

**DECISION ON
IMPLEMENTAL REGULATIONS OF THE LAW ON
CUSTOMS POLICY OF BOSNIA AND HERZEGOVINA**

“Official Gazette” of Bosnia and Herzegovina, 63a/04

-unofficial translation-

Pursuant to Article 17 of the Law on Council of Ministers of Bosnia and Herzegovina ("Official Gazette of BiH", no. 30/03 and 42/03), and Article 1, Paragraph 1 of the Law on Customs Policy of Bosnia and Herzegovina ("Official Gazette of BiH", no. 57/04), the Council of Ministers of Bosnia and Herzegovina, at the 72nd session, held on December 16, 2004, issued the following

DECISION

ON IMPLEMENTAL REGULATIONS OF THE LAW ON CUSTOMS POLICY OF BOSNIA AND HERZEGOVINA

SECTION I

General Implemental Regulations

TITLE I

General

CHAPTER 1

Definitions

Article 1

In application of the Decision, terms have the following meaning:

1. "Law" stands for the Law on Customs Policy of BiH;
2. "ATA carnet" stands for the international customs document for temporary import, established under the ATA Convention, *i.e.* the Istanbul Convention;
3. "Governing Board" stands for the Board established by way of the Law on Indirect Taxation System in BiH;
4. "Information required for identification of goods" on one hand stands for the information used for identification of goods in terms of trade, which enables the customs bodies to determine the customs tariff classification, and on the other, for the quantity of goods;
5. "Non-commercial goods" stands for goods subject to temporary registration for certain customs procedure, the features and the quantity of which imply that it is intended for private, personal or family use of the receivers of goods or of the persons carrying it, *i.e.* that it is beyond any doubt designated as a gift;
6. "Trade policy measures" stands for non-tariff measures established through regulations of Bosnia and Herzegovina (hereinafter: BiH), as a part of trade policy, which regulate import and export of goods, such as measures for control or preserving, quantity limitations, and limitations and prohibitions on import and export;
7. "Customs nomenclature" stands for the nomenclature set forth in Article 17 of the Law;

8. "Harmonized system" stands for harmonized description of goods and code system;
9. "Istanbul Convention" stands for the Convention on temporary import, agreed upon in Istanbul, on June 26, 1990.

CHAPTER 2

Decisions

Article 2

In case the person compiling the request for decision issuing is not able to submit all the documents and information required to issue a decision, the customs bodies shall submit for consideration the available documentation and information.

Article 3

The decision made in favour of a person providing the guarantee for payment of amounts due upon the first written request from customs bodies, shall be cancelled in case the obligation is not fulfilled.

Article 4

1. The decision cancellation, at the moment of entering into force, shall not affect the goods already in procedure pursuant to the cancelled approval.
2. However, the customs bodies may request that such goods be treated under the customs approved procedure or use, within deadline determined by them.

CHAPTER 3

Data Processing Techniques

Article 5

1. Under conditions and in the manner determined by the customs bodies and complying the principles stipulated by customs regulations, they may prescribe actions and procedures to be executed according to data processing technique. In that sense:

- "data processing technique" stands for:
 - a) exchange of standard EDI messages with customs bodies;
 - b) entry of data, required for implementation of certain actions and procedures, into customs data processing systems;
- "EDI" (Electronic Data Interchange), stands for electronic transmission of data structured according to agreed message standards between two computer systems ;
- "standard message" stands for pre-prescribed and accepted structure for electronic data transmission.

2. Conditions prescribed for performing actions and procedures via data processing technique also include measures for data source control, and protection of data from the risk of unauthorized access, loss, change, or destruction.

Article 6

When actions and procedures are performed using the data processing technique, the customs bodies set up the regulations for replacing a hand written signature with some other technique, which may be based on the use of symbols.

Article 7

1. In terms of test programs, which use the data processing technique, and which have been created for the purpose of evaluating potential simplifications, the customs bodies can, only for the period required for application of the programs, forfeit the requirement for submission of the following:

(a) value declaration, provided for under Article 89, Paragraph 1 of the Decision;
(b) exclusive referred to in Article 129, Paragraph 1 of the Decisions, the data referring to the lines in the single customs declaration, which are not necessary for identification of goods and do not constitute factors used as a basis for applying the import duties.

2. However, the data is placed at disposal, upon request, within control activities. The amount of import duties collected in the period included in the exclusion approved under the first subparagraph, may not be lower than the amount collected without the exclusion.

TITLE II BINDING INFORMATION CHAPTER 1 Definitions Article 8

Pursuant to the title:

1. *binding information* stands for an information on the tariff classification of goods, or an information on origin of goods prescribed under Article 11 of the Law.

2. *applicant*:

- in issues referring to tariff, it stands for a person who submitted the request to customs bodies for the purpose of issuing the binding information on tariff classification;
- in issues referring to origin of goods, it stands for a person who submitted the request to customs bodies for the purpose of issuing the binding information on origin of goods.

3. *proprietor* stands for a person on behalf of whom the binding information is issued.

CHAPTER 2 Procedure for obtaining the binding information – Delivering the information to applicants Article 9

1. Requests for issuance of the binding information are filed with the Indirect Taxation Administration (hereinafter: Administration), in writing, on a form contained in Attachment 1 to this Decisions.

2. The request for issuance of the binding information on tariff classification pertains only to one type of goods. The request for issuance of the binding information on origin of goods pertains only to one type of goods and one concatenation of circumstances under which the origin is being determined.

3. (A) Requests for issuance of the binding information on tariff classification must contain the following information:

- (a) name and address of holder of goods;
- (b) name and address of applicant, if that person is not the holder of goods;
- (c) detailed description of goods, which enables the identification of it, and determination of its classification in the customs nomenclature;
- (d) composition of goods and all the inspection methods used to determine the composition thereof, in case the classification is depending on it;
- (e) all samples, photographs, plans, catalogues, or other available documents, which can be of help to the customs bodies in determining the accurate classification of goods in customs nomenclature should be submitted as attachments;
- (f) scheduled classification;
- (g) consent on delivering translations of all attached documents in one of the official languages in BiH, if so requested by the customs bodies;
- (h) all information, which should be treated as confidential;
- (i) applicant's note stating whether the binding information on tariff classification, for identical or similar goods, have, to their knowledge, already been applied or issued in BiH;
- (j) accepting for the delivered information to be stored in the customs bodies' data base; however, regardless of Article 14 of the Law, current regulations in BiH governing protection of information are being applied.

(B) Requests for issuing the binding information on origin of goods contain the following information:

- a) name and address of holder of goods;
- b) name and address of applicant, if that person is not the holder of goods;
- c) legal basis, which can be applied in the sense of Article 19 and 24 of the Law;
- d) detailed description of goods and its tariff classification;
- e) composition of goods and all the inspection methods used to determine the composition thereof, and, as needed, the ex-works price of goods;
- f) the conditions enabling the determination of origin of goods are stated, as well as the materials used and the origin thereof, the tariff classification, adequate values and description of circumstances (rules pertaining to change of tariff mark, added value, description of operation or process, or any other specific regulation), which enable fulfilling of the respective conditions; especially so, the specific regulation on origin of goods that was applied, as well as the origin anticipated for the goods;
- g) all samples, photographs, plans, catalogues, or other available documents on the composition of goods and the materials they are made of, which can be of help in describing the production process or the processing the materials were subject to;
- h) consent on delivering translations of all attached documents in one of the official languages in BiH, if so requested by the customs bodies;
- i) all information, which should be treated as confidential, in reference to the public or the Administration;
- j) applicant's note stating whether the binding information have, to their knowledge, been applied or issued in BiH with respect to the origin of goods or materials identical to that stated in items (d) and (f) of this Paragraph;
- k) accepting for the delivered information to be stored in the customs bodies' data base, which is available to the public, however, regardless of Article 14 of the Law, current regulations in BiH governing protection of information are being applied.

4. If, upon receiving the request, the customs bodies consider it not to contain all the information required for issuing the binding information, the customs bodies shall request the applicant to deliver the required information. The deadlines of three months and of 150 days, from Article 10 of the Decision, start as of the moment the customs bodies have all the

information required for making the decision; customs bodies inform the applicant on receiving the request, and on the date as of which the stated deadline starts .

Article 10

1. The binding information is delivered to the applicant as soon as possible, and on the form contained in Attachment 2.
 - (a) In issues pertaining to tariff: in case the binding information could not have been delivered to the applicant within three months' following the acceptance of the request, the customs bodies get in contact with the applicant in order to explain the reason for being late, and to state the time when they expect to be able to deliver the information .
 - (b) In issues pertaining to origin of goods: the information is delivered within 150 days from the day of accepting the request.
2. The information states which data shall be treated as confidential. The right to appeal set forth in Article 236 of the Law is also stated.

CHAPTER 3

Legal Force of the Binding Information

Article 11

1. Without exclusion from Articles 5 and 61 of the Law, only the holder of goods can make reference to the binding information .
2.
 - (a) In issues pertaining to tariff: customs bodies may request the holder of goods, during performance of activities and procedures, to inform the customs bodies of being in possession of binding information pertaining to the goods being cleared for customs .
 - (b) In issues pertaining to origin of goods: customs bodies competent for inspection of applicability of binding information on origin of goods may, during the performance of activities and procedures, request the holder of goods to inform the respective bodies on being in possession of the binding information on origin of goods, which includes the goods for which the activities and procedures are being finalized.
3. The holder of the binding information can make use of it , in terms of the respective goods, only if the competent customs body establishes the following :
 - (a) in issues pertaining to tariff: those specific goods correspond to that described in the presented information in every way;
 - (b) in issues pertaining to origin of goods: that specific goods and circumstances determining the origin thereof correspond in every way to that described in the presented information.

Article 12

1. Upon adopting one act or measure referred to in Article 11, Paragraph 5 of the Law, customs bodies undertake all necessary steps in order to ensure that the binding information is from then on issued only in accordance with the respective act or measure .
2. In terms of the binding information on tariff classification, and in the meaning of Paragraph 1 of this Article, the date being considered shall be the date established under Article 11, Paragraph 5, item (a) of the Law .
3. In reference to the binding information on origin of goods, and in the meaning of Paragraph 1 of this Article, the date being considered shall be the date determined under Article 11, Paragraph 5, Item (b) of the Law .

CHAPTER 4

Provisions applied in case of the binding information expiry

Article 13

1. In case the holder of binding information, which expired for reasons stated in Article 11, Paragraph 5 of the Law, wishes to use the possibility to refer to such information during a specific period in accordance with Paragraph 6 of that Article, he/she informs the customs bodies respectively and delivers all necessary supporting documents in order to enable inspection in the sense of fulfilling all the relevant conditions.

2. In exceptional cases, when conditions under Paragraph 1 of this Article pertaining to possibility to continue referring to the binding information on tariff classification or the binding information on origin of goods, have not been fulfilled, the customs bodies inform the holder respectively, in writing.

**TITLE III
ORIGIN OF GOODS
CHAPTER 1**

Non-preferential Origin

Section 1 – Working or processing providing origin

Article 14

1. This Chapter prescribes working or processing, which is considered to satisfy the criteria prescribed under Article 21 of the Law, and which provides origin of a specific country to certain goods, respectively in terms of textile and textile products included in Section XI of BiH Customs Tariff, and in terms of other specific products apart from textile and textile products.

2. "Country" stands for BiH or some other country, as suitable.

Subsection 1 – Textile and textile products included in Section XI of BiH Customs Tariff

Article 15

In terms of textile and textile products, which are included in Section XI of BiH Customs Tariff, working or processing that provides origin in the sense of Article 21 of the Law shall be observed as completed process in the sense of Article 16 of this Decision.

Article 16

1. Working or processing resulting in products classified under a different tariff number of BiH Customs Tariff than that pertaining to various used materials, without origin, shall be observed as completed process.

2. However, in terms of products stated in the Attachment 4, only the specific procedures in Column 3 of the Attachment, pertaining to each individual end product, shall be considered completed, whether they include the change of tariff number or not.

3. Introductory notes of the Attachment 3 elaborate the method for changing the regulations from Attachment 4.

Article 17

In the sense of the preceding Article, the following shall, in any case, be considered as insufficient working or processing for the purpose of obtaining the status of a product with origin, whether the change of tariff number occurs or not:

- (a) actions ensuring preservation of goods in good condition during transportation and storage (ventilation, unfolding, drying, removing damaged parts, and such like);
- (b) simple actions consisting of dusting, sieving or screening, sorting, separating, matching (making product sets included), washing, cutting;
- (c)
 - i. change of packaging, division and assembly of consignments;
 - ii. simple packing in bags, boxes, strapping onto cardboards or boards, etc., and all other simple packing;
- (d) placing labels, stickers or similar differentiating markings on products or the packaging;
- (e) simple assembly of product parts in order to have the complete products;
- (f) combination of two or more actions stated in items (a) through (e) of this Article.

Subsection 2 – Products, apart from textile and textile products, included under Section XI of BiH Customs Tariff

Article 18

1. In case of obtained products stated in the Attachment 5, working or processing stated in Column 3 of the Attachment shall be considered as process or action providing origin pursuant to Article 21 of the Law.

2. Introductory notes of the Attachment 3 describe the method for application of regulations in the Attachment 5.

Subsection 3 – Joint provisions for all products

Article 19

In case the lists from Attachments 4 and 5 imply for the origin to be granted if the value of used materials without origin does not exceed a certain percentage of ex-works price of obtained products, such percentage is calculated in the following manner:

- "value" stands for customs value at the moment of import of used materials without origin or, if not known and not possible to establish, the first price that can be established and which is paid for such materials in the country of processing;
- "ex-works price" stands for ex-works price of obtained product reduced by the amount of all local taxes, which are refunded or could be refunded during export of such product;
- "value resulting from assembly" stands for increase in value occurring due to actual assembly, along with actions of final processing and control, and due to installation of any parts originating from a country in which the respective actions have been made, including the profit and general costs occurring in the respective country as a result of these actions.

Section 2 – Provisions pertaining to spare parts

Article 20

1. Requisites, spare parts or tools delivered along with any part of equipment, machine, apparatus, or vehicle, which constitutes a part of its standard equipment, shall be considered to be of the same origin as that piece of equipment, machine, apparatus or vehicle.

2. Important spare parts to be used with any piece of equipment, machine, apparatus, or vehicle, which is placed in circulation or is previously exported, shall be considered to be of the same origin as that piece of equipment, machine, apparatus, or vehicle, taken the conditions stated in this section are fulfilled.

Article 21

Assumption of origin from previous Article is accepted only in the following cases:

- if that is necessary for the purpose of export to country of destination ;
- if installation of aforementioned important spare parts into the piece of respective equipment, machine, apparatus or vehicle during production phase does not prevent that piece of equipment, machine, apparatus, or vehicle to be of BiH origin or that of a country of production.

Article 22

In the sense of Article 20 of the Decision:

(a) "piece of equipment, machine, apparatus or vehicle" stands for goods stated in Sections XVI, XVII, and XVIII of BiH Customs Tariff;

(b) "important spare parts" stands for parts constituting the following:

- components required for proper functioning of goods from Item (a) of this Article, which are in circulation or have previously been exported; and
- features of the respective goods; and

- those intended for its regular maintaining and replacement of parts of the same kind, which are damaged or cannot be repaired .

Article 23

1. If a request is filed with competent BiH bodies for the purpose of issuance of certificate of origin for spare parts, in the meaning of Article 20 of this Decision, then Field 6 (item number, marks, numbers, number and type of packaging, description of goods) of the certificate, as well as the respective request, shall also include a statement of the respective person confirming that the goods stated are intended for regular maintenance of a piece of equipment, machine, apparatus or vehicle, which has previously been exported, along with exact data on the respective piece of equipment, machine, apparatus or vehicle.
2. Whenever possible, a respective person also provides information on certificate of origin (to the issuing body, certificate number and date), which was used in export of the piece of equipment, machine, apparatus or vehicle, for maintenance of which the respective parts are intended.

Article 24

In case the origin of important spare parts must be proved by submitting the certificate of origin, in the meaning of Article 20 of his Decision, for the purpose of putting those in circulation in BiH, the certificate shall include information from the previous Article.

Article 25

With the aim of ensuring the application of regulations foreseen under this Section, the competent BiH bodies may request additional proof, especially the following :

- submitting the invoice or copy of invoice pertaining to that piece of equipment, machine, apparatus or vehicle, which is in free circulation, or has been exported previously;
- contract or copy of contract, *i.e.* any other document indicating that delivery has been made as a part of regular maintenance .

Section 3 – Implemental regulations pertaining to – certificates of origin

Article 26

In case the origin of goods is being proved during import, or has to be proved through presentation of the certificate of origin, the certificate must fulfil the following conditions:

- (a) to be issued by a body properly authorized for the purpose and deemed reliable;
- (b) to contain all information required for identification of products it pertains to, especially in terms of the following:

- number of parcels, their character, and markings and numbers on them ;
- product type;
- gross and net product weight, however, these information can be replaced with another, such as the number and volume, in case the product undergoes significant changes in weight during transport, or in case the weight can not be determined, or in case it is usually being identified through such information;
- name/title of sender

- (c) to certify, beyond any doubt, that the respective product is of a certain country's origin.

Article 27

1. The certificate of origin issued by competent BiH bodies must meet the requirements prescribed under Article 26, Items (a) and (b) of this Decision.

2. Certificates and relevant requests are issued in forms corresponding to the samples in the Attachment 6.

3. Such certificates of origin confirm the BiH origin of goods.

Article 28

1. Certificates of origin are issued upon written request from a specific person.

2. When stipulated by circumstances, and especially, if the applicant is maintaining regular export, the competent BiH bodies may decide not to ask for a request for each export, given that regulations pertaining to origin have been observed.

3. If the requirements of trading with goods demand so, one or more additional copies of certificate of origin can be issued. Such copies are issued in forms provided for in Attachment 6.

Article 29

1. The format of the certificate is 210 x 297 mm. Allowed tolerance is up to minus 5 mm or plus 8 mm in length. White paper is used, without mechanical paper clip, coated for writing, weighing at least 64 g/m² or between 25 and 30 g/m² if air mail paper is used. In the background, it must contain printed, matted ornament (guilloche), in sepia black colour, so that any forgery can be discovered by use of mechanical or chemical means.

2. The request/certificate of origin Form is printed in one of official languages of BiH or, depending on the practice and trade demands, any other language.

3. Competent BiH bodies may reserve the right to print the certificate of origin forms or charge with printing the approved printing companies. In the latter case, each certificate must contain reference to such an approval. Each form pertaining to origin must contain name and address of the printing company, or a mark that can help identify one. In addition, it must contain the serial number, printed or stamped that can help identify one.

Article 30

The request or the certificate of origin form is completed using the typewriter or in hand, in capital letters, in an identical manner, in one of the official languages of BiH or, depending on the practice and trade demands, in any other language.

Article 31

1. Any certificate of origin from Article 27 of this Decision shall bear a serial number, which can be used for identification. The requests for issuing the certificate, as well as all copies of the certificate itself, bear the same number.

2. In addition, competent BiH bodies can mark such documents with numbers in accordance with the order of issuing.

Article 32

Competent BiH bodies determine which other, additional information, if any, should be stated in the request. Such additional information is limited to a strict minimum.

Article 33

Competent BiH bodies that have been issuing certificates of origin retain the requests for at least two years.

CHAPTER 2 **Preferential Origin**

Article 34

In the sense of this Chapter:

- (a) "production" stands for all types of working or processing, including assembly work and special works;
- (b) "material" stands for each ingredient, raw material, component, or part, etc., used in making of the product;
- (c) "product" stands for product, which is being made, even if it is intended for subsequent use in another production process;
- (d) "goods" stands for materials and products;

- (e) "customs value" stands for values determined in accordance with the Agreement on application of Article VII of the General Agreement on Tariffs and Trade from 1994 (World Trade Organization (WTO) Agreement on Determining Customs);
- (f) "ex-works price" in the list contained in Attachment 8 stands for the ex-works price paid for the product to the producer performing the last works or processing, taken that the price includes the value of all materials used, reduced by the amount of all local taxes, which are refunded or could be refunded during export of end products;
- (g) "value of material" in the list contained in Attachment 8, stands for customs value for customs purposes at the moment of import of materials used, without origin, or, if it is not known and can not be determined, that is the first price that can be determined, and which is paid for such materials in BiH or in the user country, in the sense of Article 35, Paragraph 1 of this Decisions. If value of materials used, with origin, needs to be determined, this Paragraph is applied *mutatis mutandis*;
- (h) "chapters" and "tariff numbers" stand for chapters and tariff numbers (four-digit marks), used in a nomenclature which constitutes Harmonized system;
- (i) "classified" pertains to classification of products and materials under certain tariff number;
- (j) "consignment" stands for products, which are at the same time sent from one exporter to one receiver of products or, which are included in the single transportation document covering the transport from exporter to receiver of products, or in the absence of such document, in a single invoice.

Preferential between BiH and European Community

Section 1 – Definition of the concept of product with origin

Article 35

1. In view of regulations pertaining to tariff preferential approved by the European Community (hereinafter: the Community) for certain products originating from BiH, the following products shall be considered to be of BiH origin:

- (a) products entirely obtained in BiH, in the sense of Article 36 of this Decision;
- (b) products obtained in BiH, where other products were used in production thereof, other than that from Item a) of this Paragraph, taken that the aforesaid products have passed through sufficient working or processing in the sense of Article 37 of this Decisions.

2. In the sense of this Section, products originating from the Community in the meaning of Paragraph 3 of this Article, which are subject to larger working or processing in BiH, than that described in Article 38 of this Decision, shall be considered to be of BiH origin.

3. Paragraph 1 of this Article is applied *mutatis mutandis* in determining the origin of products obtained in the Community.

Article 36.

1. The following products are considered to be entirely obtained in BiH or the Community:

- (a) mineral products extracted from its soil or sea bottom;
- (b) herbal products harvested in it;
- (c) live animals littered and bred in it;
- (d) products obtained from live animals bred in it;
- (e) products obtained from hunting or fishing in it;
- (f) products obtained from fishing at sea, and other products extracted from sea using its vessels, outside the territorial waters;
- (g) product obtained on its ship factories, exclusive from products stated in Item (f) of this Paragraph;
- (h) used products purchased in it, which are only suitable for obtaining new raw material;
- (i) waste and remains resulting from production process performed in it;
- (j) products extracted from the sea bottom or the soil under the sea bottom, outside its territorial waters, but when it holds exclusive rights for exploitation;

(k) goods produced in it exclusively from products stated in Items (a) through (j) of this Paragraph.

2. Terms "its vessels" and "its ship factories" in Paragraph 1, Items (f) and (g) of this Article are only applied to vessels and ship factories, as follows :

- those registered or recorded in BiH or in member country;
- those sailing under the flag of BiH or member country ;
- those with at least 50% ownership by BiH or member country citizens, or by companies from BiH or one of the member countries, where manager or managers, Chairman of the Board of Directors or Supervisory Board and majority of members of such Boards are citizens of BiH or member countries, and where , in addition, in case of a company, at least half of the capital belongs to BiH or member countries, or to public bodies or citizens of BiH or member countries ;
- where the captain and officers are citizens of BiH or member countries ; and
- where at least 75% of the crew are citizens of BiH or member countries .

3. Terms "BiH" and "Community" also pertain to territorial waters of BiH and member countries.

4. Vessels operating on the high seas, including ship factories where fish is being processed, are considered in part a territory of BiH or member country they belong to, given that they satisfy the conditions stated in Paragraph 2 of this Article.

Article 37

1. In the meaning of Article 35 of this Decision, products not fully obtained in BiH or the Community are considered to be sufficiently processed if conditions stated in the list in Attachment 8 are satisfied.

2. Under those conditions, for all products included in this section, processing is stated that must be performed over materials without origin used in production and applied only in relation to such materials.

3. If a product, which obtained the status of origin by satisfying the listed conditions, is used in production of another product, then conditions applicable to the product it is built in are not applied to it, and the materials without origin, which could have been used in its production, are also not taken into consideration.

Article 38

1. Without exclusion from Paragraph 2 of this Article, the following actions are considered to constitute insufficient processing for the purpose of obtaining the status of product with origin, whether the conditions from Article 37 of this Decision are satisfied or not:

- a) preservation activity in order to ensure good condition of products during transport and storage;
- b) disassembling and assembling the packaging ;
- c) washing, cleaning, removing dust, oxide layer, oil, paint, or other surface layers ;
- d) textile ironing and pressing ;
- e) simple dyeing and polishing ;
- f) shelling, partial or complete grinding, polishing and glazing of grain and rice ;
- g) sugar dyeing or producing sugar cubes/crumbles, partial or complete sugar grinding ;
- h) peeling, removing fruit stone, and peeling fruit, stone-fruit, and vegetables ;
- i) sharpening, simple crushing or simple cutting;
- j) sieving, screening, sorting, classifying, grading, matching (including making product sets);
- k) simple bottling, canning, packing into bags, cases, boxes, strapping onto cardboards or boards, and all other simple packaging ;

- l) placing or printing labels, stickers, logos, and other differentiating markings onto products or packaging;
 - m) simple mixing of products, whether dealing with different types or not, when one or more components of the mixture does not satisfy the conditions anticipated under this Section, which would enable them to be considered as products with origin of BiH or the Community ;
 - n) simple assembly of product parts, in order for them to make a complete product, or disassembling a product into parts;
 - o) combination of two or more actions stated in Items (a) through (n) of this Paragraph;
 - p) slaughtering animals.
2. All actions performed only in BiH or only in the Community are observed as an entirety when determining whether the processing of certain product should be deemed insufficient in the sense of Paragraph 1 of this Article.

Article 39

1. Specific product observed as the basic unit in determining the classification by application of BiH Customs Tariff nomenclature, constitutes the qualifying unit for application of the provisions from this Section.

Therefrom, it follows that:

- a) when a product consisting of group of Articles is to be classified under one tariff number according to BiH Customs Tariff terms, the entirety constitutes the qualifying unit. ;
 - b) when consignment consists of certain number of identical products, which are classified under the same tariff number of BiH Customs Tariff, then each product must be taken separately during application of provisions from this Section.
2. When, under the general rule of the 5th BiH Customs Tariff, packaging is included in classification along with the product, it is also included for the purpose of determining the origin.

Article 40

1. Exclusive from the provisions of Article 37 of this Decision, materials without origin can be used in production of a certain product, taken that their total value does not exceed 10% of ex - works price of the product.

2. When one or more maximum value percentages for material without origin are stated in the list, the respective percentages are not to be exceeded in application of the previous Paragraph .

3. Paragraph 1 of this Article is not applied to products subject to Chapters 50 through 63 of BiH Customs Tariff.

Article 41

Requisites, spare parts, and tools delivered along with a certain piece of equipment, machine, apparatus or vehicle, which constitute parts of standard equipment and are included in the price thereof, or which is not separately invoiced, shall be considered an entirety along with the respective equipment, machine, apparatus or vehicle.

Article 42

Sets defined under general rule 3 of BiH Customs Tariff are considered to have an origin when all the products they are consisting of have an origin. However, if the set is consisting of products with origin and those without one, the entire set is considered to have an origin, given that the value of products without origin does not exceed 15% of ex -works price of the set.

Article 43

In order to determine if a product has an origin or not, it is not necessary to determine the origin of the following items, which could be used in production :

- (a) energies and fuels;
- (b) industrial plants and equipments;
- (c) machines and tools;
- (d) goods which do not make the final product or are not intended to be a part of the final product.

Article 44

1. Conditions stated in this Section referring to obtaining the status of origin must be satisfied continuously at any moment, in BiH or in the Community .
2. Should the products with origin, exported to another country from BiH or the Community, be returned, they shall be considered to have no origin, unless a proof of the following can be provided to the customs bodies:
 - that the returned products are the same as the ones export ed; and
 - that they have not undergone any other action apart from that necessary in order to preserve them in good condition during stay in the given country or during export .

Article 45

1. The following products are considered to have been directly transported from BiH to the Community or from the Community to BiH :
 - a) products transported without transit through the area of another country ;
 - b) products constituting one single consignment transported through areas of other countries, apart from BiH or the Community, with, if occasion serves, reloading or temporary storage in those countries, given that the products remain under custody of customs bodies of the transiting country or country of storage and that they are not subject to some other actions apart from offloading, reloading, or some other action aiming to preserve them in good condition ;
 - c) products transported via pipeline, without interruption, through area of another country, apart from BiH or the Community .
2. Fulfilment of the conditions stated in Paragraph 1, Item (b) of this Article is proved to the competent customs bodies through presentation of the following:
 - a) single transportation document which covers transit from country of export through transiting country;
 - b) certificate issued by the customs bodies of transiting country :
 - which states the exact description of products ;
 - which states product offloading and reloading dates and, when applicable, names of ships or other transportation means being u sed;
 - which certifies the conditions under which the products were kept in the transiting country;
 - c) or, in the absence of those documents, all of the supporting documents .

Article 46

1. Products with origin, sent from BiH to an exhibition in another country and subject to sale upon exhibition for the purpose of import into the Community , enjoy the benefits of tariff preferential from Article 35 of this Decision given that they satisfy the conditions of this Section , which grants them the right to be acknowledged as products with BiH origin, and given that the following is proved to the competent customs bodies in the Community :
 - a) that the exporter made direct transportation of products from BiH to the country of exhibition, and that the products were exhibited there;
 - b) that the exporter sold them or made them available to a person in the Community in some other way;
 - c) that during, or immediately following the exhibition , the products were transported into the Community in condition in which they have been sent to the exhibition;
 - d) that the products were not used for any other purposes but the exhibition since they have been sent to the exhibition .

2. The EUR 1 Certificate on movement is filed with customs bodies in the Community in usual manner. It must state the name and the address of exhibition. When necessary, additional material proof may be demanded with regards to product features and conditions of exhibiting.

3. Paragraph 1 of this Article is applied to every trade, industrial, agricultural exhibition or exhibition of crafts, a tradeshow or similar public manifestation or presentation, which is not organized for private purposes in shops or business premises with the aim of sale of foreign products, and during which the products remain under customs control.

Section 2 – Proof of Origin

Article 47

Products originating from BiH enjoy the benefits of tariff preferential from Article 35 of this Decision, upon presentation of the following:

- (a) EUR 1 movement certificate; the form is provided in the Attachment 9; or
- (b) the statement, in cases listed in Article 52, Paragraph 1, Item (b) of this Decision, the text of which is provided in the Attachment 10, and which the exporter provides on the invoice, delivery form or any other commercial document providing enough detailed description of products, in order to enable identification thereof (hereinafter: "invoice statement").

(a) EUR. 1 MOVEMENT CERTIFICATE

Article 48

1. Products with origin in the sense of this Chapter are entitled to the benefit of tariff preferential from Article 35 of this Decision during import into the Community, given they were directly transported, in the sense of Article 45 of this Decision, and upon presentation of EUR 1 movement certificate issued by the customs bodies of Bosnia and Herzegovina, under the condition that BiH:

- delivers to the European Commission the information required under Article 57 of this Decisions; and
- that it provides assistance to the Community in a way to allow the customs bodies of member countries to check the validity of documents or accuracy of information referring to origin of respective goods.

2. EUR. 1 movement certificate may only be issued if it can serve as material evidence required for the purpose of tariff preferential from Article 35 of this Decision.

3. EUR. 1 movement certificate is issued only upon request made in writing by the exporter or an authorized representative thereof.

Such request is made in accordance with the provisions of this section and in the form from the Attachment 9.

BiH customs bodies keep the request for issuing EUR.1 movement certificate for at least three years.

4. An exporter or an authorized representative thereof attaches all the supporting documents to the request, which prove that the products being exported qualify for issuing the EUR. 1 movement certificate.

An exporter takes upon the obligation to present all additional proof, upon request of competent customs bodies, which they would need for the purpose of determining the accuracy of the status of origin of products entitled to preferential treatment, and to accept any inspection of their business books and any inspection undertaken by the aforementioned bodies with regards to the circumstances in which the products were obtained.

5. EUR. 1 movement certificate is issued by the customs bodies of BiH or that of the exporting country, which is the member of the Community, if the products being exported can be deemed as products with origin in the sense of this Chapter.

6. Since the EUR. 1 movement certificate constitutes the material proof for application of preferential arrangements stated in Article 35 of this Decision, the customs bodies of BiH or that of the exporting country – member of the Community, hold the responsibility to undertake all necessary steps for the purpose of checking the origin of products and other statements in the certificates.

7. With the purpose of checking if the conditions stated in Paragraph 5 of this Article are satisfied, the customs bodies of BiH, or that of the exporting country – member of the Community, hold the right to request all material proof or to perform all controls they may deem necessary.

8. Customs bodies of BiH, or that of the exporting country – member of the Community, are responsible to ensure that forms from Paragraph 1 of this Article are properly completed.

9. The date of issue of the EUR. 1 movement certificate is stated in the section of the certificate reserved for customs bodies.

10. EUR. 1 movement certificate is issued by customs bodies of BiH or that of the exporting country – member of the Community, during export of products it pertains to, and is put on disposal to the exporter as soon as the export is made or ensured.

Article 49

In case when successive import is made at the request of importer and under the conditions prescribed by the customs bodies of the importing country for disassembled or unassembled products, within the meaning of the general rule 2 (a) of BiH Customs Tariff, under Section XVI or XVII, *i.e.* under tariff number 7308 or 9406 of BiH Customs Tariff, the single proof on origin for such products is presented to customs bodies during import of first delivery.

Article 50

1. Exclusive from Article 48, Paragraph 10 of this Decisions, the EUR. 1 movement certificate may be issued exceptionally even after import of products to which it pertains, if:

- a) it was not issued at the moment of import due to errors, inadvertent omissions, or special circumstances; or
- b) if proof is provided to customs bodies that the EUR. 1 movement certificate has been issued, but not accepted during import due to technical reasons.

2. Customs bodies can issue the EUR. 1 movement certificate subsequently, only after checking if the information stated in the importer's request match those in the adequate exporting document, and if the EUR. 1 movement certificate was not issued once the specific products have been exported, for the purpose of respecting the provisions of this Section.

3. The note is made on the subsequently issued EUR. 1 movement certificate that reads: "SUBSEQUENTLY ISSUED".

4. The note from Paragraph 3 of this Article is entered in the field "Comments" on the EUR. 1 movement certificate.

Article 51

1. In case of theft, loss, or destruction of EUR. 1 movement certificate, the exporter may file a request to the issuing customs bodies for the purpose of issuing a duplicate on the basis of export documents, which are in possession of the respective customs bodies.

2. The note is made on a duplicate issued in such a way that reads: "DUPLICATE".

3. The note from Paragraph 2 of this Article is entered in the field "Comments" on the EUR. 1 movement certificate.

4. The duplicate bearing the date of issue of the original EUR. 1 movement certificate is valid as of the respective date.

5. Once the products with origin are placed under the control of BiH customs office, a possibility exists for the original proof of origin to be replaced with one or more EUR. 1 movement certificates for the purpose of sending all or some products elsewhere in BiH. The spare EUR. 1 movement certificate is issued by the customs office competent for the respective products.

(b) INVOICE STATEMENT

Article 52

1. The invoice statement may be issued by:
 - (a) approved exporter from the Community, in the sense of Article 53 of this Decision, or
 - (b) an exporter, for each consignment of one or more parcels, which contain products with origin with total value not exceeding 12.000 KM, given that the benefits from Article 48, Paragraph 1 of this Decision are also applied in this procedure.
2. The invoice statement may be issued by the exporter, if certain product can be considered to be of origin of the Community or BiH, and if it satisfies other conditions from this Chapter.
3. The exporter who makes the invoice statement is prepared at any moment, at the request from customs or other competent bodies of the exporting country, to present all adequate documents proving the status of origin of certain products and satisfy other conditions from this Chapter.
4. Exporter makes the invoice statement by entering a statement using typewriter, stamp, or print on the invoice, delivery form or any other commercial document, having the text of the statement provided in the Attachment 10, using one of the language options stated in the Attachment, and in accordance with local legislation of the exporting country. In case the statement is made in handwriting, ink and capital letters are used.
5. Invoice statements must contain original hand signature of the exporter. However, the approved exporter, in the sense of Article 53 of this Decisions, is not obliged to sign such statements, given they make an obligation, in writing, towards customs bodies of the Community that they accept full responsibility for any invoice statement, which identifies them as if it has been hand signed by them.
6. In cases from Paragraph 1, Item (b) of this Article, the use of invoice statement is subject to the following special terms:
 - (a) invoice statement is issued for each consignment;
 - (b) if the goods contained in the consignment have already been subject to inspection in the exporting country, the exporter can refer to that inspection in the invoice statement by referring to the definition of "product with origin".

The provisions of Item (a) of this Paragraph do not exempt the exporter from the obligation to respect any other formalities needed in accordance to customs or postal regulations.

Article 53

1. Customs bodies in the Community may authorize each exporter (hereinafter: approved exporter), who frequently exports the products with origin of the Community, within the meaning of Article 35, Paragraph 2 of this Decision, and who provides the customs bodies with all the guarantees necessary for inspection of the status of product origin and satisfies other conditions of this Chapter, to issue invoice statements, regardless of the value of certain products.
2. Customs bodies can approve the status of approved exporter under any conditions they may deem adequate.
3. Customs bodies assign the authorization number to the approved exporter, which is stated in the invoice statement.
4. Customs bodies monitor the use of authorization by the approved exporter at any time.
5. Customs bodies can revoke the authorization at any time.

They do that compulsory when the approved exporter fails to provide guarantees from Paragraph 1 of this Article and when they no longer satisfy the conditions from Paragraph 2 of this Article, or they make use of the authorization in some other inappropriate manner.

Article 54

1. Proof of origin is valid for four months, as of the date of issue in the exporting country, and in that period it is to be presented to the customs bodies of the importing country.
2. Proofs of origin, presented to the customs bodies of the importing country after the final date for presentation, stated in Paragraph 1 of this Article, may be accepted for the purpose of

application of the tariff preferential from Article 35 of this Decision, when failure to present the documents until designated end date is caused by exceptional circumstances.

3. In other cases of late presentation, the customs bodies of the importing country may accept the proofs of origin if the products are submitted before the respective final date.

4. At the importer's request, and having in mind the conditions prescribed by the customs bodies of importing country – member of the Community, a single proof of origin may be presented to those customs bodies during import of the first consignment, when the goods are :

- (a) imported as a part of frequent and continuous trading of significant commercial value ;
- (b) subject to the same sales agreement, and when the parties in the agreement are registered in BiH and established in the Community ;
- (c) classified under the same denotation (eight-digit) of BiH Customs Tariff ;
- (d) arriving exclusively from the same exporter, when forwarded to the same importer, and when presented to the same customs office in the Community .

This procedure is applied to quantities and deadline designated by the competent customs bodies of BiH. The deadline can not, under any circumstances, exceed three months.

