

BOOKS OF INSTRUCTIONS

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I: Preface/abbreviations

These instructions are not the law. It is the Macedonian Customs Administration's view of what the law says and nothing in this notice takes place of the law.

Customs Law:	CL
Implementing Regulations	IR
Books of Instructions	BOI
Macedonian Central Customs Administration, Skopje	MCA
Law on General Administrative Procedures	AP
Domestic goods	Goods in free circulation
Ministry of Economy	ME
Ministry of Agriculture, Forestry and Water Management	MA

II: The legal Basis

III: Penalty Clauses

A-1: Customs Tariff - Binding Tariff Information (BTI)

A-2 Origin of goods

A-3 Preferential agreements

A-4 Customs Value

A-5 Commercial Policy Measures

A-6 Customs Clearance – Import

A-7 Favorable Tariff Treatment (End-use)

A-8 Customs Procedures with economic impact

Customs procedures with economic impact can:

- Provide relief from or delay of, duty and/or VAT;
- Allow reduced or nil rates of duty to be applied to goods, if they are permanently or temporarily imported under specific conditions
- Provide relief from duty and/or VAT for some goods temporarily exported to, or returned from, outside the customs territory;

They can be used in the following circumstances:

- When goods are imported temporarily for use, process or repair within the customs territory;
- When goods, which have been used, processed or repaired outside the customs territory, are re-imported;
- When goods are imported for customs warehousing

The procedures with economic impact are:

- Customs warehousing
- Inward processing
- Processing under customs control
- Temporary importation
- Outward processing

Legal basis

Customs Law article 97 – 104 and article 110 – 173.
General Implementing Regulations article 311 - 403

A-8-1 Common provisions

There are a number of common provisions for customs procedures with economic impact which will be discussed under this chapter regulated by Instruction number ? by the General Director of Macedonian Customs Administration.

The specific provision concerning each of the procedures are discussed under the specific Instructions given in chapter A-8-2 till A-8-6.

Legal basis

Customs Law article 97 – 104.
General Implementing Regulations article 311 - 333

A-8-1-1 Application

CL art 98

IR art 312 (1) To use one of the above mentioned procedures, an authorization is required. The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 and submitting it to the supervising customs office by the person who carries out the procedure or the organizer of the procedure.

Fundamental conditions

CL art 99 The fundamental conditions for issuing authorization for the procedures with economic impact are that the holder of the authorization presents the necessary security for the correct course of the transactions and that the customs authorities can secure the necessary supervision and control.

This is achieved by submitting all relevant information to the customs authorities. Examples of relevant information are the identification of all the parties involved, places where importation, exportation/re-exportation and declaration for the arrangement will take place and places and procedures for the use of the goods. On the basis of this information, the customs authorities perform an evaluation as to whether the necessary control of the correct implementation of the processes can be performed. It is hereby ensured that the arrangements are not improperly used.

IR art 314 The customs authorities may require additional information from the applicant if the information given is incomplete or insufficient.

CL art 102 A guarantee, covering the customs debt which may occur, needs to be provided before issuing an authorization. The special provisions in relation to providing guarantee for each of the procedures with economic impact will be explained closer in special Instructions under chapter A-8-2 to A-8-6.

Simplified application for an authorization

IR art 312 (3) For all the procedures with economic impact **except customs warehouse**, it is possible in certain situations closer discussed under each procedure, to apply for an authorization without using the above mentioned form. This opportunity could be interesting if the applicant only use the procedure occasionally.

Refusal of an application for authorization

If Central Administration of the Customs Administration deems that conditions for granting an authorization are not fulfilled, it can refuse the application.

If an application for authorization is refused by the Central Administration of the Customs Administration, the decision for refusal shall be submitted to the applicant according to the Law on Administrative Procedures within the time limit set in part A-8-1-2.

CL art 7 (3) The applicant has the right to appeal against the decision within 8 days from receiving the decision.

A-8-1-2 Authorization

IR art 316 (a) The authorization shall be granted by using the form shown in annex 27. When receiving an application it shall receive and be supplied with a file number which shall be the identification number of the possible authorization.

CL art 100 (1) The authorization shall generally speaking contains the conditions under which the procedure is used.

IR art 317 The applicant is informed of the decision to issue an authorization or the reasons why an authorization was rejected, within 30 days or 60 days in the case of the customs warehousing arrangements, of the date the application was lodged or the date any requested outstanding or additional information is received by the customs authorities.

Renewal or modification of an authorization

As a primary rule, renewal of an authorization is performed according to the normal procedure for issuing an authorization.

IR art 312 (2) However, renewal of an authorization can be performed purely by a written request from the authorized company. The Central Administration of the Customs Administration decides in every individual case whether this special procedure for renewal of an authorization can be used. It has to be emphasized that the economic conditions always must be tested when renewal an authorization.

An application for amending an authorization can normally be performed only by a written request.

IR art 316 (c) In both cases the Central Administration of the Customs Administration can renew or modify an authorization by any appropriate act.

Authorizations made retroactive

IR art 319 (1) With the exception of warehousing procedure, the authorization can be awarded validity with retroactive effect, but **normally** not before the time of application.

IR art 319 (3) Under **very exceptional conditions**, the retroactive effect of an authorization may be extended further. All requests are considered on an individual basis.

In the application it shall be stated the reasons why it is required. The applicant will also need to be able to produce records to support the application and show that the goods in question were or are eligible for import duties and VAT relief.

In order for the application to be considered, there are basic criteria that have to be met:

- exceptional circumstances must apply. Retroaction cannot be regarded as a regular or recurring form of authorization;
- it will be needed to establish that there is an economic need for authorization. Where necessary, an economic test will be carried out;
- no obvious negligence or attempted deception should be associated with the application;
- all periods of validity and through-put periods must be/have been adhered to;
- the applicants accounts must be able to show that all the requirements for implementation of procedures with economic impact can be deemed to be met; and
- all the formalities of the arrangements must be regularized by annulment of any previous relevant declarations in accordance with the usual procedure for annulment of the declaration and submitting new declaration in accordance with the authorization (see part E-1-5).

Within the context of retrospection, “obvious negligence” can be defined as being any situation where the applicant has failed to comply with the conditions for granting an authorization although they must have been aware of those requirements or had previously been in a similar situation and therefore must have been aware of the need to obtain an authorization prior to importation

Any period of retrospection cannot be dated beyond one year from the date the completed application is received.

Example 1

On 1 April 2005, third-country components are released for free circulation in Macedonia with a view to further processing and subsequent sale on the domestic market. However, after having imported and processed the third-country components, the economic operator finds out that the person in Macedonia who agreed to purchase these processing products has gone bankrupt.

Due to the absence of any other purchaser in Macedonia, the operator decides to export the compensating product on 15 July 2005.

Under inward processing procedure (suspension system), this operator could have been entitled to import duties and VAT relief. In this case, a retroactive authorization could exceptionally be issued if the above mentioned terms can be fulfilled.

Example 2

A Macedonia economic operator exported domestic goods for further processing abroad without authorization for outward processing. He has not applied for outward processing because his foreign partner told him that he can provide a certificate of movement EUR 1. After processing is done, upon release for free circulation of the compensating products in Macedonia, the operator presented a EUR.1 movement certificate which led to total relief from the import duties.

Subsequent to a clearance examination or post-clearance control, the customs authorities found that the preferential origin was indicated by mistake due to a misunderstanding of the origin rules. Consequently, import duties had to be recovered on the basis of the total value of the compensating products.

However, since an authorization for outward processing would have been granted if the operator had applied before the exportation took place (if the operator had known about the origin criteria not being fulfilled), the Macedonian operator could benefit from lower import duties by being granted a retroactive authorization for outward processing.

IR 319 (2)

In connection with renewal of an authorization for the same kind of transactions and goods, the authorization may be issued with retroactive effect from the date of the original authorization expired, but no longer than 3 years from the date of receiving completed application.

Annulment and revocation

CL art 100 (2)

The holder of the authorization shall inform the customs authorities who has issued the authorization about all facts of relevance concerning the authorization, which occurs after it has been communicated and which can have influence on whether or not to annul or revoke an authorization.

Annulment

AP article 261

Central Administration of the Customs Administration that issued the authorization can annul the same authorization in writing.

An authorization is annulled if it was issued on the basis of incorrect or incomplete information:

- when the applicant knew or reasonably should have known that the information was incorrect or incomplete
- when the authorization could not be issued on the basis of the correct and complete information

Annulment takes effect from the time when the authorization was issued. This may thus involve the collection of import duties and VAT on goods which have already been imported in accordance with the authorization.

Revocation

AP article 265

The Central Administration of the Customs Administration that issued the authorization may revoke the same authorization in writing.

An authorization is revoked:

- when one of the conditions for issuing the authorization is not or is no longer fulfilled
- when the holder of the authorization does not comply with an obligation imposed upon him in accordance with the procedure.

The customs authorities can omit the revocation of the authorization:

- if the holder of the authorization fulfils his obligations within a deadline set up, and
- if the lack of compliance has not been important for the correct use of the procedure

Revocation takes effect from the date of notification of the same or at the time when the lack of compliance was established. The revocation (except customs warehouse procedure) does not refer to goods which have already been placed under the arrangement pursuant to the revoked authorization.

In exceptional cases, Central Administration of Customs Administration can allow the revocation to take effect from a later time if circumstances so indicate.

A-8-2 Customs warehouse

CL art 110 (1a)

This procedure enables relief from custom duties, excise and VAT, without applying trade policy measures which are applicable where goods are released for free circulation and trade policy measures which are applicable where goods are entered to the customs area, must be applied.

This means that legal entities and natural persons which bring in goods from countries outside Macedonia for storage which can later be released in free circulation with payment of customs and other import duties or re-exported or allowed another customs treatment or use.

Already imported customs goods, which have been placed under a customs procedure with economic impact (e.g. inward processing, temporary import) can also, when discharging this procedure, be placed under the customs warehousing procedure in view of their subsequent re-exportation.

CL art 110 (1b)

Where regulations governing specific fields provides that domestic goods placed in a customs warehouse shall attract the application of measures normally attaching to the export of goods, such goods can also be stored in a customs

warehouse. (This provision is applied in EU for subsidies of agricultural products and for pre-financing of exporter – providing subsidies before the goods are exported from customs territory of EU.)

Beside the storage of the above goods, the warehouse can also be used for the storage of domestic goods, which are not placed under customs procedure. This is called “common storage”. Although no customs formalities have to be carried out for such storage, certain conditions have to be respected.

Customs warehousing is particularly useful if the legal entity:

- wants to delay paying customs duty and/or VAT on his stocks of entered goods;
- wants to delay having a customs procedure applied to entered goods;
- wants to re-export non-domestic goods (in which case import duty and/or VAT may not be payable at all);
- has difficulty in meeting particular conditions for releasing in free circulation (such as certain import licensing requirements); or
- wants to discharge another customs procedure (such as inward processing etc.) without physically exporting the goods;

CL art 110 (2)

A customs warehouse can either be the whole of a building, a small compartment in a building, an open silo, a storage tank etc. approved by the customs authorities. See part A-8-2-2-1 for further information on the structural standards required for a customs warehouse.

CL art 120

Goods can remain under the customs warehouse procedure without a time limit. In special cases customs authorities can specify a time limit within which the depositor shall put the goods under a new customs allowed treatment or use (goods with shelf life).

Definitions

The **customs warehouse keeper** means the person who is authorized to operate a customs warehouse.

The **customs warehouse user (depositor)** means the person obliged by the customs declaration to place the goods under customs warehousing procedure or the person to which his rights and obligations are transferred to. Warehouse user has responsibility to fulfill the obligations bound by placing the goods under the customs warehousing procedure.

Responsibilities of the warehouse keeper and the customs warehouse user are closely discussed in part A-8-2-2-4.

The rules for customs warehousing are found in article 97 – 104 and article 110 – 127 of the Customs Law (CL), article 311 – 344 of the Implementing Regulation (IR) and the VAT Act.

A-8-2-1 Sorts and types of customs warehouses

Customs warehouses may be public or private:

- a public customs warehouse is a warehouse that can be used by any person for warehousing of goods;
- a private customs warehouse is a warehouse where only the warehouse keeper may store the goods without the warehouse keeper necessarily being the owner of the goods; in this case the warehouse keeper shall be a depositor at the same time

A-8-2-1-1 Public customs warehouses

IR art 334 (1)

There are three types of public customs warehouse:

- **customs warehouse type "A"**

Public customs warehouses, where anyone (depending on whether the warehouse fulfills the conditions) can store goods. The warehouse keeper is responsible for ensuring that the goods in storage do not evade customs inspection and that the obligations bound by the goods being classified under the customs warehousing procedure are complied with.

- **customs warehouse type "B"**

Public warehouse in which the warehouse user (depositor) of customs goods is responsible for placing goods under customs warehousing procedure and to make sure these goods shall not evade customs inspection. Warehouse keeper shall be assigned by the authorization to inform warehouse users (depositors) of their responsibilities. **This type of warehouse is not used in Republic of Macedonia.**

- **customs warehouse type "F"**

Public warehouse operated by customs authorities. Any person (depositor) can use it. Authorized customs office operates the warehouse and shall keep records of the stored goods. Each depositor is responsible for fulfilling the obligations bound by warehousing of goods. **This type of warehouse is not used in Republic of Macedonia.**

A-8-2-1-2 Private customs warehouses

In reference to all types of private warehouses, the customs warehouse user (depositor) is also a warehouse keeper, but not necessarily the owner of the goods. This means that the declaration for entry under the warehousing procedure must be made in the depositor's name i.e. warehouse keeper's name. Warehoused goods can be property of warehouse owner, foreign person or person established in Republic of Macedonia.

The warehouse keeper has to keep stock records.

There are three types of private customs warehouses:

- **Customs warehouse type “C”**

Private customs warehouse for which the responsibility is on the customs warehouse keeper who shall also be a depositor, but not necessarily owner of the goods.

- **Customs warehouse type “D”**

Private customs warehouse for which the responsibility is on the customs warehouse keeper who shall also be a depositor, but not necessarily owner of the goods. Any removals into free circulation must be made using the local clearance procedure (see A-6). The nature, value and quantity of the goods are those accepted or determined by the customs authority upon entering goods under the warehousing procedure.

This means that the warehoused goods can be released for free circulation without placing it for presentation at the customs authority and before submitting appropriate customs declaration on the basis of records. A periodically subsequent declaration has to be submitted.

It must be emphasized that this kind of warehouse can only be authorized if

- the applicant fulfills the stringent demands for using the local clearance procedure
- the applicant can make probable that it is vital for him and his business to be able to release warehoused goods into free circulation immediately (hour by hour)
- the applicant can make probable that the warehoused goods is not sold in a steady flow and the need of goods in free circulation therefore not more or less predictable
- the need of the warehoused goods normally are urgent (such as spare parts for expensive machinery, medications, etc)

- **Customs warehouse type “E”**

Private warehouses for which responsibility is on the customs warehouse keeper who shall also be a depositor, but not necessarily owner of the goods. The goods may be stored at any notified storage site belonging to the holder of the authorization or the goods can be in transit between such locations without any official documentation. That means that the storage facilities do not have to be approved by the customs authorities, but stock records and stock control have to be specified.

This type of private warehouse gives the holder of the authorization maximum flexibility, but strict requirements are imposed on the suitability of his business to be authorized. **This type of warehouse is not used in Republic of Macedonia, it is used in some EU countries.**

A-8-2-2 General rules

A-8-2-2-1 Structural standards required for a customs warehouse

IR art. 335 (2) Warehouse **types A, C and D** have their physical location defined and the same location cannot be approved for more than one type of customs warehouse. The defined location can include many sites (referred to as multi-sited).

Multi-sited warehouses cater for more than one storage location and movements between one such site and another is permitted without any official documentation. However, the warehouse stock records or accounting system must be capable of identifying the location of goods at all times.

Premises which can be used as a customs warehouse

In general, any premises, which afford reasonable structural security and safe access, may be authorized.

Customs warehouse can consist of one or more interconnected fenced areas or premises that have to be clearly marked or appropriately separated from the rest of the areas or premises.

Premises, which can be approved as premises of a customs warehouse by the customs authorities are the following:

- indoor areas in premises which had been built as warehouses and premises which had been granted an authorization for warehousing of goods (not including housing premises, garage premises, office premises and premises for business activities);
- static reservoirs, silos, etc, if it is about liquids, i.e. pouring materials which must have mass measured by the authorized authority;

- outdoor areas for goods for which indoor areas can not be used in practice, i.e. they are not economically viable. Outdoor areas must be appropriately organized and secured in order to prevent any unauthorized placing or removal of goods;

IR art 335 (2)

It is not allowed the same premises or the same location to be approved for more than one type of customs warehouse.

This means that, for one area in the premises or for one location, only one authorization for one type of customs warehouse can be issued. An area which can not be walked through or is physically separated from another area (e.g. by a wall, wire mesh from floor to the ceiling etc.) shall not be deemed as one location or as one and the same premises.

General conditions for the premises itself

The following general conditions must apply:

- the premises of customs warehouse must be accessible and reachable and must have a size and arrangement that makes it easy to keep a reasonable order. Conditions regarding premises are not fulfilled if the premises intended for customs warehouse have access through another customs warehouse.
- there are no specific demands in the structure of the building itself or installation of protection equipments against burglars except that the premises shall be in such a condition that goods can be stocked protected against the weather in a way that decrease in value will not occur.
- if it is a question of heavily taxed goods (liquor, cigarettes etc), further demands, such as burglar alarm etc, can be set.
- for customs supervising reasons, specific requirements to the arrangement of the premises can be raised (in regards to nature of the goods). As an example special demand can be raised when the warehoused goods are oil derivative products stored in tanks. It must be possible for the customs authorities to measure the goods.
- if the authorized company wants to make changes in the arrangement of the warehouse (arrangements of the inside), it shall be authorized before the changes are made.
- the approval of the warehouse facilities can be withdrawn if the premises are used or changes are made in a way that makes it difficult, unreasonable and unsatisfactory to make a proper customs supervision.

- appropriate equipment for loading and unloading of goods and scale for weighing goods are provided.
- a specially marked space in the warehouse for temporary storage of goods if the warehouse keeper has such an authorization.

If special conditions or regulations concerning storage of goods provisioned by other authorities are required, the applicant must prove that these conditions are fulfilled by enclosing necessary documents to the application.

Taking into account the opinions of other administrations, customs authorities can state a requirement in the authorization for the warehouse keeper to store the goods in specially equipped premises:

- if the goods represent a danger (health hazard goods, easily evaporative materials, ecologically disputable materials, poisons, explosives);
- if they can cause other goods to decay, (leakage because of filling over, stinking materials);
- if for any reason special conditions are required for treatment of the goods (perishable goods, medicines, waste, and other);
- if there are confiscated goods because of certain reasons (subject to offence, undeclared goods, etc.) a specially marked space for storage of these goods has to be provided.

Hired premises

If a customs warehouse is placed in hired premises, the following rules must apply:

- a lease agreement, verified by notary, shall be provided by the applicant
- the premises must be only for the lease holder's disposal
- as a principal rule the premises shall be lockable

A-8-2-2-2 Types of goods which can be warehoused

CL art 110 (1)

The following goods can be stored in a customs warehouse:

- non-domestic goods which by placing in this procedure are not liable to import duties and VAT or trade policy measures;

- domestic goods, for which it is prescribed that their placing in a customs warehouse entails application of measures that are ordinarily used to the export of such goods

(This provision is applied in EU for subsidizing agricultural products and for pre-financing of the exporter - providing subsidies before the goods exit customs territory of EU.)

Examples of goods which can be warehoused:

- ➔ non-domestic goods for which necessary supporting documents (such as license, approval, certificate) are not available at the time of import;
- ➔ non-domestic goods imported under another suspension procedure (such as inward processing, temporary importation and processing under customs control) and afterwards
- ➔ warehoused with the purpose of discharging the procedure without physically exporting the goods with intention of re-export;
- ➔ non-domestic goods that are not subject to a full rate of customs duty in the tariff, but are liable to import VAT;
- ➔ non-domestic goods in free circulation that are subject to repayment or remission of import duty.

A-8-2-2-3 Types of goods which can not be stored

IR 320 (1)

Non-domestic goods subject to prohibitions or restrictions applicable at the point of entry into Republic of Macedonia, can not be placed in a customs warehouse unless necessary supporting documents from authorized ministries for entering into customs territory of Republic of Macedonia have been presented:

- products of animal origin, plants, plant protection, seed material, oil derivatives, opiates and psychotropic substances, precursors, food, medicine, explosives, compressed gas, inflammables, inflammable solid materials, materials developing flammable gas in contact with water, materials apt to self-inflammation, organic peroxide, poisons, contagious materials, radioactive materials, corrosive materials, other hazardous materials, etc.).

A-8-2-2-4 Types of goods which can be stored and/or processed in a customs warehouse without being a subject to the warehouse procedure

CL art 118 (1-2)

The customs authority can by exception allow the following goods to be stored in a customs warehouse or processed in the customs warehouse premises, without the goods being subject to the warehouse procedure, and at the same time it can ask for the goods to be entered in the records:

IR art 335 (1)

- Co-stored or common stored domestic goods (see part A-8-2-8-1)
- Temporary storage of goods according to CL art. 61 (1). When customs warehouses type A, C and D are used for temporary storage of goods, these goods must be separated from the rest of the goods in the customs warehouse. The warehouse keeper is obliged to keep records of temporary stored goods separately from the records of goods under customs warehousing procedure. Temporary storage procedure is closer discussed in part A-6.

A-8-2-2-5 Responsibility of the warehouse keeper and the depositor

Below is mentioned some general responsibilities of the warehouse keeper and the depositor:

Responsibilities of a warehouse keeper type A, C and D

CL art 113

The person authorized to operate a customs warehouse is responsible for:

- the security and proper control of the warehoused goods, including maintaining stock records for those goods throughout the customs warehousing procedure and accounting for any shortage;
- ensuring that while the goods are in the customs warehouse they are not removed from customs supervision;
- ensuring that the conditions of his authorization and all customs obligations are met;
- fully co-operating with customs authority in their supervision of his operation with the customs warehouse;
- allowing customs authority access to the warehouse premises, his warehouse records and warehouse goods at all reasonable times.

CL art 115

If so agreed with the customs authorities, the rights and obligations of a warehouse keeper can be transferred to another person.

Responsibilities of a warehouse user (depositor)

CL art 114 (2)

The warehouse user (depositor) is bound by the declaration for placing goods under the procedure. He must ensure that:

- the goods in an unaltered state are sent directly to the warehouse shown on the declaration;

- the customs warehousing procedure is discharged by declaring the goods for another customs approved treatment or use within the time limits for warehousing goods.

If he is using a public warehouse, he is responsible for providing the warehouse keeper with all the necessary details of the declaration for entering goods to the customs warehousing procedure to enable the warehouse stock records to be updated (such as the quantity and a description of the goods).

A-8-2-2-6 Security-guarantee

CL art 102

For the customs warehousing procedure a guarantee needs to be provided for covering the customs debt (see Part E-1-1). The guarantee is submitted by the warehouse keeper.

IR art.449 (2)

When deciding on the amount of the general guarantee, the scope and the manner of carrying out customs warehousing procedure until that moment, and the credibility of customs debtor are taken in consideration. Monthly average of the calculated debt in the previous six months before the provision of the guarantee in regard to goods on stock i.e. the amount of customs debt that may incur for goods to be placed under in a customs warehouse in regard to goods on stock, are taken in consideration. (for a new customs warehouse)

Security guarantees are: bank guarantee (general and single) and cash deposit (general and single). If securing of customs debt refers only to a single customs operation, it is considered a single instrument for securing payment of customs debt (guarantee), and if it refers to all customs debt that may incur in a certain period then it is considered a general instrument for securing payment of customs debt (guarantee).

Security guarantee is submitted before issuing an authorization for a customs warehouse.

Revenue Collection and Budgeting Unit within the Central Administration of the Customs Administration is in charge of accepting the guarantee, record keeping and its activation. The amount of the guarantee should correspond to the amount of the customs debt that may occur and shall not be less than 10.000 euros in denar counter-value for a general guarantee.

A-8-2-3 Application/authorization

The customs warehouse procedure can only be used when the Central Administration of the Customs Administration has issued an authorization. Authorization for the warehouse procedure can under no circumstances be made retroactive (see A-8-1-2).

A-8-2-3-1 Fundamental conditions

Submitting an application

CL art 112

IR art 312 (1)

The authorization has to be applied for by completing the form (application and annex to the application) shown in IR annex 27, by the warehouse keeper (see A-8-1-1).

IR art 313 (1) c)

The signed application has to be sent to the customs office designated for the place suggested for customs warehouse or where the applicant's main accounts are kept.

Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal has to be joined to the application:

- ➔ copy of the registration of company in the register of the authorized court;
- ➔ decision for allocation of the business subject according to the main business activity from the Statistics Bureau;
- ➔ documentation for warehouses if the applicant has run previously;
- ➔ plan of the premises by marking the place of exact location of the customs warehouse;
- ➔ drawing of the surroundings of the warehouse; technical description of the warehouse premises;
- ➔ documents from the authorized managing i.e. inspecting authorities showing these premises intended for warehousing fulfill conditions for warehousing of type of goods stated in the application:
 - Decision for minimum technical conditions to be fulfilled by the customs warehouse – issued by the Ministry of Economy;
 - Decision for minimum hygienic-sanitary conditions of the customs warehouse – issued by Sanitary Inspectorate within Ministry of Health;
 - Decision for fulfilled measures, regulations and standards for Health and Safety for the customs warehouse – issued by Ministry of labor and social policy;
 - Other decisions of authorized agencies for warehousing specific types of goods (such as: *products of animal origin, plants, plant protection, seed material, oil derivatives, opiates and psychotropic substances, precursors, food, medicine, explosives, compressed gas, inflammables, inflammable solid materials, materials*

developing flammable gas in contact with water, materials apt to self-inflammation, organic peroxide, poisons, contagious materials, radioactive materials, corrosive materials, other hazardous materials, etc.).

- copy of the documentation suggested for keeping records of the warehouse (see part A-8-2-3-2 box 5 of the authorization);
- ➔ explanation of the economic viability of the customs warehouse (see part A-8-2-3-2 box 10 of the authorization);
- ➔ lease agreement if the premises are hired;

Issuing authorization

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who carries out the procedure or the organizer of the procedure (see A-8-1-1).

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal (for example evidence concerning economic conditions, rate of yield, records etc) has to be joined to the application.

The supervising customs office sends the application and enclosed documents to the Central Administration of the Customs Administration within 15 days.

The Central Administration of the Customs Administration takes decision and issues the authorization if the applicant fulfills the conditions:

- to prove economic viability for opening a customs warehouse (see part A-8-2-3-2 box 10)
- to suggest way of record keeping for the goods placed in a customs warehouse (see part A-8-2-3-2 box 5)
- to guarantee carrying out obligations bound by customs warehouse procedure (see part A-8-2-2-5)
- to guarantee control of fulfilling trade policy measures and other provisions regulating releasing goods in free circulation. Especially for customs warehouses type D.

CL art. 116

CL art. 180

Furthermore, supervising customs office must provide data or information from:

- the unit for administrative and offence procedures within the Central Administration of the Customs Administration regarding any offence

procedures initiated against the applicant in reference to customs regulations;

- Revenue Collection and Budgeting Sector regarding whether or not the payments of customs debt by the applicant had been fully and in timely manner, and if there are any uncollected customs debts and their amount.
- Enforcement Sector for any controls made of the applicant.

The supervising office has to visit the facilities of the applicant in order to check the information given in the application. This gives opportunity to the customs authorities to explain customs procedures, as well as the obligations and responsibilities of the customs warehouse operator (example: record keeping).

IR art 316

The Central Administration of the Customs Administration takes decision and issues the authorization within the time limit (see part A-8-1-1) if the applicant fulfills the conditions.

IR art 318 (1)

The authorization shall take effect on the date of its issuing or at any later date given in the authorization.

The Central Administration of the Customs Administration may, in exceptional cases, communicate its agreement to use the customs warehouse procedure for private customs warehouses before actual issuing the authorization.

When issuing an authorization, the Central Administration of the Customs Administration shall register the authorization in the record of issued authorizations by assigning the customs warehouse a code.

CL art 99

CL art 112 (3)

IR art 336 (3)

Before the Central Administration of the Customs Administration issue an authorization they must be sure that:	
1	the applicant is established in Macedonia
2	the warehouse is intended to be used primarily for the storage of goods
3	there is a genuine economic need for such facilities: either sufficient potential trade for a public warehouse to be viable or sufficient benefits to the applicant for a private warehouse such as the amount of re-exports, suspended customs duty (see part A-8-2-3-2 box 10)
4	the applicant is able to comply with the conditions of authorization;
5	the customs authority have sufficient resources to oversee the operation of the customs warehouse and also to carry out the necessary checks on the warehouse keeper's control systems and records and on the goods stored.
6	the necessary administrative activities isn't disproportionate to the economic

	benefit of the approved procedure
7	the applicant has provided sufficient security (see A-8-2-2-5)

The authorization shall be issued in 5 copies by the Central Administration of the Customs Administration. Two of them shall be sent to the applicant: one shall be kept in the customs warehouse premises and the other one in the premises where the main accountancy of the holder of authorization is kept. One copy is for the needs of the Customs Administration and shall be kept in the archive of the Central Administration of the Customs Administration. One copy shall be sent to the IT Centre. One copy shall be sent to the supervising customs office. The supervising customs office keeps separate files for each holder of the authorization.

A-8-2-3-2 Specific instructions regarding the application/authorization

The application form (annex 27) and the authorization form (annex 27) of the IR are almost identical. This part gives detailed descriptions of some of the important boxes in the application/authorization form. It also gives instructions to be used when an application for customs warehouse and carrying out customs warehousing procedure is evaluated.

Box 5 – Place and kind of records

It shall be stated where the main accounts are located (if different from box 1). This will be the place where commercial, tax or other accounting materials are kept.

Records shall be kept in the customs warehouse premises and the same can not be taken out of the warehouse without previous approval of the customs authority.

Records of the goods kept by warehouse keeper must be appropriate with the main book keeping.

IR art 311 (h)

State also the type of records and IT program used. Records mean the data containing all the necessary information and technical details, enabling the Customs authorities to supervise and control the customs warehousing procedure.

The customs authority need to be satisfied that the records give a complete history of the goods from the time of their entry to the warehouse to the time of their discharge from the customs warehousing arrangements before issuing the authorization.

IR art 326 (2)

Existing main accounts of the warehouse keeper can be approved as records if it shows all information needed for control and supervision provided it is kept in a way that enables control and check to be done.

The customs authority will approve the type of records suggested by the applicant by referring to the application in box 5 of the authorization and, if necessary, it will set additional conditions regarding the records.

If the customs warehouse keeper during operation expresses a wish to replace or change the approved records, that change must be previously approved by the customs authority that has issued the authorization.

The records are closer discussed below:

Contents of the records

CL art 117

IR art 326 (1)

IR art 337 (1-2)

It is a condition of the customs warehouse procedure that the warehouse keeper maintains sufficiently detailed stock records in a form **approved** by the customs authority to identify:

- receipt;
- stockholding,
- handling; and
- removal

of warehoused goods held under the customs warehousing procedure.

IR art 327

IR art 338

The records of goods in a customs warehouse must contain:

- marking of the warehouse;
- number, date and hour of entering in records;
- date and number of customs declaration for entering under the procedure;
- type of mean of transport and its registration number;
- information about the receiver of the goods;
- remark for possible deficiencies upon storing the goods;
- details of the goods entered/discharged under/from the procedure sufficient to identify its:
 - gross weight;

- packing of goods and quantity in appropriate unit measure;
- type of packaging and exact number of collets and markings of the collets, if any;
- commercial name of goods which enables establishing a correct commodity code in the customs tariff and all other information needed for precise determination of the type and nature of the goods. The description of the goods must contain all physical information (size, weight), chemical sign etc., if these information are the key for discharging the goods;
- information which enable supervision over the movement of goods in the customs warehouse, especially information for the locations of the goods in the warehouse (number of the area or marked space where the goods are located);
- place where all goods under the procedure are held at any time including any date of any approved temporary removal of goods;
- date of common storage if so approved;
- the type of usual forms of handling carried out on the goods and the customs value before any usual forms of handling if the use of article 124 (2) of the Customs Law is requested (see Part A-8-2-8-2);
- date and number of customs declaration for discharging the procedure;
- when (date and time) and by whom the goods were issued upon discharging the procedure;
- remains of collets when the goods are not fully handed over or removed from the customs warehouse;
- at all times the current stock of customs warehoused goods;

Any removals from warehouse type “D” to free circulation must be made using the nature, value and quantity of the goods which have been accepted or determined by the customs authority when entering goods under warehousing procedure. Records of the goods warehoused in the customs warehouse type “D” must also contain:

- commodity code of the goods from the Customs Tariff Nomenclature;
- information for trade policy measures for import of goods;

- information for the country of origin of goods (if stipulated by customs regulations, the document proving the origin must be kept in the records);
- customs value of the goods declared upon entering of goods in the warehouse from the documents which are part of the records (invoices, price list etc.). Customs value must be fragmented into separate elements (invoice value, transport costs, insurance etc.);
- customs value of the goods declared upon releasing in free circulation, from the documents which are part of the records (invoices, price lists....). Customs value must be fragmented into separate elements (invoice value, transport costs, insurance....)
- number and date of the subsequent SAD, on the basis of which the goods are cleared (upon import, export, transit) for each goods separately;

Keeping records

Records of goods must be kept in accordance with valid book-keeping and accountancy standards and must correspond to the warehoused goods.

IR art 339 (2)

Warehouse keeper is obliged to keep the records for the goods entered under customs warehouse procedure immediately after arrival of the goods in the customs warehouse on the basis of the customs declaration for starting customs warehouse procedure.

IR art 339 (3)

Warehouse keeper is obliged to record the goods discharged from the customs warehousing procedure in his records:

- in case of releasing goods in free circulation on the basis of local clearance in the customs warehouse type “D” – latest at the moment when the goods had been removed from the customs warehouse (until this moment all information in regards to discharging the customs warehousing procedure shall be recorded, and the number of the subsequent customs declaration shall be recorded subsequently);
- in all other cases (type A and type C) – in the moment when goods had been handed over to the declarant on the basis of customs declaration for customs allowed treatment or use of goods.

When customs warehoused goods are discharged the warehouse keeper has to separately record the date, the time of issuing, the name and the surname of the person that received the goods on the basis of customs declaration for discharging customs warehousing procedure.

Way of keeping records (items) must enable insight in the information for the quantity of entered goods, discharged goods and the balance of goods

warehoused. Upon each discharging of goods the document under which the goods are kept longest period of time shall be discharged first (the “FIFO” principle – first in first out).

Records shall be secured from additional corrections and amendments of information. If exceptionally corrections or amendments had to be made it must be made visible for the needs of Customs control.

Presenting records

The warehouse keeper is obliged to present the records to the supervising customs authority at his first request in order to be checked if it had been correctly kept and if the contents of the records are in accordance with actual quantities of goods in the customs warehouse.

Furthermore, if so required by the supervising customs authority, the warehouse keeper is obliged to make an inventory of all the goods under the customs warehouse procedure or separate types of goods (by type, by tariff number or by unit value).

IR art 326 (3)

The warehouse keeper is obliged to make inventory of the goods twice a year and to submit it to the supervising customs office. How and when must be described in box 20 in the authorization.

The supervising customs authority may also ask for additional inventory if there are reasons for that (suspicion for incorrect record keeping, deficiencies, surplus of goods, other inconsistencies, random control etc).

Box 6 – The period of validity

IR art 318 (2)

The authorization has an unlimited period of validity. Therefore only part a) of this box (the date when the authorization will come into force) will be filled in.

This date will be the date of issue or any later date given.

However, The Central Administration of the Customs Administration can revoke an authorization if the rules or conditions have been or are being violated, or if the customs warehouse no longer is being used to a sufficient degree to justify its existence (see part A-8-1-2)

Box 7 – Goods to be placed under the procedure

If the application covers several types of goods, just enter the word “Various” in sub-box “CN-code” and make a general description of the nature of the goods in the sub-box “Description”.

Information about CN-code, quantities and values are usually not necessary.

If the applicant wants to enter goods under customs warehousing procedure for which a special approval is needed by appropriate authorities (for instance: *food, medicine, explosives, compressed gas, inflammable gas, inflammable solid materials, materials developing flammable gas in contact with water, materials apt to self-inflammation, organic peroxide, poisons, contagious materials, radioactive materials, corrosive materials, other hazardous materials, etc.*), it must be enclosed to the application and type of goods must be entered in this box.

In this box in the authorization shall be stated: “goods which need a special approval by other appropriate authorities (for instance, *food, medicine, explosives, compressed gas, inflammable gas, inflammable solid materials, materials developing flammable gas in contact with water, materials apt to self-inflammation, organic peroxide, poisons, contagious materials, radioactive materials, corrosive materials, other hazardous materials, etc.*) shall not be allowed to be warehoused unless the said approvals are presented to the customs authorities”.

Box 8 – Compensating products

Are not to be completed.

Box 9 – Details of planned activities

If the applicant wants to do the following activities in a customs warehouse

- ➔ inward processing
- ➔ processing under customs control
- ➔ temporary storage

without the goods being under the customs warehouse procedure, he shall indicate it in this box and give a closer description of the activities.

If the applicant already has an authorization to use one of the above mentioned procedures, he must refer to the number of the authorization in question.

If he hasn't an authorization, a separate application to use the procedure in question with separate records must be enclosed to be approved by Customs Administration.

IR art 336 (1)

The above mentioned procedures must not predominate over the storage of goods.

Box 10 – Economic conditions

IR art 315 (1)

The economic conditions or needs for a customs warehouse have to be indicated by the applicant and proved by enclosed documents.

The economic conditions or needs are considered to be fulfilled in cases where the following conditions are cumulatively fulfilled:

- customs goods are supposed to be usually kept in a customs warehouse procedure longer than the approved period for temporary storage of goods (20 days);
- supposed scope of the warehouse procedure:
 - ➔ if the warehouse was operated as a customs warehouse before or if the applicant has operated a customs warehouse before (it shall be proved by quantity, value and numbers of customs declarations concerning previous imports and exports, number of depositors etc);
 - ➔ the impact achieved with opening and functioning of the customs warehouse (saving through the operation, reducing costs for warehousing, costs for warehousing of goods in other customs warehouses, specifics for supplying the market with warehoused goods, number of supposed re-exports from the customs warehouse etc);
- operation of the warehouse shall not cause inappropriate administrative costs for the customs authority e.g.:
 - ➔ suggested premises should not be too distant from the premises of the supervising customs office in order an efficient control of the operation by the supervising customs office to be carried out at any time;
 - ➔ suggested premises shall be easy to access by the supervising customs office.

Box 11 – Customs offices

Customs office for entering the procedure

IR art 311 e)

Customs office of entry into procedure is the customs office designated for accepting the declarations for placing goods under procedure.

As a rule, the customs office which is designated for the place where the premises of the customs warehouse is located is established as a customs office of entry into the procedure.

Customs office of discharge

IR art 311 f)

Customs office of discharge is the office designated for accepting declarations by which the goods are assigned new customs allowed treatment or use, such as re-export, declaring for free circulation or transfer to another holder of an authorization.

As a rule, the customs office designated for the place where the premises of the customs warehouse are located is established as the customs office of discharge and it has to be the same customs office of entering under customs warehouse procedure.

Supervising customs office

IR art 311 d)

Supervising customs office is the customs office designated for supervising the procedure.

The supervision of the customs warehousing procedure by the supervising customs office is closely discussed in A-8-2-5.

Box 12 – Identification

Are not to be completed.

Box 13 - Period for discharge

Are not to be completed.

Box 14 – Simplified procedures

CL art 88

IR art 184-195

If the applicant wants to use one of the following simplified procedures when entering goods and/or discharging goods, he shall apply by using one of the matching codes (box 14 a – entering, box 14 b – discharging):

Procedure	Code
Incomplete declarations	1
Simplified procedure for declaring	2
Local clearance with presentation	3
Local clearance without presentation	4

If the applicant already has an authorization to use one or more of the above mentioned simplified procedures for free circulation or re-export, a copy shall be attached to the application if it refers to the same type of goods for which the application for customs warehouse is submitted.

If the application is granted, it shall be stated in the authorization by using the above mentioned codes.

If the applicant already has an authorization to use one of the simplified procedures, a reference (number and date) to that authorization shall be stated in the authorization for customs warehouse.

If the applicant for customs warehouse procedure does not have an authorization to use one of the simplified procedures, the authorization for customs warehouse must contain the detailed rules and procedures for the simplified procedure granted.

The simplified procedures are closer discussed in part A-6.

Box 15 – Transfer procedures

When goods placed under the customs warehouse procedure are transferred, the fundamental rule is that the transit procedure (see B-1) shall apply. If the transit system is used, this box shall not be completed.

Alternative methods

IR art 322

It is possible to transfer goods without discharge of the procedure. The authorization shall specify whether and under which conditions the movement of goods between different places may take place (transfer).

If **code 3** is used, transfer of goods to the customs office of exit for re-export/export can be done with export declaration. In this case, the procedure shall not be discharged until the goods declared for re-export have physically left Republic of Macedonia. Security of customs debt shall be used by the warehouse keeper where the goods were placed under customs warehousing procedure. Evidence that the goods declared for re-export actually left Macedonia is copy 3 of SAD, verified by the customs office of exit.

If **code 4** is used, it means that the goods are transferred from one holder of authorization for customs warehousing to another holder of authorization for customs warehousing in accordance with Annex 46 of the Implementing Regulation.

If the applicant wants to transfer goods without discharging the procedure by using alternative methods, it shall be indicated by using one of the following codes:

Code	Action
1	not applicable for the customs warehousing procedure
2	not applicable for transferring goods from the customs office of entry to the customs warehouse
3	to the customs office of exit
4	from one holder of authorization to another

IR art 325

Except where high risk goods are transferred according to annex 28 of the Implementing Regulation and when the same conditions are provisioned for transit procedure, guarantee is not required.

Box 16 – Supplementary information

Any additional information considered relevant such as additional information concerning box 15 code 4 (transfer of goods from one holder of authorization to another).

Furthermore the Central Administration of the Customs Administration can state the detailed rules and the rights of the supervision customs office, annulment of the authorization and any other useful information.

Box 18 – Warehouse type

Indicate the type of warehouse the application/authorization covers for (A, C and D).

Box 19 – Location of customs warehouse type A, C and D

The exact place (postal address) intended to be used as a customs warehouse must be indicated.

Box 20 – Deadline for lodging inventory of goods

IR art 326 (3)
IR art 338 (1)

The Central Administration of the Customs Administration must indicate the date for which the warehouse keeper must make an inventory (for instance 25.05. or last Sunday of the month). The time limit for presenting the inventory to the supervising customs office is 30 days after the date of inventory specified in the authorization.

Box 21 – Loss rate

CL art 221 (1)
IR art 458

According to the Customs Law no customs debt shall be deemed to be incurred in respect of specific goods where the applicant proves that irretrievable loss (evaporation, desiccation etc.) of the warehoused goods as a result of the nature of the goods occurred during the period the goods were warehoused.

If the applicant wants to store goods for which irretrievable losses had occurred and to be released of paying the customs debt occurred according to the above mentioned, the loss rate shall be indicated and evidence shall be provided.

IR art 460

Before issuing an authorization The Central Administration of the Customs Administration must review the indicated loss rate to ensure that the loss rate doesn't exceed the loss rate normally incurred during practice for the goods in question.

Box 22 – Storage of goods not under the procedure

This box refer to the situation where the applicant wants to have goods stored at the premises of the customs warehouse without the goods being under the warehouse procedure (mixed storage or co-storage of domestic goods, see part A-8-2-8-1, goods under the temporary storage, goods covered by the inward processing procedure or goods covered by the processing under customs control procedure).

The information in this box refers to goods not under the warehouse procedure.

Sub-box “Tariff code” and “Description”

If it is planned to use mixed storage of goods state the ten-digit tariff code in the “Tariff code” sub-box and the commercial quality and technical characteristics.

If the goods are not in mixed storage, but the storage of goods not under the procedure covers a number of items of different types of goods, state “Various” in sub-box “Tariff code” and describe the nature of the goods in sub-box “Description”.

In situations where storage of goods is not mixed storage, and the stored goods are not under the customs warehousing procedure, and it is the same type of goods which is under the customs warehouse procedure, it is sufficient to state the trade name and/or technical description in the sub-box “Description”.

Sub-box “Category/customs procedure”

Indicate the appropriate code(s):

Code	Description
1	Domestic agricultural goods
2	Domestic industrial goods
3	Foreign agricultural goods
4	Foreign industrial goods

If these types of goods listed in the table can be entered under customs procedure, it shall be specified (inward processing, temporary storage etc.). For example, if code 3 or 4 is stated, one of the following possible customs procedures shall be also specified: inward processing or temporary storage or processing under customs control).

If code 1 or 2 is stated, it means that the goods in question are not entered under customs procedure.

Box 23 – Usual forms of handling

Only the usual forms of handling (see part A-8-2-8-2) described in Annex 52 can be used.

Box 24 – Temporary removal

Complete if temporary removal (see part A-8-2-8-3) is envisaged.

Box 25 – Additional information

Any additional information concerning boxes 18 – 24.

A-8-2-4 Entry of goods under the procedure

Goods are placed under customs warehousing procedure:

- immediately after entering in customs territory (by discharging transit procedure) from free warehouse or free zone: transferring procedure;
- after discharging inward processing procedure or processing under customs control, into normal warehousing procedure;
- after temporary import procedure is discharged into regular warehousing procedure;
- after drawback system procedure is discharged, when goods intended to be exported from the customs territory are placed under regular warehousing procedure, and placing these goods under this procedure is a condition for submitting a repayment or a remission claim

on the basis of

- | | |
|-------------------|---|
| <i>IR art 116</i> | 1. customs declaration in normal procedure; or |
| <i>IR art 185</i> | 2. simplified declarations in case of simplified procedure of declaring; or |
| <i>IR art 188</i> | 3. entering goods in records in a case of local clearance procedure; or |
| <i>IR art 324</i> | 4. transfer document when transferring goods from another authorized operator for customs warehousing |

The simplified procedures (2 and 3) are closer discussed in part A-6 and the transfer procedure (4) in box 15.

Customs declaration in normal procedure

Lodging the declaration

Declaration is lodged at the customs office of entry stated in the authorization.

