

ANNUAL REPORT

2018





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VISION

TO BE THE MOST ADVANCED CUSTOMS ADMINISTRATION IN THE REGION WHICH STRONGLY SUPPORTS THE LEGAL ECONOMY, FULLY IN LINE WITH EUROPEAN UNION STANDARDS

MISSION

TO PROTECT THE FINANCIAL INTERESTS AND THE SOCIETY, WHILE SUPPORTING THE ECONOMIC DEVELOPMENT THROUGH COOPERATION, FACILITATION AND INNOVATION



MESSAGE FROM THE DIRECTOR GENERAL



Dear readers,

Focused on the vision we have set in front of us - to be the leading Customs Administration in the region in line the highest European standards, while at the same time remaining consistent to protect the financial interests and the society, in the past year, we continued to move with even greater pace towards full integration into the European Union, and to support the economic development of the country through cooperation, facilitation and modernization.

During last year, we continued with the harmonization of the national customs legislation with the legislation of the European Union and its application. Our priorities were related to trade facilitation, provision of simplified customs procedures for economic operators and introduction of the status of Authorized Economic Operator - a concept based on partnership between the Customs and the business community.

We can proudly inform that through a chain of training sessions and seminars for establishment of this internationally recognized quality measure, we ensured recognition of the benefits of this concept by the business community. As a result, in 2018 two companies have already acquired the status of Authorized Economic Operator, and for several companies the procedure is in progress. As indicator of the enhanced trust with the community, the law amendment for 50% reduction of the fees for penalties for customs offences has been applied. In consultation with the business community, a new Law on Excise has been drafted. This draft Law is harmonized with European legislation on Excise and is expected to enter into force in the second half of 2019.

Several major projects funded by the European Union have also been implemented. At the recently modernized and functional border crossing point Tabanovce with Republic of Serbia, funded through the IPA funds, in September 2018 we announced the launch of the One Stop Shop project with the Republic of Serbia, thus making the Corridor 10 more attractive and more efficient for export, import and transit of goods. New terminal and facilities for customs clearance and inspections at the border crossing Kjafasan were built. In order to strengthen the customs control capacities, the customs laboratory received new, modern and more sophisticated equipment.

In 2018, the Customs Administration started a new chapter in its work - the development of the Customs Declaration and Excise Processing System (CDEPS) was finalized, and will replace the current ASYCUDA system. Hence, all customs procedures, which until now were paper-based, will be replaced by paperless - electronic procedures. The implementation of the new system, being a prerequisite for further development of digital solutions and services, will significantly simplify the work of the customs officers, border agencies and all participants in the customs and foreign trade procedure and will create more efficient and modern customs environment, in line with global development and the digital era. The new system will function in an integrated environment with the existing customs systems, and represents the foundation for establishing interconnectivity and interoperability with EU systems in the future.

It is of no less importance to emphasise that we have introduced and will proceed to apply high standards of integrity in order to increase the effectiveness, efficiency and reliability of the employees and we have joined the world trend of lifelong learning by continuously providing professional trainings. Since recently, e-Learning courses are available on our website for the most important aspects of customs operations, in line with the e-Learning programme of the European Commission.

I have the pleasure and I am proud to conclude that in the year that passed, we made significant progress in modernizing our Customs Administration. I convey my high appreciation and recognition to all supporters, partners and employees of the Customs Administration for their support, professionalism, dedication and enthusiasm in reaching the set goals, and the results achieved are an incentive for further diligent work and even greater success.

Sincerely,

Gjoko Tanasoski, MSc
Director General

II. LEGISLATION

II.1. Customs related legislation

To simplify the customs procedures, reduce the costs of the economic operators and promote the domestic economy, the Customs Administration in 2018 carried out intensive activities aimed at improving the customs legislation through harmonization with the regulations and best practices of the European Union, in line with the needs of the business sector.

ADOPTED LEGAL GROUNDS FOR THE AUTHORISED ECONOMIC OPERATOR CONCEPT

Law on the ratification of the Additional Protocol 5 to the CEFTA Agreement

Law on the ratification of the Additional Protocol 5 to the CEFTA Agreement

This Protocol stipulates mutual recognition of the national authorized economic operators of every CEFTA state, significantly improves the movement of goods and trade in the region, with third markets and particularly with the European Union markets. **The provisions of the Customs Law and the Customs Law Implementing Regulation concerning the AEO are aligned with the European legislation.** Detailed criteria for acquiring AEO status, the advantages for the companies and the manner of granting the AEO certificate are regulated.

REDUCED FINES FOR MISDEMEANORS

With the amendments to the Law on the Customs Administration and the Customs Law, adopted in August 2018 the former principle of imposing fines with mandatory payment order for the majority of customs misdemeanors has been abolished, introducing issuance of a misdemeanor payment order.

- ♣ **50%** reduction on fines
- ♣ possibility for active participation in the procedure before the Customs Commission for Misdemeanors
- ♣ further legal protection before the State Commission for Decisions in Second Instance in the area of Inspection Supervision and Misdemeanor or Procedure and legal protection before the administrative courts

II.2. Excise duties

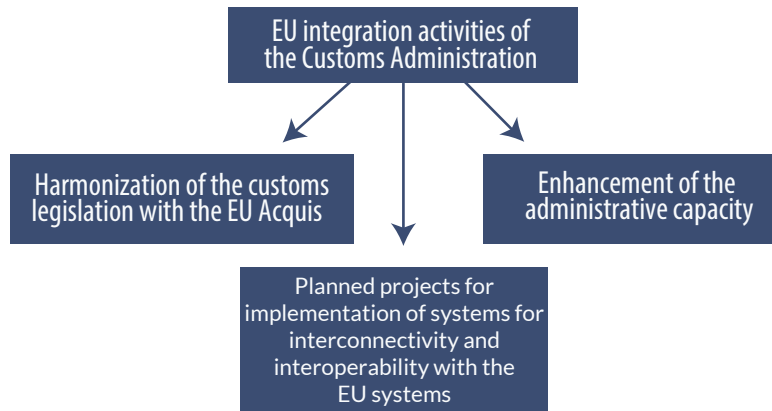
New Law on Excise Duties has been drafted, **aligned with the EU excise legislation.** It is expected to enter in force in the second half of 2019.

The viewpoints and thoughts of the business community were taken into consideration in the drafting of the Law:

- ♣ tobacco producers and importers,
- ♣ energy sector,
- ♣ agricultural producers and
- ♣ small producers of beer and alcoholic beverages.



