



ANNUAL REPORT

2017



REPORT

ON THE ACTIVITIES OF THE CUSTOMS ADMINISTRATION IN

2017







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Dear readers,

The progress and the results that we achieved last year reflect our commitment to the objective stemming from the Customs Administration's mission to protect the financial interests and society, to foster economic growth and trade facilitation.

The basic role of the Customs Administration of the Republic of Macedonia is collection of import duties and taxes, but the aim to ensure protection of the health and safety of our citizens, as well as the security of the society in general is equally important.

The Customs Administration is front line of defense of the economy and the interest of the state, fighting against illegal and prohibited activities, thus ensuring general welfare. Its fundamental priority is to provide for sustainable economic growth by enhancing competitiveness and investments, better business environment and equal opportunities for the entire business community. This goal shall be achieved with trade facilitation and simplified and transparent procedures in our competence.

We are aware that our vision to be the most advanced Customs Administration in the region which strongly supports the legal economy, fully in line with European Union standards is preconditioned by modernization of the administration, human resources and IT development, improvement of the working processes and maintaining high integrity standards of our staff.

We shall achieve high operational standards, greater efficiency and effectiveness, reliability and confidentiality through permanent investment in modernization and development of the management of our human resources, which is the driving force in reaching our strategic objectives.

Our commitment to maintain high level of public trust will continue through appropriate application of the legislation, equality and fairness, professionalism and responsibility, as well as accountability, transparency and cooperation with the business community.

The achieved results confirm the dedication, enthusiasm and systematic work of the Customs Administration's employees.

I use this opportunity to give credit to the Customs staff and encourage them to continue further with dedication and enthusiasm, as a proven path to even greater success in the coming years.

*Regards,
Gjoko Tanasoski MSc.*

STRATEGY MAP OF CUSTOMS ADMINIS

VISION STATEMENT

To be the most advanced Customs Administration in the line with the European



Trade Facilitation

- Harmonization with the European Union
- Facilitation and acceleration of the flow of goods and passengers
- Simple and predictable procedures and formalities
- A client-oriented approach and partnerships



Revenue Collection and protection of financial interests

- Ensuring efficient revenue collection
- Improvement of the system for Excise management
- Strengthening of the area „value, tariff and origin“




MISSION STATEMENT

To protect the financial interests and the society, cooperation, facilitation

TRATION OF THE REPUBLIC OF MACEDONIA

ATEMENT

region which strongly supports the legal economy fully in Union standards

- 
- Ensuring effective and efficient controls
 - Strengthening the area of „prohibitions and restrictions“
 - Strengthening the fight against customs fraud and crime
 - Building sustainable international relations with the purpose of ensuring a secure supply chain



Protection of Society

- Strengthening of the HRM
- Implementation of measures for prevention of misconduct and conflict of interest
- IT development
- Improvement of the working processes
- Efficient and transparent management of public finances
- Transparency



Modernisation

TATEMENT

while supporting the economic development through tion and innovation



I. LEGISLATION

I.1. CUSTOMS RELATED LEGISLATION

The Customs Administration is committed to simplify the customs procedures, to ensure greater competitiveness of the domestic economy and to reduce the costs for the economic operators, and to align the customs laws and regulations with the European Union acquis.

The following amendments of regulations and by-laws were adopted in 2017:

- **4 Regulations amending the Regulation concerning the classification of certain goods in the Combined Nomenclature in conformity with the EC regulations**
- **Decision on the harmonization and amendment of the Customs Tariff for 2018**
- **Lists of goods imported under tariff quota for the second half of 2018.** The allocation of tariff quotas is carried out on a "first come, first served" basis via the EXIM information system allowing the importers to import goods with 0% or at reduced customs duty rates within determined quota quantities.

I.2. EXCISE

Law amending the Law on Excise Duties was adopted at the end of 2017 and is applicable as of 1st January 2018. The amendments stipulate increase of the excise duty for gas oil for 3 Denars.





I.3. OTHER LEGISLATION AFFECTING CUSTOMS OPERATIONS

The Additional Protocol 5 to the Agreement on Amendment of and Accession to the Central European Free Trade Agreement adopted in May 2017 in Belgrade, in the presence of all CEFTA parties and ratified in January 2018, provides for trade facilitation that will be achieved through the establishment of transparent means and simplification of customs and trade procedures to eliminate possible risks at export.