- | | |
|-------------------|--|
| <i>IR art 321</i> | At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of entry into procedure to be submitted at a customs office which is not indicated in the authorization (Type C and D). |
|-------------------|--|

The SAD declaration

- | | |
|--|---|
| <i>IR art 116</i>
<i>IR art 120</i> | Customs declaration for entering goods under customs warehousing normal procedure is submitted on SAD, by filling in all the boxes in accordance with the Code Act. |
|--|---|

When filling in SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down the code from the Code Act (IM) in the first sub-box, and the letter from table 2 (normal procedure A, simplified procedure B....) in the second sub-box
8	Write down the name and address of the company the goods are delivered to, and its tax number in the right upper corner after the “No.”
14	Write down name and address of the declarant or representative, and his tax number in the right upper corner after the “No.”.
30	This box is filled in when goods are entered under customs warehousing procedure type A, B, C, E or F. In this case, the code of the warehouse stated in authorization for customs warehouse is entered.
31	Usual commercial name of the goods with all necessary data which enable identification of the goods in a way it is given in the authorization. Detailed description of the consignment and the goods to enable identification of the goods, together with the number of the container for the consignment.
33	Tariff code of the goods written down in box 31 (only for customs warehouse type D).
37	The first sub-box is filled in with the code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by other two digits specifying previous procedure (for ex. Customs warehousing if there was no previous procedure 7100). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
49	The identification number of the customs warehouse which the warehouse user (depositor) will be using for the storage of the goods entered under the customs warehousing procedure. (only for customs warehouse type D)
54	Write down location and date of submitting the declaration.

Additional documents to the declaration

IR art 127 (1) a) The following shall be enclosed to the customs declaration:

- transportation documents or documents relating to previous customs procedure (transit documents, shipping list, bill of loading, declaration, authorization, etc.),
- invoice containing the customs value of the goods;
(for warehouse type A and C it is used only for determining the amount of the security instrument)

- evidence that the commercial policy measures are applied upon entering goods in customs territory (see part A-8-2-2-3)

For the warehouse type “D”, the following documents must also be enclosed:

- declaration for the customs value of goods D.V.1

IR art 320 (1)

At the same time as the collection of duties and tax is suspended, any commercial policy measure in reference to **release** of goods in free circulation are suspended, but the policy measures in reference to **entry** of goods in the customs territory shall be applied. See part A-5.

Responsibilities of the warehouse user (depositor)

Once Customs release the goods for customs warehousing, it is the depositor's responsibility to ensure that:

- the goods are taken directly to the warehouse stated in Box 30 (for type A and C warehouse) i.e. box 49 (for type D warehouse) of the declaration without any delay and delivered intact;
- if he is using a **type A** warehouse, he provides the warehouse keeper with a copy of the declaration before or at the time of arrival of the goods at the warehouse;
- customs duties due on any discrepancies of goods received at the customs warehouse are paid;
- upon entering goods under customs warehousing procedure, he provides the warehouse keeper with 2 copies of the SAD declaration. Warehouse keeper shall keep one copy and he will keep the other copy.
- he has a proof that the goods entered under customs warehousing procedure had been previously under inward processing procedure. He is obliged to send the warehouse keeper two copies of the declaration for entering goods under customs warehousing procedure. He sends one copy to the holder of authorization for inward processing together with the receipt for received goods by the warehouse keeper as evidence for discharging the inward processing procedure, and sends the other one to the warehouse keeper.

Responsibilities of the warehouse keeper

It is the warehouse keeper's responsibility to:

- examine the consignment carefully to ensure that the number of packages or weight and types of goods received are the same with the goods described in the declaration for customs warehousing;

- ensure his customs warehouse authorization covers the goods;
- allocate to each document the locations of the goods in the warehouse (number of the area or marked space where the goods are located);
- enter in the stock record details of the goods actually received and check whether the quantity is more or less than the quantity declared on the entry for warehousing;
- in cases of discrepancy (if he does not own the goods) he must inform the depositor or the owners of the goods immediately so they can investigate the case and provide him with a satisfactory explanation and/or supporting evidence. Goods received in excess of the entered quantity must be regarded as dutiable and warehoused provisionally until the matter has been resolved. Such consignments must also be resolved with the supervising office;
- upon entering goods under customs warehousing procedure from inward processing procedure he must endorse the appropriate box in both copies of SAD for entering goods under customs procedure with:
 - ➔ his signature, stamp and the date;
 - ➔ any discrepancies (if any found) between the details on the declaration and the goods actually warehoused.

He shall verify the SAD and send one copy to the holder of authorization for inward processing.

Customs clearance at the customs office of entry

Upon lodging declaration for entering goods under customs warehousing procedure, beyond the normal clearing and control procedure when goods are entered for free circulation, the following checks must be done:

- The declarations must be filled in according to the above mentioned instructions for filling in the boxes of the SAD;
- Commercial policy measures in reference to **entry** of goods in customs territory (such as protection measures) shall apply. Commercial policy measures in reference to **release** of goods in free circulation shall not apply;
- Especially for warehouse type D, the suspended customs duty, VAT etc on the basis of the customs value and the tariff rate that would apply for regular import at the day of acceptance of the declaration;

- In addition, for the warehouse type D, the holder of authorization shall abide by the commercial policy measures which refer to release of goods into free circulation.
- Upon entering goods under customs warehousing procedure, for which the preferential treatment shall be applied upon release into free circulation, the certificate for origin of goods shall be enclosed to the declaration for entering under procedure and it will be sent back to the declarant verified with a number and date of declaration.
This is to avoid the risk of losing preferential treatment if the period of validity of certificate for origin has expired before the goods are removed from the warehouse and declared for free circulation.

A-8-2-5 Supervising the procedure

Customs supervision includes control of record keeping in the customs warehouse. Way of keeping records is closer discussed in part A-8-2-3-2.

Regular measures

The supervising customs authority can identify in the authorization the regular measures of customs supervision for identifying closer criteria and way of implementing the procedure with economic impact:

- obligation of the customs warehouse keeper to receive and issue goods on the basis of documents appropriate for conducting customs supervision, i.e. to keep appropriate records;
- labeling or different type of noticeable marking of customs goods;
- other measures providing supervision upon entry, exit and other approved use of goods in customs warehouse.

Inventory of goods

IR art 326 (3)

The holder of an authorization is obliged to submit an inventory twice a year. The date of stocktaking is clearly indicated in the authorization box 21.

The inventory is submitted to the supervising customs office at the latest 30 days after the stocktaking (e.g. if it is stated in the authorization that the stocktaking must take place on 31.03 the inventory shall be submitted to the supervising customs office not later than the 30.04.). After the control, supervising customs office shall place the inventory list in the file of the holder of authorization.

Supervising customs office monitors the period for submitting the inventory. If supervising customs office, after this period has ended, finds out that the

inventory has not been submitted, it shall notify the holder of authorization that the period has ended and ask for the inventory to be submitted as soon as possible.

If the supervising customs office in other situations (suspicion for incorrect record keeping, lack or surplus of goods, other inconsistencies), deems it is necessary for proper operation of the customs warehouse to ask for an inventory, it can require the warehouse keeper to make an inventory of all the goods under the customs warehouse procedure or separate types of goods. These inventories can be done in the presence of a customs officer.

Any lack or surplus of quantities of goods identified with the inventory shall be submitted in written form.

CL art 218

If the goods under customs warehousing procedure were illegally removed from the customs warehouse, i.e. if there is lack of goods, then a customs debt shall occur for those goods and it will be calculated by the holder of authorization. Supervising customs office will check the calculation and starts further procedure.

Illegally removed goods from the customs warehouse shall be considered those goods which can not be presented at the first request made by the customs authority.

If upon inventory of goods or by any other way a surplus of goods is found in the customs warehouse (in regards to the goods entered in the records), the supervising customs authority shall order the warehouse keeper to enter the said goods in the records and it shall identify the reasons for the surplus and it shall order for these goods appropriate allowed use or another procedure in accordance with the Customs Law.

If the warehouse keeper submits request for changes in the information for the quantity of the warehoused goods by submitting evidence that the customs debt for the warehoused goods in terms of article 221(1) of the Customs Law has not occurred (total destruction or irrevocable loss of the goods as a consequence of the nature of the said goods, unpredictable circumstances or force majeure) supervising customs office shall check through the documents and/or the goods and then it shall make a decision for the request (e.g. decision in a form of remark in the request).

Post clearance control

Supervising customs office forms a file for each authorization in which the complete documentation for customs warehouse with all changes, additions and control records shall be kept.

Supervising customs authority shall make a monthly plan for control of holders of authorization. The monthly plan shall state which holders of authorization shall be controlled.

The plans will be made according to the previous controls, workload of the warehouse and risk analysis.

The control may be physical or documentary and shall refer to the procedures the warehouse keeper apply upon entering goods under customs warehousing procedure and discharging customs warehousing procedure and keeping records of goods (marking, moving, temporary removal of goods, stocktaking of goods on stock).

Each holder of authorization shall be controlled at least twice a year. After the control, a control record shall be made and filed.

On the basis of records of controls made, as well as obtained and available information, supervising customs office shall actively take part in risk analysis and making of profiles for selectivity.

If supervising customs authority finds out that authorization is given on the basis of incorrect information or that the holder of authorization does not fulfill obligations set in the authorization and, although warned, he operates the procedure incorrectly, it shall submit a suggestion for annulment or revocation of authorization to the Central Administration of the Customs Administration. All evidence needed for making a decision shall be enclosed to the suggestion (record, warning note, and other documents).

A-8-2-6 Discharging goods from the procedure

Customs warehousing procedure is discharged when goods are removed from the customs warehousing procedure:

- ➔ physical removal of goods from the warehouse premises;
- ➔ or, if the warehouse keeper has an authorization for common storage (see part A-8-2-8-1) or inward processing in the customs warehouse, or processing under customs control the goods may physically remain in the warehouse premises.

The customs warehouse procedure is discharged on the basis of:

- | | |
|----------------------|---|
| <i>IR art 116</i> | 1. Customs declaration in normal procedure; or |
| <i>IR art 195(1)</i> | 2. Incomplete declarations |
| <i>IR art 195(1)</i> | 3. Simplified declarations in case of simplified procedure of declaring; or |
| <i>IR art 195(1)</i> | 4. Entering goods in records in a case of local clearance procedure |
| <i>IR art 324</i> | 5. Transfer document when transferring goods |

The simplified procedures (2, 3 and 4) are closely discussed in part A-6, and the transfer procedure (5) are closer discussed in A-8-2-3-2 (box 15).

The declaration is lodged at the customs office of discharge stated in the authorization.

If the declaration for releasing goods in free circulation refers to several declarations for entering goods under customs warehousing procedure, previous document needs to be stated in box 40 in SAD, and each type of goods of the appropriate SAD for entering under customs warehousing procedure shall also be stated in separate tariff item from the SAD for releasing into free circulation.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of discharge to be submitted at a customs office which is not indicated in the authorization.

Warehousing procedure is discharged when the supervising customs office allows the goods under the customs warehouse procedure to be declared for another customs allowed treatment or use:

- release goods in free circulation in Macedonia with payment of import duty, VAT etc
- entering goods in another customs procedure with economic impact such as inward processing, temporary importation and processing under customs control;
- entering goods in procedure for re-export from the customs territory and starting a transit procedure;
- destruction of goods under customs supervision;
- renouncement of the goods to the benefit of Macedonia;
- transfer of goods.

Discharging customs warehousing procedure with any of the customs allowed treatment or use of goods mentioned above, is done in accordance with regulations which apply for each form of customs allowed treatment or use of goods.

Discharging goods by re-export, release of goods into free circulation and destruction are closer discussed below.

Discharging customs warehousing procedure by starting another customs procedure for inward processing is discussed in inward processing - part A-8-3, processing under customs control - part A-8-4, and temporary importation - part A-8-5.

Re-exporting goods

To remove goods from the customs warehousing procedure to re-export, the depositor must submit a customs declaration (SAD) for re-export together with all necessary documents at the customs office of discharge.

Customs declaration for discharging customs warehousing procedure is done by filling in all the boxes in accordance with the Regulation for filling in SAD.

The following boxes should be completed with the following information:

Box	Information to enter
1	In the first subdivision the code from the Code Act (EX). In the second subdivision the first letter from table 2. (Normal procedure A, simplified procedure B)
2	The name and address of the sender/exporter. His tax number in the right upper corner after the “No.” if the sender is established on the customs territory of Republic of Macedonia.
8	Name and address of the company or the person the goods are delivered to and intended to. In a case of transit procedure, the tax number of the receiver in the right upper corner after the “No.” if he is established on the customs territory of Republic of Macedonia.
14	Name and address of the declarant or representative. The tax number of the receiver in the right upper corner after “No”. If there is no representation this box is identical with box 8.
30	This box is filled in when goods in the previous procedure were warehoused in a Customs Warehouse type A, B, C, E and F. In this case the code for the warehouse stated in the authorization is used.
31	Usual commercial name of the goods with all necessary data which enable identification of the goods, in a way it is stated in the authorization.
33	Tariff code of the goods specified in box 31. (only for customs warehouse type D)
37	The first sub-box is filled in with the code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by other two digits specifying previous procedure (for ex. re-export of goods previously entered under customs warehousing procedure 3171). The second sub-box is filled in for specific procedures with a code containing a letter followed by two digits.
44	Supervising customs authority, if the declaration for re-export is submitted upon discharging of customs warehousing procedure at the customs office which is not supervising customs office for the records of the customs warehouse.
49	This box is filled in when goods in the previous procedure were

	warehoused in a customs warehouse type D. In this case, enter the code of the warehouse specified in the authorization for customs warehouse.
54	Place and date of submitting the declaration.

Documents to be enclosed to the export declaration

IR art 128 (1)

The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- Declaration for entering goods under customs warehousing procedure
- Transit documents (if transfer procedure is not used)

Evidence required for export of goods

Goods removed for re-export are not to be written off in the stock records until satisfactory evidence of re-export has been received. This evidence should be copy 3 of the SAD, endorsed by the customs office of exit, certifying the physical departure of the goods in case of transfer procedure, i.e. copy 3 of the SAD endorsed by the customs office of discharge in case of transit procedure.

Moving goods using transfer procedure

Central Administration of the Customs Administration can allow, as part of the customs warehouse authorization, movement of goods from the warehouse premises to the office of exit under the customs warehousing procedure (see A-8-2-3-2 box 15 and annex 27 from IR). This has the advantage of not requiring a transit declaration to cover the movement of the goods to the point of exit from Macedonia.

However, the warehouse keeper remains responsible for the goods and his obligation ends only when he obtains appropriate evidence that the goods have been re-exported. This evidence shall be retained by the warehouse keeper who shall present it at the customs office of discharge and he shall enter it in his records.

Otherwise, he must use the transit procedure to move the goods from his custom warehouse premises to the office of exit.

Moving goods using transit procedure

If the holder of the authorization is not allowed to use the transfer procedure, he must use the transit procedure when exporting goods from a customs warehouse.

To declare the goods for export and transit procedure at the same time (export-import transit procedure) a set of SAD copies 1, 2, 3, 4, and 5 shall be used. If a TIR Carnet is used for transit procedure, SAD with copies 1, 2 and 3 shall be enclosed for exporting goods.

Upon accepting the SAD the customs office of discharge shall endorse copy 3 of SAD which represents an evidence for the warehouse keeper that the procedure is discharged. Then the goods together with copies 4 and 5 or TIR Carnet are sent to the customs office of exit. In this case the transit procedure is carried out completely. (Part B-1)

Failure to provide this information (not having copy 3 of the export declaration) shall mean that the warehouse keeper has not fulfilled his responsibilities under his customs warehouse authorization and could make him liable to any duties due.

Release of goods for free circulation

To remove goods from the customs warehousing procedure and declare the same goods for free circulation, the depositor must provide an import customs declaration (SAD) for discharging the procedure together with all necessary documents and submitted at the customs office of discharge.

Customs declaration for discharging customs warehousing procedure is done by filling in all the boxes of SAD in accordance with the Code Act.

The following boxes should be completed with the following information:

Box	Information to enter
1	In the first subdivision the code from the Code Act (EX). In the second subdivision the first letter from table 2. (Normal procedure A, simplified procedure B)
8	Name and address of the company goods are delivered to. The VAT number of that company in the right upper corner after the "No."
14	Name and address of the declarant or representative. His/her VAT number in the right upper corner after "No". If there is no representation this box is identical with box 8.
30	Code of the warehouse where goods are placed. (For customs warehouses type A, B, C and E).
31	Usual commercial name of the goods with all necessary data which enable identification of the goods (compensating products or goods in an unaltered state) with the aim of calculating the duties.
33	Tariff code of the goods specified in box 31.
37	The first sub-box is filled in with the code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by other two digits specifying previous procedure (for ex. release into free circulation after customs warehousing 4071). The second sub-box is filled in for specific procedures with a code containing a letter followed by two digits.

44	Code of the supervising customs office/registration number of authorization/year.
49	Number of the customs warehouse where goods were entered under customs warehousing procedure (for warehouse type D).
54	Place and date of submitting the declaration.

Documents accompanying import declaration

IR art 125 (1)

The following shall be enclosed to the customs import declaration:

- Invoice with the customs value specified;
- Declaration for the customs value of goods D.V.1;
- Evidence for origin if preferential treatment is requested and applicable at the time when the declaration is presented to the customs;
- Certificates, permissions, licenses and other documents which support any commercial policy measure in reference to releasing goods in free circulation at the time when the declaration is presented to the customs;
- Declaration for entering goods under the customs warehousing procedure.

Evidence required for records of warehouse keeper

Goods declared for free circulation are not to be written off in the stock records until the import declaration is accepted by the discharging customs office.

This evidence is a copy of the import customs declaration for release into free circulation certified by the discharging customs office.

The date on which elements for determining duties apply

The elements for determining duties valid at the moment of accepting the declaration for release of goods into free circulation by the customs office of discharge shall apply regardless when the goods are removed from the customs warehouse.

Calculation of customs duties

The following elements will be used for calculation of customs duties:

- ➔ the tariff description and customs rate;
- ➔ the quantity; and/or
- ➔ the value

These elements must be used, including the official rate of exchange applicable at the time the goods are discharged from the customs warehousing procedure. Customs warehousing procedure is discharged when the customs office of discharge accepts the import declaration for release into free circulation.

The normal rules in respect of determining customs value shall apply when goods are removed from a customs warehouse for release into free circulation.

The exceptions to the abovementioned rules are:

CL art 124 (3)

- when removals are made from a **type D** warehouse where the nature, customs value and quantity of the goods are established upon entry into the customs warehousing procedure. When goods are released into free circulation, import duties and VAT are calculated on the basis of customs value determined upon entering under procedure and the customs rate applicable at the moment of submitting SAD for release into free circulation.

CL art 124 (4)

- when the declarant requests the customs value to be determined at the moment of releasing goods into free circulation from the customs warehouse type D he shall present the goods at the customs office of discharge.

CL art 124 (2)

- when it is requested that value, quantity and nature of the goods before any handling operation took place are taken in consideration (see part A-8-2-8-2). For all types of warehouses.

CL art 124 (1)

The costs of warehousing and any handling may be excluded from the customs value if it is possible to distinguish that they are specified separately (in the invoice) from the price actually paid or payable.

Removing goods from type D warehouses for free circulation

The customs warehouse authorization must include approval to use local clearance procedure (see part A-6). Under local clearance procedure, the following steps must be completed:

Step	Action to take
1	an appropriate entry of the goods in the records of the warehouse keeper, for entering under warehousing procedure, release of goods in free circulation and re-entry in the records;
2	a subsequent declaration as described above, containing full details of the transaction, must be submitted to the supervising office no later than the fifth working day of the following week in case of weekly declaration or no later than the tenth working day of the following month in case of monthly declarations.

Preferential tariff duty

Depositor may be able to claim a reduced or zero rate of duty under the tariff preference arrangements by providing evidence of origin.

If he releases part of imported consignment for free circulation a photocopy of evidence for origin together with the SAD must be presented with the first removal. The photocopy must be presented for subsequent removals from the same imported consignment and must be written off against it.

Destruction of goods

CL art 191 (5)

To remove goods from the customs warehousing procedure for destruction (because they are damaged or outdated for example), the depositor must submit SAD for destruction of goods to the customs office of discharge.

The following boxes should be completed with the following information:

Box	Information to enter
1	In the first subdivision the code from the Code Act (IM). In the second subdivision the first letter from table 2. (Normal procedure A, simplified procedure B)
8	Name and address of the company goods are delivered to. The VAT number of that company in the right upper corner after the “No.”
14	Name and address of the declarant or representative. His/her VAT number in the right upper corner after “No”.
30	This box is filled in when the goods are entered in a warehousing procedure in a customs warehouse type A, B, C, E or F. In this case the code for the warehouse stated in the authorization is used.
31	Usual commercial name of the goods with all necessary data which enable identification of the goods in a way it is given in the authorization. Detailed description of the consignment and the goods to enable identification of the goods, together with the number of the container for the consignment.
33	Tariff code of the goods written down in box 31 (only for customs warehouse type D).
37	The appropriate code from the Code Act. (93 serial)
49	Identification number of the customs warehouse where the goods are stored under the customs warehousing procedure by the depositor. (Only for customs warehouse type D)
54	Type of representation (direct or indirect)

The depositor shall submit SAD at the customs office of discharge which shall consider it and notify the depositor that the goods can be destroyed and he shall notify the customs office where and when the destruction is going to take place.

Evidence for the records of the warehouse keeper

Such evidence is a copy of the SAD for destruction of goods, certified by the customs office of discharge.

Responsibilities of a warehouse keeper

On receipt of evidence for release (copy of declaration) the warehouse keeper must check if the details of the goods agree with the details in the records of goods. Any discrepancies should be resolved with the depositor.

He must include the following details in the records of goods:

- number and description of packages;
- quantity; and
- information given in the evidence for removal, for example: date of acceptance and customs office reference number of the declaration.

Closing the accounts

The warehouse keeper must balance the records for all the goods from the declaration for entering under customs warehousing procedure and the records of the goods from the declaration for discharging customs warehouse procedure.

IR art 331 (1)

If the same type of goods had been entered to customs warehousing on different declarations they should be discharged against the earliest declaration when removed from customs warehousing (first in, first out). If he wishes to discharge removals against specific entry declarations, he should contact the supervising office.

A-8-2-7 Information sheet INF-8

IR art 333 (a)

The information sheet INF-8 (annex 51 in the IR) is used in connection with determining the customs debt when warehoused goods, which have undergone authorized usual forms of handling (see part A-8-2-8-2), are discharged from the customs warehouse procedure.

How and when to use the information sheet INF-8 is closer discussed in part A-8-2-8-2 (Usual forms of handling).

A-8-2-8 Special arrangements under the warehousing procedure

A-8-2-8-1 Common storage (mixed and co-storage)

Definitions

Co-storage means to store domestic goods and goods under the warehousing procedure together in the facility of a customs warehouse in a way that makes it possible at all times to identify each type of goods.

Mixed storage means to store domestic goods and goods under the warehousing procedure in the facility of a customs warehouse without being able to identify each type of goods.

Example of mixed storage

10.000 liters mineral oil (goods under customs warehousing procedure) and 10.000 liters mineral oil (domestic goods) stored in one single tank It is not possible at all times to identify each type of goods.

Co-storage

CL art 118 (1a)

Customs authorities may allow the warehouse keeper to operate co-storage of domestic goods and goods under customs warehousing procedure (non-domestic) in his customs warehouse to enable him to make full use of the approved available space.

It is his obligation that it must be possible to identify at all times the Customs status of each type of goods. Customs authorities may specify the requirements for identifying co-storage goods, to ensure that the customs warehousing goods are readily distinguishable from any others.

Mixed storage

CL art 118 (1a) *IR art 343 (2)*

Customs may also allow mixed storage of goods under customs warehousing procedure (non-domestic) and domestic goods where it is not possible for the warehouse keeper to identify at all times the customs status of the goods.

Customs can only authorize common storage if the goods (non-domestic and domestic goods) are equivalent, which means sharing:

- same 10-digit commodity code
- same commercial quality
- same technical characteristics

When evaluating an application for common storage (non-domestic and domestic goods are declared in the application as equivalent) the following questions must be considered:

- are non-domestic and domestic goods mutually interchangeable?

- would a Macedonian and non-Macedonian customer ordering non-domestic accept domestic goods instead and vice versa?
- does the warehouse keeper differentiate between non-domestic and domestic goods for any reason?

If the answer to the first two questions is "yes" and to the third "no", then assuming that non-domestic and domestic goods share the same commodity code, they will usually be equivalent.

Common rules

Applying for co-storage or mixed storage

Usually a warehouse keeper will apply for co-storage or mixed storage at the same time as applying for a customs warehouse authorization by filling in box 22 in the application form annex 27 of this book of instructions (see part A-8-2-3-2).

Customs will need to be satisfied that:

- the applicant has proved economic viability
- his records can identify, monitor and correctly account for goods that are co-stored or mixed stored.

When he applies to use mixed storage, he must provide sufficient information to enable the Central Administration of the Customs Administration to make a comparison between the goods. He must state factors common to the domestic goods and non-domestic goods and suggest how this can be checked (for example technical specifications or samples).

CL art 118 (1)

Customs also need to be sure that authorizing co-storage or mixed storage does not adversely affect the customs warehousing procedure or any subsequent customs procedures.

Treatment of goods on removal

IR 343 (3)

When common storage goods are removed from the customs warehousing arrangements using any of the procedures set out in part A-8-2-6, the depositor may choose to declare them as domestic or non-domestic goods, whichever is the most beneficial. This applies provided that the status allocated to goods being removed **never** exceeds the quantity of goods of that status shown in the stock records.

This can also apply where non-domestic goods and domestic goods have been separately identified (co-storage), as long as they are equivalent.

Destruction or irretrievable loss of the goods

IR art 331 (2)

Where customs warehoused goods, which have been co-stored or common stocked with other goods, are subject to destruction or irretrievable loss, the warehouse keeper should provide the supervising customs office with evidence specifying the quantity of non-domestic and domestic goods.

If he cannot provide such evidence (for example for goods in mixed storage), he will need to establish the amount of non-domestic goods that have been lost or destroyed by referring to the proportion of domestic and non-domestic goods held in his warehouse at the time the loss or destruction occurred.

Example

An authorized warehouse keeper has also permission to have domestic and non-domestic goods in common stock.

He imports 200 liter whiskey in one barrel. He declares 150 liter for free circulation and 50 liter are declared for customs warehouse. All 200 liters are kept in the same barrel at the premises of the customs warehouse according to his permission to have goods in common stock.

A sudden leak cropped up and 100 liter whiskey drained before they were able to stop the leak.

It is of course not possible for the warehouse keeper to provide evidence specifying the quantity of non-domestic whiskey which was affected by the incident.

Therefore he has to establish the amount of non-domestic whiskey leaked by referring to the proportion of non-domestic whiskey before the incident.

In this example 25 % of the whiskey was non-domestic goods before the incident. The amount of non-domestic whiskey irretrievable lost during the incident is therefore calculated as 25 % of the 100 liter (total loss) = 25 liter.

A-8-2-8-2 Usual forms of handling

CL art 121

While the main purpose of the customs warehousing procedure is storage, minor handling operations may be allowed while the goods remain under the customs warehouse procedure. This requires prior permission from the customs authorities.

Usual forms of handling shall have one or more of the following purposes:

- to ensure the safekeeping of the goods;
- to improve their appearance or commercial qualities;
- to improve their distribution or resale;

IR art 340

A list of usual forms of handling is given in IR annex 52.

If any handling operation is not on the list, there is no legal basis to carry it out on goods while they remain under the customs warehousing procedure and the applicant should therefore consider whether another customs procedure such as inward processing (see part A-8-3) would be more appropriate for his needs.

An example of an acceptable handling operation is the installation of a radio in a motor vehicle. An example of an unacceptable handling operation is dyeing of cloth.

Authorization

IR art 342

If a warehouse keeper wishes to carry out any handling operations in his warehouse he will need to be authorized.

If a depositor stores goods in a public warehouse and wants to carry out handling operations on his goods, he must make sure that his warehouse keeper has been authorized for the handling operations he wishes to undertake.

To be authorized the warehouse keeper must submit an application to do so in advance of the operation taking place. If the forms of handling are to be a regular feature of his business and is known before applying for an authorization for a customs warehouse, the type of goods and the type of handling operation must be indicated in box 23 in the application.

If the applications is granted it will be stated in box 23 in the authorization for customs warehouse. If the supervising customs office should be notified before the operation takes place, the manner will also be indicated.

All other situations where an authorized person wants to carry out usual forms of handling will be treated on an individual basis case by case.

A written application must be submitted in advance to the supervising customs office indicating:

- types of goods
- types of handling operations
- the customs warehouse where goods shall be/already are stored

If the application is granted the supervising customs office will issue an amendment to the customs warehouse authorization.

Procedure when the handling operation alters the amount of duties payable

In some circumstances the handling may increase the value and/or change the nature of the goods, which in turn affects the amount of duty payable. This does not affect **type D** arrangements because the nature, value and quantity of the

goods have already been determined on entry to the customs warehousing procedure.

CL art 124 (2) The depositor has to apply for using the nature, value and quantity of the goods that would have been taken into consideration, had the goods not undergone the handling operation. However, **all three information (nature, value and quantity) must be requested together**, they are not individual options.

IR art 333 (a) An application must be made by using the information sheet INF-8 shown in annex 51 of IR. The application must be submitted at the latest simultaneously with the submitting of the document with which goods are removed from the customs warehouse.

If the request is granted, it will have the following consequences:

- type of goods, customs value and quantity of goods will be determined the same day when customs declaration starting the procedure for customs warehouse has been received;
- regulations for import duties and trade policy measures shall be determined the same day when customs declaration for discharging the procedure is submitted;

Details required in the stock records

IR art 338 (3) The warehouse keeper must enter in the stock records the quantity and description of the goods subject to the usual forms of handling operation and the quantity and description of the products resulting from the operation.

If he intends to request to take into consideration the value, quantity and nature of the goods before the operation took place, those details must be entered in the stock records. Otherwise, Customs office may refuse the application of the pre-handling details and then the particulars relating to the goods at the time of removal must be used to calculate charges.

A-8-2-8-3 Temporary removal

CL 122 In certain circumstances goods may be temporarily removed from a customs warehouse. The warehouse keeper will need to be authorized before he can take advantage of this facility.

IR 341 The goods must be returned to the same custom warehouse from which they were temporarily removed within 3 months from the date of removal. If the warehouse keeper finds more time is required then he must apply to his supervising office setting out the reason the extension is required.

Provided authorization for usual forms of handling has been granted (see part A-8-2-8-2) goods may also undergo the usual forms of handling while they are temporarily removed from the customs warehouse.

Authorization

IR art 342

To be authorized the warehouse keeper must submit an application to do so in advance of the temporary removal. If the temporary removal of goods from the customs warehouse is a regular requirement of the warehouse keeper and the requirement is known before applying for an authorization for a customs warehouse, it must be indicated in box 24 in the application with explanation of particulars that makes temporary removal required and details about the premises to which the goods are temporary moved.

If granted, this will be included in his customs warehouse authorization box 24 and will replace the need for him to submit a separate application for each removal. If the supervising customs office should be notified before the operation takes place, the manner will also be indicated

All other situations where an authorized person wants to carry out temporary removal will be treated on an individual basis case by case. A written application must be submitted in advance to the supervising customs office indicating the particulars that makes temporary removal required and details about the premises to which the goods are temporary moved.

If the application is granted the supervising customs office will issue an amendment to the customs warehouse authorization.

Details required in the stock records

The warehouse keeper must enter in the stock records:

- ➔ the date of removal of the goods and the date of their return;
- ➔ the quantity and description of the goods temporarily removed;
- ➔ their temporary location;
- ➔ details of any handlings that have taken place.

A-8-2-8-4 Retail sale

IR art 336 (2)

Retail sales are prohibited in a customs warehouse. The **only** exceptions are where goods are retailed with relief from import duties:

- to travelers to other countries (such as from airports);
- under diplomatic or consular arrangements; and
- to members of international organizations or NATO forces.

A-8-3 Inward-processing

When manufacturing export goods, many companies use imported raw materials, semi-manufactures, etc.

In order that these companies can be on an equal footing in terms of supply with companies on the world market who manufacture equivalent goods, and in order to promote exports by Macedonian companies, it is important to give these companies a possibility for procuring the raw materials on the same terms as companies in other countries.

Inward processing is an arrangement for relief from import duties and VAT for raw materials, materials and auxiliary materials which are imported for processing in Macedonia, after which the final products, called the compensating products, are exported/re-exported.

In principle, the arrangement can be used for all types of goods. The procedure is approved if it allows creating the most favorable conditions for exporting/re-exporting compensating products and at the same time important interests of producers of similar goods in Macedonia are not infringed. For economic conditions, see A-8-3-1-2 and A-8-3-2-2.

CL art 128 (2) c) The processing operation can be anything, for example:

- **Processing**

Production activity where mechanical, chemical and other production activities are made on goods, including mounting, dismantling and assembling.

- **Conversion**

Any activity that alters the basic characteristics of the imported goods

- **Finalization**

Any activity by which the goods is “enriched” like printing, cleaning, sorting, repackaging, examination etc., or other goods are added to it like built in, mixed etc. including repairing

- **Use of production accessories**

IR art 347

Under the procedure may be imported production accessories which allow or facilitate the production of compensating products, but which cannot found back in those products. However, the following production accessories can not be allowed under the procedure:

1. fuels and other energy sources;
2. lubricants;
3. equipment and tools (including casts and sandpaper);

Relief may also be obtained if inward processing goods are received from another holder of authorization in Macedonia. The procedure shall be deemed as discharged when the holder of authorization export/re-export the goods or place them under any customs allowed treatment or use (see part A-8-3-1-5 and A-8-3-2-5).

There are two methods according to which relief from paying import duties and VAT or repayment of import duties and VAT can be obtained: the suspension system and the drawback system.

When authorization for inward processing is applied for, the applicant shall specify which of the two methods he wishes to use. However, there are certain restrictions for using the drawback system, see A 8-3-2-1.

The form below shows the difference between the two inward processing arrangements:

	Suspension	Drawback
Intention of processing and export	Yes	Yes
Covers all type of goods	Yes	No
Customs duties and VAT are paid	No	Yes
Security for duty and VAT	Yes	No
Submission of licenses, certificates	No	Yes
Obligation for processing	No	No
The goods are in free circulation	No	Yes

IR art 346

In both cases there must be an intention to re-export/export the obtained compensating products from Macedonia and an authorization to enter import goods to the procedure will be required. Goods must be processed within a certain period and records kept for all operations carried out.

Legal basis

The rules for inward processing are found in article 97-104 of the CL, article 311-333 and 345-362 of the IR and the VAT Act, article 27.

Use of evidence of origin

CL art 232

If in accordance with the conditions of the agreement that Republic of Macedonia signed with another country for certain goods it is stipulated a preferential customs rate to be approved, in cases when that type of goods in Republic of Macedonia are obtained by inward processing procedure, by issuing of movement certificate EUR 1 or statement in the invoice by which the compensating product obtains a right to preferential customs rate in another country, a customs debt

occurs for all the foreign goods which have been used in the inward processing procedure and processed into compensating product.

In the inward processing with suspension system, customs office of discharge can issue certificate of movement EUR 1 if Republic of Macedonia has signed an agreement for free trade and if the compensating products fulfil the regulations for obtaining origin in Republic of Macedonia. For the goods (raw-materials) without origin (goods imported from third countries), the holder of authorization can not submit re-payment claim i.e. paid import duties can not be reimbursed.

A-8-3-1 The suspension system

A-8-3-1-1 Generally

CL art 128 (1) a) The suspension system can be used for all types of goods, if according to Customs Tariff the customs rate is different from zero.

If it is planned to re-export the compensating products or to transfer them to another holder of authorization or dispose of them in one of the other ways listed in Part A-8-3-1-5, suspension is the most suitable system.

Based on a reasonable estimate to what part of the importation goods will be used for processing into compensating products intended for re-export, suspension can be used for that part of the imported goods. The remainder of the same importation goods intended for production of goods for sale on the domestic market will be charged with full payment of import duties and VAT in accordance with VAT Act.

If more goods under inward processing suspension are imported than needed for the export market or other eligible disposals, the surplus goods can be diverted for free circulation. The suspended import duties and VAT will have to be paid and compensatory interest on that duty will also be charged from the date the goods were imported to Macedonia (see Part A-8-3-4).

CL art 128 (1) a) and 128 (2) a) When placing goods under suspension, the import duties and VAT on the imported goods is suspended, i.e. this amount is not collected.

CL art 128 (1) a) and IR art 320 (1) At the same time as the collection of import duties and VAT is suspended, any commercial policy measure in reference to release of goods in free circulation are suspended, but the policy measures in reference to entry of goods in the customs territory (phyto-sanitary, veterinary control, sanitary control) shall apply. As an exception, commercial policy measures in reference to releasing goods in free circulation shall apply if the license for the import goods is issued for human health and environment protection (application of provisions of the Law on food, importation of exclusive materials, radioactive materials, poisons, dual use goods etc.).

Conditions for using the suspension system

The following is a list of some of the main conditions which the authorization holder must meet if he imports, exports, processes or holds goods under inward processing suspension system. Failure to comply with any of these conditions could result in payment of import duties, VAT and compensatory interest, customs offence charge, and annulment or revocation of the authorization.

Conditions of inward processing suspension	
1	There should be an intention to re-export the goods imported to the suspension system
2	If goods are transferred to an authorization holder approved for inward processing drawback the suspended import duties and VAT compensatory interest must first be paid
3	A bill of discharge must be sent to the supervising office within thirty days of the expiry of the processing deadline
4	Equivalence (see Part A-8-3-3-1) must not be claimed unless it is authorized.
5	The supervising customs authority must be allowed to check the authorization holder's records and goods at any reasonable time
6	The goods must be re-exported or otherwise disposed of within the processing deadline (period for discharge) set in the authorization or an extension of the time limit must be applied for

Security

CL art 102

A guarantee, covering the customs debt which may occur or charging of the interest which may occur because of untimely payment of the customs debt, needs to be provided when import goods are placed under the arrangement for inward processing under the suspension system (see Part E-1-1). The guarantee is submitted by the customs debtor (holder of authorization or his representative).

Security instruments are: bank guarantee (general and single) and cash deposit (general and single). If the security of the customs debt refers to one customs operation, it is considered a single security instrument for covering the customs debt, and if it refers to all customs debts which can occur for a period of time, then it represents a general security instrument. The single security instrument for covering a customs debt is submitted at the same time when the customs declaration for inward processing is lodged. The general security instrument is submitted before issuing an authorization.

Revenue Collection and Budgeting Unit within the Central Administration of the Customs Administration is in charge of accepting the security instrument, records and its activation. The amount of the security instrument should correspond to the amount of the customs debt which can occur and that amount can not be less than 10.000,00 euros in denars counter-value for a general guarantee.

Customs status of goods

CL art 101

Goods which are imported for inward processing procedure under the suspension system or compensating products which are manufactured from the same are not in free circulation in Macedonia (foreign goods). That means that the goods cannot be sold in Macedonia before they are released for free circulation by customs declaring or moved around if not authorized by the Central Administration of the Customs Administration.

The goods can be released for free circulation if the holder of the authorization notifies the supervising customs authority that it has not been possible to implement the intended or planned re-export arrangements.

A-8-3-1-2 Application/authorization

The arrangement for inward processing can only be used when the Central Administration of the Customs Administration has issued an authorization before or at the latest in connection with the first importation of goods for processing. In special circumstances an authorization can be made retroactive (see A-8-1-2).

Fundamental conditions

CL art 130
IR art 312 (1)

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who carries out the procedure or the organizer of the procedure (see A-8-1-1).

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal (for example evidence concerning economic conditions, rate of duty, records etc) has to be joined to the application.

The applicant shall fill in the Questionnaire from Annex D and send it together with the application to the supervising customs office.

The supervising customs office considers the application and enclosed documents and if complete sends the application and enclosed documents to the Central Administration of the Customs Administration within 5 days from the date of submission of the application or from the date of receiving additionally requested information.

The Central Administration of the Customs Administration takes decision and issues the authorization if the applicant fulfills the conditions.

CL art 99
CL art 131

Before the Central Customs Administration issue an authorization they must be satisfied that:	
1	the applicant is established in Macedonia
2	the import goods can be identified in the compensating products (for example by means of samples, illustrations, technical specifications and so

	on)
3	the economic conditions are fulfilled
4	the applicant has the intention of re-exporting the main compensating products
5	they have sufficient resources to supervise and monitor the procedure
6	the necessary administrative activities isn't disproportionate to the economic benefit of the approved authorization

The authorization shall be issued in appropriate number of copies by the Central Administration of the Customs Administration:

- one copy to the applicant;
- one copy to Central Administration of the Customs Administration;
- one copy for each of the supervising customs offices

Supervising customs office forms a file for the holder of the authorization together with a copy of the authorization and all the enclosed documents.

Simplified issuing of an authorization

IR art 312 (3) a)
IR art 348

There is a possibility for simplified issuing of an authorization if the following conditions are cumulatively fulfilled:

- Economic conditions are deemed to be fulfilled (see Annex 44)
- Goods are placed under procedure and the procedure is discharged using ordinary customs declarations at one customs authority
- Use of equivalent goods is not applied for
- When the whole quantity of import goods is imported at once for certain quantity of compensating products or when the goods is imported for repair.

IR art 316 b)

In such situations, where there is a possibility for simplified issuing of an authorization a declaration for placing the goods under the procedure together with the simplified application form (Annex F) can be approved as an application. When the declaration is accepted by the customs authorities of entry, it constitutes an authorization.

When simplified issuing of authorization is used, the customs office of entry into procedure, of discharging the procedure and for supervising the procedure shall be in the same Customs House.

Abovementioned customs offices can be in:

- The place where the main accountancy is kept, or
- The place where the processing operations are to be carried out.

Simplified issuing of authorization shall be used only where simple and easy supervising and monitoring of the procedure is possible.

Goods are declared using the ordinary rules of declaration i.e. description of the goods, commodity code, customs value etc. (see A-8-3-1-3)

Be aware of the following boxes in the SAD:

Box 37 Write down the customs procedure code from the Code Act..

IR art 314

Box 44 Supplementary information regarding the procedure applied for:

- Name of the applicant and the operator if not the same
- Type of processing or of the goods (see box 9 of this part)
- Technical description of
 - the goods entering the procedure
 - the compensating goods
 - the secondary compensating goods
- Suggested methods of identification of the import goods in the compensating products (see box 12 of this part)
- Economic conditions codes (see box 10 of this part)
- Suggested rate of yield or how to establish the rate of yield (see box 8 of this part)
- Estimated time needed before discharging the procedure (see box 13 of this part)
- Place where the operation is to be carried out
- Possible means of transferring goods (see box 15 of this part)

These supplementary information can be stated on a separate form for simplified application (Annex F) enclosed to the customs declaration.

In the situation where the simplified application is used, the custom authority for entering the procedure is obliged to send the declaration before its accepted and all the enclosed documents to the supervising customs office which, if the appropriate conditions are fulfilled, verifies the simplified application form

(Annex F) with a remark “approved”. If the appropriate conditions are not fulfilled, supervising customs authority makes a decision by which the application for simplified issuing of authorization is refused and notifies the applicant for its decision.

The customs office of entry into procedure, after accepting the declaration for simplified issuing of authorization for inward processing, is obliged to send the original declaration together with all the enclosed documents to the supervising customs office which supervises the procedure.

Simplified issuing of authorization can be used only occasionally. If the importer constantly applies for simplified issuing of authorization, supervising customs office can refuse to issue an authorization and request submitting application for regular procedure of issuing authorization for inward processing.

Specific instructions regarding the application/authorization

The application form (annex 27) and the authorization form (annex 27) is almost identical. This part gives detailed descriptions of some of the important boxes in the application/authorization form. It also gives instructions to be used when an application for inward processing is evaluated and issued.

Box 5 – Place and kind of records

It shall be stated where the main accounts are located (if different from box 1). This will be the place where your commercial, tax or other accounting materials is located.

IR art 311 h) State what type of records. Records mean the data containing all the necessary information and technical details, enabling the Customs authorities to supervise and control the inward processing procedure.

If the processing operations are done by more than one operator, type of book-keeping and records used by the operators shall be stated. Type of records, stock records and forms of keeping records shall be stated for customs purposes.

IR art 326(1)(3) In order to ensure proper use of each of the procedures, the customs authorities may request the holder of an authorization to keep records and inventories which would show all data needed for proper calculation of all import duties and VAT payable. These must show:

IR art 327

- details of the quantities of goods entered to the procedure. If the authorization restricts the quantity or value of goods entering the procedure, it will be the responsibility of the authorized person to ensure that the limits are not exceeded. The authorized person will therefore need to ensure that the records enable him to monitor the amount of goods entered to the procedure;

- what goods are entered i.e. the commercial or technical description of the goods sufficient to identify them (this should correspond to the description of goods that will be stated in the authorization);
- when and where goods were entered to the procedure including transfers received and documents relating to their entry;
- where all goods and compensating products held under the authorization are held at any time including any movement of goods and compensating products to or between operators specified in the authorization;
- what processing is carried out on the goods;
- locations where processing takes place;
- how goods entered to the procedure are identified in the products produced, for example manufacturer's marks, serial numbers, plumbs, seals, clip marks, other marks fixed to the compensating product, samples, illustrations, technical descriptions, analysis or other supporting documents that clearly show the compensating product has been manufactured from the goods entered the procedure;
- production data that establishes the rate of yield achieved ie how many products are produced including any secondary compensating products
- when and where goods were re-exported or disposed of including documents relating to their disposal.

The records must identify how goods can be traced from receipt through processing to disposal and provide details of locations, dates, values, quantity etc.

IR art 326

As a general rule, the calculation note and inventory will be done by using the inventory form shown in annex 47 and the calculation note form shown in annex 48. If the applicant wants to use another type of inventory and calculation note, e.g. computer generated records, he shall specify in details how, by enclosing examples to the application, and the Central Administration of the Customs Administration by issuing the authorization, shall approve it.

The holder of authorization must notify the supervising customs authority for the calculation of the goods received or disposed of under the inward processing procedure with suspension system. For this notification, abovementioned inventory or calculation note or any other approved notification providing the same information must be used. The holder of authorization must send the notification to the supervising customs authority for monthly or quarterly period within 30 days after the end of this period.

