



## NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

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Pursuant to Article 64 paragraph 1 item 22 of the Law on the National Bank of the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" No. 3/2002, 51/03, 85/03, 40/04, 61/05 and 129/06) 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 and 51/03) the National Bank of the Republic of Macedonia Council passed the following

### **DECISION**

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

#### **I. GENERAL PROVISIONS**

1. This Decision sets out the manner and the terms under which residents, which 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 (hereinafter: accounts),
- with non-banking foreign organizations as settlement accounts for settlement of the claims and liabilities with non-residents (hereinafter: settlement accounts).

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

2. Residents, who may freely open and hold accounts with foreign banks are as follows:

- diplomatic, consular and other representative offices of the Republic of Macedonia abroad, financed by the budget of the Republic of Macedonia;
- natural persons with permanent residence in the Republic of Macedonia, who temporarily stay abroad. The temporary stay abroad shall be proved by a valid residence visa or working visa valid for a period of at least six months, by the validity period of the visa;
- foreign natural persons who temporarily stay in the Republic of Macedonia. The temporary stay in the Republic of Macedonia shall be proved by a valid residence visa or working visa valid for a period of at least six months.

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

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

- who has concluded a contract for performing investment activity abroad,
  - who will open a representative office as an integral part of the trade company,
  - who provides services in the international transport of goods and passengers,
  - who provides services in the area of scholarly work, and
  - for claim collection on the basis of a court decision made by a competent court abroad, binding the resident to open foreign exchange account with foreign bank.
4. The National Bank shall issue the approval under item 3 paragraph 1 of this Decision on the basis of an elaborated application and proper documentation the resident encloses with the application.

The approval under item 3 paragraph 1 of this Decision shall be issued utmost for a year, while in case of investment activity 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: ground, amount and type of currency, purpose of funds, name of the country and foreign bank where the account is opened.

5. The approval under item 3 paragraph 1 of this Decision shall be issued under the following terms:

- a. for performing investment activities abroad up to 20% of the value of the concluded contract,

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

If the parties to the contract change the deadline for completion of the contractual works during the investment activities, the resident shall, within five business 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 failed to calculate the tax after the completion of the project works abroad, which 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 till its eventual payment.

- b. for payment of the operating costs of the representative office, up to the amount of the projected monthly costs for the current year,
- c. for payment of costs for using transport vehicles (exploitation costs) of residents providing services in the international transport, up to the amount of the projected monthly costs for the current year,
- d. for payment of costs for providing services abroad in the area of scholarly work, up to the amount of the projected monthly costs for the current year,

- e. for claim collection on the basis of a court decision made by a competent court abroad, requiring from the resident to open foreign exchange account with foreign bank, up to the amount indicated in the decision.
- 6. The resident's account balance with foreign bank shall not exceed the amount stipulated in the approval referred to in item 3 paragraph 1 of this Decision, and the resident may use the funds on the account with foreign bank only for the purpose for which the approval referred to in item 3 paragraph 1 of this Decision has been issued.
- 7. The resident shall transfer the funds from the account with foreign bank into the Republic of Macedonia and close such account within 30 days after the date on which the approval ceases being valid, the date of cessation of the diplomatic, consular and other representative office of the Republic of Macedonia or after the expiration of the visa referred to in item 2 paragraph 1 indent 2 of this Decision

Upon closing the account, the resident referred to in item 3 of this Decision shall notify the National Bank within 10 days.

### **III. DOCUMENTATION REQUIRED TO BE SUBMITTED TO THE NATIONAL BANK FOR ISSUING AN APPROVAL**

- 8. Residents who are not authorized banks shall enclose the following documentation with the application and submit it to the National Bank:
  - a) for issuing an approval for opening account with foreign bank based on investment works:
    - evidence that the resident has been registered in the Trade Registry for performing activities related to investment works abroad; the date of issue of the trade registry certificate shall not be older than 1 (one) year,
    - copy of the contract concluded with the foreign partner for completing investment works, and
    - copy of the respective regulation of the country specifying the tax payment obligation.
  - b) for issuing an approval for opening account with foreign bank based on payment of operating costs of the representative office:
    - evidence that the resident has been registered in the Trade Registry; the date of issue of the trade registry certificate shall not be older than 1 (one) year,
    - copy of the document of the respective body of the foreign country proving that the representative office has been registered abroad, and
    - calculation of the projected monthly costs for the current year.
  - c) for issuing an approval for opening account with foreign bank for payment of costs for using transport vehicles (exploitation costs):
    - evidence that the resident has been registered in the Trade Registry for performing activities including international transport; the date of issue of the trade registry certificate shall not be older than 1 (one) year ,
    - calculation of the projected monthly costs for the current year, and

- evidence for possession of own transport vehicles or rented, leased or borrowed transport vehicles.

When residents provide services using rented, leased or borrowed transport vehicles, a copy of the agreement on renting, leasing or borrowing transport vehicles shall be enclosed.

- d) for issuing an approval for opening account with foreign bank for payment of costs for conducting activities abroad in the area of scholarly works:
    - evidence that the resident has been registered in the Trade Registry for performing activities related to scholarly works; the date of issue of the trade registry certificate shall not be older than 1 (one) year,
    - copy of the contract concluded with non-resident for performing activities abroad related to the scholarly works, and
    - calculation of the projected monthly costs for the current year.
  - e) for issuing an approval for opening account with foreign bank for claim collection on the basis of court decision made by a competent court abroad:
    - evidence that the company has been registered in the Trade Registry; the date of issue of the trade registry certificate shall not be older than 1 (one) year, and
    - copy of the court decision made by the competent court abroad.
9. The documentation required for issuing approval for opening account with foreign bank as specified by this Decision, shall be submitted in original or copy verified by an authorized person (notary), and unless written in Macedonian, it shall be submitted in translation made by an authorized court translator.

#### **IV. MANNER AND TERMS UNDER WHICH RESIDENTS, WHICH ARE NOT AUTHORIZED BANKS, MAY OPEN AND HOLD ACCOUNTS WITH NON-BANKING FOREIGN ORGANIZATIONS**

10. Residents-legal entities which are not authorized banks may open and hold accounts with non-banking foreign organizations, as settlement accounts for settling the claims and liabilities with non-residents, in the following cases:
- participants in international settlement systems, based on concluded contracts and conventions,
  - for services provided in the international trade and travel,
  - based on insurance, and
  - based on long-term production cooperation agreements.

Long-term production cooperation, for the purposes of this Decision, shall denote long-term production cooperation of domestic and foreign trade company (contractual parties) in the mutual planning, development of 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 they start operating through settlement accounts.

Residents shall also enclose, with the application for registration in the records, the agreement or other document for operating with the settlement account in original or copy verified by an authorized person (notary).

Residents shall notify the National Bank on the cessation of the operations with the settlement accounts within 5 (five) business days after closing date of the settlement account.

## **V. TRANSITIONAL AND CLOSING PROVISIONS**

11. 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. 53/02 and 98/02) shall remain valid over their validity period.
12. 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. 53/02 and 98/02), as of the date of effectiveness of this Decision, shall be considered settlement accounts registered with the National Bank and no application shall be required to be submitted for them.
13. This Decision shall enter into force on the eighth day after its publishing in the "Official Gazette of the Republic of Macedonia ".
14. Once this Decision enters into force, 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. 53/02 and 98/02) ceases being valid.

**D. No. 02-15/VII-3/2007**  
**July 18, 2007**  
**Skopje**

**Petar Goshev, MSc.**  
**Governor**  
  
**President**  
**of the National Bank**  
**of the Republic of Macedonia Council**