

**Guidelines
for the Planning of the European
Union's Own Resources in
Montenegro**

Ministry of Finance
Montenegro
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Acronyms

CBCG	Central Bank of Montenegro
CCOR	Consultative Committee on Own Resources
EC	European Commission
ECA	European Court of Auditors
GNI	Gross National Income
MS	Member State
OR	Own Resources
TFEU	Treaty on the Functioning of the European Union
TOR	Traditional Own Resources
VAT	Value Added Tax
WAR	Weighted Average Rate

1. Purpose, goals, main tasks and key parties

The budget of the European Union (EU) is financed from several sources known as EU' own resources (OR). Each Member State (MS) is responsible for the management and timely payment of the own resources to the European Commission (EC).

The purpose of these Guidelines is to define the legal and administrative framework, procedures and competent authorities responsible for managing the EU's own funds in Montenegro.

The objectives of these Guidelines are:

- to define the list of competent authorities and the departments involved in the EU' own resource management as well as providing a description of their obligations;
- defining procedures and deadlines for forecasting, planning, collection, calculation and transfer of the Montenegro' contribution to the EU budget, as well as the preparation of the reports, inquiries and overall communication with the EC;
- to provide guidance on the establishment of the operational and organizational links between the competent authorities in Montenegro responsible for the planning, collection, accounting, reporting and control of the OR;
- to establish general rules for the coordination of the overall management process of the separate components planning of the OR.

Guidelines are prepared in accordance with point 4 of the Decision No. 229 of the Council of Ministers of 18 March 2021, adopted in connection with Decision (EU, Euratom) 2020/2053 of the Council of 14 December 2020 on the system of own resources of the European Union and on the repeal of Decision 2014/335/EU, Euratom, which entered into force on 1 June 2021 with a retroactive date of 1 January 2021 and which applies to the financial period 2021-2027.

The legal basis for the adoption of the Guidelines for planning the European Union's own funds in Montenegro is found in Article 2 of the Regulation on the detailed procedure for planning the resources that Montenegro pays into the budget of the European Union (Official Gazette of Montenegro, no. 74/23).

The Guidelines shall be updated in case of significant changes in the European legislation that regulates the area of OR and changes in the organizational structure of the authorities in Montenegro responsible for managing the EU's OR.

2. General information on the financing system of the EU general budget

2.1 Legal framework for financing the general budget (budget) of the European Union

Pursuant to Article 311 of the Treaty on the Functioning of the European Union (TFEU), the budget of the EU is financed entirely by the own resources. The Council of the EU adopts unanimously and after consultation with the European Parliament (EP) a Decision defining the provisions applicable to the EU OR. The act should be adopted by all member states before entering into force, giving rise to retroactive effect. It is possible through its adoption to establish new categories of OR or to cancel an already existing category.

The EU budget is prepared by defining the expenditures and then adjusting the revenues to cover the expenses. The system of own resources should ensure sufficient, sustainable and timely availability of funds to meet the expenditures in line with the equilibrium principle.

Pursuant to article 311 of the TFEU, the OR provide the main revenue flow (above 92% for 2022) in the general budget of the EU. Other revenues (taxes and other deductions from staff remuneration, interest on bank accounts, contributions from third countries under some EU programs, surplus from the previous year, etc.) represent a small fraction (respectively some 8% for 2022) of the total revenues in the general budget of the EU.

2.2 EU Own Resources System

2.2.1 The revenue sources

The OR system comprises of four sources of revenue:

- Traditional Own Resources (TOR), mainly customs duties, collected on behalf of the Union by the Member States (11% in 2022);
- The Own Resource Based on Value Added Tax (VAT) (12% in 2022);
- the Own Resource Based on Plastic Packaging Waste that is not Recycled: an amount applied on the weight of non-recycled plastic packaging waste generated in each Member State (4% in 2022);
- the Own Resource Based on Gross National Income (GNI), which is a proportion of Member States' GNI aggregate. It represents OR that are adjusted and which finance all consumption that is not covered by other sources of income, so that income and expenditure are always balanced (73% in 2022).

2.2.2 Legislative basis of the OR according to the Multiannual Financial Framework of the EU 2021-2027

The EU system of own resources for the period 2021-2027 is regulated by Council Decision (EU, Euratom) 2020/2053¹. This decision is in its essence the primary legislative act given the special procedure for its adoption.

The main requirements for the implementation of the ORS are provided in the following legislative acts:

- Regulation (EU, Euratom) No. 609/2014 of the Council of May 26, 2014 on the

¹ Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom

methods and procedure for providing TOR, OR on a VAT basis and on a GNI basis and on measures to meet cash needs, subsequently amended by Regulation No. 2016/804 of the Council of May 17, 2016;

- Regulation (EU, Euratom) 2021/768 of the Council of 30 April 2021 on determining measures to implement the system of own resources of the European Union and repealing Regulation (EU, Euratom) No. 608/2014;
- Council Regulation (EEC, Euratom) 1553/89 of 29 May 1989 on definitive unified schemes for the collection of own resources raised by value added tax, subsequently amended by Council Regulation (EC, Euratom) No. 1026/1999 of 10 May 1999, Regulation (EC);
- Council No. 807/2003 of April 14, 2003 and Council Regulation (EU, Euratom) 2021/769 of April 30, 2021;
- Council Regulation (EC) No. 516/2019 of 19 March 2019 on the harmonization of GNI at market prices and repealing Council Directive 89/130/EEC, Euratom and Council Regulation (EC, Euratom) No. 1287/2003 (GNI Regulation);
- Regulation (EU, Euratom) 2021/770 of the Council of April 30, 2021 on the calculation of OR based on non-recycled waste from plastic packaging, on the methods and procedure for providing this own resource, on measures to meet cash needs and on some aspects of the own resource based on gross national income.

Complete list of the applicable acts regulating the OR is provided in Annex 1 to these Guidelines.

2.2.3 Own resource categories

Pursuant to Council Decision (EU, Euratom) 2020/2053, the OR categories are as follows:

- **Traditional own resources**

Those are the customs duties referred to in article 2(1) (a) of Decision (EU, Euratom) 2020/2053, which Member States collect on behalf of the EU. The customs duties payable are based on the Common Customs Tariff and are considered net EU revenue, which derives directly from Union legislation. Pursuant to article 9(1) of the OR Decision, Member States are responsible for their collection. Member States should also adapt their national legislation as appropriate to comply with the Union rules.

Pursuant to article 9, paragraph 2 of the same decision, the Member State retains 25% of the amounts as compensation for the administrative costs incurred in collecting the customs duties.

- **Resource based on VAT**

This resource is determined by applying a methodology adjusting the net VAT receipts for territorial scope and deviations from the application of Directive 2006/112/EC to obtain adjusted net VAT receipts. The adjusted net VAT revenue is divided by the final "weighted average rate" (WAR). The WAR is calculated in accordance with the applicable regulations in this area, and in the case of calculation of reservations, it is applied as a preliminary rate even after cancellation of reservations.

For each member state, the base for calculating this resource cannot exceed 50% of its GNI (ie a "ceiling" has been set for the VAT base). This is done to mitigate the "regressive" nature of the tax. For countries to which the above rule applies, this turns the VAT-based OR into a GNI-based OR. For these countries, the increase in VAT revenues, respectively the VAT base, above their set ceiling has no effect on the revenue from the VAT-based resource in the general EU

budget. The capped VAT bases are taxed at a uniform rate ("required rate") for all member states of 0.30%.

- **Resource based on GNI**

The GNI-based resource is a "balancing" resource, which should provide the necessary revenues to cover expenses exceeding the amount financed by other resources. The GNI-based resource is determined by applying to the GNI of the Member States a uniform rate that varies from one financial year to another to cover the expenditure from the EU budget.

- **A resource based on non-recycled plastic packaging waste**

This own resource applies since 2021, based on the amount of non-recycled plastic packaging waste. Its purpose is to promote the reduction of packaging waste and stimulate the transition to a circular economy. It is calculated by applying a flat rate of €0.80 per kilogram to the estimated amount of non-recycled plastic packaging waste from each Member State for the given year. In order to avoid an excessive negative impact on part of the member states, a mechanism is also being introduced, through which their annual contributions from this own resource are reduced packages which are nearly 50% less compared to the due amount in accordance with the methodology.

- **Corrections**

When determining the contributions of the Member States to the general budget of the EU, their relative economic weight in relation to the GNI is observed, thus ensuring solidarity and fairness in relation to the revenue part of the general budget of the EU. The list of countries and the deductions is updated periodically. Gross reductions are financed by all Member States depending on their GNI.

2.3 Ceilings on own resources

The total amount of own resources that can be collected by the Member States is limited in relation to the GNI of the EU (the sum of the GNI of all the Member States) by a so-called "ceiling". The own resources ceiling determines the maximum amount of own resources that the Union can request from the Member States to finance its expenditure for the period 2021-2027.

There are two types of income caps:

- ceiling of own resources to cover annual appropriations for commitments – 1.46% of EU GNI for the period 2021-2027;
- ceiling of own resources to cover annual appropriations for payments - 1.40% of EU GNI for the period 2021-2027.

The OR ceilings can be increased on an exceptional and temporary basis. This provision allows a higher ceiling and enables the EU to borrow on the markets to finance the Recovery Instrument. This additional temporary increase in the ceilings does not result in an immediate additional contribution to the EU budget from the Member States, as it only functions as a joint guarantee for the issuance of bonds by the Commission on behalf of the EU. The OR ceiling for payments should be reduced to 1.40% of GNI when all funds are disbursed and all liabilities cease to exist.

2.4 Obligations of the EC and the Member States in the system of own resources

The main responsibilities of the EC are:

- Calculation of contributions payable by Member States based on VAT, GNI and non-recycled plastic packaging waste;
- Calculation of contributions to finance gross reductions for the respective Member States; calculation of resource balances based on VAT, GNI and non-recycled packaging waste from plastic;
- Calculation of corrections for non-participation of Member States in certain freedoms, security and justice policies and their financing by other States;
- Determination of interest for delayed payments;
- Control of compliance by member states with legislation in the field of EU OR.

The main obligations of Member States are:

- Collection of TORs and their timely payment to the EC;
- Preparation and provision of estimated and reporting data for the bases of VAT, GNI and non-recycled plastic packaging waste;
- Transfer to the EC account the TOR, the resources based on VAT, on GNI and non-recycled waste from plastic packaging and the gross reductions for the respective member states, the balances for the resources based on VAT, GNI and non-recycled waste from packaging from plastic, the correction contribution for non-participation of Member States in certain Union policies (for freedom, security, justice) and the interest charged for late payments.

3. Competent authorities in Montenegro

The planning and management of the EU OR system is assigned to following authorities:

- The Ministry of Finance (MoF);
- Revenue and Customs Administration (RCA);
- Statistical Office of Montenegro (MONSTAT);
- The Ministry of Environment, Spatial Planning and Urbanism (MESPU).

General rules applicable to all competent authorities involved in the management of the EU own resources:

Official information, to be communicated from or to the EC, shall be done via the Ministry of Finance – Unit for Coordination and Management of the EU's OR.

Information and justification documents shall be prepared and send to the Unit for Coordination and Management of the EU's OR, upon request, in accordance with defined deadlines and as needed.

Copy of the documentation shall be sent by email Unit for Coordination and Management of the EU's OR on any directly received and/or sent to the EC bodies information on OR matters.

The competent authorities shall update the national administrative rules and procedures regarding the OR to keep them compliant with the EU' legislation and to ensure the management of the OR in Montenegro.

The competent authorities shall inform the Unit for Coordination and Management of the EU's OR and other stakeholders about the changes in the OR procedures and rules.

The competent authorities shall inform the Unit for Coordination and Management of the EU's OR about any changes in the structures, procedures and IT applications deployed in managing the OR.

All competent authorities involved in the management of OR shall keep the data, documental and other evidence related to management of OR, including an audit trial for any changes, modifications and versions. The data shall be available for inspection and audit, both by the European institutions and by the national authorities in compliance with the provisions of Article 3 of Regulation (EU, Euratom) 609/2014 regarding the storage of supporting documents.

4. Management of the EU's own resources system

4.1 Ministry of Finance - Unit for Coordination and Management of the EU's Own Resources

Calculation, collection, reporting and control of own funds and coordination of communication with the EC requires an established Unit for Coordination and Management of the EU's OR, which is in accordance with the Rulebook on Internal Organization and Systematization within the State Budget Directorate.

MoF - Unit for Coordination and Management of the EU's OR in the State Budget Directorate of the MoF is responsible for the overall management and coordination of OR and the fulfilment of Montenegro's obligations, including:

- Coordination of the regular payment of the contribution of Montenegro to the budget of the EU (TOR, VAT-based resources, GNI and non-recycled plastic packaging waste and the annual gross reductions), balances for VAT-based resources, GNI and non-recycled plastic packaging waste, the correction contribution for the non-participation of member states in some policies of the Union, computation of interest for late payments and potential additional payments, including prompt preparation and submission of payment orders to the State Treasury Directorate within the Ministry of Finance;
- Preparation and updates of the plan for OR contributions by month and quarter for the current year to be included in the cash plan of the State Treasury Directorate;
- Preparation of inquiries and information regarding the contribution of Montenegro to the budget of the EU;
- Collection of information from the competent organizations, such as the data and the forecast for the bases of GNI, VAT and non-recycled plastic packaging waste for the meeting of the Consultative Committee on OR (CCOR), sub-committee "Forecasts" under Article 16 of the Regulation (EU, Euratom) 609/2014 to the EC and sending the data to the Commission within the specified deadlines;
- Taking part in the meetings of the CCOR, subcommittee "Forecasts" and, if necessary, in the meetings of the CCOR, subcommittees "TOR" and "VAT" under Article 16 of Regulation (EU, Euratom) 609/2014;
- Preparation of multi annual forecasts for the total amount of contribution of Montenegro to the budget of the EU by year within the deadlines and according to the national budget procedure;
- Liaising on all reporting and communication matters with the representatives of the European institutions. The official correspondence shall be done via the Mission of Montenegro in the EU located in Brussels, with a copy to the address of the competent sector for EU policy;
- Informing the responsible organizations in Montenegro about changes in the rules and procedures of the OR;
- Updating the national administrative procedures for managing the OR in line with the EU legislation and practice in this area;
- Preparation of analysis, feedback and positions on proposals for changes in the current legislation in the field of OR and on EC proposals for a legislative package on OR for the negotiations on the next Multiannual Financial Framework;
- Taking part in the meetings of the Working Group "Own Resources" at the Council

of the EU;

- Informing the management of the MoF in a timely manner in the event of a possible risk of exceeding the amount of the contribution of Montenegro to the budget of the EU in accordance with the provisions of the State Budget Law of Montenegro for the relevant year;
- Coordinating of the execution of the EC inspections in the field of OR, the preparation of feedback on their reports and answering to the EC within the terms specified by EU legislation;
- Communicates the EU OR' reports and inquiries to the responsible organizations and their answers back to the EU institutions;
- Archive management - which contains all the documentation related to the process of the EU's OR in Montenegro.

See Annex 2 of these Guidelines for detailed description of the obligations of Montenegro to the budget of the EU.

4.2 Traditional Own Resources

Revenues from traditional own resources (TOR) are transferred to the EC's account in the Central Bank of Montenegro (CBCG) monthly, no later than the first working day after the 19-th of the second month following the reporting month. The transfer is based on the monthly **A account report** received from the Revenue Customs Administration, (RCA) on the revenues from customs duties.

4.2.1 Legal framework and rules

The rules for the establishment, collection, transferring, accounting, reporting and control by the member states of the revenue from customs duties in the budget of the EU shall be in compliance with the EU legislation, as follows:

■ Establishing the customs liability

The provisions of Title III of Regulation (EU) 952/2013 of the European Parliament and of the Council of October 9, 2013 on the creation of the Customs Code of the Union shall be applied when determining the grounds, the debtor and the time of establishment of the customs liability.

■ Determination of the amount of the customs duty

Pursuant to Article 101 of Regulation (EU) 952/2013, the customs duty payable shall be determined by the customs authorities responsible for the place where the customs debt arises or is deemed to arise pursuant to Article 87, as soon as those authorities have the necessary information.

■ Accounting for customs duties

After determining the amount of the customs duties, the liability is recorded in accordance with the provisions of Article 104 and Article 105 of Regulation (EU) 952/2013 with the entry of the customs debt (liability for the importer or their representatives) and receivable for the RCA. The form, content and procedure for keeping the Accounts Receivables Register are determined by the internal regulations of the part concerning the Revenue and Customs Administration responsible for customs affairs.