The period for submitting calculation note, inventory and the additional information are determined in box 16 by the Central Administration of the Customs Administration which issues the authorization.

If the holder of a simplified authorization enters goods under the inward processing, he has to send a notification in a form of calculation note together with the bill of discharge (shown in annex 49) and other necessary documents to the supervising customs authority latest within 30 days after the period given in the simplified authorization has expired.

Box 6 – The period of validity

IR art 318 (1) The validity period for the authorization is laid down when issuing the authorization.

The Central Administration of the Customs Administration shall determine the period of validity of the authorization, taking into account the specific conditions of the production operation. Within this period the goods taken up in the authorization can enter for the procedure.

IR art 318 (3) The period of validity shall not exceed three years from the date the authorization takes effect.

IR art 318 (4) For milk and milk products under tariff no. 0401 to 0406 the maximum validity period is three months.

If the applicant uses the economic code 99, the validity period can not the first time round exceed 9 months. Extension of the period of validity is possible under certain circumstances which are closer discussed in box 10 of this part.

An authorization is normally (except authorizations made retroactive) granted validity from the date of issue or at any later date given in the authorization.

Box 7 – Goods to be placed under the procedure

Details of the goods placed under the procedure.

The 10-digits Customs tariff code is compulsory in the following situations:

- If equivalent goods are to be used
- The following economic codes are declared: 10, 11, or 99
- Milk or milk products are declared
- The customs authorities demand it according to IR art. 314 (1)

In all other situations the 4-digit Customs tariff code can be used.

A description of the goods sufficient enough to clearly identify the goods.

Information about quantities and values are generally not necessary if the economic code is declared as 30 unless equivalence is applied for. If the economic code 30(6) is declared, information about the estimated value is compulsory.

Box 8 – Compensating products

Details of processed goods/products (main compensating and secondary compensating products). **All** goods that will be produced from the goods indicated in box 7 must be detailed.

Details about Tariff Code and description: see box 7.

Rate of yield

CL art 128 (2) f)

Rate of yield is the quantity of compensating products made from a unit quantity of goods entered to inward processing procedure with suspension system. When determining the rate of yield, some types of goods which enable/make the production easier which can not be identified in the compensating products are also taken into account (see part A-8-3).

The expected rate of yield or the method by which it will be calculated for all the main and/or secondary compensating products must be specified in the application. Where necessary, the applicant proves the way of determining the rate of yield with appropriate evidence enclosed to the application (drawings, sketches, illustrations, recipes etc.).

If the application refers to several types of compensating products, rate of yield for each separate type of compensating products shall be specified.

In cases where the rate of yield is not known at the time of application or the rate may vary during the production process, the applicant must record on his application how he is going to establish the rate of yield.

If the rate of yield on the application form changes or is incorrect, the applicant must inform the supervising Customs office upon the newly occurred situation.

Way of determining the rate of yield is closer discussed in annex A.

IR art 328(1)

CL art 133

Rate of yield or the way of determining the rate of yield shall be stated in the authorization on the basis of the information in the application. If “explanatory note” or “lists of material” are used, the rate of yield can be expressed only by referring to them.

If the rate of yield is not established in the authorization, it shall be clearly noticed in the authorization together with the obligation of the holder of the authorization that he shall submit the rate of yield to the supervising office at the latest when placing the goods under inward processing procedure. In special circumstances, (when making samples or change of contract in the last minute) the authorized person shall submit information about the rate of yield to the supervising office after he has entered the goods in the procedure, but not later than two working days before the day of submitting the re-export declaration (or before the day of assigning a new customs allowed use or arrangement). The rate of yield is

additionally submitted to the supervising customs office by mail or by fax on a form given in annex B. The original form is submitted together with the bill of discharge to the supervising customs office.

The Central Administration of the Customs Administration which establishes the rate of yield or method used in the authorization, or the supervising customs office authorized to establish the rate of yield additionally, take into account circumstances in which the concrete operation is to be carried out. When establishing the rate of yield, the customs authority take into account all the enclosed evidence the holder of authorization use to prove the way of determining the rate of yield (drawings, sketches, illustrations, recipes).

Box 9 – Details of planned activities

The applicant must describe in details what processing operations will be carried out on the goods mentioned in box 7 to produce the goods in box 8.

If the applicant uses subcontractors, he shall state their names, addresses and their registration number. Furthermore their role in the operation and sequence of operations shall be stated.

Box 10 – Economic conditions

IR art 315 (2) The economic conditions have to be indicated by the applicant by using one of the codes. This code corresponds with the reason why the applicant cannot use domestic goods.

IR art 315 (1) The economic conditions are considered to be fulfilled in cases where Macedonian producers' interests are not considered to be affected by the duty relief arrangements.

It is ensured during subsequent testing of the economic conditions that the authorization does not harm the interests of the domestic producers.

The economic codes and their explanations are closer discussed in annex 44.

Special circumstances

IR art 350 Even if the Central Administration of the Customs Administration has accepted one of the above mentioned economic reasons for issuing an authorization, the decision can be questioned by a domestic producer in the case where the authorization could have a negative impact for him.

The domestic producer may submit a substantiated application to the Central Administration of the Customs Administration to have the carrying out of the inward processing procedure stopped.

The Central Administration of the Customs Administration shall make a decision taking in account the obtained opinions from the ME and (if agricultural products

are involved) from the MA. If the decision is in the favors of the applicant it shall specify the reasons why the economic condition is not satisfied.

Box 11 – Customs offices

Customs office for entering under procedure

IR art 311 e) Customs office of entry into procedure is the customs office which is authorized for accepting the declarations for placing goods under procedure. One or more customs offices of entry into procedure can be established in the authorization.

As a rule, the customs office which is designated for the place where the processing operation is to be carried out is established as a customs office of entry into procedure. It also can be the customs office which is designated for the place where the main accountancy of the holder of the authorization is kept.

Customs office of discharge

IR art 311 f) Customs office of discharge is the office authorized for accepting declarations by which the goods are assigned new customs allowed treatment or use, such as re-export, transfer to another holder of authorization. One or more customs offices of discharge of procedure can be established in the authorization.

CL art 174 As a rule, customs office designated for the place where the packing or loading the goods for re-export is to be carried out is established as a customs office of discharge. The customs office designated for the place where the main accountancy of the holder of authorization is kept may also be established as a customs office of discharge.

Supervising customs office

IR art 311 d) Supervising customs office is the customs office which is authorized for supervising the procedures. As a rule, one supervising authority shall be established in authorization according to the place where the main accountancy of the holder of authorization is kept.

As an exception, if the holder of authorization carries out processing operations at operators with different supervising customs authorities designated for the place where the processing operations are to be carried out, a main supervising customs office will be established in the authorization – according to the place where the main accountancy of the holder of authorization is kept. The main supervising customs office transfers its powers to the supervising customs offices designated for the place where the operations are to be carried out, and the main supervising customs office will be responsible for discharging the whole procedure authorized.

Box 12 – Identification

It is a condition for giving an authorization for one of the procedures that the goods entering a procedure can be identified in the compensating products.

IR art 351

How to identify the imported goods (box 7) in the compensating products (box 8) have to be indicated by the applicant and stated by the Central Administration of the Customs Administration by using one of the following codes:

- 1 Serial - or manufacturer's number
- 2 Affixing of plumbs, seals, clip-marks or other distinctive marks
- 3 Information sheet INF 1 (A-8-3-1-6)
- 4 Taking of samples, illustrations or technical descriptions
- 5 Analysis
- 7 Other means of identification such as records as referred to in box 5.
Details must be explained in box 16.

Using the records is the most suitable method of identifying how goods in box 7 can be identified in the compensating products in box 8.

When drawing up the authorization, it shall, as a primary rule, be laid down which methods the customs authorities will use in order to fulfill this identification requirement.

Box 13 - Period for discharge

A processing deadline or period for discharge shall be established for the inward processing procedure, i.e. a deadline for the goods to be re-exported or declared for another customs procedure. The deadlines shall be established taking in account the processing operation which the goods will undergo.

The deadline shall be determined in the authorization by the Central Administration of the Customs Administration.

The deadline can be extended under certain circumstances.

The period for discharge starts either from the date the authorization holder imports to inward processing or the date goods were transferred to him by another holder of authorization. The period for discharge ends when the compensating products or goods in an unaltered state are exported or assigned another customs approved treatment or use which discharges the inward processing procedure (see part A-8-3-1-5).

IR art 353 (1)

CL art 132 (1)

The applicant needs to specify on his application the period he requires for **each compensating goods**. As a general rule the period should not normally exceed one year but in certain types of processing longer periods may be required. Where there are sound reasons longer periods will be approved.

On the other hand a period up to 6 months should be allowed without further notice.

For Simplified authorizations (see part A-8-3-1-2) a standard 6 months will apply unless the person concerned indicates a different period on the document that accompanies the declaration for entry for the procedure.

CL art 132 (2)
IR art 353 (1)

If, after the authorization is issued, the authorization holder finds that he needs a longer period for discharging he should apply in writing for an extension to the supervising customs office. In very special circumstances the period may be extended even when that originally set has expired.

Period for discharge – specific products

IR art 353 (3)
CL art 132 (4)

For some specific products or processes, the period of discharging is restricted:

	Products/processing operations	Max period
1	Milk products referred to in Customs tariff code 0401 - 0406	4 months
2	Slaughtering without fattening of animals referred to in Customs tariff chapter 1	2 months
3	Fattening with or without slaughtering of animals referred to in Customs tariff code 0104 – 0105	3 months
4	Fattening with or without slaughtering of other animals referred to in Customs tariff chapter 1 than Customs tariff code 0104-0105	6 months
5	Processing of meat	6 months

In special circumstance the period of discharge may be extended on request, but no longer than 12 months.

If periodically aggregation is applied for

IR art 353 (2)
CL art 132 (2)

If the applicant want to use the possibility of a periodically (monthly or quarterly) aggregation, it must be stated in box 13 by referring to IR art 353 (2) and further details must be added in box 16.

The above mentioned periodically aggregation will be the same with the time limit for submitting the notification in a form of calculation note and the inventory referred to in box 5, for example, if monthly aggregation is used, the holder of authorization has monthly obligation to submit a calculation note and inventory.

The periodically aggregation and its consequences for the discharging period is further discussed in annex C.

Box 14 – Simplified procedures

CL art 88
IR art 191-195

If the applicant wants to use one of the following simplified procedures when entering goods and/or discharging goods, he shall apply by using one of the matching codes (box 14 a – entering, box 14 b – discharging):

Procedure	Code
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Incomplete declarations	1
Simplified procedure for declaring	2
Local clearance with presentation	3
Local clearance without presentation	4

Application to use simplified procedure for inward processing is approved by stating one of the abovementioned codes in the authorization and it must contain detailed rules and procedures for simplified procedure granted.

If the applicant already has an authorization to use one or more of the above mentioned simplified procedures in connection with declarations for free circulation or export and he wants to use any of the simplified procedures for entering/discharging goods under/of the procedure, a copy of the authorization shall be attached to the application if it refers to the same type of goods for which the application for inward processing is submitted.

Central Administration of the Customs Administration approves use of one of the simplified procedures by referring (number and date) to the previous authorization for using simplified procedure.

The simplified procedures are closer discussed in part A-6.

Box 15 – Transfer procedures

When goods placed under the inward processing suspension are moved the fundamental rule is that the transit procedure (see B-1) shall apply. If the transit system is used, this box shall not be completed.

Alternative methods

IR art 322

It is possible to transfer goods without discharge of the procedure. The authorization shall specify whether and under which conditions the movement of goods between different places may take place (transfer). If code 4 is used, the way of transfer will be specified in box 16 in accordance with annex 46.

If the applicant wants to transfer goods without discharging the procedure by using alternative methods, it shall be indicated by using one of the following codes:

Code	Action
1	to/from different places mentioned in the authorization
2	from the customs authority of entry to one of the places mentioned in the authorization
3	to the customs authority of exit
4	from one authorized person to another

IR art 325

Except where high risk goods according to annex 28 are transferred, guarantee is not required.

The above mentioned codes are closer discussed in annex 46.

Box 16 – Supplementary information

Any additional information considered relevant such as additional information concerning:

- Box 5 period for submitting calculation note and inventory
- Box 12 code 7
- Box 13 periodically aggregation
- Box 15 code 4

In the authorization the Central Administration of the Customs Administration can state the detailed rules concerning bill of discharge, the rights of the supervision customs office, annulment of the authorization etc.

Box 18 – Equivalent goods

If equivalence is applied for according to part A-8-3-3-1, this box shall be filled in with information about the equivalent goods such as the 10-digit tariff code, the commercial quality and a technical description.

These information must be sufficient to enable a comparison between these goods and the goods in box 7.

If equivalence is approved the Central Administration of the Customs Administration will indicate that in the authorization by filling in this box with information about the 10-digit tariff code and a description of the goods.

Eventual further rules or conditions will be specified in box 21 in the authorization.

Box 19 – Prior exportation

If prior exportation is applied for according to part A-8-3-3-2, the applicant shall indicate that in this box.

The applicant also has to state the time required to enter the replacement goods to inward processing.

If prior exportation is approved the Central Administration of the Customs Administration will indicate that in the authorization by stating the time limit to enter the replacement goods to inward processing.

Eventual further rules or conditions will be specified in box 21 in the authorization.

Box 20 - Release for free circulation without customs declaration

IR 357

This article gives an opportunity to apply for releasing goods (goods in an unaltered stage, main compensating goods or secondary compensating goods) on a general basis which means that the release can be made without a customs declaration at the time of diversion, but instead latest at the time when he present the bill of discharge.

Goods released for free circulation without customs declaration on a general basis, may incur additional compensatory interest charges from the date of entry to the procedure until the date where the above mentioned declarations are submitted (see A-8-3-4).

If release for free circulation without customs declaration is applied for it shall be indicated in this box and the tariff code(s) and description of the goods shall be stated.

If release for free circulation without customs declaration is approved the Central Administration of Customs Administration will indicate that in the authorization in this box.

Eventual further rules or conditions will be specified in box 21 in the authorization.

Box 21 – Additional information

Any additional information concerning box 18, 19 and 20.

A-8-3-1-3 Entry of goods under the procedure

The goods are placed under inward processing procedure on the basis of:

IR art 116

1. Customs declaration in normal procedure; or

IR art 191

2. Incomplete declaration; or

IR art 192

3. Simplified declarations in case of simplified procedure of declaring; or

IR art 192

4. Entering goods in records in a case of local clearance procedure; or

IR art 324

5. Transfer document when transferring goods from another authorization holder

The goods have to enter for the procedure within the period of validity of the authorization.

The simplified procedures (2, 3 and 4) and the transfer procedure (5) are closer discussed respectively in part A-6 and part A-8-3-1-2 (box 15).

Customs declaration in normal procedure

Lodging the declaration

Declaration is lodged at the customs office of entry stated in the authorization. The number of the authorization of inward processing procedure shall be clearly indicated in the declaration.

In cases where goods shall be placed under procedure for which the processing operations shall be carried out on different places or there are more operators located on different places under supervision of one supervising customs office, one declaration is submitted at any of the customs offices of entry into procedure stated in the authorization.

If several supervising customs offices are established, a separate customs declaration shall be submitted to each of the supervising customs offices for the goods they are supervising. In this case, all separate customs declarations may be submitted at any of the customs offices of entry into procedure stated in the authorization.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may in exceptional cases approve the customs declaration of entry into procedure to be submitted at a customs office which is not indicated in the authorization.

The SAD declaration

IR art 116

IR art 120

Customs declaration in normal procedure is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance. When filling in SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down "U" in the first sub-box, and the first digit of the code written in first sub-box of box 37 (5 for suspension system) in the second sub-box
8	The name, address and VAT number of the holder of the authorization
31	Detailed description of goods enabling identification of the goods, the way it is given in authorization.
33	Tariff code of the goods written down in box 31.
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by other two digits specifying previous procedure (for ex. Inward processing – suspension system for payment of duties if there was no previous procedure 5100). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year. Tax number of the holder of guarantee/records number of the guarantee at the customs office

47	Calculation of duties with type of duties in the first column and way of payment of duties in the last column. With the suspension payment, a security on that amount has to be provided that amount.
48	Number of authorization at the customs office for suspended payment of duties.
54	Number of authorization for representing.

Additional documents to the declaration

IR art 127 (1) b) The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- Declaration for the customs value of the goods D.V.1 from IR Annex 15
- A photocopy of the authorization for carrying out the procedure
- All other documents needed for application of regulations.

An appropriate evidence for origin may be submitted to the declaration, which is not taken into consideration when calculating the possible customs debt for covering of the appropriate guarantee.

Where the rate of yield is not established in the authorization and it shall be submitted latest at the moment of placing goods under inward processing procedure, a form for additional submission of rate of yield and necessary documents as evidence may be enclosed to the customs declaration.

If goods are entered to the inward processing procedure under a simplified issuing of an authorization an accompanying document will also need to be enclosed to the SAD (see part A-8-1-1).

IR art 441-454

The goods can be placed under procedure provided that the customs debt that may incur is covered by security (see part E-1-1).

Customs clearance at the customs office of entry

Beyond the normal clearing and control procedure when goods are entered for free circulation (amount of goods, customs value, suspended import duties and VAT etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- The authorization must still be valid

- The imported goods must be mentioned in box 7 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in the boxes of the SAD
- Sufficient guarantee must be provided
- The suspended customs duty, VAT etc. on the basis of the customs value and the tariff rate that would apply for regular import at the day of acceptance of the declaration IM 5.
- Policy measures in reference to entry of goods in the customs territory (phyto-sanitary, veterinary control, sanitary control) shall apply. As an exception, commercial policy measures in reference to releasing goods in free circulation shall apply if the license for the import goods is issued for human health and environment protection (application of provisions of the Law on food, importation of exclusive materials, radioactive materials, poisons, dual use goods etc.).

For all customs declarations placed under inward processing procedure the previous day, a report in three copies shall be prepared. Two copies of the report with all the original customs declarations and enclosed documents shall be submitted to the supervising customs office stated in the authorization. The supervising customs office verify one copy of the report and send it back to the customs office of entry under procedure, which files this report in a separate file as a confirmation for the receipt of the first copy of the report.

A-8-3-1-4 Supervising the procedure

Supervising customs office forms a file for each authorization. The file consists of authorization, all original customs declarations the goods are entered/discharged under/of procedure, all documents which the holder of authorization submits to the supervising customs office for fulfilling the obligations stated in the authorization, bills of discharge and control records. All activities and all the correspondence between supervising customs office and the holder of authorization will be filed in file.

Periodically presentation of records etc

IR art 326 (3)(4)

IR art 326 (5)

The holder of an authorization is obliged to submit to the supervising customs office calculation note in a form given in annex 48 and inventory in a form given in annex 47 for a period of one or three months clearly stated in the authorization).

Central Administration of the Customs Administration may approve the calculation note and inventory to be submitted in different form provided they contain all information needed.

Calculation note and inventory are submitted to the supervising customs office at the latest 30 days after the period they refer to has ended (e.g. if it is stated in the authorization that the calculation note refers to one month for the period from 01.03 to 31.03., it shall be submitted to the supervising customs office together with the inventory note latest till 30.04.). After the control, supervising customs office shall place the calculation note and the inventory in the file.

Supervising customs office monitors the period for submitting the calculation note and inventory. If supervising customs office, after this period has ended, finds out that the calculation note has not been submitted, it shall notify the holder of authorization that the period has ended and ask for the documents to be submitted as soon as possible.

Multiple failure of the obligation for timely submitting of the calculation note and inventory means that the obligations stated in the authorization have not been fulfilled and shall mean grounds for starting a procedure for annulment of the authorization.

The rate of yield

If the rate of yield is not established in the authorization, supervising customs office monitors if the rate of yield is submitted subsequently.

If the authorization states an obligation of the holder of authorization to submit the rate of yield to the supervising customs office at the latest in the moment of entering goods under inward processing procedure after the original customs declarations for entry is lodged, supervising customs office checks if the rate of yield is submitted together with the customs declaration or directly to the supervising customs office and it is filed.

Supervising customs office monitors submitting of the rate of yield when, in special circumstances, the holder of authorization is approved to submit the rate of yield after placing the goods under procedure, but not later than two working days before the date of submitting the re-export declaration (or before the date of establishing a new customs approved treatment of use). In this case the supervising customs office, after additional submitting of rate of yield and check of the enclosed documents, files it in the file.

If the rate of yield established in the authorization has changed or is incorrect, the holder of authorization has an obligation to notify the supervising customs office immediately after the new situation has occurred.

Multiple failure of the obligation for timely submitting of the rate of yield means that the obligations stated in the authorization have not been fulfilled and shall mean grounds for starting a procedure for annulment of the authorization.

Bill of discharge

The authorization holder must complete a bill of discharge as shown in annex 49 and send it to the supervising office to account for the goods he receives and disposes of under the inward processing procedure.

Copy number 3 of re-export SAD verified by the customs authority of discharge/custom office of exit in a case of authorized transfer to the customs office of exit (box 15 code 3 from the authorization) shall be submitted to the supervising customs authority together with the bill of discharge (in three copies) and the calculation note (if not already submitted) which specify the quantity and type of goods for which the procedure is being discharged of the appropriate import SAD.

IR art 332 (1)

The bill of discharge must reach the supervising office within 30 days after the day where the discharging period ends (see box 13). This does not exclude that the bill of discharge can be submitted before (inter alia to release the guarantee or part of it sooner), but before submitting a bill of discharge, all the goods imported by a single SAD-declaration (IM 5) must have received a customs approved treatment or use.

The supervising customs authority, after checking the enclosed documents, verifies the bill of discharge and sends back one copy to the holder of authorization, the second copy is retained in the file of the holder of authorization, encloses the third copy to the import SAD for which the bill of discharge refers to and sends back all of them together to the customs office of entry which files these SADs. Sending the SADs back is done with a list on which the customs office of entry into procedure shall confirm the acceptance.

With accepting the bill of discharge, the import SAD is considered to be discharged and the obligation of the supervising customs authority for supervision of the procedure ends.

CL art 12-18

Discharging of import SAD shall not exclude the possibility for additional control and possible additional charge of the customs debt.

Supervising customs authority monitors period for submitting bill of discharge. If after the end of this period supervising customs authority by checking the file finds out that the bill of discharge is not submitted, it shall notify the holder of authorization that the period has ended and shall require the bill of discharge to be submitted.

If the holder of the authorization, after he has received the notification, does not submit the bill of discharge, supervising customs office will start the procedure for activating the guarantee (see part E-1).

CL art 132 (2)

IR art 353 (1)

Where the holder of the authorization has failed to submit a bill of discharge within the required time scale he may apply to the supervising office for an extension even when the period originally set has expired. However, approval is not automatic and he will need to show that there are special circumstances which warrant such an extension before it is granted.

Multiple failure to fulfill the obligation for submitting bill of discharge and payment of the customs debt within the periods stated in authorization means that obligations stated in the authorization have not been fulfilled and also means grounds for starting a procedure for revocation of the authorization. The procedure for revocation of the authorization shall be started by the supervising customs authority.

Post clearance control

Supervising customs authority shall make a monthly plan for control of holders of authorization. The monthly plan shall state the period, the type of goods, the rate of yield and the holders of authorization to be controlled.

The plans will be made according to the previous controls, scope of work and risk analysis. The control may be physical or documentary and shall refer to the identity of goods, control of documentation, additional information requested, records of the holder of authorization, production process, rate of yields, raw-materials on stock and compensating products.

Each holder of authorization shall be controlled at least once a year. After the control is made, a control record shall be made and filed.

On the basis of control of calculation notes, inventories and rate of yields, records of controls made, as well as received and available information, supervising customs office shall actively take part in risk analysis and making of profiles for selectivity upon export-import clearance. Supervising customs authority monitors the findings from export-import clearance on the basis of the profiles established in this way.

If supervising customs authority established that authorization is given on the basis of incorrect information or that the holder of authorization does not fulfill obligations set in the authorization and, although warned, he operates the procedure incorrectly, it submits a suggestion for annulment or revocation of authorization to the Central Administration of the Customs Administration. It shall enclose evidence to suggestion (record, warning note, and other documents).

A-8-3-1-5 Discharging goods from the procedure

Inward processing procedure is discharged on the basis of:

- | | |
|-------------------|---|
| <i>IR art 116</i> | 1. Customs declaration in normal procedure; or |
| <i>IR art 176</i> | 2. Simplified declarations in case of simplified procedure of declaring; or |
| <i>IR art 182</i> | 3. Entering goods in records in a case of local clearance procedure |
| <i>IR art 324</i> | 4. Transfer document when transferring goods to another authorized operator |

The goods have to be discharged within the period of discharge according to the authorization.

IR art 331

If the authorization holder has entered goods under several declarations and he is unable to determine which compensating product has been produced from which imported goods, he can discharge the procedure successively, starting with the earliest of the declarations.

The simplified procedures (2, 3 and 4) and the transfer procedure (5) are closer discussed respectively in part C-1 and Part A-8-3-1-2 (box 15).

Declaration is lodged at the customs office of discharge stated in the authorization. A separate declaration (continuation form SAD BIS – group of boxes 31 – 46) has to be used per type and commercial type of compensating goods to be re-exported even if they have the same commodity code. The number of authorization of inward processing procedure shall be clearly indicated in the declaration.

In cases where procedure needs to be discharged for which the packing and the loading shall be carried out at different places under supervision of one supervising customs office, one declaration is submitted at any of the customs offices of discharge stated in the authorization. If several supervising customs offices are established, a separate customs declaration shall be submitted to each of the supervising customs offices for the goods under their supervision. In this case, all separate customs declarations may be submitted at any of the customs offices of discharge stated in the authorization.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of discharge to be submitted at a customs office which is not indicated in the authorization.

Eligible disposals of goods

IR art 355

The procedure the goods are placed under are discharged when they are disposed of in one of the following ways:

- re-export the goods from Macedonia
- transfer the goods either to another customs allowed treatment or to another operator authorized to use one of those procedures e.g. a Customs Warehousing, Free zone, Processing under Customs Control, Temporary Importation (T.I.)

IR art 361 (1)

In addition "IP/S goods" must be shown on the document covering the transfer.

IR art 361 (2)

Where the import goods are subject to commercial policy measures (see part A-5) the wording "Commercial policy" must also appear.

- transfer goods to another holder of an inward processing authorization in Macedonia
- transfer the goods to duty free shops at international airport, Embassies, armed forces of other countries etc
- declare goods for free circulation in Macedonia with payment of import duty and compensatory interest
- destroy goods under Customs supervision

Discharging of the procedure by re-exporting, declaring for free circulation and destroying, are closer discussed below.

Re-Exporting goods

IR art 116

IR art 120

To discharge the inward processing procedure by re-export, an export declaration is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance.

Upon re-export of compensating products, when transfer to the customs office of exit is not authorized (box 15 code 3 in the authorization), they will be declared for export and transit procedure at the same time, and SAD consisting of copies number 1, 2, 3, 4 and 5 shall be used.

When filling in the SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down code from the Code Act “EX” in the first sub-box, and the first digit of the code written in first sub-box of box 37 (3 for re-export) in the second sub-box
2	Name, place and tax number of the holder of authorization.
31	Detailed description of goods enabling identification of the goods, the way it is given in authorization.
33	Tariff code of the goods written down in box 31.
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by the second two digits specifying previous procedure (for ex. For re-export of goods previously entered under procedure for inward processing – suspension system for payment of duties 3151). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year. Tax number of the holder of guarantee/records number of the guarantee at the customs office

Goods re-exported are not to be written off in the inward processing records until satisfactory evidence of re-export has been received. This evidence should be copy 3 of the export declaration endorsed by the customs office of discharge/exit in case of authorization issued for transfer to the customs office of exit (box 15 code 3 of the authorization).

Central Administration of the Customs Administration can allow, as part of the authorization for inward processing, the movement of goods from the premises of the authorization holder or the operator to the customs office of exit to be carried out under the inward processing procedure (see part A-8-3-1-2 box 15). This has the advantage of not requiring a Transit declaration to cover the movement of the goods to the point of exit from Macedonia.

The goods is moved from the customs office of discharge to the customs office of exit on the basis of export declaration SAD copies number 1, 2 and 3. However, the authorization holder remains responsible for the goods and his liability ends only when he obtains appropriate evidence that the goods have been re-exported/exported.

IR art 128 (1)

The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- A photocopy of the authorization for carrying out the procedure
- Specification for all types of goods incorporated into the compensating products by type, quantity, tariff code and registration number of customs declaration for starting inward processing procedure with suspension system.
- All the other documents needed for applying the application.

CL art 232

If a request for issuing evidence for origin is enclosed to the declaration and according to the ratified agreements of Republic of Macedonia a customs incurs for the foreign goods which is incorporated in the goods with origin, a separate customs declaration for calculating the customs debt incurred is submitted to the supervising customs office. Declaring goods for calculation of the customs debt occurred is done in a way described below in part A-8-3-1-5 (declaring goods for free circulation). The customs officer in the supervising customs office, after checking the declaration and the enclosed documents, signs and puts stamp in box A of the SAD and by doing this approves accepting of SAD by the customs office of discharge.

In this case, calculation with specification for payment of suspended import duties (Annex E) for goods from third countries shall be submitted to the customs office of discharge by the holder of authorization on the basis of which he pays the

customs debt occurred. After the payment, one endorsed copy of the calculation for payment of suspended import duties for goods from third countries shall be kept and filed in the export declaration, the second endorsed copy shall be submitted to the Revenue Collection and Budgeting Unit, and the third endorsed copy is sent back to the holder of authorization.

Declaring goods for free circulation

IR art 329

If the holder of the authorization declares inward processing suspension goods (including any products he makes from them) for free circulation, he must pay import duty, VAT and compensatory interest on the amount of import duties (see part A-8-3-4). If all the goods imported under inward processing procedure are declared for free circulation, the goods placed under inward processing procedure is declared and suspended import duties, VAT and compensatory interest shall be paid. If only some of his compensating products obtained from goods placed under inward processing procedure are declared for free circulation he will pay import duties, VAT and compensatory interest on the amount of import duties, for corresponding proportion of the goods placed under inward processing procedure.

Tariff code and the quantity must correspond to the goods at the moment when originally placed under inward processing procedure, not to the compensating products.

Note that the proportion of import goods incorporated in compensating products is to be calculated only where this is necessary to determine the amount of the customs debt.

The part of the imported goods incorporated in the compensating products is determined by using either the quantitative scale method or the value scale method (whichever is more appropriate) or any other method obtaining the same results:

The quantitative scale method

The quantitative scale method is the most common method and must be used where:

- One type of compensating product is obtained by the processing operation;
- Several types of compensating products are obtained by the processing operation, and each type of the compensating products contains all the elements of the goods.

Quantitative scale method is not used when compensating products do not contain all elements of the imported goods.

When determining if the conditions for using the abovementioned quantitative scale method are fulfilled, losses are not taken in consideration upon calculating the customs debt. Losses are the part of the import goods destroyed and lost during the processing operation, in particular by evaporation, desiccation, venting as gas or leaching.

Example 1

1000 kg **(1)** of product A is imported for inward processing. The suspended duties are 100.000 denars **(2)**.

During the process 10 % evaporate (losses) and 900 kg **(3)** compensating product B is left.

The holder of the authorization wants to declare 50 kg **(4)** compensating product B for free circulation. The amount of customs debt is determined as follows:

Calculations	Result	Comments
$\frac{50 \text{ kg (4)} \times 1000 \text{ kg (1)}}{900 \text{ kg (3)}}$	55,55 kg (5)	Imported goods incorporated in the compensating products declared for free circulation
$\frac{55,55 \text{ kg (5)} \times 100,00 \text{ denars (2)}}{1000 \text{ kg (1)}}$	5.555 denars	The amount of customs debt for the compensating goods declared for free circulation

Example 2

1000 kg **(1)** of product A is imported for inward processing. The suspended duties are 100.000 denars **(2)**.

During the process 10 % evaporate (losses) and the following compensating products are left:

Compensating product B: 500 kg
 Compensating product C: 300 kg **(3)**
 Compensating product D: 100 kg

Total compensating products: 900 kg **(4)**

The holder of the authorization wants to declare 200 kg **(5)** of the compensating product C for free circulation. The amount of customs debt is determined as follows:

Calculations	Result	Comments
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$\frac{300 \text{ kg (3)} \times 1000 \text{ kg (1)}}{900 \text{ kg (4)}}$	333,33 kg (6)	Imported goods incorporated in the compensating products C
$\frac{333,33 \text{ kg (6)} \times 200 \text{ kg (5)}}{300 \text{ kg (3)}}$	222,22 kg (7)	Imported goods incorporated in the compensating products C declared for free circulation
$\frac{222,22 \text{ kg (7)} \times 100.00 \text{ denars (2)}}{1000 \text{ kg (1)}}$	22.222 Denars	The amount of customs debt for the compensating goods declared for free circulation

Example 3

7000 (1) electronic components (same type) are imported for inward processing suspension system to be incorporated in three different compensating products:

2.000 radios (1 per radio)

1.000 pieces (2) of videos (3 components per video (3))

1.000 pieces of TVs (2 per TV)

Duty suspended is 600.000 Denars (4)

The holder of the authorization wants to declare 45 (5) videos for free circulation. The amount of the customs debt is determined as follows:

Calculations	Result	Comments
45 pieces (5) x 3 pieces (3)	135 pieces (6)	Imported goods incorporated in the compensating products declared for free circulation
$\frac{135 \text{ pieces (6)} \times 600.000 \text{ den. (4)}}{7000 \text{ pieces (1)}}$	11.571 denars	The amount of customs debt for the compensating goods declared for free circulation

The value scale method

The value scale method is used only in cases where it is not possible to use the quantitative scale method e.g. in situations where import goods are broken down to different compensating products during processing.

The quantity of import goods used to produce each compensating product is determined by the ratio of the value of each compensating product to the total value of all compensating products produced.

The value of each product to be used should be the recent ex-works price in Macedonia, or the recent selling price in Macedonia of identical or similar products.

Example

1 ton of ore is imported for processing to be broken down into three different compensating products: gold, silver and slag. Import duties and VAT to be suspended in the inward processing procedure is 100.000 denars. After the processing, gold is released into free circulation, and the silver and the slag are re-exported. Suspended import duties and VAT for the imported goods in proportion to the value of the gold needs to be calculated.

After processing we have the following data:

Compensating products	Kilo	Recent prices
Gold	1	800.000
Silver	5	200.000
Slag	994	100.000
Total	1.000	1.100.000

The amount of the customs debt for the imported ore in proportion to the value of the gold is determined as follows:

$$100.000 \times 800.000 : 1.100.000 = 72.727 \text{ Denars}$$

Suspended import duties and VAT for the ore X current value of gold :
current total value of all compensating products = amount of the customs debt occurred upon release of gold in free circulation

If the quantitative scale method was allowed to be used in this situation, the customs debt would have been determined as follows:

$$100.000 \times 1 : 1000 = 100 \text{ Denars}$$

To discharge the inward processing procedure by diversion of suspension goods into free circulation a declaration consisting of copies 6, 7 and 8 of the SAD and calculation of import duties to be paid must be presented to the supervising customs office together with explanation enclosed to the request for release in free circulation. The customs officer in the supervising customs office, after checking the declaration and the enclosed documents, signs and puts stamp in box A of the SAD and by doing this approves accepting of SAD by the customs office of discharge.

Box	Information to enter
1	Write down code from the Code Act “IM” in the first sub-box, and the first digit of the code written in first sub-box of box 37 (4 for releasing into free circulation) in the second sub-box
8	The name and address and VAT number of the holder of authorization.
31	<p>The trade name of the goods with all information needed for identification of the goods (compensating products or goods in the unaltered state) for calculation of duties:</p> <ul style="list-style-type: none"> • For secondary compensating goods from Annex 45 released for free circulation according to their “current value and rate” of the customs duty; the data concerning these goods* • For imported goods in an unaltered stage, the data for these goods • For compensating goods released for free circulation; the data concerning the import goods needed to obtain those compensating goods
33	The tariff code for the goods entered in box 31
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by the second two digits specifying previous procedure (for ex. For releasing into free circulation after inward processing procedure – suspension system for duty payment 4051). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year.
47	<p>Calculation of duties (import duties, VAT and compensatory interest) with type of duties in the first column and way of payment of duties in the last column.</p> <p>The import duty due will be determined on the basis of how much "import goods" there are in the goods the holder of the authorization is declaring for free circulation.</p>
54	Number of authorization for representing.

CL art. 136
IR art. 360

- * The “current value and tariff code” for the goods in Annex 45 means value of that goods in the moment of releasing in free circulation and the tariff code appropriate for that goods (value and tariff code for waste, scrap, residue, offcuts and remainders). This can be applied only to the quantity of secondary compensating products in Annex 45 that corresponds with the quantity of main compensating products that is

exported from Macedonia e.g. if the authorization holder exported 90% of his main compensating products he can use the current value and tariff code for secondary compensating products from Annex 45 for up to 90% of the main compensating products that re-exported.

IR art. 360 (2) If main compensating products are destroyed under customs control for one reason or another, these products shall be considered as exported.

Secondary compensating products not complying with the above conditions shall be subject to tariff code and value applicable to the goods originally imported.

IR art 320 (2) Upon releasing secondary compensating products from Annex 45 in free circulation, commercial policy measures applied for releasing the same secondary compensating products shall apply, and the commercial policy measures applied for releasing imported goods in free circulation shall not apply.

IR art 358 In the case of declaring compensating products for free circulation, boxes 15, 16, 34, 41 and 42 of the declaration IM 4 must refer to the import goods at the time of their first entry to the inward processing procedure and not to the compensating products.

IR art 320 (2) When compensating products different than those in Annex 45 obtained in inward processing procedure are released in free circulation, commercial policy measures which are applied upon release in free circulation of the imported goods shall apply.

Preferential tariff treatment

CL art 135 (1) If at the time when placing goods under inward processing procedure the import goods fulfilled the conditions in order to obtain preferential tariff treatment, these goods can obtain the preferential tariff treatment valid for the goods at the time of entering in inward processing procedure.

In addition, the valid movement certificate EUR 1 (4 months), in accordance with the free trade agreements, should have been submitted to the customs office of entry at the moment of placing goods under inward processing procedure.

CL art 135 (2) If the preferential tariff treatment is within tariff quotas or ceilings, aside from fulfilling abovementioned conditions, the condition quotas and ceilings not to be used at the moment of releasing goods in free circulation needs also to be fulfilled.

Destruction of goods

CL art 191

CL art 103

IR art 427

If the authorization holder wishes to destroy imported goods or compensating products, he may do so in the meaning of discharging the procedure without payment of the customs duty if waste and scrap resulting from destruction has no commercial value. On the basis of submitted application by the holder of

authorization, supervising customs office approves destroying of goods under customs supervision.

CL art 191 (5)

If waste and scrap resulting from destruction have a commercial value and they are release for free circulation, customs duty and VAT will be charged on the value and at the rate applicable to the waste and scrap.

To discharge inward processing procedure by destruction, the authorization holder must declare the goods to the office of discharge on a SAD. The application for destruction approved by supervising customs office and the record for destruction must be enclosed to the SAD.

In particular the following boxes should be completed with the following information:

Box	Information to enter
1	In the first subdivision code from Code Act (IM) and in the second subdivision the first digit of the code entered in the first subdivision from the box 37 (9 for destruction under customs supervision).
8	The name, address and VAT number of the holder of authorization.
31	The trade name of the goods with all information needed for identification of the goods (compensating products or goods in the unaltered state).
33	The tariff code for the goods entered in box 31
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by the second two digits specifying previous procedure (for ex. For distruction of goods under customs supervision after inward processing procedure – suspension system for duty payment 9351). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year.

Before the authorization holder allows the goods to be removed from his premises or from the premises of an operator, he must have evidence that they have been entered for the new procedure. The evidence is a copy of the declaration IM 9 concerned, certified by supervising customs office and indicating whether or not they wish to attend the destruction.

Bill of discharge

IR art 332

Latest within 30 days after the period for discharge has expired (no matter if aggregation is used), the holder of authorization has an obligation to submit bill of discharge to the supervising customs authority in a form given in annex 49.

Copy number 3 of re-export SAD verified by the customs authority of discharge/exit in case when authorization for transfer to customs authority of exit is issued (box 15 code 3 of the authorization) shall be submitted to the supervising customs authority together with the bill of discharge (in three copies) and the calculation note (if not already submitted) which specify the quantity and type of goods for which the procedure is being discharged of the appropriate import SAD.

The supervising customs authority, after checking the enclosed documents, verifies the bill of discharge and sends back one copy to the holder of authorization, and the second copy is retained in the file for the holder of authorization, i.e. encloses it to the import SAD for which the bill of discharge refers to.

With accepting the bill of discharge, the import SAD is considered to be discharged and the obligation of the supervising customs authority for supervision of the procedure ends.

CL 12 – 18

Discharging of import SAD shall not exclude the possibility for additional control and possible additional charge of the customs debt.

Multiple failure to fulfill the obligation for submitting bill of discharge and payment of the customs debt within the periods stated in authorization means grounds for starting a procedure for revocation of the authorization.

The bill of discharge is further discussed in part A-8-3-1-4.

Customs clearance at the customs office of discharge

Beyond the normal clearing and control procedure when goods are exported (quantity of goods, customs value, suspended customs duty etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- Re-exported goods must be mentioned in box 8 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in boxes in SAD
- Specification of all types of goods incorporated in the compensating products by quantity, tariff code and registration number of customs declaration for entering goods under inward processing suspension system
- When export – transit procedure is applied, the customs authority of discharge shall by stamp and signature verify on copy number 3 of the export SAD the discharging of procedure

- When transfer to customs authority of exit is used (box 15 code 3 of the authorization), customs authority of discharge verifies copies number 1, 2 and 3, and the goods together with the registration copy number 3 are sent to the customs office of exit. Customs authority of exit shall by stamp and signature verify on copy number 3 of the SAD physical departure of goods and discharging of inward processing procedure

A-8-3-1-6 Information sheet INF-1

IR art 333

For the purpose of providing relevant information for other customs regions involved in the inward processing procedure, the following information sheet can be issued if so requested by the authorized person or by initiative from the customs region:

- INF-1 (annex 51) provides details of the goods at the time of their first entry to the inward processing procedure such as import duties and VAT, compensatory interest, guarantee and commercial policy measures to be used if the goods are declared for free circulation in a customs region different from the one where the imported goods were declared for the inward processing procedure.

A-8-3-2 The drawback system

A-8-3-2-1 Generally

*CL art 138
and art 140*

The drawback system can find application for all goods, apart from goods which at the time when the goods are declared for free circulation:

- are subject to quantitative import restrictions (currently there are no such quantitative import restriction in Republic of Macedonia);
- are subject to tariff measures within quotas (if at the moment of placing goods under inward processing procedure drawback system, in accordance with the Free Trade Agreement, there is a quota for the country of origin of goods imported from – see box 16);
- are subject for export under prior export equivalence (see A-8-3-3-2)

*CL art 128 (1 b)
CL art 128 (2 b)*

Import duties and VAT, including antidumping duty, are paid when the goods are entered to the procedure. All commercial policy measure, e.g. import and export bans for the relevant goods, shall be fulfilled.

CL art 142 (1)

Import duties may be claimed back only if the goods or products are exported, transferred to another holder of an authorization (suspension system) or disposed of in one of the other ways listed in Part A-8-3-2-5.

The holder of authorization will not be able to reclaim duty on goods destroyed or on any waste and scrap, which results from that destruction.

This system usually suits a person who does not know how much of the goods he receives will be exported because he will not be charged compensatory interest on any goods he releases for use on the domestic market.

Conditions and restrictions of the drawback system

The following is a list of some of the main conditions, which an authorization holder must meet if he imports, exports, processes or holds goods under the drawback system. Failure to comply with any of these conditions could result in starting a procedure for customs offence, not approving repayment claim for import duties, or annulment or revocation of his authorization.

Conditions and restrictions of the drawback system	
1	a claim must be sent to the supervising office within six months after the discharge period has expired
2	the import duties cannot be reclaimed if the goods are transferred to another authorized drawback trader
3	Customs must be allowed to examine the authorization holder's records and goods at any reasonable time.
4	Calculation note is submitted to the customs office each month or each three months

Customs status of goods

Goods which are imported under the drawback system or compensating products which are manufactured from the same are in free circulation in Macedonia and can be sold, moved etc. without customs supervision.

A-8-3-2-2 Application/authorization

The arrangement for inward processing drawback system can only be used when the Central Administration of the Customs Administration has issued an authorization before or at the latest in connection with the first importation of goods for processing. In special circumstances an authorization can be made retroactive (see A-8-1-2).

Fundamental conditions

CL art 130
IR art 312 (1)

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who carries out the procedure or the organizer of the procedure (see A-8-1-1).

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal (for example evidence

concerning economic conditions, rate of duty, records etc) has to be joined to the application.

The applicant shall send the Questionnaire from Annex D, appropriately filled in, together with the application to the supervising customs office.

The supervising customs office considers the application and enclosed documents and if complete sends the application and enclosed documents to the Central Administration of the Customs Administration within 5 days from the date of submission of the application or from the date of receiving additionally requested information.

The Central Administration of the Customs Administration forms a commission which takes decision and issues the authorization if the applicant fulfills the conditions.

CL art 99
CL art 131

Before the Central Customs Administration issue an authorization they must be satisfied that:	
1	the applicant is established in Macedonia
2	the import goods can be identified in the compensating products (for example by means of samples, illustrations, technical specifications and so on)
3	the economic conditions are fulfilled
4	the applicant has the intention of re-exporting/exporting the main compensating products
5	they have sufficient resources to supervise and monitor the procedure
6	the necessary administrative activities isn't disproportionate to the economic benefit of the approved authorization

The authorization shall be issued in appropriate number of copies by the Central Administration of the Customs Administration:

- One copy to the applicant.
- One copy for Central Administration of the Customs Administration
- One copy to each supervising customs office

Supervising customs office makes a file for the holder of authorization together with a copy of the authorization and all the enclosed documents.

Simplified issuing of an authorization

IR art 312 (3) a)
IR art 348

There is a possibility for simplified issuing of an authorization if the following conditions are cumulatively fulfilled:

- Economic conditions are deemed to be fulfilled (see Annex 44)
- Goods are placed under procedure and the procedure is discharged using ordinary customs declarations at one customs authority
- Use of equivalent goods is not applied for
- When the whole quantity of import goods is imported at once for certain quantity of compensating products or when the goods is imported for repair.

