

RULES
on the costs in the proceedings before the Permanent court of Arbitration
attached to the Economic chamber of Macedonia
(unofficial consolidated text)¹

I. GENERAL PROVISIONS

Article 1

These rules regulate the costs in the proceedings in which the Rules of the Permanent court of Arbitration attached to the Economic chamber of Macedonia (hereinafter: Arbitration Court) are applied, which are born by the parties in the proceedings.

Costs of the proceedings

Article 2

- (1) The costs of the arbitration proceedings shall consist of:
 - a. registration fee;
 - b. administrative costs of the Arbitration Court;
 - c. arbitrators' fee and
 - d. material costs of the proceedings (daily wages, travel and accommodation expenses for the arbitrators, rooming rent, costs of translation, costs for presentation of evidence (expertise, testifying, inspection) and other costs).
- (2) The parties pay the costs of the arbitration proceedings to the account determined by the Arbitration Court.

Registration fee

Article 3

- (1) The registration fee is paid by the claimant when filing the statement of claim.
- (2) The same provisions on the registration fee for statement of claim are applied for the statement of counterclaim as well.
- (3) If more than two parties are involved in the dispute, the registration fee shall be increased by ten per cent (10%) for each additional party.
- (4) The secretary of the Arbitration Court shall deliver the statement of claim, or the statement of counterclaim, only after the registration fee and the advancement of the costs of the proceedings from article 4 of these Rules has been paid.
- (5) The registration fee paid shall not be refundable.

¹ The consolidated text of the Rules on the costs in the proceedings of the Permanent court of Arbitration attached to the Economic chamber of Macedonia include the Rules on the costs in the proceedings before the Permanent court of Arbitration attached to the Economic Chamber of Macedonia no. 08-2087/3 from 15 December 2016 and the Decision on Amendments and Modifications of the Rules on the costs in the proceedings before the Permanent court of Arbitration attached to the Economic chamber of Macedonia no. 02-585/4 from 11 April 2017.

Advancement of the costs of the proceedings

Article 4

- (1) The costs of the proceedings of article 2, paragraph 1, lines b), c) and d) of these Rules are paid by the claimant in advance (advance payment), and the advance of the costs of the proceedings upon a submitted statement of counterclaim are paid by the defendant (counter-claimant).
- (2) The amount of the advance payment under paragraph 1 of this article is determined by the President of the Arbitration Court.

Advance payment of the costs of the proceedings

Article 5

- (1) The Secretary of the Arbitration Court shall call the claimant, or the defendant (counter-claimant) to pay the advance payment, determined in accordance with article 4 of these Rules, within 30 days from the day of the receipt of the summons.
- (2) By exception, when the total amount of the advance payment of the costs of the proceedings specified in Article 4 of these Rules exceeds 25.000,00 EUR, in order to cover the advance payment, the party may post a bank guarantee. The bank guarantee shall be issued by any domestic bank or first class foreign bank, and shall be unconditional, irrevocable and payable on the first call made by the President of the Permanent Court of Arbitration attached to the Economic Chamber of Macedonia.
- (3) If any of the parties fails to pay the advance payment referred to in paragraph 1 of this article in the time-limit provided, the President of the Arbitration Court shall render a decision to delete the statement of claim, or the statement of counterclaim from the registry of disputes of the Arbitration Court. The deleted statement of claim can be filed again subject to the repayment of the registration fee.
- (4) If in the course of the proceedings, there is any increase in the value of the subject matter of the dispute or the advance payment is not sufficient to cover the material costs, the Court may order the parties to pay an additional advance.
- (5) Until the additional advance payment due to the increase in the value of the subject matter of the dispute has been paid, the increase shall not be taken into consideration in the arbitration proceedings.
- (6) When the additional advance payment is sought to cover the material costs, the arbitration proceedings shall not continue until the additional advance payment has been paid.
- (7) A decrease in the value of the subject of the dispute shall be taken into consideration in the calculation of the administrative costs and the costs of the awards of the arbitrators only if that has been communicated to the Arbitration Court at the time the record was passed to the sole arbitrator, or the Arbitration panel.

