



ADMINISTRATIVE DIRECTION NO. 2001/7

**IMPLEMENTING UNMIK REGULATION NO. 1999/3 ON THE ESTABLISHMENT
OF THE CUSTOMS AND OTHER RELATED SERVICES
IN KOSOVO**

The Special Representative of the Secretary-General,

Pursuant to section 6 of UNMIK Regulation No. 1999/3 of 31 August 1999, as amended, on the Establishment of the Customs and Other Related Services in Kosovo,

Having promulgated UNMIK Administrative Direction No. 1999/01 Implementing Regulation No. 1999/3 of 31 August 1999 on the Establishment of the Customs and Other Related Services in Kosovo,

Taking into account UNMIK Regulation No. 2000/2 of 22 January 2000, as amended, on Excise Taxes in Kosovo, UNMIK Regulation No. 2000/3 of 22 January 2000, as amended, on Sales Tax in Kosovo, UNMIK Administrative Direction No. 2000/01 of 22 January 2000 Implementing UNMIK Regulation No. 2000/2 of 22 January 2000, as amended, on Excise Taxes in Kosovo, UNMIK Administrative Direction No. 2000/02 of 22 January 2000 Implementing UNMIK Regulation No. 2000/3 of 22 January 2000, as amended, on Sales Tax in Kosovo,

For the purposes of setting out and consolidating in a new Administrative Direction applicable customs related provisions that take into account legislative developments subsequent to the issuance of UNMIK Administrative Direction No. 1999/01, and repealing the latter Administrative Direction,

Hereby issues the following Administrative Direction:

Section 1
Customs Duties

1.1 The existing tariff and the law on customs tariff, based on the Harmonized System of the World Customs Organization, shall until further notice be applicable with the amendments set out in sections 1.2, 1.3 and 1.4.

Amendments to Column 4 (Customs Duty Rate) of the Tariff

1.2 Pursuant to section 1.1 of UNMIK Regulation No. 1999/3, as amended, the following rates for imported goods shall be applicable. Goods destined for Kosovo which are not subject to any import prohibition or restriction under the applicable law shall, for a transitional period, be subject to customs duties at a rate equal to ten percent (10%), with the exception of those goods listed in Annex 1 attached to UNMIK Regulation No. 1999/3, as amended, for which the rate shall be zero percent (0%). However, goods originating or produced in the Federal Republic of Yugoslavia and transported directly into Kosovo shall not be subject to customs duties.

Amendments to Column 5 (Export Regime) and Column 6 (Import Regime) of the Tariff

1.3 Column 5 (Export Regime) and Column 6 (Import Regime) of the tariff shall be amended as follows:

- | | | |
|-----|---------------------|---------------------------------------------------------------------------------------------------------------------|
| (a) | LB1 | - the necessary permission shall be issued by the competent UNMIK authority; |
| (b) | D | - UNMIK Customs Service shall issue an import/export certificate to authorize the importation/exportation of goods; |
| (c) | D1 or D2 | - special authorization from UNMIK Customs Service shall be required; |
| (d) | D3 or D4 | - to be substituted by D; |
| (e) | KK, KV, LB3 and LB4 | - to be substituted by LB. |

Suspension of Article 3 of the Tariff

1.4 Article 3 of the existing tariff law shall be suspended with immediate effect.

Allocation of Revenues

1.5 Pursuant to section 3 of UNMIK Regulation No. 1999/3, the revenues derived from customs duties on goods destined for Kosovo shall be deposited into the Kosovo Consolidated Budget.

Section 2
Appointment of the Director-General of UNMIK Customs Service and
Customs Service Officers

2.1 Pursuant to section 4 of UNMIK Regulation No. 1999/3, as amended, the Special Representative Secretary-General shall appoint a Director-General of UNMIK Customs Service in Kosovo.

2.2 The Special Representative of the Secretary-General may expressly delegate to the Director-General of UNMIK Customs Service the power to appoint the Director of UNMIK Customs Service and such other custom officers as may be necessary. Such officers shall perform their functions under the authority of the Director-General of UNMIK Customs Service.

Section 3 Distinctive Uniform and Identification

Except where the Director-General of the UNMIK Customs Service determines otherwise, all UNMIK Customs Service Officers shall, while performing their functions, wear a distinctive uniform. In addition, every UNMIK Customs Service Officer shall carry an official UNMIK identification card.

Section 4 Authority to Perform Customs and Other Related Functions

4.1 The UNMIK Customs Service shall be the sole institution in Kosovo that shall have the authority to perform customs and customs related functions.

4.2 The UNMIK Customs Service shall, on behalf of the Central Fiscal Authority, assess, levy and collect taxes on imports and exports, as well as undertake any other function relating to the collection of taxes, as may be required.

Section 5 Sanitary, Phytosanitary, and Veterinary Inspections and/or Controls

5.1 Phytosanitary and veterinary inspections and/or controls shall be carried out by phytosanitary and veterinary inspectors appointed and authorized by the Administrative Department of Agriculture, Forestry and Rural Development.

5.2 Sanitary inspections and/or controls shall be carried out by sanitary inspectors appointed and authorized by the Administrative Department of Health and Social Welfare.

