

CUSTOMS ADMINISTRATION
REPUBLIC OF NORTH MACEDONIA



ANNUAL
REPORT
2022





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ANNUAL REPORT 2022

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Dear readers,

Today, Customs Administrations in the world are one of the key links in the international supply chain of goods, which is why they base their operation and development on monitoring and constant implementation of global standards and rules of trade. The role of Customs along with investments in transport and financial sectors are of great importance in the trade facilitation process.

The constant struggle we are facing to ensure a balance between the need for ever greater acceleration of cross-border trade aiming to increase international trade on one hand, and the implementation of effective controls to ensure safety and health of our citizens on the other hand, while ensuring efficient collection of revenues and protection of the financial interests of the state is a real challenge for us.

If 2020 and 2021 remain to be remembered as pandemic years, when we all faced the unpredictability and fear of what was happening in the world, at the very beginning of 2022 we faced a new, greater economic and energy crisis as a result of the military conflict in Ukraine, and it did not exempt our country. In such conditions, the Customs Administration of the Republic of North Macedonia demonstrated exceptional ability to quickly adapt and act proactively in new circumstances.

By launching series of intervention measures to effectively mitigate the consequences of the crisis, by using new tools and modus operandi we quickly and successfully ensured uninterrupted cross-border movement of goods, but we also continued with the activities for development and modernization of customs operations.

Last 2022, the Customs Administration was an active participant in the preparation and implementation of series of measures adopted by the Government, aimed to support the domestic import-export companies. At the very beginning of the year, we started implementing the measure for permanent reduction of the customs duty rates for 258 raw materials for industrial production, primarily intended for export. With that, we met the demands of the companies to reduce the customs rates, and at the same time they were harmonized in the European Union, which is of particular importance for the promotion of the production, export and competitiveness of the domestic companies on the international market.

In 2022, we saw a 15% rise in revenue collection compared to 2021 or 49% compared to 2020, which was also the most difficult pandemic year. Last year, Customs collected 119.2 billion denars of revenues, or 15.6 billion more than in 2021, being almost half of the total budget revenues of the state.

At the very beginning of 2022, we adopted the new 2022-2024 Customs Administration Development Strategy and the Action Plan for its implementation, defining our strategic priorities, projects and activities, on which we worked dedicatedly throughout the year. The European Union integration process is high on our agenda through harmonization of legislation and the application of European standards and best practices in our operations. With the start of the negotiations, the Government of the Republic of North Macedonia assigned to our institution the role of managing Chapter 29: Customs Union, part of Cluster 3 "Competitiveness and Inclusive Growth" of the negotiation framework.

Besides this chapter, the Customs Administration actively participates in 12 other chapters with its experts and significant contribution to the topics under Customs competence. We have established negotiating teams and after the completing the explanatory screening meetings in October 2022, we begun preparations to present our progress and compliance at the upcoming bilateral meetings. We continued with full dedication to digitization of customs operations, which is a key priority of the Customs Administration, but also of the RNM Government to provide most

services for citizens and the business community, exchange between institutions, more effective controls and tackling the gray economy. Digitization is included in all the strategic priorities of the Customs Administration, where it is mirrored through several projects in our three-year development Action Plan, the realization of which we are actively working on.

Timely and efficient implementation of European regulations and systems at national level, and particularly the direct interconnection with the central European systems, following the Multi-Annual Strategic Plan of the European Union for the establishment of eCustoms and applying the standards and specifications stemming from it remain imperative in the development of the Customs Administration, during the introduction of any operational novelty. This is significant for us as a country, but above all it is crucial for the domestic companies since it provides predictability, has an impact in acceleration of procedures and reduces costs at the same time. It is also a strong incentive for their participation on the EU markets and beyond. The benefits of digitization and trade facilitation target over 11,000 domestic companies - active participants in import-export procedures.

We continued to upgrade the systems of the customs IT platform that we established by putting into use the Customs declarations and Excise Document Processing System CDEPS – integrated with other customs systems (NCTS, EXIM, ITE). Through this platform in a completely paperless environment, we enabled the implementation of all customs procedures and in 2022 we processed over 1.2 million electronic declarations for import, export and transit, as well as over 150,000 permits, approvals and excise documents. At the same time, it is a great success that we ensured 99.7% functionality of all services that are part of the platform.

A significant novelty introduced in 2022 which completely rounded off paperless customs procedures and which we are particularly proud of is the so-called green customs declaration. The services this novelty offers allow economic operators to complete the customs procedure in one hour and release the goods into free circulation remotely without intervention and physical interaction with a customs officer.

This acceleration of customs procedures means less costs and resources for the economic operators, which in turn has a positive effect on their competitiveness.


In 2022, we also intensified the cooperation with the countries of the region. Through the initiatives such as CEFTA and Open Balkans, several activities are being implemented and all of them primarily aim at facilitating cross-border trade and faster economic integration of the region in the European Union.

The green corridors for flow of sensitive goods, implemented during the pandemic are successfully and smoothly functioning with the CEFTA countries through the border crossings Tabanovce, Blace and Kjafasan. At these crossings, priority treatment is ensured for goods from a pre-defined list between the CEFTA countries, with exchange of pre-arrival information of the shipment through the SEED system. The positive experiences from the application of the Green Corridors initiated activities in the region for their expansion towards the neighboring EU Member States. In July 2022, we signed a Memorandum of Understanding on Electronic Data Interchange, establishing the application of these corridors for goods going out to Greece. Other countries in the region are following our example. Last year, we completed the process of mutual recognition of the Authorized Economic Operator (AEO) status with Serbia and Albania, thus providing 26 domestic companies holders of this certificate with extended benefits in these countries as well.

Through the Open Balkan initiative which includes our country, Serbia and Albania, the ongoing activities were significantly intensified, and new ones were also started. In June 2022, the One Stop Shop concept was fully implemented at the Tabanovce - Preševo border crossing, making it possible to complete border formalities with a single stop. Furthermore, to speed up the movement of goods and passengers at entrance to the country, we enabled smooth functioning of 10 lanes, of which 2 for trucks, one for buses and 7 for passenger vehicles. We also established a fast lane for empty trucks and trucks carrying goods under European transit document NCTS. We are intensively working on establishing the same concept with Albania at the border crossing point Kjafasan.

Fight against organized crime and prevention of attempts at illegal trade were our top priority, and will remain the focus of the Customs Administration in the future, while the protection of the safety and security of our citizens remains imperative in our operation. In that direction, we recorded 114 cases of seizures in 2022, being double the cases of the previous two years. In 2022, we seized over 8 tons of drugs and psychotropic substances, as well as foreign currency, gold and excise goods worth over 2 million Euros. And we won't stop there. New projects for development of customs systems stand before us, implementation of which will begin this year. These projects are part of the multi-annual strategic plan for introduction of eCustoms of the European Union. They are mandatory for the countries of the European Union, and are a condition for EU accession. In this direction, in 2023 we will start the development and implementation of four new customs systems,: New Computerised Transit System - NCTS 5, new National One-Stop-Shop System (NSW), Electronic Economic Operators Registration and Identification System EORI2, as well as a new System for Controls and Investigations management. The implementation of a central data warehouse is also planned, which will integrate the customs databases and enable the use of advanced tools for predictive analysis and artificial intelligence based tools, which significantly contribute to effective detection and handling of risks and threats in customs operations.

In 2023, we will also start introducing a new concept - so-called smart borders. We will install new technologically advanced equipment at the border crossings and terminals, which will be able to communicate with each other and integrate with the current ICT infrastructure and systems. This equipment includes a new video surveillance and automatic number plate recognition (CCTV and ANPR) system, integrated with document bar code readers, new automated ramps and scales. The full implementation of this new concept, where most processes take place automatically, will contribute to reducing the need for human factors at the border crossings and terminals, speed up the movement, ensure more efficient controls, but will also reduce the gray economy and corruption. The funds for these new projects are mostly provided under the IPA programs through the EU IPA funds, a loan from the World Bank, other foreign donors, as well as the national budget.



We are also working on projects for reconstruction of the border crossing points Kjafasan and Deve Bair, which are implemented with the support of the World Bank, as well as on the reconstruction of the border crossing point Delchevo, the funds for which have been secured through the national IPA programme. There are also ongoing projects for the construction of a new border crossing point with Greece - Markova Noga and a new border crossing point with Bulgaria - Klepalo, which are also being implemented with EU funds.

