



REPUBLIC OF NORTH MACEDONIA
MINISTRY OF FINANCE
CUSTOMS ADMINISTRATION

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DEVELOPMENT STRATEGY
OF THE CUSTOMS ADMINISTRATION
OF THE REPUBLIC OF NORTH MACEDONIA
FOR THE PERIOD 2022-2024

February 2022



Contents

1. INTRODUCTION	5
2. STATE OF PLAY CONCERNING THE CUSTOMS ADMINISTRATION'S COMPETENCES.7	
Human Resources	8
Functional Analysis in the Customs Administration.....	9
PEST analysis	10
SWOT analysis.....	14
3. VISION	15
4. MISSION.....	15
5. PRINCIPLES AND VALUES	15
6. STRATEGIC PRIORITIES.....	17
7 KEY SUCCESS FACTORS.....	33
8 FINAL PROVISIONS	34
9 FORMS.....	34



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Reference	Document title
Convention of the World Customs Organisation, Manuals, Compendia and other documents	The International Convention on the Simplification and Harmonization of Customs procedures (Kyoto Convention) Arusha Declaration – Declaration of the Customs Cooperation Council on Good Governance and Integrity in Customs SAFE Framework of Standards to Secure and Facilitate Global Trade WCO Capacity Building Development Compendium Partnership in Customs Academic Research and Development-Picard AEO Compendium WCO Strategic Plan 2019-2022
EU Strategies, Plans and other relevant documents	Strategic Plan 2020-2024 DG Taxation and Customs Union European Commission's Customs Action Plan (September 2020) Action Plan for Transport Facilitation, Transport Community, September 2021 Strategic Plan 2020-2024 of the European Anti-Fraud Office EU Revised customs blueprints
EU Customs 2021-2027 Programme	EU regulation no. 2021/444
Stabilization and Association Agreement	European Commission Report on the Progress of the Republic of North Macedonia for 2021



National Strategies and Priorities	<p>Work Programme of the Government of the Republic of North Macedonia 2020-2024</p> <p>Decision determining the strategic priorities of the Government of the Republic of North Macedonia in 2022 (Official Gazette of RNM no. 97 of 29.4.2021)</p> <p>National Programme for the Adoption of the Acquis 2021-2025 (NPAA)</p> <p>Public Administration Reform Strategy 2018-2022</p> <p>Fiscal Strategy of the Republic of North Macedonia for 2022-2024</p> <p>Tax System Reform Strategy 2021-2025</p> <p>National Strategy on Cyber Security of the Republic of North Macedonia 2018-2022</p> <p>National Strategy for Combating Corruption and Conflict of Interest 2021-2025</p> <p>National Strategy for Combating Money Laundering and Terrorist Financing (2021-2024)</p> <p>National Strategy for fight against terrorism 2018-2022</p> <p>Strategy on Strengthening the capacities for Conducting Financial Investigations and Asset Confiscation for the period 2021-2023</p> <p>National Strategy for Integrated Border Management 2021-2025</p> <p>Intellectual Property Strategy 2022-2026</p>
Financial Documents	
World Trade Organization (WTO)	Trade Facilitation Agreement (TFA)

Abbreviations	Definition
NPAA	National Programme for the Adoption of the EU Acquis
ICT	Information Communication Technology
CARNM	Customs Administration of the Republic of North Macedonia
CO	Customs office
DG TAXUD	Directorate-General for Taxation and Customs Union of the European Commission
PEST	Management method enabling an assessment of the more important political, economic, social and technological external factors having an influence on the work
SWOT	SWOT analysis (strengths, weaknesses, opportunities, and threats) is a strategy in the strategic planning that is applied in order to help the identification of the advantages, weaknesses, opportunities and threats related to the competitiveness and the planning
MEOS	Management of Economic Operators System
CDEPS	Customs Declarations and Excise Processing System



1. Introduction

The Development Strategy of the Customs Administration of the Republic of North Macedonia 2022-2024 has been developed on grounds of the strategic orientations and priorities incorporated in the Work Programme of the Government of the Republic of North Macedonia for 2020-2024, the Decision determining the strategic priorities of the Government of the Republic of North Macedonia for 2022, the National Programme for the Adoption of the EU Aquis (NPAA) – revision for 2020, the Public Administration Reform Strategy 2018-2022, the Fiscal Strategy of the Republic of North Macedonia 2022-2024, the National Cyber Security Strategy of the Republic of North Macedonia 2018-2022, the National Strategy for Preventing Corruption and Conflict of Interests 2021-2025, the National Strategy for Combating Money Laundering and Terrorism Financing (2021-2024), the National Counterterrorism Strategy of the Republic of North Macedonia 2018-2022, the National Strategy for Strengthening the Capacities for Financial Investigations and Asset Confiscation 2021-2023, the National Integrated Border Management Strategy 2021-2025, the Intellectual Property Strategy 2022-2026.

The strategic goals have been defined taking into consideration the European Union's dedication and strive towards provision of support for economic recovery from the crisis caused by the COVID-19 through tax and customs policies, higher level of modernisation of the Customs Administration, use of sophisticated equipment to ensure greater protection of the citizens and the society and efficient and proactive action of the Customs Services to face the contemporary challenges of the globalised and digital world.

The focus of action of the Customs Union at EU level corresponds to the priorities set up by the customs administrations - members of the World Customs Administration globally. The planned activities are concentrated on organised actions in the current pandemic conditions, coordinated border management, maintaining and strengthening security and safety, adaptation of the procedures in line with the growing digital trade, constant capacity building, practice of performance measurement, respect of the ethic standards, progress towards Digital Customs and intensified data analysis. Greater engagement of Customs is expected in environment protection by directing customs operations to prevention and combating potential environmental crimes.

Additional efforts shall be made for simplification of the legislation and optimisation of the customs controls, elimination of the administrative burdens and implementation of digital solutions.

This Strategy raises the pillars for future development and adaptive action through improved use of data (more data and more analysis for customs purposes to improve the risk management, the customs clearance procedures, the post-clearance controls and anti-fraud actions), use of modern tools and equipment and closer cooperation with the involved parties



and institutions as a pre-condition for innovative, efficient and smart operation to deal with the increased trade volume and rise in the number of detected raud and counterfeiting cases.

1.1 Customs Administration's engagement in line with the strategic priorities and objectives of the Government of the Republic of North Macedonia and the priorities from the National Programme for the Adoption of the EU Acquis (NPAA)

The Customs Administration is fully committed to the realisation of the strategic priorities of the Government of the Republic of North Macedonia focused on modern and efficient public administration, strengthening of the institutional and administrative capacities and permanent implementation of new high operational standards:

- Ensuring faster and sustainable economic growth, improved standard of living and better quality of life for the citizens;
- Tackling the impacts of the world Covid 19 virus pandemic;
- Successful pre-accession negotiations with the European Union;
- Development of defence policy aimed to ensure progress, independence, territorial integrity, security of the citizens and national security;
- Rule of Law, independence of the justice system, proper and non-selective fight against crime and corruption and transparency;
- Modern and efficient public administration with digitalized processes ensuring quality and fast services for the citizens and the business;
- Complete implementation of the Ohrid Framework Agreement, building of civil state with ethnic and social cohesion, based on principles of mutual tolerance and respect and
- Protection of the environment, green development, reducing air pollution and climate change impacts.

