

2024

Customs Administration 2024 Annual Report



Contents

Eu Integration.....	2
Western Balkan Reform and Growth.....	2
Participation in EC Customs Programme 2021-2027	2
Revenue Collection and Protection of Financial Interests.....	3
Ensuring efficient revenue collection	3
Trade Facilitation.....	6
Alignment of national customs legislation with EU acquis and best practices	7
Digitalized processes and services.....	13
Improvement of the business environment and creation of more favorable conditions for trade.....	19
Protection of the society	24
Tackling illegal trade and organized crime	24
Protection of Intellectual Property Rights	39
Other prohibitions and restrictions	40
Other activities for environmental protection.....	41
Organisational and infrastructural development	42
Enhancing the human resources management system	42
Enhanced measures for prevention of inappropriate and corrupt behavior and development of rules and control systems	45
Modernisation of border crossing point infrastructure	47
Work processes control	50
International cooperation and events	53

EU Integration

Western Balkan Reform and Growth

In May 2024, the European Commission adopted the Reform and Growth Facility 2024-2027, a key initiative supporting the implementation of the new Growth Plan for Western Balkan countries.

The Customs Administration was involved in preparing the **Reform Agenda 2024-2027**, where under Priority 4 – Business Environment, activity 4.1.6, - Expand the use of E-Customs services for economic operators and reduce the costs and increase the efficiency of customs procedures funds will be allocated for the procurement of software solutions and IT equipment, aligned with the new Customs Law set to be adopted in 2025 and compatible with relevant EU regulations. The planned activities include development of software for transit, import, and export, as well as the procurement of necessary hardware. Through participation in this programme, which has been accepted by the Government of the Republic of North Macedonia, the Customs Administration is set to receive approximately 17 million Euros in funding.

Participation in EC Customs Programme 2021 -2027

The EU Customs Programme 2027 aims to further develop the EU Customs Union by supporting the strengthening of customs authorities' administrative capacity and enhancing IT capabilities. This initiative helps customs services cope with the increasing trade volume and emerging forms of modern trade, while also improving protection against harmful products and substances, safeguarding businesses, and facilitating the movement of legitimate trade¹.

In 2024, 83 customs officers participated in 27 events (64 online and 19 in person) organized under the Customs Programme. Customs Administration representatives had the opportunity to gain insights into the activities implemented by the European Union by attending meetings of several working groups, including the European Customs Laboratories Network, e-Customs, the e-commerce subgroup within the performance group, the expert group on prohibitions and restrictions, the national coordinators' networks for transit and the Customs programme, the Training support group, and the Working Visit group. Two working visits were also organized. The first, to the Croatian Customs, introduced representatives to terminal automation procedures, such as digital scales, video surveillance, and other automated processes, as well as how these digital terminal procedures are effectively implemented and managed. The second working visit focused on the exchange of experiences regarding the implementation of a Single Window system in Sweden.

¹ <https://eur-lex.europa.eu/EN/legal-content/summary/customs-programme-cooperation-in-the-field-of-customs.html>

Revenue collection and protection of the financial interests

Ensuring efficient revenue collection

As source budget revenues, tax revenues account for 57.4% of total central-level revenues in the 2024 budget. Compared to 2023, the 2024 budget projects higher revenue collection across all tax categories².

It is important to note that the Customs Administration plays a crucial role in revenue collection, contributing 72.2% of the planned tax revenues through customs duties, VAT, excise duties, and fees. This also represents 41.5% of total state budget revenues.

To enhance tax revenue collection, the Customs Administration is implementing measures to curb the informal economy, strengthen tax controls, and streamline procedures through digitalization and simplification.

Collected revenues

In 2024, total revenue from imports and domestic trade amounted to 125,172.8 million denars, or 2,035.33 million euros, marking a 6.3% increase. This represents a growth of 7,375.4 million denars compared to the same period in 2023, when revenues totaled 117,797.4 million denars.

<i>Revenues collected</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>Споредено 2024/2023</i>
<i>Total</i> – in million denars	119,153.8	117,797.4	125,172.8	7,375.4
<i>Customs duties</i>	8,227.8	9,078.4	10,256.2	1,177.8
<i>VAT</i>	77,425.2	73,271	76,639.9	3,368.1
<i>Motor vehicle tax</i>	1,477.0	2,166.3	2,661.0	494.7
<i>Excise duties</i>	31,155.7	32,432.8	34,771.2	2,338.4
<i>Fees</i>	868.0	848.2	844.5	-3.7

In 2024, the revenue collected per employee in the Customs Administration amounted to 105,187,211 denars, reflecting the efficiency of revenue collection relative to workforce size.

² <https://finance.gov.mk/wp-content/uploads/2023/11/za-Sobranie-Buxet-2024-so-obrazloz-1.pdf>

Decisions for subsequent collection

2024	Decisions for subsequent collection	Q1		Q2		Q3		Q4		Вкупно	
		No.	Amount MKD	No.	Amount MKD.	No.	Amount MKD	No.	Amount MKD	No.	Amount MKD
	Ex-officio	65	12.208.645	74	3.829.373	79	6.497.995	319	38.939.980	537	61.475.993
	Upon client's request	38	3.006.973	25	1.300.271	111	7.928.913	264	7.447.118	438	19.683.275
	Total	103	15.215.618	99	5.129.644	190	14.426.908	583	46.387.098	975	81.159.268

In 2023, a total of 1,395 decisions for subsequent collection were issued (1,024 ex officio and 371 upon client's request) in a total amount of 275,839.634 denars.

Accreditation of Customs laboratory

The primary role of the Customs Laboratory is to analyze a wide range of goods, including food and agricultural products, oil derivatives, alcohol, plastics, and other industrial items, to ensure proper enforcement of customs and excise regulations.

These examinations are conducted using methods specified in the Customs Tariff, the European Customs Laboratories' database of analytical methods, and other standard methods. Additionally, the laboratory provides expert opinions on the tariff classification of analyzed samples in accordance with the Harmonized System and the Combined Nomenclature.

Preparatory activities are underway for the accreditation of the Customs Laboratory, which will officially validate its technical expertise in conducting specialized analyses. Accreditation will establish the laboratory as a competent, impartial, and independent entity, reinforcing confidence in the accuracy and reliability of its examinations.

The Customs Laboratory staff participated in several specialized training sessions and workshops to enhance their expertise:

- Workshop on textiles – focused on Customs Tariff requirements, held in the Netherlands (organized through the Customs 2027 programme);
- 3 online workshops on chemical products of chapter 29 of the European database of chemical compounds (ECICS);
- Online workshop on Samancta (European sampling database) to improve sampling procedures;
- Symposium on petroleum derivatives in Bulgaria;
- 32nd online meeting of the European expert group on prohibitions and restrictions;
- Analytical Method Development – Introduced and developed a method for determining acid numbers in vegetable oils.
- European database of chemical compounds (ECICS) Workshop in Athens;

- Online workshop on Group 6 of the ECICS database;
- Analytical method for the quantitative determination of fatty acids in vegetable oils.

In 2024, the Customs Laboratory received a total of 140 samples for analysis, more than doubling the 66 samples analyzed in 2023.

Of the total samples analyzed, 93 were petroleum derivatives, 43 were food products, 2 were waste rubber, 2 were other chemical industry products.

Tariff classification discrepancies were identified in 37 samples, including 29 petroleum derivatives, 6 food products and 2 rubber products.

The remaining samples were confirmed to match their declared classification under the Customs Tariff.

Application of tariff and non-tariff measures

Decisions on the classification of goods

197 binding tariff information (out of a total of 630 valid in the last three years) were issued in 2024.

Decisions on the classification of goods in accordance with the EU Combined Nomenclature

Two regulations amending the Regulation on the classification of certain goods in the Combined Nomenclature have been adopted and published, transposing a total of 12 EU Commission regulations. The regulations relate to the classification of certain goods in the EU Combined Nomenclature, which were published in the Official Journal of the EU in the period from 01.01.2024 to 31.03.2024 and from 01.07.2024 to 30.09.2024. They concern the following types of goods: agarose beads, footwear, blades, a multifunctional device with a housing, a heat and moisture exchange filter, a ring light blogging kit, a radiator and a device for installation in a vehicle, new pneumatic tires, a preparation for preventing the growth of bacteria, a smart watch, footwear with a textile upper, a pillow filling cover.

Decisions on the classification of goods under the Harmonized System (HS) Committee

The decisions of the HS Committee concerning the classification of certain types of goods adopted at the 72nd and 73rd sessions of the Committee have been published. They concern the following types of goods: non-carbonated beverages, fruit beer, defatted soybean flour, dilithium dioxide, wet wipes, ammonium nitrate emulsions in aqueous solution, solid steel products, serving robots, laser projector, wireless headphones, broadcast monitor, transformer bushings, Linear Hall IC, Trilith IC devices, Santa Claus decoration, caramel popcorn, sesame snaps, reverse vending machine, reflective fitness mirror, RF generator and RF matching network, children's electric scooter, various New Year decorations, tempeh and various INN products.

Trade facilitation

Simplified, modern, and harmonized customs procedures are essential for efficient international trade, especially in an ever-changing global environment.

Various projects support ongoing trade and border management reforms, including transport infrastructure modernization, regional trade facilitation, green corridors, and multi-modal transport initiatives.

In December 2024, the Law Ratifying the Amendments to the Regional Convention on Pan-Euro-Mediterranean (PEM) Preferential Rules of Origin was adopted (Official Gazette of the Republic of North Macedonia No. 261/2024). This law ratifies Decision 1/2023, adopted on 7th December 2023, introducing a modernized and more flexible set of rules for obtaining preferential origin within the PEM zone.

In December 2024, two Decisions were adopted for the early application of amendments to the Regional Convention on Pan-Euro-Mediterranean (PEM) Preferential Rules of Origin, amending and supplementing Decision 1/2023 of the Joint Committee, one related to the use of movement certificates issued electronically and the second for introduction of transitional provisions concerning the amendments to the Regional PEM Convention, effective 1st January 2025.

Mutual recognition of weighing receipts at customs terminals

As of 1st February 2024, the Protocol between the customs administrations of North Macedonia and Serbia came into effect, implementing the Memorandum of Understanding on measures to improve the movement of people and goods across the common state border, signed on 16th January 2024.

Under the Protocol, customs authorities mutually recognize certified receipts for weighing goods in customs procedures. To streamline the process, the Customs Administration has introduced a Guideline for weighing freight vehicles, ensuring that:

Trucks carrying goods are weighed only once

Weighing notes from customs terminals are accepted as valid by the receiving country's customs authorities

According to the Protocol, the customs authorities recognize the receipt for weighing goods (certified by the customs authorities) in customs procedures. The Customs Administration has prepared Guidelines for the weighing of freight motor vehicles, whereby trucks with goods will be weighed only once, and the weighing receipts at customs terminals will be accepted as valid by the other country (customs service) to which the shipment is sent.

Harmonization of national customs legislation with the EU acquis and best practices

The alignment of the national legislation is mainly related to the regulation of new electronic procedures in accordance with the Union Customs Code. The situation regarding the new amendments to the customs legislation planned at EU level as a historic reform is also monitored.

The review of legal regulations is necessary to respond appropriately to the increased volume of e-commerce, to the new rules, prohibitions and obligations. The new tools made available and the simplified procedures allow customs authorities to work more efficiently and to concentrate on the control of goods, deliveries and operators where the highest risk is identified.

Legislation regulating customs procedures and formalities

▪ Preparation of a new Customs Law

The draft version of a **new Customs Law** harmonized with the **Union Customs Code** is in its final phase. It will regulate new digital procedures, new approvals, the right to be heard in case of a negative decision, new terms of customs procedures, new digital systems. The new Customs Law is expected to be adopted by the end of 2025.

Customs Law Implementing Regulation is also being prepared, which is **expected to be adopted by the end of 2026**. This regulation will define the conditions, criteria, and deadlines for action. Subsequently, implementation instructions will be developed to provide detailed guidance on import, export, transit, guarantees, and the entry of goods into the customs area.

▪ Decision on Amendments to the Customs Tariff for 2025

The Decision amending the Customs Tariff for 2025 has been adopted and published in the Official Gazette of the Republic of North Macedonia No. 269/2024. This Decision covers the amendments to the notes to Sections and Chapters and the amendments to the tariff subheadings originating from the EU Combined Nomenclature for 2025, while the customs rates remain unchanged.

▪ Preparation of amendments to the Law on Representation Activities in Customs Procedures

Draft Amendments to the Law on Representation Activities in Customs Procedures has been submitted to the Ministry of Finance, revising the commissions laid down by the Law, set conditions for renting facilities at border crossings, facilitates the conditions for obtaining a license for representation activities in customs procedures, improves the text and lays down and specifies certain difficulties in its application.

Legislation regulating excise duties

- **Amendment to the Law on Excise Duties and existing sub-legal acts**
- **Adopted Law Amending the Law on Excise Duties** (adopted in December and published in the Official Gazette No. 265 of 24.12.2024, with entry into force on 31.12.2024)

The Law amending the Law on Excise Duties:

- defines the obligation to pay excise duty upon termination of the excise duty approval for electricity, natural gas, coal, coke, lignite and petroleum coke;
 - is harmonized with the amendment of the name of the Ministry of Foreign Affairs and Foreign Trade;
 - extends the deadline for using excise stamps in cases of force majeure;
 - defines the deadline for submitting a request for refund of part of the excise duty paid for marked gas oil intended for heating;
 - paragraphs 1 and 2 of Article 118 on misdemeanor procedure are amended, enabling the proper application of the jurisdiction for dealing with misdemeanors;
 - the application of the provisions for producers and importers of wine and fermented beverages and excise taxpayers for electricity, natural gas, coal, coke and lignite defined in Articles 105, 108 and 111 of the Law on Excise Duties is postponed.
- **A new Rulebook on excise taxation of energy products and electricity has been adopted**, regulating the marking of heating gas oils with a new indicator, in accordance with Commission Implementing Decision (EU) 2022/197 establishing a common fiscal marker for gas oils and kerosene (Official Gazette of the Republic of Macedonia No. 18 of 25.1.2024).
 - **Adopted Rulebook amending the Rulebook on the method of taxation with excise duty on energy products and electricity** (Official Gazette of the Republic of Macedonia No. 87 of 16.04.2024).

This Rulebook amends the previously adopted Rulebook on the method of taxation with excise duty on energy products and electricity (Official Gazette of the Republic of Macedonia No. 18 of 25.01.2024, in force as of 26.01.2024), where an amendment was made to Article 31 to align with Commission Decision (EU) 2022/197 of 17 January 2022 establishing a common fiscal means for marking gas oils and kerosene ACCUTRACE™ PLUS. With the adoption of the new Rulebook on the method of taxation with excise duty on energy products and electricity 18/2024, the use of Solvent Yellow 124 is officially discontinued.

