

TABLE OF CONTENTS

| | | Point No. |
|----------------|---|------------------|
| PART I | GENERAL IMPLEMENTING PROVISIONS | 1-161 |
| Title 1 | General | |
| Chapter I | General definitions | 1 |
| Chapter I | Definitions for the purpose of specific procedures | 2 |
| Title 2 | Organisation of Customs administration, personnel and activities | 3-21 |
| Chapter I | Organisation and responsibilities of Central Customs Administration | 3-7 |
| Chapter II | Organisation and responsibilities of Local Customs Administration | 8-9 |
| Chapter III | Classification, recruitment, responsibilities and evaluation of the personnel | 10-13 |
| Chapter 4 | Custom offices working hours | 14 |
| Chapter 5 | Verifying procedure | 15 |
| Chapter 6 | Disciplinary violations and measures | 16-19 |
| Chapter 7 | Co-operation with the police | 20-21 |
| Title 3 | Decisions and Binding tariff information | 22-29 |
| Chapter 1 | Decisions | 22-24 |
| Chapter 2 | Procedure for obtaining binding tariff information | |
| | Notification of information to applicants | 25-26 |
| Chapter 3 | Provisions applying in event of inconsistencies in binding tariff information | 27 |
| Chapter 4 | Legal effect of binding tariff information | 28-29 |
| Title 4 | Right of representation | 30-43 |
| Title 5 | Origin of goods | 44-53 |
| Chapter 1 | Non preferential origin | 44-46 |
| Chapter 2 | Preferential origin | 47-52 |
| Chapter 3 | Methods of administrative co-operation | 53 |
| Title 6 | Customs value | 54-81 |

| | | |
|-----------------|--|----------------|
| Chapter 1 | General Provisions | 54-68 |
| Chapter 2 | Provisions concerning royalties and license fees | 69-74 |
| Chapter 3 | Provisions concerning the place of introduction into the Republic of Albania | 75 |
| Chapter 4 | Provisions concerning transport costs | 76-78 |
| Chapter 5 | Valuation of certain carrier media for use in ADB equipment | 79 |
| Chapter 6 | Documents to be furnished | 80-81 |
| Title 7 | Provisions applicable to goods in entry or exit from the customs territory of the Republic of Albania until they are assigned a customs approved treatment or use | 82-108 |
| Chapter 1 | Entry or exit of goods from the customs territory of the Republic of Albania | 82-92 |
| Chapter 2 | Air traffic | 93-94 |
| Chapter 3 | Maritime and water traffic | 95-108 |
| Title 8 | Introduction of goods into the customs territory | 109-117 |
| Chapter 1 | Examination of the goods and taking of samples by the person concerned | 109 |
| Chapter 2 | Summary declaration | 110-111 |
| Chapter 3 | Temporary storage | 112-117 |
| Title 9 | Counterfeit goods and pirated goods | 118-120 |
| Chapter 1 | Application for action by the customs authorities | 118-119 |
| Chapter 2 | Control procedures | 120 |
| Title 10 | Customs declaration | 121-161 |
| Chapter 1 | Customs declarations in writing | 121-146 |
| Section 1 | General provisions | 121-129 |
| Section 2 | Forms to be used | 130-139 |
| Section 3 | Particulars required according to the customs procedure concerned | 140-141 |
| Section 4 | Documents to accompany the customs declaration | 142-146 |
| Chapter 2 | Computerised customs declarations | 147-149 |
| Chapter 3 | Customs declarations made orally or by any other act | 150-161 |
| Section 1 | Oral declarations | 150-154 |

| | | |
|----------------|---|----------------|
| Section 2 | Customs declarations made by any other act | 155-159 |
| Section 3 | Provisions common to Sections 1 and 2 | 160-161 |
| PART II | CUSTOMS-APPROVED TREATMENT OR USE | 162-476 |
| Title 1 | Release for free circulation | 162-181 |
| Chapter 1 | General provisions | 162 |
| Chapter 2 | Favourable tariff treatment by reason of the nature of goods and by reason of their end use | 163-179 |
| Section 1 | General provisions | 163 |
| Section 2 | Favourable tariff treatment by reason of the nature of goods | 164-168 |
| Subsection 1 | Goods subject to the condition that they be denatured | 164-165 |
| Subsection 2 | Conditions for tariff classification of certain types of seed | 166-167 |
| Subsection 3 | Conditions for tariff classification of bolting cloth as piece goods | 168 |
| Section 3 | Admission of goods with favourable tariff treatment by reason of their end use | 169-176 |
| Section 4 | Common provisions | 177-179 |
| Chapter 3 | Management of tariff measures | 180-181 |
| Title 2 | Transit | 182-233 |
| Title 3 | Customs procedures with economic impact | 234-427 |
| Chapter 1 | Common provisions | 234-239 |
| Chapter 2 | Customs warehousing | 240-271 |
| Chapter 3 | Inward processing | 272-325 |
| Section 1 | General provisions | 272-273 |
| Section 2 | Grant of the authorisation | 274-284 |
| Section 3 | Provisions applying to the suspension system | 285-308 |
| Section 4 | Provisions applicable to the drawback system | 309-325 |
| Chapter 4 | Processing under customs control | 326-341 |
| Chapter 5 | Temporary importation procedure | 342-402 |
| Section 1 | General provisions | 342 |
| Section 2 | Temporary importation of goods other than means of transport | 343-381 |

| | | |
|-----------------|--|----------------|
| Section 3 | Temporary importation of means of transport | 382-399 |
| Section 4 | Special arrangements for discharge and commercial policy measures | 400-402 |
| Chapter 6 | Outward processing | 403-427 |
| Section 1 | General provisions | 403 |
| Section 2 | Authorising use of the procedure | 404-415 |
| Section 3 | Operation of the procedure | 416-427 |
| Title 4 | Implementing provisions relating to export | 428-441 |
| Chapter 1 | Exportation | 428-437 |
| Chapter 2 | Export of products of sea-fishing and other products taken from the sea by Albanian fishing vessels without being landed in the Republic of Albania | 438 |
| Chapter 3 | Temporary exportation using an ATA carnet | 439-441 |
| Title 5 | Other customs-approved treatment or uses | 442-476 |
| Chapter 1 | Free zones and free warehouses | 442-472 |
| Section 1 | General provisions | 442-451 |
| Section 2 | Entry of goods into a free zone or a free warehouse | 452-457 |
| Section 3 | Operation of a free zone or a free warehouse | 458-459 |
| Section 4 | Exit of goods from a free zone or a free warehouse | 460-462 |
| Section 5 | Procedures applicable where the inward processing procedure (suspension system) or processing under customs control is used in a free zone or free warehouse | 463-472 |
| Chapter 2 | Re-exportation, destruction and abandonment | 473-476 |
| PART III | EXEMPTIONS | 477-560 |
| Chapter 1 | General provisions | 477-484 |
| Chapter 2 | Special circumstances where relief from import duty shall be granted | 485-560 |
| Section 1 | Personal property belonging to natural persons transferring their normal place of residence from another country to the Republic of Albania | 485-492 |
| Section 2 | Goods imported on the occasion of a marriage | 493-497 |
| Section 3 | Personal property acquired by inheritance | 498-501 |
| Section 4 | School outfits, scholastic materials and other scholastic household effects | 502-503 |

| | | |
|----------------|--|----------------|
| Section 5 | Consignments of negligible value | 504-505 |
| Section 6 | Goods contained in travellers' personal luggage | 506-510 |
| Section 7 | Laboratory animals and biological or chemical substances intended for research | 511 |
| Section 8 | Therapeutic substances of human origin and blood grouping and tissue typing reagents; human organs for transplantation | 512-515 |
| Section 9 | Reference substances for the quality control of medical products | 516 |
| Section 10 | Pharmaceutical products used at international sports events | 517 |
| Section 11 | Goods for charitable organisations, philanthropic organisations or assistance purposes for charity organisations, religious institutions, public entities, as well as budget funded state entities | 518-529 |
| Section 12 | Honorary decorations or awards | 530 |
| Section 13 | Presents received in the context of international relations | 531-533 |
| Section 14 | Goods to be used by heads of state | 534 |
| Section 15 | Goods imported for trade promotion purposes | 535-543 |
| Section 16 | Consignments sent to organisations protecting copyrights or industrial and commercial patent rights | 544 |
| Section 17 | Tourist information literature | 545 |
| Section 18 | Miscellaneous documents and articles | 546 |
| Section 19 | Ancillary materials for the stowage and protection of goods during their transport | 547 |
| Section 20 | Litter, fodder and foodstuffs for animals during their transport | 548 |
| Section 21 | Fuel and lubricants present in land motor vehicles | 549-553 |
| Section 22 | Materials for the construction, upkeep or ornamentation of memorials to, or cemeteries for, war victims | 554 |
| Section 23 | Coffins and funerary urns and ornamental funerary articles | 555 |
| Section 24 | Machinery and other equipment for use in a free zone or free warehouse imported by persons licensed to operate in a free zone or free warehouse | 556-559 |
| Section 25 | Final provisions | 560 |
| PART IV | RETURNED GOODS | 561-570 |
| Title 1 | Returned goods | 561-567 |
| Title 2 | Products of sea-fishing and other products taken from the sea by Albanian fishing vessels | 568-570 |

| | | |
|----------------|---|----------------|
| PART V | CUSTOMS DEBT | 571-613 |
| Title 1 | General provisions | 571 |
| Title 2 | Security | 572-573 |
| Title 3 | Incurrence of the debt | 574-581 |
| Chapter 1 | Failures which have no significant effect on the operation of temporary storage or of the customs procedure | 574-576 |
| Chapter 2 | Natural wastage | 577 |
| Chapter 3 | Goods in special situations | 578-581 |
| Title 4 | Recovery of the amount of the customs debt | 582-584 |
| Title 5 | Repayment or remission of import or export duties | 585-612 |
| Chapter 1 | Implementing provisions relating to Articles 249 to 252 of the Code | 585-602 |
| Section 1 | Application | 585-589 |
| Section 2 | Procedure for granting repayment or remission | 590-602 |
| Chapter 2 | Specific provisions relating to the application of Article 252 of the Code | 603-612 |
| Chapter 3 | Final provisions | 613 |
| Title 6 | Final provisions | 613 |
| PART VI | FINAL PROVISIONS | 614-616 |

**Republic of Albania
Council of Ministers**

**Decision
No. 205(1) date 13.4.1999**

FOR THE APPROVAL OF THE IMPLEMENTING PROVISIONS OF THE CUSTOMS CODE

The Council of Ministers

Based on Article 100 of the constitution of the Republic of Albania and Law no. 8449, dated 27.01.1999 “For the Customs Code of the Republic of Albania”, that shall hereinafter be referred to as Code and particularly on Article 299 ,,

considering that the Code encloses the existent customs law in a single legal tool; has amended the law by making it more coherent, more simplified and by filling in the gaps in the current law; in order to make it work as a comprehensive legislation in the field;

considering that the reasons that lead to the Code’s approval are valid for the implementing provisions in the customs area; that all the implementing provisions, which are currently extending in a series of rules and guidelines be arranged in a single legislative document;

considering that the currently implementable customs rule needed to be reflected in the following Implementing Provisions of the Customs Code of the Republic of Albania; the opportunity should be availed to learn from the gained experience:

to amend the rules in question to adopt them to the Code’s provisions,

to expand the area these particular provisions, which are currently implemented for only some customs procedures, cover in order to implement the Code comprehensively ,

to determine the rules in question to ensure a higher legal warranty of their implementation,

considering that the amendments deal above all with the customs debt and

considering that the new measures stipulated by these provisions comply with the opinion of the Customs Assistance Mission in Albania financed by the European Commission,

decided to approve the following Implementing Provisions of the Customs Code:

PART I

GENERAL IMPLEMENTING PROVISIONS

TITLE I

GENERAL PROVISIONS

Chapter 1

General Definitions

1.

For the purposes of this Regulation the following definitions shall apply:

- 1.1. *Code means*: Law No 8449, date 27.01.1999 “The Customs Code for the Republic of Albania” amended by law no. 8473, date 14.04.1999
- 1.2. *ATA carnet means*: the international customs document for temporary importation established by virtue of the ATA Convention;
- 1.3. *TIR carnet means*: an international transport document that allows transport of goods from customs office of departure to customs office of destination under the TIR procedure, determined by the TIR Convention;
- 1.4. *Particulars required for identification of the goods means*: on the one hand, the particulars used to identify the goods commercially allowing the customs authorities to determine the tariff classification and, on the other hand, the quantity of the goods;
- 1.5. *Goods of a non-commercial nature means*: goods whose entry for the customs procedure in question is on an occasional basis and whose nature and quantity indicate that they are intended for the private, personal or family use of the consignees or persons carrying them, or which are clearly intended as gifts;
- 1.6. *Commercial policy measures means*: non-tariff measures established, as part of the commercial policy, in the form of provisions governing the import and export of goods, quantitative restrictions or limits and import or export prohibitions;
- 1.7. *Customs nomenclature means*: one of the nomenclatures referred to in Article 28 (6) of the Code;
- 1.8. *Harmonised System means*: the Harmonised Commodity Description and Coding System.

