

GUIDELINES

ON

TEMPORARY

IMPORTATION

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1. Introduction

1.1 What are these guidelines about?

These guidelines explain how a person may be able to obtain total or partial relief from import duties on a range of goods imported from outside Kosovo, providing they are intended for re-export within a specified time (usually a maximum of two years). They also explain the conditions that must be met and the special conditions that apply to some goods.

The Temporary Importation (“TI”) procedure does not cover goods imported solely for processing or repair (duty relief for these goods may be available under Inward Processing Relief – “IPR” - see *Guidelines on Inward Processing Relief*) or goods permanently imported that otherwise qualify for relief from customs duty and VAT.

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

Note: Anyone who gives untrue information about goods imported under this or any other Customs procedure may be liable to penalties under the Customs Code.

1.2 The purpose of TI

TI generally allows a person to temporarily import goods with relief from import duty. The goods must not be processed or repaired other than any routine maintenance necessary to preserve them in the condition in which they were imported.

There are several different TI reliefs, for example goods for exhibition, medical equipment, items for auction, or goods for testing. Some of the reliefs impose conditions on ownership of the goods, or how they may be used. A list of the (total) reliefs available is set out in Part 2.

1.3 Who can use TI

TI approval can be granted at the request of the person who uses the goods or arranges for them to be used. Depending on the type of goods that person can be established within or outside Kosovo.

Any person temporarily entering Kosovo who is not normally resident here may be able to use relief for travellers’ personal effects (see paragraph 2.1).

1.4 How TI works

To enter goods to TI an authorisation is required. Part 3 of these guidelines gives general information about authorisations and Part 8 explains what documents need to be presented to Customs when the goods are entered.

With very few exceptions authorisation to use TI relief can be applied for at the time of importing the goods. The person concerned will be authorised by the Customs office under the **simplified authorisation** procedure, see Part 4.

For most importations the person concerned will be required to provide security (bank guarantee) equal to the full amount of import duty potentially due. This may be reclaimed when the goods have been re-exported and satisfactory documentary evidence provided.

1.5 TI with total relief

Total relief from import duties can be claimed if the goods and the use made of them are set out in Part 2.

1.6 TI with Partial relief

Partial relief from import duties can be claimed if goods do not comply with the conditions identified or are not listed for total relief in Part 2.

Full security for the amount of import duties due will be required when placing the goods under the TI procedure. When the goods leave Kosovo, the duty due (3% of the import duties for each month or fraction of a month the goods remained in Kosovo) has to be paid. This means that together with the export declaration EX 3, discharging the TI procedure, a declaration IM 4 (CPC 4053 in box 37) must be submitted for the payment of the duty.

Note: The amount of the import duty to be charged shall not exceed that which would have been charged if the goods concerned had been released for free circulation on the date on which they were placed under the TI procedure.

Example:

Goods are imported under the TI procedure with partial relief on 5 January. The duty due amounts to €5,000 which is secured by a bank guarantee. The goods are re-exported 27 September. The duty to be paid with the declaration IM 4 is calculated as follows:

$$3\% \times 9 \text{ (5 January to 27 September)} \times 5,000 = \text{€}1,350.$$

After payment of the duty, the security will be returned.

Where goods placed under the TI procedure with partial relief are released for free circulation (see paragraph 10.4 for completion of the SAD), the customs debt shall be equal to the amount of import duty due at the moment of time of acceptance of the declaration placing them under the TI procedure.

Note: Partial relief cannot be claimed on consumable goods.

1.7 The law

The law on TI 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.

2. Goods eligible for TI with total relief

The illustrative lists of goods contained within this Part are for guidance only. Provided goods are imported for one of the purposes listed in this Part and conditions of the relief can be met, total relief will be granted.

2.1 Travellers personal effects

Administrative Instruction (hereafter referred to as AI) No 8/2004, Article 24.

(a) **Conditions:** personal effects reasonably required for a journey by any person temporarily entering Kosovo, not normally resident there.

(b) **Goods covered:**

- clothing, toilet articles, personal jewellery;
- still and motion picture cameras together with a reasonable quantity of film and accessories;
- portable slide or film projectors and accessories together with a reasonable quantity of slides or films;
- video cameras and portable video recorders with a reasonable quantity of tapes;
- portable: musical instruments, gramophones with records, sound recorders and reproducers (including dictating machines) with tapes, radio receivers, television sets, typewriters, calculators, personal computers;
- binoculars, perambulators, wheelchairs for invalids;
- sports equipment such as tents and other camping equipment, fishing equipment, climbing equipment, diving equipment, sporting firearms with ammunition, non-motorised bicycles, canoes or kayaks less than 5.5 metres long, skis, tennis rackets, surfboards, windsurfers, hang-gliders and delta wings, golfing equipment;
- portable dialysis and similar medical apparatus, and the disposable items imported for use therewith; and
- other articles clearly of a personal nature.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.2 Goods for sports purposes

AI No 8/2004, Article 24.

(a) **Conditions:** goods for sport purposes imported by a person temporarily entering Kosovo, not normally resident here.

(b) Goods covered:

- track and field equipment, such as hurdles, javelins, discuses, poles, shots, hammers;
- ball game equipment, such as balls of any kind, rackets, mallets, clubs, sticks and the like; nets of any kind, goal posts;
- winter sports equipment such as, skis and sticks, skates, bobsleighs, curling equipment. Sports wear, shoes, gloves, headgear, etc of any kind;
- water sports equipment, such as canoes and kayaks, sail and rowboats, sails, oars and paddles, surf boards and sails;
- motor vehicles and craft, such as cars, motor bicycles, motorboats;
- equipment for miscellaneous events, such as sports arms and ammunition, non-motorised bicycles, archer's bows and arrows, fencing equipment, gymnastics equipment, compasses, wrestling mats and tatamis, weight-lifting equipment, riding equipment, sulkies, hang-glidors, delta wings, windsurfers, climbing equipment, music cassettes to accompany the performance; and
- auxiliary equipment, such as measuring and score display equipment, blood and urine test apparatus.

2.3 Welfare materials for seafarers

AI No 8/2004, Article 24.

(a) **Conditions:** the goods are used by the crew of such a vessel in cultural or social establishments managed by no profit making organisations or in places of worship where services for seafarers are regularly held.

(b) Goods covered:

- reading material, such as books of any kind, correspondence courses, newspapers, journals and periodicals, pamphlets on welfare facilities in ports;
- audio-visual material, such as: sound and image reproducing instruments, tape-recorders, radio sets, television sets, cinematographic and other projectors, recordings on tapes or discs (language courses, radio programmes, greetings, music and entertainment), films, exposed and developed, film slides, videotapes;
- sports gear, such as: sports wear, balls, rackets and nets, deck games, athletic equipment, gymnastic equipment;
- hobby material, such as: indoor games, musical instruments, material for amateur dramatics, materials for painting, sculpture, woodwork and metalwork, carpet making etc; and
- equipment for religious activities and parts and accessories for welfare material.

2.4 Disaster relief material

AI No 8/2004, Article 25.

Conditions: the goods are used in connection with measures taken to counter the effects of disasters or similar situations within Kosovo and intended for state bodies or bodies approved by the SRSG.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.5 Medical, surgical and laboratory equipment

AI No 8/2004, Article 25.

Conditions: the goods are dispatched on loan at the request of a hospital or other medical institution which has urgent need of such equipment to make up for the inadequacy of its own facilities and where intended for diagnostic or therapeutic purposes.

2.6 Animals

AI No 8/2004, Article 25.