5.3 Phytosanitary, veterinary and sanitary inspections and/or controls shall be carried out in accordance with procedures set out in administrative instructions to be issued by the competent Departments consistent with the applicable law.

5.4 Phytosanitary, veterinary and sanitary inspectors shall be present at the official border crossings points specified in section 7.1 seven days a week from 08.00 till 20.00 hours.

5.5 Consignments of plants and plant products, animal and animal products shall enter into Kosovo only through the official border crossing points specified in section 7.1. However, entry of consignments through the Pristina Airport (Slatina) may be permitted only in cases where the importer provides proof, to the satisfaction of the competent Department, that importation cannot be done through such official border crossing points.

5.6 Phytosanitary and veterinary inspectors shall have the authority to decide whether or not to release the goods, take samples for analyses, or reject the goods. In addition, the inspectors shall validate a certificate which shall be presented together with the customs declaration form to the UNMIK Customs Service.

Section 6 Analysis Institutions

Phytosanitary, veterinary and sanitary inspectors appointed and authorized by the competent Department in accordance with section 5, shall be the only UNMIK recognized officials to take samples and to send the same to the authorized institutions for analyses.

Section 7 Official Border Crossing Points (BCPs) and Hours of Operation

7.1 Pursuant to section 5 of UNMIK Regulation No. 1999/3, as amended, “Hani i Elezit/Djeneral Jankovic”, “Globocice/Globocica”, “Vermice/Vrbnica”, “Qafa E Prushit/Cafa Prusit” and the Pristina Airport (Slatina) shall be the only official border crossing points.

7.2 “Hani I Elezit/Djeneral Jankovic”, “Globocice/Globocica”, “Vermice/Vrbnica” shall be open for traffic seven days a week, throughout the year, 24 hours a day.

7.3 For customs purposes:

(a) “Hani I Elezit/Djeneral Jankovic” shall be officially open for clearance of commercial traffic from 08.00 till 20.00 hours, seven days a week.

(b) “Vermice/Vrbnica” shall be officially open for clearance of commercial traffic from 08.00 till 20.00 hours, seven days a week.

(c) “Globocice/Globocica” shall be officially open for clearance of commercial traffic from 08.00 till 20.00 hours, seven days a week. Until further notice, only humanitarian aid and commercial trucks carrying stones from a nearby compound in the former Yugoslav Republic of Macedonia shall be allowed to cross through this BCP.

(d) “Pristina Airport” (Slatina) shall be open to passenger and commercial traffic in accordance with the flight schedules established as appropriate and agreed by the UNMIK Customs Service.

(e) Until further notice, the BCP “Qafa E Prushit/Cafa Prusit” shall be closed.

7.4 The Director-General of UNMIK Customs Service may, subject to operational needs and requirements, issue an administrative instruction to amend the opening hours of the customs offices at the official border crossing points. In addition, when special circumstances so warrant, the Director-General of the UNMIK Customs Service may issue an administrative instruction regarding the temporarily opening or closing to commercial traffic of the customs offices at the official border crossing points specified in section 7.1.

Section 8
Suspension of Customs Regimes

8.1 Customs transit across or through Kosovo shall not be allowed until further notice unless expressly authorized. Where special circumstances so warrant, the Director-General of the UNMIK Customs Service may authorize such transit arrangements under customs supervision.

8.2 Customs inward and outward processing as well as the customs warehouse regimes shall be suspended. However, the Director-General of the UNMIK Customs Service, after consultation with the Administrative Department of Trade and Industry and the Central Fiscal Authority and provided that all the necessary guarantees and conditions under the applicable law are fulfilled, may authorize, on an individual basis, derogation from the foregoing suspension.

Section 9
Registration of Importers/Exporters and Forwarding Agents

9.1 Importers/Exporters and forwarding agents shall be required to register at UNMIK Customs House, Pristina. Registration may take place from Monday to Friday between 08.00 and 15.00 hours in accordance with procedures set out in an administrative instruction. UNMIK Customs Service shall record such registration in a customs registration book.

9.2 UNMIK Customs Service shall register any new company upon presentation by the official authorized to represent the company of evidence of his/her identity as well as the relevant information, including the name and address of the company. Any person seeking registration as a forwarding agent shall be required to satisfy the UNMIK Customs Service of his/her qualifications and relevant experience. Copies of original documents showing evidence of such qualifications and experience shall be submitted to UNMIK Customs Service.

9.3 Importers/exporters and forwarding agents shall be required to enter their designated registration number on all their invoices and customs documentation.

9.4 As proof of registration, UNMIK Customs House, Pristina shall issue a certificate of registration. Registered forwarding agents shall receive from UNMIK an identification card that shall allow them to have access and to function at the BCPs.

9.5 As a temporary measure, importers/exporters shall be required to use registered forwarding agents for customs clearance procedures at the BCPs.

9.6 Importers/Exporters and forwarding agents shall be required to pay to UNMIK Customs Service an administrative fee of 25 Deutsche Marks (DM) or the equivalent payable in another officially authorized currency that may replace the use of the Deutsche Mark in Kosovo.