Article 55

1. Products, sent by a private person to another private person in the form of small parcels, *i.e.* those constituting a part of the passenger's personal luggage, are imported as products with origin subject to the tariff preferential from Article 35 of this Decision, without request to present the EUR. 1 movement certificate, or the invoice statement, given that such products are not imported for the purpose of trading, that they are reported as those satisfying the conditions required for application of this Chapter, and when there is no doubt in view of validity of statement of the private person/passenger.

2. Imports of periodical character, which consist exclusively of products for personal use of the receiver, passenger or their families, are not observed as imports for the purpose of trading, if the character and the quantity of the products obviously have no commercial purpose.

Furthermore, the total value of products does not exceed 1.000 KM in case of small packages or 2.400 KM in case of products constituting a part of the passenger's private luggage.

Article 56

1. Identifying small deviations between the statements in the proof of origin and that in the documents filed with the customs bodies, for the purpose of performing actions and procedures for import of goods, do not, per se, make the proof of origin invalid, if properly established that the document corresponds to the presented goods.

2. Evidently, formal errors in the proof of origin, such as typing errors, do not lead towards rejection of that document, if the errors are not of such a nature as to raise doubt in terms of accuracy of statements provided in the document.

Section 3 – Methods for administrative co-operation

Article 57

1. BiH delivers to the European Commission the names and addresses of customs bodies located in its area, which are authorized to issue the EUR. 1 movement certificates, along with a sample of stamp prints used by the respective bodies, as well as the names and addresses of relevant customs bodies in charge of inspection of EUR. 1 movement certificates and invoice statements. The stamps are valid as of the date of receipt by the European Commission. The Commission forwards the information to customs bodies of member countries. When delivery of information is performed within the scope of changes of previously delivered information, the Commission states the effective date of new stamps according to the instructions provided by the competent customs bodies in BiH. The information is for official use, however, once the goods are to be placed in circulation, the customs bodies can allow the importer, or the properly authorized representative thereof, to inspect the samples of stamp prints stated in this Paragraph.

2. The Commission sends to BiH the stamp print samples used by customs bodies of member countries in issuing the EUR. 1 movement certificate.

Article 58

1. Additional inspections of the EUR. 1 movement certificates and invoice statements are performed using random selection, i.e. when the customs bodies in importing country – member of the Community or in BiH, have reasonable doubt in terms of validity of such documents, status of origin of certain products, or compliance in terms of other requests from this Chapter .

2. For the purpose of implementing the provisions of Paragraph 1 of this Article, the competent bodies in the importing country – member of Community or in BiH, return the EUR. 1 movement certificate and the invoice, if filed, along with invoice statement, or the sample of the documents , to competent bodies in BiH or member country, stating the reason for inspection, where appropriate.

All obtained documents and information, which suggest that the information stated in the proof of origin are inaccurate, are forwarded along with the request for inspection .

If the customs bodies in the importing country – member of the Community decide to postpone the approval of tariff preferential from Article 35 of this Decision, during the time they are waiting for inspection results, the exporter is offered the release of products with all measures of precaution, which are deemed necessary.

3. When the request for additional inspection is made in accordance with Paragraph 1 of this Article, such inspection is performed and its results are delivered to the customs bodies of the importing country – member of the Community or BiH, within six months' period at the most. The results must clearly indicate whether the proof of origin pertains to the products, which have really been exported, and whether those products can be considered to be of BiH or the Community origin.

4. If, in cases of reasonable doubt, the reply is not provided within six months' period from Paragraph 3 of this Article, or if the reply does not contain enough information for the purpose of determining the validity of the respective document or the real product origin, another letter is sent to the competent bodies. If the inspection results are not delivered to the requesting bodies four months following the second letter, i.e. if the results do not enable the determination of validity of the respective document or real product origin, the requesting bodies decline the right to tariff preferential, except in extraordinary cases.

5. When inspection procedure or any other available information indicates the breach of these provisions, BiH shall, on its own initiative or at the request of the Community, perform adequate inspections or organize urgent performance thereof in order to identify and prevent such breach. For that purpose, the Community can take part in inspections.

6. For the purpose of additional inspection of the EUR. 1 movement certificate, the BiH customs bodies or customs bodies of the exporting country – member of the Community keep the copies of the certificate, as well as all the export documents pertaining to certificates, for at least three years.

Section 4 - Ceuta and Melilla

Article 59

1. The term "Community", used in this Chapter, does not include Ceuta and Melilla. The term "products originating from the Community", does not include products originating from Ceuta and Melilla.

2. This Section is applied *mutatis mutandis* when determining if the products can be considered as that with BiH origin enjoying the preferential during import to Ceuta and Melilla , or that with origin from Ceuta and Melilla .

3. Ceuta and Melilla are observed as a single area.

4. Provision in this Section pertaining to issue, use, and additional inspection of EUR. 1 movement certificate is also applied *mutatis mutandis* to product originating from Ceuta and Melilla.

5. Spanish customs bodies are responsible for application of this Chapter in Ceuta and Melilla .

**TITLE IV
CUSTOMS VALUE
CHAPTER I
General Provisions**

Article 60

1. In application of provisions of Articles 25 through 33 of the Law and of this Title, the customs bodies act in accordance with the provisions stated in the Attachment 11 .
2. Provisions of the Attachment 12 are applied if during determination of customs values reference needs to be made to generally accepted principles of calculation .

Article 61

1. In the sense of this Title:
 - (a) "agreement" stands for the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade stated in Article 28, Paragraph 1, Item (a) of the Law;
 - (b) "produced goods" includes cultivated, produced, and extracted products;
 - (c) "identical goods" stands for the goods produced in the same country, which are in every way identical, including physical features, quality and reputation . Smaller differences in appearance do not prevent the goods, which ordinarily fit the definition, from being considered identical .
 - (d) "similar goods" stands for goods produced in the same country, which, although not being similar in every way, have similar features and similar materials used in production thereof enabling it to perform the same functions and to be commercially replaceable. The quality of goods, its reputation and existence of trademark , are some of the factors, which need to be considered when determining if the goods are similar;
 - (e) "goods of the same class or type" stands for the goods constituting a group or series of products of specific industry or industrial sector, and includes identical and similar goods .
2. "identical goods" and "similar goods", from case to case, do not enclose the goods which include or constitute engineering, development, art work, design, and plans and outlines, which have not been harmonized under Article 29, Paragraph 1, Item (b) (iv) of the Law, as such elements were made in BiH.

Article 62

1. In the meaning of Part Two, Chapter III of the Law and of this Title, the parties are observed as related only if:
 - (a) they are employees or directors involved in mutual businesses ;
 - (b) they are legally established partners in business affairs;
 - (c) they are an employer and an employee ;
 - (d) it is any party directly or indirectly in possession, control , or holding 5% or more of the remaining voting shares of both parties;
 - (e) one of them is directly or indirectly controlling the other ;
 - (f) both parties are directly or indirectly controlled by a third party ;
 - (g) they jointly, directly or indirectly, control the third party; or
 - (h) they are members of the same family . Persons are observed as members of the same family only if they are related in the following way :
 - husband and wife;
 - parent and child;
 - brother and sister (from the same parents, or half-brother or half-sister);
 - grand-parents and grand-children;
 - uncles/aunts and nephews ;
 - father/mother in law and son/daughter in law ;
 - brothers' and sisters' spouses .

2. In the sense of this Title, persons with mutual business relation where one of them is an exclusive agent, exclusive distributor, or exclusive concessionary, whatever the official title is thereof, is observed as related only if included in the criteria of Paragraph 1 of this Article.

Article 63

For the purpose of determining customs value according to Article 26 of the Law, the goods for which the price has not been actually paid in the time anticipated for determining value for customs purposes, the price to be paid to settle the liabilities in the given time is, by rule, taken as the basis for customs value.

Article 64

1. When the goods registered for free circulation are a part of a larger quantity of the same goods purchased during one transaction, the price that is actually paid or is payable in the sense of Article 26, Paragraph 1 of the Law, is the price presented as proportion between the total price, which suchlike reported goods have, and the total quantity of purchased goods. Proportional allocation of price, which is actually paid or is payable, is also applied in the case of loss of portion of consignment or when the goods for which the value is being established are damaged prior to placement in free circulations.

2. After the goods are placed in free circulation, the reconciliation of price that is actually paid or is payable for the goods performed by the seller for the benefit of the buyer, can be taken into consideration during determination of customs value in accordance with Article 26 of the Law, if proof is provided to the customs bodies of the following:

- that the goods were broken at the moment referred to in Article 64 of the Law;
- that the seller made the changes in terms of performance of guarantee obligations contained in the sales agreement, which was signed before the goods were placed in free circulations;
- that the defects in goods have not been already taken into consideration in the corresponding sales agreement.

3. The price actually paid or that payable for the goods, reconciled in accordance with Paragraph 2 of this Article, can be taken into consideration only if reconciliation was made within 12 months' period from the day of accepting the customs declaration for placing the goods in free circulations.

Article 65

When the price actually paid or that payable in the sense of Article 26, Paragraph 1 of the Law, also includes some amount in terms of any internal tax applied in the country of origin or the exporting country in connection to specific goods, the aforementioned amount is not included in the customs value, given that proof can be provided to the competent customs body that specific goods are exempt or will be exempt from tax for the benefit of the buyer.

Article 66

1. In the sense of Article 26 of the Law, the fact that the goods subject to sale is registered for free circulation is considered a sufficient indicator that the goods were sold for export into customs area of BiH. In case of successive sales before determination of value, only the last sale, which led to entry of the goods into BiH customs area, i.e. the sale executed in BiH customs area before registration of goods for free circulation, makes such an indicator.

When declaring the price pertaining to the sale executed before the last sale, and on the basis of which the goods have entered into BiH customs area, the customs bodies must be provided with a proof that such sale of goods was executed for export into BiH customs area.

Provisions of Articles 89 through 92 of this Decision are also applied to Paragraph 1 of this Article.

2. When the goods are used in a foreign country between the moment of sale and the moment of registration for free circulation, the customs value does not have to be the transaction price .
3. The buyer need not satisfy any other conditions apart from being a party in the sales agreement.

Article 67

When, in application of Article 26, Paragraph 1 of the Law , it is established that the sale or the price of imported goods is subject to some condition, i.e. charge, the value of which can be determined in relation to the goods for which the value is being determined, such value is considered as indirect payment of the buyer to the seller and as part of price that was actually paid or is payable, unless the respective condition or charge pertain to:

- a) the activity subject to Article 26, Paragraph 3 of the Law ; or
- b) the factor in terms of which an amount subject to provisions of Article 29 of the Law needs to be added to the price that is being paid or is payable .

Article 68

1. In the sense of Article 26, Paragraph 3 of the Law, the term "marketing" stands for all activities pertaining to advertising or promotions of sale of respective goods, and all activities pertaining to providing warrantee or guarantee for the goods .
2. If such activities are undertaken by the buyer, it is considered that the buyer has done so at his own expense, even if those activities are performed as a part of executing obligations the buyer is responsible for, if so agreed with the seller.

Article 69

1. In application of Article 27, Paragraph 2, Item (a) of the Law (transaction value of identical goods), the customs value is determined by referring to the transaction value of identical goods in sales, at the same commercial level, and basically, in the same quantity, as the goods being valued. If such goods are not found, the transaction value of i dential goods sold at various commercial levels and/or in various quantities, and reconciled in a way to consider the differences assigned to the commercial level and/or quantity, is used, given that such reconciliations can be made on the basis of presented proof, which undoubtedly determines legitimacy and regularity of reconciliation, whether it leads to increase or reduction in value .
2. When costs and charges from Article 29, Paragraph 1, Item (e) of the Law are included in transaction value, reconciliation is made in a way to take into consideration the significant differences in such costs and charges between given imported and identical goods, which occur as a result of differences in distance ant type of transportation .
3. If in application of this Article it is established that several transaction values exist for identical goods, the lowest such value is used to determine the customs value of imported goods .
4. In application of this Article, the transaction value for goods produced by another person is taken into consideration only if no transaction value can be identified accordingly to Paragraph 1 of this Article for identical goods produced by the same person who produced the goods being valued.
5. In the sense of this Article, the transaction value of identical imported goods is the customs value previously determined under Article 26 of the Law, and reconciled as prescribed in Paragraphs 1 and 2 of this Article.

Article 70

1. In application of Article 27, Paragraph 2, Item (b) of the Law (transaction value of similar goods), the customs value is determined by referring to the transaction value of similar goods in sales, at the same commercial level, and basically, in the same quantity, as the goods being valued. If such goods are not found, the transaction value of similar goods sold at various commercial levels and/or in various quantities and reconciled in a way to consider the differences assigned to the commercial level and/or quantity, is used, given that such reconciliations can be made on the basis of presented proof, which undoubtedly determines legitimacy and regularity of reconciliation, whether it leads to increase or reduction in value .

2. When costs and charges from Article 29, Paragraph 1, Item (e) of the Law are included in transaction value, reconciliation is made in a way to take into consideration the significant differences in such costs and charges between given imported and similar goods, which occur as a result of differences in distance and type of transportation.
3. If in application of this Article it is established that several transaction values exist for similar goods, the lowest such value is used to determine the customs value of imported goods.
4. In application of this Article, the transaction value for goods produced by another person is taken into consideration only if no transaction value can be identified accordingly to Paragraph 1 of this Article for similar goods produced by the same person who produced the goods being valued.
5. In the sense of this Article, the transaction value of similar imported goods is the customs value previously determined under Article 26 of the Law, and reconciled as prescribed in Paragraphs 1 and 2 of this Article

Article 71

1. (a) In case the imported goods, or identical or similar imported goods are being sold in BiH in the same condition as that of import, the customs value of imported goods, determined in accordance with Article 27, Paragraph 2, Item (c) of the Law, is based on unit price at which the imported goods, or the identical or similar imported goods, were sold in the largest total quantity, at the same or nearly the same time as the goods being valued with respect to persons not related to persons from whom they purchased such goods, and it is subject to deductions from the following:
 - (i) commissions, which are usually paid or are agreed to be paid, *i.e.* additional amounts to profit or general costs (including direct and indirect costs for advertising of respective goods), in connection to the sale of imported goods of the same class or type in BiH;
 - (ii) standard transportation and insurance costs and other associated costs occurring inside BiH;
 - (iii) import duties and other duties to be paid in BiH for the purpose of import or sale of goods.(b) If imported goods, or identical or similar imported goods, are not being sold at the same or nearly the same time as that of import of goods being valued, the customs value of imported goods according to this Article, which is ordinarily subject to provisions of Paragraph 1, Item (a) of this Article, is based on unit price at which imported, or identical or similar imported goods are being sold in BiH, in the same condition as that of import, on the earliest date following the import of goods being valued, but prior to expiry of 90 days from such import.
2. If imported goods, or identical or similar imported goods, are not being sold in BiH in the same condition as when imported, then, if the importer requires so, the customs value is based on unit price at which the imported goods, following additional processing, are being sold in the largest total quantity, to persons in BiH not related to persons they are purchasing the goods from, and it is reduced by adequate amount of added value, which occurred as a result of such processing, and by expenditures prescribed in Paragraph 1, Item (a) of this Article.
3. In the sense of this Article, the unit price at which imported goods are being sold in the largest total quantity is the price at which the largest number of units was sold in sales of persons not related to persons they purchased such goods from at the first commercial level after import at which such sales are performed.
4. Any sale in BiH to person who is a supplier, directly or indirectly, free of charge or at a lower price, for use related to production or sale of goods imported for the purpose of export, none of the elements stated in Article 29, Paragraph 1, Item (b) of the Law should be taken into consideration when determining the unit price in the sense of this Article.
5. In the sense of Paragraph 1, Item (b) of this Article, "the earliest date" is the date until which the sale of imported, or identical or similar imported goods, is made in quantity sufficient to determine the unit price.

Article 72

1. In application of Article 27, Paragraph 2, Item (d) of the Law (calculated value), the customs bodies may not demand from or force a person not residing in BiH to present for inspection or allow access to any business books or other records for the purpose of determining this value. However, information provided by the producer of goods for the purpose of determining the customs value, according to this Article, may be inspected by BiH customs bodies in some other country with consent from the producer and given that the BiH customs bodies inform, timely and in advance, the bodies of the respective country, and that this country has nothing against such investigation

2. Price or value of material and production from Article 27, Paragraph 2, Items (d) (i) of the Law, includes the price of elements stated in Article 29, Paragraph (a) (ii) and (iii) of the Law.

It also includes the value, proportionally allocated, for each product or service stated in Article 29, Paragraph 1, Item (b) of the Law, which the buyer provides or performs directly or indirectly for the use in connection with production of imported goods.

Value of elements stated in Article 29, Paragraph 1, Item (b) (iv) of the Law, made in BiH, is included only to the extent to which the producer of those elements is charged for them.

3. When other information are used for the purpose of determining the calculated value, and not the ones supplied by the producer or that supplied on producer's behalf, the customs bodies inform the declaring party, on demand, on the source of such information, on information used and calculations based on such information, in accordance with Article 14 of the Law.

4. "General costs" from Article 27, Paragraph 2, Item (d) (ii) of the Law include direct and indirect costs of production and sale of goods for export, which are not included under Article 27, Paragraph 2, Item (d) (i) of the Law.

Article 73

When packaging from Article 29, Paragraph 1, Item (a) (ii) of the Law is subject to import in several turns, the value is, upon the request from the filing party, proportionally allocated in an adequate way in accordance with generally acknowledged calculation principles.

Article 74

In the sense of Article 29, Paragraph 1, Item (b) (iv) of the Law, the price of research and preliminary drafts is not included in customs value.

Article 75

Article 30, Item (c) of the Law is applied *mutatis mutandis* when the customs value is determined by application of some other method, and not the method of transaction value.

Article 76

1. Customs bodies, at the request from specific person, may approve:

- exclusive from Article 29, Paragraph 2 of the Law, certain elements, which need to be added to the price, which is actually paid or should be paid, although they can not be expressed in quantity at the moment of occurrence of customs debt,
- exclusive from Article 30 of the Law, that certain charges not included in customs value, in cases where the amounts pertaining to those elements are not indicated separately at the moment of occurrence of customs debt, can be determined on the grounds of adequate specific criteria.

In such cases, the reported customs value is not observed as temporary in the sense of Article 162, Paragraph 1, line two of this Decision.

2. The approval is granted under the following conditions:

- (a) if execution of procedures from Article 167 of this Decision would, in certain circumstances, constitute disproportional administrative costs;
- (b) if evident that application of Articles 27 and 28 of the Law is not appropriate in concrete circumstances;

(c) if there are legitimate reasons to consider that the amount of import duties charged within period enclosed in the approval will not be lower than the amount, which would be charged without having the approval;

(d) if there was no disruption in terms of conditions of competition between operators .

CHAPTER 2

Provisions pertaining to charges for the use of copyright and license

Article 77

1. For the purpose of Article 29, Paragraph 1, Item (c) of the Law, charges for the use of copyright and license shall specifically mean the payment for the use of rights pertaining to :

- producer of imported goods (in particular, patents, designs, models, and producers' know-how), or
- sale of goods imported for the purpose of export (in particular, trade marks, patented models), or
- use or resale of imported goods (in particular, copyright, production processes undetachably built into the imported goods).

2. Not exclusive from Article 29, Paragraph 5 of the Law, when customs value of imported goods is determined according to provisions of Article 26 of the Law, charges for the use of copyright or license are added to the price which was really paid or should be paid, only when such payment :

- is connected to goods being valued; and
- constitutes a condition for the sale of the goods .

Article 78

1. When imported goods are only a constituent part or a component of goods produced in BiH, reconciliation with the price that was actually paid or should be paid for the imported goods is only performed when the charge for the use of copyright or license is pertaining to respective goods.

2. When goods are imported disassembled, i.e. when it only requires smaller processing prior to further sale, such as dilution or packing, it does not prevent the charges for the use of copyright or license to be observed as being in connection with the imported goods.

3. In case the charges for the use of copyright or license partially pertain to imported goods, and partially to other ingredients and constituent parts added to imported products after the import thereof, or to activities or services performed after import, then adequate allocation is made only on the grounds of objective and measurable information in accordance with the commentary of Article 29, Paragraph 2 of the Law, provided in the Attachment 11.

Article 79

Charges for the use of copyright or license, in view of the right of use of trademark, should be added to the price of imported goods, which is paid or is payable, only in cases when :

- the charge for the use of copyright or license pertains to products being resold in the same condition, which are subject to just a smaller processing after import ;
- the products are being sold in the market under a trademark, which was assigned to them before or after import, and which is subject to charges for the use of copyright or license; and

- the buyer can not obtain such products freely from other suppliers not in relation with the seller.

Article 80

When the buyer is paying the charge for the use of copyright or license to a third party, the conditions from Article 77, Paragraph 2 of this Decisions are not considered satisfied unless the seller or the person related to the seller demands from the buyer to make that payment .

Article 81

1. When the method for calculation of the amount of charge for the use of copyright or license is derived from the price of imported goods, it can be presumed that the payment of the charge for the use of copyright or license is made in connection with the goods being valued, in lack of evidence for the contrary.

2. However, when the amount of charge for the use of copyright or license is calculated regardless of the price of imported goods, the payment of such charge for the use of copyright or license can still be tied to the goods being valued.

Article 82

In application of Article 29, Paragraph 1, Item (c) of the Law, the country in which the receiver of the charge for the use of copyright or license resides is of no important relevance .

CHAPTER 3

Provisions pertaining to the place of entry of goods into BiH

Article 83

In the sense of Article 29, Paragraph 1, Items (e) and Article 30, Item (a) of the Law, the place of entry of goods into customs area of BiH is the following :

- (a) for goods shipped by sea, it is the port of offloading or port of reloading, given that the customs bodies of the port verify the reloading ;
- (b) for goods shipped by sea and then, without reloading, by internal water flows, it is the first port where offloading can be made, whether at river or canal mouth or deeper inside, given that the customs office is provided with the proof that the costs of transportation to the port of offloading are higher than that to the first port ;
- (c) for goods shipped by railway, internal water flows, or road traffic, it is the location of the first customs office;
- (d) for goods shipped by other means, it is the location of crossing the land border of BiH customs area.

CHAPTER 4

Provisions pertaining to transportation costs

Article 84

In application of Article 29, Paragraph 1, Item (e) and Article 30, Paragraph (a) of the Law :

- (a) when the goods are shipped in the same transportation manner to the place farther away than the place of entry of goods into BiH customs area, transportation costs are determined proportionally to crossed distance outside and inside the BiH customs area, except if the customs bodies are provided with the proof on costs that could have occurred due to compulsory transportation tariffs for transportation of goods to the place of entry into BiH customs area ;
- (b) when the goods are invoiced at a single price with ex-domicile destination parity, which corresponds to the price at the place of entry into BiH customs area , the transportation costs inside BiH are not deducted from the price. However, such deduction is allowed if the customs

bodies are provided with the proof that the price ex -border would be lower than the single ex -domicile destination price;

(c) when the transportation is free of charge or ensured by the buyer, the transportation costs to the place of entry into BiH customs area, calculated in accordance with compulsory transportation tariffs usually applied to the same transportation methods, are included in the customs value .

Article 85

1. All postal costs charged up to the destination and in connection to goods being sent by post are included in the customs value of the goods , except for additional postal costs charged in the importing country .

2. However, reconciliation of reported value is not made in case of charges used in determination of value of non-commercial piece of mail .

3. Paragraphs 1 and 2 of this Article shall not be applied to goods being transported by express postal services, known as EMS-Datapost .

Article 86

For goods transported by air traffic, the provisions of Article 84 of this Decision are applied *mutatis mutandis* .

CHAPTER 5

Determining the value of specific portable media used in equipment for automatic data processing (ADP)

Article 87

1. Exceptionally from Articles 26 through 30 of the Law, in determining the customs value of portable media carrying data or instructions for use in equipment for data processing , only the price or value of the actual portable media is taken into consideration . The customs value of imported portable media, carrying data or instructions, therefrom, does not include the price or the value of data or instructions, given that such price or value is indicated separately from the price or value of the actual portable media .

2. In the sense of this Article:

(a) the term "portable media" does not include integrated switches, semiconductors, and similar devices or items composing such switches or devices;

(b) the term "data or instructions" does not include sound, cinematography or video recordings .

CHAPTER 6

Provisions pertaining to exchange rate

Article 88

1. When customs bodies approve for the declaration filer to subsequently file or deliver certain information in connection to declaration for placing goods in free circulation in the form of periodical declaration, the approval can, at the request of the declaration filer, state that the current exchange rate issued by the Central Bank of BiH is used for conversion into BiH currency for elements constituting the customs value expressed in specific currency terms .

CHAPTER 7

Value declarations and documents to be filed

Article 89

1. When customs value needs to be determined in the sense of Articles 25 through 33 of the Law, the declaration on information pertaining to customs value (value declaration) accompanies the customs declaration made in connection to the respective goods . Value declaration is made in

D.V.1 Form from the Attachment 13, which is, where needed, supplemented by one or more D.V.1 *bis* Forms from the Attachment 14.

2. The value declaration prescribed in Paragraph 1 of this Article is made by person from Article 4, Item (18) of the Law. The second line of Article 61, Paragraph 2, Item (b) and Article 61, Paragraph 3, of the Law is applied *mutatis mutandis*.

3. Customs bodies may forfeit the request for filing the D.V.1. value declaration when the customs value of respective goods can not be determined accordingly to provisions of Article 26 of the Law. In such cases, the person from Paragraph 2 of this Article files or ensures that the information are filed, which can be demanded for the purpose of determining customs value in accordance with Articles 27 or 28 of the Law. Such information is delivered in the manner and form designated by customs bodies.

4. Filing of the value declaration, which is demanded under Paragraph 1 of this Article, with potential application of penal provisions, makes the person from Paragraph 2 of this Article and his/her representative liable in terms of the following:

- accuracy and completeness of information stated in the declaration;
- validity of documents filed as attachment to the information; and
- delivery of all information or documents needed to determine the customs value of goods.

Article 90

1. Except when needed for proper application of regulations on import duties, the customs bodies may forfeit the demand for filing of the declaration from Article 89, Paragraph 1 of this Decisions or the completion of a part of it:

(a) when customs value of imported goods in one consignment does not exceed the amount of 8,000 KM, given that it does not constitute divided or multiple consignments from the same sender to the same receiver; or

(b) when the imports are of non-commercial character; or

(c) when filing of certain information is not necessary for the application of the Law on Customs Tariffs of BiH, or when import duties are not charged due to special customs provisions.

2. In case of regular trading with goods delivered by the same seller to the same buyer under the same conditions, the customs bodies may forfeit the demand for all the information from Article 89, Paragraph 1 of this Decisions to be filed with every customs declaration, but will demand them whenever the circumstances change and at least once in three years.

3. Forfeiting foreseen under this Article may be withdrawn and filing of the D.V.1. value declaration may be asked for in cases where it is established that the qualifying condition for the forfeiting was not satisfied or is no longer satisfied.

Article 91

When computer systems are used, or if respective goods are declared under simplified procedure, the customs bodies may approve deviation from the manner of presentation of information needed for determining the customs value.

Article 92

1. The person from Article 89, Paragraph 2 of this Decision delivers to the customs bodies a copy of the invoice, which constitutes the grounds for declaration of value of imported goods. When customs value is declared in writing, the customs bodies keep such a copy.

2. The customs bodies do not have to determine the customs value of imported goods on the grounds of transaction value method if, in accordance with the procedure stated in Paragraph 3 of this Article, they hold reasonable doubt that the declared value constitutes the total paid or payable amount stated in Article 26 of the Law.

3. When customs bodies hold reasonable doubt in the sense of Paragraph 2 of this Article, they may ask for additional information in accordance with Article 89, Paragraph 4 of this Decision. If the doubt continues to exist, the customs bodies must, before making the final decision, inform the specific person in writing, if so required by the person, on the grounds for doubt and provide reasonable period for reply. The final decision with explanation for the respective person is delivered in writing.

TITLE V ENTRY OF GOODS INTO CUSTOMS AREA

CHAPTER 1 Precursory inspection of goods and taking of samples by the interested party

Article 93

1. Precursory inspection of goods according to Article 39 of the Law is approved to the person authorized for designating the customs approved treatment or use of goods, upon verbal request from the respective person, except in case when the customs bodies, given the circumstances, consider that a request in writing is needed.

Taking of samples can be approved only upon a request made in writing by the interested party.

2. The written request from Paragraph 1 of this Article is signed and filed to competent customs bodies by the interested party. The request contains the following information :

- name and address of the applicant;
- location of goods;
- the number of cumulative declaration, when it has already been presented, except when customs bodies take over the responsibility to enter that information, or an indication of precursory customs procedure or information for identification of transportation means the goods are on ;
- all other information necessary for identification of goods .

Customs bodies give approval by placing note on the request filed by the respective party . When request pertains to taking of samples, the aforementioned bodies also state the quantity of goods that should be taken.

3. Precursory inspection of goods and taking of samples is performed under supervision of customs bodies, which determine the procedure to be followed in each individual case .

The applicant bears the risk and expenses of unpacking, weighing, repacking, and all other procedures with goods, as well as all expenses related to the analysis .

4. The samples taken are subject to actions and procedures with the purpose of determining the customs approved treatment or use thereof. When examination of samples results in destruction or irretrievable loss thereof, it is not considered that any debt has occurred and in that case Article 174, Paragraph 5 of the Law is applied, which pertains to scraps and waste.

CHAPTER 2 Cumulative declaration

Article 94

1. Cumulative declaration is signed by the person who makes it .

2. Cumulative declaration is verified and kept by the customs bodies for the purpose of inspecting if the customs approved treatment or use has been determined for the goods the declaration pertains to, within deadline prescribed under Article 46, Paragraph 1 of the Law .

3. Cumulative declaration for goods, which passed the procedure of haulage prior to presentation to the customs, will be in the form of haulage document intended for the customs office of the destination in accordance with Article 88, Paragraph 2 of the Law .

4. Customs bodies can allow for the cumulative declaration to be made in electronic format . Rules foreseen under Paragraphs 1 and 2 of this Article are applied in that case

Article 95

1. The person from Article 94, Paragraph 1 of this Decision presents the goods enclosed in the cumulative declaration, which are not offloaded from the transportation means used for transport, and which are in unchanged condition, whenever customs bodies demand so, until the customs approved treatment or use is approved for the goods .

2. Any person holding the goods upon offloading, for the purpose of transfer or accommodation, becomes responsible for the obligation to present the goods again to the customs bodies, intact.

CHAPTER 3

Temporary accommodation

Article 96

1. When locations from Article 48, Paragraph 1 of the Law are permanently approved for placing of goods under temporary accommodation, such locations are called “temporary accommodation premises”.

2. In order to ensure the application of customs regulations, the customs bodies can, in case they do not manage the temporary accommodation premises, demand that:

(a) the temporary accommodation premises be locked with two locks, where one key is held by the respective bodies;

(b) the person managing the temporary accommodation premise keeps the books on inventory, which enable the monitoring of movement of goods .

Article 97

Goods are accommodated in the temporary accommodation premises on the grounds of cumulative declaration. However, the customs bodies can request a special declaration to be filed on a form corresponding the one they prescribe .

Article 98

With no exclusion of Article 53 of the Law or the provisions pertaining to the sale of goods by the customs bodies, the person who made the cumulative declaration, i.e. when such declaration has still not been filed, the persons from Article 41, Paragraph 2 of the Law are responsible for application of measures undertaken by the customs bodies in accordance with Article 50 of the Law, and for covering the costs of such measures . The procedure for sale of goods shall be governed under the regulation issued by the Governing Board.

CHAPTER 4

Special provisions applied to goods transported by air or sea

Section 1 – General Provisions

Article 99

When goods are entered from another country into BiH customs area by sea or air , and are transported under insurance of single transportation documents using the same way of transportation, without reloading, to another port or airport in BiH, the customs are cleared , in the sense of Article 37 of the Law, only in the port or airport of offloading or reloading .

Section 2 – Special provisions applied to hand luggage and checked in luggage of passengers

Article 100

In the sense of this Section :

- (a) *bh. airport* stands for any airport located in BiH customs area;
- (b) *international bh. airport* stands for any bh. airport approved for air traffic with other countries, which is authorized as such by the competent bodies ;
- (c) *flight inside BiH* stands for movement of aircraft between two bh. airports, without en-route landings, which does not start and end at the airport which is not bh. airport;
- (d) *bh. port* stands for any sea port located in BiH customs area;
- (e) *recreational vessel* stands for private boats used for travel, with course depending on the desire of the user;
- (f) *tourist or commercial air craft* stands for private aircraft used for travel with course depending on the desire of the user ;
- (g) *luggage* stands for all items a person is carrying during travel, using whatever means.

Article 101

In the sense of this section, in case of air travel, the following constitutes the luggage:

- the checked in luggage, from Article 102, Paragraphs 1 and 2 and Article 104, Paragraphs 1 and 2 of this Chapter, if checked at the departing airport and if not accessible to the passenger during flight or, where relevant, during en-route landings;
- hand luggage, if entered into the aircraft cabin by a specific person .

Article 102

All inspections and all actions and procedures applied to :

1. hand and checked in luggage of persons flying on the aircraft, which arrives from an airport, which is not bh. airport, and which, following the en-route landing to bh. airport continues the flight to another bh. airport, are performed at the last airport, given that it is an international bh. airport; in that case, luggage is subject to regulations applied to the personal luggage of persons arriving from a foreign country, when a person carrying it can not prove the status of goods in the luggage to the competent bh. customs bodies ;
2. hand and checked in luggage of persons flying on the aircraft, which makes en-route landing on bh. airport before continuing the flight to the airport other than bh. airport, are performed at the departing airport, given that it is an international bh. airport ; in that case, hand luggage can be subject to inspection at the bh. airport to which the aircraft makes an en-route landing, for the purpose of establishing if the goods it contains correspond to the conditions for free movement inside BiH;
3. the luggage of persons using marine services of the same vessel with successive departure laps from and putting to shore or end of voyage in the port, other than bh. port, are performed in the port or loading or offloading of luggage, from case to case .

Article 103

All inspections, and all actions and procedures, applied to luggage of persons who are in:

1. recreational vessel, are performed in bh. port, regardless of origin and destination of the vessel;
2. tourist or commercial aircraft, are performed:
 - at the first airport of arrival, which has to be an international bh. airport for the flights arriving from an airport other than bh. airport, when the aircraft after the en-route landing continues the flight to another bh. airport;
 - at the last international bh. airport, for flights arriving from bh. airport, and when the aircraft following the en-route landing continues the flight to an airport other than bh. airport.

Article 104

1. When the luggage arriving to bh. airport in an aircraft arriving from an airport other than bh. airport, is transferred at that airport into another aircraft continuing the flight inside BiH:

- all inspections and actions and procedures, applied to checked-in luggage, are performed at the arriving airport inside BiH, given that the airport is an international bh. airport;
- all hand luggage inspections are performed at the first international bh. airport ; additional inspection can be performed at the arriving airport inside BiH only in exceptional cases, if deemed necessary following the inspection of checked-in luggage;
- inspections of checked-in luggage can be performed at the first bh. airport only in exceptional cases, if deemed necessary following the control of hand luggage .

2. When luggage is loaded at the bh. airport into the aircraft which continues its flight inside BiH, for the purpose of transfer at another bh. airport into the aircraft with destination other than bh. airport:

- all inspections actions and procedures applied to checked -in luggage are performed at the departing airport inside BiH , given that the airport is an international bh. airport ;
- all inspections of hand luggage are performed at the last international bh. airport ; previous inspections of such luggage can be performed at the departing airport inside BiH only in exceptional cases if deemed necessary following the inspection of checked-in luggage;
- additional inspections of luggage can be performed at the last bh. airport only in exceptional cases if deemed necessary following the inspection of hand luggage .

3. All inspections and actions and procedures applied to luggage arriving to bh. airport through regular or charter flight from an airport other than bh. airport, and which is at that bh. airport transferred into a tourist or commercial aircraft continuing the flight inside BiH, are performed at the arriving airport of the regular or charter flight .

4. All inspections and actions and procedures applied to luggage loaded at bh. airport into a tourist or commercial aircraft continuing the flight inside BiH, for transfer at another bh. airport to a regular or charter flight with destination airport other than bh. airport, are performed at the departing airport of the regular or charter flight .

5. Customs bodies can perform inspections at international bh. airport where transfer of checked-in luggage is made, for the following:

- luggage arriving from an airport other than bh. airport, which is transferred at the international bh. airport into an aircraft flying to the next international bh. airport ;
- luggage loaded into the aircraft at an international bh. airport for transfer at another international bh. airport into an aircraft flying to an airport other than bh. airport .

Article 105

1. Customs bodies undertake necessary measures in order to ensure that :

- during arrival, persons can not transfer goods before inspection of hand luggage , and that adequate arrangements are made for the purpose of prevention of transfer of goods prior to inspection of checked -in luggage;
 - during departure, persons can not transfer goods after inspection of luggage in the cabin, and that adequate arrangements are made for prevention of any transfer of goods after hand luggage inspections .
2. Paragraph 1 of this Article is not applied to flights inside BiH.

TITLE VI
CUSTOMS DECLARATION – REGULAR PROCEDURE
CHAPTER 1

Customs declaration in written form

Section 1 – General Provisions

Article 106

1. When customs declaration includes two or more products, information pertaining to each of the products is observed as separate declaration.
2. Constituent parts of industrial plants which are included under one tariff denotation of customs nomenclature (CN), are observed as one good.

Article 107

1. Without exclusion from potential application of penal regulations , and under current regulations, filing of declaration to a customs office, signed by the declaring party or their representative makes that person liable for the following:

- accuracy of information stated in the declaration;
- validity of attached documents; and
- adhering to all obligations related to entry of goods into specific procedure .

2. When the declaring party uses data processing systems for the purpose of compiling own customs declarations, the customs bodies can prescribe for the hand signature to be replaced with some other identification technique , which can be based on the use of codes . That possibility is approved only if the technical and legal conditions prescribed by the customs bodies are satisfied . Customs bodies can also prescribe for the customs declarations compiled through data processing systems to be directly verified by the systems , instead of manual or mechanical application of stamps of customs office and signature of competent officer.
3. In the manner and under conditions determined by customs bodies, they can allow for some information from written declaration from Attachment 15 to be replaced with coded electronic mailing of data to designated customs office, where appropriate .

Article 108

Customs bodies keep the documents attached to the customs declaration, unless they decide differently or if the declaring party needs them for other purposes. In the latter case, the customs bodies undertake necessary steps in order to ensure that specific documents can not be subsequently used, except in terms of determination of quantity or value of goods, for which they remain valid.

Article 109

1. Declaration is filed with the customs office in which the goods were presented . It can be filed after presentation of goods.
2. Customs bodies can approve declaration filing even before the declaring party is able to present the goods. In that case the customs bodies can state a deadline for presentation of goods,

which is determined according to circumstances. If the goods are not presented within the deadline, it is considered that the declaration is not filed.

3. When the declaration is filed before the goods it pertains to arrive to the customs office or some other location designated by the customs bodies, it can only be accepted after the goods are presented to the customs.