Chapter II

Definitions for the purpose of specific procedures

2.

2.1. For the purpose of Point 25 to 29 of these provisions:

- a) *“binding tariff information”*: means tariff information binding on the customs administration when the conditions laid down in Points 25 and 26 are fulfilled;
- b) *“applicant”*: means a person who has applied to the customs authorities for binding tariff information;
- c) *“holder”*: means the person in whose name the binding tariff information is issued.

2.2. For the purposes of Point 44 to 53:

- a) *“manufacture”* means any kind of working or processing including assembly or specific operations;
- b) *“material”* means any ingredient, raw material, component or part, etc., used in the manufacture of the product;

- c) *"product"* means the product being manufactured, even if it is intended for later use in another manufacturing operation;
- d) *"goods"* means both materials and products;
- e) *"customs value"* means the value as determined in accordance with the 1994 Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade (WTO Agreement on customs valuation);
- f) *"ex-works price"* in the lists in Annex 4 means the price paid to the manufacturer in whose undertaking the last working or processing is carried out. This price should include the value of all materials used, minus any internal taxes which are, or may be, repaid when the product obtained is exported;
- g) *"value"* in the lists in Annex 4 means the customs value at the time of importation of the non-originating materials used or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the Republic of Albania within the meaning of Point 47 (1). Where the value of the originating materials used needs to be established, this subparagraph shall be applied *"mutatis mutandis"*;
- h) *"chapters" and "headings"* mean the chapters and the headings (four-digit codes) used in the nomenclature which makes up the Harmonised System;
- i) *"classified"* refers to the classification of a product or material under a particular heading;
- j) *"consignment"* means products, which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in absence of such a document, by a single invoice.

2.3. For the purposes of Point 54 to 81:

- a) *"produced goods"* includes goods grown, manufactured and mined;
- b) *"identical goods"* means goods produced in the same country which are the same in all respects, including physical characteristics, quality and reputation. Minor differences in appearance shall not preclude goods otherwise conforming to the definition from being regarded as identical;
- c) *"similar goods"* means goods produced in the same country which, although not alike in all respects, have like characteristics and like component materials which enable them to perform the same functions and to be commercially interchangeable; the quality of the goods, their reputation and the existence of a trademark are among the factors to be considered in determining whether goods are similar;
- d) *"goods of the same class or kind"* means goods, which fall within a group or range of goods produced by a particular industry sector, and includes identical or similar goods.

Identical goods and similar goods, as the case may be, do not include goods which incorporate or reflect engineering, development, artwork, design work, and plans and sketches for which no adjustment has been made under Article 37(1)(b)(iv) of the Code because such elements were undertaken in the Republic of Albania.

2.4. For the purposes of Point 79:

- a) the expression “*carrier medium*” shall not be taken to include integrated circuits, semiconductors and similar devices or articles incorporating such circuits or devices;
- b) the expression “*data or instructions*” shall not be taken to include sound, cinematographic or video recordings.

2.5. For the purposes of Point 118 to 120: (DCM no. 547, date 01.05.08, amended 2(5))

A. Goods infringing royalties are

1) “*counterfeit goods*” means:

- i) goods, including the packaging thereof, being without authorisation a trade mark validly registered in respect of the same type of goods, or which cannot be distinguished in its essential aspects from such trade mark, and which thereby infringes the rights of the holder of the trade mark in question according to the Albanian law governing this field,
- ii) any trade mark symbol (label, logo, sticker, brochure, instructions for use or guarantee document), whether presented separately or not, in the same circumstances as the goods referred to in (i),
- iii) packaging materials, bearing the trade marks of counterfeit goods, presented separately in the same circumstances as the goods referred to in (i);

2) “*pirated goods*” means: goods which are or embody copies made without the consent of the holder of the copyright or neighbouring rights, or of the holder of a design right, whether registered under national law or not, or of a person duly authorised by the holder in the country of production, where the making of those copies infringes the right in question according to the Albanian law governing this field;

3. Goods infringing a patent, an additional protection certificate, a right of the vegetative varieties, geographical indicators.

4. “Goods infringing royalties” means any mould or matrix designed particularly for or adapted to the manufacturing of counterfeit trade mark or of goods bearing such a trade mark provided that the use of such moulds or matrices infringes the rights of the copyright holder in the Republic of Albania.

B) “*holder of a right*” means:

- 1. any natural or legal person, native or foreigner, who, in compliance with the law hold a patent, a trade mark, an industrial design, label of origin, additional certificate of protection, copyright or any other similar right;
- 2. any natural or legal person, native or foreigner, authorized to use the trade mark and/or rights, as referred to in (a), or any representative of the holder of the right or of the person who is authorized to use each of the royalty rights.

C) “*declarations for release in free circulation, for export or for re-export*” means: declarations made in accordance with Article 86 of the Code; (DCM no. 547, date 01.05.08, amended 2(5))

2.6. For the purposes of Point 182 to 233:

- a) “*means of transport*” means, in particular:
 - i) any road vehicle, trailer or semi-trailer,
 - ii) any railway coach or wagon,
 - iii) any boat or ship,
 - iv) any aircraft,
 - v) any container within the meaning of Point 2 (9)(g);
- b) “*office of departure*” means: the customs office where the transit operation begins;
- c) “*office of destination*” means: the customs office where goods placed under the transit procedure must be produced to complete the transit operation;
- d) “*office of guarantee*” means: the customs office where a comprehensive guarantee is lodged.

2.7. For the purposes of Points 234 to 427:

- a) “*supervising customs office*” means: the customs office empowered by the General Directorate of Customs to supervise the procedure, as indicated in the authorisation;
- b) “*office of entry for the procedure*” means: the customs office or offices empowered by the General Directorate of Customs to accept declarations entering goods for the procedure or procedures, as indicated in the authorisation;
- c) “*office of discharge*” means: the customs office or offices empowered by the General Directorate of Customs to accept declarations assigning goods, following entry for a customs procedure with economic impact, to an accepted customs-approved treatment or use, as indicated in the authorisation.

2.8. For the purposes of Points 272 to 325:

- a) “*main compensating products*” means: the compensating products for the production of which the use of the inward processing procedure was authorised;
- b) “*secondary compensating products*” means: compensating products other than the main compensating products which are a necessary by-product of the processing operation;
- c) “*losses*” means: the proportion of the import goods destroyed and lost during the processing operation, in particular by evaporation, desiccation, venting as gas or leaching;
- d) “*quantitative scale method*” means: calculation of the proportion of import goods incorporated in the various compensating products by reference to the quantity of the import goods;
- e) “*value scale method*” means: calculation of the proportion of import goods incorporated in the various compensating products by reference to the value of the compensating products;
- f) “*operators*” means: persons who carry out all or part of the processing operations;

g) “*period for re-exportation*” means: the time by which the products must have been assigned to one of the customs-approved treatments provided for under Article 112 of the Code;

2.9. For the purposes of Points 342 to 402:

a) *office of entry* means: the customs office via which goods accompanied by an ATA carnet enter the customs territory of the Republic of Albania;

b) *office of exit* means: the customs office via which goods accompanied by an ATA carnet leave the customs territory of the Republic of Albania;

c) *means of transport* means: any means used for the transport of persons or goods. The term covers spare parts and normal accessories and equipment, including the gear used to stow, secure or protect goods which are imported with the means of transport;

d) *person established outside the customs territory of the Republic of Albania* means: a natural person normally resident outside the customs territory of the Republic of Albania or a legal person having a registered place of business outside that territory;

e) *commercial use* means: the use of a means of transport for the transport of persons for remuneration or the industrial or commercial transport of goods, whether or not for remuneration;

f) *private use* means: the use of a means of transport exclusively for personal purposes by the person concerned, excluding commercial use;

g) *container* means: an article of transport equipment (lift-van, movable tank, demountable body or other similar structure):

i) fully or partially enclosed to constitute a compartment intended for containing goods,

ii) of a permanent character and accordingly strong enough to be suitable for repeated use,

iii) specially designed to facilitate the carriage of goods, by one or more modes of transport, without intermediate reloading,

iv) designed for ready handling, particularly when being transferred from one mode of transport to another,

v) designed to be easy to fill and to empty, and having an internal volume of one cubic metre or more.

Platform flats shall be treated as containers. The term container shall include the accessories and equipment of the container, appropriate for the type concerned, provided they are transported with the container. The term container shall not include vehicles, accessories or spare parts of vehicles, packaging or pallets. By way of derogation from the subparagraph (g) (v), the term container shall apply to containers used for air transport having an internal volume of less than one cubic metre;

h) *transport under customs seal* means: the use of a container to transport goods which are identified by the sealing of the container;

i) *demountable body* means: a loading compartment which has no independent means of movement and is specifically designed to be transported on a road vehicle, the chassis of such vehicle and the lower bodywork frame being specially designed for that purpose. This definition also covers movable cases which form loading compartments specifically designed for combined transport;

- j) *partially enclosed containers* means: equipment generally consisting of a floor and a superstructure marking off a loading space equivalent to that of a closed container; the superstructure is generally made up of metal members forming the frame of a container; containers of this type may also comprise one or more lateral or frontal walls; in some cases there is only a roof attached to the floor by uprights; this type of container is used in particular for the carriage of bulky goods (motor cars, for example);
- k) *platform flats* means: loading platforms without a superstructure, or with partial superstructure only, of the same length and width as containers and possessing top and bottom corner fittings located on the side of the platform to enable the same anchoring and lifting devices to be used as for containers;
- l) *accessories and equipment of the container* means: in particular the following devices even if they are removable:
- i) equipment for controlling, modifying or maintaining the temperature inside the container;
 - ii) small appliances, such as temperature or impact recorders, designed to indicate or record variations in environmental conditions and impact;
 - iii) internal partitions, pallets, shelves, supports, hooks and similar devices used for stowing goods.
- m) *pallet* means: a device on the deck of which a quantity of goods can be assembled to form a unit load for the purpose of transporting it, or of handling or stacking it with the assistance of mechanical appliances. This device is made up of two decks separated by bearers, or of a single deck supported by feet, or of a special deck designed for air transport; its overall height is reduced to the minimum compatible with handling by means of fork lift trucks or pallet trucks; it may or may not have a superstructure;
- n) *operator of a container or pallet* means: the person who, whether or not its owner, has effective control of its movements;
- o) *user of the procedure for a container or pallet* means: the operator of a container or pallet or his representative;
- p) *internal traffic* means: the carriage of persons or goods picked up or loaded in the customs territory of the Republic of Albania for setting down or unloading at an other place within that territory.

2.10. For the purposes of Points 403 to 427:

- a) *“main compensating products”* means: the compensating products for the production of which the use of the outward processing procedure was authorised;
- b) *“secondary compensating products”* means: compensating products other than those, for which the procedure was authorised, which necessarily result from the outward processing operation;
- c) *“losses”* means: the proportion of the temporary export goods destroyed and lost during the processing operation, in particular by evaporation, desiccation, venting as gas or leaching;
- d) *“quantitative scale method”* means: calculation of the proportion of temporary export goods incorporated in the various compensating products by reference to the quantity of such goods;
- e) *“value scale method”* means: calculation of the proportion of temporary export goods incorporated in the various compensating products by reference to the value of such compensating products;
- f) *“prior importation”* means: the system provided for in Article 174 (4) of the Code;

g) “*amount to be deducted*” means: the import duties which would have been applicable to the temporary export goods if they had been imported into the customs territory of the Republic of Albania from the country in which they underwent the processing operation or the last processing operation;

h) “*loading, transport and insurance costs*” means: all costs incurred in connection with the loading, transport and insurance of the goods including:

i) commissions and brokerage, except buying commissions,

ii) the cost of containers (bottles, flasks, bags, boxes etc) not integral to the temporary export goods,

iii) the cost of packing, including labour and materials,

iv) handling costs incurred in connection with transport of the goods.

2.11. For the purposes of Points 442 to 472, “*operator*” means any person carrying on an activity involving the storage, working, processing, sale or purchase of goods in a free zone or free warehouse.

2.12. For the purposes of Points 477 to 560:

a) “*personal property*” means any property intended for the personal use of the persons concerned or for meeting their household needs. The following, in particular, shall constitute personal property:

i) household effects;

ii) cycles and motorcycles, private motor vehicles and their trailers, camping caravans, pleasure craft and private aeroplanes.

iii) household provisions appropriate to normal family requirements, household pets and saddle animals, as well as the portable instruments of the applied or liberal arts, required by the person concerned for the pursuit of his trade or profession, shall also constitute personal property. Personal property must not be such as might indicate, by its nature or quantity, that it is being imported for commercial reasons;

b) “*household effects*” means personal effects, household linen, furnishings and equipment intended for the personal use of the persons concerned or for meeting their household needs;

c) “*alcoholic products*” means products (beer, wine, aperitifs with a wine or liqueur base, brandies, liqueurs, or spirituous beverages, etc.) falling within heading nos. 2203 to 2208 of the combined nomenclature.