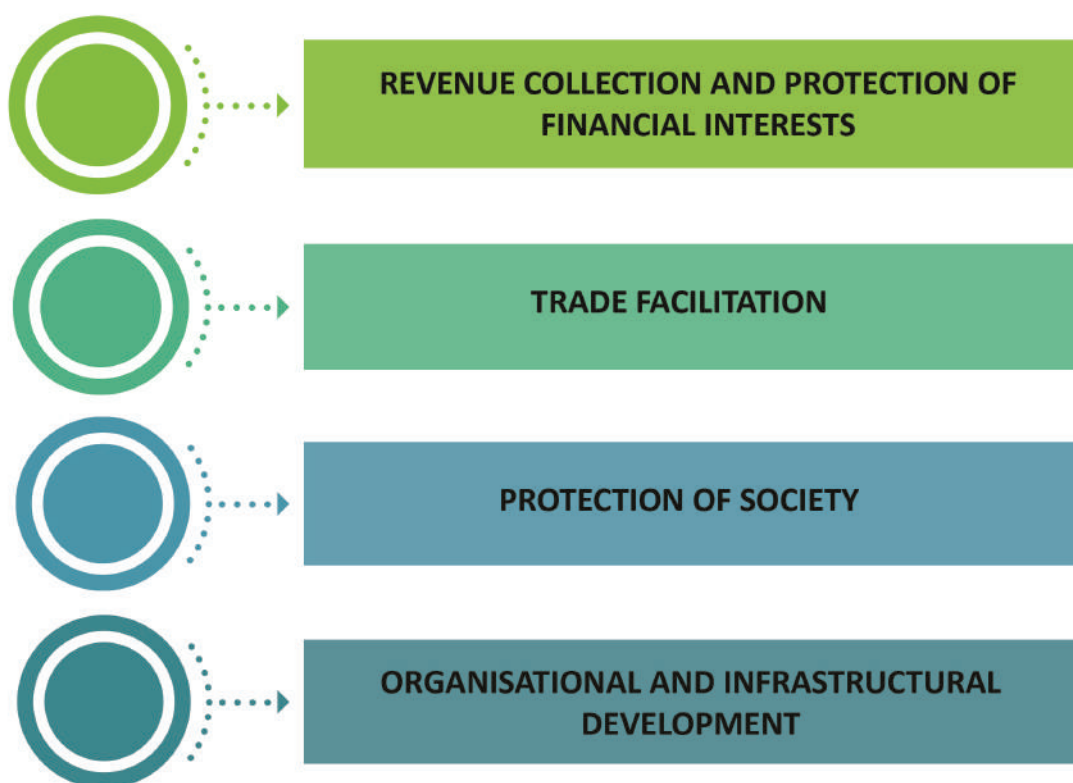
In line with this year's motto of the World Customs Organization "Nurturing the next generation: promoting a culture of knowledge-sharing and professional pride in Customs", our priority this year will be the obtaining new knowledge and training of customs officers, which will aim to further strengthen their professionalism, efficiency and integrity in their work. We will continue to cultivate cooperation with our partners from the business community, other government agencies and international organizations, walking firmly towards the realization of our mission to be leaders in the region, following the path to European Union accession.

Thank you
Slavica Kutirov MSc.
Director General

STRATEGIC DEVELOPMENT AND MODERNIZATION

At the beginning of 2022, the Customs Administration adopted a new Development Strategy of the Customs Administration of the Republic of North Macedonia for the period 2022-2024 and an Action Plan for its realization, defining its strategic priorities, goals and activities for development and modernization of the institution, which we actively worked on throughout the year.

STRATEGIC PRIORITIES OF THE CUSTOMS ADMINISTRATION



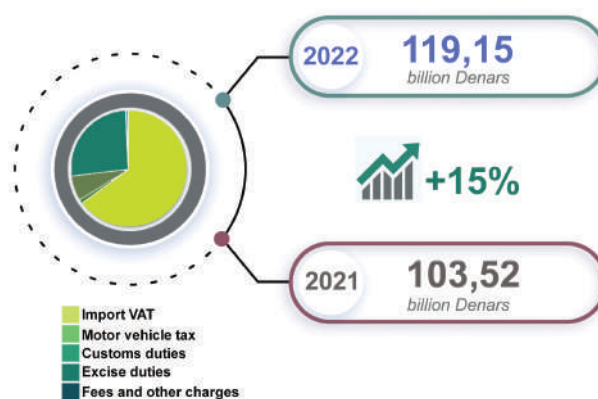
PRIORITY 1 REVENUE COLLECTION AND PROTECTION OF FINANCIAL INTERESTS

One of the basic priorities of the Customs Administration is to ensure efficient collection of revenues in the Budget of the RNM, collected in customs and excise procedures as import VAT, excise duties, customs duties etc.

In 2022, the Customs Administration collected 119.15 billion denars of revenues, being 48% of the total revenues collected in the RNM Budget and 83% of the total collected tax revenues in the country.

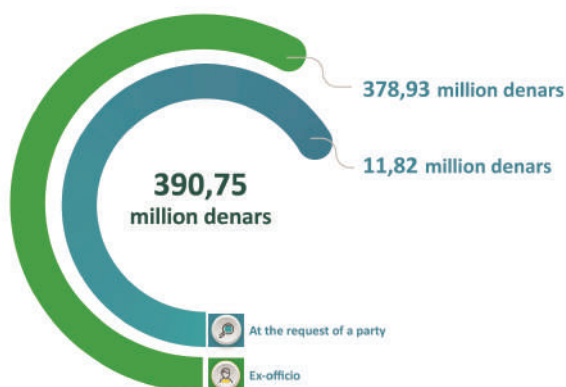
Compared to 2021, Customs collected 15.64 billion denars more, being a 15% rise in collected revenues.

REVENUES COLLECTED IN 2022



In 2022, the Customs Administration also collected 390.75 million denars on grounds of 1,353 decisions for subsequent collection, following requests submitted ex-officio and at the request of a party.

REVENUES COLLECTED IN 2022 ON GROUNDS OF DECISIONS FOR SUBSEQUENT COLLECTION



PRIORITY 2 – TRADE FACILITATION

The Customs Administration is a partner in providing competitive environment for Macedonian business and trade. Several activities aimed at trade facilitation were implemented in 2022. Harmonization of the national customs and excise legislation with the legislation and best practices of the European Union are the basis of the development and progress of the Customs Administration. Digitization of customs and excise procedures and the provision of completely paperless operational environment facilitates and accelerates legal cross-border movement of goods and provides transparent and predictable procedures for domestic companies. Regional cooperation and harmonization of procedures between countries in the region is an additional impulse in that direction.

PROCESS OF EUROPEAN INTEGRATION



Following the decision of the European Council and the start of accession negotiations in June 2019, the first explanatory meeting on Chapter 29 - Customs Union took place in September 2019 in Brussels. In September 2022, the negotiations process for EU membership continued. The Government of the Republic of North Macedonia established the organizational structure and formed teams for preparation of the negotiating positions for the accession of the Republic of North Macedonia to the European Union. The Customs Administration is designated as the lead institution for Chapter 29 - Customs Union, part of Cluster 3 "Competitiveness and Inclusive Growth" of the negotiation framework, and it also participates in 12 other chapters from all six clusters of the pre-accession negotiations, where our experts contribute to areas under the competence of Customs.

The second explanatory meeting for Chapter 29 - Customs Union was held in October 2022 in Brussels, thus completing the first phase of the presentation of the European Union legislation in the area of Customs for the Republic of North Macedonia by the European Commission, in preparation for the bilateral screening, which for Chapter 29 - Customs Union is scheduled for June 2023.



The Report on the progress of the Republic of North Macedonia published by the European Commission in October 2022, notes that there is a good level of preparedness in Chapter 29-Customs Union. 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.

Customs-related legislation

In the area of harmonization of the national customs legislation with the legislation and best practices of the European Union, as well as concerning the implementation of measures for revitalization and support of the economy in pandemic and energy crisis conditions, in 2022 the Customs Administration started drafting a new Customs Law, which will be harmonized with the Union Customs Code. Amendments to the Law on Representation Activities in Customs Procedures is underway.

In March 2022, amendments to the Law on Customs Tariff were adopted, reducing the customs duty rates of 171 tariff codes, and introducing preferential tariff treatment for goods covered by 86 tariff codes. The adoption of these amendments to the customs tariff is to align the customs duty rates at national level with those applied in the EU Member States. At the same time, the fifth set of measures of the Government of the Republic of North Macedonia for revitalization of the economy in the conditions of COVID 19 was implemented. The amendments refer to priority goods used as raw materials in processing industry, which directly helped the automotive and metal - processing industry.

At the end of 2022, Decision harmonizing and amending the Customs Tariff for 2023 (Official Gazette No. 278/2022), in accordance with the Combined Nomenclature adopted by the European Commission was adopted. With the amendments, 48 new tariff codes are added, as breakdowns of the tariff sub-codes of the Harmonized System, and due to a reduced volume of trade, 23 tariff codes have been deleted. This decision is in accordance with the Stabilization and Association Agreement between the Republic of Macedonia and the European Union.

Amendments to the following sub-legal acts were adopted:

- Amendments to the Regulation amending and supplementing the Regulation on the classification of certain goods in the Combined Nomenclature in accordance with the regulations of the European Commission (Official Gazette No. 78/2022, 188/2022, 21/2022)

The following acts were published in the Official Gazette no. 260/2022:

- List of products originating from the Community for import in the Republic of North Macedonia with 0 customs duty rate under quotas and quota concessions in 2023
 - List of goods under tariff quota originating in the Republic of Turkey that are imported in the Republic of North Macedonia with 0 tariff rate for 2023
 - List of goods under customs quotas originating in Ukraine that are imported into the Republic of North Macedonia with 0 customs rate for 2023
 - List of tariff concessions for agricultural products originating in Norway with 0 tariff rate under quotas in 2023
 - List of tariff concessions granted by the Republic of North Macedonia to the Swiss Confederation with 0 tariff rate under quota in 2023
 - List of agricultural products originating in the United Kingdom for import into the Republic of North Macedonia in 2023 (0 duty rate under quotas, concessions under quotas). The UK quotas are for the same goods as the EU, but with different quantities.