The strategic priorities of the Customs Administration correspond also to:

- Trade Facilitation Agreement of the World Trade Organization;
- Convention on a Common Transit Procedure;
- Convention on Single Administrative Document (SAD);
- International Convention on the simplification and harmonization of the Customs procedures (Revised Kyoto Convention)
- Recommendations of the Report on the progress achieved by the Republic of North Macedonia in the process of accession to the European Union;
- Revised Arusha Declaration concerning good governance and integrity in Customs
- United Nations Convention against Transnational Organized Crime;
- Priorities of the European partnership with the Republic of North Macedonia and best practices of foreign customs organizations with whom the Customs Administration has signed agreements on administrative cooperation.



1.2 Alignment with the separate strategies of the Customs Administration defining precise strategically oriented activities in separate areas of action

This Strategy follows the previously realised activities and complements the strategic activities set out in the separate Customs Administration's strategies referring to particular areas for realization of the Service's missions:

- Customs Administration's ICT Development Strategy 2021-2025;
- Customs Risk Management Strategy 2018-2022;
- Integrity and Anti-Corruption Strategy of the Customs Administration of the Republic of North Macedonia 2019-2022;
- Training and Competences Development Strategy of the Customs Administration of the Republic of North Macedonia 2021-2023;
- Customs Administration's Human Resource Management Strategy 2020-2022;
- Strategy on improvement of the status of Authorised Economic Operator 2021-2023.

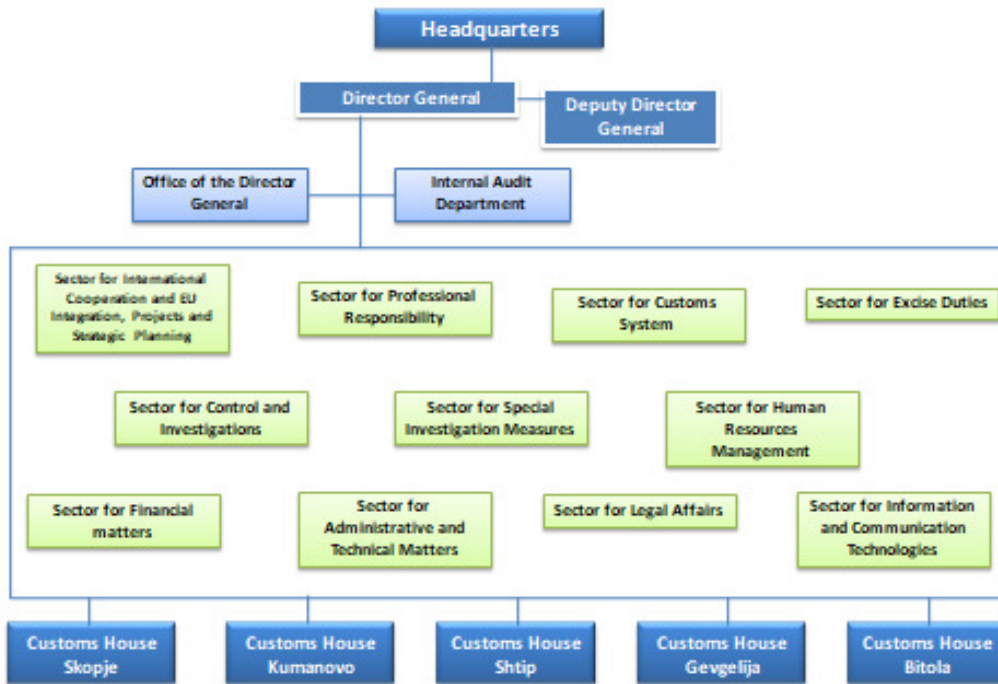
2. State of play concerning the Customs Administration's competences

The Customs Administration of the Republic of North Macedonia as an authority within the Ministry of Finance performs its competences under the Law on the Customs Administration, the Customs Law, the Customs Tariff Law, the Law on Excise Duties, the Law on Customs Measures for Protection of Intellectual Property, the Law on Value Added Tax, the Law on Motor Vehicles Tax and other legislation regulating the import, export and transit of goods, as well as regulations related to matters in the competence of the Customs Administration.

The Customs Administration performs tasks in its competence through the Central Administration – Headquarters which coordinates and manages the customs competences throughout the entire territory of the Republic of North Macedonia and the Regional Customs Houses which coordinate and administer a region, conduct passenger and cargo customs operations, conduct customs surveillance measures, customs clearance, prevent illegal import, conduct customs-administrative and misdemeanor procedures, forced collection of custom duties through their organisational units – Customs Offices.

The competences are executed through basic organizational structures (sectors and regional customs houses) and internal organizational forms (departments, units, customs offices and sections).

The main areas of competences of the CARNM involve tasks referring to customs and excise duties (calculation and collection of duties and taxes, surveillance, control, customs clearance of goods, investigation and intelligence, collection of fines) and other tasks laid down by law.



Organizational chart of the Customs Administration

The Customs Administration finances its activities with funds provided from the Budget of the Republic of North Macedonia, under Budget programmes 20-Customs Administration and 22-Enhancement of the law enforcement the capacities, as well under the Government's sub-programmes MA-Transition Assistance and Institution Modernization and MB-Cross-border Cooperation. Certain activities are financed under World Bank loan, donor funding – IPA funds, bilateral and multilateral financial and expert support.

Human Resources

The Customs Administration has 1.226 employees, of whom 3 are PhD holders, 65 Master degree holders, 702 university degree holders, 12 are college educated, 426 high-school educated and 19 with other type of education. Of the total number of employees, 886 are men and 340 are women.

Education and group of officials	PhD Holders	Master degree holders	University Degree holders	High-school diploma holders	College diploma holders	Education of another type	Total no. of employees



	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	
Managers	2	9	10	110	51	1	14				135	62	
Expert employees	1	21	22	355	147	8	1	218	46	1	604	216	
Assisting expert customs officers			1	7	8		2	28	32		35	43	
Public servants		2		16	1			21	4		38	5	
Workers				6	1			53	10	15	3	74	14
TOTAL	3	32	33	494	208	8	4	334	92	16	3	886	340

Table 1: Number of employees - Gender balance (situation October 2021)

Functional Analysis in the Customs Administration

In 2020 for the first time, the Customs Administration conducted functional analysis that covered all organizational units and all employees. The functional analysis was focused on the administrative capacities, the objectives, functions, structure, procedures and human resources in the Customs Administration. The analysis incorporated in the relevant Report includes findings and recommendations for improvement of the operational quality at the Customs Administration, in order to achieve the strategic goals in the best possible manner.

According to the applied methodology the situation at the Customs Administration was observed on the basis of three criteria:

- Strategic alignment of the Customs Administration,
- Organisational capacities and
- Execution of competences for achieving results.

The methodology applied for the functional analysis included analysis of the relevant documents, extensive research, self-assessment questionnaire for the employees, regular communication with the Working Group of the Customs Administration, created for the purpose of the analysis, one introductory workshop with line managers and separate meeting with each sector. The analysis was based on the responsibilities, plans and covered all business areas, organisation, deployment, capabilities, competences of the employees, giving an overview of the functions and over-lapping functions with other institutions.

The functions conducted in the Customs Administration according to established categories were identified, as follows:



- Public policy-making function (strategic planning, regulation, standards, public policy analysis, planning);
- Regulatory function (issuance of licenses, permits, accreditations, inspections, control);
- Coordinative function (between several bodies);
- Service-providing function (to the administration or to the citizens) and
- Support function (financial management, human resource management, ICT, training, auditing).