Section 10
Shipment of Goods for Humanitarian Purposes

10.1 Humanitarian organizations shall be required to comply with the following conditions in relation to customs clearance of humanitarian shipments:

- (a) Registration;
- (b) A letter from the donor attesting to their contents; and
- (c) A statement that the goods shall not be sold on the local market.

10.2 Only humanitarian shipments destined for Kosovo shall be allowed to enter into Kosovo.

Section 11
KFOR Shipments

KFOR shipments transported by private KFOR contractors shall be carried out in accordance with rules and procedures established by the UNMIK Customs Service in close coordination with KFOR taking into account UNMIK Regulation No. 2000/47 of 18 August 2000 On the Status, Privileges and Immunities of KFOR and UNMIK and Their Personnel in Kosovo. Such rules and procedures shall be issued after negotiation with KFOR Headquarters.

Section 12
Payments

12.1 The method of payment of the customs duties or tax debt shall be carried out in accordance with the rules and procedures established by the Central Fiscal Authority.

12.2 The Director-General of the UNMIK Customs Service may, by means of an administrative instruction and in coordination with the Central Fiscal Authority, establish procedures for payment of the incurred customs or tax debt due.

12.3 The custom duties or taxes so collected shall be deposited by the UNMIK Customs Service into the Kosovo Consolidated Fund.

Section 13
Approved Currency for Payments

Customs duties shall be paid in Deutsche Marks or the equivalent payable in another officially authorized currency that may replace the use of the Deutsche Mark in Kosovo. A person wishing to pay such duties in local Dinars may do so at the reference rate applicable on the date of payment but shall be charged a ten percent (10%) administrative fee thereon to cover handling and transaction costs.

Section 14
Recognized Customs Documentation

Commercial Imports/Exports

14.1 In order to complete customs import/export procedures, UNMIK has introduced a Single Administrative Document (SAD) and a SAD Bis-list in accordance with the applicable law.

14.2 The above-mentioned documents shall only be obtained at the UNMIK Customs House, Pristina. One set of SAD documents shall cost 1.50 DM; one set of SAD Bis-lists shall cost 1 DM.

14.3 The SAD document shall bear the title "United Nations Interim Administration Mission in Kosovo". No other document purporting to be a SAD document shall be valid.

14.4 An administrative fee of 1 DM shall be levied in the event that a cash receipt has to be issued as evidence of collection of duties and taxes on commercial imports.

Goods Imported in the Luggage of Private Persons

14.5 Until further notice, persons shall be allowed to import goods for their private use up to a maximum value of 200 DM, in exemption of liable duties and taxes. Persons exceeding this limit shall pay the duties and taxes due at the BCP.

14.6 UNMIK Customs Service shall issue a cash receipt which shall specify the amount of the duties and taxes collected. The cash receipt shall bear the title "United Nations Interim Administration Mission in Kosovo".

14.7 The cash receipt shall be signed by the person paying the duties and taxes and the customs officer collecting the duties and taxes. The original receipt shall remain in the cash receipt book and one copy shall be given to the person paying the duties and taxes due.

14.8 An administrative fee of 1 DM shall be levied for each cash receipt issued as evidence of collection of duties and taxes on goods imported in the luggage of private persons.

Section 15
Official Stamps

Only authorized official customs stamps issued by UNMIK shall be used for purposes of customs clearance.

Section 16
Official Languages

Customs documentation shall be in the Albanian, English and Serbian languages.

Section 17
Customs Offences and Related Matters

17.1 Customs offences shall be governed by and dealt with in accordance with the relevant provisions of the applicable law. The existing customs regulations on customs offences shall remain applicable. The Director-General of the UNMIK Customs Service shall issue administrative instructions in respect of custom offences and related matters, which shall include, *inter alia*, under-valuation, non-declared/concealed goods, misdescription of goods and destruction, abandonment and re-exportation of goods.

17.2 With regard to rejected cargo by phytosanitary, veterinary or sanitary inspectors, a written statement by the inspectors shall be provided to the forwarding agent/importer. Rejected cargo shall be refused entry into Kosovo or destroyed under customs supervision upon request of the importer. The expenses related to such destruction shall be borne by the importer. Any prepaid duties shall be returned to the importer.

Section 18
Preferential Status

The existing customs agreement with the former Yugoslav Republic of Macedonia for preferential status shall remain in force.

Section 19
Import Restrictions

19.1 Restrictions currently applied to goods from Albania and Slovenia shall be suspended. The existing tariff specified in section 1 of this administrative direction shall remain applicable.

19.2 The importation of petroleum products such as petroleum, oil and lubricants for sale in Kosovo shall be subject to a license issued by UNMIK.

Section 20
Implementation

The Director-General of the UNMIK Customs Service in Kosovo may issue administrative instructions for the implementation of the present administrative direction.

Section 21
Repeal

UNMIK Administrative Direction No. 1999/01 is hereby repealed.

Section 22
Entry into Force

The present administrative direction shall enter into force on 29 May 2001.

Hans Haekkerup
Special Representative of the Secretary-General