2.13. For the purposes of Points 571 to 613:

a) “*customs office of entry in the accounts*” means: the customs office where the import or export duties whose repayment or remission is requested were entered in the accounts;

b) “*decision-making customs authority*” means: the customs authority competent to decide on an application for repayment or remission of import or export duties;

c) “*supervising customs office*” means: the customs office having jurisdiction over the goods which gave rise to entry in the accounts of the import or export duties whose repayment or remission is requested, the said office carrying out certain checks required for appraisal of the application;

d) “*implementing customs office*” means: the customs office which adopts the measures necessary to ensure that the decision to repay or remit the import or export duties is correctly implemented.

The functions of office of entry in the accounts, decision-making customs authority, supervising customs office and implementing customs office may be carried out wholly or in part by the same customs office.

2.14. Definitions specific for a single Article will be included in that Article.

Title 2

Organisation of customs administration, personnel and customs activities.

Chapter I

Organisation and responsibilities of Central Customs Administration in accordance with Article 9, paragraph 3 of the Code.

3.

(amended by DCM no. 686, date 02.11.2005,)

Organization chart of Customs Administration personnel shall consist of 1062 persons, distributed at central and local levels. The organizational structure and chart of Customs Administration personnel shall comply to the interrelations I and II attached to this decision * **(amended by DCM no. 801, Date 22.07.2009, On defining the number of employees in the public administration)**

3.1 Organization chart of Customs Administration compliant with the Article 13 (2) of the Customs Code is:

- a) The Director General of Customs, as established in the classification: high level executive official;
- b) The Deputy Director General of Customs as established in the classification: high level executive official
- c) Category A falls under the classification – mid level executive official;
- d) Category B falls under the classification - low level executive official;
- e) Category C1 falls under the classification - low level executive official;
- f) Category C2 falls under the classification – executor officer;
- g) Category C3 – low level customs personnel;
- h) Category D1 - auxiliary personnel;
- i) Category D2 – other auxiliary personnel.

3.2. In the implementation of Article 13(3) of this Code the ToRs and tasks of the Customs Administration personnel are as follows:

- a) The Director General: is the Head of the Customs Administration who reports directly to the Minister of Finance. Besides the responsibilities laid down by the Customs Code, the Director General approves the sector regulations, proposes structural changes, delegates responsibilities to all levels of administration to meet the operational needs, assures the effective organizational arrangements, and through the deputy directors and heads directly subordinate to him leads, coordinates and monitors

the customs administration activity.

- b) The Deputy Director General, who is the head of one department leads, coordinates and monitors the activity of the department directorates he covers and executes the tasks and responsibilities delegated.
- c) Category A. this category consists of: the Director of Directorate in the Directorate General of Customs, advisor, Director of Regional Directorates, Head of the Customs House Tirana, Head of the Customs House Durrës, Head of the Customs House Vlora, Head of the Customs House Gjirokastra, Head of the Customs House Shkodra. The employees falling under this category lead, coordinate and monitor the activity of the subordinate structures and execute the tasks and responsibilities delegated.
- d) Category B. this category consists of: Head of Sector or Unit in the Directorate General of Customs, Head of Sector in the Regional Directorates, Head of Sector in a Customs House, Head of a Customs House not mentioned above, Chief Investigator.

This person leads, coordinates and monitors the activity of the Sector, Unit or Customs House he is head of and executes the tasks and responsibilities delegated.

- e) Category C1. this category consists of: expert in the specialist Directorate General, lawyer in a Customs House, IT network administrator in a Customs House, office manager in a Customs House, Customs investigator, captain of a small sailing motorboat, shift/team leader, chief of the operating room, expert of logistics in the maritime Antismuggling. This person coordinates the activity conducted by his office or sector/team envisaged for the respective position; controls, counsels, provides legal assistance, conducts statistical analyses, analyses of the goods in the customs chemical laboratory, ensures the computer network administration and executes the tasks and responsibilities delegated.
- f) Category C2. this category consists of: customs officer, inspector, accountant who takes care of the customs procedures, controls and surveillance in the whole territory of the Republic of Albania and executes the tasks and responsibilities delegated.
- g) Category C3. this category consists of: archivist, secretary, * (**the positions of archivist and secretary were added by DCM no. 172, date 29.03.2006**), customs officer and information elaborator, escort * (**the position of escort was added by DCM no. 19. date 19.0.07**) who take care of the acceptance and registration of the customs declarations, the weighing and customs controlling procedures, protection and security, customs information processing and executes the tasks and responsibilities delegated..
- h) Category D1. this category consists of the auxiliary personnel: cashier, technician, driver, warehouse-keeper, operator.
- i) Category D2. other auxiliary personnel who takes care of the office cleaning and maintenance.

ToR for the personnel falling under categories D1 and D2 are regulated by the provisions of the Code of Labor in force.

3.3 The Director General based on the organizational chart approved by the Council of Ministers proposes according to the operational needs the organization and analytical structure, which is to be approved by the Minister of Finance.

* (DCM no. 686, date 02.11.2005, amended Article 3)

The cabinet is added to the structure of the Director General of Customs and it acts as a supportive and assisting body to the Director General in implementing the strategies according to the approved programs and ensures the liaison with the organizational structures, the business community and the other central and local institutions. The cabinet is directly subordinate to the Director General and its members are appointed by the latter. * (DCM no. 679, date 10.10.07 added this paragraph which was to come after 3(4), but the latter paragraph does not exist, therefore it is added at this section.

The General Directorate of Customs is organised in the 3 following Departments:

- a) Administrative Department,
- b) Technical Department,
- c) Operations and Investigation Department.

Each Department is directed by a Deputy Director General appointed in accordance with Article 14(3) of the Code. The Directorates and Sections, constituting the Departments are headed respectively by category A and B officials.

The Deputy Director Generals and the Heads of Regional Directorates are directly subordinate to the Director General.

The Directorate for International Relations, and the Directorate of Internal Control, are directly subordinate to the Director General.

4.

The General Directorate of Customs is organised in the 3 following Departments:

- a) Administrative Department,
- b) Technical Department,
- c) Operations and Investigation Department.

Each Department is directed by a Deputy Director General appointed in accordance with Article 14(3) of the Code. The Directorates and Sections, constituting the Departments are headed respectively by category A and B officials.

The Deputy Director Generals and the Heads of Regional Directorates are directly subordinate to the Director General.

The Administrative Department is composed of the following Directorates and Sections which are assigned the following main functions:

4.1. Directorate of Personnel management, Training and Code of Conduct:

- a) Personnel management Section;
- b) Training Section;
- c) Code of Conduct Section.

In conformity with the existing legislation for public administration the Personnel Management Section has the following main responsibilities: Customs personnel recruitment procedures. Salary, appointments, career progresses, enforce discipline measures and dismissals. Management and transfer of personnel within the offices of the Customs Administration including temporary promotion, issuing of Service and Identification Cards for the customs personnel and Management of the General Directorate archives. Training Section:

Basic, training programmes, courses, seminars and other training activities for customs personnel. Management of training centres. Co-ordination of training activities and technical assistance provided by foreign Custom Administrations and other International Organizations. Constant monitoring of the implementation of the Code of Conduct in the customs administration as well as transparency in the claiming of property and clash of interests.

4.2. Computerisation Directorate consists of: * (DCM 679, date. 10.10.07 amended Article 4.3)

- a) Support Section
- b) Development Section;

Identification of the General Directorate offices, as well as local offices needs with regard to computerisation, including the necessary equipment for utilisation of this system. Designing, processing and implementation of software. Preparation of instructions for the customs personnel for the utilisation of computerised system.

4.3. Investments and Logistics Directorate consists of

- a) Investments Section
- b) Logistics Section
- c) Procurement Unit

Planning, in co-operation with the offices of the Technical Department, of purchases, construction and reconstruction of premises and purchase of necessary machinery and equipment needed in customs activities, including computers, means of transport, equipment for the Customs Laboratory, personnel uniforms and office supplies. Management of purchase procedures, in accordance with the existing legislation in force, in co-operation with other offices concerned. Management and maintenance of the premises of the General Directorate.

4.4. Financial Directorate consists of:

- a) Budget Section
- b) Accounting Section

Financial and budget analysis. Preparation of the annual plan for the General Directorate of Customs and utilisation of financial resources. Accounting, distribution and crediting necessary funds for the functioning of the central and local offices and payment of the customs personnel. Payment of salary and other supplementary incentives to the personnel of the Departments of the General Directorate.

5. * (DCM 172, date. 29.03.2006)

The Technical Department is composed of the following Directorates and Sections which are assigned the following main functions:

5.1. Customs procedures and Customs Debt Directorate consists of:

- a) Section of customs declaration procedures, processing and suspending procedures
- b) Section of warehousing, customs agents' authorization, transit
- c) Section of customs debt and warranties.

Customs procedures concerning persons and their representatives. Issuing of authorisation for custom agents. Monitoring of the movement of goods and luggage inside the customs territory of Republic of Albania, summary declaration and temporary storage of goods, customs declaration. Dispositions concerning international tourism. Release for free circulation and export procedures. Transit, inward and outward

processing procedures, processing under customs control, temporary importation; customs warehousing procedures. Free zones and free warehouses. Management of provisosons for the warehouses victualling and Duty Free Shops. Supplies and equipment for use on board for the means of transport. Prohibitions and restrictions on import and export of goods, also of phyto-sanitary, environmental and cultural character. Exchange control regulations, customs procedures concerning the incurrence and recovery of a customs debt. Guarantee procedure. Instructions concerning accounting of revenues from import and export duties, tax collection, repayment and remission of customs debt. User instructions concerning data system, forms, registers and appropriate booklets necessary for customs accounting.

5.2. Origin and tariff Directorate consists of: * (DCM no. 873, date. 12.08.09, amended Article 5.(2)

- a) Tariff Section
- b) Origin Section
- c) VAT Section excise ,.

Draft and update of the Customs nomenclature, customs Tariff and its explanatory notes. Binding tariffs information.. Management of the privileged operations Follow-up of the Commercial policy measures, tariff quotas and ceilings and antidumping measures. The Origin and Tariff Directorate monitors the excise, VAT and other import taxes regulations .

5.3. Legal Directorate consists of:

- a) Section of legislation and its approaching the EU
- b) Appeal Section

Drafting of legal proposals in customs related matters and implementation of the plan on approaching the legislation to the Eu one. Upon request, legal advise to other offices of the Departments of the central administration and the regional and local offices. Management of customs litigation and relations with judicial authorities. Legal assistance to custom offices for the recovery of customs debts.

5.4. Statistics Directorate consists of:

- a) Analyses Section
- b) Data processing Section

Collection of data regarding movements of Albanian and non Albanian goods entering and leaving the customs territory of Republic of Albania. Analysis of data and preparation of relevant documents, which will be subject to evaluation of the offices concerned. Distribution of such documents to the relevant authorities according to the provisions in force. Management of the national centre for customs data processing.

5.5. Customs Laboratory of Chemistry Directory consists of:

- a) Standards, methodologies and management Section
- b) Analyses and classification Section

Studies on methodologies and techniques for chemical, technological and commercial analysis of goods. Analysis of samples taken by local offices and issuing of the relevant certificates concerning the verification of the nature of goods and their tariff classification. Management and maintenance of the equipment of the Customs Laboratory of Chemistry.

5.6. Customs Value Directorate consists of: * (DCM no. 873, date. 12.08.09, added Article 5.(6)

- a) Customs value monitoring Section
- b) Reference Section

Management of provisions with regard to the goods customs valuation process; monitor the exchange rate update. Establish the referring values based on the approved resources and monitor their implementation. Customs Value Directorate ensures the file update with the available data, drafts and manages the guidelines

and orders with regard to the customs value. In cooperation with the other structures of the customs system it ensures the correct implementation and unification of the goods customs value.

6. * (DCM 172, date. 29.03.2006)

The Operation and Investigation Department is composed of the following Directorates and Sections, which are assigned the following main functions:

6.1. Anti-smuggling Directorate consists of:

- a) Inland Anti-smuggling Section;
- b) maritime Anti-smuggling Section;
- c) Anti-traffic Section.

Operate physical and documentary controls, based upon intelligence and risk assessment, anywhere within Albanian customs territory, undertaking examinations of goods, persons and the means of transport to detect and deter smuggling into the Albanian customs territory and from the territory of other Countries. Through control activities identify and supply intelligence on suspect activities or persons to the intelligence database. Provide assistance to the investigation of offences and forceful collection of the customs debt.

6.2. Investigation Directorate

- a) Customs violations investigation Section
- b) Trade mark protection section

Undertake investigations on suspected or noticed violations by the anti-smuggling, Intelligence Directorate or other structures' teams upon their request or its own initiative, within or outside the customs system. Collect data, file denunciations to the Prosecutor's Office, draft reports and practices to assist the prosecutions and investigate the requests on trade mark protection.