Simplified procedure of placing goods under procedure can not be used at the same time when simplified issuing of authorization is used (see box 14 of this part).

IR art 316 b)

In such situations, where there is a possibility for simplified issuing of an authorization a declaration for placing the goods under the procedure together with the application for simplified issuing of authorization shall be approved as an application. When the declaration is accepted by the customs authorities of entry, it constitutes an authorization.

With simplified issuing of authorization the customs offices of entry, customs office of discharge of procedure and supervising customs office shall be in the same Customs House.

Abovementioned customs offices can be in:

- The place where the main accountancy of the importer is kept, or
- The place where the processing operations are to be carried out.

Simplified issuing of authorization shall be used only where simple and easy monitoring and supervising of the procedure is possible.

Goods are declared using the ordinary rules of declaration i.e. description of the goods, commodity code, customs value etc. (see A-8-3-2-3).

Be aware of the following boxes in the SAD:

Box 37 Write down the customs procedure code from the Code Act..

IR art 314

Box 44 Supplementary information regarding the procedure applied for:

- Name of the applicant and the operator if not the same
- Type of processing or of the goods (see box 9 of this part)
- Technical description of

- the goods entering the procedure
- the compensating goods
- the secondary compensating goods
- Suggested methods of identification of the import goods in the compensating products (see box 12 of this part)
- Economic conditions codes (see box 10 of this part)
- Suggested rate of yield or how to establish the rate of yield (see box 8 of this part)
- Estimated time needed before discharging the procedure (see box 13 of this part)
- Place where the operation is to be carried out

These supplementary information can be stated on a separate application form for simplified issuing of authorization (Annex F) enclosed to the customs declaration.

In the situation where the simplified application is used, the custom authority for entering the procedure is obliged to send the declaration before its accepted and all the enclosed documents to the supervising customs office which, if the appropriate conditions are fulfilled, verifies the declaration with a remark “approved”. If the appropriate conditions are not fulfilled, supervising customs office makes a decision by which the application for simplified issuing of authorization is refused and notifies the applicant for its decision.

The customs office of entry into procedure, after accepting the declaration for simplified issuing of authorization for inward processing, is obliged to send the original declaration together with all the enclosed documents to the supervising customs office which supervises the procedure.

Simplified issuing of authorization can be used only occasionally. If the importer constantly applies for simplified issuing of authorization, supervising customs office can refuse to issue an authorization and request submitting application for regular procedure of issuing authorization for inward processing.

Specific instructions regarding the application/authorization

The application form (annex 27) and the authorization form (annex 27) is almost identical. This part gives detailed descriptions of some of the important boxes in the application/authorization form. It also gives instructions to be used when an application for inward processing is evaluated and issued.

Box 5 – Place and kind of records

It shall be stated where the main accounts are located (if different from box 1). This will be the place where your commercial, tax or other accounting materials is located.

IR art 311 h) State what type of records. Records mean the data containing all the necessary information and technical details, enabling the Customs authorities to supervise and control the inward processing procedure.

IR art 326(1) (3) In order to ensure proper use of the procedure, the customs authorities may request the holder of an authorization to keep records which would show all data needed for proper calculation of all import duties eventually returnable. These must show:

IR art 327

- details of the quantities of goods entered to the procedure. If the authorization restricts the quantity or value of goods entering the procedure, it will be the responsibility of the authorized person to ensure that the limits are not exceeded. The authorized person will therefore need to ensure that the records enable him to monitor the amount of goods entered to the procedure;
- what goods are entered i.e. the commercial or technical description of the goods sufficient to identify them (this should correspond to the description of goods that will be stated in the authorization);
- when and where goods were entered to the procedure and documents relating to their entry;
- where all goods and compensating products held under the authorization are held at any time including any movement of goods and compensating products to or between operators specified in the authorization;
- what processing is carried out on the goods;
- locations where processing takes place;
- how goods entered to the procedure are identified in the products produced, for example manufacturer's marks, serial numbers, plumbs, seals, clip marks, other marks fixed to the compensating product, samples, illustrations, technical descriptions, analysis or other supporting documents that clearly show the compensating product has been manufactured from the goods entered the procedure;
- production data that establishes the rate of yield achieved i.e. how many products are produced including any secondary compensating products
- when and where goods were exported or disposed of including documents relating to their disposal.

The records must identify how goods can be traced from receipt through processing to disposal and provide details of locations, dates, values, quantity etc

IR art 326

As a general rule, the calculation note will be done by using the calculation note form shown in annex 47. If the applicant wants to use another type of calculation note, e.g. computer generated records, he shall specify in details how, by enclosing examples to the application, and the Central Administration of the Customs Administration by issuing the authorization, shall approve it.

The holder of authorization must notify the supervising customs authority for the calculation of the goods received or disposed of under the inward processing procedure with drawback system. For this notification, above mentioned calculation note or any other approved notification providing the same information must be used. The holder of authorization must send the notification to the supervising customs authority for monthly or quarterly period within 30 days after the end of this period.

The period for submitting calculation note and the additional information are determined in box 16 by the Central Administration of the Customs Administration which issues the authorization.

If the holder of a simplified authorization enters goods under the inward processing, he has to send a notification in a form of calculation note together with the repayment claim (shown in annex 50) and other necessary documents to the supervising customs authority latest within 6 months after the period given in the simplified authorization has expired.

Box 6 – The period of validity

IR art 318 (1)

The validity period for the authorization is laid down when issuing the authorization.

The Central Administration of the Customs Administration shall determine the period of validity of the authorization, taking into account the specific conditions of the production operation. Within this period the goods taken up in the authorization can enter for the procedure.

IR art 318 (3)

The period of validity shall not exceed three years from the date the authorization takes effect.

IR art 318 (4)

For milk and milk products under tariff no. 0401 to 0406 the maximum validity period is three months.

If the applicant uses the economic code 99, the validity period can not the first time round exceed 9 months. Extension of the period of validity is possible under certain circumstances which are closer discussed in box 10 of this part.

An authorization is normally (except authorizations made retroactive) granted validity from the date of issue or at any later date given in the authorization.

Box 7 – Goods to be placed under the procedure

Details of the goods placed under the procedure.

The 10-digits Customs tariff code is compulsory in the following situations:

- If equivalent goods are to be used
- The following economic codes are declared: 10, 11, or 99
- Milk or milk products are declared.
- The customs authorities demands it according to IR 314 (1)

In all other situations the 4-digit Customs tariff code can be used.

A description of the goods sufficient enough to clearly identify the goods.

Information about quantities and values are generally not necessary if the economic code is declared as 30 unless equivalence is applied for. If the economic code 30(6) is declared, information about the estimated value is compulsory.

Box 8 – Compensating products

Details of processed goods/products (main compensating and secondary compensating products). **All** goods that will be produced from the goods indicated in box 7 must be detailed.

Details about Tariff Code and description: see box 7.

Box 8 – Rate of yield

CL art 128 (2) f)

Rate of yield is the quantity of compensating products made from a unit quantity of goods entered to inward processing procedure with drawback system. When determining the rate of yield, some types of goods which enable/make the production easier which can not be identified in the compensating products are also taken into account (see part A-8-3).

The expected rate of yield or the method by which it will be calculated for all the main and/or secondary compensating products must be specified in the application. Where necessary, the applicant proves the way of determining the rate of yield with appropriate evidence enclosed to the application (drawings, sketches, illustrations, recipes etc.).

If the application refers to several types of compensating products, rate of yield for each separate type of compensating products shall be specified.

In cases where the rate of yield is not known at the time of application or the rate may vary during the production process, the applicant must record on his application how he is going to establish the rate of yield.

If the rate of yield on the application form changes or is incorrect, the applicant must inform the supervising customs office upon the newly occurred situation.

Way of determining the rate of yield is closer discussed in annex A.

IR art 328(1)
CL art 133

Rate of yield or the way of determining the rate of yield shall be stated in the authorization on the basis of the information in the application. If “explanatory note” or “lists of material” are used, the rate of yield can be expressed only by referring to them.

If the rate of yield is not established in the authorization, it shall be clearly noticed in the authorization together with the obligation of the holder of the authorization that he shall submit the rate of yield to the supervising office at the latest when placing the goods under inward processing procedure. In special circumstances, (making of samples or change of contract in the last minute) the authorized person shall submit information about the rate of yield to the supervising office after he has entered the goods in the procedure, but not later than two working days before the day of submitting the export declaration (or before the day of assigning a new customs allowed use or arrangement). The rate of yield is additionally submitted to the supervising customs office by mail or by fax on a form given in annex B. The original form is submitted to the supervising customs office together with the repayment claim.

The Central Administration of the Customs Administration which establishes the rate of yield or method used in the authorization, or the supervising customs office authorized to establish the rate of yield additionally, take into account circumstances in which the concrete operation is to be carried out. When establishing the rate of yield, the customs authority take into account all the enclosed evidence the holder of authorization use to prove the way of determining the rate of yield (drawings, sketches, illustrations, recipes).

Box 9 – Details of planned activities

The applicant must describe in details what processing operations will be carried out on the goods mentioned in box 7 to produce the goods in box 8.

If the applicant uses subcontractors, he shall state their names, addresses and their registration number. Furthermore their role in the operation and sequence of operations shall be stated.

Box 10 – Economic conditions

IR art 315 (2)

The economic conditions have to be indicated by the applicant by using one of the codes. This code corresponds with the reason why the applicant cannot use domestic goods.

IR art 315 (1)

Economic conditions are considered to be fulfilled in cases where Macedonian producers' interests are not considered to be affected by repayment of duties.

It is ensured during subsequent testing of the economic conditions that the authorization does not harm the interests of the domestic producers.

The economic codes and their explanations are closer discussed in annex 44.

Special circumstances

IR art 350

Even if the Central Administration of the Customs Administration has accepted one of the above mentioned economic reasons for issuing an authorization, the decision can be questioned by a domestic producer in the case where the authorization could have a negative impact for him.

The domestic producer may submit a substantiated application to the Central Administration of the Customs Administration to have the carrying out of the inward processing procedure stopped.

The Central Administration of the Customs Administration shall make a decision taking in account the obtained opinions from the ME and (if agricultural products are involved) from the MA. If the decision is in the favors of the applicant it shall specify the reasons why the economic condition is not satisfied.

Box 11 – Customs offices

Customs office for entering under procedure

IR art 311 e)

Customs office of entry into procedure is the customs office which is authorized for accepting the declarations for placing goods under procedure. One or more customs offices of entry into procedure can be established in the authorization.

As a rule, the customs office which is designated for the place where the processing operation is to be carried out is established as a customs office of entry into procedure. It also can be the customs office which is designated for the place where the main accountancy of the holder of the authorization is kept.

Customs office of discharge

IR art 311 f)

Customs office of discharge is the office authorized for accepting declarations by which the goods are assigned new customs allowed treatment or use, such as export, transfer to another holder of authorization. One or more customs offices of discharge of procedure can be established in the authorization.

As a rule, customs office designated for the place where the packing or loading the goods for export is to be carried out is established as a customs office of discharge. The customs office designated for the place where the main accountancy of the holder of authorization is kept may also be established as a customs office of discharge.

Supervising customs office

Supervising customs office is the customs office which is authorized for supervising the procedures. As a rule, one supervising authority shall be established in authorization according to the place where the main accountancy of the holder of authorization is kept.

As an exception, if the holder of authorization carries out processing operations at operators with different supervising customs authorities designated for the place where the processing operations are to be carried out, a main supervising customs office will be established in the authorization – according to the place where the main accountancy of the holder of authorization is kept. The main supervising customs office transfers its powers to the supervising customs offices designated for the place where the operations are to be carried out, and the main supervising customs office will be responsible for discharging the whole procedure authorized.

Box 12 – Identification

It is a condition for giving an authorization for one of the procedures that the goods entering a procedure can be identified in the compensating products.

How to identify the imported goods (box 7) in the compensating products (box 8) have to be indicated by the applicant and stated by the Central Administration of the Customs Administration by using one of the following codes:

1. Serial - or manufacturer's number
2. Affixing of plumbs, seals, clip-marks or other distinctive marks
3. Information sheet INF 7 (A-8-3-2-6)
4. Taking of samples, illustrations or technical descriptions
5. Analysis
7. Other means of identification such as records as referred to in box 5. Details must be explained in box 16.

Using the records is the most suitable method of identifying how goods in box 7 can be identified in the compensating products in box 8.

When drawing up the authorization, it shall, as a primary rule, be laid down which methods the customs authorities will use in order to fulfill this identification requirement.

Box 13 - Period for discharge

A processing deadline or period for discharge shall be established for the inward processing procedure, i.e. a deadline for the goods to be exported or declared for another customs procedure. The deadlines shall be established taking in account the processing operation which the goods will undergo.

The deadline shall be determined in the authorization by the Central Administration of the Customs Administration.

The deadline can be extended under certain circumstances.

The period for discharge starts from the date the holder of authorization imports to inward processing procedure or from the date when goods are transferred to him by another holder of authorization. The period for discharge ends when the compensating products or goods in an unaltered state are exported or assigned another customs approved treatment or use. (see part A-8-3-2-5).

IR art 353 (1)

CL art 132 (1)

The applicant needs to specify on his application the period he requires for **each compensating goods**. As a general rule the period should not normally exceed one year but in certain types of processing longer periods may be required. Where there are sound reasons longer periods will be approved.

On the other hand a period up to 6 months should be allowed without further notice.

For Simplified authorizations (see part A-8-3-2-2) a standard 6 months will apply unless the person concerned indicates a different period on the document that accompanies the declaration for entry for the procedure.

CL art 132 (2)

IR art 353 (1)

If, after the authorization is issued, the authorization holder finds he needs a longer period he should apply in writing for an extension to the supervising customs office. In very special circumstances the period may be extended even when that originally set has expired.

Period for discharge – specific products

IR art 353 (3)

CL art 132 (4)

For some specific products or processes, the period of discharging is restricted:

	Products/processing operations	Max period
1	Milk products referred to in Customs tariff code 0401 - 0406	4 months
2	Slaughtering without fattening of animals referred to in Customs tariff chapter 1	2 months
3	Fattening with or without slaughtering of animals referred to in Customs tariff code 0104 – 0105	3 months
4	Fattening with or without slaughtering of other animals referred to in Customs tariff chapter 1 than Customs tariff code 0104-0105	6 months
5	Processing of meat	6 months

In special circumstances the period of discharge may be extended on request, but no longer than 12 months.

If periodically aggregation is applied for

IR art 353 (2)

CL art 132 (2)

If the applicant want to use the possibility of a periodically (monthly or quarterly) aggregation, it must be stated in box 13 by referring to IR art 353 (2) and further details must be added in box 16.

The above mentioned periodically aggregation will be the same with the time limit for submitting the notification in a form of calculation note referred to in box

5, for example, if monthly aggregation is used, the holder of authorization has monthly obligation to submit a calculation note and inventory.

The periodically aggregation and its consequences for the discharging period is further discussed in annex B.

Box 14 – Simplified procedures

CL art 88
IR art 191-195

If the applicant wants to use one of the following simplified procedures when entering goods and/or discharging goods, he shall apply by using one of the matching codes (box 14 a – entering, box 14 b – discharging):

Procedure	Code
Incomplete declarations	1
Simplified procedure for declaring	2
Local clearance with presentation	3
Local clearance without presentation	4

Application to use simplified procedure for inward processing is approved by stating one of the abovementioned codes in the authorization and it must contain detailed rules and procedures for simplified procedure granted.

If the applicant already has an authorization to use one or more of the above mentioned simplified procedures in connection with declarations for free circulation or export and he wants to use any of the simplified procedures for entering/discharging goods under/of the procedure, a copy of the authorization shall be attached to the application if it refers to the same type of goods for which the application for inward processing is submitted.

Central Administration of the Customs Administration approves use of one of the simplified procedures by referring (number and date) to the previous authorization for using simplified procedure in the authorization for inward processing.

The simplified procedures are closer discussed in part A-6.

Box 16 – Supplementary information

Any additional information considered relevant such as additional information concerning:

- Box 5 period for submitting calculation note
- Box 12 code 7
- Box 13 periodically aggregation

In the authorization the Central Administration of the Customs Administration can state the detailed rules concerning repayment claim, periodically aggregation, the rights of the supervision customs office, annulment of the authorization etc.

Goods subject to quantity restrictions or tariff measures within quotas for the country they are imported from (origin) can not be placed under inward processing procedure drawback system.

Box 18 – Equivalent goods

If equivalence is applied for according to part A-8-3-3-1, this box shall be filled in with information about the equivalent goods such as the 10-digit tariff code, the commercial quality and a technical description.

These information must be sufficient to enable a comparison between these goods and the goods in box 7.

If equivalence is approved the Central Administration of the Customs Administration will indicate that in the authorization by filling in this box with information about the 10-digit tariff code and a description of the goods.

Eventual further rules or conditions will be specified in box 21 in the authorization.

Box 21 – Additional information

Any additional information concerning box 18.

A-8-3-2-3 Entry of goods under the procedure

The goods are placed under inward processing procedure on the basis of:

IR art 116

1. Customs declaration in normal procedure; or

IR art 191

2. Incomplete declaration; or

IR art 192

2. Simplified declarations in case of simplified procedure of declaring; or

IR art 192

3. Entering goods in records in a case of local clearance procedure; or

The goods have to enter for the procedure within the period of validity of the authorization.

The simplified procedures (2, 3 and 4) are closer discussed in part A-6..

CL art 138

Goods subject to quantitative restrictions or tariff measures within quotas for the country they are imported from (origin) cannot be entered under inward processing drawback system, but must be entered under suspension system.

Customs declaration in normal procedure

Lodging the declaration

Declaration is lodged at the customs office of entry stated in the authorization. The number of the authorization of inward processing procedure shall be clearly indicated in the declaration.

In cases where goods shall be placed under the procedure for which the processing operations shall be carried out on different places or there are more operators located on different places under supervision of one supervising customs office, one declaration is submitted at any of the customs offices of entry into procedure stated in the authorization.

If several supervising customs offices are established, a separate customs declaration shall be submitted to each of the supervising customs offices for the goods they are supervising. In this case, all separate customs declarations may be submitted at any of the customs offices of entry into procedure stated in the authorization.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of entry into procedure to be submitted at a customs office which is not indicated in the authorization.

The SAD declaration

IR art 116

IR art 120

Customs declaration in normal procedure is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance. When filling in SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down code from the Code Act “IM” in the first sub-box, and the first digit of the code written in first sub-box of box 37 (4 for drawback system) in the second sub-box
8	The name and address and VAT number of the holder of authorization.
33	The tariff code for the goods entered in box 31
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by the second two digits specifying previous procedure (for ex. For inward processing – drawback system if there was no previous procedure 4100). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year.
47	Calculation of duties with type of duties in the first column and way of

	payment of duties in the last column.
54	Number of authorization for representing.

Additional documents to the declaration

IR art 127 (1) b) The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- Declaration for customs value of the goods D.V. 1 from Annex 15 in IR
- A photocopy of the authorization for carrying out the procedure
- Approvals, licenses, certificates according to commercial policy measures if necessary
- All other documents needed for application of regulations.

An appropriate evidence for origin may be submitted to the declaration and is taken into consideration when calculating the customs debt.

Where the rate of yield is not established in the authorization and it shall be submitted latest at the moment of placing goods under inward processing procedure, a form for additional submission of rate of yield and necessary documents as evidence may be enclosed to the customs declaration.

If goods are entered to the inward processing procedure under a simplified authorization an accompanying document will also need to be completed (see part A-8-1-1).

Customs clearance at the customs office of entry

Beyond the normal clearing and control procedure when goods are entered for free circulation (value of goods, customs value, import duties and VAT etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- The authorization must still be valid
- The imported goods must be mentioned in box 7 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in boxes in SAD

- Commercial policy measures in reference to **entry** of goods in customs territory (such as protection measures) as well as commercial policy measures in reference to **import** of goods in free circulation shall apply.

After customs clearance the goods are released for free circulation and at the same time placed under the inward processing procedure drawback system.

For all customs declarations placed under inward processing procedure the previous day, a report in three copies (defined report ??) shall be prepared. Two copies of the report with all the original customs declarations and enclosed documents shall be submitted to the supervising customs office stated in the authorization. The supervising customs office verify one copy of the report and send it back to the customs office of entry under procedure which files it in a separate file as a confirmation of accepting the first copy of the report.

A-8-3-2-4 Supervising the procedure

Supervising customs office forms a file for each authorization. The file consists of authorization, all original customs declarations the goods are entered/discharged under/of procedure with, all documents which the holder of authorization submits to the supervising customs office for fulfilling the obligations stated in the authorization, repayment claims and control records. All activities and all correspondence between the supervising customs office and the holder of authorization shall be filed in the file.

Periodically presentation of records etc

IR art 326 (3)-(5) The holder of an authorization is obliged to submit to the supervising customs office calculation note in a form given in annex 48 for a period of one or three months (the period is clearly stated in the authorization).

Central Administration of the Customs Administration may approve the calculation note to be submitted in different form provided they contain all information needed.

Calculation note are submitted to the supervising customs office at the latest 30 days after the period they refer to has ended (e.g. if it is stated in the authorization that the calculation note refers to one month for the period from 01.03 to 31.03., it shall be submitted to the supervising customs office latest the 30.04.). After the control, supervising customs office shall place the calculation note in the file.

Supervising customs office monitors the period for submitting the calculation note. If supervising customs office, after this period has ended, finds out that the calculation note has not been submitted, it shall notify the holder of authorization that the period has ended and ask for the documents to be submitted as soon as possible.

The rate of yield

If the rate of yield is not established in the authorization, supervising customs office monitors if the rate of yield is submitted subsequently.

If the authorization states an obligation of the holder of authorization to submit the rate of yield to the supervising customs office at the latest in the moment of entering goods under inward processing procedure after the original customs declarations for entry is lodged, supervising customs office checks whether the rate of yield is submitted together with the customs declaration or directly to the supervising customs office.

Supervising customs office monitors submitting of the rate of yield when, in special circumstances, the holder of authorization is approved to submit the rate of yield after placing the goods under procedure, but not later than two working days before the date of submitting the export declaration (or before the date of establishing a new customs approved treatment of use). In this case the supervising customs office, after additional submitting of rate of yield and check of the enclosed documents, files it in the file.

If the rate of yield established in the authorization has changed or is incorrect, the holder of authorization has an obligation to notify the supervising customs office immediately after the new situation has occurred.

Multiple failure to fulfill the obligation for submitting rate of yield within the periods stated in authorization means that obligations stated in the authorization have not been fulfilled and also means grounds for revocation of the authorization.

Repayment claim

The declarations for entry for the drawback system do not have to be discharged.

The holder of the authorization will only be reimbursed for the paid duties when it is requested (claimed) via the supervising office using the Repayment Claim shown in annex 50.

Copy number 3 of export SAD verified by the customs authority of discharge shall be submitted to the supervising customs authority together with the repayment claim (in three copies) and the calculation note (if not already submitted) which specify the quantity and type of goods for which repayment of duties are claimed.

IR art 332 (1)

The repayment claim must reach the supervising office within 6 months after the day where the discharging period ends (see box 13). This does not exclude that the repayment claim can be submitted before (inter alia to have the duties repaid sooner) if it refers to the total amount of duties for the U 4 declaration.

When a repayment claim has been received from the holder of authorization concerning one specific IM 4, it is considered that he has no more claims concerning the IM 4 in question.

The supervising customs authority, after checking the enclosed documents, verifies the repayment claim and sends back one copy to the holder of authorization, the second copy to the Revenue Collection Unit for repayment of duties and the third copy is retained in the file of the holder of authorization, i.e. encloses it to the import SAD for which the repayment claim refers to.

A certificate for repayment shall be made in 3 copies for each IM 4 where repayment of duties has been finished. One copy of the certificate shall be archived in the file. Two copies of the certificate with all the original customs declarations with enclosed documents shall be submitted to the customs office of entry into procedure. Customs office of entry into procedure verifies one copy of the certificate and sends it back to the supervising customs authority. Verified copy is enclosed to the copy in the file.

At that time the obligation of the supervising customs office concerning supervising that specific IM 4 ends.

CL art 12-18

Repayment of duties, and in that way ending the procedure, shall not exclude the possibility for additional control and possible additional charge of the customs debt.

It is the authorization holder's responsibility to submit his repayment claims in time. The customs office of supervising are not entitled to monitor the period of submitting the repayment claim. No reminders will be sent.

CL art 132 (2)

IR art 353 (1)

If the holder of authorization failed to submit a claim within the required timescale he may apply to the supervising office for an extension. However, approval is not automatic and he will need to show that there are special circumstances which warrant such an extension before it is granted.

Multiple failure to fulfill the obligation for submitting repayment claim within the periods stated in authorization means that obligations stated in the authorization have not been fulfilled and also means grounds for revocation of the authorization.

Post clearance control

Supervising customs authority shall make a monthly plan for control of holders of authorizations. The monthly plan shall state the period, the type of goods, the rate of yield and the holders of authorization to be controlled.

The plans will be made according to the previous controls, scope of work and risk analysis. The control may be physical or documentary and shall refer to the identity of goods, control of documentation, additional information requested, records of the holder of authorization, production process, rate of yields, raw-materials on stock and compensating products.

Each holder of authorization shall be controlled at least once a year. After the control is made, a control record shall be made and filed.

On the basis of control of calculation notes, rate of yields, records of controls made, as well as received and available information, supervising customs office shall actively take part in risk analysis and making of profiles for selectivity upon export-import clearance. Supervising customs authority monitors the findings from export-import clearance on the basis of the profiles established in this way.

If supervising customs authority established that authorization is given on the basis of incorrect information or that the holder of authorization does not fulfill obligations set in the authorization and, although warned, he operates the procedure incorrectly, it submits a suggestion for annulment or revocation of authorization to the Central Administration of the Customs Administration. It shall enclose evidence to suggestion (record, warning note, and other documents).

A-8-3-2-5 Discharging goods from the procedure

The holder of the authorization can dispose of the goods on the on the basis of:

IR art 116

1. Customs declaration in normal procedure; or

IR art 195 (1)

2. Incomplete declarations; or

IR art195 (1)

3. Simplified declarations in case of simplified procedure of declaring; or

IR art195 (1)

4. Entering goods in records in a case of local clearance procedure

The goods have to be disposed of within the period of discharging according to the authorization.

IR art 331

If the authorization holder has entered goods under several declarations and he is unable to determine which compensating product has been produced from which imported goods, then he can discharge the procedure successively, starting with the earliest of the declarations.

The simplified procedures (2, 3 and 4) are closer discussed respectively in part C-1.

Declaration is lodged at the customs office of discharge stated in the authorization. A separate declaration (continuation form – SAD BIS - group of boxes 31 – 46) has to be used per type and commercial type of compensating goods to be exported even if they have the same tariff code. The number of the authorization of inward processing procedure shall be clearly indicated in the declaration.

In cases where procedure needs to be discharged for which the packing and the loading shall be carried out at different places under supervision of one supervising customs office, one declaration is submitted at any of the customs offices of discharge stated in the authorization. If several supervising customs offices are established, a separate customs declaration shall be submitted to each

of the supervising customs offices for the goods under their supervision. In this case, all separate customs declarations may be submitted at any of the customs offices of discharge stated in the authorization.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of discharge to be submitted at a customs office which is not indicated in the authorization.

Eligible disposals of goods

IR art 355

CL art 142 (1)

The authorization holder can reclaim the duty on drawback goods when the compensating products or goods in unaltered stage have been either:

- exported from Macedonia;
- placed, with a view to being subsequently re-exported, under the transit procedure, customs warehousing, temporary importation, free zone or free warehouse or the inward processing procedure (only suspension system);
- transfer the goods under SAD to a customs approved treatment or use such as duty free shops at international airport, Embassies, armed forces of other countries etc;

Be aware that duty can not be reclaimed on drawback goods which are destroyed.

Dispose of the goods by exporting them, are closer discussed below.

Exporting goods

IR art 116

IR art 120

When goods under the drawback system are disposed of by exporting them outside Macedonia, an export declaration is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance.

When filling in the SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down code from the Code Act “EX” in the first sub-box, and the first digit of the code written in first sub-box of box 37 (4 for export) in the second sub-box
2	The name and address and VAT number of the holder of authorization.
31	Detailed description of goods enabling identification of the goods, the way it is given in authorization.

33	The tariff code for the goods entered in box 31
37	Code for the customs procedure from the Code Act with four digits containing code of two digits specifying requested procedure followed by the second two digits specifying previous procedure (for ex. For exporting goods previously entered under inward processing procedure – drawback system 1041). The second sub-box is filled in for specific procedures with code containing a letter followed by two digits.
44	Code of the supervising office/ number of authorization/year.
54	Number of authorization for representing.

Goods exported are not be to written off in the inward processing records until satisfactory evidence of export has been received. This evidence should be copy 3 of the export declaration endorsed by the customs office of exit, certifying the physical departure of the goods.

IR art 127 (1) b) The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- A photocopy of the authorization for carrying out the procedure
- All other documents needed for application of regulations

CL art 232 If a request for issuing certificate for origin EUR 1 is enclosed to the declaration, then, according to the ratified agreements of Republic of Macedonia, the holder of authorization may not claim back duties on foreign goods without origin which is incorporated in the goods with origin.

Repayment claim

IR art 332(1) The repayment claim must reach the supervising office within 6 months after the day where the discharging period ends (see box 13). This does not exclude that the repayment claim can be submitted before (inter alia to have the duties repaid sooner) if it refers to the total amount of duties for the U 4 declaration.

When a repayment claim has been received from the holder of authorization concerning one specific IM4, it is considered that he has no more claims concerning the IM4 in question.

CL art 12-18 Repayment of duties, and in that way ending the procedure, shall not exclude the possibility for additional control and possible additional charge of the customs debt

It is the authorization holder's responsibility to submit his repayment claims in time. The supervising customs office is not entitled to monitor the period of submitting the repayment claim. No reminders will be sent.

CL art 132 (2)

IR art 353 (1)

If the holder of authorization has failed to submit a claim within the required timescale he may apply to the supervising office for an extension. However, approval is not automatic and he will need to show that there are special circumstances which warrant such an extension before it is granted.

The repayment claim is further discussed in part A-8-3-2-4.

Customs clearance at the customs office of discharge

Beyond the normal clearing and control procedure when goods are exported (quantity of goods, customs value etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- The export goods must be mentioned in box 8 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in the boxes of the SAD
- The customs authority of exit shall by stamp and signature verify on copy number 3 of the SAD the physical exportation of the goods. The copy number 3 shall be handed over to the exporter or his representative after verification.

A-8-3-2-6 Information sheet INF-7

IR art 333

For the purpose of providing relevant information for other customs regions involved in the inward processing procedure, the following information sheet can be issued if so requested by the authorized person or by initiative from the customs region:

- INF-7 (annex 51) provides details which enable to calculate the repayment of customs duty under the inward processing drawback system. It can be used in situations where goods are transferred to another holder of authorization in another customs region without repayment of duty. The repayment can then be done when the goods are entered by the receiving trader to a suspensive procedure or exported by submitting the INF-7 for notification together with the declaration. The notified INF-7 must then be submitted together with the repayment claim to the supervising customs office where the imported goods were declared for inward processing under drawback system.

A-8-3-3 Special arrangement under the inward processing procedure

On application a holder of authorization can be authorized to use domestic goods for inward processing (equivalent goods) and to export/re-export compensating products made from equivalent goods before the import of inward processing goods (prior exportation).

Authorization can also be issued for inward processing in a customs warehouse or a free zone and have processing operations made outside Macedonia without discharging the procedure.

The possibilities are further discussed below.

A-8-3-3-1 Equivalent goods

CL art 129 (1) a) This is a procedure that can allow a person to use equivalent domestic goods in place of goods imported for inward processing. It must not be used to offset exports of domestic goods in order to reduce import duty bills on imports for use on the Macedonian market.

Equivalent goods can only be used if it is authorized in the authorization. If a company already has an authorization for inward processing and he wants to use equivalent goods, the authorization can be amended at the holder's request.

The advantage of using equivalent goods

The equivalent system makes the use of the inward processing more flexible:

- **Goods held in common stock** – as the holder of authorization does not have to keep imported goods for inward processing separate from the equivalent goods. They can be stored together. It does not matter if he cannot differentiate between them. Goods sent for export/re-export will still be counted against the stock record balance of inward processing goods.
- **Replacement parts** - if the person concerned imports goods for repair etc he can export a replacement part which he has repaired previously.
- **Goods not held in common stock** – the person concerned can claim equivalence in other circumstances, which is where the goods are not in a common stock. If he differentiates between the goods for any commercial reasons, the supervising office will want to know why, in order to decide if they will qualify as equivalent to the goods imported for inward processing.
- **Record keeping requirements** - the person concerned need only keep a balanced account of exported/re-exported goods against goods imported for inward processing (provided he does not differentiate between the goods for any reason).

The equivalent goods can be:

- Imported goods from the same source (same supplier, same company) which are released for free circulation
- Goods imported from other sources (other supplier, other company) which are released for free circulation
- Goods obtained from domestic sources which are already on the domestic market

When are goods equivalent?

CL art 129 (2)

To be equivalent goods, they must be exactly the same as the goods he is authorized to import to inward processing. They must be of the same

- commercial quality
- technical characteristics
- commodity code

When evaluating an application for using equivalent goods (goods A and goods B are declared as equivalent) the officer in charge must consider the following questions:

- are A and B mutually interchangeable?
- would a Macedonian and non-Macedonian customer ordering A (or a compensating product containing A) accept B (or a compensating product containing B) instead and vice versa?
- do the applicant differentiate between A and B for any reason?

If the answer to the first two questions is "yes" and to the third "no", then assuming that A and B share the same commodity code, they will usually be equivalent for inward processing purposes.

When the person concerned applies to use equivalence the information he provides must be sufficient for a comparison to be made between the goods. He must state common characteristics of the equivalent goods and the goods he enters to inward processing and suggest how this can be checked e.g. technical specifications, samples.

Goods at a more advanced stage

CL art 129 (2)

IR art 352 (2)

It can be allowed to use goods at a more advanced stage provided that the authorized person carries out the essential part of the processing on the equivalent goods or it is carried out on his behalf by an operator named in his authorization.

The holder of authorization will need to demonstrate:

- the more advanced stage goods were manufactured from goods which would qualify as equivalent as the goods for which he has an authorization for inward processing;
- that an operator named on his authorization carries out the same processing on the goods as the processing he is approved to do under inward processing;
- that compensating products he obtains from the goods at a more advanced stage are the same as those he is authorized to produce under his authorization; and
- the process takes place at his premises or at an operators premises named on his authorization.

Customs status of goods

IR art 356 (1)-(2) Equivalent domestic goods assume the customs status of inward processing goods (foreign goods), when the export/re-export declaration is accepted and inward processing export procedures apply to them.

The use of equivalence does not change the origin of the exported/re-exported goods, which retain their true origin.

A-8-3-3-2 Prior exportation

This is a procedure that allows the export of products made from equivalent goods to take place before the import of inward processing goods i.e. export before import.

Prior exportation can only be used if it is authorized in the authorization. If a company already has an authorization for inward processing including equivalent goods and he wants to use the possibility of prior exportation, the authorization can be amended at the request of the holder of authorization.

Prior export equivalence can be used for suspension system, but it cannot be used for the drawback system.

The advantage of using prior exportation

Prior export can be of use to the person concerned in a number of ways:

- Urgent export - if he receives an order but does not have any raw materials under the inward processing procedure in stock, he can (provided he is approved) export immediately, using equivalent goods drawn from his duty-paid stock. He can then import replacement goods for inward processing and use them as he wishes without paying duty.

- Occasional exports - if he only occasionally export, or export is a small proportion of his total sales, it may not be practicable to import goods in advance to the inward processing procedure. He can import goods to free circulation initially, export the products and then import goods to inward processing to replace the goods exported from his duty-paid stock.
- Reasonable estimation - if he is entering goods to the inward processing procedure on the basis of a reasonable estimate of his export needs and he finds he has underestimated his inward processing needs, he simply supplies export markets with products made from domestic materials. When he next imports, he can enter a higher proportion to inward processing on the basis of prior exports.

Time limits for importing the replacement goods

CL art 132 (3)
IR art 354

As a basic rule the replacement goods must be imported within 6 months of export. If this proves difficult holder of authorization can apply to the supervising office explaining the reasons for needing an extension. An extension can only be considered to a maximum total period of 12 months.

For goods subject to commercial policy measures which apply to entering goods in customs territory the period can not exceed 3 months. By exclusion, this also refers to commercial policy measures which apply to release of goods in free circulation if the license for the goods to be imported is issued for protection of the human health and protection of the environment.

Customs status of goods

IR art 356 (3)

Under prior export equivalence, although in free circulation, the equivalent goods assume the customs status of inward processing goods (foreign goods) when the export declaration is accepted and inward processing export procedures apply to them. The replacement goods change status and become domestic goods at the moment when the import declaration for placing goods under inward processing procedure is accepted and they are released.

The use of prior export equivalence does not change the origin of the exported goods, which retain their true origin.

A-8-3-3 Inward processing in free zone

CL art 184 c)

The inward processing suspension procedure can, if so authorized, be carried out in a free zone. Usual inward processing suspension procedure shall apply (see part A-8-3-1).

How to apply for approval

In the application for inward processing it must be stated in box 16 specifying the type of free zone where the processing will be carried out.

Release of goods in free circulation for which the inward processing suspension procedure is discharged by entering into free zone

If the goods released for free circulation were in the inward processing suspension procedure before free zone, in accordance with the previous note “IPR”, suspended import duties and VAT shall be charged, and the period spent in free zone will be included in the period for charging compensatory interest (A-8-3-4).

At the same time in accordance with the previous note “Commercial policy”, commercial policy measures which apply to release of goods in free circulation shall apply.

A-8-3-3-4 Processing operations outside Macedonia

CL art 137 (1) Although temporary export does not discharge inward processing, if the temporary export is for processing and return, the holder of authorization can use the outward processing procedure in conjunction with the inward processing procedure.

If the inward processing suspension procedure continues for the returned goods, import duties and VAT for the processing done outside Macedonia shall be suspended.

If the inward processing drawback procedure continues for the returned goods, import duties and VAT for the processing done outside Macedonia shall be charged. After the completion of the procedure for the submitted repayment claim, duties for the processing done outside Macedonia shall be repaid.

CL art 137 (2 b) This opportunity could be interesting if the products, after they have been returned from processing outside Macedonia and declared again for the inward processing procedure, are not re-exported under the inward processing procedure, but, of one reason or another, are declared for free circulation. In that case holder of authorization will be able to benefit from the outward processing procedure and pay less duty.

Example

Holder of authorization imports raw material, value 100.000 denars, under the inward processing procedure and makes some compensating products. The compensating products, value 150.000 denars, are exported with the purpose of labeling and are after labeling sent back for packing under the inward processing system. The labeling cost is 25.000 denars. The packed compensating products are subsequently declared for free circulation in Macedonia.

The customs duty rate for the raw materials is 5 % and for the compensating products 10 %.

Calculation of the customs duty if the company does not have an authorization for outward processing:

Imported for inward processing (150.000 + 25.000) 175.000 Denar

Customs duty, rate 10 % 17.500Denar

Calculation of the customs duty if the company does have an authorization for outward processing:

Imported raw materials 100.000 Denar

Customs duty, rate 5 % 5.000 Denar

Labeling costs under the outward processing system 25.000 Denar

Customs duty, rate 10 % 2.500 Denar

Customs duty total (5.000 + 2.500) 7.500Denar

When applying for inward processing authorization the applicant should be ensured that any time under outward processing is included in the period for discharge.

Where inward processing suspension goods are transferred to the outward processing procedure before diversion, any time spent under the outward processing procedure is included in the period where compensatory interest are charged (see part A-8-3-4)

Conditions

If authorized for outward processing before exporting the goods for processing, the goods, after processing, can be re-entered to inward processing. Duties to be paid under the drawback system or duties to be suspended under the suspension system are the ones calculated in the outward processing procedure.

This means that if the goods are re-imported to the inward processing procedure additional duty will be due as a result of processing carried out under the outward processing procedure. At re-importation the additional duty will be suspended when returned to the inward processing suspension system or must be paid if returned to inward processing drawback system.

CL art 141

If the goods of one reason or another is not re-imported it will be necessary to apply to have the outward processing entry invalidated and replaced it with export declaration for discharging inward processing procedure.

When the outward processed goods are re-imported to inward processing the duty liability remains until the re-imported goods are discharged according to part A-8-3-1-5.

A-8-3-4 Compensatory interest

A-8-3-4-1 Generally

IR art 330 (1)

This part explains about compensatory interest which must be charged on the amount of import duty when goods (goods in an unaltered stage, compensating goods or imported goods) under the inward processing suspension system are diverted to the Macedonian market, including transfers from the suspension system to the drawback system.

Compensatory interest is charged on inward processing suspension goods to prevent operators who divert such goods gaining a financial advantage over operators who import directly to Macedonian market and who will not have had the benefit of deferring the payment of customs duty due on the same goods at import.

Compensatory interest will also be due on goods under the drawback system that are re-entered to a customs procedure under which duty is suspended e.g. inward processing suspension system, customs warehousing, Temporary Importation or Free Zone, and then subsequently released to the Macedonian market.

Where inward processing suspension goods are transferred to a customs warehouse, Free Zone, Temporary Importation or Outward Processing before diversion, any time spent in the other suspensive procedure is included in the charging period.

A-8-3-4-2 How to calculate

IR art 330 (3)

Compensatory interest is calculated from the first day of the month following the date of first entry to inward processing suspension system in Macedonia, to the last day of the month in which the goods are diverted and the customs debt is incurred.

If goods are not put to an eligible disposal by the end of the agreed discharging period and no extension has been requested, the debt will be incurred on the day following the date the discharging period expires.

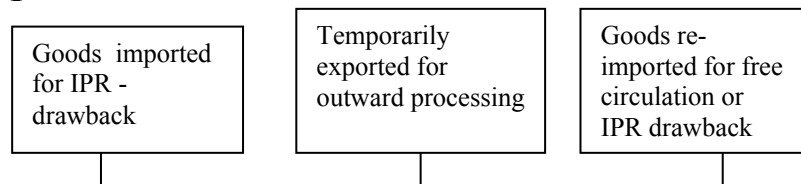
If the authorization holder has inward processing suspension goods which were previously entered to the inward processing drawback system, the charging period starts from the first day of the month following the month in which the repayment actually was made.

A-8-3-4-3 Examples - period

Fabrics are imported from Germany and declared for inward processing (dyeing). The dyed clothes are sent to Turkey for ready-making (shirts) under the outward processing procedure. The shirts are re-imported to Macedonia and again declared for inward processing (labeling, packing). The shirts were intended for the EU-marked, but due to failing trade on the European market, the shirts are declared for free circulation.

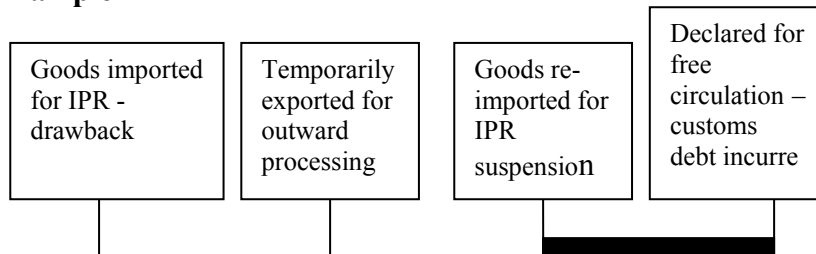
The period for which the compensatory interest is liable is marked:

Example 1

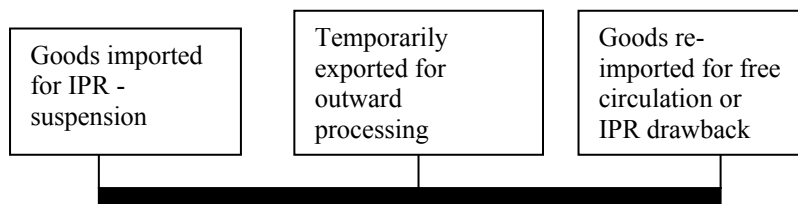


No compensatory interest is liable

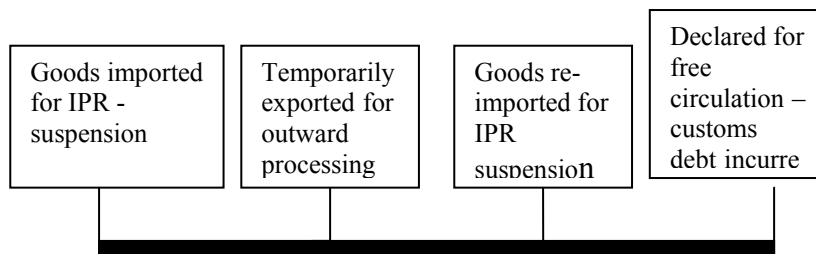
Example 2



Example 3

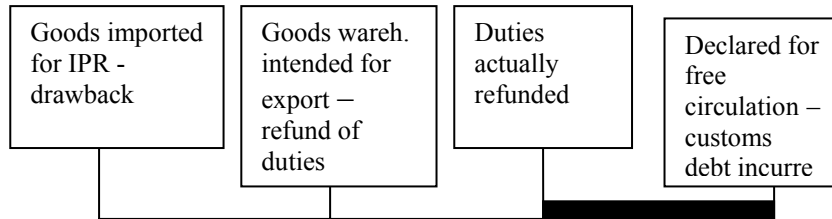


Example 4



Example 5

In this example the dyed fabrics is not exported to Turkey under outward processing procedure. Instead, it is stored in a customs warehouse and from there it is declared for free circulation. (CL art. 142 (2))



A-8-3-4-4 Examples - calculation

In both cases, the amount of the interest rate is given just like an example.

Example 1

Electric motors imported under the suspension system for assembly of washing machines.

