



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 47 paragraph 1 item 6 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10, 123/12, 43/14, 153/15 and 6/16) and Article 23 paragraph 2 of the Law on Foreign Exchange Operations (Official Gazette of the Republic of Macedonia No. 34/01, 49/01, 103/01, 51/03, 81/08, 24/11, 135/11, 188/13, 97/15, 153/15 and 23/16), the National Bank of the Republic of Macedonia Council adopted the following

DECISION

on the manner and the terms under which residents that are not authorized banks may open and hold accounts abroad

(Official Gazette of the Republic of Macedonia No. 42/16)

I. GENERAL PROVISIONS

1. This Decision sets out the manner and the terms under which residents that are not authorized banks may open and hold accounts abroad.

Accounts under paragraph 1 of this item may be opened:

- with foreign banks, as transaction accounts,
- with non-banking foreign organizations, as settlement accounts, for settling mutual claims and liabilities with nonresidents (hereinafter: settlement accounts), and
- with foreign electronic payment transactions services.

A foreign bank shall be any legal entity incorporated and domiciled outside the Republic of Macedonia, licensed by a competent authority of the country to perform banking activities.

II. MANNER AND TERMS UNDER WHICH RESIDENTS THAT ARE NOT AUTHORIZED BANKS MAY OPEN AND HOLD ACCOUNTS ABROAD

2. Residents who may freely open and hold accounts with foreign banks include:
 - 2.1. Diplomatic, consular and other representative offices of the Republic of Macedonia abroad, financed by the budget of the Republic of Macedonia (hereinafter: diplomatic representative office).

Account with a foreign bank on this basis may be opened only in the country where the diplomatic representative office is located and may be used for transfer of funds abroad and from abroad.
 - 2.2. Natural persons with permanent residence in the Republic of Macedonia, who temporarily reside abroad for more than 3 (three) months, during their residence abroad.

The temporary residence abroad shall be proved by a valid document for regulated temporary residence of more than 3 (three) months.

A valid document for residence abroad shall be considered any document issued by a competent authority in the country that regulates the residence in that country.

Account with a foreign bank on this basis may be opened only in the country that issued the valid residence permit and may only be used for transfer of funds from abroad.

- 2.3. Natural persons with permanent residence in the Republic of Macedonia, residing temporarily abroad for 6 (six) months or more during their residence abroad.

The temporary residence abroad shall be proved by a valid residence permit for a period of 6 (six) months or more.

A valid permit for residence abroad shall be considered any document issued by a competent authority in the country that regulates the residence in that country.

Account with a foreign bank on this basis may be opened only in the country that issued the valid residence permit and may only be used for transfer of funds abroad and from abroad.

- 2.4. Natural persons with permanent residence in the Republic of Macedonia, who temporarily reside abroad during their residence abroad, and have a valid work permit.

A valid work permit shall be considered any employment contract signed with a foreign employer or other employment document issued by a competent authority of a foreign country, including a work permit contained in a travel document that indicates the relating period.

Account in a foreign bank on this basis may be opened only in the domicile country of the foreign employer and in the country where its organizational units are located or in the domicile country of the authority that issued the employment document and may only be used for transfer of funds from abroad.

- 2.5. Natural persons with permanent residence in the Republic of Macedonia, who temporarily reside abroad as employees of a diplomatic representative office abroad and members of their immediate families, during their residence abroad, and have a valid permit to work in a diplomatic representative office abroad

A valid work permit in a diplomatic representative office shall be considered any diplomatic passport, document issued by a competent authority in the country that regulates the residence in that country, or written statement of the ambassador, the consul or other person who manages the representative office, stating that the natural person is employed in a diplomatic representative office, or is a member of the immediate family of the person employed in a diplomatic representative office.

Account in a foreign bank on this basis may be opened only in the country where the diplomatic representative office is located and may only be used for transfer of funds from abroad.

- 2.6. Foreign natural persons who temporarily reside in the Republic of Macedonia.

The temporary residence in the Republic of Macedonia shall be proved by a valid residence or work permit valid for a period of at least 6 (six) months.

Account in a foreign bank on this basis may be used for transfer of funds abroad and from abroad.

- 2.7. Natural persons with permanent residence in the Republic of Macedonia who in the foreign country acquired the right to personal retirement, pension of a deceased spouse, welfare, child support, tuition for a child whose parent deceased and premium/indemnification of life insurance. The acquired right shall be proved by appropriate documentation issued by a competent authority abroad. The payment of premium/indemnification of life insurance shall also be proved by evidence that the life insurance agreement is not concluded contrary to the regulations of the Republic of Macedonia (evidence that the natural person had the status of a nonresident or was employed with a foreign employer at the time of signing the agreement).

