

FOREIGN TRADE LAW

I. GENERAL PROVISIONS

Article 1

This Law regulates the foreign trade, which includes the foreign trade turnover and performing economic activities abroad.

Article 2

Foreign trade and economic activities abroad may be performed by legal entities performing economic activities (hereinafter: enterprises).

Banking and other financial activities abroad may be performed by banks, in accordance with this Law and regulating establishment and working of banks. Insurance and reinsurance activities abroad may be performed by insurance and reinsurance agencies, in compliance with laws regulating establishment and working of those organizations.

Article 3

The right to foreign trade is acquired on the date of court registration, if not otherwise prescribed by this Law.

Enterprises may perform only those foreign trade activities for which it is registered in court.

Article 4

Foreign trade in the fields of arms and military equipment is also subjected to this Law, if not regulated otherwise by another law.

II. CONDITIONS FOR FOREIGN TRADE ACTIVITIES

Article 5

Foreign trade activities are performed on basis of contracts concluded in compliance with laws and regulations in the Republic of Macedonia and international agreements and conventions.

Article 6

Enterprises can be engaged in providing services in the foreign trade to foreign persons in the Republic of Macedonia within frames of its registered activities, and abroad installation services of the equipment it exports, even without a court registration.

The provision of Para 1 of this Article also refers to entrepreneurs who have not registered a company, shop or agricultural co-operative for that purpose.

Article 7

Goods can be permanently or temporarily imported only if fulfilling prescribed conditions for sale, i.e., use of the goods in the Republic of Macedonia; services can also be permanently or temporarily imported only in accordance with the positive regulations and international conventions and agreements.

Goods on which a health, a veterinary, a fitopathological or quality control is required, cannot be imported either permanently or temporarily, if they fail to meet the prescribed conditions.

Goods cannot be temporarily or permanently imported in the Republic of Macedonia, if their distribution is prohibited in the countries of their origin, except upon special license, issued by the administrative organ in charge of foreign economic relations.

By exception of provisions in Para 1 and 2 of this Article, goods can be temporarily imported, for the purposes of refinement, research or processing, if it does not endanger the lives of people and the environment.

For purposes of protection and improving of the environment, the Government of the Republic of Macedonia may ban the imports and transit of certain products in the territory of the Republic of Macedonia, or prescribe conditions under which such products shall be imported or exported.

Article 8

The administrative agency in charge of foreign economic relations may authorize state agencies, agencies of the units of local self-government, citizens' associations and other legal entities, to perform single foreign trade operations for their own use; it may also authorize social organizations and other legal entities which are not registered for foreign trade activities to perform single foreign trade operations for their own use, i.e., to perform foreign trade operations connected with their own activities.

Article 9

Imports, i.e., exports are regarded as completed when the merchandise has passed customs and has been paid customs tariffs for, i.e., when the service is provided. The date of payment of customs tariffs is regarded as a date of the imports, i.e., exports.

Even by exception of Para 1 of this Article, the administrative agency in charge of foreign economic relations may issue a permission for export, i.e., export customs clearance without having the goods cross the border line, if such an agreement is concluded with the foreign entity and if it helps lower transportation expenses. During export, i.e., import customs clearance of these goods, provisions regulating the exports and imports of goods which have crossed the border line are implemented.

The official managing the administrative agency in charge of foreign economic relations determines the date which is to be regarded as a date of provided services.

III. TYPES OF IMPORTS AND EXPORTS

Article 10

Imports and exports are liberal.

For purposes of protection of the domestic production and planned development, the imports and exports of goods may be regulated by prescribing quotas (contingents).

Certain goods may be imported and/or exported on basis of a license, in cases of implementation of international agreements, regulation of imports and exports of arms and military equipment, and imports and exports of historic artistic works and certain precious metals.

For the purpose of balancing the exchange of goods and services with certain countries or regions, as well as for collection of receivable from abroad and selflimitation in exporting merchandise the exports of which is limited by foreign imports barriers, the imports and exports of certain goods may be regionally directed by issuing imports and/or exports approvals.

The quotas of Para 2, licenses of Para 3 and approvals of Para 4 of this Article are all issued by the administrative agency in charge of foreign economic relations.

Article 11

Imports of spare parts for maintenance of imported equipment, the equipment itself, spare parts for it, and durable consumer goods are free for entrepreneurs and legal entities.

Carrying arms, ammunition, explosives and reproduction materials for explosives into the country and receiving the same from abroad is prohibited for natural persons.

Imports and transit of dangerous waste materials through the territory of the Republic of Macedonia is prohibited.

Imports of equipment, raw materials and intermediate products for own production, invested by a foreign person as a share or enlargement of the share in a domestic enterprise, are free and performed in accordance with the enterprise's establishment act, i.e., investments in the enterprise.

Article 12

The Government of the Republic of Macedonia classifies the goods into certain types of imports and exports and determines goods the exports and imports of which shall be regionally directed.

Article 13

Upon a suggestion by the administrative agency in charge of foreign economic relations, as well as upon opinion of competent organs of economy, agriculture and wood industry, to be submitted by October 31 of the current year, the Government of the Republic of Macedonia prescribes imports and exports contingents in terms of value and quantity, regional direction of imports and dynamics of the imports and exports for the following year.

The administrative agency in charge of foreign economic relations distributes the contingents of Para 1 of this Article among users. In cases of exception, contingents may be also given to producers.

During each distribution of contingents, at least 10% are to be set aside for additional distribution, for the following: new production the needs of which could not be calculated prior to the distribution, and purchase of fair exponents at international fairs held in the Republic of Macedonia.

Article 14

Prescribed quotas determine the quantity of exports, i.e., imports of certain goods in terms of value or quantity, usually for one year. If goods are being exported and/or imported in a period longer than one year, contingents are prescribed for the period of duration of the credit, i.e., of the exports and/or imports of the goods.

Article 15

The administrative agency in charge of foreign economic relations may approve of contingents exceeding the determined contingents in Article 13 of this Law to certain users stated in Article 13 (2) of this Law, in cases of: imports of goods to replace other goods damaged by vis major; imports of goods on basis of a credit approved of by international financial organizations at an international auction; imports of raw materials and intermediate products for export-oriented production, along with an obligation to export goods of at least 30% greater in value than the imports within the time limit set in the approval; and exports of goods, if it does not influence the supply of the domestic market or in case of increase of prices of certain goods above the average.

IV. SPECIAL TYPES OF FOREIGN TRADE

I. Long-Term Production Cooperation

Article 16

Enterprises and other legal entities cannot, within the frames of their production activities, conclude a contract for long-term production cooperation with a foreign legal entity or physical person, without an approval by the administrative organ in charge of foreign economic relations.

The approval of Para 1 of this Article may be issued if the contract is in a written form and effective for at least three years, if the value of the exports - subject of the contract are at least equal to the value of the imports, and if the exchange includes raw materials, intermediate products, spare parts and ready-made products of the same kind, for the purpose of specializing the production.