Rate of yield:	1:1.
08.04.2004:	1000 motors imported
Customs duty suspended:	800.000 denars (8.000 denars each)
19.08.2004:	600 washing machines (1 motor each machine) declared for free circulation in Macedonia.
Customs duty:	$8.000 \times 600 = 480.000$ denars
Monthly interest rate:	1 %
Number of months:	4 (from 01.05.2004 to 31.08.2004)
Compensatory interest	4 % of 480.000 denars = 19.200 denars

Example 2

Integrated circuits (ICs) and resistors imported under inward processing suspension for TV assembly:

Rates of yield:	IC's 10:1
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resistors 20:1

01.08.2004:	1000 ICs imported, duty suspended = 200.000 denars (200 denar each)
15.09.2004:	5000 resistors imported, duty suspended = 100.000 denars (20 denars each)
28.09.2004:	48 TVs (containing 480 ICs and 960 resistors) declared for free circulation
Customs duty on ICs	$480 \times 200 = 96.000$ denars
Monthly interest rate	1 %
Number of months	1 (01.09.2004 to 30.09.2004)
Compensatory interest	1 % of 96.000 denars = 960 denars (approx.15 Euro). No interest is chargeable as the interest due is below the minimum of 20 Euro (see A-8-3-4-6).
Customs duty on resistors	$960 \times 20 = 19.200$ denars
Monthly interest rate	1 %
Number of months	0 (the import takes place in the same month as the declaration for free circulation.
Compensatory interest	No interest is chargeable on the diversion of resistors as the charging period is less than one month (see A-8-3-4-6).

A-8-3-4-5 Rate

IR art 330 (2)
CL art 245

Quarterly interest rates of the money market published in the Bulletin of the National Bank of Republic of Macedonia shall apply. The rate applied is the rate that was applied two months before the month in which the customs debt occurred.

The holder of authorization must calculate the compensatory interest on a separate sheet and give an explanation why does he deems the exception for payment of compensatory interest should apply. Calculated compensatory interest shall be written down in box 47 in SAD and shall be added to the total amount of import duties.

A-8-3-4-6 Exceptions

IR art 330 (4)

No interest is due if:

- the period for interest is less than one month;
- the interest due on a diversion entry does not exceed €20 (in denar equivalent value per customs debt incurred);
- customs debt has occurred with intention to obtain preferential tariff treatment upon importation in another country, in accordance with the agreement between Republic of Macedonia and that country (CL art.232);
- goods are destroyed under Customs supervision and the resultant scrap and waste is released for free circulation;
- secondary compensating goods in proportion to exported quantities, are released for free circulation o
- the authorization holder can prove that a firm export order has been canceled due to circumstances beyond his control. He must forward to the supervising office written evidence to support his claim;

Note - If the authorization holder wishes to divert goods whilst his claim is being considered he must provide security to cover the full amount of potential interest.

- cash security at least equal to the amount of duty due has been paid;

A-8-4 Processing under customs control

CL art 143 Processing under customs control provides a possibility for allowing foreign goods to be subject to processing on Macedonian customs territory without a prior release for free circulation. When the processed goods after processing are released for free circulation, the customs rate which applies for the processed products are applied.

IR art 320 (3) The commercial policy measures in force for the processed goods shall at the time when they are released for free circulation, only be applied if the imported goods are subject to such measures.

IR art 363 (1) This arrangement is meant to be used in situations where the customs rate to be paid on raw materials or semi-finished goods exceeds the customs rate on the product processed from raw materials or semi-finished goods. An example of this is the importation of goods which are to be denatured for a specific purpose or are broken down for scrap or destruction of goods.

The purpose of this arrangement is to attract activities to Macedonia without setting aside the protection of the Macedonian producers offered by the customs rate.

The rules for processing under customs control are found in article 97-104 and article 143-149 of the CL, article 311-333 and 363-364 of the IR and the VAT Act.

A-8-4-1 Application/authorization

The arrangement for processing under customs control can only be used when the Central Administration of the Customs Administration has issued an authorization before or at the latest in connection with the first importation of goods for processing, etc. In special circumstances an authorization can be made retroactive (see A-8-2).

A-8-4-1-1 Fundamental conditions

CL art 145

IR art 312 (1)

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who carries out the processing or arranges for it to be carried out. (see A-8-1-1).

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal has to be joined to the application.

The supervising customs office sends the application and enclosed documents together with its opinion to the Central Administration of the Customs Administration within 5 days.

The Central Administration of the Customs Administration takes decision and issues the authorization if the applicant fulfills the conditions.

CL art 99

CL art 146

The Central Customs Administration can only issue an authorization :	
1	if the applicant is established in Macedonia
2	the import goods can be identified in the processed products
3	the economic conditions are fulfilled – that means where the arrangement can contribute to creating or maintaining processing companies in Macedonia without adversely affecting the essential interests of Macedonian producers of similar products
4	where the processed products cannot be economically restored to their state as it was when they were placed under the arrangement.
5	if they have sufficient resources to supervise and monitor the procedure
6	if the necessary administrative activities isn't disproportionate to the economic benefit of the approved authorization
7	where use of the arrangement cannot result in circumvention of the effect of the rules on origin and of the quantitative restrictions applicable to the imported goods

The authorization shall be issued in appropriate number of copies by the Central Administration of the Customs Administration:

- one copy to the applicant;
- one copy to Central Administration of the Customs Administration;
- one copy for each of the supervising customs offices

Supervising customs office forms a file for the holder of the authorization together with a copy of the authorization and all the enclosed documents.

A-8-4-1-2 The economic conditions

IR art 364

The economic conditions are deemed to be fulfilled for the types of goods and operations mentioned in annex 53.

In other situations it is necessary, before issuing an authorization, to make an examination of the economic conditions to establish whether the use of goods from outside of Macedonia enables processing activities to be created or maintained in Macedonia in agreement with IR art 363 (1).

A-8-5 Temporary importation

The purpose of the arrangement is, by simplifying and harmonizing the procedures, to promote economic, humanitarian, cultural, social and tourist-related goals.

CL art 150

When applying the arrangement, total or partial relief from customs duty can be given for a number of goods for more closely defined purposes when they are imported from countries outside Macedonia and are designated for re-export in an unchanged state.

Temporary exemption from VAT is granted on the same conditions as exemption from customs duty, but exemption from VAT cannot be granted for temporary importation with partial relief from customs duty.

Legal basis

The rules for temporary importation are found in article 97-104 and article 150-157 of the CL, article 311-333 and 365-395 of the IR and article 27 of the VAT Act.

The above mentioned rules are based on different international conventions on temporary importation such as the ATA-convention.

A-8-5-1 Generally

Temporary imported goods must remain in an unaltered state.

IR art 365 (4) That means that only repairs and maintenance including adjustments or measures to preserve the goods or their compliance with the technical requirements for their use, is allowed.

CL art 153 (2)

IR art 365 (2) As a general rule goods under the temporary importation procedure is not allowed to be under the procedure more than 24 months. Limitations of that period are closer discussed under each item and in the summary in part A-8-5-1-1-24.

CL art 153 (3)

IR art 365 (2-3) However, the above mentioned max period can be extended in exceptional circumstances if the holder of the authorization makes a detailed and duly justified request to the customs authority which has issued the authorization.

A distinction is made between total relief from customs duty (part A-8-5-1) and partial relief from customs duty (part A-8-5-2).

A-8-5-1-1 Total relief from customs duty

IR art 366

Temporary importations with total relief from customs duty shall only be granted in situations mentioned below.

In the table mentioned below, there is a schematic outline of the different types of temporary importation with reference to the Implementing Regulation and in which part of this instruction the rules are closer discussed:

The provisions give access to temporary importation with total relief from customs duty in the following cases:	Implementing regulations art	Part
Pallets;	368	A-8-5-1-1-1
Containers;	369	A-8-5-1-1-2
Other means of transport;	370 - 374	A-8-5-1-1-3
Personal effects and goods which are imported by travelers for sporting purposes;	375	A-8-5-1-1-4
Disaster relief materials;	376	A-8-5-1-1-5
Medical, surgical and laboratory equipment;	377	A-8-5-1-1-6
Live animals owned by person established outside the customs territory	378	A-8-5-1-1-7
Equipment for construction, repair and maintenance of infrastructures in border areas;	378	A-8-5-1-1-8

Sound, image or data carrying media;	379 a)	A-8-5-1-1-9
Material for publicity purposes;	379 b)	A-8-5-1-1-10
Professional equipment;	380	A-8-5-1-1-11
Pedagogic material and scientific equipment;	381	A-8-5-1-1-12
Packaging;	382	A-8-5-1-1-13
Models, dies etc.; measuring, checking and testing instruments;	383 (1)	A-8-5-1-1-14
Special tools and instruments;	383 (2)	A-8-5-1-1-15
Goods subjected to or used to carry out tests, experiment or demonstration;	384	A-8-5-1-1-16
Samples for demonstrations;	385	A-8-5-1-1-17
Replacement means of production while similar goods are repaired;	386	A-8-5-1-1-18
Goods for exhibitions, fairs etc.;	387 (1)	A-8-5-1-1-19
Goods for approval;	387 (2)	A-8-5-1-1-20
Works of art, collectable objects and antiques for exhibitions and selections; used goods to be sold by auction;	387 (3)	A-8-5-1-1-21
Spare parts etc. to be used for repair and maintenance of goods entered the procedure;	388	A-8-5-1-1-22
Goods which are imported occasionally and which will remain in Macedonia for a maximum of 3 months;	389	A-8-5-1-1-23

A-8-5-1-1-1 Pallets

IR art 368

Customs duties shall not be paid on pallets which are imported temporarily.

Pallets means:

- a device on the deck of which a quantity of goods can be assembled to form a unit of load for transporting, handling or stacking with the assistance of mechanical appliances; and
- made up of two decks separated by bearers or a single deck supported by feet or a special deck designed for air transport with an overall height reduced to the minimum compatible with handling by means of fork lift truck or pallet truck; it may or may not have a superstructure.

The procedure is discharged when the pallets, or pallets of the same type and substantially the same value, are exported or re-exported.

CL art 153 (2) The temporary imported pallets must be re-exported within 24 month at the latest.

A-8-5-1-1-2 Containers

IR art 369 Duty shall not be paid on containers which are imported temporarily.

A container can be defined as an article of transport equipment i.e. moveable tank, demontable body or other structure and which:

- constitutes a wholly or partially sealed space intended to contain goods;
- is of a permanent nature and is thus strong enough to be used repeatedly;
- is specially arranged, besides transshipment, to facilitate transportation of goods within one or more forms of transport;
- is thus arranged so that it is easy to handle, especially during transfer from one form of transport to another;
- is thus arranged so that it is easy to fill and to empty and which has an internal volume of one cubic metre or more (air freight containers may be less than 1 cubic metre provided all other requirements are met);

IR 367 (2) This rule also covers the accessories and equipment for the relevant container type if it is transported together with the container.

Normal accessories and equipment for containers refers to the following devices, even if they are removable:

- equipment for controlling, modifying or maintaining the temperature inside the container;
- small instruments intended to specify or record changes in temperature conditions and support;

- internal partitions, pallets, shelves, supports, hooks and similar devices used for storing goods;

However, this rule does not cover vehicles, accessories or spare parts for the same or packaging.

Conditions

IR art 369 (1) To qualify for total relief, the containers must be durably marked in a clearly visible place with the following information:

- the identity of the owner or operator shown by their full name or an established identification (symbols such as emblems or flags are not included);
- the identification mark and number of the container given by the owner or operator and its tare weight including all its permanently fixed equipment (this information is not required for swap bodies used for combined rail-road transport); and
- with the exception of containers used for transport by air, the country to which the container belongs, shown in full or by means of the ISO country code or by the distinguishing initials used to indicate the country of registration of motor vehicles in international traffic or by numbers for swap bodies used in combined rail/road transport.

IR art 369 (2) A container under temporary importation may be used in internal traffic before being re-exported. However, it may be used only once during its stay in Macedonia, for transporting goods loaded and intended to be unloaded within Macedonia, where the container would otherwise have to make a journey unloaded within Macedonia.

IR art 369 (3) The procedure is discharged when the containers, or containers of the same type and value, are exported or re-exported.

CL art 153 (2) The temporary imported pallets must be re-exported within 24 month at the latest.

A-8-5-1-1-3 Other means of transport

Generally

IR art 367 (1) For the purpose of this part the following definitions are used:

Commercial use: means the use of means of transport entered for the purposes of conveying people or goods for payment or as part of the normal activities of a business;

Private use: means use other than for commercial purposes;

Internal traffic: means the carriage of goods or persons loaded or picked up in Macedonia for unloading or setting down at a place in Macedonia;

The following means of transport, which are temporarily imported to Macedonia for commercial or private use, can obtain relief from customs duty and VAT:

- motorized road vehicles including cycles with engines, trailers/caravans imported with the vehicle;
- rail transport (rail engines, railcars and rolling stock) of any description used to transport goods or persons;
- civil aircraft (any type of civil air transport whether powered or not). Some examples of acceptable aircraft can include: light aeroplanes, microlite aircraft, hot air balloons and gliders;
- inland waterway vessels of any description used to transport goods or persons;
- normal spare parts, accessories and equipment accompanying means of transport;

IR art 367 (2)

Conditions

Temporary importation with total relief may be granted:

- in the following circumstances to any person established **outside** Macedonia for means of transport mentioned above used by a person established **outside** Macedonia:

Table 1			
Means of transport which are..	Commercial	Private use allowed	Reference
Registered outside Macedonia in the name of a person established outside Macedonia (if not registered, owned by a person established outside Macedonia)	Except rail transport, the means of transport must be used exclusively for transport which begins or ends outside Macedonia	See table 3 below	IR 370 (1)
Temporarily registered in Macedonia	Provided it is with a view to re-export in the name of a person established outside Macedonia		IR 373 (1 a)
Registered outside Macedonia and rehired by a professional hire service established in Macedonia to a person outside Macedonia	Re-export must be made within 8 days of entry into force of the hire contract		IR 370 (2)

- in the following circumstances to a person established **inside** Macedonia:

Table 2			
Means of transport/Conditions	Use	Period for re-export	Reference
Any means of transport, used by a natural person established within Macedonia	Hired for private use under a written contract to occasionally return to their place of residence in Macedonia	Re-export or return to the hire service must be made within 5 days of the entry into force of the hire contract	IR 372 (1) a) IR 372 (2)
Any means of transport, used by a natural person established within Macedonia	Hired for private use under a written contract to occasionally leave Macedonia	Re-export or return to the hire service must be made within 2 days of the entry into force of the hire contract	IR 372 (1) b) IR 372 (2)
Any means of transport, temporarily registered in Macedonia in the name of a person established inside Macedonia	The person is preparing to transfer normal residence to a place outside Macedonia	Re-export must be made within 3 months of the date of temporary registration	IR 373 (1) b)
Any means of transport, used by a natural person established in Macedonia	Private or commercial use where they are employed and authorized by the owner who must be established outside Macedonia. Any private use must be provided for in their contract of employment	Privately used road transport: 6 months Commercially used: the time required to carry out the transport operation	IR 372 (2) IR 374 c) IR 374 b)
Any means of transport, used by a natural person established in Macedonia, on the instruction of the registration holder, the holder being in Macedonia at the time of use	Occasional private use	When the registration holder leaves Macedonia and within 6 months for road transport)	IR 372 (1) IR 374 c)
Any means of transport	Any use in connection with an emergency situation and use does not exceed 5 days	Max 24 months	IR 371 b)
Means of rail transport operated under an agreement that allows	Each network uses the rolling stock of the others	12 months	IR 371 a) IR 374 a)

for temporarily imported rolling stock to be put at the disposal of a person established in Macedonia	network as their own		
Any means of transport used by a professional hire service established in Macedonia	For the benefit of persons established in Macedonia	Within 5 days of entry	IR 371 c)
Any means of transport used in exceptional cases by a person established in Macedonia	Only commercial use: prior approval from the customs authorities must be requested	Individual limited period – max 24 months	IR 373 (3)

Except for the circumstances mentioned in **table 2**, means of transport can remain in Macedonia as follows:

Table 3			
Means of transport	Commercial/private use	Period of use	Reference
Rail transport	Commercial / private use	12 months	IR 374 a)
Road transport	Commercial	The time required to carry out the transport operation	IR 374 b) IR 365 (2)
	Privately used by students	The period the student remains in Macedonia for the sole purpose of their studies	IR 374 c)
	Privately used by persons fulfilling assignments of a specific duration	The period the person stays in Macedonia for the sole purpose of their assignment	IR 374 c)
	Privately used in other cases, including saddle or draught animals and vehicles drawn by them	6 months	IR 374 c)
Aircraft	Commercially used	The time required to carry out the transport operation	IR 374 b)
	Privately used	6 months	IR 374 d)
Sea and inland waterway transport	Commercially used	The time required to carry out the transport operation	IR 374 b)
	Privately used	18 months	IR 374 e)

A-8-5-1-1-4 Personal effects; goods for sporting purposes

- IR art 375* Total relief from customs duty can be given for the following type of goods:
- travellers' personal effects (a consultative and incomplete list of goods covered by this regulation is listed in annex G);
 - goods which are imported by travellers for sporting purposes, including sports requisites and other articles for the traveller's use in sporting competitions, sporting displays or training (a consultative and incomplete list of goods covered by this regulation is listed in annex H);

IR art 143 A A traveller means:

- any person temporarily entering Macedonia, not normally resident or without approved stay in Macedonia;
- any person who is normally resident or has approved stay in Macedonia, returning to Macedonia after having been temporarily in a third country;

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-5 Disaster relief materials

IR art 376 Total reliefs from customs duty can be given for relief materials which are intended to be used in connection with arrangements to deal with the aftermath of any disaster within Macedonia.

Conditions

In order for the materials to be imported under this procedure, the materials shall be

- imported on loan;
- intended for state bodies or bodies approved by the competent authorities;

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-6 Medical, surgical and laboratory equipment

IR art 377 Total relief from customs duty can be given for medical, surgical and laboratory equipment for hospitals and clinics.

Conditions

The conditions for use of the arrangement are that the equipment concerned:

- is sent on an occasional basis for loan;
- is intended for use for diagnostic or therapeutic purposes;

An occasional basis means that the equipment is sent on request to hospitals and clinics who have an acute need for such equipment as the result of exceptional circumstances.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-7 Live animals

IR art 378

Total relief from customs duty can be given for live animals of any type which are imported e.g. for dressage, training, breeding or veterinary treatment and which belong to persons outside Macedonia.

Below is a consultative and incomplete list of reasons why animals can be imported:

- dressage, training, breeding, shoeing or weighing, veterinary treatment, testing (for example, with a view to purchase);
- participation in shows, exhibitions, contests, competitions or demonstrations;
- entertainment, touring (including animals of travellers);
- exercise of function (police dogs or horses, detector dogs, dogs for the blind, etc);
- rescue operations;
- transhumance or grazing;
- performance of work or transport; and
- medical purposes (delivery of snake poison, and the like).

IR art 365 (1)

Animals born of animals (foals, lamb, puppies etc) placed under the procedure for temporary importation, are considered as foreign goods and are considered placed under the procedure at the time they are born.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-8 Equipment for border areas

IR art 378

Total reliefs from customs duty can be given for equipment of various types which are used for construction, repair and maintenance of infrastructures of general interest in border areas on the Macedonian border.

Conditions

There are two types of goods covered by this article:

- equipment owned by a person established in the adjacent frontier zone and used by a person established in the frontier zone;
- equipment used for the building, repair or maintenance of infrastructure in the frontier zone. The activity shall be under the supervision and responsibility of a public authority (local self-government, etc.).

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-9 Sound, image or data carrying media

IR art 379 a)

Total reliefs from customs duty can be given for goods carrying sound, image or data processing information for the purpose of presentation prior to commercialization, or free of charge, or for provision with a sound track, dubbing or copying.

The following is a consultative and incomplete list of goods and examples on when this article can be used:

- positive cinematographic films, printed and developed, as well as other recorded image-bearing media intended for viewing prior to their commercial use;
- films, magnetic tapes and wires and other sound- or image-bearing media which are intended to be provided with a sound track dubbed or copied;
- films which show a type of products or which show how foreign products or equipment works, provided they are not intended for public showing for charge;
- data-carrying media sent free of charge for use in automatic data-processing;
- objects (including vehicles) which due to their nature can only be used to advertise for a specific purpose;

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-10 Material for publicity purposes

IR art 379 b)

Total relief from customs duty can be given for material to be used exclusively for publicity purposes.

The following is a consultative and incomplete list of goods and examples on which this article can be used:

- material intended for display in the offices of the accredited representatives or correspondents appointed by the official national tourist agencies or in other places approved by the customs authorities:
 - pictures and drawings;
 - framed photographs and photographic enlargements;
 - art books;
 - paintings, engravings or lithographs;
 - sculptures and tapestries;
 - other similar works of art;
- materials intended for display in show-cases, stands and similar articles, including electrical and mechanical equipment required for operating such display;
- documentary films, records, tape recordings and other sound recordings intended for use in performances at which no charge is made, but excluding those whose subjects lend themselves to commercial advertising and those which are on general sale in Macedonia;
- a reasonable number of flags;
- dioramas, scale models, lantern-slides, printing blocks, photographic negatives, specimens, in reasonable numbers, of articles of national handicrafts, local costumes and similar articles of folklore.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-11 Professional equipment

IR art 380 Total relief from customs duty can be given for professional equipment.

Conditions

IR art 380 (1) The goods (professional equipment) must be:

- owned by a person established outside Macedonia;
- imported either by a person established outside Macedonia or by an employee of the owner (the employee may be established in Macedonia); and
- used by the importer or under his supervision, except in cases of audio-visual co-productions.

Total relief **does not** apply:

- to equipment to be used for the industrial manufacture or packing of goods, or
- for the exploitation of natural resources (except in the case of hand tools), or
- for the construction, repair or maintenance of buildings or earth moving and like projects.

A consultative and incomplete list of goods covered by this regulation is listed in annex I);

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-12 Pedagogic material and scientific equipment

Total relief from customs duty can be given for pedagogic material and scientific equipment.

Conditions

The goods (pedagogic material and scientific equipment) must be:

- owned by a person established outside Macedonia;
- imported by public or private scientific, teaching or vocational training establishments which are essentially non-profit making and exclusively used in teaching, vocational training or scientific research under their responsibility;
- imported in reasonable numbers, having regard to the purpose of the importation; and
- not used for commercial purposes.

The following is a consultative and incomplete list of goods where this article can be used:

- sound or image recorders or reproducers, such as slide and filmstrip projectors, cinematographic projectors, back-projectors and episcope, magnetophones, magneto scopes and video equipment, closed circuit television equipment;
- sound and image media, such as slides, filmstrips and microfilms, cinematographic films, sound recordings (magnetic tapes, discs), videotapes;

- specialized material, such as bibliographic equipment and audio-visual material for libraries, mobile libraries, language laboratories, simultaneous interpretation equipment, programmed teaching machines, mechanical or electronic, material specially designed for the educational or vocational training of handicapped persons;
- other material, such as wall charts, models, graphs, maps, plans, photographs and drawings, instruments, apparatus and models designed for demonstration purposes, collections of items with visual or audio pedagogic information, prepared for the teaching of a subject (study kits), instruments, apparatus, tools and machine-tools for learning a trade or craft equipment, including specially adapted or designed vehicles for use in relief operations, which is imported for the training of persons involved in relief operations; and
- other goods imported in connection with educational, scientific or cultural activities: costumes and scenery items sent on loan free of charge to dramatic societies or theatres, music scores sent on loan free of charge to music theatres or orchestras.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-13 Packing

IR art 382

Total reliefs from customs duty can be given for packing.

Conditions

Total relief can be granted for packing provided the following conditions are fulfilled:

- identifiable at re-exportation;
- if imported filled, they will be re-exported empty or filled;
- if imported empty, they will be re-exported filled;
- packing which is imported under the arrangement cannot be used between two places within Macedonia unless it is for exportation of goods from Macedonia. For packaging which is imported full, this ban first comes into effect from the time when the packaging is empty;

The following is a consultative and incomplete list of goods where this article can be used:

- packing which are used or intended for use as outer or inner packaging for goods;
- packing which are intended for rolling up, folding or fastening goods;

- holders on which goods are, or are to be, rolled, wound or attached; and
- materials needed for protecting, stowing, or separating goods in transit which may consist of planks, blankets, mats and pads for protecting goods, or of frames, tarpaulins, covers.

Packing materials such as hay, paper, fiberglass and wood shavings are not identifiable, but total relief for these types of packing can normally be accepted according to IR art 389 – see part A-8-5-1-1-22.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-14 Models, dies etc; measuring and testing instruments;

IR art 383 (1) Total reliefs from customs duty can be given for the following goods:

- moulds, models, matrices, printing blocks, drawings, projects and other similar article;
- measurement, check and testing instruments and similar articles;

Conditions

The goods must be:

- owned by a person established outside Macedonia; and
- used in manufacturing by a person established in Macedonia; and
- at least 75% of the production resulting from their use must be exported.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-15 Special tools and instruments

IR art 383 (2) Total reliefs from customs duty can be given for special tools and instruments.

Conditions

The goods must be:

- owned by a person established outside Macedonia; and
- made available free of charge to be used in manufacturing by a person established in Macedonia; and
- all the manufactured goods must be exported.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-16 Goods for testing, experimenting or demonstrating

IR art 384

Total reliefs from customs duty can be given for the following goods:

- any goods, which are to be subjected solely to tests, experiments or demonstrations;
- goods of any kind imported under a contract of sale that are to be subjected to acceptance testing;
- any goods, entered for the purpose of being used to carry out tests or experiments on, or demonstrations of, other goods without financial gain.. The goods being tested, experimented on or demonstrated can be domestic goods.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-17 Samples

IR art 385

Total reliefs from customs duty can be given for samples in reasonable quantities to be shown or demonstrated in Macedonia.

Samples are articles which are typical for a special category of goods which have already been manufactured, or which are examples of goods which are intended to be manufactured.

Samples are not identical articles which are imported by the same person or sent to an individual consignee in such quantities that they can no longer be considered to constitute sample goods according to normal trade practice.

Conditions

Samples covered shall only be used for display or demonstration with a view to obtaining orders for similar goods. The goods shall not be sold or used in any other way for purposes other than demonstration.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-18 Replacement goods

IR art 386

Total reliefs from customs duty can be given for replacement goods of production.

Replacement goods of production are instruments, apparatus and machines which are supplied on a temporary basis and made available free of charge to a customer by a supplier or repairer of equivalent goods, until the product itself is delivered or has been repaired.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-19 Goods for exhibitions, fairs etc.

IR art 387 (1) Total reliefs from customs duty can be given for goods to be exhibited or used at a public event such as exhibitions, fairs, assemblies or similar events.

The same goes for goods obtained at synchs events from goods placed under the arrangement.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-20 Goods for approval;

IR art 387 (2) Total reliefs from customs duty can be given for goods imported for approval.

This article can be used in situations where the IR 385 concerning Total relief for samples can not be used and where the consignor for his part wishes to sell the goods and consignee may decide to buy after a satisfactory inspection. For example, a unique machine for specific use produced on specifications from the potential buyer. ??? Istanbul convention

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-21 Works of art etc. for exhibitions and selections; used goods for auction;

IR art 387 (3) Total reliefs from customs duty can be given for works of art, collectable objects and antiques for exhibitions and selections with a view to possible sale.

Goods covered are listed in annex 54.

Furthermore Total reliefs from customs duty can be given for used goods imported with a view to sell them by auction.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-22 Spare parts for goods entered to the procedure

IR art 388 Total reliefs from customs duty can be given for spare parts, accessories and equipment for use in the repair and maintenance, including overhaul, adjustments and preservation of goods already imported under the procedure for temporary importation.

The goods must not be used to upgrade or in any way enhance the performance or quality of the goods originally entered to the procedure.

A-8-5-1-1-23 Other goods occasionally temporary imported

Total reliefs from customs duty can be given for other types of goods than mentioned above or goods not complying with the above mentioned conditions for total relief

Conditions:

The following conditions shall apply:

- the goods are imported occasionally; and/or
- in particular situations having no economic effect.

Be aware that this article can only be used if it is authorized by the Central Administration of the Customs Administration (supervising customs office ???). See part A-8-5-2-1.

If goods do not meet these conditions partial relief may still be available see part A-8-5-1-2.

Period for re-exportation – see the summary in part A-8-5-1-1-24.

A-8-5-1-1-24 Summary – period of re-exportation

The table below gives information about the maximum periods that goods can be under the procedure for temporary importation with total relief.

In the situations where the period is set to “max 24 months” it refers to the general rule. It does not mean that these goods automatically have a 24 months period for re-exportation. It means that the customs authorities in these situations in the authorization must determine the period for re-exportation in agreement with the time required for the aim of the temporary import to be achieved, but with a maximum of 24 months.

Example

Paintings are imported the 1st of July and declared for temporary importation with full relief. The goods will be shown at an exhibition which takes place from the 15th of July until the 15th of August.

The period for re-exportation can in this situation be max. 24 months, but should be settled in accordance with the time required to achieve the aim of the temporary import – in this case it would be reasonable to determine the time limit for re-exportation to the 1st of September.

Types of goods;	Implementing regulations - article	Period for re-exportation
Pallets;	368	Max. 24 months

Containers;	369	Max. 24 months
Other means of transport;	370 - 374	Se part A-8-5-1-1-3
Personal effects and goods which are imported by travelers for sporting purposes;	375	At the time where the travelers leave the country max. 24 months
Disaster relief materials;	376	Max. 24 months
Medical, surgical and laboratory equipment;	377	Max. 24 months
Live animals owned by person established outside the customs territory	378	Max. 24 months
Equipment for construction, repair and maintenance of infrastructures in border areas;	378	Max. 24 months
Sound, image or data carrying media;	379 a)	Max. 24 months
Material for publicity purposes;	379 b)	Max. 24 months
Professional equipment;	380	Max. 24 months
Pedagogic material and scientific equipment;	381	Max. 24 months
Packaging;	382	Max. 24 months
Models, dies etc.; measuring, checking and testing instruments;	383 (1)	Max. 24 months
Special tools and instruments;	383 (2)	Max. 24 months
Goods subjected to or used to carry out tests, experiment or demonstration;	384	Max. 24 months. For goods of any kind temporary imported under a contract of sale that are to be subjected to acceptance testing, the period is 6 months;

Samples for demonstrations;	385	Max. 24 months
Replacement means of production while similar goods are repaired;	386	6 months
Goods for exhibitions, fairs etc.;	387 (1)	Max. 24 months
Goods for approval;	387 (2)	2 months
Works of art, collectable objects and antiques for exhibitions and selections; used goods to be sold by auction;	387 (3)	Max. 24 months
Spareparts etc. to be used for repair and maintenance of goods entered the procedure;	388	Max. 24 months
Goods which are imported occasionally and which will remain in Macedonia for a maximum of 3 months;	389	3 months

A-8-5-1-2 Partial relief from customs duty

CL art 155

Goods which belong to a person established outside Macedonia can be imported on a temporary basis with partial relief from customs duties in cases:

- where the goods are not covered by the provisions on temporary importation with total relief from customs duty as described in A-8-5-1-1;
- where the goods are covered by the provisions on temporary importation with total relief from customs duty, but where the goods do not completely fulfill the conditions ;

The arrangement can be used e.g. for contractor's machinery etc. which are imported in connection with construction work.

IR art 366

However, the arrangement for partial relief from customs duty cannot be used with reference to:

- consumable goods such as foodstuffs, beverages and tobacco;

- goods, where the use of the goods have a negative effect on the living and working environment;

CL art 156 (1) The customs duty which shall be paid amounts to 3 % per month or fraction of a month during which the goods have been placed under the procedure commenced of the customs duty which would have been payable if the goods had been released to free circulation at the time when they were declared for temporary importation.

CL art 156 (2) The amount of the import duty to be charged shall not exceed that which would have been charged if the goods concerned had been released for free circulation on the date on which they were placed under the TI procedure.

Full security for the amount of import duties due will be required when placing the goods under the temporary importation procedure. When the goods leave Macedonia, the duty due (3% of the import duties for each month or fraction of a month the goods remained in Macedonia) has to be paid.

Example

Goods are imported under the temporary import procedure with partial relief on the 5th of January. The customs value of the goods is 3.000.000 denars. The customs duty rate is 10%. The duty due amounts to 300.000 Denars which is secured by a bank guarantee.

The goods are re-exported on the 27th of September. The duty to be paid for the period where the goods have been under the temporary import procedure with partial relief, is calculated as follows:

$$3\% \times 9 \text{ (5 January to 27 September)} \times 300.000 = 81.000 \text{ Denars.}$$

After payment of the duty, the security will be released.

A-8-5-2 Application/authorization

CL art 151 The person who is going to use the goods temporarily or who arranges for them to be used temporarily needs to be authorized to import or receive goods for temporary importation. He also needs to make a declaration to enter goods to the procedure.

CL art 152 It is a clear condition for issuing an authorization for temporary import, that the goods can be clearly identified.

Nevertheless, an authorization may be granted even if the goods can't be clearly identified if the absence of identification measures is not liable to give rise to any abuse of the procedure.

The holder of the authorization will be responsible for any duty, VAT and associated charges on all goods entered under his authorization, whether or not he owns them.

The authorization holder will be responsible for ensuring:

- entries where required on a SAD document (normal or simplified authorization) are correctly completed according to the Code Act;
- that any users named on his authorization or third parties such as agents or freight forwarders, who enter goods for temporary importation under the authorization, are given clear written instructions of the goods to be entered and procedures to be followed;
- records are kept of all operations carried out (see below);
- where goods are required to be re-exported using a SAD (normal or simplified authorization) that the SAD document are correctly completed according to the Code Act;
- the payment of import duty and VAT (and compensatory interest where applicable) for goods released into free circulation;
- a security by bank guarantee is provided where required (see below);

Records

IR art 327
IR 392 (2)

The holder of the authorization must keep detailed records of the receipt, use and disposal of any goods he imports under the temporary importation procedure.

These records must show:

- what goods are entered (the commercial or technical description of the goods sufficient to identify them). If he has a full authorization the description should correspond to the description of goods that will be stated in his authorization;
- the nature and type of temporary use;
- that security (where required) has been provided;
- where goods were entered and the date and reference number of the declaration;
- where the goods under the authorization are held at any time, including any movement of goods to or between users specified in the authorization;
- locations where the goods will be used;

- how goods entered for the procedure are identified such as manufacturer's marks or serial numbers, illustrations or technical descriptions;
- where goods are manufactured using temporary imported goods referred to in part A-8-5-1-1-14 or A-8-5-1-1-15, details of when and where the manufactured goods are re-exported outside Macedonia; and
- when and where temporary imported goods are exported or put to an eligible disposal, documents relating to their disposal, including date and reference number of the declaration discharging the procedure see part A-8-5-5.

The authorization holder can normally use his commercial records, however he may be asked to adapt them to provide the information needed.

Security/guarantee

CL art 102
IR art 392 (1)

For some of the goods placed under the temporary importation procedure, a guarantee, covering the customs debt which may occur or charging of the interest which may occur because of untimely payment of the customs debt, needs to be provided when import goods are placed under the arrangement for temporary importation (see Part E-1-1). The guarantee is submitted by the customs debtor (obligor or freight forwarding agent).

Security instruments are: bank guarantee (general and single) and cash deposit (general and single). If the security of the customs debt refers to one customs operation, it is considered a single security instrument for covering the customs debt, and if it refers to all customs debts which can occur for a period of time, then it represents a general security instrument. The single security instrument for covering a customs debt is submitted at the same time when the customs declaration for temporary importation is lodged. The general security instrument is submitted before issuing an authorization.

Revenue Collection and Budgeting Unit within the Central Administration of the Customs Administration is in charge of accepting the security instrument, records and its activation. The amount of the security instrument should correspond to the amount of the customs debt which can occur and that amount can not be less than 10.000,00 euros in denars counter-value for a general guarantee.

In some situations an ATA or CPD carnet (see part A-8-5-2-4) can be used in stead of abovementioned security instruments.

The table below gives a summary of the types of goods where security must be provided.

Types of goods;	IR art.	Security required ?
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- others;		Yes
Models, dies etc.; measuring, checking and testing instruments;	383 (1)	Yes
Special tools and instruments;	383 (2)	Yes
Goods subjected to or used to carry out tests, experiment or demonstration;	384	Yes
Samples for demonstrations;	385	Yes
Replacement means of production while similar goods are repaired;	386	Yes
Goods for exhibitions, fairs etc.;	387 (1)	Yes
Goods for approval;	387 (2)	Yes
Works of art, collectable objects and antiques for exhibitions and selections; used goods to be sold by auction;	387 (3)	Yes
Spare parts etc. to be used for repair and maintenance of goods entered the procedure;	388	Yes
Goods which are imported occasionally and which will remain in Macedonia for a maximum of 3 months;	389	Yes
Goods for temporary importation with partial relief;	CL 155	Yes

See also annex 55.

Four types of application/authorizations

There are four types of applications/authorizations:

- Normal or simplified application/authorization – see part A-8-5-2-1 ;
- Oral application/authorization – see part A-8-5-2-2;
- Application/authorization “by any other act”– see part A-8-5-2-3;

- ATA or CPD carnet – see part A-8-5-2-4;

A-8-5-2-1 Normal or simplified application/authorization

The arrangement for temporary importation can only be used when the Central Administration of the Customs Administration has issued an authorization before or at the latest in connection with the first temporary importation of goods. In special circumstances an authorization can be made retroactive (see A-8-1-2).

Normal application/authorization

*CL art 130
IR art 312 (1)*

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who is going to use the goods temporarily or who arranges for them to be used.

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal (evidence concerning records etc) has to be joined to the application.

The supervising customs office considers the application and enclosed documents and if complete sends the application and enclosed documents to the Central Administration of the Customs Administration within 5 days from the date of submission of the application or from the date of receiving additionally requested information.

The Central Administration of the Customs Administration takes decision and issues the authorization if the applicant fulfills the conditions.

*CL art 99
CL art 150-152*

Before the Central Customs Administration issue an authorization they must be satisfied that:	
1	the applicant is the person using the goods or who arranges for them to be used
2	the temporary imported goods can be identified (for example by means of samples, illustrations, technical specifications and so on)
3	the goods are intended for re-export in an unaltered stage
4	they have sufficient resources to supervise and monitor the procedure
5	the necessary administrative activities isn't disproportionate to the economic benefit of the approved authorization

The authorization shall be issued in appropriate number of copies by the Central Administration of the Customs Administration:

- one copy to the applicant;
- one copy to Central Administration of the Customs Administration;

- one copy for the supervising customs offices

Supervising customs office forms a file for the holder of the authorization together with a copy of the authorization and all the enclosed documents.

Normal issuing of authorization may suit anyone who is regular importing goods for temporary importation and can be used to cover a series of imports under the same authorization,

In most cases the simplified issuing of an authorization or one of the other methods will be most suitable.

Simplified issuing of an authorization

IR art 312 (3) c) The simplified issuing of an authorization can be used for all type of goods declared for temporary importation.

IR art 316 b) In such situations, where there is a possibility for simplified issuing of an authorization a declaration for placing the goods under the procedure can be approved as an application. When the declaration is accepted by the customs authorities of entry, it constitutes an authorization.

When simplified issuing of authorization is used, the customs office of entry into procedure, of discharging the procedure and for supervising the procedure shall be in the same Customs House.

Abovementioned customs offices can be in:

- The place where the main accountancy is kept, or
- The place where the temporary use of the goods will take place.

Goods are declared using the ordinary rules of declaration i.e. description of the goods, commodity code, customs value etc. (see A-6).

Be aware of the following boxes in the SAD:

Box 37 Write down the customs procedure code from the Code Act.

IR art 314 **Box 44** Supplementary information regarding the procedure applied for:

- Name of the applicant and the operator if not the same;
- Type of temporary importation with reference to the article in the Implementing Regulations;
- Closer description of the purpose of the temporary importation;

- Technical description of the goods entering the procedure that makes it possible to identify the goods;
- Estimated time needed before discharging the procedure;
- Means of security;

These supplementary information can be stated on a separate sheet enclosed to the customs declaration. (maybe as a form)

In the situation where the simplified application is used, the custom authority for entering the procedure is obliged to send the declaration before its accepted and all the enclosed documents to the supervising customs office which, if the appropriate conditions are fulfilled, verifies the declaration with a remark “approved”. If the appropriate conditions are not fulfilled, supervising customs authority makes a decision by which the application for simplified issuing of authorization is refused and notifies the applicant for its decision.

The customs office of entry into procedure, after accepting the declaration for simplified issuing of authorization for temporary importation, is obliged to send the original declaration together with all the enclosed documents to the supervising customs office which supervises the procedure.

A-8-5-2-2 Oral application/authorization

IR art 136 (1)

IR art 312

The table below gives an overview concerning the type of goods where an oral application/authorization can be used:

Types of goods;	IR –article;
Pallets;	368
Containers;	369
Other means of transport;	370 - 374
Personal effects imported by travelers and goods which are imported by travelers for sporting purposes;	375
Live animals and equipment;	378
Professional equipment: <ul style="list-style-type: none"> • Radio and television production and broadcasting equipment and vehicles specially adapted for use of the above purpose and their equipment being imported temporarily by public or private organizations established outside Macedonia and approved by the 	380

Director General; • Instrument and apparatus necessary for doctors to provide assistance for patients awaiting an organ transplant;	
Packaging bearing the permanent, indelible marking of a person established outside Macedonia;	382
Other goods, where this is authorized by the director General;	-----

IR art 312 (d)

When the oral application for temporary importation is used, the oral application must be supported by an inventory form shown in annex K. The form shows details of the importer and the goods.

The oral declaration of entry to the procedure constitutes the application for an authorization and the endorsed inventory constitutes the authorization.

The inventory is lodged at the BCP (customs office of entry) in duplicate. After examination of the goods, one copy is kept at the BCP and the other copy is returned to the applicant stamped and endorsed by customs officer in charge.

IR art 136 (2)

When the holder of the authorization re-exports the goods these goods may also be subject of an oral declaration for re-exportation.

He must then present the inventory at the BCP (customs office of discharge). After examination of the goods the original inventory and a photocopy are stamped and endorsed. The photocopy is sent to the BCP where the goods were entered to the procedure. The original inventory is given to the holder of authorization as a proof that the procedure has been discharged.

IR art 390

In the situation where means of transport, personal effects or goods for sports purposes are imported temporarily and the oral application is used, the Customs authority may require a written customs declaration (normal or simplified), if:

- a high amount of customs duties is at stake; or
- a serious risk of non-compliance with the obligations of the procedure exist

A-8-5-2-3 Application/authorization “by any other act”

IR art 139

IR art 312

The table below gives an overview concerning the type of goods where an application/authorization “by any other act” can be used:

Types of goods;	IR –article;
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Pallets;	368
Containers;	369
Other means of transport (basically means of transport registered outside Macedonia and used privately or commercially by a person registered outside Macedonia);	370 - 374
Personal effects imported by travelers and goods which are imported by travelers for sporting purposes;	375

IR art 140 (1) Application, declaration for the procedure and authorization are deemed to have been made and accepted at the time of importation by:

- going through the green “nothing to declare” channel; or
- going through a customs office which does not operate the two-channel system without spontaneously making a customs declaration;
- the act of entering Macedonia

IR art 141 (1) That means that the goods applied, declared and authorized “by any other act” shall be considered to have been presented to the customs authority and authorized by the customs authority.

IR art 139 (2) When the holder of the authorization re-exports the goods these goods may also be declared for re-export “by any other act” as described above.

IR art 141 (2) If the goods have been declared (for temporary import or re-export) “by any other act” and, subsequently, it is revealed that the above mentioned conditions for declaring goods “by any other act” has not been fulfilled, the goods shall be considered to have been imported/re-exported illegally.

IR art 390 In the situation where the above mentioned goods are imported temporarily and the application/declaration is made “by any other act”, the Customs authority may require a written customs declaration (normal or simplified), if:

- a high amount of customs duties is at stake; or
- a serious risk of non-compliance with the obligations of the procedure exist

A-8-5-2-4 ATA carnet

IR art 394 The ATA carnet is an international Customs document that is presented to Customs each time goods enter or leave a country. It allows goods to be

temporarily imported without payment of Customs charges for up to one year and can cover one or more different types of goods.

A guarantee arrangement is linked to the carnet arrangement. This is designed in such a way that in each country there is a guarantor organization which shall be a member of an international association. In addition to the guarantor institutions, there are also issuing organizations.

Presentation of an ATA carnet to a customs office duly empowered by the customs authorities in order to use the temporary importation procedure is equivalent to presentation of an application for authorization. By accepting the carnet it constitutes an authorization to use the procedure. No other customs declarations or guarantee/security has to be presented when entering or discharging the temporary import procedure.

ATA carnets may be accepted by the customs offices at the BCP only:

- if they are issued in a country which is a Contracting Party to the ATA Convention **or** a Contracting Party to the Istanbul Convention having accepted the Customs Cooperation Council Recommendations of 25 June 1992 concerning acceptance of the ATA carnet for the temporary admission procedure within the periods and on the conditions laid down in those recommendations, and endorsed and guaranteed by an association forming part of an international guarantee chain;
- if they are certified by the customs authorities in the appropriate section of the cover page;
- covering goods covered by the ATA-convention.

The following goods may in particular be applied for by presentation of an ATA carnet:

Goods for which temporary importation may in particular be applied for by presentation of an ATA carnet.	Conditions/additional information
Goods for display or use at an exhibition, fair, meeting or similar events.	Goods may not be loaned or used in any way for hire or reward, or be removed from the place of the event.
Professional equipment: I: for the press or for sound or television broadcasting (including vehicles specially adapted for those purposes) necessary for representatives of the press or of broadcasting or television organizations visiting the Macedonia in order to transmit or record material for specified programs. II: Cinematographic equipment necessary for a person visiting	Goods must be owned or imported by a person established outside Macedonia and be used solely by or under the personal supervision of the person visiting the Macedonia.