■ Notifying the debtor of the receivables due amount

After the customs liability has been registered in the accounts of the CA, the debtor shall be notified in accordance with Article 102 of Regulation (EU) 952/2013.

Pursuant to Article 103(1) of Regulation (EU) 952/2013, the debtor shall not be notified of a customs debt after the expiry of three years from the date on which the customs debt arose.

Pursuant to Article 103, paragraph 2 of Regulation (EU) 952/2013, when the customs liability arises as a result of an action which, at the time of its execution, is grounds for initiating criminal prosecution, the three-year period under paragraph 1 of the same provision shall be extended at -less than five years old and no more than 10 years old in accordance with national legislation.

■ **Establishing the customs duty receivable (officially known as “Union's entitlement to the traditional own resources”)**

The customs duty' receivable is considered to be established in accordance with Article 2, paragraph 2 of Regulation (EU, Euratom) 609/2014 after it has been registered in accounts receivables. According to Article 2, paragraph 3 of Regulation (EU, Euratom) 609/2014, in the event of an appeal, the date of establishment shall be taken as either the date on which the first administrative decision was taken, with which the debtor is notified of the obligation, or the date of filing of legal proceedings, if it is first in time.

With the establishment of the customs duty receivable, the EC's entitlement to customs duties as TOR arises.

■ **Order and methods of payment of the customs duty**

The provisions of Articles 108-111 of Regulation (EU) 952/2013, which determine the methods of payment, as well as the conditions under which payment can be deferred, shall apply.

■ **Repayment of the customs duty:**

The provisions of Article 124 of Regulation (EU) 952/2013, which determine the ways to repay the customs debt, shall apply.

■ **Repayment and remission of customs duties**

The provisions of Articles 116-121 of Regulation (EU) 952/2013, which determine the conditions for reimbursement and remission of import duties, shall apply.

4.3.1 Directly responsible units

The Customs' subdivision of the administrative body responsible for customs matters shall administer the revenue from customs duties in Montenegro.

The responsible units and their functions are the following:

■ **Revenue and Customs Administration:**

- Coordinates and organizes the processes of establishing, collecting, reimbursing or waiving and providing the customs duties as part of the TOR;
- Prepares the reports for accounts A and B of the TOR in accordance with Article 6, paragraph 4 of Regulation (EU, Euratom) 609/2014;
- Sends the periodic reports for A and B accounts to the Unit for Coordination and Management of the EU's OR as per time schedule;
- Prepares a forecast in percentage or absolute terms in the last quarterly report for B

account of the fiscal year for irrecoverable duties for the following budget year;

- Provides an opinion on acceptance or justified objection on the interest imposed by the EC for late payment of the OR in accordance with Article 12 of Regulation (EU, Euratom) 609/2014;
- If necessary, submits additional information to the Unit for Coordination and Management of the EU's OR;
- Archive management of all evidence and complete documentation regarding the establishment, collection and provision of OR in accordance with Article 3 of Regulation (EU, Euratom) 609/2014 for a period of at least 3 years after the end of the financial year to which the evidence material refers;
- Monitors changes in EU customs legislation and updates national administrative procedures and rules within its competence;
- Informs the Unit for Coordination and Management of the EU's OR about changes in procedures and rules regarding import duties;
- Cooperates with the representatives of the EC performing inspections in the field of TOR;
- Participates in meetings of the CCOR, sub-committee "TOR", preparing a position on the items on the agenda and a report on the results of the meeting. The position and results report shall be sent to the Unit for Coordination and Management of the EU's OR for information;
- Coordinates the preparation of the annual report on TOR under Article 6 of Regulation (EU, Euratom) 2021/768 and sends it to the Unit for Coordination and Management of OR;
- Coordinates and organizes the preparation of draft decisions of the Director of administrative body responsible for customs matters under Article 13, Paragraph 2 of Regulation (EU, Euratom) 609/2014 for declaring established receivables for TOR as irrecoverable;
- In accordance with Article 5 of Regulation (EU, Euratom) 2021/768, registers in the OWNRES system of the EC the cases of fraud and irregularities with customs duties over 10,000 EUR and updates the already registered cases;
- Coordinates, organizes and registers in the EC's WOMIS system reports on irrecoverable amounts representing TORs over 100,000 EUR, in accordance with Article 13, paragraph 3 of Regulation (EU, Euratom) 609/2014.

■ **Division for Ex-post Control**

- Performs subsequent control of the information submitted in the customs declaration, checks for the availability, authenticity, accuracy and validity of all accompanying documents, as well as the declarant's accounting records related to these goods, as a result of which, in the event of discrepancies in the data, a procedure is launched collection of due TORs.

■ **State Budget Directorate (Division in charge of budget revenue projections) in the Ministry of Finance**

- Prepares a forecast of revenue from customs duties for the next three years within the national budget procedure and sends a copy to the Unit for Coordination and Management of the EU's OR.

4.3 Preparation of the report for account A

The legal basis for the preparation of the Report on the status of the A account and its submission to the EC is regulated by Article 6, paragraphs 3 and 4, a) of Regulation (EU, Euratom) 609/2014.

The A account report (statement) shall be prepared and sent to the EC monthly, including all established receivables that are paid, or secured and not disputed. The TOR' amounts shall be paid to the EC's account in the CBCG at the latest on the first working day after the 19-th of the second month following the reporting month. After receiving the A account report from the RCA, the Unit for Coordination and Management of the EU's OR shall send it to the EC 3 (three) working days before the date of payment of the amount due.

Procedure for generating the A account report and transferring the monthly revenue

1. At the beginning of month "N", the CA' Finance Department shall prepare the A account report for the customs duties, paid or with guarantee and not appealed for month N-2. The template is in Annex 3, Template 1.
 2. The monthly A account report shall be sent officially and by email in Montenegrin to the Unit for Coordination and Management of the EU's OR no later than 4² (four) working days before the first working day after the 19-th of the month.
 3. MoF - The Unit for Coordination and Management of the EU's OR shall send by e-mail the TOR report to the General Directorate (DG) "Budget" of the EC and the European Court of Auditors (ECA), together with information on the interest rate published in the Official Journal of the European Union, series C, applied by the European Central Bank to its main refinancing operations for month "N". The balance report on the A account is sent within three (3) working days before the payment of the owed amount.
 4. MoF - the Unit for Coordination and Management of the EU's OR shall send a payment decision to the MoF' State Treasury Directorate, with the amount of the monthly contribution of the TOR as per the A account report, the account and budget line from the national budget from which the funds should be transferred and the payment deadline (no later than the first working day after the 19-th of the month).
 5. Following payment to the EC account opened in the CBCG in accordance with the adopted payment decision, the Directorate for Coordination and Management of EU Own Resources obtains a report on the payment made from the competent service and keeps it within the documentation for EU Own Resources. After transferring the amount to the EC's account, the State Treasury Directorate shall send to the Unit for Coordination and Management of the EU's OR a confirmation note and (scanned) copy of the bank statement. The payment document shall be saved in the EU OR' dedicated folder on the MoF' server.
- !** The amounts for TOR are paid to the EC account at the latest on the first working day after the 19-th of the second month following the reporting month.

² There should be sufficient time for the Unit for Coordination and Management of the EU's OR to check it and prepare the official communication to the EC.

4.4 Preparation of the B account report

The legal basis for the preparation and sending to the EC of the B account report is Article 6, paragraph 3 and paragraph 4, letter b) of Regulation (EU, Euratom) 609/2014. The B account report shall be prepared and sent to the EC on a quarterly basis in the months of February, May, August and November of each year and shall include the established receivables (entitlements) that:

- have not been paid or do not have a guarantee under the terms and conditions of Regulation (EU) 952/2013;
- have guarantee, but the amount of the customs duty' obligation is not final;
- are under dispute or appeal.

Procedure for generating the B account report

1. At the beginning of the months of February (for the IV quarter of the previous year), May (for the I quarter of the current year), August (for the II quarter of the current year) and November (for the III quarter of the current year) the CA' Finance Department shall prepare the B account report and send it to the Unit for Coordination and Management of the EU's OR. The report on account B for the relevant quarter shall be sent to the Unit for Coordination and Management of the EU's OR 2 (two) working days before the deadline for its submission to the EC, defined in Article 6, paragraph 4, letter b) of Regulation (EU, Euratom) 609/2014.

The B account report shall be generated by the Customs Information System and the Financial Management module. It shall include exclusively and only data from the database of the Customs Administration, that has been checked, reconciled and confirmed by the relevant CA' departments. The report template shall not have any manual input. The template of the report is in Annex 3, Sample 2.

2. The B account report shall be sent officially and by email in Montenegrin to the Unit for Coordination and Management of the EU's OR no later than 2 (two) working days before the first working day after the 19th of the relevant month.
3. The Unit for Coordination and Management of the EU's OR shall send to the DG "Budget" of the EC and the ECA the B account report for the customs duty' receivables that are still under dispute and / or not recovered yet.

- ! The reports for the 1st, 2nd, 3rd and 4th quarters of the year shall be sent to the EC no later than the first working day after the 19-th of the months of May, August and November of the same year and February of the following year, respectively.

4.5 Fraud and irregularities with TOR over 10,000 EUR

Pursuant to Article 5, paragraph 1 of Regulation (EU, Euratom) 2021/768, in the two months following the end of each quarter, a description of detected cases of fraud and irregularities for receivables of over EUR 10,000 related to TOR shall be sent to the Commission, referred to in Article 2(1)(a) of Decision (EU, Euratom) 2020/2053. The information shall be sent through the EC's web-based OWNRES application.

Procedure for notification to the Commission

1. The department responsible for finances of the administrative body responsible for customs affairs is responsible for registration and a detailed description of the cases recorded in the OWNRES system. The registration in OWNRES of the cases of fraud

and irregularities with the TOR over 10,000 euros for the past quarter, as well as for updates made for previous periods, should be carried out by the end of the second month after the corresponding quarter. The information on the number of registered cases and the updates made for the respective quarter shall be send officially and by email to the Unit for Coordination and Management of the EU's OR.

- ! Authorized officials of the administrative body responsible for customs affairs record cases of fraud and irregularities related to customs in the OWNRES system of the EC, until the last working day of the second month after the relevant quarter.
- 2. The information is archived under "Cases of Fraud and Irregularities" by the Directorate for Coordination and Management of EU OR after it is received from the administrative body in charge of customs affairs.

4.6 Annual report on the inspections carried out in connection with the TOR and on their results

The annual report, containing information on the inspections carried out in relation to the TOR and their results, shall be send to the Commission annually by 1 March of each year after the end of the relevant financial year, pursuant to Article 6, paragraph 1 of the Regulation (EU, Euratom) 2021/768.

Procedure for preparing and sending the report to the EC

1. The annual report shall be prepared by the CA Directorate for Ex-post control by 15-th February every year. The Annual Report shall contain information on the inspections carried out in connection with the TOR, their results, and important matters arising from the application of EU regulations in the field of TOR. The report template is in Annex 3, Sample 3.
 2. The report shall be sent officially and by email in Montenegrin to the Unit for Coordination and Management of the EU's OR by February, 15th.
- ! After receiving the annual report of the administrative body responsible for customs affairs, the Ministry of Finance - Directorate for Coordination and Management of EU OR shall prepare a letter that is delivered to the Mission of Montenegro to the EU in Brussels, a copy is sent to the director of the Directorate responsible for EU policy in the competent ministry, with a request for the timely submission of the Annual Report to EC DG "Budget".

4.7 Reporting obligations under Article 181 of Implementing Regulation 2015/2447 (implementation of Articles 119 and 120 of Regulation (EU) 952/2013)

According to Article 121, paragraph 4 of Regulation (EU) 952/2013, cases under Article 119 (repayment or remission of customs duties as a result of an error by the competent authority) and Article 120 (repayment or remission of customs duties) are subject to reporting to the EC or export duties in the interest of equity) of the Code. In turn, the provisions of Article 181 of Implementing Regulation (EU) 2015/2447 on laying down detailed rules for the implementation of certain provisions of Regulation (EU) 952/2013 establishing the Union Customs Code specify the information that shall be provided to the Commission under Article 121, paragraph 4 of the Code.

Member States should send the Commission (DG Budget) by 1 June each year a list of cases

under Article 181 of Implementing Regulation (EU) 2015/2447 in which the competent authorities have had to repay or remit customs duties as a result of an error by the competent authority or in a special situation (in the interests of justice) and which duties are of a value equal to or less than EUR 100,000. These cases include administrative errors which could not reasonably have been detected by the person responsible for payment within the meaning of Article 119(1) or administrative errors within the meaning of Article 119(2) or in accordance with Article 120 of Regulation (EU) 952/2013. In all these cases, the Member States are responsible for the corresponding amounts.

Reporting procedure

1. After receiving an official letter from the EC (via the letter from the Mission of Montenegro to the EU, located in Brussels), the Unit for Coordination and Management of the EU's OR shall forward a letter to the administrative body responsible for customs affairs with a request to submit a list of cases for the previous financial year, which fall into the relevant categories and which are presented in tabular form according to the EC model and requirements.
2. The Division for Ex-post control shall review all cases of repayment or remission if there has been any due caused by administrative error to be reported to the EC and shall prepare a response to the MoF with the requested information, presented in a tabular format.
3. After receiving a response from the administrative authority responsible for customs affairs, the Ministry of Finance - the Unit for Coordination and Management of the EU's OR shall prepare a letter to the Mission of Montenegro to the EU located in Brussels, with a copy to the Directorate responsible for "EU Policies" in the line ministry, with a request to submit the prepared information in a timely manner to the EC DG "Budget".

4.8 Write-off of irrecoverable customs debt

The writing off irrecoverable customs debt shall take place in compliance with the following:

- Pursuant to Article 13, paragraph 3 of Regulation (EU, Euratom) No. 609/2014, Member States are obliged to provide information on written-off irrecoverable customs debt over EUR 100,000;
- Force majeure circumstances are distinguished from special cases of write-off of customs debt;
- EC DG Budget must send their comments to the Member State on writing off debt over 100,000 EUR within six months from the day of submission the information from the Member State;
- The deadline for informing the EC on written off irrecoverable customs debt below 100,000 EUR is three months after the decision for writing off.

The cases of issuing a decision on irrecoverable customs debt to be written off are as follows:

■ For amounts of customs duties over 100,000 EUR

Member States are required to provide the EC with information on all cases in which TOR over EUR 100,000 have been removed from the B account (reflected in column (4) of the B account statement) as written-off liabilities.

The authorized person of the administrative body responsible for customs matters records the cases of written off liabilities in WOMIS of the EC, using the form in Annex V to the Implementing Decision (EU, Euratom) 2018/194 of the Commission of 8 February 2018

establishing models for statements of accounts for entitlements to own resources and a form for reports on irrecoverable amounts corresponding to the entitlements to own resources pursuant to Regulation (EU) 609/2014.

The EC reviews the data from WOMIS to assess whether the Member State has done everything possible to recover the amount in question and whether the measures have been implemented as strictly as the administration could reasonably expect.

The Member States are obliged to keep all evidence justifying that all measures have been taken to recover the amounts and provide copies if the EC requires them. The EC has the right to ask for additional information. In the event that the Member State fails to provide the requested additional information after two reminders, the EC shall consider only the available information and conclude that the Member State has failed to prove the absence of fault for the irrecoverable debt. In this case, the Member State bears full responsibility and shall pay the unrecovered part of the TOR.

If the request for writing off the customs debt is not approved, the Member State shall pay the principal no later than the first working day after the 19-th of the second month from the date of the EC' letter, which is in fact a request for providing the funds. In cases where guarantees have been provided, the amount for the TOR shall be provided to the Commission no later than the first working day after the 19-th of the second month from the date the establishment of the customs debt or, if the debt is appealed, no later than the first working day after the 19th of the second month from the date of the final decision on the appeal.

When examining requests for write offs, the EC analyses the circumstances under which the obligation arose and particularly the customs legislation and the consequences for the budget (the rules for recognition and collection of receivables).

For any delay in providing the TOR to the EC, late payment interest shall be charged in accordance with Article 12 of Regulation (EU, Euratom) 609/2014.