6 new internal acts and amendments to internal acts were adopted based on customs legislation and taken competences for customs acting arising from other laws:

- Amendments to the Instruction for classification of four-wheeled ATV motor vehicles (all terrains) in the Customs Tariff,
- Amendments to the Instruction for classification of computers and software in the Customs Tariff,
- Amendments to the Procedure for issuing approval and license for representation in customs procedures and identity card to a licensed representative, ensuring compliance with the new CDEPS functionalities,
- Amendment to the Authorized Economic Operator Guide,
- Amendments to the Guidelines on inward processing,
- Amendments to the Guidelines on outward processing,
- Instruction for dealing with goods brought in and taken out of the customs territory in unaltered state,
- Amendment of the Guidelines on Customs Warehousing,
- Guidelines on temporary admission,
- User Guide for completing oral declaration for temporary admission and re-export of means of transport,
- Amendments to the Guidelines for export procedure in CDEPS,
- Amendment of the Guidelines for import customs clearance procedure,
- User Guide for attaching documents and submitting import/export declaration,
- Instruction for the implementation of benefits for authorized economic operator (AEO) authorisation holders.

Excise related legislation

Amendments to the Law on Excise Duties are underway, stipulating introduction of control of the movement of tobacco raw materials through a system of approvals and guarantees to secure any excise debt that may arise. By introducing the provisions for the use of partially denatured alcohol, it is planned to establish additional control and limit the use of pure alcohol, to prevent its abuse and excise duty tax evasion. Concerning excise procedures, in term of the intervention measures to deal with the energy crisis, amendments were adopted to the Law on Excise Duties in March 2022, reducing the excise duty for certain excise products, in accordance with the Decision on the determination of the type of energy sources. , the time period, as well as the method of calculating the excise duty from 12 March 2022 with validity until 31 May 2022.

Amendments to 2 internal acts have been adopted based on the excise legislation:

- Amendments Hto the Guidelines for classification of tobacco and tobacco products
- Amendment of the Instruction determining the customs offices for import customs clearance of petroleum products

The Sector for Excise is intensively working on registration of traders with marked gas oil and other fuels (wholesalers and retailers who are not in the system), in order to strengthen the control over their sales and prevent abuses.

Within the framework of the Twinning project “Improving Revenue Collection and Tax and Customs Policy”, 15 workshops were held in 2022 for a total of 117 customs officials from several organizational units. The workshops were realized in cooperation with experts from the Customs Administrations of Croatia and Austria and aimed at supporting and transferring knowledge and experiences in the preparation and implementation of legislation and its application in practice in the EU Member States.

Under the twinning project, representatives from the Customs Administration made two study visits to the Customs Administration of the Republic of Croatia. Workshops during these study visits were realized through active discussion and exchange of experiences on various topics: business process for e-commerce, tobacco products monitoring, implementation of information systems security standards, legal acts and procedures for customs control and control of excise duties, taxation of CO2 component of motor vehicles according to global harmonized standards for determining the level of pollutants, public finance management (A and B accounts), insurance of customs debt etc.



On 2nd June, an event was held in Skopje to present the benefits and achieved results within the project. Ambassador of the Republic of Croatia - Nives Tiganj, Ambassador of the Republic of Austria-Georg Voutsas and the Head of the Cooperation at the Delegation of European Union-Steffen Hudolin attended the event. The project ended at the end of 2022, due to status changes at the authorized implementation body.

DIGITALIZATION OF CUSTOMS AND EXCISE PROCEDURES

Digital transformation of operations is one of the main focuses of the Customs Administration, which is why, under the four strategic priorities, several projects are underway as per the Action Plan of the Customs Administration. To further facilitate customs and excise procedures, projects are implemented for development and implementation of new information systems that will enable interoperability with the EU systems, as part of the EU's multi-year strategic plan for the implementation of the eCustoms program MASP - C¹. The already established customs systems are upgraded, providing additional electronic services to facilitate customs operations, intended for economic operators, as well as interoperability with the systems of other institutions that are part of the national government domain.

The novelties in the area of digitization of customs and excise procedures are implemented by applying project management methodology, which includes established project structure, working groups and management committees for work and monitoring progress. During project implementation, constant consultations are carried out with the business community, usually through the Advisory Council of the Customs Administration.

In 2022, preparation for realization of the New Computerized Transit System (NCTS 5) Project implementation started. This system should meet the requirements and standards of the EU Common Transit Convention. Its implementation will start in the second quarter of 2023 and is planned to be completed in 2024 with funds provided by the Budget of the Republic of North Macedonia.

Implementation of a new National Single Window system is in progress. The Blueprint has been prepared and a consulting company has been selected to support the project activities. It is expected to be completed in 2025. The funds for this project were provided through a loan from the World Bank

Planning for implementation of Economic Operators Registration and Identification System (EORI) and Unified User Management and Digital Signature System (UUM&DS), which should be harmonized at national level³ with the standards defined in the Multi-Annual Strategic Plan of the EU for the implementation⁴ of the eCustoms program - MASP - C. The funds for realization are planned from the EU IPA funds.

In 2022, the Customs Administration worked on improving of the Customs Declarations and Excise Processing System - CDEPS by upgrading the Import System, the Export System, the Excise System, the Accounting and Revenue System (ARS), the Guarantee Management System (GMS) and the Management of Economic Operators System - MEOS, as well as the development and implementation of new interoperability services with other institutions.

In 2022, the Customs Administration also worked on improving the Integrated Tariff Environment - ITE system, by enabling the electronic submission of Binding Tariff Information requests by economic operators. This new functionality will be launched in 2023.

¹ Multi-Annual Strategic Plan for electronic Customs
² New Computerised Transit System
³ Economic Operators Registration and Identification number
⁴ Unified User Management and Digital Signatures

Green customs declaration

With an upgrade of the CDEPS system, in November 2022 we introduced the so-called Green Customs Declaration. This novelty provides for complete paperless environment for the economic operators during import and export procedure and automatic completion in 1 hour. This functionality is enabled for all submitted customs declarations that are correctly filled out and validated by the system, selected on the green channel, i.e. not subject to control, for which all necessary documents are electronically uploaded and for which customs duties have been paid or secured with a guarantee.

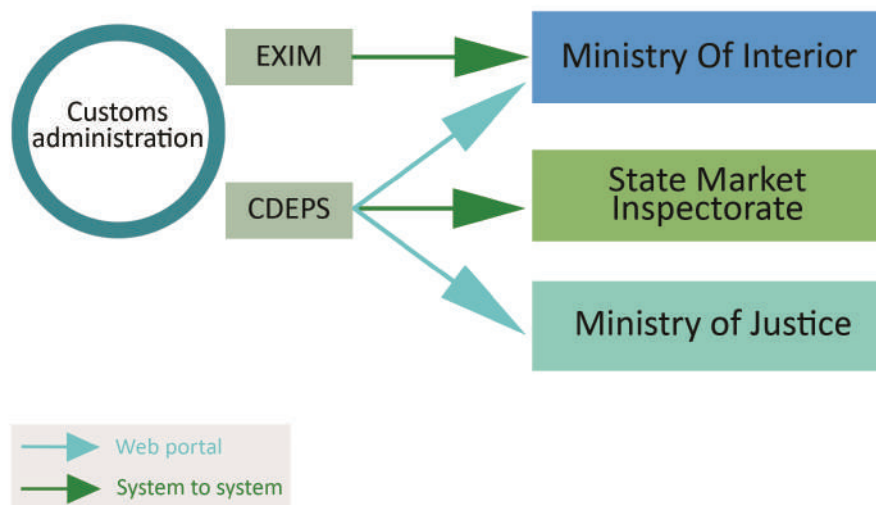
The analyzes show that in December 2022, 79.8% of these declarations were released in less than 1 hour, while for January and February 2023, this percentage is even greater.



Interoperability

To improve the inter-institutional exchange of data, the Customs Administration has developed a functionality in the CDEPS for downloading data from import and export customs declarations and made available to other government institutions. With this functionality through the Interoperability System, the Ministry of Interior, the State Market Inspectorate and the Ministry of Justice can download data from the Customs Administration.