The Rulebook amending the Rulebook on the method of taxation with excise duty on energy sources and electricity provides an exception for energy sources used as heating fuels and marked with a red marking agent. This applies to energy sources intended for long-term storage, as well as to those marked with the old indicator found in reserve storage warehouses or within the excise area, until the Rulebook's effective date. These energy sources can continue to be used until the existing stock is depleted.

In November 2024, **Draft Rulebook on the method of taxation with excise duty for alcohol, alcoholic beverages, tobacco products, and Draft Rulebook on the method of taxation with excise duty for energy products and electricity** were submitted to the Ministry of Finance. The draft Rulebook on excise duty for alcohol and tobacco products concerns further harmonization with Commission Regulation (EC) No. 3199/93 of 22nd November 1993, regarding the mutual recognition of procedures for the complete denaturing of alcohol for excise duty exemption purposes.

Both Draft Rulebooks now include provisions detailing the criteria for reducing the guarantee securing excise debt and the guarantee in the form of a cash deposit, in line with Article 30, paragraph 13 of the Law on Excise Duties. The documentation required for issuing an excise license and approval for a preferential user has been harmonized with documents from other institutions.

Additionally, the two draft Rulebooks clarify the refund process for excise duty to diplomatic and consular missions and their staff, a detail not previously specified. The Draft Rulebook on excise duty for energy sources and electricity also outlines the content for monthly reports on purchased, sold, and stock quantities of energy sources containing marking substances.

Both draft regulations have been updated to reflect current excise operations, including integration with the Customs Administration's computer system.

Internal document procedure regulation (drafting new, revising existing guidelines, procedures, instructions, handbooks)

Customs procedures

New internal documents have been adopted to regulate procedures:

- Guidelines on Weighing Freight Motor Vehicles: These guidelines define the obligations and procedures for customs officers when weighing freight vehicles at entry/exit customs offices, focusing on facilitating the movement of passengers and goods across the shared borders between North Macedonia and Serbia;
- Guidelines on Temporary Admission of Means of Transport: These guidelines outline the process for approving temporary admission of means of transport and establish the practical methods and procedures customs officers follow when completing the temporary admission procedure;
- Guidelines on Simplified Procedures Using the CDEPS: further clarifying the process of monitoring and verifying the fulfillment of criteria for simplified procedures, with an emphasis on confirming the results of the checks conducted by customs officers.

TOTAL NUMBER OF PROCESSED DECLARATIONS in import, export and transit – Customs Houses and Customs Offices (period January – December 2024)

e-Customs Indicators

Processed declarations (import and export procedure)	2023			2024		
	Import	Export	Total	Import	Export	Total
	468.203	266.798	735.001	496.524	275.867	772.391

Average processing time (not including declarations processed over 2 days due to justified reasons resulting from detected irregularities identified during customs control)	2023		2024	
	Import	Export	Import	Export
	137 minutes	20.8 minutes	145.7 minutes	25.4 minutes

Increase of simplified procedure declarations, compared to 2023	Increase in authorisations for local customs clearance simplified procedure (currently active 78 authorisations)	Import - % of declarations selected by the risk management system on red channel with detected irregularities
3,97 %.	5 new holders of this type of authorization in 2024	20.7 %

Transit declarations processed in the period January – December 2024

Type of transit declaration according to place of departure/destination	Processed declarations
Place of departure MK, destination outside MK	130.131
Place of departure outside MK, destination in MK	110.219
Place of departure outside MK, destination outside MK	74.318

Excise procedures – declarations (period 01.01.2024-31.12.2024)

- Declarations for production – for energy products 20, for alcohol 491 and for tobacco 25
- Declarations for production – small producers – 76
- Declarations for processing – for energy products 189, for alcohol 585 and for tobacco 165
- Declarations for losses and destruction – for energy products 92, for alcohol 53 and for tobacco 14
- Declaration for excise duty payment - for energy products 196, for alcohol 1.197 and for tobacco 752

- Declarations for additional excise duty payment– for energy products 69 and for tobacco 61
- Declarations for excise refund – 268
- Monthly reports from preferential users – for energy products 221 и for alcohol 2.499
- Applications for payment of motor vehicle tax for modified vehicles –35
- Declarations for excise stamps – for alcohol 1.329 and for tobacco 1.117
- Declarations from farmers – 71
- Electronic excise documents - for energy products 20.576, for alcohol 3.748 and for tobacco 411.

УВОЗНИ И ИЗВОЗНИ ДЕКЛАРАЦИИ ПО КАНАЛИ (2024) - применуван принцип на селективност при контрола

IMPORT declarations January-December 2024				EXPORT declarations January-December 2024				Total declarations IMPORT and EXPORT January-December 2024			
Green channel	Yellow channel	Red channel		Green channel	Yellow channel	Red channel		Green channel	Yellow channel	Red channel	
327.012 65.9 % annually	122.997 24.8 % annually	46.515 9.4 % annually		267.863 97.1 % annually	7.163 2.6 % annually	841 0.3 % annually		594.875 77.0 % annually	130.160 16.8 % annually	47.356 6.2 % annually	
Декларации поднесени за УВОЗ во период јануари-декември 2023				Декларации поднесени за ИЗВОЗ во период јануари-декември 2023				Вкупно декларации поднесени и за извоз и за увоз во период јануари-декември 2023			
Green channel	Yellow channel	Red channel		Green channel	Yellow channel	Red channel		Green channel	Yellow channel	Red channel	
310.848 66.4 % annually	117.543 25.1 % annually	39.812 8.5 % annually		260.390 97.5 % annually	5.228 2.1 % annually	1.180 0.4 % annually		571.238 77.7 % annually	122.771 16.7 % annually	40.992 5.6 % annually	
Import declarations selected per channel (comparison 2024/2023 per quarters)											
% Import declarations Green channel 2024				% Import declarations Yellow channel 2024				% Import declarations Red channel 2024			
Q1 66.5%	Q2 66.2%	Q3 65,6%	Q4 66.8%	Q1 24,9%	Q2 25.7%	Q3 26.3%	Q4 19.3%	Q1 8.6%	Q2 8.1%	Q3 8.1%	Q4 13.9%
% Import declarations Green channel 2023				% Import declarations Yellow channel 2023				% Import declarations Red channel 2023			
Q1 67.8%	Q2 67.3%	Q3 66.7%	Q4 66.3%	Q1 23.3%	Q2 24.4%	Q3 25.6%	Q4 25%	Q1 8.9%	Q2 8.3%	Q3 7.7%	Q4 8.7%
Export declarations selected per channel (comparison 2024/2023 per quarters)											
% Export declarations Green channel 2024				% Export declarations Yellow channel 2024				% Export declarations Red channel 2024			
Q1 66.5%				Q1 24.9%				Q1 8.6%			
Q2 66.2%				Q2 25.7%				Q2 8.1%			
Q3 65,6%				Q3 26.3%				Q3 8.1%			
Q4 66.8%				Q4 19.3%				Q4 13.9%			

Export declarations Green channel 2024				Export declarations Yellow channel 2024				Export declarations Red channel 2024			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
95.2%	98%	97.7%	97.3%	4.4%	1.8%	2%	2.4%	0.4%	0.2%	0.2%	0.3%
% Export declarations Green channel 2023				% Export declarations Yellow channel 2023				% Export declarations Red channel 2023			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
97.2%	97.9%	97.4%	98%	1.9%	1.9%	2.4%	1.7%	1%	0.2%	0.3%	0.3%

Licenses issued through EXIM

In 2024, the competent institutions issued **121,658 licenses for import, export and transit licenses through EXIM**. The average time for issuance of a license is 0.6 days.

Number of freight motor vehicles

In 2024, the border crossing points of the Republic of North Macedonia were crossed by 1,430,419 freight motor vehicles (927,456 loaded FMVs and 502,963 empty FMV). The majority of traffic passes through border crossings with Greece (a total of 438,240 TUVs, including 260,519 loaded and 177,721 empty) and Serbia (a total of 410,935 TUVs, with 333,431 loaded and 77,504 empty).

Number of freight motor vehicles that crossed the borders (January-December 2024)																		
Type of traffic	Kosovo			Serbia			Bulgaria			Greece			Albania					
	B	J	T	T	P	D	D	H	T	B	M		K	S				
	I	A	O	A	I	E	E	A	O	O	E		J	V				
	a	n	n	n	n	c	v	e		d	d		a	e				
	c	c	a	c	c	e	e	e		i	i		s	N				
	e	e	i	e	e					a	a		a	a				
Entry																		
Loaded	26.259		26.259	160.763		160.763	7.610	60.746	13.613	81.969	124.339	35.586	48.302	208.227	36.105		116	36.221
Empty	90.711	3.276	93.987	22.075	1.006	23.081	7.574	6.688	10.957	25.219	18.048	4.542	3.638	26.228	22.666	64	832	1915
Exit																		
Loaded	100.851		100.851	172.668		172.668	6.630	21.604	17.046	45.280	31.852	4.586	15.854	52.292	41.680		720	526
Empty	13.542	3.183	16.725	49.007	5.416	54.423	11.986	33.743	17.074	62.803	94.319	36.609	20.565	151.493	22.510	48	120	849
Total																		
Loaded	127.110		127.110	333.431		333.431	14.240	82.350	30.659	127.249	156.191	40.172	64.156	260.519	77.785		720	642
Empty	104.253	6.459	110.712	71.082	6.422	77.504	19.560	40.431	28.031	88.022	112.367	41.151	24.203	177.721	45.176	112	952	2.764
Total FMV (loaded and empty) crossing certain country			237.822			410.935				215.271				438.240				128.151
																		1.430.419

Issued authorisations for customs procedures

At the end of 2024, active authorisations were as follows:

- 458 authorisations for representation activities in customs procedures (456 new/2 suspended),
- 90 authorisations for customs warehousing (89 new/1 suspended),
- 185 authorisations for inward processing (185 valid/none suspended),

- 397 authorisations for outward processing (none suspended),
- 79 authorisations for simplified procedures, of which 54 for simplified procedures at import, while 25 outward processing at export (78 new/1 suspended authorization for simplified procedures at import)
- 151 authorisations for deferred payment
- 975 licenses – licensed representative (972 new/3 suspended)
- 8 new authorisations for simplified procedure for proving origin (authorized exporter status) - active 152, none suspended
- 199 authorisation for simplified transit procedure, of which 7 are new (3 revoked). Of these 69 are authorisations – authorized consignee (new 4/2 revoked). There are 42 active authorisations – authorized consignor (3 new/none revoked). There are 88 comprehensive transit guarantee (none new/1 revoked).

Active excise authorisations at the end of 2024:

- 59 excise licenses (1 new/4 revoked)
- 4 authorisations for small independent breweries (1 new/ 2 revoked)
- 5 authorisations for small distilleries (1 new/none suspended)
- 201 authorisations – preferential excise user (2 new/6 revoked)
- 1 authorisation – petroleum coke excise payer (none new/ 1 revoked)
- 30 farmers’ authorisations - small producers of spirits (2 new/none revoked)
- 104 authorisations – uses of excise duty stamps (6 new/1 revoked)
- 50 authorisations – distributors (6 new/none revoked)
- 266 authorisations for excise refund (34 new/none revoked) and
- 17 authorisations for traders with marked fuel (none new/none revoked)

Digitalized processes and services

Number of registered external users (total active and new at the end of 2024)

External users registered within 01.01.2024 – 31.12.2024		
No.	System	New users
1.	CDEOS	196
2.	EXIM	528
3.	NCTS	192
4.	PEK	5

To automate processes, ongoing efforts focus on developing new systems to ensure interoperability with both EU systems and national government domains:

New Computerized Transit System – Phase 5 developed and launched

In 2024, the Customs Administration focused extensively on the development and launch of NCTS Phase 5, an upgraded version of NCTS Phase 4. The implementation of this new transit system is part of efforts to align with European legislation and the European Transit Convention, as well as to maintain regular synchronization with European systems. This includes ensuring the necessary prerequisites for integration with other European customs systems to ensure interconnection and interoperability.

Compliance and interconnection tests were conducted for various scenarios by DG TAXUD. The goal of these tests was to verify the system's required functionalities, established integrations with other customs systems, and communication with European systems. The entire testing process followed DG TAXUD's standards and procedures, with competent teams closely monitoring the process.

Throughout this period, training sessions were held for trainers, testers, and economic operators to familiarize them with the functionalities of the new NCTS Phase 5 system. Manuals for using the system were also developed.

After the successful completion of all testing, the new Transit System, NCTS Phase 5, was officially launched on January 13, 2025.

During 2024, the Customs Administration worked intensively on the development and launch of NCTS Phase 5, which is a new version of NCTS Phase 4. The implementation of the new versions of the transit system is part of the harmonization with European legislation and the European Transit Convention, as well as regular harmonization with European systems (provision of prerequisites for integration with other European customs systems), in order to ensure interconnection and interoperability.

Compliance and interconnection tests were conducted on given scenarios by DG TAXUD. The purpose of these tests was to confirm the necessary functionalities of the system, the established integrations with other customs systems and to confirm communication with the European systems. The entire testing process was carried out according to DG TAXUD standards and procedures, whose competent teams constantly monitored the entire process.

During this period, training was conducted for trainers, testers, as well as economic operators, in order to familiarize them with the functionalities of the new NCTS 5 system. Manuals for using the new system were also prepared.

After successfully finalizing all testing, the New Transit System NCTS - Phase 5 was launched into production on 13th January 2025.

Implementation of the national domain for Binding Tariff Information, Surveillance the Integrated Tariff Environment (ITE)

The maintenance and further development of the Integrated Tariff Environment (ITE) has been secured for a period of 36 months. Under the new contract, enhancements will include the development of new functionalities, modifications, and upgrades to existing communication interfaces (web services) with EXIM, CDEPS, NCTS4, and NCTS5. Additionally, the module for Binding Tariff Information (BTI) will be modified to enable the electronic submission of BTI requests in compliance with the technical requirements of the European Union, alongside other necessary system adaptations. Furthermore, an interface between ITE and NCTS has been developed to support integration with NCTS5, facilitating seamless communication and data exchange related to tariff amendments.

System security is continuously monitored, with ongoing efforts to implement improvements. In the upcoming period, consulting services will be engaged to support the development of a new version or adaptation of ITE system modules to ensure alignment with the Customs Law and harmonization with European Union regulations.

Development and implementation of new National Single Window – hardware and software

The project for the development and implementation of a new National Single Window (NSW) is a component within the framework of the Western Balkans Trade and Transport Facilitation Project (WBTTFP), financed by a loan from the World Bank.

The NSW has a regional character and is being implemented in Serbia and Montenegro.