The department responsible for finances of the administrative body responsible for customs affairs prepares a report on cases above 100,000 EUR irrecoverable customs debt and the supporting evidence based on the annual stock taking and reconciliation with all authorities in charge of collecting public debt – the administrative authority responsible for customs affairs, the court and/or bailiffs.

The department responsible for customs methodology in the administrative body responsible for customs affairs shall validate the entered information in the web-based WOMIS system and provide a copy to the Unit for Coordination and Management of the EU's OR in the Ministry of Finance.

■ **For amounts of import duties below EUR 100,000**

The Member States are responsible for the recovery or deciding on writing off irrecoverable amounts below 100,000 EUR, but the Commission reserves the right, during on-the-spot checks, to check the procedure and decision making set up to write off such amounts. Receivables from customs duties shall be declared irrecoverable by a decision of the competent administrative authority -RCA, which shall establish that the amounts cannot be collected. Member States are exempt from the obligation to provide these amounts, even if they are subsequently collected.

Amounts of established receivables (customs debt) shall be declared irrecoverable after the expiration of five years statute of limitation from the date on which the customs debt was established or - in the case of an administrative or judicial appeal - from the date of issue, notification or publication of the final decision. If one or more partial payments have been received, the maximum period of five years shall start from the date on which the last payment was made, if it did not extinguish the obligation.

4.9 Interest on delayed provision of traditional own resources

Pursuant to Article 12 of Regulation (EU, Euratom) 609/2014, amended by Council Regulation No. 804/2016, any delay in the provision of the TOR results in the payment of interest by the respective Member State. An exception to this rule is interest in the amount of less than € 500, where no such payment is made. In case of a detected violation of the payment deadlines, an official letter is received from the EC (via the Mission of Montenegro in the EU - Brussels) about the interest due for late payments, which gives a detailed description of the individual amounts of late payments and the method of calculating the interest due.

Payment procedure

1. MoF- The Unit for Coordination and Management of the EU's OR shall forward to the administrative body responsible for customs matters a letter stating the amount of interest due for late payment, setting a deadline (no later than 14 working days) in which the administrative body responsible for customs affairs needs to confirm the amount or provide its justified objections to the accrued interest for fun. In addition, the administrative body responsible for customs affairs should provide brief information on the circumstances related to the delayed payment of TOR.
2. The administrative body responsible for customs matters shall inspects the cases with delayed payment of customs duties at the regional customs and prepare a response for the reasons of the delay to the MoF - Unit for Coordination and Management of the EU's OR. The confirmation of the requested interest or justified objections clarifying the circumstances that caused the delayed payment of TOR, shall be send back no later than 14 working days.
3. In the case of a justified objection against the late payment' interest requested by the EC, the Unit for Coordination and Management of the EU's OR shall prepare a letter with the objection, signed by authorized person in the Ministry of Finance, and send it to the EC via the Mission of Montenegro to the EU - Brussels with a copy to the Directorate responsible for "EU Policies" in the line ministry with the entire package of evidence for the objection.

In parallel, the State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare a report to the Minister of Finance to issue a decision for payment of interest rate for late payment of TOR". The report shall present the circumstances that led to the delay in payment of TOR, the method of calculating the interest, the payment deadline and the administrative body responsible for customs matters objections, in which case options for action shall be proposed.

Upon receiving the decision of the Minister of Finance for paying the due interest, State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare the payment order to the State Treasury Directorate for transferring the due amount to the EC account, indicating the deadline for payment, the account and budget line from the national budget, from which the funds should be transferred.

In the event of objecting entirely or partially the amount of interest and having the approval of the Minister of Finance to wait for the EC' response before taking action for its payment, the Unit for Coordination and Management of the EU's OR shall wait for the EC response and take action accordingly as described above.

After making the payment, the State Budget Directorate - the Unit for Coordination and Management of the EU's OR shall obtain a report on the payment made and keeps it in the

documentation. The MoF - Unit for Coordination and Management of the EU's OR shall inform the administrative body responsible for customs matters on the actions taken and of the payment of the due interest.

4.10 Procedure in cases of officially requested TOR by the EC

Procedure in cases of officially requested from EC' DG "Budget" additional amounts for TOR

Payment procedure

1. Upon receiving an official letter from EC DG "Budget" via the Mission of Montenegro to the EU located in Brussels with a request to provide additional amounts for due TOR the MoF – the Unit for Coordination and Management of the EU's OR shall forward the request to the administrative body responsible for customs matters, as well as the deadline for consideration of the administrative body's letter to the authority responsible for customs affairs in order to confirm the requested amount or lodge an objection.
2. The administrative body responsible for customs affairs shall review the cases at the regional customs offices, which have been in charge for establishing and collecting the customs duties and shall prepare a response with the justifying documentation to the Unit for Coordination and Management of the EU's OR.
3. In the case of a justified objection from the administrative body responsible for customs affairs to the amount requested by the EC for due TOR, the Unit for Coordination and Management of the EU's OR shall prepare a letter with the objection, signed by an authorized person in the Ministry of Finance and sent to the EC via the Mission of Montenegro to the EU in Brussels, with a copy of the letter to Directorate responsible for "EU Policies" in the line ministry with an explanation.
4. In parallel, the Unit for Coordination and Management of the EU's OR shall prepare a report to the Minister of Finance explaining what has led to the delay in the timely payment of the TOR in question, the method of calculating the amount, the deadline for its transfer to the account of the EC and the RCA objections, proposing actions, including how to avoid excessive accrual of late interest.
5. Depending on the decision of the Minister of Finance, MoF - the Unit for Coordination and Management of the EU's OR shall take one of the following actions:
 - 5.1. Upon receiving an approval from the Minister of Finance to transfer the amount due, it shall be included for payment in the A account report. The State Budget Directorate - the Unit for Coordination and Management of the EU's OR shall inform the administrative body responsible for customs affairs to take the required corrections and include the amount in the A account.
 - 5.2. At the same time, in order to avoid the accumulation of interest for late payment, the State Budget Directorate - the Unit for Coordination and Management of the EU's OR shall prepare a payment order to the State Treasury Directorate, indicating the period, the justification for payment, the account and the budget line in the national budget from which the funds should be transferred.
 - 5.3. State Budget Directorate - The Unit for Coordination and Management of the EU's OR shall inform the administrative body responsible for customs affairs about the payment of the TOR amount by an official letter with the recommendation letter to include the amount in the next account report.
 - 5.4. If the decision of the Minister of Finance is pay partially the amount due (on the basis of the objections and estimates provided by the administrative body responsible for customs affairs), the Unit for Coordination and Management of the EU's OR shall

prepare a payment order to the State Treasury indicating the period, the justification for payment, the account and the budget line in the national budget from which the funds should be transferred and send the justified objection to the EC as per step 3 above. The Unit for Coordination and Management of the EU's OR shall inform the administrative body responsible for customs matters of the partial payment in order to make the necessary entries for the A account report.

- 5.5. If the authorized person of the administrative authority responsible for customs affairs decides to file an appeal against the amount claimed by the EC and this is approved by the Minister of Finance, State Budget directorate - Unit for Coordination and Management of the EU's OR shall send the objection with the justification documentation to the EC according to step 3 above and wait for a response from the EC, then takes the steps described above (1 to 4). The Unit for Coordination and Management of the EU's OR sends a copy of the communication with the EC to the administrative body responsible for customs affairs.

After transferring the entire amount or the non-objected part of the amount (according to steps 4.2. or 4.3), the State Budget Directorate - the Unit for Coordination and Management of the EU's OR copy of the transfer and the bank statement. The Unit for Coordination and Management of the EU's OR obtains a report on the payment made and keeps the specified documentation.

Procedure for TOR' amounts requested by official letters from OLAF

OLAF is authorized to request additional payment of amounts they have defined to be due and not paid by the Member State based on their final reports and recommendations for collecting the TOR.

Procedure for action and possible payment:

1. The administrative body responsible for customs matters shall inform the MoF - Unit for Coordination and Management of the EU's OR about the TOR amount requested and the deadline set by the OLAF report about the actions taken.
2. The administrative body responsible for customs matters shall inspect the cases at the regional customs offices, which were in charge for establishing and collecting the customs duties and inform the MoF - Unit for Coordination and Management of the EU's OR about the results of the inspection.
3. In the case of a justified objection to the requested TOR' amount by the administrative body responsible for customs matters, based on the inspection results, the administrative body responsible for customs matters shall send the objection to OLAF and inform the MoF - Unit for Coordination and Management of the EU's OR.
4. If the administrative body responsible for customs matters confirms entirely or partially the TOR' amount requested by OLAF, it shall be included in the A account report and the case shall be described in the annex to it.

4.11 Cases with irrecoverable customs duties, for which the director of administrative body responsible for customs matters issued a decision to be made available to the EU budget

Pursuant to Art. 13, paragraph 1 of Regulation 609/2014 the Member States undertake to take all necessary measures to ensure that the amounts of the TOR are made available to the Commission under the conditions provided for in the same regulation. Article 13, paragraph 2 of Regulation (EU, Euratom) No. 609/2014 specifies the cases in which Member States are

exempted from the obligation to make available to the Commission the TOR amounts, in all other cases Member States are not exempted from the obligation to provide the TOR amounts declared irrecoverable by a decision of the competent authority and therefore they should be provided to the EU budget.

Payment procedure

1. The Administrative body responsible for customs matters shall inform the MoF- Unit for Coordination and Management of the EU's OR about the decision on making available to the EU budget the irrecoverable TOR and the month(s) for which the amounts will be recognized in the A account report. The administrative body responsible for customs matters shall send also a request to get the funds from the national budget.

Upon decision of the Minister of Finance from which account and budget line to pay the irrecoverable TOR, the Unit for Coordination and Management of the EU's OR shall prepare a payment order to the State Treasury and the funds shall be transferred first to the administrative body responsible for customs matters to enable the generation of the A account and then paid together with the total monthly amount to the State Treasury.

2. The administrative body responsible for customs matters shall include the amount in the A account report and describe the case in Appendix II.

5. Requests from the EC for payment of the contribution of Montenegro to the EU budget

5.1 National Monthly Contribution (Call for Funds)

On the basis of Article 10a of Regulation (EU, Euratom) 609/2014 and Article 8 of Regulation (EU, Euratom) 2021/770, each Member State is obliged to transfer on the first working day of each month the amount due under the so-called "monthly contribution", representing according to the rule 1/12 of the respective total amount of the member state's contribution to the EU budget from the own resource based on (1) VAT, (2) on GNI, the gross reductions for the respective member states and (3) based on non-recycled plastic packaging waste. Depending on the needs, the EC may request from the Member States a contribution in an amount other than 1/12-th for a given month, the details of this possibility being explicitly listed in Article 10a, paragraph 2 of Regulation (EU, Euratom) 609/2014 and Article 10 of Regulation (EU, Euratom) 2021/770.

Payment procedure

1. In the middle of the month "N-1", the EC sends a request for the national monthly contributions (resources based on VAT, GNI and non-recycled plastic packaging waste, gross reductions for the respective Member States) in the EU budget for month 'N'. The payment request shall be filed and saved in the MoF's registry. The State Budget Directorate - Unit for Coordination and Management of the EU's OR shall send a payment decision with the amounts by type of own resource, the accounts in the national budget from which the funds should be transferred to the EC account on the first working day of the following month. The payment order shall be filed, registered and saved.
2. After the payment to the account opened in the name of the EC with the CBCG, in accordance with the adopted payment decision, the Unit for Coordination and Management of the EU's OR obtains from the competent body a report on the payment made and keeps it within the documentation for the EU's OR.

5.2 Payment of interest for delayed payment of the national monthly contribution of Montenegro to the budget of the EU

Pursuant to Article 12 of Regulation (EU, Euratom) No. 609/2014, any delay in the payment of the OR for the monthly instalment results in the payment of interest by the respective member state. An exception to this rule is interest in the amount of less than 500 EUR, where no such payment is made.

If there is an overdue payment, the EC sends an official letter via the Mission of Montenegro to the EU - Brussels about the interest due for late payments with a detailed description of the individual amounts of late payments and the method of calculating the interest. The letter shall be registered and saved.

Payment procedure

1. The MoF- Unit for Coordination and Management of the EU's OR shall analyze the reasons for the late payment of the monthly instalment(s) and respectively the interest due. If there is justifiable reason to object the requested interest, the State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare a letter with the objection, signed by the authorized person in the Ministry of Finance and send it to the EC via the Mission of Montenegro to the EU - Brussels with a copy of the

letter from the Directorate responsible for "EU Policies" in the relevant ministry with the justification documents.

On the basis of the request for payment received by the EC, the State Budget Directorate - Unit for Coordination and Management of the EU's OR shall consider the decision for payment of the interest, having in mind the circumstances and reasons that led to the interest for late payment, the amount due and the deadline for the payment to the account of the EC.

After the decision of the management staff, the State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare a payment order to the State Treasury, with the amount due, the deadline for payment, the account and budget line in the national budget from which the funds should be transferred.

In the case of objection of the entire or part of the interest for late payment and a decision of the Minister of Finance to wait for the EC response, the Unit for Coordination and Management of the EU's OR shall take action after receiving the EC response, as described above.

2. After making the payment, the State Treasury shall send to the State Budget Directorate - Unit for Coordination and Management of the EU's OR obtains a report on the payment made. After receiving report on the payment made the Unit for Coordination and Management of the EU's OR shall check if there is any outstanding amount as per the EC request and save the documents.

5.3 Correction for non-participation of Member States in some policies

One of the duties of the EC is related to the calculation of the amount of the Member States' contributions related to the correction for their non-participation in certain freedom, security and justice policies (Opt out).

On the first working day of December, Montenegro should transfer to the EC's account a correction contribution for the non-participation of Ireland and Denmark in certain freedom, security and justice policies in accordance with Article 11 of Regulation (EU, Euratom) 609/2014.

The payment amount related to a correction for the non-participation of Ireland and Denmark in certain freedoms, security and justice policies is communicated in a call for funds sent by the Commission in a good time, usually by mid-November.

Payment procedure

1. The State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare a payment order to the State Treasury.
2. After payment of the amount due, the State Treasury shall send a copy of the transfer and the bank statement to the OR Coordination unit.
3. The Unit for Coordination and Management of the EU's OR shall save the copies of the transfer and the bank statement in the dedicated folder on the MoF server.

5.4 Payment of own resources based on VAT, GNI and non-recycled plastic packaging waste

Before February 1st each year, the EC informs the Member States about the result of the calculation of the annual resource balances based on VAT, GNI and non-recycled plastic

packaging waste according to Article 10b, paragraph 5 of Regulation (EU, Euratom) 609/2014 and Article 9, paragraph 3 of Regulation (EU, Euratom) 2021/770. In this regard, the EC sends a letter requesting payment of the balances on the first working day of the month of June each year.

For each Member State, the Commission calculates the difference between the amounts resulting from the resource corrections based on VAT, GNI and non-recycled plastic packaging waste and the result of multiplying the total amount of the corrections by the percentage that the GNI of that Member State represents of the GNI of all Member States, applicable on January 15th to the budget in force for the year following the year of provision of the correction data ('net amount').

Exchange rates do not apply in Montenegro as the Euro is the currency used in the country.

Payment procedure

1. The EC' request for payment shall be registered after which. the State Budget Directorate - Unit for Coordination and Management of the EU's OR prepares and payment order and send it to the State Treasury for transferring the amount comprising of the resource balances based on VAT and GNI and non-recycled plastic packaging waste on the first working day of June, the payment order shall be filed in MoF' register and saved.
2. After transferring the amount to the EC account, the State Budget Directorate - Unit for Coordination and Management of the EU's OR obtains a report on the payment made to be saved accordingly.

5.5 Payment of contributions to the EU budget over the contribution of Montenegro as defined with the annual State Budget Law

The contribution voted in the annual budget law may be exceeded due to unforeseen circumstances of a different nature - an excessively high collection of VAT, GNI growth, an higher than planned amount of customs duties (TOR) and / or other circumstances requiring higher expenses from the EU budget for the relevant year.

Payment procedure

1. The Unit for Coordination and Management of the EU's OR shall prepare a report to the Minister of Finance, which sets out the reasons and circumstances, as well as the possible options for payment of the amounts due.

The State Budget Directorate - Unit for Coordination and Management of the EU's OR shall discuss together with the State Treasury and responsible Directorates the options for payment and the possibility of rescheduling the payment taking into consideration the cash management of the national budget.

By order of the Minister of Finance, the Unit for Coordination and Management of EU OR prepares and submits a letter to the Treasury Directorate and the Accounting unit with the amounts due to be transferred to the EC account and deadlines.

