

ADMINISTRATIVE DIRECTION NO. 1999/1

IMPLEMENTING UNMIK REGULATION NO. 1999/3 OF 31 AUGUST 1999 ON THE ESTABLISHMENT OF THE CUSTOMS AND OTHER RELATED SERVICES IN KOSOVO

The Special Representative of the Secretary-General (SRSG),

Pursuant to the authority given to him under section 6 of UNMIK Regulation No. 1999/3 on the Establishment of the Customs and Other Related Services in Kosovo,

Hereby gives the following Administrative Direction:

Section 1
CUSTOMS AND EXCISE DUTIES AND SALES TAX

1.1 Customs Duties

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 following amendments:

1.1.1 Amendments to column 4 of the tariff (Customs Duty Rate)

Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, section 1.1, the following rates for imported goods are applicable. All goods of any type destined for Kosovo and which are not subject to any import ban under current laws, are subject to a customs rate equal to ten percent (10%), for a transitional period, with the exception of the goods listed in Annex I attached hereto, for which the customs rate equals zero percent (0%).

1.1.2 Amendments to column 5 (Export Regime) and column 6 (Import Regime) of the tariff:

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

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

1.2 Excise Duties

Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, section 1.2, the existing excise duties shall be suspended. All goods that are imported and destined for Kosovo, shall be subject to excise duties, as indicated in Annex II attached hereto. Such excise duties shall, for administrative reasons, be collected at the border posts.

1.3 Sales tax

Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, sections 1.3 and 1.4, as a temporary measure, a sales tax shall be levied at a rate of fifteen percent (15%) on the taxable value of all imported goods destined exclusively for Kosovo, with the exception of those listed in Annex III

attached hereto. For the purpose of calculating the sales tax, the value of all imported goods shall consist of the total customs value, including customs and excise duties.

1.4 Allocation of Revenues

Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, section 3, the revenue derived from customs and excise duties and sales tax on goods destined for Kosovo shall be allocated to the Kosovo budget.

Section 2 CUSTOMS OFFICIALS AND RELATED MATTERS

2.1 Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, section 4, the SRSG shall appoint an UNMIK Director-General of Customs Services in Kosovo.

2.2 The SRSG may, by instrument in writing, delegate to the UNMIK Director-General of Customs Services in Kosovo the power to appoint the UNMIK Director of Customs Services and such other customs officials as may be necessary. Such officials shall perform their functions under the authority of the UNMIK Director-General of Customs Services.

2.3 UNMIK customs officials shall wear a distinctive UNMIK Customs Services uniform while performing their functions. Every such official shall at all times carry an official UNMIK identification card, which shall be shown in response to any query regarding identity.

2.4 UNMIK Customs Services shall be the sole institution in Kosovo that shall have the authority to perform customs and other related functions.

Section 3 SANITARY, PHYTOPATHOLOGY AND VETERINARY INSPECTIONS

3.1 Until further notice:

(a) UNMIK shall appoint "Kosova Control", of Dardania Street BL. 9/a, No.3/a, 38000 Pristina, as the only authorized company to complete sanitary, phytopathology, or veterinary inspections. They shall carry out their duties in accordance with the existing laws.

(b) The inspectors of "Kosova Control" shall be present at the borders "Hani i Elezit/Djeneral Jankovic" and "Vermice/Vrbnica" seven days a week from 08.00 till 20.00 hours.

3.2 The inspectors shall have the authority to decide whether or not to release the goods, take samples for analyses, or reject the goods. The inspectors shall validate a certificate which shall be presented together with the customs declaration form to UNMIK Customs Services.

Section 4 INSTITUTION FOR ANALYSES

Until further notice, UNMIK shall appoint "Kosova Control", of Dardania Street BL. 9/a, No.3/a, 38000 Pristina, as the only UNMIK recognized institution to carry out analyses of samples taken by UNMIK Customs Services, phytosanitary or veterinary inspectors.

Section 5 OFFICIAL BORDER CROSSING POINTS (BCPS)

5.1 Pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999, section 5, the SRSG shall specify "Hani i Elezit/Djeneral Jankovic", "Globocice/Globocica", "Vermice/Vrbnica" and "Qafa e Prushit/Cafa Prusit" as the only authorized international border crossing points.

5.2 "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.

