

Chapter 29: Customs union

All Member States are part of the EU customs union and follow the same customs rules and procedures. This requires legislative alignment as well as adequate implementing and enforcement capacity and access to the common computerised customs systems.

North Macedonia has a **good level of preparation** in this area. **Some progress** was made with continuous consolidation, application and upgrade of IT systems. The concept of authorised economic operators (AEO) was further promoted. The Customs Administration implements fully paperless environment for processing customs declarations and excise documents. Last year's recommendations were partially implemented.

In the coming year, the country should, in particular:

→ continue the consolidation and full application of its IT systems, including alignment with the Commission's Multi-Annual Strategic Plan (MASP) modules, ensure their continuous upgrade, and business continuity;

→ ratify the Protocol on Elimination of Illicit Trade in Tobacco Products.

The **customs legislation** is highly aligned with the EU acquis. The 2022 customs tariff was adopted to reflect the latest changes in the EU Combined Nomenclature. The Additional Protocol 5 on trade facilitation was implemented, and the authorised economic operators (AEO) concept was further promoted. So far, 23 companies were AEO-certified. Agreement for mutual recognition of AEO was signed with Albania in December 2021 and the agreement with Serbia started being implemented. North Macedonia is yet to ratify the Protocol on Elimination of Illicit Trade in Tobacco Products, signed in 2014.

On **administrative and operational capacity**, the standards of professional integrity and anti-corruption continued to be applied by the Customs Administration. A comprehensive intelligence and information system in support of investigation and enforcement is in place. Risk management was systematically applied with the percentage of physical controls at 6.3 % and documentary controls accounting for 18 % of all shipments in 2021. The CEFTA regional risk management strategy 2020-24 is being implemented. The Agreement to establish joint border controls with Albania was ratified in December 2021. A new Strategy for ICT Development 2021-2025 was adopted, aiming to provide coordinated and timely development and implementation of national systems with those of the EU. The System for Electronic Exchange of Data (SEED+) is operational, allowing for harmonised work of the agencies present at the borders, electronic exchange of data and greater transparency. An inter-agency cooperation unit (AIRCOP) was

established at Skopje airport, aiming at improved border control capacities focusing on high-risk passengers and air cargo. The Customs Administration participated in three international operations and a number of projects, in cooperation with Europol and the World Customs Organisation (WCO), to combat illicit trade in drugs, counterfeit goods, medicines, medical devices and protective equipment, weapons, explosives, dangerous waste, cultural goods and tobacco products. It took part in 'STOP II' operation led by the WCO, focused on prevention of import, export and transit of counterfeit vaccines and medical supplies in the fight against COVID-19. Cooperation and exchange of intelligence with the customs agencies from the wider region and with international and regional organisations continued.