Payment and collection resulting from activities of contracts of Para 1 of this Article will be carried out upon compliance with the law regulating currency transactions.

On basis of contracts and upon an approval stated in Para 1 of this Article, goods are exported and/or imported freely.

Article 17

Contracts stated in Article 16 of this Law and changes made in it are submitted to the administrative organ in charge of foreign economic relations, to be approved of within thirty days of the date of its signing, i.e. the changes and additions, in original and a verified translation, along with a summary specification of goods to be exported and imported in each year of the contract's duration.

The administrative organ in charge of foreign economic relations is obliged to decide on the application for approval of Article 16 of this Law within thirty days from its submission. If no decision is made within that time, the contract will be regarded as approved of.

2. Compensation Matters

Article 18

On basis of an approval of the administrative organ in charge of foreign economic relations, enterprises may enter into contracts on exports and imports of goods and services charged by imports of goods and services of at least the same value (compensation transactions).

The administrative organ in charge of foreign economic relations approves of compensation transactions if the import to countries with payment difficulties is not possible to collect in foreign currency, if the import of goods and services is to cover for export of energy and other raw material, if the import or rented foreign equipment is in the function of exports, and if the imported goods are of significance for the domestic market or the distribution of which is difficult.

Imports and exports of goods of Para 1 of this Article are performed in compliance with prescribed types of imports and exports.

The Government of the Republic of Macedonia prescribes closer conditions, way and time limits in which contracts on compensation transactions of Para 1 and 2 of this Article may be entered into.

3. Mediation in Foreign Trade

Article 19

Enterprises may purchase goods abroad for the purpose of selling them abroad, or re-export of the purchased and imported, i.e., temporarily imported goods.

In case of purchase of goods from foreign countries, imports of the goods and exports of the same quantity of goods classified under the same customs tariff, imports and exports are free.

Payment and collection for activities of Para 1 of this Article may also be through exports of goods under conditions stated in Article 18 of this Law. Activities of Para 1 of this Article are approved of by the administrative agency in charge of foreign economic relations, and all financial transactions concerning the activities are approved of by the National Bank of Macedonia.

The administrative agency in charge of foreign economic relations approves the activities of Para 1 of this Article, provided that they are in accord with concluded international trade agreements or that they do not influence the regular exports of goods from the Republic of Macedonia, or in the following cases: if the activities create new employment; activate and/or provide better use of free production capacities or fulfillment of obligations undertaken by international agreements; provide greater inflow of hard currency sold and bought at the currency market; lowering of due and uncollected receivable of the Republic of Macedonia from certain countries and help balance the exchange with countries with which agreements on balanced exchange of goods and services are signed.

The Government of the Republic of Macedonia prescribes closer conditions and way of approving, registering, and control of activities of Para 1 of this Article.

4. Local Border Trade

Article 20

Local border trade is performed in border areas, in compliance with this Law, concluded international agreements and regulations based on this Law.

A border area, as regarded by this law, is an area agreed upon by an international agreement.

Activities including imports and exports of goods and services in the local border trade may be performed by an enterprise with court registration for such activities, if not determined otherwise by an international agreement.

Imports and exports of goods within frames of local border trade are performed in accordance with prescribed types of exports and imports.

V. SERVICES IN FOREIGN TRADE

Article 21

Services in foreign trade, as regarded by this Law, in particular are: investments in foreign countries and transferring the right to investment projects to foreign persons in the Republic of Macedonia, services including international transport of goods and passengers, all services accompanying the international transport (international forwarding, storage, airport services, agency transport services, etc.), hotel and tourist services, mediation and representation in turnover with goods and services, PTT and other telecommunication services, services including the control of quantity and quality of imported and exported goods, scientific, research and development services, giving and using economic and scientific information and experience, attestation and other services in accordance with the accepted classification and nomenclature.

Article 22

Enterprises engaged in investments and construction activities abroad may, without importing into the Republic of Macedonia, purchase abroad equipment needed for the investment operations, spare parts and materials built in the equipment, i.e., object constructed abroad.

Enterprises engaged in investment and construction activities abroad may import a part of the equipment and materials to be built in the equipment necessary for performing construction activities abroad.

During purchase of the equipment and materials of Para 1 and 2 of this Article, regulations applying to imports of such equipment and materials are not in effect.

Article 23

Enterprises engaged in investment and construction activities abroad may freely import in the Republic of Macedonia equipment and spare parts, purchased and used abroad for carrying out works stated in the agreement for construction projects abroad.

During imports of equipment and spare parts of Para 1 and 2 of this Article, the enterprise is obliged, besides proof for their being purchased abroad, to also submit a written statement by an authorized person, proving the equipment has been used abroad for the said purpose.

Should the enterprise decide to keep or write off the equipment abroad the equipment it has used in a foreign country for construction activities, it is obliged to submit a final statement of accounts on it, to the Public Revenue Office, along with a decision by the managing body.

Article 24

The right to perform construction activities, i.e., certain activities connected with construction in the Republic of Macedonia (in the further text: investment operations in the Republic of Macedonia) may be transferred to a foreign contractor, on basis of a previous competitive bidding auction or gathering offers from the smallest number of bidders, in accordance with provisions regulating the public bidding auctions and gathering offers.

Article 25

Conditions for transferring the right to investment in the Republic of Macedonia to a foreign contractor are set by the investor, along with the amount, i.e., the type of bail required for participation in the bidding auction.

Activities of Para 1 of this Article may be transferred to a foreign contractor, if

- 1) the foreign contractor presents a bank guarantee for compensation of possible losses of the investor, caused by not fulfillment of the agreement by the contractor;
- 2) the foreign contractor accepts the implementation of Macedonian standards, technical regulations and quality standards, i.e., implementation of international standards, technical regulations and quality standards of foreign countries, in the cases when for certain products, production or services there are no Macedonian regulations, standards, technical regulations or quality standards. In such cases, a certificate is required by the organization in charge of standardization matters, which is obliged to issue such a certificate within 30 days after the application; and
- 3) the foreign contractor engages domestic performers, whereas the manager and experts may be

foreign citizens.

Article 26

The agreement for investment abroad, i.e., the agreement for investment in the Republic of Macedonia is concluded in a written form and registered by the administrative agency in charge of foreign economic relations.

The agreement of Para 1 of this Article and its changes and additions are reported of within 30 days after the date of signature, i.e., the date of changes and additions.

Article 27

Enterprises performing international forwarding may organize forwarding and delivery of goods in the international traffic in its own name and on behalf and by order of clients; may conclude agreements on transport, loading, reloading, unloading, assortment, packing and storing and insuring goods; may organize transportation by various transportation means; represent clients and carry out activities concerning customs matters, insure benefits and refunds for road tolls, acquire and present transportation and other documents regarding the forwarding services in foreign trade.

Article 28

Enterprises engaged in international transport of goods and passengers may transport goods and passengers in the international railroad, road, air and lake traffic, as well as to negotiate, service and mend transportation means and spare parts.