This project aims to develop and implement a comprehensive National Single Window (NSW) that will address the needs and requirements of the Customs Administration, other government institutions involved in cross-border trade, and the business community. The goal is to streamline and expedite cross-border trade processes while aligning with the regulations and standards applied in EU member states. Through the creation of suitable interfaces, the project will ensure seamless integration of national IT systems used by the Customs Administration and other government entities, facilitating the efficient management of business processes related to the cross-border movement of goods within the NSW framework.

The implementation of the NSW is being coordinated by a Working Group established by the Government of the Republic of North Macedonia. Led by the Customs Administration, which serves as the coordinator of activities, the group includes participation from 14 other relevant ministries and bodies with authority over various aspects of cross-border trade, including the issuance of permits for the import, export, and transit of goods.

The procurement process for hardware and software development will be repeated after being previously canceled to allow for a revision of the technical specifications outlined in the initial announcement. This revision aims to ensure the successful implementation of the project.

On 7th February 2024, a promotional event was held to introduce the National Electronic System (NES), where the new system's functionalities and the benefits it will offer to both the private sector and state institutions were showcased. The NES will play a key role in simplifying work processes and accelerating cross-border trade.

As part of the component focused on legal, regulatory, and procedural changes, a draft version of the Law on the Establishment of the NES was prepared in cooperation with the consultants. The first draft of this law was completed in June. In the coming period, it will be presented to the Steering Committee, following which the process for its adoption will be initiated. The goal is to have the law adopted before the system becomes operational.

Development of Economic Operator Registration and Identification (EORI) and Uniform User Management and Digital Signature (UUM&DS) – Project: IPA 3 – 2021

The “Development of Economic Operator Registration and Identification (EORI2) and Uniform User Management and Digital Signature (UUM&DS)” project is designed to support the implementation of EU acquis under Chapter 29: Customs Union. Its primary objective is to ensure compliance with EU regulations by establishing a unified system for managing external users (economic operators and traders) and granting their access to customs systems. This system will enable the efficient identification of economic operators and other external users, as well as provide secure access to both national and EU customs systems, including the European centralised customs services. This project will ensure that access aligns with security policies, legal frameworks, and operational responsibilities, all while facilitating trade and improving business operations. In doing so, it will also bring the country closer to the EU market and its Customs Union.

The Economic Operator Registration and Identification System 2 (EOS/EORI2) will serve as a comprehensive platform for registering and identifying economic operators within the customs domain. The UUM&DS system will provide essential authentication, authorization, and digital signature services, offering economic operators streamlined, one-stop access to customs IT systems.

In addition to the development and implementation of these systems, the project will also focus on establishing functional interfaces and interconnections with existing customs systems within the Customs Administration and with the IT systems of relevant government institutions.

A key outcome of this project will be the introduction of the EORI number at the national level, which will be governed by a new Customs Law that is harmonized with EU regulations and expected to be adopted by the end of this year.

The project, funded by the Delegation of the European Union to the Republic of North Macedonia with 2 million Euros, commenced on 6th November 2024, with an anticipated implementation period of 24 months.

e-Customs System availability in 2024 at central location

System	Total no. of working hours	No of incidents		Incidents in hours		Incidents in %	Availability in %
CDEPS	2.989	47		23.73		0.27 %	99.73 %
NCTS	2.989	36		21.9		0.25 %	99.75 %
ITE	2.989	1		0.2		0.00 %	100.00 %
EXIM	2.989	4		26.67		0.30 %	99.70 %

Reported incidents via the Service desk

In 2024, the Service Desk handled a total of 7,683 cases, including 719 incidents related to hardware malfunctions and network issues, while 6,964 were associated with software and business-related disruptions.

Modernized ICT structure

In January 2024, the implementation of the **“Project for Establishment of a New Risk Management and Customs Data Warehouse System”** began. This project, funded through a grant from the Government of the Republic of Korea, aims to establish a centralized database of uniform, high-quality data to support informed decision-making processes and improve business operations within the Customs Administration. Ultimately, the goal is to enhance the protection of the domestic market by streamlining risk management practices. The project includes the development of new software for risk analysis and a data warehouse tailored to the Customs Administration's needs.

The Korean project team visited our administration on two occasions, during which several key activities were carried out. These activities included a thorough analysis of the current IT systems, as well as a review of relevant regulations and procedures. Based on these findings, the system design was finalized, and an analysis of the existing IT infrastructure was conducted to ensure appropriate preparation for the installation of new equipment.

Additionally, as part of the project, a high-level seminar was organized in Seoul, Korea, where employees from the ICT sector participated in a study visit. This visit included training sessions essential for the successful implementation and ongoing maintenance of the new system.

The risk management and data storage system is designed to enhance efficiency by directing controls toward high-risk shipments and passengers while facilitating the faster movement of lower-risk ones. Recently, efforts have focused on defining the system's functional requirements. Launched in March 2024, the project has a budget of 4.9 million euros and is expected to be fully operational by the end of 2025.

IT security

To enhance its IT security, the Customs Administration has conducted penetration testing as part of a contract for IT security audit services. The testing of the main customs systems took place between December 2023 and March 2024.

Based on the results of the testing, the Customs Administration has initiated a series of activities aimed at addressing vulnerabilities and strengthening information security. These activities, supported by the US Treasury and the US Embassy, will continue until 2026 and focus on the following key areas:

- Development of a comprehensive cybersecurity strategy and roadmap with a detailed action plan.
- Support for addressing the highest-risk vulnerabilities.
- Optimization of existing security solutions.
- Ongoing training and development for employees.

Workshops have been held to assist in the creation of the Cybersecurity Roadmap, formulate a plan to address vulnerabilities within the Customs Administration's ICT systems, and reconfigure the implemented security solutions.

In collaboration with the Government, efforts are underway to elevate the security environment, including domain upgrades and the migration of user mailboxes. These activities are aligned with the Cybersecurity Roadmap, which aims to remediate vulnerabilities and modernize software systems.

Additionally, in November 2024, a Memorandum of Understanding was signed with the USAID Cybersecurity Protection and Response Program, implemented by IBM Consulting Federal. This partnership provides support to the Customs Administration in identifying, developing, and implementing the target roadmap for cybersecurity. It also involves optimizing the configuration of security tools within the current Information Security Event Management system and data protection tools, as well as offering training and capacity-building initiatives.

All of these efforts are aimed at achieving ISO 27001 certification, which, according to the Cybersecurity Roadmap, is scheduled for completion by 2026.

Preparation for ISO 27001

The Customs Administration has initiated activities for the implementation of ISO 27001. Currently, the technical specification is being prepared, including an analysis of the existing

situation and the development of documentation in compliance with the ISO 27001 information security standard and the Law on Personal Data Protection.

These efforts are aligned to establish a robust and secure security architecture.

Improving the business environment and facilitating trade

A business environment that saves costs and time in trading

The Customs Administration is committed to improving the business environment and facilitating trading conditions through the implementation of projects and activities planned within the framework of CEFTA³, the Open Balkans initiative, the Western Balkans Common Regional Market or through bilateral agreements.

Of the four pillars of the Growth Plan, CEFTA will be focused on the two through which better economic integration within the Western Balkans and integration with the EU is ensured. CEFTA will play a crucial role in connecting the region with the EU Single Market, with particular attention paid to the free movement of goods.

Common Regional Market Action Plan

On 14 October, within the framework of the Berlin Process, the Western Balkans Heads of Government adopted the 2025-2028 Common Regional Market Action Plan (AP) for the Western Balkans. The plan is structured with activities and set results within 6 pillars (areas): 1. free movement of goods, 2. free movement of services, 3. horizontal trade measures, 4. human capital development, 5. business enabling environment and competitiveness and 6. digital transformation.

In the area of customs operations (area 1. free movement of goods), the following is envisaged: strengthening the cooperation by updating the rules of origin in view of the recent agreement on the Pan-European Mediterranean Rules of Origin, recognition of Authorized Economic Operator (AEO) programmes for the other CEFTA parties and establishment of a network of customs laboratories. Greater use of IT tools for the electronic exchange of information is also envisaged, further upgrading of the existing CEFTA IT system SEED+, especially CEFTA TRACES NT for trade related to live animals and agricultural products.

The horizontal measures of the AP include "measures to facilitate trade and reduce controls", proposing: further promotion of the Green Lanes, in the region and with EU member states, which requires investments in infrastructure, equipment, inter-agency cooperation; risk analysis; exchange of pre-arrival information, development of SEED+ IT systems to expansion of the functionalities and electronic exchange of data and documents between all relevant institutions for the movement of goods. CEFTA is planned to serve as the coordinator (lead organization) for most regional activities, with the European Commission acting as the supporting organization.

³ Central European Free Trade Agreement

The AP outlines, a series of agreements through CEFTA, addressing the following areas: recognition of customs controls; list of agricultural and food products exempted from border controls.

Enhancement of electronic signature recognition and other related services is envisaged in the area - free movement of services, which is particularly relevant to customs operations.

1. Mutual recognition **Authorised Economic Operator Authorisations**

On 9th October 2024, the CEFTA Joint Committee adopted Decision No. 8 on mutual recognition of Authorized Economic Operator (AEO) authorisations based on validations conducted in the CEFTA Parties, specifically North Macedonia, Moldova, Serbia, and Albania. The next steps include the ratification of the Decision and its implementation by the CEFTA Parties.

Authorised Economic Operator Framework Project

As part of the AEO Framework Project, the CEFTA Parties are implementing national-level initiatives to enhance the AEO concept by expanding benefits for AEO holders and strengthening cooperation with other state authorities. Planned activities focus on introducing priority processing for AEO-certified operators, including expedited controls and reduced documentary and physical inspections. To support these efforts, a working group is established, gathering representatives from the Customs Administration, the Food and Veterinary Agency, the Phytosanitary Agency, the State Inspectorate for Agriculture, and the State Market Inspectorate. The group's mandate is to explore solutions for granting AEO benefits and minimizing waiting times at border crossings.

AEO regional activities

Customs AEO experts are regular participants in various projects and activities related to the AEO program. Within the framework of CEFTA, an AEO database was developed in 2023, which includes all issued authorizations with a safety and security component. The database is published on the CEFTA Secretariat website at the following link:

<https://transparency.cefta.int/AuthorizedEconomicOperator/IndexPublic>

There are 27 companies in our country with the status of authorized economic operator (until of 31.12.2024). Two new applications for acquiring this status are in the final stage of processing.

2. Expanded network of **green corridors** with 24/7 availability and establishment of green corridors with EU

In March 2024 in Zagreb, at the Steering Committee meeting for Green Corridors organized by the CEFTA Secretariat and the Transport Community, assessed the current implementation of green

corridors, explored possibilities for improvement, and discussed the Roadmap for the "Enhanced Implementation of the Green Corridors between the EU - CEFTA/Western Balkans." The green corridors are supported by electronic data exchange before the arrival of goods at all major border crossings between CEFTA and EU countries through the SEED system, with plans for infrastructure improvements as well. Currently, data exchange within the SEED system occurs in one direction (including between Macedonia and Greece). However, it is anticipated that a legal framework will soon be established to enable two-way data matching, further enhancing the efficiency of green corridors.

The Transport Community has developed 11 project fiches, focusing on the major border crossings between CEFTA countries and EU Member States, where reconstruction and modernization are needed to ensure the functional application of green corridors. For the Republic of North Macedonia, the most critical border crossings identified for this initiative are Tabanovce-Preševo, Blace-Hani Elizit, Deve Bair-Gjueshevo, Bogorodica-Evzoni, and Kjafasan-Qaftane.

In November 2024, a Technical Protocol for electronic data exchange was signed between the customs administrations of the Republic of North Macedonia and Montenegro. This protocol outlines the measures both parties will implement to exchange data through the SEED system, which aims to facilitate road traffic, combat customs fraud, accelerate customs procedures, and simplify the conditions for formalities and customs controls. Importantly, the protocol also ensures that the risk analysis framework provisions, to which each contracting party must adhere, are applied effectively.

Green Corridor Initiatives serve as a key mechanism for facilitating transport and trade both within the region and between the region and the EU. They focus on enhancing cooperation between customs authorities, strengthening risk management, and promoting the Authorized Economic Operator concept. Additionally, these initiatives support the harmonization of working hours, modernization of border infrastructure, and the adoption of advanced equipment and IT systems, all of which streamline procedures, reduce formalities, and minimize border waiting times⁴.

3. Joint border controls

Serbia

Joint control with Serbia at the Tabanovce Highway border crossing is being conducted smoothly and without interruptions. To further enhance and expedite customs procedures, negotiations began in the fourth quarter of 2024 to amend the existing Agreement. The proposed amendments include changes to the title, which will be updated to "Agreement on Joint Controls at the Tabanovce-Preševo Border Crossing."

Key revisions to the Agreement focus on streamlining passport control by implementing a one-stop system at both the Tabanovce and Preševo border crossings.

⁴ CEFTA and Transport Community Take Green Lanes Forward, <https://cefta.int/news/the-cefta-secretariat-and-the-transport-community-with-support-of-the-croatian-customs-administration-organised-the-green-lanes-steering-committee-meeting-gathering-the-representatives-from-all-cef/>

Additionally, Serbia is set to operationalize the newly constructed terminal in Preševo, which is expected to significantly reduce waiting times for freight vehicles exiting North Macedonia and entering Serbia.

Albania

The Agreement on Joint Border Crossings with Albania is implemented at the border crossing point Kjaľasan without interruptions. However, to further expedite traffic flow, infrastructure improvements are necessary. These upgrades are scheduled to begin in the second quarter of 2025 on the Albanian side and will be financed by the Western Balkans Trade and Transport Facilitation Project.

Kosovo

The Agreement on Joint Border Crossings with Kosovo has been in force since 8th February 2024. Expert committees, consisting of representatives from Customs and Police authorities of both countries, have drafted a protocol for its practical implementation. In June 2024, the first meeting of the Joint Commission for the Implementation of the Agreement was held, during which the proposed Rules of Procedure from the Kosovo side were reviewed. In the fourth quarter, the protocol for the implementation of joint controls was finalized and officially signed on 18th November 2024. It was agreed that the joint controls under this agreement would commence at the border crossing point Blace in February 2025.

4. Application of CEFTA Risk Management Strategy

As part of the CEFTA Risk Management Strategy, regional activities have been implemented to strengthen cooperation with relevant agencies involved in import and transit procedures.

A series of joint meetings were held with representatives of market surveillance agencies, where detailed parameters were established for conducting pilot joint inspections between customs administrations and market surveillance agencies. These inspections focused on the control of electric kettles, USB chargers, and LED lights. For this purpose, risk profiles were integrated in the Customs Administration's risk management systems. The inspections were conducted collaboratively by customs officers and market inspectors, with daily monitoring of activities, including the number of controls performed and irregularities detected. All relevant data was systematically recorded in the SEED system

The implementation of a new project for the maintenance and upgrade of the SEED system (System for Systematic Electronic Exchange of Data between CEFTA Parties) has begun. The project's primary goal is to enhance trade facilitation and economic integration by enabling seamless and systematic data exchange between CEFTA Parties and the EU. This includes customs procedures, phytosanitary control, food safety, and the regulation of veterinary and pharmaceutical products. Additionally, the project aims to promote paperless trade and strengthen trade security without disrupting legal trade flows.