2. After transferring the amount to the EC account, the State Budget Directorate - Unit for Coordination and Management of the EU's OR obtains a report on the payment made.

5.6 VAT-based resource – Report (statement) for VAT

5.6.1 Rules for reporting on the basis of the VAT resource

The Member States are obliged for the purposes of the OR to provide the EC every year by July 31st, with data on the national VAT base for the previous year.

Each member state calculates the base of the VAT resource in accordance with Directive 2006/112/EC and Regulation (EEC, Euratom) 1553/89, the latter regulating in detail the order and method of calculating the base. The report-declaration must contain all the data used to determine the basis and this must be the latest available data according to Regulation (EEC, Euratom) 1553/89. This requires the country to be able to calculate the total net amount of VAT revenues, the corrections for the territorial scope and for deviations from the application of Directive 2006/112/EC, as well as the weighted average VAT rate (WAR).

The main steps in determining the VAT base are:

- Calculation of the total net amount of VAT revenue collected by the Member State;
- Calculation of adjusted net revenues, including adjustments for territorial scope and for deviations from the application of Directive 2006/112/EC, when both types of adjustments are applicable;
- Applying the final multi-year weighted average rate using the 2016 rate. When provisioning is applied to this rate, it is used as the preliminary multi-year weighted average rate and after the provision is removed, the updated rate is applied as the final weighted average rate and used to recalculate the final basis for the years from 2021 onwards, if necessary.
- Calculation of the final VAT base by dividing the adjusted net VAT revenue by the final multi-year VAT, rounded to the 4-th digit.

5.7 Organizations responsible for preparing the statement of the total amount for VAT resources base

The administrative body responsible for customs matters is responsible for the preparation of the Annual report-declaration for VAT and it shall:

- **Administrative body responsible for the area of taxes**
 - Shall collect all data on the VAT revenues from the previous year, including the VAT collected by the Customs Administration and the VAT refunds from the MoF;
 - Shall prepare the Annual statement of the total amount for VAT resources base as stipulated in Article 7 of Regulation (EEC, Euratom) 1553/89 and send it to MoF-Unit for Coordination and Management of the EU's OR within the specified time limits;
 - If necessary, it shall prepare additional information regarding the VAT resources base and submit it to the MoF-Unit for Coordination and Management of the EU's OR;
 - In cooperation with the MoF Shall update the procedures and rules for any amendments and changes in the European legislation in the field of OR regarding VAT;
 - Shall inform the MoF- Unit for Coordination and Management of the EU's OR about the changes in the procedures and rules regarding the VAT resources base;
 - Shall send to the MoF - Unit for Coordination and Management of the EU's OR a copy of any directly exchange of information with the EC authorities on OR matters;

- Shall participate in the VAT meetings of the Advisory Committee under Article 16 of Regulation (EU, Euratom) 609/2014, preparing feedback on the agenda before the meeting, and a report on the results after the meeting. The feedback and the report shall be sent to the MoF - Unit for Coordination and Management of the EU's OR for information. If prior written agreement is needed, the opinion of the competent administrative body on the agenda shall be sent to the EC bodies, with a copy of the MoF - Unit for Coordination and Management of the EU's OR;
 - Shall cooperate with the MoF-Unit for Coordination and Management of the EU's OR and the EC representatives, including during control visits by the EC, on issues related to VAT;
 - Directorate responsible for the tax system in the Ministry of Finance shall assist in the preparation of the Annual statement on VAT resource base pursuant to Article 7 of Regulation (EEC, Euratom) 1553/89;
 - Shall cooperate with the EC representatives, including during control visits by the EC regarding VAT;
 - Shall monitors the European legislation in the field of VAT and introduce the necessary changes in the national methodology and procedures.
- **Statistical Office of Montenegro (Monstat) is responsible for the calculation of the VAT Weighted Average Rate in cooperation with the Ministry of Finance and the Directorate of Revenue and Customs**
- Sector responsible for national accounts shall produce supply and use tables (SUT) which are the basis for calculating the VAT' weighted average rate;
- Shall calculate the WAR of the VAT-based own resource and submits it to the administrative body responsible for tax matters by July 20 after the end of the reporting year pursuant to Article 4 of Regulation (EEC, Euratom) 1553/89 and in accordance with the applicable regulations in this area; If necessary, it provides information to the EC bodies, agreed in advance with the MoF - Unit for Coordination and Management of the EU's OR.

5.8 Procedure for preparing and sending the Annual statement on the total amount for VAT resource base

■ Duties of the administrative body responsible for customs matters for preparing the Annual statement on the overall VAT resources base

The annual statement on the VAT resources base shall be presented in the form defined by the EC (Appendix 3, Model 4), together with the data on the calculations and sources used in determining the individual components of the VAT base. The statement includes the following components:

- Gross receipts - represent the gross collected VAT revenues to December 31 of the reporting year.
- Net receipts - obtained by deducting the refunded VAT and the interest and penalties from the gross receipts.
- If applicable, the net proceeds are adjusted by calculations for the territorial scope and for deviations from the application of Directive 2006/112/EC.
- The net VAT revenue is divided by WAR rate in order to obtain the VAT base for

own resources purposes. The 2016 WAR is used, and if there is a notification procedure as per Article 9 Council Regulation 1553/89 consolidated version with the amendments from Council Regulation 2021/769, this rate is applied as a preliminary and after the notification procedure is completed, the updated rate is used for the years from 2021, if necessary.

When preparing the Annual Statement on the VAT resources base, the following data shall be used:

- The sector responsible for VAT collection in the administrative body responsible for the area of taxes shall harmonize the data from the database of the Administration and the Ministry of Finance with the VAT net revenues, and based on the annual budget execution report by April 30 after the end of the fiscal year by months and categories;
 - If necessary, additional data may be requested to correction the net VAT revenues from state, municipal, non-governmental, as well as private organizations.
- **The administrative body responsible for customs matters shall send electronically and on paper the Annual statement on the VAT resources base for the previous year to the MoF - Unit for Coordination and Management of the EU's OR unit 6 working days before July 31 for its official sending to the EC.**
- **Duties of State Budget Directorate - Unit for Coordination and Management of the EU's OR**

The MoF - Unit for Coordination and Management of the EU's OR shall send through the Mission of Montenegro to the EU - Brussels with a copy to the Directorate responsible for "EU Policies" in the line ministry the Annual statement on the VAT resource base by July 31 of each year by email and official mail.

5.9 GNI-based resource - GNI data and quality report

5.9.1 Rules for reporting on the basis of the GNI resource

The rules for calculation, reporting and control of the GNI base are defined by Regulation (EC) 516/2019 on the harmonization of GNI at market prices (GNI Regulation). GNI and GDP at market prices are determined in accordance with the European System of Accounts 2010 ("ESA 2010"), established by Regulation (EU) 549/2013.

5.9.2 Organizations responsible for reporting on the GNI-based resource

The statistical Office in Montenegro (Monstat) is the competent institution responsible for the calculation, reporting and control of the quality of the harmonized GNI base.

■ **Sector responsible for national accounts**

- Shall prepare the aggregated data on GNI and its individual components in the specified format and terms according to Article 2 and 3 of Regulation (EC) 516/2019, sending them to the MoF - Unit for Coordination and Management of the EU's OR for official submission to the EC (Eurostat);
- Shall take part in the meetings of the Expert Group on GNI according to Article 4 of Regulation (EC) 516/2019;
- If necessary, shall provide information to the interested parties, agreed in advance

with the MoF -Unit for Coordination and Management of the EU's OR

5.9.3 Procedure for preparing and sending the report on the GNI-based resource

■ Duties of Monstat for preparing and sending the report on the GNI-based resource

The sector responsible for national accounts shall submit the summary data on GNI and its individual components electronically and official mail to the MoF - Unit for Coordination and Management of the EU's OR no later than 4 working days before the deadline for its official submission of the EC report.

Calculations

Pursuant to Regulation 516/2019 on the harmonization of gross national income at market prices and repealing Council Directive 89/130/EEC, Euratom and Council Regulation (EC, Euratom) No 1287/2003 (GNI Regulation) for the purposes of own resources, GNI is calculated at market prices. GNI at market prices shall be defined in compliance with Regulation 549/2013 on "ESA 2010" and the GNI data shall meet three main requirements - comparability, reliability and comprehensiveness.

Pursuant to Article 1 of the GNI Regulation 516/2019, GNI is equal to GDP minus the primary income payable by resident institutional units to non-resident institutional units plus the primary income to be received by resident institutional units from the Rest of the World sector. GDP is the final result of the production activity of resident production units and can be expressed in three ways:

- production approach: GDP is the sum of gross value added of the various institutional sectors or the various industries plus taxes and less subsidies on products (which are not allocated to sectors and industries). It is also the balancing item in the total economy production account;
- expenditure approach: GDP is the sum of final uses of goods and services by resident institutional units (final consumption and gross capital formation) plus exports and minus imports of goods and services;
- income approach: GDP is the sum of uses in the total economy generation of income account (compensation of employees, taxes on production and imports less subsidies, gross operating surplus and mixed income of the total economy).
- In accordance with point 8.94 of Annex A to Regulation (EU) No 549/2013, GNI means the total primary income receivable by resident institutional units: compensation of employees, taxes on production and imports less subsidies, property income (receivable less payable), gross operating surplus and gross mixed income. GNI equals GDP minus primary income payable by resident institutional units to non-resident institutional units plus primary income receivable by resident institutional units from the rest of the world.

GNI data

According to Article 2 of the GNI Regulation 5016/2019, Member States provide the EC (Eurostat), in the context of the preparation of national accounts, with data on aggregate GNI and its components. The information provided includes data for the previous year and any changes in data for previous years. Aggregate data on GDP and its components can be presented using one of the three approaches set out in Article 1(2) of Council Regulation (EC) 516/2019. The information provided includes data for the previous year and any changes to data for previous years (Article 2, paragraph 2, Regulation (EC) 516/2019).

GNI is reported on the basis of the following documents: Questionnaire on GNI, including data

on GNI and its components and Description of sources and methods for calculating GNI.

Questionnaire

The questionnaire includes estimates representing updated data for the previous three years and final data for the fourth year.

Quality report

According to Article 2(2) of Regulation (EC) 516/2019 "Before 1 October each year, Member States shall provide the Commission (Eurostat) in the context of national accounting procedures with data on GNI aggregates and their components in accordance with the definitions referred to in Article 1. The total values of GNI and its components shall be presented in accordance with the three methods referred to in Article 1(2). The data shall be transmitted for the previous year and any additional changes in the data for previous years shall be communicated at the same time.'

Pursuant to Article 2, paragraph 3 of Regulation (EC) 516/2019 "The transmission of the data referred to in paragraph 2 shall be accompanied by a GNI data quality report. This report presents in detail the methodology used to produce the data and in particular describes any significant changes in the sources and methods used and explains the revision of the GNI aggregates and their components compared to previous periods.

The Annual Quality Report should be considered as additional information to the Description of GNI sources and methods and sent to Eurostat together with it and the GNI Questionnaire before 1 October. It shows all significant changes in the used methodologies and basic data. The volume of the report is different for individual years and depends on the changes and corrections made. It is not necessary to specify information that already appears in the GNI Description. Changes in sources and methods that have a significant impact on GNI and its components must be explained in sufficient detail. The quality report must be prepared in a strictly defined format and clear content.

The quality report consists of four parts:

- The first part provides general information about the data and additional information about the main changes and improvements in national accounts sources and methods, changes in data revision policy, improvements in the main data sources, the availability of new data sources, etc.
- In the second part, information is given on every single change in the sources and methods for preparing the final estimate of the GNI, which have an impact on its size.
- The third part explains the main revisions of GNI for recent years, which are reported in the questionnaire, revisions based on established reserves, other revisions related to changes in sources and methods, and revisions due to the transition from "ESA 95" to "ESA 2010".

The fourth part is intended for harmonization regarding the reserves– it contains additional methodological clarifications on the applied procedures. In this part, data on the corrections indicated in the Questionnaire regarding the recommendations for improvement - detailed methodological information on the work performed on each individual recommendation must be provided. In practice, for each recommendation, a table is presented with the corrections to the individual summary data from the questionnaire for each of the years covered. If this is not possible, at least the total effect on GDP and GNI should be decomposed by recommendations. It must contain information on the corrections indicated in the questionnaire regarding the recommendations - detailed methodological information on the work performed on each

individual reservation must be provided. In practice, for each reserve, a table is presented with the corrections to the individual summary data from the questionnaire for each of the years covered. If this is not possible, it is necessary to explain in the recommendations, as a minimum, on the total effect on GDP and GNI.

Description of sources and methods for calculating GNI

The description should contain comprehensive information about the sources and methods used in the preparation of the GNI estimates. Based on this document, Eurostat assesses the quality and comprehensiveness of GNI data, and their compliance with "ESA 2010". The inventory is a reference document that must be continuously updated to reflect the current methodology.

The description is drawn up according to a uniform template, giving a transparent and clear description of the sources of the national accounts data and the methods used to calculate the GNI, including sample calculations.

The single systematic display of the Description of sources and methodology used for calculating GNI is given as an annex to the Guidelines (Annex 3, model 5).

The main data sources for calculating GNI are statistical surveys, financial statements of institutional units, administrative data, and other data sources. All data sources and calculation methodologies are presented in the GNI Description.

Internal checks on the accuracy of the data collected for calculating the GNI

The coverage of observed statistical units and indicators is a crucial component in determining the quality of primary sources in economic statistics. The requirements for official statisticians to furnish data for research purposes under the Program of Official Statistics are regulated by the Law on Official Statistics and the System of Official Statistics.

The calculation of hidden transactions as part of measures to ensure the comprehensiveness of data in national accounts is performed on the basis of available indirect statistical and administrative information on the labor market, as well as on the basis of a detailed check of data from financial reports submitted by companies.

■ Duties of the State Budget Directorate - Unit for Coordination and Management of the EU's OR

According to Article 2(2) of Regulation (EC) 516/2019, Member States should provide the EC (Eurostat), in the context of the regular preparation of national accounts, with data on aggregate GNI and its components before 1 October each year. The data submission is accompanied by a GNI data quality report. This report presents in detail the methodology used to produce the data and in particular describes any significant changes in the sources and methods used and explains the revision of the GNI aggregates and their components compared to previous periods.

The report with the total values of the GNI and its individual components for the purposes of own resources of the budget of EU, accompanied by a GNI Data Quality Report shall be submitted by the Unit for Coordination and Management of the EU's OR via the Mission of Montenegro to the EU – Brussels, with a copy to the Directorate responsible for "EU Policies" in the relevant ministry, to the EC (DG Eurostat) before October 1st each year by electronic and official mail to ES_TAT-C3-GNI@ec.europa.eu, with a copy to the DG "Budget" of the EC.

5.10 Non-Recycled Plastic Packaging Waste Resource - Non-Recycled Plastic Packaging Waste Data and Quality Report

5.10.1 Rules for reporting on the resource based on non-recycled plastic packaging waste

Member States are obliged for the purposes of the CF to provide the EC each year by 31 July with an annual report for the year two years prior to the current year ("N-2"), with statistical data on the weight in kilograms of plastic packaging waste, generated in the member state, and the weight in kilograms of recycled plastic packaging waste, and annual report for year "N-2", with the amounts of the calculated own resource based on non-recycled plastic packaging waste in accordance with art. 6 of Regulation 2021/770.

The own resource based on non-recycled plastic packaging waste is calculated in accordance with Article 2, paragraph 1, letter c) of Decision (EU, Euratom) 2020/2053. The weight of non-recycled plastic packaging waste is calculated in accordance with Article 6a of Directive 94/62/EC on packaging and packaging waste and the methodology specified in the Commission Decision of 22 March 2005 establishing formats related to the system of database according to Directive 94/62/EC (Decision 2005/270/EC) of the Commission, and in particular in Article 6c thereof.

The main steps in determining the non-recycled amounts of plastic packaging waste as a basis for reporting are:

- Calculation of the total amount of plastic packaging placed on the market in the Republic of Montenegro for a specific reporting year, which are considered equal to the plastic packaging waste generated³;
- Checking and summarizing the total amount of plastic packaging waste that has gone through recycling operations;
- Calculation of the difference between the amount of plastic packaging waste generated and the amount of recycled plastic packaging waste for a given reporting year;
- Carrying out a methodological check on the compliance of the data and their calculation and reporting with the requirements of the applicable legislation - Directive 94/62/EC on packaging and packaging waste and the Commission's Decision of 22 March 2005 on establishing formats related to the base system data according to Directive 94/62/EC.