(a) **Conditions:** the animals are owned by a person established outside Kosovo.

(b) **Allowable use:**

- dressage, training, breeding, shoeing or weighing, veterinary treatment, testing (for example, with a view to purchase);
- participation in shows, exhibitions, contests, competitions or demonstrations;
- entertainment, touring (including per animals of travellers);
- exercise of function (police dogs or horses, detector dogs, dogs for the blind, etc);
- rescue operations;
- transhumance or grazing;
- performance of work or transport; and
- medical purposes (delivery of snake poison, and the like).

2.7 Sound, image or data carrying material

AI No 8/2004, Article 26.

Conditions: the goods are for carrying sound, image or data processing information for the purpose of presentation prior to commercialisation, or free of charge, or for provision with a sound track, dubbing or copying.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.8 Publicity material

AI No 8/2004, Article 26.

(a) **Conditions:** the goods must be used exclusively for publicity purposes.

(b) **Goods covered:**

- material intended for display in the offices of the accredited representatives or correspondents appointed by the official national tourist agencies or in other places approved by the Director General of UNMIK-Customs, pictures and drawings, framed photographs and photographic enlargements, art books, paintings, engravings or lithographs, sculptures and tapestries and other similar works of art;
- materials intended for display in show-cases, stands and similar articles, including electrical and mechanical equipment required for operating such display;
- documentary films, records, tape recordings and other sound recordings intended for use in performances at which no charge is made, but excluding those whose subjects lend themselves to commercial advertising and those which are on general sale in Kosovo;
- a reasonable number of flags; and
- dioramas, scale models, lantern-slides, printing blocks, photographic negatives, specimens, in reasonable numbers, of articles of national handicrafts, local costumes and similar articles of folklore.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.9 Professional equipment

AI No 8/2004, Article 26.

(a) **Conditions:** the goods are:

- owned by a person established outside Kosovo;
- imported either by a person established outside Kosovo or by an employee of the owner (the employee may be established in Kosovo);and
- used by the importer or under his supervision, except in cases of visual co-production.

Total relief **does not** apply:

- to equipment to be used for the industrial manufacture or packing of goods, or
- for the exploitation of natural resources (except in the case of hand tools), or
- for the construction, repair or maintenance of buildings or earth moving and like projects.

(b) Goods covered:

- radio and television production and broadcasting equipment and vehicles specially adapted for use of the above purpose and their equipment being imported by public or private organizations established outside Kosovo and approved by the Director General;
- equipment for the press such as: personal computers, telefax equipment, typewriters, cameras of all kinds (film and electronic cameras), sound or image transmitting, recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers), sound or image recording media, blank or recorded, testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc), lighting equipment (spotlights, converters, tripods), operational accessories (cassettes, exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors).
- sound broadcasting equipment, such as: telecommunication equipment for example broadcast transmitter-receivers or transmitters, terminals connectable to network or cable, satellite links, audio frequency production equipment (sound pick-up, recording or reproducing apparatus), testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc) operational accessories (clocks, stop watches, compasses, microphones, mixing consoles, sound tape, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc), sound recording media, blank or recorded.
- television broadcasting equipment, such as: television cameras, telecinema, testing and measuring instruments and apparatus, transmission and re-transmission apparatus, communication apparatus, sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loud-speakers), lighting equipment (spotlights, converters, tripods), editing equipment, operational accessories (clocks, stop watches, compasses, lenses, exposure meters, tripods, battery chargers, cassettes, generating sets, transformers, batteries and accumulators, heating, air-conditioning and ventilating apparatus, etc), sound or image – recording media, blank or recorded (credit titles, station call signs, music inserts, etc), “film rushes”, musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers. Vehicles designed or specially adapted for the purposes of this paragraph, such as: television transmitting vehicles, vehicles for television accessories, video tape recording vehicles, sound recording and reproducing vehicles, slow motion vehicles, light vehicles.
- cinematographic equipment such as: cameras of all kinds (film and electronic cameras), testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc), camera “dollies” and booms, lighting equipment (spotlights, converters, tripods), editing equipment, sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loud-speakers), sound or image recording media, blank or recorded (credit titles, station call signs, music inserts, etc), “film rushes”, operational accessories (clocks, stop watches, compasses, microphones, mixing consoles, sound tapes, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc), musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers. Vehicles designed or specially adapted for the purposes specified of this paragraph.

- other equipment for: erection, testing, commissioning, checking, control, maintenance or repair of machinery, plant, means of transport, etc such as: tools, measuring, checking or testing equipment and instruments (temperature, pressure, distance, height, surface, speed, etc), including electrical instruments (voltmeters, ammeters, measuring cables, comparators, transformers, recording instruments, etc) and jigs, apparatus and
- equipment for taking photographs of machines and plant during or after erection, apparatus for survey of ships.

and the equipment of:

- businessmen, business efficiency consultants, productivity experts, accountants and members of similar professions, such as: personal computers, typewriters, sound or image transmitting, recording or reproducing apparatus, calculating instruments and apparatus.
- experts under taking topographical surveys or geophysical prospecting work, such as, measuring instruments and apparatus, drilling equipment, transmission and communication equipment.
- experts combating pollution.
- doctors, surgeons, veterinary surgeons, midwives and members of similar professions (instruments and apparatus).
- doctors providing assistance for patients awaiting organ transplant.
- archaeologists, palaeontologists, geographers, zoologists and other scientists.
- entertainers, theatre companies and orchestras, including all articles used for public or private performances (musical instruments, costumes, scenery, etc).
- lecturers to illustrate their lectures.
- photography trips (cameras of all kinds, cassettes, exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors, lighting equipment, fashion goods and accessories for models, etc).
- vehicles designed or specially adapted for the purposes specified above, such as mobile inspection units, travelling workshops and travelling laboratories.

2.10 Pedagogic (educational) material and scientific equipment

AI No 8/2004, Article 26.

(a) **Conditions:** the goods are:

- owned by a person established outside Kosovo;
- imported by public or private scientific, teaching or vocational training establishments which are essentially non-profit making and exclusively used in teaching, vocational training or scientific research under their responsibility;

- imported in reasonable numbers, having regard to the purpose of the importation; and
- not used for commercial purposes.

(b) Goods covered:

- sound or image recorders or reproducers, such as slide and filmstrip projectors, cinematographic projectors, back-projectors and episcopes, magnetophones, magnetoscopes and video equipment, closed circuit television equipment;
- sound and image media, such as slides, filmstrips and microfilms, cinematographic films, sound recordings (magnetic tapes, discs), videotapes;
- specialised material, such as bibliographic equipment and audio-visual material for libraries, mobile libraries, language laboratories, simultaneous interpretation equipment, programmed teaching machines, mechanical or electronic, material specially designed for the educational or vocational training of handicapped persons;
- other material, such as wall charts, models, graphs, maps, plans, photographs and drawings, instruments, apparatus and models designed for demonstration purposes, collections of items with visual or audio pedagogic information, prepared for the teaching of a subject (study kits), instruments, apparatus, tools and machine-tools for learning a trade or craft equipment, including specially adapted or designed vehicles for use in relief operations, which is imported for the training of persons involved in relief operations; and
- other goods imported in connection with educational, scientific or cultural activities: costumes and scenery items sent on loan free of charge to dramatic societies or theatres, music scores sent on loan free of charge to music theatres or orchestras.

2.11 Packings

AI No 8/2004, Article 27.

(a) Conditions: total relief can be granted for packings provided they are:

- identifiable at re-exportation;
- re-exported by the person authorised to enter them to TI, and
- if imported filled, they will be re-exported empty or filled, or
- if imported empty, they will be re-exported filled.