Article 6

- (1) The costs related to the performance of individual procedural actions (costs of expert opinion, presentation of evidence, etc..) shall be borne by the party who proposed their taking, which shall deposit the appropriate amount in advance (advance payment). If the Arbitration panel on its own initiative takes certain procedural actions, in the decision on their application shall determine which party should bear the costs of those actions.
- (2) The decision for advance payment of the costs under paragraph 1 is rendered by the sole arbitrator or the Arbitration panel.
- (3) If the advance payment under paragraph 1 is not paid, the actions which were to be covered by the advance payment will not be taken.
- (4) If the costs of the arbitration proceedings under paragraph (1) of this Article are upon request or with the consent of both parties, each party shall pay half of the advance. If a party fails to pay his half of the amount of the advance, the Secretary of the Arbitration Court shall promptly invite the other party to pay that amount within 30 days of receipt of the summons. If that party fails to pay the amount of advance payment (which the other party has failed to pay) in the specified time limit, the procedural actions that should be covered by the advance payment will not be taken.

Final decision on the costs of the proceedings

Article 7

- (1) In the final decision rendered in arbitration proceedings, the sole arbitrator or the Arbitration panel shall determine which party and to which extent is obliged to reimburse the other party for the costs of the proceedings, or to bear its own costs, taking into consideration the success in the proceedings.
- (2) Unless otherwise agreed by the parties, the losing party will be obligated to bear the costs of the proceedings, and in case the claim is accepted in part, the costs shall be paid by both parties, proportionally to the accepted, or the refused part of the claim.

II. TARIFFS

Registration fee

Article 8

The registration fee for conducting the arbitration proceedings is 200 EUR.

The fee of arbitrators in the disputes without international elements

Article 9

- (1) The fee of the sole arbitrator in the disputes without international elements is determined in accordance to the value of the subject matter of the dispute, in accordance with the following table:

Value of the subject matter of the dispute (from – to) in EUR		Amount of award of the arbitrators: base (C) + percentage (D) for amounts exceeding (A) in EUR	
from (A)	to (B)	base (C)	% (D)
	10.000	200	
10.001	25.000	225	5
25.001	50.000	350	4
50.001	100.000	800	3
100.001	200.000	1.350	2
200.001	500.000	2.200	1
500.001	1.000.000	3.350	0,50
1.000.001	2.000.000	4.300	0,30
over 2.000.000		5.850	0,20

- (2) The foreign currency value of the subject matter of the dispute which is not expressed in EUR shall be converted to EUR by applying the selling exchange rate for the currency concerned from the list of exchange rates of the National Bank of the Republic of Macedonia valid on the day when the Arbitration Court is notified of the value of the subject matter of the dispute or of the change in the value of the subject matter of the dispute.
- (3) In cases when it is not possible to calculate the foreign currency value of the subject matter of the dispute applying the method referred to in paragraph 2 of this article, other appropriate methods shall be applied.
- (4) If an Arbitration panel takes actions in the dispute, the amount from the table under paragraph 1 from this article shall be increased by two times.
- (5) A five per cent (5%) fee for examination and approval of the prepared awards, shall be abstracted from the total amount of arbitrators' fee.
- (6) After the abstraction of the fee for examination and approval of the prepared awards, the remaining amount of the fee will be distributed among the members of the Arbitration panel in the following proportions: the president of the panel is entitled to forty per cent (40%), while members of the panel by thirty per cent (30%) of the fee.
- (7) If more than two parties participate in the proceedings, the amount in the table under paragraph 1 from this article shall be increased by ten per cent (10%) for each additional party.
- (8) In particularly complex cases requiring specific professional knowledge, gathering information, studying of foreign legal systems or especially long presentation of evidence, the amounts of the table under paragraph 1 of this Article may be increased by fifty per cent (50%).

The fee of arbitrators in the disputes with international elements

Article 10

- (1) The fee of the sole arbitrator in the disputes with international elements is determined in accordance to the value of the subject matter of the dispute, in accordance with the following table:

Value of the subject matter of the dispute (from – to) in EUR		Amount of award of the arbitrators: base (C) + percentage (D) for amounts exceeding (A) in EUR	
from (A)	to (B)	base (C)	% (D)
	10.000		450
10.001	25.000	450	5
25.001	50.000	900	4
50.001	100.000	1.800	3
100.001	200.000	2.700	2
200.001	500.000	4.500	1
500.001	1.000.000	6.750	0,50
1.000.001	2.000.000	8.550	0,30
	over 2.000.000	11.700	0,20