Account in a foreign bank on this basis may be opened in the country where the rights have been acquired and may only be used for transfer of funds from abroad based on the aforementioned rights.

- 2.8. Natural persons with permanent residence in the Republic of Macedonia, who at the same time have a valid foreign passport containing the address of the residence abroad.

Account in a foreign bank on this basis may be opened only in the country that issued the passport and may be used for transfer of funds to and from abroad.

3. The resident natural person may also transfer to the Republic of Macedonia the balance of the account opened in accordance with paragraph 2 of this Decision even after the period of validity of the permit to reside or work abroad, and the document of acquired rights.

For the purposes of item 2 of this Decision, SEPA (Single Euro Payments Area) countries shall be considered a single country.

4. Residents, legal entities and natural persons may freely open and hold user accounts in foreign electronic payment transaction services only for commercial purposes or for purchasing/selling goods and services electronically.

The National Bank of the Republic of Macedonia shall inform the authorized banks on the global electronic payment transaction services where resident legal entities and natural persons may open user accounts.

5. Other residents that are not authorized banks may open and hold accounts with foreign banks only on the basis of an approval issued by the National Bank of the Republic of Macedonia (hereinafter: the National Bank).

The National Bank shall issue an approval for opening and holding accounts with foreign banks to a resident:

- who has concluded a contract for performing investment works abroad,
- who intends to open a representative office abroad as part of a company,
- who provides services in the international transport of goods and passengers,
- who provides services in the area of scholarly work,
- for recovery of claims based on a court decision made by a competent court abroad or extrajudicial settlement concluded abroad,
- for recovery of claims based on sale of property abroad,
- for recovery of claims based on lease of real property abroad,

- for recovery of claims based on dividends or sale of securities acquired abroad, as well as for interest or other proceeds based on acquired securities,
 - for recovery of claims abroad based on VAT returns on commercial transactions,
 - for recovery of claims abroad based on goods delivered or services provided on the basis of won international bids.
6. The National Bank shall issue the approval under item 5 paragraph 1 of this Decision on the basis of an elaborated application and proper documentation submitted by the resident along with the application.

The approval under item 5 paragraph 1 of this Decision shall be issued utmost for a year, while in case of investment work contracts, it shall be valid over the entire contract period.

The resident's application referred to in paragraph 1 of this item shall be elaborated and contain: applicant's data, ground, amount and type of currency, purpose of funds, name of the country and foreign bank where the account is opened.

7. The approval under item 5 paragraph 1 of this Decision shall be issued under the following terms:

- 7.1. For performing investment works abroad, up to 20% of the contract value.

If the investor and the contractor agree upon a guarantee in the form of deposit for high-quality and timely completion of the contract, an approval shall be issued in the amount of the deposit and until the expiration of the guarantee period.

If the contracting parties change the deadline for completion of the contract during the investment works abroad, the resident shall, within five working days after the conclusion of the annex to the contract, submit to the National Bank a request for changing the approval validity.

If the competent authorities fail to calculate the tax after the completion of the works abroad, and it is required by the regulation of such country, the resident may keep the funds necessary for tax payment on the account with the foreign bank until its payment.

- 7.2. For payment of operating costs of a representative office, up to the amount of the planned monthly costs for the period of one year.
- 7.3. For payment of costs for transport vehicles (exploitation costs) of residents who provide international transport services, up to the amount of the planned monthly costs for the period of one year.
- 7.4. For payment of costs for providing scholarly services abroad, up to the amount of the planned monthly costs for the period of one year.
- 7.5. For recovery of claims based on a court decision made by a competent court abroad or extrajudicial settlement concluded abroad, up to the amount indicated in the decision i.e. the settlement.
- 7.6. For recovery of claims based on sale of property abroad, where such properties is acquired in compliance with the regulations of the Republic of Macedonia, up to the amount of the purchase agreement.
- 7.7. For recovery of claims based on lease of real property abroad, where such property is acquired in compliance with the regulations of the Republic of Macedonia, up to the lease amount indicated in the lease agreement.