Article 110

1. Declarations are filed to competent customs bodies during working days and working hours.

However, customs bodies can, at the request and expense of the declaring party, approve for the declaration to be filed outside working days and working hours.

2. Each declaration filed to customs office employees, in some other location designated for that purpose on the basis of agreement between customs bodies and a specific person, is considered to have been filed in the respective office.

Article 111

The date of accepting the declaration is stated on the declaration.

Article 112

Customs bodies can allow or ask for corrections from Article 62 of the Law to be made, by filing a new declaration for the purpose of replacing the original one. In that case, the date of accepting the original declaration is the relevant date for determination of any duties to be paid and application of any other regulations governing a specific procedure.

Section 2 – Forms in Use

Article 113

1. Single Customs Declaration (hereinafter: the SCD) is the official form of customs declaration in written format in regular procedure, with the purpose of placing the goods into customs procedure or re-export in accordance with Article 174, Paragraph 3 of the Law.

2. Other forms can be used for that purpose as well when so the regulations pertaining to a specific procedure allow it.

3. Provisions of Paragraphs 1 and of this Article include the following:

- forfeiting a written declaration in cases prescribed under Articles 132 through 143 of this Decision, for placing the goods to free circulation, for export or temporary import;
- forfeiting the form from Paragraph 1 of this Article when applying provisions foreseen under Articles 144 and 145 of this Decision, with respect to consignments sent in letters or parcels;
- use of special forms for the purpose of simplification of declaring in special cases, and when allowed by customs bodies,
- use of bills of lading by the respective person for the purpose of finalizing the production activities and procedures in case of consignments consisting of several types of goods,
- that the declaration in the sense of paragraph 1 of this Article can have the format of the SCD printed out from the data processing system, if such printing system is approved by the customs bodies.

4. When referring to the declaration which places the goods into any customs procedure or re-export in accordance with Article 174, Paragraph 3 of the Law, customs bodies cannot request any other administrative documents apart from that:

- foreseen by regulations,
- required under international conventions,

- required from the operator in order to enable qualification for favourable or special relief, upon their request,
- needed for application of special regulations, which can not be applied solely on the basis of the use of the document from Paragraph 1 of this Article.

Article 114

Without exclusion from Article 113, Paragraph 3 of this Decision, the customs bodies can generally, for the purpose of completing export or import activities and procedures, forfeit the compiling of one or more copies of SCD intended for their use, given that specific information is available on other media.

Article 115

1. SCD is filed in subsets with specific number of copies needed for completion of activities and procedures pertaining to customs procedure the goods are subject to.
2. If there is another customs procedure preceding or following the transit procedure, a subset can be filed with specific number of copies needed for completion of activities and procedures pertaining to procedure of transit and to preceding, i.e. subsequent procedure.
3. Subsets from Paragraph 1 and 2 of this Article are taken from:
 - the full set of eight copies in accordance with the form contained in the Attachment 16, or
 - especially, in case of completion with the use of data processing system, two sets with four copies in each, in accordance with the form contained in the Attachment 17.
4. Without exclusion from Article 113, Paragraph 3, Article 129 through 131 or Article 162 of this Decision, declaration forms can be amended, when necessary, with one or more continuous forms (BIS forms), filed in subsets containing copies of the declaration needed for completion of activities and procedures the goods are subject to. Copies needed for completion of activities and procedures with regards to preceding or subsequent customs procedures can be attached as needed.

The continuous subsets are taken from:

- the set with eight copies, in accordance with the form contained in the Attachment 18;
- or from two sets with four copies in each, in accordance with the form contained in the Attachment 19.

BIS forms constitute a part of SCD they pertain to.

5. Exclusive from Paragraph 4 of this Article, the customs bodies can prescribe for the BIS forms not to be used when computer system is used for completion of forms.

Article 116

1. When applying Article 115, Paragraph 2 of this Decision, each party involved is responsible only for the information pertaining to procedure the respective party is filing for when acting as the declaring party, user of transit procedure, or representative of the two.
2. In the sense of Article 1, when the declaring party uses SCD issued during preceding customs procedure, they are obliged, before filing the declaration, to check the accuracy of existing information for the fields they are responsible for, if those can be applied to specific goods and requested procedure, and to amend them as needed.

3. In cases from Paragraph 2 of this Article, the declaring party immediately informs the customs office to which the declaration is filed, on all identified discrepancies between the specific goods and the existing information. In that case the declaring party compiles their own declaration on new SCD forms.

Article 117

When SCD covers several successive customs procedures, the customs bodies check if all the information stated in the declarations, pertaining to different procedures, match.

Article 118

The declaration must be compiled in one of the official languages in BiH.

Article 119

1. SCD must be completed in accordance with explanations provided in the Attachment 15 and any other current regulations of BiH.
2. Customs bodies make sure that users have unobstructed access to explanation from Paragraph 1 of this Article.

Article 120

Codes used in completion of the forms from Article 113, Paragraph 1 of this Decision are stated in the Attachment 20.

Article 121

1. In case the regulations demand additional copies of the form from Article 113, Paragraph 1 of this Decision, the declaring party can, for that purpose, use additional copies or photocopies of the above-mentioned form.
2. Such additional copies and photocopies must be signed by the declaring party and filed to the customs bodies, which verify them under the same conditions as that for the SCD. Customs bodies accept them as original documents, given that they are of satisfactory quality and readability.

Article 122

1. Forms from Article 113, Paragraph 1 of this Decision are printed on a tracing paper coated for writing, and weighing at least 40 g/m². The paper must be sufficiently nontransparent, in order for the information on one page not to affect the readability of information on the other page, and it must be hard enough not to break or wrinkle during usual handling.

The paper is white for all copies. However, copies used for transit (1, 4 and 5) field 1 (first and third subdivision), 2, 3, 4, 5, 6, 8, 15, 17, 18, 19, 21, 25, 27, 31, 32, 33 (first subdivision on the left), 35, 38, 40, 44, 50, 51, 52, 53, 55 and 56 are in green colour.

The forms are printed in green ink.

2. Fields are based on unit of measure of one tenth of an inch horizontally and one sixth of an inch vertically. Subdivisions are based on unit of measure of one tenth of an inch horizontally.
3. Colour marking of different copies is made in the following way:
 - (a) in forms, which are in accordance with samples presented in the Attachments 16 and 18.
 - samples 1, 2, 3, and 5 have full margin on the right edge, which is, according to the number of copies, in red, green, yellow or blue colour;
 - samples 4, 6, 7, and 8 have broken margin on the right edge, which is, according to the number of copies, in blue, red, green or yellow colour.

(b) in forms, which are in accordance with the samples presented in the Attachments 17 and 19, samples 1/6, 2/7, 3/8, and 4/5 have full margin on the right edge, and on its right a broken margin, which, according to the number of copies, is in red, green, yellow or blue colour.

Margin width is 3 mm in average. Broken margin consists of line of small cubes with 3 mm sides and 3 mm separation.

4. Attachment 21 presents the samples on which information contained in forms presented in the Attachments 16 and 18 must appear by tracing.

Attachment 22 presents the samples on which information contained in forms presented in the Attachments 17 and 19 must appear by tracing.

5. The form size is 210 x 297 mm, with maximum tolerance in length of 5 mm for the shorter, and 8 mm for the longer one.

6. The Administration will demand that the name and address of the printing company are stated on the forms, or a mark that would enable the identification thereof. For printing of forms there will also be a stipulation in terms of obtaining prior technical approval.

Section 3 – Information needed for specific customs procedure

Article 123

1. Maximum list of fields to be used in the declaration for certain customs procedure, with the use of SCD, is contained in the Attachment 15.

2. Attachment 15 also contains the minimum list of fields to be used for declarations for specific customs procedure.

Article 124

Information needed when using one of the forms from Article 113, Paragraph 2 of this Decision, depend on the respective form, and are amended as needed according to the provisions pertaining to the specific customs procedure.

Section 4 – Documents attached to customs declaration

Article 125

1. The following documents are attached to the customs declaration for placing into free circulation:

(a) invoice, which is the base for declaring the customs values of goods, as requested under Article 92 of this Decision;

(b) when so requested under Article 89 of this Decision, the value declaration with information for determining the customs value of declared good is made in accordance with conditions prescribed in the quoted Article;

(c) documents needed for application of preferential tariff measures or other measures exclusive from current regulations applied in terms of declared goods;

(d) all other documents needed in application of regulations governing the placing of declared goods to free circulations.

2. Customs bodies can request for transportation documents to be attached during declaration filing or, if needed, the documents pertaining to preceding customs procedure.

When one type of goods is packed in two or more parcels, the customs bodies can request for the packing list to be presented, or an equally valid document stating the contents of each parcel.

3. When goods are eligible for exemption from import duties and in cases of application of single customs rate, the documents from Paragraph 1, Items (a), (b), and (c) of this Article do not have to be requested, unless the customs body finds that necessary in the sense of application of provisions governing the placing of respective goods to free circulation.

Article 126

1. Transportation document accompanies the declaration for transit. The transit office can decide not to ask for presentation of the transportation document at the moment when goods are declared for transit procedure. However, the transportation document is presented during transport at the request of customs office or any other competent body.

2. The customs declaration for export or re-export of goods from the BiH customs area, or some other document with equal effect, is presented to the transit office along with the transit declaration it pertains to, except in case of simplified procedures, which allow exception.

3. Customs bodies can, when needed, request the presentation of documents pertaining to preceding customs procedure.

Article 127

1. Without exclusion from the special provisions, the documents accompanying the declaration for customs procedure with economic effect are the following:

(a) for customs storage procedure:

- type D: documents prescribed under Article 125, Paragraph 1, Item (a) and (b) of this Decision;
- not type D: no documents.

(b) for procedure of internal processing:

- duty refund system: documents prescribed under Article 125., Paragraph 1 of this Decision;
- payment suspension system: documents from Article 125, Paragraph 1, Item (a) and (b) of this Decision.

and, when needed, approval in writing for respective customs procedure or a copy of request for issuing the approval in cases where Article 306, Paragraph 1 of this Decision is applied .

(c) for processing under customs control, the documents prescribed under Article 125, Paragraph 1, Item (a) and (b) of this Decision and, when needed, approval in writing for respective customs procedure or a copy of request for issuing the approval in cases where Article 306, Paragraph 1 of this Decision is applied ;

(d) for temporary import procedure

- with partial exemption from payment of import duties; documents prescribed under Article 125, Paragraph 1 of this Decision ;
- with full exemption from payment of import duties ; documents prescribed under Article 125, Paragraph 1, Item (a) and (b) of this Decision ;

and, when appropriate, approval in writing for respective customs procedure or a copy of the request for issuing the approval in cases where Article 306, Paragraph 1 of this Decision is applied;

(e) for procedure of external processing: documents prescribed under Article 128, Paragraph 1 of this Decision and, when needed, approval in writing for respective customs procedure or a copy of request for issuing the approval in cases where Article 306, Paragraph 1 of this Decision is applied.

2. Article 125, Paragraph 2 of this decision is applied to declarations pertaining to every customs procedure with economic effect .

3. Customs bodies can allow for the approval in writing for the procedure or a copy of the request for issuing the approval to be kept, so that it can be at their disposal instead of it accompanying the declaration.

Article 128

1. Declaration for export or re-export is accompanied by all documents needed for accurate calculation of export duties and application of regulation governing the export of specific goods.
2. Article 125, Paragraph 2 of this Decision is applied to declaration for export or re-export.

CHAPTER 2

Customs declarations compiled using the data processing technique

Article 129

1. When customs declaration is compiled using the data processing system, the information from written declaration from the Attachment 15 are replaced with coded information or information in any other form determined by the customs bodies and corresponding to the information needed for written declarations, and these are sent to the customs bodies for the purpose of computer processing thereof.
2. The customs declaration compiled using the electronic data interface EDI is considered filed when the customs bodies receive the EDI message .
The system informs the declaring party on receiving the customs declaration made with EDI via response message, which contains, at least, the identification elements of the received message and/or the registration number of customs declaration , and the date of receipt.
3. When customs declaration is compiled using EDI, the customs bodies prescribe the rules for application of provisions from Article 154 of this Decision.
4. When customs declaration is compiled using EDI, the declaring party is informed about release of goods, stating at least the identification elements of the declaration and date of release .
5. When data from customs declaration are entered into customs data processing systems Paragraphs 2, 3, and 4 of this Article are applied *mutatis mutandis*.

Article 130

When written copy of customs declaration is needed for completion of other activities and procedures, it is, at the request from the declaring party, made and verified by the competent customs office in accordance with Article 107, Paragraph 2 of this Decision.

Article 131

Under conditions and in the manner determined by the customs bodies, an approval can also be given for the documents needed for declaring the goods for customs procedure to be processed and transferred electronically.

CHAPTER 3

Customs declarations filed verbally or in some other way

Section 1 – Verbal declarations

Article 132

Customs declarations can be filed verbally for the purpose of placing the following goods to free circulations:

- (a) goods of non-commercial character:
 - which are contained in the passenger's personal luggage ; or
 - which are sent to physical persons; or
 - in other cases of negligible importance, when customs bodies approve so .
- (b) goods of commercial character, given:
 - that the total values per consignment and per declaring party do not exceed the statistical limit foreseen under current BiH regulations ; and
 - that the consignment is not a part of regular series of similar consignments ; and
 - that the goods are not transported by independent operator as a part of larger cargo transportation.
- (c) goods from Article 136 of this Decision, when they satisfy the exemption terms as returned goods;
- (d) goods from Article 137, Item (b) and (c) of this Decision.

Article 133

Customs declarations can be filed verbally for the export of :

(a) goods of non-commercial nature:

- which are contained in the passenger's personal luggage , or
- which are sent by physical persons;

(b) goods from Article 132, Item (b) of this Decision;

(c) goods from Article 138, Item (b) and (c) of this Decision;

(d) other goods in cases of negligible economic importance, when customs bodies approve so .

Article 134

1. Articles 132 and 133 of this Decision are not applied when the person clearing the customs for the goods is acting in the capacity of representative on behalf of another person .

2. When customs bodies can not determine whether the declared information is accurate or complete they request the written declaration to be filed.

Article 135

When goods declared verbally to the customs in accordance with Article 132 of this Decision are subject to payment of import duties, the customs bodies issue a receipt to the declaring party on collection of the respective duty.

The receipt contains the minimum of the following information :

(a) description of goods precise enough to enable identification; it can also include the tariff denotation;

(b) invoice value and/or quantity of goods, as suitable;

(c) type and amount of collected duties;

(d) date of issue;

(e) name of the issuing body.

Article 136

1. In accordance with conditions prescribed in Article 300, Paragraph 3, Subparagraph 2 of this Decision, customs declarations can be filed verbally for temporary import of the following goods:

(a) - livestock for nomadic migration or grazing or for labour or transport, and other goods satisfying the terms prescribed under Article 364, Paragraph 2, Item (a) of this Decision;
- packaging from Article 368, Item (a) of this Decision, bearing permanent, inerasable marks of the person established outside of BiH customs area ;

- radio-television equipment for production and broadcasting of program and vehicles , custom made for the use for the aforementioned purpose , and equipment thereof imported by public or private organizations established outside BiH customs area and approved by the customs bodies issuing the approval for import procedure for such equipment and vehicles;

- instruments and apparatuses necessary to physicians in providing aid to patients waiting for organ transplantation, under conditions from Article 366 of this Decision;

(b) goods from Article 139 of this Decision;

(c) other goods, as approved by the customs bodies.

2. Goods stated in Paragraph 1 of this Article can also be subject to verbal declaration for re-export, which serves to discharge the procedure of temporary import.

Section 2 – Customs declaration filed via some other action

Article 137

When not declared to the customs in writing or verbally, the following goods are observed as declared for placing to free circulation under action from Article 140 of this Decision :

(a) goods of non-commercial character, part of passenger's personal luggage, eligible for relief under Article 2 of the Law Amendment or as returned goods;

(b) goods eligible for relief under Article 7 and 8 of the Law Amendment;

- (c) transportation means eligible for relief as returned goods;
- (d) goods imported as a part of trading of negligible importance and exempt from request to be transported to the customs office in accordance with Article 35, Paragraph 3 of the Law, given that it is exempt from import duties.

Article 138

When not declared to the customs in writing or verbally, the following goods are observed as declared for export under action from Article 140, Item (b) of this Decision:

- (a) goods of non-commercial character contained in passenger's personal luggage, if it is not subject to export duties;
- (b) transportation means registered in BiH customs area and intended for re-import;
- (c) the following goods:
 - consignments sent to receiver in a letter or postal parcel, which contain goods with total value under 20 KM;
 - domestic animals constituting livestock of an agricultural estate, which ceased with operations in BiH and transferred its activities to a foreign country, limited to domestic animals in the number corresponding the character and size of that agricultural estate;
 - agricultural or livestock products obtained in BiH customs area in estates bordering with a foreign country and managed by a person, in the capacity of owner or lessee, who owns the basic estate in a foreign country bordering with BiH customs area.

Products obtained from domestic animals must originate from animals originating from a specific foreign country or satisfy the terms of free circulation in that country. For agricultural products, the limitation pertains to those products, which did not undergo any processing except that which is standard for harvesting or production thereof, and only for products brought into a specific foreign country by the agricultural producer or on their behalf.

- seed for use in estates located in a foreign country bordering with BiH customs area, managed by a person, in the capacity of owner or lessee, who owns the basic estate in the aforementioned customs area in the very vicinity of a specific foreign country. That is limited to quantity of seed needed for the purpose of functioning of the estate and only for the seed exported directly from BiH customs area by the agricultural producer or on their behalf;
 - animal feed of any kind, loaded onto a transportation means, used in transport of animals from BiH customs area to a foreign country, with the purpose of feeding it to aforementioned animals during transport.
- (d) other goods in cases of negligible economic importance, as approved by customs bodies.

Article 139

1. The following goods, when not declared in writing or verbally, are observed as declared for temporary import when subject to action from Article 140 of this Decision, with possibility of application of Article 376 of this Decision:

- (a) personal belongings and goods imported for sports purposes, which the passengers import in accordance with Article 360 of this Decision;
- (b) transportation means from Articles 353 through 358 of this Decision;
- (c) materials for marine recreation used on vessels engaged in international sea traffic in accordance with Article 361, Item (a) of this Decision.

2. When not declared to customs in writing or verbally, the goods from Paragraph 1 of this Article are observed as declared for re-export, which discharges the procedure of temporary import, when subject to action from Article 140 of this Decision.

Article 140

1. In the sense of Articles 137 through 139 of his Decision, the action deemed as that representing the customs declaration can have the following forms:

- (a) - in case of goods delivered up to customs office or any other place designated or approved in accordance with Article 35, Item (a) of the Law;
- passing of goods through the green or "nothing to declare" lane in customs offices with two-lanes system in place;
 - passing through the customs office without two-lanes system in place, without spontaneous customs declaration;
 - posting a sticker "nothing to declare" or sign of the customs declaration onto front windshield of passengers' vehicles, when such possibility is foreseen.
- (b) in case of exemption from obligation to deliver the goods to customs in accordance with provisions for implementation of Article 35, Paragraph 3 of the Law, in case of export in accordance with Article 138 of this Decision, and in case of re-export in accordance with Article 139, Paragraph 2 of this Decision:

- the act of crossing the border of BiH customs area per se.

2. When goods enclosed under Article 137, Item (a), Article 138, Item (a), Article 139, Paragraph 1, Item (a) or Article 139, Paragraph 2 of this Decision, contained in the passenger's luggage, are transported by railway without passenger's escort and are declared to customs without attendance of the passenger, the document from Attachment 23 of this Decision is used within the scope of terms and limitations stated in it.

Article 141

1. When terms from Articles 137 through 139 of this Decision are satisfied, the goods are observed as presented to the customs in the sense of Article 60 of the Law, and the declaration is accepted and release approved at the moment of performing the action from Article 140 of this Decision.

2. When inspection establishes that action from Article 140 of this Decision is executed, but that the imported or exported goods do not satisfy the terms from Articles 137 through 139 of this Decision, the goods are observed as being illegally imported or exported.

Section 3 – Common provisions for Sections 1 and 2

Article 142

Provisions from Articles 132 through 139 of this Decision are not applied to goods subject to demand for refund of duties, i.e. the goods subject to suspension or limitation or some other measure.

Article 143

In the sense of Sections 1 and 2 of his Chapter, "passenger" stands for the following:

A. in case of import:

1. any person, not a resident, temporarily entering the BiH customs area; and
2. any person, a resident, returning to BiH customs area after temporary stay in another country.

B. in case of export:

1. any person, a resident, temporarily leaving the BiH customs area; and
2. any person, not a resident, leaving the BiH customs area after temporary stay.

Section 4. – Postal traffic

Article 144

1. The following postal consignments are observed as declared to the customs :
 - A. for placing to free circulation :
 - a) at the moment of entry into BiH customs area :
 - postal cards and letters containing personal messages only ;
 - Braille letters;
 - printed material not subject to import duties; and
 - all other consignments sent in letters or postal parcels, according to terms from Article 14 of the Law Amendment, which are exempt from the obligation to be delivered to the customs in accordance with the provisions of Article 35, Paragraph 3 of the Law ;
 - b) at the moment of presentation to the customs:
 - consignments sent by letter or postal parcel, except those from Item (a) of this Article, given they are accompanied by CN22 and/or CN23 declaration.
 - B. for export:
 1. at the moment when accepted by postal bodies, in case of letter or parcel consignments .
 2. The consignment recipient, in case from Paragraph 1. Item (A) of this Article, or consignment sender in cases from Paragraph 1, Item (B) of this Article is observed as the declaring party, and as debtor when applicable.
 3. In the sense of paragraph 1 of this Article, the goods not subject to payment of duties are observed as presented to the customs in the sense of Article 60 of the Law, with declaration accepted and release approved :
 - (a) in case of import: when goods are delivered to the recipient ;
 - (b) in case of export: when goods are accepted by postal authorities.
 4. When consignment, sent by letter or parcel, which is not exempt from obligation of delivery to the customs under provisions of Article 35, Paragraph 3 of the Law, is presented without CN22 and/or CN23 declaration, i.e. when the declaration is incomplete, the customs bodies determine the manner of filing or amending such a declaration.

Article 145

Article 144 of this Decision is not applied:

- to consignments containing goods for commercial purposes, with total value exceeding 500 KM;
- to consignments containing goods for commercial purposes, which constitute a part of regular series of similar actions ;
- when customs declaration is filed in writing, verbally, or using the data processing technique;
- to consignments containing goods from Article 142 of this Decision.

TITLE VII INSPECTION OF GOODS, FINDINGS AND OTHER MEASURES UNDERTAKEN BY CUSTOMS BODIES

Article 146

1. The goods are inspected in the places and at time designated by the customs bodies for that purpose.

2. In justified cases, customs bodies can, at the request of the declaring party, approve for the inspection of goods to be made in another place and/or at another time than that stated in Paragraph 1 of this Article. The declaring party bears all incurred costs.
3. The Governing Board prescribes the amount of costs of inspection of goods from Paragraph 2 of this Article.

Article 147

1. When customs bodies decide to inspect the goods, they inform verbally the declaring party or the representative thereof.
2. When they decide to inspect only a part of specific goods, the customs bodies inform the declaring party or the representative thereof on items of the goods they wish to inspect. The choice of customs bodies is final.

Article 148

1. The declaring party or the person they designate to attend the inspection of goods must provide assistance to customs bodies needed for them to make the work easier. Should customs bodies consider such assistance unsatisfactory, they shall require the declaring party to appoint another person who is able to provide the necessary assistance.
2. When the declaring party refuses to attend the inspection of goods or to appoint a person who is able to provide assistance the customs bodies deem necessary, the customs bodies determine a deadline for acting in accordance with their demand, unless they forfeit the inspection.

If, upon expiry of deadline, the declaring party failed to act in accordance with the demands of customs bodies, they, for the purpose of application of Article 72, Item (a) of the Law, shall continue with the inspection at the risk and expense of the declaring party, and if needed, asking for services from expert or another person designated in accordance with current regulations.

3. Findings the customs bodies come up with during inspection performed under conditions stated in the previous Paragraph hold the same power as if the inspection was made in the presence of the declaring party.
4. Instead of measures prescribed in Paragraphs 2 and 3 of this Article, the customs bodies have a possibility to consider the declaration invalid when it is clear that the refusal of the declaring party to attend the inspection of goods, or to designate a person able to provide necessary assistance, does not prevent nor aim at preventing the respective bodies to establish that the regulations governing declaration of goods for specific customs procedure were breached even if such act does not constitute avoidance nor does it aim to avoid the provisions of Articles 63, Paragraph 1 or 77, Paragraph 2 of the Law.

Article 149

1. When customs bodies decide to take samples they inform the declaring party or their representative respectively.
2. The customs bodies themselves are taking samples. However, they can ask that the declaring party or a designated person does so under the supervision of the customs bodies.

Samples are taken according to the procedure prescribed by the customs bodies.

3. Quantities taken as samples need not exceed the quantities needed for analysis or detailed inspection, including the potential control analysis.

Article 150

1. The declaring party or the person designated to attend the taking of samples provides the customs bodies with all needed assistance to make the work easier.
2. When the declaring party refuses to attend the sample taking or to designate a person who would be present, or when they do not provide all needed assistance to customs bodies to make the work easier, the provisions from the second sentence of Article 148, Paragraph 1 and Article 148, Paragraphs 2, 3, and 4 of this Decision are applied.

Article 151

When customs bodies are taking samples for analysis or detailed inspection, they approve the release of goods without waiting for the results of analysis or inspection, except if other reasons

exist not to do so, and given that, once the customs debt occurred or when it is evident that it will occur, the respective duties were already recorded and paid, i.e. that payment thereof was ensured.

Article 152

1. Quantities taken by customs bodies as samples do not reduce the declared quantity of goods.
2. When it comes to declaration for export or external processing, the declaring party is approved, when circumstances allow, to compensate the quantities of goods taken as sample with identical goods in order to have the same consignment.

Article 153

1. Unless destroyed during analysis or detailed inspection, the samples taken are returned to the declaring party at their request and at their expense, when no longer needed to customs bodies, and especially when the right to appeal is exhausted in terms of the decision letter issued by the customs bodies on the grounds of results of analysis or detailed inspection.
2. When the declaring party is not requesting the return of samples, the customs bodies can destroy or keep them. However, in special cases, the customs bodies can demand from the declaring party to take over all of the remaining samples.

Article 154

1. When customs bodies perform the control of declaration and of the supporting documents or inspection of goods, they state, at least on the copy of the declaration they keep or on the supporting document, the basis and the results of such control or inspection. In case of partial inspection of goods the information on inspected consignments are also being stated.

When needed, the customs bodies state in the declaration that the declaring party or the representative thereof was absent.

2. In case the result of control of declaration and the supporting documents or that of inspection of goods is not in accordance with the information stated in the declaration, the customs bodies state, at least on the copy of the declaration they keep or on the supporting document, the information that need to be taken into consideration in calculation of duties for the respective goods and application of other regulations governing the customs procedure the goods are being declared for.
3. The findings of customs bodies state, when needed, the accepted means for identification. They are marked with a date and they contain information needed for identification of the employee who issued them.
4. When customs bodies do not control the declaration or inspect the goods, they do not have to verify the declaration or the supporting document from Paragraph 1 of this Article.

Article 155

1. Approval for release of goods leads to entry of import duties established in accordance with the information stated on the declaration. When customs bodies deem that inspections they have undertaken can lead to determination of a higher amount of import duties than the one which would occur on the basis of the information from the declaration, they additionally request the filing of a guarantee, which will be sufficient to cover the difference between the amount determined according to information from the declaration and the amount which could be due for the goods in the end. However, instead of filing the aforementioned guarantee, the declaring party can ask for an immediate entry of the duty amount, which the goods could be subject to.
2. When, based on inspections made, the customs bodies determine the amount of import duties different from that determined on the basis of information from the declaration, the release of goods leads to momentary entry of the amount determined in such a way.
3. The goods can not be released in case the customs bodies have certain doubts in terms of application of specific suspensions or limitations, and if that can not be resolved until the results of inspections performed by the respective bodies are obtained.
4. Exclusive from Paragraph 1 of this Article, the customs bodies can forfeit the request for guarantee in connection to the goods which are subject to the filed request for the use of tariff

contingent, if they establish that tariff contingent is not critical in the sense of Article 209 of this Decision, at the moment of accepting the declaration for placing of goods to free circulation .

Article 156

1. Customs bodies determine the manner of release of goods, taking into account the current location of goods and special measures for the supervisions thereof.
2. When declaration is filed in writing, the release or the date of release is stated in it or, where applicable, in the supporting documents, where a copy is returned to the declaring party .

Article 157

1. In case of customs bodies not being able to approve the release of goods due to one of the reasons stated in Article 72, Item (a) (ii) or (iii) of the Law, they provide the declaring party with a deadline for fulfilling the prescribed obligations .
2. In case the declaring party failed to file the requested documents from Paragraph 1 of this Article, and under circumstances from Article 72, Item (a) (ii) of the Law, the respective declaration is deemed invalid and the customs office annuls it applying the provisions of Article 63, Paragraph 4 of the Law.
3. In circumstances from Article 72, Item (a) (iii) of the Law, and without exclusion of any measures undertaken under Article 63, Paragraph 1 or Article 174 of the Law, when the declaring party failed to pay or ensure the guarantee for duties due within the provided deadline from Paragraph 1 of this Article, the customs bodies can initiate actions pertaining to seizure of goods. If the requested conditions are not satisfied in the meantime the goods are being sold . The customs bodies inform the declaring party respectively.

The customs bodies can relocate the respective goods to special premises under their supervisions, with the declaring party bearing the risk and expenses pertaining thereto.

Article 158

Exclusive from Article 63, Paragraph 3 of the Law, the customs declaration can be annulled after release of goods, in the way foreseen in the following text:

a) if established that the goods are, by mistake, declared for a customs procedure implying payment of import duties instead of it being subject to another customs procedure, customs bodies annul such declaration if a request in that sense is filed within three months' period as of the date of accepting the declaration, given that:

- any use of goods was not contrary to the conditions of the customs procedure the goods were supposed to be subject to ;
- at the time of declaring the goods were intended to be subject to another customs procedure it fulfils the conditions for; and
- the goods are immediately declared for customs procedure of original intent .

The declaration used to subject the goods to another customs procedure is valid as of the day of accepting the annulled declaration.

Exceptionally, in justified cases, the customs bodies can allow exceeding of the three months' period.

b) When established that the goods were incorrectly declared instead of other goods, for the customs procedure implying payment of import duties, customs bodies annul such declaration if the request in that sense is filed within three months' period as of the date of accepting the declaration, given that:

- the initially declared goods:

- (i) have not been used, except in a way provided under its initial status; and
- (ii) are returned to initial status;

and that

- the goods that were supposed to be declared for the initially assigned customs procedure:

(i) could have been presented to the same customs office, at the time the original declaration had been filed; and

(ii) were declared for the same customs procedure as that of initial purpose .

Customs bodies can allow, exceptionally, for the above mentioned deadline to be extended in justified cases.

c) In case of returned goods ordered from catalogue, the customs bodies annul the declarations for placing the goods to free circulation, if the request in that sense was filed within here months' period from the date of accepting the declaration, given that the goods were exported to initial address of supplier or another address designated by the respective supplier .

d) When retroactive approval is granted in accordance with :

- Article 201 of this Decision, for placing of goods to free circulations with favourable tariff treatment or under reduced or zero rate of duties at the expense of end use of goods, or
- Article 306 of this Decision, for customs procedure with economic effect .

e) When goods are declared for export or external processing procedure, the declaration is annulled given that:

i. in case of goods subject to export duties, to request for refund of import duties or to other specific measures during export:

- the declaring party delivers, to the exit customs office, a proof that goods have not left the BiH customs area;
- the declaring party returns to the aforementioned customs office all copies of customs declaration along with all other documents issued upon accepting the declaration;
- the declaring party, pursuant to current regulations, acts in accordance with all other obligations designated by the exit customs office for the purpose of regulation of status of the respective goods.

The annulment of declaration implies the annulment of all reconciliations made in export license, which is presented for the purpose of substantiating the declaration .

When requested for the goods declared for export to leave the BiH customs area until specific deadline, the failure to respect the given deadline implies annulment of respective declaration, and the declaring party is informed respectively by customs bodies, in writing .

ii. in case of other goods, that the exit customs office was informed in accordance with Article 399 of this Decision that the declared goods still have not left the BiH customs area.

f) As long as the re-export implies filing of the declaration, the Item (e) of this Article is applied *mutatis mutandis*;

g) When bh. goods are in procedure of customs storage in the sense of Article 95, Paragraph 1, Item (b) of the Law, the annulment of declaration for the respective procedure can be requested or approved given that the measures foreseen under current legal regulations have been undertaken in case of disregard of approved treatment or use .

If the request for determining treatment or use for the goods under adequate legal regulations is not filed upon expiry of deadline prescribed for procedure of customs storage of goods, the customs bodies undertake measures stipulated under the respective regulations .

When customs bodies are selling bh. goods in accordance with Article 72, Item (b) of the Law they are acting in accordance with current BiH regulations.

TITLE VIII
SIMPLIFIED PROCEDURES
CHAPTER 1

General Provisions

Article 160

1. The procedure for incomplete declarations, in justified cases, allows the customs bodies to accept the declaration lacking all required information, *i.e.* which is not accompanied by all the documents pertaining to specific customs procedure.
2. The procedure for simplified declaration enables the goods to be declared for specific customs procedure during filing of the simplified declaration with subsequent presentation of additional declaration, which can be of general, periodical, or recapitulated character, as suitable.
3. Local customs clearance procedure enables declaration of goods for a specific customs procedure performed in the premises of a specific person, or in places designated or approved by customs bodies.

Article 161

When simplified procedure is applied through use of the data processing system for filing customs declaration or the data processing technique, the provisions from Articles 107, Paragraph 2 and 3, 129, 130, and 131 of this Decision are applied *mutatis mutandis*.

CHAPTER 2

Declaration for placing the goods to free circulation

Section 1 – Incomplete declarations

Article 162

Declarations for placing the goods to free circulation, which the customs bodies at the request from the declaring party can accept even though they do not contain certain information from the Attachment 15, are containing, at least, the information from SCD Fields 1 (the first and the second subdivision, 14, 21, 31, 37, 40, and 54, and:

- description of goods in the sense that it is precise enough to enable the customs bodies to momentarily and undoubtedly determine the bh. tariff denotations ;
- when goods are subject to duties according to value, the value thereof for customs purposes, or, when clear that the declaring party is not able to declare the value, temporary information are stated on value of goods, which are considered acceptable by customs bodies, especially taking into consideration the information available to the declaring party;
- all other information that customs bodies may deem necessary for identification of goods, for application of provisions governing the placing of goods to free circulation, and for determination of amount of any guarantee, which needs to be deposited before the goods are placed to free circulation.

Article 163

1. The minimum of documents which need to be presented before the declared goods can be placed to free circulation are attached to declarations for placing the goods to free circulation, which the customs bodies, at the request of the declaring party, can accept even though they are not supported with specific supporting documents that are needed.
2. Exclusive from Paragraph 1 of this Article, the declaration which is not supported by one or more documents needed before the goods can be placed to free circulation, can be accepted when the customs bodies establish that:

- (a) the document exists and is valid;
- (b) it can not be attached to the declaration for reasons beyond the control of the declaring party;
- (c) any delay in accepting of the declaration would prevent the goods from being placed to free circulation or would make the goods subject to higher rate of duties .

The information pertaining to documents that are missing, are stated in the declaration in all cases.

Article 164

1. The deadline provided by the customs bodies to the declaring party for delivery of information or documents, which were missing at the moment of accepting the declaration, can not exceed 30 days from the day of such acceptance .

In case that a document needed for application of lower or zero rate of import duties satisfies the conditions for the reduced or zero rate of duties, and when customs bodies have justified reason for the goods to be enclosed in the incomplete declaration, they can, at the request of the declaring party, determine an additional deadline for presentation of the respective document . The additional deadline can not exceed 120 days.

When the missing information or documents which need to be presented pertain to the customs values, the customs bodies can, when deemed necessary, precise a longer deadline or extend the previously determined deadline. In determining the total allowed deadline account is taken of currently prescribed deadlines.

2. When reduced or zero rate is applied to goods placed to free circulation within tariff contingents or given that collection of regular import duties is not being reintroduced within the scope of upper tariff limit or other preferential tariff measures, the benefit for that tariff contingent is approved only after presenting the customs bodies with the document conditional for the approval of reduced or zero rate . The document must be presented in any case :

- before using up the contingent ; or
- in other cases, prior to the date on which the collection of regular import duty rates is reinstated pursuant to bh. measure .

3. Pursuant to Paragraphs 1 and 2 of this Article, the document conditional for approval of reduced or zero rate can also be presented following the date of expiry of deadline foreseen with respect to reduced or zero rate, given that the declaration pertaining to the goods is accepted before that date.

Article 165

1. Accepting the incomplete declaration by the customs bodies does not prevent or postpone the release of goods declared in such way, unless some other reasons exist for that . Not exclusive from the provisions of Article 155 of this Decision, the release is made in accordance with the conditions stipulated under Paragraphs 2 through 5 of this Article.

2. When subsequent delivery of information or supporting documents that were missing at the moment of accepting the declaration does not hold influence over the amount of duties pertaining to the goods enclosed in the aforementioned declaration, the customs bodies immediately make an entry of the amount calculated in the usual manner .

3. When the declaration, in accordance with Article 162 of this Decision, contains temporary information on value of goods, the customs bodies shall:

- immediately make an entry of the amount of duties determined on the basis of that information; and

- demand, if needed, deposition of a guarantee sufficient to cover the difference between the amount calculated on the basis of temporary information and the amount the goods could be subject to in the end .

4. When in other circumstances, apart from that specified in Paragraph 3 of this Article, subsequent delivery of information or supporting documents that were missing at the moment of accepting the declaration can influence the amount of duties for the goods enclosed in the respective declaration :

(a) if subsequent delivery of any missing information or documents can lead to the change in duties with a reduced rate, the customs bodies shall :

- immediately make an entry of import duties payable at reduced rate ; and
- demand deposition of guarantee, which will cover the difference between that amount and the amount that should be paid if the import duties to specific goods were calculated at a regular rate ;

(b) if subsequent delivery of any missing information or documents can lead to import of goods with full exemption from payment of duties, the customs bodies demand the deposition of guarantee, which will cover the amount that should be paid if the duties were calculated at a regular rate.

5. Without exclusion of any other subsequent changes that could occur and especially as a result of the final determination of customs value, the declaring party has the possibility to ask for an immediate entry to be made instead of deposition of guarantee, in the following cases :

- when the second line of Paragraph 3 or the second line of Paragraph 4, Item (a) of this Article is applied, for the amount of duties the goods could be subject to in the end; or
- when Paragraph 4, Item (b) of this Article is applied, for the amount of duties calculated at regular rate .