INTEROPERABILITY – FUNCTIONALITIES FOR DATA EXCHANGE OF THE CUSTOMS ADMINISTRATION WITH OTHER INSTITUTIONS



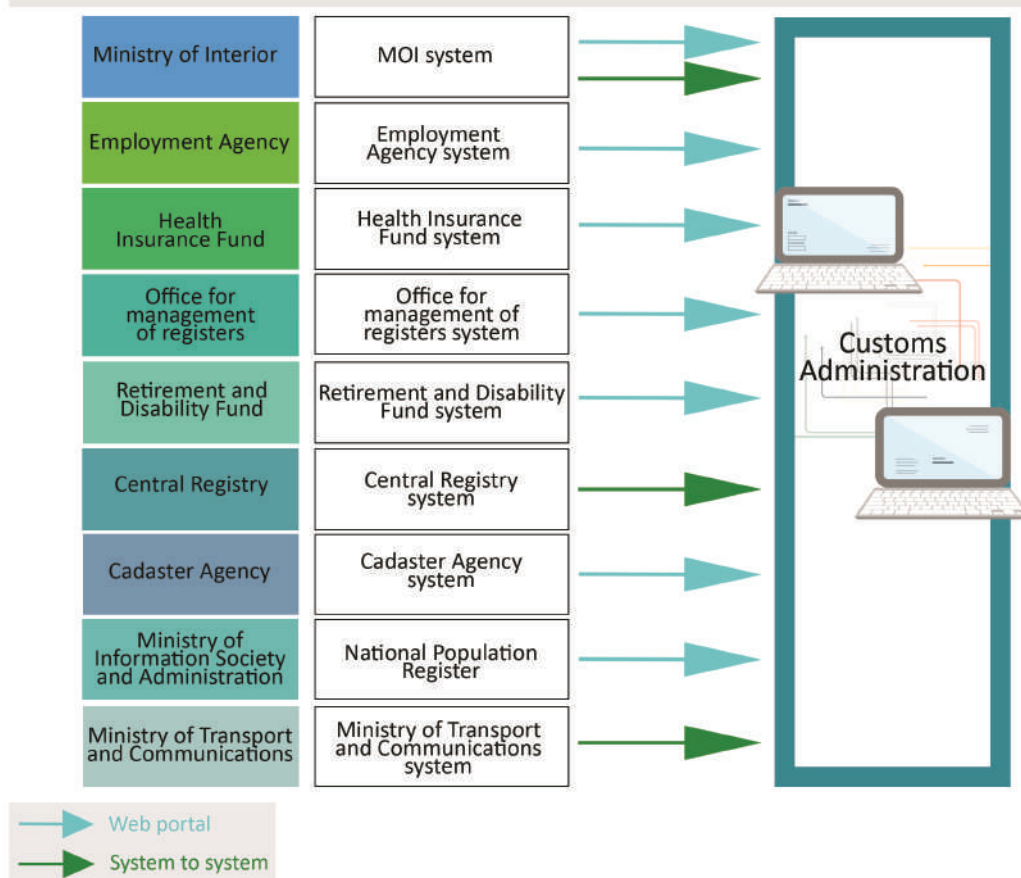
On 10th March in the premises of the Government, interoperability agreements were signed between the Ministry of Justice and a group of institutions: Ministry of Interior, Customs Administration, Public Prosecutor's Office, State Commission for the Prevention of Corruption, Civil Aviation Agency M-NAV, Financial Police, Financial Intelligence Authority, Central Registry and the State Election Commission.



To ensure more efficient operation and more effective controls, the Customs Administration uses services developed as part of the systems of other state institutions, by downloading data in the customs systems or through a direct access through the portal of the Interoperability System.

In November 2022, the Single Window System for import, export and transit licenses and quota - EXIM, was upgraded with a new functionality. Through the Interoperability System, it is possible for customs officers at border crossings to check the passenger transport licenses issued by the Ministry of Transport and Communications, concerning the transporters and vehicles used in cross-border transport of passengers.

INTEROPERABILITY – FUNCTIONALITIES FOR DATA EXCHANGE OF OTHER INSTITUTIONS WITH CUSTOMS ADMINISTRATION



On 12th November, the Customs Administration, the Ministry of Transport and Communications, the Ministry of Interior and the State Transport Inspectorate signed Data Exchange Agreements which enabled greater transparency and control of transporters through real-time passenger and cargo data exchange.



Two new functionalities are being developed in CDEPS and which should be completed by June 2023: new functionality for downloading customs declarations through the Interoperability System portal, intended for use by the Financial Police, the Financial Intelligence Administration, the Public Revenue Office and other institutions for the purposes of more efficient data exchange with the Customs Administration in the implementation of their competences, and a new functionality for debtors intended for the needs of the Central Register of the RNM, which will establish electronic exchange through the Interoperability System between the two institutions in the process of issuing the document concerning existence or non-existence of debts to economic operators.

Paperless environment

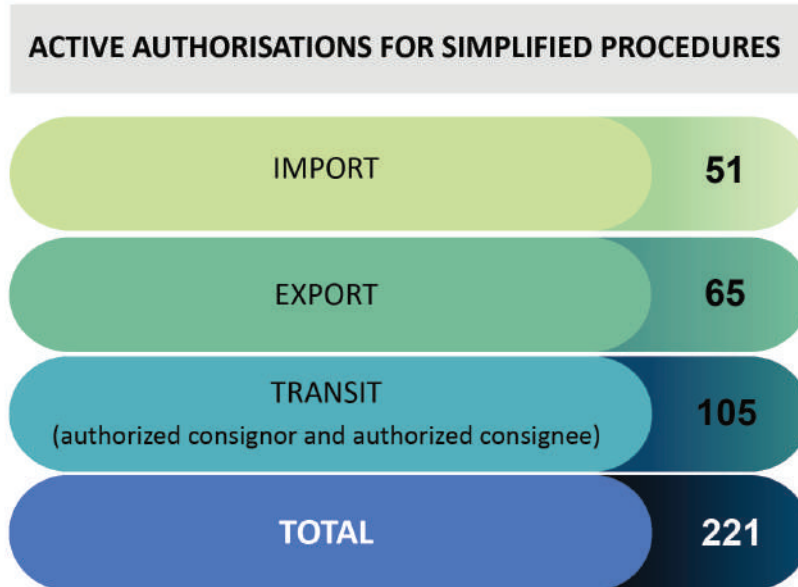




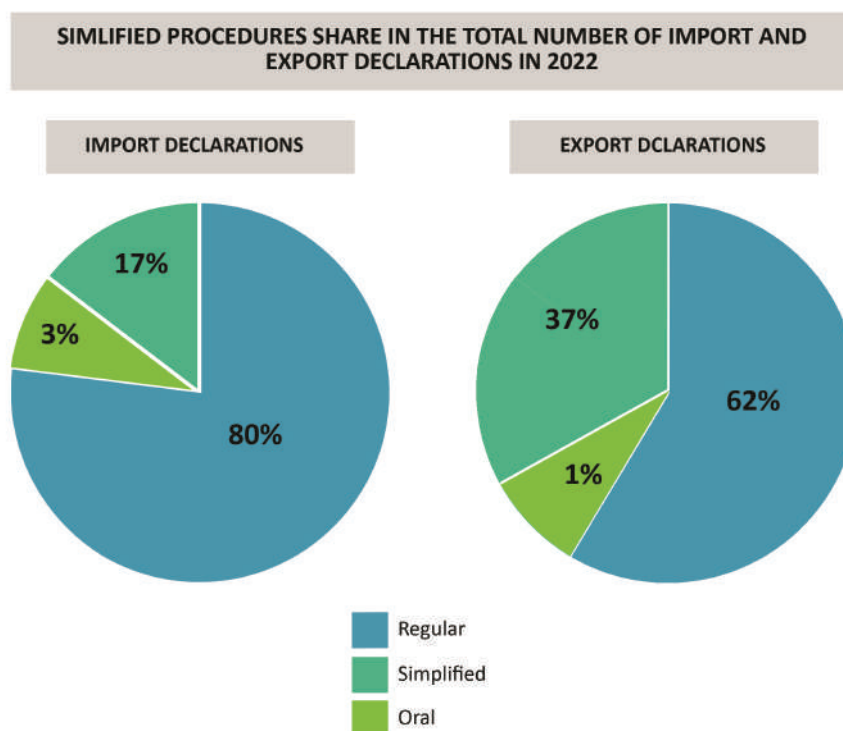
Number of processed customs declarations in 2022		IMPORT	EXPORT	TRANSIT	Total
I. CUSTOMS HOUSE SKOPJE					
MK001000	Customs House Skopje			576	576
MK001010	Skopje 1	67.711	24.200	20.524	112.435
MK001013	Skopje 3	42.937	4.492	12.313	59.742
MK001014	Skopje 4	25.525	4.977	8.602	39.104
MK001015	Skopje 2	53.532	22.679	20.516	96.727
MK001020	Free Zone - Skopje	16.073	10.063	5.080	31.216
MK001025	Post Office Skopje	5.082	1.300	28	6.410
MK001050	Skopje Airport- Section customs clearance	35.979	11.340	7.919	55.238
MK001051	Skopje Airport -Section passenger traffic	78	9	38	125
MK001071	Blace - Section passenger traffic	36	18	27.223	27277
MK001075	Blace - Section customs clearance	11.429	16.810	80	28.319
MK001080	Tetovo	9.887	3.242	3.521	16.650
MK001091	Jazince	6	8	0	14
Total Customs House SKOPJE		268.275	99.138	106.420	473.833
II. CUSTOMS HOUSE KUMANOVO					
MK002010	Kumanovo	15.800	1.873	3.262	20.935
MK002021	Railway Station Tabanovce	3.537	3.234	0	6.771
MK002030	Tabanovce Motorway - Section customs clearance	33.869	35.680	13.161	82.710
MK002031	Tabanovce Motorway - Section passenger traffic	1.184	53	92.537	93.774
MK002041	Pelince	1.121	1	0	1.122
MK002050	Deve Bair - Section customs clearance	11.400	3.629	2.085	17.114
MK002051	Deve Bair - Section passenger traffic	310	22	25.656	25988
MK002061	Belanovce - Stanicic	279	0		279
Total Customs House KUMANOVO		67.500	44.492	136.701	248.693
III. CUSTOMS HOUSE SHTIP					
MK003010	Shtip	26.749	21.179	10.008	57.936
MK003030	Delchevo - Section customs clearance	7.677	4.500	604	12.781
MK003031	Delchevo - Section passenger traffic	457	75	6.699	7231
MK003050	Veles	9.042	3.767	1.575	14.384
Total Customs House SHTIP		43.925	29.521	18.886	92.332
IV. CUSTOMS HOUSE GEVGELIJA					
MK004010	Bogorodica - Section passenger traffic	236	12	77.925	78173
MK004015	Bogorodica - Section customs clearance	0	5	1	6
MK004020	Gevgelija	57.007	23.774	18.345	99.126
MK004021	Railway Station gevgelija	0	0	4.230	4230
MK004031	Dojran	26	2	26.845	26873
MK004040	Kavadarci	13.830	9.990	10.133	33.953
MK004050	Strumica	6.381	12.069	5.920	24.370
MK004060	Novo selo - Section customs clearance	5.837	2.203	1.410	9.450
MK004061	Novo Selo - Section passenger traffic	43	8	6.398	6449
Total Customs House GEVGELIJA		83.360	48.063	151.207	282.630
V. CUSTOMS HOUSE BITOLA					
MK005010	Bitola	8.863	5.198	4.028	18.089
MK005020	Medzitlja - Section customs clearance	4.296	6.874	3.226	14.396
MK005021	Medzitlja - Section passenger traffic	61	6	3.097	3164
MK005030	Prilep	6.363	11.299	2.942	20.604
MK005040	Ohrid	5.749	4.179	1.542	11.470
MK005042	Ohrid Airport	17	731	1	749
MK005051	Sveti Naum	0	0	0	0
MK005060	Struga	7.253	3.552	1.814	12.619
MK005070	Kjafasan- Section customs clearance	20.540	6.479	99	27.118
MK005071	Kjafasan- Section passenger traffic	348	10	25.131	25489
MK005081	Stenje	0	0	22	22
MK005091	Blato	64	3	105	172
Total Customs House BITOLA		53.554	38.331	42.007	133.892
Total 2022		516.614	259.545	455.221	1.231.380