III. PROCESS OF ACCESSION TO THE EUROPEAN UNION



The European Union Member States are part of the Customs Union and follow the same customs rules and procedures. This requires harmonization of the legislation, adequate capacity for implementation, application and access to common computerized customs systems.

III.1. Alignment with the European legislation and administrative capacity building according to European Union standards

IPA PROJECTS

Upgrade of the customs clearance and inspection facilities at the border crossing point Kjafasan (IPA 2013)

- Construction of customs clearance and inspection facilities;
- New customs terminal of 9.5 thousand m²;
- Access roads;

Strengthening of the operational and institutional capacities of the Customs Administration (IPA 2013)

- Further harmonisation of the national customs legislation with the EU legislation;
- Ensuring greater efficiency in detection and prevention of customs frauds through more efficient targeted controls;
- Strengthening the capacities for post-clearance control and application of advanced laboratory methods and means;
- Trade facilitation through mastering risk-analysis as per EU standards and best practices; New customs laboratory equipment.
- The project is ongoing and it is expected to be completed by the end of 2019.

PLANNED PROJECTS

Public Finance Management Reform Programme IPA 2

- Improvement of the quality of customs procedures– Twinning Project;
- Improvement of the quality of customs controls and fight against fraud and illicit trade in goods;
- Procurement of sophisticated equipment;
- Establishment of Disaster Recovery Centre;
- Procurement of ICT equipment;
- New law enforcement system and new Data Warehouse.

Planned Projects for ICT systems for implementation of interconnectivity and interoperability with the EU systems

- Upgrade of the NCTS;
- Development of EORI System (economic operators registration and identification);
- Development of an Automated Export System –AES.

Planned Projects funded through World Bank loans

- Development of a new National Single Window System (NSW)
- New Video surveillance System
- Infrastructural upgrade of border crossings.

CUSTOMS 2020 PROGRAMME OF THE UNION

53 officers took part in 29 events (training courses, seminars and workshops) and workshops)

- Under the CUSTOMS 2020 Programme of the Union in 2018 the customs officers participated in a number of activities aimed at strengthening the administrative and operational capacities of the Customs Administration, through exchange of expertise, knowledge and experiences with the European Union countries.
- The application of the already established CCN/CSI communication node continued through the CUSTOMS 2020 Programme. This node was established for connection needs with the European systems.

COMMON TRANSIT SYSTEM OF THE EU AND EFTA COUNTRIES

As of 1 January 2019, the Republic of North Macedonia chairs the Joint Committee on the Common Transit Convention.

- The Conventions on a Common Transit Procedure and on the Facilitation of the Formalities in Trade of Goods provide for a single movement of the goods within the member states, from one entry point to the location where the transit procedure ends.
- The electronic transit declaration with which the transit procedure has started is acceptable for all member states of the Convention on a Common Transit Procedure.

Processed 84.659 customs declarations in common transit procedure (EU and EFTA)

45.281 movements transited the country with our offices as offices of transit

Accepted 33.950 transit movements with our offices as offices of destinations

IV. HUMAN RESOURCES AT THE CUSTOMS ADMINISTRATION



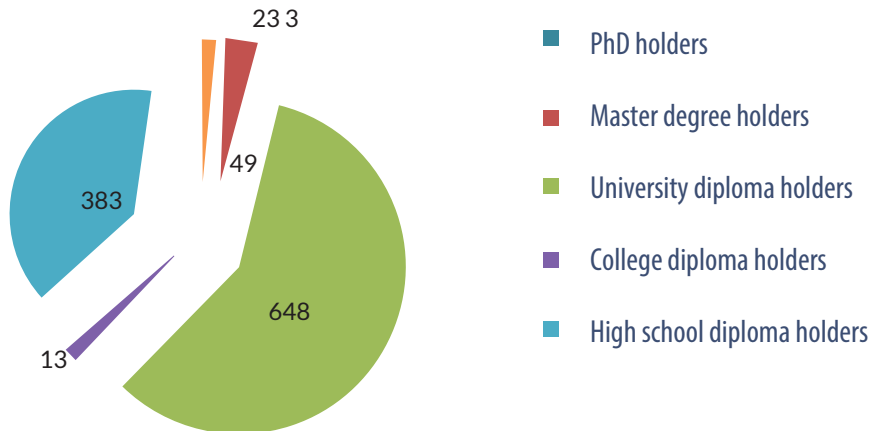
The strategic approach in the development of human resources is laid upon the competence management principle, which should be distinguished, recognized, acknowledged, constantly upgraded and sustained at a much more advanced level.

The requirements for expertise and professionalism are changing and require adaptation and modernization without stagnation, dictated, inter alia, by legal amendment, introduction of electronic customs operations and broadened contemporary needs of the customs service users.

Staff structure total 1.119 employees



STAFF EDUCATION





IV.1. Training and Professional Development

The established training system is defined in accordance with the current and future needs of the Customs Administration as an organization, but it also takes into account the needs of the employees. The purpose of expert development is to improve the work performance, not only of the customs officers but also of the management who play the crucial role in the realization of the set goals, particularly in transparent decision-making, providing for uniform application of the regulations, while at the same time ensuring that the processes of modernization and development of the Customs Administration is conducted at a steadfast pace.

286 events for professional development for **1.959** customs officers



Each employee had an average of **20 hours and 46 minutes** of training

IV.2. Fields of training courses held on regular basis in 2018:

Customs legislation and customs procedures

445 customs officers

Investigation, intelligence and risk management

124 customs officers

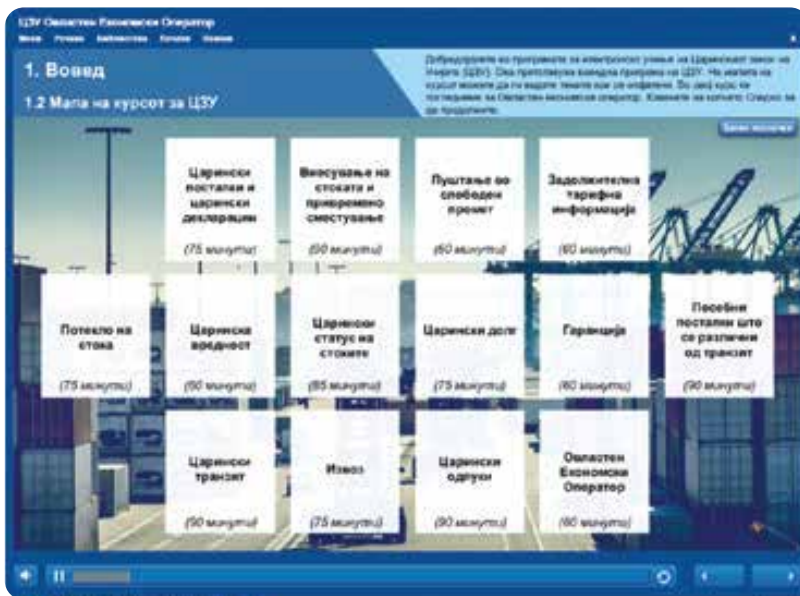
Human resources related training

720 customs officers

IV.3. e-Learning

Electronic learning is a tool for enhancement of the operational capacity of the Customs Administration and part of the Digital Agenda of the Government of the Republic of North Macedonia which should contribute to greater expertise and competences of all customs stakeholders.