Article 166

If the declaring party fails to deliver the information necessary for final determination of customs value of good, i.e. of the missing information or documents, before the expiry of deadline from Article 164 of this Decision, the customs bodies shall make an entry of the amount of deposited guarantee as that of duty pertaining to the specific goods in accordance with the provisions Article 165, Paragraph 3, second line, Article 165, Paragraph 4 (a) second line, or Article 165, Paragraph 4, Item (b) of this Decision.

Article 167

1. Incomplete declaration accepted under conditions stated in Articles 162 through 165 of this Decision, can be completed by the declaring party or, with consent of the customs bodies, it can be replaced with another declaration, which satisfies the conditions stipulated under Article 59 of the Law.

2. In both cases, the date of accepting the incomplete declaration is observed as the date for determination of the amount of duties and application of other measures governing placing of goods to free circulation.

Section 2 – Simplified declaration procedure

Article 168

1. Based on a written request containing all needed information, the declaring party is approved to file the declaration for placing to free circulation using the simplified form during presentation

of goods to the customs, in accordance with the conditions and in the manner stipulated under Articles 169 and 170 of this Decision.

2. Such simplified declaration can be in the form of:

- (a) incomplete customs declaration on SCD Form, or
- (b) administrative or commercial document supported with the written request for placing to free circulation.

The simplified declaration contains, at least, the information needed for identification of goods.

3. Where circumstances allow, the customs bodies can allow for the request pertaining to placing of goods to free circulation from Paragraph 2, Item (b) of this Article, to be replaced with general request pertaining to actions of placing of goods, which should be performed during a specific period. Referral to the approval provided as a reply to the general request is stated on the commercial or administrative document.

4. The simplified declaration is supported with all documents which can be requested for the purpose of ensuring the placing of goods to free circulation, except in cases from Article 163, Paragraph 2 of this Decision.

5. This Article holds no influence over application of Article 187 of this Decision.

Article 169

1. The approval from Article 168 of this Decision is granted to the declaring party given that it is possible to guarantee for efficient inspection in terms of obeying the import restrictions and limitations or other provisions governing the placing to free circulations.

2. By principle, the approval is refused when the person filing the request:

- has committed serious violation or repeated violations of customs regulations;
- is just temporarily declaring the goods for the purpose of placing to free circulation.

Granting approval can be declined when a specific person is acting on behalf of another person who is only periodically declaring the goods for placing to free circulations.

3. Taking into consideration the provisions of Article 9 of the Law, the approval can be cancelled in cases from Paragraph 2 of this Article.

Article 170

1. The approval from Article 168 of this Decision:

- determines the customs offices in charge of accepting the simplified declaration;
- specifies the form and contents of simplified declaration;
- specifies the type of goods it pertains to, and the information the simplified declaration must contain for the purpose of identification of goods;
- states the financial instrument that a specific person needs to deposit to cover any potential customs debt.

It also specifies the form and contents of additional declarations and the deadlines for filing those to the customs body designated for that purpose.

2. Customs bodies can forfeit the presentation of additional declaration when simplified procedure pertains to the goods with value lower than the statistical limit prescribed under current bh. regulations, and if the simplified declaration already contains all the information needed for placing to free circulation.

Section 3 – Local customs clearance procedure

Article 171

Approval for the use of local customs clearance procedure is granted in accordance with the conditions and in the manner prescribed under 172 through 174 of this Decisions, to any person who wants to place the goods to free circulation in own premises or in some other places from Article 160 of this Decision, and who, in that sense, files a written request to customs bodies, which contains all information needed for issuing the approval :

- in reference to goods subject to transit procedure, for which the aforementioned person obtained approval in terms of use of simplified procedures, which will be performed in the office of destination in accordance with Articles 266, 267, and 268 of this Decision;
- in reference to goods previously subject to procedure with economic effect, without exclusion from Article 187 of this Decision;
- in reference to goods which are, after presentation to the customs in accordance with Article 37 of the Law, transported to other premises or places than the ones from the first line of this Article pursuant to the transit procedure ;
- in reference to goods which are being entered into BiH customs area, with exemption from request to be presented to the customs in accordance with Article 38, Item (b) of the Law.

Article 172

1. Approval from Article 171 of this Decision is granted given that:

- records of the applicant enable the performance of efficient controls, especially the subsequent controls;
- it is possible to guarantee for an efficient control in terms of respecting the import sanctions and limitations or any other measures governing the placing to free circulation.

2. Granting the approval is, by principle, declined in case :

- the applicant has committed serious violation or repeated violations of customs regulations;
- the applicant only temporarily declares the goods for placing to free circulation .

Article 173

1. Considering the provisions of Article 9 of the Law, the customs bodies can forfeit the cancellation of approval in case:

- the holder of the approval executes all obligations within prescribed deadlines ; or
- the failure to execute of obligation has no real consequence in terms of regular course of procedure.

2. The approval is cancelled if the case referred to in the first line of Article 172, Paragraph 2 of this Decision occurs.

3. The approval may be cancelled if the case referred to in the second line of Article 172, Paragraph 2 of this Decision occurs.

Article 174

1. In order for the customs bodies to be certain in terms of regular performance of activities, the holder of the approval from Article 171 of this Decision must:

(a) in cases from the first and the third line of Article 171 of this Decision;

(i) if goods are placed to free circulation upon arrival to the designated place:

- properly inform the customs bodies about the arrival, in the form and manner designated by them, for the purpose of releasing the goods; and
- enter the goods into own records.

(ii) if a temporary storage of goods in the same place and in the sense of Article 47 of the Law preceded the placing of goods to free circulation, before expiry of the deadline specified in Article 46 of the Law;

- properly inform the customs bodies, in the form and manner designated by them, about the desire to place the goods to free circulation, for the purpose of obtaining approval for release of goods; and
- enter the goods into records.

(b) in cases from the second line of Article 171 of this Decision:

- properly inform the customs bodies, in the form and manner prescribed by them, about the desire to place the goods to free circulations, for the purpose of release of goods; and
- enter the goods into records.

The information from the first line of this Paragraph is not needed when the goods to be placed to free circulation are already in procedure of customs storage in type D storage;

(c) in cases from the fourth line of Article 171 of this Decision, upon arrival of goods to the designated place:

- enter the goods into records.

(d) as of the moment of entry into records from Items (a), (b), and (c) of this Paragraph, put at disposal to customs bodies all the documents necessary to be filed for application of provisions governing the placing of goods to free circulation.

2. Given it holds no influence over control of proper performance of activities, the customs bodies can:

(a) allow for the informing from Items (a) and (b) of Paragraph 1 of this Article to be made as soon as the arrival of goods is certain;

(b) in certain special cases, when deemed by the character of certain goods and frequency of importing, exempt the holder of the approval from obligation to inform the competent customs office on each arrival of goods given that they deliver to the aforementioned office all information the office may deem necessary in eventual inspection of goods.

In that case, entry of goods into records of specific person is considered equal to release of goods.

3. Entry into records from Items (a), (b), and (c) of Paragraph 1 of this Article can be substituted with any other action providing similar guarantee as determined by the customs bodies. The records contain the date of entry of goods and information needed for identification of goods.

Article 175

The approval referred to in Article 171 of this Decision, states special rules in terms of a course of procedure, including:

- goods it pertains to;

- type of obligations from Article 174 of this Decision and financial instrument the specific person needs to deposit;
- time of release of goods;
- deadline for presentation of supporting documents to the designated customs office ;
- conditions, which enclose the goods under general, periodical, or recapitulating declaration, as suitable .

CHAPTER 3

Declarations for customs procedures with economic effect

Section 1 – Registration for customs procedure with economic effect

Subsection 1 – Registration for the customs storage procedure

A. Incomplete declarations

Article 176

1. At the request of the declaring party, the entry customs office can accept the declaration for customs storage procedure, which does not contain some of the information from Attachment 15, if such declaration at least contains the information needed for identification of goods it pertains to, including the quantity of it.
2. Articles 163, 164, and 167 of this Decision are applied *mutatis mutandis*.

B. Simplified declaration procedure

Article 177

- a) In accordance with the conditions and in the manner stipulated under Article 178 of this Decision, the declaring party is approved to file the declaration for customs storage procedure in a simplified form when the goods are presented to the customs .

Such simplified declaration can be in the form of:

- incomplete declaration as described in Article 176 of this Decision; or
- administrative or commercial document supported with the request for registration for the procedure ;

Simplified declaration contains the information from Article 176, Paragraph 1 of this Decision.

- b) If this procedure is applied for storage of type D, the simplified declaration also contains detailed information on the type of goods, which are sufficient to enable immediate and unmistakable classification of goods and determination of its customs value.
- c) Procedure from Paragraph 1 of this Article is not applied for storage of type F.
- d) Procedure from the second line of paragraph 1 of this Article is applied to storage of type B, except that it is not possible to use the commercial document. When the administrative document does not contain all the information presented in Attachment 15, Title I, Item (B), Paragraph 2, Item (f) (i), they should be stated in the attached request .

Article 178

1. The request from Article 177, Paragraph 1 of this Decision is made in writing and it contains all information needed for issuing of the approval .

When circumstances allow, the request from Article 177, Paragraph 1 of this Decision can be substituted with the general request for performing actions during a specific period.

In that case the request is compiled under conditions stipulated in Articles 300, 301, and 302 of this Decision, and filed along with the request for issuing the approval for customs storage or as request for changing or amending the initial approval, to the customs bodies which issued that approval.

2. The request from Article 177, Paragraph 1 of this Decision is approved to the specific person given that it holds no influence over proper performance of customs storage .

3. The issuing of approval is declined when :

- no guarantees are provided needed for proper performance of customs storage procedure;
- the specific person only temporarily declares the goods for the procedure ;
- the specific person committed serious violation or repeated violations of customs procedures.

4. Considering the provisions of Article 9 of the Law, the approval can be cancelled in cases referred to in Paragraph 3 of this Article.

Article 179

1. In approval from Article 177, Paragraph 1 of this Decision, specific rules are determined for the course of the procedure, including :

- a) offices for registration for the procedure;
 - b) form and contents of simplified declarations.
2. Customs bodies need not request the filing of additional declaration .

C. Local customs clearance procedure

Article 180

1. Approval for the use of local customs clearance procedure is issued in accordance with conditions and in the manner prescribed under Paragraph 2 of this Article and Article 181 and 182 of this Decision .

2. Local customs clearance procedure is not applied to storages of type B and F .

3. Article 178 of this Decision is applied *mutatis mutandis* .

Article 181

1. In order to ensure proper performance of activities for customs bodies, the holder of the approval, upon arrival of goods to the designated place :

- (a) informs the control customs body about the arrival using the form and manner designated by the respective office;
- (b) enters the goods into goods inventory records ;
- (c) puts at the disposal to the control office all the documents pertaining to registration of goods for the procedure.

Goods inventory records from Item (b) of this Paragraph contain at least some of the information used for identification of goods in the commercial sense, including the quantity of it .

2. Article 174, Paragraph 2 of this Decision is applied *mutatis mutandis* .

Article 182

1. The approval referred to in Article 180, Paragraph 1 of this Decision, determines special rules regarding the course of procedure, and the following is explicitly specified:

- a. the goods it pertains to;
- b. the type of obligations from Article 181 of this Decision;
- c. time of release of goods.

2. Customs bodies need not request the filing of additional declaration .

Subsection 2 – Registration for procedures of internal processing, processing under customs control, or temporary import

a) Incomplete declarations

Article 183

1. Registration for some other customs procedure with economic effect, except external processing or customs storage, which the customs office for registration for the procedure can accept at the request of the declaring party even though it does not contain some of the information from Attachment 15 of this Decision, i.e. even though it is not supported by specific documents from Article 127 of this Decision, must contain at least the information from the SCD

Fields 14, 21, 31, 37, 40 and 54, and in the Field 44 the reference to approval or reference to the request, when Article 306, Paragraph 1 of this Decision is applied.

2. Articles 163, 164, and 167 of this Decision are applied *mutatis mutandis*.

3. In cases of registration for internal processing procedure under duty refund system, Articles 165 and 166 of this Decision are also applied *mutatis mutandis*.

b) Simplified declaration and local customs clearance procedures

Article 184

Provisions of Articles 168 through 175, and Article 178 of this Decision are applied *mutatis mutandis* to the goods registered for customs procedures, with economic effect, enclosed under this subsection.

Subsection 3 – Goods registered for external processing procedure

Article 185

Provisions of Articles 188 through 196 of this Decision, applied to the goods declared for export, are also applied *mutatis mutandis* to the goods declared for export under external processing procedure.

Subsection 4 – Common provisions

Article 186

When two or more approvals pertaining to customs procedures with economic effect are granted to the same person, and one procedure is discharged by registration for another procedure using the local customs clearance procedure, the additional declaration does not need to be filed.

Section 2 – Discharging customs procedure with economic effect

Article 187

1. In cases of discharging the internal processing procedure, the processing under customs control, and the temporary import, simplified procedures can be applied for placing the goods to free circulation, export, and re-export. In case of re-export, the provisions of Articles 188 through 196 of this Decision are applied *mutatis mutandis*.

2. Simplified procedures from Articles 162 through 175 of this Decision can be applied to placing of goods to free circulation in accordance with the external processing procedure.

3. In cases of discharge of customs storage procedure, simplified procedures can be used for placing the goods to free circulation, export, or re-export.

However:

(a) for goods registered for procedure in storage of type F no simplified procedure can be approved;

(b) for goods registered for procedure in storage of type B, only incomplete declarations and simplified registration procedure are applied;

(c) issuing approval for storage of type D implies an automatic application of the local customs clearance procedure for placing the goods to free circulations.

However, in cases where a specific person wants to profit from the application of the basis for calculation of customs debt, which can not be controlled without physical inspection of goods, that procedure can not be used. In that case other procedures can be used, including the presentation of goods to the customs.

CHAPTER 4

Export Declarations

Article 188

1. Actions and procedures, which need to be made in export customs office, as stipulated under Article 395 of this Decision, can be simplified in accordance with the provisions of this Chapter.

2. Provisions from Articles 396 and 399 of this Decision are applied to this Chapter.

Section 1 – Incomplete declarations

Article 189

1. Export declarations, which the customs office can accept at the request of the declaring party even though they do not contain specific information from Attachment 15, contain at least the information from the SCD Fields 1 (the first subdivision), 2, 14, 17, 31, 33, 38, 44, and 54:

- in case the goods are subject to export duties, all the information requested for the purpose of proper application of the respective duties ;
- all other information considered necessary for the purposes of identification of goods, application of regulations governing export, or determining the amount of guarantee, which can be requested prior to the export of goods.

2. Customs bodies can allow the declaring party not to complete the Fields 17 and 33, given that it declares that the export of specific goods is not subject to sanctions and limitations, and that the customs bodies have no reason to doubt in that respect, and that the description of goods allows for the tariff classification to be determined immediately and clearly .

3. Sample number 3 in the Field 44 contains the comment "Simplified export".

4. Articles 162 through 167 of this Decision are applied *mutatis mutandis* to export declarations.

Section 2 – Simplified declaration procedure

Article 190

1. Upon request in writing containing all the information needed for issuing the approval, the declaring party is granted an approval, under conditions and in the manner stipulated under Articles 169 and 170 of this Decision, which are applied *mutatis mutandis*, to compile an export declaration in simplified form during presentation of goods to the customs .

2. Without exclusion from Article 196 of this Decision, the simplified declaration has the form of incomplete SCD containing at least the information necessary for identification of goods . Paragraphs 3 and 4 of Article 189 of this Decision are applied *mutatis mutandis*.

Section 3 – Local customs clearance procedure

Article 191

Upon written request the approval for the use of local customs clearance procedure is granted under conditions and in the manner stipulated under Article 192 of this Decision, to any person (hereinafter: "approved exporter"), who wishes to perform export procedures in own premises or in other places designated or approved by the customs bodies .

Article 192

Articles 172 and 173 of this Decision are applied *mutatis mutandis* to procedure of granting the approval from Article 191 of this Decision.

Article 193

1. In order to make it possible for the customs bodies to be assured in terms of the regularity of performing activities, the approved exporter, prior to exception of goods from the place specified in Article 191 of this Decision should:

- (a) properly inform the customs bodies about such exception, in the form and manner designated by them, for the purpose of release of goods ;
- (b) enter the respective goods into own records. The records can be substituted with any other action which provides similar guarantee, designated by the customs bodies . The records state the date of entry and the information necessary for identification of goods;
- (c) put at the disposal of customs bodies any document the filing of which may be needed in terms of application of provisions governing export of goods .

2. In specific concrete circumstances, which are justified by the character of specific goods and frequency of export, the customs bodies can exempt the approved exporter from condition to inform the competent customs office on each exception of goods given that the approved exporter

delivers to the aforementioned office all information which the aforementioned office deems necessary for eventual inspection of goods.

In that case, entry of goods into records of the approved exporter is equal to the release of goods.

Article 194

1. For the purpose of controlling if the goods have really left the BiH customs area, the sample 3 of the SCD is used as proof of leaving of goods.

The approval prescribes that sample 3 of SCD should be verified in advance .

2. Advance verification can be performed in one of the following ways :

(a) Field A of the SCD can be verified in advance with the stamp of competent customs office, and be signed by the employee of that office ;

(b) approved exporter can verify the declaration using the special stamp, which is in accordance with the form from Attachment 24.

The print of this stamp can be printed in advance on the form in case the printing is entrusted to the printing company approved for that purpose.

3. Prior to exclusion of goods, the approved exporter :

- executes the obligations from Article 193 of this Decision;
- on sample 3 of SCD, states the ordinal number and the date of entry of goods into the records.

4. Field 44 of sample 3 of SCD, completed in accordance with Paragraph 2 of this Article, contains the following:

- the approval number and the issuing customs office;
- comment from Article 189, Paragraph 3 of this Decision.

Article 195

1. The approval referred to Article 191 of this Decision establishes special rules pertaining to the course of procedure, and especially so:

- to the goods it pertains to;
- to the form of obligations from Article 193 of this Decision,
- to the time of release of goods,
- to the contents of sample 3 and the manner of its confirmation ,
- to the procedure for filing the additional declaration and to the timeframe for its delivery.

2. The approval states the obligation of the approved exporter to undertake all necessary measures of ensuring the keeping of the special stamp or forms containing the stamp print of the exporting customs office or the print of the special stamp.

Section 4 – Common provisions for Sections 2 and 3

Article 196

1. Customs bodies can allow for some other commercial or administrative document or some other portable media to be used instead of SCD .

2. Document or portable media from Paragraph 1 of this Article should contain at least the information necessary for identification of goods with the comment from Article 189, Paragraph 3 of this Decision, and be supported with request for export.

When circumstances allow, the customs bodies can allow for the aforementioned request to be substituted with the general request enclosing the export actions, which need to be performed during a specific period. Referral to the approval is made using a specific document or media.

3. Commercial or administrative document serves as proof of exclusion of goods from BiH customs area in the same way as sample 3 of the SCD. When other media are used, the customs bodies shall determine the manner of confirming that the goods have left the BiH customs area.

PART II

CUSTOMS APPROVED TREATMENT AND USE

TITLE I

PLACING THE GOODS TO FREE CIRCULATION

CHAPTER 1

General Provisions

Article 197

1. When bh. goods are exported under ATA carnet in accordance with Article 400 of this Decision, such goods can be placed to free circulation on the basis of ATA carnet.
2. In that case, the office where goods are placed to free circulation performs the following actions and procedures:
 - a) checks the information stated in the Fields A through G of the re-export coupon;
 - b) completes the stub and Field H of the re-export coupon;
 - c) keeps the re-import coupon.
3. When actions which discharge the export action in terms of bh. goods are performed in another customs office, and not in the one in which the goods entered the BiH customs area, the transportation of goods from that office to the office where the aforementioned formalities are performed does not call for any actions or procedures.

CHAPTER 2

End Use

Article 198

1. This Chapter is applied when the goods placed to free circulation with favourable tariff treatment or at reduced or zero rate of duties, at the expense of its end use, are subject to customs control of end use.
2. In the sense of this Chapter:
 - (a) "receipts" stands for commercial, tax, or other accounting materials held by the holder or being held on his behalf;
 - (b) "records" stands for information containing all needed data and technical details located on any media, which enable the customs bodies to perform control and inspection of actions.

Article 199

1. Approving the preferential tariff treatment in accordance with Article 18 of the Law is performed with the use of written approval when anticipated for the goods to be subject to customs control of end use.

When the goods are placed to free circulation at reduced or zero customs rate, at the expense of its end use, and when current regulations call for the goods to remain under customs control in accordance with Article 79 of the Law, written approval is needed for the purpose of customs control of end use.
2. The request is made in writing using the form from Attachment 43. Customs bodies can allow for the extension or amendment of the original approval to be requested through an ordinary written request.
3. Under respective circumstances, the customs bodies can allow for the declaration for placing to free circulation in written form or that compiled using the data processing technique, in regular procedure, to constitute the request for approval, given that:

- the applicant determines the prescribed end use for his goods ; and

- ensures proper performance of actions .

4. When customs bodies consider any information stated in the customs declaration to be inadequate, additional information can be requested from the applicant .

Especially in cases when filed customs declaration is observed as request, the customs bodies, without exclusion from Article 125 of this Decision, demand that the request is supported with the document compiled by the declaring party, containing at least the following information, except if such information are not considered needed or have already been entered into customs declaration:

- name and address of the applicant, the declaring party, and the operator;
- character of end use;
- technical description of the goods, of the products resulting from the end use thereof, and means for identification thereof;
- estimated production norm or method used to determine the norm ;
- estimated period of time for determining end use of goods ;
- place in which the goods are placed to end use .

5. The applicant is informed on the decision to issue the approval, i.e. on the reasons for declining the request, within the period of thirty days from the day of filing the request or from the day the customs body received the requested missing or additional information .

Article 200

1. Approval in terms of the form from Attachment 43 is granted to persons registered in BiH customs area, given that:

- the foreseen actions are in accordance with the prescribed end use and with the provisions for transfer of goods in accordance with Article 203 of this Decision, and that proper execution of actions is ensured;
- the applicant offers all needed guarantees necessary for proper execution of actions, which need to be performed, and takes upon the obligations :

- to determine the prescribed end use for all or part of the goods or to make the transfer of it, and to submit the proof of the determination or the transfer in accordance with current regulations;
- not to undertake actions, which are incompatible with the intended purpose of prescribed end use ;
- to inform the competent customs bodies about all the factors which can influence the approval.

(c) that efficient customs control is ensured and that administrative actions undertaken by the customs bodies are not disharmonious to economic needs of the applicant ;

(d) to maintain and keep the adequate records;

(e) to file the guarantee when customs bodies deem so necessary .

2. Concerning the request from Article 199, Paragraph 3 of this Decision, the approval is granted to persons registered in the BiH customs area upon accepting the customs declaration, and under conditions from Paragraph 1 of this Article.

3. The approval contains the following information, except if such information is deemed not needed:

- identification of the approval holder ;
- when needed, the bh. tariff denotation, the type and description of goods and of end use action, and the provisions pertaining to production norms ;
- means and methods of identification and customs control, including the measures for the following:

- common accommodation where Article 330, Paragraphs 2 and 3 is applied *mutatis mutandis*;
- mixed accommodation of products from Chapters 27 and 29 of BiH Customs Tariff, which are subject to control of end use, or of products with crude petroleum oils from the tariff denotation 2709 00;

- (d) deadline in which the end use of goods must be prescribed;
- (e) customs offices where the goods are declared for free circulation, and offices which perform control over end use;
- (f) places where the prescribed end use is to be determined for the goods;
- (g) insurance instrument to be filed, as needed;
- (h) expiry of the approval;
- (i) where applicable, the possibility of transfer of goods in accordance with Article 203, Paragraph 1 of this Decision;
- (j) where applicable, the simplified procedures in accordance with Article 73 of the Law;
- (k) ways of communication.

When the products from the second line of Item (c) of this Paragraph do not share the same eight-digit specification, the same commercial quality, and the same technical and physical characteristics, the mixed accommodation can be approved only if the complete mixture passes through procedures stated in additional notes number 4 and 5 of the Chapter 27 of BiH Customs Tariff.

4. Without exclusion of Article 201 of this Decision, the approval comes into effect as of the date of issue or as of some later date stated in the approval. The validity period of the approval does not exceed three years starting from the day of coming into effect, except in exceptionally justified cases acceptable for customs bodies.

Article 201

1. Customs bodies can issue a retroactive approval.

Without exclusion from Paragraphs 2 and 3 of this Article, the retroactive approval comes into effect as of the date of filing the request.

2. In case the approval pertains to the extension of approval for the same type of action and goods, the approval can be granted with retroactive effect, as of the date of expiry of the initial approval.

3. In exceptional circumstances, the retroactive effect of the approval can be further extended, but not longer than a year before the date of filing the request, given that an evident economic need exists and that:

- (a) the request is in no connection with an attempt of fraud or obvious negligence;
- (b) the accounting of the applicant confirms that all the conditions of end use can be considered satisfied and, when appropriate, in order to avoid replacement, that the goods can be identified for the given period, and that the respective accounting enables the control of end use;
- (c) all actions and procedures required for regulation of the situation with goods may be executed, including, when necessary, the annulment of the declaration.

Article 202

The expiry of the approval does not influence the goods, which were placed to free circulation pursuant to that approval prior to its expiry.

Article 203

1. Transfer of goods between different locations designated under the same approval can be made without any customs actions or procedures.

2. When transfer of goods is made between two holders of approvals, the control Form T 5 stipulated under Attachment 44 is used, in accordance with the following procedure :

(a) the transferor completes the control Form T5 in three copies (one original and two copies). The copies are numbered in an adequate manner;

(b) The control Form T5 contains the following :

- in Field A, ("Starting office"), the address of competent customs office stated in the transferor's approval;
- in Field 2, name or commercial title, full address and the number of transferor's approval;
- in Field 8, name or commercial title, full address and the number of transferee's approval;
- in Field "Important note" and in Field B, the text is crossed out;
- in Fields 31 and 33, description of goods at the moment of transfer, including the number of items and adequate bh. tariff denotations ;
- in Field 38, net mass of goods;
- in Field 103, net quantity of goods in writing;
- in Field 104, mark in the Field "Other", and write the following in capital letters: "END USE: GOODS WITH OBLIGATIONS TRANSFERRED TO THE TRANSFEREE (ARTICLE 203.)";
- in Field 106: elements for calculation of import duties, except when customs bodies forfeit the request, the registration number and the date of registration for placing the goods to free circulation, and the name and address of the customs office to which the declaration is filed;

(c) further on, the transferor sends the complete set of T5 copies to the transferee;

(d) the transferee attaches the original of the commercial document issued by the transferor with the date of receipt of goods with complete set of T5 copies, and files all the documents to the customs office designated in his/her approval. He/she also informs the customs office, immediately, on any surplus, shortage, replacement, or any other irregularities;

(e) the customs office stated in the transferee's approval completes the Field J, including the date of receipt by the transferee, in T5 original, and dates and stamps the Field J of the original and Field E of the copies. The customs office keeps the second copy in its records, and returns the original and the first copy to the transferee;

(f) the transferee keeps the first copy of T5 in his/her records, and sends the original to the transferor;

(g) the transferor keeps the original in his/her records .

3. With receipt of goods, the transferee becomes the holder of obligations in terms of the transferred goods, in accordance with provisions of this Chapter .

4. The transferor is free of his/her obligations upon fulfilment of the following conditions :

- the transferee received the goods and is informed that the goods with transferred obligations are subject to the customs control of end use;
- the transferee's customs body took over customs control; that happens when the transferee enters the goods into his/her records, except if the customs bodies decide differently.

Article 204

1. In case of transfer of material used in maintenance or repair of aircrafts, under conditions of exchange agreement or for own needs of the airline company, via airline company engaged in

international traffic, the air bill of lading can be used or an equivalent document instead of control T5 sample.

2. The air bill of lading or an equivalent document contains, at least, the following information :

- (a) the name of the transporting airline
- (b) the name of departing airport;
- (c) the name of admission airline;
- (d) the name of destination airport;
- (e) description of material;
- (f) quantity.

The information from the first subparagraph can be stated in the coded form or by referral to the attached document.

3. The air bill of lading or the equivalent document must contain the following note in capital letters, on the first page: "END USE".

4. The airline in charge of transportation keeps a copy of the air bill of lading or the equivalent document as a part of its records, and makes an additional copy, which is placed at disposal of the competent custom office.

The admission airline keeps a copy of the air bill of lading or equivalent document as a part of its records, and makes an additional copy, which is placed at disposal of the competent custom office.

5. Intact material and copies of the air bill of lading or equivalent document are delivered to the admission airline in locations designated by the customs bodies. The admission airline enters the material into its records.

6. Obligations stated in Paragraphs 1 through 5 of this Article are transferred from the transporting airline to the admission airline at the moment when the material and copy of the air bill of lading or equivalent document are delivered to the admission airline.

Article 205

1. Customs bodies may, under conditions they stipulate, approve export or destruction of goods.

2. When the goods are exported, they are considered as non-bh. goods, as of the moment of accepting the export declarations.

3. In case of destruction, Article 174, Paragraph 5 of the Law is applied.

Article 206

1. When customs bodies deem that different usage of goods than that stipulated under approval is justified, such usage, except in case of export or destruction, implies the occurrence of the customs debt.

2. Article 200 of the Law is applied *mutatis mutandis*.

Article 207

1. Goods specified in Article 198, Paragraph 1 of this Decision remain under customs control and are subject to import duties, until:

- (a) prescribed end use is determined for the first time;
- (b) it is exported, destroyed, or used in another way, in accordance with Articles 205 and 206 of this Decision.

However, when goods are suitable for multiple uses, and if customs bodies consider that adequate for the purpose of avoiding misuse, the customs control continues during the period and does not exceed two years starting from the date of the first determination of use.

2. Waste and residuals occurring as result of working or processing of goods, and loss occurring naturally, are observed as goods with prescribed end use determined.

3. For waste and residuals occurring as a result of destruction of goods, the customs control ceases when customs approved treatment or use is determined.

CHAPTER 3

Assigning the tariff contingent used in accordance with chronological sequence of customs declarations' dates

Article 208

1. When bh. regulation has established the possibility of use of tariff contingents, these are assigned according to the chronological sequence of dates of accepting customs declarations for placing the goods to free circulation, except if anticipated differently.
2. When declaration for placing the goods to free circulation is accepted, containing a valid request of the declaring party for the use of tariff contingent, the customs bodies draw a certain quantity from the tariff contingent.

Assignment is approved on the basis of the date of accepting the adequate declaration for placing the goods to free circulation and to the extent allowed by the balance of the specific tariff contingent. Priorities are set in accordance with the chronological sequence of the dates .

3. In case the requested quantities to be drawn from the tariff contingent are larger than the available balance, assignment is made proportionally to requested quantities .
4. In case the tariff quotas start from January 1, accepting the declaration by the customs bodies on January first, second and third is observed as acceptance from January the third. However, if one of these days falls on Saturday or Sunday, the acceptance is considered to have occurred on January the fourth.

Article 209

1. Tariff contingent is considered critical as soon as 75% of its initial volume is used up, or as estimated by the competent body.
2. Exclusive from Paragraph 1 of this Article, the tariff contingent is considered critical as of the date of it coming into effect, in any of the following cases :
 - a) if open for the period less than three months;
 - b) if tariff contingents for the same products and origin and comparable contingent period as the respective tariff contingent (comparable tariff contingents), were not opened during the previous two years;
 - c) if comparable tariff contingent, opened in the previous two years, is used up on or before the last day of the third month of its contingent period, or if it had larger initial volume than the respective tariff contingent.
3. Tariff contingent, with the only purpose of being a protective or return measure, in accordance with WTO principles, shall be considered critical as soon as the 75% of initial volume is used up, regardless of comparable tariff contingent being opened in the previous two years or not.

TITLE II

CUSTOMS STATUS AND TRANSIT

CHAPTER 1

Customs status of goods

Section 1 – General Provisions

Article 210

1. Pursuant to Article 172 of the Law and exceptions stated in Paragraph 2 of this Article, all goods in BiH customs area are considered bh. goods, unless established that it does not have the status of bh. goods.
2. The following goods shall not be considered the bh. goods :
 - (a) goods entered into BiH customs areas in accordance with Article 34 of the Law;
 - (b) goods in temporary accommodation, i.e. in free zone of control type I in accordance with Article 402 of this Decision, or in free storage;
 - (c) goods placed in procedure from Article 81, Paragraph 1, Item (a) of the Law or in free zone of control type II in the sense of Article 402 of this Decision.

Section 2 – Proof of bh. status

Article 211

1. If the status of motor road vehicles, registered in BiH, needs to be established, such vehicles are considered to have the bh. status when having registration plates and documents and when registration data on the plates and in the documents undoubtedly determine s the bh. Status thereof.
2. If the status of goods – wagons, belonging to bh. railway company, needs to be established, the wagons are considered to have the bh. status when the code number and ownership mark (differentiating letters), on them clearly determine the bh. status thereof.
3. If the status of packaging used for transportation of goods in circulation inside BiH, which can be identified as such, needs to be established, and which belongs to a person established in BiH, the packaging is considered to have the bh. status when registered as bh. goods and when there is no doubt in terms of authenticity of the registration.

This possibility is provided for boxes, parcels, palettes, and other similar equipment, except containers.

4. If the status of goods in the passengers' luggage needs to be established, such goods are considered to have bh. status given that they are not intended for commercial use, when registered as bh. goods and when there is no doubt in terms of authenticity of the registration.

CHAPTER 2

Transit

Section 1 – General provisions

Article 212

Goods involving higher risk from fraud are stated in Attachment 25. When certain provisions of the Decision refer to that Attachment, each measure pertaining to goods in the Attachment is applied only when the quantity of such goods exceeds the appropriate minimum. Attachment 25 is revised at least once a year.

Article 213

The following definitions are applied in the sense of this Chapter :

1. "starting office" stands for the custom office where declarations for transit of goods are accepted;
2. "destination office" stands for the customs office where the goods placed to transit procedure must be presented in order to finalize the procedure ;
3. "guarantee office" stands for the customs office where guarantees from the guarantor are presented in accordance with the decision of the customs bodies .

Article 214

Goods included in transit procedure can be transported between two points inside BiH customs areas via territory of another country, given that the transportation through that country is covered by the single transportation document compiled in BiH. When the case is such, the effect of transit procedure is suspended at the territory of that other country .

Article 215

Transit procedure is compulsory in terms of goods transported by air, only if loaded or reloaded at a BiH airport.

Article 216

Provisions of Articles 181 through 209 of the Law and the provisions of this Title are also applied *mutatis mutandis* to import and other duties in the sense of Article 88, Paragraph 1, Item (a) of the Law.

Article 217

Filed guarantee is valid throughout the whole BiH area.

Article 218

Characteristics of other Forms, apart from SCD, which are used in transit system, are prescribed under Attachment 26.

Section 2 - Procedure

Subsection 1 - Individual guarantee

Section 2 - Procedure

Subsection 1 – Individual guarantee

Article 219

1. Individual guarantee shall cover the entire amount of customs debt that may arise, computed based on the highest amount of duty applicable to the same kind of goods in BiH.

However, the amounts to be considered with computing the amount of individual guarantee shall not be smaller than minimal amounts, when such amount is mentioned in the fifth column of the appendix 25.

2. Individual guarantees in form of cash deposit shall be filed with the initial office, and refunded once the procedure is over.

Individual guarantee may be in form of a voucher of the individual guarantee in the amount of BAM 14.000,00, which the guarantor issues to persons that shall intend to act as beneficiaries of the procedure.

Financial liability of the guarantor per voucher shall be up to BAM 14.000,00.

Article 220

1. Individual guarantee filed by the guarantor should correspond to the form from appendix 27. In case the initial office is not the guarantee office, this other office shall keep a copy of the payment instrument, based on which the guarantor liability shall be accepted. The beneficiary of the procedure shall file a copy of the original with the initial office, where the original is kept.

2. However, once the guarantee data is exchanged between the guarantee and initial office by using information technology and computer network, the original guarantee instrument shall be kept by the guarantee office.

Article 221

1. In case of situation referred to in Article 219 (3) of this Decision, the individual guarantee shall correspond to the form from Appendix 28.
2. The form from Appendix 29 shall be used to prepare the voucher for the individual guarantee. The guarantor shall put the expiry date on the voucher, which can be no more than one year from the issuance date.
3. The guarantor may issue individual guarantee vouchers that cannot be used for transfer of goods enlisted in appendix 25.

To do this, the guarantor shall put "Limited validation" sign diagonally on every individual guarantee voucher.

4. Once the guarantee data is exchanged between the guarantee and initial office by using information technology and computer network, a guarantor shall submit all required data related to individual guarantee vouchers it issued to the initial office.
5. The beneficiary of the procedure shall submit to the initial office as many individual guarantee vouchers as it suits the number that covers the entire amount from the Article 219 (1) of this Decision once multiplied with BAM 14.000,00. The vouchers shall be kept by the initial office.

Article 222

1. Guarantee office shall cancel its decision on acceptance of the guarantor's liability if the conditions provided at the time of issuance are no longer met.

Also, the guarantor may cancel its liability at any given time.

2. The cancellation shall be effective 16 days after the notification by the guarantor or the guarantee office, or as it is seen fit.

Once the cancellation is effective, no individual guarantee voucher issued earlier shall be used for transportation of goods.

3. The authorized office shall immediately inform all relevant customs authorities of any cancellation, and of its effective date.

Relevant guarantee office shall immediately inform all relevant customs authorities of any cancellation and on its effective date.

Relevant customs authority shall inform other offices of this matter.

Subsection 2 – Transportation vehicles and declarations

Article 223

1. Transport declaration shall only cover goods loaded or to be loaded to the unique transportation vehicle, to transfer goods from initial to destination office.

For the purpose of this Article, the following shall mean the unique transportation vehicle, if the goods are transported together:

- (a) road vehicle with a trailer(s) or semi-trailer
- (b) composition of connected railway or cargo wagons;
- (c) sail boats that represent unique chain;
- (d) containers loaded to a transportation vehicle in accordance with this Article.

2. Unique transportation vehicle may be used for loading of goods at more initial offices and for unloading at more destination offices.

Article 224

Cargo lists prepared in accordance with the appendix 30, corresponding to the form from the appendix 31, may be used instead of his form as descriptive part of transportation declaration, and are consisting part of this declaration.

Article 225

Under the conditions set by the customs authorities, and considering the principles provided by the customs regulations, customs authorities may allow for cargo lists to be used as descriptive part of transportation declaration, filed by data processing technique.

Article 226

Under the conditions set by the customs authorities, and considering the principles provided by the customs regulations, customs authorities may allow for cargo lists to be used as descriptive part of transportation declaration, or some parts of it be filed by disks, magnet tapes or similar data media, when possible, coded.

Subsection 3 – Actions and procedures in the initial office

Article 227

1. Goods to be transported shall be taken to destination office by economically justified road.
2. Without non-compliance with Article 258 of this Decision, for goods enlisted in Appendix 25, or if the customs authorities or beneficiaries find it necessary, the initial office shall decide upon the road to take, and state it under item 44 of the transportation declaration, considering all data submitted by the procedure beneficiary.