Having in mind the possibilities for harmonization and facilitation of import and export procedures, it is estimated that this Protocol will considerably improve the flow of goods, and hence the trade in the region. Accordingly, it is expected that the trade of the Republic of Macedonia will also flourish not only regionally, but the Additional Protocol should ensure greater exchange particularly with the European Union markets.

II. EU INTEGRATION

The activities oriented towards permanent alignment with the EU Acquis and its implementation in the Republic of Macedonia remained high on the agenda of the Customs Administration to ensure fulfilment of the technical and organization-related requirements, enforcement of the administrative capacity and raising the public awareness about the manner and philosophy of the functioning of the Customs Union.

II.1. COMMON TRANSIT SYSTEM OF THE EU AND EFTA COUNTRIES

The Conventions on a common transit procedure and on the Simplification of Formalities in Trade in Goods provide for single movement of goods within the territories of the Member States, from one entry point to the location of termination of the transit procedure, regardless of the number of countries and border crossing points of transit. The electronic transit declaration with which a transit procedure has been started in any Member State of the Convention on a common transit procedure is acceptable for all Member States of the Convention.

In 2017:

- 64,830 customs declarations in common transit procedure were processed (transit from the Republic of Macedonia to EU and EFTA countries);
- 20,059 transit movements were registered from foreign customs offices where our offices were offices of destination (transit from EU and EFTA countries to the Republic of Macedonia);
- 39,893 transit movements transited the territory of the Republic of Macedonia;
- 134 authorisations were granted to economic operators allowing access to the New Computerised Transit System (NCTS) and 55 authorisations to principals for use of a bank guarantee in common transit procedure.

II.2. CUSTOMS 2020 – PROGRAMME OF THE EUROPEAN COMMISSION



In 2017, 38 participants attended 26 events (training courses, seminars, workshops)

II.3. PROJECTS SUPPORTED BY THE INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA)

Under the National Programme for using the funds of the Instrument for Pre-accession Assistance (IPA), the Customs Administration is beneficiary in the following Projects:

Finished IPA Projects

- Technical assistance for preparation of blueprints for the project designs and drafting tender dossiers for the works at the road BCP Tabanovce BCP Kjafasan (IPA 2011). The Project was successfully completed in September 2017.
- Upgrade of the customs clearance facilities at the road Border Crossing Tabanovce (IPA 2012) → objective: expansion and adaptation of the existing import/export terminal for additional 4,000 m², construction of two lanes at the BCP – exit from Macedonia; construction of supporting facilities. The project was completed in 2017. It is expected to contribute to improving the infrastructure and increase the flow at the border crossing point and to accelerate and facilitate trade and transport of goods along the Pan – European Corridor 10;

Ongoing IPA Projects

- Upgrade of the customs clearance and inspection facilities at the road Border Crossing Kjafasan (IPA 2013) → started in October 2017. Its objective is construction of a new import-export customs terminal of 9,500 m², access roads, facilities for clearance and other inspection authorities; reconstruction of the existing facilities at the most frequent border crossing point to the Republic of Albania. The reconstruction of the border crossing, along the Pan – European Corridor 8 will create conditions for further acceleration of cross-border traffic. The completion of construction work is planned for the end of 2018.
- Project “Enhancement of the Operational and Institutional Capacities of the Customs Administration” (IPA 2013) started in August 2017. Its objective is to increase the efficiency in detection and prevention of customs fraud through effective and targeted controls; strengthening the capacity for post-clearance controls; application of modern laboratory methods and materials, trade facilitation by improving risk analysis in accordance with EU standards; Within the project, provision of most advanced customs laboratory equipment is to be delivered in 2018;

III. HUMAN RESOURCES

The Customs Administration, in 2017 continued to invest in strengthening its management of human resources, considered as a moving force in achieving the set strategic goals for EU integration and enhancement of the institutional work efficiency.