Packings entered to TI must not be used within Kosovo except with a view to exporting goods. Where packings are imported filled this condition applies from the time they are emptied of their original contents.

(b) Goods covered - packings may include:

- articles used or to be used as packings in the same state as they are imported;
- articles used, or to be used, as external or internal coverings for goods;

- holders on which goods are, or are to be, rolled, wound or attached; and
- materials needed: for protecting, stowing, or separating goods in transit which may consist of planks, blankets, mats and pads for protecting goods, or of frames, tarpaulins, covers.

Note: Total relief on any other packing material, such as straw, paper, glass wool and shavings etc., is only available under paragraph 2.24 and partial relief under paragraph 1.6.

2.12 Moulds, dies, blocks, drawings, sketches, measuring, checking and testing equipment and other similar articles

AI No 8/2004, Article 27.

Conditions: the goods are owned by a person established outside Kosovo and are used in manufacturing by a person established in Kosovo and at least 75% of the production resulting from their use is exported.

2.13 Special tools and instruments

AI No 8/2004, Article 27.

Conditions: the goods are owned by a person established outside Kosovo and made available free of charge to a person established within Kosovo for the manufacture of goods which are to be exported in their entirety.

2.14 Goods to carry out tests or subject to tests, experiments or demonstrations

AI No 8/2004, Article 27.

(a) **Conditions:** the goods must **not** be imported with a view to their modification or improvement. The goods must **not** be intended for testing to destruction or be subjected to testing that will make the subsequent re-export of the goods unviable.

(b) **Goods covered:** any goods, which are to be subjected solely to tests, experiments or demonstrations.

2.15 Goods subject to satisfactory acceptance tests

AI No 8/2004, Article 27.

(a) **Conditions:** goods imported in connection with a sales contract containing provisions relating to satisfactory acceptance tests and to be subjected to those tests. The period for re-export is 6 months.

(b) **Goods covered:** Goods of any kind imported under a contract of sale that are to be subjected to acceptance testing.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.16 Goods used to carry out tests, experiments or demonstrations without financial gain

AI No 8/2004, Article 27.

(a) **Conditions:** The goods must not be intended for destruction or be involved in testing, experimentation or demonstration that will make the subsequent re-export of the goods unviable.

(b) **Goods covered:** any goods, entered for the purpose of being used to carry out tests or experiments on, or demonstrations of, other goods. The goods being tested, experimented on or demonstrated can be Kosovo goods.

2.17 Samples

AI No 8/2004, Article 27.

Conditions: the goods are imported in reasonable quantities and used solely for being shown or demonstrated within Kosovo.

2.18 Replacement means of production

AI No 8/2004, Article 27.

Conditions: goods made temporarily available to a customer by a supplier or repairer, pending the delivery or repair of similar goods. The period for re-export is 6 months.

2.19 Goods to be exhibited or used at a public event

AI No 8/2004, Article 28.

Conditions: the event is not purely organised for the commercial sale of temporarily imported goods or the sale of any goods obtained at such events from goods under the TI procedure.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.20 Goods on approval

AI No 8/2004, Article 28.

Conditions: the goods cannot be imported as samples and the consignor wishes to sell the goods, which the consignee may decide to purchase after inspection. The period for discharge is 2 months.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.21 Works of art, collectors' items and antiques

AI No 8/2004, Article 28.

(a) **Conditions:** the goods are imported for the purposes of exhibition with a view to possible sale.

(b) **Goods covered:**

(i) **"Works of art"** that is:

- pictures, collages and similar decorative plaques, paintings and drawings, executed entirely by hand by the artist, other than plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, hand-decorated manufactured articles, theatrical scenery, studio back cloths or the like of painted canvas (CN code 9701);
- original engravings, prints and lithographs, being impressions produced in limited numbers directly in black and white or in colour of one or of several plates executed entirely by hand by the artist, irrespective of the process or of the material employed by him, but not including any mechanical or photomechanical process (CN code 9702 00 00);
- original sculptures and statuary, in any material, provided that they are executed entirely by the artist; sculpture casts the production of which is limited to eight copies and supervised by the artist or his successors in title (CN code 9703 00 00);
- tapestries (CN code 5805 00 00) and wall textiles (CN code 6304 00 00) made by hand from original designs provided by artists, provided that there are not more than eight copies of each;
- Individual pieces of ceramics executed entirely by the artist and signed by him;
- enamels on copper, executed entirely by hand, limited to eight numbered copies bearing the signature of the artist or the studio, excluding articles of jewellery and goldsmiths' and silversmiths' wares;
- photographs taken by the artist, printed by him or under his supervision, signed and numbered and limited to 30 copies, all sizes and mounts included.

(ii) **"Collectors' items"** that is:

- postage or revenue stamps, postmarks, first-day covers, pre-stamped stationary and the like, franked, or if un-franked not being of legal tender and not being intended for use as legal tender (CN code 9704 00 00);
- collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest (CN code 9705 00 00).

(iii) **"Antiques"** that is objects other than works of art or collectors' items, which are more than 100 years old (CN code 9706 00 00).

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.22 Goods other than newly manufactured ones

AI No 8/2004, Article 28.

(a) **Conditions:** goods imported with a view to their sale by auction.

(b) **Goods covered:** second-hand goods and goods not falling within paragraph 2.21.

Note: Compensatory interest (see Part 11) is not payable on these goods.

2.23 Spare parts, accessories and equipment

AI No 8/2004, Article 29.

Conditions: goods for use in the repair and maintenance, including overhaul, adjustments and preservation of TI goods. The goods must not be used to upgrade or in any way enhance the performance or quality of the goods originally entered to TI.

2.24 Other goods or goods not complying with the identified conditions for total relief

AI No 8/2004, Article 29.

Conditions:

- imported occasionally and for a period not exceeding 3 months; and/or
- in particular situations having no economic effect.

If goods do not meet these conditions partial relief may still be available under paragraph 1.6.

2.25 Means of transport

AI No 8/2004, Article 23.

a) **Goods covered:**

- motorised road vehicles including cycles with engines, trailers/caravans imported with the vehicle or separately;
- rail transport (rail engines, railcars and rolling stock) of any description used to transport goods or persons;
- civil aircraft (any type of civil air transport whether powered or not. Some examples of acceptable aircraft can include: light aeroplanes, microlite aircraft, hot air balloons and gliders);
- containers and pallets (see also hereafter);
- normal spare parts, accessories and equipment accompanying means of transport

that are temporarily imported from outside Kosovo for **private or commercial** use.

Commercial use: means the use of means of transport entered for the purposes of conveying people or goods for payment or as part of the normal activities of a business.

Private use: means use other than for commercial purposes.

Internal traffic: means the carriage of goods or persons loaded or picked up in Kosovo for unloading or setting down at a place in Kosovo.

Civil aircraft: means any aircraft which carries a civil registration (for certain types, for example gliders, this is not obligatory).

Containers: means any article of transport equipment (lift vans, movable tanks and other similar structure) which:

- fully or partially enclosed constitutes a compartment for containing goods;
- are of a permanent character and strong enough for repeated use;
- are specially designed to aid the carriage of goods, by one or more modes of transport, without intermediate reloading;
- are designed to be easily filled and emptied;
- are designed for ready handling, particularly when being transferred between different modes of transport; and
- have an internal volume of one cubic metre or more (air freight containers may be less than 1 cubic metre provided all other requirements are met).