Article 228

1. The initial office shall set a deadline for goods to be presented to the destination office, considering the road taken, all traffic and other regulations, and when necessary, all data submitted by the procedure beneficiary.

2. Deadline set by the initial office shall be mandatory for customs authorities in process of transportation, and it is not to be changed by these bodies.

3. Once the goods have been presented to the destination office, upon expiration of deadline set by the initial office, and when the non-compliance, in the opinion of customs authorities, is due to circumstances not caused by the transportation service or procedure beneficiary, the deadline shall be considered met.

Article 229

1. Goods to be transported shall not be released if not sealed, unless in cases described in paragraph 4 of this Article.

2. The following shall be sealed:

(a) space where goods are contained, in case the transportation vehicle is approved in accordance with the other regulations, or if approved by initial office as suitable for sealing;

(b) any individual package, in other cases.

Seals must have all characteristics enlisted in appendix 32.

3. Transportation vehicles may be approved as suitable for sealing if:

(a) seal can be easily and efficiently applied to it;

(b) are constructed in such a way that goods can not be taken out or placed in, without visible traces of unauthorized break-in or damage of seal;

(c) there are no places to hide the goods;

(d) the space intended for cargo is accessible to customs authorities for check-up.

Any vehicle, trailer, semi-trailer or container approved for transportation of goods under the customs seal in accordance with the international agreement, to which BiH is a signatory, shall be considered suitable for sealing.

4. Initial office may give up the sealing if the goods may be identified, bearing in mind other possible measures of identification and on grounds of description of goods in transportation declaration, or in supporting documents.

It is assumed that description of goods is sufficient for identification of quantity and characteristics of goods, when easy identification is possible.

Once initial office gives up sealing, the note "Approved" shall be entered into the transportation declaration, opposite of "Sealing" field D "Control by Initial office".

Article 230

1. Once the transport declaration is processed at the initial office, the 4th and 5th copy of the declaration shall be replaced by the supporting transportation declaration.

2. When appropriate, the cargo list shall be submitted with the supporting transportation declaration. This list shall be a consisting part of supporting transportation document.

3. In circumstances described in paragraph 1 of this Article, the initial office shall keep the declaration and approve the releasing of goods by issuing supporting transportation document to be procedure beneficiary.

4. When approved, the supporting transportation document may be printed out of the computer system of the procedure beneficiary.

5. When the provisions of this title are related to the copies of the declaration supporting the shipment, these provisions are applied *mutatis mutandis* to the supporting transportation document as well.

Subsection 4 – Actions and procedures en route

Article 231

Goods to be transported shall be transported under coverage of the 4th and 5th copy of the transportation declaration, that procedure beneficiary returned to the initial office.

Article 232

1. Person providing transportation services shall enter necessary data to 4th and 5th copy of the transportation declaration, and submit it along with the shipment to the customs authorities, in the location of the transportation vehicle:

- (a) if the route is to be changed, and if provisions of the Article 227 (2) of this Decision are applicable;
- (b) if seal is damaged en route, due to reasons beyond the control of person providing transportation;
- (c) in case goods are transferred to other transportation vehicle; any transfer should be done under the supervision of customs authorities , which may also allow for transfer without their supervision;
- (d) in case of immediate danger requiring partial or complete unloading of transportation vehicle;
- (e) in case of any incident that could make the procedure beneficiary or person providing transportation services to fail to meet its responsibilities.

2. Once the customs authorities believe that particular transportation may be continued uninterrupted, they undertake all necessary steps, and place notes in 4th and 5th copy of the transportation declaration.

Subsection 5 – Actions and procedures at the destination office

Article 233

1. Goods and copies 4 and 5 of the transport declaration shall be presented to the destination office.

2. Destination office shall register copies 4 and 5 of the transportation declaration, record arrival date and enter all data on conducted controls.
3. Upon the procedure beneficiary's request, and to provide proof that the procedure is completed in accordance with the Article 236 (2) of this Decision, the destination office shall enter the not "Alternative proof" to the additional copy 5, or copy 5 of the transportation declaration.
4. Transportation may be ended at some other office, rather than at on entered into transportation declaration. In that case, this office shall become the destination office.

Article 234

1. Upon request, destination office shall issue a receipt to the person filing copies 4 and 5 of the transportation declaration, together with the goods.
2. The form of the receipt shall correspond to the form from the appendix 33. Alternatively, the receipt shall be prepared in the back of the copy 5 of the transportation declaration.
3. Appointed person may fill in the receipt in advance.

It may contain other data regarding the shipment, unless in space reserved for destination office. The receipt shall not be used as proof that procedure is completed in accordance with the Article 236(2) of this Decision.

Article 235

Destination office shall return the copy 5 of the transport declaration to the initial office, at latest, one day upon the completion of the procedure, without a delay.

Subsection 6 – Examination of procedure completion

Article 236

1. If copy 5 of the transport declaration is not returned to the initial office within 15 days upon the acceptance of the declaration, this office shall notify the procedure beneficiary and ask him/her to submit the proof of completion of procedure.

2. When the provision of the next Subsection of this decision are applied, and initial office did not receive "Arrival notice" within a deadline for presentation to the destination office, that office shall inform the procedure beneficiary of it and ask it to submit proof of completion of the procedure.

3. Proof from paragraph 1 of this Article may be submitted as a document certified by destination office, identifying the goods and demonstrating that goods were presented to the destination office, or, when the Article 266 of this Decision is applicable, to the authorized receiver of goods.

4. The transportation procedure shall be considered completed, in case the procedure beneficiary files customs documents issued in another country, showing that goods were declared for customs, or usage, or a copy of this document to identify the goods.

Copies must be certified by the body that certified original documents, or by the body from the particular foreign country.

Article 237

When customs authorities of initial office do not receive proof of completion of procedure within 30 days deadline from the acceptance of the transportation declaration, they shall initiate the collection procedure in accordance with the Articles 210-225 of the Law.

Subsection 7 – Additional provisions applicable when data on transportation is exchanged between customs authorities by using information technology and computer networks

Article 238

1. Without non-compliance with any special circumstances and provisions for transportation procedure which, when necessary, shall be applied *mutatis mutandis*, customs authorities shall use information technology and computer networks for type of data exchange described in this Subsection.

2. Provisions of this Subsection shall not apply to simplified procedures specific for type of transportation mentioned in Article 243(1) (g) of this Decision.

Article 239

1. Under security requests mentioned in the Article 5(2) of this Decision, customs authorities shall set and maintain appropriate safety measures for efficient, reliable and secure functioning of entire transportation system.

2. In order to ensure the above-mentioned level of safety, any entry, change and erasing of data shall be recorded with the information on reasons for such procedure, current time of the action, and name of the person conducting it.

Also, original data or any other data processed in such manner shall be kept for at least three calendar years from the year relevant for data entered, or longer if requested.

3. Customs authorities shall regularly monitor the safety level.

4. Customs authorities involved shall inform one another of all doubts related to safety violations.

Article 240

Upon releasing the goods, the initial office shall send data on transportation to the destination office, by using the note "Record on expected arrival". This message shall be based on data from transportation declaration. This message shall correspond to form and content set by the customs authorities.

Article 241

1. Destination office shall keep supporting transportation document and, using the message “Notice at arrival”, shall inform the initial office on arrival of goods at the moment it’s presented to the destination office. This message can not be used as proof the procedure is completed in accordance with the Article 236 (3) of this Decision.

2. When appropriate, destination office forwards the message “Control results” to the initial office, no later then first working day upon the goods are presented at destination office.

3. These messages shall correspond to form and content set by customs authorities.

Article 242

Examination of goods shall be made after the message “Record on expected arrival” received from the initial office, to be used as basis for such examination.

Section 3 – Simplifications

Subsection 1 – General provisions related to simplification

Article 243

Upon the request by procedure beneficiary or receiver, whichever is appropriate, the customs authorities may approve the following simplifications:

- (a) using of comprehensive guarantee or giving up guarantee;
- (b) using of special cargo lists;
- (c) using of seals of special kind;
- (d) exemption from the requirement to use the prescribed route;
- (e) status of authorized sender;
- (f) status of authorized receiver;
- (g) application of simplified procedure, for specific goods that are:

- (i) transported by railways or large containers;
- (ii) transported by air;
- (iii) transported by sea;
- (iv) carried by pipelines.

Article 244

1. Approval set forth in Article 243 of this Decision shall only be issued to the following persons:

- (a) registered in BiH;
- (b) those that regularly use transportation, or for which customs authorities know that can meet the requirements in accordance with those actions, or, related to simplifications from Article 243 (f) of this Decision, or those that receive goods reported for transportation on regular basis; and
- (c) that has not committed any serious or repeated offences against customs or tax procedures.

2. In order to ensure adequate management of simplifications, the approvals shall be issued only if:

- (a) customs authorities are in position to monitor the procedure and conduct control without administrative burdening that are not correspondent to request by a appointed person; and
- (b) an appointed person keeps the record that allows customs authorities to conduct efficient controls.

Article 245

1. The request for approval of using the simplification shall be filed with the competent customs authority in writing, dated and signed.
2. The request must contain all facts that would help customs authorities to check if all conditions for using simplifications are met.

Article 246

Approval shall be issued, or denied within no more than three months from the filing date.

Article 247

1. Dated and signed original approval and one or more copies shall be issued to the person with the approval.
2. The approval shall set the conditions for using the simplifications and providing operative and control methods. Approval shall be valid from the issuance date.
3. In case of simplifications from the Article 243 (c), (d) and (g) of this Decision, the approval shall be presented whenever the initial office requests it.

Article 248

1. The person with the approval shall inform the customs authorities on any circumstances that arise upon issuing approval that could affect its further using or content.

2. In decision that cancels or changes the approval, its effective date must be stated.

Article 249

1. Customs authorities keep requests and supporting documentation together with a copy of every issued approval.
2. When the request is denied, or approval cancelled, the request and decision that denies or cancels the approval, depending on the case, as well as all other supporting documentation shall be kept for at least three calendar years, starting from the end of a calendar year in which the request was denied, or approval cancelled.

Subsection 2 – Comprehensive guarantee and giving up guarantee

Article 250

1. The process beneficiary may use comprehensive guarantee, or give up guarantee, up to reference amount, in that case the computation of customs debt that may appear for any type of transportation is prepared. When necessary data is not available, it is assumed that the amount is BAM 14.000,00, unless the customs authorities have other knowledge that anticipates different amount.
2. Reference amount shall be equal to the amount of customs debt that may arise for goods the procedure beneficiary is to transport during the period of no less than one week.

Guarantee office shall determine this amount together with the appointed party, based on the data on goods earlier transported, and by the estimate of intended number of transport actions shown, among other issues, in its trade documentation or books.

Mostly, applicable rates shall be used for determination of the reference amount.

3. Guarantee office shall examine the stated amount once a year, particularly based on the information received from the initial office(s), and if necessary adjusts this amount.
4. Procedure beneficiary shall ensure that given amount does not exceed the reference amount, considering all actions for which the procedure has not yet ended.

Procedure beneficiary shall inform the guarantee office that when the reference amount is above the amount necessary to cover the transportation.

Article 251

1. The amount covered with the overall guarantee corresponds to the referent amount described in the Article 250.
2. The amount covered by the overall guarantee may be lowered.
 - (a) Over 50% of the referent amount, when a procedure beneficiary shows that his/hers financial condition is good and that he/she has enough experience in transport procedure.
 - (b) Over 30% referent amount when a procedure beneficiary shows that his/hers financial condition is good and that he/she has enough experience in transport procedure and high quality cooperation with customs authorities.
3. Quitting the guarantee may be approved if a procedure beneficiary approves that he/she maintains reliable standards as described in Paragraph 2 item (b) in this Article, that he/she covers transportation actions and possesses enough financial resources for satisfying his/hers liabilities.
4. In the application of items 2 and 3 in this Article, the customs authorities are to consider criteria as described in Appendix 34

Article 252

1. In order to be an authorized user to submit overall guarantee concerning the type of goods as described in Addition/Appendix 25, the procedure beneficiary must prove not only that he/she satisfies conditions as described in Article 244 in this decision but also that his/hers financial situation is good, that he/she has enough experience in transport procedure as well as that he/she has a high level of cooperation with customs authorities and that he/she is familiar with transportation actions
2. The amount, which needs to be covered by overall guarantee described in this Article Paragraph 1, may be lowered:
 - (a) 50% percent from the referent amount if a procedure beneficiary prove the high level of cooperation with customs authorities and that he/she is familiar with transportation actions;

(b) 30% from referent amount if a user of a procedure proves the high level of cooperation with customs authorities, that he/she is familiar with transportation and possesses enough financial resources for satisfying liabilities

3. In application of this Article Paragraph 1 and 2 customs authorities are taking into consideration criteria as described in Appendix 34

4. Paragraph 1, 2 and 3 as described in this Article shall be applicable if the request precisely refers to the application of overall guarantee for the goods as described in Addition 25 as well as the goods which haven't been mentioned in the Addition, and upon the same certificate on comprehensive guarantee. 5. Temporal ban on overall guarantee application for the decreased amount, or overall guarantee as described in Law, Article 91 Paragraph 6, 7, has been regulated in Addition 35.

Article 253

The guarantee shall file the overall guarantee as a guarantee document written on the form described in Addition 36

Article 254

1. Customs authorities issue to a procedure beneficiary one or more certificates for overall guarantee or documents on guarantee suspension (furthermore: certificates). The certificate shall be made in a form appropriate to the document from Appendix 37 or Appendix 38, prepared as seen appropriate, in a form that corresponds to the form from the Appendix 37 or 38, and added in accordance with the Appendix 39, to help procedure beneficiary with submitting proof on comprehensive guarantee or giving up the guaranty.

2. The certificate shall be filed in the initial office. The data in certificate shall be entered into transport declaration.

Therefore, if data on guarantee are exchanged between guarantee and initial office by using information technologies and computer network, the certificate shall not be filed with the initial office.

3. Certificate shall be valid for no longer than two years. The office may extend the deadline for another period, not exceeding two years.

Article 255

1. Article 222, Paragraph 1 Article 222, Paragraph 2 the first section of this decision shall apply as *mutatis mutandis* for cancellation and revocation of the overall guarantee.
2. Certificates issued earlier cannot be used for setting goods in transport procedure and the procedure beneficiary shall return them with no delay to guarantee office in the following cases:
 - revocation the approval for application of overall guarantee or guarantee suspension issued by customs authorities from the effective date ;
 - cancellation of guarantee's responsibility, from the effective date of cancellation;
 - cancellation of guarantee's responsibility acceptance in accordance with the manner of providing guarantee by the guarantee office, from the effective date of cancellation
3. Every guarantee office shall file to the Administration information on certification as described in Article 254 and examples explained in Paragraph 2 of this Article. The Administration informs other customs offices.
4. Paragraph 3 of this Article refers to certificates which are reported as stolen, lost or falsified.

Subsection 3 – Special cargo lists

Article 256

1. Custom authorities can approve that procedure beneficiaries apply lists which do not satisfy all conditions described in Addition 30 and 31

Beneficiaries of such lists can be proved only when:

- (a) made by the firms that keep file on integral electronic or automatic data system procedure;
- (b) made and filled out in a way that customs officials can use them without difficulties;
- (c) included, for each paragraph, necessary data in accordance with Appendix

2. Lists with description made in order to perform export actions and procedures shall be approved as cargo lists pursuant to Paragraph 1 of this Article even though if firms, that do not keep files on integral electronic or automatic data procedure system, are included in such lists

3. Firms, that keep files on integral electronic or automatic data system procedure and that are in accordance with Paragraphs 1 and 2 of this Article, are authorized to use special type of cargo lists. It can be approved that such lists are used for transport including only one type of goods if the computer programs of certain firms make the deduction necessary.

Subsection 4 – Application of special types of seals

Article 257

1. Customs authorities may approve to the procedure beneficiaries to use special types of seals on means of transport or packages under the condition that customs authorities approve that those seals are identical to those which are in accordance with characteristics described in Addition 32.

2. The procedure applicants, opposite to the headline “"sealing"” in the area “"D initial office control",” write on the transport application type, number and sign of entered sealed.

The procedure beneficiaries shall put seals not later than the goods is discharged.

Subsection 5 – Exemption concerning the established travel route

Article 258

1. Customs authorities may approve the liability exemption that established travel route to the procedure beneficiaries, which ensures that customs authorities can determine the location of shipment.

2. The applicants of this procedure enter a note in the field 44 of transport application "renouncing the established travel route"

Subsection 6 - Status of authorized sender

Article 259

1. The status of authorized senders may be approved to persons who are willing to perform transport actions without showing the goods and appropriate travel documents in starting office
2. This simplification shall be approved only to persons authorized for using the overall guarantee or if they are approved to renounce the guarantee.

Article 260

In the approval the following has been mentioned:

- (a) initial office or authorized offices for future transport actions;
- (b) how and when the authorized sender shall inform initial office about future transportation so the office can take all necessary controls before goods departure;
- (c) identification measures which shall be taken, in which case the customs authorities can specify that means of transport or package(s) have special seals approved by customs officials as well as those in accordance with characteristics mentioned in Addition 32 and set by authorized sender;
- (d) excluded types or movement of goods

Article 261

1. The area- "C. Initial office" of the approval for transport application must be:
 - (a) certified and marked with the seal of initial office and signed by the official of that office;
or
 - (b) Certified by the authorized sender with a special metal seal approved by customs authorities that suits the form in Addition 24. The seal mark shall be printed previously on the forms when printing is entrusted to authorized printing firm.

The authorized sender shall file out the area entering the date when the goods is sent and the number is given to transport application in accordance with established rules in the approval.

2. Customs authorities can regulate forms that have distinguished sign for identification.

Article 262

1. The authorized sender shall take all necessary actions to ensure maintaining of special seals or forms where the seal of initial office can be find as well as the special seal.

He shall inform customs authorities on security actions taken.

2. In case that any person abuses printed forms with the seal of initial office as well as the special seal, the authorized sender shall be considered responsible with no delay from any other crime procedure, for duty payment and other compensation concerning goods transported under the cover of such forms unless if he proves to customs authorities, which have authorized him, that he has taken all actions requested pursuant to Paragraph 1 of this Article.

Article 263

1. The authorized sender fills out the transport application not later than the period for sending goods, if necessary in the area under the number 44, enters the designated travelling route in accordance with Article 227, Paragraph 2 of this Decision; and in the area "D Initial office control", enters deadline designed in accordance with Article 228 of this decision in which the goods must be shown in specified office and taken identification actions and certification "Authorized sender".

2. When customs authorities, in the initial office, control the packages before the departure, they disclose that fact and authorize it in the area "D Initial office control" on transport application

3. After transportation, copy 1 of the transport application shall be sent with no delay to the starting office. In the approval, customs authorities can regulate that the copy 1 shall be sent to the customs authorities as soon as the transportation application is filled out. Other copies shall accompany the goods.

Article 264

1. The authorized sender can be approved not only to sign transport actions with special seal in Addition 24 and which are made by integral electronic or automatic data proceeding system. This suspension is subject to a condition that the authorized sender have given to customs authorities

the written obligation in which it was confirmed that he is a user of a procedure for all transport actions carried out under the cover of transport application which carry that special seal.

2. Transport applications, made in accordance with Paragraph 1 of this Article in the area designated for signature of the user procedure, consist the following text "Free of Signature"

Article 265

1. When transport declarations are submitted to the initial offices, where the provisions of Articles 238-242 of this decision are applicable, the status of authorized sender can be approved to the persons if they satisfy conditions mentioned in this Decision Articles 244 and 259 and they submit their transport applications and communicate with customs authorities through the technique of data processing.

2. The authorized sender files the transport application to the initial office before the goods is discharged.

3. Besides, the deadline until the authorized sender shall file the transport application is mentioned in the approval, so if necessary, the customs authorities can perform the control before the discharge of goods.

Subsection 7 - Status of authorized receiver

Article 266

1. The status of authorized receiver may be approved to persons who in their premises or any other specific place, are willing to receive goods reported for transportation procedure, without describing such goods and together with examples 4 and 5 of transport declaration to specific office.

2. Procedure beneficiary shall satisfy his/hers liabilities pursuant to the Law, Article 93, Paragraph 1, item (a), and the transportation procedure is considered to be finished when examples 4 and 5 of the transport application that follow the package together with untouched goods, are delivered in the deadline to the authorized sender in his/hers premises or any other determined place following the identification actions.

3. Upon the request of a sender, authorized receiver issues a receipt as described in this Decision Article 234 which is *mutatis mutandis* applicable on each package delivered in accordance with Paragraph 2 in this Article.

Article 267

1. The following has been mentioned in the approval:
 - (a) a specific office or offices authorized for the goods received by authorized receiver;
 - (b) how and when the authorized receiver shall inform a destination office about the goods received so the office can take all necessary controls upon the delivery;
 - (c) excluded types or movement of goods
2. Customs officials describe in the approval if any action is necessary from the destination office before the authorized receiver can freely handle the goods received.

Article 268.

1. When goods arrive in the premises or the destination place the receiver shall:
 - (a) Immediately inform the destination office in accordance with the described procedure about every excess, shortage or exchange of the goods or other irregularities such as damaged seals;
 - (b) Without a delay, send to the destination office the copies 4 and 5 of transport application which follow the goods mentioning date of arrival and conditions of seals
2. Destination office shall enter data provided by Article 233 of this Decision to copies 4 and 5 of the transport declaration.

Article 269

1. When destination office applies provisions from Articles 238-242 of this Decision, persons may be approved the authorised receiver status if, along with meeting conditions from the Article 244 of this Decision, they use technical data processing for communication with customs authorities.
2. Authorised receiver shall inform the destination office of arrival of goods prior to unloading.
3. The approval shall particularly state when and how the authorised receiver is to receive “the Record on expected arrival” from the destination office, in order to apply, *mutatis mutandis*, the Article 242 of this decision.

Subsection 8 – Shortened procedure for goods transported by rail

Article 270

This decision, Article 231, shall not apply for the railway transport of the goods

Article 271

When the procedure of transport applies, actions regarding that procedures shall be simplified pursuant to Articles 272-282 of this decision regarding goods transportation by railway companies under the name of "cargo list CIM and express packages:" (furthermore "CIM cargo list").

Article 272

CIM cargo list is the same as transport declaration

Article 273

BiH railway companies take records about transportation and it is available to customs authorities for the purpose of control.

Article 274

1. BiH Railway Company shall accept the goods for transportation under the name of CIM cargo list which is used for transport record. BIH Railway Company is transport procedure user.

2. BiH Railway Company is user of a transport procedure concerning the goods determined for railway transportation to other countries.

Article 275

1. Railway Company ensures that the packages transported under the transport procedure shall be marked with picture stickers as described in Appendix 40.
2. The stickers are to be placed on CIM cargo list and appropriate railway wagon or on package or packages.
3. The sticker mentioned in this Article, Paragraph 1 can be marked by green colour seal which remains picture sign given in Appendix 40.

Article 276

1. Once the transport contract is amended, so that:
 - transportation which needed to end out of the BiH customs area ends in that area;
 - transportation needed to end in the BiH customs area ends out the area;

Railway companies do not apply in accordance with contract without the previous agreement with the initial office.

2. In other cases railway companies can apply upon amended contract and initial offices are immediately informed about.

Article 277

1. In case of transport, in which the transport procedure is applicable, that starts and ends in BiH customs area CIM cargo list is given to initial office.
2. Initial office clearly mark the sign "not BiH goods" in the area determined for customs on the examples 1, 2, 3 on CIM cargo list. .

2. Initial office clearly mark the sign "not BiH goods" in the area determined for customs on the examples 1, 2, 3 on CIM cargo list. .

3) For goods from paragraph 3. in this Article, custom office responsible for destination station, acts like destination office. However, if goods are in free traffic or in other treatment is some inter-station, office responsible for that station proceeds as destination station.

Article 278.

If identification measures applied by railroad companies are satisfying, departure office shall not seal transportation assets or packages.

Article 279

1. If in the case from Article 277 paragraph 3 related to this decision, railroad company in BiH forwards examples 2 and 3 CIM cargo list.
2. Destination office shall immediately reply example 2 to the railroad company, after it is verified by a stamp, and retains example 3.

Article 280

1. Articles 277 and 278 of this decision apply to the action of the goods transportation that begins inside customs territory of BiH, and is supposed to end outside that territory.
2. Custom office responsible for the border railway station used for the commodities transportation leaving the customs territory of BiH, acts as the destination office.
3. Any additional proceedings or actions are not performed inside the destination office.

Article 281

1. When transportation begins beyond the customs territory of BiH, and it is supposed to finish within it, custom office for border station used for entrance of goods in that area, proceeds as the departure office.

It is not necessary to perform any additional proceedings or actions inside the departure office.

2. Custom office responsible for departure station proceeds as the departure office. Acts and actions from the Article 279. of this decision are performed in destination office.
3. When goods is maintained in free traffic or maintained in other custom treatment in some inter-station, custom office responsible for that station, proceeds as the departure office. That custom office verifies examples 2 and 3 and the additional photocopy of example 3 that is forwarded by railway company, and puts the verification "Duty charged".

That office, without any delay returns examples 2 and 3 to the railway company after they are verified, and retains additional photocopy of the example 3.

4. Procedure from paragraph 3. in this Article is not applied to products liable to excise payment.
5. In cases from paragraph 3. in this Article, customs authorities responsible for that specific office may demand additional checking of verification that custom offices responsible for the inter-station have completed on examples 2 and 3.

Article 282

1. When transportation action begins and it is supposed to finish beyond custom area of BiH, custom offices obliged to proceed as departure and destination office are those from Article 281. paragraph 1. and 280. paragraph 2. in this decision.
2. In the departure and destination offices, it is not necessary to perform any proceedings or actions.
3. Articles 224. and 256. in this decision are applied to the cargo lists tailed to the CIM cargo list. Number of those lists is specified on the CIM cargo list in the field reserved for the additional documents data. Beside that, cargo lists contain number of wagons related to the CIM cargo list, or, when it is necessary, number of packages containing the commodities.
4. In cases from paragraph 3 and in the objective of procedures mentioned in Articles from 271. up to 282. of this decision, cargo lists tailed to the CIM cargo lists, make its integral part and have identical legal strength. This cargo lists original is verified by the departure office.
5. When transporting procedure is applicable, clauses in Articles from 270 up to 282 of this decision are not excluding appliance of procedures mentioned in the Articles from 218 up to 234, 238, 242, and 256 of this decision, and clauses of the Articles 273 and 275 of this decision continue to apply.
6. In cases from paragraph 5 recall to transportation document is clearly assigned in the field reserved for additional documents data at the moment of CIM cargo list creation. Recall contains type of document, office that handed it out, date and registration number of each used document. Beside that, example 2 of the CIM cargo list is verified by BiH railroad company responsible for the last railway station in within that transportation activity. This company verifies the document subsequent to confirmation that goods transport is performed under the patronage of mentioned transportation document.
7. When commodities transported in accordance to Articles 271 and 182 of this decision, assigned for authorised receiver, customs authorities may demand, with the deviation on Articles 266 paragraph 2 and 268 paragraph 1 clause (b) of this decision, for examples 2 and 3 of the CIM cargo list to be directly submitted to the destination office by railway or transport company.

Subsection 9 – Simplified procedures for air transported goods

Article 283

1. Air company may be approved usage of the goods freight list as the transportation notification when it essentially corresponds to the example from Appendix 3 Annex 9 of the Convention on International Civil Aviation. For transport actions, style of the freight list is indicated in the approval, together with departure and destination airports. Air company sends a verified copy of License to customs authorities on each of these airports.
2. Each freight list contains a verification “TR – Goods that is not BiH goods”, dated and signed by the air carrier.
3. A freight list also must to contain this data:
 - (a) name of the air company transporting a goods ;
 - (b) flight number
 - (c) flight date
 - (d) name of the loading airport (departure airport) and unloading (destination a irport),For each shipment it is also indicated:
 - (a) air cargo list number
 - (b) package number
 - (c) usual trading goods description including all details needed for its identification;
 - (d) gross volume.

When goods are clustered, its description shall be changed, when it is possible, by depositing sign “Conjoint”, which may be shortened. In these cases shipment air cargo lists from the freight list, shall include all details needed for its further identification.

4. At least two examples of the freight list shall be submitted to the custom bodies, and they shall retain one example.
5. One example of the freight list is submitted to the customs authorities at the destination airport.
6. Monthly, subsequent to the verification of listing, customs authorities at each destination airport, submit to the customs authorities at the departure airport, listing of freight lists that they have received during previous month, composed by the air companies.

Description of each freight list on that listing shall contain this data:

- (a) freight list call key number
- (b) remark that assigns the freight list as the transport notification according to the paragraph 2. in this Article;
- (c) name of the air company that transported the goods
- (d) flight number; and
- (e) flight date.

In the authorisation, it can be foreseen that the air companies by themselves, perform transmitting of the data from previous paragraph.

In case there is a declared irregularity in relation with the data on the freight lists, arising on the mentioned listing, customs authorities at the departure airport shall notify the customs authorities at the destination airport and the bodies that published the notification, referring themselves on the objective air cargo lists.

Subsection 10 – simplified procedures for the pipeline transport

1. When transport procedure is applied, for goods transported by the pipeline, action and procedures in relation to this procedure is carried out according to paragraphs 2 and 5 in this Article.
2. It is supposed that goods transported by the pipeline are placed in the transportation procedure:
 - at the entrance on the custom field of BIH for the goods entering in that area by the pipeline
 - at placing in the pipeline system for the goods that are already in the customs area of BIH
3. Pipeline operator is the user of procedure for the goods from paragraph 2. in this Article
4. It is considered that transportation action is completed when goods transported by the pipeline arrives in the receiver's installation or in the receiver's distributive network, and becomes recorded in his evidence.
5. Companies involved in the goods transportation, keep record and put it at the disposal to the custom bodies, for the intention of control considered necessary in relation with transportation actions from paragraph 2 and 3 of this Article.

Section 4 – Customs debt and collection

Article 285

Deadline in the Article 208 paragraph 1 clause (c) of the Law is forty five days upon the reception of the transportation notification.

Article 286

1. When the procedure is not signed out, departure office custom bodies, notify the guarantor that the procedure is not signed out, within 12 months upon the date of the transportation notification reception.
2. When the procedure is not signed out, customs authorities appointed in accordance with the Article 208 of the Law, notify the guarantor that he is obliged or might be obliged to pay for debt that he is responsible for regarding mentioned transportation activity; declaration date and number, departure office name, procedure user's name and the amount stated shall be indicated in the notification.

Article 287

1. The guarantor shall not be liable if none of the notifications assumed in the Article 286 in this decision has not been sent before the deadline.
2. When any notification has been sent, guarantor shall be informed of the collection of debt or signing out of the procedure.

CHAPTER 3

Transportation on the TIR and ATA carnet

Section 1 – General provisions

Article 288

1. In order to use ATA carnet as the transportation document, "transportation" shall mean transportation of the goods from the custom body located in the BiH custom area to the other custom office located in the identical area.
2. When, during the transportation from one location to the other within the BiH custom area, goods are passing through the territory of the third country, control, activities and procedures related to the TIR or ATA procedure shall be performed at the location where the good temporarily leaves BiH custom area and where it re-enters that territory.
3. Goods transported under TIR or ATA carnet within the BiH custom area, shall be considered as non BiH goods, unless if previously its BiH status has been determined.

Section 2 – TIR procedure

Article 289

Determinations in this Section shall be applied to the transportation of goods under the TIR carnet when it is related to import and other duties in BiH.

Article 290

1. Destination or exit office customs authorities shall give back adequate segment of the TIR carnet number 2 coupons to the entrance or departure office custom bodies, without delay, and within one day since the day TIR activity has been completed.
2. If adequate segment of the TIR carnet number 2 coupons is not given back to the entrance or departure office customs authorities within fifteen days subsequent to TIR carnet acceptance, those bodies shall notify authorised guarantee association without deviation from notification completed in accordance with the TIR Convention Article 11. paragraph 1.

They shall also notify the TIR carnet holder and shall invite him and the authorised guarantee association to submit the proof that the TIR activity is completed.

3. Prove mentioned in the second subparagraph of the paragraph 2. may be submitted in the form of the document verified by the destination or exit office custom bodies, that is used for goods identification and confirms that it has been declared to the exit or destination office custom body.
4. TIR activity may be considered as completed when TIR carnet holder or authorised guarantee association declares the custom document handed out by the country in which the goods are denounced for custom authorised treatment or usage or example or photocopy of the given document that identifies the goods. Examples or photocopies must be verified by the authorised foreign country.

Article 291

1. When within thirty days since the reception of the TIR carnet, entering or departure office custom bodies, do not receive the evidence that TIR activity is completed, they shall immediately initiate the verification procedure in order to get the information needed to sign out TIR activity, or, when it is not possible, in order to confirm if there is the custom debt, identification of the debtor or to identify custom body authorised for booking.

If the customs authorities receive the information earlier that TIR activity is not completed or suspect that this in question, they shall immediately initiate the verification procedure.

2. Likewise, the verification procedure shall be initiated if additionally, there is a discovery that the evidence for TIR activity completion is falsified and verification procedure is needed in order to accomplish the objectives from paragraph 1. in this Article.
3. In order to initiate the verification procedure, entering or departure office customs authorities shall send the requirement with all necessary information to the destination or exit custom bodies.
4. Destination or exit customs authorities shall send the response without delay.
5. When the verification confirms that TIR activity is properly completed, entering or departure office customs authorities shall immediately notify guarantee association or TIR carnet holder, and when it is necessarily, any custom body that initiated the procedure in accordance with Articles from 210 to 215. of the Law.

Article 292

1. When during the utilisation of the TIR Convention, custom debt occurs on the territory of BiH, due to the violation or irregularity, clauses of this Section shall be applied *mutatis mutandis* on other duties indicated in the Article 88. of the Law.
2. Articles 285 and 286 of this decision are applied *mutatis mutandis* on the procedure of charging related to the utilisation of the TIR carnet.

Article 293

1. In the intention of the TIR Convention Article 8. paragraph 4, when TIR activity is performed within the BiH custom territory, a guarantee association registered in BiH shall become authorised for the custom debt for goods insurance amount payment for the objective TIR activity with the limit of 60 000 EUR per TIR carnet or equivalent amount in domestic currency.
2. Proper notification on signing out the TIR activity composed by custom office customs authorities authorised for charging the guarantee association authorised by this bodies in the Article 208 paragraph 1 clause (c) of the Law, shall likewise be valid when other custom offices, authorised in the sense of the Article 208 paragraph 1 (a) or (b) of the Law, subsequently continue charging the guarantee association.

Article 294

1. When TIR activity refers to the goods from appendix 25 or when customs authorities consider it necessarily, departure office or entrance office may prescribe movement of goods direction. The movement direction may change, with the requirement of the TIR carnet holder, only by customs authorities authorised for the location of the shipment during the prescribed movement. Customs authorities insert relevant data in the TIR carnet and notify departure/entrance customs authorities without delay.
2. Custom offices shall take all necessary measures in order to deal with violations and to declare proper penalties.
3. In case of the higher cause, operator may turn aside from the proper movement direction. Shipment and the TIR carnet shall be shown to the customs authorities closest to the

shipment location without delay. Customs authorities notify the departure office or entrance office and insert relevant information on the TIR carnet without delay.

Section 3 – ATA procedure

Article 295

1. This Article is applied without exception from particular ATA Convention regulations referring to the guarantee association liabilities in case when ATA carnet is used.
2. When during the transportation activity or in relation with that activity under the ATA carnet patronage in BIH, there is an irregularity or violation discovered, charging of import and other duties may be charged accordingly to BIH charges, without withdrawal of initiating criminal procedure.
3. Customs offices shall take all necessary measures in order to deal with violations and to declare proper penalties.
4. When during the transportation activity or in relation with that activity under the ATA carnet patronage in BIH, there is an irregularity or violation committed, customs authorities shall notify ATA carnet holder or guarantee association within the deadline prescribed in Article 6, paragraph 4, of the ATA Convention.
5. Evidence on regularity of the activity under the ATA carnet patronage is submitted within the deadline prescribed in Article 7, paragraphs 1 and 2 of the ATA Convention.
6. Evidence on paragraph 5 in this Article shall be submitted by using one of these methods:
 - (a) by demonstrating the customs or commercial document verified by customs authorities declaring that objective goods have been presented to the destination office;
 - (b) by demonstrating the customs document, proving that goods are reported for customs procedure in a foreign country or example or photocopy of the same, verified as credible to the original by the body that verified the original document or by the body of the authorised foreign country;
 - (c) with the evidence from Article 8 of the ATA Convention.

Documents from clauses (a) and (b) in this paragraph, contain information that enables the identification of the objective goods.

Article 296

When customs authorities confirm customs debt arising, requirement to the guarantee association shall be submitted as soon as possible. When debt arises because goods under ATA patronage are not re-exported or they are not prescribed customs permitted managing or utilisation within deadlines provided by the ATA Convention, this requirement shall be submitted within three months subsequent to carnet expiration.

Article 297

1. Duties and taxes amount appearing in the requirement from Article 296 of this decision shall be calculated in the accounting form from the Appendix 41, fulfilled in accordance with the attached tutorial.

2. Accounting form may be submitted subsequent to the requirement, within the three months from the requirement submission, in any case not later than six months from the customs authorities charging procedure initiation.
3. Accounting form shall be composed in two examples. The first example shall be assigned to the guarantee association. Second example shall be retained at the publishing office.

CHAPTER 4

Mail shipment procedures

Article 298

When non BH goods are transported by mail from one to the other location within BIH custom territory, including mail packages in accordance with the Article 88 paragraph 2. clause (e) of the Law, departure office customs authorities shall be obliged to stick the logo from appendix 42 on the package.

SECTION III

CUSTOM PROCEDURES WITH THE ECONOMY EFFECT

CHAPTER I

Common multi-arrangements basic procedures

Section 1 – Definitions

Article 299

For the purpose of this section, terms have the following meanings:

- (a) “arrangements” stands for a customs procedure with the economic effect;
- (b) “License ” stands for customs authorities license for utilisation of the arrangements;
- (c) “holder” stands for the holder of the authorisation;
- (d) “supervisory custom office” stands for the customs office specified in the authorisation as the supervising arrangements authorised office;
- (e) “notifying custom office” stands for a customs office or offices specified in the License as the notifications reception authorised office specialised for licensing goods for arrangements;
- (f) “releasing custom office” stands for a customs office or offices specified in the License as the notifications reception authorised office that after the notification for arrangement identifies new licensed custom proceedings or utilisation for the goods, or in the case of external processing, notification for placing the goods on the free market;
- (g) “booking” stands for trading, fiscal or other booking holder’s information, or information kept for him;
- (h) “record keeping” stands for a License holder data, containing all necessary information and technical details on any media, enabling customs authorities with supervision and control of the arrangements, especially goods flow and change of status is concerned; at the custom stocking arrangement, record keeping shall be entitled stock record keeping.