Simplified customs procedures

In 2022 there were 221 active authorisations for simplified procedures for import, export and transit.



With these authorisations, 17% of the total number of import declarations and 37% of the total number of export declarations in 2022 were processed in simplified procedure.



MODERNIZATION OF CUSTOMS ICT INFRASTRUCTURE

The process of digital transformation of customs operation is accompanied by modernization of the customs ICT infrastructure, aiming to ensure maintenance, protection and uninterrupted operation of the customs systems and efficient user support.

Customs Systems Availability and Protection

High availability of 99.7% of the customs systems services, accessed by economic operators in a completely paperless environment, 24/7, has been recorded in 2022.

ICT SYSTEM AVAILABILITY IN 2022

SYSTEM	DOWNTIME		AVAILABILITY
	Број	Часови	%
CDEPS	39	25,85	99,71%
NCTS	15	14,78	99,83%
ITE	5	12,25	99,86%
EXIM	2	4,68	99,95%
TOTAL	61	57,56	99,7%

ISSUES REPORTED TO SERVICE DESK IN 2022

Hardware and network incidents reported	448
Software and business issues reported	9.998
Total issues reported	10.446

Remote Location Disaster Recovery Center

In November 2022, as part of the project for procurement of ICT equipment and system software, realized with EU IPA funds, the ICT infrastructure of the primary location data center in the Customs Administration was upgraded. Equipment was installed and configured at the remote disaster recovery location (Disaster Recovery Center) in Prilep, built and managed by the Ministry of Interior. The activities for upgrade and migration of the databases from the customs systems and their replication in the DR center in Prilep continue



REGIONAL ECONOMIC INTEGRATION

In 2022, we achieved high level of regional cooperation with the Customs Administrations of the countries of the region. Several key activities were realized to unify and accelerate the cross-border movement of goods to further facilitate trade in the region. The activities were carried out within the framework of the Agreements part of the Open Balkans initiative, the CEFTA Agreement or on a bilateral basis.

The 7th Regional Meeting of the Directors of Customs Administrations from the Western Balkans - organized by the Customs Service of Montenegro and supported by the Government and HM revenue and Customs of the United Kingdom was held within 22-23 March.



On 22nd July, the Customs Administration hosted a working meeting between the Ministers of Transport and Communications of the Republic of North Macedonia and the Republic of Serbia at the border crossing point Tabanovce.

At the 8th Informal Regional Meeting (25-26 October 2022, Banja Luka - Bosnia and Herzegovina), the Western Balkans Customs Administrations reaffirmed the importance of exchanging experiences, sharing achievements and tackling common challenges, emphasizing their role in the European integration process, trade facilitation and ensuring safety and security.



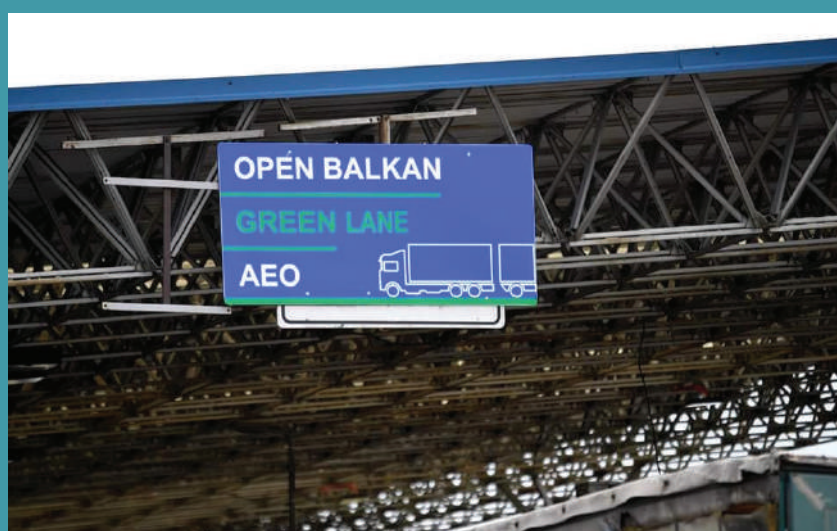


In December, CEFTA 2022 Week took place in Brussels, aimed at getting closer to the EU single market, strengthening partnership relations between the institutions of the CEFTA countries and connecting them with the EU Member States. The Director General of the Customs Administration Slavica Kutirov participated in a meeting of the Customs Directors from the region.

One Stop Shop

The concept joint border crossings - joint controls in movement of goods and passengers is implemented with Serbia and Albania through the Open Balkans initiative with the support of the Government of the Republic of North Macedonia.

One Stop Shop with the Republic of Serbia was established at the border crossing point Tabanovce - Preševo in September 2019. In March 2022, priority lane was established for trucks from the countries of the Open Balkans and CEFTA countries for vehicles with sensitive goods, and goods intended for companies with AEO status. A fast lane for empty trucks and trucks that transport goods with a European transit document NCTS was also opened. With infrastructural activities, a total of 10 lanes for entry into the country have been put into operation at the border crossing point Tabanovce, 2 for cargo vehicles, 1 for buses and 7 for passenger vehicles, which is the maximum number of entry lanes of the existing infrastructure.



The Agreement between the Government of the Republic of North Macedonia and the Council of Ministers of Albania on the establishment of joint border crossings entered into force in February 2022, and with the signing of the Protocol for the implementation of the Agreement, conditions were created for the establishment of a joint border crossing One Stop Shop Kjaftanë - Qafanë. Activities are underway to adjust the infrastructure at the border crossings, and the new concept is expected to be operational by June 2023.



On 29th March, a meeting of the Chambers of Commerce from North Macedonia and Serbia was held at BCP Tabanovce: Open Balkan accelerates the movement of goods. The meeting was also attended by representatives of the phytosanitary and veterinary inspections, and Customs and Border Poilice representatives. It was noted that the Open Balkans initiative and the introduction of green lanes significantly accelerate the flow of goods, and the time required for the entire process of checks is reduced to 3 - 15 minutes.



On 2nd September in Belgrade, delegation of the Customs Administration attended the leadership Summit of the Open Balkan initiative. The delegates discussed and presented activities of interest to the citizens to ensure easier overcoming of the food, energy and economic crisis, and those that contribute to closer connection of the three countries from the initiative - the Republic of North Macedonia, the Republic of Albania and the Republic of Serbia.

Authorised Economic Operator



The "Authorized Economic Operator" concept provides for priority treatment in customs controls, reduced number of physical and documentary checks, selection of the place of control, reduction of import and export costs and increase of the competitiveness of companies on regional and European markets.

The procedure of mutual recognition of AEO certificates of companies from the region was carried out through activities within CEFTA, and the signing of protocols and the implementation was carried out through the Open Balkan initiative, on a bilateral basis.

In 2022 we have a total of 26 AEO authorisation holders.

Share of declarations submitted by AEO authorisation holders in the total trade:

SHARE OF DECLARATIONS SUBMITTED BY AEO AUTHORISATION HOLDERS IN THE TOTAL TRADE		
	Number of declarations	Total value
IMPORT	33,3%	4,2%
EXPORT	32%	3,7%

Regional Conference of the AEO Association, organized by GIZ was held in Belgrade within 3rd- 5th November. The Customs Administrations of the CEFTA countries presented the evident benefits for the economic operators with AEO status, the future measures concerning the mutual recognition of AEO in the region and possibilities for even greater benefits for the AEO companies in cooperation with other state agencies at national level.





On 23rd November in Skopje, an event was organised on "Raising the efficiency of AEO programmes through involvement of other border institutions" organized by the USAID Economic Development, Governance and Enterprise Growth Project. The events' objective was to raise the awareness on the importance of this initiative and the role of other institutions operating at border crossings, such as the Food and Veterinary Agency and the State Inspectorate for Agriculture, besides the Customs Administration, which is the holder of the initiative.