Note: A container under TI may be used in internal traffic before being re-exported. However, it may be used only once during its stay in Kosovo, for transporting goods loaded and intended to be unloaded within Kosovo, where the container would otherwise have to make a journey unloaded within Kosovo.

Identification of containers

To qualify for total relief, eligible containers must be durably marked in a clearly visible place with the following information:

- the identity of the owner or operator shown by their full name or an established identification (symbols such as emblems or flags are not included);
- an identification mark and number of the container given by the owner or operator and its tare weight including all its permanently fixed equipment (this information is not required for swap bodies used for combined rail-road transport); and
- with the exception of containers used for transport by air, the country to which the container belongs, shown in full or by means of the ISO country code (see Part 13) or by the distinguishing initials used to indicate the country of registration of motor vehicles in international traffic or by numbers for swap bodies used in combined rail/road transport.

Pallets: means

- a device on the deck of which a quantity of goods can be assembled to form a unit of load for transporting, handling or stacking with the assistance of mechanical appliances; and
- made up of two decks separated by bearers or a single deck supported by feet or a special deck designed for air transport with an overall height reduced to the minimum compatible with handling by means of fork lift truck or pallet truck; it may or may not have a superstructure.

Identification of pallets

To qualify for total relief eligible pallets, must be identified by a serial or manufacturers number, seals, clip-marks or other distinctive marks.

b) Conditions:

Temporary importation with total relief may be granted if the means of transport is:

- registered outside Kosovo in the name of a person established outside Kosovo (total relief may also be granted to a person established within Kosovo but only in circumstances identified under c));
- used by a person established outside Kosovo.

c) Circumstances where a person established within Kosovo can claim total relief

Means of transport referred to under a) / Conditions	Use	Period for re-export
Any means of transport, used by a natural person established within Kosovo	Hired for private use under a written contract to occasionally return to their place of residence in Kosovo	Re-export or return to the hire service must be made within 5 days of the entry into force of the hire contract
Any means of transport, used by a natural person established within Kosovo	Hired for private use under a written contract to occasionally leave Kosovo	Re-export or return to the hire service must be made within 2 days of the entry into force of the hire contract
Any means of transport, temporarily registered in Kosovo in the name of a person established inside Kosovo	The person is preparing to transfer normal residence to a place outside Kosovo	Re-export must be made within 3 months of the date of temporary registration
Any means of transport, used by a natural person established in Kosovo	Private or commercial use where the natural person established in Kosovo is employed by the owner who must be established outside Kosovo. Any private use must be provided for in their contract of employment	For the duration of the contract of employment
Any means of transport, used by a natural person established in Kosovo, on the instruction of the registration holder, the holder being in Kosovo at the time of use	Occasional private use	When the registration holder leaves Kosovo and within 6 months for road transport
Any means of transport	Any use in connection with an emergency situation	Within 5 days of entry
A trailer coupled to a means of road transport that is registered in Kosovo	Any use	24 months
Means of rail transport operated under an agreement that allows for temporarily imported rolling stock to be put at the disposal of a person established in Kosovo	Each network uses the rolling stock of the others network as their own	12 months

Any means of transport used by a professional hire service established in Kosovo	For the purpose of re-exportation from Kosovo	Within 5 days of entry
Any means of transport used by a person established in Kosovo	Commercial use: prior UNMIK Customs approval must be requested	Limited periods may be approved in exceptional cases

d) How long can a means of transport remain in Kosovo?

Except for the circumstances listed under c), means of transport can remain in Kosovo as follows:

Means of transport	Commercial / private use	Period of use
Rail transport	Commercial / private use	12 months
Road transport	Commercial	The time required to carry out the transport operation
	Privately used by students	The period the student remains in Kosovo for the sole purpose of their studies
	Privately used by persons fulfilling assignments of a specific duration	The period the person stays in Kosovo for the sole purpose of their assignment
	Privately used in other cases, including saddle or draught animals and vehicles drawn by them	6 months
Aircraft	Commercially used	The time required to carry out the transport operation
	Privately used	6 months
Containers and pallets	Commercial	24 months

3. General information about authorisations

This Part explains general details of authorisation. How to apply for authorisation is covered in Parts 4 to 7.

3.1 Why is an authorisation needed?

The person concerned needs to be authorised to import or receive TI goods to be eligible for relief. He also needs to make a declaration to enter goods to the procedure.

3.2 What types of authorisation are there?

There are four types of authorisation:

- **Simplified** – see Part 4;
- **Full** – see Part 5;
- **Oral**– see Part 6;
- **“Declaration by any other act”**– see Part 7.

3.3 How long does authorisation take?

For simplified authorisations a decision will usually be made when the entry declaration is made.

If a person applies for a full authorisation he should be informed of the decision to grant or reject the application within 30 days of UNMIK-Customs receiving the application.

3.4 How long does an authorisation last?

The length of time the authorisation can be used will depend on the type of authorisation.

Except for simplified authorisation, oral declaration and “declaration by any other act”, where the period of authorisation is limited to the period goods can be used in Kosovo (see paragraph 3.7), a full authorisation should not normally exceed 2 years from the date the authorisation takes effect.

With a full authorisation the person concerned can continue to enter goods to TI throughout the authorisation period, however each type of goods entered will still be subject to the time they can remain in Kosovo referred to in paragraph 3.7.

3.5 Responsibilities of the authorisation holder

As the authorisation holder, the person concerned will be responsible for any duty and associated charges on all goods entered under his authorisation, whether or not he owns them. This includes goods entered under his authorisation by any named users until they are put to an eligible disposal (see Part 10).

Other users included on his authorisation may only receive, use, dispose or transfer TI goods as specified in the authorisation. He should make his own arrangements to indemnify himself with any users included in his authorisation in the event of an ineligible entry, use or disposal.

The authorisation holder will be responsible for ensuring:

- entries where required on a SAD are correctly completed using the appropriate TI Customs Procedure Code (CPC) (see Part 8);
- that any users named on his authorisation or third parties such as agents or freight forwarders, who enter TI goods under the authorisation, are given clear written instructions of the goods to be entered and procedures to be followed (see paragraph 8.2);
- the correct transfer procedures are used for TI goods received or transferred (see Part 9);
- records are kept of all operations carried out under the approval (see paragraphs 3.8, 3.9 and 3.10);
- where goods are required to be entered on a SAD that the appropriate TI export CPC is used, and for keeping evidence of their disposal (see Part 10);
- the payment of import duty (and compensatory interest where applicable) for goods diverted for free circulation, (see paragraphs 1.6 and 10.4 13.6 and Part 11);
- amendments or alterations to his authorisation are notified in writing to UNMIK-Customs (see paragraph 3.11);
- for applying to renew his authorisation (see paragraph 3.12); and
- a security by bank guarantee is provided where required (see paragraphs 1.4 and 1.6).

3.6 Refusal of an application for authorisation

Refusal of a simplified authorisation and oral declaration will be notified at the time of import.

For a full application a decision should be issued within 30 days of receipt of all the necessary information. If the application for “total relief” (see paragraph 1.5) is rejected on the ground that either the goods or the use to be made of them are not eligible, the person concerned may be eligible to apply for partial relief (see paragraph 1.6).

3.7 Time limits for TI goods imported to Kosovo

Generally goods imported under TI can remain in Kosovo for a maximum period of two years. However, shorter periods apply to the following, that is:

- goods imported in connection with a sales contract that are subject to satisfactory acceptance tests (see paragraph 2.15) - **6 months**;
- goods for replacement means of production which are temporarily made available to a customer, supplier or repairer, pending delivery or repair of similar goods (see paragraph 2.18) - **6 months**;

- goods imported for purchase subject to inspection (see paragraph 2.20) - **2 months**;
- goods where “Total relief “ is claimed on the basis of being imported occasionally (see paragraph 2.24) - **3 months**.