- (i) “main complementary products” stands for complementary products permitted for production arrangements;
- (j) “secondary complementary products” stands for complementary products differing from main complementary products, representing necessary processing by-product;
- (k) arrangement “sign out deadline” stands for a deadline within goods or products are specified with new permitted customs authorised treatment or utilisation, including, as far the particular case is concerned, time frame for import duties refund request, after the internal processing (refund system), respectively obtaining full or particular import duties liberation, after placing the goods on the free market subsequent to external processing.

Section 2 – License application

Article 300

1. Application for obtaining the license shall be submitted in written form using the form from the Appendix 43.
2. Customs authorities may allow submitting of application for renewal or change of the License in the simple written application form.
3. In the following cases request for obtaining License may be submitted in the written application form or by data processing technique in the regular procedure:
 - (a) for internal processing, when economic conditions are fulfilled in accordance with the Article 335 of this decision, with the exception of the applications that include similar goods;
 - (b) for processing under the custom control, when economic conditions are fulfilled in accordance with the Article 349 of this decision;
 - (c) for temporary import, including utilising the ATA or CPD carnets;
 - (d) for external processing: when processing activities refers to the correction, including the standard system of exchange without the previous import:
 - for placing on the free market after external processing by utilising a standard system of exchange with previous import;
 - for placing on the free market after external processing by utilising a standard system of exchange with previous import when existing License does not cover such a system, and customs authorities do not permit its modification;
 - for placing on the free market after external processing if the processing activities do not refer to the non-commercial goods.

Application for License obtaining may be submitted by verbal notification in accordance with the Article 136 of this decision, subsequently to indication of the document handed out in accordance with the Article 302 paragraph 3 of this decision.

Application for License obtaining may be submitted by custom notification for temporary import with some other activity in accordance with the Article 139 paragraph 1 of this decision.

4. Customs authorities may demand that applications for temporary import with full import duties liberation in accordance with the Article 375 of this decision shall be submitted in accordance with the paragraph 1 of this Article.

Article 301

Application for License shall be submitted:

- (a) to the Administration in accordance with the Article 300 paragraph 1 of this decision;
- (b) in accordance with the Article 300 paragraph 3 of this decision:
 - for internal processing and processing under the customs control to the customs authorities authorised for the location of the processing activity;
 - for temporary import to the customs authorities authorised for the goods utilisation location, without deviation from the Article 377 paragraph 2 second subparagraph of this decision,
 - for external processing to the customs authorities authorised for the location of the goods supposed to be declared for the temporary export.

Article 302

1. When customs authorities consider any information indicated in the application as unfulfilled, they may require additional data from the applicator.
2. Particularly, when the application may be submitted by performing custom notification, customs authorities shall demand, without deviation from the Article 127 of this decision, that application shall be accompanied with the document composed by the declarer and containing at least following information, beside if those information are considered necessary or may be entered in the form used for the written application:
 - (a) applicator's name and address
 - (b) character of the goods processing or utilisation
 - (c) goods technical description and description of the complementary or processed products or assets for their identification;
 - (d) denotation of the economical conditions in accordance to the Appendix 43;
 - (e) estimated production act standard or methods for defining this act standard;
 - (f) estimated sign-out period;
 - (g) proposed sign out office;
 - (h) processing or utilisation location;
 - (i) proposed activities or procedures for transmittance;
 - (j) in case of the verbal custom notification, goods value and quantity.
3. When the document from the second paragraph in this Article is submitted with the verbal custom notification for temporary import, it is composed in two examples and customs authorities impose a note on one example and forward it to the declarer.

Section 3 – License decision

Article 303

Customs authorities grant the License in this order:

- (a) for the application in accordance with the Article 300 paragraph 1. of this decision, using the form from the Appendix 43;
- (b) for the application in accordance with the Article 300 paragraph 3 of this decision, by accepting the custom notification;
- (c) for the application for extension or change, with the corresponding act.

Article 304

Applicant shall be notified of the decision for the License granted, or the reasons for the application rejection, within 30 days, or 60 days in case of the custom stocking arrangement, subsequently to the application submitting day or subsequently to the day of the customs authorities' reception of any additional or demanded information.

Article 305

1. Without non-complying with the Article 306 of this Decision, the approval shall enter force at the issuance date, or any other later date enlisted in the Decision. In case of personal storage, the customs authorities may separately show their concurrence for usage of arrangement before the actual issuance of the approval.

2. There shall be no limitation in terms of approval validity of arrangements for the customs storage.

3. For internal processing, processing under customs control and external processing, the deadline shall not exceed three years from entrance of the decision into force, unless there are justifiable reasons for it.

Article 306

1. Except in cases of arrangements for customs storage, the customs authorities may issue retroactive approval.

Without the non-compliance with the paragraphs 2 and 4 of this Article, retroactive approval shall be effective on the date of filing the request, at earliest.

2. If the request is related to extension of same type of action or goods, the approval may be issued with retroactive validity from the date the original approval expired.

3. In the exceptional circumstances, retroactive validity of the approval may be extended, but for not more than for one year of the date prior to filing of the request, under the condition that there is a proven economic need for it, and if:

a) the request is not related to attempt of fraud or obvious negligence;

b) the validity of approval authorized in accordance with the Article 305 of this Decision is not overstepped;

c) the bookkeeping of the requestor confirms that all conditions of the arrangement may be considered fulfilled, and that in all cases, when it is appropriate, the goods may be identified in a given period, and that bookkeeping allows for control of the arrangement; and

d) if the actions and procedures necessary for regulating the situation related to goods can be conducted, included and when necessary, cancellation of the declaration.

Section 4 – Other provisions related to functioning of arrangements

Sub-subsection 1 – General provisions

Article 307

1. The measures of trade policy set in accordance with the BiH acts shall be applied on reporting for arrangement of non-BiH goods only to the extent in which it relates to entrance of goods to BiH customs area.

2. When other complementary products are put into free market, except for ones in Appendix 45 arrived at by arrangements of internal processing, the trade policy measures applied are the ones applicable to placing imported goods into free sale.

3. Once processed products, received by arrangements for processing under customs control are placed into free sale, the trade policy measures applicable for such products are only applicable once the imported goods are subject of those measures.

4. When BiH regulations assume trade policy measures for placing goods in free sale, those measures are not applicable to the complementary products placed in free sale after the external processing:

- which kept BiH origin in accordance with the Articles 20 and 21 of the Law;
- including reaper, including standardized exchange system;
- after subsequent actions of processing in accordance with the Article 120 of the Law;

Article 308

Without non-compliance with the Article 157 (3) of the Law, the supervisory office may allow for the custom declaration for entry or signing out of the declarations to be filed with some other customs office, except for ones enlisted in the approval. The supervisory office shall set the informing procedure.

Subsection 2 - Transfers

Article 309

1. The approval shall state whether and under which conditions the movement of goods or products shall be under arrangement of suspension of payment between different places or to the premises of the other owner can be returned without the sign out of the arrangement (transfer), which in all cases but the temporary import shall be liable for record keeping.
2. The transfer shall not be possible in case of starting point or goods arrival to storage of type B.

Article 310

1. Transfer of goods among different places set by the same approval may be done without any customs actions or procedures.
2. Transfer from the entry office to premises of the owner or the operator or the location for usage can take place under the declaration for reporting of the arrangements.
3. Transfer to the exit office can be done if covered by the arrangement. In that sense, the arrangements shall not be signed off until the goods or products reported for another export are not out of BiH customs area.

Deleted: ¶

Deleted: ¶

Article 311

1. Transfer from one owner to the other can be done only in case when the second owner reports transferred goods or products for arrangements in accordance with the approval, in order to use local customs procedure. Reporting to the customs authorities and making an entry to the records from the Article 174 of this Decision shall be done only once it arrives to the premises of the other owner. The customs authorities may require additional declaration.
2. In case of the temporary import, the transfer from one owner to the other may be done when the other owner declares goods for the arrangements by customs declaration in writing, and using the regular procedure.
3. Actions and procedures to be done shall be supported by the appendix 46. Upon receiving goods or products, the other owner shall report them for the arrangements.

Deleted: ¶
¶

Deleted: ¶

Article 312

Transfer of goods under high risk of fraud, enlisted in appendix 25, shall be covered by guarantee under equal terms to those for the transportation procedure.

Subsection 3 - Records

Article 313

1. Customs authorities require from the owner, operator or appointed owner of the storage to keep records, unless in case of temporary import or when it is not considered necessary.
2. Customs authorities may approve existing bookkeeping, including relevant data as records.
3. The supervisory bodies may request list making of all or some goods placed in the arrangement.

Article 314

1. Records from the Article 313 of this Decision and when requested, from the Articles 378 (2) of this Decision for temporary imports consist of the following data:
 - (a) data enlisted in fields of minimal list provided by the appendix 15, for declarations for arrangements
 - (b) data from the declaration used to set customs procedure for the goods or usage for signing off the arrangement;
 - (c) date and data related to other customs documents and all other documents related to reporting and signing off;
 - (d) type of processing, type of handling or temporary usage;
 - (e) normative of production or its computation method, when applicable;
 - (f) data that provides for tracking of goods, including its location and data related to any transfer;
 - (g) trade or technical descriptions necessary for identification of goods;
 - (h) data necessary for tracking the movement of goods in accordance with the arrangements of internal processing by using equivalent goods.
2. However, the customs authorities may give up the request for some of these data in case it has adverse effect to the control or supervision of arrangements for goods that should be placed, processed or used.

Subsection 4 - Normative of products and computation method

Article 315

1. If relative to the arrangements falling under the Chapters 3, 4 and 6 of this title normative of production or normative setting method, including average normative, shall be determined by the

approval or at the moment when goods are reported for the arrangements. That normative, to the largest extent, should be determined based on production or technical data, or, when data is not available, based on data related to the actions of the same kind .

2. Under special circumstances, the customs authorities can determine the production normative, after reporting goods for arrangements, but after the new customs procedure or usage is set.

Article 316

1. The extent of imported goods or goods for temporary import included into complementary products is computed in order to:

- determine importing duties to be computed;
- determine the amount to be subtracted when customs duty arise;
- apply trade policy measures.

These computations shall be prepared in accordance with the method of quantitative leather, or when appropriate, by the method of value leather, or by any other method that gives similar results.

For these computations, the complementary products include processed products or half-processed products.

2. Quantitative method shall be applied when:

a) only one kind of complementary product comes out of processing; in that case, the quantity of imported or temporary imported goods assumed to be present in the quantity of complementary products, for which the customs duty arise, shall be computed in a what to multiply the total quantity of any kind of imported goods with the coefficient from the relation of quality of complementary products for which the customs duty arise and total quantity of complementary products;

b) several types of complementary products come out of processing and all elements of imported or temporarily exported goods are component of every complementary product; in this case the quantity of imported or temporarily exported goods for which it is assumed to be present in the quantity of given complementary products for which the complementary product for which the customs duty arise, shall be proportional to:

(i) quantity of particular type of complementary product and total quantity of all complementary products; and

(ii) quantity of complementary product for which the customs duty arises and total quantity of the products of the same kind.

When deciding whether the conditions for application of methods described under (a) and (b) are met, the losses are not considered. Without non-compliance with the Article 436 of this Decision, the losses shall mean that share of imported or temporarily exported goods, destroyed and lost during processing, particularly by evaporation, drying, leaking in the form of gas or dripping. Unlike with the internal processing and processing under customs control, in external processing, the secondary complementary products that make garbage, hash, sediment and remains are treated as losses.

3. The value method is applied when the quantity method is not applicable.

The quantity of imported or temporarily exported goods for which it is assumed to be present in the quantity of given complementary product for which the custom duty arises is proportional to:

(a) total value of this particular type of complementary product as percentage in total value of all complementary products; and

(b) value of complementary products for which the customs duty arise, as percentage of total value of complementary products of that kind.

Value of every one of these complementary products to be used for application of value scale is current ex-works price in BiH or current selling price in BiH of identical or similar products, if the relation buyer-seller did not influence it.

4. When the value can not be determined in accordance with the paragraph 3 of this Article, it shall be determined by any other appropriate method.

Subsection 5 – Compensatory interest

Article 317

1. When the customs debt incurred in relation with the complementary products or imported goods from the procedure of internal processing or temporary export, the compensatory interest shall be computed on the amount of imported duties for the given period.

2. Compensatory interest shall be determined every six months by the Governing Board, and published in the BiH Official Gazette.

The applicable interest shall be the one that was being applied two months prior to the month when customs duty arises.

3. The interest shall be computed monthly, starting from the first date in the month, after the month in which the imported goods which incurred customs duty, was first reported for arrangements. This period ends the last day of the month in which the customs duty arises.

When there is a case of internal processing (refund duties system) and when there is a request for placing into free traffic from the Article 125 (4) of the Law, that period starts first day in a month, after the months the exported duties were refunded or their payment was suspended.

4. Paragraphs 1, 2 and 3 of this Article shall not be applicable in the following cases:

- (a) when the period is shorter than one month;
- (b) when the amount of applicable compensatory interest is less than BAM 40,00 by incurred customs duty;
- (c) when customs duty incurred in accordance with the Article 209 of the Law, in order to establish the application of preferential tariff procedure by the Agreement between the BiH and some other country, related to the imports to that country;
- (d) when garbage and remains that incur as result of destroying are placed into free traffic;
- (e) when secondary complementary products from appendix 45 are placed into free traffic, if equal to quantity of exported main complementary products;
- (f) when the customs duty arises as a result of declaration on placing into free traffic from the Article 125 (4) of the Law, as long as imported duties payable on particular products are not actually refunded or their payment suspended.
- (g) when the requestor of the placing into free traffic submits proof that particular circumstances did not occur due to his negligence or fraud, make impossible or non-economical to conduct another export under conditions he/she oversaw and justified during filing of the request for approval;
- (h) when the customs duty arises, and monetary guarantee related to that debt is deposited;
- (i) when customs debt in accordance with the Article 193 (1) (b) of the Law arises or when it incurs during the placing of goods into free traffic, which is reported for arrangement of temporary import in accordance with the Articles 353 to 358, 360, 362, 365, 370 (b) and 373 of this Decision.

5. In case of internal processing when there is large number of types of imported goods and/or complementary products makes application of provisions from paragraphs 2 and 3 of this Article non-economical, the customs bodies, upon the request of the appointed person, may allow usage of simplified methods that give similar results for computation of compensatory interest.

Subsection 6 – Signing out

Article 318

1. When the imported goods or goods for temporary export are reported with two or more requests for arrangements, based on one approval:

- in case of the arrangement with suspension of payment, what is considered is determining of goods or products for new customs procedure or usage, in order to sign out arrangements for particular imported goods, reported by the earliest declaration;
- in case of internal processing (refund duty system) or external processing, it is assumed that complementary products are received from particular imported goods or goods for temporary export declared by the earliest declaration.

The application of previous paragraph shall not give rise to unjustifiable exemptions related to importing duties.

The owner may request signing out related to particular imported goods or goods for temporary export.

2. When the goods under the arrangement is placed together with other goods and is completely destroyed, the customs authorities may accept the proof presented by the owner, which show the actual quantity of goods under arrangements that was destroyed or lost. When the owner can not present such proof, the quantity of destroyed or lost goods shall be determined by comparing it to the quantity of same type of goods under the arrangement, at the time the destruction or loss took place.

Article 319

1. Regardless if the consolidation is done in accordance with the Article 115 (2) of the Law:

- in case of internal processing (refund duty system) or processing under customs control, the signing out list shall be submitted to the supervisory body within 30 days upon the expiration of signing out date.
- In case of internal processing (refund duty system), the refund request or suspension of collection of customs duties must be filed with the supervisory office within six months upon the expiration of deadline for signing out.

In case of special circumstances, the customs authorities may extend the deadline, even if it previously expired.

2. The clearing sheet or request shall include the following data, unless the supervisory office decides differently:

- (a) data related to invitation for approval;
- (b) the quantity of any kind of goods for which the signing out, refund or suspension of payment is required;
- (c) BiH customs tariff declaration for imported goods;

- (d) customs duty – rate for imported goods, and when applicable, its customs value;
 - (e) data from declarations, used to declare imported goods for arrangements;
 - (f) type and quantity of complementary goods or processed products or goods in unchanged condition, and customs approved procedure or usage approved, along with the data from the relevant declarations, other customs documentation or any other document related to sign out or deadlines for sign out;
 - (g) production normative;
 - (h) amount of imported duties, to be paid, refunded or suspended from payment, when applicable, for every compensatory interest to be paid. When that amount is related to the approval from the Article 342 of this Decision, it shall be stated;
 - (i) in case of processing under the customs control, the BiH customs tariff declaration of processed product and elements necessary for assessment of customs value.
3. Supervisory office may issue the sign out list.

Section 5 – Administrative cooperation

Article 320

In order to place relevant data at the disposal of other customs offices included in application of arrangements, the following data lists, provided by Appendix 47 may be issued upon the request of particular person, or upon the request by customs bodies, unless the customs authorities agree to other manner of data exchange:

- (a) for customs storage, the list with data INF8, for presenting elements for assessment of customs duty, to be applicable before usual handling of the goods;
- (b) for internal processing:
 - List with INF8 data, for submitting data on amounts of duties, compensatory interest, guarantee and measures of trade policy;
 - List with INF7 data, for submitting data based on which the refund or suspension of duty collection is approved, in accordance with the refund duty system.
- (c) For temporary import, the INF6 list for presenting of elements for assessment of customs duty or the amount of duty, already collected for transported goods.

CHAPTER 2

Customs warehouse

Section 1 – General provisions

Article 321

1. When customs warehouse is public, the following *differentiation* is applied:
 - a) type A, if the owner of the storage is the responsible person;
 - b) type B, if the deponent is the responsible person;
 - c) type F, if customs authorities manage the storage.
2. When the customs warehouse is in the ownership of person who in the same time is the deponent, but not necessarily the owner of the goods, the following classification is applied:
 - a) type D, when placing in the free traffic is done by the local procedure of assessing customs duty, and can be approved based on kind, customs value and quantity of goods to be considered at the moment it is placed under arrangement;
 - b) type C, when none of the special situations from sub-paragraph (a) of this Article is applicable.

Section 2 – General provisions related to issuance of the approval

Article 322

1. During issuance of the approval, the customs authorities set premises or any other location approved as custom storage type A, B, C or D. They also may approve premises for temporary location, or run them as type F storage.
2. Particular location may not be approved as several customs storages at the same time.
3. When goods represent danger, or there is a possibility it may perish other goods, or when special premises are required from other reasons, the approval must state it can be only stored at special premises.

Article 323

1. Approval may be issued only if any other usual handling of the goods, internal processing, or processing of goods under customs control not prevail regarding the placing of the goods.
2. The approval shall not be issued if the premises for customs warehouse or temporary storage are used for retail selling.

However, the approval may be issued if the goods are sold at retail with exemption of import duties;

- a) to passengers in transit, travelling to other countries;
- b) in accordance with the diplomatic or consular arrangements;
- c) to representatives of international organizations or NATO forces.

3. In accordance with the second line of the Article 83 of the Law, during examining whether administrative expenses of customs arrangement are not compatible with the economic need involved, the customs authorities shall also pay attention to type of storage, and procedure to be applied.

Section 3 – Record of goods in stock

Article 324

1. In the warehouses of type A, C and D, the person appointed to keep the stock record is the owner of the storage.
2. In warehouses of type F, the customs authority that runs the storage, shall keep the customs records, instead of the record of goods in stock.
3. In the warehouses of type B, instead of record of goods in stock, the Supervisory office shall keep the arrangement declarations.

Article 325

1. The record of goods in stock shall present the inventory of stock under customs arrangement at any given time.

At the time prescribed by the customs bodies, the owner of the storage shall present the stock inventory to the Supervisory office.

2. When the Article 109 (2) of the Law is implemented, the customs value of the goods before usual handling shall be shown in the records of goods in stock.
3. Data on temporary move of the goods and data on goods in joint storage, in accordance with the Article 330 (2) of this Decision, shall be part of the record of goods in stock.

Article 326

1. When the customs warehouse also serves as the premise for temporary storage, recording into goods in stock shall take place at the time the arrangement request is received.
2. Recording into goods in stock record, related to signing out of arrangement shall take place, at latest, when the goods leave customs warehouse or premises for temporary storage.

Section 4 – Other provisions related to functioning of the arrangement

Article 327

Non-BiH goods may go through usual handling as stated in the appendix 48.

Article 328

Goods may be temporarily moved, for not more than three months. Under particular circumstances, the period may be extended.

Article 329

1. The request for usual handling or temporary movement of goods from the customs warehouse shall be filed with the Supervisory office in writing, from one case to another. Such requests have to contain all data necessary for the application of the arrangement.
2. Such approval may be given as part of approval for storage arrangements. In such case, the Supervisory office shall be, in a manner it sets itself, informed that such handling needs to take place, or that goods need to be temporarily moved.

Article 330

1. When BiH goods are placed in customs warehouse or premises for temporary storage, used for goods under the arrangement of storage, special methods for identification of such goods may be set, particularly for distinguishing such goods from goods reported for customs warehouse arrangement.
2. Customs authorities may allow joint placing even when the customs status of goods may not be determined at any given time.

Goods in joint storage shall have the same eight digit BiH customs tariff number, same commercial quality and technical characteristics.

3. In order to declaring for customs procedure, goods in joint customs accommodation, as well as under special circumstances, goods that may be identified and which meets the conditions of other sub-paragraph 2 of this Article, may be seen as either BiH or non BiH goods.

However, the application of previous sub-paragraph shall not lead to assigning particular customs status to quantity of goods larger than quantity actually enjoying such status, and that is places in customs warehouse or premises for temporary storage, once the movement of goods or customs handling is approved.

Article 331

1. Once the internal processing or processing under the customs control is conducted in the premises of the customs warehouse or premises for temporary storage, the provisions of the Article 330 of this Decision shall be applied, *mutatis mutandis*, to the goods from such arrangements.

However, when such actions are related to internal processing without equivalency or for processing under customs control, the provisions of Article 330 of this Decision on joint storage shall not apply for BiH goods.

2. The records provide to customs body to accurately monitor the inventory of the goods or products under the arrangement at any given time.

CHAPTER 3

Internal processing

Section 1 – General provisions

Article 332

In the sense of this chapter:

- a) "Previous export" shall mean a system where the complementary products, obtained from the equivalent goods, shall be exported prior to declaring import goods for the arrangements with withholding payment in place.
- b) "Loan businesses" shall mean that each processing of imported goods that either directly or indirectly is at the disposal of keeper and that is performed in accordance with the specifications on behalf of the beneficiary of the procedure, established in other country, and in general, only with payment of processing costs.

Section 2 – Additional conditions for authorizations issuing

Article 333

The authorization shall be issued only when the requestor has an intention to re-export or export main complementary products.

Article 334

The authorization can be issued for the goods from the Article 111 paragraph 2 item (c), (iv) of the Law, with the exception of:

- a) Fuel and energetic, except the ones required for testing of complementary products or discovering of the flows at imported goods requiring repair;
- b) Greases except the ones required for testing, tuning or lubricating of the complementary products;
- c) Equipment and tools.

Article 335

It shall be considered that the economic conditions are met except when the indicators exist, showing that the vital interests of BiH producers are seriously jeopardized.

Article 336

1. The authorization quotes the sources and methods for identification of the imported goods in complementary products and prescribes the conditions for adequate performance of the activities when used equivalent goods.
2. Furthermore, the methods for identification or conditions may include a review of records.

Section 3 – Provisions related to arrangement functioning

Article 337

1. The authorization quotes whether and under what conditions the equivalent goods from the Article 111 paragraph 2 item (e) of the Law, that has the same eight digit BiH customs tariff code, the same commercial quality and same technical characteristics as imported goods, may use for the activities of processing.
2. It may be allowed for the equivalent goods to be at higher level of production than the imported goods when the important portion of processing, related to the equivalent goods in question, is performed in the proprietor's business or at business where the activities are performed for his account, except in exceptional cases.

Article 338

1. The due date for hand over is specified in the authorization. When the circumstances require it, this due date can be prolonged even when the previously set due date expired.
2. When the time frame for sign out expires on certain date for all goods listed under the arrangement the authorization may provide for the automatic extension of sign out due date for all goods still under the arrangements of that date. However, customs bodies may request those goods to be determined new customs allowed procedure or use within the period they determine.

Article 339

1. In the case of previous export, in the authorization, the due date when the goods that are not BH goods are to be reported for the arrangements is quoted, considering the time required for purchase and transport in BiH.
2. The due date from the paragraph 1 of this Article shall not exceed six months.

However, the period of six months can be prolonged when the holder files the supported evidence, under the condition that this total period shall not exceed twelve months. When the circumstances require it, the prolonging can be allowed even upon the expiry of the original due date.

Article 340

For handing over the arrangement or request for refund of import duties, the following shall be considered re-export or export that:

- (a) The delivery of complementary products to the persons that hold the right to exemption from import duties in accordance with Vienna Convention on Diplomat Relations as of April 18, 1961 or in accordance with the Vienna Convention on Consular Relations or Other Consular Conventions as of April 24, 1963 or in accordance with New York Convention on Special Missions, as of December 16, 1969;
- (b) The delivery of complementary products to the armed forces of other countries, located in BiH, when BiH authorizes a special exemption from import duties to such forces;
- (c) The delivery of civil aircraft; however, the supervisory office shall allow that the arrangements are signed off upon first usage of the imported goods for production, repair, modifying or adaptation of civil aircraft or its parts, under the condition that the proprietor's records are such that enable examining of proper usage and execution of the arrangement;
- (d) The delivery of space ship and belonging equipment; however, the supervisory office shall allow the sign off of the arrangements upon first usage of imported goods for production, repair, modifying or adaptation of the satellites, their launching carriers and equipment for earth station and their parts that are an integral part of the system, under the condition that the records of the proprietor are such to enable the examination of proper application and execution of the arrangement;
- (e) In accordance with relevant provisions, the elimination of secondary complementary products, whose destruction is under the customs' supervision, shall be prohibited due to the environmental protection; for such purpose the proprietor proves that the sign out of the arrangement, in accordance with standard regulations, is impossible or cost ineffective.

Section 4 – Provisions related to functioning of payment withholding system

Article 341

1. Use of equivalent goods for the processing actions in accordance with the Article 112 of the Law, shall not be subject to the actions and procedures for reporting of the goods for the arrangements.
2. The equivalent goods and complementary products deriving from those goods, shall become goods that are not BH goods and imported goods shall become BH goods at the moment of accepting the declaration of arrangement sign out.

When the imported goods are distributed into the market prior to the sign out of the arrangement, its status shall change at the moment of distribution into the market. Exceptionally, when not expected for the equivalent goods to be present, the customs bodies, upon the request of the holder, may allow for the equivalent goods to be present later, which shall be determined in reasonable time frame.

3. In the case of previous export:

- Complementary products shall become goods that are not BH goods upon acceptance of the export declaration, under the condition that the goods that are to be imported are declared for the arrangements;
- Imported goods shall become BH goods at the moment of its declaration for the arrangements.

Article 342

1. In the authorization it shall be indicated whether the complementary products or goods in unchanged condition, may be sent to free turnover without customs declaration, considering the measures of banning or limitation. In this case, it shall be considered that they are sent to free turnover when the customs authorized procedure is not determined for them or use upon the expiry of the sign out period.

2. For the purpose of the application of the Article 211 paragraph 1 of the Law, the declaration for sending of the goods into the free turnover shall be considered filed and accepted and release authorized at the moment of filing of the sign out list.

3. The products or goods shall become BH goods when sent to the market.

Article 343

In the case of sending of the complementary products into the free turnover, the sections 15, 16, 34, 41 and 42 of the declaration shall pertain to the imported goods. As an alternative, the relevant data may be provided also through the list with the data INF1 or any other document following the declaration.

Article 344

1. Import duties, collected, in accordance with the Article 118 paragraph 1 of the Law, onto the import goods that, in the moment of acceptance of the declaration for the arrangements holds the right to preferential tariff treatment based on its final usage, shall be calculated per rate that is suitable for this final usage.

2. This shall be permitted only when the authorization for such final usage could be issued and when the conditions for the authorization of preferential tariff treatment are met.

Article 345

1. The list of complementary products subject to import duties, that correspond to these products in accordance with the Article 119 item (a) of the Law, shall be included in the appendix 45.

2. When complementary products, except the ones listed in the list from the paragraph 1. of this Article, are destroyed, they shall be treated as re-exported.

Article 346

1. When complementary products or goods in unchanged condition shall be declared for one of the arrangements of payment withholding or when entered into the free zone of control type I in the sense of the Article 402 of this decision or into the free warehouse or when located into the free zone of control type II in the sense of the Article 402 of this decision and in such manner enable the sign out of the arrangement, documents or records used for the aforementioned customs authorized procedure or usage or any other documents that replaces it shall include the mark UO/O "goods".
2. When imported goods declared for the arrangements are subject to special measures of trade policy and these measures continue to be applied at the moment when the goods, either in unchanged condition or in the form of complementary products, shall be declared for one of the arrangements of payment withholding or entered into the free zone of control type I in the sense of the Article 402 of this decision or into the free warehouse or when it is located into the free zone of control type II in the sense of the Article 402 of this decision, the remark from the paragraph 1. of this Article shall be completed by "Trade Policy".

Section 5 – Provisions related to functioning of refund system

Article 347

When, for the goods under the refund system, the customs authorized procedures or usage from the Article 346 paragraph 1 of this decision is determined, the mark required by this provision shall be "UO/Trial".

CHAPTER 4 Processing under customs control

Article 348

1. Arrangements for processing under customs control shall be applied for the goods whose processing results in products that are subject to collection of lower amount of import duties than the one applied onto the imported goods.

The arrangements shall be applied onto the goods that must pass the actions ensuring the fulfilment of technical conditions for its sending into the free turnover.

2. Article 338 paragraphs 1 and 2 of this decision shall be applied *mutatis mutandis*.
3. For the purpose of determining customs value of processed products that are declared for free turnover, the declarer may select any method from the Article 27 items (a), (b) or (c) of the Law or customs value of the imported goods with the costs of processing. The costs of processing shall include all costs occurring in manufacturing of processed products, including the value of any BiH goods used.

Article 349

The economic conditions shall be considered fulfilled except when there are the indicators that the vital interests of BiH producers of similar goods are in serious jeopardy.

CHAPTER 5

Temporary import procedure

Section 1 – General Provisions

Article 350

1. Animals, except when neglected trade value, bread from the animals that are included in the arrangements, shall be considered the goods that are not BiH goods and shall be included into those arrangements as well.
2. Customs bodies shall ensure that the total period of goods' stay under the arrangements for the same purpose and under the responsibility of the same holder shall not exceed the period of 24 months, even when the arrangements are signed out by declaring for another arrangement of payment withholding and upon that re-declared for temporary import.

However, upon the request of the holder they can extend this period for the time of duration of the period when the goods are not in use, in accordance with the conditions they envision.

3. For the purposes of the Article 136 paragraph 3 of the Law, the exceptional circumstances shall mean every event due to which the goods must be used in further period in order to fulfil the purpose of the action of temporary import.
4. Goods posted into the arrangements shall remain its unchanged condition.

The following shall be permitted: repairs and maintenance, including general servicing and tuning or measures for preservation of goods or ensuring of fulfilment of technical conditions for its use under the arrangements.

Article 351

1. Temporary import with full exemption from payment of import duties (hereinafter "full exemption from import duties") shall be authorized only in accordance with the Articles 352 to 375 of this decision.
2. Temporary import with partial exemption from import duties shall not be authorized for the general consumption goods.

Section 2 – Conditions for full exemption from import duties

Subsection 1 – Transport assets

Article 352

1. In the sense of this subsection:

- (a) "commercial use" shall mean the use of transport assets for transporting persons or goods with the compensation or with in the economic activity of the company;
- (b) "private use" shall mean the use of transport assets except for commercial use;
- (c) "internal transport" shall mean the transport of persons boarded or goods loaded in the BiH customs area for the purpose of debarking i.e. unloading in the location within that area.

2. Transport assets shall include standard spare parts, tools and belonging equipment.

Article 353

1. Total exemption from import duties payment shall be authorized for the palette.

2. The arrangements shall be signed out when the palette of the same type and basically, the same hold the same value of value of export or re-import.

Article 354

1. Total exemption from import duties shall be authorized for the sea container s when permanently marked in appropriate and clearly visible area with the following data:

- (a) Identity of the owner or operator, shown in full name or established identification tool, with the exception of symbols such as emblems and flags;
- (b) Identification marks and numbers of the container provided by the owner or operator; with its constant (pure) weight, including all its permanently installed equipment; this shall not be applicable to rented bodies used for combined railroad -road transport;
- (c) Name of the country the container belongs to, shown in whole or by the mark for the country ISO alpha-2 provided for by the International Standards ISO 3166 or 6346 or characteristic initials that are used for listing the country of motor vehicle registration in international road traffic or through the numbers, in the case of changeable bodies used for combined railroad-road transport. This shall not be applied to the containers used for the air transport.

When the request for issuing of the authorization is filled in the accordance with the Article 300 paragraph 3 subsection two of this decision, the containers shall be supervised by the person represented in BiH customs area that may at any given moment provide the location of the containers and data related to the declaration and sign out.

2. Containers may be used in internal transport prior to re-exported but only at one occasion during their stay in BiH, for the transport of goods loaded and intended for unloading in BiH area, in the case when the containers, otherwise, would have to travel unloaded within that area.

3. Under the Geneva convention on customs treatment with group of containers in international transport, as of January 21, 1994, customs bodies shall allow for the arrangements to be signed out when the containers of the same type or equal value shall be exported or re-exported.

Article 355

1. Full exemption from payment of import duties shall be authorized for the assets in road, railroad, air and sea transport and transport in inner water flows, when:

(a) registered outside BiH customs area in the name of person established outside that area; however, when the transport assets are not registered, for the aforementioned condition it shall be considered as fulfilled when these assets are in the proprietorship of the person established outside BiH customs area;

(b) used by the person established outside that area without deviation from the Articles 356, 357 and 358 of this decision; and

(c) in the case of commercial use with the exception of assets for railroad transport, when used only for transport that is initiated or is ending outside of the BiH customs area; however, it can be used in the internal traffic when stipulated by valid regulations from the area of transport, particularly the ones pertaining to the import and activities.

2. When the company for rental, registered in BiH customs area, re-rents the transport assets from the paragraph 1 of this Article to the person established outside of this area, it shall be re-exported within the period of eight days upon the agreement coming into the effect.

Article 356

The persons registered in BiH customs area shall enjoy the benefits of total exemption from import duties payment when:

(a) the assets of railroad transport are at disposal of these persons in accordance with certain arrangements, where each network may use railroad park of other network as its own;

(b) it is a trailer connected to the asset of road transport registered in BiH customs area;

(c) the transport assets are used in connection with an extraordinary situation and their use does not exceed five days; or when

(d) the transport assets are used by the rental company for the purpose of re-export in the period that shall not exceed five days.

Article 357

1. A physical persons with the residence in BiH customs area shall enjoy the benefits of total exemption from import duties when privately occasionally use transport assets in accordance with the instructions of the registration holder, given that, at the moment of usage, this holder is located in customs area.

These persons, furthermore, shall enjoy the benefits of full exemption in the sense of private use of transport assets rented in accordance with the written agreement, occasionally:

- (a) to return to their residence in BiH;
- (b) to leave BiH; or
- (c) when the Administration, generally permits it.

2. Transport assets shall be re-exported or return to the rental service established in the BiH customs area within:

- (a) five days from the day of the agreement becoming effective in the case listed in the paragraph 1. item (a) of this Article;
- (b) eight days upon this agreement becoming effective in the case listed in the paragraph 1. item (c) of this Article.

Transport assets shall be re-exported within two days upon the agreement becoming effective in the case listed in the paragraph 1. item (b) of this Article.

Article 358

1. Full exemption from import duties payment shall be authorized when the transport assets require temporary registration in BiH customs area, with the purpose of re-export in the name of one of the following persons:

- (a) in the name person established outside that area;
- (b) in the name of physical person with the residence in BiH when this person prepares to relocate his/her residence outside of BiH.

In the case from the item (b) of this paragraph, the transport assets shall be exported within three-month period from the day of temporary registration.

2. Full exemption from import duties payment shall be authorized when transport assets, commercially or privately, are used by physical person with the residence in BiH and employed with the owner of the transport assets established outside of BiH or who in other manner obtains the authorization from the owner.

Private use must be provided for in the employment agreement.

Customs bodies may limit temporary import of transport assets from this provision in the case of system usage.

3. Exceptionally, full exemption from import duties payment may be authorized when the transport assets are used commercially for the limited period of time by the persons holding the residence in BiH.

Article 359

Without deviations from other special provisions, the due dates for sign out shall be the following:

- (a) for railroad transport assets: 12 months;
- (b) for commercially used transport assets except the railroad assets; the time required for performance of the activities related to transport;
- (c) for road transport assets privately used by:
 - students: period that the student is spending in BiH customs area exclusively for the purpose of studying;
 - persons performing the tasks of specified duration: the period in which that person is located in BiH customs area exclusively for the purpose of execution of his/her task;
 - in other cases, including the animals for riding or carrier pulling and carriers the animals pull: six months;
- (d) for privately used assets for air transport: six months;
- (e) for privately used assets for transport on sea and internal water flows: 18 months.

Subsection 2 – Personal assets and goods for sports purposes imported by passengers; material for entertainment of sailors

Article 360

Total exemption from payment of import duties shall be allowed when personal assets, that are reasonably required for travel and goods for sports purposes are imported by the passenger from the Article 143 A. under 1 of this decision.

Article 361

Total exemption from payment of import duties shall be allowed for the entertainment material for the sailors in the following cases:

- (a) when used on the vessel engaged in international sea transport;
- (b) when debarked from that vessel and the crew are temporarily using it on the land;
- (d) when used by the crew of the vessel in cultural or social institutions that are managed by non - profit organizations or at locations with regular religious service for the sailors.

Subsection 3 – Material for reduction of accident consequences; medical, surgeon and laboratory equipment; animals; goods for use in the areas close to the border

Article 362

Total exemption from payment of import duties shall be authorized for the material for reduction of accident consequences when used in relation to the measures taken to reduce the consequences of the accident or similar situations affecting BiH customs area and when intended for state bodies or bodies authorized by authorized bodies.

Article 363

Total exemption from payment of import duties shall be authorized when medical, surgical or laboratory equipment is intended for borrowing upon the request of the hospital or other medical institutions requiring urgently this equipment in order to compensate for the insufficiency of its own capacities and when intended for the diagnostic or therapeutic purposes.

Article 364

1. Total exemption from payment of import duties shall be authorized for the animals owned by the person established outside of BiH customs area.
2. It shall be approved for the following goods intended for the activities in accordance with particularities of customs border area established by valid regulations:
 - (a) equipment in ownership of the person established in customs border area that is bordering customs border area of temporary import and used by the person established in this neighbouring customs border area;
 - (b) goods used for construction, repair or maintenance of the infrastructure in that customs border area of BiH that is in the authority of public bodies.

