**4.29. Chapter 29: Customs union**

*All Member States are part of the EU customs union and follow the same customs rules and procedures. This requires legislative alignment as well as adequate implementing and enforcement capacity and access to the common computerised customs systems.*

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| The country achieved a **good level of preparation** on customs union. **Some progress** was made on legislative alignment and on administrative and operational capacity. Certain customs provisions of the law on zones for technological and industrial development are still not in line with the acquis. In the coming year, the country should:→ abolish fees for customs declarations;→ complete and consolidate the developed IT systems, ensure their upgrade and maintenance and guarantee business continuity. |

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In the area of **customs legislation**, the 2016 customs tariff was adopted in line with the latest changes in the EU Combined Nomenclature. The amended Protocol 4 to the SAA was ratified to include provisions for application of the Pan-Euro-Med Convention on preferential rules of origin. The amended Customs Code further reduced the penalty fees set for customs violations. The number of registered requests for customs protection of trademarks doubled in 2015 compared with the previous year as a result of new simplified procedures. The customs administration continued to charge a fee for processing customs declarations, which is not in line with the *acquis*.

On **administrative and operational capacity**, professional integrity standards and internal controls were systematically applied. Risk management is developed and risk analysis is applied to transit operations. The use of simplified procedures is well developed. Capacities for carrying out customs controls and combating cross-border crime were strengthened. Interagency cooperation and exchange of information continued to result in seizures of illicit goods. Cooperation with customs authorities from the region continued. The new electronic system for processing customs declarations and excise documents was not completed. The electronic integrated tariff system is not fully utilised.

Following the country’s accession to the EU conventions on common transit in 2015, the new computerised transit system was used without interruptions and the number of declarations processed increased. Raising awareness of benefits stemming from the common transit system among economic operators and optimising its use remain priorities of the customs administration.