If the person concerned needs a longer period for other types of goods he should apply in writing to UNMIK-Customs before expiry of the original TI period and include a full explanation of the circumstances. It is important that he contacts UNMIK-Customs as import duty and compensatory interest (where applicable) will be due if the goods are not re-exported or he is unable to provide satisfactory evidence of re-export.

Note: If TI goods are transferred to another customs procedure such as inward processing (IPR) or customs warehousing (CW), only the remaining balance of the TI period will be available to those goods if they are re-entered to TI at a later date.

3.8 Record keeping requirements

The authorisation holder has to keep detailed records of the receipt, use and disposal of any goods he imports.

These records must show:

- what goods are entered (the commercial or technical description of the goods sufficient to identify them). If he has a full authorisation this should correspond to the description of goods that will be stated in his authorisation;
- that security (where required) has been provided;
- when and where goods were entered, including details of any transfer of TI goods;
- where the TI goods under the authorisation are held at any time, including any movement of goods to or between users specified in the authorisation;
- locations where the goods will be used;
- how goods entered to TI are identified such as manufacturer’s marks or serial numbers, illustrations or technical descriptions;
- where goods are manufactured using TI goods referred to in paragraph 2.12 or paragraph 2.13, details of when and where the manufactured goods are exported outside Kosovo; and
- when and where TI goods are exported or put to an eligible disposal including documents relating to their disposal, see Part 10.

3.9 Using commercial records

The authorisation holder can normally use his commercial records, however he may be asked to adapt them to provide the information needed to claim relief.

If he intends to keep computerised records he must advise UNMIK-Customs when he applies for authorisation to ensure that these records meet the requirements of TI. He will be required to provide any technical information and assistance Customs may need in order to check them.

3.10 How long records must be kept for

The authorisation holder must keep his records for three years after he disposes of the goods.

3.11 Can the authorisation holder have his authorisation altered or amended?

Yes - if any details such as name or use of goods changes, he must advise UNMIK-Customs. In cases involving a change of name or ownership it may be necessary for him to re-apply for authorisation in the new name. As the authorisation holder he must ensure that all details relating to the authorisation remain current and correct.

If it is necessary to make any changes to the terms and/or conditions of his authorisation, the authorisation holder must contact UNMIK-Customs.

3.12 How does the authorisation holder renew his authorisation?

He should apply in writing to UNMIK-Customs no later than one month before his authorisation expires. He must advise Customs if any of the relevant facts (on his original application) have changed.

The AUTHORISATION HOLDER is responsible for applying for a renewal if it is still required. **Customs DO NOT issue reminders.**

3.13 Can the authorisation holder have his authorisation cancelled?

Yes - He can apply for the cancellation of his authorisation at any time by writing to UNMIK-Customs. In his letter he must give the date by which all of his TI goods will have been re-exported from Kosovo or put to another customs procedure (see Part 10).

Customs may also annul or revoke an authorisation if they find that it has been issued on the basis of incorrect or incomplete information or when conditions of TI have not been met. If this happens the authorisation holder will be notified in writing.

3.14 Customs checks

Whilst TI goods are in Kosovo they may be subject to Customs supervision.

(a) **Simplified authorisation** - the Customs office where the import declaration was lodged will be responsible for the initial examination of the import documentation and for checking that the goods are re-exported within the appropriate time limit.

(b) **Full authorisation** – the authorisation holder may receive a visit from the supervising office to ensure his records and systems are adequate for Customs purposes and to clarify details of the goods that he enters to TI. During the period of authorisation, further visits may be made to ensure that he is complying with all conditions of the authorisation.

4. Simplified authorisation

4.1 When can a simplified authorisation be used?

This may suit anyone occasionally importing goods under TI and allows TI to be applied for at the time of import when an entry declaration on aSAD is completed.

Each importation is treated as a separate application and the person concerned will be required to produce evidence of re-export to the customs office where the import was made, to allow his security to be released. For details of how to apply see paragraph 4.2.

If the person concerned is a regular temporary importer of TI goods he may wish to consider applying for a full authorisation, see Part 5.

4.2 How does the person concerned apply?

He needs to complete an import declaration IM 5 using a SAD and enter the TI Customs Procedure Code (CPC) "53" in box 37 (see also Part 8).

Acceptance of the entry will be his authorisation. The security provided will be retained until he provides evidence of re-exportation within the time limit allowed.

5. Full authorisation

5.1 When might a full authorisation be needed?

This may suit anyone regular importing TI goods and can be used to cover a series of imports under the same authorisation.

5.2 How does the person concerned apply for a full authorisation?

He should apply at least one month in advance.

Application is made on the form in Part 14 and prior approval from UNMIK-Customs is required.

If it is agreed, he will be issued an authorisation according to the form in Part 15. The authorisation will detail any conditions relating to its use and a TI authorisation number that he will need to quote on any entries and disposals he makes under the authorisation.

6. TI authorisation using the oral declaration procedure

6.1 When can the oral procedure be used?

This procedure can be used for the following types of goods:

- animals (see paragraph 2.6);
- packings (see paragraph 2.11);
- radio and television production and broadcasting equipment and vehicles specially adapted for use of the above purpose (see paragraph 2.9);
- instruments and apparatus necessary for doctors to provide assistance for patients awaiting organ transplant (see paragraph 2.9);
- goods that can be entered by a declaration made by “any other act” (see paragraph 7.1); and
- any other goods, where this is authorised by the Director General of UNMIK-Customs.

6.2 How does the person concerned apply to use the oral declaration procedure?

Application, declaration for the procedure and authorisation are made and accepted by oral declaration to Customs at the time of importation.

7. TI authorisation under the “declaration by any other act” procedure

7.1 When can the “declaration by any other act” procedure be used?

This procedure can be used for the following types of goods:

- travellers personal effects (see paragraph 2.1);
- goods for sports purposes (see paragraph 2.2);
- welfare materials for seafarers (see paragraph 2.3);
- means of transport, registered outside Kosovo and used privately or commercially by a person established outside Kosovo (see paragraph 2.25).

7.2 How does the person concerned apply for authorisation?

Application, declaration for the procedure and authorisation are deemed to have been made and accepted at the time of importation by:

- going through the green “nothing to declare” channel; or
- going through a customs office which does not operate the two-channel system without spontaneously making a customs declaration;
- affixing a “nothing to declare” sticker or customs declaration disc to the windscreen of a passenger vehicle;
- the act of entering Kosovo.