Subsection 4 - Media – sound, image or data carriers, advertising material; professional equipment; pedagogic material and scientific equipment

Article 365

Total exemption from import duties payment shall be authorized for the goods:

- (a) carrying tone recording, image recording or data for electronic processing for the purpose of:
 - free or commercial presentation prior to sales of the goods;
 - adding the tone to the movie tape;

- synchronisation;
 - copying; or
- (b) used exclusively for advertising purposes.

Article 366

1. Total exemption from import duties shall be authorized when the professional equipment is:

- (a) property of the person established outside BiH customs area;
- (b) imported by the person established outside BiH customs area or employee of the owner who can have the residence in BiH; and
- (c) imported and when used by the importer or when used under his/her supervision, except in the cases of audio-visual co-productions.

2. Total exemption shall not be authorized when the equipment shall be used:

- for industrial production or packing of goods;
- for exploitation of natural wealth;
- for construction, repair or maintenance of buildings;
- for transporting of soil and similar projects.

In the case of hand tools for the equipment listed in the lines 2, 3 and 4 of this paragraph a total exemption shall be authorized

Article 367

Total exemption from import duties shall be authorized when pedagogic material and scientific equipment are:

- (a) property of the person established outside BiH customs area;
- (b) imported by public or private scientific institution, institution for teaching and vocational training that are, in the essence, non-profit, and used exclusively for teaching, vocational training or scientific research from their authority;
- (c) imported in reasonable number, considering the purpose of import; and
- (d) when not exclusively used for commercial purposes.

Subsection 5 – Packaging; moulds, matrixes, clichés, drafts, drawings, instruments for measuring, checking and testing and other similar Articles; special tools and instruments; goods for testing or subject to testing; samples; replacement production assets

Article 368

1. Total exemption from payment of import duties shall be authorized when the packing:
 - (a) is imported full, intended for re-export either empty or full;
 - (b) is imported empty, intended for re-export full.
2. Packaging is not used in internal turnover except for the purpose of export of goods. In the case of packaging imported full this shall be applied only from the moment when emptied.

Article 369

1. Full exemption from import duties shall be authorized when moulds, matrixes, clichés, drafts, drawings, measuring instruments, instruments for checking and testing and other similar Articles are:
 - (a) property of the person established outside BiH customs area; and
 - (b) used in production by the person registered in BiH customs area, not less than 75% of production resulting from its use shall be exported.
2. Total exemption from import duties shall be authorized for special tools and instruments when goods:
 - (a) are owned by the person established outside BiH customs area; and
 - (b) when goods are free of charge given for disposal of the person registered in BiH customs area for the production of goods that shall fully be exported.

Article 370

1. Total exemption from payment of import duties shall be authorized for the following goods:
 - (a) goods subject to testing, experimenting or demonstration;
 - (b) imported goods that shall pass satisfactory testing for the acceptance related to sales agreement including the provisions on meeting the tests for acceptance and subject to those tests;
 - (c) goods used for testing, experimenting or demonstration without financial profit.
2. For the goods under item (b) of this Article, the due date for sign out is six months.

Article 371

Total exemption from import duties shall be authorized when the samples are imported in reasonable quantities and when used only for showing or demonstration in BiH customs area.

Article 372

1. Full exemption from import duties shall be authorized when the supplier or servicing person temporarily places replacement production assets at disposal to the purchaser until the delivery or repair of similar goods.
2. Due date for sign out shall be six months.

Subsection 6 – Goods for manifestations or sales

Article 373

1. Total exemption from import duties shall be authorized for the goods that shall be displayed or used in public manifestation that is not organized solely for commercial sales of the goods, i.e. for the goods obtained in such manifestation from the goods placed under the arrangements.

Exceptionally, the authorized customs bodies may approve the arrangements for other manifestations.

2. Total exemption from import duties shall be authorized for the goods that can not be imported as sample and the sender, on his/her part, wishes to sell the goods and recipient may decide to purchase it upon examination.

The due date for sign out shall be two months.

3. Total exemption from import duties shall be authorized for the following:
 - (a) pieces of art, collection items and antiques defined in the appendix 49, imported for the purpose of exhibiting, with the purpose of possible sales;
 - (b) goods except newly produced goods imported for the purpose of auction sales.

Subsection 7 – Spare parts, tool and equipment; other goods

Article 374

Total exemption from import duties shall be authorized when the spare parts, tools and equipment shall be used for repair and maintenance, including general servicing, tuning and preservation of goods declared for the arrangements.

Article 375

Total exemption from import duties shall be authorized when the goods, except goods listed in Articles 353 to 374 of this decision or the ones failing to meet the conditions from those Articles shall be imported:

- (a) occasionally or for the period not exceeding three months; or
- (b) in certain situations without economic effect.

Section 3 – Provisions related to arrangements functioning

Article 376

When personal items, goods imported for sports purposes of transport assets shall be declared verbally or in any other manner of declaration for the arrangements, customs bodies may request written declaration when high amount of import duties is in question or when there is a serious risk of failure to comply to the obligations from the arrangement.

Article 377

1. Declaration for arrangements through use of ATA/CPD carnets shall be accepted when issued in member country and verified and guaranteed by the association that shall be a part of the international guarantee network.

Unless differently stipulated in bilateral or multilateral agreements, "member country" shall mean a signatory of ATA convention or Istanbul convention accepting the recommendations of the Council for Customs Cooperation as of June 25, 1992 related to the acceptance of ATA carnet and CPD carnet for temporary import procedure.

2. Paragraph 1. of this Article shall be applied only when the carnets ATA/CPD:

- (a) pertain to the goods and use included in those Conventions or agreements;
- (b) are verified by customs bodies in appropriate part of the first page; and
- (c) are valid in BiH.

Carnet ATA/CPD shall be presented to the office at the entry to BiH customs area, except when that office is unable to check meeting of the conditions for the procedure.

3. Articles 291, 292, 296 and 297 of this decision shall be applied *mutatis mutandis* for the goods placed under arrangements and included in ATA carnets.

Article 378

1. Without the deviation from special guarantee system for carnet ATA/CPD, the declaration for the arrangements with written declaration shall be subject to guarantee filing, except in the cases from the appendix 50.

2. In order to facilitate control of arrangements, customs bodies may require keeping records.

Article 379

1. When the goods, placed in arrangements in accordance with the Article 373 of this decision, is signed out by placement into free turnover, the amount of import duties shall be determined based on the elements of evaluation, corresponding those goods at the moment of accepting the declaration for free turnover.

When goods, placed in arrangements in accordance with the Article 373 of this decision are placed in the market, it shall be presented to the customs when declared for free turnover prior to the expiry of the sign out date.

2. For the purpose of sign out of arrangements in regards to the goods from the Article 373 paragraph 1 of this decision, its use, destruction or free distribution to the visitors at manifestation shall be considered re-export, when its quantity corresponds to the character of the manifestation, number of visitors and ratio of holders participation in it.

Previous Article shall not be applicable to the alcohol beverages, tobacco products or fuels.

Article 380

When the goods, placed under the arrangements, is declared for one of the arrangements with payment withholding or entered into the free zone of control type I in the sense of the Article 402 of this decision or free warehouse or is being placed in free zone control type II in the sense of the Article 402 of this decision, enabling sign out of temporary import, the documents or records used for the aforementioned customs authorized procedure or use or any other document replacing these documents, except ATA/CPD carnets shall include the remark "TA goods".

Article 381

For the railroad transport assets that, in accordance with the agreement, shall be used jointly, the arrangements shall be signed out and when the railroads transport assets of the same type or equal value as the ones at disposal of the person registered in BiH customs area are exported or re-exported.

CHAPTER 6 **External Processing**

Section 1 – Additional conditions for authorization issuing

Article 382

It shall be considered that the vital interests of BiH producers are not in serious jeopardy except when existing the indications for the opposite.

Article 383

1. The authorization shall list the tools and methods for determining whether the complementary products obtained through the processing of goods for temporary export i.e. check whether the conditions of standard exchange system are satisfied.

Those assets and methods may include records examination.

2. When not permitted by the character of processing actions to establish whether the complementary products resulted from the temporary export goods, the authorization may be issued, regardless of this, in justified cases, conditioned that the filer of the request may offer sufficient guarantees that the goods used in processing actions shares the same eighth digit number of customs tariff of BiH, has same commercial quality and technical characteristics as the goods for temporary export. The authorization shall prescribe the conditions for use of the arrangements.

Article 384

When the arrangements are requested for the purpose of repair, it is required to determine whether the repair of the goods for temporary export is possible, considering that the arrangements shall not be used for the improvement of technical characteristics of goods.

Section 2 – Provisions related to arrangement implementation

Article 385

1. Authorization shall determine due date for sign out. When required by the circumstances, this due date may be extended even when previously determined due date expires.
2. Article 153 paragraph 2 of the Law shall be applied even upon the expiry of the original due date.

Article 386

1. Declaration, declaring the goods for temporary export for the arrangements, shall be prepared in accordance with the provisions prescribed for the export.
2. In the case of previous import, the documents following the declaration for free turnover, shall include copy of the authorization, except when the request for such authorization is filed in accordance with the Article 300 paragraph 3 item (d) of this decision. Article 127 paragraph 3 of this decision shall be applied *mutatis mutandis*.

Section 3 – Provisions related to calculation of customs benefit (deduction)

Article 387

1. For calculation of the amount that shall be deducted in accordance with the Article 147 paragraph 2 of the Law, antidumping and protective customs shall not be considered.

For the secondary complementary products forming rests, tar, scraps and remains, it shall be considered included.

2. When determining value of goods for temporary export in accordance with one of the methods from the Article 147 paragraph 2 item (b) of the Law, the costs of loading, transport and insurance for the goods for temporary export to the location where processing actions or the last such action is completed shall not be included in:

- (a) value of goods for temporary export that is considered when determining customs value of complementary products in accordance with the Article 29 paragraph 1 item (b) (i) of the Law; or
- (b) processing costs when the value of goods for temporary export can not be determined in accordance with the Article 29 paragraph 1 item (b) (i) of the Law.

The costs of loading, transport and insurance of the goods for temporary export from the location of performance of processing action or location of the last action of processing to the location of entry into the BiH customs area, shall include processing costs.

The costs of loading, transport and insurance shall include:

- (a) charges and agent charges, except charges at purchase;
- (b) costs of containers not being integral unit with the goods for temporary export;
- (c) costs of packing, including work and materials;
- (d) manipulation costs related to the transport of goods.

Article 388

In accordance with the Article 149 paragraph 2 of the Law, partial exemption from import duties payment, where the processing costs shall be considered as basis for calculation of duties, shall be authorized upon the request of arrangement user.

Article 389

1. Except the goods of non-commercial character, the Article 388 of this decision shall not be applied when the goods for temporary export that is not of BiH origin in the sense of the Articles 19 to 23 of the Law is placed in the free turnover with 0 rate of duties.
2. Articles 26 to 32 of the Law shall be applied *mutatis mutandis* onto the processing costs not including the goods for temporary export.

Article 390

1. In the case of entrepreneurship frequently performing processing actions in accordance with the authorization not including the repair, customs bodies may, upon the request of the holder determine average rate of duties applicable to all those actions (total sign out).
2. This rate shall be determined for the period not exceeding 12 months and applied only temporarily for the complementary products placed into free turnover during that period. At the

end of the period, customs bodies shall prepare final calculation and, when applicable, apply the provisions of the Article 213 paragraph 1 or Article 229 of the Law.

TITLE IV PROVISIONS PERTAINING TO EXPORT

CHAPTER 1 Permanent Export

Article 391

1. Exporter, in the sense of the Article 157 paragraph 3 of the Law shall be considered to be a person to whose account the declaration was filed for or who is a proprietor of the goods or has the right to disposal for the goods at the moment of acceptance of that declaration.
2. When the ownership or right to disposal over the goods belong to the person established outside BiH, in accordance with the agreement the export is based on, the exporter shall be considered to be a party to the agreement registered in BiH.

Article 392

In the cases including subcontracting, exporting declaration shall be filed to the customs office authorized for the location where the subcontractor is registered.

Article 393

1. When existing justified reasons, export declaration may be accepted in the other customs office, except the one quoted in the first sentence of the Article 157 paragraph 3 of the Law.
2. In this case, when performing the controls pertaining to the change of banning and limitations, special nature of the situation shall be considered.

Article 394

When, in the cases listed in the Article 393 of this decision, export activities and procedures do not end in the customs office authorized for the location where the exporter is located, the customs office where the declaration is filed shall send a copy of SCD to the first listed customs office.

Article 395

Without the deviation from the Article 114 of this decision, when exporting declaration is prepared based on the SCD the copies 1, 2 and 3 shall be used. Customs office where the export declaration is filed (exporting customs office) shall put a stamp into the field A and when required it shall fill out field D. When releasing the goods, it shall keep the copies 1 and 2 and it shall return copy 3 to the filer.

Article 396

1. A copy of SCD and goods released for the export shall be presented to the customs at exporting customs office.
2. Exporting customs office shall mean:
 - (a) in the case of goods exported via railroads, mail, air or sea the office authorized for the location where the goods were taken over in accordance with the single transport agreement to the other country by railroad companies, post bodies, air transport companies or sea transport companies;
 - (b) in the case of the export of goods through the pipeline and in the case of export of electrical power, customs office shall be the one where the exporter is registered;
 - (c) in the case of goods exported via other transport assets or at any circumstances not included under the item (a) and (b), the last customs office prior to the departure of goods from BiH customs area.
3. Exiting customs office shall examine whether the goods presented correspond to the one declared and perform the supervision of its physical departure. When the declarer enters "RET - EXP" in the field 44 or in some other manner it shall note that he/she wants a copy 3 returned to him, the aforementioned customs body shall confirm physical department of goods by remark on the back of the copy 3 and that copy shall be given to the person filing it or, when not possible, to the agent whose name is listed in the field 50 and who is established in the field of exiting customs office to return it to the declarer. The note shall have the print of the stamp with the name of the office and date.

In the case of partial export, the note shall be placed only on the goods that are actually being exported. In the case of partial export through several different customs offices, exiting customs office where the original of the copy 3 is filed, upon the receipt of the adequately supported request, shall verify the copy of the copy 3 for each part of the certain goods, with the purpose of its presentation to the other exiting office. On the original of copy 3 the remark shall be placed about this.

4. When the exiting customs office determines that the goods are missing, on the declaration filed the note shall be placed on the document and exporting customs office informed about it.

When exiting customs office determines that there is a surplus of the goods, it shall deny the access to those goods prior to completion of exporting actions and procedures.

When exiting customs office establishes that the presented goods are of different kind than the declared ones, the exit of the goods shall be denied prior to completion of export actions and procedures and exporting customs office shall be informed about that.

5. In the cases from the paragraph 2 item (a) of this Article, exiting customs office shall place a note on the copy 3 of exporting declaration in accordance with the paragraph 3 of this Article, upon placing the remark "Export" in red colour on transport documents and its stamp. When, in the cases of direct transport or flights towards the destinations in other countries the operators are

able to guarantee regularity of the actions to the other assets, the note "Export" shall not be required.

6. When concerning the goods sent to the other country or exiting customs office per transit procedure, the export office shall put the note into the copy 3 in accordance with the paragraph 3. and return it to the declarer upon placing the remark "Export" in red colour, onto all copies of transit procedure or some other document replacing it. Exiting customs office shall perform the control of physical exiting of the goods.

7. Exporting customs office may request from the exporter to file the evidence that the goods left BiH customs area.

Article 397

Verbal declarations may be performed only at exiting customs office.

Article 398

1. When the goods leave BiH customs area without exporting declaration, the exporter can file such declaration later to the customs office authorised for the location where he/she is registered.

2. Accepting the declaration shall be conditioned by exporters' providing the satisfactory evidence pertaining to the character and quantity of the goods in question and circumstances the goods left BiH customs area under. This customs office shall, also, place the remark in accordance with the Article 396 paragraph 3 of this decision onto the copy 3 of SCD

3. Later acceptance of the declaration shall not exclude the application of valid penal provisions.

Article 399

1. When the goods released for the export fails to leave BiH customs area, the exporter shall inform immediately the exporting customs office about that. The copy 3 of the declaration shall be returned to that customs office.

2. When, in the cases from the Article 396 paragraphs 5 or 6 of this decision, the amendment of the agreement on transport shall have as the result the completion of the transport activity within BiH customs area and which shall be completed outside of this area, the companies or bodies in question may perform the amended agreement only in agreement with the customs office from the Article 396 paragraph 2 item (a) of this decision or in the case of transport action, with initial customs office. In this case, copy 3 shall be returned.

CHAPTER 2

Temporary export by using ATA carnets

Article 400

1. ATA carnet can be used for export when the following conditions are fulfilled:

- (a) ATA carnet shall be issued in BiH and verified and guaranteed for by the association registered in BiH that is a part of international guarantee network;
 - (b) ATA carnet shall be applied only on BiH goods in regards to which the request for funds refund was not filed;
 - (c) documents from the Article 128 of this decision shall be presented. Customs bodies may request presenting of transport documentation;
 - (d) goods must be intended for re-import.
2. When the goods included in ATA carnet are declared for the purpose of temporary export, exporting customs office shall perform the following actions and procedures:
- (a) checks whether the data listed in the fields A to G of the export coupon match the goods included in the carnet;
 - (b) fills out, when required the field in the first page titled "Custom bodies verification";
 - (c) fills out talon and field H of the export coupon;
 - (d) enters their title into field H (b) of re-export coupon;
 - (e) keeps export coupon.
3. When exporting customs office is not, simultaneously, the exiting customs office, exporting customs office shall perform all actions from the paragraph 1 of this Article, but does not fill out field 7 of the export talon, that must be filled by exiting customs office.
4. Period for the re-import of the goods shall be prescribed by the customs bodies in the field H (b) of export coupon shall not exceed the validity period of the carnet.

Article 401

When goods that left BiH customs area under ATA carnet coverage, are no longer intended for re-import, exporting customs office shall be filed exporting declaration including the data from the appendix 15 and provide ATA carnet, and exporting customs offices shall, upon that, verify copy 3 of export declaration and void coupon for re-import and talon.

TITLE V OTHER CUSTOMS AUTHORISED TREATMENT AND USE

CHAPTER 1 Free zones and free warehouses

Section 1 – Joint provisions for the Sections 2 and 3

Subsection 1 – Definitions and general provisions

Article 402

In the sense of this Chapter:

- (a) "control type I" shall mean control that, generally is based on existence of the fence;
- (b) "control type II" shall mean controls that shall, generally, be based on the actions and procedures performed in accordance with the conditions of customs storage;
- (c) "operator" shall mean any person performing the activities, including locating, processing, treatment or purchase of the goods in the free zone or free warehouse.

Article 403

Any person may file the request to the customs bodies for some part of BiH customs area to be determined for establishment of free zone or zone of free storage.

Article 404

1. The request for issuing of the authorisation for construction in the free zone shall be filled in written form to the customs bodies.
2. In the request from the paragraph 1 of this Article the activity the constructed object shall be used for shall be noted and all other information provided in order to enable customs bodies to estimate justification of issuing of the authorization.
3. Customs bodies shall issue the authorization in the cases when not jeopardized application of customs regulations.
4. Paragraphs 1, 2 and 3 of this Article shall be applied when performing the repair of the object in free zone or object that represents a free warehouse.

Subsection 2 – Authorization of stock records

Article 405

1. Activities performed by the operator shall be the subject to approval by the customs bodies of the stock records from:
 - Article 169 of the Law in the case of free zone of control type I or free warehouse;
 - Article 102 of the Law in the case of free zone of control type II.
2. The authorization shall be issued in written form. It shall be given only to the persons that provide all required guarantees related to the application of the provisions on free zones or free warehouses.

Article 406

1. Request for counting of the records of stocks shall be filed in writing to the customs bodies where located free zone or free warehouse.
2. The request from the paragraph 1 of this Article shall list what activities were provided and that information shall be considered as information from the Article 166 paragraph 1 of the Law. It shall include the following:
 - (a) detailed description of stock records kept or the one that should be kept;
 - (b) type and customs status of the goods these activities pertain to;
 - (c) when possible, customs procedure the activities shall be performed by;
 - (d) all other data required to customs bodies to ensure proper implementation of the regulations.

Section 2 – Provisions applying to the free zones of control type I and free warehouses

Subsection 1 - Controls

Article 407

1. A fence surrounding free zone shall be of such construction to enable control of customs bodies outside free zone and to prevent for any goods to be carried out of free zone in improper manner.
2. The paragraph 1 shall be applied *mutatis mutandis* onto the free warehouses as well.
3. Space immediately outside of the fence must be such to allow adequate supervision by customs bodies and access to that area shall require consent of those bodies.

Article 408

1. The records of the stocks that shall be kept in the free zone or free warehouse shall particularly include:
 - (a) data on marks, identification numbers, number and type of packaging, quantity and usual trade description of goods and, when relevant, identification marks of the container;
 - (b) data providing for the supervision of goods at any moment, particularly its location, customs authorised treatment or use that shall be determined for it upon location into free zone or free warehouse or its re-entering the other BiH customs area;
 - (c) the data from the transport document, used at the entry or taking out of the goods;

(d) mark of customs status and, when relevant, data from the certificate confirming that status from the Article 413 of this decision;

(e) data on usual manners of handling;

(f) depending on the case, some of the remarks from the Articles 346, 347 or 380 of this decision;

(g) data related to the goods not subject to the import duties or measures of economic policy upon release into the free turnover or at temporary import and whose use or destination shall be examined.

2. Customs bodies may forfeit requesting some of this data when it does not affect the supervision or control upon free zone or free warehouse.

3. When the records shall be kept for the requirements of customs procedure, the data contained in those records shall not occur at the records of the stock.

Article 409

Internal processing procedures or processing under customs control, shall be signed out in regards of complementary products or goods in unchanged state when located in free zone or free warehouse by entering into the records of free zone or free warehouse. Recall of such evidence shall be entered into internal processing or processing under the customs control, depending on the case.

Subsection 2 – Other provisions pertaining to the work of free zones of control type I and free warehouses

Article 410

The measures of foreign trade policy provided in BiH regulations shall apply to the goods that are not BiH goods and that are located in free zone or free warehouse only to that extent when it pertains to the entry of goods into BiH customs area.

Article 411

When the elements that shall be considered when determining customs debt are the ones that may be applied prior to the goods passing usual forms of handling from the Appendix 48, the data list INF8 may be issued in accordance with the Article 320 of this decision.

Article 412

In the case of re-export of the goods that are not BiH goods that are unloaded or re-loaded, the notice from the Article 174 paragraph 3 of the Law is not required

Article 413

1. When customs bodies confirm status of the goods as BiH goods or goods that are not BiH goods, in accordance with the Article 164 paragraph 4 of the Law, the form and provisions from the Appendix 51 shall be used.

2. The operator shall confirm BiH status of the goods through the form when the goods that are not BiH goods are declared for placement into free turnover in accordance with the Article 167 item (a) of the Law, as well as at the occasion of sign out procedure of internal processing or processing under customs control.

Section 3 – Provisions pertaining to free zones of control type II

Article 414

Without deviation from the provisions of the Articles 402 to 406 and Article 415 of this decision, onto the free zones of control type II the provisions prescribed for the arrangements of customs storing shall be applied.

Article 415

1. When the goods that are not BiH goods is not unloaded or is just re-loaded and located into the free zone by using local customs procedure and then again exported by using the same procedure, the customs bodies may exempt the operator of the obligation to inform authorized customs bodies at each arrival or departure of such goods. In this case, at performance of control measures, the particularities of the situation shall be taken into consideration.

2. Short term location of the goods related to such re-loading shall be considered as a part of that re-loading.

CHAPTER 2

Re-export, destruction and handing over the goods

Article 416

When required to file customs declaration for re-export of the goods, the provisions of the Articles 391 to 399 of this decision shall be applied *mutatis mutandis*, except special provisions that may be applied at sign out of previous customs procedure with economic effects.

Article 417

1. In the sense of Article 174 paragraph 3 of the Law, the notification on destruction shall be prepared in writing and signed by person in question. The notice shall be prepared timely in order to provide for customs bodies supervision of the destruction.

2. When the goods in question are already a subject of declaration accepted by the customs bodies, they shall list the data on destruction on the declaration and void the declaration in accordance with the Article 63 of the Law.

Customs bodies that are present to destruction of the goods from the form or declaration, shall list type and quantity of remains and scrap resulting from the destruction, in order to determine collection elements that can be applied to those and used when determined other customs authorized procedure and use for those.

3. The provisions of the first subparagraph of the paragraph 2 of this Article shall be applied *mutatis mutandis* also onto the goods handed over to the authorized body.

TITLE VI GOODS LEAVING BiH CUSTOMS AREA

Article 418

1. This title prescribes the conditions applied to the goods moving from one location in BiH customs area to the other and which, on this occasion, leaves this area and whose relocation or export from BiH customs area is prohibited, *i.e.* is subject to limitations or export duties in accordance with BiH measure as it is provided by such measure and without the deviation from special provisions it may include.

However, these conditions shall not be applied:

- when, at declaring of the goods for export from BiH customs area, the evidence is filed to the customs office where the export actions and procedures are conducted that the administrative decision is issued, exempting the goods from limitations, that the requested export duties are paid or, that in given circumstances goods may leave BiH customs area without further actions and procedures ; or
- when transporting the goods outside BiH customs area via direct non -stop flight.

2. When the goods are placed in the procedure of transport, procedure beneficiary shall enter into the document used as transport declaration, in the field 44 of SCD, when it is used, the following words "Unlimited exit from BiH ".

3. When the goods are:

- (a) placed into customs procedure except transport procedure; or
- (b) relocated without entering into the customs procedure,

a control copy T5 shall be issued in accordance with the Articles 471 to 477 of this decision. In the field 104 of T5 form an X shall be put into the square "Other (list)" and the words stipulated in the paragraph 2 of this Article shall be added.

In the case of goods falling under the item (a) of this paragraph, control copy T5 shall be issued at customs office where the actions and procedures required for transport of goods are completed. In the case of goods falling under item (b) of this paragraph, a control copy T5 shall be filed along with the goods to the customs office authorized for the location where the goods are to leave BiH customs area.

Those offices shall set a final date when the goods have to be presented to the destination customs office and, when required, in the customs document that the goods are transported under the words quoted in the paragraph 2. of this Article shall be entered.

In the sense of control copy T5, the destination office or office of destination for customs procedure under item (a) of this paragraph or when applicable item (b) of this paragraph customs office authorized for the location where the goods are returning to BiH customs area.

4. When BiH measure from the paragraph 1. of this Article stipulates submitting the guarantee, the guarantee shall be submitted in accordance with the Article 472 paragraph 2 of this decision.
5. When goods upon arrival to the destination office is not immediately recognized as goods with BiH status, or fails to pass customs actions and procedures required for the goods entered into BiH customs area immediately, the destination office shall take all measures provided for such goods.
6. In the circumstances described in paragraph 3 of this Article, a destination office shall return the original of control copy T5 without the delay to the address listed in the field B "Return to ..." of T5 form, upon termination of all required actions and procedures and entry of all required notes.
7. When the goods are not returning to BiH customs area, it shall be considered that it left BiH customs area irregularly.
- 8.

PART III Preferential Procedures

TITLE I RETURNED GOODS

Article 419

1. Returned goods shall be exempt from import duties payment even when it represents only a certain part of the goods previously exported from BiH customs area.
2. The same shall apply when the goods consists of parts and tools belonging to the machines, instruments, apparatuses and other products previously exported from BiH customs area.

Article 420

1. Not following the Article 178 of the Law, returned goods shall be exempt from import duties payment in one of the following cases:

- (a) goods that, upon the export from BiH customs area did not pass any treatment except the one required to keep it in good condition or handling that only changes its appearance;
- (b) goods that, upon the export from BiH customs area, passed treatment except the one that is required to maintain it in good condition or handling that only changes its appearance but that showed defective or unsuitable for the intended use, under the condition that one of the following conditions are met:
- such treatment or handling was applied on the goods exclusively for the purpose of its repair or returning into good condition;
 - its unsuitability for intended use became evident only upon such treatment or handling was already initiated.
2. When the returned goods passed treatment or handling permitted in accordance with the paragraph 1 (b) of this Article and such treatment would make it subject to import duties if it were placed into the arrangements of foreign processing, all valid regulations for collection of the duty in the aforementioned arrangements shall be applied.

However, when the goods passed the action consisting of repair or restoring to the good condition, which became required due to the unforeseen circumstances that occurred outside BiH customs area and that can be proven to the customs bodies, exemption from payment of import duties shall be authorized under the condition that the value of returned goods does not exceed due to such actions than its value at the moment of export from BiH customs area.

3. In the sense of second subparagraph of paragraph 2 of this Article:

- (a) repair or restoring to good condition that became required shall mean every action for correction of malfunctions or material damage goods suffered while outside BiH customs area, and without which these goods could not be further used in normal manner and for the intended purposes;
- (b) for the value of returned goods it shall be considered not increased, due to the actions passed, than its value at the moment of export from BiH customs area when such action shall not exceed the one strictly required in order to enable to continue use in the same manner as at the moment of export.

When repair or restoring of the good condition of goods requires installation of spare parts, such installation shall be limited only to those parts enabling for the goods to be used in the same manner as at the moment of export.

Article 421

At termination of export customs duties and procedures, customs bodies, upon the request of determined person, shall issue the document including the data required for the identification of goods in the case it is returned into the BiH customs area.

Article 422

1. The following goods shall be accepted as returned goods:

- the goods that have, besides the declaration for placement into the free turnover, the following documents filed:

(a) a copy of export declaration returned to the exporter by the customs bodies, or a photocopy of such document that the aforementioned bodies confirmed to be valid; or

(b) data list stipulated in the Article 424 of this decision.

When the evidence available in re-importing customs office or that may be determined with the assistance of interested person, indicate that the goods declared for free turnover were previously exported from BiH customs area and, simultaneously, satisfied the conditions for acceptance as returned goods, the documents from the items (a) and (b) of this paragraph shall not be required.

- Goods under the coverage of ATA carnet issued in BiH.

These goods may be accepted as returned goods within the limitations listed in the Article 177 of the Law and when the validity period of ATA carnet expired.

In all cases, the actions and procedures stipulated in the Article 197 paragraph 2 of this decision shall be performed.

2. The first line of the paragraph 1 of this Article shall not be applied onto the international transport of packaging, transport assets or certain goods selected in accordance with special customs arrangements, when valid regulations provide for no requirement of customs documents in such circumstances.

The first line of the paragraph 1 of this Article shall not be applied when the goods can be declared for the placement into the free turnover verbally or through any other action.

3. When finding it required, customs office of re-import may request the interested party to provide additional evidence, particularly for the purpose of identification of returned goods.

Article 423

1. Data list INF 3, upon exporters' request shall be issued by exporting customs office at the moment of completion of exporting actions and procedures for given goods, when the exporter declares that it is probable for these goods to return through some other customs office.

2. Data list INF 3, upon exporters' request, exporting customs office may issue upon completion of export activities and procedures for given goods, under the condition that this office may establish, based on the data available to that office that the data from the exporters' request pertain to the exported goods.

Article 424

Data list INF 3 shall be prepared in original and 2 copies, on the forms from the Appendix 52.

Article 425

1. Data list INF 3 shall include all data customs bodies require for the purpose of identification of exported goods.
2. When expecting that the exported goods shall be returned to BiH customs area through several customs offices and not through the exporting customs office, the exporter may request issuance of several data lists INF 3 to include the entire quantity of exported goods.

Equally, the exporter may request from customs bodies issuing data list INF 3 to replace it with several data lists INF 3 including total quantity of the goods initially included in originally issued data list INF 3.

The exporter may, also, request the data list INF 3 to be issued only in regards to the part of exported goods.

Article 426

Original and one copy of data list INF 3 shall be returned to the exporter for filing to the re-importing customs office. Other copy shall be kept with official records of issuing customs office.

Article 427

1. Customs office of re-import shall, on the original and copy of data list INF 3, enter the quantity of goods returned that was exempt from payment of import duties and keep the original and copy sent to the customs office that issued it. The number and date of the declaration for placement into the free turnover shall be entered into the declaration.
2. The aforementioned customs office shall compare that copy with the one they have and keep it in official records.

Article 428

In the case of theft, loss or destruction of the original data list INF 3, the exporter may request from the issuing bodies, the duplicate. They shall meet this request if circumstances require it. Such duplicate shall carry the remark: "DUPLICATE".

Article 429

1. Exporting customs office shall forward to the customs of fice of re-import, upon its request, all available data in order to determine whether the goods fulfil the conditions required for the exemption from payment of import duties.
2. Data list INF 3 may be used for search and exchange of data from the par agraph 1 of this Article.

TITLE II
PRODUCTS OF SEA FISHING AND OTHER PRODUCTS FROM THE TERRITORIAL
COAST OF FOREIGN STATE, TAKEN BY THE FISHERMAN VESSELS FROM BiH

Article 430

1. Exemption from payment of import duties from the Article 180 of the Law is conditioned with filing of the certificate with the declaration for placement into the free turnover, pertaining to those products.

2. For the products intended to be placed into free turnover in BiH, the commander of the vessel from BiH that committed the fishing, shall fill out the fields 3, 4 and 5, and when required, field 9 of the certificate. When the fishing is processed on the vessel, the commander of the vessel shall also fill out fields 6, 7 and 8.

When filed the declaration for placing of these products into the free turnover, the declarer shall fill out the fields 1 and 2 of the certificate.

3. Certificate shall correspond the form from the Appendix 53 and be filled out in accordance with the paragraph 2 of this Article.

4. For the purposes of paragraphs 1 to 3 of this Article:

(a) *Fishing vessel from BiH* shall mean the vessel recorded and registered in BiH, travelling under BiH flag, fishing sea products and, depending on the case, performing the processing of the products on the vessel;

(b) *Ship factory from BiH* shall mean a vessel recorded and registered in BiH, travelling under BiH flag and not fishing the products of sea fishing but performing the processing of such products on the vessel itself.

PART IV
CUSTOMS DEBT

TITLE I
INSURANCE INSTRUMENTS

Article 431

1. Types of insurance instruments besides cash deposits or guarantees in the sense of the Articles 185, 186 and 187 of the Law, and cash deposits or filing of the payment instruments customs bodies may authorize although they do not meet the conditions prescribed in the Article 186 paragraph 1 of the Law are the following :

(a) creating mortgage, debt on land, pledge of securities (*antiherezis*) or other right considered equivalent to the right pertaining to the real estate;

- (b) cession of debits, pledge – with or without handing the property, securities or debts or, particularly, bank savings record or entry into public debt records;
 - (c) presumption of joint contractual responsibility for total amount of debt by the requesting person that customs bodies authorize for that purpose and, particularly, filing of the bill of exchange whose collection is guaranteed by the third party;
 - (d) cash deposit or insurance instrument considered equivalent to it, in other currencies except BiH currency;
 - (e) participation, under the condition that the stake is paid, in organized plan of general guarantee managed by customs bodies.
2. Circumstances and conditions for the types of insurance instruments from the paragraph 1 of this Article to be used shall be determined by customs bodies.

Article 432

When the insurance is deposited in the form of cash deposit, customs bodies shall not pay the interest to such deposits.

TITLE II OCCURRENCE OF THE DEBT

CHAPTER 1

Omissions that have no significant impact on the course of the procedure of temporary placement or certain customs procedure

Article 433

1. As cases where the omissions in the sense of Article 196 paragraph 1 of the Law have no significant influence onto the proper course of the procedure of temporary placement or certain customs procedure the cases from the paragraph 2 of this Article shall be considered, conditioned that:
- they do not represent an attempt of illegal excluding of the goods from customs supervision;
 - they do not represent evident negligence by given person; and
 - all actions and procedures required for regulation of the situation with the goods were additionally completed.
2. The omissions from the paragraph 1 of this Article are the following:
- a) exceeding allowed due date for determining some of customs authorized procedures for the goods or use of prescribed procedure for temporary location or certain customs procedure if this due date would have been extended if the extension was requested in timely manner;

b) in the case of goods placed into transport procedure, failure to fulfil some of obligations provided for by the use of such procedure when the following conditions are fulfilled:

- goods declared for the procedure was actually shown intact to the destination customs office;
- destination office can confirm that the goods were given customs authorized treatment or use, or that it was placed under temporary placement at the end of transport;
- when the due date determined in accordance with the Article 228 of this decision fails to be followed and paragraph 3 of that Article is not applied and goods were, regardless of that, presented at destination office in reasonable time.

c) in the case of goods placed into temporary location or into the procedure of customs storing and customs bodies did not, in advance, authorize the managing of the goods, conditioned that such managing would be authorized if the request was filed for it;

d) in the case of goods placed under the procedure of temporary import, use of the goods in other manner than the one authorized in the authorization, under the condition that such use would be authorized in that procedure if the request for it was filed;

e) in the case of goods in temporary location or left into customs procedure, unauthorized relocation of the goods, under the condition that the goods can be presented to the customs bodies upon their request;

f) in the case of goods in temporary location or declared for customs procedure, relocation of the goods from BiH customs area or its placing into the free zone of control type I in the sense of the Article 402 of this decision or in the free warehouse without completion of required actions and procedures;

g) in the case of goods or products physically transported in the sense of the Articles 203, 204 or 309 of this decision, failure to comply with one of the conditions transport is conducted by, when fulfilled the following conditions:

- certain person can prove that the goods or products reached certain premises or destination and, in the cases of relocation based on the Articles 203, 204, 310 paragraph 2 or 311 of this decision, that the goods or products were properly registered in the records of precise premises or destination when these Articles require such entries into the registry;
- when the due date prescribed in the authorization is not fulfilled and goods reached, regardless of that, certain premises or destination in reasonable time.

h) in the case of goods that, at the moment of placement into the free turnover, have the right to total or partial exemption from import duties from the Article 141 of the Law, the existence of one of the situations from Article 196 paragraph 1 item (a) or (b) of the Law, while the goods in

question are in temporary location or under other customs procedure prior to being sent to the free turnover;

i) within the internal processing and processing under customs control, exceeding the due date permitted for filing of sign out list, under the condition that the due date would be extended provided that the request was timely filed;

j) exceeding the due date allowed for temporary relocation from customs storage, under the condition that the due dates would be extended provided that the request was timely filed.

Article 434

Customs bodies shall consider that customs debt occurred in accordance with the Article 196 paragraph 1 of the Law, except when the person that would be the debtor proves that the conditions prescribed in the Article 433 of this decision were met.

Article 435

The fact that the omissions from the Article 433 of this decision do not lead to occurrence of the customs debt shall not exclude the application of the provisions of the Criminal Law effective, or provisions that permit termination or withdrawing of the authorization issued for certain customs procedure.

CHAPTER II

Natural loss

Article 436

1. In the sense of Article 198 of the Law, customs bodies, upon the request of determined person shall consider the missing quantities when it can be proven that the loss occurred exclusively due to the character of goods and not due to the negligence or manipulation of that person.