<p>Macedonia in order to make a specified film or films.</p> <p>III: Other professional equipment owned or imported by a person established outside Macedonia, necessary for the exercise or calling, trade or profession of a person visiting Macedonia to perform a specified task, except for:</p> <ul style="list-style-type: none"> - the industrial manufacture or packaging of goods; - exploitation of natural resources (except for hand tools); and - construction, repair or maintenance of buildings, earth moving and like projects (except for hand tools). 	
<p>Samples solely for the purpose of demonstration - representative of a particular category of goods already produced or which are examples of goods the production of which is contemplated, but not include identical articles brought in by the same individual, or sent to a single consignee in such quantity that, taken as a whole, they no longer constitute samples under ordinary commercial usage.</p>	<p>Samples must be owned or imported by a person established outside Macedonia. They may not be sold or used in any way for hire or reward.</p>
<p>Advertising films with or without sound track, consisting essentially of images showing the nature or operation of products or equipment put up for sale or hire by a person established outside Macedonia, providing that the films are of a kind suitable for exhibition to prospective customers but not for general exhibition to the public; and are imported in a packet which contains no more than one copy of each film and which does not form part of a larger consignment of films.</p>	<p>Films must be owned or imported by a person established outside Macedonia. They may not be sold or used in any way for hire or reward.</p>
<p>Goods imported for tests, experiments or demonstrations or used to carry out tests, experiments or demonstrations.</p>	<p>Goods must not be used for gainful activity.</p>
<p>Printed and developed cinematographic film, positives and other recorded image-bearing media intended for viewing by potential buyers.</p>	
<p>Films, magnetic tapes, magnetized films and other sound or image-bearing media intended for sound tracking, dubbing or reproduction.</p>	
<p>Data carrying media for use in automatic data processing.</p>	<p>Sent free of charge.</p>
<p>Articles (including vehicles) which, by their nature, are unsuitable for any for any purpose other than advertising of specific articles or publicity for a specific purpose.</p>	
<p>Replacement means of production made temporarily available free of charge to the importer by or on the initiative of the supplier of similar means of production to be subsequently imported for release into free circulation or of means of production reinstalled after repair.</p>	<p>Must be re-exported within 6 months of import.</p>

Goods imported for exclusively for cultural purposes by approved institutions, in reasonably quantities having regard to the purpose of the importation.	Goods must be owned by a person established outside Macedonia and not be used for commercial purposes.
Travellers personal effects reasonably required for personal use during a journey.	Effects must be re-exported, at the latest, when the traveller leaves Macedonia.
Goods for sports purposes for use by travellers in sports contests, demonstrations or training.	Goods must be owned by a person established outside Macedonia.
Tourist publicity material - imported for the purpose of encouraging the public to visit another country, to attend cultural, religious, touristy, sporting or professional meetings or demonstrations held there.	Goods must be owned by a person established outside Macedonia.
Goods for humanitarian purposes including medical, surgical and laboratory equipment and relief consignments.	Goods must be owned by a person established outside Macedonia and be loaned free of charge.
<p>Live animals of any species for:</p> <ul style="list-style-type: none"> - dressage, training, breeding, shoeing, weighing, veterinary treatment; - imported with a view to purchase; - participation in shows, exhibitions, contests, competitions or demonstrations; - entertainment (circus animals etc); - touring (including pet animals of travellers); - police dogs or horses, detector dogs, guide dogs; - rescue operations; - transhumance or grazing; or - medical purposes eg delivery of snake poison etc. 	<p>Animals must be owned by a person established outside Macedonia. Animals born of animals covered by an ATA carnet are considered to be non-Macedonian animals and subject to import duties. Import duties will not be charged provided the animal is:</p> <ul style="list-style-type: none"> - entered to temporary importation; and - will be exported outside Macedonia.
Spare parts, accessories and equipment used for repair and maintenance, including overhaul and adjustment of ATA carnet goods.	

A-8-5-3 Entry of goods under the procedure

The goods are placed under the temporary importation procedure on the basis of:

IR art 116

1. Customs declaration in normal procedure; or

IR art 191

2. Incomplete declaration; or

IR art 192

3. Simplified declarations in case of simplified procedure of declaring; or

IR art 192

4. Entering goods in records in a case of local clearance procedure; or

IR art 324

5. Transfer document when transferring goods from another authorization holder

The goods have to enter for the procedure within the period of validity of the authorization.

The simplified procedures (2, 3 and 4) are closer discussed in part A-6 and the transfer procedures are closer discussed in annex 46.

Customs declaration in normal procedure is closer discussed below.

As mentioned in part A-8-5-2 there is four different ways to declare goods under the temporary import procedure.

A-8-5-3-1 Declaring goods by using the SAD declaration

Declaration is lodged at the customs office of entry stated in the authorization. The number of the authorization of the temporary import procedure shall be clearly indicated in the declaration.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may in exceptional cases approve the customs declaration of entry into procedure to be submitted at a customs office which is not indicated in the authorization.

The SAD declaration

IR art 116

IR art 120

Customs declaration in normal procedure is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance. When filling in SAD, pay attention to the following boxes:

Box	Information to enter...
1	In the first subdivision IM and in the second subdivision the code 5

8	The name, address and VAT number, if any, of the holder of the authorization or applicant in case of a simplified authorization
31	The detailed description of the goods as required to be given in the authorization or using their usual commercial description in sufficient detail to allow the goods to be identified in case of a simplified authorization
33	the tariff code for the goods described in Box 31
37	Code for customs procedure – 52 for suspension system. The second two-digits code used (previous procedure) depends on that if goods is imported directly from abroad (00) or it is a continuation of another procedure (for instance, customs warehousing (71), another inward processing procedure with suspension system (52)). In the second box with three places the code for type of procedure on national level is written down (customs and customs duties are calculated, but not charged (005)).
44	Reference (number and date) of the authorization for temporary importation and the code of the supervising customs office
54	the type of representation (direct or indirect), see paragraph 8.2

Additional documents to the declaration

IR art 127 (1) b) The following shall be enclosed to the customs declaration:

- Invoice on the basis of which the customs value of the goods is declared
- A photocopy of the authorization for carrying out the procedure
- All other documents needed for application of regulations
- An accompanying document when declaring goods for the procedure under a simplified issuing of an authorization (see part A-8-1-1).

An appropriate evidence for origin may be submitted to the declaration, which is not taken into consideration when calculating the possible customs debt for covering of the appropriate guarantee.

IR art 441-454 The goods can be placed under procedure provided that the customs debt that may incur is covered by security (see part E-1-1).

Customs clearance

Beyond the normal clearing and control procedure when goods are entered for free circulation (amount of goods, customs value, suspended import duties???? and VAT etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- The authorization must still be valid
- The imported goods must be mentioned in box 7 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in the boxes of the SAD
- Sufficient guarantee must be provided
- The suspended customs duty, VAT etc. on the basis of the customs value and the tariff rate that would apply for regular import at the day of acceptance of the declaration IM 5.
- Commercial policy measures in reference to **entry** of goods in customs territory (such as protection measures) shall apply. Commercial policy measures in reference to releasing of goods in free circulation shall not apply.

For all customs declarations placed under inward processing procedure the previous day, a report in three copies (defined report ??) shall be prepared. Two copies of the report with all the original customs declarations and enclosed documents shall be submitted to the supervising customs office stated in the authorization. The supervising customs office verify one copy of the report and send it back to the customs office of entry under procedure, which files this report in a separate file as a confirmation for the receipt of the first copy of the report.

Customs clearance - simplified application of authorization

In the situation where the simplified application is used, the custom authority for entering the procedure is obliged to send the declaration before its accepted and all the enclosed documents to the supervising customs office which, if the appropriate conditions are fulfilled, verifies the declaration with a remark “approved”. If the appropriate conditions are not fulfilled, supervising customs authority makes a decision by which the application for simplified issuing of authorization is refused and notifies the applicant for its decision.

The customs office of entry into procedure, after accepting the declaration for simplified issuing of authorization for temporary importation, is obliged to send the original declaration together with all the enclosed documents to the supervising customs office which supervises the procedure.

A-8-5-3-2 Declaring goods by using an oral declaration

IR art 312 (d)

When the oral application for temporary importation is used, the oral application must be supported by an inventory form shown in annex K. The form shows details of the importer and the goods.

The oral declaration of entry to the procedure constitutes the application for an authorization and the endorsed inventory constitutes the authorization.

Customs clearance

The inventory is lodged at the BCP (customs office of entry) in duplicate. After examination of the goods, one copy is kept at the BCP and the other copy is returned to the applicant stamped and endorsed by customs officer in charge.

In this situation the BCP of entering the procedure is responsible to supervise the procedure by listing all oral declarations received (annex K) with information about the holder of the authorization, the date of the declaration and the time limit for re-export (see part A-8-5-4)

IR art 390

In the situation where means of transport, personal effects or goods for sports purposes are imported temporarily and the oral application is used, the Customs authority may require a written SAD declaration (normal or simplified) as described above, if:

- a high amount of customs duties is at stake; or
- a serious risk of non-compliance with the obligations of the procedure exist

A-8-5-3-3 Declaring goods “by any other act”

IR art 140 (1)

Application, declaration for the procedure and authorization are deemed to have been made and accepted at the time of importation by:

- going through the green “nothing to declare” channel; or
- going through a customs office which does not operate the two-channel system without spontaneously making a customs declaration;
- the act of entering Macedonia

IR art 141 (1)

That means that the goods applied, declared and authorized “by any other act” shall be considered to have been presented to the customs authority and authorized by the customs authority.

Customs clearance

Goods covered and declared for temporary importation “by any other act” will normally not be subject to any special clearance procedures regarding the temporary importation.

In the situation where the goods are imported temporarily and declared “by any other act”, the Customs authority may require a written SAD declaration (normal or simplified), if:

- a high amount of customs duties is at stake; or
- a serious risk of non-compliance with the obligations of the procedure exist

A-8-5-3-4 Declaring goods by using the ATA carnet

When presenting an ATA carnet the carnet represents a declaration for temporary importation. No further declarations are required.

Customs clearance

The customs office of entry will normally be the BCP.

However, where the BCP of entry is unable to check the fulfillment of all conditions to which the use of the temporary importation procedure is subject, the BCP permits the goods to be carried to the customs house able to carry out such checks under cover of the ATA carnet used as a transit document.

The office of entry for the procedure proceeds as follows:

- verify the information given in boxes A to G of the importation voucher;
- complete the counterfoil and box H of the importation voucher; the final date for re-exportation of the goods, to be entered in box H(b), must not be later than the date on which the carnet's validity expires;
- enter the name and address of the office of entry for the procedure in box H(e) of the re-exportation voucher; and
- retain the importation voucher.

The BCP of entering the procedure is responsible to supervise the procedure by listing all retained importation vouchers received with information about the holder of the carnet, the date of entering the procedure and the time limit for re-export (see part A-8-5-4).

A-8-5-4 Supervising the procedure

The supervision of the procedure depends on the type of authorization used.

- Normal or simplified application/authorization – see part A-8-5-2-1 ;
- Oral application/authorization – see part A-8-5-2-2;

- Application/authorization “by any other act” – see part A-8-5-2-3;
- ATA carnet – see part A-8-5-2-4;

A-8-5-4-1 Normal or simplified application/authorization

Normal application/authorization

Supervising customs office forms a file for each authorization. The file consists of authorization, all original customs declarations under which the goods are entered/discharged under/of the procedure, all documents which the holder of authorization submits to the supervising customs office for fulfilling the obligations stated in the authorization such as inventories.

Presentation of records, inventory etc

IR art 392 (2)
IR art 326 (3)

The holder of an authorization is obliged to submit to the supervising customs office records and/or inventory at any time so required by the supervising customs office, but normally there is no obligation for periodically presentation of records and inventory.

Post clearance control

Supervising customs authority shall make a monthly plan for control of holders of authorization. The monthly plan shall state the period, the type of goods and the holders of authorization to be controlled.

The plans will be made according to the previous controls, scope of work and risk analysis. The control may be physical or documentary and shall refer to the identity of goods, control of documentation, additional information requested, records of the holder of authorization and inventory.

Each holder of authorization shall be controlled at least once a year. After the control is made, a control record shall be made and filed.

On the basis of control of records, inventories and records of controls made, as well as received and available information, supervising customs office shall actively take part in risk analysis and making of profiles for selectivity upon export-import clearance. Supervising customs authority monitors the findings from export-import clearance on the basis of the profiles established in this way.

If supervising customs authority established that authorization is given on the basis of incorrect information or that the holder of authorization does not fulfill obligations set in the authorization and, although warned, he operates the procedure incorrectly, it submits a suggestion for annulment or revocation of authorization to the Central Administration of the Customs Administration. It shall enclose evidence to suggestion (record, warning note, and other documents).

Simplified application\authorization

Supervising customs office receives on a daily basis the import declarations which constitute an authorization. These declarations must be listed with information about the holder of the authorization, the number and date of the declaration and the time limit for re-export.

The supervising customs office also receives on a daily basis the export declarations discharging the above mentioned declarations. When receiving the export declaration, the abovementioned list must be checked and the number and date of the export declaration must be filled in against the appropriate import declaration.

The supervising customs office must frequently check the abovementioned in order to identify import declarations which has not been discharged (no export declaration has been received) within the time limit for re-exportation.

In situations where such import declarations are identified, the supervising customs office must take proper action to investigate the case and ultimately charge the customs debt.

A-8-5-4-2 Oral application/authorization

When goods are declared by using an oral declaration, the oral declaration must be supported by an inventory form shown in annex K.

In this situation the BCP of entering the procedure is responsible to supervise the procedure by listing all oral declarations received (annex K) with information about the holder of the authorization, the date of the declaration and the time limit for re-export.

When receiving a photocopy of the endorsed inventory send by the BCP discharging the procedure, the BCP of entering the procedure fulfill the abovementioned list by entering the day of discharging the procedure, matches the two parts of the inventory and files them.

The BCP of entering the procedure must frequently check the abovementioned list in order to identify oral declarations (the inventory annex K) which has not been discharged (no endorsed copy of the inventory has been received by the discharging BCP) within the time limit for re-exportation.

In situations where the time-limit of re-exportation is exceeded, the BCP transfer the case to the supervising customs office at the Customs House for further investigation.

A-8-5-4-3 Application/authorization “by any other act”

There are no commitments for the supervising customs office when this procedure is used.

A-8-5-4-4 Application/authorization - ATA carnet

In this situation the BCP of entering the procedure is responsible to supervise the procedure by listing all vouchers received with information about the holder of the carnet, the date of entering the procedure and the time limit for re-export.

When receiving the endorsed re-exportation voucher send by the BCP discharging the procedure, the BCP of entering the procedure fulfill the abovementioned list by entering the day of discharging the procedure, matches the two vouchers and files them.

The BCP of entering the procedure must frequently check the abovementioned list in order to identify vouchers which has not been discharged (no endorsed re-exportation voucher has been received by the discharging BCP) within the time limit for re-exportation.

In situations where the time-limit of re-exportation is exceeded, the BCP transfer the case to the supervising customs office at the Customs House for further investigation.

A-8-5-5 Discharging goods from the procedure

A-8-6 Outward-processing

A-8-6-1 Generally

When goods are imported into Macedonia import duties and VAT normally has to be paid on the full customs value of the goods. When domestic goods are exported outside Macedonia they lose their domestic status, and if they are later re-imported they are treated in the same way as non- domestic goods, and are liable to import duty on the full customs value.

CL art 158 (1) Outward processing allows for full or partial relief from import duties and VAT on domestic goods which are re-imported as compensating products after they have been temporarily exported from the Macedonian customs territory for the purpose of processing or repair.

CL art 167 Furthermore, the arrangement for outward processing allows for complete or partial relief from import duties and VAT for exchange goods which replace goods which are exported from the Macedonian customs territory for the purpose of repair, the so-called standard exchange system.

When a holder of authorization uses the outward processing procedure it will enable him to claim relief from import duties and VAT on the domestic goods which have been exported for process, as long as he can show that the exported goods were used to produce, or are incorporated into the compensating products.

It enables businesses to take advantage of cheaper labor costs outside Macedonia, while encouraging the use of domestic produced raw materials to manufacture the compensating products. Goods may be also temporarily exported to undergo processes not available within Macedonia.

CL art 158 (2) The rules on commercial policy measure must be applied when goods are placed under the arrangement.

Different situations where the outward processing procedure can be used is closer discussed below see part A-8-6-1-1 to A-8-6-1-4

Legal basis The rules for the outward processing procedure are found in article 97-104 and article 158-173 of the CL, article 311-333 and 396-403 of the IR and VAT Act .

A-8-6-1-1 Goods exported for repair free of charge

CL art 165 When faulty goods are repaired free of charge under a guarantee or warranty, or because of a manufacturing defect, total relief from import duties and VAT can be claimed. Evidence to support the claim for temporary export must be provided for example a guarantee or warranty document, or contractual evidence that the repair is free of all charges.

IR art 398 It is a condition that the temporary exported goods must be capable of being repaired and that the procedure shall not be used to improve the technical performance of the goods.

A-8-6-1-2 Goods exported for repair other situations

CL art 166 (1) If compensation is paid for the repair, duty is payable on the compensating products on the basis of the customs value which is set at the repair costs. This requires that the mutual dependency relationship between the holder and the operator, if any, has no influence on the amount of the repair costs.

IR art 398 It is a condition that the temporary exported goods must be capable of being repaired and that the procedure shall not be used to improve the technical performance of the goods.

A-8-6-1-3 Goods exported to be exchanged

CL art 167 (1) The standard exchange system can be used to import replacements for goods that have been exported for repair.

CL art 167 (4) The company concerned may need to import replacements before he exports the faulty goods. This is called “prior importation”. If he wants to use the standard exchange system with prior importation, customs will ask him to provide security to cover the potential import duties and VAT due on the goods he imports.

When using prior importation, faulty goods must normally be exported within two months of importing their replacements. In exceptional circumstances supervising customs office can extend this two month period. If such an extension is needed, the holder of authorization should contact the supervising customs office as soon as possible.

If the holder of authorization wants to discharge the security arrangements by assigning the faulty goods to a customs approved treatment or use, other than export, for example by entering them to a customs warehouse or free zone, or destroying them, it has to be approved by the supervising customs office.

A-8-6-1-4 Goods exported for processing in other situations

For processes other than repairs and the standard exchange system, there are two options for calculating the import duties and VAT payable on the goods obtained by outward processing procedure: the added value method and the duty differential method. The amount of import duties and VAT partial relief that can be claimed will depend on which calculation method is used, and the customs duties which apply to the exported goods and the compensating products. Subject to certain conditions mentioned below holder of authorization can use whichever method provides the greater amount of import duties and VAT relief.

From the below mentioned descriptions of the two methods it appears that in some circumstances, for example if the duty rate on the temporarily exported goods is higher than the duty rate on the compensating products, using the duty differential method may provide a greater amount of import duties and VAT relief than using the added value method. The authorized person concerned may need to work out the import duties and VAT using both methods, to establish which provides the greater benefit.

Added value method

Under this method import duties and VAT is charged on the costs of processing the exported goods, and transporting the compensating products back to Macedonia and other costs in accordance with article 35 of the CL. The duty rate applicable is the rate which applies to the compensating products. To apply this method the person concerned must:

- calculate the processing costs according to the invoice;
- calculate other costs concerning the returning of the compensating goods (in accordance with article 35 of the CL);
- calculate import duties and VAT on the total value of the previously mentioned costs, at the rate which applies to the compensating products.

In most cases, where the exported goods are liable to a positive rate of duty, using this method will provide maximum duty relief.

The value added method can only be used if the temporary exported goods were either:

- domestic goods originated in Macedonia or
- domestic goods imported from other countries and released for free circulation at a duty rate different from zero
- goods under the inward processing procedure.

Example

A Macedonian company is authorized to use the outward processing procedure when he is exporting cloths, button and sewing thread to Turkey with the purpose of processing these goods into shirts and returning the compensating products (shirts) to Macedonia. All the exported goods are incorporated in the compensating products:

Exported goods	Tariff code	Customs duty rate if imported	Customs value
Cloths	5512.xx.xx.xx	8 %	500.000 Denar
Buttons	9606.xx.xx.xx	5 %	50.000 Denar
Sewing thread	5401.xx.xx.xx	2 %	40.000 Denar
Total value for the exported goods			590.000 Denar
Processing costs			300.000 Denar
Freight, insurance, etc			50.000 Denar
Compensating products	Tariff code	Customs duty rate	
Shirts	6105.xx.xx.xx	15 %	
Total value for the compensating products (shirts)			940.000 Denar

Processing costs according the invoice	300.000 Denar
Freight, insurance, etc	50.000 Denar
Dutiable customs value	350.000 Denar
Customs duty due – 15 %	52.500 Denar
Dutiable VAT value	402.500 Denar
VAT rate – 18 %	72.450 Denar

If the compensating products do not qualify for the ‘**added value**’ method, the person concerned must use the alternative ‘**duty differential**’ method.

Duty differential method

This method provides partial relief based on the difference between the amount of import duties and VAT on the compensating products and the notional amount of import duties and VAT which would have been due on the exported goods if they have been imported at the same time as the compensating products. To apply this method the person concerned must:

- calculate the customs value and the import duties of the imported compensating products using one of the normal valuation methods (see part A-4);
- calculate the customs value and the notional import duties which would have been payable on the exported goods, if they had been imported at the same time and from the same country as the compensating products. If only some of the temporary exported goods are incorporated in the compensating products, the deductible duties are calculated with quantity or value method or any other method giving the same result (article 329 of the IR) (see part A-8-3-1-5);
- account for import duties on the difference between the import duties on the compensating products and the notional import duties on exported goods;

In some cases, if the duty rate on the temporary export goods is higher than the rate on the compensating products this may mean no import duties at all has to be paid. A refund cannot be claimed.

IR art 401 (1)

The following duties, which might normally apply to the temporarily exported goods if they had been imported from the country where the last process took place, should not be included in the amount deductible:

- anti-dumping duties;
- countervailing duties.

Secondary compensating products such as waste, scrap, etc. shall be deemed to be included in the quantity of the temporary exported goods.

Example

A Macedonian company is authorized to use the outward processing procedure when he is exporting cloths, button and sewing thread to Turkey with the purpose of processing these goods into shirts and returning the compensating products (shirts) to Macedonia. All the exported goods are incorporated in the compensating products:

Exported goods	Tariff code	Customs duty rate if imported	Customs value
Cloths	5512.xx.xx.xx	8 %	500.000 Denar
Buttons	9606.xx.xx.xx	5 %	50.000 Denar
Sewing thread	5401.xx.xx.xx	2 %	40.000 Denar
Total value for the exported goods			590.000 Denar
Processing costs			300.000 Denar
Freight, insurance, etc.			50.000 Denar

Compensating products	Tariff code	Customs duty rate	
Shirts	6105.xx.xx.xx	15 %	
Total value for the compensating products (shirts)			940.000 Denar

Products	Customs value	Customs duty rate	Customs duty
Shirts	940.000 Denar	15 %	141.000 Denar
Cloths	- 500.000 Denar	8 %	-40.000 Denar
Buttons	-50.000 Denar	5 %	-2.500 Denar
Sewing thread	- 40.000 Denar	2 %	-800 Denar
	350.000 Denar	Customs duty due	97.700 Denar
Dutiable VAT value	350.000 Denar + 97.700 Denar		447.700 Denar
VAT rate – 18 %			80.586 Denar

A-8-6-2 Application/authorization

The outward processing procedure can only be used when the Central Administration of the Customs Administration has issued an authorization before or at the latest in connection with the first exportation of goods for processing. In special circumstances an authorization can be made retroactive (see A-8-2).

A-8-6-2-1 Fundamental conditions

CL art 160
IR art 312 (1)

The authorization has to be applied for by completing the form (application and annex to the application) shown in annex 27 by the person who carries out the procedure or the organizer of the procedure (see A-8-1-1).

The signed application has to be sent to the supervising customs office. Supporting evidence or documents to the particulars to be given in the application and whose presentation is necessary for its appraisal (for example evidence concerning economic conditions, rate of duty, records etc) has to be joined to the application.

The supervising customs office considers the application and enclosed documents and if complete sends the application and enclosed documents to the Central Administration of the Customs Administration within 5 days from the date of submission of the application or from the date of receiving additionally requested information.

The Central Administration of the Customs Administration takes decision and issues the authorization if the applicant fulfills the conditions.

CL art 99
CL art 161
IR art 315 (4)
IR art 396

The Central Customs Administration can only issue an authorization :	
1	if the applicant is established in Macedonia
2	exported goods can be identified in the processed products (except for goods under the standard exchange system)
3	the economic conditions are fulfilled – that means where use of the procedure should not seriously harm interests of processors within Macedonia
4	if they have sufficient resources to supervise and monitor the procedure
5	if the necessary administrative activities isn't disproportionate to the economic benefit of the approved authorization
6	the exported goods must be domestic goods *

CL art 159 (1)

** domestic goods means goods which either originate in Macedonia, or have been imported for free circulation within Macedonia with all customs formalities completed and import duties and VAT having been paid (the goods must not have been released for free circulation with total relief from import duties and VAT because of their end-use). When a person exports goods under the outward processing procedure he may not claim any refund or remission of import duties, or any refunds or other financial benefits. He must also pay any export levies or other amounts in full.*

The authorization shall be issued in 3 copies by the Central Administration of the Customs Administration:

- one copy to the applicant;
- one copy to Central Administration of the Customs Administration;
- one copy for the supervising customs office

Supervising customs office forms a file for the holder of the authorization together with a copy of the authorization and all the enclosed documents.

Additional conditions for the standard exchange system

CL art 168 (1)

Replacements imported under the standard exchange system must:

- fall within the same sub-heading (10-digit code) of the Customs Tariff;
- be of the same commercial quality;
- have the same technical characteristics as the goods for temporary export if it was repaired.

CL art 172

The condition in the above mentioned table item 2 (the import goods can be identified in the processed products) does not apply for the standard exchange system.

CL art 168 (2)

If the faulty goods have been in use for some time, then the replacements must also be previously used goods, and may not be new products. This condition will not apply if a replacement is supplied free of charge because the faulty goods are covered by a guarantee or warranty, or because of a manufacturing defect.

The standard exchange system may not be used specifically to obtain upgraded equipment, but, for goods under warranty, if a supplier is unable to provide an exact replacement (for example because the faulty goods have become obsolete), the closest equivalent may be imported.

A-8-6-2-2 Simplified issuing of an authorization

IR art 312 (3) d)

Where the processing operations concern repairs, including the standard exchange system without prior importation, there is a possibility for simplified issuing of an authorization.

IR art 316 b)

In such situations, where there is a possibility for simplified issuing of authorization, the export declaration placing the goods under the procedure can be approved as an application. When the declaration is accepted by the customs authorities of entry, it constitutes an authorization.

In the situation where the repairer decides to replace the faulty goods instead of repairing them, the person concerned may import equivalent replacement goods under this procedure even if his authorization does not cover the standard exchange system. He should inform the discharging customs office (a letter from repairer or other documents) when he declares the replacements for free circulation and the import declaration can be approved as an application to use the standard exchange system.

In very special situations where a Macedonian company received replacement goods prior to the export of the faulty goods because of the urgency and it doesn't have authorization for outward processing, the import declaration can be approved as an application to use the standard exchange system with prior importation.

Where goods of non-commercial nature (goods owned by private person) is imported after outward processing the import declaration can also be approved as an application to use the outward processing procedure.

When simplified issuing of authorization is used, the customs office of entry into procedure, of discharging the procedure and for supervising the procedure shall be in the same Customs House.

Abovementioned customs offices must be in the place where the main accountancy of the applicant is kept.

Simplified issuing of authorization shall be used only where simple and easy supervising and monitoring of the procedure is possible.

Goods are declared using the ordinary rules of declaration i.e. description of the goods, commodity code, customs value etc. (see A-8-6-3)

Be aware of the following boxes in the SAD:

Box 37 Write down the customs procedure code from the Code Act..

IR art 314

Box 44 Supplementary information regarding the procedure applied for:

- Type of processing of the goods (repairing with or without payment, exchange with or without prior importation)
- Technical description of the goods entering the procedure
- Suggested methods of identification of exported goods in the compensating products (see box 12 of this part)
- Estimated time needed before discharging the procedure (see box 13 of this part)
- Place where the processing operation is to be carried out

These supplementary information can be stated on a separate sheet enclosed to the customs declaration. (Annex X)

In the situation where the simplified application is used, the custom authority for entering the procedure is obliged to send the declaration before its accepted and all the enclosed documents to the supervising customs office which, if the appropriate conditions are fulfilled, verifies the declaration with a remark “approved”. If the appropriate conditions are not fulfilled, supervising customs authority makes a decision by which the application for simplified issuing of authorization is refused and notifies the applicant for its decision.

The customs office of entry into procedure, after accepting the declaration for simplified issuing of authorization for outward processing, is obliged to send the original declaration together with all the enclosed documents to the supervising customs office which supervises the procedure.

Simplified issuing of authorization can be used only occasionally. If the importer on a regular basis is exporting goods for repair or exchange using the simplified issuing of authorization, supervising customs office can refuse to issue an authorization and request submitting application for regular procedure of issuing authorization for outward processing.

A-8-6-2-3 Specific instructions regarding the application/authorization

The application/authorization form (annex 27) is almost identical. An explanatory note giving a detailed description on how to fill in the form is enclosed to the application/authorization form.

Be aware of the following boxes:

Box 5 – Place and kind of records

It shall be stated where the main accounts are located (if different from box 1). This will be the place where the commercial, tax or other accounting materials is located.

IR art 311 h) State what type of records. Records mean the data containing all the necessary information and technical details, enabling the Customs authorities to supervise and control the outward processing procedure.

IR art 326(1)(3) In order to ensure proper use of each of the procedures, the customs authorities may request the holder of an authorization to keep records which would show all data needed for proper calculation of all import duties and VAT payable. These must show:

IR art 327

- details of the quantities of goods entered to the procedure. The authorized person will need to ensure that the records enable him to monitor the amount of goods entered to the procedure;
- what goods are entered i.e. the commercial or technical description of the goods sufficient to identify them (this should correspond to the description of goods that will be stated in the authorization);
- when and where goods were entered to the procedure and documents relating to their entry;
- what processing is carried out on the goods;
- locations where processing takes place;
- how goods entered to the procedure are identified in the products produced, for example manufacturer's marks, serial numbers, plumbs, seals, clip marks, other marks fixed to the compensating product, samples, illustrations, technical descriptions, analysis or other supporting documents that clearly show the compensating product has been manufactured from the goods entered the procedure;
- production data that establishes the rate of yield achieved ie how many products are produced including any secondary compensating products
- when and where compensating products were re-imported including documents relating to their re-import.

The records must identify how goods can be traced from temporary export through processing to re-import and provide details of locations, dates, values, quantity etc.

Box 8 – Rate of yield

CL art 162 (2)
IR art 328

The rate of yield is the quantity of compensating product produced from a given quantity of temporary exported goods. It is used to calculate the amount of import duties and VAT full or partial relief you can claim when you re-import your compensating products.

The expected rate of yield, or the method by which it is to be calculated must be specified in your application. Where necessary, the applicant proves the way of determining the rate of yield with appropriate evidence enclosed to the application (drawings, sketches, illustrations, recipes etc.).

If the application refers to several types of compensating products, rate of yield for each separate type of compensating products shall be specified.

Way of determining the rate of yield is closer discussed in annex A.

IR art 328(1)
CL art 162 (2)

Rate of yield or the way of determining the rate of yield shall be stated in the authorization on the basis of the information in the application. If “explanatory note” or “lists of material” are used, the rate of yield can be expressed only by referring to them.

Box 10 – Economic conditions

IR art 396

The economic conditions (that the essential interests of processors of Macedonia are not to be seriously harmed) are considered to be fulfilled except where indicators to the contrary exists.

That means that this box is not to be fulfilled unless so required by the Central Administration of the Customs Administration.

Box 12 - Identification

Unless the standard exchange system is being used, it must normally be possible to identify the temporary exported goods in the compensating products when these are re-imported.

IR art 397 (1)

How to identify the temporary exported goods (box 7) in the compensating products (box 8) have to be indicated by the applicant and stated by the Central Administration of the Customs Administration by using one of the following codes:

- 1 Serial - or manufacturer's number
- 2 Affixing of plumbs, seals, clip-marks or other distinctive marks
- 4 Taking of samples, illustrations or technical descriptions
- 5 Analysis

- 6 Information sheet (annex 56)
- 7 Other means of identification such as records as referred to in box 5. Details must be explained in box 16.

Using the records is the most suitable method of identifying how goods in box 7 can be identified in the compensating products in box 8.

When drawing up the authorization, it shall, as a primary rule, be laid down which methods the customs authorities will use in order to fulfill this identification requirement.

IR art 397 (2)

In situations where the above mentioned identification is not possible because of the nature of the processing operations, an authorization may nevertheless be granted in duly justified cases.

It is a condition that the applicant can provide sufficient guarantees that the goods used in the process are equivalent with the temporary exported goods.

Equivalent means:

- fall within the same sub-heading (10-digit code) of the Customs Tariff;
- be of the same commercial quality;
- have the same technical characteristics as the temporary exported goods.

Further information must be given in box 20.

Box 13 - Period for discharge

CL art 162 (1)
IR 399 (1)

A processing deadline or period for discharge shall be established for the outward processing procedure, i.e. a deadline for the goods to be re-imported. The deadline shall be established taking in account the processing operation which the goods will undergo.

The deadline shall be determined in the authorization by the Central Administration of the Customs Administration.

A period up to 6 months should be allowed without further notice.

The deadline can be extended under certain circumstances even after the original period has been expired.

The period for discharge starts from the date the authorization holder exports for outward processing. The period for discharge ends when the compensating products or goods in an unaltered state are re-imported or assigned another customs approved treatment or use which discharges the outward processing procedure.

Even though that there is no restriction on the length of time allowed for processing, the information is required in the application. This information is useful to the supervising customs office when carrying out visits to examine the records.

Box 16 – Additional information

The applicant must specify the method (added value method or duty differential method) he wants to use for calculating duties.

Periodically presentation of records for the supervising customs office is normally not required. The Central Administration of the Customs Administration may though require in the authorization that records must be presented periodically.

In that case it must be indicated in this box together with detailed information about when and how the records must be presented.

Box 18 - System

If the applicant want to use the below mentioned systems, it must stated by using the prescribed appropriate code(s):

Code	System
1	standard exchange system without prior importation
2	standard exchange system with prior importation

The same codes are used in the authorization to indicate whether or not the authorization include the mentioned system(s).

Box 19 – Replacement products

Where the standard exchange system is applied for in box 18, the ten-digit tariff code, commercial quality and technical characteristics of the replacement products must be stated her in this box.

These information must be detailed enough to enable the Central Administration of the Customs Administration to make the necessary comparison of the temporary exported goods and the replacement products.

The codes provided for in box 12 may be used to suggest supporting means of comparison.

Box 20 – Article 397 (2)

Where the nature of the processing operations does not allow it to be established that the compensating products have resulted from the temporary exported goods, the authorization may nevertheless, be granted in duly justified cases, provided the applicant can offer sufficient guarantees that the goods used in the processing operations share

- the same ten-digit tariff code
- the same commercial quality
- the same technical characteristics

as the temporary exported goods.

If such an authorization is applied for enter in this box “Yes” and give the appropriate details.

The codes provided for in box 12 may be used to suggest supporting means, which might be useful for this purpose.

A-8-6-3 Entry of goods under the procedure

The goods are placed under outward processing procedure on the basis of:

IR art 116

1. Customs declaration in normal procedure; or

IR art 193

2. Incomplete declaration; or

IR art 193

3. Simplified declarations in case of simplified procedure of declaring; or

IR art 193

4. Entering goods in records in a case of local clearance procedure.

The goods have to enter for the procedure within the period of validity of the authorization.

The simplified procedures (2, 3 and 4) are closer discussed in part C-1.

Customs declaration in normal procedure

Lodging the declaration

Declaration is lodged at the customs office of entry stated in the authorization. If the declaration is a simplified application for using procedure the declaration is lodged at the customs office designated for the place where the goods to be declared for temporary exportation are located.

The number of the authorization of outward processing procedure shall be clearly indicated in the declaration.

IR art 321

At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may in exceptional cases approve the customs declaration of entry into procedure to be submitted at a customs office which is not indicated in the authorization.

The SAD declaration

Customs declaration in normal procedure is submitted on SAD, by filling in all the boxes in accordance with the Code Act, established by the Ministry of Finance. When filling in SAD, pay attention to the following boxes:

Box	Information to enter
1	Write down “EX” in the first sub-box, and the first digit of the code given in the first sub-box of box 37 in the second sub-box (code 2 for temporary export of the outward processing procedure)
2	The name, address and VAT number of the holder of the authorization
31	Usual commercial name of goods with all information needed for identification of goods the way it is given in authorization.
33	Tariff code of the goods written down in box 31.
37	Code for customs procedure of the Code Act with four digits consisted of code of two digits which notify the procedure applied for followed by the second two-digits code used for previous procedure (for ex. For temporary export of goods under outward processing procedure if there was no previous procedure 2100). Second sub-box is filled in for specific procedures with code consisted of a letter followed by two digits.
44	Code of the supervising customs office/register number of authorization/year. If goods under the inward processing procedure are exported, the reference of that authorization also must be quoted. If the simplified issuing of authorization is used further information must be given (see part A-8-6-2-2).
54	Number of authorization for representing (direct or indirect).

Additional documents to the declaration

IR art 127 (1) e) The following shall be enclosed to the customs declaration:

- A photocopy of the authorization for carrying out the procedure
- All other documents needed for application of regulations.

If goods are entered to the outward processing procedure under a simplified issuing of an authorization an accompanying document with additional information will also need to be enclosed to the SAD (see part A-8-1-1).

Evidence of export

The authorization holder should ensure he keeps the certified copy 3 of the export declaration with his records to prove the goods were exported under the outward processing procedure. This copy 3 will need to be presented together with the re-import of the compensating products (see part A-8-6-5).

Customs clearance at the customs office of entry

Beyond the normal clearing and control procedure when goods are entered for export (amount of goods, customs value etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- The authorization must still be valid
- The exported goods must be mentioned in box 7 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in the boxes of the SAD
- All kind of commercial policy measures in reference to export of goods from the customs territory shall apply.

For all customs declarations placed under outward processing procedure the previous day, a report in three copies (defined report ??) shall be prepared. Two copies of the report with all the original customs declarations and enclosed documents shall be submitted to the supervising customs office stated in the authorization. The supervising customs office verify one copy of the report and send it back to the customs office of entry under procedure, which files this report in a separate file as a confirmation for the receipt of the first copy of the report.

A-8-6-4 Supervising the procedure

Supervising customs office forms a file for each authorization. The file consists of authorization, all original customs declarations under which the goods are entered/discharged of/under the procedure, all documents which the holder of authorization submits to the supervising customs office for fulfilling the obligations stated in the authorization and control records.

Presentation of records etc

IR art 326 (3)

The Central Administration of the Customs Administration may in the authorization require that records must be presented periodically. In that case it must be indicated in box 16 in the authorization together with detailed information about when and how the records must be presented.

The supervising customs office can at any time ask the holder of the authorization to provide records with the purpose of supervising the procedure.

Multiple failure of the obligation for submitting records means that the obligations stated in the authorization have not been fulfilled and shall mean grounds for starting a procedure for annulment of the authorization.

The rate of yield

If the rate of yield is not established in the authorization or it has been changed or is incorrect, the holder of authorization has an obligation to notify the supervising customs office at the moment when he knows the exact rate of yield or at the latest when the compensating products are declared for free circulation.

Simplified authorizations

Before verifying the declaration entering the outward processing procedure as described in part A-8-6-2-2 (by that act the declaration will constitute an authorization), the supervising office must be ensured that the declaration fulfill the conditions for simplified issued authorizations.

Especially it must be ensured that the way of identifying the temporary exported goods in the re-imported goods is sufficient.

Post clearance control

Supervising customs authority shall make a monthly plan for control of holders of authorization. The monthly plan shall state the period, the type of goods, the rate of yield and the holders of authorization to be controlled.

The plans will be made according to the previous controls, scope of work and risk analysis. The control may be physical or documentary and shall refer to the identity of goods, control of documentation, additional information requested, records of the holder of authorization, production process, rate of yields, raw-materials on stock and compensating products.

Each holder of authorization shall be controlled at least once a year. After the control is made, a control record shall be made and filed.

On the basis of control of records as well as received and available information, supervising customs office shall actively take part in risk analysis and making of profiles for selectivity upon export-import clearance. Supervising customs authority monitors the findings from export-import clearance on the basis of the profiles established in this way.

If supervising customs authority established that authorization is given on the basis of incorrect information or that the holder of authorization does not fulfill obligations set in the authorization and, although warned, he operates the procedure incorrectly, it submits a suggestion for annulment or revocation of authorization to the Central Administration of the Customs Administration. It shall enclose evidence to suggestion (record, warning note, and other documents).

A-8-6-5 Discharging goods from the procedure

CL art 163 The outward processing is considered to end and full or partial relief from customs duty can be claimed when the compensating products or replacement products are released for free circulation.

When the holder of an authorization imports compensating products produced from domestic goods which have previously been exported under the outward processing procedure, he must present an import declaration for free circulation. He may claim relief only for compensating products falling under tariff commodity codes for which he holds an outward processing authorization.

Outward processing procedure is discharged on the basis of:

IR art 116 1. Customs declaration in normal procedure; or

IR art 195 (2) 2. Incomplete declaration

IR art 195 (2) 3. Simplified declarations in case of simplified procedure of declaring; or

IR art 195 (2) 4. Entering goods in records in a case of local clearance procedure

The goods have to be discharged within the period of discharge according to the authorization.

IR art 331 If the authorization holder has entered goods under several declarations and he is unable to determine which compensating product has been produced from which imported goods, he can discharge the procedure successively, starting with the earliest of the declarations.

The simplified procedures (2, 3 and 4) are closer discussed in part A-6.

Customs declaration in normal procedure

Lodging the declaration

Declaration is lodged at the customs office of discharge stated in the authorization or if the declaration refers to a simplified authorization the declaration is lodged at the customs office in the place where the main accountancy of the applicant is kept.

IR art 321 At the request of the holder of authorization which is submitted in free form, the supervising customs office, with a note in the authorization, may approve the customs declaration of discharge to be submitted at a customs office which is not indicated in the authorization.

The SAD-declaration

To discharge the outward processing procedure and claim duty relief a declaration consisting of copies 6, 7 and 8 of the SAD must be presented to the discharging customs office.

In addition to the normal details of the imported goods you must ensure that the following information is provided:

Box	Information to enter
1	Write down “IM” in the first sub-box, and the first digit of the code given in the first sub-box of box 37 in the second sub-box (code 6 for re-import and releasing in free circulation)
8	The name, address and VAT number of the holder of the authorization
31	Usual commercial name of goods with all information needed for identification of goods the way it is given in authorization.
33	Tariff code of the goods written down in box 31.
37	Code for customs procedure of the Code Act with four digits consisted of code of two digits which notify the procedure applied for followed by the second two-digits code used for previous procedure (for ex. Re-import with release into free circulation after temporary export under outward processing procedure 6121). Second sub-box is filled in for specific procedures with code consisted of a letter followed by two digits.
44	Code of the supervising customs office/register number of authorization/year.
46	Customs value in accordance with the specification of the value (box I of Annex E and box G of Annex F) mentioned below.
47	Calculation of duties with type of duties in first column and way of paying of duties in the last column. Amount of import duties and VAT according to the specification of value (Annex F or E)
54	Number of authorization for representing (direct or indirect).

The specification of the value

There are two types of specifications:

- Specification of the value when the added value method (described in A-8-6-1-4) is used (annex F)
- Specification of the value when the duty difference method (described in A-8-6-1-4) is used (annex E)

When goods are declared for free circulation under the outward processing procedure, a specification of the value (annex E or annex F) must always be enclosed to the customs declaration even if it is goods repaired free of charge.

Preferential tariff treatment

Preferential tariff treatment can be used for compensating products if the products fulfill conditions for using preferential agreement and if a certificate of origin issued by the last processing country is provided.

CL article 164 (4) If he choose to claim the preference tariff rate on his compensating products, and there is also a preference tariff rate available under the same preference arrangements for goods of the same type as any of the goods he temporarily exported, care should be taken when calculating the amount to be deducted, to use the preferential tariff rate which should be used if the temporarily exported goods fulfilled the conditions under which the preferential measure may be applied.

Additional documents to the declaration

The holder of the authorization must present sufficient documentation to prove that the goods for processing were exported under the outward processing procedure, and to allow the discharging customs office to identify the exported goods and check the rate of yield and the duty calculations. The following documents may be required as appropriate:

- Copy 3 of the export declaration EX 2 – to prove that the goods for process were exported under the outward processing procedure. Copy 3 of the export declaration certified by customs office of entering under procedure must be presented. After clearance the copy 3 will be endorsed on the back by the discharging customs office with the following note:

*This declaration is written of completely
(IM 6 no., date, signature and stamp)*

Subsequently the copy 3 of the EX 2 will be returned to the holder of the authorization.

If it is a split consignment see below.

- Specification of the value (annex E or annex F) - this form is always required when compensating products are re-imported. It is used to make a declaration as to the exact status of the re-imported goods. It is also used to show the calculation of the relief claimed and the duty payable.
- Guarantee - if the holder of the authorization is claiming total relief from import duties because the exported goods have been repaired or replaced free of charge under a guarantee or warranty, he must provide a copy of the guarantee or warranty document, or other contractual evidence to prove that no charge was, or will be, made for the repair or replacement.
- Service contracts or “extended” warranties - Some companies have arrangements with a repairer outside Macedonia which allow them, for payment of a fixed service charge, to send goods for repair. When such goods are returned after repair, the accompanying documentation may not indicate that any payment has been made for the repair facility. However,

actual price for repair and service is liable to import duties. Similarly, an extended warranty for which a “one off” payment is made, is liable to customs duty. If the holder of authorization has goods repaired under arrangements similar to abovementioned, he might not be able to account for the customs duties and VAT on individual consignments. He must however, declare to Customs that he is being charged for the repair facilities, and make arrangements with the Macedonian Customs to pay the import duties and VAT when he makes payments to the repairer for the service facilities.

- Other supporting documents. The person concerned must also produce any other documents necessary to support his claim to relief for example invoices for processing costs, freight and insurance charges.

Re-importing compensating products in split consignment

If the compensating products are re-imported in more than one consignment, it can pose problems for both the customs authorities and also for the holder of authorization in keeping track of the quantity of exported goods incorporated in the re-imported products.

It must be ensured that the relief of import duties and VAT under outward processing procedure is granted only according to the amount of goods which have been previously exported from Macedonia.

For this purpose the holder of the authorization is required to, on the back of the copy 3 of the EX 2 declaration, to write of the amount of the exported goods used to produce the compensating products covered by the import declaration in question and declare a balance of exported goods still remaining after the initial consignment is cleared.

After clearing the compensating goods, the balance will be endorsed by the customs with the number and date of the IM 6 and signature and stamp.

The copy 3 of the EX 2 will be returned to the holder of the authorization.