1.110 employees → (331 women – 29.82%, 779 men – 70.18%)

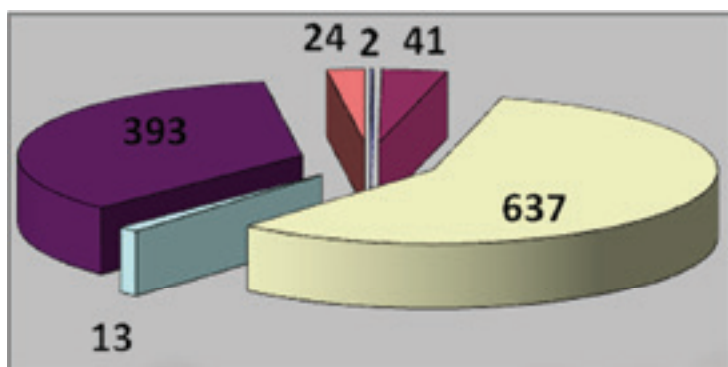
2 office bearers (Director General and Deputy Director General),

997 customs officers

11 administrative officers

and 100 workers, under the Law on Labour Relations

Of which:



- PhD holders – 2
- Master degree holders – 41
- University education – 637 (61%)
- College education – 13
- High-school education – 393
- Education of other kind – 24



III.1. NEW CONCEPT TO FOSTER COMPETENT EMPLOYEES

Employees will develop and upgrade not only their knowledge, but also their skills and manners. The entire human resource management and training system will continue to be upgraded and harmonized with the Customs Competency Framework of the European Commission. That way, the employees of the Customs Administration will meet the European standards for a professional customs officer.

$$\text{Knowledge} \times \text{Skills} \times \text{Stance} = \text{Competent employee}$$

III.2. TRAINING AND PROFESSIONAL DEVELOPMENT

Some of the topics covered at these events in 2017 were:

- Information Security;
- Workshop on “Corruption Risk Assessment in public sector institutions – assessment of risk of corruption and other unethical risks and developing solutions and measures to overcome them”;
- Integrity of administrative officials;
- Regional Seminar on computer and internet crime investigations.



III.3. e-LEARNING COURSES

As part of the activities for harmonization with the European Union legislation, the Customs Administration started translating the European Commission's e-learning courses related to the application of the Union Customs Code which entered into force on 1st May 2016. These courses are intended for both customs officers and the business community.



III.4. INTEGRITY

Building and improving the integrity of the customs officer and the Customs Administration as a whole is paramount for successful tackling corruption, conflict of interests and other types of misuse of official power.

- Based on the Plan of activities, the received complaints, information received via the 197 customs hotline, as well as on grounds of information delivered or directly presented by line managers and employees in the Customs Administration:



74 internal investigations were conducted → irregularities found in 23 cases. Recommendations were given to overcome them

- Concerning the observance of the laws, by-laws, regulations and operational instructions of the Customs Administration by customs officers,

44 internal controls were carried out → irregularities were found in 16 cases

- **23 complaints** were received at the customs hotline (197) and **6 online complaints** on the internet site of the Customs Administration were received reporting unprofessional and corruptive acting of customs officers.
- The campaign “**Stop Corruption**” that is conducted by the Customs Administration is aimed at raising the public awareness to report corruption, conflicts of interest and misuse of official powers by customs officers. The leaflets distributed during the campaign pointed out the harmful consequences caused by corruption through the destruction of basic social values and abuse of institutional capacities for illegal cause and how the citizens can exercise their right and to fight off corruptive proposals by reporting them.





- Since the introduction of the CAF instrument, being one of the best tools for institutional quality management, which resulted in the adoption of Plan for improvement of the situation in the Customs Administration, 19 measures (52.8%) were fully implemented in the course of 2017, while the realization of 11 (30.5%) of the total envisaged measures is ongoing.

III.5. INTERNAL AUDIT

In 2017 there were:

17 internal audits → 60 findings → 63 recommendations were given to improve the operation



IV. FACILITATION AND ACCELERATION OF CUSTOMS PROCEDURES

IV.1. IMPROVING THE CONDITIONS FOR CUSTOMS FORMALITIES



The Customs Administration is dedicated to its activities for implementation of best practices to ensure easier and faster flow of goods from and to the Republic of Macedonia. We are permanently working to maintain the existing and to introduce new possibilities for simple and faster customs procedures and conditions for their performance, supported by modern information and communication technology.