17 e-learning courses on customs legislation and customs procedures (import, export, transit) have been made available on the Customs Administration's website. The courses are intended for both customs officers and the business sector and will enable them to acquire the necessary knowledge for uniform application of customs procedures and proper determination of the value and origin of the goods.



“ Available 17 e-learning courses on customs legislation and customs procedures ”



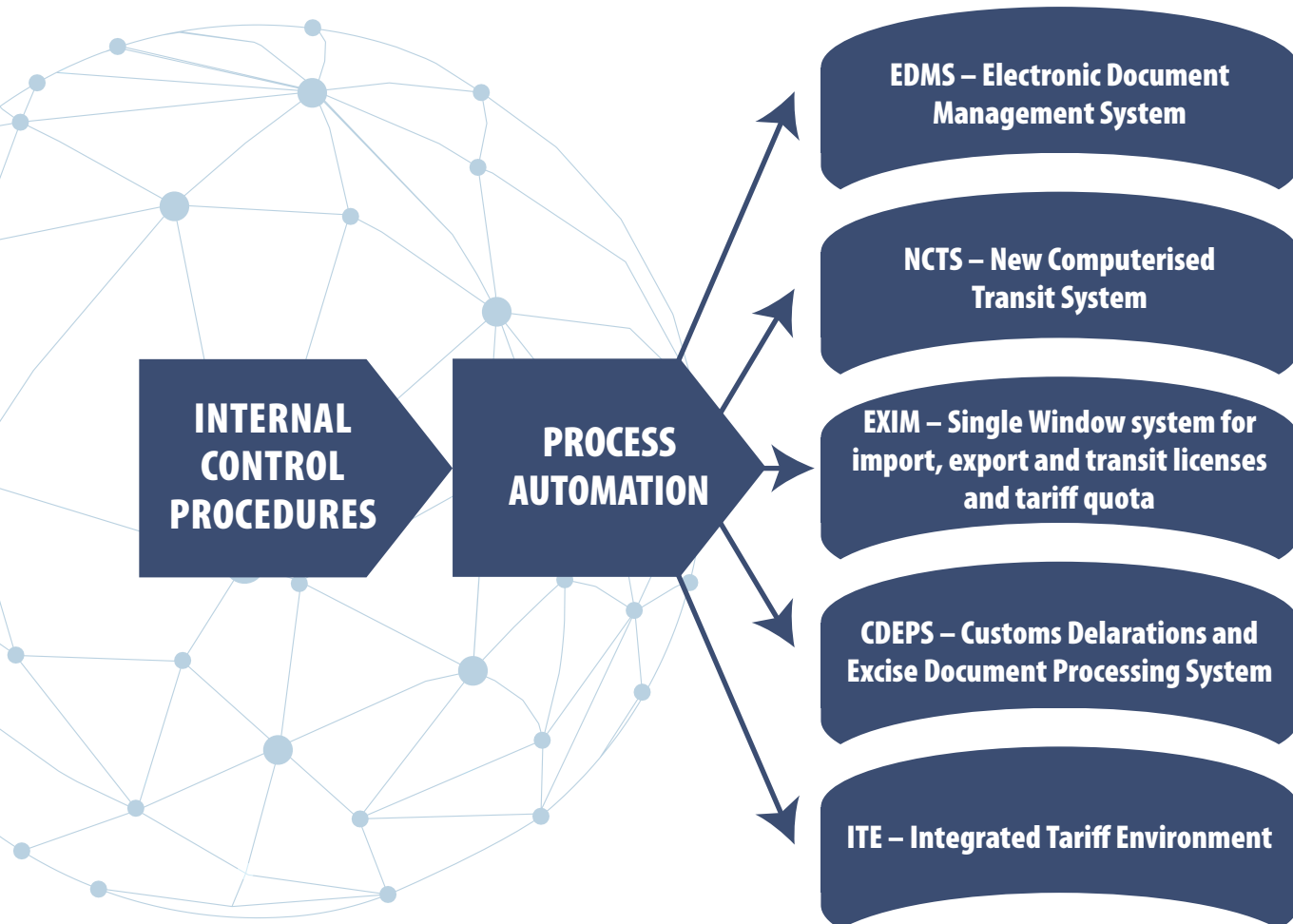
“
The courses are
easy-to-follow,
presented as a dialogue
with simple questions
and answers
”

IV.4. Integrity

INTEGRITY = RESISTANCE TO CORRUPTION

The paramount priority of the Customs Administration is tackling corruption through non-selective combat of this type of crime. Policies, standards and procedures are in place and are implemented through the customs integrity system to strengthen the resistance to corruption and reduce the risk of corrupt behavior by its employees.

Steps for prevention of corruption and strengthening the employees' integrity





V. FACILITATION AND ACCELERATION OF CUSTOMS PROCEDURES

V.1. Conditions for conducting customs formalities

The Customs Administration is dedicated to promote and maintain the current possibilities but to also introduce new ones to ensure easier and faster customs procedures and suitable conditions for their performance by following the latest trends of the digital age.