6.3. Intelligence Directorate consists of:

- a) Operative Intelligence section
- b) Risk analysis Section
- c) Information Exchange Section

Gather intelligence and information relating to suspected, actual or potential customs violations Undertake research using the Mutual Administrative Assistance Agreement signed with customs Administrations of other countries. Undertake analysis of intelligence and information related to suspect activities or persons and prepare and monitor the risk analysis on the positive extension of customs controls and exercise of controls based on the risk indicators. Provide the Customs General Directorate with intelligence briefings.

6.4 Post – Clearance Control Directorate is composed of:

- a) Values, classification, origin control Section
- b) Customs procedures control Section

This directorate undertakes document and physical controls after the release of goods to verify that all commercial documents and any other record relevant to the customs actions of the economic operators customs operations and the further commercial actions relevant to these goods. The controls are conducted close to the economic operators' premises, which are directly or indirectly related with the customs actions or through reviewing the customs practices within the customs system.

Upon the economic operators' request or its own initiative, the directorate reviews and verifies the accuracy

of the customs declaration data, processes and analyzes the data gathered from the other customs administration structures or the twin administrations by the management techniques .

6.5 Operating Center

The center ensures the coordination, surveillance and 24-hour monitoring of the activity of the Operating Investigation Department structures.

*** the Anti traffic Directorate is added as a separate structure by DCM no.. 1308, date. 24.09.2008, attached**

7. * (DCM 172, date. 29.03.2006)

The Directorates listed below are directly subordinate to the Director General. They have the tasks and responsibilities as follows:

7.1. Internal Audit Directorate:

- a) Financial control Section
- b) Operational control Section

Analysis of customs incomes with a view to a general control of the activity of the General Directorate of Customs. Verification of the accuracy in the application of customs and administrative procedures performed by the customs personnel. Preparation of reports to the Director General or, if necessary, to the Disciplinary Committee.

7.2. International Relations Directorate:

Preparation of Agreements for Mutual Administrative Assistance in customs matters, in co-operation with the Legal Directorate. International co-operation. Relations with Customs Administrations of other countries and with the European Union. Organization of visits of foreign customs delegations in Albania. Translation services.

7.3 Public Relations and the Press Office

Holds and has relations with the media and the business community, prepares and follows up the application of the publication programs of any novelty in the customs system.

Chapter II

Organisation and responsibilities of Local Customs Administration

in accordance with Article 9, paragraph 3 of the Code

8. (DCM 172, date. 29.03.2006)

8.1. The local offices of the Customs Administration are organised in 3 Regional Directorates.

8.2. The 5 Regions respond to the tasks delegated by the Director General. They are comprised of the following districts:

| | |
|------------------------------------|---|
| Regional Directorate.1 Shkodër: | Lezha, Shkodar, Malasi e Madhe, Tropoja, Has, Puka, Mirdita, Kukes, Mat, Dibra and Bulqiza |
| Regional Directorate.2 Tiranë: | Kurbin, Kruja, Tirana, Durres and Kavaja |
| Regional Directorate.3 Elbasan: | Peqin, Elbasan, Gramsh, Librazhd, Korça, Pogradec, Devoll, Kolonja, Vlora, Mallakastra, Berat, Skrapar, Kuçova, Fier, Lushnja, Tepelena, Parmet, Gjirokastar, Delvina and Saranda |

9 * (DCM 172, date. 29.03.2006)

The Customs Houses are located in: Shkodra, Lezha, Kukes, Bllada, Tirana, Rinas, Durres, Elbasan, Pogradec, Korça, Kapshtica, Berat, Fier, Vlora, Gjirokastra, Saranda and Tri Urat.

9.1 Based on their functions and volume of work the Customs Houses may be organized in the following sections:

- a) risk analysis and post-clearance controls
- b) general matters
- c) admittance, control point , fishing
- ç) document and physical control office
- d) procedures, origin, exemptions.

10

Repealed by DCM no.. 686, date. 02.11.2002

Repealed according to DCM no. 686, Dt.02.11.2002

Chapter III

Classification, recruitment, responsibilities and evaluation of the personnel

11 * (DCM no.686, date.02.11.2005, amended Article 11)

11.1. Recruitment of the customs personnel

In accordance with Article 14 of the Code and without prejudice to the Legislation in force on the Civil Service, and considering the peculiarity of customs activities, vacant posts within the customs service will be filled, depending upon the category and the nature of the post, by the following procedures or a combination of them.

- a) transfer of customs personnel within the same category;
- b) appointment of existing customs personnel upon internal promotion from a lower category
- c) external recruitment by open competition procedures

11.2.

11.2 Personnel Management and Training Directorate following the analytical structure approved by the Minister of Finance and the operational needs shall notify the vacancies. The Director General upon proposal of the Director of the Personnel Management and Training Directorate shall approve the competition procedure for the vacant posts.

11.3 The selection of candidates shall always be based upon an assessment of suitability, identified against the criteria in the job description of the post to be filled, and specified in Annex 1 of these implementing provisions. For the posts of A, B, C1, C2 the following cases are exempted from the defined criteria in this Annex.

- a) Recruitment of IT officials
- b) Recruitment of inland/water anti-smuggling officials
- c) Recruitment of intelligence officials
- d) Recruitment of anti-traffic officials
- e) Recruitment of customs chemical laboratory officials
- f) Recruitment of logistics directorate officials
- g) Recruitment of International Relations Directorate officials
- h) Recruitment of the Press Office officials
- i) Recruitment of Personnel Management and Training Directorate
- j) Promotion of the officials with experience and more than 5 years in the customs structures and specialized in the customs area. * **(DCM no. 172, date 29.03.2006 amended point (i) and added point (j)).**

11.3.1 Assessment procedures for the fulfillment of the criteria are made by the Personnel Management and Training Directorate.

11.3.2 In the recruitment cases mentioned in 11.3, the education criterion applies according to the specific needs responding to the working post.

11.4 In the implementation of Article 14 of the Customs Code, the application for the post of Director General shall be open to the Deputy Directors General who have been in this post for at least 1 (one) year; to the category A officials who have been serving in this category for at least 4 years and meet the criteria described in annex 1.

For the post of Director General, the Minister of Finance proposes more than one candidate to the Council of Ministers.

11.5. In the implementation of Article 14 of the Customs Code, applications for the post of Deputy Director General will be open to serving personnel within the Customs Administration at the category of Category A who have been serving for more than 4 years in this category; and to personnel throughout the Civil Service who are equivalent to the category of Deputy Director General or Category A who have been serving for not less than 4 years in this category.

The interested candidates shall submit a request and an assessment of suitability, identified against the criteria in the job description released by their line managers.

The Director General will propose to the Minister of Finance the candidate, who is considered to be the most suitable, taking into account the candidates' demonstrated skills and the requirements for the post according to Annex 1.

11.6 Promotion in categories

Promotion means movement from a lower category to a higher one.

11.7 Promotion procedure through selection of internal candidates.

11.7.1 Promotion procedures for categories C2 and C1.

a) In the promotion procedures for categories C2 and C1 only candidates who are employed in the customs system respectively in categories C3 and C2 and have served consequent for 2 years may apply, on condition that they meet the requirements determined for this category in annex 1.

b) The method of promotion for categories C2 and C1 is made through written tests and interviews according to the following procedures:

b.1 The Directorate of Personnel and Training shall notify the vacancies for categories C2 and C1 to all the personnel in the customs system subject to competition. The notification for vacancies consists of:

- i) number and location of the vacancies
- ii) special conditions for entry into competition;
- iii) list of documents that shall be submitted;
- iv) Procedures and selection criteria;
- v) deadline and venue for the submission of documents;
- vi) the qualifications required for entry into the competition;
- vii) age limitations if necessary;

The interested candidates shall submit their documents close to the secretary office within the deadline to have them enter the protocol. Candidates shall submit a performance assessment compiled by their line manager and a recommendation saying "suitable for promotion".

In his/her application for promotion, the candidate should not have in his file any disciplinary measures taken against him during a one-year period. The secretary office shall send all demands for entry into competition to the Directorate of Personnel and Training.

- viii) any other requirements relevant to the specific posts;
- ix) the date, time and place for the written examination;
- x) the subjects of the written examination

b.2 Composition of the Commission for the Selection of Candidates for all categories of customs administration officials:

- Deputy Minister of Finance , chair
person;
- Director General of Macroeconomic policies in the Ministry of Finance, member;
- Deputy Administrative Director General in the General Directorate of Customs
member;
- Director of personnel and supporting services in the Ministry of Finance
member;
- A representative from the Faculty of Economics
member

* (DCM no., 641, date. 03.10.2007, amended b-2)

b.3 The scoring for the written and the interview phase shall be a maximum of 100 points. The candidates who score more than 50 points in the written examination shall be interviewed to be accredited as winners; the selected candidates should score more than 70 points in the interview. The interview results are based on an assessment of the candidate's experience, qualifications and skills. Besides the professional experience the scoring assessment during the interview is also based on the university the candidate conducted his studies, the university scoring, the postgraduate qualification scoring, Master's/PhD degrees, practical testing of the written and spoken form of a foreign language, the vision for the post the candidate is competing for.

b.4 The Examining Commission shall produce and publish a list of all candidates who have passed the written examination, as well as the interview in the order of the overall marking achieved.

b.5 Appointments will be made from the highest scoring applicants, who achieved a satisfactory standard, until all vacancies have been filled.

11.8 Promoting procedures for categories B and A

a) In the promotion procedures for categories B and A only candidates, who, at the time of application, are serving respectively in categories C1 and B on condition that they meet these requirements.

i) For category B: to have served consequent for 2 years in category C1.

ii) For category A: to have served consequent for 2 years in category B.

b) Composition of the Commission for the Selection of Candidates:

- Deputy Minister of Finance , chair
person;
- Director General of Macroeconomic policies in the Ministry of Finance, member;
- Deputy Administrative Director General in the General Directorate of Customs
member;
- Director of personnel and supporting services in the Ministry of Finance
member;
- A representative from the Faculty of Economics
member

* (DCM no., 641, date. 03.10.2007, amended point (b))

c) Promotion in category B is as follows:

i) Through a written examination and an interview where the examination procedure is conducted in accordance with 11.7.1/b.3.

ii) The Directorate of Personnel and Training of the General Directorate of Customs shall notify all customs personnel, subject to competition, of the vacancies in category B. The notification on vacancies consists of the elements in point 11.7.1/ b.1, subsection s “i”to“x”.

iii) The interested candidates shall fill in and submit their documents close to the secretary office within the deadline. Candidates shall submit a performance assessment compiled by their line manager and a recommendation saying “suitable for promotion”.

iv) In his/her application for promotion, the candidate should not have in his file any disciplinary measures taken against him at least one year prior to the date of competition.

v) The secretary office shall send all demands for entry into competition to the Directorate of Personnel and Training.

vi) For the competition in category B, the principle “one winner for every vacancy” is applied and there are no waiting lists. The highest scoring applicant will be appointed.

d) Promotion in category A is as follows:

i) Promotion to category A is made through the personal file assessment and interview. The maximum score for each phase is 100 points. The candidate qualifies to the interview phase if more

than 70 points are scored in the personal file.

ii) The Directorate of Personnel and Training of the General Directorate of Customs shall notify all customs personnel, subject to competition, of the vacancies in category A. The notification on vacancies consists of the elements in point 11.7.1/ b.1, subsections “i” to “x”.

iii) The interested candidates shall fill in and submit their documents close to the secretary office within the deadline. Candidates shall submit a performance assessment compiled by their line manager and a recommendation saying “suitable for promotion”.

iv) The Commission for the Selection of Candidates reviews all applications for this category.

v) The applicants entitled to the interview are the ones meeting these criteria:

- complete required documentation
- no disciplinary measures taken against him at least one year prior to the date of competition.

vi) The Commission for the Selection of Candidates in cooperation with the Personnel Management and Training Directorate notifies the eligible candidates of the interview, the time and place of the competition.

vii) Main objective of the promotion interview is to identify and select the most suitable candidate. The interview results are based on an assessment of the candidate's experience, qualifications and skills.

Besides the professional experience the scoring assessment during the interview is also based on the university the candidate conducted his studies, the university scoring, the postgraduate qualification scoring, Master's/PhD degrees, practical testing of the written and spoken form of a foreign language, the vision for the post the candidate is competing for.

11.9 Recruitment procedure through open competition

11.9.1 Recruitment procedure through open competition is applicable in the following cases:

a) The number of candidates presented for competition according to the promotion in category or transfer within the same category is less than 3.

b) The number of vacancies is more than 3;

c) Vacancies for categories C3, C2 and C1;

d) for all categories when deemed by documents that open competition guarantees the enforcement of the law on “Civil Servant Status” and improvement of quality for all recruited officials.

11.9.2 The external individuals meeting the requirements to get employed in the customs administration should:

i) have Albanian citizenship;

ii) be fully competent to act;

iii) be healthy to perform their tasks;

iv) not have been convicted of crimes or undergoing court proceedings;

v) not have been dismissed from the customs administration or the civil service for breaches of discipline or any serious violations;

vi) submit to both stages of examination and oral interview.

