

**THE INVOLVEMENT OF THE CUSTOMS SYSTEM OF
THE REPUBLIC OF MACEDONIA
IN TODAY'S CONTEMPORARY EUROPEAN SYSTEM**

UDC 339.543(4-672EU:497.7)

Danijela Smilevska, Snežana Dičevska

Faculty of Tourism and Hospitality – Ohrid, Macedonia

Abstract. *The Customs Union is an essential element of the European Union's single market with its four basic freedoms: the free movement of goods, persons, services and capital. This single market including 455 million consumers is the largest one in the industrialized world. The single market with no internal borders is the catalyst for the economic integration of the European Union and development of the region. The Macedonian Customs Administration's purpose is to fully and efficiently serve the Government and citizens of the Republic of Macedonia by ensuring timely collection of customs duties and other taxes and preventing the trafficking of illegal goods into the country. This can be achieved via operations and systems which shall facilitate international trade exchange and contribute to the sustainable economic development by procedures which ensure complete protection of the economy and full implementations of the legal prohibitions and the laws in general.*

Key Words: *customs, European Union, customs system, regional development*

INTRODUCTION

The customs system of every country is an expression of its independent, i.e. sovereign and autonomous right to regulate the relationships in the customs sphere and the sphere of customs protection of its economy.

One can claim that every sovereign country has its own specific customs system, i.e. that there are as many customs systems as there are countries in the world. However, every country shapes its own customs system according to domestic autonomous law and international law. In essence, every country that wants to develop and advance the economic ties with other countries inevitably must negotiate with those countries, i.e. enter into bilateral and multilateral contracts and agreements with other countries, and afterwards the confirmed regulations must be built into the national law system.

This fact necessarily leads to certain concessions from the sovereign/autonomous law and to decreasing of the differences between the customs systems of certain countries, thus creating a process of unification of the different customs systems. In today's conditions, that process is being constantly contentedly enriched; it becomes more dynamic with a tendency to create a unified world market where participants can enter into free trade exchange and a wider economic cooperation.

THE INVOLVEMENT OF THE CUSTOMS SYSTEM OF THE REPUBLIC OF MACEDONIA IN TODAY'S CONTEMPORARY EUROPEAN SYSTEM

Traditionally, the European Union is the most important trade partner of the Republic of Macedonia. In the period from 1999 to 2006 the trade exchange of the European Union with the Republic of Macedonia is estimated at 1,2 – 2,4 billion euros, or it accounts for 42,4% – 48,5% of the total trade exchange of the Republic of Macedonia. In the same period the Republic of Macedonia exported goods and services to the European Union in the value of 506,75 million euros to 1,05 billion euros. This accounts for 45,1% – 55,2% of the total trade exchange of the Republic of Macedonia. Of this trade exchange 47,9% - 55,1 belongs to the industrial goods, and 27,2% - 57,4% to the agricultural goods. The Republic of Macedonia imports goods from the European Union in the value of 682 million to 1,3 billion euros, which accounts for 40,7% to 43,9% of the total foreign trade exchange of the Republic of Macedonia. The industrial goods are dominant both in the importing and exporting sector, accounting for 38% to 44,2%, whereas the agricultural goods account for 17,1% to 29,6%.¹

The Customs Union is an essential element of the European Union's single market with its four basic freedoms: the free movement of goods, persons, services and capital. This single market including 455 million consumers is the largest one in the industrialized world. The single market with no internal borders is the catalyst for the economic integration of the European Union and development of the region.

Establishing, maintaining and developing of such a market, where goods will circulate feely is only possible with establishing a framework of common rules on its external borders. That means that all 27 customs administrations of the EU members must act in such manner as if we were talking about one single customs administration. These unified rules do not pertain only to the customs tariffs but they also pertain to all aspects of the trade policy, such as preferential trade, protection of people's health and the environment, and protection of the economic interests as a whole through non-tariff instruments.

The customs system of the EU is based upon the Customs Code² which includes the whole customs normative; a normative that formerly existed in many different laws and directives. The Customs Code encompasses the general rules and procedures that insure the proper usage of all measures which pertain to the trade of goods. The Customs Code establishes the basic customs institutes of the EU, which functions as one customs system. The development of the customs system of the EU mirrors the development of the EU

¹ Proposed national programme for implementing the European Union law regulations, Skopje, 2007

² Regulations of the Council EEC 291 3/92

itself, from the customs union, the common market to all which today comes to mind when we think of the EU.

In 1958 the six signatory countries established an economic community, which is known today as the EU. The first step was to create a customs union, which in turn created a free trade between the member countries and created common limitations with third countries.

The customs union was fully completed in 1968; the customs rates and other restrictions between the member countries were abolished and common customs rates were established toward the countries outside of the Union. On the same token, the customs legislation, which was enacted, had a primary goal to ensure a unified implementation of all customs regulations all over the Union. Thus, unification of the customs tariffs was established and unified rules for origination of goods were enacted, as well as rules for customs depots. A significant step was undertaken in 1988 when the Single Administrative document – SAD) was legislated in order to simplify the customs procedures, and replace 150 previous rulebooks which were used by the Customs Authorities of the member countries.