The findings and recommendations imposed the need for adoption of a new Rulebook on internal organization and work of the Customs Administration and a new Rulebook on job systematization in the Customs Administration, which redefined the tasks and competencies and organizational changes were made.

The changes in the organisational units were made to ensure better efficiency of the Customs Administration's operation. Of particular importance are the organisational changes in the Excise Duty Sector which was imposed with the Law on Excise Duties and Law on Motor Vehicle Tax to ensure stricter control over the excise duty payers. The Department for International Cooperation, Projects and European Integration was transformed into Sector due to expected pre-accession negotiations with the EU that should be conducted by this organisational unit. As a result of the growing number of new factories and warehouses, the number of employees in the Customs Office International Airport Skopje – Section for customs clearance of goods was increased, thus enabling customs clearance formalities for goods stored in the premises of the warehouse holders and reduced traffic of freight motor vehicles processed by the Customs Offices operating inside the City of Skopje.

PEST¹ analysis

In a constantly changing environment, the Customs Administration must find appropriate solutions and respond promptly to the arising challenges.

The Customs Administration's operation in the forthcoming period will continue to be inter-dependant on the political, economic, social and technological circumstances and possibilities.

Political factor

The Customs Administration plays a strategic role in providing advice and proposals concerning state decisions related to the trade and supply chain and creation of future policies. Customs

¹ PEST analysis – (political, economic, social and technological) is a management method whereby an organization can assess major external factors that influence its operation.



acts as coordinator between border agencies and the private sector on daily basis and through initiatives.

The information exchange, finding mutual solutions, experiential learning and sharing knowledge contribute to overcome the differences between the Customs services and between the institutions and results in common benefits.

The Customs Administration will follow with the Government's resolutions for "modern and efficient administration" with respect of the principal of "justice in taxation" set up as a cornerstone of national priorities. In its daily operation, through implementation of all next planned measures and strategic activities, it will strive for "better efficiency in collecting revenues" and ensured faster and easier procedures in the domains of its competences, through better and easily accessible electronic services for the citizens and businesses.

Customs will upgrade the information systems by keeping track with the latest technologies and new requirements of the European Union and the modern supply chain which is becoming more and more oriented to digitalisation in its core. Networks and information systems play a crucial role in facilitation of the cross-border movement of goods, services and people. With its own recourses engaged in the IT domain and with joint efforts with other institutions and the European Commission the Customs Administration will act with dedication and active engagement for timely preparation and adaptation in line with the circumstances of the modern world and high European standards.

The customs regulations and actions will correspond to the mid-term policy of the Government of the Republic of North Macedonia for economic resilience based on several platforms in the period 2021-2025, that include revision of the free trade agreements² in force, providing for greater preferential tariff treatment and trade liberalisation.

The Customs Administration will be engaged and contribute to the initiated Western Balkans Trade and Transport Facilitation Project which is of regional character and in the first phase, besides our country, also includes Serbia and Albania, with planned inclusion of Bosnia and Herzegovina, Montenegro and Kosovo. The project should contribute to promotion of economic integration in the region, reduced costs for trade and better efficiency of the transport in the Republic of North Macedonia.

The green corridors, initiated by the Customs Administration of the Republic of North Macedonia, are expected to extend - a common engagement recognized as a correct step in a real moment. Activities for extension of the green corridors towards Bulgaria and Greece are underway. This concept makes the corridors more efficient for import, export and transit of goods, as a green lanes providing faster transit of certain goods".

² Currently the network of applied preferential trade covers 41 countries, regulated under 6 agreements with CEFTA Parties, EFTA States and EU Member States and bilateral agreements concluded with Turkey, Ukraine and Great Britain and Northern Ireland.



According to the Treaty establishing the Transport Community signed (signed in 2017), national and regional policies and projects are being created with the intention of improving the transport at national and regional level (amendments to agreements on border crossing points and their implementation, joint border crossing points with Kosovo and Greece, undertaken obligation for preparation of a Law to be aligned with the EU legislation concerning the combined transport).

According to the EU Regulation concerning the development of the trans-European transport network (TEN-T), the corridors of the basic network should help modify the infrastructure to surpass the bottlenecks, enhance cross-border connections and increase the efficiency and sustainability. This should support improved cohesion through better territorial cooperation.

Social factor

To successfully tackle the risks and challenges analysed from a social aspect (security and health, digital economy, money-laundering threats), the Customs Administration will rely on new competences and greater professional knowledge, improved analysis and intensified cooperation

By modernising its business processes, the Customs Administration will give an appropriate response to the growing cross-border movement of people, their needs and expectations and their rights to information and quality public service

In the process of modernisation of the border crossing points, the Customs Administration will be supporting the Government's engagement to ensure "mobility for all" by providing accessibility to the infrastructure and vehicles for all users, including people with disabilities and limited mobility and "development of multimodal transport of goods and persons through promotion and facilitation of services and development of infrastructure contributing to mutual network connection".

Economic factor

In terms of the economy, the Customs Administration will adjust and contribute to the recovery of the national economy through new trade facilitation measures, promotion of the Authorised Economic Operator concept, simplified procedures, reduced time and costs for customs formalities. Customs will closely cooperate with the private sector and adapt to the e-commerce changes. Flexibility and adaptability to the modern economy will be observed principles in the strategic action.

With future steps for simplification and facilitation of customs procedures the Customs Administration will join all customs administrations in their efforts for normalization of the trade flow disturbed by the COVID-19 pandemic. Customs is expected to assist the mitigation



of the health crisis consequences and support the companies with challenges, that could decide to focus more on local production and product placement in smaller regions, were they will be able to rely on procedures providing uninterrupted business activities.

Technological factor

The Customs Administration will strive to introduce new technologies, keeping up with the modernization processes and further digitalization of customs procedures. The information exchange through interconnected and interoperable networks and international cooperation will ensure efficient realization of the Customs' functions in a digital environment. Efficient data use and data analysis remains the main task in the process of becoming "Digital Customs".

Support from Digital Agency which is to be created pursuant the draft Law on Information System Network Security, as a principal agent in the processes towards digital society and administration is also expected.

External environment

With the expected lower pressure of the pandemic, the presently disturbed supply chains, economic flows and commercial exchange are expected to be normalized.

Internal environment

Appropriate organizational structure and suitable equipment of certain organizational units is an imperative for better efficiency, modernization and further harmonization with the European standards.

Digitalisation of customs procedures and business processes was made with support of software and applications that are constantly upgraded and replaced with new ones. These include:

- Customs Declaration and Excise Processing System (CDEPS) enabling integration of the external with the government domain in all areas of customs operation (import, export, excise duties, movement of excise goods, transit, recovery);
- New Computerised Transit System (NCTS) using modern computer technologies and techniques for electronic data processing - a contemporary tool for transit procedure through exchange of electronic messages between the economic operators and customs offices, as well as between the customs offices.
- EXIM – electronic system used by 16 government agencies with competences in the area of international trade, which is functioning as a single window for issuing licenses for import, export and transit of goods (as non-tariff measures);



- Integrated Tariff Environment (ITE) incorporating the following systems: TARIM (national TARIC – Integrated Tariff of the European Union), European Binding Tariff Information (EBTI), Quota System, Surveillance System, European Customs Inventory of Chemical Substances (ECICS) and Sample Management System (SMS).