The internal officials of all categories of the customs administration are entitled to the right to participate in the open competition on condition that they meet the general and special requirements determined for the post they are competing.

11.9.3 All vacancies shall be published in at least 3 main Albanian daily newspapers at least 7 (seven) working days before the deadline of the application. The written examination shall be held at least 7 days after the deadline of submission of applications.

11.9.4 The form and content of the notification for vacancies and the method of application processing shall be defined according to point 11.7.l/b.1, subsection “i” to “x”.

11.9.5 Composition of the Commission for the Selection of Candidates:

- Deputy Minister of Finance , chair
person;
- Director General of Macroeconomic policies in the Ministry of Finance, member;
- Deputy Administrative Director General in the General Directorate of Customs
member;
- Director of personnel and supporting services in the Ministry of Finance
member;
- A representative from the Faculty of Economics
member

* (DCM no., 641, date. 03.10.2007, amended point 11.9.5)

11.9.6 The procedures for the selection of candidates, the assessment methods and criteria shall comply with the procedures defined in points 11.7 and 11.8.

11.10 Common provisions for the selection of internal and external candidates.

11.10.1 Upon closure of competition the list of the winning candidates for the notified posts shall be published.

11.10.2 The unqualified candidates may appeal the process and the result of the competition to the Civil Service Commission within 10 days from the date of the publication of results.

11.10.6 The external officials appointed in categories C3, C2, C1, B and A will be subject to a probationary period of six months. The Personnel and Training Directorate, after the completion of this period and upon the assessment of the line manager proposes to the Director General or refuses the appointment of such official. Within 5 days, the Director General decides for or against the appointment.

11.10.7 The customs administration ensures that all stages of appointment procedures concerning internal or external promotion shall be fully recorded and documented. All documents including the examination papers and final interview assessments made by the commission shall be kept for at least 12 months and in no case shall they be destroyed prior to the resolution of all appeals.

11.11 Temporary promotions

When for documented operational needs, the immediate appointment in a vacant post or in a newly created post is required, temporary promotions of the existent employees may occur or external employees may be contracted.

The temporary promotions last for a limited time, maximum 3 months during which the administration applies the respective procedures, the legal acts and by-laws for the definitive appointment at this post.

During this period, the employee enjoys the salary and benefits deriving from the change of the working post.

The temporary promoted officials who have not won the temporary given post in the promotion procedure, at the end of the 3-month period return to their previous position and location.

11.12 Personnel of category D1 and D2 shall be recruited and selected by a Commission composed of the Head of Personnel and the Deputy Director of the Administrative Department and shall be employed by the Director General on the basis of the standard procedures of testing, through interview and no written examination, according to Article 14(3) of the Code. They shall be subject to a three months probationary period, starting from the date of their appointment. The Personnel and Training Directorate, after the completion of this period and upon the assessment of the line manager proposes to the Director General or refuses the appointment of such officials. Within 5 days, the Director General decides for or against the appointment.

11.12.1 The officials who leave the customs service temporarily to attend training courses or programs inside the country or abroad do not lose the category they had at the time of departure.

11.12.2 When posts are made redundant due to reorganization or reforms, officials are provided with posts of the same category within the customs system; when not possible, they are provided with posts of a lower rank on condition that they meet the requirements of the new post.

When the redundant officials of all categories and the high senior officials:

- do not meet the requirements of the new post
- outnumber the posts available,

They enter a one-year waiting list to be appointed without entry into competition on condition that they meet the requirements of the vacant post.

For not more than one year, the official enjoys the rights gained through the previous post until a new post is offered. The official loses the previous rights if the offered post is refuted. The officials exceeding the admitted number are entitled to be treated as unemployed according to the legislation in force.

11.13 Transference of personnel between posts of the same category

According to the definition in point 11.11, transference of personnel between posts of the same category means the shift from a certain post, function or location to a new post, function or location of the same category, within the customs administration, regardless of this administration location.

In case a new vacancy is created, any customs official may apply for special transference due to personal reasons. In these cases, the official presents a request in writing to the Personnel Management and Training Directorate, which is valid for one year unless the person withdraws it.

11.13.1 The Personnel Management and Training Directorate notifies all customs administration offices of vacancies. The Heads of Office make sure the notifications are communicated to all officials meeting the requirements.

11.13.2 Within 7 days from the publication of the announcement, each employee has the right to present a

request close to the Personnel Management and Training Directorate.

11.13.3 The employees may include every personal reason considering that priority shall be given to the operational needs of the customs service. Acceptable personal reasons could be the marital status, the temporary dwelling, the verifiable health conditions, etc. In these circumstances the employee shall justify by proof the claims of the request.

11.13.4 The Personnel Management and Training Directorate after collecting the requests and verifying their accuracy, reviews them and the personal files and selects a candidate for the vacant post based on:

- i) the special requirements and skills needed for the vacant post;
- ii) work experience and ability proved by the present work assessment. Anyone having successfully completed a training course has a priority;
- iii) personal file to guarantee the preservation of the high standards of ability at work and professionalism;
- iv) personal reasons for which transference is required

The individual needs of the employee are considered jointly with the operational needs of the customs service on condition that the criteria mentioned in sub points i, ii and iii, do not serve to disqualify the candidates who express their personal reasons.

Before drafting the proposal, the Personnel Management and Training Directorate consults the employee's directors and the directors of the vacant post announced.

11.13.5 The Personnel Management and Training Directorate submits these documents to the Director General:

- i) list of the qualified candidates and documents proving their suitability to the vacant post requirements;
- ii) list of suitable candidates and the necessary documents proving their suitability

The Director General reviews the documents of the recommended candidates and decided on the suitable candidate to be transferred according to the criteria mentioned in point 11.13.4.

The transferred employees due to their request and application sent before the announcement of the vacant post, must cover the costs and expenditures of their transference at their own expenses.

11.13.6 The administration due to the operational needs may arrange a compelled transference:

- a) when the employee is punished by the disciplinary commission and moved to a lower category;
- b) for the employee who has occupied a post in the case of the implementation of a court decision on return to the job position after leaving or being suspended from that position;
- c) when the vacancies are not assigned through competition and their lack of assignment seriously risks the exercise of customs authority in the whole territory.

11.13.7 The officials transferred without their request are entitled to accommodation expenditure cover only according to the criteria defined by the General Directorate of Customs.

11.13.8 Jointly with the order of transference for urgent needs, the Personnel Management and Training Directorate reopen the procedures for the assignment of the vacancy for which the compelled transference took place.

11.13.9 Upon announcement of the vacant post and completion of the competition procedures, the transferred employee is entitled to return to the previous position or a similar one on condition that it is not more than 30 km from the dwelling place.

11.13.10 The official who has worked for at least one year after the probationary period in the positions responding to the category he is eligible for, through regular procedures defined in these provisions, after one year, loses the right to exercise the category in question, if, due to personal reasons, has required in writing to be transferred to a lower category.

11.14 The official, on condition that there is no disciplinary or criminal case against him, is entitled to demand an unpaid leave for up to one year. Based on the reasons laid down and the operational needs, the Director General accepts or refuses the leave.

11.14.1 The official who has terminated the unpaid leave is entitled to demand his appointment in a post corresponding to his previous category without being subject to the recruitment procedures. The Director General determines the post where the official will be appointed upon his return.

11.14.2 When the further extension of unpaid leave is not given in writing by the Director General, the non-return of the official within the determined period is deemed as job abandonment. The leave may be extended to a maximum of three months.

11.15 The official who due to personal reasons resigns from the customs service and later wishes to return, submits to the competition procedures for external candidates.

* (DCM no. 686, date.02.11.2002, amended Article 11)

12.

12.1 All employees of the Customs Administration are subject to an annual performance appraisal, in accordance with the general instructions of public administration, by the Head of the office where they work with a view to evaluate the professional ability shown during the accomplishment of his task. The results of this evaluation, which consists of a report sent to the Personnel and Training Directory, shall be used for:

- (a) The employees meriting incentive payments according to Article 15(2) of the Code.
- (b) Individual training and qualification needs.
- (c) Cases of inefficiency and poor performance and identifying changes in this direction.
- (d) The employees that might be transferred to particular posts.

12.2. At the beginning of the year the supervisor agrees with the employee about the work's objectives to be achieved. The evaluation shall take into account the following criteria:

- a) achievement of the objectives established;
- b) ways and methods followed to achieve such objectives;
- c) particular technical and professional skills shown during the work;
- d) capacity to work in a group and establish correct relationship with the public.

12.3 The report, before presented to the Personnel and Training Directory, shall be discussed with the evaluated employee. The report should contain besides the evaluated employees performance at work, also

suggestions concerning training, incentive and other possible measures to be taken with a view to improve the work of the employee. In cases when the employee does not agree with the evaluation, he may appeal within 10 days against the evaluation, to the Head of Directory of Personnel and Training, who shall take a final decision within 15 days.

12.4 The appraisal for the probationary personnel as provided for in point 11 shall be made by the Head of the office referred to in point 12.1. It shall be the responsibility of the reporting officer to bring to the notice of the probationer, at the earliest possible time, any concerns about their performance in order that they may have the opportunity to improve the performance. The confirmation of appointment, or the decision of dismissal due to an unsatisfactory probationer, shall be made by the Director General upon proposal of the Head of Directory of Personnel and Training. Probationers who are dismissed for unsatisfactory performance may appeal in writing to the Director General within ten days from the notification of the dismissal, setting out the grounds for the appeal. The Director General's decision shall be taken within 15 days after the presentation of the appeal and it shall be final.

12.5 Within six months of the Code and its Implementing Provisions coming into force, the customs administration shall publish a detailed guidance for all staff regarding the procedures for appraisal, the unsatisfactory performance, and staff qualification. Considering always the principles embodied within these Implementing Provisions the above mentioned guidance may be reviewed for necessary changes, when appropriate. It is the responsibility of the customs administration to ensure that managers are trained and are complete knowledge of these procedures, and that all the personnel have the possibility to be provided with a written copy of them.

13.

13.1. With the coming into force of the Customs Code and of these Implementing Provisions, the Minister of Finance, upon proposal of the Director General of Customs appoints a Commission formed by the Head of Administrative Department, as President, and by two high level officials of the Customs Administration. This Commission shall have the task to assign to the personnel in service one of the categories referred to in point 10.1 of these Provisions.

13.2. For the purposes of the above mentioned assignment, the Commission referred to in the previous paragraph, requests from all the customs personnel currently working to present, within 2 months from the request, a document confirming the position within the customs administration. The commission within 6 weeks from receiving the documents, assigns to every official the respective category, based on the presented documentation and in accordance with the functions and duties established in point 10.2. The Commission shall inform in writing the person concerned about the category assigned to him and his position within the new Customs Administration structure. The person concerned may present a justified appeal to the Director General of Customs, within ten days from the notification. The Director General shall take a final decision within 15 days from the presentation of the appeal.

13.3. The vacancies in each category shall be filled according to the procedures established in point 11 of these provisions.

13.4. When the number of personnel assigned to each Category in the meaning of point 13.2 is bigger than the vacancies available for each category, the Commission shall make an evaluation of the professional requirements of candidates considering the following criteria:

- a) current position within the Customs Administration;
- b) period of work in the Customs Administration
- c) candidate's title of studies
- d) results obtained during the service in the customs
- e) knowledge of foreign languages

The Commission establishes and brings to the notice of all the personnel, before the beginning of the evaluation, the points corresponding to each of the above mentioned criteria. At the end of the evaluation, the Commission shall prepare a list for each category, in which the number of personnel exceeds the number of posts available, starting from the person that has obtained the best score. The assignation of posts shall follow the order of the list until all vacancies are completed. The personnel that results in excess will have the right of priority in the lower category.

13.5. The person concerned may appeal against the decision of the Commission in the meaning of point 13.2 and 13.4, to the Director General within 10 days from the notification, giving the grounds for such appeal. The Director General shall take a final decision within 15 days from the presentation of the appeal.

13.6. The Commission shall be dissolved immediately after each official is assigned the respective category.

Chapter IV

Customs offices working hours

14.

14.1. Without prejudice to the provisions in force regarding the daily working hours of public administration, the working hours of the offices of the Customs Administration is set from 08.00 to 18.00, during Monday to Friday, with the exception of holidays.

14.2. At the customs offices of land and sea borders and in the airports the border crossing service is provided for every day, public holidays included, 24 hours per day, with all the controls and formalities provided for by the present Code being fulfilled.

14.3. In order to cover the customs activity, the Director General may set out working shifts or may authorise the payment of the hours worked over the normal daily working hours.

14.4. The Director General may introduce a different time-table of the working hours, or may reduce the opening hours of the offices, whenever the working needs so require.

Chapter V

Verifying procedure

15.

15.1. When the summary declaration is lodged at the competent customs office it shall register the declaration in the appropriate register and the registration number shall be indicated on the summary declaration. The registration number of the summary declaration shall also be indicated in box 40 of any customs declaration made in respect of goods referred to in the respective summary declaration.