Customs clearance at the customs office of discharge

Beyond the normal clearing and control procedure when goods are imported (quantity of goods, customs value, import duties and VAT etc) the following checks must be done:

- Photocopy of the authorization must be submitted together with the declaration
- Re-imported goods must be mentioned in box 8 of the authorization
- The declarations must be fulfilled according to the above mentioned instructions for filling in boxes in SAD

- If compensating products are re-imported in more than one consignment, a balance of exported goods must be declared on the back of the copy 3 of the EX 2 declaration
- The customs authority of discharge shall by stamp, signature and number of the IM 6 verify on copy number 3 of the export SAD the discharging of procedure as mentioned above. After verification, copy number 3 shall be handed over to the holder of authorization or his representative.

For all customs declarations IM 6 discharging the outward processing procedure the previous day, a report in three copies (defined report ??) shall be prepared. Two copies of the report with all the original customs declarations and enclosed documents shall be submitted to the supervising customs office stated in the authorization. The supervising customs office verify one copy of the report and send it back to the customs office of discharging the procedure, which files this report in a separate file as a confirmation for the receipt of the first copy of the report.

B-1 Transit procedure

C-1 Export procedure

D-1 Relief from customs duty

D-2 Returned goods

E-1 Customs debt

E-1-1 Security to cover customs debt

E-1-2 Incurrence of customs debt

E-1-3 Calculation and collection of the customs debt

E-1-4 Extinction of customs debt

E-1-5 Repayment and remission of duty

Annex A (rate of yield)

If the processing company disposes of the same goods as he receives, the rate of yield is 1:1. This is likely for goods for repair or for minor activities under usual forms of handling according to annex 52.

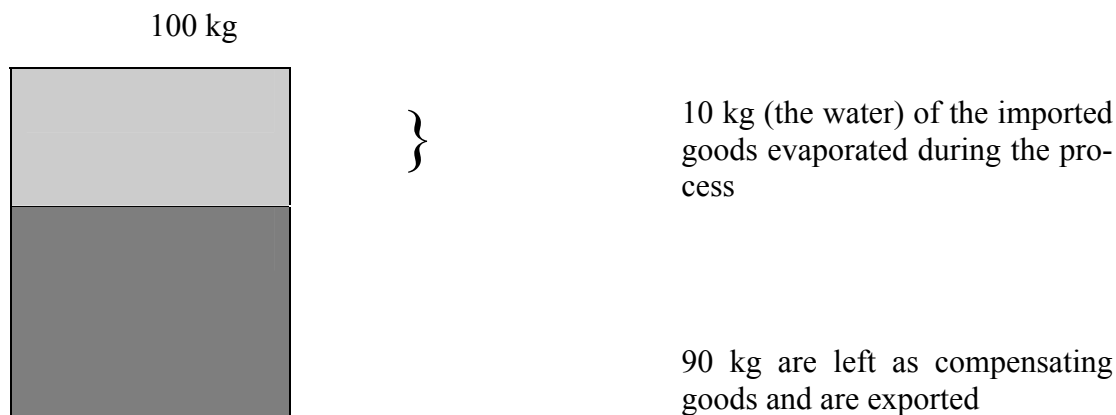
If the processing company receive many different goods to make a single product, then the rate of yield is expressed as so many of each item to one product produced of for example 1,5 meters of cloth, 400 meters of thread and 10 buttons to each shirt. It will also help if a “bill of materials” for each compensating product is provided. The bill of materials should show the quantity of each type of goods used to produce one unit of each type of compensating product. This will also enable the supervising customs office to check the records more quickly and accurately.

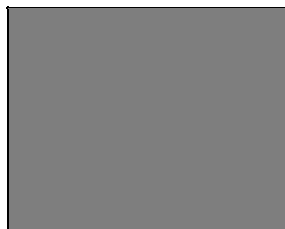
If the processing company receive one item and split it up into many different products, the rate of yield is expressed as the quantity of items that produces so much of each product (main compensating products) and what is left as a result of producing those products (secondary compensating products) eg. 1000 kg of timber produces 14 tables, 12 chairs and 2 bookcases and 50 kg of wood/waste/cuttings/sawdust (secondary compensating goods).

If the processing company receive one item and this item will be processed and be a part of the compensating goods, the rate of yield can be expressed as a percentage of the compensating goods e.g. almond are imported with the purpose of producing marzipan. To produce marzipan you have to use a lot of sugar etc too, but according to the recipe 600 gram of almond are used every time you produce 1 kg of marzipan. In that case the rate of yield is expressed as 60 %.

Example 1

100 kg of something liquid are imported under inward processing procedure. The process is to remove the water from these goods so it becomes solid:





The rate of yield is in this example 100 %.

In this example the compensating goods are made of one imported material. Therefore we use percentage.

What is left (in this case 10 kg) is losses (the part of the import goods destroyed and lost during the processing operation, in particular by evaporation, desiccation, venting as gas or leaching (escape of gas or leach through the drain).

Losses are considered to be consumed at the processing of the compensating products. In this case, even if only 90 kg are exported, the company will have the full benefit.

Example 2

The compensating goods are shirts made of imported textiles, bottoms and sewing thread. One shirt is made of:

<i>Fabric</i>	<i>2,83 meters (0,53 will become remnants)</i>
<i>Bottoms</i>	<i>12 pieces</i>
<i>Sewing thread</i>	<i>20 meters</i>

Every time the holder of authorization exports one shirt they can make bill of discharge for 12 bottoms etc, but not for the remnant only if the remnant is exported too. Other possibilities are to destroy the remnant (only suspension system) or to declare the remnant for free circulation by paying the duties. If remnant is listed in annex 45 it is possible to pay duties in accordance to the rate applicable for remnants and not the rate applicable for the fabrics.

The expected rate of yield or the method by which it will be calculated must be specified in the application for each compensating or secondary compensating product. If necessary the rate of yield can be explained in an “explanatory note” or a “bill of material”. If the application includes more than one processing operation, the person concerned must give the rate of yield for each processing.

Annex B (Additional declaration of rate of yield)

INWARD PROCESSING

Additional declaration of the rate of yield*

Authorization no. _____ of _____ Holder of authorization: _____		Supervising office: _____ Import declaration nr. _____ Of _____ Date of export (expected): _____		
Compensating products according to the authorization		Incorporated import goods according to the authorization		
<i>Tariff code</i>	<i>Description</i>	<i>Tariff code</i>	<i>Description</i>	<i>Rate of yield</i>

* shall be submitted to the supervising customs office not later than two working day before submitting the export declaration

I hereby declare that the abovementioned information is correct:

Date: _____

Signature: _____

Name of the signer _____

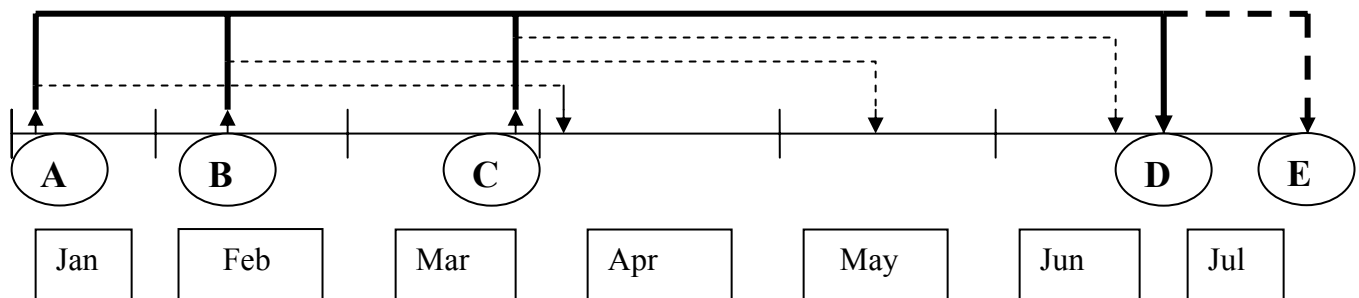
Annex C (periodically aggregation)

For reasons of simplification the Central Administration of the Customs Administration can decide that a discharging period which starts during a month or quarter shall end on the last day of a subsequent month or quarter, if so applied for by the applicant.

Example

An importer has an authorization with a period of discharge determined for 3 months, quarterly aggregation is approved and at the same time the company has to provide records and inventories at a quarterly basis.

Holder of authorization imports goods for inward processing on the 5th of January (A), the 10th of February (B) and the 28th of March (C).



If quarterly aggregation wasn't approved (-----), the goods should be discharged and bill of discharging should be presented on the following dates:

Goods	Date of import	Date of discharge at the latest	Date of presenting the bill of discharge at the latest*
A	5 th of January	5 th of April	5 th of May
B	10 th February	10 th of May	10 th of June
C	28 th of March	28 th of June	28 th of July

* According to IR art 332 the bill of discharge shall be lodge at the supervising customs office within 30 days after the expiry of the period of discharge

When quarterly aggregation is approved (—————), the goods shall be discharged and bill of discharging should be presented on the following dates:

Goods	Date of import	Date of discharge at the latest	Date of presenting the bill of discharge at the latest*
A	5 th of January	30 th of June (D)	30 th July (E)
B	10 th February	30 th of June (D)	30 th July (E)
C	28 th of March	30 th of June (D)	30 th July (E)

* According to IR art 332 the bill of discharge shall be lodge at the supervising customs office within 30 days after the expiry of the period of discharge irrespective of whether aggregation is used or not. At the same time the calculation note and the inventory for the quarter (April, May and June) shall be lodged at the supervising customs office (see Box 5).

In other words when periodically aggregation is approved, all period of discharge which expires in a certain period will be extended until the end of that period.

Annex D (notification)

(Annex no.5)

Republic of Macedonia
Ministry of finance
Customs Administration

(Customs obligor)

Customs House _____

Customs office _____

Number IM _____ from _____ 200 _____

NOTIFICATION

Customs obligor (tax.no. _____) from _____, address _____
is obliged TO PAY the amount of _____ denars (with words:) _____
of customs debt on the basis of _____
and on the basis of customs declaration SAD for _____ (TIR carnet no. _____)
from _____ 200 _____ at customs office _____.

Customs obligor is obliged to pay the stated amount within 8 days of receipt of this notification with calculation on the account of the Budget of Republic of Macedonia – Bank account no.100-000000063095 at National Bank of Republic of Macedonia. (How to fill in the payment form is given in the Enclosure).

If the payment is done by the customs obligor, it will be done by activating the submitted bank security no. _____ from _____ 200 _____ in accordance with the Implementing Regulation and instruments for securing the payment of the customs debt, i.e. forcefull, by calculating and charging interest by rate of 0,05% for each day after expiration of the period, in accordance with article 63 of the Law on establishing and charging public revenues, in the meaning of article 176 of the Customs Law and in accordance with article 44 of VAT Act.

If the customs obligor, after receiving the notification with calculation, finds out any calculation or mathematical mistake, he has a right to demand a correction from the customs office that did the calculation within 3 days of receiving the notification with calculation. (*In accordance with article 30 of the Implementing Regulation for procedure and instruments for securing payment of the customs debt – Official Gazette of Republic of Macedonia no. 26/2000, 10/2002*)

Enclosed: calculation of customs debt

Annex for way of filling in the payment form (form PP 50)

Chief of customs office

CUSTOMS HOUSE _____

CUSTOMS OFFICE _____

No. _____ FROM _____ 200 _____

C A L C U L A T I O N

of customs and duties for customs declaration (SAD for _____/TIR carnet)

No. _____ at _____ 200 _____

In the stated customs declaration the following goods were declared:

Ser. No. Of tariff code	Tarrif code	Commercial name of the goods	Quantity	Single value in foreign currency	Total value in forreign currency	Total value in denars

☐ - see annex _____ (for declaration with more than one commodity codes)

Forreign currency _____

Exchange rate _____ denars

	Basis	Amount
Customs _____:	_____	_____
Separate duty _____:	_____	_____
VAT _____:	_____	_____
Excise _____:	_____	_____
_____:	_____	_____
Total:		_____

* If securing of customs debt is with deposit

Amount of deposited assets

Amount of calculated duties

Left for repayment

Place and date:

Signature:

Stamp:

C A L C U L A T I O N (BIS)

of customs and duties for customs declaration (SAD for _____/TIR carnet)

No. _____ at _____ 200 ____

In the stated customs declaration the following goods were declared:

Ser. No. Of tariff code	Tarrif code	Commercial name of the goods	Quantity	Single value in foreign currency	Total value in forreign currency	Total value in denars

	Basis	Amount		Basis	Amount
Customs _____:	_____	_____	Customs _____:	_____	_____
Separ. duties. _____:	_____	_____	Separ. duties :	_____	_____
VAT _____:	_____	_____	VAT _____:	_____	_____
Excise _____:	_____	_____	Excise _____:	_____	_____
_____:	_____	_____	_____:	_____	_____
Total for tar.code _____:		_____	Total for tar.code _____:		_____

	Basis	Amount		Basis	Amount
Customs _____:	_____	_____	Customs _____:	_____	_____
Separ. duties. _____:	_____	_____	Separ. duties :	_____	_____
VAT _____:	_____	_____	VAT _____:	_____	_____
Excise _____:	_____	_____	Excise _____:	_____	_____
_____:	_____	_____	_____:	_____	_____
Total for tar.code _____:		_____	Total for tar.code _____:		_____

	Basis	Amount		Basis	Amount
Customs _____:	_____	_____	Customs _____:	_____	_____
Separ. duties. _____:	_____	_____	Separ. duties :	_____	_____
VAT _____:	_____	_____	VAT _____:	_____	_____

Excise ____: _____

Total for
tar.code ____: _____

Excise ____: _____

TOTAL ALL: _____

** If securing of customs debt is with deposit*

Amount of deposited assets

 Amount of calculated duties

 Left for repayment

Place and date:

Signature/Stamp:

Annex E (Specification of the value)

Duty difference method

A Authorization no. _____ of _____ Holder of authorization: _____		B Supervising customs office: _____ Export declaration nr. _____ of _____												
Re-importation of goods after processing /reparation/exchange														
C Mark the used procedure	Processing <input type="checkbox"/>	Reparation <input type="checkbox"/>	Standard exchange <input type="checkbox"/>											
If a reparation or exchange of goods under a guarantee is free of charge, the specification of the value below shall not be completed unless the holder of the authorization has defrayed the costs in box G .														
D The customs value of the exported goods			Den ①											
E The value of used material delivered by the holder of the authorization, but not exported from Macedonia.			Den ②											
F Processing\repairing costs according to invoice:			Den ③											
<table border="1" style="width: 100%;"> <tr> <th style="width: 60%;">Currency unit and amount</th> <th style="width: 40%;">Exchange rate</th> </tr> <tr> <td> </td> <td> </td> </tr> </table>		Currency unit and amount		Exchange rate										
Currency unit and amount	Exchange rate													
G Conditions of delivery: _____ The value of costs concerning the returning of the goods to Macedonia			Den ④											
<table border="1" style="width: 100%;"> <tr> <th style="width: 60%;">Type of costs</th> <th style="width: 40%;">Denar</th> </tr> <tr> <td>Freight</td> <td> </td> </tr> <tr> <td>Insurance</td> <td> </td> </tr> <tr> <td>Packing</td> <td> </td> </tr> <tr> <td>Other</td> <td> </td> </tr> <tr> <td>Total costs (4)</td> <td> </td> </tr> </table>		Type of costs		Denar	Freight		Insurance		Packing		Other		Total costs (4)	
Type of costs	Denar													
Freight														
Insurance														
Packing														
Other														
Total costs (4)														
H Total costs (2 + 3 + 4)			Den ⑤											
I The customs value of the re-imported goods (1 + 5)			Den ⑥											
J Customs duties concerning the imported goods			Den ⑦											
<table border="1" style="width: 100%;"> <tr> <th style="width: 30%;">Commodity code</th> <th style="width: 30%;">Duty rate</th> <th style="width: 40%;">Customs value (6)</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>		Commodity code		Duty rate	Customs value (6)									
Commodity code	Duty rate	Customs value (6)												
K Customs duties concerning the exported goods *			Den ⑧											
<table border="1" style="width: 100%;"> <tr> <th style="width: 30%;">Commodity code</th> <th style="width: 30%;">Duty rate</th> <th style="width: 40%;">Customs value (1)</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>		Commodity code		Duty rate	Customs value (1)									
Commodity code	Duty rate	Customs value (1)												
* if there is more than one type of goods involved, transfer only the total amount of import duties from the specification below														
L Calculated amount of import duties (7 – 8)			Den ⑨											
M The VAT of the imported goods (18% of (6 + 9))			Den											

N Declaration

The above mentioned information is correct.

The goods, which at the time for exportation were domestic goods or goods under the inward processing procedure, were exported according to the export declaration mentioned in box B. No reimbursement of import duties and VAT was achieved when the goods were exported.

Standard exchange system

The exchanged goods

- fall within the same sub-heading (10-digit code) of the Customs Tariff
- is of the same commercial quality
- have the same technical characteristics

as the exported goods.

Repair or exchange of goods free of charge

The goods have been repaired/exchanged without any costs (including freight etc) for the holder of the authorization due to guarantee commitments or due to a manufacturing defect. When the goods at first were declared for free circulation no considerations were taken to the defectiveness when the customs value and the customs duty rate were settled.

O

Date:

Signature:

Name and surname of the signer

SPECIFIKATION – EXPORTED GOODS

Commodity code	Customs duty rate	Customs value	Customs duty
Customs value and duty of the exported goods		*	**

* to be transferred to (1)

** to be transferred to (8)

Annex F (Specification of the value)

Added value method (IR art 402)

A Authorization no. _____ of _____ Holder of authorization: _____		B Supervising customs office: _____ Export declaration nr. _____ of _____													
Re-importation of goods after processing /reparation/exchange															
C Mark the used procedure	Processing <input type="checkbox"/>	Reparation <input type="checkbox"/>	Standard exchange <input type="checkbox"/>												
If a reparation or exchange of goods under a guarantee is free of charge, the specification of the value below shall not be completed unless the holder of the authorization has defrayed the costs in box F .															
D The value of used material delivered by the holder of the authorization, but not exported from Macedonia.			Den ^①												
E Processing\repairing costs according to invoice:			Den ^②												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Currency unit and amount</th> <th style="width: 50%;">Exchange rate</th> </tr> <tr> <td> </td> <td> </td> </tr> </table>			Currency unit and amount	Exchange rate											
Currency unit and amount	Exchange rate														
F Conditions of delivery: _____ The value of costs concerning the returning of the goods to Macedonia			Den ^③												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Type of costs</th> <th style="width: 50%;">Denar</th> </tr> <tr> <td>Freight</td> <td> </td> </tr> <tr> <td>Insurance</td> <td> </td> </tr> <tr> <td>Packing</td> <td> </td> </tr> <tr> <td>Other</td> <td> </td> </tr> <tr> <td>Total costs (3)</td> <td> </td> </tr> </table>			Type of costs	Denar	Freight		Insurance		Packing		Other		Total costs (3)		
Type of costs	Denar														
Freight															
Insurance															
Packing															
Other															
Total costs (3)															
G The customs value of the re-imported goods (1 +2 + 3)			Den ^④												
H Customs duties concerning the imported goods			Den ^⑤												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 33%;">Commodity code</th> <th style="width: 33%;">Duty rate</th> <th style="width: 33%;">Customs value (4)</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>			Commodity code	Duty rate	Customs value (4)										
Commodity code	Duty rate	Customs value (4)													
I The VAT of the imported goods (18% of (4 + 5))			Den ^⑥												
J Declaration The above mentioned information is correct. The goods, which at the time for temporary exportation were either <ul style="list-style-type: none"> domestic goods originated in Macedonia or domestic goods imported from other countries and released for free circulation at a duty rate different from zero goods under the inward processing procedure, were exported according to the export declaration mentioned in box B. No reimbursement of import duties and was															

achieved when the goods were exported.

Standard exchange system

The exchanged goods

- fall within the same sub-heading (10-digit code) of the Customs Tariff
- is be of the same commercial quality
- have the same technical characteristics

as the exported goods.

Repair or exchange of goods free of charge

The goods have been repaired/exchanged without any costs (including freight etc) for the holder of the authorization due to guarantee commitments or due to a manufacturing defect. When the goods at first were declared for free circulation no considerations were taken to the defectiveness when the customs value and the customs duty rate were settled.

K

Date:

Signature:

Name and surname of the signer

Annex G (list of personal effects)

The following is a consultative and incomplete list of personal effects according to IR art 375:

- clothing, toilet articles, personal jewellery;
- still and motion picture cameras together with a reasonable quantity of film and accessories;
- portable slide or film projectors and accessories together with a reasonable quantity of slides or films;
- video cameras and portable video recorders with a reasonable quantity of tapes;
- portable: musical instruments, gramophones with records, sound recorders and reproducers (including dictating machines) with tapes, radio receivers, television sets, typewriters, calculators, personal computers;
- binoculars, perambulators, wheelchairs for invalids;
- sports equipment such as tents and other camping equipment, fishing equipment, climbing equipment, diving equipment, sporting firearms with ammunition, non-motorised bicycles, canoes or kayaks less than 5.5 metres long, skis, tennis rackets, surfboards, windsurfers, hang-gliders and delta wings, golfing equipment;
- portable dialysis and similar medical apparatus, and the disposable items imported for use therewith; and
- other articles clearly of a personal nature.

Annex H (list of goods for sporting purposes)

The following is a consultative and incomplete list of goods for sporting purposes according to IR art 375:

- track and field equipment, such as hurdles, javelins, discuses, poles, shots, hammers;
- ball game equipment, such as balls of any kind, rackets, mallets, clubs, sticks and the like; nets of any kind, goal posts;
- winter sports equipment such as, skis and sticks, skates, bobsleighs, curling equipment. Sports wear, shoes, gloves, headgear, etc of any kind;
- water sports equipment, such as canoes and kayaks, sail and rowboats, sails, oars and paddles, surf boards and sails;
- motor vehicles and craft, such as cars, motor bicycles, motorboats;
- equipment for miscellaneous events, such as sports arms and ammunition, non-motorised bicycles, archer's bows and arrows, fencing equipment, gymnastics equipment, compasses, wrestling mats and tatamis, weight-lifting equipment, riding equipment, sulkies, hang-gliders, delta wings, windsurfers, climbing equipment, music cassettes to accompany the performance; and
- auxiliary equipment, such as measuring and score display equipment, blood and urine test apparatus.

Annex I (list of professional equipments)

The following is a consultative and incomplete list of professional equipments according to IR art 380:

- radio and television production and broadcasting equipment and vehicles specially adapted for use of the above purpose and their equipment being imported by public or private organizations established outside Macedonia and approved by the Director General;
- equipment for the press such as: personal computers, telefax equipment, typewriters, cameras of all kinds (film and electronic cameras), sound or image transmitting, recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers), sound or image recording media, blank or recorded, testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc), lighting equipment (spotlights, converters, tripods), operational accessories (cassettes, exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors).
- sound broadcasting equipment, such as: telecommunication equipment for example broadcast transmitter-receivers or transmitters, terminals connectable to network or cable, satellite links, audio frequency production equipment (sound pick-up, recording or reproducing apparatus), testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc) operational accessories (clocks, stop watches, compasses, microphones, mixing consoles, sound tape, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc), sound recording media, blank or recorded.
- television broadcasting equipment, such as: television cameras, telecinema, testing and measuring instruments and apparatus, transmission and re-transmission apparatus, communication apparatus, sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loud-speakers), lighting equipment (spotlights, converters, tripods), editing equipment, operational accessories (clocks, stop watches, compasses, lenses, exposure meters, tripods, battery chargers, cassettes, generating sets, transformers, batteries and accumulators, heating, air-conditioning and ventilating apparatus, etc), sound or image – recording media, blank or recorded (credit titles, station call signs, music inserts, etc), “film rushes”, musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers. Vehicles designed or specially adapted for the purposes of this paragraph, such as: television transmitting vehicles, vehicles for television

accessories, video tape recording vehicles, sound recording and reproducing vehicles, slow motion vehicles, light vehicles.

- cinematographic equipment such as: cameras of all kinds (film and electronic cameras), testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc), camera “dollies” and booms, lighting equipment (spotlights, converters, tripods), editing equipment, sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loud-speakers), sound or image recording media, blank or recorded (credit titles, station call signs, music inserts, etc), “film rushes”, operational accessories (clocks, stop watches, compasses, microphones, mixing consoles, sound tapes, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc), musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers. Vehicles designed or specially adapted for the purposes specified of this paragraph.
- other equipment for: erection, testing, commissioning, checking, control, maintenance or repair of machinery, plant, means of transport, etc such as: tools, measuring, checking or testing equipment and instruments (temperature, pressure, distance, height, surface, speed, etc), including electrical instruments (voltmeters, ammeters, measuring cables, comparators, transformers, recording instruments, etc) and jigs, apparatus and
- equipment for taking photographs of machines and plant during or after erection, apparatus for survey of ships.

and the equipment of:

- businessmen, business efficiency consultants, productivity experts, accountants and members of similar professions, such as: personal computers, typewriters, sound or image transmitting, recording or reproducing apparatus, calculating instruments and apparatus.
- experts under taking topographical surveys or geophysical prospecting work, such as, measuring instruments and apparatus, drilling equipment, transmission and communication equipment.
- experts combating pollution.
- doctors, surgeons, veterinary surgeons, midwives and members of similar professions (instruments and apparatus).
- doctors providing assistance for patients awaiting organ transplant.

- archaeologists, palaeontologists, geographers, zoologists and other scientists.
- entertainers, theatre companies and orchestras, including all articles used for public or private performances (musical instruments, costumes, scenery, etc).
- lecturers to illustrate their lectures.
- photography trips (cameras of all kinds, cassettes, exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors, lighting equipment, fashion goods and accessories for models, etc).
- vehicles designed or specially adapted for the purposes specified above, such as mobile inspection units, travelling workshops and travelling laboratories.

Annex J (simplified issuing of authorization)

OUTWARD PROCESING Simplified issuing of authorization (article 314 of the Implementing Regulation) (binding annex to the customs declaration)											
Customs office:	Number/year of the customs declaration (filled in by the customs office):										
1. Applicant (name, address, tax number):											
2. Type of processing or use of goods: <input type="checkbox"/> Repair within the warranty period <input type="checkbox"/> Repair (payable, when the warranty period has ended) <input type="checkbox"/> Exchange system without prior importation <input type="checkbox"/> Exchange system with prior importation											
3. Exportation goods: <table border="1"> <thead> <tr> <th>Number</th> <th>Trade name and technical description of the goods</th> <th>Tariff code</th> <th>Quantity</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td colspan="5"> </td> </tr> </tbody> </table>		Number	Trade name and technical description of the goods	Tariff code	Quantity	Value					
Number	Trade name and technical description of the goods	Tariff code	Quantity	Value							
4. Equivalent goods:											
5. Compensating products: <table border="1"> <thead> <tr> <th>Number</th> <th>Trade name and technical description of the goods</th> <th>Tariff code</th> <th>Quantity</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td colspan="5"> </td> </tr> </tbody> </table>		Number	Trade name and technical description of the goods	Tariff code	Quantity	Value					
Number	Trade name and technical description of the goods	Tariff code	Quantity	Value							
6. Rate of yield or method for determining rate of yield:	7. Period for discharging of procedure:										
8. Location of processing or use:											
<div> <div>Place and date:</div> <div>Stamp of the applicant:</div> <div>Name and signature of the responsible person:</div> </div>											

Annex K (Temporary importation)

TEMPORARY IMPORTATION

Inventory to support an oral customs declaration According to IR art 136, art 312 and art 314

A Declarant Name: Address:		B Applicant if different from box A) Name: Address:	
C Goods to be place under Temporary Importation			
<i>Trade/technical description</i>		<i>Quantity</i>	<i>Customs value</i>
D Nature of use and reference to article in the IR		E Place where the goods will be used	
F Deadline for re-export (filled in by the customs authorities)			
G Declarants statement I undertake to comply with the conditions of Temporary Importation relief and the Oral Declaration procedure laid down in the Implementing Regulations to the Customs Law. Signature: Name (in block letters): Date:			
H Customs endorsement entering the procedure Date: Signature: Name (in blockletters): Name of the BCP: Stamp		Customs endorsement discharging the procedure: Date: Signature: Name (in blockletters): Name of the BCP: Stamp	

Annex 15 (D.V.1)

DECLARATION OF PARTICULARS RELATING TO CUSTOMS VALUE D.V.1

1.NAME AND ADDRESS OF SELLER (Block letters)	FOR OFFICIAL USE	
2.(a) NAME AND ADDRESS OF BUYER (Block letters)		
2.(b) NAME AND ADDRESS AND TAX No OF DECLARANT (Block letters)	(Stamp)	
Important note By signing and lodging the declaration the declarant accepts responsibility of the particulars given on this form and on any document produced in support. The declarant also accepts responsibility to supply any additional information or document necessary to establish customs value of the goods.	3. Terms of delivery	
	4.Number and date of invoice	
	5.Number and date of contract	
6. Number and date of any previous Customs decision concerning boxes 7 to 9		
7.(a) Are the buyer and seller RELATED in the sense of Article63(*) of Regulation (EEC) If ‘NO’ go to box 8. (b) Did the relationship INFLUENCE the price of the imported goods? (c) (reply optional) Does the transaction value of the imported goods CLOSELY APPROXIMATE to a value mentioned in Article 28 paragraph (2) (b) of the Customs Law?	Enter X where applicable <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	
8.(a) Are there any RESTRICTIONS as to the disposition or use of the goods by the buyer, other than restrictions which: - are imposed or required by law or by the public authorities in the Republic of Macedonia - limit the geographical area in which the goods may be resold, or - do not substantially affect the value of the goods? (b) is the sale or price subject to some CONDITION or CONSIDERATION for which a value can not be determined with respect to the goods being valued? Specify the nature of the restrictions, conditions or considerations as appropriate: If the value of conditions or considerations can be determined, indicate the amount in box11(b).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	
9.(a) Are any ROYALTIES and LICENCE related to the imported goods payable either directly or indirectly by the buyer as a condition of the sale? (b) Is the sale subject to an arrangement under which part of the proceeds of any subsequent RESALE, DISPOSAL or USE accrues directly or indirectly to the seller? If ‘ Yes’ to either of these questions, specify conditions and, if possible, indicate the amounts in boxes 15 and 16.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	
		10. (a) Number of continuation sheets D.V.1 BIS attached

1. PERSONS SHALL BE DEEMED TO BE RELATED ONLY IF :

2. The fact that the buyer and the seller are related need not preclude the use of a transaction value (see Article 28 paragraph (2) of the Customs Law and the interpretative Notes on that provision in Annex 13 of the Regulation)

Date:

For official use				
		Item	Item	Item
Basis of calculation	11. (a) Net price in Currency of invoice (Price actually paid or price payable for settlement at the material time for valuation for customs purposes..... (b) Indirect payments – see box 8 (b)..... (rate of exchange:			
	12.Total in NATIONAL CURRENCY			
B.ADDITIONS: Costs in NATIONAL CURRENCY INCLUDED in A above(*) QUOTE BELOW Previous relevant Customs decisions, if any	13. Goods and services supplied by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods: The values shown represent an apportionment where appropriate. (a) materials, components, parts and similar items incorporated in the imported goods: (b) tools, dies, moulds and several other items used in the production of the imported goods..... (c) materials consumed in the production of the imported goods..... (d) engineering, development, artwork, design work and plans and sketches undertaken elsewhere than in the Community and necessary for the production of the imported goods..... 15. Royalties and license fees- see box 9(a) 16. Proceeds of any subsequent resale, disposal or use accruing to the seller- see box9(b) 17. Costs of delivery to _____(place of introduction) (a) transport (b) loading, unloading and handling charges © insurance 18. Total B			
DEDUCTIONS: Costs in NATIONAL CURRENCY INCLUDED in A Above(*)	19. Costs of transport after arrival at place of introduction.....			
	20. Charges for reconstruction, erection, assembly, maintenance or technical assistance undertaken after importation.....			
	21. Other charges (specify)_____			
	22. Customs duties and taxes payable in the Community by reason of the importation or sale of the goods.....			
	23. Total C.....			
24. VALUE DECLARED (A+B-C).....				
(*) Where amounts are payable in FOREIGN CURRENCY, indicate in this section the amount in foreign currency and the rate of exchange by reference to each relevant element and item <div style="display: flex; justify-content: space-between;"> Reference Amount Rate of exchange </div>				

Annex 27 (Application and authorization form)

Annex 27 Article (208)

APPLICATION AND AUTHORIZATION FORMS

(Articles 208, 209, 312 and 316)

GENERAL REMARKS

1. The layout of the form is not binding; instead of boxes the customs authority may provide for forms with a line structure or if required the space of the boxes may be extended.
However, the order numbers and the appropriate text are obligatory.
2. The customs authority may provide for boxes or lines for national purposes. These boxes or lines shall be indicated by an order plus a capital letter (e.g. 5A).
3. In principle boxes with a bold order number must be completed. The explanatory note refers to expectations.
4. The explanatory notes shall contain the IPR economic-condition-codes according to Annex 44.

Application for authorization to use a customs procedure with economic impact/end-use

Note: Please refer to the appropriate explanatory note when filling out this form

Original

1. Applicant		Reserved for customs purposes	
2. Customs procedure(s)		3. Type of application	4. Continuation forms
5. Place and kind of accounts/records			
6. Period of validity of the authorization a b 0			
7. Goods to be placed under the customs procedure			
CN code	Description	Quantity	Value
8. Compensating or processed products			
CN code	Description	Rate of yield	
9. Details of the planned activities			
10. Economic conditions			
11. Customs office(s)			
a	of entry		
b	of discharge		
c	supervising office(s)		
12. Identification	13. Period for discharge (months)	14. Simplified procedures a b	15. Transfer
16 Additional information			
17. Signed..... Name Dated.....			

Application for authorization to operate a customs warehouse or to use
the arrangements **in a type E warehouse**
Continuation form

Original

18. Warehouse type		
19. Warehouse or storage facilities (type E)		
20. Deadline for lodging inventory of goods		
21. Loss rate		
22. Storage of goods not under the warehousing arrangements		
CN code	Description	Category/customs procedure
23. Usual forms of handling		
24. Temporary removal. Purpose:		
25. Additional information		
28. <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div> Signed..... Name..... </div> <div> Dated..... </div> </div>		

Authorization for use of inward-processing

Continuation form

Use of equivalent good is permitted <input type="checkbox"/> without prior importation <input type="checkbox"/> with prior importation	 (application number)
18. Equivalent goods		
Tariff code	Description	
19. Use of equivalent goods is permitted		
Deadline for importation of goods in the case of prior exportation		
20. Release for free circulation without customs declaration		
- primary compensating products - goods in unaltered state		
21. Additional information		
22.		
Dated.....	Signed.....	Stamp
	Name.....	

Application for authorization to use outward processing

Continuation form

		(no. of authorization)
18. System		
<input type="checkbox"/> without prior importation <input type="checkbox"/> with prior importation		
19. Replacement products		
Tariff code	Description	
20. Article 586 (2)		
21. Additional information		
<div> <div>22.</div> <div> <div>Date.....</div> <div>Signed</div> <div>Stamp</div> </div> <div> <div>Name.....</div> </div> </div>		

Authorization to use a customs procedure with economic impact/end-use

	 (Authorization number)	
1. Holder of authorization		Issuing authority	
1.a. this authorization refers to your application of (ref. no. and date)			
2. Outcome procedure		3.Type of authorization	4. Continuation forms
5. Place and kind of accounts/records			
6. Period of validity of the authorization			
a. b.			
7.Goods which may be placed under the customs procedure			
Tariff code	Description	Quantity	Value
8.Compensating or processed products			
Tariff code	Description	Quantity	Value
9. Details of the planned activities			
10. Economic conditions			
11. Customs office			
a.	of entry		
b.	of discharge		
v.	supervising office		
12. Identification	13. Period for discharge (months)	14. Simplified procedures	15. Transfer
		a. b.	
16. Additional information/conditions (e.g. security requirements)			
17.			
Date	Signature Name	Stamp	

Authorization to operate a customs warehouse or to use the arrangements in a type E warehouse

Continuation form

	 (Authorization number)	
18. Warehouse type	Identification number of the warehouse		
19. Warehouse or storage facilities (type E)			
20. Deadline for lodging inventory of goods			
21. Loss rate			
22. Storage of goods not under the warehousing arrangements			
Tariff code	Description	category/customers procedure	
23. Usual forms of handling			
24. Temporary removal. Purpose			
25. Additional data			
26. Date	Signature Name	Stamp	

Authorization to use inward processing

Continuation form

Use of equivalent goods is permitted <input type="checkbox"/> without prior importation <input type="checkbox"/> with prior importation	 (Authorization number)
18. Equivalent goods		
Tariff code	Description	
19. Use of equivalent goods is permitted		
Deadline for importation of goods in case of prior importation		
20. Release for free circulation without customs declaration?		
<ul style="list-style-type: none">- primary compensation products- goods in unaltered state		
21. Additional information		
22.		
Date	Signature Name	Stamp

Authorization to use outward processing

Continuation form

	 (Authorization number)
18. System <input type="checkbox"/> without prior exportation <input type="checkbox"/> with prior exportation		
19. Replacement product		
Tariff code		Description
20. Article 588(2)		
21. Additional information		
22. Date	Signature Name	Stamp

Explanatory notes

Title 1

Particulars to be entered in the various boxes of the application form

General note:

References are to the implementing provisions of the Customs Code unless otherwise stated

1. Applicant

Enter the full name and address of the applicant. The applicant is the person to whom the authorization should be issued

2. Customs procedure(s)

Enter the customs procedure(s) under which the goods listed in box 7 are intended to be placed. The relevant customs procedures are given below:

- free circulation with end-use
- customs warehousing
- inward processing- suspension system
- processing under customs control
- temporary importation
- outward processing

Note:

If the applicant applies for an authorization to use more than one customs procedure (integrated authorization) and the form does not fit the requirements (e.g. because the goods which should be placed under the customs procedures are not the same for each procedure) separate forms should be used.

3. Type of application

Type of application must be entered in the box by using at least one of the following codes:

1= first application

2= application for modified or renewed authorization (also indicate the appropriate authorization number)

3= application for a single authorization

4= application for successive authorization (inward processing)

4. Continuation form

Enter the number of continuation form attached.

Note:

Continuation forms are provided for the following customs procedures:

Customs warehousing, inward processing (where necessary) and outward processing (where necessary)

5. Place and kind of accounts/records

Enter the place of accounts. This is the place where the applicants commercial, tax or other accounting material, or such data held on his behalf, is located. Specify also the kind of accounts by giving details about the system used.

State also the kind of records (stock records) to be used for the customs procedure. Records mean: the data containing all the necessary information and technical details, enabling the customs authorities to supervise and control the customs procedure.

Note:

It is intended to use a customs warehouse type B, box 5 is not to be completed.

In case of temporary importation box 5 need be completed only where required by customs Authorities.

6. Period of validity of the authorization

a. | b.

Indicate in box 6a the requested date on which the authorization should take effect (day/month/year). In principle the authorization takes effect on the date of issue at the earliest. In this case enter 'date of issue'. The date of expiry of the authorization may be suggested in box 6b.

7. Goods to be placed under the customs procedure

Tariff code	Description	Quantity	Value

Tariff code

To be completed in accordance with customs tariff (ten-digit tariff code).

Customs warehousing:

If the application covers a number of items of different goods, you may enter the word 'various' in sub-box 'CN code'. In this case describe the nature of goods to be stored in sub-box 'Description'. It is not necessary to give details about the CN code, quantity and value of the goods;

Inward and outward processing:

The four digit code may be indicated. However the eight digit code must be given where:

Tariff code

-equivalent goods or the standard exchange system are to be used,

Article 586 paragraph (2) of this regulation is applied,

-the economic conditions are identified by codes 01, 10, 11, 31 or 99.

-milk and milk products

-the customs authorities require this in accordance with the first paragraph of Article 499 of this Regulation

Descriptions: The trade and/ technical description should be sufficiently clear and detailed to enable a decision to be taken on the application. Where it is planned to use equivalent goods on the standard exchange system give details about commercial quality and technical characteristics of the goods.

Quantity: This information need not be entered with regard to inward processing where the code used to refer to the economic conditions is code 30 in so far as it is not intended to use equivalent goods. However the quantity must be indicated where processing of durum wheat to produce pasta is involved or where the **ten-digit code** must be given for milk and milk products.

Value: This information need not be given where the quantity is not required unless the applicant intends to avail himself of code 30 (de minimis value).

8. Compensating or processed products

Tariff code	Description	Rate of yield

General remark:

Enter details of all compensating products resulting from the operation indicating main compensating product (MCP) or secondary compensating product (SCP) as appropriate.

Tariff code and description:

See comment on box 7.

Rate of yield:

Indicate the estimated rate of yield or method by which that rate is to be determined> In case of standard rates of yield refer to Annex 69 and indicate the appropriate numerical order.

9. Details of the planned activities

Describe the nature of the planned activities (e.g. details of the operations under a job-processing contract or kind of usual forms of handling) to be carried out on the goods within the customs procedure. Indicate also the appropriate place(s).

If more than one customs procedure is applied in box 2, the description must clearly show whether the goods are to be placed under the customs procedures alternatively or successively.

Note:

In the case of 'end-use' enter the intended end-use and the place(s) where the goods will be assigned to the practiced end-use. Where appropriate enter name, address and function of other operators involved.

If a transfer of rights and obligations is intended (Articles 82 Paragraph (2) and 104 of the Customs Law)

Enter in box 9, if possible, details about the transferee.

10. Economic conditions

The applicant must give reasons for the fulfillment of the economic conditions.

In particular for:

- customs warehousing that an economic need for warehousing exists,
- inward processing by using at least one of the two-digit codes set out in the appendix for each CN code which has been indicated in box 7,
- processing under customs control that the use of non-Community sources enables processing activities to be created or maintained in the Community.

Note:

In the case of:

- end-use box 10 is not to be completed

- temporary importation is necessary to indicate the Article(s) under which authorization is applied for and to give details about the owner of the goods described in box 7,
- outward processing complete box 10 only if required by the customs authorities pursuant to Article 585(1).

11. Customs office	
a.	of entry
b.	of discharge
c.	supervising office(s)

Indicate the suggested customs office(s)

Note:

In case of end-use box 11b is not to be completed

12. Identification

Enter in box 12 the intended means of identification by using at least one of the following codes:

- 1= serial or manufacturer's number
- 2= affixing of plumbs, seals, clip-marks or other distinctive marks
- 3= information sheet INF
- 4= taking of samples, illustrations or technical descriptions
- 5= carrying out of analyses
- 6= information document set out in Annex 104 (only suitable for outward processing)
- 7= other means of identification (explain in box 16 "additional information")
- 8= without identification measures according to Article 152 of the Customs Law (only suitable for temporary importation)

Note:

In the case of customs warehousing completion is necessary only if prefinanced goods are involved or if this is required by the customs authority.

Box 12 is not to be completed in the case of inward processing with equivalent goods, outward processing with standard exchange system or where Article 586(2) of this Regulation is applied.

Box 18 of the continuation form 'inward processing' or boxes 19 or 21 of the continuation form 'outward processing' shall be completed instead.

13. Period for discharge (months)

Enter the estimated period needed for the operations to be carried out or use within the customs procedure(s) applied for (box 2). The period starts when the goods are placed under the customs procedure. This period ends when the goods or products have been assigned a new permitted customs-approved treatment or use including, as the case may be, in order to claim repayment of import duties after inward processing (drawback system), or in order to obtain total or partial relief from import duties upon release for free circulation after outward processing.

Note:

- in the case of end-use state the period which will be needed to assign the goods to the prescribed end-use or to transfer the goods to another holder of authorization,
- in the case of customs warehousing the period is unlimited; therefore leave blank
- in the case of inward processing: where the period for discharge expires on a specific date for all the goods placed under the arrangements in a given period, the authorization may provide that the period for discharge shall be automatically extended for all goods still under the arrangements on this date. If this simplification is required please enter 'Article 542(2) and give the details in box 16.

14. simplified procedures	
a	b

Box 14a:

If it is intended to use a simplified entry procedure specify using at least one of the following codes:

- 1= incomplete declaration (Article 253(1))
- 2= simplified declaration procedure (Article 253 (2))
- 3= local clearance procedure with presentation (Article 253(3))
- 4= local clearance procedure without presentation (Article 253(3))

Box 14b:

If it is intended to use a simplified discharge procedure specify using at least one of the following codes:

The same as for box 14a.

Note:

In the case of end-use procedure box 14b is not to be completed

15. Transfer

If a transfer of goods or products is intended state the proposed transfer formalities using at least one of the following codes:

- 1= without customs formalities between different places designated in the authorization applied for
- 2= transfer from the office of entry to the applicant's or operator's facilities or place of use under cover of the declaration for entry for the customs procedure
- 3= transfer to the office of exit with a view to re-exportation should take place under cover of the customs procedure
- 4= transfer from one holder to another in accordance with annex 68

Note:

Indicate in box 16 the suggested procedure

- 5= other documents (only suitable for end-use; describe in box 16).

Note:

Transfer is not possible where the place of departure or arrival of the goods is type B warehouse

16. Additional information

Indicate all additional information considered useful

17.
Signed..... Dated.....
Name

If a continuation form is used complete only the appropriate box (22, 23 or 26) instead

Title II
Remarks concerning the continuation form

Continuation form 'customs warehousing'

18. Warehouse type

Indicate one of the following types:
Type A, B, C, D or E

19. Warehouse or storage facilities (type E)
--

Enter the precise place intended to be used as the customs warehouse or, where the application relates to type E warehouse, as storage facilities

20. Deadline for lodging inventory of goods

You can make a suggestion for the deadline for lodging inventory of goods

21. Loss rate

Give details, where appropriate, of loss rate(s).

22. Storage of goods not under the arrangements		
Tariff code	Description	Category/customs procedure

Tariff code and description

Where it is planned to use common storage state the ten-digit tariff code, commercial quality and technical characteristics of the goods. In all other cases the trade and/or technical description is sufficient or if the storage of goods not under the arrangements covers a number of items of different goods, you may enter the word 'various' in sub-box 'tariff code'.

In this case describe the nature of goods to be stored in sub-box "Description".

Indicate in column "Category/customs procedure" the appropriate code(s):

1= domestic agricultural goods

2= domestic industrial goods

3= foreign agricultural goods

4= foreign industrial goods

Specify the customs procedure, if any, to which the goods are subject.

23. Usual forms of handling

Complete if usual forms of handling are envisaged.