SWOT³ analysis

The Customs Administration will take advantage from the qualities, professionalism, resources, circumstances and all possibilities for development and progress and will adapt to the changes in the digital supply chain, where adaptation of trade are particularly manifested.

The main strategic goal remains the implementation of interoperability and interconnectivity with the European systems and integration with the national systems.

In using the possibilities, particular attention will be paid to permanent consolidation of the IT systems, their upgrade and maintenance in line with the technological advancement, thus ensuring higher quality and increased accessibility to the electronic public services, in favour of the users of services that will no longer be obliged to be physically present when completing their obligations related to customs procedures.

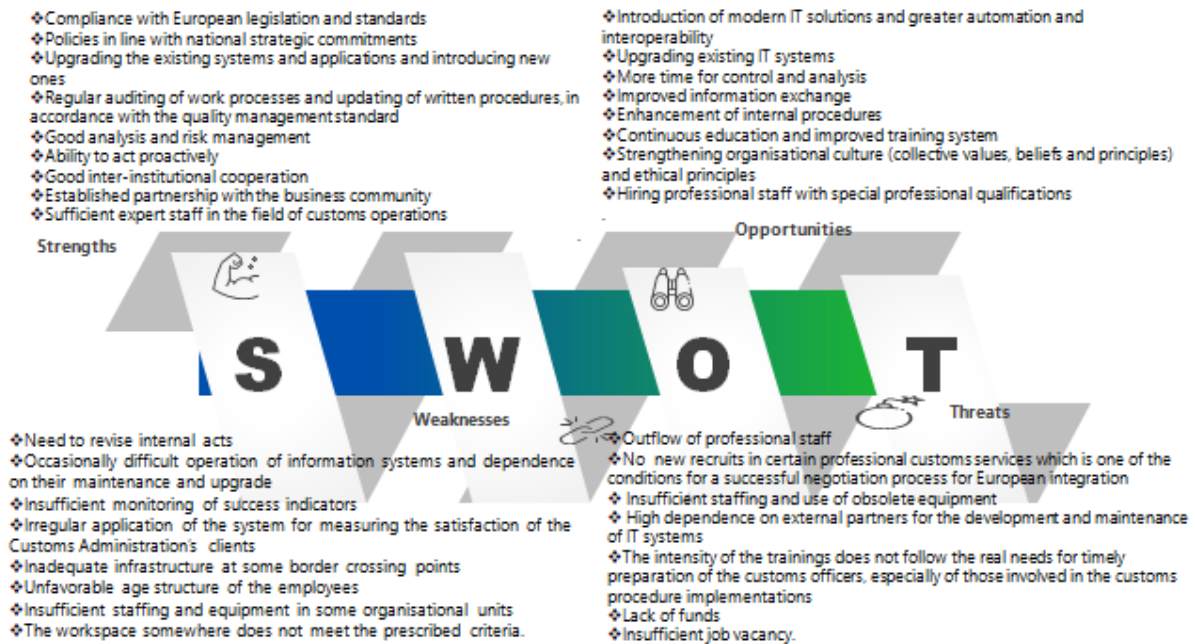
The implementation of modern technologies will lead to an increased level of customs officers' knowledge and they would have an **opportunity for in-depth analysis and better surveillance**. The training system shall be enhanced to be able to respond to the needs for professional development related to the digitalisation and modernisation in general.

The working processes will be optimized, rationalised and additionally regulated with internal acts.

The motivation of the employees and their interest to achieve higher professional standards will be supported. One of the objectives will be focused on activities for **provision of more customs experts** that would be particularly important for the start of the negotiation with the European Union.

The Customs Administration will make efforts for better working conditions for the employees. The engagement on this plan will be evident in the concrete planned activities for upgrade and adjustment of the infrastructure at the border crossing points and the supplementary facilities, according to all international standards.

³ SWOT analysis – (strengths, weaknesses, opportunities, and threats) is a strategic planning and strategic management technique used to help identify strengths, weaknesses, opportunities, and threats related to business competition or project planning.



3. Vision

To be the leading Customs Administration in the region, recognised as proven protector of the borders and society, reliable partner and strong supporter of the legal economy, a modern and innovative Customs service with fully implemented EU standards of the European Union.

4. Mission

To protect the financial interests, society and the environment by at the same time supporting the economic development through cooperation, facilitation and modernization.

5. Principles and Values

The entire staff of the Customs Administration play an important role in the achievement of its defined goals and safeguarding its integrity.

The Customs Administration aims to achieve high level of public confidence and constant development of its organisational culture based on the following principles:

- Rule of law, equality and justice;
- Leadership, professionalism, responsibility, honesty and transparency;
- Efficiency, effectiveness, availability and confidentiality.

In enforcing the laws, the Customs Administration applies high standards of conduct and essential values:



- Quality service;
- Dedication;
- Sincerity and trust;
- Solidarity;
- Motivation and development of its human potential and
- Team work and cooperative spirit.

Every single employee and line manager is personally responsible for observing these values in their own daily work, having in mind that their actions affect the reputation of the Customs Administration.

The afore-mentioned principles will be ensured by implementation of the Code of Ethics, the annual priorities and plans, administration and control of the finances, information security management, control of the operation and evaluation, internal audit, disciplinary and other procedures.

Complete implementation of "Digital Customs" shall be one of the main priorities of the Customs Administration in the period 2022-2024. This shall in turn contribute in two ways: trade facilitation and enhanced border security.

In 2020 paperless export customs procedure was introduced and it is fully applied, while the pilot project for paperless import customs procedure is now in second phase and the import procedure is expected to become completely paperless in 2022. The novelties in this area have resulted in better services for the economic operators involved in foreign trade and will further reduce the costs for customs services. To ensure uninterrupted connection concerning the transit of goods, the Customs Administration will upgrade the New Computerised Transit System, in line with the new requirements arising from the Union Customs Code. The project for implementation of new Single Window System has started and is underway.

The Customs Administration plays a particular role and mandate in regard to its position at the border crossing points where it shall have a predominant function in the entire international supply chain and shall ensure a sustainable, secured and inclusive future for everyone. In 2022 the Customs Administration will continue to work on the realization of the global imperatives to tackle the economic, ecological, health related and social challenges, with stronger efforts to more efficiently overcome the current problems and difficulties through numerous proactive procedures.

It will remain dedicated to serve the citizens by building a solid and secured society. Customs plays a key role in the application of the legal provisions referring to the main social and economic challenges of our country, including the fight against transnational organized crime and terrorism, human trafficking, illegal trade in weapons, narcotics and prevention of money-laundering.



Customs future actions will be focused to provide prosperity through simplification of the customs procedures, reduction of time and costs for movement of goods through the border and stimulation of the trade activities. By rigorous measures and controls in the fight against fraud and tax evasion, Customs shall ensure that the state has the necessary resources to finance public infrastructure and services, as well as enhancement of the rule of law and stability.

6. Strategic Priorities

The strategic priorities of the Customs Administration are in line with the strategic priorities of the Government of the Republic of North Macedonia and the Ministry of Finance. The European Commission Customs Action Plan, the Transport Community⁴ Action Plan, the CEFTA Action Plan, the Common Regional Market Action Plan, as well as other international standards and best practices related to Customs have been taken into account.

