

**Guidelines**

**Customs**

**Warehousing**

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## 1. Introduction

### 1.1 What are these guidelines about?

These guidelines explain the storage arrangements known as customs warehousing. Under these arrangements payment of customs duties and/or VAT is suspended or delayed when non-domestic goods are stored in premises authorised as a customs warehouse.

This notice will help the person concerned decide whether customs warehousing will suit his requirements, either as a warehousekeeper or as a warehouse user. Later Parts give guidance on specific aspects such as authorisations, receipts into warehouse and control of the warehoused goods, right through to removals from warehouse.

### 1.2 The law on customs warehousing

The law on customs warehousing is contained in the Customs Code of Kosovo and in the Administrative Instruction No .8 of 10 June 2004 laying down provisions for customs procedures.

Any person who makes a false declaration or provides untrue information about goods entered to or removed from customs warehousing may be liable to penalties under Customs Code of Kosovo. This also applies to declarations made using simplified procedures.

These guidelines **are not** the law. It is UNMIK-Customs' view of what the law says and nothing in these guidelines takes the place of the law.

### 1.3 How best to use these guidelines

There are different ways to benefit from the customs warehousing procedure with varying conditions and requirements. A warehousekeeper/depositor should use these guidelines to help him decide whether or not the use of customs warehousing has a part to play in his operations, in particular:

- (a) if his operations are processing based, with little need for storage, then another customs procedure may be more appropriate (such as Inward Processing);
- (b) if he wants to benefit from customs warehousing but does not want the responsibilities of a warehousekeeper, he may choose to be a depositor in a public warehouse;
- (c) if he wants to be authorised for a customs warehouse, what type is most suitable for his business;
- (d) whether or not he can satisfy the requirements for authorisation;
- (e) whether he wants to make declarations using the local clearance procedure for removals for free circulation from customs warehousing (see Part 8);
- (f) what records he needs as an authorised warehousekeeper (see paragraph 2.12);
- (g) how to enter goods for the customs warehousing procedure and especially the responsibilities of a depositor (see Part 3);
- (h) requirements when goods are received at the warehouse (see Part 3);

(i) what forms of handling are allowed on warehoused goods (see Part 4) and the requirements for temporary removals (see Part 5);

(j) how other kinds of goods can be stored with customs warehousing goods in his authorized premises or storage facilities (see Part 6);

(k) use of the transfer system (see Part 7);

(l) how to remove goods from customs warehousing (see Part 8).

#### **1.4 Who should read these guidelines**

Anyone should read this notice if he:

- wants to be authorised to operate a customs warehouse (as the **warehousekeeper**); or
- wants to store goods in a customs warehouse (as a **depositor**).

#### **1.5 The advantages of customs warehousing**

Customs warehousing is particularly useful if the warehousekeeper/depositor:

(a) wants to delay paying customs duty and/or VAT on his stocks of imported goods;

(b) wants to delay having a customs treatment applied to imported goods;

(c) wants to re-export non-domestic goods (in which case import duty and/or VAT may not be payable at all);

(d) has difficulty at the time of import in meeting particular conditions (such as certain import licensing requirements);

(e) wants to discharge another customs procedure (such as IPR) without physically exporting the goods; or

(f) wants to use a customs warehouse for co-storage of goods subject to another customs procedure (such as free circulation, inward processing (IPR), processing under customs control (PCC)).

#### **1.6 Definition of a customs warehouse**

A customs warehouse can be any defined location (such as premises or place) authorised by UNMIK-Customs for storing non-domestic goods that are:

- chargeable with customs duty and/or VAT; or
- otherwise not in free circulation.

Depending on the circumstances, a defined location can be the whole of a building, a small compartment in a building, an open site, a silo or a storage tank.

See paragraph 1.10 for further information on the structural standards required for a customs warehouse.

## 1.7 Public and private customs warehouses

A customs warehouse can be either a **public** or a **private** warehouse.

A **public** warehouse is authorised for use by warehousekeepers whose main business is the storage of goods deposited by other traders (depositors).

A **private** warehouse is for the storage of goods deposited by an individual trader authorised as the warehousekeeper. The warehousekeeper need not necessarily own the goods but must be the depositor.

## 1.8 Types of customs warehouses

Kosovo legislation allows for 3 different types of customs warehouse, classified as **A**, **C** and **D**.

Type	Description
<b>A</b>	A public warehouse
<b>C</b>	The basic private warehouse
<b>D</b>	An alternative private warehouse, appropriate to traders who primarily import goods for free circulation. Any removals to free circulation must be made using the local clearance procedure (see Part 8) using the rules of assessment established when the goods are entered for the warehousing procedure. The rules of assessment cover the nature, value and quantity of the goods

## 1.9 Location of the warehouse

Warehouse **types A, C and D** have their physical location defined and the same location cannot be authorised for more than one of these customs warehouse types. The defined location can include many sites (referred to as multi-sited).

Multi-sited **type A, C and D** warehouses cater for more than one storage location and movements between one such site and another is permitted without any official documentation (see paragraph 7.2 (a)). However, the warehouse stock records or system of accounting and record keeping must be capable of identifying the location of goods at all times.

## 1.10 Structural standards required for a customs warehouse

In general, any premises, which afford reasonable structural security and safe access, may be authorised.

The warehousekeeper must maintain the premises/storage facilities and operate the warehouse in a way that meets the requirements of all Health and Safety legislation.

## 1.11 Goods that can be stored in a customs warehouse

The following goods **can** be stored in a customs warehouse:

- non-domestic goods liable to customs duties and/or VAT (whether or not eligible for preference);
- non-domestic goods for which necessary supporting documents (such as licence) are not available at the time of import;

- non-domestic goods imported under another suspensive regime (such as IPR or temporary importation (TI)) warehoused for export from Kosovo;
- non-domestic PCC products;
- non-domestic goods that are not subject to a full rate of customs duty in the tariff, but are liable to import VAT;
- non-domestic goods in free circulation that are subject to a claim under the Rejected Imports arrangements (goods subject to repayment or remission of import duty).

### **1.12 Goods that cannot be stored in a customs warehouse**

The following goods **may not** be stored in a customs warehouse:

- meat, meat products and other goods subject to the Veterinary Checks regime unless the required import licence and/or health certificate have been presented and veterinary checks have been completed at the frontier;
- non-domestic goods subject to prohibitions or restrictions applicable at the point of entry into Kosovo unless necessary supporting documents (such as import licences, permits or other supporting documents) have been presented.

### **1.13 Time limit for storage**

Generally warehoused goods can be stored for an unlimited period.

### **1.14 Responsibilities of a warehousekeeper**

If a person is authorised to operate a customs warehouse, he is responsible for:

- the security and proper control of the warehoused goods, including maintaining stock records for those goods throughout the customs warehousing procedure and accounting for any shortage;
- ensuring that the conditions of his customs warehouse authorisation and all customs obligations are met;
- fully co-operating with Customs in their supervision of his authorisation; and
- allowing Customs access to the warehouse premises, his warehouse records and to the warehouse goods at all reasonable times.