Article 29

Enterprises performing international traffic and agency activities may represent and mediate in transport of goods and passengers by international traffic and other matters connected with the transport.

Activities of Para 1 of this Article, as regarded by this Law, are: reservation of sufficient space for goods in transportation means on behalf of the client, providing enough goods for the transportation vehicle of the client, providing means of transportation for goods and passengers, sale of tickets and other activities regarding representation and mediation in international transport.

Enterprises of Para 1 of this Article may conclude agreements on international traffic and agency activities on behalf of the client or may only mediate in the conclusion of the agreements.

Article 30

Enterprises engaged in tourist services to foreign countries may provide services to foreign persons, and especially: hotel services (accommodation, meals, etc.) and tourist services, may organize tourist tours and excursions in the Republic of Macedonia and abroad, visits of cultural, economic, sports or other manifestations, sports fishing and hunting, may rent vehicles and vessels, keep and maintain foreign

vessels, provide services regarding hazard games, as well as tourist tours and excursions abroad for domestic clients.

Services of Para 1 of this Article, as regarded by this Law, are also services for congressional, health and recreation tourism, as well as traffic services in the international tourism.

Article 31

Enterprises engaged in providing means of transportation may provide fuel, oils, spare parts, industrial and other goods for domestic and foreign means of transportation, as well as provide industrial and other goods for their crews and passengers, if they travel to foreign countries.

Enterprises providing dockside services may provide services regarding acceptance and forwarding vessels and passengers, keeping ships and cargoes, reloading and storing of goods, providing necessities for foreign means of transportation, renting means of transportation and equipment and other services.

Services including storing of goods may also be provided at railroad stations and other places for international transportation, as well as at other public warehouses.

Services of storing goods, as regarded by this Law, include acceptance, keeping and assortment of foreign goods and other activities regarding goods by an order of foreign persons, such as: loading, unloading, customs formalities and insuring goods.

Enterprises providing airport services may accept and forward foreign goods and passengers in the air traffic, services connected with landing and flying over of foreign planes, as well as acceptance, provision and forwarding of those planes.

Article 32

Enterprises registered for organizing international fairs may organize fairs, exhibitions and other forms of presentation of economic and other activities in the Republic of Macedonia and abroad, as well as to provide other services in organizing international fairs.

Enterprises of Para 1 of this Article may participate in international fairs and exhibitions and other forms of presentation of economic and other activities, as well as exhibit its own products alone or in a cooperation with other enterprises abroad.

Article 33

Enterprises performing control of the quality and quantity of goods in international turnover undertakes that control primarily for determining the quality, quantity and other features of the goods, to meet the requirements agreed upon between the purchaser and seller of the goods. They may also perform prescribed or usual activities regarding the control, such as: control of the packing and forwarding of goods, control of the loading, unloading, reloading, transportation and assortment of goods in the means of transportation, etc.

Enterprises controlling the quality, quantity and other features of goods in the international turnover, are responsible for the accuracy of data included in the certificate issued to the user.

Article 34

Enterprises engaged in scientific research and development services may conclude agreements with foreign persons on scientific research projects or part of projects, as well as agreements on expert training, consulting services and other similar services within frames of the realization of international scientific research projects.

Article 35

Enterprises may enter into agreements with foreign persons for their representation in the Republic of Macedonia, may sell foreign goods from consignment warehouses and perform services for maintenance of imported equipment and durable consumer goods.

Agreements of Para 1 of this Article are concluded in a written form and registered by the administrative organ in charge of foreign economic relations, if the prescribed conditions are fulfilled.

Enterprises of Para 1 of this Article, general agents or consignators, are obliged to provide service, expendable material, equipment and spare parts for maintenance of the imported equipment and durable consumer goods, in accordance with regulations for distribution of goods at domestic markets, for a period of at least 3 years.

Enterprises of Para 3 of this Article may transfer the right to provide services to another domestic enterprise or entrepreneur.

Enterprises providing services in foreign trade may represent foreign persons engaged in the same activities, without a required registration in the court register for representation of foreign persons.

Closer conditions for activities of Para 1 of this Article are set by the Government of the Republic of Macedonia.

Article 36

The Government of the Republic of Macedonia may prescribe the types of services and conditions under which foreign persons may provide services in the Republic of Macedonia, and may impose limitations on certain types of services, for the purposes of protection of the security of the Republic of Macedonia, life and health of people and environment, as well as for development of certain domestic enterprises providing services. Certain services-including activities may be performed under conditions of reciprocity.

Foreign persons providing services in the Republic of Macedonia are obliged to respect the domestic regulations, international conventions and professional codes.

Article 37

Foreign legal and physical persons may open representative offices in the Republic of Macedonia, in the fields of production, turnover of goods and services, banking and insurance.

The representative office of Para 1 of this Article may undertake previous preparation activities regarding the signing of agreements, but may not sign actual contracts on foreign trade.

The Government of the Republic of Macedonia prescribes closer conditions for opening and work by the foreign representative offices in the Republic of Macedonia.

Article 38

Foreign firms presenting their products may, at international fairs in the Republic of Macedonia, sell their exhibits in denars up to the amount necessary for expenses for exposing products at the fair, customs fees, and other expenses.

The Government of the Republic of Macedonia prescribes the types of expenses payable in accordance with Para 1 of this Article, as well as the way and control of sale of goods mentioned in that paragraph.

VI. TEMPORARY IMPORTS AND EXPORTS

Article 39

For the purposes of provision of services to and using services by foreign persons, as well as in other cases of exports, i.e., imports under an obligation to send the same goods back within a determined period of time and in the same or different condition, goods may be temporarily exported, i.e., temporarily imported.

The customhouse approves of the temporary imports and exports of Para 1 of this Article in the way, procedure and conditions prescribed by law and regulations based on that law.

The customhouse approves of the exports, i.e., imports of goods produced by industrial refinement, processing or finish even before the temporary imports, i.e., temporary exports of reproduction material needed for the production of those goods.

Temporarily exported goods must be brought back to the Republic of Macedonia or be definitely exported, and temporarily imported goods must be sent back to the foreign countries of their origin or be definitely imported and paid customs fees for, in accordance to regulations for exports, imports, and customs clearance, as well as time limits for the temporary imports and exports.

Article 40

Enterprises may temporarily export, i.e., import equipment on lease for use in the production and for providing services.

Agreements for lease obligatorily include the time limit of the lease, and the temporarily exported, i.e., imported equipment may be kept even after the dead line, if prescribed so by the agreement.

Agreements for lease transfer of the right to use the equipment imported by payment of a rent, may include obligations of the party issuing the lease to provide uninterrupted use, maintenance and technical and technological improvement of the equipment by the leaseholder. The agreement may also include a possibility of replacing the equipment imported on lease by a new technically and technologically more sophisticated equipment during the period of the lease.