As part of this initiative, complementary activities are planned, including the exchange of information on completed controls and rapid alerts, the development of a verification concept for proofs of origin, cash control measures, data sharing from truck weight measurements, and database updates.

Common Risk Management Strategy

Given that the current Risk Management Strategy was developed for the period 2020-2024, activities have been initiated to prepare a new strategy for the period 2025-2028.

Preparations for the new strategy are taking place through the following activities: collecting data from customs administrations on their experiences with the 2020-2024 strategy, including successes, challenges and areas for refinement, ensuring alignment of the objectives of the new strategy with both CEFTA integration priorities and each administration's objectives, fostering dialogue on how to integrate Customs with other agencies for a more cohesive approach to risk management and discussing advances in artificial intelligence, machine learning and ICT infrastructure, highlighting data sharing and predictive risk analysis as tools to increase the effectiveness of customs operations across CEFTA.

Overall, the Strategy 2025-2028 positions CEFTA to become a leader in customs innovation, characterized by adaptive risk management, strong international partnerships and advanced technological solutions. A roadmap has been proposed for the adoption of the strategy, according to which it should be adopted in the first quarter of 2025.

5. Introduction of e-trade regional market within CEFTA

Pilot Project on electronic exchange of data between customs authorities and postal operator

Establishing a regional e-commerce market by adopting the most important harmonized rules and principles of the internal market, by facilitating customs clearance of shipments and overcoming the practice of limited access (geo-blocking) is also part of CEFTA activities. The Customs Administration of the Republic of North Macedonia is implementing a pilot project for electronic data exchange between the customs authorities and the postal operator, with the support of the German Society for International Cooperation (GIZ). The aim of the Project, which started in June 2023, is to upgrade the customs system CDEPS, which will enable the reception and processing of pre-arrival data on parcels from the postal operator. For this purpose, a Memorandum of Understanding has been prepared with the Macedonian Post for electronic data exchange. The Project will upgrade the pre-arrival functionality of CDEPS intended for post. The conclusion of an agreement with the selected contractor of the international tender announced and implemented by GIZ is in the final phase.

The CEFTA e-commerce expert group had a study visit to the Central Directorate of the Hungarian National Tax and Customs Administration (NCTA) from 15-17 May 2024 in Budapest, organized by GIZ. The aim of the working visit was transferring experiences in the implementation of the EU VAT E-commerce package in Hungary, insight in procedures in accordance with the

Union Customs Code (UCC), authorized economic operator in Hungary, electronic advanced data exchange (EAD) on postal shipments. The CEFTA e-commerce expert group also visited the Airport Customs Office and the Hungarian Postal Service.

Pilot activities for exchange of electronic advanced data - EAD are also being implemented in Serbia and Montenegro.

Protection of the society

To strengthen the capacity to combat organized crime, efforts are underway to enhance electronic recording and information exchange at both the national and international levels. Additionally, initiatives include modernizing equipment for border controls, procuring new technical tools for video surveillance, and improving mobility and rapid response capabilities.⁵

Tackling illegal trade and organized crime

Coordinated investigation and intelligence activities through electronic work processes

Control and Investigation Management System (CIMS)

The new integrated information system for the Control and Investigations Sector aims to replace existing applications that currently cover only specific operational segments. It will also address previously uncovered processes, ensuring data harmonization and standardization, seamless process integration, enhanced case traceability, and improved operational procedures.

This system is part of a broader project that includes the procurement of control and investigation equipment, as well as server room infrastructure to enhance operational security. **The project, valued at 2 million euros, is funded by the EU.** The tender is expected to be announced by the end of the first quarter of 2025.

Establishment of Data Exchange Services with Other Institutions

The Customs Administration has established regular data exchange services with various institutions through the **Interoperability Platform**. This platform facilitates the sharing of information with organizations with which the Customs Administration has formalized cooperation agreements. In April 2024, the Customs Administration concluded a Cooperation Agreement and a Memorandum of Cooperation with the Basic Public Prosecutor's Office of Skopje.

Additionally, a Plan of Measures and Activities was signed between the Customs Administration and the Public Security Bureau of the Ministry of Interior. This agreement

⁵ 2022-2025 Public Finance Management programme

outlines the support the Customs Administration will provide to the Police during a declared crisis, particularly in response to an increased volume of migrant entry and transit through the country's territory.

Furthermore, Memoranda and protocols for cooperation and data exchange have been signed with 12 commercial banks operating in the country. These agreements will enable the Customs Administration to receive banking transaction data related to individuals and legal entities more quickly and efficiently. The technical integration with these banks is already well underway, with full completion expected by the first quarter of 2025.

Financial investigations

The project "Law Enforcement Records Management System" (LERMS) in the fight against organized crime within the competence of law enforcement institutions, funded by EU IPA started in September 2024 and is set to last for the next 24 months. Its goal is to establish an IT tool—Law Enforcement Records Management System—across law enforcement agencies in the Republic of North Macedonia. This system will enable the monitoring of law enforcement cases related to organized crime, corruption, and terrorism, offering analytical functionalities and statistical reports. The project is coordinated by the Ministry of Interior, with additional participation from the Public Prosecutor's Office, the Financial Police, the Financial Intelligence Directorate, the Seized Assets Management Agency, and the Customs Administration. Continuous meetings are held with the Working Group.

Representatives of the Customs Administration participated in the preparation of the new **national Strategy for Strengthening the Capacities for Conducting Financial Investigations and Confiscation of Assets for the period 2024-2028**, which is being prepared with the assistance of the German Society for International Cooperation. A draft version has been prepared and is awaiting adoption by the Government.

A new **Strategy for Combating Money Laundering and Financing of Terrorism (2025-2028)** is currently being prepared, organized by the Financial Intelligence Directorate, with technical and administrative assistance from the Council of Europe Office. For this purpose, an expert has been hired and a working group has been formed in which representatives of the Financial Investigation Service also actively participate. The draft version of the Strategy is expected to be prepared by the end of the first quarter of 2025.

In 2024, the Financial Investigation Unit conducted 5 financial investigations, against five individuals and two legal entities. During the stated period, the Financial Investigation Unit submitted two Initiatives to the Public Prosecutor's Office Skopje for seizure of proceeds of crime proceeds, worth 4,267,660.00 denars.

The Financial Investigation Unit also participates in the work of the Institutional Network for the Protection of the Financial Interests of the European Union in the Republic of North Macedonia (AFCOS Network).

Employees of the Financial Investigation Unit attended:

- Three-day training on conducting financial investigations organized by SEP Slovenia, held from May 15 to 17.
- Meeting of the Working Group on the Implementation of Software for Connecting Commercial Banks in the Financial Intelligence Unit and the National Bank, held in April 2024.
- Five-day training on "Financial Investigations Related to Corruption" organized by "ICITAP" at the US Embassy in the Republic of Macedonia, with participation from two inspectors, held in September 2024.
- ILEA Alumni Conference under the auspices of the "INL" section of the US Embassy in the Republic of Macedonia, along with the event for the global program to combat illicit financial flows, "From Heritage to Horizon: Celebrating Progress and Future Visions," under the GIZ project, held in September.
- 21st Meeting of the Working Group on Combating Fraud and Smuggling in November, held at SELEC Bucharest.
- Study visit to the Customs and Police Cooperation Center in Andaille, France, focused on the application of SIENA and OSA tools, held in November.
- Workshop on "Development of a Threat Assessment", supported under the IPA Project EU4FAST - "EU Support to Strengthen the Fight against Migrant Smuggling and Human Trafficking in the Western Balkans," held on November 25-26, 2024, in Skopje.
- Regional Conference on Innovative Approaches in the Fight against the Grey Economy, organized by the AMCHAM Group, held in December.

On 2nd and 24th December, the Financial Intelligence Unit, in collaboration with the Council of Europe Program Office in Skopje, held working group meetings in which employees of the Investigations Department also participate. These meetings are part of the "Project for Combating Economic Crime," where activities have begun to assess the risks of money laundering and terrorist financing associated with virtual or cryptocurrency assets in the Republic of North Macedonia.

At the initiative of the Financial Intelligence Unit, intensive activities have been undertaken to update the "National Risk Assessment for Money Laundering and Terrorist Financing" (hereinafter: NRA), following the methodology of the World Bank. This work is carried out by the members of the NRA Implementation Working Group, which also includes employees from the Financial Investigations Unit.

To prepare the NRA Report, the Administration, with the support of the Council of Europe under the Project for Combating Economic Crime, organized a 3-day workshop from June 5-7, 2024. Employees of the Financial Investigation Service participated in this workshop, which aimed to analyze the provided information and prepare a draft NRA Report identifying the risks of money laundering, terrorist financing, and arms proliferation financing. The NRA Report has been reviewed and approved by the Council for Combating Money Laundering and Terrorist Financing and has been submitted for adoption by the Government of the Republic of North Macedonia. In

line with the recommendations of the **Moneyval⁶ Committee**, the Customs Administration initiated amendments to the Law on Foreign Exchange Operations, which have been accepted by the Ministry of Finance and are currently under review by the parliamentary working bodies.

Border Interagency Unit

The **Border Interagency Unit (BMU)**, established with the support of UNODC⁷ and in collaboration with the World Customs Organization and Interpol, operates according to passenger, baggage, and cargo selectivity standards at airports in our country. Its primary aim is to combat drug smuggling, terrorism, illegal migration, and other forms of organized crime.

During the Final Assessment Mission conducted by UNODC High-Level Representatives from February 20-22, 2024, it was confirmed that the BMU has successfully fulfilled its tasks and activities in implementing the project and is fully operational.

Following the completion of the first phase of the project (2020-2023), preparations for the second phase began on April 1, 2024. This phase will also include Ohrid International Airport and is scheduled to last until December 31, 2027.

BIU monitors activities at Ohrid Airport through passenger data analysis and, based on predefined criteria, performs analysis and selects potential law-breaking passengers.

With the start of the second phase, the number of participating countries in the Southeast Europe region has increased. In addition to Macedonia, Serbia, and Bosnia and Herzegovina, Montenegro, Albania, and Kosovo are now joining. The second phase will cover the international airports of Skopje and Ohrid, Belgrade and Niš, Sarajevo, Podgorica and Tivat, Tirana and Kukës, as well as Pristina Airport.

The officers of the Border Inter-Agency Unit participated in the following activities:

- Training on passenger behavior detection at airports (third phase of training on strategic trade and export control).
- Regional meeting of GME coordinators from the region, held from March 27-29, 2024, in Sarajevo, where the annual global report of the project was presented.
- Session during the Commission on Narcotic Drugs (CND) meeting in Vienna, from March 18-22, where the GME model was showcased as a successful example of joint control units at airports.
- Processing of PNR (Passenger Name Record) airline ticket reservation data, as required by the amendments to the Law on Border Control, effective from March 1, 2024, which obligate airline operators to submit this data.
- Deepened cooperation with the Ministry of Interior - Passenger Data Analysis Department - focusing on Advanced Passenger Information (API) and Passenger Name

⁶ Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (a monitoring body of the Council of Europe))

⁷ United Nations Office on Drugs and Crime

Record (PNR). The Border Inter-Agency Unit is actively involved in processing these data.

In carrying out their duties, the officers of the Border Interagency Unit were involved in the following activities:

- Sharing information with related units where passenger controls were carried out at destination airports, leading to successful actions to prevent smuggling. Notable cases included the seizure of tobacco and tobacco products at Luton Airport in London and Miami International Airport in the USA, as well as controls at Belgrade Airport and Pristina Airport.
- Additional checks abroad for the needs of other services in the Border Unit, within the framework of the AIRCOP airport communication program, during which quality feedback was received. A notable case involved the seizure of 192 kg of anabolic steroids.
- Participation in a joint operation at Skopje Airport to address a case of cocaine smuggling, resulting in the seizure of 1.7 kg of narcotics.
- Involvement in an operation at Skopje Airport that led to the attempted importation of 416 kg of anabolic steroids, steroids, and Viagra.

Coordinated actions to suppress the grey economy

Within 15-18 March 2024, a coordinated operation was conducted in collaboration with the Ministry of Interiors –Public Security Bureau, Criminal Police Department, Economic Crime and Corruption Sector and the Customs Administration - Operational Matters Department and Investigation Department. The operation focused on monitoring vehicles with foreign license plates across multiple locations nationwide. As a result, 22 passenger vehicles, valued at 15,874,887.00 denars, were seized.

From 24th September to 6th October 2024, the World Customs Organization (WCO), in cooperation with Interpol and Europol, organized the **PGS SECURE HORIZON** operation. This operation aimed to prevent smuggling and the illegal trade of precursors, chemicals, acetone, ammonium nitrate, nitromethane, drones, detonators, and other materials used in the production of improvised explosive devices. Customs authorities, working in coordination with the Ministry of the Interior, carried out control operations targeting specific goods identified by the WCO based on relevant tariff codes.

On 13th December 2024, acting under the authority of a public prosecutor and a judge, Customs Administration inspectors from the Investigations Department carried out coordinated controls on residences, auxiliary premises, and city markets in Bitola and Resen. During the operation, 780 kilograms of cut tobacco were seized, valued at approximately 3.4 million denars.

Participation in joint customs investigation activities

Meetings

- Meeting organized by EUROPOL, in coordination with IPC3 AP Copy – EUROPOL, took place regarding the international operation OP SHIELD IV on counterfeit medicines and the kick-off meeting for OP SHIELD V, focusing on "Counterfeiting, Piracy, and Trafficking in Hormonal Substances" (7-8 March in Athens, Greece).
- Meeting organized by the United Nations Office on Drugs and Crime (UNODC) and the Global Firearms Programme (GFP), within the framework of the project Justitia on "Application of Special Investigative Measures (SIMs) for firearms-related crimes: Joint Operations and International Cooperation" (18th April 2024, Pristina, Kosovo)
- 20th Regional Meeting of the South East Europe Firearms Experts Network (SEEFEN) was held on May 14-15, 2024, in Tirana, Albania. This event aimed to strengthen regional cooperation in the fight against the illegal possession and trafficking of firearms in South-Eastern Europe.
- An online meeting with the Italian Carabinieri (16th May 2024) on "Strengthening Institutional Capacities in Dealing with Crimes Against Cultural Heritage and the Environment."
- Meeting with a UNDP SEASAC delegation (14-18 October, at the premises of the Customs Administration) organized with the goal enhance the Customs Administration's capacity to combat the illicit accumulation and trafficking of small arms, light weapons, and ammunition.
- 21st Meeting of the Small Arms Experts Network (SEEFEN) took place from 18-21 November 2024, in Sarajevo, Bosnia and Herzegovina.