### **1.15 Responsibilities of a depositor**

The person who placed the goods under the customs warehousing procedure - a depositor in a public warehouse or a private warehousekeeper - is bound by the declaration placing the goods under the procedure. He must ensure that:

- the goods are sent directly to the warehouse shown on the declaration; and

- that the customs warehousing procedure is discharged by declaration of the goods to another customs approved treatment or use.

If he is using a public warehouse, he is responsible for providing the warehousekeeper with all the necessary details of the declaration that entered the goods to the customs warehousing procedure to enable the warehouse stock records to be updated (such as the quantity and a description of the goods).

#### **1.16 Limitations on retail sales in a customs warehouse**

Retail sales are prohibited in a customs warehouse. The **only** exceptions are where goods are retailed with relief from import duties:

- to travellers to other countries (such as from airside shops at airports);
- under diplomatic or consular arrangements; and
- to members of UNMIK, KFOR, UNHCR, ICRC, Red Cross and Red Crescent Societies, and NGOs registered with UNMIK with public benefit status.

#### **1.17 VAT on supplies of goods in customs warehousing**

Sales or other supplies of imported goods which remain within the customs warehousing arrangements are disregarded for VAT purposes provided the sales or supplies take place before removal to free circulation or, where customs duty is chargeable, before removal to home use.

#### **1.18 Security for duty and/or VAT on warehoused goods**

The Director General may ask for financial security in the form of a bankers guarantee. Further details on the security requirements can be found at paragraph 2.11.

#### **1.19 Taking samples of warehoused goods**

Should the warehousekeeper/depositor wish to remove goods from the customs warehousing arrangements for sample purposes he will need to submit a written request to the supervising office. Once the authorisation has been received samples may be taken and removed from the warehouse without payment of customs duty and/or VAT, provided that, singly or collectively, they are of negligible value and are of a kind and in a quantity capable of being used for soliciting orders for similar goods or for quality control purposes.

## 2. Authorisation

### 2.1 General information about authorisations

The warehousekeeper needs to be authorised by UNMIK-Customs to set up and operate a customs warehouse.

### 2.2 Basic conditions for authorization

<b>Before UNMIK-Customs authorises a new customs warehouse they must be satisfied that:</b>	
<b>1</b>	the applicant is established in Kosovo
<b>2</b>	the warehouse is intended to be used primarily for the storage of goods
<b>3</b>	there is a genuine economic need for such facilities, either sufficient potential trade for a public warehouse to be viable or sufficient benefits to the applicant for a private warehouse (such as the amount of re-exports, customs duty suspended)
<b>4</b>	the applicant is able to comply with the conditions of authorisation; and
<b>5</b>	Customs have sufficient resources to oversee the setting up of the customs warehouse and also to carry out the necessary checks on the warehousekeeper's control systems and records and on the goods stored.

### 2.3 Additional considerations for a type D warehouse

As the Local Clearance Procedure (LCP) will be used to remove goods for free circulation from the customs warehousing procedure as part of a type D warehouse authorisation (see paragraphs 1.8 and 8.3 (f)), the LCP will also need to be authorised.

### 2.4 Application for authorisation

An authorisation to operate a customs warehouse should be applied for by completing the form in Part 9. The completed and signed application must be sent to the Director General of UNMIK-Customs.

### 2.5 Customs visits

UNMIK-Customs will arrange to visit the applicant to confirm and clarify the information he has given them on his application form. This gives them the opportunity to explain the customs warehousing procedure in more detail by advising the applicant of what he has to do, for example, keeping warehousing records. In turn, this visit enables the applicant to raise any points that he does not fully understand.

During the period of the authorisation further visits may be made to inspect or audit the records to ensure that the warehousekeeper is complying with all the conditions of his authorisation.

### 2.6 Granting authorisation

The authorization will be made out on the form in Part 10. It will be sent to the person who applied for it, together with any special conditions relating to its use.

The authorisation number should be quoted on all official warehousing documents and in any correspondence with Customs.

If the authorisation is for a **type A** (public) warehouse the warehousekeeper should also notify the users of his warehouse of the customs warehouse authorisation number, as they will need it when filling in official documents for their goods. The customs warehouse authorisation will be issued without time limit.

## **2.7 Refusal of application for authorisation**

If the application is refused, the person concerned will not be eligible to receive goods entered for the customs warehousing procedure. UNMIK-Customs will inform him in writing of the reasons for their decision. The person concerned has the right to appeal against this decision.

## **2.8 Making alterations or amendments to the authorisation**

If any details of his business (for example name, address or ownership) change, the warehousekeeper must advise the Director General in writing. As the holder of the customs warehouse authorisation, he must ensure that **all** the details relating to the authorisation remain current and correct.

If it is just a change in trading name or style, not involving the transfer of business to another legal entity, the existing customs warehousing authorisation may be allowed to continue in the new name or trading style. Otherwise, it will be necessary for the warehousekeeper to re-apply for authorisation in the new name.

If there is a change of premises, the warehouse identification number may remain the same. The transfer of the goods to the new premises should be treated as an inter-warehouse transfer (see Part 7).

A change to the terms and conditions of the authorisation can also be requested, for example the area designated as the authorised location. To do this the Director General must be contacted and details of the reason for the change must be provided. If the request is agreed UNMIK-Customs will normally confirm this in writing and the notification should be attached to the authorisation. If appropriate, UNMIK-Customs will issue a new authorisation.

UNMIK-Customs can also change an authorisation themselves without a request from the warehousekeeper if they think it necessary to meet any changed circumstances.

## **2.9 Transfer of an authorisation to another person or company**

UNMIK-Customs do not allow the transfer of a warehouse authorisation.

<b>If the warehousekeeper sells his business as a going concern the prospective new owner must:</b>	
<b>1</b>	apply for a fresh customs warehousing authorisation
<b>2</b>	obtain a written agreement from the previous warehousekeeper to cancel his own authorisation in favour of the buyer which must accompany the application; and
<b>3</b>	accept any liability for duties that may be unpaid on the part of the previous warehousekeeper, ascertained by reference to the warehouse stock account or otherwise

The new customs warehousing application will be considered on its own merits and is not automatically accepted just because a previous authorisation had been granted for the same premises.

## 2.10 Cancelling an authorisation

A warehousekeeper can cancel his customs warehousing authorisation at any time by writing to the Director General. In his letter he must give the date by which he will no longer have customs warehousing goods in stock.

UNMIK-Customs may also cancel a customs warehousing authorisation if they find it has been issued on the basis of incorrect or incomplete information. They can also cancel the authorisation when the requirements of the customs warehousing procedure or the conditions of the authorisation have not been complied with. This includes situations where they consider the warehouse is no longer used sufficiently to justify the authorisation.