15.2. The customs declaration, drawn up and accompanied by the documents referred to in Part III, Title II of the present Implementing Provisions, is lodged by the declarant or his representative at the competent customs office, where it is recorded in the appropriate register corresponding to the requested customs

approved treatment or use. The registration number is written on the appropriate space of the customs declaration.

15.3. Appropriate register means a written register or a register made up using data processing techniques.

15.4. The customs office proceeds, successively, with the examination of the declaration and the relevant documents presented, with the view to verify the tariff classification, quality, quantity, value and origin of the goods, as well as any other element necessary for the application of the customs tariff or any other legislation, which implementation is entrusted to the customs authorities.

15.5. The declarant, in order to benefit a preferential tariff treatment, may request and obtain from the Head of the Customs Office, whenever justifiable reasons exist, an authorisation to present the certificate of origin, necessary for the application of preferential tariff treatment, after the goods have been released. The Head of the Custom Office lays down the deadline for presentation of the certificate of origin, which can be no more than 30 days, within which the said certificate of origin should be presented at the customs. The authorisation may be issued only if the declarant lodge a guarantee at the customs office equal to the import duties legally due for the goods in cases the latter would not benefit from any preferential tariff treatment.

15.6. Without prejudice to the control of the documents attached to the customs declaration, the responsible officers at the Office of documentary and physical controls, for the verification referred to in point 15.4, may order, a partial or total control of the goods. In such a case, an officer will be responsible to record in the appropriate space of the customs declaration the results of the controls carried out. In case of partial control, Article 95 of Code applies. When the physical control is omitted, the assigned officer will record only the results of the documentary control and make clear that no physical control has been carried out. Verification controls and physical controls can not be carried out by the same officer. In cases when it is considered necessary for verification purposes, the officer responsible for the physical control may take samples to be sent for analysis at the Customs Laboratory of Chemistry. Three samples shall be taken and each put in a box and each box should be sealed with a customs seal. The declarant shall be entitled to be present when the goods are examined and when samples are taken. The three samples shall be distributed as follows: One box shall remain at the customs office, one is sent to the Customs Laboratory of Chemistry and one is given to the declarant. In cases when the analysis of the goods is required for sanitary reasons or for the protection of the environmental or public health, as well as when the release for free circulation of the goods is prohibited or restricted or where the customs authorities have doubt about whether or not a prohibition or restriction applies, and the conditions allowing the release for free circulation are not fulfilled, the goods and the declarant's sample shall remain at the custom office, under customs supervision, until the analysis result shall be available. The goods may be released for free circulation if the declarant pays the import duties in accordance with the import declaration and lodge a security sufficient to cover the difference, when quantifiable, between the amount according to the particulars in the import declaration and the highest amount which may finally be payable on the goods, following the results of the chemical analysis. The quantities taken by the customs office as samples shall not be deducted from the quantity declared.

15.7. The declarant or his representative should offer, at his own expense, all the assistance necessary for the above mentioned control. If the declarant refuses to be present in the moment of the physical control or refuses to appoint a person capable to offer the necessary assistance to the customs authorities, the latter, in the implementation of Article 100 (a) of the Code, may proceed with the verification of goods requesting, when necessary, the assistance of experts at the risk and expense of the declarant. The results of the controls carried out by the customs authorities in accordance with this paragraph, have the same validity as the controls carried out in the presence of the declarant.

15.8. In cases where controls do not result in differences, compared to the customs declaration, the responsible customs officer shall indicate the results of the controls, the date and his signature in the copy of the declaration which is sent to the customs office responsible for the accounts, which shall take the necessary measures to collect the import duties, or undertaking of the guaranties. Copy of the relevant

customs declaration, duly endorsed, shall be returned to the declarant with a view of the release of goods and the exit from the customs area.

15.9. Where the customs authorities sell Albanian goods in accordance with point (b) of Article 100 of the Code, this shall be done in accordance with the procedures in force in the Republic of Albania.

15.10. Whenever during the controls, differences are found compared to the customs declaration, the customs officer shall draw up the proper written report, indicating the results of the controls, the highest applicable import duties and sanctions that may be applied for the declarant as well as the amount of the duties which must be repaid or remitted. The written report should be prepared in two copies, of which one is forwarded to the declarant and it shall be signed by the customs officer who carried out the controls as well as by the declarant. The declarant may lodge an appeal against the decision taken in relation to the control, in accordance with Articles 19 and 20 of the Code or Article 291 of the Code, whichever is applicable. The goods remains under the customs control until the verification process is finalised. When the case constitutes smuggling, provisions concerning smuggling of Title VIII of the Code shall apply.

15.11. Without prejudice to the implementation of the provisions referred to in point 15.6, when the goods can not be released for one of the reasons referred to in Article 100 (a) of the Code, the customs authorities invite the declarant to adjust the situation within a period of 10 days. When, within the said time limit, the declarant has not adjusted the situation the customs declaration is annulled as provided for in Article 91 (3) of the Code and the customs authorities, without prejudice to the implementation of Articles 91 (1) and 197 of the Code, start the procedure for selling the goods, as provided for by the regulations in force in this field. The customs authorities notify the declarant for the beginning of the said procedure. The customs authorities at the risk and expense of the declarant may transfer the goods concerned to other premises, considered as suitable, under the customs supervision.

15.12. With a view to control that goods leaving the customs area correspond to those indicated in the accompanying customs documents, controls are organised by the Head of Customs Office as provided for in Article 11, paragraph 5 of the Code.

15.13. a) The customs authorities performing the formalities relating to the customs clearances, may proceed independently, or upon the request of the declarant, to re-evaluate the customs declaration, after the goods have been released, or have left the customs territory of the Republic of Albania in accordance with Article 102 of the Code. The request by the declarant should be presented within three years from the date when the goods were released, and is considered to have been rejected, if within 30 days from its submission, the declarant is not notified of any modification. The declarant may appeal against the implicit or explicit rejection of the request, within 10 days, to the responsible Regional Director, who shall decide on the matter within 20 days. In order to re-evaluate the customs declaration, the customs authorities may:

i) request the declarant, in a motivated written note, to present at the customs office within maximum 15 days, commercial documents or data in respect of the goods concerned. The customs office may also request commercial documents or data from other persons directly or indirectly involved in the goods concerned;

ii) carry out an inspection, having the proper authorisation by the Head of Customs Office, at the premises of the declarant, or of any other person directly or indirectly involved in said operations in a business capacity or of any other person who, are in possession of account records on the commercial documents or any other information related to the goods and the re-evaluated declaration. The authorities may also examine the goods where it is still possible for them to be produced.

b) Where post-clearance examination as referred to in letters i) and ii) of this paragraph indicates that the provisions governing the customs procedure concerned have been applied on the basis of incorrect or incomplete information, shall the customs authorities correct the customs declaration. Such correction should be notified to the declarant within the period of three years from the time when the goods were released, and specify the reason for the correction, the particulars of the customs declaration which have been corrected, as

well as additional import duties the declarant should pay or amount of the import duties, which should be repaid or remitted.

c) The declarant may lodge a written appeal, in accordance with Articles 19 and 20 of the Code or Article 291 of the Code, whichever is applicable. If the decision confirms the correction, the concerned custom office immediately initiates procedures for the recovery of customs debt or for the repayment or remission of any import duties paid in excess, according the provisions referred to in Title VII, Chapter III and 5 of the Code and for the application of the sanctions provided for in Title VIII of the Code, if applicable.

d) The customs offices may also, in accordance with the rules laid down in this Point, proceed to a general record verification, in order to review more than one declaration, as well as to investigate any violation of the Code or of other Laws whose application are assigned to the customs, or, upon request of foreign Customs Administrations, implement Mutual Agreement for Administrative Assistance signed with the competent authorities of other countries.

Chapter VI

Disciplinary violations and measures

16.

*** (This chapter was amended by DCM no. 686 date 02.11.05)**

Article 16

16. In accordance with Article 16, paragraph 6 of the updated Code this Chapter defines the disciplinary violations and the appealing procedures against the administrative disciplinary decisions. ***(this point was amended by DCM no. 172, date 29.03.06)**

16.1. Disciplinary violations:

- a) Breaches of the Customs Code Provisions and the implementing provisions, orders and regulations of their enforcement;
- b) Repetitious definance of the working hours, non performance of duty, non-observance of the tasks deadlines;
- c) Unethical behaviour with the superiors, colleagues, dependants, the public during working hours;
- d) Damage of the state property, use of it outside of the official determination, or bringing risks for such damages without acceptable cause or misuse of the state property;
- e) The conduct of actions, during or outside the working hours, that degenerate or infringe the customs officer image;
- f) Actions or activities infringing the official interests or tasks or hinder the performance;
- g) Violation of law no. 9131, date 8.9.2003 on “The rule of conduct in the public administration”;
- h) Lack of enforcement of the legal clauses in meeting the functions and tasks;
- i) Violation of rules on guarding the state secret and the confidentiality of the data, outlined as such;
- j) Expression of politically biased opinions or political public activities.

17.

*** (DCM no. 686, date 02.11.2002, restated Article 17)**

Disciplinary Committee

17.1. The Director General shall set up a Disciplinary Committee. The Committee is composed of 3 persons, the Deputy Director of the Administrative Department, acting as President, and 2 officials of category A. The said 2 officials must be replaced after 2 years, by other officials of the same category. The secretary of the Deputy Director of the Administrative Department has the role of the secretary of the Disciplinary Committee. The Disciplinary Committee takes its decisions by the majority of votes.

The Disciplinary Committee meetings are attended by a legal adviser, a specialist, a lawyer from the legal directorate who has no right to vote.

17.2. The Disciplinary Committee shall deal with all customs personnel, except if disciplinary measures will be enforced on the Director General or the Deputy Director Generals for whom these measures will be adopted by the Council of Ministers, upon proposal of the Minister of Finance or by the Minister of Finance upon proposal of the Director General.

17.3 The Disciplinary Committee shall guarantee the enforcement of rules and disciplinary procedures for all employees stipulated in this decision based on the principles of justice and equality.

17.4 In the cases when a member of the committee cannot attend the meeting s/he is replaced based on the provisions of law no. 8485, date 12.5.1999 of "The Code of Administrative Procedures of the Republic of Albania".

17.5 In the cases when the member of the committee are the reporting chairpersons of the accused employee or they themselves are being accused, they are replaced based on the provisions of point 17.4 and serve as reporting officials in the disciplinary procedure.

17.6 The disciplinary decisions for a particular line of action are taken when the majority of votes are gained by the members of the committee.

17.7 The minutes are kept for all the meetings, the hearing, the disciplinary measures lead by the disciplinary committee. They are signed by the members of the committee and remain confidential.

18. * (DCM no, dt.02.11.2002, restated Article 18, except for point 18.5/1)

18.1. Without prejudice to the provision provided for in the Penal Code, anyone who ascertains that a custom employee commits any of the following disciplinary violations provided for in this paragraph may inform the Head of the office where the said employee works.

18.1.1 In the event of violations, the manager conducts a preliminary investigation to verify the facts and when necessary receives declarations from any potential witness. The results are presented in an assessment report. If the disciplinary investigation proves a disciplinary violation, the line manager notifies the employee in writing of the violation/s committed by him.

18.1.2 The report referred to in point 18.1, together with an evaluation report, must be forwarded by the

Head of the office within 5 days to the Disciplinary Committee which must evaluate the case within 10 days from receiving the report. The said Committee may request the relevant customs office to provide all necessary documentation with a view to evaluate the case.

18.1.3 After the examination of the case the Committee must call the employee concerned to hear his version about the facts that happened and respond to the accusations. The concerned employee is entitled to have legal assistance, at his own expense. The employee and the witnesses are called by warrant to participate in the hearing session. The warrants are recorded in the Disciplinary Committee file.

18.1.4 Considering all facts and information gathered, the Committee proposes to the Director General either the dismissal of the case, or, according to the seriousness of the violation, the application of one of the following disciplinary measures:

- a) a written warning;
- b) a fine from 0.5 up to the salary of two month;
- c) loss of the entitlement for meriting incentives for one year;
- d) shift to one lower degree of category and transference from the working post for 6 months;
- e) shift to one lower degree of category and transference from the working post for 1 year;
- f) shift to two lower degrees of category and transference from the working post for 2 years;
- g) dismissal from his job

18.1.5 The measures are proposed based on the gravity of the caused damage. Besides the disciplinary measure, the violator is charged with financial compensation according to Article 606 of the Civil Code.

18.1.6 In the event of two or more violations repeated within one year, the Committee may propose the employee's dismissal.

18.1.7 In the event of bribery and any favoring, the "Dismissal from work" is directly applied.

18.2 The Director General has the authority that within 10 days:

- a) adopt the proposal of the Disciplinary Committee and take a final decision in writing. The Personnel management and Training Directorate inform the concerned employee against who the disciplinary measure is taken. A copy of the decision is archived in the case file;
- b) not adopt the proposal of the Disciplinary Committee and return the case for further scrutiny due to documented reasons, lack of evidence or date, or additional investigation;
- c) not accept the decision of the Disciplinary Committee after the review of the case, and motivate the reasons in a written report.