5.3 For Customs purposes:

(a) From 3 September 1999, "Hani i Elezit/Djeneral Jankovic" shall be officially open and commence functioning. This BCP shall be open for clearance of commercial traffic from 08:00 till 20:00 hours, seven days a week.

(b) From 13 September 1999, "Vermice/Vrbnica" shall be officially open and commence functioning. This BCP shall be open for clearance of commercial traffic from 08:00 till 20:00 hours, seven days a week.

(c) From 20 September 1999, "Globocice/Globocica" shall be officially open and commence functioning. Until further notice only humanitarian aid and commercial trucks carrying stones from the nearby compound in the Former Yugoslav Republic of Macedonia shall be allowed to cross through this BCP. This BCP shall be open for clearance of commercial traffic from 08:00 till 20:00 hours, seven days a week.

(d) Until further notice, the BCP "Qafa e Prushit/Cafa Prusit" shall be closed.

Section 6

TEMPORARY SUSPENSION OF CUSTOMS REGIMES

Until further notice, import or export of goods shall be customs cleared at the BCPs specified in section 5. Customs transit across or through Kosovo shall not be allowed until further notice. Customs inward and outward processing as well as the customs warehouse regimes shall be suspended.

Section 7

REGISTRATION OF IMPORTERS/EXPORTERS AND FORWARDING AGENTS

7.1 Importers/exporters and forwarding agents shall be required to register at UNMIK Customs House, Pristina. Registration may take place from Monday to Friday between 0800 and 1500 hours, commencing 31 August 1999. UNMIK Customs Services shall record such registration in a customs registration book.

7.2 On presentation of documents by an importer/exporter and forwarding agent showing evidence of previous registration, UNMIK Customs Services shall record details of such evidence in the UNMIK customs registration book.

7.3 UNMIK Customs Services shall register any new company upon presentation by the official authorized to represent the company, of evidence of his identity and the name and address of the company. Any person seeking registration as a forwarding agent shall be required to satisfy UNMIK Customs Services of his/her competence. Copies of original documents showing evidence of such competence shall be submitted to UNMIK Customs Services.

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

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

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

7.7 Any importer/exporter or forwarding agent shall be required to pay an administrative fee of 25 Deutsche Mark (DM) to UNMIK Customs Services.

Section 8 HUMANITARIAN SHIPMENTS

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

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

8.2 Only humanitarian shipments destined for Kosovo shall be allowed to cross the border.

Section 9 KFOR SHIPMENTS

UNMIK Customs Services and the Customs Assistance Mission in Kosovo (CAM-K) shall establish rules for KFOR shipments transported by private contractors. Such rules shall be issued after negotiation with KFOR Headquarters.

Section 10 PAYMENTS

10.1 Until further notice, UNMIK shall appoint the Public Payment Service in Kosovo (SDK), "19 Nentori" No. 33, Pristina, as the only recognized cash deposit centre for revenue collected pursuant to UNMIK Regulation No. 1999/3 of 31 August 1999. An appropriate official of SDK shall be named by UNMIK and entrusted with the responsibility for the receipt of such revenue. The collected revenue shall be transferred to the Kosovo budget.

10.2 Customs and excise duties and sales tax for imported goods shall be paid to the SDK prior to their importation. In the event of cancellation of an order for such goods the SDK shall return any duties and taxes prepaid by the intended purchaser upon appropriate documentation being provided.

10.3 Cash payments made at a BCP for commercial imports shall be subject to an additional levy of five percent (5%) on the calculated customs and excise duties and sales tax.

10.4 The opening hours of the SDK shall correspond to the customs clearance hours for commercial traffic at the BCP as specified in section 5 above, except on Sundays.

Section 11 APPROVED CURRENCY FOR PAYMENTS

Customs and excise duties and sales tax shall be paid in Deutsche Marks. A person wishing to pay such duties and sales tax in local Dinars may do so at the reference rate applicable on the date of payment but shall be charged a twenty five percent (25%) administrative fee thereon to cover handling and transaction costs.

Section 12
RECOGNIZED CUSTOMS DOCUMENTATION

12.1 Commercial import/export

12.1.1 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 existing law.

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

12.1.3 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.