Workshops

- A two-day workshop on establishing a Standard Operating Procedure (SOP) for data collection and reporting for the National Committee for Preventing Violent Extremism and Countering Terrorism (4-5 March 2024). During the workshop, proposals and suggestions were made regarding the form, content, and reporting process to the Committee, aimed at preparing the annual report.
- Workshop focused on the preparation of an Action Plan for the implementation of the National Drug Strategy for 2024-2025 took place (12-15 February 2024). The workshop reviewed current and proposed new activities to be implemented during the 2024-2025 period.
- Workshop on "Fighting Illicit Trafficking in Cultural Heritage in the Western Balkans"(08-12 July 2024 in Skopje), organized by UNESCO in cooperation with the Regional Bureau for Science and Culture and the Ministry of Culture, to address challenges in protecting cultural heritage in the region.
- A meeting with the Italian Carabinieri (19th December 2024) concerning protection of cultural heritage within the framework of the European Union project "Strengthening Institutional Capacities for Dealing with Crimes Against Cultural Heritage and the Environment."

- Meeting organized by the State Inspectorate for Environment (19th December 2024), as part of the "Initiative for a National Expert Report from the European Network of Environmental Inspectorates (IMPEL)". The meeting served as preparation for project activities planned for 2025. The goal was to establish an official working group on environmental security in line with the INTERPOL guide for the National Environmental Security Task Force (NEST).
- A meeting on the "Evaluation and Debriefing of Operation DEMETER X" was held (19-21 November 2024 in Xiamen, China), organized by the World Customs Organization in cooperation with China Customs. The event aimed to consolidate partnerships, facilitate the exchange of knowledge and experiences, and enhance the capacities of customs administrations in combating environmental crime.

Conferences, congresses and simposia

- 52nd Conference organized by the Bavarian State Criminal Police, Division 61 – Narcotics Munich and representatives from the DEA, on combating illicit drug trafficking in Europe.

The focus was on the newly enacted cannabis law in Germany and the threats from highly organized criminal groups in Europe, as well as new achievements in investigations.

- Annual Symposium of the World Anti-Doping Agency (WADA), on the occasion of the 25th anniversary of the Agency's establishment, under the auspices of Interpol and Europol (held in Lausanne, Switzerland, from 11.03.-13.03.2024)

Some of the results achieved by the global anti-doping community were presented and opportunities for strengthening the global anti-doping system and cooperation between stakeholders were discussed.

- Symposium on "Eliminating Counterfeit Products from Electronic Commerce" (held online on 11.06.2024), organized by the World Customs Organization
- Pre-operational meeting for Operation DEMETER X, conducted from 15.07.-15.09.2024 (held online from 18.06.-20.06.2024)
- World Border Security Congress (WBSC), organized by the British Revenue and Customs (HMRC) and held in Istanbul - Turkey from 24.04.-26.04.2024, on topics from various areas related to border security (land, water and air)

The congress had several plenary sessions on terrorism and counter-terrorism, managing migration to prevent organized crime for migrant smuggling, tackling serious organized crime and smuggling and the frontiers of the future. There were also closed workshops on topics related to inter-agency cooperation and information exchange, the latest and most recent modus operandi, countering terrorism and monitoring of persons suspected of terrorist activities.

- Conference on "Fighting drug trafficking", held on 29 and 30 October 2024 in Sofia, organized by the Ministry of Interior of the Republic of Bulgaria and SELEC.

Verification of documents under mutual administrative assistance in customs matters

In 2024, the Investigations Department sent a total of 374 requests to foreign customs authorities for verification of proofs of origin issued by them. A total of 184 responses were received, of which 48 (23%) were negative, and 34 (18%) indicated false proofs of origin. As a result, decisions for collection of subsequently registered customs debt totaling 7,490,573.00 denars.

Regarding the verification of proofs of origin issued by Macedonian customs authorities, which is done following requests from foreign customs authorities, the Investigations Department received 65 requests in 2024. Responses were sent for 48 of these requests, providing the results of the verifications.

Through administrative cooperation with foreign customs services, the Investigations Department received 10 requests for administrative assistance in 2024. These requests involved additional checks of documents attached to export and transit declarations, and no irregularities were found.

Additionally, the Investigations Department conducted an extra check of the value in invoices attached to imports into the country. A total of 64 requests were sent to foreign customs authorities for verification, and 36 responses were received. Only one case revealed that the invoice value did not correspond with the declared value during customs clearance.

Post-clearance control

In 2024, a total of 195 controls were carried out, as follows:

- 103 controls of trade companies, resulting in 44 findings of irregularities. The evaded duties determined amounted to approximately 35.17 million denars.
- 53 controls of users of LPG as fuel or users of marked mineral oils, leading to 17 findings of irregularities.
- 26 approvals of holders of excise permits, wholesale, and retail traders of mineral oils, with 19 findings of irregularities. The evaded duties amounted to approximately 0.10 million denars.
- 13 combined controls (external and customs control), resulting in 2 findings of irregularities. The evaded duties determined totaled approximately 1.11 million denars.

In comparison to 2023, when 248 controls of trade companies were conducted, leading to the determination of evaded duties totaling approximately 30 million denars, there was a 27.18% decrease in the number of controls and a 21.20% increase in the amount of determined evaded duties.

Control of Holders of Authorizations for Simplified Customs Procedures

The units responsible for supervision of holders of authorizations (USHA) (at each customs house) check compliance with the required conditions for holding authorizations for simplified procedures once every two years. In 2024, 24 documentary controls were carried out, as follows:

- USHA-Skopje: 1 documentary control of holders of authorizations for simplified customs procedures, with no deviations or non-compliance identified.
- USHA-Shtip: 14 documentary controls of holders of authorizations for simplified customs procedures, with no deviations or non-compliance found.
- USHA-Gevgelija: 9 documentary controls of holders of authorizations for simplified procedures, with no deviations or non-compliance detected.

Regarding field controls of authorisation holders, the USHA units conducted a total of 279 post-clearance controls (USHA-Shtip: 95 post-clearance controls of authorisations for procedures with economic impact and holders of authorizations for TSF⁸, USHA-Bitola: 38 post-clearance controls of authorisations for procedures with economic impact, USHA-Kumanovo: 15 post-clearance controls of authorisations for inward processing procedures and customs warehousing, USHA-Gevgelija: 24 post-clearance controls of authorisations for procedures with economic impact, USHA-Skopje: 107 post-clearance controls of authorisations for procedures with economic impact and holders of authorizations for TSF.

Post-clearance controls of holders of authorisations for simplified procedures – conducted by Units for Supervision of holders of authorisations within January-December 2024

USHA	No of post-clearance controls			Type of authorization for simlofied procedure ⁹	No. of cases where irregularities were detected	Subsequent collection of under calculated customs debt/excise duty		Refund of over-calculated customs debt/excise duty		No. of cases of initiated subsequent checks and verification of document authenticity	No. of cases of initiated misdemeanor proceedings
	Initial controls	Extraordinary controls	Planned controls			No. of cases	Amount (MKD)	Број на случаи	Износ (ден)		
Skopje	81	3	104	IP,OP,CW, TSF,PTT	39	4	439.913,00	/	/	/	39
Kumanovo	6	1	14	IP,CW,PTT, TSF	/	/	/	/	/	/	/
Shtip	4	3	92	IP, OP, CW, TSF, PTT	/	/	/	/	/	/	/
СННО Битола	1	/	38	IP,OP and CW	16	92	16.863.807,50	/	/	/	/
Gevgelija	13	/	24	IP, CW,PTT	20	3	4.695.165,00	/	/	/	18
Total:	105	7	272		75	99	21.998.885,50				57

⁸ Temporary storage facilities

⁹ IO-Inward processing, OP-Outward Processing, CW- Customs warehousing, TSF-Temporary storage, SP – simplified procedures, PTT-Preferential tariff treatment end use, USHA-Unit for supervision of holders of authorisations

Controls of declarations in simplified procedures carried out by customs offices	Number of controls performed	Number of irregularities detected
Customs House Bitola-total	380	8
Customs office Bitola	67	/
Customs office Prilep	125	/
Customs Office Ohrid	75	1
Customs Office Struga	113	7
Customs House Shtip - total	277	
Customs office Veles	22	/
Customs office Shtip	249	/
Customs Office Delchevo	6	/
Customs House Gevgelija-total	132	
Customs office Strumica	16	/
Customs office Gevrelija	19	/
Customs office Kavadarci	97	/
Customs House -вкупно	1.864	5
Customs office Skopje 1	398	1
Customs office Skopje 2	1.035	/
Customs office Skopje 3	40	/
Customs office Skopje 4	14	3
Customs office Airport	101	/
Customs office Tetovo	13	1
Customs office Free Zone	263	/
Customs House -вкупно	167	
Customs office Tabanovce Motorway	167	/
Customs office Kumanovo		/
Total (all Customs Houses)	2.820	13

Документарна и физичка контрола при царинење

Documentary and physical control during customs clearance

In 2024, control at export and import was carried out on 23.9% of customs declarations. The control carried out revealed irregularities in 21.9% of the controlled customs declarations, as follows:

- documentary control at export and import was carried out on 10.45% of customs declarations. The control carried out revealed irregularities in 1.46% of the controlled customs declarations.

- physical control at export and import was carried out on 13.46% of customs declarations. The control carried out revealed irregularities in 37.8% of the controlled customs declarations.

Controls carried out in passenger traffic

In 2024, a total of **44,832 controls** were carried out in passenger traffic, including 8,353 passengers, 23,256 passenger vehicles, 1,840 buses, 11,129 trucks, 82 aircraft, 172 trains.

In 2024, out of 44,832 controls carried out, **irregularities were identified in 1,102 cases** (2.46% of the total controls carried out). Compared to the controls in 2023, the total number of identified irregularities increased by 33.6%.

Type of irregularities identified during controls carried out in passenger traffic in the period January-December 2024 (compared to 2023)										
	Q1		Q2		Q3		Q4		TOTAL	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Foreign currency misdemeanors	6	7	/	/	6	10	9	6	21	23
Customs misdemeanors	42	61	43	20	50	77	59	166	194	324
Criminal charges	7	7	3	4	7	6	9	16	26	33
Violations of IPR	3	2	/	/	3	21	1	23	7	46
On-the-spot fines	232	174	112	113	164	226	69	163	577	676
Declaration of renunciation in favor of the state	/	/	1	/	/	/	/	/	1	/

In 2024, a total of **410 cases of seizure of various goods** were recorded. This marks a significant increase compared to the previous year, 2023, when 252 cases of seizure of various goods were recorded.

Significant seizures	January-December 2024	
Goods	Cases	Quantity
Drugs and psychotropic substances - Marijuana (39,435 gr.), MDMA (30 gr.), Cocaine (1,795 gr.)	5	41.260
Counterfeit (infringement of intellectual property rights, in pieces)	45	66.337
Cigarettes (299,040 pieces), cigars (100 pieces), electronic cigarettes and cartridges (1,355 pieces)	54	300.495
Other tobacco products – tobacco (1,354.9 kg), SNUS (1.1 kg)	11	1.356
Alcohol (litres)	4	142,5
Foreign currency	25	173.125 EUR

		185.000 NOK 24.800 USD 4.000 CHF
Gold (kg)	11	6,693 kg 30 pieces
Pharmaceuticals (pieces)	9	13.306 pieces 1.695 kg
Supplements (pieces)	9	4.399 pieces 10.604 kg
Migrants	12	66

Significant seizures

- Seizure of 22 passenger motor vehicles with foreign license plates, driven by Macedonian nationals, conducted in a joint operation of the Control and Investigations Sector of the Customs Administration and the Ministry of Interior. The seized vehicles, which included various brands such as four MERCEDES, three AUDI, two BMW, and one TESLA passenger freight vehicle, had been driven in the Republic of North Macedonia for more than 6 months. This violated temporary import provisions as outlined in the Customs Law and the Customs Code Implementing Regulation.
- Seizure of 4.4 tons of game meat, deemed a health risk to citizens, that a truck driver attempted to bring it into the country. The game meat was neither declared in the customs documentation nor accompanied by the necessary certificate or permit from the relevant authority, the Food and Veterinary Agency. The illegal shipment was discovered at the Tabanovce border crossing terminal, where inspectors conducted a scan and found frozen meat from various game species, including rabbits, pheasants, and partridges. The driver failed to provide any documentation for the goods.
- Seizure of 1,500 kilograms of SILDENAFIL CITRATE and SIBUTRAMINE, medications harmful to public health, was made at Skopje International Airport. These medications were not registered with the Agency for Medicinal Products, and the importing company lacked the necessary license for wholesale trade in medical devices.
- Seizure of 195 kilograms of anabolic steroids found during detailed inspection of a transit shipment of pharmaceutical products from Singapore, destined for an importer in the Czech Republic. It was determined that these substances are listed on the Anti-Doping List of Prohibited Substances.
- Seizure of 780 kilograms of cut tobacco during inspections of homes, utility rooms, and city markets in Bitola and Resen. This action was based on prior intelligence gathered by the Intelligence Department and information provided to the Investigation Department, which successfully executed the operation. The value of the seized tobacco is estimated at 3.4 million denars, with the direct damage to the Budget amounting to 2.8 million denars.

- Seizure of 36,461.8 grams of marijuana, a narcotic drug derived from drying, crushing, or grinding the tops and leaves of the Cannabis plant, was made at the Blace border crossing from a Macedonian citizen.
- On 09.11.2024, at the request of the Ministry of Interior - SNTD, a customs dog handler inspector at the CO Airport conducted a detailed inspection of passenger bags using a customs dog, during which 1,795 grams of cocaine were detected.
- On 12.11.2024, at the request of the Ministry of Interior - SNTD, a customs dog handler inspector at "Spiro Gulapchev" Street in Skopje conducted a detailed inspection of a parked passenger van with a customs dog, resulting in the detection of 22 kilograms of marijuana.
- Seizure of 36.4 kilograms of marijuana took place at CO Blace.

Preventing unauthorized entry/exit of illegal migrants

In 2024, 66 illegal migrants were detected: 31 at entry into the country, 27 at exit and 8 within the country (in a total of 12 cases).