Taking into consideration the current measures and policies of the EU and the Customs Union, the Customs Administration strives for greater innovation and efficiency and the introduction of "smart" customs processes. The planned actions are aimed at overcoming the key challenges facing Customs globally: the growth of e-commerce and digitalisation, exit of the UK from the EU and the Customs Union, as well as unforeseen developments globally (tackling the consequences of the COVID-19 pandemic).

Traditionally, the most important role of the Customs Administration is **collection of import and other duties and taxes**. Equally important and growing is the role of Customs in the area of **security and safety. Protecting the health** and safety of citizens and society remains at the top of the agenda. The Customs Administration is at the forefront of defense against illegal **and prohibited activities**. It will remain committed to its broader social goal - ensuring **sustainable economic growth** by increasing competitiveness and investment, improving the business environment and creating equal opportunities for economic growth and development of all participants in economic processes. This will be supported through **facilitation, simple and transparent procedures** and in close cooperation with business and commerce.

Interoperability and interconnections with European customs systems, including the integration of national systems, as well as the commitment to innovation and **modernization** of the administration, which implies further intensive development of IT and human resources, improvement of working conditions and maintenance high standards of staff integrity are crucial for achieving the vision to.

The objectives and measures for implementation of the Customs Administration's Strategy are covered by the following strategic priorities, explained below:

- **revenue collection and protection of financial interests;**

⁴ The Transport Community is an international organisation in the field of mobility and transport, consisting of 33 participants – the entire EU and the six Western Balkans regional partners



- **trade facilitation;**
- **protection of the society;**
- **organizational and infrastructural development.**



6.1 Strategic Priority "Revenue collection and protection"

The Customs Administration is one of the main institutions for collection of duties in the country - about 45% of the revenues in the Budget of RNM (customs duties, VAT, excise duties, motor vehicle tax and other fees). To ensure success in this role, special attention will be paid to proper calculation and efficient revenue collection, for their timely collection in accordance with all relevant laws, national and international standards.

The revenue collection system has been upgraded and a new modern system has been put in place, enabling the economic operators to see their obligations and payments directly in the system and if they have overdue or overpaid obligations, to have insight and react in accordance with the legal regulations. It is also planned to introduce e-payment in the EXIM system.

The guarantee management system is significantly improved in terms of real-time operation and tracking the status of guarantees by the economic operators. Within the CDEPS - MEOS it is planned to include the requests for acceptance and approval of guarantees and the entire procedure to be done electronically (currently on paper), which will significantly facilitate and speed up the procedure and reduce the costs of economic operators.

According to the Fiscal Strategy of the Republic of North Macedonia for 2022-2024, there will be activities for fiscal consolidation, particularly in terms of "improving the collection of budget revenues, through measures to reduce the shadow economy and measures to prevent and combat corruption."

Strategic objectives:

6.1.1 Ensuring efficient revenue collection

Strategic activities:

- Improving the electronic revenue collection through further upgrade of the payment system - providing a possibility for electronic payment of fees and administrative fees for EXIM end users, through a virtual POS terminal with credit/debit cards (for now, the introduction of this feature is planned for EXIM , but in the future it can be planned for other IT systems in the Customs Administration);
- Opening of one account for payment of excise duties, for facilitation and simplification of the payment of excise duties for excise duty payers (instead of the previous separate



accounts for payment of excise duties for each individual oil derivative, all accounts are planned to be merged in one account), with multiple benefits: instead of payments for each derivative, one account will be for all derivatives, with the possibility of fast return of wrongly paid duties, etc.

- Electronic guarantee management (now the procedure for submitting applications for acceptance and approval of guarantees is carried out on paper);
- Harmonization of national regulations and development of a system for introduction of A and B accounts in accordance with EU regulations and systems;
- The regulation concerning A and B accounts is directly applicable on the day of entry into the EU. In the next 3 years, there will be activities for the preparation and adjustment of the Customs Administration systems for introduction of A and B accounts.
- Improved realization of forced collection of fees;
An amendment to the Law on Customs Administration will follow, to regulate payment of customs debt by an heir in case of death of a natural person as a customs debtor, with enabled access of customs officers to the databases of other institutions, through interoperability (Employment Agency, Registry of deaths, etc., as well as all registers established by the Law on Customs Administration);
- Establishment of an accredited and modern Customs laboratory in accordance with the ISO 17025 quality standard (General requirements for competence of testing laboratories), as well as implementation of the ISO 17000 standard for accreditation of customs officers for taking oil derivatives samples.



6.2 Strategic priority "Trade facilitation"

The Customs Administration remains committed to the process of accession of the Republic of North Macedonia to the EU and to the fulfillment of European standards and practices.

At the same time, Customs is proving to be a reliable partner in providing competitive environment for the Macedonian business and trade by facilitating the legal flow of goods and passengers and providing simple, transparent and predictable procedures and formalities.

"Digital Customs" remains a driving factor in overcoming information asymmetry, complexity of procedures and physical contacts with economic operators. The concrete benefits are recognized in reduced costs, lower efficiency risk and prevention of corrupt practices.

Together we will work for flawless transport and mobility of people, reduced delays at border crossings, improvement of the already practiced Single Window System, creation of conditions for combined interactive transport, expanded use of green corridors.

The activities concerning facilitation, among other things, specific agreed measures: revitalization of the rail transport, automatic vehicle weight measurement system, real-time data collection, new border crossing facilities - combined for Customs and Border Police, additional lanes at the border crossings (for trucks, for access to secondary control), additional parking capacity.

Under the project "**Support for Trade and Transport in the Western Balkans**", with the realization of component 1 - Support for the movement of goods through the Western Balkans (a-design and adoption and implementation of the National Single Window system and b-Improvement of border crossings on selected corridors used for trade), the expected transport efficiency and reduced costs will be ensured.

In a pandemic, both Customs and other border agencies realized the need for additional electronic services without the use of paper documents. The new solutions should be in line with the capabilities of the users and be compatible with the electronic document exchange systems used in commerce. Cooperation with the private sector is inevitable, both for negotiation and in the field of joint training.

E-commerce plays a key role in the growth of small and medium enterprises in the Republic of North Macedonia. Therefore, Customs will endeavor to new significant breakthroughs in the facilitation and digitalization of the procedures for import of small shipments from abroad in the cross-border e-commerce system, as well as the export procedure, with opportunities for companies to sell and export their products to foreign markets.

Strategic objectives:



6.2.1 Harmonisation of national customs legislation with European Union legislation and best practices

Strategic activities:

- Amendments to the Customs Law - legal amendments in the part regulating the misdemeanor measure - confiscation of the goods subject to misdemeanor, for full harmonization with the verdicts of the European Court of Human Rights;
- New Customs Law regulating new digital procedures, new authorisations, right to be heard when a negative decision is made, new terms of customs procedures, new digital systems (harmonization with the new Union Customs Code);
- Customs Law Implementing regulation (laying down the conditions, criteria, deadlines for acting according to the new Customs Law);
- Guidelines for implementation of the new Customs Law (for import, export, transit, guarantees, import of goods in the customs territory, etc.);
- Amendments to the Law on Customs Representation, to regulate further digitalization of data exchange, transfer of competences for training to the Chambers of Commerce, facilitating the conditions for obtaining a license to perform representation activities in customs procedures;
- Regulation on Import Duty Relief;
- Further harmonization of the excise regulations with amendments to the Law on Excise Duties, the rules deriving from it and the internal instructions, to ensure full compliance with the EU regulations (introduction of provisions for monitoring of raw tobacco and denaturing of alcohol, alcohol EU Directive No. 2020/262 on general arrangements for excise duties).
- Amendments to the Law on Customs Administration, aimed at further trade facilitate.