V.2. e-Customs

V.2.1. Customs Declarations and Excise Processing System (CDEPS)

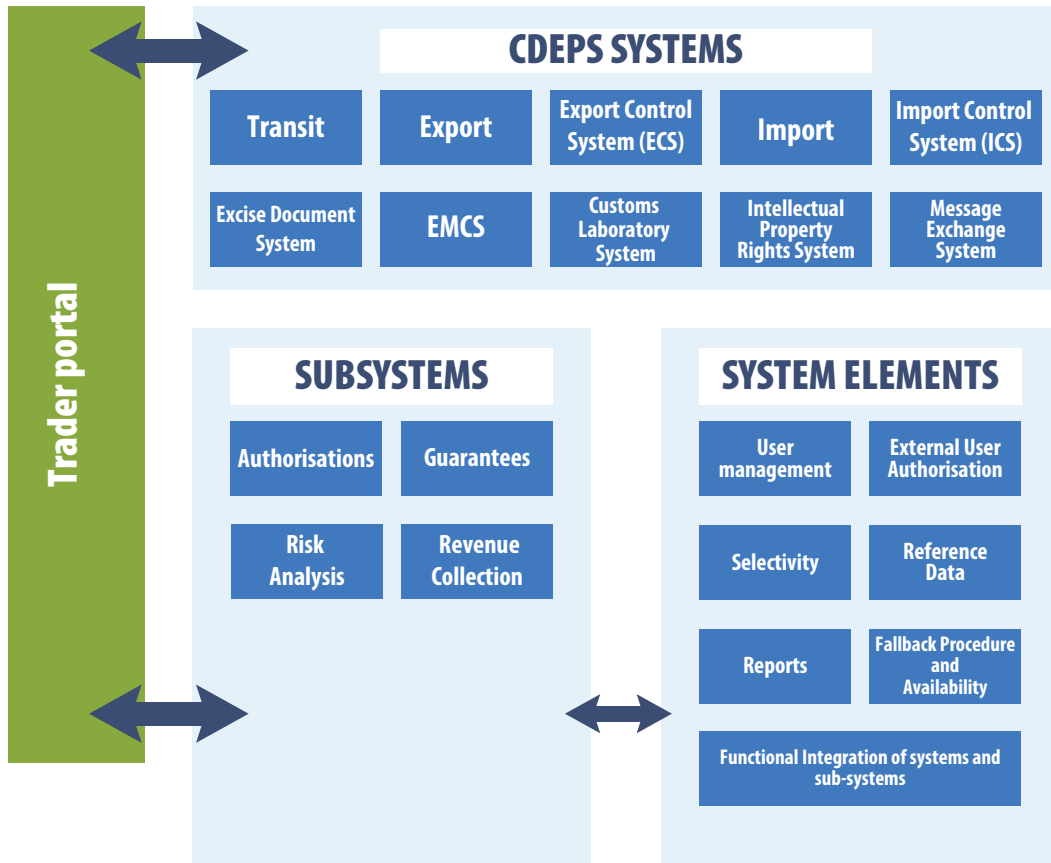
CDEPS - FULL DIGITALIZATION OF THE CUSTOMS OPERATIONS

In November 2018, the development of the Customs Declaration and Excise Processing System (CDEPS) was successfully finalized in the Customs Administration. The system will completely replace the existing system ASYCUDA. With the system development wrap-up, the Customs Administration team proceeded to implementation of the Pilot Project, in which 11 customs offices were involved.. The CDEPS is planned to go-live in June 2019.

The introduction of the CDEPS means start of a new, digital era for customs operations in our country. It will provide a safe, interoperable electronic solution in line with the WCO and EU standards, a completely paperless environment in customs and excise procedures through the exchange of electronic data with economic operators and other government agencies, faster customs and excise procedures for the economic operators and full compatibility with the EU systems.



The CDEPS is a complex system made of 10 system-modules, 4 sub-systems and several system elements:

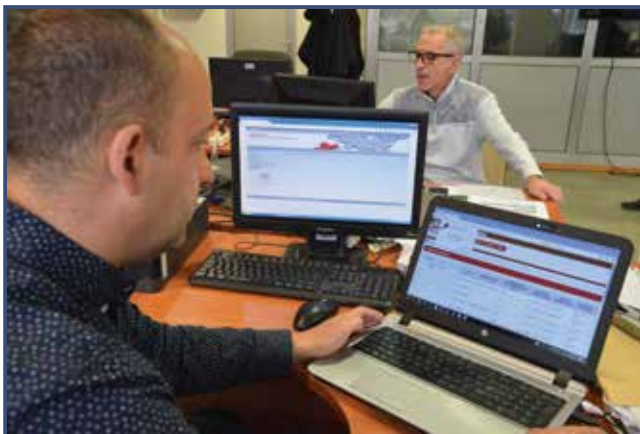


TRADER PORTAL – point of access to the CDEPS for the economic operators and customs agents



A number of training sessions for CDEPS have been organised for the business community, and this activity will continue until the final release of the system.

CDEPS is an integrated system that communicates with other customs systems (ITE, EXIM) and systems of other institutions.





The Steering Committee and part of the team for implementation of CDEPS



V.2.2. EXIM

The electronic Single Window System for import, export and transit licenses and tariff quota – EXIM is becoming more sophisticated each year, providing for greater efficiency and faster customs procedures. The number of registered users of this system is continuously growing.

New version of the EXIM system has been released and it is integrated in the new Customs Declarations and Excise Document Processing System (CDEPS) and the system Integrated Tariff Environment (ITE)

New functionality for the economic operators has been introduced: pre-arrival preparation (completion and amendment) of applications for licenses in EXIM.

**17 registered
government agencies**

**60 different import,
export and transit
licenses and tariff
quota**

V.2.3 Processed customs declarations

Total: 1.063.800 customs declarations (in 2017: 1.020.000), of which:

- ♣ import (about 45.40%) and
- ♣ transit (about 29.20%), followed by export (about 22.63%) and
- ♣ re-export (about 2.77% of the total number of
- ♣ processed declarations).

The share of simplified procedures in the total number of import and export procedures is 24.22%. of this, simplified procedures in export take 42.33%, and 15.20% in import.

V.3. Authorised Economic Operator

The Authorized Economic Operator Programme (AEO) in the Republic of North Macedonia has a huge impact in the future customs environment. The Customs Administration has been promoting the advantages and benefits of being an AEO through workshops informing the Macedonian companies and additionally encouraging them to get involved adequately in the global supply chain and boost their exports.



AEO is a key activity envisaged in the Multi-Annual Regional Economic Integration Action Plan for the Western Balkan countries adopted at the Trieste Summit. The Macedonian companies are encouraged to opt for the Authorized Economic Operator status in order to be able to engage in the regional supply chains within CEFTA and to use the benefits and privileges with the possibility for mutual recognition of the approved status that is forthcoming. The biggest challenge for the CEFTA Secretariat is the adoption of the rules for mutual recognition of AEO at the CEFTA Ministerial meeting.

According to this plan, activities to complete the requirements for mutual recognition of AEO certificates are also ahead of us.



TWO COMPANIES HAVE BEEN GRANTED THE STATUS AEO SO FAR. THIS NUMBER IS EXPECTED TO SIGNIFICANTLY INCREASE IN 2019.