12.2 Goods imported in the luggage of private persons

12.2.1 Persons in buses and private vehicles shall be allowed to import goods for their private use up to a maximum value of 200 DM, free of customs and excise duties and sales tax. Persons exceeding this limit shall pay customs and excise duties and sales tax at the BCP.

12.2.2 UNMIK Customs Services shall issue a cash receipt which shall specify the amount of customs and excise duties and sales tax collected. The cash receipt shall bear the title "United Nations Interim Administration Mission in Kosovo". No other customs cash receipt shall be valid.

12.2.3 The receipt shall be signed by the person paying the duty and the customs officer collecting the duty. The original shall remain in the cash receipt book, one copy shall be given to the person paying the duty and one copy shall be forwarded with the money to the SDK.

Section 13
OFFICIAL STAMPS

Only official customs stamps issued by UNMIK shall be used for purposes of customs clearance. UNMIK shall issue official stamps for use by the SDK.

Section 14
OFFICIAL LANGUAGES

Customs documentation shall be in the Albanian and Serbian languages.

Section 15
CUSTOMS OFFENCES AND RELATED MATTERS

15.1 The existing customs regulations on customs offences shall remain applicable. The UNMIK Director-General of Customs Services in Kosovo shall issue instructions to customs employees in respect of customs offences, which shall include under-valuation, non-declared/concealed goods and mis-description of goods.

15.2 With regard to rejected cargo by phytosanitary or veterinary inspectors, a written statement 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 16
PREFERENTIAL STATUS

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

Section 17
IMPORT RESTRICTIONS

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

17.2 The importation, transport, distribution and sale of petroleum products (petroleum, oil and lubricants or POL) for and in Kosovo shall be subject to a license issued by UNMIK.

Section 18
TAXES

Until further notice, all taxes, with the exception of customs and excise duties and sales tax referred to in section 1 of the UNMIK Regulation No. 1999/3 of 31 August 1999, shall be suspended.

Section 19
IMPLEMENTATION

The UNMIK Director-General of Customs Services in Kosovo shall issue instructions from time to time in relation to the implementation of this administrative direction.

Section 20
APPLICABLE LAWS

The provisions of the applicable laws relating to customs and excise duties and sales tax shall apply in Kosovo subject to UNMIK Regulation No. 1999/3 of 31 August 1999, and the provisions of sections 1 through 19 above of this administrative direction.

Section 21
ANNEXES

Annexes I, II and III of UNMIK Regulation No. 1999/3 of 31 August 1999 are attached hereto for purposes of administrative convenience.

Section 22
ENTRY INTO FORCE

This administrative direction shall enter into force on 1 September 1999.

Bernard Kouchner
Special Representative of the Secretary-General

ANNEX I

List of goods exempt from customs duties

Exports

Pharmaceutical products

Medical and surgical instruments and apparatus

Milk

Cooking oil and fats

Vegetables

Fruits

Stamps and valuable papers

Goods imported by UNMIK, KFOR, UNHCR, ICRC, Red Cross and Red Crescent Societies, NGOs registered with the United Nations

Goods imported by foreign diplomatic and consular missions for their official use

ANNEX II

List of goods subject to excise duties

Description	Taxation
Gasoline	Ad valorem 50%
Diesel	Ad valorem 50%
Cigarettes	Ad valorem 25%
Cigars and cigarillos	Ad valorem 10%
Other manufactured tobacco	Ad valorem 10%
Wines	Ad valorem 5%
Beer	Ad valorem 15%
Soft drinks	Ad valorem 10%
Strong drinks	Ad valorem 50%
Alcohol/ethanol	Ad valorem 15%
Coffee	Specific DM 3/Kg
Mobile phones	Ad valorem 15%
Satellite dishes	Ad valorem 15%
TV sets	Ad valorem 15%
VCR	Ad valorem 15%
Goods imported by UNMIK, KFOR, UNHCR, ICRC, Red Cross and Red Crescent Societies, NGOs registered with the United Nations	Ad valorem 0%

ANNEX III

List of goods exempt from sales tax

Exports

Pharmaceutical products

Medical and surgical instruments and apparatus

Milk

Cooking oil and fats

Vegetables

Fruits

Stamps and valuable papers

Goods imported by UNMIK, KFOR, UNHCR, ICRC, Red Cross and Red Crescent Societies, NGOs registered with the United Nations

Goods imported by foreign diplomatic and consular missions for their official use