5.11 Responsible organizations for reporting on the resource based on non-recycled plastic packaging waste

The Ministry of Ecology, Spatial Planning and Urbanism (MESPU) shall prepare the Annual Report for the year preceding the current year by two years, with data on the weight of plastic packaging waste generated in Montenegro and the weight of recycled plastic packaging waste.

■ Directorate "Waste Management and Soil Protection"

- Shall prepare the annual report for the second year prior to the current year ("N-2"), with data on the weight in kilograms of plastic packaging waste generated in Montenegro and the weight in kilograms of recycled waste from plastic packaging and submit it to the MoF - Unit for Coordination and Management of the EU's OR within the specified time limits;
- When preparing the annual report, it shall use the data on plastic packaging waste, provided by the Executive Director of the Environmental Protection Agency (EPA) by June 1 of each year in the format defined in the Commission's Decision of March 22, 2005 on establishing templates for database according to Directive 94/62/EO, and reported to the EC by July 1 of each year for the accounting year "N-2";
- Shall prepare additional information regarding the resource based on non-recycled

³ In accordance with Article 6a, paragraph 1, a) of Directive 94/62/EC, packaging waste generated in a given member state can be considered equal to the amount of packaging that was placed on the market in that member state in the same year

plastic packaging waste and submit it to the MoF - Unit for Coordination and Management of the EU's OR upon requested;

- Shall update the national administrative procedures and rules with the changes in the European legislation regarding the resource based on non-recycled plastic packaging waste;
- Shall inform the MoF - Unit for Coordination and Management of the EU's OR about changes in the procedures and rules regarding the resource based on non-recycled plastic packaging waste;
- Shall submit to the MoF - Unit for Coordination and Management of the EU's OR a copy of the information directly exchanged with the EC authorities on OR matters;
- Shall participate in meetings of the expert working group under Article 13 and the committee under Article 14 of Regulation (EU, Euratom) 2021/770 on issues related to the resource based on non-recycled plastic packaging waste. The results of the meeting shall be reported to the MoF - Unit for Coordination and Management of the EU's OR in a brief note;
- Shall cooperate with the MoF - Unit for Coordination and Management of the EU's OR and the representatives of the EC, including during control visits by the EC, on matters related to the non-recycled plastic packaging waste;
- In the event of a change in legislation regarding the methods of reporting, measuring and reporting data on plastic packaging waste resulting from Directive 94/62/EC, including Decision 2005/270/EC, shall notify Monstat and the Environmental Protection Agency of the changes made by January 30 after the end of the reporting year and shall provide methodological assistance to the experts from the Directorate for Macroeconomic Statistics, Department for Environmental and Energy Accounts in Monstat to implement the necessary changes;
- Shall provide information, in accordance with its competence, to the executive director of the EAEP by February 1st of each year about the measures taken in the previous reporting year, including through regulatory amendments related to building and maintaining an effective system for quality control and traceability of packaging waste. The EPA is responsible for processing the data for the packaging waste treatment activities carried out and verifies, summarizes and calculates the data for the recycled plastic packaging waste.

■ **Environmental Monitoring and Assessment Directorate**

- Shall check, compare, summarize and calculate data on packaging waste, including plastic waste submitted according to the requirements of the Waste Management Law (WMA);
- By June 1 of each year, shall submit to the Minister of MESPU with final data on the generated, recycled and processed amounts of packaging waste for the accounting year "N-2";
- When preparing the data on the quantities of packaging waste generated, including plastic waste, shall use the data according to the Ordinance on Packaging and Packaging Waste, adopted on the basis of Art. from WMA;
- Shall report to the EC annually, by July 1 for the reporting year "N-2" of the data on the generated, recycled and recovered amounts of packaging waste, accompanied by a quality control report and a report on the measures taken to build and maintain an effective system for quality control and traceability of packaging waste according to

the format defined in Decision 2005/270/EC;

- Shall assist in the preparation of the annual report for the purposes of the OR for the year two years prior to the current year ("N-2"), by July 1 of each year providing the MESPU with the relevant data on recycled waste from plastic packaging in the approved by the EC template, according to the implementation act under Article 5, paragraph 6 of Regulation (EU, Euratom) 2021/770, in case there are differences in the form and presentation of the data, according to Decision 2005/270/EC;
- Shall participate in meetings of the official working group under Article 13 of Regulation (EU, Euratom) 2021/770.

■ **Directorate for Statistics - Department for Environmental and Energy Accounts**

- Shall conduct annual research on waste with the aim of obtaining data on the types and amounts of waste generated by economic companies - companies in the field of production and service activities and households, data on waste collection and how to deal with it. Waste statistics are harmonized with statistical regulations on waste (Regulation (EC) No 2150/2002, Regulation (EC) No 221/2009; Commission Regulation (EU) No 849/2010). Data are regularly submitted to Eurostat within the required deadlines with quality reports.
- Shall monitor the European legislation in the field of reporting, measurement, calculation and reporting of statistical data in accordance with the requirements of the EU Statistical requirements Compendium.

5.12 Procedure for preparation and submission of report on the resource based on non-recycled plastic packaging waste

■ **Duties of the MoF - Unit for Coordination and Management of the EU's OR**

Pursuant to Article 5(5) of Regulation (EC, Euratom) 2021/770, Member States should provide the EC with an annual report for the year two years prior to the current year ("N-2") with the weight statistics (in kilograms) of plastic packaging waste generated in the Member State and the weight (in kilograms) of recycled plastic packaging waste, and an annual report for year "N-2", with the amounts of the own resource calculated on the basis of non-recycled waste from plastic packaging.

The MoF - Unit for Coordination and Management of the EU's OR shall submit through Mission of Montenegro to the EU - Brussels with a copy to the Directorate responsible for "EU Policies" in the line ministry the documents to the EC (DG Eurostat) before July 31 of each year by official way.

■ **Duties of the MESPU**

Directorate "Waste Management and Soil Protection" at the MESPU submits the prepared annual report by official and electronic means to the MoF - Unit for Coordination and Management of the EU's OR unit no later than 5 working days before the deadline for its official sending to the EC.

■ **Responsibilities of the EPA**

Directorate for Environmental Monitoring and Assessment shall submit to the MESPU relevant data on recycled plastic packaging waste in accordance with the model approved by the EC, according to the implementation act under Article 5, paragraph 6 of Regulation (EU, Euratom) 2021/770 by July 1 of each year.

6. Forecast of Montenegro's contribution to the budget of the EU

6.1 Forecast of own resources based on VAT, GNI and non-recycled waste from plastic packaging

■ Duties of the MoF - Unit for Coordination and Management of the EU's OR in the preparation of the forecast

Every year in the month of February, the EC sends a message to the members of the CCOR-subcommittee "Forecasts", which provides: the draft agenda for the CCOR meeting (usually it takes place in the middle of May), a schedule for the distribution of the EC's forecasts for TOR and estimated resource data based on VAT, GNI and non-recycled waste from plastic packaging and request for the provision by Member States of estimated data on the bases of VAT, GNI and non-recycled plastic packaging waste for the period of the year " N-2' to year 'N+1'.

Based on the message received from the EC and the deadlines set in it, the Unit for Coordination and Management of the EU's OR shall submit a memo to:

- To the Directorate responsible for budget revenue projection in the MoF with a request to provide the estimated data for the VAT base requested by the EC. The VAT forecast should be prepared on the basis of data from the most recent framework with basic macroeconomic indicators.

To the Directorate responsible for macroeconomic projections in the Ministry of Finance with a request to submit data on the forecast of income from GNI, which are submitted to the EC. To the line ministry for submitting forecasts for non-recycled plastic packaging waste. After receiving the estimates on VAT, GNI and non-recycled plastic packaging waste, the Unit for Coordination and Management of the EU's OR shall send them, formatted according to the requirements of the EC, through the new application of the CIRCABC electronic system in the relevant period (usually in the second half of April).

At the beginning of April, the EC sends to the Member States the first set of its forecast data on the TOR and the bases of VAT, GNI and non-recycled plastic packaging waste for each Member State, and after the official publication of the spring economic forecast of the DG "Economic and Financial Affairs" to the EC (usually at the beginning of May), the second set of estimated data for TOR and bases for VAT, GNI and non-recycled plastic packaging waste (via the new application of the CIRCABC electronic system) is also sent, which serves for comparison with the estimated data sent by the Member States. The data on the expected revenue from customs duties for the current and next year, laid down in the first and second set of forecasts of the EC, are sent for information by e-mail to administrative body responsible for customs matters.

The MoF - Unit for Coordination and Management of the EU's OR shall prepare a comparative table between the forecasts presented by the EC and the national forecast data for the bases of VAT, GNI and non-recycled plastic packaging waste. This table includes the following information:

- the data for VAT, GNI and non-recycled plastic packaging waste for Montenegro for the relevant year included in the general budget of the EU;
- the first and second set of estimated data for VAT, GNI and non-recycled plastic packaging waste sent by the EC;
- national estimated data for the bases of VAT, GNI and the amount of non-recycled plastic packaging waste;
- national data on TOR revenues. At the meeting of the CCOR - "Forecasts" subcommittee, the EC informs the member states about its expected revenues from the TOR, and these data are included in the general budget of the EU.

The second set of EC forecasts is accompanied by a comparison between it and the forecast data sent at the end of April by the member state. Based on the established difference between the estimated data, the EC offers options for reaching a compromise (split this difference 50:50 or 2/3 to 1/3 depending on whether the difference is greater than 1%).

MoF - The Directorate for Coordination and Management of EU's OR shall prepare an opinion regarding the harmonization or submission of objections to the EC proposal in coordination with the Directorate responsible for budget revenue projections, the Directorate responsible for macroeconomic projections in the MoF and with the MEPPU. After approval of the opinion by the authorized person, it is sent to the EC through the CIRCABC electronic system.

In the case of disagreement with the EC's compromise proposal, the EC sends a follow-up email with a new compromise proposal, which is usually agreed upon. The agreement is adopted at a meeting of the CCOR - sub-committee "Forecasts" in Brussels, during which the final set of forecast data for TOR, for the resources based on VAT, GNI and non-recycled plastic packaging waste. This final forecast data is included in the EU draft budget for the following year and used as a basis for updating the current budget. The MoF - Unit for Coordination and Management of the EU's OR shall send the set of forecast data approved at the meeting of the CCOR-subcommittee "Forecasts" for information by e-mail to the relevant administrative body, the Directorate responsible for budget revenue projections, the Directorate responsible for macroeconomic projections in the MoF and to the MESPU.

6.2 Forecast of Montenegro's contribution to the general budget of the EU for the purposes of the national budget procedure

6.2.1 Forecast for the total amount of the contribution of Montenegro - responsible organizations

The State Budget Directorate - Unit for Coordination and Management of the EU's OR shall prepare a forecast for the total amount of the Montenegro's contribution to the budget of the EU for the next three years and send it to the Directorate "Budget" in the MoF within the terms set by an act of the Government for the annual budget procedure.

The forecast for the Montenegro's contribution to the budget of the EU shall be prepared based on data received from:

- Directorate responsible for budget revenue projections, which provides estimated data on the revenue from customs duties for the next three years (for each year separately);
- Directorate responsible for macroeconomic projections, in the MoF, which provides a forecast for GNI for the next three years (for each year separately);
- Directorate responsible for budget revenue projections in the MoF, which provides a forecast of the VAT base for the next three years (for each year separately), in line with the last an available and approved framework with basic macroeconomic indicators;
- Directorate for waste management and soil protection in the MESPU, which provides a forecast for the base of non-recycled plastic packaging waste for the next three years (for each year separately).

The State budget Directorate - Unit for Coordination and Management of the EU's OR updates the estimated data for the total amount of the contribution of Montenegro based on received more current estimated data for the bases of VAT, GNI and non-recycled plastic packaging waste and in the terms according to the decision of the Government on the budget procedure for the relevant year.

The Directorate responsible for budget revenue projections in the MoF shall prepare the following:

6.2.2 Forecast of revenue from customs duties

Forecasts for the receipts from customs duties for the next budget year, as well as for the next three years on the basis of:

- 1) indicators included in the framework provided by the MoF with basic macroeconomic indicators, namely:
 - Non-energy commodity price index;
 - Change in physical volume when importing goods and services;
 - Change in value volume (at current prices) when importing goods and services;
 - Change in the USD/EUR exchange rate;
- 2) economic analysis of the foreign trade exchange data and by applying statistical methods for the analysis of dynamic data series for the following indicators in the previous five years:
 - Volume of imports in terms of value - total;
 - Import of goods excluding crude oil and fuel oil in terms of value;
 - Import of goods without crude oil and fuel oil in quantitative terms;
 - Total revenue from import duties;
 - Changes in the weighted average rates of import duties - total for goods excluding crude oil and fuel oil;
 - Changes in the weighted average statistical value per kg of imported goods - total for goods without crude oil and fuel oil.

When preparing the revenue estimates from customs duties in the relevant year, the current regulatory requirements and their upcoming amendments shall be considered, including the EU's arrangements on preferential trade agreements, the EU's unilaterally applied preferential tariff measures and trade policy measures.

6.2.3 Forecast for the VAT base for the next year

Forecast of the VAT base for the next three years as part of the budgeting process based on macroeconomic indicators, presented by the Directorate responsible for budget revenue projections of the state budget directorate in the Ministry of Finance as part of budgeting for the next year.

The forecast shall include data on the VAT base for the current financial year. Monstat shall provide the Directorate by March 15 of each year with the following information:

- Conditional rent for owner-occupied housing;
- Consumption of goods and services of own production;
- Intermediate consumption of the "Government" sector.

The department responsible for customs revenues in the Administration submits to the Directorate information by January, 17th of the current year on the VAT receipts from imports from the previous year by groups of goods and taxable value.

The sector responsible for operations in the area of collection in the administrative body responsible for the area of taxes shall send to the Directorate in the MoF by March 15th of each year data on VAT revenues from transactions in the country, intra-community operations (ICO) and the refunded VAT.

Based on the received data, the Directorate responsible for budget revenue projections shall prepare a forecast for the VAT base using a regression mathematical model for import receipts and a microsimulation model for total revenues. The EC's three-component model (macroeconomic projections for the three components) shall be applied to compare the final outputs (household final consumption expenditure, intermediate consumption and gross fixed capital formation by sector "Government").

6.2.4 Forecast of the GNI base for the next year

The Directorate responsible for macroeconomic projections in the Ministry of Finance is responsible for preparing a framework with the main macroeconomic indicators of the country for the next three years, including the GNI forecast. The framework is officially updated twice a year for the purposes of the state budget preparation process. The forecast is prepared on the basis of an integrated economic model using official statistical data from Monstat, the CBCG and the Ministry of Finance. The basic macroeconomic indicators shall be sent to the Unit for Coordination and Management of the EU's OR, the State Budget Directorate in the MoF in EXCEL format as part of the budget preparation procedure for the relevant year.

6.2.5 Resource forecast based on non-recycled plastic packaging waste for next year

The Waste Management and Soil Protection Department of the MESPU shall prepare as part of the budget preparation procedure, make forecasts of the basis of non-recycled plastic packaging waste for the next three years.

The forecast shall be prepared on the basis of the calculation tool proposed by the EC. The tool includes the data on the amount of plastic packaging waste generated and the amount of recycled plastic packaging waste for the reporting year "N-2", as well as estimated data on the growth rate of the gross national income set until 2030.

The preparation of the forecast involves the annual entry of data for the reporting year "N-2" for plastic packaging waste and automatic application of the formulas set in the tool that form the estimated values of non-recycled plastic packaging waste.

The forecast data shall be sent to the MoF - Unit for Coordination and Management of the EU's OR within the national budget procedure for the relevant year.

6.3 Procedure for preparing a forecast for the contribution of Montenegro to the budget of the EU for the purposes of a national budget procedure

I-st stage of the budget procedure

Based on the preliminary three-year macroeconomic forecast in the first half of February, the State Budget Directorate - Unit for Coordination and Management of EU OR plans contributions to the EU budget for the next three years. The contribution planning procedure includes:

- 1) The Directorate responsible for budget revenue projections provides:
 - the estimated data on customs revenue by year for the next three years with a brief explanation on the assumptions based on which the estimate has been prepared;
 - estimated data on the VAT base by year for the next three years, with a brief

explanation on the assumptions for the VAT base.