6.2.2 Digitalization of customs and excise procedures

Special attention will be paid to additional digitalization of processes and upgrade of existing equipment (hardware, software and licenses) for its implementation.

The implementation of interoperability standards according to the National Interoperability Platform is an area that the Customs Administration covers in the stages of planning, defining the needs and implementation of projects for development of new ICT systems, taking into account the national regulations in the area of e-government and e-services, electronic documents, electronic identification and confidential services. The needs and standards for interconnection and interoperability with the EU ICT systems are implemented accordingly.



The interoperability platform enables electronic exchange of data and documents between institutions/companies in a standardized, secure and unified way. The data exchange between two institutions takes place according to defined standards for security, protection, format and structure of data.

We will work on introducing a completely paperless environment in the customs procedure through the implementation of electronic systems from the e-Customs program (Multiannual Strategic Plan of the EU - MASP), which are compatible with the systems and procedures in the European Union.

The engagement for preparation for interconnection and interoperability with EU systems and implementation of systems harmonized with EU systems, which can be established before EU accession, continues. The activities of the first phase of implementation (until 2023) refer to the development of the transit system NCTS phase 5, as well as the national development of other ICT systems, in accordance with the ICT Development Strategy of the Customs Administration 2021-2025. In parallel, further analysis will be conducted for full harmonization with the EU systems through the implementation of future projects from the second phase (2024-2025).

Strategic activities to establish **interconnection and interoperability with EU and national government systems:**

- Development and implementation of the amendments to the New Computerized Transit System - Phase 5 and implementation of the new architecture of the System for intercommunication with European systems;
- Development and implementation of the national domain of the Economic Operators Registration and Identification number (EORI) and Unified User Management and Digital Certificates (UUM & DS);
- Implementation of the national domain of Binding Tariff Information Systems, Surveillance, Customs Tariff Management;
- Development and implementation of a new National Single Window system;
- Development and implementation of a Management System for controls and investigations;
- Implementation of the national domain of the System for Customs and Excise Decisions (MEOS);
- Implementation of the amendments to the Reference Data Management System;
- Implementation of the national e-commerce domain compliant with ICS2;
- Upgrade of the Import and Export System in CDEPS;
- Upgrade of the Import and Excise Duty System in CDEPS.

6.2.3 Modernisation of Customs ICT infrastructure for operation support

Development and implementation of a Data Warehouse is planned to ensure conditions for integrity, unambiguity and maximum use of data and data models in the Customs Administration.



A data center will be established at a remote location (Disaster Recovery) to provide the necessary requirements and standards for data protection, ensuring adequate protection of systems from disasters, as well as continuity of operation.

New e-initiatives in customs operations (e-commerce, e-banking, e-learning) will be implemented.

ISO / IEC 27001 (Information System Security Standard) will be implemented, which should cover all IT processes related to IT security and protection, applications, data and ICT systems, located in the Data Center (server room) located on the headquarters of the Customs Administration in Skopje, as well as the necessary processes in the Disaster recovery center which is in the final phase of implementation.

We will work on increasing the administrative capacity and overcoming the problem with insufficient number of employees in the ICT Sector (one of the permanent conclusions in the reports from the IT monitoring missions of DG TAXUD).

6.2.4 Trade facilitation through regional economic integration

"Open Balkan" as an initiative including which North Macedonia, Albania and Serbia for now, which aims to promote and develop the capacity of the region and bring concrete benefits to citizens and businesses, through closer economic cooperation and promotion of freedom of movement of people and goods.

Strategic activities:

- Mutual recognition of the **Authorized Economic Operator** authorizations;

Following the signing of the Agreement on Mutual Recognition of AEOS Authorizations with the Republic of Serbia in August 2019, Protocol for Implementation of the Agreement on Mutual Recognition of the Authorized Economic Operator - Security and Safety (AEOS) Authorizations was signed with the Republic of Serbia in December 2021 thus completing the entire process of validation of the mutual recognition of AEO programs.

In December 2021, an Agreement was signed with the Republic of Albania. After the ratification of the agreement, signing of Protocol and the process of validation of the AEO program of Albania is underway.

The validation of the AEO program of the Republic of North Macedonia was successfully completed and a positive report was received from the CEFTA⁵ Validation Team, with the participation of a representative from the European Commission as an observer. A decision is expected for mutual recognition of the AEO programs in the CEFTA Parties.

⁵ Central European Free Trade Agreement



The next interest and next steps are creating conditions and considering the possibilities for mutual recognition of AEO programs with the European Union.

There is an interest in signing an Agreement on mutual recognition of AEO programs with the People's Republic of China.

- Extended network of **green corridors**, with 24/7 availability and introduction of green corridors with the EU

The application of green corridors has been extended to all border crossings in the region (May 2021). An initiative has been launched for green corridors with Greece and Italy.

Introduction of **joint border controls** at selected border crossings and reduction of the waiting time at the border crossing points up to 70% of the current waiting time

Joint controls (One Stop Shop) for international road traffic have already been established with the Republic of Serbia, at the border crossings for entry and exit.

An Agreement for One Stop Shop implementation has been signed for joint controls with the Republic of Albania, which should be ratified by the Parliament. Draft versions of the implementation agreements that are to be negotiated have been exchanged.

Agreement on Border Dispatching for Rail Transport (Blace) was signed with Kosovo, with an Implementation Protocol signed (customs controls, exchange of information, maintenance and operation of communication devices, etc.). For joint road traffic controls, a draft Agreement was exchanged and an initial meeting was held.

- Extended and improved application of **risk management within CEFTA** and the Systematic Electronic Data Interchange (SEED) to all agencies involved in customs clearance of goods.

The operational implementation of electronic exchange of phytosanitary certificates between the countries of the Open Balkan - North Macedonia Serbia and Albania and other CEFTA parties is expected to start in mid-2022. The electronic exchange of other border documents through the SEED + project is expected to be established during the third quarter of 2022. The processing of these electronic documents and their exchange will be done through the TRACES NT system, which is also used in the EU countries and which was donated by the European Commission through the SEED + project for implementation within the CEFTA countries. This will mean establishment and implementation of EU practice and legislation, which is laid down in the Additional Protocol 5, signed by the CEFTA parties.

- Introduction of a regional e-commerce market by adopting the most important harmonized rules and principles of the internal market, by facilitating the customs clearance of shipments and overcoming geo-blocking.



6.3 Strategic Priority "Protection of Society"

The growing threats of organized crime, terrorism, as well as the danger of disease and new threats in the field of prohibitions and restrictions require proper involvement of the Customs Administration in terms of protection of health, safety and security of citizens and society.

Surveillance of the supply chain will be based on risk management that will ensure faster flow of goods and passengers, and controls will be performed selectively to protect the financial interests of the national economy, as well as to protect society and the environment. Big data which is available to both Customs and other institutions, including international exchange will be processed with modern systems and tools, thus providing better analysis. Key factor for quality data analysis is the staff and they will be constantly trained to strengthen their capacities. Targeted controls, pre-customs clearance, during customs procedures and post-clearance will ensure a balance between the proper use of available resources.