The warehousekeeper will be notified in writing of any action to annul or revoke his customs warehousing authorisation. When his authorisation is cancelled he will be given a date by which any remaining customs warehousing goods must be removed to another customs procedure.

## 2.11 Security

Before authorisation is granted, UNMIK Customs will require the warehousekeeper to provide security, normally in the form of a guarantee. They will review the need for security at regular intervals taking into consideration the compliance with the conditions of the customs warehousing authorisation.

## 2.12 Record keeping requirements

It is a condition of his customs warehousing authorisation that the warehousekeeper maintains sufficiently detailed stock records to identify:

- receipt;
- stockholding,
- handling; and
- removal

of warehoused goods held under the customs warehousing procedure using an authorisation number. Customs need to be satisfied that the records give a complete history of the goods from the time of their entry to the warehouse to the time of their discharge from the customs warehousing arrangements.

The stock records must be kept at the warehouse premises for **types A, C and D** warehouses. In case of multi-sited warehouse, one of the sites must be designated as place of records. Normally commercial records will be sufficient, but Customs may require them to be adapted for their control purposes. If the warehousekeeper intends to keep computerized records he must contact Customs first to ensure that they meet the requirements of the customs warehousing procedure. He will be required to provide any technical information and assistance that Customs may need.

The warehousekeeper must keep his stock records and any associated documentation (for example: customs declarations, invoices, contracts, orders, bills of exchange, payment slips, etc) for **at least 3 years** after the date of removal of the goods from the customs warehousing arrangements. If convenient, he can use a microfilm or computer medium but he must produce these records in a legible form on request and allow Customs to take copies as required.

A depositor in a public warehouse must maintain records that provide evidence of the details of entry to the customs warehousing procedure and removal from the customs warehousing procedure (for example: customs declarations, invoices, contracts, orders, bills of exchange, payment slips, etc) for 3 years from the date of entry.

### **2.13 Maintaining an inventory**

If the warehousekeeper's normal commercial stock control system can meet Customs' requirements there is no need to have a separate list of stock numbers for Customs purposes.

If his system does not meet the requirements the warehousekeeper must maintain a stock number master list from which he must allocate a unique stock number to each consignment of goods entered to his warehouse. He can give separate stock numbers to different goods within the same consignment. The stock number will usually consist of the last 2 digits of the year, followed by a serial number in an annual series, such as 04/146. He must record in the stock number list (which identifies the consignment) the dates the account is opened and closed.

### **2.14 Stocktaking requirements**

Periodically Customs will ask the warehousekeeper to take stock of all the goods in his warehouse. The timing and nature of the exercise will be agreed with the warehousekeeper.

The warehousekeeper must also carry out a stock take if a stock discrepancy is likely because of incidents, such as a fire or break-in at the warehouse. Otherwise, there is no obligation to undertake stock checks on a regular basis for Customs purposes.

### 3. Placing goods under the customs warehousing procedure

#### 3.1 Entering goods to the customs warehousing procedure

<b>Goods can be entered for the customs warehousing procedure in any of the following ways:</b>	
<b>1</b>	directly from import (including former Transit movements) or from a free zone
<b>2</b>	after inward processing relief (IPR) or Processing under Customs Control (PCC)
<b>3</b>	after a claim for remission or repayment of import duty has been allowed in respect of rejected imports; or
<b>4</b>	after Temporary Import (TI)
<b>Goods already under the customs warehousing procedure can be re-warehoused in either of the following ways:</b>	
<b>1</b>	after being temporarily removed from the warehouse (see Part 5); or
<b>2</b>	on transfer from another customs warehouse in Kosovo (see Part 7 or 8).

#### 3.2 Initial action required by depositors at a type A warehouse

First, the depositor must confirm with the warehousekeeper that the warehouse he wishes to use is authorised for the storage of the type of goods he wishes to warehouse. He can then agree the terms of storage and the date of expected arrival of the goods as matters of ordinary commercial practice.

#### 3.3 Completion of the SAD

To enter goods to the customs warehousing procedure, the depositor must declare the goods for entry to customs warehousing on a SAD. In particular the following boxes should be completed with the following information:

<b>Box</b>	<b>Information to enter</b>
<b>1</b>	in the first subdivision "IM" and in the second subdivision the code 7
<b>8</b>	the name of the depositor of the goods in the customs warehouse shown in Box 49 unless it is clearly shown in Box 14 as the declarant. For a private customs warehouse, this will be the name, address and VAT number of the warehousekeeper
<b>31</b>	sufficient description of the consignment and the goods to enable the goods to be identified, including the container number for containerised consignments
<b>37</b>	a Customs Procedure Code (CPC) in the 71 serial. The second two-digit code used (previous procedure) will depend on whether the goods are imported directly from outside Kosovo (00) or subsequent to another customs procedure (for example IPR – suspension system 51).
<b>44</b>	the references of the customs warehousing authorization, the address of the customs warehouse in Box 49 and the code of the supervising office for the warehouse
<b>49</b>	the identification number of the customs warehouse that the depositor will be using for the storage of the entered goods under the customs warehousing procedure

### 3.4 Presenting the entry

For goods entered to customs warehousing directly from import, the entry must be presented to the customs office of importation. For **type D** warehouses, the following documents should be attached to the entry:

- a commercial invoice for the goods which supports the customs duty value declared; and
- a valuation declaration D.V. 1 if required by current valuation rules.

For goods entered to the customs warehousing procedure from another customs procedure, the customs office should be the one allowed as an office of entry for the customs warehouse and as the office of discharge for the customs procedure concerned.

**Note:** No separate security needs to be provided when presenting the declaration IM 7 since the warehousing procedure is already covered by a general security for the warehousing procedure (see paragraph 2.11).

### 3.5 Authorising an agent to act on the depositor's behalf

The depositor can use a third party for example, an agent or freight forwarder to complete his entries on his behalf but he must ensure that he gives **clear written instructions** for the goods to be entered to customs warehousing. Representation may be either direct or indirect.

**Direct representation** - the third party makes an entry in the depositors' name and on his behalf but the depositor is still responsible for any customs debt that may arise if an entry is incorrectly made.

**Indirect representation** - the third party makes an entry in their own name and they are jointly and severally liable with the depositor for any customs debt that may arise if an entry is incorrectly made.

The depositor must ensure that the third party sends him a copy of the entry to check that the details and customs warehousing CPC used are correct. A depositor using a **type A** warehouse should also ensure that a copy of the entry is sent by the agent to the warehousekeeper.

**Note: Third parties who enter goods to the customs warehousing procedure without written authority of the person in whose name the entries are made, will be liable for any customs debt incurred.**

### 3.6 Amending an entry

If goods are entered in error to another customs procedure or to free circulation instead of customs warehousing the depositor may be allowed to amend the entry provided that:

1	the application for amendment is received as soon as he becomes aware of the error and within 3 months of the date of entry;
2	the customs warehouse intended for storage was authorised to receive the goods at the time of entry;
3	the nature of the goods has not been altered and use of the goods has not contravened custom warehousing requirements; and
4	the goods will be immediately entered to customs warehousing

To request amendment of the entry the depositor must contact the customs office where the original entry was made and send a copy of the original documentation together with any evidence to support his request.