- Forecast data shall be based on the latest approved macroeconomic forecast and prepared within the deadlines for the budget procedure.
- 2) The MESPU shall provide forecast data for the base of non-recycled plastic packaging waste by year for the next three years with brief explanation on the assumptions for the forecast.
 - 3) The State Budget Directorate - Unit for Coordination and Management of the EU's OR shall summarize the GNI data from the macroeconomic forecast, the estimated customs revenues, VAT base and non-recycled plastic packaging waste. Consolidated data on official inclusion in the national budget. The data shall be entered in the Budget Information System too.
 - 4) For the update of the three-year macroeconomic forecast in the second half of March, the parties above shall submit updated forecast for each of the own resources with explanatory note on the assumptions based on the updated macroeconomic forecast. Budget Directorate - The Directorate for Coordination and Management of the EU's OR, based on updated forecasts, updates the plan of Montenegro's contribution to the EU budget for the next three years in accordance with the budget preparation deadlines, together with the explanation of the estimated data. In May the final set of forecast data for TOR and for the bases of VAT, GNI and non-recycled plastic packaging waste, is approved at a meeting of the EC' CCOR-subcommittee "Forecasts".

II-nd stage of the budget procedure

- 1) In September, based on the approved macroeconomic forecast and the forecast data approved at the meeting of the EC' CCOR-subcommittee "Forecasts" the Unit for Coordination and Management of the EU's OR updates the plan for the contributions of Montenegro to the budget of the EU, following the established procedure. The final plan for the contributions is sent to the State Budget Directorate with the explanatory note and entered in the same time in the Budget Information System.

In case of additional updates of the macroeconomic forecast, the Unit for Coordination and Management of the EU's OR can update the plan for the contributions of Montenegro to the budget of the EU based on updated forecast data from the Directorate responsible for budget revenue projections. Direct TOR for customs duties, VAT base and MESPU for the non-recycled plastic packaging waste base, which is submitted to the Budget Directorate in accordance with the budget preparation procedure.

6.4 Preparation of quarterly budgets on expected payments for Montenegro's contribution to the EU budget for the current year

In January the following data shall be filled in a table:

- The distribution of the twelfths for the payment of the national contribution, usually taken from the previous year;
- Montenegro's contribution to the budget of the EU as per the annual Budget Law;
- One twelfth contribution from resources based on VAT, GNI and non-recycled plastic packaging waste and the gross reductions of Austria, Denmark, the Netherlands, Germany and Sweden;
- The contribution currently paid (usually the contribution paid for the January and if known the TOR due for January and the contribution for VAT, GNI and non-recycled plastic packaging waste based own resources for February).

- The pledged annual contribution as per the annual Budget Law is divided into 4 quarters and then by months.

In the table for planning the monthly and quarterly amounts the data in the column "Forecast to..." shall be equal to the date in the column "Pledged contribution in the annual budget of Montenegro for 20XX year" in the first and second quarter. In the middle of the year, when the draft corrective budget prepared, reflecting the agreed data at a meeting of the CCOR - subcommittee "Forecasts", the amounts of resources based on VAT, GNI and non-recycled plastic packaging waste are used to improve the forecast and the gross reductions for Austria, Denmark, the Netherlands, Germany and Sweden. The reason for this change is that at that time the EC would have more information on the implementation of the EU's budget. For TOR, the contribution stipulated in annual State Budget Law shall be used.

The table shall be accompanied by explanatory note on all facts, assumptions and contingencies, including the draft corrective budgets, which are discussed and await approval.

The document shall be sent to the State Treasury for planning the payments. The table with the planned payments shall be updated if any new data is available:

- Traditional Own Resources according to the relevant report for account "A";
- National monthly contributions (resources based on VAT, GNI and non-recycled plastic packaging waste and gross reductions for Austria, Denmark, the Netherlands, Germany and Sweden);
- Interest on late payments;
- Balance of resources based on VAT, GNI and non-recycled plastic packaging waste;
- The contribution for the adjustment for non-participation of Member States in certain freedoms, security and justice policies (Opt out).

7. Advisory Committee on OR - subcommittees TOR, VAT and "Forecasts"

7.1 The GNI Expert Group and the Generated and Recycled Plastic Packaging Waste Expert Group

7.1.1 Functions and organization of work

The relationship between the EC and the Member States is institutionalized through the Consultative Committee on OR (CCOR), the Expert Group on GNI and the Expert Group on Generated and Recycled Plastic Packaging Waste (on the basis of Article 13 of Regulation (EU, Euratom) 2021/770).

CCOR discusses issues related to the functioning of the own resource system, the Expert Group on GNI examines Member States' calculations of their own GNI at market prices and the statistical sources used and methodological issues in this regard, and the Expert Group on Plastic Packaging Waste Generated and Recycled provides advice to the Commission and expresses its opinion on the comparability, reliability and comprehensiveness of statistical data on plastic packaging waste generated and recycled, advises the Commission on the preparation of measures to achieve better data comparability and reliability and publishes annual opinions on the appropriateness of plastic packaging waste data, submitted by Member States for own resource purposes based on non-recycled plastic packaging waste.

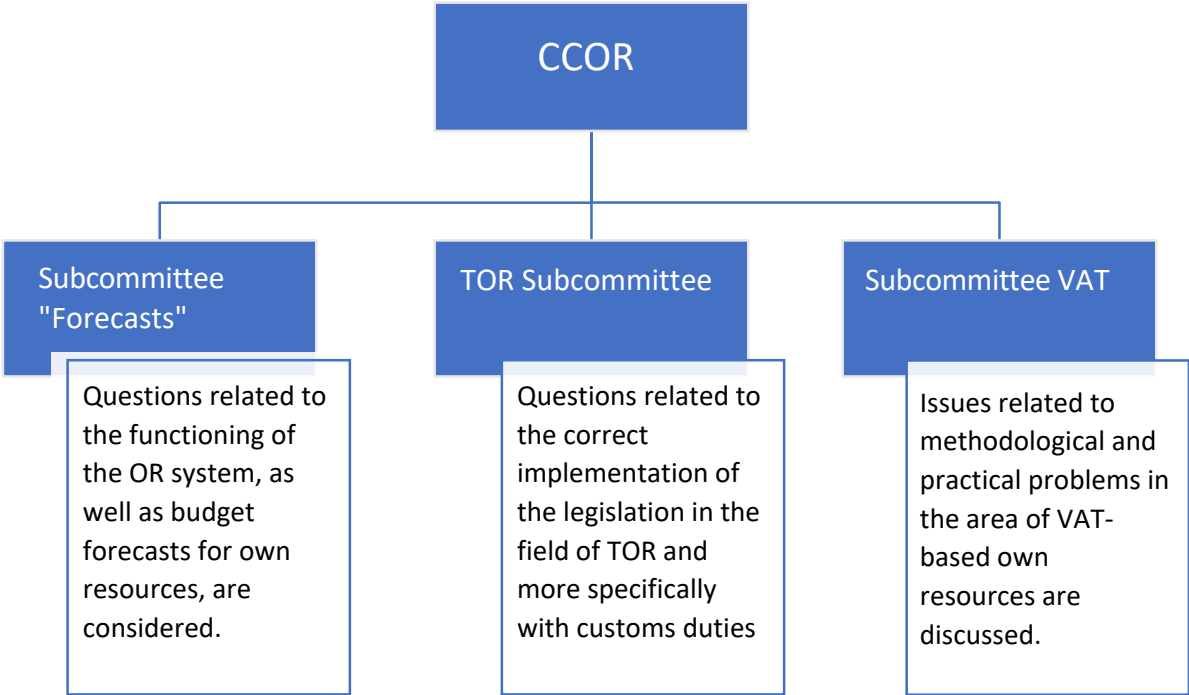


Fig. 1

Each member state is represented in the CCOR by a maximum of five officials. The chairperson of the CCOR is a representative of the Commission. The functions of the secretariat are carried out by DG "Budget". The meetings of the CCOR are convened 4 times a year – the "Forecasts" subcommittee in May, the TOR subcommittee in July and December, and the VAT subcommittee in November/December.

At the meetings of the CCOR - "Forecasts" subcommittee, issues related to the provision and updating of the budget forecasts for the OR are discussed. The purpose of the meetings of the CCOR "Forecasts" is to confirm the estimated data for resources based on VAT, GNI and non-recycled plastic packaging waste for the draft budget of the EU for the next year, as well as to approve revised estimated data for resources based on VAT, GNI and non-recycled plastic packaging waste for the budget for the current year.

Forecasts of the resource bases from VAT, GNI and non-recycled plastic packaging waste are prepared at the level of an individual Member State and the EC forecast is compared with the forecast of the Member State itself. Differences are discussed until reconciled in order to produce the more accurate forecast.

At the meeting, the EC's forecast for the TOR for all member states is also presented.

At the meetings of the CCOR - TOR sub-committee, issues related to the correct implementation of the legislation in the field of TOR with a focus on the customs duties. A review of the results of the control inspections carried out by the EC on the establishment, reporting and payment of TOR and the feedback provided by the Member States on these reports is carried out. The program for upcoming inspections in the coming year is presented, as well as statistical information on the cases of fraud and irregularities entered into the web-based OWNRES system of the EC. Information on TOR write-off cases entered into the EC's web-based WOMIS system is provided.

At the meetings of the CCOR - VAT subcommittee, issues related to methodological and practical problems in the field of OR on a VAT basis are discussed. The reports of the control visits carried out by the EC in the member states and the answers given by them on the conclusions and recommendations made are discussed. The next year's program for conducting control visits is presented.

At the request of the chairperson, the Committee may issue an opinion on issues within a period determined by the chairperson depending on the urgency of the relevant matter, if necessary after holding a vote. The opinion is reflected in the meeting minutes. In addition, each member state has the right to request that its position be entered in the same minutes. The EC complies to the maximum extent with the opinion of the Committee and informs the Committee about the way in which its opinion has been considered.

7.2 Obligations of the member states in relation to the preparation for the CCOR meetings

Depending on the topics discussed, Montenegro is represented in the CCOR by experts nominated by the responsible organizations in charge for the OR. As a rule, representatives of the State Budget Directorate - Unit for Coordination and Management of the EU's OR participate in the meetings of the subcommittee "Forecasts", representatives of the administrative authority responsible for the area of taxes and customs in the VAT and TOR subcommittee. The Montenegro' representatives in the CCOR shall prepare feedback on the agenda of the meeting, which shall be sent to the MoF - Unit for Coordination and Management of the EU's OR for information purposes.

Within 2 weeks after the meetings, all participants of the CCOR meetings shall submit a copy

of the report on the results of the meeting to the Unit for Coordination and Management of the EU's OR by e-mail.

8. Control of own resources

8.1 At the level of the European Union

The control functions are carried out through inspections by the EC in the member states by types of OR according to Article 2 of Regulation (EU, Euratom) 2021/768.

Regarding the control of the TOR, the EC carries out control visits to the Member States in accordance with the EC Action Program for the relevant year, communicating in advance the period and the specific topics for inspection, as well as presenting a questionnaire to be completed and provided by the Montenegro' authorities before the control visit. Member States also carry out their own inspections, as well as those at the request of the EC.

The checks of the resource on the basis of VAT are carried out according to Article 11 of Regulation 1553/89. Usually, the EC makes inspection visits to the Member States every 2 years, and the period and years of inspection are announced in advance.

Together with the Member State, each year the EC also checks the aggregated GNI values provided for compilation errors, and may also examine the calculations and statistical bases. The EC should have access to the documents related to the statistical procedures and basic statistical information referred to in Article 3 of Regulation 516/2019.

Where the control and supervision measures relate to the own resource based on non-recycled plastic packaging waste referred to in Article 2(1)(c) of Decision (EU, Euratom) 2020/2053, the Commission shall have access to the documentation in relation to the procedures and data specified in Directive 94/62/EC and Decision 2005/270/EC. The Commission's inspections are carried out together with the competent authorities of the respective member state. During these inspections, the Commission verifies that the operations for calculating the weight of non-recycled plastic packaging waste referred to in Article 2(2) of Decision (EU, Euratom) 2020/2053 have been carried out correctly.

8.2 At the national level

At the national level, control is carried out in the following two ways:

8.2.1 Internal control

Each organization responsible for OR shall introduce specific rules and control procedures to ensure sound management of own resources. The general principles of internal control are regulated in the Law on Governance and in Internal Control in Public Sector, and each manager, depending on the specifics and functions of the organization, shall integrate adequate and efficient controls into the management systems and processes.

8.2.2 Internal audit

The internal audit in the public sector in Montenegro is carried out in accordance with the provisions of the Law on Governance and in Internal Control in Public Sector and the International standards for professional practice in internal auditing.

The OR fall within the scope of the internal audit units in the organizations in charge for their management. The internal audit units shall assess the risks related to the OR and if there is high risk of fraud, irregularities and incompliance, they shall include the OR in the annual audit plans.

8.2.3 Actions by Member States in relation to EC inspections in relation to OR

In relation to the EC inspections in connection with the OR, the authorities in Montenegro shall carry out the following actions:

- The EC sends an invitation to Montenegro to submit proposals for topics to be included in the action program for the control visits in connection with the TOR in the relevant year;
- Invitation from the EC to Montenegro for coordination and possible notes on the program for the relevant control visit of the EC to Montenegro;
- Information from the EC about its authorized officials to participate in the relevant control visit to Montenegro, the topics to be checked, as well as presentation of a questionnaire, which should be completed and provided by the authorities in Montenegro before the control visit;
- Sending a report of the EC to the authorities in Montenegro, containing the results of the relevant control visit, with an invitation to provide an opinion within a certain period;
- Letter-reply of the EC to the authorities in Montenegro in relation to its opinion on the comments received from the authorities in Montenegro on the findings in the report, as well as in relation to the follow-up actions after the relevant control visit.

8.2.4 Actions of the Unit for Coordination and Management of the EU's OR in relation to EC inspections in relation to OR

The State Budget Directorate - Unit for Coordination and Management of the EU's OR performs the following actions in relation to the preparation, conduct and follow-up of EC control visits in relation to OR:

- 1) After receiving an official letter from the EC through the Mission of Montenegro to the EU - Brussels, the MoF - Unit for Coordination and Management of the EU's OR shall inform the relevant administrative authorities about the requested information with a deadline for its submission.
- 2) The EC request for information shall be send to Montenegro for coordination and possible comments on the program of the relevant control visit of the EC to MNE
- 3) Following the delivery of the response, the MoF - Unit for Coordination and Management of the EU's OR prepares the response, which is then sent to the Mission of Montenegro to the EU – Brussels. A copy of the letter is stored in the OR documentation folder.
- 4) The Unit for Coordination and Management of the EU's OR is responsible for the diligent storage and arrangement of the entire documentation related to the preparation and conduct of the control visits of the EC, as well as the corresponding follow-up actions.