Our plans to facilitate and accelerate the movement of goods from and to Macedonia:

- We will continue implementing trade facilitation reforms to fully harmonize the domestic legislation and procedures with the provisions of the WTO and the CEFTA Protocol 5 on Trade Facilitation.
- Further activities will be conducted for implementation of trade facilitation reforms through:
 - Greater availability and more transparent provision of information required for import/export of goods;
 - Introduction of new software solutions for paperless customs declarations processing and
 - Introduction of a pre-arrival information tracking system that will ensure that all customs procedures are finished inland and the shipments freely cross the borders with no delays.
- We will actively work on introducing the concept of Authorised Economic Operator.
- We will focus on revising the EXIM system to separate and reduce the number of required licenses for import and release of goods for free circulation.
- We will form joint control teams at the border crossing points to facilitate the movement of goods at the borders.

IV.1.1. Authorised Economic Operator -AEO

Macedonian companies will be encouraged to acquire the status of Authorized Economic Operator, so they will be able to operate in the supply chains within the CEFTA and receive international recognition.



With the International Recognition within CEFTA, Macedonian OEO will obtain the following advantages:

- *less security and technical controls,*
- *recognition of business partners as reliable partners in customs operations,*
- *priority treatment for customs clearance and business continuity mechanisms.*

Practically speaking if a Macedonian company has the status of an internationally recognized AEO, when exporting goods to any CEFTA country, it will have the treatment of a "domestic" company. The AEO will have the same treatment when importing into the Republic of Macedonia.

With the future integration into the EU, this process of mutual and international recognition will also apply in the Member States of the EU.

IV.1.2. Joint border controls – Project “one stop shop”

This type of control is a great advantage in accelerating and facilitating movement across state borders. It is one of the possible solutions to significantly speed up time for completion of border formalities, preferably at a joint border crossing point as one-stop-shop for passengers, goods and means of transport. After considering all aspects (infrastructural, organizational, possibilities for additional investments, etc.), the Customs Administration will initiate signing of international agreements for specific border crossings where the concept of joint border controls may be realized.



IV.2. e-CUSTOMS

IV.2.1. New Software for Customs Declarations Processing

The project for the introduction of a new software for customs declaration processing is part of the efforts to introduce e-Customs. This new system is in its final stage of testing. According to the plan, this long announced, prolonged and postponed software will be put into operation by the end of 2018. The new software for processing customs declarations will replace the existing ASYCUDA system, eliminate long delays, interruptions and disconnections, and the inability for timely submission of customs declarations.

IV.2.2. EXIM



The electronic system for import and export licenses and tariff quota – EXIM, (operational since 2008) is becoming more sophisticated each year, increasing the efficiency and providing faster customs procedures. The number of its

registered users is continually growing.

2017 EXIM RELATED STATISTICS

Number of government agencies involved – **17**

Number of licenses that can be obtained via EXIM – **60**

Registered **6.710** economic operators – system users

Issued import, export, transit licenses via EXIM – **91.593**

Applications for tariff quota submitted via EXIM – **7.214**

Average time for obtaining a license via EXIM – **1.6** hours

IV.3. VOLUME OF WORK

IV.3.1. Customs and excise authorisations and licenses in 2017

Representation in customs procedures

- *Authorisation for customs representation activities* → 248
- *Individulas – holders of Licenses for customs representation* → 1.143

Customs procedures with economic impact

- *Holders of Authorisations for inward processing* → 172 companies
- *Holders of Authorisations for outward processing* → 11 companies
- *Holders of Authorisations for customs warehousing* → 86 companies
- *Issued authorisations for single use* → 5.574

Simplified customs procedures – 215 authorisations for simplified customs procedures, of which:

- *48 authorisations for local clearance – import,*
- *68 authorisations for local clearance – export,*
- *60 authorisations – authorised consignee in transit,*
- *32 authorisations – authorised consignor and*
- *7 authorisations for submission of incomplete declaration.*

Binding Tariff Information (BTI) → 575

Authorisations – authorised exporter → 9 new Authorisations – authorised exporter were granted in 2017. Total number of these authorisations by December 2017 → 140 → 130 active

Authorisations for deferred payment → 192

Excise preferential use permits and excise licenses

- economic operators holders of excise preferential use permits → 313
- economic operators holders of excise licenses → 78.