SEED+

With the regional SEED+ project, implemented under CEFTA and in line with the Additional Protocol 5, exchange of cross-border documents of the inspection services (Food and Veterinary Agency and the State Inspectorate for Agriculture) was established through the new CEFTA TRACES NT system for the exchange of phytosanitary certificates. Furthermore, there are ongoing activities for establishment of joint risk profiles and exchange of data between the CEFTA parties for more efficient risk management.



Green Corridors

The green corridors for movement of sensitive goods, implemented during the pandemic, are successfully and smoothly functioning with the CEFTA countries through the border crossings Tabanovce, Blace and Kjafasan. At these border crossings, priority treatment is provided for goods on a pre-determined list between CEFTA countries, and the parties involved exchange pre-arrival notification via the CEFTA's SEED system.

The positive experiences from the implementation of the Green Corridors initiated activities in the region for their expansion to the neighboring EU Member States.

On 7th July 2022, a Memorandum of Understanding on electronic data exchange was signed with the Independent Public Revenue Authority of the Republic of Greece, establishing grounds for application of these corridors for goods going out to Greece. Activities for expansion of these corridors with other EU countries continue.



On 9th September, a working meeting of the Directors of the Customs Administrations of North Macedonia, Italy, Montenegro and Albania, together with senior representatives of the CEFTA Secretariat and the International Transport Community was held in Rome. Following the example of the Republic of North Macedonia and the Republic of Greece, Memoranda of Understanding on electronic data exchange were signed between the Customs Administrations of Albania and Montenegro with the Customs Administration of Italy.

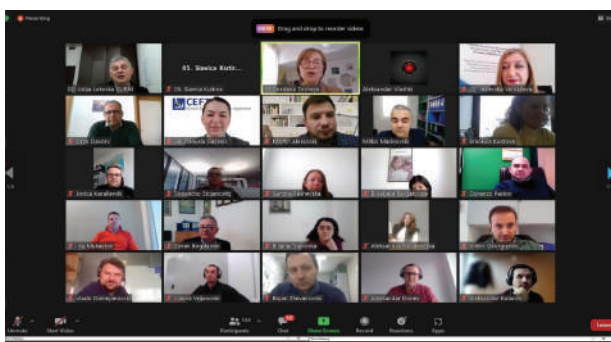
E – commerce

In 2022 started the CEFTA - GIZ regional project for e-commerce (E commerce & Consumer Protection Parcel Delivery - e commerce customs procedures). The objective of the project is harmonization with the EU e-commerce regulation and facilitate customs procedures in accordance with EU and WTO standards, requirements and practices.

Rules of origin

The procedures for the implementation of Decision 1/2021 amending Annex 4 of the Central European Free Trade Agreement (CEFTA 2006) were completed in 2022, establishing the protocol relating to the definition of the term "originating products" and the methods of administrative cooperation by all CEFTA members. In the Republic of North Macedonia, the Law Ratifying the CEFTA Decision was published on 9th November and entered into force on 10th November 2022.

Albania, North Macedonia, Montenegro and Serbia have extended the application of full cumulation at bilateral level with the EFTA countries. Concerning the PEM Convention and the framework for transitional rules of origin, where there was agreement to accept electronic origin certificates, as a possible replacement for the paper ones during the COVID crisis, DG TAXUD intends to issue recommendations for the continued use of both solutions and amendment of the origin protocols in bilateral agreements.



The USAID Economic Development, Governance and Enterprise Growth (EDGE) Programme, in cooperation with the Customs Administration of the Republic of North Macedonia, on 10th March organized a workshop for better understanding and application of the preferential rules for the origin of goods - according to the PEM Convention, Brexit and the new transitional preferential rules of origin.

Workshop on "Customs value of goods", realized with the technical assistance of experts from the World Customs Organization was held in Skopje within 7th – 11th November.



PRIORITY 3. PROTECTION OF THE SOCIETY

The Customs Administration is strongly focused on protecting the health and safety of citizens and society through activities for suppression of illegal trade and organized crime. Supply chain monitoring is based on risk management, selective controls and operational actions and investigations at border crossings and inland terminals, involving customs officers and inspectors for control and investigations. These actions aim to support and accelerate the legal and prevent illegal trade.

Border Interagency Unit (BIU) at Skopje International Airport

With UNODC support and in cooperation with the World Customs Organization and Interpol, an agreement was signed in the RNM Government for the establishment of a joint operational unit at the Skopje International Airport. In April 2022, the office of the Border Interagency Unit was opened, consisting of 7 customs inspectors and 7 police officers.



DIGITALIZATION AND SUPPORT OF CONTROLS AND INVESTIGATIONS

Implementation of Control and Investigations Management System – CIMS ⁵

The development and implementation of a Controls and Investigations Management System (CIMS) is planned to be realized under EU IPA 3 funds. Technical specifications have been produced that includes additional equipment and hardware.

Ensuring efficient management of excise goods

Measures are taken to establish a system for marking and tracking tobacco products (cigarettes) through the Track & Trace system, which is based on digital product identification by applying a digital code to the product packaging in the production process.

International Operations

In 2022, representatives of the Customs Administration participated in over 15 joint international operations in cooperation with the Ministry of Interior, World Customs Organization, EUROPOL, INTERPOL, UK HMRC, UNODC etc. In 2022, the Customs Administration took part in the international project GLOBAL SHIELD focused on monitoring the import and export of chemicals and other products that can be used to make explosive devices, as well as in the following international operations LUDUS II, OPSON XI, BALKANGATE, CARBACK, CLAUDIUS - WESTERN BALKANS, third phase of operation STOP II, operation to prevent illegal trade in F-gases (fluorinated gases, i.e. Freons), ARMSTRONG IX, DEMETER VIII, police-customs action Joint Action Day South East Europe 2022 (JAD SEE 2022), LAKE 2022/2023, LUDUS III and THUNDER 2022.

Risk Assessment and Controls

Selection of customs declarations is carried out based on the established criteria in the Risk Analysis System, applied in import and export customs procedures.

In 2022, 69% of the submitted import customs declarations were selected on green channel by the risk analysis system, 23% on yellow channel, and 9% on red channel, while after the checks of 25199 declarations or in 16% of the declarations selected for control, irregularities were discovered during the procedure.

IMPORT								
Customs house	No. of import declarations on green channel	% on green channel	No. of import declarations on yellow channel	% on yellow channel	No. of import declarations on red channel	% on red channel	No. of detected irregularities during checks of import declarations from yellow and red channel (from system)	% of irregularities detected during checks on yellow and red channel
SKOPJE	173096	68%	54727	21%	26934	11%	11924	15%
KUMANOVO	53116	82%	9055	14%	2835	4%	3311	28%
SHTIP	30745	71%	9795	23%	2637	6%	2726	22%
GEVGELIJA	44652	54%	29494	36%	8249	10%	3374	9%
BITOLA	40214	76%	9544	18%	3016	6%	3864	31%
TOTAL	341823	69%	112615	23%	43671	8%	25199	16%

Of the import declarations that the risk analysis system selected on green channel, additional control decision was made for 6.9% (switched to yellow or red channel), and irregularities were detected in 2618 declarations or 11% of these additionally selected declarations.

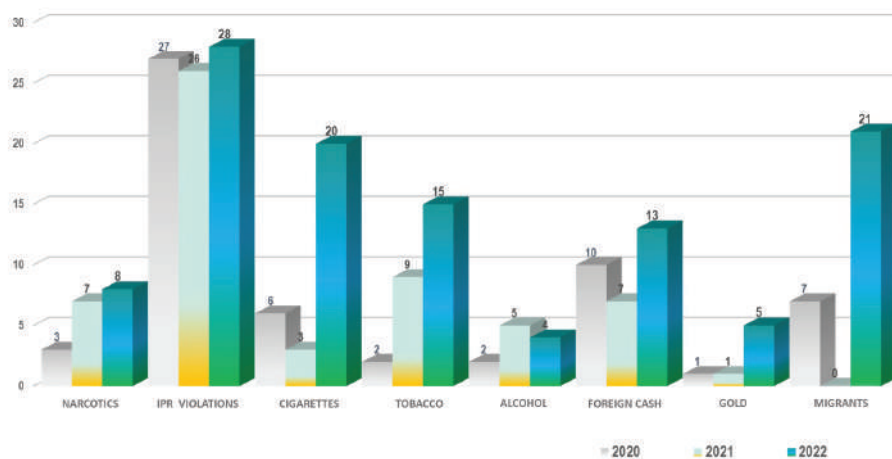
In 2022, 98% of the submitted export customs declarations ended up in green channel, 2% on yellow channel and 0.3% on red channel. After checks and inspections, irregularities were detected in 45 declarations or 1% of the declarations selected for control.