The customhouse approves of temporary exports, i.e., imports, i.e., imports of equipment on lease, in accordance with prescribed types of exports, i.e., imports, and under conditions prescribed by law and regulations based on that law.

Article 41

Goods temporarily exported, i.e., exported, are not subjected to Articles 10, 12, 13 and 44 of this Law.

Temporarily exported, i.e., imported goods may be used only for the same purposes they have been exported, i.e., imported for.

Article 42

Enterprises may perform activities of refining goods (processing, manufacturing and finishing) of foreign persons or legal entities engaged in mediation activities, i.e., they can give goods to a foreign person for the purpose of refining. The activities may be performed in several phases and by several enterprises, i.e., foreign persons.

Enterprises may pay, i.e., collect for refining services in other goods given to be refined, i.e., refined upon a license issued by the administrative agency in charge of foreign economic relations. Imports and/or exports of goods used to pay, i.e., collect for services of refinement, are subjected to regulations for exports, i.e., imports of those goods.

Article 43

The Government of the Republic of Macedonia determines the type and purpose of the temporary exports and imports, and the time limits of the temporary exports and imports as classified in terms of type and purpose, and may determine which goods are not to be temporarily imported.

VII. OTHER PROVISIONS ON EXPORTS AND IMPORTS

Article 44

Enterprises may import goods on basis of direct agreements and on basis of previously gathered tenders and carried out public auctions.

During public auctions, domestic producers of goods intended to be purchased from abroad must be enabled to participate, and if tenders are gathered, domestic producers must be enabled to submit tenders.

Should domestic and foreign submittals of tenders offer equal conditions, priority will be given to domestic enterprises.

Should foreign submittals of tenders offer more favorable conditions than the domestic enterprises, priority will be given to those providing a greater engagement of domestic producers of goods the foreign person is bringing into the country, those approving of higher credits for domestic producers of the concerned the domestic production, or those purchasing domestic products of the greatest value.

Article 45

If agreements with foreign persons or international agreements require exported or imported goods to be accompanied with certain certificates, i.e., certain verified documents, the certificates, i.e., verified documents are issued by the Macedonian Chamber of Commerce, if regulations do not prescribe another administrative agency or organization.

Should regulations of the country in which the certificate, i.e., the verified document of Para 1 of this Article is to be presented require a verification by a state agency, the verification is done by the administrative agency in charge of foreign economic relations.

The Government of the Republic of Macedonia prescribes the way of issuing the certificates and verification of documents to accompany exported or imported goods, regarded as goods of a domestic origin, and prescribes in which cases a certificate on the origin of the goods to be imported or exported is required. The custom administration may also be authorized to issue certain certificates.

Article 46

Enterprise may, within the scope of activities they are registered for, export goods and services without collecting a countervalue, as well as import goods and services without paying a countervalue in the following cases: if it is necessary to determine the quality of the exported, i.e., imported goods, if it represents a surplus of the exports and imports, if the goods are used for marketing purposes, if the goods are samples, projects or any other technical documentation accompanying the exported, i.e., imported goods, if the goods are used for participation at international public auctions, for equipping own representative offices abroad, if goods are sent or received for humanitarian, scientific, educational, cultural, health and social purposes, sent or received as an aid for natural catastrophes and other forms of vis major, if activities include provision or receiving services of mending, assembling of goods accompanying exported goods, as well as in cases when there is a reciprocity with the country in question, or if prescribed so by international agreements.

Enterprises may receive tools, measuring instruments and appliances, service vehicles and equipment, sent to them by a foreign person with whom they have an agreement for representation, managing consignment warehouse and servicing, or providing other services included in the concluded agreement.

The Republic of Macedonia and its agencies and organizations, as well as other legal entities, may receive goods and provide and receive services of humanitarian, scientific, educational, cultural, health, social, sports, religious and other non-commercial purposes.

Representative offices of foreign persons and other foreign organizations in the Republic of Macedonia may import fixed assets and consumer goods necessary for their work.

By exception of provisions in Para 1-4 of this Article, other goods may also be exported, i.e., imported without payment and collection of a countervalue, on basis of an approval by the administrative agency in charge of foreign economic relations.

Exports and imports, i.e., receiving and sending goods and receiving and provision of services of Para 1-4 of this Article, are free. On export of goods without a collection of countervalue, the enterprise submits a decision by the management.

To the competent customhouse, besides a customs declaration, a proof for the export without collection, i.e., imports without payment of countervalue is presented.

VIII. ACQUIRING AND TRANSFER OF RIGHT TO INDUSTRIAL OWNERSHIP AND KNOWLEDGE AND EXPERIENCE (KNOW-HOW)

Article 47

Enterprises may acquire from or transfer to a foreign person a right to an industrial ownership and knowledge and experience (know-how).

Article 48

Acquiring and transfer of the right to an industrial ownership and knowledge and experience (know-how) between enterprises and foreign persons is carried out on basis of an agreement concluded in a written form.

The agreement of Para 1 of this Article and its changes and additions are reported to the administrative agency in charge of foreign economic relations, within 30 days from the date of its signature, i.e., the changes and additions, and comes into effect on the date of its entering the register.

Article 49

The agreement for acquiring patents and knowledge and experience (know-how) must consist of the following:

- 1) guarantee by the issuer of the patent, knowledge and experience (know-how) that the implementation of the knowledge and experience (know-how) will result in production of goods of agreed quality, as well as an obligation to enable the receiver of the know-how to use the improvements of the patent and knowledge and experience during the duration of the agreement;
- 2) guarantee by the issuer of the patent, knowledge and experience that their use will not damage the health and lives of people, i.e., things, nature and environment; and
- 3) guarantee that the distribution of products produced with the help of patent, knowledge and experience will not violate the rights of third persons, as well as an obligation of the foreign person to compensate the enterprise and the third person for the damage caused by violation of the right of the third person.

Article 50

The agreement for acquiring a patent, knowledge and experience cannot include a ban on the following:

- 1) that the enterprise uses, improves, and further develops the acquired patent, knowledge and experience and protect it as a patent resulting from its own research;
- 2) that the enterprise independently decides on purchase or use of raw and reproduction materials, spare parts and equipment;
- 3) that the enterprise exports products and services to certain countries, except to countries which the issuer of the patent, knowledge and experience has or has given as an exclusive right to produce, i.e., providing of services for the same products and services; and
- 4) that the patent, knowledge and experience, time limit of which has expired within the validity of the agreement, be used even after the agreement expires, i.e., an obligation of the enterprise to provide compensation for use of the patent, knowledge and experience after the agreement expires.

Article 51

Along with the application to have the agreement on use of the patent, knowledge and experience registered, enterprises are obliged to submit the following:

1) opinion by the organization for standardization that the standard of products to be produced with the help of the acquired patent, knowledge and experience are in accordance with the domestic standards, unification and standardization, except when aimed for exports;

2) certificate by the organization for patents on whether and how the right in question is protected;

3) an act by the competent health agency in charge of distribution of medicine and the competent agricultural agency in charge of plant protection, if such a production is included in the agreement.