IV.3.2. Processed customs declarations - 1.02 million customs declarations

- import (about 44.59%)
- transit (about 31%),
- export (about 21.80%) и
- re-export (about 2.61% of the total number of processed declarations).

27.96% of the total export and import procedures are simplified procedures.

IV.4. TRAFFIC OF FREIGHT MOTOR VEHICLES (FMV) AT BORDER CROSSING POINT IN 2017

839 thousand FMV crossed the road border crossing points → 454 thousand loaded and nearly 385 thousand empty FMV.

Greatest frequency was noted at the border crossing points with Greece – 308 thousand FMV of the total traffic (37%). BCP Bogorodica was most frequent border crossing point with nearly 23% of the total traffic.



IV.5. REVENUES COLLECTED

In 2017, the Customs Administration successfully realized its objective to protect the financial interests of the state by ensuring timely and efficient collection of budget revenues.



In 2017 the Customs Administration reached and exceeded the revenue collection target. More precisely, in 2017 the Customs Administration collected a total of 78,214.26 million Denars, i.e. 1,267.7 million Euros. This amount is:

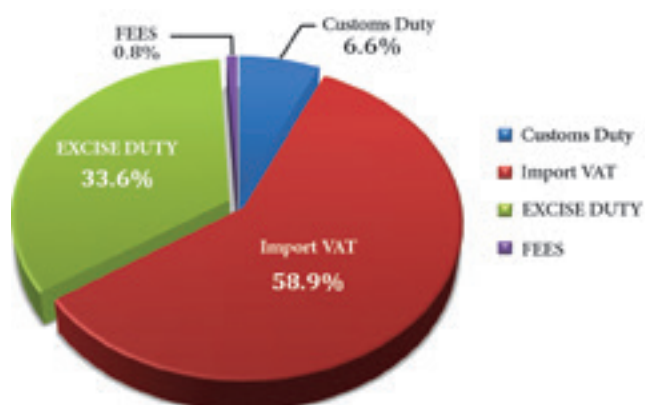
- 2% more than the **planned target** of 76,678.00 million Denars and
- 7.2% more than the collected revenues in 2016 in the amount of 72,941.80 million Denars.

Plan and realization in 2017, compared to the same period in 2014–2016:

In million Denars

PERIOD	Plan 2017	Realization 2017	Realization 2016	Realization 2015	Realization 2014
January – December	76,678.00	78,214.26	72,941.80	67,233.68	63,064.30
INDEX	Collection/ Target 2017		2017/2016	2017/2015	2017/2014
Period 2017/'16/'15/'14	2.0%		7.2%	16.3%	24.0%

2017 REVENUES COLLECTED BY CARM



2017 CARM Revenues (in million Denars)	
CUSTOMS DUTY	5,174.7
Import VAT	46,060.9
EXCISE DUTY	26,314.9
FEES	663.7
TOTAL 2017	78,214.3
TOTAL 2016	72,941.8
2017/16	+7.2 %
TARGET TOTAL 2017	76,678.0
2017/plan	+2.0 %

- **CUSTOMS DUTY** – 5.17 billion Denars, being 8.7% more than in 2016 (collected 4.76 billion Denars).
- **VAT** – 46.06 billion Denars, being 9.4% more than in 2016 (collected 42.09 billion Denars).
- **EXCISE DUTY** – 26.31 billion Denars, being 3.6% more than in 2016 (collected 25.4 billion Denars).
- **FEES** – 0.66 billion Denars, being 2.5% less than in 2016 (collected 0.68 billion Denars).

With the revenues it collects, the Customs Administration participated with 73%, in the total target tax revenues for 2017.

On the other hand, our participation in the total revenues of the Budget of the Republic of Macedonia in 2017 was 42%.