### **3.7 Customs release and receipt of the goods at the warehouse - Responsibilities of the depositor**

Once Customs release the goods for customs warehousing, it is the depositor's responsibility to ensure that:

(a) the goods are taken directly to the warehouse stated in Box 49 of the declaration without any delay and delivered intact;

(b) if he is using a **type A** warehouse, he provides the warehousekeeper with a copy of the declaration before or at the time of arrival of the goods at the warehouse;

(c) he provides the **type A** warehousekeeper with an explanation of any discrepancies that are brought to his notice;

(d) customs duties due on any discrepancies in goods received at the customs warehouse are paid if they cannot otherwise be properly accounted for;

(e) if he requires evidence that goods previously entered for IPR have been entered for customs warehousing, he provides the warehousekeeper with 2 copies of the declaration. One copy will be sent to the IPR trader with the warehousekeeper's endorsement of receipt; and

(f) if he has a preference certificate (see paragraph 8.3 (a)) for the goods, he should pass it to the warehousekeeper to retain until needed for a declaration for free circulation.

### **3.8 Customs release and receipt of the goods at the warehouse - Responsibilities of the warehousekeeper**

It is the warehousekeepers responsibility to:

(a) if specified in his authorisation, notify the supervising office for his warehouse of the arrival of the goods. The supervising office will already have agreed the method of notification with him;

(b) examine the consignment carefully to ensure that the number of packages or weight and types of goods received agree with the goods described in the customs warehousing declaration;

(c) ensure his customs warehouse authorisation covers the goods;

(d) for goods in containers, check:

- the identifying number of any seals; and
- whether they are intact;

(e) allocate to each document the next consecutive stock number or stock numbers from the stock number master list (as described in paragraph 2.13);

(f) enter in the stock record details of the goods actually received (see paragraph 3.9) and check whether the quantity is more or less than the quantity declared on the entry for warehousing;

(g) establish and resolve with the supervising office any discrepancies; and

(h) if he receives 2 copies of the declaration for endorsement as evidence for IPR purposes (see paragraph 3.7) endorse the reverse of both copies with:

- stock reference number;
- quantities and values of the warehoused goods;
- his signature and the date; and
- any discrepancies found between the details on the declaration and the goods actually warehoused.

He should retain one copy and send the other to the IPR trader.

In cases of discrepancy (if he does not own the goods) he must inform the depositor or the owners of the goods immediately so they can investigate what has happened and provide him with a satisfactory explanation and/or supporting evidence. Goods received in excess of the entered quantity must be regarded as dutiable and warehoused provisionally until the matter has been resolved. Under or over-shipments must also be resolved with the supervising office (see g) above).

If he receives a preference certificate (as per paragraph 3.7), he should endorse it with the stock reference number for the consignment it covers and the date of warehousing of the goods. This is to avoid the risk of losing preferential treatment if the certificate's time limit expires before the goods are removed from the warehouse and declared for free circulation.

### **3.9 Details required in the stock records**

The following details are required in the stock records:

(a) for goods in containers, record in the stock account:

- the identifying number of any seals; and
- whether or not the seals were intact on arrival;

(b) the following details, which should be the same as those declared on entry to customs warehousing:

- status (non-domestic);
- marks and numbers of consignment and description of the goods;
- the CPC used; and
- the customs value, commodity code and quantity established on the declaration entering the goods to the customs warehousing procedure (**type D** only);

(c) the reference number and date of the declaration entering the goods to customs warehousing procedure.

### **3.10 Method of storing or stacking the goods**

The warehousekeeper/depositor may choose where to store the goods in the authorised warehouse area, but he cannot stack them so closely together that they cannot be properly or safely identified, counted or examined. He must also make sure that goods are not placed in a way that is in itself dangerous (for example in stacks likely to collapse or blocking emergency exits). If he wishes to store domestic and non-domestic goods in the same storage area he must be authorised to do so. Co-storage, especially common storage, is explained in more detail in Part 6.

## 4. Handling operations

### 4.1 General

While the main purpose of the customs warehousing procedure is storage, minor handling operations may be allowed while the goods remain in the customs warehouse.

If a warehousekeeper wishes to carry out any handling operations in his warehouse he will need to be authorised. If a person (depositor) deposits goods in a **type A** warehouse and wants to carry out handling operations on his goods he must make sure that his warehousekeeper has been authorised for the handling operations he wish to undertake.

### 4.2 Applying for authorisation

If a warehousekeeper wishes to carry any handling operations on goods in his warehouse he must submit an application to do so in advance of the operation taking place. If the forms of handling are to be a regular feature of his business Customs may grant him a general authorisation. This will be shown in Box 12 of his warehouse authorisation. The authorisation will then also indicate the manner Customs must be notified before the operation takes place. All other cases will be treated on an individual basis.

Customs may revoke the authorisation at any time for reasonable cause.

### 4.3 Operations that can be performed on warehoused goods

Minor handling operations may be allowed to:

- ensure warehoused goods are preserved;
- improve their presentation or marketable quality; or
- prepare them for distribution or resale.

Part 11 describes and lists the allowable handling operations that can be authorised. **If any operation is not on the list, there is no legal basis to carry it out on goods while they remain under the customs warehousing procedure.** An example of an acceptable handling operation is the installation of a radio in a motor vehicle. An example of an unacceptable handling operation is the dyeing of cloth.

If the operation the warehousekeeper/depositor wishes to undertake is not one of those listed he should discuss with his supervising office whether another customs procedure such as IPR would be more appropriate for his needs.

### 4.4 Procedure when the handling operation alters the amount of duties payable

In some circumstances the handling may increase the value and/or change the nature of the goods, which in turn affects the amount of duty payable. This does not affect **type D** arrangements because the nature, value and quantity of the goods have already been determined on entry to the customs warehousing procedure.

The warehousekeeper/depositor may request that the nature, value and quantity of the goods that would have been taken into consideration, had the goods not undergone the handling operation, be used. However, he **must request all three (nature, value and quantity)**, they are not individual options.

#### **4.5 Details required in the stock records**

The warehousekeeper must record in the stock records the quantity and description of the goods taken into the handling operation and the quantity and description of the products resulting from the operation. If he intends to request to take into consideration the value, quantity and nature of the goods before the operation took place, those details must be entered in the stock records. Otherwise, Customs may refuse the application of the pre-handling details and then the particulars relating to the goods at the time of removal must be used to calculate charges.

#### **4.6 Completion of more complex operations in warehouse**

Operations or processes not allowed under customs warehousing law can be carried out on the premises but the warehousekeeper/depositor must first remove the goods from the customs warehousing arrangements.