8. Importation

This Part explains the documents needed to declare goods to TI and import procedures, using a simplified or full authorisation

8.1 How to enter goods to TI

An entry on a SAD with the following information must be completed:

Box	Information to enter...
1	In the first subdivision IM and in the second subdivision the code 5
8	The name, address and VAT number, if any, of the holder of the authorisation or applicant in case of a simplified authorisation
31	the detailed description of the goods as required to be given in the authorisation or using their usual commercial description in sufficient detail to allow the goods to be identified in case of a simplified authorisation
33	the tariff code for the goods described in Box 31
37	for goods imported from outside Kosovo the CPC 53 00; or for goods previously entered: <ul style="list-style-type: none"> • under IPR suspension the CPC 53 51; or • under IPR drawback the CPC 53 41; or • under customs warehousing the CPC 53 71; or • to a Free Zone the CPC 53 78 00.
44	(a) in case of a full authorisation: the TI authorisation number, the code of the supervising office and the endorsement “ TI goods ” (b) in case of a simplified authorisation: <ul style="list-style-type: none"> • state “Administrative Instruction No 8/2004” and the Article of that Instruction under which TI relief is claimed • the purpose of the importation and the place including the sequence and locations where goods will be used • the period the goods will be used • the method of identification
54	the type of representation (direct or indirect), see paragraph 8.2

8.2 Authorising a third party to act on the authorisation holder’s behalf

The person concerned can use a third party such as 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 TI. Representation may be either direct or indirect:

- **Direct representation** - the third party makes an entry in the authorisations holder’s name and on his behalf but the authorisation holder is still responsible for any customs debt that may arise if an entry is incorrectly made.
- **Indirect representation** - the third parties make an entry in their own name and they are jointly and severally liable with the authorisation holder for any customs debt that may arise if an entry is incorrectly made.

The authorisation holder must ensure that the third party sends him a copy of the entry to check that the details and TI CPC used is correct.

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

8.3 Can an entry be amended?

Yes, if goods are entered in error for another customs procedure or for free circulation instead of TI the person concerned may be allowed to amend the entry provided:

- the application for amendment is received as soon as he becomes aware of the error and within 3 months of the date of entry;
- he was authorised at the time of entry;
- the use of the goods has not contravened the conditions of TI and his records are sufficient to show that the goods are or have been correctly disposed of under TI; and
- the goods will immediately be entered to TI.

8.4 How does the person concerned amend an entry?

He needs to contact the customs office where the original entry was made and send a copy of the original documentation together with any evidence, including a copy of his authorisation in case of a full authorisation, to support his request.

8.5 Import and export prohibitions and restrictions

Using TI does not remove the need to comply with import/export prohibitions or other restrictions, for example in respect of drugs, firearms, etc.

8.6 Preference

Preferential duty rates can only be claimed when TI goods are released for free circulation, providing a preferential rate of duty is available and the appropriate valid evidence of origin can be produced. The goods will attract the preferential rate of duty available at the time of diversion to free circulation.

9. TI Transfers

9.1 General

The full TI authorisation shall specify whether and under which conditions the movement of goods placed under the temporary importation procedure between different places may take place (transfer). These transfers shall be subject to the keeping of records.

9.2 Types of transfers and conditions

(a) Transfer between different places designated in the same TI authorisation 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 authorisation holder's facilities may be carried out under cover of the declaration for entry for the procedure IM 5.

Where the transfer was authorised 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 5.

(c) Transfer to the office of exit with a view to re-exportation may take place under cover of the temporary importation 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 10).

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 certify the physical departure on a commercial or administrative document.

Where the discharge was authorised 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.

10. Export and other eligible disposals

10.1 Discharging the TI procedure

When goods are entered to TI relief, the authorisation holder accepts responsibility for the customs charges due. TI is completed or discharged by:

- the export of the goods from Kosovo (see paragraph 10.2);
- the transfer of the goods to another TI authorisation holder in Kosovo (see paragraph 10.3);
- the transfer of the goods to another customs procedure for example inward processing, customs warehouse or free zone (see paragraph 10.3);
- the diversion of the goods to the Kosovo market (see paragraph 10.4);
- the destruction of the goods under customs supervision (see paragraph 10.6).

or

- **in respect of goods imported to be exhibited or used at a public event not organised for commercial sale of the goods** – if they are consumed, destroyed or distributed free of charge to the public at the event, provided the quantity of goods corresponds to the nature of the event, the number of visitors and the authorisation holder's participation in the event.

Note: this does not apply to alcoholic beverages, tobacco goods or fuels;

- **in respect of moulds, dies, blocks, drawings, sketches, measures, checking and testing instruments and other similar articles** – when they have been used in manufacturing, have been re-exported **and** at least 75% of products resulting from their use are also exported (records that the manufactured products have been exported must be kept);
- **in respect of special tools and instruments made available free of charge for the manufacture of goods** – when they are re-exported and **all** products resulting from their use are also exported (records that the manufactured products have been exported must be kept).

10.2 Exporting goods outside Kosovo

(a) **Simplified or full authorisations** – copies 1, 2 and 3 of the SAD will need to be completed and presented to Customs at the office of export. In particular the following boxes should be completed with the following information:

Box	Information to enter
1	in the first subdivision "EX" and in the second subdivision the code 3
8	the name and address of the person or company concerned and their VAT number, if any.
31	the description of the goods in sufficient detail to clearly identify the goods
33	the tariff code for the goods in box 31
37	the customs procedure code (CPC) 3153

40	the references (number and date) of the declaration IM 5 with which the goods were entered for the TI procedure
44	the references (number and date) of the TI authorisation and the code of the supervising office
54	the type of representation (direct or indirect), see paragraph 8.2

Copy 3 of the export declaration must be used as evidence of export. If this document cannot be produced, import duty, including compensatory interest (if applicable - see Part 11), will be due from the date the goods were imported to TI.

(b) **Oral declaration procedure** – the goods referred to in paragraph 6.1 may also be subject of an oral re-export declaration, discharging the TI procedure.

(c) **Declaration by any other act** – the goods referred to in paragraph 7.1 shall be considered to have been re-exported, discharging the TI procedure by the act referred to in paragraph 7.2. The declaration for export is considered as being made and accepted when the person concerned leaves Kosovo.

The TI procedure shall also be discharged when pallets of the same type and substantially the same value are exported or re-exported from Kosovo.

Under the conditions of the Convention of Geneva of 21 January 1994 on Customs Treatment of Pool Containers in International Transport, UNMIK Customs shall permit the TI procedure to be discharged where a container of the same type or the same value is exported or re-exported from Kosovo.

10.3 Transferring goods to another TI authorisation holder in Kosovo, Inward Processing (IPR), Customs warehousing (CW) or Free zone (FZ),

To discharge the TI procedure by one of the above transfers, a declaration consisting of copies 6, 7 and 8 of the SAD must be presented to Customs. 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 for TI and IPR, 7 for CW and FZ
8	the name and address of the person or company receiving the goods and their VAT number, if any.
31	the description of the goods in sufficient detail to clearly identify the goods
33	the tariff code for the goods entered in box 31
37	one of the following Customs Procedure Codes (CPC): - for TI: 53 53 - for IPR: 5153 (suspension system) or 4153 (drawback system) - for CW: 7153 - for FZ: 7853
40	the references (number and date) of the declaration IM 5 with which the import goods were entered for the TI procedure
44	- the references (the number and date) of the TI authorisation and the code of the supervising office - the status of the goods as TI goods
54	the type of representation (direct or indirect) see paragraph 8.2

If goods transferred to one of the above procedures are subsequently diverted to the Kosovo market, the period spent under the procedure concerned will be included for charging compensatory interest (see Part 11).

Before the authorisation holder allows the goods to be removed from his premises he must have evidence that they have been entered for the new procedure. This evidence will be a copy of the declaration IM 5 or IM 7, certified by Customs.

10.4 Diverting TI goods for free circulation

If TI goods are diverted for use in free circulation, import duty will be due. Compensatory interest (see Part 11) may also be charged depending on the type of TI relief claimed.