V. LAW ENFORCEMENT

The modern work approach requires integration of the role and tasks of the Customs Administration into a single security and border control system, thus ensuring that the security function guarantees efficient fight against cross-border organized crime, terrorism, money laundering, smuggling, illegal migration and human trafficking.

V.1. CUSTOMS AND OTHER CONTROL

V.1.1. Physical customs control

In 2017 we had 289 success interdiction cases in which the customs officers detected and seized 1,304 kilograms of drugs, 222 kilograms tobacco and 270 thousand pieces of cigarettes, 346 litres, 5,661 pieces and 22,178 kilograms of foodstuff of different kind, 56 thousand pharmaceutical products, foreign currencies in equivalent amount of 545 thousand Euros etc.



Foiled attempts of illegal trade in narcotics, psychotropic substances and precursors

In 2017, the customs officers thwarted 31 attempts for trafficking nearly 1,304 kg of narcotics – marijuana, ecstasy, hashish, LSD, marijuana seeds and heroin.



Nearly a ton of marijuana seized at border crossing point Blace – entrance section



66.5 kg of marijuana seized at border crossing point Blace – entrance section



22 kg of marijuana seized at border crossing point Blace – entrance section



*7 kg of heroin seized at border crossing point
Bogorodica – entrance section*



*1 kg of heroin seized at border crossing point
Bogorodica – entrance section*

Detected cases of smuggling cigarettes and other tobacco products

In 25 actions in 2017, the customs officers prevented smuggling of 270 thousand pieces of cigarettes and 222 kilograms of tobacco. In these cases, the customs officers used equipment donated through the EXBS Program of the US Embassy.



*200 kg of water pipe tobacco found in a truck at
the border crossing point Bogorodica,
entrance section*



*26,000 cigarettes with Macedonian excise
stamps, found at border crossing point
Bogorodica in a LPG tank*

Prevented attempts for smuggling foodstuff

In 2017, Customs prevented 22 attempts for smuggling 22,178 kilograms, 5,661 pieces and 346 litres of foodstuff



Nearly 9 tons of tomatoes and cucumbers found at the Customs Office Gevgelija



84 kg dry meat and sujuk detected at border crossing point Blace

Foiled attempts of smuggling of pharmaceuticals

In 10 cases in 2017, the customs officers prevented smuggling of about 56 thousand pharmaceutical products



2,184 pharmaceuticals found at the border crossing point Bogorodica



19,245 pharmaceuticals found during search of a bus at the border crossing point Blace

Prevented attempts for illegal transfer of cash and securities

In 51 cases in 2017, the customs officers prevented illegal transfer of cash in equivalent amount of about 545 thousand Euros



105,000 Euros found with and seized from a passenger at the border crossing point Airport – exit section



155,000 Danish Krone found with a passenger at the border crossing point Airport – exit section

Detected attempts for smuggling of other goods

In 157 cases detected in 2017, the customs officers prevented smuggling of 22 tons, 22 litres and 50,600 pieces of different goods



1 gun, 4 gas cylinders and 120 bullets found during inspection of a Turkish registered bus, declared for entrance in the country at border crossing point Bogorodica



980 undeclared watches found at border crossing point Deve Bair, entrance in the country

V.1.2. Documentary customs control

In 30,874 cases, Customs found inadequate documents for clearance, with which the importers attempted to evade nearly 1,059 million Denars of import duties.

V.2. POST-CLEARANCE CUSTOMS CONTROL

Post-clearance control covers control carried out in the premises of companies following completed clearance, as well as surveillance of holders of authorizations for customs procedures with economic impact, authorizations for simplified customs procedures, excise licences etc.

144 post-clearance controls were carried out. The results are as follows:

- *Detected 41 cases of attempts to evade 24.16 million Denars of import duties. In 19 cases, Customs established failure to observe the obligations stipulated in the granted authorisation for inward processing, customs warehousing and authorised exporter.*
- *Of the 32 controlled users of LPG as engine power, in 7 cases Customs detected requests for excise duty refund in amounts larger than the legally prescribed. During 9 controls of registered traders with mineral oils that contain marking substances, in 4 cases Customs established failures to observe the obligations laid down by the Law on Excise Duties and the Law on Energy.*
- *Out of 33 controls of holders of excise licenses, there were 6 cases of less excise duty paid in the amount of 5,744,888 Denars and 6 cases where Customs established failure to observe the obligations stemming from the excise licence or permit. Misdemeanor proceedings were launched for the detected irregularities.*

V.3. SUBSEQUENT COLLECTION OF IMPORT AND EXCISE DUTIES

1,438 Decisions for subsequent collection of import duties and VAT were passed in 2017, in the amount of 244.48 million Denars.