The administrative agency in charge of foreign economic relations is obliged to decide on the submitted application within 30 days following the date of application. No complaint can be lodged against the decision, but an administrative dispute can be initiated.

Should the administrative organ in charge of foreign economic relations fail to decide on the submitted application within the determined time limit of Para 2 of this Article, the agreement on acquiring a right to industrial ownership, knowledge and experience will automatically become valid.

IX. TEMPORARY MEASURES

Article 52

If payment operations in the Republic of Macedonia are disturbed, the Government will introduce measures to deal away with the disturbance.

Article 53

If, due to unpredictable circumstances and in a short period of time, imports and/or exports of certain goods are considerably increased or performed in a manner that negatively influences the supply at the domestic market, damage or threaten to damage the production or sale of those goods in the Republic of Macedonia, the Government may introduce temporary measures eliminate the distortions. The measures would stay in effect until the damage is restored.

Proposition for introduction and annulment of measures of Para 1 of this Article may also be submitted by administrative agencies in charge of economy, agriculture, forestry and water industry, the agency for foreign economic relations, as well as the Chamber of Commerce and all interested enterprises, along with reports on the caused damage or that might happen if the measures were not undertaken.

Prior to introduction of the measures of Para 1 of this Article, all member countries of GATT will be notified and all sides interested in goods the imports or exports of which are the reason for the measures, will be given an opportunity for consultations. In exceptional cases, when any delay of the measures would cause a serious damage, the Government of the Republic of Macedonia will introduce measures even before consultations, which will be scheduled in the nearest possible future.

For the purpose of securing regular purchase of foodstuff and other strategic products, as well as for protection of own non-renewable natural resources, the Government of the Republic of Macedonia may introduce measures for temporary limitation or ban on exports of such products.

Article 54

The Government of the Republic of Macedonia may adopt an antidumping tax, should it, by an appropriate procedure, determine a considerable damage or danger of damage for the domestic producers.

Dumping, as regarded by this Law, exists when certain goods are imported at a price lower than their normal value, thus causing or threatening to cause serious damage to the current production, or if such an import could slow down the development of certain domestic production.

The antidumping tax cannot be higher than the margin on dumping, and will remain in effect until the dumping is neutralized.

A proposal for introducing an antidumping tax may be submitted by interested enterprises through the Macedonian Chamber of Commerce, and it must include evidence on existence of a dumping, harmful consequences of it and causative relation between the imports, subject of the dumping, and the caused or potential damage.

The Government of the Republic of Macedonia discusses upon the proposal of Para 4 of this Article, implements the procedure in compliance with the law which accepts the GATT Code on Antidumping, introduces an antidumping tax, and informs the central customs administration of it.

For the purpose of neutralizing the subsidies and premiums approved directly or indirectly by the country of origin or of exports of certain goods imported into the Republic of Macedonia, the Government of the Republic of Macedonia may introduce a compensation tariff, up to the value of the subsidy or premium.

X. PROMOTION OF EXPORTS OF GOODS AND SERVICES

Article 55

Exports of goods or services and realization of hard currency inflow, international transports services to domestic or foreign persons and refunds for road tolls paid abroad during exports or imports, will be stimulated by the development of a real exchange rate policy of the denar, by the system and mechanism for refunding tax, customs fees and others, by the credit and monetary policy and by other measures of the economic policy.

Measures of Para 1 of this Article shall additionally encourage the export of agricultural and food products, in accordance with export programs of the producers or exporters for certain group of such products, as well as in accordance with the intensity of the foreign import barriers on those products.

By exception of Para 1 and 2 of this Article, exports shall be additionally encouraged of those products the export of which is limited for a longer period by foreign import barriers, depending on the realization of payments.

The Government of the Republic of Macedonia prescribes the way of refunding for customs tariffs and taxes of Para 1-3 of this Article, as well as the amount and way of payment of an additional support of exports, according to programs of Para 2 of this Article.

Rights of Para 1 of this Article also refer to collection of receivables via correspondent accounts and foreign exchange accounts, abroad.

Article 56

Refunding funds for customs, tax and other expenses and general economic marketing and general tourist and informative activities towards foreign countries, as well as other measures of Article 55 of this Law are determined and included in the state budget. The amount of necessary funds is determined by an act on foreign exchange policy for every calendar year.

Article 57

The base for calculation of refunds for customs, tax and other expenses is calculated through an implementation of middle exchange rates of foreign currencies, as determined by the Law on Foreign Currencies, valid on the date of the payment.

Customs and other expenses for goods exported on credit are refunded after the realized exports.

The base for calculation of refunds for customs, tax and other expenses for given services to domestic persons in the international transport is the amount of the denars paid for the transport services abroad.

The base for calculation of refunds for customs and other expenses for inflow made by air and water transportation services abroad is the denar countervalue of definitely brought into the country foreign exchange coming from the paid air and water transportation services.

The base for calculation of refunds for customs and other expenses from inflows made by investment works abroad is the denar countervalue of definitely brought into the country foreign exchange collected from projects in foreign countries.

The Government of the Republic of Macedonia, upon a proposal by the National bank of Macedonia, prescribes the methodology for calculation of the amount of denars originating from exchange of foreign currencies and are included in the base for stimulating of the exports of services.

XI. PERFORMING ECONOMIC ACTIVITIES ABROAD

Article 58

Performing economic activities abroad, as regarded by this Law, is performing production, trade, service, scientific and research, development, banking and other financial activities, as well as insurance and reinsurance activities, in accordance with the regulations in the country in which the activities are performed.

Enterprises, other legal entities, and insurance and reinsurance organizations performing economic activities abroad are registered by the administrative agency in charge of foreign economic relations.

The administrative agency in charge of foreign economic relations is obliged to decide on applications for registration, within 30 days after the date of the application.

A complaint may be lodged with the Government of the Republic of Macedonia against the decision of Para 3 of this Article, within 15 days after the decision is made known.

Article 59

Enterprises, other legal entities, banks and other organizations of Article 58 of this Law (in the further text: founder) may found an enterprise or other types of organizations for economic activities abroad, and will meet liabilities up to the amount of their invested funds.

Article 60

The founder may decide to have the enterprise it has founded abroad act as a founder of another enterprise, founded by still another foreign enterprise, or purchase the assets of foreign persons, i.e.,

domestic enterprise abroad, increase the founding investment of a foreign person or its own founding investment in a foreign enterprise, and is to report this to the administrative agency in charge of foreign economic relations within 30 days, for purposes of entering the register.

The founder may decide to have the enterprise established abroad open a representative office or branch in that or another country, as an integral part of the enterprise founded abroad, and is to report this to the administrative agency in charge of foreign economic relations within 30 days, for purposes of entering the register.

The enterprise founded abroad, according to provisions of this Law, may found enterprises and representative offices and make investments in the Republic of Macedonia.