He does this by entering them to:

- free circulation; or
- inward processing relief providing some of the processed products (compensating products) are to be exported outside Kosovo; or
- processing under customs control.

The procedure for removing goods from the customs warehousing arrangements is explained in Part 8.

## **5. Temporary removal**

### **5.1 General**

In certain circumstances goods may be temporarily removed from a customs warehouse. The warehousekeeper will need to be authorised before he can take advantage of this facility.

### **5.2 Applying for authorisation**

If the temporary removal of goods from his warehouse is a regular requirement of the warehousekeepers' business then he can apply for a general temporary removal authorisation. If granted, this will be included in his warehouse authorisation and will replace the need for him to submit a separate application for each removal. Customs will set out the method that he must use to advise them of when such removals take place.

If temporary removals are not a regular requirement of his business he can apply for an authorisation for individual removals. He must ensure that the goods are not removed before Customs grant him the authorisation.

### **5.3 Conditions for authorisation**

The goods must be returned to the same custom warehouse from which they were temporarily removed within 3 months from the date of removal. If the warehousekeeper finds more time is required then he must apply to his supervising office setting out the reason the extension is required.

Provided authorisation for minor handling has been granted (see Part 4) goods may also undergo the usual forms of handling while they are temporarily removed from the customs warehouse.

### **5.4 Details required in the stock records**

The warehousekeeper must record in the stock records:

- the date of removal of the goods and the date of their return;
- the quantity and description of the goods temporarily removed;
- their temporary location; and
- details of any handlings that have taken place.

## 6. Co-storage (including common storage)

### 6.1 Co-storage

Customs may allow the warehousekeeper to operate co-storage of domestic goods and non-domestic goods in his customs warehouse to enable him make full use of the available space.

Co-storage can also apply to goods in the IPR and/or the PCC arrangements stored in a customs warehouse. Customs may specify the requirements for identifying co-storage goods, to ensure that the customs warehousing goods are readily distinguishable from any others.

However, co-storage must not be allowed to affect the operation of the customs warehouse arrangements.

### 6.2 Common storage

Common storage is the co-storage of the same type of goods having different customs status where it is not possible for the warehousekeeper to identify at all times the customs status of the goods. Customs can only authorise common storage if the goods are equivalent, that is, sharing the same 8-digit commodity code, the same commercial quality and the same technical characteristics.

It can apply to goods in the IPR with equivalence arrangements.

Customs consider common storage is more appropriate to private warehouses where the warehousekeeper is also the depositor.

**Note:** Any goods that are subject to excise duty, as well as customs duty cannot be stored under the common storage facilities.

### 6.3 Determining if goods are equivalent

To help a warehousekeeper decide if product A is equivalent to product B, he must consider the following questions:

1	Are A and B mutually interchangeable?
2	Would a customer ordering A accept B instead and vice-versa?
3	Do I differentiate between A and B for any reason?

If the answer to the first two questions is “yes” and to the third “no”, then assuming that A and B share the same first 8 digits of the commodity code, they can usually be treated as equivalent for common storage purposes.

### 6.4 Applying for common storage

Usually a warehousekeeper will apply for co-storage at the same time as applying for a customs warehouse authorisation. When he applies to use common storage, he must provide sufficient information to enable Customs to make a comparison between the goods. He must state factors common to the equivalent goods and the customs warehousing goods and suggest how this can be checked (for example technical specifications or samples).

Customs will need to be satisfied that his records and/or systems can identify, monitor and correctly account for goods that are stored in common storage. The records and/or systems should contain safeguards to prevent the removal to free circulation of goods liable to restrictions (for example goods being imported for free circulation without an appropriate valid licence being

available). Customs also need to be sure that authorizing common storage does not adversely affect the customs warehousing procedure or any subsequent customs procedure (for example, it is not being used to circumvent anti-dumping duty requirements).

### **6.5 Common storage and stock adjustments**

Variations can occur when the amount of goods, having a different customs status, differs when a comparison is made between the warehouse stock records and the physical stock held. (This does not refer to discrepancies when the goods were first received - see paragraph 3.8). Any variations should be investigated and the records adjusted according to the explanation.

However, if there is no identifiable explanation the following can be applied:

(a) **Shortages** (negative adjustments) should first be deducted from the domestic status stock where there is a positive balance. If this stock adjustment exhausts the domestic status stock, the remaining balance of the adjustment should be made against any non-domestic stock. This will require making a declaration for free circulation.

(b) **Excesses** (positive adjustments) should first be added to domestic status stock, unless the excess existed when the goods were first received at the warehouse.

Excesses and shortages can be “off-set” that is, adjusted against each other, if the goods concerned are equivalent.

### **6.6 Treatment of equivalent (including common storage) goods on removal**

When common storage goods are removed from the customs warehousing arrangements using any of the procedures set out in paragraph 8.1, the warehousekeeper/depositor may choose to declare them as domestic or non-domestic goods, whichever is the most beneficial. This applies provided that the status allocated to goods being removed **never** exceeds the quantity of goods of that status shown in the stock records.

This can also apply where non-domestic goods and domestic goods have been separately identified, as long as they are equivalent as, specified in paragraph 6.2.

### **6.7 Common storage of goods potentially subject to preferential treatment on removal**

If the warehousekeeper/depositor imports goods and he wishes to claim a preferential duty rate when he removes the goods to free circulation, he will need to be careful when considering common storage. If he includes such goods, he will need to be prepared to lose entitlement to preferential treatment, as it is unlikely that he would be able to match the goods being removed to the preference certificate required to claim the reduced duty rate. He would therefore have to pay the full rate of duty due.

However, Customs can allow common storage of preference goods if they are equivalent as specified in paragraphs 6.2 and 6.3 **and** the goods originate from the same exporter in the same country. In these circumstances common storage should not affect preferential treatment.

### **6.8 Destruction or irretrievable loss of the goods**

Where customs warehousing goods, which have been co-stored with other goods, are subject to destruction or irretrievable loss, the warehousekeeper should provide Customs with evidence specifying the quantity of customs warehousing goods and non-warehoused goods affected.

If he cannot provide such evidence (for example for goods in common storage), he will need to establish the amount of customs warehousing goods that have been lost or destroyed by referring to the proportion of warehousing goods held in his warehouse at the time the loss or destruction occurred.

## **7. Transfer of goods under the customs warehousing procedure**

### **7.1 General**

A customs warehousing authorization shall specify whether and under which conditions the movement of goods placed under the customs warehousing procedure between different places may take place (transfer). These transfers shall be subject to the keeping of records.

### **7.2 Types of transfers and conditions**

(a) Transfer between different places designated in the same customs warehousing authorization (multi-sited warehouses) may be undertaken without any customs formalities. The transfer must be entered in the stock records.

(b) Transfer from the office of entry for the procedure to the storage location may be carried out under cover of the declaration for entry for the procedure IM 7.

Where the transfer was authorized in accordance with Article 8.3 of the Administrative Instruction laying down provisions for customs procedures, a reference to that Article 8.3 should be given in box 44 of the IM 7.