- 7.8. For recovery of claims based on dividends or sale of securities abroad, as well as interest or other proceeds based on acquired securities, if they are acquired in compliance with the regulations of the Republic of Macedonia, up to the amount of the dividend, up to the amount indicated in the transaction report prepared by a brokerage house, up to the amount of accrued interest or to the amount of the proceed.
- 7.9. For recovery of claims abroad based on VAT returns on commercial transactions in accordance with tax regulations of the country where the account is opened, up to the amount of VAT returns.
- 7.10. For recovery of claims abroad based on goods delivered or services provided in won international bids, up to the amount specified in the contract for goods delivered or services rendered concluded on the basis of a won bid.
8. The resident's account balance with a foreign bank shall not exceed the amount stipulated in the approval referred to in item 5 paragraph 1 of this Decision, and the resident may use the funds on the account with a foreign bank only for the purposes for which the approval referred to in item 5 paragraph 1 of this Decision has been issued.
9. Resident who, before the expiration of the approval, fails to apply for opening an account with the same bank for the next period, shall close the account and transfer the funds from the account to the Republic of Macedonia within 30 days from the expiration of the approval, i.e. from the date of cessation of the diplomatic representative office

Upon closing the account, the resident referred to in item 5 of this Decision shall notify the National Bank within 10 days.

III. DOCUMENTATION TO BE SUBMITTED TO THE NATIONAL BANK FOR AN APPROVAL

10. Residents who are not authorized banks shall submit the following documentation along with the application to the National Bank:
 - 10.1. For issuing an approval for opening and holding account with a foreign bank based on investment works:
 - evidence that the resident has been registered in the trade registry and the registry of other legal entities for performing investment works abroad. The certificate from the trade registry and the registry of other legal entities shall not be older than 3 (three) months, and
 - a copy of the investment work contract concluded with a foreign partner.

If the approval validity period needs to be extended due to the extension of the period for completing the investment works, a copy of the annex to the contract that extends the deadline shall be presented.

If upon completion of the works abroad taxes have not been paid, a copy of the relevant regulations of the country shall be presented proving the obligation to pay tax and evidence of the amount of unpaid tax.
 - 10.2. For issuing an approval for opening and holding account with a foreign bank based on payment of operating costs of a representative office:
 - evidence that the resident is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of

other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months,

- a copy of the document of the respective authority of the foreign country proving that the representative office is registered abroad, and
- calculation of the planned monthly costs for the period of one year.

10.3. For issuing an approval for opening and holding account with a foreign bank for payment of costs for transport vehicles (exploitation costs):

- evidence that the resident has been registered in the trade registry and the registry of other legal entities for performing international transport activities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months. If the performance of activities requires an approval, license or other document issued by a national authority, evidence of the approval, license or other document issued by a national authority shall be presented in accordance with law;
- calculation of the planned monthly costs for the period of one year, and
- evidence for holding own transport vehicles or rented, leased or borrowed transport vehicles.

When a resident provides services using rented, leased or borrowed transport vehicles, a copy of the agreement on renting, leasing or borrowing transport vehicles shall be presented.

10.4. For issuing an approval for opening and holding account with a foreign bank for payment of costs for conducting scholarly works abroad:

- evidence that the resident is registered in the trade registry and the registry of other legal entities for performing scholarly works. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months,
- a copy of the contract concluded with a non-resident for performing scholarly works abroad, and
- calculation of the planned monthly costs for the period of one year.

10.5. For issuing an approval for opening and holding account with a foreign bank for collection of claim on the basis of a court decision made by a competent court abroad or extrajudicial settlement concluded abroad:

- evidence that the company is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months, and
- a copy of the court decision made by a competent court abroad or a copy of the extrajudicial settlement concluded abroad.

10.6. For issuing an approval for opening and holding account with a foreign bank for recovery of claims based on sale of property:

- evidence that the company is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months. In case of a resident natural person, data on the natural person (name, place and date of birth, address, unique citizen

registration number and ID card number), taken from the ID card shall be presented. In addition to the data on the person taken from the ID card, a statement of the person that the data are his/her and accurate, verified by a notary shall be presented,

- evidence of the manner of acquiring property ownership abroad in compliance with the regulations of the Republic of Macedonia,
- evidence that the property acquired abroad is reported to the Central Registry, and
- a deed of sale of the property.

10.7. For issuing an approval for opening and holding account with a foreign bank for recovery of claims based on lease of property:

- evidence that the company is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months. In case of a resident natural person, data on the natural person (name, place and date of birth, address, unique citizen registration number and ID card number), taken from the ID card shall be presented. In addition to the data on the person taken from the ID card, a statement of the person that the data are his/her and accurate, verified by a notary, shall be presented,
- evidence of the manner of acquiring property ownership abroad in compliance with the regulations of the Republic of Macedonia,
- evidence that the property acquired abroad is reported to the Central Registry, and
- a property lease agreement certified by a notary. If the regulations of the country where the lease agreement is concluded regulate the verification of the lease agreement differently, it is necessary to submit a proper document or legal opinion of a lawyer, confirming the difference in regulation.