Greater application of new technologies will bring with it new and more frequent forms of crime, such as data-related crimes, cyber threats. Customs will need to be dedicated to preparing for decisive action by improving its capacities, using the best tools and innovative technologies and appropriate training.

The Customs Administration, as one of the state bodies responsible for prosecuting perpetrators of crimes, will take part in the implementation of coordinated measures to prevent money laundering and terrorist financing, which will be taken by the competent institutions and will act to strengthen inter-institutional and international cooperation, by allocating adequate technical and human resources. Success in detecting, documenting and prosecuting money laundering and terrorist financing cases will depend on the quality of the information exchanged.

In the forthcoming period, the Customs Administration, as a body of the Judicial Police will be engaged in staffing and institutional strengthening of its capacities for conducting financial investigations, finalizing the started operational procedures for financial investigations, establishing an efficient data exchange system for that purpose. A special challenge for all institutions will be the establishment of uniform statistics based on a uniform methodology for recording financial investigation procedures (Track record).

Special attention will be paid to the operational units that should have sufficient number of profiled employees, able to act in all kinds of situations as a solid factor in preventing and detecting illegal actions, discouraging the intention to perpetrate such activities and resolutely dealing with them.

There will be challenges in the area of intellectual property rights protection, particularly in the field of counterfeit goods sold through e-commerce, where we will have to act proactively,



through better cooperation with other institutions and participants in e-commerce, raising to the awareness of companies and consumers, more frequent coordinated actions to combat counterfeiting. The activities for raising the public awareness about the risks of using counterfeit products, in the form of campaigns and public awareness events will continue. More and better information will be exchanged for the purposes of selective controls that should be intensified in both postal and express shipments.

Postal and express shipments will also be subject to stricter controls focused on the detection of weapons, their parts and ammunition.

Strategic objectives:

6.3.1 Tackling illegal trade and organized crime

Criminal networks involved in illicit trafficking in controlled substances, weapons, individuals and migrants operate in the Western Balkans. The region is the shortest corridor between the countries of origin and countries of destination of heroin. There is a link between drugs, crime and terrorism, which is also noted in the high policies of the United Nations Security Council. Terrorism, radicalization and organized crime are considered the greatest threat not only to the Western Balkans and the wider region, but also to the European Union.

Joint actions are taken to improve the capacity to fight organized crime: improved electronic recording and exchange of information at national and international level, modernization of border control equipment, procurement of new CCTV equipment and improved mobility; and fast response capacities.

Joint control mechanisms for more efficient and coordinated response to illicit trade and organized crime through selected controls will be strengthened.

It has been agreed to establish and operationalize a Joint Interagency Unit that will include an Airport Communication Project (real-time operational communication between airports to prevent and combat transnational crime and terrorism AIRCOP) and a Container Control Program (capacity building for enhanced risk management, security, supply chain, trade facilitation at ports, airports and land border crossings in order to prevent unauthorized cross-border movement of containers (CCP). It is a joint activity of the European Union and the United Nations Office on Drugs and Crime (UNODC), which will cover Bosnia and Herzegovina, Montenegro, Serbia, North Macedonia and Kosovo.

With the support of UNODC, there will be activities on strengthening the counterterrorism finance system, for detection, research and dismantling terrorist financing. Activities to combat terrorist financing will include training that will last until December 2022.



In parallel with the coordination of institutional capacities for detection, prevention and response to all forms of terrorist phenomena and activities, the capacities for conducting financial investigations will be strengthened as an essential tool for modern and effective response to criminal threats, including terrorist financing, thus providing new evidence for criminal prosecution, exposing entire criminal networks, including their transnational consequences, which is crucial in developing preventive and proactive activities by designing tools to detect and monitor money laundering, terrorist financing and other serious crimes (planned development of parallel financial investigations in all cases of serious crime). The existing Standard Operating Procedures for conducting financial investigations will be revised and harmonized with the Standard Operating Procedure of the Public Prosecutor's Office and other institutions conducting financial investigations.

In line with the **Action Plan for Suppression of the Shadow Economy**, activities will be taken for improvement of the professional staff in the area of inspection services in the competent institutions aimed at achieving efficient results in the fight against the shadow economy, conducting relevant comparative analysis and appropriate application of positive comparative examples, preparation of precise registers in order to efficiently locate the relevant sectors in which the highest level of gray economy is recorded.

Work will be done on **establishing data exchange with government institutions through the Interoperability System**. The Customs Administration is a user of the Interoperability System and when exchanging data with other government institutions can be both provider and recipient of services (data). The exchange is conducted on grounds of a previously submitted request and a signed memorandum with the other institution. Accordingly, the exchange activities are planned after the established communication based on the request.

6.3.2 Ensuring efficient excise goods administration

Strategic activities:

- Development of policies, systems, procedures and instruments for efficient control and collection of excise duties through harmonization, improvement and implementation of regulations in accordance with best national and European practices;
- Further development and improvement of the electronic paperless system for management of excise documents, in order to speed up and simplify the excise procedures and increase the supervision and control of excise goods;
- Increasing the efficiency of excise controls by introducing targeted controls on high-risk excise goods;
- Intensifying the cooperation with the business community, developing the cooperation with relevant EU agencies and international institutions.

A system for marking and monitoring tobacco products (cigarettes) will be established through the TRACK & TRACE system which is based on digital identification of products by applying a



single identifier in the form of a digital code on the product packaging in the production process. The digital code contains security measures against counterfeiting and enables subsequent monitoring of the movement of the specific product from the manufacturer to the first retail location.

6.3.3 Strengthening in the area „prohibitions and restrictions“

Strategic activities:

- Strengthening intellectual property rights protection through further harmonization of the national with European regulations;
- Fight against organized networks - introduction of a new competence "Counterfeits" in the Sector for Control and Investigation - Protection of consumers and the environment, particularly for products harmful to health and safety;
- Communication with the customs attachés for fight against international organized crime;
- Regular meetings with the competent institutions granting permits, authorisations or consents for the respective customs procedure, as well as organizing joint events, workshops and training;
- Improved monitoring of dual-use goods used in narcotics production;
- More successful detection of threats and dangerous and illicit goods in the movement of postal items and packages, without disturbing the flow;
- Strengthening the capacity to prevent misuse of postal services by criminal and terrorist groups in their intention to transport certain illicit goods.



6.4 Strategic Priority “Organisational and Infrastructural Development”

All activities aimed at modernization of the Customs Service will be in accordance with the commitment of the advanced European services to be proactive, to act uniformly with all participants, with a commitment to innovation and sustainability. Establishing a data channel with trusted partners and effective data sharing mechanisms remains a challenge.

Development trends will be adapted to the progress made by the business sector. Customs must invest in equipment, infrastructure, research and innovation. It is wise to act to anticipate and fully sense the risks and overcome weaknesses in areas where potential vulnerabilities are identified.

The use of more advanced technologies imposes the need for improved competencies and skills of the customs officers themselves, taking into consideration the greater application of software for surveillance, scanning, monitoring, laboratory tests and the like. The training system will have to be strengthened to timely address the needs for professional development of the customs officers. The program for permanent professional training should cover every employee in the Customs Administration.

High level of integrity is always a priority area of action for achieving efficient customs service of the 21st century, which all members of the World Customs Organization aspire to and in which practical examples and advice are exchanged for the implementation of measures and initiatives for higher level of integrity. It is not acceptable to have corruption and other forms of lack of integrity that threaten the missions and objectives of the customs services.

