

Chapter IV

Processing under customs control

326. In accordance to Title IV, Chapter II, Section 3 E of the Code this chapter will lay down provisions in the implementing of the processing under customs control procedure.

327. Pursuant to Article 151 of the Code, the procedure for processing under customs control may be used for goods in column 1 of the list in Annex 41 which are to undergo the processing referred to in column 2.

328.

328.1. The application shall be made in conformity with Point 234 and in accordance with the specimen in Annex 28, and presented by the person to whom the authorisation may be granted under Articles 109, 152 and 153 of the Code.

328.2. The application shall be presented to the General Directorate of Customs.

329.

329.1. The authorisation shall be issued by the General Directorate of Customs and shall be made out on a model conforming to the specimen in Annex 33.

329.2. Each authorisation should be accompanied by a form “*processing under customs control record*” that should form an integrated part of each authorisation. The specimen of the processing under customs control record import is described in Annex 33. All entries should be registered in this form, in accordance with instructions issued by the General Directorate of Customs.

329.3. To ensure correct application of the provisions governing the procedure, the customs authorities shall require the holder of the authorisation, to keep stock records which indicate the quantities of import goods entered for the procedure and of processed products obtained, and all particulars needed for the monitoring of the operations and the correct calculation of any import duties which may be payable. The “*records of processing under customs control*” shall be made available to the supervising office to enable it to carry out any checks necessary for the proper implementation of the procedure.

330. The period of validity of the authorisation shall be set case by case by the customs authorities, having regard to the specific requirements of the applicant. Where the period exceeds two years, the conditions on which the authorisation was issued shall be reviewed periodically at intervals laid down in the authorisation.

331.

331.1. When issuing the authorisation the General Directorate of Customs shall specify the period within which the processed products must be assigned to a customs-approved treatment or use in accordance with Article 154 of the Code, taking into account the time required to carry out the processing operations and the time required to assign the processed products to a customs-approved treatment or use.

331.2. When the holder of the authorisation lodge a motivated request for extension, the period specified for re-exportation may be extended by the General Directorate of Customs.

332.

332.1. The rate of yield, or method of determining the rate, referred to in Article 154 of the Code shall as far as possible be set on the basis of production data and shall be identifiable in the records of the holder of the authorisation.

332.2. The rate or method of determining the rate shall be set in accordance with point 332.1, subject to retrospective verification by the customs authorities.

333.

333.1. The declaration entering goods for processing under customs control shall be lodged at one of the offices of entry for the procedure specified in the authorisation.

333.2. The declaration referred to in point 333.1 shall be made in accordance with Points 121 to 161.

333.3. The description of the goods given in the declaration referred to in point 333.2 shall correspond to the specifications in the authorisation.

333.4. For the purposes of Article 87 (2) of the Code, the documents to accompany the declaration shall be those provided for in Point 145.

333.5. Each import declaration must contain the code IM 9 in box 1 of the declaration and reference to the number and date of the authorisation for processing under customs control in box 44. The form “*processing under customs control record, import*”, as described in Annex 33 must be issued for each declaration assigning goods to the procedure and should form an integral part of the copy of the declaration kept by the custom authorities. All exits should be registered in this form, in accordance with instructions issued by the General Directorate of Customs. The import declaration together with all attached documents shall after the release of the consignment be kept in a special file for each company authorised to use the processing under customs control procedure.

334.

334.1. Discharge of the procedure shall be based either on the quantity of import goods corresponding, by application of the rate of yield, to the processed products or on the quantity of goods in the unaltered state which have been assigned to a customs-approved treatment or use.

334.2. Where necessary, pursuant to Article 155 of the Code, the quantitative scale method or the value scale method concerning the proportion of import goods incorporated in the products shall apply “*mutatis mutandis*”.

335. The declaration discharging the procedure for the processing of goods under customs control shall be lodged at one of the customs offices of discharge specified in the authorisation.

336.

336.1. The declaration discharging the procedure for the processing of goods under customs control shall be made in accordance with the provisions laid down for the customs-approved treatment or use concerned.

336.2. The description of the processed products or import goods in the declaration referred to in point 336.1 shall correspond to the specifications in the authorisation.

336.3. For the purposes of Article 87 (2) of the Code, the documents to accompany the discharge declaration shall be those whose production is necessary for placing the goods under the procedure requested.

336.4. Each declaration for discharge of the processing under customs control procedure must contain the reference to the number and date of the authorisation for processing under customs control in box 44.

337.

337.1. The holder of the authorisation shall supply the supervising office with a bill of discharge within thirty days of the expiry of the time limit for discharge.

337.2. The bill of discharge shall contain inter alia the following particulars:

- a) reference to the authorisation;
- b) the quantity by type of import goods and reference particulars of the declarations entering them for the procedure;
- c) the CNN code of the import goods;
- d) the customs value of the import goods;
- e) the rate of yield set;
- f) the nature and quantity of the processed products and the customs-approved treatment or use to which they are assigned, together with reference particulars of the declarations assigning the said products to a customs-approved treatment or use;
- g) when the customs value should include processing costs, the processing costs;
- h) the CNN code of the processed products.

338.

338.1. The supervising office may agree that:

- a) the bill of discharge should be made out by computer or in any other form that the said office shall stipulate;
- b) the bill of discharge should be made out on the declaration entering the goods for the procedure.

338.2. The supervising office shall annotate the bill of discharge on the basis of the verification which has been carried out, informing the holder of the authorisation if necessary of the result of that verification, and shall keep the bill of discharge and related documents for at least three calendar years from the end of the year in which the bill was drawn up.

339. Pursuant to Article 40 (1) of the Code, where the processed products are released for free circulation their customs value shall be one of the following, at the choice of the person concerned, such choice being exercised on the date of acceptance of the declaration for release for free circulation:

- i) the customs value, determined at or about the same time of identical or similar goods produced in any other country,

- ii) their selling price, provided this is not influenced by a relationship between buyer and seller,
- iii) the selling price in the Republic of Albania of identical or similar goods, provided this is not influenced by a relationship between buyer and seller,
- iv) the customs value of the import goods plus the processing costs.

340. Where commercial policy measures are in force for the import goods at the time of acceptance of the declaration for release for free circulation, such measures shall not apply to the processed products unless they are also in force for products identical to the processed products. In this case, the measures shall be applied to the quantity of import goods actually used in the manufacture of the processed products released for free circulation.

341. The General Directorate of Customs may lay down guidelines in the practical application of the processing under customs control procedure.