Criminal charges brought

In 2024, a total of **89 criminal charges were filed against 46 legal entities and 122 individuals**, for the following crimes:

- Document Forgery (Art. 378 of the Criminal Code): 39 criminal charges against 24 legal entities and 40 natural persons.
- Smuggling (Art. 278 of the Criminal Code): 21 criminal charges against 23 natural persons and 1 legal entity.
- Customs fraud (Art. 278-a of the Criminal Code): 6 criminal charges against 5 legal entities and 6 natural persons.
- Excise duty evasion (Art. 279-b of the Criminal Code): 7 criminal charges against 1 legal entity and 7 natural persons.
- Protection of intellectual property rights (Art. 285 of the Criminal Code): 2 criminal charges against 2 legal entities and 2 natural persons.
- Unauthorized production, possession, brokerage, and trade in weapons or explosives (Art. 396 of the Criminal Code): 3 criminal charges against 4 individuals.
- Unauthorized production and trafficking in narcotics (Art. 215 of the Criminal Code): 2 criminal charges against 2 individuals.
- Trafficking in goods known were the subject of a criminal offense (Art. 278-b of the Criminal Code): 1 criminal charge, against 1 individual.
- Trafficking in goods of higher value that are prohibited or restricted (Art. 277 of the Criminal Code): 4 criminal charges, against 3 legal entities and 4 individuals.
- Misuse of official position and authority (Art. 353 of the Criminal Code): 4 criminal charges, against 10 legal entities and 33 individuals.

In 2023, 52 criminal charges were filed, against 60 individuals and 16 legal entities.

Misdemeanor procedures (Customs houses)

Reports on customs misdemeanor and collected fines (January-December 2024)

Drafted reports on customs misdemeanor	Reports on customs misdemeanor	Imposed fines to individuals (in EUR)	No. of individuals	Imposed fines to legal entities (in EUR)	No. of legal entities	Imposed fines to responsible persons (in EUR)	No. of responsible persons	Total imposed fines (in EUR)
Customs House Skopje	946	9.216,00	409	53.705,00	223	17.929,00	223	80.850,00
Customs House Bitola	238	4.831,50	195	14.250,00	43	3.591,00	43	22.672,50
Customs House Shtip	787	38.435,00	348	36.000,00	439	10.670,00	439	85.105,00
Customs House Kumanovo	17	875,00	11	2.875,00	9	900,00	6	4.650,00
Customs House Gervgelija	269	7.121,00	114	27.900,00	155	8.630,00	155	43.651,00
Total	2.257	60.478,50	1.077	134.730,00	869	41.720,00	866	236.928,50
Collected fines	No. of collected fines	Amount of collected fines from individuals (in EUR)	No. of individuals	Amount of collected fines from legal entities (in EUR)	No. of legal entities	Amount of collected fines from responsible persons entites (in EUR)	No of responsible persons	Total amount of collected fines (in EUR)
Customs House Skopje	553	8.400,50	370	15.350,00	108	5.871,00	108	29.621,50
Customs House Bitola	224	4.474,00	188	10.650,00	36	2.261,00	36	17.385,00
Customs House Shtip	764	19.139,00	327	18.025,00	437	5.536,00	437	42.700,00
Customs House Kumanovo	48	1.106,00	40	1.500,00	11	325,00	8	2.931,00
Customs House Gervgelija	393	3.592,00	114	6.850,00	138	2.887,00	141	13.329,00
Total	1982	36.711,50	1039	52.375,00	730	16.880,00	730	105.966,50

Requests for initiation misdemeanor proceedings for failure to comply with the payment deadline	No of requests	Number of individuals for whom misdemeanor proceedings have been initiated	Number of legal entities for whom misdemeanor proceedings have been initiated	Number of responsible persons for whom misdemeanor proceedings have been initiated
Customs House Skopje	72	33	24	24
Customs House Bitola	7	7	7	7
Customs House Shtip	23	21	2	2
Customs House Kumanovo	1		1	1
Customs House Gevgelija	18		3	2
Total	121	61	37	36

Note:

*The difference between the amounts of the imposed and collected misdemeanor fines arises because, under Article 264, item 8 of the Customs Law, if the perpetrator pays the fine within eight days of receiving and signing the misdemeanor payment order, they will pay half of the imposed fine.

If the payment deadline is not met, requests for misdemeanor proceedings are submitted to the Misdemeanor Procedure Department.

*The number of misdemeanor fines for individuals corresponds to the number of customs misdemeanor reports filed. For legal entities, the number of misdemeanor fines exceeds the number of customs misdemeanor reports filed, as separate payment orders are prepared for the legal entities themselves as well as for the responsible persons within those entities.

Misdemeanor Procedures Handled by the Misdemeanor Procedure Department - Misdemeanor Decision-Making Commission

Misdemeanor procedures are conducted by the Misdemeanor Procedure Department of the Customs Administration, specifically through the Misdemeanor Decision-Making Commission.

In 2024, a total of 2,031 cases were registered in the Misdemeanor Procedure Department, representing a significant increase compared to 1,746 cases in 2023, reflecting a notable rise in workload.

During 2024, the Misdemeanor Procedure Department - Misdemeanor Decision-Making Commission resolved 1,780 cases in regular procedures, along with 18 cases in repeated procedures, bringing the total to 1,798 cases. The total fines imposed amounted to 96,955.00 euros.

Out of the cases resolved in 2024, 1,765 were related to customs related misdemeanors, 20 involved foreign exchange related misdemeanors, and 13 were excise duty related misdemeanors.

Misdemeanor Procedures	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Total
In regular procedure	699	637	256	188	1.780
In retrial	10	7	0	1	18
Total resolved misdemeanor cases	709	644	256	189	1.798
Total amount of fines imposed in misdemeanor proceedings (in euros)	37.660,00	26.600,00	16.340.00	16.355.00	96.955,00

Participation in International operations and Actions

Customs officers actively participated in the following international operations:

- OPSON XIII as part of the Operational Action Plan on Intellectual Property Crime within the framework of EMPACT 2024-2025 (carried out from January to May 2024), focused on counterfeit or substandard food products, illegal food supply chains, food fraud, food safety and illegal livestock movement and economically motivated substitution or addition of substances to the product (EMA).
- TENTACLE-EASTERN EUROPE carried out in the period 01.02.-15.03.2024 (organized by the World Customs Organization, in cooperation with INTERPOL and the Egmont Group, with national-level coordination by the Customs Administration. This operation aimed to prevent cash smuggling and illicit trade in precious stones and precious metals. Customs services played a key role in the operation, with the seizures made contributing significantly to its success.
- PANDORA IX, carried out from 11th – 22nd September, organized by Europol, INTERPOL, and the World Customs Organization, in cooperation with Spain, Italy, and the Netherlands, as part of the EU EMPACT initiative. The operation focused on the illegal trade of cultural goods and was implemented in the European Union, Balkan countries, Ukraine, Mexico, and the United States.
- DEMETER X, carried out from 15th July – 15th September 2024, organized by the World Customs Organization. The operation focused on illegal shipments of all types of waste, with special emphasis on plastic waste, electronic waste, and substances controlled under the Montreal Protocol (substances that deplete the ozone layer and hydrofluorocarbons).

The Customs Administration is part of the international project GLOBAL SHIELD, organized by the World Customs Organization. This project focuses on monitoring the import and export of chemicals and other products that could be used in the production of explosive devices. As part of the project, the Customs Administration regularly submits monthly reports on the import and export of such chemicals and products through the "CENcomm2" platform.

Protection of Intellectual Property Rights

To integrate the IPR module into the Customs declarations and excise documents processing system (CDEPS), tests were conducted on the Module for economic operators management (MEOS) for submitting customs action requests and the Intellectual Property Rights (IPR) protection module.

These electronic modules will facilitate the digital submission of requests for customs action by IPR rights holders and enable seamless electronic communication with the Customs Administration units regarding seized goods.

In 2024, a total of 59 new requests for customs actions to protect intellectual property rights were accepted. With these new requests, the total number of active accepted requests reached 191, covering 1,127 trademarks.

In the course of 2024, Customs seized 147,525 goods suspected of infringing intellectual property rights across 73 cases, involving 60 different trademarks. Of these, rights holders confirmed that 66,337 items were indeed counterfeit.

Structure of Goods Infringing Intellectual Property Rights in 2024

- 18,368 pieces of clothing
- 16,374 pieces of pens, crayons, and children's accessories
- 11,059 pieces of air filters, light bulbs, tire caps for passenger motor vehicles, etc.
- 10,205 pieces of children's toys
- 3,946 pieces of chargers, headphones, protective masks, and mobile phone covers
- 2,658 pieces of wallets, bags, and bag parts
- 1,158 pairs of sneakers and shoes
- 980 pieces of belts and metal belt buckles
- 960 pieces of perfumes
- 490 pieces of textile labels
- 94 pieces of textile armchairs and children's suitcases
- 40 sets of pots with lids (1 set = 12 pieces)
- 5 wristwatches

The seized counterfeit products primarily originated from Turkey and China.

Other Prohibitions and Restrictions

To ensure the full implementation of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes, the Customs Administration collaborated with the Ministry of Environment and Physical Planning (MoEPP) to define the necessary steps and procedures. With MoEPP's approval, the Customs Administration integrated the Basel Convention into the EU TARIC systems.

Additionally, the Customs Administration actively participated in the following initiatives:

- Workshop on the Control of Hydrochlorofluorocarbons (HCFCs)
- Change Management related to the New National Single Window System (NES-NSW)
- Waste Management Programs
- Under the project "Support to the Implementation of the Waste Management Legal Framework and the Extended Producer Responsibility System", participation in:
- Activity 2.7 / Component 3 – Training on control measures, data provision, and transmission.
- Under the project "Enhancing Capacities for Natura 2000 and CITES", participation in:
- Activity 2.2 – Building CITES Capacities – Study visit to relevant CITES authorities in the Republic of Croatia.
- Under the regional project for strengthening biological safety in South-East and Eastern Europe (P100 Strengthening of Front-Line Biosafety and Biosecurity Measures in the South-East and Eastern European Region) – Study visit to relevant institutions in Chisinau, Moldova.

Other nature conservation-oriented protection activities

In the area of nature conservation, under the project **"Improving the capacities for Natura 2000 and CITES"**, activities are being undertaken to implement the EU nature conservation directives (Habitats Directive and Birds Directive), as well as the CITES Regulation on international trade in endangered species of wild fauna and flora.

At national level, a working group has been established in which the Customs Administration also participates, in the CITES component, which aims to achieve full compliance of the national legislation with the EU Regulation and the CITES Convention on international trade in endangered species of wild fauna and flora. A draft version of the Law on Transboundary Movement and Trade in Wild Species, as well as the by-laws, has been prepared. In addition, special software for issuing trade permits has been developed, which will begin to be applied after the law is adopted. The Customs Administration's obligation under this draft law is to control the cross-border movement of wild species (international trade in endangered species of wild flora and fauna).

Within the framework of this project, trainings are also continuously held for the parties involved in issuing permits for cross-border trade. In 2024, the following trainings were held:

- Identification of protected species and their specimens during trade and transboundary movements (29.01.2024)
- Management and handling of protected species kept in captivity (27.02.2024)
- Marking and individual identification of protected species and specimens (04.04.2024)
- Roles and responsibilities of scientific authorities in implementing CITES laws and regulations (14.05.2024)
- Responsibilities, preparation, and issuance of CITES permits, certificates, and related documents (03.07.2024)
- Software and data management for CITES law implementation (04.07.2024)
- CITES capacity-building program (01-04.09.2024)

Organizational and Infrastructure Development

Professional and Efficient Public Administration

Strengthening the Human Resources Management System

As part of its commitment to capacity building and service modernization, the Customs Administration prioritizes continuous education, training, and employee motivation. These efforts aim to ensure that well-trained customs officers can effectively respond to daily operational challenges.

At the end of December 2024, the Customs Administration employed 1,188 people, including 2 officials (Director and Deputy Director), 1,181 customs officers (as per the Law on Customs Administration), 5 employees classified as workers (as per the Law on Labor Relations)

Among the total workforce 4 employees hold a PhD, 74 employees have a master's degree 707 employees have higher education degrees, 7 employees have higher vocational education, 393 employees have secondary education 3 employees have other types of education. This means that 66.1% of the Customs Administration's workforce holds higher education qualifications.

Of the total 1,188 employees 863 are men while 325 are women.

In 2024, the Customs Administration adopted the following:

- Guidelines on Official Uniform, prepared in accordance with the Rulebook on official uniform, emblem, rank insignia, and their assignment and use by customs officers and the Rulebook Amending and Supplementing the Rulebook on official uniform, emblem, rank insignia, and their assignment and use by customs officers

Employment

In 2024, the Customs Administration recruited 9 individuals for an indefinite period following a public announcement.

15 employees were transferred from other institutions in accordance with the Law on Administrative Servants and the Law on Public Sector Employees. 6 employees were hired for a fixed term to fill vacant positions due to increased workload and the need for efficient resource management.

159 customs officers were temporarily promoted in 2024. 6 promotions were made following an internal announcement within the Customs Administration.

6 customs officers were suspended following a Professional Responsibility Sector report and criminal charges were filed against the suspended officers.

Disciplinary Procedures

In 2024, the Customs Administration processed 38 proposals for disciplinary procedures. The outcomes of these cases were as follows: 1 proposal for initiating disciplinary proceedings was rejected, 9 proposals for initiating proceedings were refused.

The following penalties were imposed: 15 decisions resulted in fines or salary reductions, including 8 decisions imposing a 15% salary reduction for 6 months, 5 decisions imposing a 15% salary reduction for 3 months, 2 decisions imposing a 15% salary reduction for 2 months and 6 decisions involved suspensions, while 7 disciplinary procedures led to dismissals.

1 dismissal was issued following a criminal verdict by the Basic Court in Skopje, unrelated to customs operations.

Termination of employment

In 2024, the Customs Administration issued 21 decisions for termination of employment based on employees' eligibility for retirement. Additionally, there were 2 decisions for inactive employment status due to election of a member of parliament and appointment by the Government.

Furthermore, 1 decision was passed for termination of employment at the request of the employee, and 4 decisions were issued for termination of employment due to death.

Training

In 2024, the Customs Administration organized a total of **183 training sessions**, attended by **1,929 participants**. Based on the total number of participants and training hours, each employee received an average of 10 hours of training.

A total of 855 employees participated in at least one training session, representing 72.83% of the workforce.

During this period, the following training events were conducted to support the implementation of NCTS Phase 5:

- 33 training sessions on the implementation of the transit procedure through NCTS 5, attended by 396 customs officers.

- 3 training sessions and one information session for economic operators using the Customs Administration Portal to submit transit customs declarations, with a total of 85 participants-economic operators.

In support of the National Single Window System, the following training sessions were held:

- Change Management for members of the working group responsible for implementing the system (14 participants).
- Project Management and Time Management (5 participants).

To enhance knowledge and skills in customs operations, customs officers participated in training on: identification of protected species and their specimens, waste management, customs Tariff and amendments to Chapter 84, temporary admission of passenger vehicles, new transitional PEM preferential rules of origin, management and handling of protected species in captivity, HCFC control, handling of Raman spectroscopy, train-the trainers etc.