AEO CONCEPT PROMOTED BEFORE OVER 300 COMPANIES

WITH AEO, THE INTERNATIONAL TRADE IS MORE SECURE, FASTER AND MORE EFFICIENT

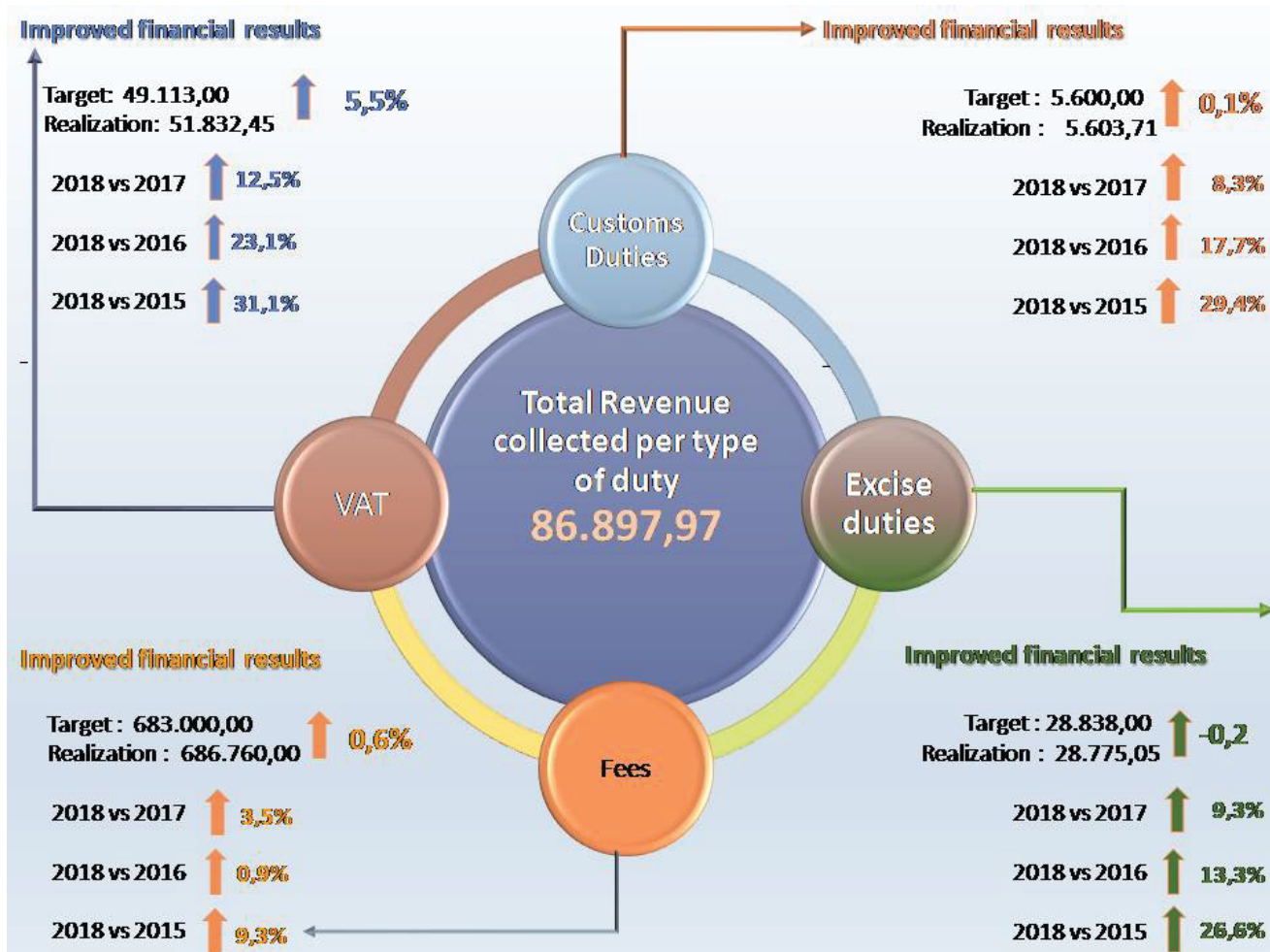
BENEFITS FOR THE MACEDONIAN COMPANIES HOLDERS OF AEO CERTIFICATE

- ♣ easier access to simplified customs procedures,
- ♣ priority treatment in case of customs controls,
- ♣ shorter customs clearance times,
- ♣ lower import and export costs,
- ♣ fewer physical and documentary checks by the customs authorities,
- ♣ selection of location for control, as well as other direct and indirect benefits, use of AEO logo,
- ♣ privilege in all CEFTA countries (following the signing of Agreements on mutual recognition).



VI. Revenue Collection

Revenue is presented in millions of denars



VII. LAW ENFORCEMENT

VII.1. CUSTOMS AND OTHER CONTROL

PROTECTION

Customs protects the state borders through identification and risk/threat management. We put maximum effort to efficiently and effectively respond to the increased volumes, diversity and sophistication of customs and revenue offending.

The grounds for our work are our strategic and action plans that are a roadmap on how we approach the risks and threats we face. We rely on four basic principles: prevention, intelligence, efficient prioritization and effective partnership and cooperation with domestic and international partners.

2018 was a challenging, but a very productive year for Customs.

RESULTS

Methods of concealing continue to become more elaborate and sophisticated. To identify and detect these cases and to focus our resources accordingly, we use intelligence and information based on risk- analysis. Customs seeks to continually enhance our risk-targeting methodologies and capabilities, and to deliver greater border security.



Our work in 2018 resulted in:

INTERCEPTIONS OF NARCOTICS, PSYCHOTROPIC SUBSTANCES AND PRECURSORS

In 2018, we had 16 interceptions of illicit drugs, seizing over 1 ton of marijuana, 9 kg of hashish, about 3 kg of cocaine and 15 g of heroin. Below are some of the most significant cases:



309 kilograms of marijuana concealed in bags of rice



550 kilograms of marijuana seized at BCP Bogorodica



2 kg of cocaine seized at the Skopje International Airport



35 kg marijuana and 10 kg of hashish found in a specially designed compartment in an automobile controlled at BCP Bogorodica

Prevented attempts for illicit trafficking of cultural heritage

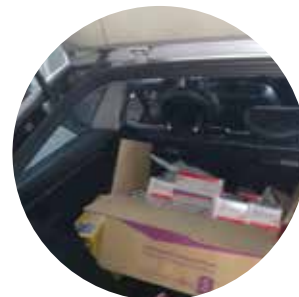


An attempt for smuggling of 98 archeological objects was prevented in May 2018 at the border crossing point Tabanovce

Interceptions of attempts for illegal trade in pharmaceuticals and medical aids

13 attempts for illicit trafficking of 41.786 pharmaceuticals and medical aids were prevented in 2018. Among them:

- 34.500 Tamol tablets, detected at the Skopje International Airport in the luggage of a passenger;
- 3.580 tablets, 300 insulin pens, 20 creams, 60 capsules, 400 ampoules and 6 sets of pharmaceuticals, detected in compartments on the outer side of the cabin of a Macedonian truck at the border crossing Bogorodica;
- 500 pieces of anesthesia, detected during control of a car at the border crossing point Kjafasan;
- 3.970 different dental instruments and materials found during control of a car at the border crossing point Bogorodica;



Prevented attempts for illegal transfer of cash and securities

Last year (2018) at the border crossings of our country, the passengers declared 11.996.059 Euros, generally upon entrance. This is an average of nearly 1 million Euros per month.