V.4. CRIMINAL CHARGES

60 cases of criminal charges brought against 67 individuals and 29 legal entities.

The structure of crimes is diverse, most frequent being unlawful manufacture and trade in narcotics (20 cases), customs fraud (17 cases), violation of intellectual property rights (14 cases), falsifying document (11 cases) etc.

V.5. CUSTOMS, FOREIGN CURRENCY AND EXCISE RELATED MISDEMEANOURS

In 2017:

- **384 cases of misdemeanor charges** filed (325 for customs misdemeanors, 49 for foreign currency related misdemeanors and 10 for excise related misdemeanors against 345 individuals and 39 legal entities).
- **Solved 401 misdemeanor cases** (the offenders were **fined with 22.65 million Denars**)
- **2.228 on the spot fines were imposed** against 1,355 individuals and 873 legal entities (the offenders were fined with 22.77 million Denars).

V.6. INTERNATIONAL OPERATIONS

We took part in 14 international operations, organized by the World Customs Organisation, Europol, Interpol, Frontex, Regional Intelligence Liaison Offices (RILO AP, RILO ECE), SELEC etc.

V.7. PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

One of the main priorities of the Customs Administration is the enhancement of its institutional and administrative capacity for efficient and effective fight against counterfeits and piracy by introducing stronger customs control measures for detecting and preventing the import, transit and export of goods violating intellectual property rights property, as well as greater cooperation with the holders of rights and their representatives in the Republic of Macedonia, on the one hand, and all competent institutions in the country and abroad, on the other.



In 2017:

- Temporary detained 721,093 pieces of goods, detected in 56 cases, due to reasonable doubts of violation of intellectual property rights.
- After receiving confirmation of violation of IPR, 415,300 counterfeits were destroyed under customs surveillance: chocolates, socks, foodstuff, footwear and apparel, automobile, deodorants, watches, motor vehicles diagnostic devices, mobile phones etc.
- 970 trademarks **were registered for customs protection of their intellectual property rights.**
- New quantities for donation of confiscated goods located in the warehouses of the Customs Administration (1,908 pairs of footwear, 920 tops, 460 shirts, 170 T-shirts, 156 jackets, 100 pairs of jeans, 80 tights etc.) were registered, for which there is a legal possibility for donation (counterfeit clothes and shoes) after completing all legal procedures. These goods will be handed over to the Ministry of Labor and Social Policy for donation to socially vulnerable categories and victims of natural disasters.



VI. TRANSPARENCY AND COOPERATION IN THE AREA OF CUSTOMS

Transparency of an institution is key for the establishment of good relations with all target groups and building favourable publicity, good institutional image and for preventing or resolving unwanted situations.

VI.1. EVENTS

- **The International Customs Day – 26th January** was marked under the slogan "**Data Analysis for Effective Border Management**". Certificates of Merit from the Secretary General of the WCO Mr. Kunio Mikuria, were presented to 12 customs officers for particular contribution and commitment.
- **The Customs Administration marked the 25th Anniversary of its establishment** as independent state authority, by organizing a ceremony and a blood donation drive, where over 150 customs officers showed their humanity.
- During April, a public campaign "**Stop Counterfeits**" was launched aimed at raising the public awareness on the harmful consequences of counterfeit products.
- At a formal ceremony at the border crossing point Blace, in September **the US Embassy through its EXBS¹ and ICITAP² Programs donated equipment for interdiction of cross-border crime**. The 207,000 US Dollars worth donation includes videoscope systems, boosters, radiation detection pagers and tools, computers, all-terrain vehicles and a patrol vehicle.