10.8. For issuing an approval for opening and holding account with a foreign bank for recovery of claims based on payment of dividend or sale of securities acquired abroad or payment of interest or other proceeds based on acquired securities:

- evidence that the company is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months. In case of a resident natural person, data on the natural person (name, place and date of birth, address, unique citizen registration number and ID card number), taken from the ID card shall be presented. In addition to the data on the person taken from the ID card, a statement of the person that the data are his/her and accurate, verified by a notary shall be presented,
- evidence of the manner of acquiring securities abroad in accordance with the regulations of the Republic of Macedonia, and
- evidence of the amount of dividend or accrued interest or other proceeds or a transaction report prepared by a brokerage house,

10.9. For issuing an approval for opening and holding account with a foreign bank for recovery of claims abroad on VAT returns on commercial transactions:

- evidence that the resident is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months,
- documentation from a competent institution abroad proving that the claim has arose from VAT returns, and the amount of the claim.

10.10. For issuing an approval for opening and holding account with a foreign bank for recovery of claims abroad based on goods delivered or services provided in won international bids:

- evidence that the resident is registered in the trade registry and the registry of other legal entities. The certificate from the trade registry and the registry of other legal entities shall be issued by a competent authority and shall not be older than 3 (three) months
- a copy of the contract for delivery of goods or rendering services concluded with a non-resident based on won international bid.

11. The documentation required for issuing an approval for opening and holding account with a foreign bank, as specified by this Decision, shall be submitted in original or a copy verified by a notary, and unless written in Macedonian, it shall be submitted in translation made by a certified court translator.

To make a decision on the application for issuing an approval to a resident to open and hold an account with a foreign bank, the National Bank may request further clarification of the documentation or additional documentation.

The National Bank shall decide about the application for issuing an approval for opening and holding account with a foreign bank within 30 days of the receipt of the complete application. If the application does not contain the data referred to in item 6 paragraph 3 and/or the documentation specified in item 10 of this decision has not been submitted or the requirements under item 7 of this Decision have not been met, the National Bank shall by a decision reject the application for issuing an approval for opening and holding account with a foreign bank.

IV. TERMS AND MANNER UNDER WHICH RESIDENTS, WHICH ARE NOT AUTHORIZED BANKS, MAY OPEN AND HOLD ACCOUNTS WITH NONBANKING FOREIGN ORGANIZATIONS

12. Resident legal entities which are not authorized banks may open and hold accounts with foreign nonbanking organizations, as settlement accounts for settling mutual claims and liabilities with nonresidents, in the following cases:

- participants in international settlement systems, based on concluded contracts and conventions,
- providing international trade and travel services,
- based on insurance, and
- based on long-term production cooperation agreements.

Long-term production cooperation, for the purposes of this Decision, shall be considered any long-term production cooperation of domestic and foreign trade company (contractual parties) in mutual planning, development and production of goods in any production stage, and exchange and delivery of raw materials,

intermediary products, spare parts and finished products of a kind, for the purposes of production specialization.

Residents shall register the settlement account with the National Bank, before using it.

Residents shall also submit an agreement or other document for operating a settlement account along with the application for registration, in original or a copy verified by notary.

Residents shall notify the National Bank on the termination of operations with the settlement accounts within 5 (five) working days from the date of closing the settlement account.

V. TRANSITIONAL AND CLOSING PROVISIONS

13. Approvals granted by the National Bank on the basis of the Decision on the manner and the terms under which residents which are not authorized banks may open and hold accounts abroad (Official Gazette of the Republic of Macedonia No. 165/11, 46/12, 87/12, 50/13 and 116/14) shall remain in effect over the validity period.
14. Settlement accounts registered in the registry of the National Bank on the basis of the Decision on the manner and the terms under which residents which are not authorized banks may open and hold accounts abroad (Official Gazette of the Republic of Macedonia No. 165/11, 46/12, 87/12, 50/13 and 116/14), as of the date of effectiveness of this Decision, shall be considered settlement accounts registered with the National Bank and no application shall have to be resubmitted for them.
15. With the entry into force of this Decision, the Decision on the manner and the terms under which residents which are not authorized banks may open and hold accounts abroad (Official Gazette of the Republic of Macedonia No. 165/11, 46/12, 87/12, 50/13 and 116/14) shall cease being valid.
16. This Decision shall enter into force on the eighth day from the date of publication in the Official Gazette of the Republic of Macedonia.

D. No. 02-15/II-5/2016
25 February 2016
Skopje

Dimitar Bogov
Governor
Chairman
of the National Bank of the
Republic of Macedonia Council