18.3 The disciplinary measures taken are recorded in the personal file of the employee.

18.4 When the disciplinary violation is judged by the Criminal Code provisions, the customs administration ensures that the complete and appropriate investigation to accept or refuse such a violation is made by the appropriate authorities. Notwithstanding the investigation or the person who noticed the violation, the head of office of the employee concerned proposes one of the measure in point 18.1.4 to the Disciplinary Committee.

***(DCM no. 686, dt.02.11.2002, restated the whole Article 18, except for point 18.5/1)**

18.5/1 The disciplinary measure may be erased from the employee's personal file if not other measure is taken against him within the following deadlines:

- i) 3 (three) months for the measures stipulated in letters “a” and “b” point 18.1.4.
- ii) 6 (six) months for the measures stipulated in letter “c” point 18.1.4.
- iii) 1 (one) year for the measures stipulated in letters “c” “e” e “f” point 18.1.4.
- iv) 2 (two) years for the measures stipulated in letter “f” point 18.1.4.

. * (DCM no. 172, Dt. 29.03.06, added point 18.5/1)

19.

The concerned employee may appeal to the District Court against the decision of the Department of Public Administration within 30 days from the notification of the decision.

* (DCM no.. 172, Dt. 29.03.06, amended Article 19)

Chapter VIII

Co-operation with the police

20.

20.1. Inside the customs area and customs surveillance area, the customs authorities are solely responsible for the application of rules laid down in the present Code and its Implementing provisions and other rules whose application is assigned to the customs authorities.

20.2. The Directory of Anti-Smuggling of the operational and investigative Department is responsible for the co-ordination of the customs activity with the police, especially with the border police, and with other control agencies inside and outside the customs and surveillance areas referred to in point 20.1.

21. In accordance with Article 11, paragraph 7 and 8 of the Code, customs and police authorities must offer, upon explicit request of one or both, mutual assistance in performing controls related to their competence.

Title 3

Decisions and Binding tariff information

Chapter I

Decisions

22. Where a person making a request for a decision is not in position to provide all the documents and information necessary to give a ruling, the customs authorities shall provide the documents and information at their disposal.

23. A decision concerning security favourable to a person who has signed an undertaking to pay the sums due at the first written request of the customs authorities, shall be revoked where the said undertaking is not fulfilled.

24. A revocation shall not affect goods which, at the moment of its entry into effect, have already been placed under a procedure by virtue of the revoked authorisation.

However, the customs authorities may require that such goods be assigned to a permitted customs-approved treatment or use within the period, which they shall set.

Chapter II

Procedure for obtaining binding tariff information-

Notification of information to applicants

25.

25.1. Applications for binding tariff information shall be made in writing either to the competent customs authority in which the information is to be used, or to the competent customs authority within the area of which the applicant is established. Such competent customs authority shall transmit the application for binding tariff information to the General Directorate of Customs within two days from the date of acceptance.

25.2. An application for binding tariff information shall relate to only one type of goods.

25.3. Applications shall include the following particulars:

- a) the holder's name and address;
- b) the name and address of the applicant where that person is not the holder;
- c) the harmonised nomenclature in which the goods are to be classified. Where an applicant wishes to obtain the classification of goods in one of the nomenclatures referred to in Article 28 (3) (b) and (6) (b) of the Code, the application for binding tariff information shall make express mention of the nomenclature in question;
- d) a detailed description of the goods permitting their identification and the determination of their classification in the customs nomenclature;
- e) the composition of the goods and any methods of examination used to determine this, where the classification depends on it;
- f) any samples, photographs, plans, catalogues or other documents available which may assist the customs authorities in determining the correct classification of the goods in the customs nomenclature, to be attached as annexes;
- g) the classification envisaged;

- h) agreement to supply a translation of any attached document in the Albanian language if requested by the customs authorities;
- i) any particulars to be treated as confidential;
- j) indication by the applicant whether to his knowledge binding tariff information for identical or similar goods has already been applied for or issued in Albania;
- k) acceptance that the information supplied may be stored on a database of the General Customs Directorate; however, apart from Article 25 of the Code, the provisions governing the protection of information in force shall apply.

25.4. Where the customs authorities consider that the application does not contain all the particulars they require to give an informed opinion, they shall ask the applicant to supply the missing information.

25.5. The General Customs Directorate is entitled to issue binding tariff information.

26.

26.1. Binding tariff information shall be notified to the applicant in writing as soon as possible. If it has not been possible to notify binding tariff information to the applicant within two months of acceptance of the application, the General Directorate of Customs shall contact the applicant to explain the reason of the delay and indicate when they expect to be able to notify the information.

26.2. Binding tariff information shall be notified by means of a form confirming to the specimen shown in Annex 2. The notification shall indicate what particulars are to be considered as having been supplied on a confidential basis. The possibility of appeal referred to in Articles 19 and 20 of the Code shall be mentioned.

Chapter III

Provisions applying in the event of inconsistencies in binding tariff information

27. Where the General Customs Directorate finds that different binding tariff information exists in respect of the same goods it shall if necessary adopt a measure to ensure the uniform application of the customs nomenclature.

Chapter IV

Legal effect of binding tariff information and obligatory information of origin

*** (DCM no. 547, Dt. 01.05.08)**

28.

28.1. Without prejudice to Articles 17 and 89 of the Code, binding tariff information may be invoked only by the holder.

28.2. The customs authorities may require the holder, when fulfilling customs formalities, to inform the customs authorities that he is in possession of binding tariff information in respect of the goods being cleared through customs.

28.3. The holder of binding tariff information may use it in respect of particular goods only where it is established to the satisfaction of the customs authorities that the goods in question conform in all respects to those described in the information presented.

29.

29.1. Upon adoption of one of the acts or measures referred to in Article 22 (5) of the Code, the customs authorities shall take the necessary steps to ensure that binding tariff information shall thenceforth be issued only in conformity with the act or measure in question.

29.2. For the purposes of point 29.1, the date to be taken into consideration shall be as follows:

- for the regulations provided for in Article 22 (5) (a) of the Code concerning amendments to the customs nomenclature, the date of their applicability,

- for the regulations provided for in (b) of the same Article and paragraph and establishing or affecting the classification of goods in the customs nomenclature, the date of their entry in force.

- for the measures provided for in (b) of the same Article and paragraph, concerning amendments to the explanatory notes to the Nomenclature of the Harmonised System, the date of their entry in force.

3. The holder of information, which ceases its validity according to Article 22/5/b, c, of the Code may use the information for a six-month period from the date defined in point 29.2, on condition that the binding contract of the sale and purchase of the goods in question has terminated before the measure in question is adopted. Nonetheless, in the cases of products for which a certificate of import, export or a predefined one is presented during the customs formalities, the six-month period is replaced by the period of the certificate validity.

For the cases stipulated by Article 22/5/a, of the Code, the legal acts or the by-laws may define a period during which the first subparagraph is enforced.

The tariff classification of the binding information may be applicable for the cases stipulated in point 29.3, only for the purposes of:

- i) estimation of the exportation and importation duties;

- ii) estimation of the export reimbursements and all sums issued for imports and exports, as part of the common agricultural policy;

- iii) use of the certificates of import, export or predefined ones delivered during the acceptance of the customs declaration for the goods in question on condition that the certificate is released based on the information in question.

4. Upon a written request, the customs authorities provide the obligatory information of origin.

- 1) The obligatory information of origin shall be binding for the customs authorities and for the holder of information only in the case of the definition of the goods origin. The obligatory information of origin shall be binding for the customs authorities only in the case of goods, the formalities for

- which have terminated prior to the date the information is provided for.
- 2) The holder of such information must prove, for purposes of origin that the goods in question and circumstances defining the origin, correspond to every aspect of the goods and circumstances described in the information.
 - 3) The obligatory information of origin must be valid for a three-year period from the date of issue. It shall be invalidated if based on inaccurate or incomplete information provided by the holder with exception of the cases stipulated by Article 19 of the Code.
 - 4) The obligatory information of origin shall cease its validity:
 - a) if a new law is approved or an international agreement enters into force and the information no longer complies with it;
 - b) if there is no longer a compatibility with the agreement on the rules of origin drafted by the World Trade Organization (WTO); the explanatory notes or an opinion on the origin accepted for the interpretation of the agreement in question;
 - c) if revoked or amended in compliance with Article 20 of the Code on condition that the holder be informed ahead;
 - d) when the date the obligatory information of origin ceases its validity due to the causes mentioned in letters “a” “b”, is the publishing date of the abovementioned measures.
 - 5) The holder of the information which ceases its validity according to letters “b” “c” in point 4 may use the information for a six-month period from the date the measures mentioned in 4 are published or announced on condition that the binding contract of the sale and purchase of the goods in question has terminated before the measure in question is adopted. Nonetheless, in the cases of products for which a certificate of import, export or a predefined one is presented during the customs formalities, the six-month period is replaced by the period of the certificate validity.

For the case of paragraph 4, the legal acts or the by-laws or the agreement may define a period during which the first subparagraph is enforced.

- 6) The determination of the origin in the obligatory information may be applicable in the conditions stipulated in paragraph 5 only for the purposes of:
 - i) estimation of the exportation and importation duties;
 - ii) estimation of the export reimbursements and all sums issued for imports and exports, as part of the common agricultural policy;
 - iii) use of the certificates of import, export or predefined ones delivered during the acceptance of the customs declaration for the goods in question on condition that the certificate is released based on the information in question.

(DCM no. 547, Dt. 01.05.08, added points 3 and 4)

Title 4

Right of representation

30.1. In applying Article 17 of the Code, all indirect representation must be performed only by authorised Customs Agents.

30.2. As Customs Agents are considered the natural persons, licensed by the General Directorate of Customs, to fulfil customs formalities.

30.3. Customs Agents may be organised in Custom Agencies as a legal person, whose main activity concerns the performance of all customs formalities for every kind of customs procedure in his own name but on behalf of other persons.

30.4 Starting from the date in which the Code comes into force, Customs Agents registered in the proper records kept by the General Directorate of Customs, may be conferred the right of indirect representation.

30.5. The license to act as Customs Agent may be issued to a natural person that meets the following requirements:

- a) Albanian citizenship;
- b) University degree;
- c) is deemed reliable by the Customs Administration;
- d) pass the test referred to in Point 32 below;
- e) lodge a security equal to 5 million Lek with the Customs Administration in accordance with Articles 204 to 215 of the Code.

30.6. The license to act as a customs agent may be issued also to a natural person working for a legal person.

- a) The natural person has in these cases to meet the following conditions:
 - i) Albanian citizenship;
 - ii) University degree;
 - iii) is deemed reliable by the Customs Administration;
 - iv) pass the test referred to in Point 32 below.
- b) The legal person has in these cases to meet the following conditions:
 - i) is deemed reliable by the Customs Administration;
 - ii) show a copy of the Court decision registering him as a legal person;
 - iii) show a copy of his licence for exercising his profession issued by the tax authorities;
 - iv) lodge a security equal to 10 million Lek in accordance with Articles 204 to 215 of the Code.

30.7. Persons who have previously committed, intentionally or repeatedly, violations of any customs or fiscal rules as well as not being involved in any business committing such violations or have been convicted of penal offences shall not be eligible to obtain a license to act as a custom agent. Persons, to whom the customs authorities have revoked the license issued to work as customs agencies, based on the legal acts enacted in the implementation of Law No. 7599, dated 02.09.1992 "For the Customs Code of the Republic of Albania", shall not be eligible for taking a license.

31. The Director General of Customs grants the license on permanent term to act as a Customs Agent when all conditions are fulfilled.

32.

32.1. The application for the license to work as a Customs Agent is presented to the General Directorate of Customs. The application must be in writing and accompanied by the documents required in accordance with Point 30.5 and 30.6. The documents must be presented to the General Directorate of Customs no later than 15 days before the date of the test.

32.2. The tests to obtain the license as a customs agent are organised two times a year in the months June and December by the General Directorate of Customs and consist of a written test regarding the theoretical knowledge and the practical application of customs legislation.

32.3. The commission that conducts the tests is appointed by the Minister of Finance and headed by the Director General of Customs and consists of the Head of the Customs Procedure and Tax collection Directory or the Head of one of the Sections within that Directory and two Heads of Customs Houses.

32.4. The Director General of Customs grants the license to act as a Customs Agent for those applicants that passes the test and fulfils all other conditions stated within one month from the date when all conditions have been fulfilled. Each approved customs agent is given an individual identification number.

33.

33.1. Customs agents and/or their companies can employ assisting staff to help them carrying out customs formalities. The assisting staff must be authorised by the General Directorate of Customs and fulfil the following conditions:

- a) Albanian citizenship;
- b) is more than 23 years of age;
- c) is deemed reliable by the customs administration;
- d) pass the test referred to in point 33.2.

33.2. The test that the assisting staff must pass is organised in a way decided in guidelines issued by the General Directorate of Customs.