At the same time, a new need arose for legislating new laws from the international trade area in order to ensure proper functioning of the Customs Union.

Before the establishment of the single customs system, the free circulation of the goods was not a reality because of the many customs formalities that still existed. The customs legislation, although unified, was not truly uniformly implemented in all member countries.

Although customs tariffs and quotas were non-existent in the trade between the member countries, in essence there was not too much of a difference in the customs trade barriers between the member countries and third countries. The first step toward establishing a single customs system was accomplished with the change of the customs formalities, when crossing the inner borders, with a new fiscal, statistical and other control system, thus enabling crossing of inner borders without detailed control of the goods in the moment of crossing the border.

On January 1st, 1999, all customs controls during the circulation of goods within the inner borders by virtue of SAD no longer existed.

Whereas the free circulation of goods in the European Union represents an internal aspect of the existence of the European Union, the common customs tariff represents the outside aspect of the existence of the Customs Union.

The customs authorities supervise and control the implementation of the common policy for determination of the customs rates when charging the customs fees when goods are imported from third countries, and they also supervise certain exceptions to the rules, thus establishing import restrictions.

The single customs tariff applies to all member countries but the customs rates differ on a case-by-case basis depending on which country the goods come from. The customs rates depend also on the economic sensitivity of the particular product and they represent an instrument for protecting the economic interest of the Union.

The Union constantly adjusts the common customs tariff as an instrument of the international trade. The Union takes part in all the negotiation rounds in order to decrease and abolish the customs barriers. These meetings are a part of the General Agreement of Tar-

iffs and Trade (GATT), which today exists in the framework of the World Trade Organisation (WTO).

The single customs system came to force in 1993, hence providing the four freedoms: movement of goods, people, services and capital. At the beginning of 1994, the customs law of the Union consolidated the whole customs legislation in one single text and established a frame for the import and export procedures. The guiding principle is based upon the idea that the procedures should not be a barrier of international trade; they should set a proper balance between the free trade on one hand and the control necessity on the other hand.

The Republic of Macedonia, as a candidate country for EU membership in 2005 established a customs system, which is very similar to the one from the EU. The decision was also made because of the fact that the EU is the biggest trade partner of Macedonia.

The Customs Law, which in enforced since January 1st, 2006 establishes the rights and obligations of the persons and customs officials which pertain to the goods in the trade exchange and traffic between the custom area of the Republic of Macedonia and other customs areas. The Customs Law resulted in a full synchronisation between the Macedonian regulations and the regulations of the EU. To do this, the model of the Regulations of the Council (EEC) 291 3/92 was used, which establishes a Customs Code of the union (31992 R 2913). The ordinance for enforcing the Customs Law is mostly synchronised with the regulation 31993 R 2454 of the EU which contains the stipulations for enforcing the Regulations of the Council (EEC) 2913/92. In 2003, the Republic of Macedonia passed a new Law for Customs Tariff with instruments and measures which are compatible with the rules of the EU, and thus created a legal basis for synchronising of the customs nomenclature of Macedonia with the combined nomenclature of the EU. The new Law of the customs authority came into force in 2004, which created a basis for effective execution of the assignments which needed to be achieved in the area of the Customs. The customs authority cooperates with other custom agencies through the afore-signed agreements for mutual help and cooperation for customs matters as well as suspensions, investigations and the fight against customs crime. On the basis of Protocol 5, which pertains to mutual help in the customs matters which is a part of the Agreement for Stabilisation and Association between the Republic of Macedonia and the EU, a good cooperation is enabled with the member countries of the EU.

Today's Macedonian customs system represents a part of the European customs system. Naturally, a big step forward is the membership of Macedonia in the World Customs Organisation as well as in the World Trade Organisation, having in mind that 90% of the world trade exchange is affected by the rules of these organisations. The global system of WTO decreases the trade barriers through negotiations and enforces the system of non-discrimination, whereby the result is decreased expenditures of production (because goods imported for production are cheaper), decreased prices of the final products and services, as well as decreased life expenses. Thus, today, the Macedonian market and economy are more open. To illustrate, the average non-pond rated rate of customs protection in the period for January-November of 2003 was 11,21%, and after the transition period ends it is expected to reach about 8%. Of course, the pond-rated rate is much lower.

The membership of the Republic of Macedonia in the World Customs Organisation as the global most competent intergovernmental organisation, whose basic role is to improve the effectiveness and the efficacy of the custom agencies of its member countries is another confirmation for the effort that this country is making to have its system be a part of

the European customs system. Today, there are more than 150 member countries in the World Customs Organisation. The Customs Authorities of these countries enforce the policies of their governments on all continents. The WCO is a forum where the delegates from all member countries talk about different customs problems as equals. Over 95% of the world trade goes through the customs authorities of the WCO member countries. As a forum for dialog and exchange of experiences of the customs workers from all over the world, this organisation works to improve the national economic welfare and societal protection of its member countries by promoting an honest, transparent and predictable customs environment. All of the above helps develop the international trade, but it also creates a moral ground for an effective fight against the illegal trade, which happens across the customs borders.