(c) Transfer to the office of exit with a view to re-exportation may take place under cover of the customs warehousing procedure (export declaration EX 3). In this case, the procedure shall not be discharged until the goods declared for re-exportation have actually left Kosovo (see Part 8).

The proof that the goods declared for re-exportation have actually left Kosovo may be provided by copy 3 of the SAD, endorsed by the customs office of exit, certifying the physical departure of the goods. Where a simplified procedure for re-exportation is used, the office of exit may also certify the physical departure on a commercial or administrative document.

Where the discharge was authorized in accordance with Article 8.4 of the Administrative Instruction laying down provisions for customs procedures, a reference to that Article 8.4 should be given in box 44 of the EX 3 or on the commercial or administrative document.

## 8. Removals from customs warehouse

### 8.1 Removal from warehouse

Removal means the removal of goods from the customs warehousing procedure. This could coincide with the physical removal of goods from the warehouse premises or the goods may physically remain in the warehouse premises.

Goods may be removed for:

- free circulation;
- re-export outside Kosovo;
- transfer to another customs procedure with economic impact (such as IPR);
- moving to another place in Kosovo;
- destruction under customs supervision.

Removal also covers the transfer of goods between warehouses (see Part 7) and temporary removals (see Part 5).

### 8.2 Where to present the declaration (SAD)

Declarations for removals should be completed and signed and then sent, together with any documents (licences, etc), to the office of discharge.

### 8.3 Removal of goods to free circulation

#### a) Completion of the declaration

Unless the use of the local Clearance Procedure has been provided for in the customs warehousing authorisation, to remove goods from the customs warehousing procedure for free circulation, the warehousekeeper/depositor must declare the goods to the office of discharge on a SAD. In particular the following boxes should be completed with the following information:

Box	Information to enter
1	in the first subdivision "IM" and in the second subdivision the code 4.
8	the name and address of the person in whose name the duty will be paid and his VAT number, if any. This can be a person other than the warehousekeeper/depositor.
31	sufficient description of the goods to enable them to be identified.
37	a Customs Procedure Code (CPC) in the 40 or 42 series. The CPC used will depend on whether the goods are subject to exemption (40) or not (42). The second two-digit code (previous procedure) will in most of the cases be 71. It should be noted that the code 71 should not be used where the goods were originally placed under a customs procedure with economic impact (IPR, OPR, PCC). In that case the CPC for the customs procedure with economic impact concerned must be entered instead of the code 71. For example, release for free circulation of goods obtained under IPR-suspension system and subsequently placed under the warehousing procedure would be 4051 and not 4071 (first operation - 5100; second operation - 7151; release for free circulation - 4051)
44	the references of the customs warehousing authorization, the address of the customs warehouse in Box 49 and the code of the supervising office for the warehouse
49	the identification number of the customs warehouse where the goods were stored under the customs warehousing procedure

## **b) Evidence required for removal of goods for free circulation**

Evidence of Customs' release of the goods can be either:

- a copy of the IM 4 certified by Customs; or
- a removal note certified by Customs.

## **c) The date from which tariff measures (duty rates, anti-dumping and licensing restrictions) apply**

The measures that apply are those in force at the time the entry for free circulation is received by the office of discharge, regardless of when the goods are intended to be physically removed from the warehouse.

Any import licence or preference certificate required should be presented with the declaration for free circulation IM 4.

## **d) IPR goods diverted for free circulation**

The warehousekeeper/depositor may have warehoused (or purchased in warehouse) goods for export outside Kosovo, under the IPR procedure. The duty chargeable is usually the amount relieved or paid when the goods were first entered to IPR.

IPR goods diverted for free circulation are subject to compensatory interest payments.

## **e) Calculation of duty charges**

The duty charges on the goods can be worked out by using the following elements:

- the tariff description and rate of duty ;
- the quantity; and/or
- the value

These elements including the official rate of exchange (published by Customs) applicable at the time the goods are removed from the customs warehousing procedure must be used. This is the time the declaration IM 4 is accepted by the supervising office, which is usually the date it is presented. The normal rules in respect of customs value apply where goods are removed from a customs warehouse for release for free circulation.

The exceptions to this rule is where:

(a) removals are made from a **type D** warehouse where the nature (tariff description), customs value and quantity of the goods are established on entry into the customs warehousing procedure (unless the warehousekeeper requests for instance the use of a lower value because the rate of exchange has changed); and

(b) where the request is made to take into consideration the value, quantity and nature of the goods before any handling operation took place (see Part 4).

In these instances the calculation of duty is also based on the duty rates in force on the date of removal from the customs warehousing procedure. The cost of warehousing and any handling may be excluded from the value for duty if it is possible to distinguish between the additional costs and the price of the goods actually paid or payable.

**f) Removing goods from type D warehouses for release for free circulation using Local Clearance Procedure (LCP)**

To use this facility, the customs warehouse authorisation must include approval to use LCP. Under LCP, goods may be removed on completion of the following steps:

Step	Action to take
1	an appropriate entry in the warehousing records must be made;
2	a declaration IM 4, containing full details of the transaction, must be submitted to the supervising office no later than the fifth working day of the next month in case of a monthly declaration or no later than the next working day in case of weekly or daily declarations.

**g) Tariff Preference or Tariff Quota rates**

The warehousekeeper/depositor may be able to claim a reduced or zero rate of duty under the tariff preference or tariff quota arrangements.

If he removes part of an imported consignment for free circulation the preference document must be presented with the first removal. A photocopy of the document may be presented for subsequent removals from the same imported consignment and part removals written off against it.

Where a quota exist, and a claim to tariff quota relief is made when goods are entered for free circulation by entering the tariff quota serial number in Box 39 of the entry, the entry must be endorsed on the top, in red, with the words "Tariff Quota".

**Note:** All preference imports are liable to be checked. Where checks show that the goods do not qualify for preferential tariff treatment duty will be payable at the full (non-preferential) rate. Where a warehousekeeper makes a customs declaration as an indirect representative, both depositor and warehousekeeper are jointly and severally liable for the debt. Kosovo legislation allows for the collection of back duty for a period of up to 3 years after the goods have been imported.

**h) Import VAT payable**

Import VAT becomes payable when goods are removed from the customs warehousing arrangements unless they qualify for relief from import VAT.