Besides the regularly reported foreign cash, in 2018 the customs officers prevented 32 attempts for illegal transfer of 308.730 Euros, 31.500 US Dollars, 32.300 Swiss Francs and 13.000 British Pounds.



80.000 Euros detected at the Skopje International Airport during control of the luggage and personal search of a Macedonian national who was to fly to Istanbul. 35.000 Euros found and seized from a Greek national who arrived at the border crossing point Tabanovce in May 2018.



13.000 British Pounds, found during inspection of the luggage of a national of Kosovo who arrived from London at the Skopje International Airport.

Foiled attempts for smuggling cigarettes and other tobacco products

In 40 cases in 2018 the customs officers prevented smuggling of 345.042 pieces of cigarettes and other tobacco products. Some of the biggest seizures are:



430 boxes of cigarettes seized at the border crossing point Bogorodica. The cigarettes were found during inspection of an empty Bulgarian registered truck – car transporter, in specially designed compartments inside the fuel tanks.



155 boxes of Marlboro cigarettes without excise stamps, detected at the Skopje International Airport during inspection of the luggage of a Macedonian national who was to fly to London.



5 kilograms of water pipe tobacco and 4 kilograms of water pipe tobacco aroma detected by the mobile customs teams during inspection of the luggage of a Macedonian national who arrived at the Skopje International Airport from Istanbul.

Prevented attempts for smuggling of gold, silver and precious stones

In 2018 the customs officers foiled 6 attempts for smuggling of 9 kg of silver and over 2 kg of golden jewellery. Most of the attempts were detected at the Skopje International Airport.



9 kilograms of silver in granules, placed in a fabric bag were found during control of the suitcase of a Macedonian national who arrived from Istanbul.



30 pieces of golden jewellery (rings, bracelets, necklace, earrings and a medallion) weighing 230 grams and 1 gold coin of 8 grams, found during inspection of the luggage of an Albanian national who arrived from Stockholm.



973 precious stones found in the pockets of a Turkish National who arrived from Istanbul.



Larger quantity of white gold jewellery combined with brilliants, which according to the expertise made are worth over 450 thousand Euros, found in the luggage of a Turkish national who arrived from Istanbul.



10 bracelets of 22-carat gold (276 grams) detected during control of a Macedonian bus travelling from Istanbul to Ohrid that arrived at the border crossing point Bogorodica. The undeclared gold bracelets were found wrapped in a sock, placed in a handbag of an Australian citizen of Macedonian origin – passenger on the bus.

Prevented attempts for smuggling foodstuff and beverages

- ♣ In 2018, the customs officers prevented smuggling of 735 bottles of alcohol, 4.565 kilograms and 109.411 pieces of foodstuff.
- ♣ 4.200 kilograms of frozen chicken fillets detected by the mobile customs teams during inspection of a Macedonian registered truck driven by a Macedonian national, declared for entry in the country at the border crossing point Bogorodica.
- ♣ 240 litres of home-made brandy (rakia) and 30 litres of home-made wine, detected by the mobile customs teams.
- ♣ 30,6 kilograms Ohrid trout and 10 fishing nets of 100 metres.



Detected smuggling of luxury goods

The customs officers in 2018 prevented smuggling of over 5000 luxury items: clothing, accessories, cosmetics.

- ♣ 155 perfumes of 50 ml and 12 sets (deodorant and perfume) at the Skopje International Airport during control of the luggage of a Macedonian national who arrived from Istanbul.
- ♣ 132 watches, 112 sunglasses, 25 belts and 18 wallets concealed in the spare tyre area of a passenger car controlled at the border crossing point Blace.
- ♣ 43 perfumes and eau de toilette, 16 gowns, 23 pairs of shoes, 3 belts and a pair of sunglasses, detected in two separate cases at the Skopje International Airport during inspection of the luggage of two Macedonian nationals, who landed at the airport.
- ♣ 1 ROLEX watch found in the luggage of a German national with Macedonian origins who arrived from Belgrade.
- ♣ 40 women's fur coats found during control of a Romanian passenger car with two Romanian nationals that arrived at the border crossing point Bogorodica.

Interceptions of attempts for illegal trade in arms

- ♣ Interceptions of attempts for illegal trade in arms 4 airsoft rifles, 2 silencers and 3 bullets, detected during control of a Macedonian registered car, declared for entrance at the border crossing point Tabanovce Motorway. The undeclared goods were found in a box hidden in the spare tyre and under the floor upholstery.
- ♣ 1 gas gun EKOL Aras Magnum with 9 mm calibre and 50 pieces of ammunition for gas gun IRON 9 mm calibre P.A.K.

VII.2. Intellectual Property Right Protection

175.750 pieces and 2.506 kg of goods were seized in 58 cases in 2018, on grounds of reasonable doubt that they violate intellectual property rights.

On grounds of confirmed IPR violation, 85.712 pieces of counterfeit goods (shampoos, mobile phone cases, toys, tracksuits, slippers, socks, children's and other clothes, etc.) were destroyed under customs surveillance.

VII.3. Customs Laboratory



New equipment for the Customs Laboratory has been procured from European (IPA Project) and with budget funds. The equipment is primarily for excise goods analysis (alcohol and alcoholic products, oil and oil derivatives), products of the chemical industry and other goods that are subject to control for the purposes of detection of tax evasion or are subject to prohibitions or restrictions. The equipment is a requirement for ISO 17025 accreditation.



Under the twinning project “Enhancement of the operational and institutional capacities of the Customs Administration” three laboratory methods have been developed:

- Determination of low sulfur content in petroleum products,
- FAME content in biodiesel and
- Kjeldahl method for the determination of proteins in food products.

Validation of these new methods is underway.