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES



¹ Export Control and Related Border Security Program

² International Criminal Investigative Training Assistance Program of the United States of America



- Within November 30th – 1st December 2017, the Customs Administration, supported by the USAID and the World Bank / IFC organized an **informal regional meeting of the Directors General of Customs Administrations of the Western Balkans in Skopje**. The main goal of the meeting was to prepare a common approach of the Customs Services of the region in order to promote the economic cooperation in the Western Balkans.



VI.2. INTERNATIONAL COOPERATION

Delegations of the Customs Administration attended:

- **Sessions of the highest bodies of the World Customs Organization: Customs Cooperation Council Session and WCO European Region Heads of Customs Meeting.** On the margins of the Council Sessions a **Protocol on exchange of documents and information related to value of goods** and a Work Plan for its implementation with the Russian Federation were signed.
- **High-Level Seminar on Longterm Strategy of Customs IT**, held in September 2017 in Talin, Estonia.



- **14th Subcommittee Meeting on Trade, Industry, Customs and Taxation**, held in Brussels in November 2017.
- **30th Meeting of the EU-EFTA Joint Committee on Common Transit and simplification of the formalities in trade in goods**, held in December 2017 in Oslo, Norway.

VI.3. BILATERAL COOPERATION



In October 2017, delegation of the **Customs Administration of the Republic of Croatia**, headed by the Director General and Assistant Minister of Finance, Mr. Hrvoje Chović made an official visit to the Customs Administration of the Republic of Macedonia. This meeting is of great significance for acquiring and exchanging experiences in several areas in order to fulfill the necessary conditions for EU membership.



In November 2017 delegations of the **Customs Administrations of the Republic of Macedonia and the Republic of Serbia** had a bilateral meeting in Belgrade. The meeting of the delegations headed by the Directors General of the two services was aimed at strengthening the cooperation between the two countries.

VI.4. COOPERATION WITH THE BUSINESS SECTOR

Mutual cooperation and continuous communication with all economic stakeholders is of particular importance to the Customs Administration and hence, in 2017 Customs organised many meetings with the business community.

- Several working meetings with the business sector took place in September 2017:
 - Meeting with representatives of the **Meat processing and meat production** group, as a result of the perceived need to increase the competitiveness of the domestic meat processing companies.;
 - Working meeting with **representatives of the Textile Cluster** to discuss the challenges that the textile industry faces in its operations and the possibilities for better application of customs procedures and legislation to ensure easier work process of the textile cluster;
 - Working meeting was held at the Customs Administration's amphitheatre attended by **great number of representatives of the business sector**;



- Customs Director General attended the meeting of the Board of the **Macedonian– Turkish Chamber of Commerce (MATTO)**, to meet the members of the Board of Directors, and to get acquainted with the current trade related topics between the Republic of Macedonia and the Republic of Turkey.



- In cooperation with the Minister without portfolio, in charge for legislation for improvement of the investment climate for the domestic companies, **in October 2017, a working meeting with representatives of about 15 domestic companies** was organized at the Customs Administration. Representatives from other government institutions also attended the meeting to share opinions and jointly find the most appropriate solutions to the problems and needs of the domestic companies.
- Upon the **initiative of the Chambers of Commerce and supported by several profiles of participants** (importers, exporters, customs brokers and professors) a presentation of the 5 year period Roadmap for amendment of the customs related legislation was organised at the premises of the Customs Administration.
- **The Customs Administration and the "Mother Theresa" Univesity in November 2017 signed a Memorandum of cooperation**, expressing their intention for mutual cooperation and the common goal to establish longterm cooperation in the field of technology, education and science, through organizing and conducting practical classes for university students within its scope of activities and scientific research in the area of Customs.

VI.5. INTERNET AND INTRANET

In line with the latest technical solutions and the principles of transparency and accountability in its operation, to effectively share information to the target audience and to improve the positive opinion by promoting its work and achieved results, the Customs Administration developed a new website. It was put in function in May 2017, and for the first time it is also available in the following Cyrillic domain: " царина.мкд ". Additionally, there is a possibility for access to information published on the new website for people with disabilities by the introduction of the standard for web accessibility³.



³ WCAG 2.0 (<http://wcag.mioa.gov.mk>)

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