EXPORT								
Customs house	No. of export declarations on green channel	% on green channel	No. of export declarations on yellow channel	% on yellow channel	No. of export declarations on red channel	% on red channel	No. of detected irregularities during checks of export declarations from yellow and red channel (from system)	% of irregularities detected during checks on yellow and red channel
SKOPJE	94052	97%	2134	2%	301	0,3%	28	1%
KUMANOVO	40155	98%	578	1%	132	0,3%	6	1%
SHTIP	29370	98%	528	2%	99	0,3%	0	0%
GEVGELIJA	47780	97%	1555	3%	159	0,3%	6	0%
BITOLA	37228	98%	762	2%	79	0,2%	5	1%
TOTAL	248585	98%	5557	2%	770	0,3%	45	1%

SEIZURES MADE

SEIZURES IN 2022		
TYPE OF SEIZURE	NO. OF CASES	QUANTITY
NARCOTICS AND PSYCHOTROPIC SUBSTANCES	8	8169.34 kg 69 pcs
INTELLECTUAL PROPERTY IPR	28	191,330 pcs
CIGARETTES	20	87,836 pcs
TOBACCO	15	1,343 kg
ALCOHOLIC BEVERAGES	4	91 litres and 440 pcs
FOREIGN CURRENCIES	13	281,030 EUR 279,660 USD 3,938.525 RUB
GOLD	5	33,848 kg
MIGRANTS	21	185 persons
TOTAL:	114	

In 2022, the number of seizure cases has doubled compared to 2021 and 2021:



16.12.2022: Seizure of cash worth 1 million Euros - BCP Bogorodica- During bus control, the officers found and seized: 262,750 USD, 155,760 EUR and 12 kg of gold and gold jewelry - estimated value of 600,000 EUR.



20.07.2022: 500 kilograms of chopped smoking tobacco for which excise and other import duties have not been paid were discovered by inspectors from the Investigations Department, the Intelligence Department and the Mobile Teams of the Customs Administration at two locations in the Skopje region.



007.08.2022: Seized 13.3 kg of gold with an estimated value of over 600,000 euros and undeclared 30,000 euros in cash at BCP Tabanovce in a bus entering the country, by the mobile teams of the Customs Administration



02.11.2022: seized 67 kilograms of marijuana with estimated value of nearly 250,000 Euros, thus cutting off international transport chain of narcotics, by inspectors from the Department of Operational Affairs - Sector for Control and Investigations at the Customs Administration, in a joint action with the criminal police department of the MOI and SOI Veles.

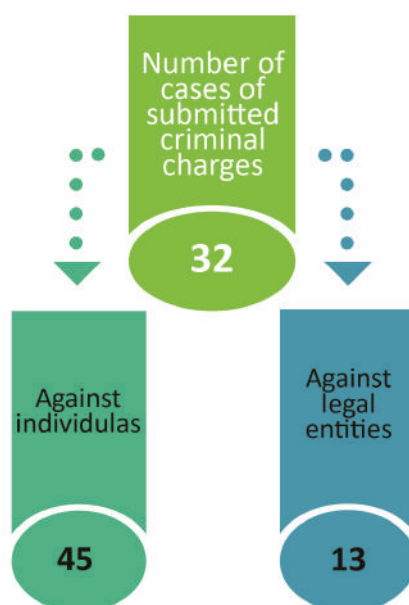


RESULTS FROM CONTROLS AND INVESTIGATIONS

In 2022, on grounds of Reports on customs misdemeanors, drafted by customs officers in customs offices, the Customs Administration imposed fines in total amount of 694,110 Euros.





In 2022, the Department of Investigations filed criminal charges for 32 cases of committed crimes detected during controls.



Post Clearance Audit

In 2022, the Department for Trade Companies Control conducted 233 pos-clearance audits of economic operators. These controls resulted in 92 irregularities found with evaded and unpaid import duties in total amount of 101.05 million Denars.

POST CLEARANCE AUDITS IN 2022		
Conducted controls		233
Irregularities found		92
Evaded taxes		101,05 million Denars

Financial Investigations

The Unit for Financial Investigations carries out activities pursuant the 2021-2023 National Strategy for strengthening the capacities for conducting financial investigations and confiscation of property.

In 2022, 14 financial investigations were launched against 22 individuals and 9 legal entities. The initiatives submitted to the public prosecutor's offices refer to procurement of equipment, residential buildings and vehicles worth MKD 20.67 million.

IPR protection controls

Activities are conducted in this area to strengthen the protection of intellectual property rights, focused on consolidating statistical information from various sources, to ensure fast withdrawal of counterfeit products that pose a risk to the health and safety of consumers and a systematic approach in the procedure of their destruction.

In 2022, 33 actions were carried out on grounds of suspected infringement of intellectual property rights. A total of 193,027 pieces of goods were detained. For 11,145 pieces, the right holders determined that there is a violation of intellectual property rights and that they are counterfeit goods. 26 trademarks were affected.



As part of these activities, in March 2022 the Customs Administration hosted an International Operational Workshop on combating piracy, organized by the World Customs Organization, under the auspices of the Customs Cooperation Foundation of Japan (CCF Japan).

To strengthen the capacities for protection of society, in February 2022 delegation of the Customs Administration participated in the first preparatory meeting for the 30th OSCE Economic and Environmental Forum on the topic "Promoting security and stability in the OSCE area through sustainable economic recovery from the COVID-19 pandemic".



Regional Conference on improving border security was held in Ohrid within 15 - 17th March, organized by the Mission of OSCE and UNODC. The Conference was attended by Directors and senior representatives of the customs services and border authorities of the Western Balkans, as well as senior customs and police representatives from the Republic of Greece.

The successful cooperation with the EXBS program for more effective border control continues: on 25th March, a closing ceremony was held for the one-week training under the auspices of the Export Control and Border Security Program (EXBS) of the US Embassy.



On 6th December, two mini mobile X-ray scanners for goods and small baggage donated by the Customs of the Federal Republic of Germany were officially handed over.

PRIORITY 4 INFRASTRUCTURAL AND ORGANISATIONAL DEVELOPMENT

INFRASTRUCTURAL DEVELOPMENT

Customs is one of the key links in the international supply chain, which is why the operation and development of Customs must constantly be based on the application and implementation of new technologies and global trading standards. A special part of this priority is the infrastructural development for modernization of border crossings in line with European and global standards, aiming to apply modern systems and tools in the operation that ensure faster cross-border flow on the one hand and more effective controls on the other.

Smart borders

A project for implementation of a **new video surveillance and license plate recognition system** (CCTV & ANPR) is underway. This project aims to establish a new concept of so-called smart borders. With this concept, we will install new modern technologies equipment at all border crossings and terminals, which will be able to be integrated with the current ICT infrastructure and systems. This equipment includes installation of document code readers, new automated ramps and scales and automatic signalization at border crossings. The implementation of this project should start during 2023, and it will be realized through EU IPA funds.



The full implementation of this new concept of operation, where most processes are automatic will contribute to reducing the human factor at border crossings and terminals, speed up the movement, ensure more efficient controls and contribute to reduction of gray economy and corruption.

6 CCTV – Closed-circuit television (Интерна телевизија)

7 ANPR – Automatic number plate recognition (Систем за автоматско препознавање на регистарски таблички)

There are ongoing activities for reconstruction of the border crossings Kjafasan and Deve Bair which will be realized during 2023 with support and secured funds through a loan from the World Bank. Reconstruction of BCP Delchevo is also planned, with funds provided through the national IPA programme. All preparatory activities for this project have been completed, and the implementation is expected to be completed in 2024.

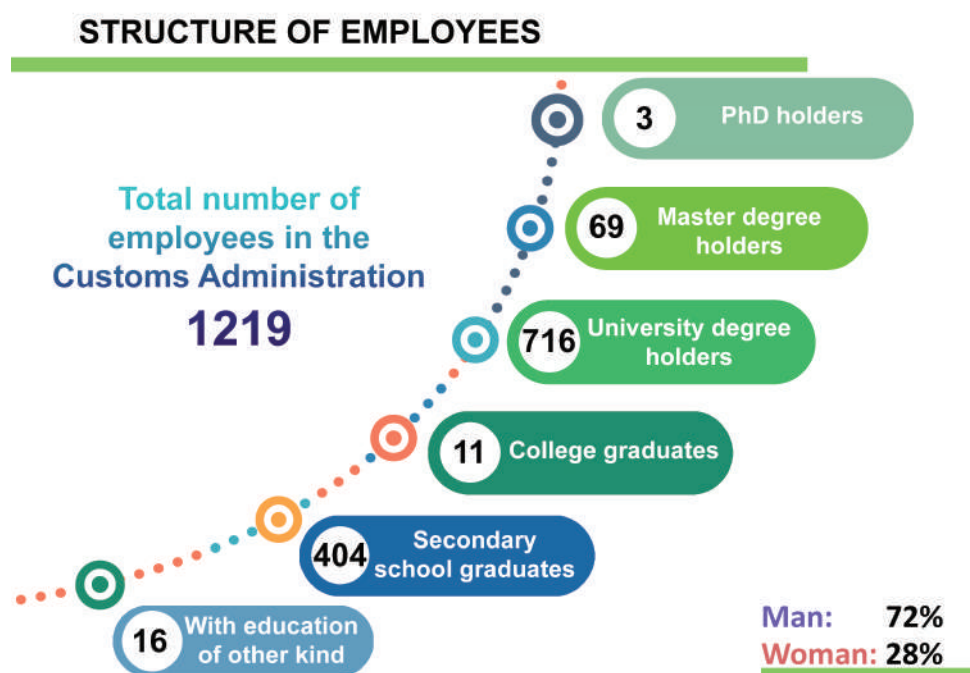
Concerning new border crossing points, construction of a new border crossing point Markova Noga with Greece is planned. The funds have also been provided through EU IPA national programme. Preparation of the final project is underway which will be followed by construction phase.

Activities are underway for preparation of project documentation for the construction of a new border crossing point with Bulgaria near Berovo (Klepalo). It will be realized through EU funds - IPA programme for cross-border cooperation with Bulgaria. The final date for the realization of this project is 2029.