VII.4. Criminal charges

Criminal charges pressed in 44 cases against 55 individuals and 15 legal entities

The structure of crimes is diverse, the most frequent being smuggling (17 cases), unlawful manufacture and trade in narcotics (8 cases), falsifying document (8 cases), violation of intellectual property rights (7 cases), tax fraud (1 case) etc.

Customs, foreign currency and excise related misdemeanours

In 2018:

**Filed 681
misdemeanor
charges**

(638 for customs misdemeanors, 29 for foreign currency related misdemeanors and 14 for excise related misdemeanors). These charges were filed against 409 individuals and 272 legal entities.

**Solved 507
misdemeanor
cases**

where the offenders were fined with about 34 million Denars

**1.953 on the
spot fines
were imposed**

against 1.04 individuals and 849 legal entities (the offenders were fined with 73 million Denars)

VII.5. PARTICIPATION IN INTERNATIONAL OPERATIONS

The Customs Administration participated in 12 international operations, organized by the World Customs Organisation, Europol, Interpol, Frontex, Regional Intelligence Liaison Offices (RILO AP, RILO ECE), SELEC etc.

Under the established cooperation with international law enforcement agencies, the Customs Administration entered data on 59 seizures in the CEN 2 database, submitted 60 information on seized goods to the SELEC center, 13 pieces of information on drug seizures to ZKA Balkan Info 3 and 4 reports on seizures in "Container-com" WCO communication system of the WCO.

VIII. TRANSPARENCY AND COOPERATION IN THE AREA OF CUSTOMS

VIII.1. Public Relations

The Customs Administration continuously promotes transparency as one of the best ways to prevent corruption, but also for building good relations with all target groups and creation of favorable public image.

² CEN – Customs Enforcement Network

³ Balkan Route Data Collection and Dissemination System (Balkan Info); ZKA – German Customs Investigation Bureau

VIII.1.1. Events



On the occasion of the **26 January - the International Customs Day** which in 2018 was celebrated under the slogan “A secure business environment for economic development”, Customs Director General presented Certificates of Merit from the Secretary General Mr. Kunio Mikuriya to four customs officers.

In 2013 the Customs Administration acquired the ISO 9001:2008 Quality Management Certificate.

The commitment to quality services over the years has led to the improvement of the processes and procedures that **resulted in obtaining the international standard ISO 9001: 2015.**



On 14 April – the Customs Day, the Customs Administration marked the 26 years since its establishment as an independent state agency. On this occasion, on 11 April 2018, a ceremony was organized at the Museum of Contemporary Art in Skopje that was attended by high state officials, the Government, the ministries, diplomatic corps, representatives of the science and business community, the board of Directors of the Customs Administration and other associates and friends of the Customs Administration.



On the occasion of the 14 April – the Customs Day, Customs launched three public campaigns: **“Stop Counterfeits”**, **“Report Corruption”** and **“Don’t be a Mule”** to raise the public awareness about the fight with counterfeits, corruption and the harmful effects of drug trafficking.

The Customs Administration, together with the Institute for Transfusion Medicine organized the traditional blood drive under the social responsibility programme for celebration of the Customs Day.



On 30 May 2018 the new customs terminal at the road border crossing point Tabanovce was officially inaugurated. The upgrade of the terminal, funded by the European Union helped facilitate the cross border trade along Corridor 10 and enforce customs procedures through modern customs clearance facilities.

VIII.1.2. International Cooperation

Cooperation with the Export Control and Related Border Security Program of the US Embassy

In 2018, the Export Control and Related Border Security Program (EXBS) of the US Government on several occasions provided assistance and support in the overall customs operations, through donation of operational equipment and specialized training for professionalization of the customs officers.

- 12 February 2018—Donation of equipment worth about 18 thousand US Dollars (videoscope inspection system, density meter kit and tool bags).
- Within 26-28 February 2018, EXBS organized Behavioral Observation Skills Training Course for 24 customs and border police officers.
- On 26 -27 March 2018 Macedonian customs officers conducted training on handling specific equipment for colleagues from Kosovo Customs Administration. For their efforts, the trainers were awarded with a certificate of appreciation and a badge from the Export Control and Related Border Security Program.
- On 29 May 2018, new drugs and explosives detection system was put in use. Besides the equipment, the EXBS Program provided system operators training for 10 Macedonian customs officers.
- On 13 December 2018, at the Ministry of Interior a donation of equipment and vehicles was officially handed over. The donation worth 500,000 US Dollars consists of two mobile radiation detection vans.

VIII.2.2. Bilateral meetings

- On 5 April 2018, delegations of the Customs Administrations of the Republic of North Macedonia and the Republic of Albania had a bilateral meeting in Korcha. The objective of the meeting of the delegations led by the Directors General of the two services was to strengthen the cooperation between the two countries.
- Delegation of the Customs Administration, led by the the Director General paid a working visit to the Customs Administration of the Republic of Croatia on 4-5 June 2018.



Informal Regional Meeting of the Directors General of Customs Administrations of the Western Balkans

On 11-12 June 2018, the Director General of the Customs Administration of the Republic of Macedonia attended the informal regional meeting of the Directors General of the Customs Administrations of the Western Balkans in the Republic of Albania.



One Stop Shop Border Management Project between Macedonia and Serbia

On 2 September 2018 the President of the Government of the Republic of North Macedonia Zoran Zaev and the President of the Republic of Serbia - Aleksandar Vucic, announced the start of the “One Stop Shop” Project between the Republic of Macedonia and the Republic of Serbia at the border crossing point Tabanovce-Preshevo.



“One stop shop” is the biggest acknowledgement of the dedicated work on this project, which the Customs Administration had targeted as one of the most important strategic goals.

The Customs Administration hosted 4 th Meeting of the Working Group on Facilitating Customs Clearance between China, Hungary, Serbia and North Macedonia

On 5-6 September 2019, the Customs Administration hosted the 4 th Meeting of the Working Group for Implementation of the Framework Agreement on Cooperation in Facilitating Customs Clearance among the Customs Services of China, Hungary, Serbia and North Macedonia.



VIII.3.2. Cooperation with the business sector

In order to strengthen the cooperation with all stakeholders and to facilitate the customs procedures, several working meetings were held in 2018 with all parties involved in customs procedures:

- **3 meetings of the Advisory Council**⁴ to discuss the current affairs related to customs operation and to consider the demands of the business sector.
- On 27 February 2018, a working meeting was organized with representatives of the Economic Chamber of North-West Macedonia to discuss the challenges that the members of this chamber face in customs procedures.