A diversion entry consisting of copies 6, 7 and 8 of the SAD must be presented to the office of discharge (in the case of a simplified authorisation to the office of entry for the procedure, in the case of authorisation using the oral declaration procedure or of authorisation under the declaration by any other act to any customs office). 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 their VAT number, if any.
31	the description of the goods in sufficient detail to clearly identify the goods
33	the tariff code for the goods entered in box 31
37	the Customs Procedure Code (CPC) 4053
40	where appropriate, the references (the number and date) of the declaration IM 5 with which the goods were entered for the TI procedure
44	the references (the number and date) of the TI authorisation and the code of the supervising office
47	the amount of duty, VAT and compensatory interest, if any
54	the type of representation (direct or indirect) see paragraph 8.2

Except for the goods listed below, the amount of the customs debt incurred shall be determined on the basis of the taxation elements (duty rate, customs value) appropriate to the import goods **at the time of acceptance of the declaration placing them under the TI procedure.**

The amount of the customs debt shall be determined on the basis of the taxation elements appropriate to them **at the time of release for free circulation** for the following:

- goods exhibited or used at a public event (paragraph 2.19);
- goods for approval (paragraph 2.20);
- works of art, collector items and antiques (paragraph 2.21); and
- goods other than newly manufactured ones.

10.5 Diverting goods subject to import licence restrictions

If it is intended to divert TI goods which are subject to license restrictions, the person concerned must first obtain a licence and present the licence with the diversion entry. Licensing requirements apply to the description by commodity code of the goods as first imported into

Kosovo (the “import goods”). Box 44 of the SAD must be endorsed “**Commercial policy**” and “**TA goods**”.

10.6 Destruction

If goods are found on or after entry to be defective, contaminated, obsolete or otherwise unusable and the person concerned wishes to destroy them, he may do so without payment of the duty provided he has the prior agreement of Customs. If waste and scrap resulting from destruction has a commercial value, import duty will be charged on the value and at the rate applicable to the waste and scrap.

To remove goods from TI procedure for destruction, the authorisation holder 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 9.
8	the name and address of the person concerned and his VAT number, if any.
31	- the description of the goods in sufficient detail to clearly identify the goods - details of the intended place and means of destruction
33	the tariff code for the goods entered in box 31
37	the Customs Procedure Code (CPC) 9353
44	the references (the number and date) of the TI authorisation and the code of the supervising office
54	the type of representation (direct or indirect) see paragraph 8.2

Before the authorisation holder allows the goods to be removed from his premises, he must have evidence that they have been entered for the new procedure. The evidence is a copy of the declaration IM 9 concerned, certified by Customs and indicating whether or not they wish to attend the destruction.

10.7 Customs debt

A customs debt will be incurred:

- if a condition governing the placing of the goods under TI was not fulfilled at the time the goods were declared for TI;
- through a failure to meet an obligation that is a requirement under TI, such as conditions attached to the import, have not been met or use of an incorrect CPC; or
- if TI goods are not re-exported, placed under another customs procedure that discharges TI or used as indicated in paragraph 10.1 (the debt is incurred at the time the goods are diverted).

11. Compensatory Interest

11.1 Why is compensatory interest charged?

Compensatory interest is charged on TI goods to prevent users who divert such goods gaining a financial advantage over those who import directly to free circulation and who will not have had the benefit of deferring the payment of duty due on the same goods at import.

Compensatory interest will also be due on ex TI goods that are re-entered to a customs procedure under which duty is suspended, such as IPR suspension, customs warehousing, or free zone, that are subsequently released to free circulation.

11.2 How is compensatory interest calculated?

Compensatory interest is calculated from the first day of the month following the date of first entry to TI in Kosovo, to the last day of the month in which the goods are diverted. If goods are not exported by the end of the agreed period of use, the debt will be incurred on the day following the date the period of use expires.

The minimum charging period is one month, that is no interest is due for periods of less than one month. Where ex TI goods are transferred to a customs warehouse, free zone, or IPR before diversion, any time spent under that suspensive procedure is included in the charging period.

11.3 Compensatory interest rate

Compensatory interest rates are set on a 3 month rate and published by the BPK.

The rate applied will be the rate 2 months before the month in which a customs debt is incurred and applies to the whole period for which interest is due.

11.4 Payment of compensatory interest

The compensatory interest must be paid on the declaration IM 4 when the import duty is paid. The CPC 40 53 will need to be quoted in box 37 and box 47 show the amount of interest.

11.5 Circumstances when compensatory interest will not be due

(a) Not all categories of goods diverted for free circulation are liable to compensatory interest. No interest is due if:

- the period for interest is less than one month;
- the amount of interest that would be due is less than €20;
- duty was secured by cash deposit at least equal to the amount of duty due;
- goods are imported to TI with **partial relief** from import duties;
- the TI goods are diverted for free circulation to obtain a preference certificate (EUR1, invoice declaration) for export to a preference-giving country;

- waste and/or scrap from the destruction of TI goods (see paragraph 10.6) are diverted for free circulation
- the person concerned can prove that it has become impossible or uneconomic to re-export TI goods. The written evidence to support his claim (for example a note of confirmation from the supplier refusing to accept the goods on return), should accompany the diversion entry. Whilst the claim is being considered he must provide security to cover the full amount of potential interest. He must ensure that the evidence demonstrates that the circumstances did not arise from negligence or deception and that it is impossible or uneconomic to carry out the re-exportation of the goods. He should also explain how the circumstances have changed since the goods were imported.

(b) In addition to the above no interest is due on goods entered to TI under the following reliefs:

- personal effects (paragraph 2.1);
- disaster relief material (paragraph 2.4);
- sound, image or data carrying media, publicity material (paragraphs 2.7 and 2.8);
- goods subject to satisfactory acceptance tests (paragraph 2.15);
- goods for exhibition or use at a public event (paragraph 2.19);
- goods for approval (paragraph 2.20);
- works of art, collectors items and antiques (paragraph 2.21); and
- goods other than newly manufactured imported with a view to sale by auction (paragraph 2.22).

11.6 Example compensatory interest calculations

a) Goods are imported and entered to TI on 8/4/04

Duty on goods = €710.

The goods are diverted for free circulation on 19/8/04.

The compensatory interest rate applicable for this period is 10%.

Period to be applied for interest purposes is 1/5/04 to 31/8/04 = 4 months.

Compensatory interest due = €710 x 10/100 x 4/12 = €23.6.

A diversion declaration IM 4 should be presented using CPC 40 53.

b) Goods are imported and entered to TI on 1/8/04

Duty on goods = €480.

The goods are diverted for free circulation on 28/9/04.

The compensatory interest rate applicable for this period is 10%.

Period to be applied for interest purposes is 1/9/04 to 30/9/04 = 1 month.

No interest would be due on the diversion as the charging period is less than one month.

c) Goods are imported and entered to TI on 1/8/04

Duty on goods = €480.

The goods are diverted to free circulation on 28/10/04.

The compensatory interest rate applicable for this period is 10%.

Period to be applied for interest purposes is 1/9/04 to 31/10/04 = 2 months.

Compensatory interest due = $€480 \times 10/100 \times 2/12 = €8$.

No interest would be due on the diversion as the total interest is below the de minimis of €20.

12. Goods entered to TI with a written declaration that do not normally require security







- materials belonging to airline, railway companies or postal services and used by them in international traffic, subject to their being distinctively marked;
- packings imported empty, carrying indelible non-removable markings;
- disaster relief material intended for State or approved bodies;
- medical, surgical and laboratory equipment intended for hospital or medical institution which has urgent need of such equipment.

