconstruction, European integration, and compliance with global economic governance [4], [7]. The article tries to answer the question of how Ukraine has been dealing with international prescriptions, global norms, and relations with international organizations for the purpose of modernizing its tax and customs legislation [3], [6], [8].

In conclusion, this research seeks to map the existing opportunities as well as concerns in the related processes and provide suggestions directed towards improving Ukraine's legal and institutional frameworks pertaining to international taxation and customs in the context of integration towards the international community and development [2], [3]. Fragment of primary material Presentation of outline of presentation.

Modern international organizations have a great influence over the formation of contemporary customs and tax law through the creation of the respective legal documents, implementing their technical support, and advocating the use of global norms and systems. These international tax and customs organizations are divided into two groups: a) general international organizations like the UN, OECD, WTO, IMF, and b) specialized international ones such as WCO and other regional organizations.

Through its Model Double Taxation Treaty between Developed and Developing Countries and the work of the UN Committee of Experts on International Cooperation in Tax Matters, the United Nations has greatly advanced the framework of international tax law [1]. This body offers assistance in the negotiation and implementation of tax treaties, especially for developing and transition economies such as Ukraine, which has a significant need for tax equity and capacity building. Furthermore, the United Nations Conference on Trade and Development (UNCTAD) takes customs policy from a trade and

development angle, advocating for the reduction of trade embellishments and the adoption of trade policies aimed at participation by all nations [1]. The OECD is leading global tax governance, especially with the BEPS (Base Erosion and Profit Shifting) initiative, which describes 15 actions intended to mitigate the international tax avoidance strategies of multinational corporations [2]. Ukraine joined the OECD/G20 Inclusive Framework on BEPS in 2017 and agreed to implement the four minimum standards of countering harmful tax practices, preventing abuse of tax treaties, improving the quality of country-by-country reports and establishing better dispute resolution mechanisms [3]. In this regard, Ukraine has adopted legislative changes tailored to BEPS compliance, such as in the areas of transfer pricing, anti-avoidance measures, and controlled foreign company (CFC) legislation [4].

The World Trade Organization (WTO) plays a crucial role in the customs sphere through its jurisdictional structure, especially via the Customs Trade Facilitation Agreement (TFA) that came into force in 2017. TFA stipulates that member states should make customs procedures more simple and cooperative and promote transparency in border agency operations [5]. Ukraine ratified the TFA and undertook commitments to simplify customs forms, automation borders, and perform risk management control at the borders [6]. Ukrainian reforms are made with the technical support of donor countries and international organizations.

The World Customs Organization (WCO) is neither an organization based on a treaty in classical sense and it is responsible for formulating, revising and maintaining internationally accepted standards and guidance such as the Revised Kyoto Convention or Harmonized System (HS) of tariff classification. Ukraine has also done a lot in bringing its customs legislation analogical to the WCO instruments by modernizing customs valuation, and introducing the Authorized Economic Operator (AEO) program for promoting international trade [6], [7].

The International Monetary Fund (IMF) has the same function with the responsibility to advise on expenditures and surveillance as well, implementing specific interventions concerning tax policy, tax collection reforms and customs work efficiency [2]. In Ukraine after the war, IMF missions and experts have paid special attention to the need for sustainable public finance management and anti-corruption in revenue collection and efficient VAT administration.

Ukraine's interactions with these s. sectors are an apparent necessity and a careful choice at the same time. Motivatively, the country is behind its

international obligations that stem from the European Union cooperation as well as membership to global economic s. institutions. Practically, Ukraine also encounters certain difficulties concerning legal implementation, enforcement as well as institutional capacity. The absence of a coherent application of international standards, shortcomings in administrative processes, and the possibility of legal fragmentation all impede integration.

In spite of this, Ukraine has indeed achieved quite a lot in the last few years with regard to the adoption of international legal acts on taxation and customs. Ukraine's integration of the OECD and WTO into its domestic legislation is indeed a proof of the country's willingness to adopt global standards, however reluctant it might be to do so. To Ukraine's economic recovery and development needs, further international support will be necessary if the objective of enhancing the integrity, openness, and equity of the country's taxation and customs policies is to be realized.

Presentation of the Main Material. Organizations on the international level have developed normative documents, provided technical assistance, and introduced international standards and practices, thus forming modern tax and customs legal systems. Some of these organizations can be classified as having general competence such as the United Nations (UN); the Organisation for Economic Co-operation and Development (OECD); World Trade Organization (WTO), and the International Monetary Fund (IMF). Others are of sectoral or technical specialization like the World Customs Organization (WCO) and regional integration organizations.