In 2022, activities began under the project implemented by KONEKTA - "Technical assistance for connection in the Western Balkans" (financed by the Transport Community) to prepare primary project for the border crossing point Blace, with a focus on the possibility to design One Stop Shop concept with the Republic of Kosovo.

ORGANISATIONAL DEVELOPMENT

Employees are the driving force of the development of the Customs Administration. The modernization of customs operations includes permanent improvement of the organizational structure and human resources management, developing their knowledge and skills and strengthening their integrity, through measures and activities for the prevention of corruption, thus contributing to the enhancement of the institution as efficient service for the business community and citizens.



Continuous training of customs officers is a prerequisite for obtaining the necessary knowledge, skills and professional development and supports easier career advancement. The training and professional development system, as a key prerequisite for the successful implementation of the strategic and operational goals is based on the human resources management policies of the Customs Administration. Continuous training of customs officers and train-the-trainers is only one segment of the strategic priority – investing in employees.

ORGANIZED TRAINING	EVENTS	PARTICIPANTS
For employees	153	2380
For economic operators	11	1108



On 5th December, virtual reality training equipment (Virtual Reality Training - VRT) was installed in the Customs Administration, within the framework of the Regional Training Center with the support of the World Customs Organization and the Customs Service of Korea.

Enhancing employees' professionalism and integrity

The Customs Administration actively participates in the creation of national policies and strategies for the prevention of corruption and conflict of interests, in cooperation with the State Commission for the Prevention of Corruption. In that direction, measures are implemented to prevent inappropriate and corrupt behavior and systems of rules and control are developed.

Since April 2022, mandatory rotations have been introduced - periodic redeployments of customs officers, as one of the most effective preventive measures to prevent corruption, also applied in the countries of the European Union.

The Sector of Professional Responsibility created new Registers of risk points in customs operations susceptible to corruption, which is a useful tool in dealing with and preventing corruption.

Introduction of a Body camera system for customs officers working at border crossing points is planned, with the aim of greater transparency in communication, support of professionalism in handling and detection of possible illegal or corrupt activities.

In 2022, 165 internal controls and investigations were conducted which resulted in detection of irregularities in 51 cases.

Internal controls and investigations in 2022	Total reports	Irregularities found
Customs House Skopje	47	18
Customs House Kumanovo	35	9
Customs House Shtip	12	3
Customs House Gevgelija	18	5
Customs House Bitola	25	8
Headquarters	28	8
TOTAL	165	51

Disciplinary measures

5 warnings, 14 fines and 1 termination of employment contract were imposed after completion of disciplinary procedures in 2022, as well as 34 fines based on decisions for reduction of salary.



INTERNATIONAL AND INTERINSTITUTIONAL COOPERATION

INTERNATIONAL COOPERATION

The Customs Administration follows and adopts the instruments of the World Customs Organization for trade facilitation and international supply chains safety and security. Activities for promotion of cooperation with other Customs services are carried out and cooperation is initiated for important projects according to the needs for promotion and strategic reforms.

The cooperation achieved through the Community programs: Customs 2027, IPA Programs, TAIEX and twinning programs is particularly significant.

An application has been submitted for the "Project for Establishment of a Customs Data Center and improvement of the risk management system" - support from the South Korean Customs Service. As a result of the recommendations from the project "Consultation on the Modernization of the Customs Administration of the Republic of North Macedonia" that was carried out in 2020, the Customs Service of South Korea expressed its readiness to support a new project for the procurement of a customs data center and tools for risk management system. The estimated value of the project is 5.6 million dollars and it is planned to be realized from 2023-2025.

Activities are ongoing for conclusion of the international agreement for participation in the Customs Programme which will cover the period from 2021 to 2027. It was signed by the European Commission and the Republic of North Macedonia, and its ratification is in process.

The Programme provides for training, workshops, seminars, working groups, meetings, and customs officials can participate in events for familiarization with and approximation to the work of the customs services of EU Member States. The main objective of the Programme is study, exchange of knowledge and experiences and acquaintance with the best practices in the customs operations of the countries of the European Union and the countries of the Western Balkans included in the Programme, as well as the realization of strategic policies and goals of the EU.

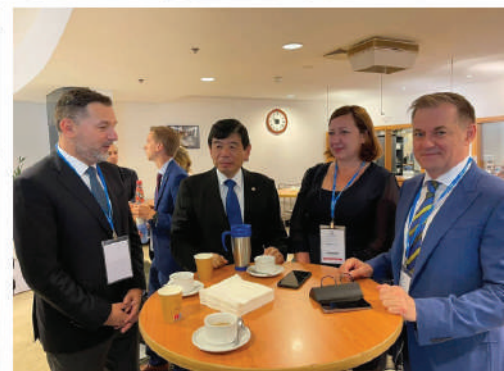
The Customs Administration is involved in the IPA 3 (2023-2024) programming under the Public Finance Management (PFM) window 2022 - 2025, together with the Public Revenue Office and the Ministry of Finance, with a proposed value of around 9 million Euros at for the following projects from the Customs Administration:

- Strengthening the joint control mechanisms and capacities for suppression of illegal trade and organized crime
- Further modernization of the customs services and their digitalization

26th January - the International Customs Day was marked under the motto "Increasing customs digital transformation by embracing a data culture and building a data ecosystem". Certificates of Merit from the Secretary General of the World Customs Organization Kunio Mikuria were awarded to employees of the Customs Administration and to representatives of external institutions and organizations who, with their activities, stood out as meritorious in establishing sustainable and constructive business environment and finding solutions to deal with the crisis caused by the pandemic.



Delegation of the Customs Administration participated in the World Customs Organization Council session held within 23 – 25 June. This year, the session was dedicated to the role of Customs in digital transformation, e-commerce, "green Customs" and border management.



On 25th March, a protocol meeting was held with the ambassador of the Republic of Bulgaria H.E. Angel Angelov, at which he was familiarized with the activities for implementation of joint projects with the Republic of Bulgaria, such as the project for the reconstruction of the border crossing Deve Bair, the current situation regarding the project for the construction of the new border crossing Klepalo and the construction and reconstruction of the border crossing Delchevo.

On 21st July, a meeting was held with the deputy ambassador of the Kingdom of the Netherlands, Robert Dekker. The cooperation with the Kingdom of the Netherlands through several projects, contributed to the improvement of customs procedures, trade facilitation and efficient revenue collection, as well as establishment of a structure for adequate protection of intellectual property rights.





On 2nd June, a bilateral meeting was held with a delegation of the Customs Administration of the Republic of Croatia, led by Director General Mario Demirović in the direction of continuing the mutual cooperation and exchange of experiences between the two institutions

The benefits of the previous cooperation between the customs services of the two countries, the economic cooperation, as well as the possibilities for further promotion of joint activities in the area of cross-border trade facilitation were discussed at the protocol meeting with the ambassador of the Republic of Albania H.E. Fatos Reka held on 10th August.



The Annual WCO Europe Region Heads of Customs Conference was held on 7th November to discuss the measures that are part of the "Plan for the Modernization of the World Customs Organization 2022 - 2025".



The OSCE mission in Skopje campaign "16 days of activism to combat violence against women" was launched on 25th November with a promotional event at the Skopje International Airport. Banners were placed at several facilities of the Customs Administration throughout the country as a symbolic reminder that every woman has equal rights to education and professional development.

On 7th December, the World Bank mission visited the Customs Administration as part of the activities of the project for trade and transport facilitation in the Western Balkan countries.

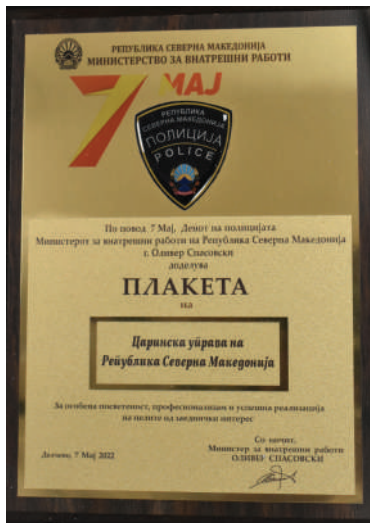


Interinstitutional cooperation

On 28th February, a working meeting was held with the State Inspectorate for Agriculture aimed at strengthening the cooperation and planning future joint activities.



On 3rd March 3, a working meeting with the Minister of Economy, Kreshnik Bekteshi took place to discuss the activities related to the application of alternative rules of origin, regarding the latest situation with the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin as of 1st September 2021, as well as the new rules of origin with the EU, applied with the EFTA and CEFTA countries.



On the occasion of 7th May - the Day of the Macedonian Police, the Minister of Interiors Oliver Spasovski awarded a Plaque for special dedication, professionalism and successful realization of the goals of common interest to the Customs Administration.



On 16th May, a working meeting with the Minister of Information Society and Administration Mr. Admirim Aliti was held to discuss the importance of interconnection and use of registers and databases between the state authorities and institutions. Further activities were defined in relation to the integration of the Customs Administration in the National Register of Citizens and the introduction of a common ID identifier for individuals, for the purposes of introduction of a central database of national registers.



The 2nd Skopje Economic and Finance Forum (SEFF) took place within 30th – 31st May, dedicated to "Sustaining Growth in Times of Uncertainty and Beyond", organized by the Ministry of Finance. The prominent Nobel Prize laureate Paul Krugman was keynote speaker at the Forum, and the Director General of the Customs Administration was speaker at the panel on Digitization, Infrastructure, Connectivity and Trade.