Implementing Measures to Prevent Inappropriate and Corrupt Behavior and development of rules and control systems

Part of the measures defined at national level to combat corruption are particularly focused on law enforcement agencies. These efforts aim to ensure transparency in employment procedures and career advancement, improve the efficiency of systems for determining professional responsibility among employees, and systematically analyze corruption risks within inspection services by strengthening their inspection capacities.

Of particular importance is the implementation of recommendations from internal audits and the State Audit Office. Establishing an efficient system for enforcing these recommendations, along with a strong accountability framework, is essential for preventing corruption and maintaining institutional integrity.

1. Implementation of a new CCTV System, integrated with the Automatic Number Plate Recognition System - CCTV&ANPR (Western Balkans Trade and Transport Facilitation Project - World Bank)

The new CCTV and ANPR system has already been established at all border crossings. This system provides detailed, high-quality and timely information, which is used for further analysis and achieving the ultimate goal: combating illicit trade and crime, protecting the financial interests of the state, protecting the safety and health of citizens. The Customs Administration's Call Center has access to all data collected by the advanced "smart cameras" installed at these crossings. The information is securely stored in a data warehouse and will be utilized for advanced data analysis, risk assessment, and investigations conducted by the Administration.

2. Introducing body camera system for customs officers at border crossings

With a donation from the U.S. Embassy, customs officers at five border crossings will be equipped with body cameras operating 24/7. These cameras enable real-time evidence recording, with footage available for sharing with other law enforcement agencies to

support broader investigations and legal proceedings. Guidelines for the Use of the Mobile Body Camera Recording System has been adopted to regulate their use, and an agreement has been signed with U.S. Embassy representatives for the procurement of 60 body cameras, along with additional equipment for recording, storage, and playback. The equipment is scheduled for delivery, installation, and full operation in the first half of this year.

In 2024, the Sector for Professional Responsibility conducted **119 internal investigations** based on its Activity Plan, complaints of illegal or unprofessional conduct, reports received via the open customs line 197, and information provided by organizational unit heads and Customs Administration employees. Of these investigations, **26 reports confirmed irregularities in customs officers' conduct**. Additionally, to ensure compliance with legal provisions, by-laws, and operational instructions, **62 internal controls were carried out**, resulting in **21 reports identifying irregularities**.

2024/month	Internal investigations	Irregularities	Internal controls	Irregularities
January	10	1	4	/
February	11	1	4	3
March	11	3	7	2
April	5	2	9	3
May	7	/	5	2
June	7	1	5	/
July	14	3	7	2
August	9	4	4	2
September	7	/	3	1
October	11	5	7	2
November	13	4	5	3
December	14	2	2	1
Total:	119	26	62	21

In accordance with the obligation for officials to submit a completed asset declarations to the Sector for Professional Responsibility upon commencing or terminating employment with the Customs Administration, a total of **100 customs officers submitted asset declarations** in 2024, **65 of whom submitted a form for changes in their assets**, while **81 officers submitted declarations of interests**.

2024/month	Asset declarations	Change in assets	Declaration of interests
January	7	9	3
February	47	6	48
March	5	2	5

April	1	12	1
May	2	8	2
June	3	2	1
July	11	5	8
August	5	6	4
September	7	1	5
October	3	4	1
November	5	6	/
December	4	4	3
Total:	100	65	81

The Register of risk points in customs operations susceptible to corruption was revised and developed separately for each of the four quarters. A Register of the most common errors in customs operations for 2023 was also compiled. These registers serve as valuable tools for ongoing and effective internal controls, ensuring compliance with customs regulations and supporting the prevention of corruption.

Modernization of the infrastructure at border crossings

Security and modernization of the infrastructure remains a national priority, to increase the safety of citizens, a stronger economy and shortening the time for transport and logistics. In this direction, activities are being undertaken to:

1. Improving the quality of services and working conditions of economic operators and customs officers by improving the infrastructure at border crossings;
2. Introducing an automated system for managing the terminals at border crossings;
3. Replacing the old and installing new equipment (new scales, aggregates, ramps);
4. Improving the energy efficiency of facilities;
5. Replacing the existing cooling and heating systems in facilities with new ecological ones;
6. Installing equipment - energy-generating panels at Customs Administration facilities;

Ongoing projects for reconstruction of border crossing points and terminals:

Projects supported by the Instrument for pre-accession assistance (IPA)

- **Construction of the border crossing point Markova Noga** (funded under IPA 3 national programme – 2021, under Action document of National IPA for 2021 “EU for Prespa”)

For the project's implementation, the necessary project documentation has been prepared, and a construction permit has been obtained. These documents have been

handed over to UNDP, which has been entrusted by the EU with the responsibility of implementing the project. UNDP has published a tender to select a construction company - contractor and a consulting company for construction supervision. Contracts with the most favorable bidders are expected to be signed in February 2025, and the project implementation is scheduled to begin in March 2025. **The value of the donation for this project is 2.1 million euros.**

- **Reconstruction and modernization of the border crossing point (BCP) Delchevo with Bulgaria and automation of customs terminals** (financed under IPA 3 National Programme – 2021 - Grant)

The Customs Administration and the Delegation of the European Union signed a Grant Agreement in March 2024 in the amount of 4.2 million euros. Part of these funds in the amount of 2.2 million euros will be allocated for reconstruction and modernization of the border crossing Delchevo (renovation of the administrative building, reconstruction and upgrade of the terminal building, reconstruction of road infrastructure at the border crossing, construction of a waste water treatment plant) to improve the conditions and capacities of the border facilities. The border crossing will undergo significant reconstruction that will provide better working conditions for customs and police officers and will directly enable more efficient and timely implementation of customs procedures, in line with European standards.

The remaining 2 million euros should be used for the modernization of state-owned customs terminals by introducing modern equipment and technology for the implementation of customs processes. The second component will include modernization of the equipment at 9 border crossings in the Republic of North Macedonia, as well as the integration of these components and elements with modern customs solutions. The realization of this component will result in a direct impact on efficiency and reduced time for customs procedures. Procedures are underway to staff the project team of the Customs Administration with external experts, who will work on the implementation of the Project, and tender documentation for the procurements in accordance with the procurement plan is also being prepared.

- **Establishment of a new border crossing Strumyani -Berovo (Klepalo)** - (financed under IPA 3 Cross-Border Cooperation Programme with the Republic of Bulgaria for 2021)

The Strategic Project for construction/ rehabilitation of a new BCCP Berovo-Strumyani (Klepalo) was launched in November 2023,. This joint project between Bulgaria and North Macedonia aims to improve connectivity between the two countries, facilitate trade, and promote tourism exchange. The project is valued at 3.6 million euros for the Macedonian side.

The opening of the new border crossing will enhance traffic flow between the two nations, stimulate regional economic development, and provide direct access to the Struma motorway, an essential part of the trans-European transport network. The

project is funded by the IPA 3 Cross-Border Cooperation Programme with Bulgaria for 2021-2027 and will be carried out in two phases.

The first phase, expected to conclude in 2026, is focused on preparatory tasks such as planning, design, and selection of contractors. The second phase, scheduled for 2027-2029, will involve the construction of infrastructure for the border complex. New buildings and road infrastructure will be developed on the Bulgarian side, while existing structures and facilities on the Macedonian side will undergo reconstruction and modernization.

The funds approved for the project will be used jointly with the Regional Administration of Blagoevgrad, Bulgaria. **The total value of the joint grant is approximately 9 million euros, and the Customs Administration's share is approximately 3.6 million euros.** A procedure is underway to equip the Customs Administration's project team with external experts who will work on the first phase - preparation of urban and construction documentation, and tender documentation for the procurements in accordance with the procurement plan is also being prepared.

Projects supported by the World Bank

- **Project for the reconstruction of the border crossing point Deve Bair** (financed with a loan from the World Bank). The reconstruction of the administrative building will create modern working conditions for customs and police officers, as well as benefit officers from the State Inspectorate for Agriculture, the Border Phytosanitary Inspection, and the Food and Veterinary Agency. Additionally, import, export, and transit procedures will be centralized in one location, making the process more efficient for economic operators and contributing to a reduction in procedure duration.
- **Project for equipping and modernization of the border crossing point Kjafasan** (financed with a loan from the World Bank). Construction works are in an advanced stage for the construction of a facility that will provide better conditions for the accommodation of customs agents at this border crossing. All these activities are aimed at faster completion of customs procedures and reducing the costs of economic operators.

In June 2024, contracts for the reconstruction of these border crossings were signed with the selected company and the reconstruction should be completed within the next 12 months.

As part of the same project, the technical documentation has been fully prepared, laying the groundwork for a future initiative that will address traffic congestion at the two crossings. The future project will add additional lanes and enhance the flow of both passengers and goods, thereby improving efficiency at the border crossings.

Other border crossing modernization initiatives

In May 2024, the Customs Administration gave its consent to the Ministry of Local Self-Government to include the renovation of the Border Crossing Point Blato (near Debar) as a Strategic Project in the Cross-Border Cooperation Program with Albania for the period 2021-2027.

Control of work processes

Improving Operational Efficiency

The Committee for Coordination and Control of Operational Customs Activities, established by a decision of the Director of the Customs Administration, began its work on 2nd September 2024. The committee is led by the Director's advisor, as appointed by the Director General. Its primary responsibilities include preparing and monitoring the implementation of the Action Plan to enhance the efficiency of the operations of the Customs Houses, control and monitoring of compliance with internal regulations and procedural guidelines to ensure the full enforcement of legal requirements. To improve revenue collection, the Committee continuously monitors revenues generated through customs procedures and recommends corrective measures to increase collection rates. It also proposes initiatives to standardize and enhance the valuation of goods. Additionally, the Committee focuses on streamlining procedures, strengthening control measures, and promoting employee integrity within the Customs Administration.

Since its establishment until the end of 2024, the Committee for Coordination and Control of Operational Customs Activities held five sessions. Based on these sessions, the Committee identified the need to establish several formal and informal working groups and adopted various recommendations and proposals for improving operations. These findings and proposals are detailed in the Committee's Report.

In recognition of the results achieved, the the Heads of Regional Customs Houses – members of the Committee proposed remuneration for the following customs offices and individuals:

Customs House Skopje – CO Skopje 1 and CO Blace

Customs House Bitola – CO Medžitlija

Customs House Gevgelija – CO Gevgelija and CO Bogorodica

Customs House Kumanovo – CO Tabanovce

Customs House Štip – Dejan Todorovski from CO Delchevo – passenger traffic section

Internal Audit

An important focus of the strategy is the implementation of recommendations from both internal audits and the State Audit Office and the establishment of an efficient system for the implementation of these recommendations, along with a robust accountability framework.

Internal audits 2024					
	Q1	Q2	Q3	Q4	Total
Final Audit Report and recommendations given with deadlines for implementation	3	4	3	4	14
Findings	12	15	15	22	64
Recommendations given	16	15	16	23	70

Realization of recommendations 2024				
Status of given recommendations:	Q1	Q2	Q3	Q4
Executed	2	14	25	41
Unimplemented	0	0	3	4
Pending	9	5	9	9
Partly executed	1	1	1	6
Recommendations for which the deadline has not expired	4	11	9	10

In 2024, **14 internal audits were conducted** in the Customs Administration, which resulted in the identification of **64 findings and the formulation of 70 recommendations aimed at improving operations**. These audits covered various areas, including the implementation of recommendations made in 2023, IT security for the Customs Administration's systems, the operation of the Customs Tariff Unit, the printing, issuing, and record-keeping of excise stamps for excise products, and the deferred payment of customs debts. Additionally, the audits examined the operation of the Department for Trade Companies Control, the annual inventory for 2023 of the assets and liabilities of the Customs Administration, and the use of official vehicles within the Customs Administration. The audits also covered the implementation of the project for the new National Single Window System (NSW), the spending of budgetary funds, the public procurement procedures, the operation of the Unit for Representation before the Courts, the Unit for First Instance Administrative Procedure, and the implementation of projects currently being carried out through the Instrument for Pre-Accession Assistance (IPA).

Customs Hotline 197

The Customs hotline (197) received a total of 4,532 calls in 2024.

Most of the calls refer to issues related to the functioning and condition of border and internal customs offices. Among them, the calls classified in the category J (information about bribery extortion) – 20 calls, R (information about a complaint about a delayed customs procedure or a

stoppage at border crossings) – 581 calls and S (information about technical problems during implementation of the customs procedure) – 97 calls.

As a result of processing the received calls on the Customs hotline of A and C (information on smuggling) - 57 calls, controls were carried out by border and internal customs offices, as well as by mobile teams, while the relevant units carried out processing, analysis and investigation from the domain of their operation.

Free access to public information

In 2024, the Customs Administration received 12 requests for access to public information in accordance with the Law on Free Access to Public Information. All requests were answered within the legally prescribed deadline and in the format and manner requested by the applicants. The information provided included the following:

- Customs incentives for goods such as electronics and electronic devices originating from the USA, paper tubes from Greece, and plastic tanks from Bulgaria.
- The total number of customs officers who participated in digital literacy training in 2023, the total number of e-services delivered in 2023 by the Center for Economic and Social Development to citizens and businesses, along with a list of e-services and their links.
- Revenue generated by the state from the import of cars brought from abroad in 2021, 2022, and 2023.
- Data on beneficial owners in the register for the years 2022 and 2023.
- Data for 2022, 2023, and 2024 on the number of days between the submission of a customs declaration and the release into free circulation of detained products.
- The legal basis for requesting a certificate when importing cognac under tariff number 2208 201200.
- Collective agreements of the Central Executive Committee of the Republic of North Macedonia for the period from 2017 to 2024.
- The number of imported heat pumps, air conditioners, and inverter air conditioners for 2023.
- An interpretation of the customs tariff and customs duties on the import of civil aircraft and aircraft with a mass not exceeding 2,000 kg.
- Responsible persons for the preparation and implementation of obligations under agreements signed and ratified within the framework of the OBI, specifically the Agreement between the Government of the Republic of North Macedonia and the Council of Ministers of the Republic of Albania on mutual recognition of authorizations for authorized economic operators—safety and security, and the Agreement between the Government of the Republic of North Macedonia and the Government of the Republic of Serbia on mutual recognition of authorizations for authorized economic operators—safety and security.
- The retail price of cigarettes and quantities of packs of cigarettes sold annually from 2010 to 2023.

- The volume and sources of the Republic of North Macedonia's annual import of 96% alcohol.

In the previous year, 13 requests for access to public information were received and duly responded to.