2. Particularly, negligence or manipulation shall mean every failure to comply with the regulations for transport, location, handling, processing or treatment of goods in question, prescribed by the customs duties or deriving from the usual practice.

Article 437

Customs bodies may free certain person of the obligation of proving that the goods are permanently lost from the reasons typical for its character when they consider that there is no other explanation for the aforementioned loss.

Article 438

Existing regulations in BiH pertaining to standard rates for permanent loss due to the character of goods shall be applied when certain person fails to prove why the real loss exceeds the one calculated by applying standard rate for given goods.

CHAPTER 3

Goods in special situations

Article 439

1. Filing customs declaration for certain goods or any other action with the same legal effects and filing of the documents for verification by the authorized bodies shall be considered as exemption of the goods from customs supervision in the sense of the Article 195 paragraph 1 of the Law when such actions have the consequence of wrong issuing of the customs status of BiH goods to such goods.
2. However, in the case of air transport companies authorized to perform simplified transport procedure by using electronic manifest, the goods shall be considered exempt from customs supervision when, upon the initiative or to the account of given person, it is treated in accordance with its status as goods that are not BiH goods prior than customs bodies discover the existence of irregular situation and when the behaviour of given person shows no fraudulent actions.

Article 440

Without the deviation from the regulations stipulated in relation with the bans and limitations that may be applicable for the goods in question, when at the import occurs a customs debt in accordance with the Articles 194, 195, 196 or 197 of the Law and import duties are paid, such goods shall be considered BiH goods without the requirement to file the declaration for placement into free turnover.

Article 441

Seizure of the goods in accordance with the Article 226 item (c) and (d) of the Law shall have no effect onto customs status of certain goods.

Article 442

1. For the goods that are not BiH goods that was handed to the authorized body, or taken, or seized shall be considered declared for the procedure of customs storing.
2. The goods from the paragraph 1 of this Article customs bodies may sell only under the condition that the purchaser performs immediately the actions and procedures for determining customs authorized procedure or use for the goods.

When sales is performed by the price including import duties, sales shall be considered equal as placement to the free turnover and customs bodies shall calculate themselves and post the duties.

In such cases, the sales shall be performed in accordance with valid BiH regulations.

3. When customs bodies determine that the goods from the paragraph 1 of this Article shall be treated in other manner besides sales, they shall immediately perform the actions and procedures for determining one of customs authorized procedures or uses for the goods, as prescribed in the Article 4 item 15 (a), (b), (c) and (d) of the Law.

TITLE III COLLECTION OF THE AMOUNT OF CUSTOMS DEBT

Article 443

1. Customs bodies shall not be obliged to post the amounts of duties not exceeding BAM 20.00.
2. When the amount per one collection action does not exceed the amount of Bam 20.00, the collection of duties upon customs procedure shall not take place.

Article 444

Customs bodies determine not to post uncollected duties:

- (a) in the cases where preferential tariff treatment in the context of tariff contingent, upper tariff limit or other arrangements was applied and when the right to such treatment terminated at the moment of acceptance of customs declaration and that fact was not published in "Official Gazette of BiH" prior to placing into free turnover given goods or when such fact was not published, and was announced in appropriate manner and person responsible for payment, acted, on its part, in good intention and followed all provisions prescribed by valid legislative acts in regards to the customs declaration;
- (b) in the cases when it is considered that the conditions prescribed by the Article 213 paragraph 2 item (b) of the Law were fulfilled.

Article 445

1. Customs bodies shall postpone the obligation of debtor until the moment when the decision upon the request is reached, under the condition that, when the goods are no longer under customs supervision, the insurance instrument shall be the deposit in the amount of such duties and that:
 - (a) in the cases when the request is filled for voiding of the declaration, it is likely that the request will be met;
 - (b) in the cases when the request for forfeiting the collection is filed in accordance with the Article 229 related to the Article 213 paragraph 2 item (b) of the Law or by the Article 231 or Article 232 of the law, customs bodies find that the conditions prescribed by relevant provisions may be considered fulfilled;

(c) in other cases than the ones listed under item (b) of this paragraph, the request for forfeiting the collection is filed in accordance with the Article 229 of the Law and conditions listed in Article 237 paragraph 2 of the Law were fulfilled.

It is not required to request the insurance instrument when such request would, probably, due to the circumstances of the debtor, cause serious economic or social difficulties. Such exemption from depositing of the insurance instrument shall be authorized by the decision of Governing Board.

2. In the cases when in one of the circumstances from the Article 226 paragraph 1 item (c) (ii) or Article 226 paragraph 1 item (d) of the Law the goods are seized, customs bodies shall postpone the obligation of the debtor to pay the duties when found that the conditions for performance of seizure shall be considered fulfilled.

3. When customs debt occurred in accordance with the Article 195 of the Law, customs body shall, to the person from the paragraph 3 item (d) of that Article stop the obligation of payment of the duties when identified at least one more debtor and the same is informed on the amount of duties in accordance with the Article 214 of the Law.

Stopping can be authorized only under the condition that the person from the Article 195 paragraph 3, (d) of the Law is not included in (a), (b) or (c) of the aforementioned paragraph and that it is not an evident neglect in compliance with the obligations.

The duration of stopping shall be limited to one year. However, customs bodies may prologue that period due to the justified reasons.

Stopping shall be conditioned with filing of valid guarantee onto the amount of subject duties by the person this benefit was provided for, except when such guarantee including total amount of duties already exist and guarantee is not exempt of his obligations. Such guarantee is not required to request in the cases when such request would, probably, due to the circumstances of the guarantee, cause serious economic or social difficulties.

Exemption from providing the guarantee in previously mentioned cases shall be authorized by the decision of the Board.

TITLE IV REFUND AND FORFEITING COLLECTION OF IMPORT OR EXPORT DUTIES

CHAPTER 1 General provisions

Article 446

1. In the sense of this title:

(a) *customs office of posting* shall mean customs office where the import or export duties were posted, whose refund or giving up from the collection is requested;

(b) *customs body issuing the decision* shall mean customs office authorized to make the decision upon the request for refund or giving up the collection of import or export duties when these import duties were posted;

(c) *supervisory customs office* shall mean customs office authorized for the goods that lead to posting of import or export duties whose refund or giving up the collection is requested, aforementioned office shall perform certain checks required for request evaluation;

(d) *executive customs office* shall mean customs office undertaking measures required to ensure that the conditions from the decision on refund or giving up the collection are met.

2. Functions of customs office of posting, customs body issuing the decision, supervisory customs office and executive customs office shall be performed in full or partially by the same customs office.

CHAPTER 2

Provisions pertaining to the Articles 229 to 232 of the Law

Section 1 – Request

Article 447

1. Request for refund or forfeiting the collection of import or export duties, (hereinafter: "the request for refund or forfeiting"), shall be filed by the person paying or obliged to pay these duties or persons that assumed his/her rights and obligations.

The request for refund or forfeiting may be filed by the representative of the person(s) from the previous paragraph.

2. The request for refund or forfeiting shall be prepared in original and one copy, on the form and in accordance with the provisions of appendix 54 Article.

However, the request for refund or forfeiting may be prepared, as well, upon the request of the person or persons from the paragraph 1 of this Article, on ordinary sheet of paper, conditioned that it includes the data from the aforementioned appendix.

Article 448

1. Request for refund or forfeiting, followed by the documents from the Article 6 paragraph 1 of the Law, must be filed to the customs office of posting, except when some other office is determined by customs bodies for that purpose; the aforementioned office shall immediately upon the receipt forward it to the decision making customs body, unless it is determined as such itself.

2. Customs office from the paragraph 1 of this Article shall enter the date of receipt onto the original and copy of the request. The copy shall be returned to the filer of the request.

When applied Article 447 paragraph 2 subsection two of this decision, the aforementioned customs office confirms, in writing, the receipt to the deliverer.

Article 449

1. Customs office from the Article 448 of this decision may accept the request not including all data stipulated in the form from the Article 447 paragraph 2 of this decision. However, the request must include minimum data entered into the fields 1, 2, 3 and 7.
2. When paragraph 1. of this Article is applied, the aforementioned customs office shall determine due date for delivery of all lacking data and/or documents.

Article 450

1. For returned goods that, at the moment of export from BiH customs area, export duties were collected, refund or forfeiting these duties shall be conditioned by filing of the request to the customs bodies and the following shall be enclosed to that request:

- a) document showing planning, when certain amount already collected;
- b) original declaration for placement into free turnover of returned goods or copy of such declaration verified by the customs office for re-import;

Customs office of re-import shall put, on the document, the following remark "Permitted entry of goods as returned goods in accordance with the Article 177 paragraph 2 item b) of the Law";

- c) a copy of export declaration, returned to the exporter at the moment of termination of export activities and procedure for that goods or copy of that declaration verified by the exit customs office.

When authorized customs body already has in possession data contained in one or several documents listed under previous items a), b) or c), this document or documents shall not be filed.

2. The request listed in the paragraph 1. of this Article shall be filed at customs office from the Article 448. of this decision within 12 months from the day of acceptance of export declaration.

Section 2 – Procedure for authorization of refund or forfeiting

Article 451

Customs body making the decision, may authorize termination of customs actions and procedures the refund or forfeiting depends on, prior to reaching the decision upon the request for refund or forfeiting. This authorization shall have no influence on its decision upon the request.

Article 452

Without the deviation from the Article 451. of this decision and until the decision on request for refund or forfeiting shall be reached, the goods that are subject to the requested refund or forfeiting shall not be relocated to some other location than the location listed in the request except when the filer of the request in advance authorizes customs office from the Article 448. of this decision, who, on its part, shall inform the decision-making customs body.

Article 453

1. When the request for refund or forfeiting pertains to the subject where additional information is required or when the goods require examination in order to ensure meeting of the conditions for refund or forfeiting prescribed by the Law and this title, decision making customs body shall undertake the required measures, when required request the assistance of the supervising customs office, listing the type of data required to collect or checks required to perform.

2. Supervising customs body shall immediately meet such request and forward data collected and results of performed checks to the decision making customs body.

Article 454

1. When decision making customs body possesses all required data, it shall make its decision in writing upon the request for refund or forfeiting in accordance with the Article 6. paragraph 2, 3. and 4. of the Law.

2. When the request is approved, the decision shall include all data required for its implementation.

Depending on circumstances, the decision shall list all or some of the following data:

- (a) data required for goods identification of the goods the decision pertains to;
- (b) basis for refund or forfeiting and recall to the appropriate Article of the Law and, when applicable, appropriate Article of this decision;
- (c) use that the goods may be placed into or destination it may be sent to, depending on available options in certain case in accordance with the Law and, when appropriate, based on special authorization by decision making customs body;
- (d) due date for termination of actions and procedures refund or forfeiting depends onto;
- (e) quotation that import or export duties shall not be returned or collection not forfeited prior to executive customs body informing decision making customs body that the actions refund or forfeiting depends onto are completed;
- (f) data on any conditions subjecting the goods further until the implementation of the decision;
- (g) instruction informing the recipient that the original of the decision shall be forwarded to the executive customs body at presentation of the goods.

Article 455

1. Executive customs office shall take measures to ensure:
 - when appropriate for the conditions from the Article 454 paragraph 2 item (f) of this decision to be met;
 - that, in all cases the goods are actually used in the manner or sent to the destination listed in the decision on refund or forfeiting.
2. When the decision quotes that the goods may be located in customs warehouse, free zone or free warehouse and recipient uses this convenience, the required actions must be completed, and procedures, at executive customs office.
3. When the decision on refund or forfeiting provides the use goods shall be placed into or destination where it is to be sent to, it may be determined by some other customs office and not only executive customs office, the evidence on following of that condition shall be filed through control copy T5 issued and used in accordance with the provision of this Article and Articles 471 to 477 of this decision.

Control copy T5 shall include the following:

- (a) field 33 shall include BH tariff mark of the goods;
 - (b) in the field 103, in words, net quantity of goods shall be listed;
 - (c) the field 104 shall include, when required, either the words "exit from BiH customs area" or some of the following wordings titled as "other":
 - free delivery to the following humanitarian organization;
 - destruction under customs supervision;
 - declaration for the following customs procedure;
 - location into the free zone or free warehouse;
 - (d) field 106 shall include data from the decision authorizing refund or forfeiting;
 - (e) field 107 shall include words "Articles 446 to 470 of this decision".
4. Supervisory customs office, determining, or under whose responsibility it shall be determined that the goods are actually used for the quoted purpose or that it reached prescribed destination, shall fill out the field titled "Control of use and/or destination" of control document in such manner that, besides the remark "Obtained use and/or destination reported in the following page" shall put X and quote the appropriate date.
 5. When executive customs office determines that the conditions prescribed in the 1 of this Article are met, it shall inform decision-making customs body about it.

Decision-making customs body, reaching the decision on refund or forfeiting, shall execute refund or forfeit the collection of duties only upon receiving the information from the Article 455 paragraph 5 of this decision.

Article 457

1. When, at the moment of acceptance of the declaration for placement in free turnover, the request for refund or forfeiting is based on the existence of reduced or 0 customs rate of import duty on the goods within the tariff contingency, upper tariff limit or other preferential tariff arrangements, refund or forfeiting shall be authorized, conditioned that, at the moment of filing of refund or forfeiting request followed by required documentation:

- in the case of tariff contingent its quantity shall not be exhausted;
- in other cases, not re-introduced regular customs rate.

2. Failure to meet the conditions prescribed in the previous paragraph, refund or forfeiting shall, regardless of that, be approved when failure to apply reduced or 0 rate on those goods was a result of an error of customs bodies and declaration for free turnover included all data and was followed with all required documents for the application of reduced or 0 rate.

Article 458

1. Decision making customs body shall authorise refund or forfeiting:

a) When, besides the request for refund or forfeiting, the certificate on movement EUR.1, certificate on authenticity or other appropriate documents are filed, stating that the imported goods, at the moment of acceptance of the declaration for free turnover had the right to treatment as BiH goods, preferential tariff treatment or preferential tariff treatment due to the characteristics of the goods;

b) when the documents filed in such manner pertain specifically to the goods in question;

c) when all conditions related to the acceptance of such document are fulfilled;

d) that all other conditions for authorisation of the procedure as with BiH goods, preferred tariff treatment or preferential tariff treatment due to the characteristics of the goods are fulfilled.

2. Refund or forfeiting shall be performed upon presentation of the goods. When the goods can not be presented to the executive customs office, the decision making customs body shall authorize refund or forfeiting only when in possession of the information that, beyond the reasonable doubt, show that the certificate or document filed upon customs treatment, shall pertain to the aforementioned goods.

Article 459

Import duties shall not be returned or its collection forfeited in accordance with the Article 231 of the Law when:

- flow characteristics of the goods are considered at determination of the conditions of the contract, particularly price that the goods are declared for customs procedure under, including the obligation of import duties payment;
- importer sold the goods upon establishing its deficiency or that it fails to meet the conditions from the contract.

Article 460

1. Without the deviation from the Article 466 paragraph 1 item (c) of this decision, decision making customs body shall determine due date, not later than 2 months upon the date of notification on decision for refund or forfeiting, for termination of customs actions and procedures the refund or forfeiting the collection are subject to.
2. Failure to comply with the due date from the paragraph 1 of this Article shall lead to the loss of right to refund or forfeiting except when the person interested for the decision shall prove being unable to follow this due date due to the unforeseen circumstances or force major.

Article 461

When, at destruction of goods, authorized by decision making customs body, there are remains and scrap, upon making the decision accepting the request for refund or forfeiting such remains and scrap shall be considered goods that are not BiH goods.

Article 462

When applied provisions of the Article 231 paragraph 2 item (b) of the Law, customs bodies shall undertake all required steps to ensure that the goods located in customs warehouse, free zone or free warehouse may be afterwards recognized as goods that are not BiH goods.

Article 463

When the entire Article is not exported, re-exported or destroyed in total, or its second customs authorized procedure or use fails to be authorized, then one or more parts or components of that Article, the amount that shall be refunded or forfeited from collection shall be the difference between import duties onto the whole Article and amount of import duties that shall be paid to the remaining of the goods if it were declared in unchanged condition for customs procedure including payment of such duties on the day when the entire Article was declared in such manner.

Article 464

The amount from the Article 233 of the Law shall be determined in the amount of BAM 20,00 .

CHAPTER 3

Special provisions pertain to the implementation of Article 232 of the Law

Section 1 – Decisions issued by customs bodies

Article 465

1. When customs body issuing the decision establishes that the request for refund or giving up, filed in accordance with the Article 232 paragraph 2 of the Law is based:

- on the basis corresponding one of the circumstances from the Articles 466 to 469 of this decision and that they do not occur because of fraud or obvious negligence of the determined person, it shall issue refund or give up the collection of certain amount of import or export duties.
- on the basis corresponding one of the cases from the Article 470 of this decision, it shall not perform the refund or give up collection of certain amount of import or export duties.

2. In other cases customs body issuing the decision shall determine itself on authorization of refund or giving up collection of import or export duties in special situation that occurs from the circumstances when certain person cannot be assigned fraud or obvious negligence.

3. In the sense of Article 232 of the Law and this Article "determined person" shall mean a person or persons from the Article 447. paragraph 1. of this decision, i.e. their representatives and any other person involved in performance of customs activities and procedures pertaining to the certain goods or issuing required instructions for performance of those activities and procedures.

Article 466

1. Import duties shall be returned or collection given up when:

(a) goods that are not BH goods and that are listed for customs procedure including full or partial exemption from import duties, or goods listed for free turnover with suitable tariff treatment based on its final consumption, stolen, under the condition that the goods were immediately found and re-listed for its initial customs status in the state it had when it was stolen;

(b) the goods that are not BH goods, by an error is withdrawn from the customs procedure it was listed for and that includes full or partial exemption from aforementioned duties, under the condition that, as soon as an error is discovered, the goods shall be immediately returned and re-listed to its initial customs status in the state it had when it was withdrawn;

(c) it is impossible to initiate mechanism for opening of the transport asset where the goods that are previously put into the free turnover are located and, thus, it is impossible to unload the goods upon arrival to its destination, under the condition that the goods are to be immediately re-exported;

(d) the goods that were initially placed in free turnover, upon that was returned to the deliverer who is not from BiH, in accordance with the arrangement of foreign processing, in order to provide free of charge removal of found errors existing prior to placing the goods into free

turnover (even when discovered upon placing the goods into free turnover) or to adjust the goods in accordance with the provisions of the agreement the goods were placed in free turnover by, and the aforementioned deliverer decides to keep the goods permanently due to inability to remove the errors or due to the cost ineffectiveness of that;

(e) it is discovered, upon the decision of customs bodies to execute posting of import duties upon customs treatment of the goods that placed prior to that into free turnover with full exemption from these duties that the goods are re-exported from BiH customs area without customs supervision, conditioned that it is established that the significant conditions prescribed by the Law for Refund or give up of such import duties would, indeed be met at the moment of re-export that this amount was collected when the goods were placed into free turnover;

(f) the court body banned turnover of certain product that was previously declared for customs procedure, which binds the person in question to pay import duties under ordinary conditions, and that product is re-exported from the BiH customs area or is destroyed under customs bodies control, conditioned that it is determined that the product in question was not actually used in BiH;

(g) the goods were declared for customs procedure including the obligation of payment of such duties by the declarer who is authorized to do that upon his/her own initiative and it was impossible to deliver the goods to the recipient, not due to the declarers error;

(h) sender addressed goods to the wrong recipient;

(i) it is determined that the goods are inappropriate for the use holder intended it for, due to the evident error in his/her order;

(j) it was determined that, upon placing into customs procedure including the obligation of duties payment, the goods were not in accordance with the existing regulation pertaining to the use or turnover, at the moment of its placement into the procedure, and due to this it can not be used for the purpose holder intended it for;

(k) recipient was prevented or significantly limited in use of the goods for the purpose intended, due to the general measures issued by the authorized bodies upon the date of placement of the goods into customs procedure including the obligation of import duties payment;

(l) complete or partial exemption from import duties, that the determined person filed the request for in accordance with valid regulations cannot be authorized, not due to the error of the determined person, by the customs bodies, who then post the import duties due;

(m) the goods reached the recipient upon the expiry of mandatory due dates for the delivery determined in the contract that the goods were declared by for the customs procedure, including the obligation of payment of import duties;

(n) it was not possible to sell the goods in BiH customs area so it was provided to the humanitarian organizations free of charge:

- performing its activities in other country, conditioned that they are not represented in BiH; or

- which perform their activities in BiH customs area, conditioned that they hold the right to the exemption in the case of import for free turnover of similar goods from other countries.

(o) customs debt occurred in other manner than the one mentioned in the Article 193 of the Law and determined person is able to file the certificate on movement EUR -1 or other adequate document proving that in the case it was declared for free turnover, the imported goods would hold the right to treatment as BiH goods or preferential tariff treatment, conditioned that all other conditions from the Article 458 of this decision are met.

2. Refund or forfeiting the collection of import duties in the cases from paragraph 1 items (c) and (f) to (n) of this Article shall, except when goods are destroyed per order of authorized body or provided, free of charge, to the humanitarian organizations performing their activities in BiH, shall be conditioned by its re-export from BiH customs area under the supervision of customs bodies.

When requested from it, decision-making body shall allow the replacement of re-export of the goods with its destruction or placement, for the purpose of re-export, in transit procedure, customs storing or into the free zone i.e. free storage.

Goods requiring one of these treatments shall be considered goods that are not BiH goods.

In this case, customs bodies shall take all required measures to ensure that the goods located in customs warehouse, or free zone i.e. free warehouse, may be later recognized as goods that are not BiH goods.

3. Besides the aforementioned conditions, supervisory customs office shall see that the goods were not used or sold prior to its re-export.

Article 467

1. Import duties shall be refunded or collection forfeited when:

(a) the goods, declared by an error for customs procedure including the obligation of import duties payment, are re-exported from BiH customs area without previous declaring for customs procedure it was supposed to be placed under, conditioned that all other conditions prescribed in the Article 230 of the Law are fulfilled;

(b) goods are re-exported or destroyed in accordance with the Article 231 paragraph 2 item (b) of the Law, without customs supervision, under the condition that all other conditions prescribed in the aforementioned Article are fulfilled;

(c) goods are re-exported or destroyed without customs supervision in accordance with the Article 466 paragraph 1. item (c) and (f) to (n) of this decision, under the condition that all other conditions prescribed in the Article 466 paragraphs 2 and 3 of this decision are fulfilled.

2. Refund or forfeiting the collection of import duties under the circumstances from the paragraph 1. of this Article shall be conditioned with:

a) filing of all evidence required to the decision-making customs body to be enabled to see that the goods that the refund or forfeiting are requested for is:

- actually re-exported from BiH customs area; or
- destroyed under supervision of authorities or persons officially authorized to confirm such destruction;

(b) return of every document to decision making customs body, confirming BiH status of certain goods, under whose coverage the aforementioned goods could leave BiH customs area or by filing any evidence the aforementioned body finds required in order to be convinced that the aforementioned document can not be further used related to any import of goods in BiH.

Article 468

1. In the sense of the Article 473 paragraph 2 of this decision:

(a) As evidence required to enable the decision making customs body to verify that the goods the refund or forfeiting is requested for was, in fact, re-exported from BiH customs area, the filer shall enclose:

- original or verified copy of the declaration for export of the goods outside BiH customs area and
- certificate of customs office where the goods actually left BiH customs area.

When such certificate cannot be filed, the evidence that the goods left BiH customs area may be filed in the form of:

- certificate of customs office in destination country, confirming arrival of goods; or
- original or verified copy of customs declaration, filed for those goods in destination country.

These documents shall be followed by administrative and trade documentation enabling the decision-making customs body to check whether the goods that were exported from BiH customs area are the same goods declared for customs procedure including the obligation of import duties payment. The documentation is as follows:

- original or verified copy of the declaration for the aforementioned procedure; and
- when decision making customs body finds it required, trades or administrative documents (such as invoices, data on delivery, transportation documents or health

certificates) containing full description of goods (trade description, quantities, marks and other data for identification) filed with the declaration for the aforementioned procedure of with the declaration for the export from BiH customs are or with the declaration filed for those goods in destination country, depending on the case;

(b) As evidence required to enable decision making customs body to view that the goods the refund or forfeiting is requested for is actually destroyed under the supervision of the bodies or persons authorized to confirm such destruction officially, the requestor shall enclose:

- record or declaration on destruction prepared by the body under whose supervision the goods were destroyed, i.e. verified copies of the same; or
- confirmation prepared by the person authorized to confirm the destruction, followed with the evidence on his/her authorization.

The documents shall include sufficiently detailed description of the goods destroyed (trade description, quantities, marks and other identification data) in order to enable customs bodies to view by comparison with the data listed in declaration for customs procedure, including the obligation of import duties payment, and from the following trade documentation (invoices, data on delivery etc.) that the destroyed goods are the goods declared for the aforementioned procedure.

2. When the evidence from the paragraph 1. of this Article is insufficient to enable customs body to reach the decision with full view into the facts, i.e. when certain evidence is not available, such evidence may be fulfilled or replaced with all other documents this body finds required.

Article 469

1. Placing returned goods into free turnover, where the export duties are collected at its export from the BiH customs area provides the right to refund of duties collected.
2. Paragraph 1 of this Article shall be applied even when the returned goods represent only a portion of the goods previously exported from BiH customs area.

Article 470

Refund or giving up the collection of import duties shall not be authorized when the request for refund or giving up collection is based only on some of the following cases:

(a) re-export from BiH customs area of the goods that were previously declared for customs procedure including the obligation of payment of import duties, from the reasons different from the ones listed in the Article 230 or 231 of the Law or in the Articles 466 or 467 of this decision of particular omission to sell the goods;

(b) destruction due to any reason except in the cases specifically prescribed by BiH laws, goods declared for customs procedure including the obligation of import duties payment upon its releasing from the supervision by customs bodies;

(c) filing, for the purpose of obtaining preferential tariff treatment for the goods declared for free turnover, the documents that, additionally are determined to be false, forged or invalid for that purpose even when such documents are filed in good intention.

PART V CONTROL OF USE AND/OR DESTINATION OF THE GOODS

Article 471

1. In the sense of this part:

(a) "supervising bodies" shall mean customs bodies responsible for the implementation of the provisions of this part;

(b) "office" shall mean customs office responsible for the implementation of the provisions of this part;

(c) "control sample T5" shall mean the original and sample T5 prepared on the forms from the appendix 44 and which, when necessary follow one or more copies of the form T5 *bis*, or one or more originals and copies of loading list T5, corresponding the form from the aforementioned appendix.

The forms shall be printed and filled out in accordance with the explanation provided in the appendix 44.

2. When the application of BiH regulations, related to the imported, exported or goods moving through BiH customs area, is a subject to the evidence of meeting the conditions provided for or stipulated by this measure for use and/or destination of the goods, such evidence shall be provided by filing control sample T5, filled out and used in accordance with the provisions from this part.

3. All goods listed in given control sample shall be loaded onto the single transport asset in the sense of the Article 223 paragraph 1 subparagraph two of this decision and shall be intended to one recipient and for the same use and/or destination.

The authorized bodies may allow for the form corresponding to the sample from the appendix 44 to be replaced by loading lists T5 prepared by the technique of data processing or described lists prepared for the purpose of conduct of export activities and procedures, including all data prescribed in the form from appendix 44, conditioned that such lists are prepared and filled out in such manner that the customs bodies may use them without difficulties and that they provide all security elements these bodies find suitable.

4. Besides obligations imposed by special regulations, each person signing control copy T5 shall be requested to put the goods described in that document in the declared use and/or declared destination.

Person signing control copy T5 shall be held responsible in the case that anybody misuses any control copy T5.

Article 472

1. Control copy T5 shall be filled in the original and in no less than one copy. Every copy has to bear the original signature of determined person and contain all data pertaining to the description of goods and all other data required based on the provisions of the valid regulations of BiH requesting control.

2. When the existing regulations of BiH, requesting control, stipulate filing of the guarantee, it shall be filed to the customs office issuing control copy T5.

In this case, in the section 106 of the form T5, the remark "Guarantee filed in the amount of BAM ... " shall be entered.

3. When valid regulations of BiH, requesting the control prescribe the due date for determining certain use and/or destination of the goods, in the section 104 of T5 form the remark "Termination due date days" shall be entered.

4. When the goods are placed in customs procedure, control copy T5 shall be issued by customs office where the goods are sent from. The documents for the procedure shall include the recall of the issued control copy T5. Similarly, the section 109 of the issued T5 form shall include protocol number of the document used for the procedure.

5. When the goods are not placed in customs procedure, control copy T5 shall be issued by the customs office where the goods are sent from.

The section 109 of T5 form shall include the remark "Goods not included in customs procedure".

6. Control copy T5 shall be verified by customs office from the paragraphs 4 and 5. Such verification shall include the following data entered in the field A (initial office) of those documents:

(a) in the case of T5 form, title and stamp of customs office, signature of authorized person, and date of verification and registry number that can be prior printed;

(b) in the case of T5 bis or loading list T5, registration number shall be included, located in the form T5. This number shall be entered by the stamp containing title of customs office, or by hand; in this second case it shall be followed by the official stamp of the aforementioned office.

7. Except when otherwise stipulate in the existing BiH regulations, requiring control of use and/or destination of goods, the Article 229 of this decision shall be applied *mutatis mutandis*.

Customs office from the paragraphs 4. and 5. of this Article shall examine the shipment and fill out and verify section D "Initial office control" at the front page of T5 form.

8. Customs office from the paragraphs 4 and 5 of this Article shall keep one copy of each T5 form. The originals of such documents shall be returned to the determined person upon completion of all administrative actions and procedures and sections A (initial office) and B (return to the person) of T5 form are correctly filled out.

9. The Article 232. of this decision shall be applied *mutatis mutandis*.

Article 473.

1. The goods and originals of control copies T5 shall be shown to the destination office.

Except when otherwise stipulated by BiH regulations requesting the control of use and/or destination of goods, destination office may allow the goods to be delivered directly to the recipient under the conditions determined by this office in order to perform control of goods at, or upon its arrival.

Every person showing to the destination office control copy T5 and shipment it pertains to, may, upon the request, obtain a certificate prepared on the form from the appendix 33. The certificate shall not replace control copy T5.

2. When the existing BiH regulations require the control at the entry of goods into the BiH customs area:

- for the goods departing through sea freight, the destination office shall be the office authorized for the port where the goods are loaded onto the vessel;
- for the goods departing through airfreight, the destination office shall be the office authorized for the international airport in BiH in the sense of the Article 100. item (b) of this decision, where the goods are loaded onto the aircraft flying to the airport outside of BiH;
- for the goods departing by any other manner of transport, the destination office shall be the exit office from the Article 396 paragraph 2 of this decision.

3. Destination office shall perform stipulated or prescribed controls of the use and/or destination of goods. It shall record the data from the control copy T5 and results of executed controls, and keep one copy of the aforementioned document when required.

4. Destination office shall return the original of control copy T5 to the address listed in the section B ("Return to") of the form T5, upon the termination of all actions and procedures and entering of all remarks.

Article 474

1. When issuing of control copy T5 requires the guarantee in accordance with the Article 472 paragraph 2 of this decision, the provisions of the paragraphs 2 and 3 of this Article shall be applied.

2. When certain quantities of goods have no determined use and/or destination until the expiry of the due date in accordance with the Article 472 paragraph 3 of this decision, the authorized customs bodies shall take the measures required to enable the office from the Article 472 paragraph 2 of this decision to collect, when possible, with filed guarantees, the portion of duties corresponding to that quantity.

However, upon the request of determined person, these bodies may decide to collect from the guarantee, when required, the amount of duties obtained in the following manner:

- amount of duties for quantity of goods that did not pass prescribed use and/or destination prior to the end of prescribed period, shall be divided by the number of days the use is authorised for;
- this result shall be multiplied by the number of days exceeding the period.

This paragraph shall not be applied when determined person can prove that the certain goods were lost due to the force major.

3. When, in the period of six months, either from the day of issuing of control copy T5 or from the day of expiry of the due date listed in the section 104 of the form T5 under "Due date of days for completion", depending on the case, this copy, properly verified by the destination office, fails to reach the return office listed in the section B of the document, the authorized customs bodies shall undertake required steps to request from the office from Article 472 paragraph 2 of this decision to execute the collection from the guarantee prescribed in that Article.

This paragraph shall not be applied when the delay in returning of control copy T5 can not be assigned to determined person.

4. The provisions of the paragraphs 2 and 3 of this Article shall be applied, except when otherwise stipulated by the existing regulations of BiH, requesting the control of use and/or destination of goods at any case, without the exception from the provisions pertaining to the customs debt.

Article 475

1. Except when otherwise stipulated by the existing regulations of BiH requiring the control of use and/or destination of goods, the control copy T5 and shipment it follows may be divided prior to the completion of the procedure the form is issued for. The shipments obtained by such division can be further divided.

2. The office where the division is completed shall issue, for each part of divided shipment, in accordance with the Article 472 of this decision, control copy T5 as a listing of initial control copy T5.

Each excerpt shall include, amongst other, additional data listed in the fields 100, 104, 105, 106 and 107 of initial control copy T5, net mass and net quantity of goods that this excerpt pertains to. In the field 106 of the form T5, used for each excerpt, the words "Excerpt of initial control copy (registry number, date, office and country of issuing): ..." shall be entered.

Field B "Return to ..." of the form T5 shall include the data listed in adequate field of the initial form T5.

In the filed J "Controls of use and/or destination" of the initial T5 form the formulation "issued ... (number) of excerpt – copies enclosed" shall be entered.

Initial T5 form shall be returned, without the delay to the address listed in the field B "Return to ..." of the form T5, along with the copies of issued excerpts.

The office where the division is conducted shall keep a copy of initial control form T5 and excerpts. The originals of the excerpts of control copy T5 shall follow every part of the divided shipment to the appropriate destination offices where the provisions from the Article 473 of this decision shall be applied.

3. Paragraph 2 shall be applied *mutatis mutandis* in the case of further division in accordance with the paragraph 1 of this Article.

Article 476

1. Control copy may be issued retroactively, under the condition that:

- determined person is not responsible for non-filing of the request or issuing of that document when the goods were shipped, or that he/she can provide the evidence that this omission did not occur due to any fraud or obvious negligence on his/her part;
- determined person files the evidence that control copy T5 pertains to the goods all actions and procedures were completed for;
- determined person provided the documents required for issuing of the aforementioned control copy T5;
- it is determined by the authorized customs bodies that retroactive issuing of control copy T5 can not lead to ensuring the financial benefit that would not be allowed in the sense of procedure used, customs status of the goods and its use and/or destination.

When the control copy T5 is issued retroactively, it shall contain the remark in red writing "Issued retroactively" and interested party shall enter the identification of transport asset the goods were transported by, date of departure and, when required, the date when the goods were shown at destination office.

2. Duplicates of control copies T5 and excerpts of control copies T5 may issue only the issuing office upon the request of determined person in the case of the loss of originals. The duplicate

shall carry a seal of the office, signature of authorized official and in large red letters word "DUPLICATE".

3. Control copies T5 issued retroactively and duplicates the destination office may verify only upon determining that the goods the document in question covers has determined use and/or destination prescribed by valid regulations of BiH.

Article 477

1. Authorized customs bodies may authorize through an a uthorization every person meeting the conditions prescribed in the paragraph 4. of this Article intending to address the goods that requires preparation of control copy T5 (hereinafter "authorized sender") in order not to show to the initial office either subject goods or control copy T5 covering it.

2. In the sense of control copy T5, used by authorized senders, the authorized customs bodies may:

(a) prescribe use of the forms carrying recognizable sign as a tool of identification of the authorized sender;

(b) prescribe that the field A of the form, "Initial office"

- is verified in advance by the seal of the initial customs office and signed by the officials of that office; or
- is verified by the authorized sender by the stamp corresponding the copy from the appendix 24; or
- contains already printed special stamp corresponding the copy from the appendix 24 when printed by the printing company authorized for that purpose. This printed stamp may be entered through the integrates data processi ng system as well;

(c) authorize authorized sender not to sign the forms verified by special authorized stamp from the appendix 24, prepared by the integrated data processing system. In this case, the space left for the signature of declarer in the field 110 of the form shall include the words "Exempt from signature - Article 477 of the decision....".

3. Authorized sender shall fill out control copy T5, entering required data including:

- in field A ("Initial office") date when the goods were sent and number of declaration; and
- in field D ("Control by the initial office") verification "Simplified procedure – Article 477 of the decision...".

and when required, the data on due date when the goods must be shown at the destination office, applied identification measures and recall of the shipping document.

For this correctly filled out copy, and when necessary, signed by the authorized sender, it shall be considered issued by the office marked by the seal from the paragraph 2. item (b) of this Article.

Upon sending the goods, the authorized sender, without the delay, shall send to the initial office a copy of T5 form, along with the document that was a basis for preparation of control form T5.

4. The authorization from the paragraph 1 of this Article shall only be given to the persons frequently sending goods, whose evidence provides for the authorized customs bodies to perform the examination of the activities of such office and who did not commit serious or repeated violations of existing regulations.

The authorization particularly determines:

- customs office or offices authorized to act as initial offices for shipments;
- due dates for the procedure, used by the authorized sender to inform the initial office on shipment that requires sending, in order for the office to be able to conduct all controls required by BiH regulations prior to the sending of the goods;
- due dates when the goods must be shown at the destination office; this due date shall be determined in accordance with transport conditions or BiH regulations;
- measures required for the purpose of goods identification, that may include use of special seals that shall be authorized by customs bodies and placed by the authorized sender; means of guarantee when this conditions issuing of the control copy T5.

5. Authorized sender undertakes all required measures to ensure preservation of special seal or forms carrying seal print of the initial office or seal print of special seal.

Authorized sender shall carry all consequences, particularly financial ones, of any errors, omissions, or other irregularities on control copies T5 that were prepared or made during the conduct of actions he/she is obliged to perform in accordance with the authorization stipulated in the paragraph 1 of this Article.

In the case that any person misuses pre-stamped control copies T5 with the seal of initial office or special seals, the authorized sender shall be liable, without deviations from criminal procedure, for payment of duties and other obligations that were unpaid due to such misuse, except when proving to the authorized bodies that authorized him/her that he/she has undertaken all required measures to secure preservation of special seal or forms containing the print of the seal of initial office or print of the special seal.

PART VI FINAL PROVISIONS

Article 478

This decision shall become effective on the eight day upon the day of its publishing in the "Official Gazette of BiH", and it shall be applied as of January 1, 2005.

Article 479

On the day of implementation of this decision the Decision on Implementation of the Law on Customs Policy of Bosnia and Herzegovina ("Official Gazette of Federation of BiH", # 59/01 and 6/04) and Decision on Implementation of the Law on Customs Policy of Bosnia and Herzegovina ("Official Gazette of RS", # 35/02) and other regulations previously regulating the issues defined within this decision, shall cease to exist.

CoM # 296/04.
December 16, 2004
Sarajevo

Chairman of the
BiH Council of Ministers

Adnan Terzic, personally