CONCLUSION

The customs system of every country is an expression of its independent, i.e. sovereign and autonomous right to regulate the relationships in the customs sphere and the sphere of customs protection of its economy. One can claim that every sovereign country has its own specific customs system, i.e. that there are as many customs systems as there are countries in the world. However, every country shapes its own customs system according to domestic autonomous law and international law. In essence, every country that wants to develop and advance the economic ties with other countries inevitably must negotiate with those countries, i.e. enter into bilateral and multilateral contracts and agreements with other countries, and after the confirmed regulations must be built into the national law system. This fact necessarily leads to certain concessions from the sovereign/autonomous law and to decreasing of the differences between the customs systems of certain countries, thus creating a process of unification of the different customs systems

Traditionally, the European Union is the most important trade partner of the Republic of Macedonia. The Republic of Macedonia, as a candidate country for EU membership, in 2005 established a customs system which is very similar to the one from the EU. The decision was also made because of the fact that the EU is the biggest trade partner of Macedonia. Today's Macedonian customs system represents a part of the European customs system

In today's conditions, that process is being constantly contentedly enriched; it becomes more dynamic with a tendency to create a unified world market where participants can enter into free trade exchange and a wider economic cooperation.

REFERENCES

1. Veljković Dušan, Carinski sistem, Skopje 1996 g.
2. Garčević Marina & Šibalić Vukosav, Carinski sistem i carinski postupak, Beograd, 1988 g.
3. Jelača, N., Ivanović, M., Osnovi carinskog sistema, Beograd, 1970
4. Evrointegracija na makedonskiot sistem na kazнено pravo, vo Zbornikot: Evrointegracija na pravniot, političkiot i opštstveniot sisem na Republika Makedonija, Skopje, 2002g.
5. Michael Luh, Carinski propisi Evropske Unije, Zagreb, 2005 g.
6. Ustav na Republika Makedonija, Služben vesnik na Republika Makedonija br.52/1991 g. so Ustavnite amandmani.

7. Carinski zakon, Služben vesnik na Republika Makedonija br. 39/2005
8. Zakon za Carinskata uprava, Služben vesnik na Republika Makedonija br. 46/2004 g.
9. Uredba za sproveduvawe na Carinskiot zakon, Služben vesnik na Republika Makedonija br.66/2005 g.
10. Zakon za Carinskata tarifa, Služben vesnik na Republika Makedonija br. 23/2003 g.

UKLJUČENOST CARINSKOG SISTEMA REPUBLIKE MAKEDONIJE U SAVREMENI EVROPSKI SISTEM

Danijela Smilevska, Snežana Dičevska

Carinski sistem svake zemlje predstavlja izraz njenog samostalnog i nezavisnog, odnosno njeno suvereno autonomno pravo da uređuje odnose u oblasti carine i carinske zaštite svog stopanstva. Ali, sa druge strane, svaka zemlja oblikovanje svog carinskog sistema zasniva pored domaćeg autonomnog prava i međunarodno pravo. U stvari, svaka zemlja koja želi da razvije i unapredi ekonomske odnose sa drugim zemljama neminovno mora da se dogovara sa istima, odnosno da sključuje bilateralne i multilateralne dogovore i spogodbe sa njima, a zatim utvrđene odredbe da ugradi u nacionalnu pravnu regulativu. Taj fakt nužno upućuje na određene oistupke od suverenog autonomnog prava i na proces smanjivanja razlike među carinskih sistema određenih zemalja sa kojima nastaje proces unifikacije carinskih sistema. Proces unifikacije carinski sistema je još uvek poizražen u okvirima regionalno ekonomskih integracija, kao EU, gde su nacionalni carinski sistemi modificirani i unificirani. Tradicionalno, Evropska Unija je najvažniji trgovski partner Republike Makedonije. Republika Makedonija, kao zemlja sa kandidatski statusa za članstvo u Evropsku Uniju, kao i pored toga što Evropska Unija predstavlja najveći trgovinski partner Republike Makedonije, u 2005g. uspostavlja carinski sistem koji je sličan carinskom sistemu Evropske Unije. Makedonski carinski sistem, danas predstavlja deo Evropskog carinskog sistema. U savremenim uslovima, taj proces unifikacije postojano sadržinski se obogaćuje, postaje podinamičan i dobija tendenciju stvaranja jedinstvenog svetskog tržišta na koji se ostvaruje slobodnija trgovska razmena i sve šira ekonomska saradnja.

Ključne reči: carina, Evropska Unija, carinski sistem, regionalni razvoj.