Article 61

For purposes of founding enterprises abroad, increasing the assets and other cases of Article 60(1) of this Law, the founder may use:

- 1) profits made by the enterprise founded abroad; and

- 2) objects and rights expressed in money terms.

By exception of provisions of Para 1 of this Article, the founder establishing an enterprise abroad for a first time may also use foreign exchange bought at the foreign exchange market, in compliance with the Law on Foreign Exchange Operations.

Article 62

The founder is to submit an application for establishing an enterprise abroad to the administrative agency in charge of foreign economic relations, which is to include: name of the founder, firm, head office and type of activity of the enterprise abroad, amount and origin of funds in the assets of each founder, data on the individual in charge of the enterprise and his authorities.

The application of Para 1 of this Article is to be accompanied with: a written statement on providing legal protection for the investment in accordance with regulations in the country in which the enterprise is founded, a written statement on the founder's responsibility for the liabilities of the enterprise founded abroad up to the amount of the invested funds, as well as a written statement on providing an usual control of the financial work of the enterprise founded abroad.

Article 63

The founder is obliged to submit an excerpt of the official register of the country in which the enterprise is founded to the administrative agency in charge of foreign economic relations, within one year after the distribution of the decision on inclusion in the register of Para 58 of this Law, for the purpose of proving the enterprise founded abroad is registered in compliance with the issued decision, as well as a statute, agreement or another act on basis of which the enterprise functions.

Should the founder fail to submit the evidence of Para 1 of this Article, the administrative agency in charge of foreign economic relations will bring a decision to have the enterprise founded abroad erased from the register of Para 58 of this Law.

In cases of Para 2 of this Article, the founder is to bring back funds taken out of the Republic of Macedonia for the purpose of establishing an enterprise abroad, within 30 days upon the date of the decision for erasing of the enterprise from the register.

Article 64

The founder is obliged to submit an annual report (with a financial statement) to the revenue agency within 30 days from the date when the annual calculation has been accepted in accordance with regulations in the country in which the enterprise abroad is found.

If the enterprise abroad is not obliged to submit an annual report to the revenue agency of that country, the founder is obliged to submit the report to the domestic revenue agency, within 30 days after the date of preparation of annual report.

Article 65

Profits made by the founder in the enterprise abroad is determined by the annual calculation in accordance with regulations in the country in which the enterprise is founded, and after settling tax and other liabilities to that country.

Profits of Para 1 of this Article may be used by the founder for:

- 1) increasing the assets of the enterprise founded abroad in which the profit is made or another enterprise founded abroad, in accordance with this Law;

- 2) compensation for a decrease of the assets, caused by an operation loss, stated in the annual calculation of the enterprise founded abroad;

- 3) establishing new enterprises abroad and purchasing assets of other enterprises abroad, in accordance with provisions of this Law;

- 4) approving credits for the enterprise abroad in which the profit is made or another enterprise abroad for its operation; and

- 5) investment in another enterprise, on basis of an agreement on investment.

The profit which is not transferable due to regulations in the foreign country, i.e., profit made in a non-transferable foreign currency, may be brought into the Republic of Macedonia in the form of goods, in compliance with regulations of import of those goods, or to be used for purposes stated by Para 2 of this Article. The founder is to report of the use of the profit and its bringing into the republic of Macedonia, to the National Bank of Macedonia, within 30 days of the date of annual report, i.e., 15 days after the date of entry of the profit.

The profit not used for purposes stated in Para 2 o this Article is to be brought into the Republic of Macedonia by the founder within a period no longer than 60 days after the date when the annual report is due for submission, if regulations in the foreign country allow for the profit to be transferred after the executed control over the annual report.

Article 66

Enterprises may cease their operation upon a decision of the founder, in cases prescribed by this Law and in accordance with regulations in the foreign country in which the enterprise is founded.

In cases of Para 1 of this Article, the founder is to report this to the administrative agency in charge of foreign economic relations, for the purpose of having the enterprise erased from the official register.

The administrative agency in charge of foreign economic relations will adopt a decision to have the enterprise erased from the official register, if:

- 1) regulations in the foreign country permanently eliminate any chances of transferring the profit; and
- 2) the enterprise fails to transfer any profits into the Republic of Macedonia for a period longer than two years, and without a permission by the National Bank of Macedonia.

Article 67

Following the procedure of liquidation of the enterprise founded abroad, and no longer than 90 days after the liquidation balance has been accepted, the founder is to bring in, i.e., import the remaining assets and rights of the liquidated enterprise abroad.

Funds of Para 1 of this Article are freely imported if purchased abroad, i.e., if previously used by the liquidated enterprise abroad.

Funds of foreign origin may also be imported in cases of decrease of the scope of operation of the

enterprise founded abroad, on basis of an approval issued by the administrative agency in charge of foreign economic relations.

Article 68

The founder may decide to have the enterprise founded abroad in a state of rest, if the enterprise is even temporarily disabled to carry out its activities, and is obliged to report of this to the administrative agency in charge of foreign economic relations within 30 days after the date of the beginning of the state of rest, for the purpose of registering.

Article 69

The founder may open representative offices and basic operating units (shops, service shops, consignment, building sites, etc.), as well as other forms of operating abroad.

The representative office, basic operating units and other forms of operating abroad are a constitutive parts of the enterprise founded abroad, have no status of a legal entity, carry out activities upon an order of the founder and report on the work to the founder.

In cases of Para 1 of this Article, the founder is to submit a report to the administrative agency in charge of foreign economic relations, to consist of: name of the founder, firm, head office and type of activity of the representative office, i.e., the operating unit, data on the employee working in the

representative office, as well as data on the employee in charge of the operating units and his authorities.

The Macedonian Chamber of Commerce may open representative offices abroad.

Tourist representative offices may also be open abroad, for purposes of general tourist and informative and marketing activities, as well as improvement of the exports of tourist services.

Article 70

The representative office, i.e., basic operating unit abroad of Article 69 of this Law may open an operating unit in the same country, and the founder is to report of this to the administrative agency in charge of foreign economic relations, within 30 days after the date of opening the operating unit, for purposes of registering.

Article 71

The administrative agency in charge of foreign economic relations will adopt a decision to have the

representative office, i.e., operating unit abroad, if:

1) the representative office, i.e., operating unit abroad is compelled to cease all activities due to regulations in the foreign country in which it is open, i.e., founded; and

2) upon a decision of the founder.

Article 72

The enterprise and other legal entities may invest in the enterprise abroad in the form of funds, things and rights, on basis of an agreement concluded in a written form.

The agreement for investment in the enterprise abroad is to especially regulate the following: the goal of the investment, purposes, conditions and way of using the investment, amount of the investment, way of profit distribution, conditions, ways and time limits for returning the value of the investment, mutual obligations regarding the risk, structure and authority of the mutual managing body and ways of appointing that body, ways of settling mutual disputes and termination of the agreement.

Provisions of this Law concerning the registration of the enterprise founded abroad, termination of work and withdrawal of assets, are to be also implemented on basis of termination of the agreement on investment and withdrawal of assets on that basis.