9. ANNEXES

ANNEX 1 - EU acquis relating to negotiating chapter 33

1. 32020D2053 – I (Legislative acts) Council Decision (EU, Euratom) 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision 2014/335/EU, Euratom
2. 32021R0768 – I (Legislative Acts) Council Regulation (EU, Euratom) 2021/768 of 30 April 2021 laying down implementing measures for the system of own resources of the European Union and repealing Regulation (EU, Euratom) No 608/2014
3. 32021R0769 – Council Regulation (EU, Euratom) 2021/769 of 30 April 2021 amending Regulation (EEC, Euratom) No 1553/89 on the definitive uniform arrangements for the collection of own resources accruing from value added tax
4. 32021R0770 – Council Regulation (EU, Euratom) 2021/770 of 30 April 2021 on the calculation of the own resource based on plastic packaging waste that is not recycled, on the methods and procedure for making available that own resource, on the measures to meet cash requirements, and on certain aspects of the own resource based on gross national income
5. 32014R0609 – Council Regulation (EU, Euratom) No 609/2014 of 26 May 2014 on the methods and procedure for making available the traditional, VAT and GNI-based own resources and on the measures to meet cash requirements (Recast)
6. 32006L0112 – I (Acts whose publication is mandatory) Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax.
7. 32006L0079 – Council Directive 2006/79/EC of 5 October 2006 on the exemption from taxes of imports of small consignments of goods of a non-commercial character from third countries (codified version)
8. 32007D0436 – 2007/436/EC, Euratom: Council Decision of 7 June 2007 on the system of the European Communities' own resources
9. 32007L0074 – Council Directive 2007/74/EC of 20 December 2007 on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries
10. 31989R1553 – Council Regulation (EEC, Euratom) No 1553/89 of 29 May 1989 on the definitive uniform arrangements for the collection of own resources accruing from value added tax
11. 32018D0194 – Commission Implementing Decision (EU, Euratom) 2018/194 of 8 February 2018 establishing models for statements of accounts for entitlements to own resources and a form for reports on irrecoverable amounts corresponding to the entitlements to own resources pursuant to Council Regulation (EU, Euratom) No 609/2014
12. 32019D0665 – Commission Implementing Decision (EU) 2019/665 of 17 April 2019 amending Decision 2005/270/EC establishing the formats relating to the database system pursuant to European Parliament and Council Directive 94/62/EC on packaging and packaging waste (notified under document C (2019) 2805) (Text with EEA relevance.)
13. 31994L0062 – European Parliament and Council Directive 94/62/EC of 20 December 1994 on packaging and packaging waste;
14. 32018D0195 – Commission Implementing Decision (EU, Euratom) 2018/195 of 8 February 2018 establishing forms for reporting on fraud and irregularities affecting entitlements to traditional own resources and on inspections relating to traditional own resources pursuant to Council Regulation (EU, Euratom) No 608/2014
15. 32013R0952 – I (Legislative Acts) Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (recast)
16. 32002R0359 – Regulation (EC) No 359/2002 of the European Parliament and of the Council of 12 February 2002 amending Council Regulation (EC) No 2223/96 as concerns the use of ESA 95 in the determination of Member States' payments to the VAT-based own resource;
17. 32019R0516 – Regulation (EU) 2019/516 of the European Parliament and of the Council of 19 March 2019 on the harmonization of gross national income at market prices and repealing Council Directive

89/130/EEC, Euratom and Council Regulation (EC, Euratom) No 1287/2003 (GNI Regulation) (Text with EEA relevance.)

18. 32013R0549 – I (Legislative Act) Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union Text with EEA relevance

20. 32010D0196 – 2010/196/, Euratom: Council Decision of 16 March 2010 on the allocation of financial intermediation services indirectly measured (FISIM) for the establishment of the gross national income (GNI) used for the purposes of the European Union's budget and its own resources

21. 31994D0168 – II (Acts whose publication is not mandatory) 94/168/EC, Euratom: Commission Decision of 22 February 1994 on measures to be taken for the implementation of Council Directive 89/130/EEC, Euratom on the harmonization of the compilation of gross national product at market prices

22. 32009R0223 – Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (Text with relevance for the EEA and for Switzerland)

23. 32020Q1222(01) – Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources

24. 32009R1186 – Council Regulation (EC) No 1186/2009 of 16 November 2009 setting up a Community system of reliefs from customs duty (Codified version)

25. COMMISSION IMPLEMENTING DECISION (EU) 2022/523 of 31 March 2022 amending Implementing Decision (EU, Euratom) 2018/194 as regards the collection costs and models for statements of accounts for entitlements to traditional own resources and the form for reports on irrecoverable amounts

26. 32015R2446 - II (Non-legislative acts) Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code

27. 32015R2447 - Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code

28. I (Acts whose publication is mandatory) COUNCIL REGULATION (EC, EURATOM) No 1150/2000 of 22 May 2000 implementing Decision 94/728/EC, Euratom on the system of the Communities' own resources

ANNEX 2 - Schedule of activities

Task	Period	Responsible organization	To whom it is sent
Monthly account statement	No later than 4 working days before the first working day after the 19 th of the month	The authority of the Administration responsible for the area of customs	MoF – Unit for coordination and management of EU OR
Monthly account statement "A" and data on the fundamental interest rate	3 working days before the first working day after the 19 th of the month	MoF – Unit for coordination and management of EU OR	EC
Account Payment Order 'A'	No later than 2 working days before the first working day after the 19 th of the month	MoF – Unit for coordination and management of EU O	MoF - State Treasury Directorate
Transfer of monthly contribution to TOR (TSS)	No later than the first working day after the 19 th of the month	MoF - State Treasury Directorate	CBCG
Confirmation of the completed transaction	Up to 3 working days after the date of payment	MoF - State Treasury Directorate	MoF – Unit for coordination and management of EU OR
Quarterly account statement B	No later than 2 working days before the first working day after the 19 th of the month	The authority of the Administration responsible for the area of customs	MoF – Unit for coordination and management of EU OR
Quarterly account statement B	No later than the first working day after May 19 th , August and November of the same year and February of the following year.	MoF – Unit for coordination and management of EU OR	EC
Registration in the EC's OWNRES system of cases of fraud and irregularities above EUR 10,000 related to customs	By the last working day of the second month following the corresponding quarter	The authority of the Administration responsible for the area of customs	Copy to MoF – Unit for coordination and management of EU OR

Preparation and submission of the Annual Report on TOR (TSS) for the previous year	No later than 3 working days before the end of February after the end of the respective year	The authority of the Administration responsible for the area of customs	MoF – Unit for coordination and management of EU OR
Annual TOR (TSS) report for the previous year	No later than March 1 st of the following financial year	MoF – Unit for coordination and management of EU OR	EC
Order for the payment of the national contribution (funds based on VAT/VAT/ non-recycled plastic packaging waste, gross reductions for Austria, Denmark, Germany, the Netherlands and Sweden) after receiving a payment request from the EC	In the second half of every month	MoF – Unit for coordination and management of EU OR	MoF - State Treasury Directorate
Transfer of monthly national contribution for own funds based on VAT/GNI/non-recycled and plastic packaging waste, gross reduction for Austria, Denmark, Germany, Netherlands and Sweden	On the first working day of every month	MoF - State Treasury Directorate	CBCG
Confirmation of the completed transfer of the national contribution for own funds	Up to 3 working days after the date of payment	MoF - State Treasury Directorate	MoF – Unit for coordination and management of EU OR
Order for payment of interest on overdue payments and other contributions	Within the deadline set by the EC, specified in the officially received letter	MoF – Unit for coordination and management of EU OR	MoF - State Treasury Directorate
Transfer of interest for overdue payments and other installments	Within the deadline set by the EC, specified in the official letter	MoF - State Treasury Directorate	CBCG
Confirmation of the transfer of interest and other payments	Up to 3 working days after the date of payment	MoF - State Treasury Directorate	MoF – Unit for coordination and management of EU OR

Preparation of the Annual Report for the VAT base for the needs of the OR for the previous year	No later than 6 working days before July 31 st each year	State Administration body responsible for tax matters	MoF – Unit for coordination and management of EU OR
Sending the Annual Report for the VAT base for the needs of the OR for the previous year	By July 31 st each year	MoF – Unit for coordination and management of EU OR	EC
Creation and delivery of the annual report on waste plastic packaging	No later than 6 working days before July 31 st	Ministry responsible for waste management	MoF – Unit for coordination and management of EU OR
Submitting the annual report on waste plastic packaging	By July 31 st each year	MoF – Unit for coordination and management of EU OR	EC
Delivery of forecasts for the bases of VAT, GNI and non-recycled plastic packaging waste for the purposes of the EU budget procedure	By mid-March every year	MoF – Directorate for Macroeconomic Analysis, State Administration body responsible for tax affairs, Ministry responsible for management affairs	MoF – Unit for coordination and management of EU OR
Sending invoices for the basis of VAT, BND and non-recycled plastic packaging waste	Until April 15 every year	MoF – Unit for coordination and management of EU OR	EC
Forecast of the base of non-recycled plastic packaging waste for the next three years (for each year separately) for the purposes of budget planning	Within the deadlines specified in the Plan for the preparation of three-year budget projections	Ministry responsible for waste management, Environmental Protection Agency	MoF – Unit for coordination and management of EU OR

Forecast of the GNI base for the next three years (for each year separately) for the needs of the state budget	According to the deadlines specified in the Three-Year Budget Plan	Ministry of Finance - Directorate for Macroeconomic Analysis and Forecasts.	MoF – Unit for coordination and management of EU OR
Forecast of the VAT base for the next three years (for each year separately) for the purposes of planning the state budget	Within the deadlines set by the Three-Year Budget Plan	State administration body responsible for tax area	MoF – Unit for coordination and management of EU OR
Preparation of GNI data for the previous year	September every year	Monstat	MoF – Unit for coordination and management of EU OR
Submitting data on GNI for the previous year and three previous years, as well as the Descriptive Report + Quality Report	No later than 4 working days before October 1 st each year	Monstat	MoF – Unit for coordination and management of EU OR
Sending data on GNI for the previous year	Before October 1 st each year	MoF – Unit for coordination and management of EU OR	EC, Eurostat

ANNEX 3 - Report on accounts A and B

ANNEX I

"A" ACCOUNT OF OWN RESOURCES OF THE EUROPEAN UNION

Statement of established entitlements ⁽¹⁾

Member State:

Month/year:

<i>(national currency)</i>								
NATURE OF RESOURCE		Member State's reference (optional)	Amounts established during month ⁽²⁾	Amounts recovered from separate account ⁽³⁾	Corrections to earlier establishments ⁽⁴⁾		Gross amounts (5) = (1) + (2) + (3) - (4)	Net amounts (6)
			(1)	(2)	+	-		
(3)	(4)							
1210	Customs duties (excluding countervailing and anti-dumping)							
1230	Countervailing and anti-dumping duties on products							
1240	Countervailing and anti-dumping duties on services							
12	CUSTOMS DUTIES							
1100	Compensation for production in relation for the market year 2005/2006 and the previous year							
1100	Sugar levies							
1130	Compensation for sugar production C, isoglucose C and inulin syrup C which are not exported and for substitute sugar C and substitute isoglucose C							
1170	Production fee							
1180	Lump sums for additional quotas sugar and supplementary isoglucose quotas							

1190	Fee for exceeded quantities						
11	SUGAR LEVIES						
TOTAL 12 + 11							
					- 25 % collection costs ⁽⁵⁾ - 20 % collection costs ⁽⁶⁾ - 25 % collection costs ⁽⁷⁾ - 10 % collection costs ⁽⁸⁾		
					Total to be paid to the EU		

(1) Including entitlements as a result of inspections and detected cases of fraud and irregularities.

(2) Including accounting corrections.

(3) Including amounts declared or deemed irrecoverable for reasons attributable to the Member States.

(4) Corrections to initial establishments, in particular cases of post-clearance recovery and repayment. For sugar, corrections relating to earlier years must mention the corresponding marketing year.

(5) The 25 % deduction rate is to be applied to amounts, which in accordance with applicable Union rules, were to be made available between 1 March 2001 and 28 February 2014.

(6) The 10 % deduction rate is to be applied to amounts, which in accordance with applicable Union rules, were to be made available before 28 February 2001.

ANNEX TO THE STATEMENT OF THE "A" ACCOUNT OF THE OWN RESOURCES OF THE EUROPEAN UNION

Monitoring of recovery of amounts which relate to cases of irregularities or delays identified through control and supervision measures ⁽¹⁾

Month/year

<i>(national currency)</i>							
Gross amount of ownresources recovered	References to irregularities or delays in theestablishment, entry in the accounts and making available of own resources noted asa result of national or Union inspections ⁽²⁾ ⁽³⁾ ⁽⁴⁾	Rate of deduction to be applied ⁽⁵⁾			Amounts included under the heading "Total to be paid to theEU"		Other information ⁽⁶⁾
		20 %	25 %	10 %	YES ⁽⁷⁾	NO ⁽⁸⁾	
Total:							

(1) Article 2(3) or Article 4(6), third subparagraph, of Regulation (EU, Euratom) 2021/768.

(2) References to reports pursuant to Article 13(3) of Regulation (EU, Euratom) No 609/2014 are also to be shown in this column.

(3) References to Commission letters and inspection reports are also to be mentioned in this column.

(4) If applicable, the following specific references shall also be mentioned:

(a) OWNRES reference;

(b) references to identify individual payments related to Member States' financial responsibility for administrative errors;

(c) references to the national decisions, as also included in the Annex to the statement of the separate account (Annex IV) in cases where the Member State autonomously considers that the conditions of Article13(2) of Regulation (EU, Euratom) No 609/2014 are not met and TOR is made available voluntarily.

(5) Mark with an X the retention rate applied to the amount.

(6) Include in this heading further information regarding each amount entered in the annex:

(a) if an amount is made available separately from the current monthly statement and not included in the "Total to be paid to the EU", indicate here the date of making available of the amount and information to identify the amount at stake;

(b) indicate here if a payment is made under reservation;

(c) regular date for making the amount available.

(7) Mark with an X, if the amount is included in the current monthly statement.

(8) Mark with an X if the amount was made available separately and not included in a previous statement or Annex.

OWN RESOURCES OF THE EUROPEAN UNION – SEPARATE ACCOUNT ⁽¹⁾

Statement of established entitlements not included in “A” account

Member State:

Quarter/year:

NATURE OF RESOURCE		Outstanding from previous quarter (1)	Established entitlement for current quarter (2)	Corrections of establishments (Article 8) (2) (3)	Irrecoverable amounts which cannot be made available for justified reasons (Article 13(2) (3) (4)	Total (1 + 2 ± 3 - 4) (5)	Amounts recovered for the EU budget during current Quarter (4) (5) (6)	(national currency)
								Outstanding at end of current quarter (7) = (5) - (6)
1210	Customs duties (excluding countervailing and anti-dumping)							
1230	Countervailing and anti-dumping duties on products							
1240	Countervailing and anti-dumping duties on services							
12	CUSTOMS DUTIES							
1100	Compensation for production in relation to the 2005/2006 market year. and the previous year							
1100	Sugar levies							
1130	Compensation for sugar production C, isoglucose C and inulin syrup C which are not exported and for substitute sugar C and substitute isoglucose C							
1170	Production fee							
1180	One-time amounts for additional quotas sugar and supplementary isoglucose quotas							
1190	Compensation for exceeded quantities							
11	SUGAR LEVIES							
TOTAL 12 + 11								

Estimate of amounts established for which recovery is unlikely ⁽⁶⁾

-
- (1) 'B' account kept pursuant to the second subparagraph of Article 6(3) of Regulation (EU, Euratom) No 609/2014, including entitlements established as a result of inspections and detected cases of fraud and irregularities.
 - (2) Correction of establishments shall be understood as corrections, including cancellations resulting from a revision of the initial establishment arising from previous quarters. They differ by nature from those entered in column (4).
 - (3) All the cases are to be set out in Annex IV, which is to be returned at the same time as this quarterly statement. The total for this column (4) and the total in column 2 of Annex IV shall be the same.
 - (4) The total for this column shall be the same as the total given in column (2) of the statement of the 'A' account for the three months concerned.
 - (5) Including all amounts, which had not been recovered from debtors for reasons attributable to the Member State. These need to be entered in column 2 of the 'A' account statement (Annex I) and are equally to be shown in column 1 of Annex IV.
 - (6) Compulsory for the final quarter of each year. If the estimate comes to zero, the word 'nil' shall be entered.'
-

ANNEX IV

ANNEX TO THE STATEMENT OF THE SEPARATE ACCOUNT OF THE OWN RESOURCES OF THE EUROPEAN UNION

List of amounts in the 'B' account declared or deemed irrecoverable ⁽¹⁾ ⁽²⁾

Quarter/year

9.

Gross amount of own resources		Reference to national decision	OWNRES reference ⁽³⁾	WOMIS reference ⁽³⁾
Entered in the 'A' account	Not entered in the 'A' account			
(1)	(2)			
TOTAL:	TOTAL:			

(1) Article 13(2) of Regulation (EU, Euratom) No 609/2014.

(2) Including all amounts which had not been recovered from debtors for reasons attributable to the Member State.

(3) If applicable.

ANNEX V

FORM OF THE REPORT ⁽¹⁾ ON IRRECOVERABLE AMOUNTS CORRESPONDING TO THE ENTITLEMENTS TO OWN RESOURCES

Unless otherwise stated, all information must be provided if available and relevant. All amounts are to be indicated in the currency of the respective Member State at the time of reporting.