**8.4 Removal of goods for re-export**

**a) Completion of the declaration**

To remove goods from the customs warehousing procedure to re-export, the depositor must declare the goods to the office of discharge on a SAD. In particular the following boxes should be completed with the following information:

<b>Box</b>	<b>Information to enter</b>
<b>1</b>	in the first subdivision "EX" and in the second subdivision the code 3.
<b>8</b>	the name and address of the person or company concerned and their VAT number, if any. This can be a person/company other than the warehousekeeper/depositor.
<b>31</b>	sufficient description of the goods to enable them to be identified.
<b>37</b>	a Customs Procedure Code (CPC) in the 31 serial. The second two-digit code (previous procedure) will in most of the cases be 71. It should be noted that the code 71 should not be used where the goods were originally placed under a customs procedure with economic impact (IPR, PCC). In that case the CPC of the customs procedure with economic impact concerned must be entered instead of the code 71. For example, re-export of goods obtained under IPR-suspension system and subsequently placed under the warehousing procedure would be 3151 and not 3171 (first operation - 5100; second operation - 7151; re-export - 3151).
<b>44</b>	the references of the customs warehousing authorization, the address of the customs warehouse in Box 49 and the code of the supervising office for the warehouse
<b>49</b>	the identification number of the customs warehouse where the goods were stored under the customs warehousing procedure

### **b) Evidence for re-export**

Goods removed for re-export are not to be written off in the stock records until satisfactory evidence of re-export has been received. This evidence should be copy 3 of the SAD, endorsed by the customs office of exit, certifying the physical departure of the goods.

### **c) Moving goods to the office of exit under the customs warehousing procedure**

Customs can allow, as part of the customs warehouse authorisation, the movement of goods from the warehouse premises to the office of exit under the customs warehousing procedure (see paragraph 7.2 (c)). This has the advantage of not requiring a Transit declaration to cover the movement of the goods to the point of exit from Kosovo.

However, the warehousekeeper/depositor remains responsible for the goods and his liability ends only when he obtains appropriate evidence that the goods have been re-exported (see paragraph 8.4 (b)). This evidence should be retained by the warehousekeeper.

Otherwise, he must use the Transit procedure to move the goods from his custom warehouse premises to the office of exit (see paragraph 8.5).

### **8.5 Removing goods using the Transit Procedure**

The warehousekeeper/depositor may use the Transit procedure if he wants to move the goods to another place in Kosovo.

The Transit declaration needs to be presented at an office of departure (usually the office of discharge). The warehousekeeper must not allow goods to leave the warehouse until he has received evidence that Customs have accepted the Transit declaration and released the goods. The evidence is a copy of the Transit declaration certified by Customs.

***Failure to provide this information will mean that the warehousekeeper has not fulfilled his responsibilities under his customs warehouse authorisation and could make him liable to any duties due.***

## 8.6 Removals for other customs procedures with economic impact

### a) Completion of the declaration

To remove goods from the customs warehousing procedure for another customs procedure with economic impact, the warehousekeeper/depositor must declare the goods to the office of discharge on a SAD. In particular the following boxes should be completed with the following information:

Box	Information to enter
1	in the first subdivision "IM" and in the second subdivision the code 5 (IPR-suspension system), 4 (IPR-drawback system) or 9 (PCC).
8	the name and address of the person or company concerned and their VAT number, if any. This can be a person/company other than the warehousekeeper/depositor.
31	the description of the goods in accordance with the requirements stated in the authorization IPR/PCC.
37	a Customs Procedure Code (CPC) in the 51 (IPR-suspension system), 41 (IPR-drawback system) or 91 (PCC) series. The second two-digit code (previous procedure) will be 71.
44	the references of the IPR/PCC authorization concerned and the code of the supervising office.
49	the identification number of the customs warehouse where the goods were stored under the customs warehousing procedure

### b) Evidence for removal to another procedure with economic impact

Before the warehousekeeper allows the goods to be removed from his warehouse, he must have evidence that they have been entered into the new procedure. The evidence is a copy of the declaration IM 4, IM 5 or IM 9 concerned, certified by Customs.

## 8.7 Removal from customs warehousing by destruction of the goods

### a) Completion of the declaration

To remove goods from the customs warehousing procedure for destruction (because they are damaged or outdated for example), the warehousekeeper/depositor must declare the goods to the office of discharge on an SAD. In particular the following boxes should be completed with the following information:

Box	Information to enter
1	in the first subdivision "IM" and in the second subdivision the code 9.
8	the name and address of the person concerned and his VAT number, if any.
31	<ul style="list-style-type: none"><li>- sufficient description of the goods to enable them to be identified;</li><li>- details of the intended place and means of destruction.</li></ul>
37	a Customs Procedure Code (CPC) in the 93 serial. The second two-digit code (previous procedure) will in most of the cases be 71. It should be noted that the code 71 should not be used where the goods were originally placed under another customs procedure with economic impact (IPR, OPR, PCC). In that case the CPC of the customs procedure with economic impact concerned must be entered instead of the code 71. For example, destruction of goods obtained under IPR-suspension system and subsequently placed under the warehousing procedure would be 9351 and not 9371 (first operation – 5100; second operation – 7151; destruction – 9351)

<b>44</b>	the references of the customs warehousing authorization, the address of the customs warehouse in Box 49 and the code of the supervising office for the warehouse
<b>49</b>	the identification number of the customs warehouse where the goods were stored under the customs warehousing procedure

#### **b) Evidence for removal by destruction**

The evidence is a copy of the declaration IM 9 concerned, certified by Customs and indicated whether or not they wish to attend the destruction.

#### **8.8 Responsibilities of a warehousekeeper for removals**

On receipt of evidence of release from Customs (copy of declaration) the warehousekeeper must check that the details of the goods on the evidence agree with his stock records. Any discrepancies should be resolved with the depositor or the provider of the evidence.

He must include the following details in the stock records:







- the number and description of packages;
- the quantity; and
- the identifying reference of the removal evidence, for example date of acceptance and customs office reference number of the declaration.

#### **8.9 Closing the accounts**

The warehousekeeper must balance and close the stock record when all the goods have been recorded as removed.

If the same goods had been entered to customs warehousing on different declarations they should be discharged against the earliest declaration when removed from customs warehousing. If he wishes to discharge removals against specific entry declarations, he should contact the supervising office.

## 9. Application for authorisation to operate a customs warehouse

 <p><b>UNMIK CUSTOMS SERVICE</b> <b>SHËRBMI DOGANOR I UNMIK-ut</b> <b>CARINSKA SLUŽBA UNMIK-a</b></p>	 <p><b>UNMIK</b></p>    
<b>APPLICATION FOR AUTHORISATION TO USE THE CUSTOMS WAREHOUSING PROCEDURE</b>	
<b>1. Applicant</b> <i>Enter the full name and address of the applicant. The applicant is the person to whom the authorisation should be issued.</i>	
<b>2. Warehouse type</b> <i>Indicate one of the following types: type A, C or D</i>	
<b>3. Place(s) to be used as warehouse</b> <i>Enter the precise place(s) or part(s) of a building to be used as a customs warehouse. If necessary attach a map or plan.</i>	
<b>4. Type of application</b> <i>Type of application must be indicated. The types are given below.</i> <ul style="list-style-type: none"><li><input type="checkbox"/> <b>First application</b></li><li><input type="checkbox"/> <b>Application for modified or renewed authorisation</b> <i>(also indicate the appropriate authorisation number)</i></li></ul>	
<b>5. Place and kind of records</b> <i>Enter the place of records. Records mean: the data containing all the necessary information and technical details, enabling the Customs Service to supervise and control the customs warehousing procedure.</i>	
<b>6. Period of validity of the authorisation</b> <i>Indicate in( a) the date on which you wish the authorisation to commence. A date of expiry of the authorisation may be suggested in (b). If you do not suggest a date of expiry, the customs will supply one.</i>	
<b>(a)</b> <input style="width: 300px; height: 30px;" type="text"/>	<b>(b)</b> <input style="width: 300px; height: 30px;" type="text"/>