XII. BANKING AND OTHER FINANCIAL OPERATIONS ABROAD

Article 73

Provisions of Articles 58-71 of this Law, concerning the establishment of an enterprise, representative offices and operating units abroad are applicable for banking and other financial activities abroad.

XIII. PRESERVATION OF REPUTATION IN FOREIGN TRADE AND UNLOYAL COMPETITION

Article 74

Enterprises and other legal entities and their employees are obliged to preserve their own and the reputation of other enterprises and of the Republic of Macedonia, while performing activities in the foreign trade.

This Law will regard behavior opposed to accepted business customs, special usances, business moral and neglect of society's interests through an unloyal competition, as damaging the reputation of enterprises and of the republic of Macedonia.

Article 75

An unloyal competition, as regarded by this Law, exists especially when:

- 1) the enterprise negotiates on exports of goods and services at a lower price, and another enterprise has already made an agreement on exports of the same goods and services at a higher price, thus damaging the enterprise or society;
- 2) the enterprise submits false data on its foreign trade operations to the administrative agency in charge of foreign economic relations;
- 3) the enterprise registered for foreign trade submits false data on its operations abroad to the enterprise for which it carries out activities in the foreign trade;
- 4) the enterprise acts at foreign markets contrary to the law for organized activities, thus damaging the co-signers of the act or society;
- 5) the enterprise, bank or insurance agency secures more favorable conditions for its own operations abroad, at the cost of another enterprise, bank or insurance agency, thus damaging the enterprise, bank or insurance agency; and
- 6) the enterprise, bank and insurance agency, during their activities abroad, acts contrary of a concluded

agreement for organized activities, thus damaging the co-signers of the agreement or society.

XIV. SUPERVISION AND CONTROL OVER FOREIGN TRADE

Article 76

Control over foreign trade is executed by authorized inspection agencies, the State Revenue Bureau, the National Bank of Macedonia and customs authorities, within frames of their legal authorities.

Article 77

Customs authorities, during customs clearance, control at the same time whether the realistic condition of exported or imported goods coordinates with the exports and imports regulations and whether goods which are required attestation have been attested. For purposes of this control, customs authorities implement regulations for control during customs clearance.

Article 78

Enterprises discovered to have been working irregularly in the foreign trade will not be freed from responsibility for the violation.

XV. RIGHTS OF NATURAL PERSONS

Article 79

Domestic and foreign natural persons may freely bring in and receive from foreign countries, i.e., take out or send to foreign countries things from their personal baggage, for personal and use of their families (medicine and medical appliances, educational and recreation requisites), as well as animals, in quantities not aimed for sale. Things inherited from abroad may be freely brought in, and are taken out under reciprocity conditions. Things included in international agreements may be freely brought in and taken out, in accordance with those agreements.

Domestic and foreign natural persons take or send out goods, i.e., things of historic, artistic or cultural value upon a license issued by the administrative agency in charge of culture.

Domestic natural persons may freely import cars not older than three years, as well as transportation and semi-transportation and trailers not older than five years.

Article 80

Domestic natural persons of Article 6 (2) of this Law may, in compliance with prescribed types of exports and imports and within frames of their registered activities, perform foreign trade operations for their own needs (exports of their own products and services, imports for their own production and services, cooperation, investment operations, etc.).

Persons of Para 1 of this Article may, for the need of performing their registered activity, import a new car or a car not older than three years, and transportation and semi-transportation vehicles, either new or not older than five years.

Domestic natural persons performing an activity or providing service as a professional vocation (lawyers, physicians, dentists, painters, entertainers, etc.) may, for the needs of their activities, i.e., services, import instruments of labor, animals, raw materials and spare parts, packing material, expendable and marketing materials, in accordance with the prescribed types of imports.

Article 81

Domestic natural persons who have spent at least two consecutive years working abroad, i.e., a total of four years of a stay in a foreign country on whatever basis, as well as foreign natural persons who have been granted a Macedonian citizenship or an asylum, i.e., permission to be permanently settled in the republic of Macedonia, may, within one year after the date of their return from abroad or the date of their settlement in the Republic of Macedonia or acquiring an asylum or a permission for permanent settling in the Republic of Macedonia, freely import goods of Article 79 f this Law, including vessels and cars and transportation vehicles not older than three, i.e., five years, to be used for the needs of their activities.

Article 82

Domestic or foreign natural persons coming to the Republic of Macedonia for a temporary stay or going abroad for a temporary period, may temporarily bring in or receive from abroad, i.e., temporarily take or send out things of no use to them during their temporary stay in the Republic of Macedonia, i.e., abroad. The temporarily brought in, i.e., taken out things of Para 1 of this Article may be used solely for the purposes for which they have been brought in, i.e., taken out of the Republic of Macedonia.

Domestic and foreign natural persons are obliged, after the determined time limit, to return the temporarily brought in, i.e., taken out things in the Republic of Macedonia, i.e., abroad.

Article 83

Foreign natural persons who have temporarily stayed in the Republic of Macedonia for a period longer than two years, and who have temporarily imported a car according to needs stated in Article 81 of this Law, may, prior to their leaving the country, import the car after settling customs clearance and all other obligations towards the state, and sell it in the Republic of Macedonia.

XVI. PENALTY PROVISIONS

1. Business violations

Article 84

An enterprise will be fined 100-250 average salaries, if:

- 1) performs foreign trade activities without a proper registration for it, unless otherwise prescribed by this Law (Article 3);
- 2) concludes agreements or performs other activities for turnover of goods or services out of its registered activities (Article 3);
- 3) concludes an agreement on imports or temporary imports of goods not meeting requirements for distribution at markets in the Republic of Macedonia or goods the distribution of which is banned in the country of origin, or if importing goods as contrary to the Law of the Government of the Republic of Macedonia on prohibition of imports of certain goods (Article 7);
- 4) performs foreign trade activities without an approval by the administrative agency in charge of foreign economic relations (Article 8);
- 5) during exports and imports, neglects the Law of the Government of the Republic of Macedonia on classification of goods into certain types of exports and imports (Article 12);

6) fails to export goods as obliged and within the time limit stated in the approval of the administrative agency in charge of foreign economic relations (Article 15);

7) performs compensation operations without an approval by the administrative agency in charge of foreign economic relations (Article 18) or purchases goods abroad for sale abroad, i.e., reexports already purchased and imported or temporarily imported goods (Article 19);

8) transfers a right to carry out investment projects or part of construction activities on an object in the Republic of Macedonia to a foreign person, contrary to provisions of this Law (Article 24 and 25);

9) makes use of services of foreign persons the use of which is limited by the Law of the Government of the Republic of Macedonia (Article 36);

10) imports goods without a previous public bidding auction or gathering tenders, or if, during the public bidding auction, i.e., gathering offered tenders fails to secure participation by domestic producers of goods intended to be purchased from abroad, or if conditions prescribed by this Law (Article 44) are disrespected during the choice of tenders;