Promoting integrity requires joint action by customs services, other border agencies, the private sector and participants in global trade.

A wider anti-corruption front is being formed at the state level as well. Laws alone are not enough and the integrity of individuals and institutions needs to be addressed. The National Strategy for Prevention of Corruption and Conflict of Interest 2021-2025 outlines joint and decisive actions in this area.

6.4.1 Strengthening the Human Resource Management System

Strategic activities:

- New Law on the Customs Administration, which among other important amendments includes provisions for access of the Customs Administration to big data, percentage of confiscated property in a procedure in which the Customs Administration acted to be returned to the Customs Administration Budget, status of Judicial police for the



employees of the Sector for Professional Responsibility of the Customs Administration (pursuant the Law on Criminal Procedure, Articles 46, 47).

- Introduction of customs competencies in the processes of human resource management;
- Enhancement of the training and professional development system;
- Further enhancement of the work performance evaluation system of the customs officers;
- Introduction of distance learning platform, which will include the use of the EU Multimedia Library for customs and taxation;
- Development of the ICT system for human resource management.

6.4.2 Implementation of measures for prevention of inappropriate and corruptive behavior and development of systems of rules and control

Strategic activities:

- Implementation of national strategies and programs for prevention of corruption and conflict of interest and the Methodology for relevant statistical system for monitoring of anti-corruption policy, which enables coordinated and uniform collection, processing and analysis of data for prevention and fight against corruption;
- Strengthening the cooperation with the State Commission for Prevention of Corruption and other institutions involved in the fight against corruption;
- Improving the mechanism of professional accountability and integrity by using the best international practices by advancing the established systems for professional, legal and ethical conduct;
- Implementing measures to strengthen the integrity and affirmation of positive behavior of employees that promotes honest and ethical behavior in the performance of their official duties;
- Strengthening regular and extraordinary internal controls and investigations;
- Strengthening the established system of self-assessment of high risk processes prone to corruption in the entire scope of work of the Customs Administration;
- Raising the public awareness for reporting cases of corruption by organizing and conducting campaigns to prevent corruption and conflict of interest;
- Implementation of a new video surveillance system with the possibility of selecting and providing recorded material for the needs of the Customs Administration's units, but also of external institutions competent in fight against crime and corruption;
- Introduction of body cameras for customs officers at the border crossings - procurement and installation of equipment recording all activities of the customs officers during their working hours at the border crossings.

6.4.3 Border Crossing Infrastructure Modernization



The construction and reconstruction of the border crossings will include:

- Development of border infrastructure between the Republic of North Macedonia and the Republic of Greece, equipping and modernization of BCP Bogorodica and BCP Star Dojran;
- Construction of a new border crossing with the Republic of Greece - Markova Noga;
- Reconstruction of BCP Delchevo;
- Reconstruction of BCP Deve Bair;
- Equipping and modernization of BCP Kjafasan;

The activities will be aimed at:

- Improving the quality of services and working conditions for the economic operators and customs officers through the modernization of the border crossing infrastructure;
- Introduction of automated BCP terminal management system;
- Replacement of old and installation of new equipment (new scales, generators, ramps);
- Improving the energy efficiency of buildings;
- Replacement of the existing cooling and heating systems in the buildings, with new ecological ones;
- Installation of equipment- electricity producing solar panels on the premises of the Customs Administration;

6.4.4 Improvement of the work process quality control

The staffing of the Internal Audit Department will improve the quality of internal audits, which will be conducted with greater engagement of top management. The processes with identified high level risk will have priority of audit observation. Internal audits in their focus will include new processes that will arise from modernization. It will be practiced to present the results of the planned and conducted audits for proper planning of the next steps that should contribute to the general improvement and overcoming of the existing and anticipated possible risks that need to be controlled and tackled.

A new electronic DEPOSITORY of documents will be developed as a sub-module in the LUKA system, for better record-keeping of all internal acts (guidelines, procedures, etc.) and external acts (laws, regulations, rulebooks and other bylaws) which are to be observed by the employees of the Customs Administration. This will also ensure easier access to the documentation by the employees.

The Integrated Information System (IIS) will be upgraded to the eDMS module - Administrative Procedure, by amending the workflow of the administrative procedure in eDMS for the Unit for Administrative Procedure, which will be harmonized with the amendments to the Law on General Administrative Procedure.



6.4.5 Strengthening the mid-term budgeting for efficient and transparent public finance management

Full implementation of the new Law on Budgets and the new Law on Public Internal Financial Control and their implementation

Strategic activities:

- Enhancing the public finance efficiency and transparency;
- Improving the budget process from a budget based on inputs to a results-oriented budget;
- Providing permanent support to improve the financial responsibility and capacity of the personnel authorized to take financial obligations as main beneficiaries of the approved budget funds;
- Application of disciplined budget spending with emphasis on restrictiveness and control of less productive costs at the expense of increasing investment in capital projects and improving infrastructure;
- Strengthening the system for public internal financial control in the Customs Administration.

6.4.6 Promotion of international cooperation

Strategic activities:

- Monitoring and accepting the World Customs Organization instruments to facilitate trade and increase international supply chain security;
- Promotion of the Customs Administration through cooperation with other customs administrations, concluding agreements and memoranda of cooperation;
- Covering the needs for promotion of the Customs Administration in accordance with the strategic reforms;
- Participation in Programs - Customs 2027, IPA Programs, TAIEX and twinning programs;
- Participation in the meetings of the General Directorate of Customs and Taxation - DG TAXUD;
- Promoting bilateral cooperation with the customs administrations from the non-European region;

7 Key Success factors

To ensure successful implementation of this Development Strategy and the defined goals and measures, the Customs Administration will rely on political commitment and support, stable working conditions, adequate financial and human resources, organizational changes and overcoming challenges at national level.



8 Final Provisions

This Development Strategy shall enter into force on the day of its signing.

All organizational units are responsible for the implementation of the established strategic goals, in coordination with the Unit for strategic planning - Department for projects and strategic planning, within the Sector for International Cooperation and European Integration, projects and strategic planning.

The realization of the strategic priorities and goals of the Strategy is supported by an elaborated Action Plan which defines: **key performance indicators by priorities, strategic oriented activities, with measurable performance indicators, deadlines and the necessary resources for their realization.**

Based on the established performance indicators, regular information will be provided on the progress in implementation the activities in the Action Plan of the Customs Administration of the Republic of North Macedonia 2022-2024, aimed at realization of the strategic goals of this document.

In case of deviation from the expected results, adjustment will be made and additional measures will be taken.

With the adoption of this 01.10.00.ST.047.01 Development Strategy of the Customs Administration of the Republic of North Macedonia 2022-2024, the 01.10.00.ST.044.01 Strategic Plan of the Customs Administration of the Republic of North Macedonia 2021-2023 no. 01-015113 / 21-0001 of 17.03.2021 shall cease to be valid.

9 Forms

01.10.00.CT.047.01-05.01.01 Action Plan of the Customs Administration of the Republic of North Macedonia for 2022-2024

**Director General
Slavica Kutirov MSc.**

No. 01-009052/22-0001
Skopje, 25.02.2022





Strategy prepared by: Unit for Strategic Planning

Recipients: Director General,
Deputy Director General,
Advisors to the Director General
Directors of Sectors,
Heads of independent Departments,
Heads of Regional Customs Offices

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Sector for International Cooperation and
European Integration, Projects and Strategic
Planning