- (2) The foreign currency value of the subject matter of the dispute which is not expressed in EUR shall be converted to EUR by applying the selling exchange rate for the currency concerned from the list of exchange rates of the National Bank of the Republic of Macedonia valid on the day when the Arbitration Court is notified of the value of the subject matter of the dispute or of the change in the value of the subject matter of the dispute.
- (3) In cases when it is not possible to calculate the foreign currency value of the subject matter of the dispute applying the method referred to in paragraph 2 of this article, other appropriate methods shall be applied.
- (4) If an Arbitration panel takes actions in the dispute, the amount from the table under paragraph 1 from this article shall be increased by two times.
- (5) A five per cent (5%) fee for examination and approval of the prepared awards, will be abstracted from the total amount of arbitrators' fee.
- (6) After the abstraction of the fee for examination and approval of the prepared awards, the remaining amount of the fee will be distributed among the members of the Arbitration panel in the following proportions: the president of the panel is entitled to forty per cent (40%), while members of the panel by thirty per cent (30%) of the fee.
- (7) If more than two parties participate in the proceedings, the amount in the table under paragraph 1 from this article shall be increased by ten per cent (10%) for each additional party.
- (8) In particularly complex cases requiring specific professional knowledge, gathering information, studying of foreign legal systems or especially long

presentation of evidence, the amounts of the table under paragraph 1 of this Article may be increased by fifty per cent (50%).

Article 11

(1) If the arbitration proceedings were terminated before an arbitral award has been rendered, the President of the Arbitration Court, upon a written request by one of the parties, shall render a decision to reduce the advance payment on costs determined in accordance with Article 4 of these Rules:

- for forty per cent (40%) if the proceedings were terminated before the Arbitration panel has been constituted
- for twenty per cent (20%) if the proceedings were terminated before a hearing was held.

(2) The amount in which the advance payment has been reduced shall be returned to the parties.

Article 12

If the claimant withdraws the statement of claim after the Arbitration panel has been constituted, and before the hearing is concluded, the arbitrators are entitled to a fee in an amount of fifty per cent (50%) of the fee they would have received in accordance with article 9 of these Rules.

Costs of the arbitrators

Article 13

- (1) The arbitrator is entitled to reimbursement of travel expenses, daily wages and accommodation costs if he lives outside the place of arbitration.
- (2) The party who has appointed a foreign arbitrator is obligated to pay an advance payment to cover the travel expenses, daily wages and accommodation costs of that arbitrator. The amount of the advance and the time-limits for its payment shall be determined by the President of the Arbitration Court.
- (3) When a foreign national will be appointed as a sole arbitrator or a president of an Arbitration panel, each of the parties shall pay one half of the advance payment of the travel expenses, daily wages and accommodation costs of that arbitrator.
- (4) The amount of fees for travel expenses, daily wages and accommodation expenses of arbitrators referred to in paragraphs 1, 2 and 3 of this Article shall be determined by a decision of the Presidency of the Arbitration Court, which shall be published on the website of the Economic Chamber of Macedonia.

Administrative costs

Article 14

- (1) If in the arbitration proceedings the actions are taken by sole arbitrator, the administrative costs shall be forty per cent (40%) of the amount of the arbitrators' fee of the sole arbitrator.
- (2) If in the arbitration proceedings the actions are taken by an Arbitration panel, the administrative costs shall be twenty per cent (20%) of the amount of the arbitrators' fee of the Arbitration panel.

Payment of the costs

Article 15

- (1) The party that is a natural person with domicile or habitual residence in the Republic of Macedonia or legal person with seat in the Republic of Macedonia pays the costs in Macedonian denars, at the euro exchange rate established by the National Bank of the Republic of Macedonia on the day of payment.
- (2) Party other than those covered by paragraph 1 of this Article shall pay the costs of the proceedings in euro.

III. TRANSITIONAL AND FINAL PROVISIONS

Article 16

- (1) These Rules are applied to all arbitration proceedings commenced after their entry into force.
- (2) These rules also apply to arbitration proceedings commenced prior to their entry into force, if in those proceedings on the date of entry into force of these Rules, the arbitration fee has still not been paid, in accordance with the Rules that were previously applicable.

Article 17

With the entry into force of these Rules, the Rules on the costs of the proceedings before the Permanent court of Arbitration attached to the Economic chamber of Macedonia (consolidated text), n.08-2170/10 from 06.09.2012 shall be repelled.

Article 18

These Rules are posted on the notice-board in the Chamber and the web-page of the Economic Chamber of Macedonia within three days from the date of adoption and shall enter into force on the date of publication.

President,
Branko Azeski