The UN has made a huge contribution to the development of economic relation tax law with the Model Double Taxation Convention between Developed and Developing Countries and the work of the UN Committee of Experts on International Cooperation in Tax Matters [1]. This body also advises on the negotiation and implementation of tax treaties, especially with developing and transition countries like Ukraine, and helps promote tax equity and empowerment. The United Nations Conference on Trade and Development (UNCTAD) also deals with customs policy from a development perspective focusing on procedures and trade policies that are wide ranging and non discriminatory [1].

The OECD is the leading organization in addressing global taxation issues, especially with its BEPS (Base Erosion and Profit Shifting) initiative that has 15 action items to address tax avoidance from multinational enterprises [2]. Ukraine became a member of the OECD/G20 Inclusive Framework

on BEPS in 2017 and pledged the adoption of four minimum standards: combating harmful tax practices, preventing abuse of tax treaties, improvement of country-by-country reporting, and enhancement of dispute resolution [3]. In this regard, Ukraine adopted legislative changes to meet BEPS obligations which include transfer pricing provisions, general anti-avoidance rules, and controlled foreign corporation (CFC) legislation [4].

The World Trade Organization (WTO) is central to the regulation of customs by virtue of its governing legal document, Trade Facilitation Agreement (TFA), which came into effect in 2017. The TFA makes it obligatory for member countries to undertake measures that expedite and standardize the processes of customs clearance, improve the openness of these processes, and enable better interaction of border control agencies [5]. Ukraine has ratified the TFA and undertook specific obligations to improve customs-related paperwork, implement automation, and put into place border controls based on risk management [6]. These reforms are made possible through the provision of aid by donor countries and other international organizations.

While the World Customs Organization (WCO) does not function as a treaty based organization, it develops and offers documents recognized globally, such as the Revised Kyoto Convention or the Harmonized System (HS) of tariff classification. Ukraine has updated its legislation regarding customs compliance with WCO recommendations, updated customs valuation processes, and established the Authorized Economic Operator (AEO) Program to promote trusted trader activities [6], [7].

The WCO, much like the rest of international community, has also assisted with advisory services and surveillance on fiscal matters, providing guidance on the design of tax policies, tax administration, and customs efficiency for Ukraine [2]. In the post-war period Ukraine has hosted IMF missions which have underscored the importance of maintaining public finance in a sustainable manner, anti-corruption measures within the revenue administration, and proper management of VAT expenditure.

The pattern of Ukraine's relations with these organizations can be viewed as the combination of necessity and choice. The country is driven by international commitments as a part of the European Union and other global economic entities which Ukraine works with. This presents practical problems to Ukraine in terms of legislative compliance and enforcement, as well as organizational capabilities. The country continues to face problems such as incomplete integration, where the application of

international standards is absent, there is a lack of administrative processes, and it is often legally fragmented.

With regard to taxation and customs, Ukraine has integrated international legal standards to a considerable degree in recent years. The socio-economic Ukraine is striving to achieve, regardless of contradictions, is evident in the incorporation of OECD and WTO prerequisites into national law [4], [7]. Further, the goal of effective international partnership is vital for the subsequent efficiency, openness, and equity of Ukraine's fiscal and customs policy in relation to its recovery and development processes and objectives.

Conclusions. The research indicates how prominent the influence of international organizations as independent legal and institutional actors has become in the management of tax and customs activities in the global economy. The standard-setting approach through technical aid and multilateral cooperation units have greatly afflicted normative taxation and customs provisions by the UN, the OECD, WTO, IMF, and WCO functioning within customs and taxation.

These institutions participate in the development of legal policies that facilitate the achievement of development goals by increasing economic transparency, helping to eliminate tax evasion and avoidance, and improving customs processes and revenue collection. The impact of the so-called soft

law instruments model convention, action plan, guideline, and code literally has gone beyond any boundaries of legal obligations. They not only provide normative guidelines but also undertake operational recommendations which assist in building needed capacities, and restructuring institutions especially for progressive development and transition economies.

For Ukraine, the participation of international organizations in designing tax and customs policy has been useful and also revolutionary. Ukraine's membership in OECD/G20 Inclusive Framework on BEPS, Ukraine's ratification of WTO Trade Facilitation Agreement, and compliance with WCO and EU customs regulations have greatly transformed Ukrainian legislation and international norms. So has compliance with IMF's fiscal policy recommendations in Ukraine, which have greatly advanced the country's tax administration, compliance behavior, and public institutional trust.

Nonetheless, legal adaptation and institutional reform is a work in progress and poses numerous obstacles. Problems with enforcement, low administrative capacity, fluctuating political conditions, and poor inter-agency and international cooperation are some of the issues. Ukraine must maintain the pace of closing the gap between international promises and local action. Deepening the rule of law, modernizing tax and customs services, and expanding international legal aid will consolidate the reforms.

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