INTERNATIONAL ACTIVITIES AND NOTABLE EVENTS

International cooperation

- On 24-25 January, the Customs Administration, with support from HM Revenue and Customs of the United Kingdom, organized the 10th informal regional meeting of senior representatives from Customs Administrations in the Western Balkans, as well as officials from the UK Foreign Ministry – International Operations Office and EXBS. The meeting focused on improving regional cooperation among customs services in the joint fight against smuggling, illegal trade, and organized crime, aiming to enhance and promote economic collaboration in the region.
- On 8th March, the Commissioner of Korean Customs visited the Customs Administration headquarters in Skopje for an official meeting marking the start of the implementation of the Project for development of Risk Management System and Data Warehouse, which will be funded by a \$4.8 million grant from the Republic of Korea.
- On 10th October, Macedonian Customs Director General met the Director of the Bulgarian Customs Administration, Georgi Dimov in Sofia as part of the 10th meeting of the Airport Cooperation Organization in Southeast Europe (AIRSEE) within the Pompidou Group. AIRSEE Participants adopted a joint declaration to strengthen the role of the Organization as a regional platform for action, focusing on the development and alignment of tools and systems to improve drug detection at airports in Southeast Europe.
- Delegation of the Customs Administration participated in a two-day high-level meeting titled "Strengthening Regional Customs Cooperation" (held on 18-19 November in Budapest), attended by customs directors and senior representatives from the Western Balkans and EU member states. The event, organized under the auspices of the Hungarian National Tax and Customs Administration as part of Hungary's Presidency of the Council of the EU, featured European Commissioner for Enlargement, Oliver Varhelyi. He emphasized that integration is crucial in the enlargement process and that customs administrations play a key role in this process. Participants highlighted that integration into the EU's single market, cooperation between customs authorities in establishing green corridors, data exchange, and fostering a predictable business climate ensures stability and economic growth.
- On 5th December 2024, in Tirana, representatives of the Customs Administration participated in the inaugural regional meeting of the Steering Committee for Phase 2 of the EU-UNODC joint action "promoting rule of law and good governance through targeted border control measures at ports and airports in South Eastern Europe." This joint initiative was organized by the EU and the UN Office on Drugs and Crime (under the auspices of the EU, WCO, and UNODC). The meeting was attended by directors of

customs administrations and border police forces from South-Eastern Europe, as well as representatives from the European Commission, the UN Office on Drugs and Crime, and the World Customs Organization.

- On 20th December 2024, a bilateral meeting took place in Thessaloniki between the top management of the Customs Administrations of North Macedonia and Greece. The two customs administrations agreed to collaborate on enhancing trade and security policies in cross-border trade. Key initiatives include the establishment of green corridors, the implementation of two-way electronic data exchanges for all imports and exports at the three border crossings, and the introduction of a one-stop concept at the Bogorodica - Evzoni border crossing. Additionally, there will be cooperation on intelligence data exchange and the creation of risk profiles for investigation purposes.
- A key point emphasized was the strengthening of institutional capacities through joint training, sharing best practices, and holding regular expert-level meetings. It was also agreed that in the coming period, Greek Customs will share its experience in monitoring and controlling tobacco products via the "Track & Trace" system. Both sides provided updates on efforts to open the new border crossing point Markova Noga.

To strengthen the established cooperation with external supporters of the Customs Administration's operations, several working meetings were held in 2024 with senior representatives from the US Embassy (5 July), HM Revenue and Customs for Macedonia and the Region (10 July), the OSCE Mission in Skopje (22 July), the Delegation of the European Union in Skopje (31 July), representatives from the Federal Republic of Germany (30 July), the Embassy of Greece (16 October), and the UN Office on Drugs and Crime Mission (4 November).

Improving Connectivity with Neighboring Countries through Modernizing Border Crossings

- Deve Bair - the foundation stone for a new facility at the customs clearance terminal was laid in a ceremony attended by Prime Minister Hristijan Mickoski, Deputy Prime Minister and Minister of Transport Aleksandar Nikoloski, Director of the Customs Administration Boban Nikolovski, and Director of the World Bank for Macedonia Massimiliano Paolucci. The reconstruction and upgrading of the border crossing Deve Bair officially began on 5th October.
- Berovo (7th October) – start of activities for implementation of the project for the establishment of a new border crossing was officially marked. With a total investment of 3.7 million euros, the Customs Administration will work on the establishment of the new Strumyani-Berovo (Klepalo) border crossing with the Republic of Bulgaria. Of this amount, 3.1 million euros comes from a grant through the EU IPA 3 Cross-Border Cooperation Programme with Bulgaria, while the remaining 551,548 euros is national co-financing.

Concluded international agreements

- Protocol between the Ministry of Finance – Customs Administration of the Republic of North Macedonia and the Ministry of Finance – Customs Administration of the Republic of Serbia on implementing the Memorandum of Understanding on measures to enhance the movement of people and goods, significantly facilitating and accelerating traffic across their shared national borders - signed in January 2024.
- Memorandum of Cooperation between the Customs Administration of the Republic of North Macedonia and HM Revenue and Customs for donation of a drone (regulating the formalities related to donated equipment for preventing and detecting economic, financial, and organized crime, including precise provisions for its use and maintenance - signed in January 2024.
- Technical Protocol for Electronic Data Exchange between the Customs Administration of the Republic of North Macedonia and the Customs Administration of Montenegro. This protocol establishes measures to facilitate road traffic, combat customs fraud, expedite customs procedures, and simplify formalities and controls. It also ensures adherence to each party's risk analysis framework - signed in November 2024.
- Memorandum of Understanding between the USAID Cybersecurity Protection and Response Program (implemented by IBM Consulting Federal) and the Customs Administration of the Republic of North Macedonia. This agreement provides support in identifying, developing, and implementing a targeted cybersecurity roadmap and action plan for the Customs Service. It includes optimizing security tools within the Information Security Event Management system, enhancing data protection measures, and conducting training and capacity-building initiatives - signed in November 2024.

Inter-Institutional Cooperation

To strengthen institutional capacities and drive higher economic growth and improved living standards, significant efforts have been made to deepen inter-institutional cooperation.

- ✓ On 2nd July, a meeting was held with the Minister of Finance, Gordana Dimitrieska Kočoska, and the Director of the Public Revenue Office, Elena Petrova. The discussion focused on the need for policy reforms that deliver tangible results in accelerating transport and trade, combating crime and corruption, improving the business environment, and attracting new direct investments.
- ✓ On 11th July, the Director of the Customs Administration, Boban Nikolovski met with the Minister of Transport and Communications Aleksandar Nikoloski. The meeting centered on enhancing transport efficiency and facilitating trade by implementing and advancing joint projects led by the Customs Administration and the Ministry of Transport and Communications.
- ✓ On 6th August, at a meeting with the Director of the Public Revenue Office Elena Petrova, the importance of closer cooperation was emphasized to combat the shadow economy. Addressing this issue is essential for ensuring fair competition, attracting

greater investment in production, and increasing revenue collection for the national budget.

- ✓ On 15th August, Director Boban Nikolovski met with Prime Minister Hristijan Mickovski. The Prime Minister reaffirmed the Government's support for improving revenue collection and control measures and congratulated the Director on the initial visible successes in these areas.
- ✓ On 20th August, a joint meeting was held with representatives from the National Bank, the Financial Intelligence Office, the Public Revenue Office and the Financial Police. The participants agreed to establish a Memorandum of Cooperation, defining institutional competencies and shared data sets to enhance financial monitoring through monitoring of financial transactions and strengthen efforts to combat criminal activities, including money laundering and financing of terrorism.
- ✓ On 22nd August, during a working meeting, the Customs Director Boban Nikolovski and Public Security Bureau Director Aleksandar Janev noted that enhanced cooperation, improved data exchange, and faster inter-agency interventions will significantly increase efficiency in combating crime and illegal activities.
- ✓ On 25th October, Customs Director Boban Nikolovski and Central Registry Director Anita Stamnova agreed to intensify joint activities. As part of this initiative, the Customs Administration will provide electronic access to the database of paid import duties.
- ✓ On 28th October, at a meeting with the Director of the Directorate for Technological Industrial Development Zones Goce Dimovski, it was agreed to strengthen cooperation to create a more favorable investment environment. This will be achieved by streamlining customs processes and enhancing the competitiveness of the Macedonian economy.
- ✓ On 8th November, Director Boban Nikolovski, alongside Minister of Defense Vlado Misajlovski, Chief of General Staff Major-General Saško Lafčiski, and U.S. Ambassador Angela Ageler attended a briefing at the Strašo Pindžur barracks in Petrovec, where Deputy Commander of the First Infantry Brigade, Colonel Stevan Naumoski, outlined the process for integrating Stryker light armored vehicles into operational use within the Army. Following the briefing, the delegation visited the facilities where JLTV and Stryker vehicles are maintained and stored.
- ✓ On 14th November, during a meeting with the Director of AD Posta Orhan Kurtiši, an agreement was reached to strengthen cooperation and enhance border control at the border crossing point Blace to prevent smuggling of postal items.
- ✓ On 25th November, at the initiative of Director Boban Nikolovski, Steering Committee for the National Single Window System meeting was convened, bringing together representatives from all 15 institutions involved in issuing permits, licenses, and certificates for international trade. The aim of the meeting was to push for active institutional engagement to enhance service delivery through full digitalization, reduce

bureaucratic obstacles, and minimize costs and waiting times for export and import procedures.

Concluded inter-institutional memoranda

- Memorandum of Cooperation between the State Statistical Office and the Customs Administration, regulating the collection, processing, and publication of statistical surveys on foreign trade (signed in September 2024).
- Memorandum of Cooperation between the Ministry of Interior and the Ministry of Finance, establishing a framework for support and assistance in enforcing legal competencies. It specifically addresses efforts to combat fraud, document forgery, illegal transfers and handling of weapons, explosives, dual-use goods, hazardous waste, smuggling, drug trafficking, corruption, tax evasion, illicit trade, customs fraud, money laundering, illegal border crossings, and unauthorized migration. Additionally, it focuses on protecting life, health, the environment, cultural heritage, excisable goods, and counterfeit products (signed in November 2024).
- Protocol between the Ministry of Interior (Public Security Bureau) and the Ministry of Finance (Customs Administration), defining the scope of cooperation, coordination, and joint action to enhance border protection, combat organized crime, prevent illegal migration and human trafficking, and improve crime detection. It also facilitates data sharing and collaboration in border management to safeguard public health, personal safety, property, and the environment (signed in November 2024).

Cooperation with the business community

- Advisory Body Meeting – After a hiatus of more than two years, a meeting of the Advisory Body was held on September 20. The session brought together the Customs Administration, Macedonian chambers of commerce, chambers of commerce from foreign countries engaged in business cooperation, as well as associations of transporters and logistics operators.
- Company Visits – As part of an ongoing dialogue with businesses, representatives of the Customs Administration visited several companies to discuss measures for facilitating trade and improving business conditions. The visits included Drexlmaier Macedonia (18th January), Pekabesco (2nd February), Alkaloid (19th February), Vitaminka (29th February), IGM Trade (13th March), Kim Negotino, Venec Winery (11th April), Simpex (22nd April). The visits were carried out within the framework of a dialogue with the companies that should result in more successful future mutually acceptable measures and sharing of information on what has been done so far to facilitate trade and improve the conditions for doing business. The new management of the Customs Administration met the management of the Yildirim Group of Companies and the managing partner of PwC RS Macedonia on 25th October.
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- Regular meetings are held with representatives of Makam-Trans Association, the largest association of transport employers, to review progress on three key reform measures led by the Customs Administration. These measures include harmonizing the working hours of inspection services at border crossings, automating border crossing terminals with an EU grant and integrating them with the new video surveillance and license plate recognition system, and promoting digitalization to enhance inter-institutional connectivity at both national and state levels. A visit to the border crossing point Tabanovce was also conducted as part of these discussions.
- On 26th July, a meeting took place with the Macedonian Association of International Freight Forwarders and Logistics Operators to define strategies for facilitating companies' legitimate needs. The meeting focused on implementing joint measures to prevent corruption, ensure fair enforcement, and strengthen transparency at all levels.
- On 8th August, a meeting with TAV Macedonia General Manager Nedžat Kurt emphasized the need for further cooperation and modernization of processes to improve efficiency and streamline operations.
- On 27th August, a meeting was held with Viktor Mizo, President of the Council of Foreign Investors at the Chamber of Commerce. During the meeting, it was jointly concluded that the Customs Administration, through the implementation of reform measures and policies will play a more active role in attracting new foreign investments, expanding production, and increasing exports of higher value-added products.
- On 10th December Customs Director Boban Nikolovski attended the regional conference on combating the shadow economy was held in Skopje, organized by the American Chamber of Commerce of Macedonia and Serbia. It was noted that to prevent criminal activities and combat the shadow economy effectively, high-level preparedness among countries is very important.

Transparency and public relations

We position the Customs Administration as a modern institution dedicated to driving sustainable economic growth, fighting crime and corruption, and advancing the country's EU integration process

To achieve this, we actively monitor public opinion by gathering relevant data, conducting research, and gaining insights into the current situation. We value the perspectives of stakeholders and the business community to continuously improve the services offered by the Customs Administration.

Through increased transparency and openness, we aim to enhance public awareness and build trust—key elements for a prosperous society. Transparency and accountability are foundational to establishing this trust, and we prioritize them in our work.

Our objectives align with the government's broader goals for economic transformation and the fight against crime and corruption.

Presentation of the results from the first 100 days of the new management

On 14th October, Director Boban Nikolovski held a public event to present the results of the first 100 days under the new management. From 1st July – 8th October, the Customs Administration collected a total of 35.4 billion denars (576.4 million euros), marking an increase of 3 billion denars (48.7 million euros), or 9.2 percent, compared to the same period last year. During this period, the number of seizures rose by 60.2 percent, and the number of criminal charges filed by the Customs Administration nearly tripled.

Trade Union Activities

The Independent Trade Union of the Customs Administration and the Trade Union Organization at the Customs Administration-UPOZ are committed to continuously improving employees' rights. They focus on enhancing work conditions and fostering a positive social climate, as these are essential for quality and dignified work within the Customs Administration.

In 2024, the trade union organizations allocated funds for solidarity assistance to support their members and their immediate families in cases of long-term illness, death, or other significant circumstances.

Additionally, various activities were organized to engage employees and their families, including celebrations of the International Women's Day, distribution of New Year's candy packages for children, tickets for the children's festival "Zlatko Slavejche 2024" etc.

Humanitarian Activities

On the occasion of the International Women's Day (8th March), the trade union organizations made a donation of equipment to the Children's Clinic in Skopje. They also provided financial assistance for the treatment of a patient abroad.

On 27th December 2024, during the New Year holidays, Director Boban Nikolovski, on behalf of all Customs Administration employees, presented New Year's gifts to the children of the "Inklusiva" association, which supports the inclusion and development of children with special needs. He also visited the organization "Poraka Nasha", which advocates for the rights and interests of people with intellectual disabilities, to present gifts to its wards.