1. GENERAL DATA

Member State:

Reference of the report:

(the Member State's code/year of reporting/serial number of the year of reporting)

Reference to a related information form sent beforehand pursuant to Article 5(1) of Regulation (EU, Euratom) 608/2014:

Justification of absence of a reference to the aforementioned information form:

Case related to a Union inspection (Yes/No)

Reference to a related Union inspection:

Total amount irrecoverable:

Authority that declared or deemed the amount irrecoverable:

National reference of the administrative decision of irrecoverability:

(See third column of Annex IV)

Date of the administrative decision on irrecoverability:

Date on which the amount was to be deemed irrecoverable:

2. DEBT INCURRED

Date or period during which the debt was incurred:

Legal basis for the incurrence of the debt:

(Legal bases preceding Council Regulation (EEC) No 2913/92 ⁽²⁾ are to be indicated by using the relevant article of Regulation (EEC) No 2913/92)

Indirect representation (Article 18 of Regulation (EU) No 952/2013 of the European Parliament and of the Council (3) or precursors): (Yes/No)

Customs situation:

(Customs procedure in force, situation of the goods or customs-approved treatment at the time of the customs debt being incurred)

Additional details to be indicated in the case of transit movements:

— Date(s) of acceptance of the customs declaration (4):

— Member State(s) of departure or entry into the Union (ISO Code):

— Member State(s) of destination or exit from the Union (ISO Code):

— MRN ⁽⁵⁾(s) of the transit declaration(s) or TIR operation(s):

— TIR carnet number(s):

10.

(1) Referred to in Article 13(3), the second and third subparagraph, of Regulation (EU, Euratom) No 609/2014.

(2) Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).

(3) Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).

(4) Including TIR Carnets.

(5) International payment for master reference number/movement reference number

112.

Type of check that led to the establishment of the entitlement:

- Checks not related to the acceptance of a customs declaration:
- Checks during clearance of a customs declaration including sample taking:.....
- Checks after clearance but before discharge of the customs procedure:
- Checks after discharge of the customs procedure for the goods:
- Checks after clearance and release for free circulation:

Date(s) of presumed discharge of the customs procedure(s), to be communicated exclusively in the case of customs situations involving suspensive arrangements (eg. in case of fraudulent transit arrival confirmation)

Comprehensive description of events leading to the establishment of the entitlement:

(The following questions shall be always addressed: What triggered the checks or investigations and when? When ended the checks or investigations (give data of report)? Which goods were involved? Give details of the grounds for which duties were evaded. Did the check or investigation allow for the calculation of additional duties and the identification of debtor(s)? Give the date, when the different debtors were identified and if applicable indicate the parts of the debt for which they became debtors.)

Date when the investigation/customs inspection/control started:

Date when the report of the customs inspection/control was produced, allowing to identify the debtor(s) and the amount of additional duties:

3. MUTUAL ASSISTANCE

Case related to Mutual assistance (MA) within the meaning of Council Regulation (EC) No 515/97 ⁽⁶⁾ involving Commission departments (Yes/No)

Reference of the MA communication:

Date of receipt:

Comments (optional):

OLAF File reference (format: LL/yyyy/nnnn):

Joint Customs Operation (JCO) reference (if applicable):

Case related to a Risk information Form (RIF) or to a Common Priority Control Area (CPCA) (Yes/No)

Reference code of the risk information form (RIF) reference (if applicable):

Reference designation of common priority control areas (CPCA) reference (if applicable):

4. ESTABLISHMENT OF THE ENTITLEMENT

Office of establishment:

Date of establishment:

Accounting reference of establishment (optional):

Date of entry in the B account (Article 6 of Regulation (EU, Euratom) No 609/2014):

Accounting reference of the B account (optional):

Entry in the accounts or notification of the customs debt deferred in order not to prejudice a criminal investigation affecting the financial interests of the Union (the second subparagraph of Article 13(2) of Regulation (EU, Euratom) No 609/2014) (yes/no)

Total amount of traditional own resources established:

Amount of customs and agricultural duties established, not including countervailing and antidumping duties:

.....

13. _____

(1) Council Regulation (EC) No 515/97 of 13 March 1997 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters (OJ L 82, 22.3.1997, p. 1).

Amount of countervailing and antidumping duties established:

Amount of sugar levies/isoglucose established:

Corresponding established amount of national excise duties and VAT (optional):

Amount of correction ⁽⁸⁾ of traditional own resources (increase or decrease) after the initial establishment:

Amount of correction of customs and agricultural duties (increase or decrease) after the initial establishment, not including
 countervailing and antidumping duties:

.....

Amount of correction of countervailing and antidumping duties (increase or decrease) after the initial establishment:

.....

.....

Amount of correction related to sugar levies (addition or deduction) after the initial establishment:

.....

.....

Corresponding amount of correction related to national excise duties and VAT (addition or deduction) after the initial
 establishment (optional):

Total amount of traditional own resources to be recovered after correction.....

Total amount of security/guarantee ⁽⁹⁾:

(Amount covering Union own resources and if applicable national duties. It can be nil if there is a waiver or if a security is not lodged. In the case of a comprehensive guarantee less than 100 % of the reference amount, the reference amount shall also be indicated)

Part of security to be allocated to Union own resources:

Type of security (compulsory, optional, not planned):

Type of compulsory security:

Reason why a planned security was not lodged

Security amount made available to the Union:

Date on which the security amount was made available to the Union:

5. RECOVERY PROCESS

(If there are several debtors for the same debt, the following information needs to be provided for each debtor)

Quality of debtor ⁽²⁾:

Amount owed, if less than total amount established:

Date of notification of the debt:

Date(s) of payment reminders:

1) In some language versions of Regulation (EU) no. 952/2013 the term "guarantee" (insurance) is used in the same context in which in Regulation (EEC)

no. 2913/92 uses the term "security". For the purposes of this Annex, these terms are interpreted as "security" (insurance) in the sense of Article 6, paragraph 3, second subparagraph of Regulation (EU, Euratom) no. 609/2014.
(2) Including civil liability debtors, intermediaries and sureties.

Establishment subject to an appeal procedure within the meaning of Article 243(1) of Regulation (EEC) No 2913/92 or Article 44 of Regulation (EU) No 952/2013 (Yes/No)

Levels attained in appeal/remission procedure:

Date of first appeal/remission lodged:

Date on which the definitive judgment is notified:

Comments (optional)

Suspension of implementation within the meaning of Articles 222 and 244 of Regulation (EEC) No 2913/92 and Article 876a of Commission Regulation (EEC) No 2454/93 ⁽¹¹⁾ or Articles 108(3) and 45 of Regulation (EU) No 952/2013 (Yes/No)

Security lodged on suspension (Yes/No)

Amount of security on suspension:

Reasons why no security was lodged on suspension:

(Member States need to specify whether or not a security was waived because of foreseeable economic and social difficulties and the grounds for such a decision)

Payment facilities within the meaning of Article 229 of Regulation (EEC) No 2913/92 or Article 112 of Regulation (EU) No 952/2013 (no request/request rejected/request accepted)

Description of payment facility arrangements:

Security lodged pursuant to payment facilities (Yes/No)

Amount of security pursuant to payment facilities:

Reason why no security was lodged on payment facilities:

(Member States need to specify whether or not a security was waived because of foreseeable economic and social difficulties and the grounds for such a decision)

Date of issue of enforcement order:

Notification of enforcement order (Yes/No)

Date of notification of enforcement order:

Comments on enforcement order (optional):

Date(s) of any payment(s) received and made available:

Corresponding amount(s) of payment(s) received and made available:

Total amounts paid and made available:

Date(s) of confiscation:

Amount obtained through confiscations:

Notes on confiscations (optional):

Date of opening of bankruptcy/liquidation/insolvency proceedings:

Date of declaring the claim in those proceedings:

Date of closure of bankruptcy/liquidation/insolvency proceedings:

15. _____
(6) Commission Regulation (EEC) No 2454/93 of 2 July 1993 laying down provisions for the implementation of Council Regulation(EEC) No 2913/92 establishing the Community Customs Code (OJ L 253, 11.10.1993, p. 1).

Amount of own resources recovered from bankruptcy/liquidation/insolvency proceedings:

Mutual assistance by other Member States in recovery (Council Directive 2010/24/EU ⁽¹²⁾ or precursors) (Yes/No) Reference of Mutual assistance in recovery:

Member State contacted:

Date of request:

Amount recovered:

Date of reply:

Comments on the reply (in particular if the Member State contacted has not acted on the request):

.....

6. REASONS WHY RECOVERY HAS PROVED IMPOSSIBLE FOR THE REMAINING AMOUNT

(In this part, the Member States shall clearly indicate for instance all the specific enforcement measures taken and the reasons why in the case of a bankruptcy/liquidation/insolvency procedure the amount received was not sufficient to cover the debt or why it covers only a part of the debt. Also, Member States shall explain in detail the circumstances if entry in the accounts or notification of customs debts was deferred in order not to prejudice criminal investigations affecting the financial interests of the Union.)

(Member States do not need to provide information they have already provided under points 1 to 5)

7. OTHER INFORMATION

ANNEX4 - Annual report on the TOR inspections and their results

1. Member State
2. Year

3. Activites	Quantity
a. Total accepted customs declaration	
i. By customs procedure	
- Import (free circulation, inward processing)	
- Export (export, outward procession)	
4. Customs declarations subject to ex-post control and any other inspection	
5. Total number of customs staff (full time occupied)	
6. Total number customs staff performing ex-post control (full time occupied)	

7. Issues and problems encountered

(List of the most common and significant incompliances, errors, irregulations, fraud related to establishment of customs debt, payment and recovery as per EU Regulations 609/2014; 768/2021 and 1150/2000)

Attach any information important and explaining the nature and the results from the ex-post control.

ANNEX 5 - Statement of the total amount of the base for the VAT-based own resource for 20XX year

This statement is prepared pursuant to art. 7 Council Regulation (EEC, EURATOM) No 1553/89 on the definitive uniform arrangements for the collection of own resources accruing from value added tax (the consolidated version).

Statement on own resources from VAT for the previous year

Statement Summary VAT Own Resources according to Council Regulation 1553/89 for Member States for the 20XX financial year		
Code	Description	Currency used:
R1	Receipts	
<i>R1.1</i>	<i>Any VAT amount not recorded in Receipts (+)</i>	
<i>R1.2</i>	<i>Any non-VAT amount recorded in Receipts (-)</i>	
NR	Net Receipts	R1+R1.1-R1.2
<i>A</i>	<i>Correction Art. 3.2 (a) Territorial Scope_____ (+)</i>	
<i>B</i>	<i>Correction Art. 3.2 (b) Territorial Scope_____ (+-)</i>	
<i>C1</i>	<i>Correction Art. 3.2 (c) Infringement 1_____ (+)</i>	
<i>C2</i>	<i>Correction Art. 3.2 (c) Infringement 2_____ (+)</i>	
...	
<i>Cn</i>	<i>Correction Art. 3.2 (c) Infringement n_____ (+)</i>	
TC	Total Corrections (Error! Reference source not found., REF_Ref127360377 \h * MERGEFORMAT Error! Reference source not found.)	A + or-B+C1...Cn
CNR	Corrected Net Receipts	NR+ or - TC
WAR	Multiannual Weighted Average Rate (%)⁴	n n. n n n n %
FB	Final uncapped VAT OR Base	CNR/WAR

⁴ The definitive or preliminary WAR of year 2016 expressed in four decimal places from the pre-2021 VAT-based own resource system

Explanatory notes

1. Sources for the VAT statement

It includes all collected VAT for 20XX year by the Revenue and Customs Administration of Montenegro, net of refunded VAT by the Ministry of Finance. The data used for the statement derives from the database of the Revenue and Customs Administration, section Tax collection "VAT revenue for the period 01.01. – 31.12.20XX", the database of the Customs Sector "Financial Module" and the database of the MoF' State Treasury Directorate

VAT based on corrections as per EC inspection report

2. Legal provisions for VAT in 20XX

List here articles from the applicable legislation:

- Provision for VAT registration;
- Exempted payers;
- VAT rates
- Amendments that came into force within the year (**Error! Reference source not found.**).

3. Calculation of the Weighted Average Rate VAT for 2016

The calculation of the WAR has been done by using the following sources of information: (list here the sources and the assumptions, provide in the annex the Excel table with the calculations with links to the Monstat and Revenue and Customs Administration data)

ANNEX 6 - GNI Questionnaire

GNI QUESTIONNAIRE 2022			Country						
Table 1b: GDP and GNI (ESA2010)			million national currency						
2013-2021									
As of 31/12/2021									
	code ESA 2010	2014	2015	2016	2017	2018	2019	2020	2021
PRODUCTION APPROACH									
1	Output of goods and services (at basic prices)	P1							
2	Intermediate consumption (at purchasers' prices)	P2							
3	Gross value added (at basic prices)	B1G							
4	Taxes on products	D21							
5	Subsidies on products	D31							
EXPENDITURE APPROACH									
6	Total final consumption expenditure	P3							
7	Household final consumption expenditure	P3							
8	NPISH final consumption expenditure	P3							
9	General government final consumption expenditure	P3							
10	Gross capital formation	P5P5							
11	Gross fixed capital formation	1g							
12	Changes in inventories	P52							
13	Acquisitions less disposals of valuables	P53							
14	Exports of goods and services	P6							
15	Imports of goods and services	P7							
INCOME APPROACH									
16	Compensation of employees	D1							
17	Gross operating surplus and mixed income	B2G+B3G							
18	Taxes on production and imports	D2							
19	Subsidies	D3							
20	Gross domestic product (ESA2010)	B1*G							
21	Compensation of employees received from the rest of the world	D1							
22	Compensation of employees paid to the rest of the world	D1							
23	Taxes on production and imports paid to the institutions of the E	D2							
24	Subsidies received from the institutions of the EU	D3							
25	Property income received from the rest of the world	D4							
26	Property income paid to the rest of the world	D4							
27	Gross national income (ESA2010)	B5*G							
28	Less total impact of differences in definitions between ESA2010 and ESA95 on GNI (ESA2010 minus ESA95)								
29	Gross national income (ESA 95)	B5*G							

ANNEX 7 - Fraud and irregularities report for cases above 10 000 EUR

To be send to DG Budget pursuant to art. 6, 5 EU REG 1150/2000 as per art. 5. In the two months following the end of each quarter, each Member State shall send the Commission a description of cases of fraud and irregularities detected involving entitlements of over EUR 10 000.

Identification:

- 0. Member State
 - 0.0. Serial number (number are assigned by member state on annual basis with following format OR/MS/99/999999/0.
 - 0.1 Quarter of the year
 - 0.2 Date of submission
 - 0.3 Unit or agency that uncovered the irregularity or fraud
- 1. Case description

As far as possible, the Member State provide the following details:

- 1. Goods involved
 - 1. Tariff heading
 - 2. Tariff positions
 - Declared
 - Established
 - Assumed
 - 3. Origin
 - Declared
 - Established
 - Assumed
 - 4. Place from which they come
 - Declared
 - Established
 - Assumed
 - 5. Quantity
 - Declared
 - Established
 - Assumed
 - 6. Value
 - Declared
 - Established
 - Assumed
- 2. Type of fraud and/or irregularity (designation, customs procedure concerned),
- 3. Short description of the fraud mechanism
- 4. Amount of own resources evaded, or their presumed order of magnitude
 - Estimated
 - Established

Recovered

5. Type of check that led to discovery of fraud and irregularities,
Methods
Comments
6. Stage reached in procedure, including the stage of recovery, with reference to the establishment if already made,
Date
Administrative references
7. Reference of notification of case under Council Regulation (EC) No 515/97 (1),
8. If appropriate, the Member States involved,
9. Measures taken or envisaged to prevent the recurrence of the case of fraud or irregularity already detected.
10. OLAF number

Report for updating the information on fraud and irregularity cases

Together with each quarterly statement pursuant to the first subparagraph, each Member State shall give details of the position concerning cases of fraud and irregularities already reported to the Commission whose recovery, cancellation or non-recovery was not indicated earlier. Fields 11 – 22 are for updating point 4 and 6 from the main report.

For this purpose, each Member State shall indicate for each of the cases referred to in the first subparagraph:

11. The reference to the original communication,
12. The balance to be recovered during the previous quarter,
13. The date of establishment,
14. The date of entry in the separate accounts Account B,
15. The amounts recovered during the quarter in question,
16. Rectifications of the base (corrections/cancellations) during the quarter in question,
17. Amounts written off,
18. Outstanding amount to be recovered
19. Recovered amount
20. Balance to be recovered at the end of the quarter in question.
21. Stage of administrative and judicial procedure reached,
22. Financial code

The report above should be prepared as a table and generated in CIS / FM. Therefore, the numbers are numbers of columns.