24. Temporary removal. Purpose

Complete if temporary removal is envisaged.

25. additional information

Indicate all additional information considered useful with regard to boxes 18 to 24.

Continuation form "Inward processing"

18. Equivalent goods
Tariff code description

Where it is planned to use equivalent goods, state the ten-digit tariff code commercial quality and technical characteristics of the equivalent goods to enable the customs authority to make the necessary comparison between import goods and equivalent goods. The codes provided for box 12 may be used to suggest supporting means, which might be useful for this comparison. If the equivalent goods are at a more advanced stage of manufacture than the import goods give appropriate information in box 21.

19. Prior exportation

Where it is planned to use the prior exportation system indicate the period within which the foreign goods should be declared for the arrangements taking account of the time required for procurement and transport to the customs area.

20. Release for free circulation without customs declaration

Where it is requested that the compensating products or goods in the unaltered state will be released for free circulation without formalities, enter “Yes”.

21. Additional information

Indicate all additional information considered useful with regard to boxes 18 to 20.

Continuation form “outward processing”

18. System

Where intended enter the appropriate code(s):
1= standard exchange system without prior importation
2= standard exchange system with prior importation

19. Replacement products

Tariff code	Description

Where it is planned to use the standard exchange system (only possible in case of repair), state the ten-digit tariff code, commercial quality and technical characteristics of the replacement products to enable the customs authorities to make the necessary comp goods and the replacement products. The codes provided for box 12 may be used to suggest supporting means comparison.

20. Article 586 paragraph (2) of the Customs Law?

Where the nature of the processing operations does not allow it to be established that the compensating products have resulted from the temporary export goods, the authorization may nevertheless, be granted in duly justified cases, provided the applicant can offer sufficient guarantees that the goods used in the processing operations share the same ten-digit tariff code, the same commercial quality and the same technical characteristics as the temporary export goods. The codes provided for box 12 may be used to suggest supporting means, which might be useful for this purpose. If such an authorization is applied for enter in box 21 “Yes” and give the appropriate details.

22. Additional information

Indicate all additional information considered useful withy regard to boxes 18 to 21.

Annex 28 (goods involving greater risk of fraud)

HS code	Description of the goods	Minimum quantities	Sensitive goods code *	Minimum rate of individual guarantee
1	2	3	4	5
2208 20 2208 30 2208 40 2208 50 2208 60 2208 70 2208 90	Spirits, liquors and other spirituous beverages	5 hl l	<div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div>1</div> </div>	2 500 EUR/hl pure alcohol
2402 10 2402 20 2402 90	Cigars, cigarillos, cigarettes, containing tobacco or tobacco substitutes	35 000 pieces		120 EUR/1 000 pieces
2710	Oil derivatives	?kg		EUR/t
220710	Un-denatured ethyl alcohol of an alcoholic strength by volume of 80 % vol or higher	3 hl		2 500 EUR/hl pure alcohol

(*) Where the provisions of Part 2, Title 2, Chapter 2, section 2, subsection 7 (article 244 – 248) apply and the HS code is not enough to identify without ambiguity the goods listed in column 2, both the sensitive goods code given in column 4 and the HS code given in column 1 must be used.

Annex 44 (economic codes)

Code	Reasons why the economic conditions are considered to be fulfilled
10	Unavailability of similar goods produced in Macedonia
11	Similar goods are available in Macedonia, but can not be used because their price makes the proposed commercial operation uneconomic
12	The compensating products must be obtained from the import goods to comply with industrial and commercial property requirements
	The following transactions:
30-1	Operations of non-commercial nature
30-2	Operations consist of job processing under contract with a person established outside Macedonia
30-3	Operations are accepted as usual forms of handling under the customs warehouse procedure as described in annex ?????
30-4	Operations consist of repair including overhaul or adjustment
30-5	Processing of any goods obtained under an authorization already issued for which an economic test has been carried out
30-6	Any process provided the total value of each type of goods (the same 10 digit of the Customs tariff) imported in a calendar year does not exceed 5.000 EURO in corresponding denar value.
99	Other reasons

Similar goods in code 10 and 11 means goods of the same commercial quality, technical characteristics and the same 10-digit Customs tariff code as the import goods mentioned in box 7.

IR art 348

The economic conditions shall be deemed to be fulfilled without further examination, if one of the following economic condition codes can be used:

→ 30-1, 30-2, 30-3, 30-4, 30-5, 30-6

IR art 315 (1)

If the following economic condition codes are used, the Central Administration of the Customs Administration shall examine whether or not the economic conditions are fulfilled:

→ 10, 11, 12, 99

IR annex 44

Further description of each code is mentioned below:

Code 10

“Unavailability of similar goods” means:

- are not produced at all in Macedonia or
- are not produced in Macedonia in a sufficient quantity or
- are produced and available, but not in time for the proposed commercial operation to be carried out, despite a request have been made in good time

The applicant has to provide up to date documentary evidence of approaches made to Macedonian producers for the same goods as his import goods, with copies of replies showing his requirements could not be met in sufficient quantity or could not be supplied in the time required.

Code 11

When assessing whether or not the price on similar Macedonian goods makes the proposed processing uneconomically or not, it must be taken into account what impact the use of domestic goods instead of imported goods will have on the cost price on the market and hence on the disposal of the product on the market.

When making the assessment, the following components must be taken into consideration:

- the price for the goods imported for processing and the price on equal goods produced in Macedonia (without excise duties etc)
- the obtainable price on the market for the compensating goods (documented by commercial correspondence etc)

Example 1

Price components (pr. unit)	Non-Macedonian materials (ex. Duties etc)	Equal Macedonien materials
Cost price for the materials mentioned in the application *	145,00	175,00
Cost price—other used materials	50,00	50,00
Processing costs and other costs (transport, insurance etc)	35,00	25,00
<i>Accumulated</i>	230,00	250,00
Obtainable price on the market	250,00	250,00
<i>Profit/deficit</i>	20,00	0,00

<i>Profit/deficit in percentage</i>	8,7 %	0,0 %
-------------------------------------	-------	-------

*The applicant has provided copies of his inquiries to the producers to proof the price

In this example it is clear that it is economically impossible to carry out the process with Macedonian materials. An authorization can therefore be issued.

Example 2

Price components (pr. unit)	Non-Macedonian materials (ex. Duties etc)	Equal Macedonian materials
Cost price for the materials mentioned in the application *	5,00	20,00
Cost price—other used materials	550,00	550,00
Processing costs and other costs (transport, insurance etc)	25,00	20,00
<i>Accumulated</i>	580,00	590,00
Obtainable price on the market	680,00	680,00
<i>Profit/deficit</i>	100,00	90,00
<i>Profit/deficit in percentage</i>	17,2 %	15,3 %

*The applicant has provided copies of his inquiries to the producers to proof the price.

In this example the producer can sell the compensating goods to compatible prices on the market even if he uses Macedonian raw materials. An authorization will only improve the applicant's profit margin. In this case an authorization should not be issued.

Code 12

The applicant has to provide documentary evidence, such as a contract or a statement from the foreign customer, showing that the foreign customer insists upon non Macedonian goods. This should not be dated later than the inward processing application.

Code 30-2

“Operations consist of job processing under contract with a person established outside Macedonia” means any process carried out on the directions from a company established outside Macedonia and for his account normally only by paying the processing costs. The imported goods are normally owned by the foreign company and are directly or in-directly placed for the disposal of the authorized person.

Code 99

If the applicant considers the economic conditions to be fulfilled for reasons other than those corresponding to the above codes, he shall explain this closer in Box 16 of the application.

Economic conditions fulfilled

If the Central Administration of the Customs Administration is satisfied with the economic conditions pointed out by the applicant, they can only make the authorization valid for a period of 9 months. The ME and (if agricultural products are involved) the MA shall be notified in writing about the issued authorization. If the ME and (if agricultural products are involved) the MA can accept the economic conditions on which basis the authorization is issued, they can agree to extend the validity period beyond 9 months.

Economic conditions not fulfilled

If the Central Administration of the Customs Administration isn't satisfied with the economic conditions the ME and (if agricultural products are involved) the MA shall be notified.

Annex 45 (compensating products subject to the import duties appropriate to them)

LIST OF COMPENSATING PRODUCTS SUBJECT TO THE IMPORT DUTIES APPROPRIATE TO THEM

(Article 548 (1))

Description of secondary compensating goods	Processing operations from which they result
(1)	(2)
Waste, scrap, residue, offcuts and remainders	Any working or processing

Annex 46 (transfer)

Goods can be transferred in one of the following ways specified in the authorization:

1. To/from different places mentioned in the same authorization

IR art 323 (1)

Transfer between different places designated in the same authorization may be undertaken without any customs formalities. The transfer must be entered in the stock records.

2. From the customs authority of entry to one of the places mentioned in the authorization

IR art 323 (2)

Transfer from the office of entry for the procedure to the authorization holder's or operator's facilities may be carried out under cover of the same declaration used to place the goods under the procedure.

3. To the customs authority of discharge

IR art 323 (3)

Transfer to the office of exit with a view to re-exportation/exportation may take place under cover of the export declaration. In this case, the procedure shall not be discharged until the goods declared for re-exportation have actually left Macedonia.

The proof that the goods declared for re-exportation have actually left Macedonia is provided by copy 3 of the SAD, endorsed by the customs office of exit, certifying the physical departure of the goods. Where a simplified procedure for re-exportation is used, the office of exit may also certify the physical departure on a commercial or administrative document.

A reference to article 323 (3) should be given in box 44 of the SAD copy 3 or on the commercial or administrative document. In this way the authorized person declare that he is authorized to use the transfer procedure.

4. From one authorized person to another

IR art 324

It is a condition that the receiver of the goods has an equivalent authorization with permission to use the same type of transfer procedure and it shall also be stated in his authorization that he is authorized to use the local clearance procedure for the goods included in the authorization.

These transfers shall be subject to the keeping of records.

How to transfer goods from one holder to another (normal procedure and simplified procedure) is described in details in the following:

A. Normal procedure (three SAD copies)

- a. Where goods or products are transferred from one holder to another without discharge of the arrangements, a form corresponding to the model drawn up in accordance with Articles 205 to 215 shall be completed on copies 1, 4 and an additional identical copy to copy 1.
- b. Before a transfer takes place, the supervising customs authority dealing with the first holder shall be notified of the proposed transfer, in a manner which that authority shall determine, in order to enable the performance of any checks considered necessary.
- c. Additional copy 1 shall be retained by the first holder (the sender of the goods or products), and copy 1 forwarded to his supervising customs authority.
- d. Copy 4 shall accompany the goods or products and be retained by the second holder.
- e. The supervising customs authority of the first holder shall forward copy 1 to the supervising customs authority of the second holder.
- f. The second holder shall issue the first holder a receipt for the transferred goods or products specifying the date of their entry into the records (acceptance of the written customs declaration in the case of temporary importation) which the latter shall retain.

B. Simplified procedures:

I. Using two SAD copies:

1. Where goods or products are transferred from one holder to another without discharge of the arrangements only copies 1 and 4 of the document referred to in paragraph 1 of Part A shall be completed.
2. Before the goods or products are transferred, the supervising offices shall be informed of the intended transfer in the manner which they shall stipulate, to enable them to carry out any controls they consider necessary.
3. The first holder (the sender of the goods or products) shall retain copy 1.
4. Copy 4 may accompany the goods or products and be retained by the second holder.
5. Paragraph 6 of Part A shall apply.

II. *Using other methods instead of the SAD where the necessary information is provided:*

- data processing,
- commercial or administrative documents, or
- any other document.

C. How to fill in the SAD

Where the SAD copies are used, the boxes indicated must contain the following information:

2. *Consignor*: give the name and address of the first holder of the authorization, the name and address of his supervising customs authority, followed by the authorization number and the issuing customs authority.
3. *Forms*: indicate the order number of the set of forms among the total number of sets used.

Where the declaration relates to a single item (i.e. where only one “description of goods” box needs to be filled in), leave box 3 blank but enter the figure 1 in box 5.

5. *Items*: state the total number of items declared in all the forms or supplementary forms used. The number of items is equal to the number of “description of goods” boxes which need to be filled in.
8. *Consignee*: give the name of the second holder, the name and address of his customs authority and the address where the goods or products are to be stored, used or processed followed by the authorization number and the issuing customs authorities.

31. *Packages and description of goods: marks and numbers – container No(s) – number and kind*: enter the marks, (identifying) numbers, number and kind of packages or, in the case of unpacked goods, the number of goods covered by the declaration of the indication “in bulk”, as appropriate, plus the details needed to identify them.

The goods should be described using their usual commercial description, in sufficient detail to allow the goods to be identified. Where a container is used, the identification marks of the container should also be indicated in this box.

32. *Item No*: state the order number of the item in question among the total number of items declared in the forms or supplementary forms use, as defined in box 5.

Where the declaration relates to a single item, the customs authorities may stipulate that nothing should be entered in this box.

33. Code of the goods: enter the tariff code of the item in question (¹).
35. *Gross mass*: where necessary, state the gross mass in kilograms of the goods described in the corresponding box 31. The gross mass is the aggregate mass of the goods with all their packing, excluding containers and other transport equipment.
38. *Net mass*: state the net mass in kilograms of the goods described in the corresponding box 31. The net mass is the mass of the goods stripped of all packaging.
41. *Supplementary units*: where necessary, indicate the quantity in the units laid down in the Customs Tariff.
42. *Additional information: documents produced, certificates and authorization* enter the date of the first entry into the arrangements and “Transfer” in capital letters followed by, as appropriate:
- “CW” – *customs warehousing*
 - “IP/S” - *inward processing/suspension system*
 - “PCC” – *processing under customs control*
 - “IT” - *temporary importation*

When the import goods are subject to specific commercial policy measures and when these measures are still to be applied at the moment of transfer, the words “Commercial Policy” should be added to this entry.

47. *Calculation of taxes*: enter the tax base (value, weight, or other).
54. *Place and date: signature and name of the declarant or his representative*: enter the original hand-written signature of the person indicated in box 2 followed by his name. Where the person concerned is a legal person, the person signing the form should state his capacity after his signature and name.

¹ Box not mandatory in the case of the customs warehousing arrangements.

Annex 47 (Inventory)

Compensating goods in stock:

A	B	C	D
Description of goods	Quantity	Rate of yield	Used rawmaterials
Sum			

Secondary compensating goods in stock:

E	F	G	H
Description of goods exported etc.	Quantity of compensating goods from column 9	Rate of yield	Quantity of secondary compensating goods
Transferred			
To be transferred to the next period			

I	J	K	L
Description of goods in stock	Quantity of compensating goods from column B	Rate of yield	Quantity of secondary compensating goods
Sum			

Total quantity of secondary compensating goods	H + L	
--	-------	--

Rawmaterials:

Column 6	
- column D	
- column (H + L)	
Sum	

Annex 48 (Calculation note)

Period	
Company	
Registration number	
Authorization number	
Commodity Code	
Description of goods	

1	2	3	4	5	6	7	8	9	10	11	12
Date	Nature of declaration	Number	Number of invoice	Duties import	Quantity imported or discharged	Duty per unit	Description of compensating products	Quantity compensating goods exported	Rate of yield	Duties to be discharged	Duties balance
To be transferred to the next page or next period											

EXPLANATION OF THE CALCULATION NOTE

The note is intended as an example on how to make a monthly or quarterly aggregation according to Customs Law (article 132). The note contains the information usually demanded both in the sense of discharging the procedure (article 521) and making records (article 516).

The note is not a bill of discharge. A formal bill of discharge has to be submitted for each heading from the import declaration under the inward processing procedure. This note can be looked upon as a specification to the bill of discharge.

Provided that the company wants to use another kind of specification for example by using EPD, there is nothing to prevent them to do so as far as the specification contains the same information at least. If the company intends to do so they must advise the Customs Authorities when they apply for authorization to ensure that these records meet the requirements of the procedure. The holder of authorization will be required to provide any technical information and assistance needed in order to check them.

The note ought to be kept on a daily basis. Be aware that the Customs authorities at any time during the period can ask the company to account for the goods imported to the inward processing procedure.

The note can not only be used as a periodically aggregation, but also as a specification to discharging notes in the cases where the company does not have permission to use periodically aggregation.

How to use the note:

The note is for the purpose of:

- permitting the customs officers to check the nature and the quantity of the import goods in the compensating products
- providing the details to redact the bill of discharge

The note shall be submitted for **each heading** from the import declaration under the IP procedure.

How to fill in the note:

Period:

The month or the quarter in question

Company:

Name of the authorized company

Registration number:

The number by which the company is registered at the Customs authorities

Authorization number

The number of the authorization for using the inward processing procedure

Commodity code

The commodity code for the imported goods in question (only one heading per note)

Description of goods

Detailed description (specific characteristics) of the goods as indicated in the authorization

Column 1:

Date of the declaration

Column 2:

Nature of declaration such as import declaration (IMP), export declaration (EXP), declaration for free circulation (DFC), goods transferred to another authorized company or procedure (TRF), prior exportation (PEXP), import declaration for replacement goods (RIMP), goods destroyed (DES)

Column 3:

The number of the declaration

Column 4:

The number of the invoice or another commercial document related to the transaction

Column 5

The total customs duties for the imported or transferred goods (goods entering the IP-procedure)

Column 6

Quantity of the goods entering the IP-procedure **or** quantity of the goods entered the IP-procedure which have been “discharged” (used to make compensating goods, have been exported in an unaltered stage etc. depending on the transaction in question)

Quantities must be expressed in the same measurement units as those used for the rate of yield from the authorization (and column 10)

Column 7

Customs duty per unit (column 5 divided with column 6).

Column 8

Detailed description (specific characteristics) of the compensating goods exported, transferred, destroyed etc. (discharged) as indicated in the authorization.

Column 9

Quantity of the compensating goods (discharged) exported, transferred, destroyed etc.

Quantities must be expressed in the same measurement units as those used for the rate of yield from the authorization (and column 10)

Column 10

The rate of yield according to the authorization.

Rate of yield is the quantity of processed products (compensating products) made from a unit quantity of goods entered to IPR.

If you dispose of the same goods as you receive, the rate of yield is 1:1. This is likely for goods for repair or for minor activities under usual forms of handling according to annex ?? in the implementing regulation.

If you receive many different IPR goods to make a single product, then the rate of yield is expressed as so many of each IPR item to one product you export or dispose of for example 3 metres of cloth, 4 metres of cotton and 6 buttons to each shirt.

If you receive one IPR item and split it up into many different products, the rate of yield is expressed as the quantity of IPR item that produces so much of each product (main compensating products) and what is left as a result of producing those products (secondary compensating products) eg. 1000 kg of timber produces 14 tables, 12 chairs and 2 bookcases and 50 kg of wood/waste/cuttings/sawdust (secondary compensating goods).

If you receive one item and this item will be processed and be a part of the compensating goods, the rate of yield can be expressed as a percentage of the compensating goods e.g. almond are imported with the purpose of producing marzipan. To produce marzipan you have to use a lot of sugar etc too, but according to the recipe 600 gram of almond are used every time you produce 1 kg of marzipan. In that case the rate of yield is expressed as 60 %.

Column 11

Duty concerning imported goods discharged from the procedure by export, declared for free circulation etc. (6 x 7).

Column 12

Balance customs duties (5 – 11)

Annex 49 (Bill of discharge)

INWARD PROCESSING – BILL OF DISCHARGE

A Authorization no. _____ of _____ Supervising office: _____ Holder of authorization: _____ Import declaration nr. _____ of _____			Import goods: (detailed description) Commodity code: _____ Quantity: B Customs duty: C	
D Export or other customs approved treatment or use				
Declarations			Incorporated import goods according to the calculation note	
Nature of declaration	Number of declaration	Date of declaration	Quantity import goods to discharge	Customs duties to discharge
Total			D1	D2
E Release for free circulation				
Declarations		Calculation		
No.	Date	Quantity	Duties	Compensatory interest*
Total		E1	E2	
Remarks: B – (D1 + E1) and C – (D2 + E2) has to be equal to zero				
* The calculation has to be enclosed				
F Date: _____ Signature: _____ Name and capacity of the signer _____			G Result of the control of the supervising office Date: _____ Signature: _____ The declaration is to be considered as discharged Name and rank of the officer _____ Stamp _____	

Annex 50 (Repayment claim)

INWARD PROCESSING – DRAWBACK SYSTEM – IMPORT DUTY REPAYMENT CLAIM

A Authorization no. _____ of _____ Supervising customs authority: _____ Holder of authorization: _____ Import declaration no. _____ of _____ Customs office _____			B Import goods: (detailed description) Tariff code: _____ Quantity: _____ Customs duties: _____	
C Export or other customs approved treatment or use				
Declarations			Incorporated import goods according to the calculation note*	
Nature of declaration	Number of declaration/CO	Date of declaration	Quantity import goods incorporated	Customs duties to be repaid
Total claim				
* The Calculation Note shall be enclosed				
I declare that the particulars entered on this claim are true and complete, the conditions of the authorisation have been met and no other claim for these goods has been submitted.				
D Date: _____ Signature: _____ Full name responsible person _____			E Approved the repayment of import duties in the amount of: _____ The above mentioned data were verified and found correct. The declaration shall be considered discharged Customs Officer: Signature: _____ Date: _____ Stamp _____	

Annex 51 (information sheets)

1. Holder:	INFORMATION SHEET INF 1 No / 0 0 0 0 0 0 INWARD PROCESSING								
2. Application to be made to:	3. APPLICATION(⁽¹⁾) The undersigned holder requests: <input type="checkbox"/> transfer The customs authority shown in box 4 request: <input type="checkbox"/> that the amount of import duties and of compensatory interest applicable to the goods entered for the arrangements in the event of the authorised release for free circulation of the goods or products specified in box 5 be ascertained and indicated <input type="checkbox"/> commercial policy measures be indicated <input type="checkbox"/> that the amount of the security be indicated.								
4. Information to be supplied to:	Date: <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td></tr></table> Stamp: _____ Signature: _____								
5. Marks and numbers; – number and kind of packages. Description of products or goods:	6. Net quantity:	7. Tariff code							
INFORMATION SUPPLIED BY THE CUSTOMS AUTHORITY									
8. Particulars necessary for application of specific commercial policy measures:									
9. Liability to:									
(a) Import duties	(b) Compensatory interest	(c) Other charges (⁽²⁾)	(d) Currency						
10. Remarks:		11. Date (⁽¹⁾): <input type="checkbox"/> for the first entering for the arrangements or <input type="checkbox"/> where the import duties have been repaid or remitted in accordance with Article 128 paragraph (1) of the Customs Law <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td></tr></table> <div style="display: flex; justify-content: space-around; width: 100%;"> day month year </div>							
¹ mark h in the appropriate box ² Specify as appropriate in box 10.		12. Place: Date: <table style="display: inline-table; border-collapse: collapse;"><tr><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td><td style="border: 1px solid black; width: 20px; height: 20px;"></td></tr></table> <div style="display: flex; justify-content: space-around; width: 100%;"> day month year </div> Stamp: _____ Signature: _____							

13. Request for post-clearance verification

The customs authority shown below requests

that the authenticity of this information sheet and the accuracy of the information it contains be verified.

Place:

Date:

day	month	year

Stamp:

Signature:

Name and address of the customs authority Y:

14. Results of verification

The check carried out by the customs authority shown below confirm that this information sheet ⁽¹⁾:

- ☐ has been stamped by the customs authority indicated and the information it contains is accurate,
☐ gives rise to the remarks given below.

Place:

Date:

day	month	year

Signature:

Customs house:

¹ Mark x in the appropriate box.

A. General notes

1. The part of the sheet requesting information (boxes 1 to 7) shall be completed either by the holder or by the office requesting the information.
2. The form must be completed so that it is legible and indelible, preferably using a typewriter. It shall not contain any erasures or overwritten words. Corrections should be made by crossing out the wrong words and adding further particulars, if necessary. Corrections must be made by the person completing in the sheet and endorsed by the customs authority.

B. Special notes referring to the relevant box numbers

1. Give the name and address.

This item may be left blank when the application is made by the customs authority.

2. Give the name and address of the customs authority to whom the application is made.

4. Give the name and address of the customs authority

requesting the information. This item is left blank when the application is made by the holder.

5. Give the number, kind, marks and numbers of packages. In the case of unpackaged goods or products, give the number of objects, or, if appropriate, insert 'in bulk'.

Give the usual trade description of the products or goods or their tariff description.

6. The net quantity must be expressed in units of the metric system: kg, litres, m², etc.

9. The amounts shall be entered in national currency.

10. Fiscal charges may, for instance, be specified.

Place and date:	Name and address of the customs authority:
Signature and stamp:	
Results of verification	
The check carried out by the customs authority shown below confirm that this information sheet ⁽¹⁾ :	
<input type="checkbox"/> has been stamped by the customs indicated and the information it contains is accurate, <input type="checkbox"/> gives rise to the remarks given below.	Name and address of the customs authority:
Place and date:	
Signature and stamp:	
Remarks:	

⁽¹⁾ Place a cross ☒ in the appropriate box.

1. Declarant:		<h1>INF8</h1> <p>INFORMATION SHEET No / 0 0 0 0 0 CUSTOMS WAREHOUSES/ FREE ZONES/ FREE WAREHOUSES</p> <p>USUAL FORMS OF HANDLING</p>	
2. Customs authority to which application is made:			
4. Customs authority to which information is addressed:		3.APPLICATION	
5. Holder of the authorisation/approval:		<p>The undersigned requests that the determination of the nature, customs value and quantity of the goods referred to in box 9 would be taken into consideration if the goods concerned had not undergone the handling referred to in box 8.</p> <p>Place:</p> <p>Date: ____/____/____ (day/month/year)</p> <p>Signature:</p>	
6. Identification number:		7. Document with which goods are removed from the customs warehouse or the free zone or free warehouse:	
8. Nature of the handling:		Nature:	
Date on which it took place:		No:	
		Date:	
		Customs authority :	
9. Marks and numbers; number and kind of package. Description of goods:		10. Net quantity:	
Particulars to be taken into consideration for determination of the customs debt in respect of the goods referred to in box 9, if they had not undergone the usual forms of handling referred to in box 8:			
11. Nature:		12. Customs value:	
		13. Quantity:	
14. Stamp of the customs authority where the declaration for release for free circulation is lodged (see box 4):		15. Stamp of the customs authority which provided the data (see box 2):	
Place and date: Signature and stamp:		Place and date: Signature and stamp:	

NOTES

A. General notes

The form must be completed legibly and indelibly, preferably by typewriter. It must not contain any erasures or overwritten words. Corrections should be made by crossing out the wrong words and adding any necessary particulars. Corrections must be initiated by the person completing the sheet and endorsed by the customs authority.

Boxes 1 to 10 of the sheet must be completed in by the person declaring the goods, which have undergone usual forms of handling, for free circulation of another procedure which could imply the creation of a customs debt or, where the sheet is drawn up at the time of removal of the goods from the customs warehouse or from the free zone or free warehouse, for another customs procedure.

B. Special notes referring to the relevant box numbers

1. Give the name and address.
2. and 4. Give the name, address of the customs authority. Box 4 is not to be completed where the form is made out when goods are removed from the customs warehouse, free zone or free warehouse;
5. Give the name and address:
 - of the holder of the approval to operate the customs warehouse, or
 - of the holder of the decision for stock records in the free zone or the free warehouse where the usual forms of handling were carried out.
6. Give the identification number of the customs warehouse or reference particulars of the approval of stock records in a free zone or free warehouse, as appropriate.
7. Box 7 is not to be completed where the form is made out before the goods are removed from the customs warehouse, free zone or free warehouse.

1. Holder		INF 6 <div style="display: inline-block; vertical-align: middle; text-align: left;"> INFORMATION SHEET NO/ 0 0 0 0 0 0 TEMPORARY IMPORTATION </div>	
2. Customs authority to which the application is made:		3. Application ¹ The undersigned, <input type="checkbox"/> holder <input type="checkbox"/> representative of the holder requests the issue of the information sheet <input type="checkbox"/> Transit <input type="checkbox"/> Transfer Place: Date: ____/____/____ (day/month/year) Signature :	
4. Customs authority to which information is addressed:			
5. Date on which goods were entered for the arrangement:			
6. Last day for re- exportation:		7. Under which article of Regulation:	
A	8. Marks and numbers; number and type of package; description of goods:		9. Tariff code:
			10. Net quantity:
			11. Customs value
B	8. Marks and numbers; number and type of package. Description of goods:		9. Tariff code:
			10. Net quantity:
			11. Customs value
INFORMATION SUPPLIED BY THE CUSTOMS AUTHORITY			
12. Identification measures taken:			
13. Amount of duties collected:			
14. Period taken into account for collection: _____ month(s)		Customs authority of discharge: Place: Date: Signature : <input type="checkbox"/> Re – exportation (¹) <input type="checkbox"/> Release for free circulation (¹) Other customs arrangements allowed(¹)	
15. Remarks: Authorisation cusotms authority: Place: Date: ____/____/____ (day/month/year) <div style="display: flex; justify-content: space-between;"> Signature : Stamp: </div>			

(1) Place a cross x in the appropriate box

16. REQUEST FOR POST –CLEARANCE VERIFICATION The customs authority shown below requests that the authenticity of this information sheet and the accuracy of the information it contains be verified.	
Place and date:	Name and address of the customs authority
Signature and stamp:	
17. Result of verification: Verification carried out by the customs authority shown below confirm that this information sheet ⁽¹⁾ : <input type="checkbox"/> was stamped by the customs authority indicated and the information it contains is accurate, <input type="checkbox"/> is authentic regarding the remarks given below	
Place: Date: ____/____/____ (day/month/year) Signature:	Name and address of the customs authority
18. Remarks: 	

⁽¹⁾ Place a cross in the appropriate box.

NOTES

A. General notes

1. The application (boxes 1 to 11) is to be completed by the holder or his representative.
2. The form must be completed so that it is legible and indelible, preferably using a typewriter. It shall not contain any erasures or overwritten words. Corrections should be made by crossing out the wrong words and adding further particulars. Corrections must be made by the person completing in the sheet and endorsed by the customs authority.

B. Special notes referring to the relevant box numbers

1. Give the name and address. of the holder of the authorisation..
2. Give the name and address of the customs authority to which the application is made.
4. Give the name and address of the customs authority to which the information is supplied;
8. Give the number, the kind, the marks and the numbers of package. In a case of unpackaged goods, give the number of objects or enter the words " in bulk ", as appropriate.
10. The net quantity must be expressed in units of the metric system: kg, litres, m², etc.

APPENDIX

1. GENERAL NOTES

- 1.1 The information sheet shall comply with the model set out in this Annex and be printed on white paper without mechanical pulp, dressed for writing purposed and weighing between 40 and 65 g/m².
- 1.2 The form shall measure 210 mm x 297 mm.
- 1.3 The customs authority shall be responsible for having the form printed. Each form shall bear an individual serial number.

2. USE OF THE INFORMATION SHEET

2.1 Common provision

- (a) Where customs authority issuing the information sheet considers that additional information to that appearing on the information sheet is required, it shall enter such particulars. Where not enough space remains, an additional sheet shall be annexed and it shall be mentioned on the original.
- (b) The customs authority which endorsed the information sheet may be asked to carry out post-clearance verification of the authenticity of the sheet and the accuracy of the particulars which it contains.
- (c) In the case of successive consignments, requisite number of information sheet may be made out for the quantity of products entered for the arrangements. The initial information sheet may also be replaced with further information sheet or where only one information sheet is used, the customs authority to which the sheet is endorsed may note on the original the quantity of goods. Where not enough space remains, an additional sheet shall be annexed which shall be mentioned on the original.
- (d) In exceptional circumstances, the information sheet may be issued a posteriori but not beyond the expiry of the period required for keeping documents.
- (e) In the event of theft, loss or destruction of the information sheet, the user of the information sheet may ask the customs authority which endorsed it for a duplicate to be issued.
The original and copies of the information sheet so issued shall bear the following indication: "Duplicate" .

2.2 Special provisions

2.2.1 Information sheet INF 8 (customs warehouse)

- (a) The information sheet INF 8 (hereafter: INF 8) may be used when the goods are declared for new customs approved treatment or use, in order to determine the elements for assessment of the customs debt applicable before usual forms of handling took place.
- (b) The INF 8 shall be made out in an original and a copy.
- (c) Supervising customs authority shall provide the information referred to in boxes 11, 12, 13, endorse box 15 and return the original of the INF 8 to the declarant.

2.2.2 Information sheet INF 1 (inward processing)

- (a) The information sheet INF 1 (hereafter INF 1) may be used for providing information on:

- duty amounts and compensatory interest,
- applying commercial policy measures,
- the amount of the security.

- (b) The INF 1 shall be made out in an original and two copies.

The original and one copy of the INF 1 shall be sent to the supervising customs authority and a copy shall be kept by the customs authority which endorsed the INF 1.

The supervising authority shall supply the information requested in boxes 8, 9 and 11 of the INF 1, endorse it, retain one copy and return the original.

- (c) Where the release for free circulation of compensating products or goods in the unaltered state at a customs authority other than the customs authority of entry is requested, this customs authority stamps the INF 1 and shall ask the supervising customs authority to indicate:

- in box 9 (a) the amount of import duties due in accordance with Article 135 paragraph (1) or Article 142 paragraph (4) of the Customs Law.
- In box 9 (b), the amount of compensatory interest in accordance with Article 330 from the Regulation,
- the quantity, tariff code and origin of the import goods used in the production of the compensating products released for free circulation.

- (d) Where the compensating products obtained under inward- processing (drawback system) are consigned to another customs – approved treatment or use allowing import duties to be repaid or remitted, and are subject to a new application for authorisation for the inward –processing arrangements, the customs authority issuing this

authorisation may use the INF 1 to determine the amount of import duties to be levied or the amount of the customs debt liable to be incurred.

- (e) Where the declaration for release for free circulation relates to compensating products obtained from import goods or goods in the unaltered state which had been subject to specific commercial policy measures at the moment of entry for the procedure (suspension system) and such measures continue to be applicable, the customs authority accepting the declaration and endorsing in INF 1 shall ask the supervising authority to indicate particulars necessary for the application of commercial policy measures.
- (f) Where release for free circulation is requested in the case of an INF 1 being made out for fixing the amount of security, the same INF 1 may be used, provided it contains:
 - in box 9 (a) the amount of import duties payable on the import goods pursuant to Article 135 paragraph (1) or Article 142 paragraph (4) of the Customs Law, and
 - in box 11, the date when the import goods concerned were first entered for the procedure or the date when the import duties have been repaid or remitted in accordance with Article 142 paragraph (1) of the Customs Law.

2.2.3. Information sheet INF 7 inward processing)

- (a) The information sheet INF 7 (hereafter INF 7) may be used where the compensating products or the goods in the unaltered state, under the drawback system, are assigned one of the customs approved treatment or uses permitting repayment or remission, in accordance with Article 142 paragraph (1) of the Customs Law without a repayment claim being loaded.

Where the holder has given the consent to transfer the rights to claim repayment to another person in accordance with Article 104 of the Customs Law, this information shall appear on the INF 7.

- (b) The INF 7 shall be made out in an original and two copies.
- (c) The customs authority accepting the declaraton of discharge shall endorse the INF 7, return the original and one copy to the holder and retain the other copy.
- (d) When the repayment claim is lodged, it shall be accompanied by the duty endorsed original of the INF 7.

2.2.4. Information sheet INF 6 (temporary importation)

- (a) The information sheet INF 6 (hereafter INF6) may be used to confirm elements for assessment of the customs dept already levied where import goods are moved within the customs area.
- (b) The INF 6 shall comprise all the information needed to show the customs authorities:
 - the date on which the import goods were entered for the temporary importation arrangements
 - the elements for assessment of the customs debt ascertained on that date,
 - the amount of any import duties already levied under partial relief arrangements and the period taken into account for that purpose.
- (c) The INF 6 shall be made out of an original and two copies
- (d) The INF 6 shall be endorsed either when the goods are placed under the external transit procedure, at the beginning of the transfer operation or at an earlier moment.
- (e) One copy shall be retained by the customs authority which endorsed it. The original and the other copy shall be returned to the person concerned giving this copy to the customs authority of discharge. After endorsement this copy shall be returned by the person concerned to the customs authority which initially endorsed it.

Annex 52 (Usual forms of handling)

LIST OF USUAL FORMS OF HANDLING REFERRED TO IN ARTICLE 340 AND ARTICLE 421

Unless otherwise specified, none of the following forms of handling may give rise to a different ten-digit tariff code.

Usual forms of handling listed below shall not be granted if, in the opinion of the customs authority, the operation is likely to increase the risk of fraud:

I Simple operations to keep the goods in good shape during storage:

1. ventilation, spreading-out, drying, removal of dust, simple cleaning operations, repair of packing, elementary repairs of damage incurred during transport or storage in so far as it concerns simple operations, application and removal of protective coating for transport;
2. stocktaking, sampling, and weighing of the goods;
3. removal of damaged or contaminated components;
4. conservation, by means of irradiation or the addition of preservatives;
5. treatment against parasites;
6. treatment by simple raising of the temperature, even if it results in a different ten-digit tariff code.

II Treatment for improving of the appearance or market value of the import goods

1. stemming and/or pitting of fruits,
2. assembling and addition, even if it concerns adding certain parts into a whole product, where this treatment does not constitute an important part of the production process even if the adding results in a different ten-digit tariff code for the product or accessory (for example: adding a radio or windshield wipers to an automobile);
3. salination, cleaning and washing;
4. adding to the goods one or more kinds of goods as long as the adding is relatively small and does not result with change of the nature of the original goods, even if the adding results in a different tariff code of the added goods; the added goods may be a product for which a warehousing procedure has been initiated or a product that was entered into a free zone (for example: adding additives, butane or lead to petrol, orange mash, oils or aromas to orange juice etc.);
5. dilution of fluids, even if it results in a different ten-digit code;
6. mixing between them of the kind of goods, with a different quality, in order to obtain a constant quality or a quality which is requested by the customer, without changing the nature of the goods;
7. dividing or size cutting out of goods if only simple operations are involved.

III Treatment for preparation of the goods for distribution or further sale

1. sorting, sifting, mechanical filtering, classification and transfer;

2. arranging and levelling/alignment;
3. packing, unpacking, change of packing, decanting and simple transfer into containers, even if this results in a different ten-digit tariff code;
4. affixing, removal and altering of marks, seals , labels, price tags or other similar distinguishing signs, provided that the goods does not seem as if it has an origin different from its original one;
5. testing, adjusting, regulating and putting into working order of machines, apparatus and vehicles, if only simple operations are involved;
6. testing in order to control the compliance with technical standards, if only simple operations are involved;
7. cutting up and breaking down of dried fruits ore vegetables;
8. anti- rust treatment;
9. reassembly of the goods after transportation;
10. simple raising of the temperature for the purpose of transporting the goods;
11. ironing of textiles;
12. electrostatic treatment of textiles.

Annex 53 (Economic conditions)

ECONOMIC CONDITIONS IN THE FRAMEWORK OF THE ARRANGEMENTS FOR PROCESSING UNDER CUSTOMS CONTROL

PART A

The economic conditions shall be deemed to be fulfilled for the following types of goods and operations:

	Column 1	Column 2
Order No	Goods	Processing
1	Goods of any kind	Processing into samples presented as such or put into sets
2	Goods of any kind	Reduction to waste and scrap or destruction
3	Goods of any kind	Denaturing
4	Goods of any kind	Recovery of parts or components
5	Goods of any kind	Separation and/or destruction of damaged parts
6	Goods of any kind	Processing to correct the effects of damage to the goods
7	Goods of any kind	Usual forms of handling permitted in customs warehouse or a free zone

Annex 54 (Work of art, collector's items and antiques)

(a) "Work of art" shall mean:

- paintings, collages and similar decorative plaques, paintings and drawings executed entirely by hand by the artist, other than plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes and hand decorated manufactured articles. Theatre scenery, studio background screens or the like of painted canvas (tariff code 9701);
- original engravings, prints and lithographs, being impressions produced in limited numbers directly in black and white or in colour of one or several plates executed by hand by the artist, irrespective of the process or material employed by him, but not including any mechanical or photomechanical processes (tariff code 9702 00 00 00);
- original sculptures and statuary, in any material, provided that they are executed entirely by the artist; sculpture casts, the production of which is limited to eight copies and supervised by the artist or his successors in title (tariff code 9703 00 00 00);
- tapestries (tariff code 5805 00 00 00) and wall textiles (tariff code 6304) handmade from original designs provided by artists, provided that there are not more than eight copies of each;
- individual pieces of ceramics executed entirely by the artist and signed by him;
- enamels on copper, executed entirely by artist's hand, limited to eight numbered copies bearing the signature of the artist or the studio, excluding articles of jewellery and goldsmith and silversmith wares;
- photographs taken by the artist, printed by him or under his supervision, signed and numbered and limited to 30 copies, all sizes and mounts included;

(b) 'collectors items' means:

- postage or revenue stamps, post stamps, first-day covers, pre-stamped stationery and the like, franked, or if unfranked not being of legal tender and not being intended for use as legal tender (tariff code 9704 00 00 00);
- collections and collectors items of zoological, botanical, mineralogical, anatomic, historical, archaeological, paleontological, ethnographic or numismatic significance (tariff code 9705 00 00 00)

(c) 'antiques' are items other than works of art or collectors items which are more than 100 years old (tariff code 9706 00 00 00).

Annex 55 (No security)

CASES WHERE THE ENTRY OF GOODS FOR TEMPORARY IMPORTATION BY WRITTEN DECLARATION IS NOT SUBJECT TO THE PROVISION OF A SECURITY

1. Materials belonging to airline, shipping or railway companies or postal services and used by them in international traffic, subject to them being distinctively marked.
2. Packing imported empty, carrying indelible non-removable markings.
3. Disaster- relief material intended for State or other approved bodies.
4. Medical, surgical and laboratory equipment intended for a hospital or medical institution which has an urgent need of such equipment.
5. Entry for temporary importation of goods transferred in the meaning of Article 324 of this Regulation, where the previous holder has entered them in a temporary importation procedure in accordance with Article 136 or 139 of this Regulation.

Annex 56 (Information document)

INFORMATION DOCUMENT TO FACILITATE THE TEMPORARY EXPORTATION OF GOODS SENT FROM ONE COUNTRY FOR MANUFACTURE, PROCESSING OR REPAIR IN ANOTHER

TO BE COMPLETED AT EXPORTATION

Before completing this form please read notes.

(*) Unused lines or cages must be struck out or the word "Nil" written across them.

(**) Delete if inapplicable

Customs Administration of the Republic of Macedonia Customs authority		A The goods described below, intended for manufacture – processing – repair (**) in have been entered for exportation by (**) On behalf of (name of exporter in block capitals) of (address in block capitals)						
B Number, type marks and number of packages <div style="text-align: center;">1</div>	Tariff ref. No <div style="text-align: center;">2</div>	Specification of goods						
		Commercial description <div style="text-align: center;">3</div>	Quantity <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> Gross weight <div style="text-align: center;">4</div> </td> <td style="width: 50%; vertical-align: top;"> Net weight, number, volume, measurement, etc. <div style="text-align: center;">5</div> </td> </tr> </table>		Gross weight <div style="text-align: center;">4</div>	Net weight, number, volume, measurement, etc. <div style="text-align: center;">5</div>	Value <div style="text-align: center;">6</div>	Remarks <div style="text-align: center;">7</div>
Gross weight <div style="text-align: center;">4</div>	Net weight, number, volume, measurement, etc. <div style="text-align: center;">5</div>							
C <u>Number of proposed operations:</u>								
D Particulars of examinations carried out: 			F Certified to correspond with the particulars shown on (Customs document) No dated, (Place) (Date)					
E Means of identification used: (Signature)					
		 (Customs authority stamp)					

II

TO BE COMPLETED AT EXPORTATION

(*) Unused lines or cages must be struck out or the word "Nil" written across them.

(**) Delete if inapplicable

Customs Administration of the Republic of Macedonia Customs authority	A The goods described in Part 1 below intended for manufacture – processing – repair (**) were entered by (**) On behalf of (name of importer in block capitals) of (address in block capitals)
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B	Tariff ref. No	Specification of goods				
Number, type marks and number of packages		Commercial description	Quantity		Value	Remarks
			Gross weight	Net weight, number, volume, measurement, etc.		
1	2	3	4	5	6	7

C Number of proposed operations:

D Particulars of examinations carried out: E Means of identification used:	F Certified to correspond with the particulars shown on (Customs document) No dated, (Place) (Date) <div style="text-align: right;"> (Customs authority stamp) (Signature) </div>
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III
TO BE COMPLETED AT RE-EXPOTATION (*)

(*) Unused lines or cages must be struck out or the word "Nil" written across them.

(**) Delete if inapplicable

Customs Administration of the Republic of Macedonia Customs authority	A The goods described below <div style="text-align: center;">in Part II (**)</div> resulting from the manufacture or processing of the goods described in Part II (**) which have been repaired were entered for re-exportation by <div style="text-align: right;">on behalf of (**)</div> <div style="text-align: right;">(name of re-exporter in block capitals)</div> of <div style="text-align: center;">(Address in block capitals)</div>
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B	Tariff ref. No	Specification of goods				
Number, type marks and number of packages		Commercial description	Quantity		Value	Remarks
			Gross weight	Net weight, number, volume, measurement, etc.		
1	2	3	4	5	6	7

C Nature of operations (include particulars of any parts added and / or any manufacturing waste):	G Split re –exportation No <div style="display: flex; align-items: center; justify-content: center;"> <div style="text-align: center;"> No dated (Customs document) </div> <div style="font-size: 3em; margin: 0 10px;">}</div> <div style="text-align: left;"> Particulars as in Part I Cage F </div> </div> <div style="margin-top: 10px;"> (Customs authority) </div>
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D Particulars of examinations carried out:	F Certified to correspond with the particulars shown or (Customs document)
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E Means of identification used: It was - /(**) established that re-exported goods It wasn't - / / - is the same as the imported / - was produced or obtained from the imported goods (**) 	No.: dated <div style="display: flex; justify-content: space-around;"> (Place) (Date) </div> <div style="margin-top: 10px;"> (Customs authority stamp) (Signature) </div>
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For official use only

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Notes on the use of the Information Document

1. If subject to any conditions that may be provided for, the importer shall ensure that the customs authorities in the country of temporary exportation are able to establish the identity of the goods.
2. The duly completed Information Document (ID) shall be submitted to the customs authorities whenever the goods are released.