11) measures introduced by this Law (Article 52) are not respected when exporting and importing;

12) establishes an enterprise abroad by making use of funds not prescribed by this Law (Article 61);

13) fails to bring the profit into the Republic of Macedonia within the prescribed time limit, after the annual calculation has been controlled abroad (Article 65(5));

14) fails to bring the remaining assets and rights of the liquidated enterprise abroad into the Republic of Macedonia within 90 days after the accepted liquidation balance, or fails to bring in the Republic of Macedonia the enterprise's assets bought abroad in a natural form, or if it imports them without an approval by the administrative agency of foreign economic relations (Article 67);

15) fails to carry out the procedure or undertake other measures prescribed by this Law in cases of liquidation of the enterprise through which it performs economic activities abroad, or withdrawing assets from a company with mixed capital or a mixed bank abroad, or a sale of enterprise to a foreign person, or termination of the agreement on investment or withdrawing assets on that basis (Articles 66, 71, 72 and 73); and

16) performs an activity of unloyal competition in foreign trade (Article 75).

The authorized employee of the enterprise will also be punished for business violations of Para 1 of this Article, with a fine of seven to ten salaries.

Article 85

A fine of 100-250 salaries will be imposed on a foreign person who has committed a business violation including provision of services in the Republic of Macedonia, contrary to provisions prescribed by this Law or regulations brought on the basis of this Law (Articles 36, 37 and 38).

The authorized employee of subjects of Para 1 of this Article will also be fined with seven to ten salaries for business violations of Para 1 of this Article.

2. Violations

Article 86

A fine of 35-100 salaries will be imposed on an enterprise, if:

- 1) fails to have the agreement on long-term production cooperation (Article 16) or the agreement on acquiring or transferring the right to an industrial ownership or knowledge or experience submitted in a written form to the administrative agency in charge of foreign economic relations;
- 2) disrespects the conditions regulating the conclusion of agreements on construction activities abroad and transferring the right to construction activities in the Republic of Macedonia to a foreign person (Articles 25 and 26), i.e., the regulation for conclusion of agreements for representation of foreign persons in the Republic of Macedonia (Article 35);
- 3) exceeds the prescribed time limit for returning the temporarily exported, i.e., imported goods, if temporarily imports goods on rent without an approval for temporary imports issued by customs authorities, or if it uses the temporarily exported or imported goods for purposes other than those they have been exported, i.e., imported (Article 39, item 4), (Article 40, item 4),(Article 41, item 2);
- 4) contrary to this Law or provisions brought on its basis exports or imports goods without a certificate, i.e., verified document, if required by an law of the Government of the Republic of Macedonia (Article 45);
- 5) fails to report, within 30 days, to the administrative agency in charge of foreign economic relations that it has opened an operating unit or a representative office in the same or other foreign country (Article 60, item 1), or that the operating unit or representative office abroad has opened an operating unit in the same foreign country (Article 70);

6) fails to submit an annual calculation of the enterprise founded abroad to the Public Revenue Office within 30 days after the date of acceptance of the calculation, in accordance to regulations in the country in which the enterprise has been founded (Article 64);

7) fails to report any state of rest of the enterprise founded abroad to the administrative agency in charge of foreign economic relations, within 30 days (Article 68);

8) employs a person fined for business violations prescribed by this Law or any other laws regulating the foreign exchange operations (Article 92), at a position with special authorities or responsibility;

The authorized employee of the enterprise will also be fined by seven to ten salaries for business violations of Para 1 of this Article.

Article 87

A fine of five to fifteen salaries will be imposed on a domestic or foreign natural person, if:

1) brings in things stated in this Law contrary to the provisions of this Law (Article 79); and

2) sells temporarily exported goods, i.e., gives temporarily imported goods for use by others or purposes other than those the goods have been exported, i.e., imported for, i.e., if fails to return to the foreign country of origin imported or temporarily imported or goods brought into the Republic of Macedonia (Article 82).

Article 88

Besides by financial fines, violations of this Law may also be punished by declaring a protection measure of confiscation of things used or were intended to be used for the violation or are a result of the violation.

If goods, subject of the violation of Article 87 of this Law, are not to be found, the performer of the violation will be ordered to pay their full value, taken as a customs clearance base, in accordance to customs regulations.

Goods will be regarded as not to be found if, from any reason, they cannot be confiscated by their holder.

The doers of the violation will be held soldierly responsible for the goods not to be found.

Goods, subject of the violation of this Law, on which a confiscation measure of protection is prescribed, may be placed at customs surveillance until the procedure is completed.

Article 89

Court procedures regarding violations of Article 86, Para 1, items 1 and 2, as well as items 4-9 of this Law, are initially led by the state foreign exchange inspector, and on violations of Article 87, Para 1, item 3 and Article 88 of this Law are initially led by the Customs Department.

Any complaints against the decision of the state foreign exchange inspector or the Customs Department are decided upon by the Ministry of Finance.

Article 90

A court procedure for violations of this Law cannot be initiated if two years have passed from the deed of violation.

Article 91

All fines, confiscated property, as well as goods used or intended to be used for deeds of business violations or violations, or are a result of the violation, are paid to the budget fund of the Republic of Macedonia.

XVII. TRANSITIONAL AND FINAL PROVISIONS

Article 92

Current enterprises and other legal entities, registered prior to the date of this Law's coming into effect and for activities in the foreign trade or certain forms of economic activities abroad, in accordance with the Law on Foreign Trade (Official Gazette of the Socialist Federal Republic of Yugoslavia, No. 63/89 and 11/91) may continue with their work.

Exports and imports in accordance with agreements for a long-term production cooperation, concluded and approved prior to the date of this Law's coming into effect, are realized in accordance with provisions of the approved agreements, during the period of their validity.

Article 93

In case of termination of the right to perform foreign trade activities, the enterprise may complete begun foreign trade activities or leave them to the enterprise registered for foreign trade activities.

Article 94

Domestic enterprises, which by the coming of this Law into effect are approved, i.e., registered for activities in the foreign trade, i.e., certain activities in the foreign trade, are obliged, within 60 days of the date commencing the effect of this Law, to submit to the administrative agency in charge of foreign economic relations, the decision issued by the administrative agency in charge of foreign economic relations of the former Socialist Federal Republic of Yugoslavia, regarding the registration, as well as

all changes in the form of the economic activities, as registered by that agency.

Article 95

Provisions and other general acts resulting from this Law will be brought within 60 days after the date on which the Law comes into effect.

Article 96

The Government of the Republic of Macedonia may authorize other institutions for performing certain functions.

Article 97

On the date of coming of this Law into effect, the Law on Foreign Trade (Official Gazette of the Republic of Yugoslavia, No. 63/89 and 11/91) becomes null and void on the territory of the Republic of Macedonia.

Article 98

This Law comes into effect on the date of its publication in the Official Gazette of the Republic of Macedonia.