13. ISO country codes provided for in international standards ISO 3166 or 6346

Country	Code	Country	Code	Country	Code
Afghanistan	AF	Central African Republic	CF	Gabon	GA
Albania	AL	Chad	TD	Gambia	GM
Algeria	DZ	Chile	CL	Gaza Strip and Jericho	GJ
Andorra	AD	China	CN	Georgia	GE
Angola	AO	Columbia	CO	Germany	DE
Argentina	AR	Congo	CG	Ghana	GH
Armenia	AM	Costa Rica	CR	Gibraltar	GI
Australia	AU	Cote d'Ivoire	CI	Greece	GR
Austria	AT	Croatia	HR	Grenada	GD
Azerbaijan	AZ	Cuba	CU	Guadeloupe	GP
Bahamas	BS	Cyprus	CY	Guatemala	GT
Bangladesh	BD	Czech Republic	CZ	Guinea	GN
Barbados	BB	Denmark	DK	Guinea-Bissau	GW
Belarus	BY	Djibouti	DJ	Guyana	GY
Belgium	BE	Dominica	DM	Haiti	HT
Belize	BZ	Dominican Republic	DO	Honduras	HN
Benin	BJ	Ecuador	EC	Hong Kong	HK
Bermuda	BM	Egypt	EG	Hungary	HU
Bhutan	BT	El Salvador	SV	Iceland	IS
Bolivia	BO	Equatorial Guinea	GQ	India	IN
Bosnia and Herzegovina	BA	Eritrea	ER	Indonesia	ID
Botswana	BW	Estonia	EE	Iran	IR
Brazil	BR	Ethiopia	ET	Iraq	IQ
Bulgaria	BG	Fiji	FJ	Ireland	IE
Burkina Faso	BF	Finland	FI	Israel	IL
Burundi	BI	France	FR	Italy	IT
Cambodia	KH	French Guiana	GF	Jamaica	JM
Cameroon	CM	French Polynesia	PF	Japan	JP
Canada	CA	Netherlands	NL	Switzerland	CH
Jordan	JO	New Zealand	NZ	Syria	SY
Kazakhstan	KZ	Nicaragua	NI	Taiwan	TW
Kenya	KE	Niger	NE	Tajikstan	TJ
Korea	KP	Nigeria	NG	Tanzania	TZ
Dem.P.Rep. of Korea	FR	Norway	NO	Thailand	TH
Kuwait	KW	Oman	OM	Togo	TO
Kyrgyzstan	KG	Pakistan	PK	Trinidad and Tobago	TT
Laos	LA	Panama	PA	Tunisia	TN
Latvia	LV	Papua New Guinea	PG	Turkey	TR
Lebanon	LB	Paraguay	PY	Turkmenistan	TM

Country	Code	Country	Code	Country	Code
Lesotho	LS	Peru	PE	Uganda	UG
Liberia	LR	Poland	PL	Ukraine	UA
Libya	LY	Portugal	PT	United Arab Emirates	AE
Liechtenstein	LI	Puerto Rico	PR	United Kingdom	GB
Lithuania	LT	Qatar	QA	United States of America	US
Luxembourg	LU	Romania	RO	Uruguay	UY
Macau	MO	Russian Federation	RU	Uzbekistan	UZ
Macedonia (F.R.Y.)	MK	Rwanda	RW	Venezuela	VE
Madagascar	MG	Samoa	WS	Vietnam	VN
Malawi	MW	Sao Tome and Principe	ST	Yemen	YE
Malaysia	MY	Saudi Arabia	SA	Yugoslavia	YU
Maldives	MV	Senegal	SN	Zaire	ZR
Mali	ML	Seychelles	SC	Zambia	ZM
Malta	MT	Sierra Leone	SL	Zimbabwe	ZW
Martinique	MQ	Singapore	SG		
Mauritania	MR	Slovakia	SK		
Mauritius	MU	Slovenia	SI		
Mexico	MX	Somalia	SO		
Moldova	MD	South Africa	ZA		
Mongolia	MN	Spain	ES		
Montserrat	MS	Sri Lanka	LS		
Morocco	MA	Sudan	SD		
Mozambique	MZ	Suriname	SR		
Myanmar	MM	Swaziland	SZ		
Namibia	NA	Sweden	SE		
Nepal	NP				

14. Application for full authorisation to use the temporary importation procedure

	UNMIK CUSTOMS SERVICE SHËRBMI DOGANOR I UNMIK-ut CARINSKA SLUŽBA UNMIK-a	 <div style="display: flex; justify-content: space-around; font-size: small;"> <div style="text-align: center;"> Police and Justice (UN)</div> <div style="text-align: center;"> Civil Administration (UN)</div> <div style="text-align: center;"> Institution Building (OSCE)</div> <div style="text-align: center;"> Economic Reconstruction (EU)</div> </div>	
APPLICATION FOR AUTHORISATION TO USE THE TEMPORARY IMPORTATION PROCEDURE			
1. Applicant <i>Enter the full name and address of the applicant. The applicant is the person to whom the authorisation should be issued.</i>			
2. Type of application <i>Type of application must be indicated. The types are given below.</i> <ul style="list-style-type: none"> <input type="checkbox"/> First application <input type="checkbox"/> Application for modified or renewed authorisation <i>(also indicate the appropriate authorisation number)</i> 			
3. Place and kind of records <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 temporary importation processing procedure.</i>			
4. Period of validity of the authorisation <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>			
(a) <input style="width: 90%;" type="text"/>		(b) <input style="width: 90%;" type="text"/>	
5. Goods to be placed under the temporary importation procedure (import goods) <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
6. Article under which authorisation is applied for <i>Indicate the article of the present Instruction under which the intended use indicated under item 7 qualifies for temporary importation.</i>			

7. Details of planned activities

Describe the nature of the planned activities (e.g. details of use) to be carried out on the import goods within the temporary importation procedure. Indicate also the appropriate place(s) where the goods will be used.

8. Customs office(s)

Indicate the suggested customs office(s)

(a) of entry

(b) of discharge

(c) of supervision

9. Identification

Indicate at least one of the following identification means:

- Serial or manufacturer's number**
- Affixing of plumbs, clip marks or other distinctive marks**
- Taking of samples, illustrations or technical descriptions**
- Carrying out of analyses**
- Other means of identification (to be specified)**

10. Period for discharge (months)







Enter the estimated period needed for the operations to be carried out within the temporary importation processing procedure. The period starts when the import goods are placed under the customs procedure. The period ends when the goods or products have been assigned a new customs approved treatment or use.

Signed

Date

Name

15. Full authorisation for temporary importation

	<p>UNMIK CUSTOMS SERVICE SHĚRBMI DOGANOR I UNMIK-ut CARINSKA SLUŽBA UNMIK-a</p>	    																																				
<p>AUTHORISATION FOR TEMPORARY IMPORTATION</p>																																						
<p>Reference No. of</p> <p>This authorisation refers to the application dated, ref. no.</p>																																						
<p>1. Holder of authorisation</p>																																						
<p>2. Place and kind of records</p>																																						
<p>3. Period of validity of the authorisation</p> <p>This authorisation is valid for entry under the procedure until</p>																																						
<p>4. Goods to be placed under the temporary importation procedure (import goods)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Tariff Code</th> <th style="width: 45%;">Description</th> <th style="width: 20%;">Quantity</th> <th style="width: 20%;">Value</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>			Tariff Code	Description	Quantity	Value																																
Tariff Code	Description	Quantity	Value																																			
<p>5. Article under which authorisation is given</p>																																						

6. Authorised activities		
Authorised use:		
Place(s) where activities may be carried out:		
7. Customs office(s)		
(a) of entry		
(b) of discharge		
(c) of supervision		
8. Identification measures		
(a) at entry:		
(b) at discharge:		
9. Period for discharge		
Stamp	Signature	
	Name	Date