- ♣ On 30 March 2018, a working meeting was organized with producers and importers of alcoholic beverages. The objective of the meeting was to present the provisions of the new draft Law on Excise Duties. The companies were familiarized with the provisions that are proposed with the new draft Law on Excises
- ♣ On 10 October 2018 the Customs Administration organized an open day for the participants in the customs procedure (importers, exporters, customs agents, forwarders, manufacturers and transporters). The cooperation with the business sector is a key factor in building confidence, promoting good governance and accelerating and simplifying customs procedures.
- ♣ On 16 October 2018 the Customs Administration and the Macedonia – Turkey Chamber of Commerce (MATTO) held a workshop on current state of affairs and novelties in the area of customs operations.

VIII.3.3. Promotion of the concept – Authorised Economic Operator

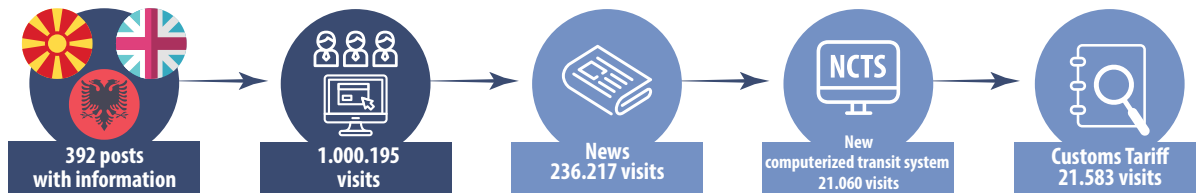
To enhance the partner relations among the policy makers - the Government, the Ministry of Finance, the Customs Administration and the private sector participating in the customs operations and logistics business, 5 workshops were organized in 2018 to promote the concept - Authorized Economic Operator. The workshops held in Skopje, Strumica and Ohrid were organized by the Customs Administration in cooperation with the USAID Regional Economic Growth Project.

The partnership with the business community is realized through the work of the Advisory Council. Besides the Customs Administration, members of the Advisory Council are the Economic Chamber, the Union of Chambers of Commerce, the Economic Chamber of Northwest Macedonia, the American Chamber of Commerce, "Makedonija Soobrakjaj" AMERIT, the Association of Freight Forwarders and Logistic Operators - MIFA, the Textile Trade Association - Textile Cluster, Chamber of Commerce and Industry of Information and Communication Technologies - MASIT, the Dutch Chamber of Commerce, Macedonian - Bulgarian Chamber of Commerce, Union of German Chambers of Industry and Commerce - branch office Skopje, the Economic Chamber of Macedonia - Turkey and the Association of Leather-processing industry.

VIII.3.4. Signed Memoranda of Cooperation

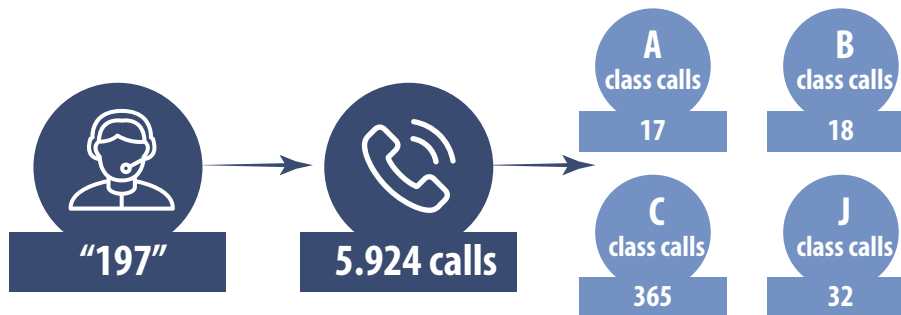
- ♣ On 19 April 2018, Customs Director General and the Rector of the “Goce Delcev” University in Shtip, signed Memorandum of Cooperation. Incorporating expert and scientific opinion when defining and implementing the Customs Administration’s policies is an important segment of the cooperation with the universities. This will ensure successful implementation of the economic policies and trade facilitation.
- ♣ On May 16, 1918, a Memorandum of Cooperation was signed with the Regional Environmental Center for Central and Eastern Europe - RECOM Office. The purpose of the Memorandum is to establish cooperation between the Customs Administration and REC COM for development of methodology for calculation of the tax on vehicles, which will be used during the preparation of the Draft Law on taxation of vehicles.
- ♣ On 16 May 2018, a Memorandum of Cooperation was signed with the TDR Skopje DOOEL Skopje, member of the British American Tobacco Group. The Memorandum regulates the procedure between and the competencies of the contracting parties in order to combat and suppress smuggling and illegal trade in tobacco products and to ensure protection of intellectual property rights, i.e. prevention of counterfeiting of cigarettes and other tobacco products of the trade marks whose the rights holders are the members of the “British American Tobacco Group”
- ♣ On 25 July 2018, the Customs Administration signed Memoranda of Cooperation with the e-commerce Association of the Republic of North Macedonia and “ DHL Express Macedonia” The Memoranda are a confirmation that Customs is guided by the common principles of acting and understanding its partners. In doing so, it takes into account the advantages and modern trends of electronic trade, which includes all remote transactions, using electronic or digital platforms.
- ♣ On 14 May 2018, Customs and Public Security Bureau Directors signed a new Protocol arranging the procedures for faster movement of livestock, fresh products, dangerous materials, goods under the new computerized transit system and empty trucks at the border crossing points Tabanovce and Bogorodica. The protocol is especially important for the export of Macedonian agricultural – food products.

VIII.4. Internet



During 2018, on the website of the Customs Administration 392 posts with information were published in Macedonian, Albanian and English language. In the period January-December 2018 the website was visited 1.000.195 times, among which the most visited tabs are: “News” (236.217 visits), “Customs Tariff” (21.583 visits), “New Computerised Transit System – NCTS” (21.060 visits) and “Contacts” (8.332 visits).

VIII.5. Customs Hotline 197



In 2018, a total of 5.924 calls were received on the 197 Customs Hotline, which is an average of 16 calls per day. Of these: 17 “A” class calls; 18 “B” class calls; 365 “C” class calls and 32 “J” class calls.

Most of them were related to the operation of and conditions at the borders and inland customs offices, as well as manner of conducting particular customs procedures.

5 “A” class calls - information implying urgent actions by a customs office or mobile customs unit.

6 “B” class calls - information imposing additional examination/investigation by other Departments at the Control and Investigation Sector or other Departments of the Customs Administration.

7 “C” class calls - information that cannot be used, i.e. is related to delays, communicated by transporting companies, complaints or praises concerning customs procedures.

8 “J” class calls - about information forwarded to the Sector for Professional Standards, concerning citizens’ complaints for corruptive and unprofessional work of the customs officers.







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