<b>7. Goods to be placed under the customs warehousing procedure</b> - <i>Tariff code: according to the Kosovo customs tariff (eight digits)</i> - <i>Description: the trade and/or technical description</i> - <i>Quantity: enter the estimated quantity of the goods to be placed under the procedure</i> - <i>Value: enter the estimated value in euro of the goods to be placed under the procedure</i>			
Tariff Code	Description	Quantity	Value
<b>8. Customs office(s)</b> <i>Indicate the suggested customs office(s)</i>			
<b>(a) of entry</b>			
<b>(b) of discharge</b>			
<b>(c) of supervision</b>			
<b>9. Simplified procedures</b> <b>(a) At entry for the procedure</b> <i>If it is intended to use a simplified entry procedure, indicate at least one of the following:</i> <input type="checkbox"/> <b>Incomplete declaration</b> <input type="checkbox"/> <b>Simplified declaration procedure</b> <input type="checkbox"/> <b>Local clearance procedure</b> <b>(b) For discharging the procedure</b> <i>If it is intended to use a simplified discharge procedure, indicate at least one of the following:</i> <input type="checkbox"/> <b>Incomplete declaration</b> <input type="checkbox"/> <b>Simplified declaration procedure</b> <input type="checkbox"/> <b>Local clearance procedure</b>			
<b>10. Transfer</b> <i>If a transfer of goods or products is intended, indicate which transfer formality is proposed</i> <input type="checkbox"/> <b>Transfer without customs formalities between different places designated in the authorisation applied for</b> <input type="checkbox"/> <b>Transfer from the office of entry to the applicant's or operator's facilities or place of use under cover of the declaration for entry for the customs procedure</b> <input type="checkbox"/> <b>Transfer to the office of exit with a view to re-exportation under cover of the customs procedure</b>			
<b>11. Deadline for lodging inventory of goods</b> <i>You can make a suggestion for the deadline for lodging an inventory of goods. If you do not do so, customs will supply one.</i>			

**12. Loss rate**

*Give details, where appropriate, of loss rate(s)*

**13. Storage of goods not under the procedure**

*Where it is planned to use common storage state the eight-digit tariff code, commercial quality and technical description of the goods. In all other cases the trade and/or technical description is sufficient.*

**14. Usual forms of handling**

*Complete if usual forms of handling are envisaged.*

**15. Temporary removal. Purpose:**

*Complete if temporary removal is envisaged.*

**Signed**

.....







**Date**

.....

**Name**

.....

**10. Authorisation to operate a customs warehouse**

	<p><b>UNMIK CUSTOMS SERVICE</b>  <b>SHËRBMI DOGANOR I UNMIK-ut</b>  <b>CARINSKA SLUŽBA UNMIK-a</b></p>	    	
<p><b>AUTHORISATION TO OPERATE A CUSTOMS WAREHOUSE</b></p>			
<p><b>Reference No. .... of .....</b>          This authorisation refers to the application dated ....., ref. no. ....</p>			
<p><b>1. Holder of authorisation</b></p>			
<p><b>2. Warehouse type</b></p>			
<p><b>3. Place(s) that may be used as warehouse</b></p>			
<p><b>4. Place and kind of records</b></p>			
<p><b>5. Goods to be placed under the customs warehousing procedure</b></p>			
<b>Tariff Code</b>	<b>Description</b>	<b>Quantity</b>	<b>Value</b>

<b>6. Customs office(s)</b>		
<b>(a) of entry</b>		
<b>(b) of discharge</b>		
<b>(c) of supervision</b>		
<b>7. Simplified procedures</b>		
<b>8. Transfer</b>		
<b>9. Deadline for lodging inventory of goods</b>		
<b>10. Loss rate</b>		
<b>11. Storage of goods not under the customs warehousing procedure</b>		
<b>12. Usual forms of handling</b>		
<b>13. Temporary removal</b>		
<b>Stamp</b>	<b>Signature .....</b>	<b>Date .....</b>
	<b>Name .....</b>	

### 11. List of usual forms of handling

Unless otherwise specified, none of the following forms of handling may give rise to a different 8-digit CN code. The usual forms of handling listed below will not be permitted if, in UNMIK-Customs' opinion, the operation is likely to increase the risk of fraud:

<b>Usual forms of handling which may not be permitted if UNMIK-Customs consider the operation is likely to increase the risk of fraud</b>
Ventilation, spreading-out, drying, removal of dust, simple cleaning operations, repair of packing, elementary repairs of damage incurred during transport or storage insofar as it concerns simple operations, application and removal of protective coating for transport
Reconstruction of the goods after transport
Stocktaking, sampling, sorting, sifting, mechanical filtering and weighing of the goods
Removal of damaged or contaminated components
Conservation, by means of pasteurisation, sterilisation, irradiation or the addition of preservatives
Treatment against parasites
Anti-rust treatment
Treatment: <ul style="list-style-type: none"> <li>• by simple raising of the temperature, without further treatment or distillation process; or</li> <li>• by simple lowering of the temperature;</li> </ul> even if this results in a different 8-digit CN-code
Electrostatic treatment, uncreasing or ironing of textiles
Treatment consisting in: <ul style="list-style-type: none"> <li>• stemming and/or pitting of fruits, cutting up and breaking down of dried fruits or vegetables, rehydration of fruits; or</li> <li>• dehydration of fruits even if this results in a different 8-digit CN-code</li> </ul>
Desalination, cleaning and butting of hides
Addition of goods or addition or replacement of accessory components as long as this addition or replacement is relatively limited or is intended to ensure compliance with technical standards and does not change the nature or improve the performances of the original goods, even if this results in a different 8-digit CN-code for the added or replacement goods
Dilution or concentration of fluids, without further treatment or distillation process, even if this results in a different 8-digit CN-code
Mixing between them of the same kind of goods, with a different quality, in order to obtain a constant quality or a quality which is requested by the customer, without changing the nature of the goods
Dividing or size cutting out of goods if only simple operations are involved
Packing, unpacking, change of packing, decanting and simple transfer into containers, even if this results in a different 8-digit CN-code; affixing, removal and altering of marks, seals, labels, price tags or other similar distinguishing signs
Testing, adjusting, regulating and putting into working order of machines, apparatus and vehicles, in particular in order to control the compliance with technical standards, if only simple operations are involved
Dulling of pipe fittings to prepare the goods for certain markets