33.3. The assisting staff are not allowed to sign any customs declaration, this can only be done by an authorised customs agent. All customs documents signed by a customs agent must be endorsed with his personal stamp. The stamp should have the name of the agent, the name of the legal company, if applicable, and his identification number.

33.4. The customs agent, without prejudice to the staffs own legal responsibility, have full responsibility for all actions taken by his staff whilst fulfilling customs formalities.

34. The customs administration will provide the Customs Agents and their assisting staff with the proper ID card which must be shown by them at the customs offices whenever and everywhere they are exercising their activity. The form and content of the ID card is defined in guidelines issued by the General Directorate of Customs.

35. All licensed Custom Agents and the assisting staff are registered in a record book kept at the General Directorate of Customs.

36. For every customs operation, upon request by the custom authorities the Customs Agent shall present the mandate from the person to act as an indirect representative for him fulfilling customs formalities. The mandate must contain at least the following information:

- a. Name of the authorising person;
- b. Extent of the mandate;
- c. The N.I.P.T number if the authorising person is a legal person;
- d. The signature of the authorising person.

37.

37.1. Every Customs Agent must have a record book where all operations are registered. The form and content of this record book is decided in guidelines issued by the General Directorate of Customs.

37.2. Every Customs Agent must keep the mandate to act as a representative, their record book and the documents stating that they have paid taxes in accordance with the time limit laid down in Article 26 of the Code.

38. Customs Agents, being natural or legal persons, are required to pay any customs debt incurred in accordance with Article 216 (3) of the Code.

39. All Customs Agents are obliged to notify within 15 days the General Directorate of Customs of all changes concerning their address, legal status and all other information provided to the customs authorities in their application to become a customs agent.

40. Customs Agents working within a legal company are responsible as natural persons for any information provided for in a customs declaration and also responsible as a natural person, when they act as an indirect representative, if they commit any violation as described in Title VIII of the Code.

41.

41.1. Without prejudice to all the formalities provided by the Code regarding the recover of the customs debt, by way of a well reasoned ruling, the Director General of Customs may decide for suspension of the

license of Customs agent in the event of failure to pay the customs duties legally due, or failure to comply with any other obligation to the customs. The suspension shall last as long as the customs duties are not paid or the other obligations are not met.

41.2. The Director General should through a reasoned ruling revoke the license and subsequently cause the removal from the record book, the Customs Agents who:

- a) fail to met any of the conditions provided for in Point 30.5 (a), (c) and (e) or 30.6 (a) (i) and (iii) or 30.6 (b) (i) to (iv);
- b) commit intentionally or repeatedly any of the violations described in Title VIII of the Code;
- c) are convicted for any other fiscal or penal offence.

41.3. The ruling of revocation or suspension must be notified to the person concerned within 10 days from the day when the decision is taken. The customs agent may appeal against the decision taken by the Director General of Customs to the Minister of Finance. Article 19 and 20 of the Code shall apply "*mutatis mutandis*" in such cases.

41.4. The presentation of an appeal does not interrupt the legal effects of the revocation or suspension.

42.

42.1. For purposes of the application of these Implementing provisions, the licenses issued to the customs agencies in the context of Article 38 of Law no.7599, date 02.09.1992 and its Implementing Provisions, will be valid during a transition period lasting up to 01.01.2000. After this date all Customs Agents licensed under Article 38 of Law no 7599, date 2.09.1992 must fulfil all conditions in these Implementing Provisions except Point 30.5 (b) and 30.6 (a)(ii).

42.2. In the transition period all Customs Agents with licenses issued in accordance with Article 38 of Law no. 7599, dated 2,09,1992 must act in accordance to point 33.4 and points 36 to 42.2 (b)and (c).

43. The General Directorate of Customs may lay down guidelines in the application of the points concerning Customs Agents.

Title 5

Origin of goods

Chapter I

Non preferential origin

44. In applying Article 29 of the Code, when the origin of a product has to be proved on importation by the production of a certificate of origin, that certificate shall fulfil the following conditions:

- a) it shall be made out by a reliable authority or agency duly authorised for that purpose by the country of issue;

b) it shall contain all the particulars necessary for identifying the product to which it relates, in particular:

i) the number of packages, their nature and the marks and number they bear;

ii) the type of product;

iii) the gross and net weight of the product; these particulars may, however, be replaced by others, such as the number and volume, when the product is subject to appreciable changes in weight during carriage or when its weight cannot be ascertained or when it is normally identified by such other particulars;

iv) the name of the consignor.

c) it shall certify unambiguously that the products to which it relates originated in a specific country.

d) the certificate and the applications relating to them shall be made out on forms corresponding to the specimens in Annex 3.

45.

45.1. A certificate of origin for Albanian goods is issued by the Chamber of Commerce upon a request in writing by the person concerned. When the circumstances so warrant, in particular where the applicant concerned maintains a regular flow of export, the Chamber of Commerce may decide not to require the lodging of a request in writing for each export operation, on condition that the provisions concerning origin are complied with.

45.2. Where the commercial needs so warrant, one or more extra copies of an origin certificate may be issued.

46.

46.1. Within the framework of the administrative collaboration with other countries, the Chamber of Commerce will respond to the requests from the competent customs authorities of other countries for retrospective verifications that may be received, also for requests received through the Albanian Customs authorities.

46.2. The results of the retrospective verifications shall be communicated to the requesting country as soon as possible. Maximum time limit for reply shall be 6 months.

Chapter II

Preferential origin

47.

47.1. In applying Article 32 of the Code, the rules about the preferential origin shall determine the conditions relating to obtaining of origin that products must fulfil in order to benefit the preferential tariff

treatment provided within the framework of the agreements that the Republic of Albania concludes with certain countries or group of countries, or in the framework of benefits granted autonomously by the above mentioned countries or group of countries. The respective rules of origin shall be established within the framework of separate agreements.

47.2. However, these products may be considered of Albanian origin:

- a) products entirely obtained in Albania,
- b) products obtained in Albania, in the manufacture of which products other than those referred to in letter (a), provided that the said products have undergone sufficient working or processing within the meaning of Point 49.1.

48.

48.1. The following shall be considered as wholly obtained in Albania within the meaning of Point 47 (2)(a):

- a) mineral products taken from its soil or from its sea beds;
- b) vegetable products harvested therein;
- c) live animals, born and raised therein;
- d) products obtained from live animals therein;
- e) products obtained by hunting and fishing conducted therein;
- f) products of sea fishing and other products taken from the sea by Albanian vessels;
- g) products made on board Albanian factory ships exclusively from products referred to in letter (f);
- h) used articles collected therein fit only for the recovery of the raw materials.
- i) waste and scrap resulting from manufacturing operations conducted therein;
- j) products extracted from marine soil or subsoil outside Albania's territorial waters, provided that it has sole rights to work that soil or subsoil.
- k) products produced therein exclusively from products specified in (a) to (j).

48.2. The phrase "*vessel*" referred to in point 48.1 (f) is used only for the vessel:

- a) which are registered or recorded in Albania,
- b) which sail under the flag of Albania
- c) which are at least 50% owned by nationals of Albania or by a company with its head office in Albania, of which the manager or managers, chairman of the board of directors or of the supervisory board, and the majority of the members of such boards are nationals of Albania, and of which, in addition, in case of partnerships or limited companies, at least half the capital belongs to Albania or the public bodies or nationals of Albania,
- d) of which the captain and officers are all nationals of Albania, and
- e) of which at least 75% of the crew are nationals of Albania.

48.3. The expression “*Albania*” includes the territorial waters.

48.4. Vessels operating in the high seas, including factory ships on which the fish caught is worked or processed, shall be deemed to be part of the territory of Albania, provided that they satisfy the conditions set out in point 48.2 above.

49.

49.1. For the purpose of Point 47.(2)(b), non-originating materials shall be considered to be sufficiently worked or processed when the product obtained is classified in a heading different from those in which all the non-originating materials used in its manufacture are classified, subject to point 49.2 and 49.3 below.

49.2. For a product mentioned in column (1) and (2) of the list in Annex 4, the conditions set out in column 3 for the product concerned shall be fulfilled instead of the rule in point 49.1.

49.3. For the purposes Point 47.2(b), the following shall in any event be considered as insufficient working or processing to confer the status of originating products, whether or not there is a change of heading:

- a) operations to ensure the preservation of products in good condition during transport and storage;
- b) changes of packing and breaking up and assembly of consignments;
- c) simple operations consisting of removal dust, oxides, oil, ink or other layers, washing, [cleaning](#);
- d) [ironing or pressing of textiles](#);
- e) simple operations consisting of painting and polishing;
- f) [sifting , partial or total grinding, polishing of grains and rice](#);
- g) operations consisting of tincturing the sugar, creating sugar forms, [partial or total grinding of sugar](#) ;
- h) [fruit, nut and vegetable peeling, solidification and dressing](#) ;
- i) [sharpening, simple cutting and slicing](#)
- j) [separation, selection, coverage, classification, shading \(including the establishment of the goods sets\)](#);
- k) [simple placing in bottles, flasks, bags, boxes, fixing on cards or boards, etc., and all other simple wrapping operations](#);
- l) the affixing or printing of marks, labels, logos or other like distinguishing signs on products or their packing;
- m) simple mixing of products, whether or not of different kinds, where one or more components of the mixture do not meet the conditions laid down in this Title to enable them to be considered as originating products in a profiting country, territory of community;
- n) simple assembly of parts of products to constitute a complete product;
- o) a combination of two or more operations specified in (a) to (n);
- p) slaughter of animals.”.

*** (DCM no. 47, Dt. 27.01.2006, amended all letters)**

50.

50.1. The certificate of preferential origin is, according to what is established in Article 32(2) of the Code, issued by the customs office at which is presented the customs declaration of export, when the products to be exported fulfil the conditions set forth in Point 47 for products originating in the Republic of Albania.

50.2. A certificate of preferential origin shall be issued only upon written application of the exporter or his authorised representative. The exporter or his representative shall submit with his application any appropriate

supporting document proving that the products to be exported qualify for the issue of a certificate of preferential origin.

50.3. For the purpose of verifying whether the conditions stated in point 50.1 has been met, the competent customs authority shall have the right to call for any documentary evidence or to carry out any check which it considers appropriate.

50.4. It shall be the responsibility of the customs authorities to ensure that certificates and applications are duly completed.

51.

51.1. The certificates of preferential origin is issued by the customs office when the products to which it relates are exported. It shall be made available to the exporter as soon as the exportation is actually carried out or when it is certain that it will be carried out.

51.2. In exceptional cases a certificate of preferential origin may be issued after the actual exportation of the products to which it relates, if it was not issued at the time of exportation as a result of involuntary errors or omissions or other special circumstances, deemed valid and acceptable by the customs office.

51.3. The competent customs office may issue a certificate retrospectively only after verifying that the particulars contained in the exporters application agree with those contained in the corresponding export documents and that no certificate of preferential origin was issued when the products in question were exported.

51.4. The relevant box of certificates of preferential origin issued retrospectively shall bear the endorsement "*issued retrospectively*" in English.

52.

52.1. In the event of theft, loss, or destruction of a certificate of preferential origin, the exporter may apply at the competent customs authority which issued it for a duplicate to be made out on the basis of the export documents in their possession. The relevant box of the duplicate issued in this way shall be endorsed "*duplicate*" in English, together with the date of issue and the serial number of the original certificate.

52.2. The duplicate shall take effect from the date of original.

Chapter III

Methods of administrative co-operation

53.

53.1. The General Directorate of Customs shall inform competent authorities of the countries or group of countries as mentioned in Point 47 the names and addresses of the customs offices entitled to issue the certificates of preferential origin, together with specimens of stamps used, and the name and addresses of the customs authorities responsible for carry out verifications of certificates of preferential origin.

53.2. In order to carry out retrospectively verifications of certificates of preferential origin, the issuing customs office shall keep copies of the certificates and all relevant documents for at least two years after the date of issue of the certificate.

53.3. In the event it is necessary to carry out a retrospective verification with respect to authenticity and regularity of certificates of preferential origin issued by the Albanian customs offices, the customs authorities will carry out all the controls that they deem necessary in order to effectuate, within 6 months, the request of retrospectively verification demanded by the foreign authorities.

TITLE 6

CUSTOMS VALUE

Chapter I

General provisions

54.

54.1. In applying the provisions of Articles 27, 33 to 40 of the Code and those of this Title, customs authorities shall comply with the provisions set out in Annex 6. The provisions as set out in the first column of Annex 6 shall be applied in the light of the interpretative note appearing in the second column.

54.2. If it is necessary to make reference to generally accepted accounting principles in determining the customs value, the provisions of Annex 7 shall apply.

55.

55.1. For the purposes of Articles 34(1)(d) and 35(2)(c) of the Code, persons shall be deemed to be related only if:

- a) they are officers or directors of one another business;
- b) they are legally recognised partners in business;
- c) they are employer and employee;
- d) any person directly or indirectly owns, controls or holds 5% or more of the outstanding voting stock or shares or both of them;
- e) one of them directly or indirectly controls the other;
- f) both of them are directly or indirectly controlled by a third person;
- g) together they directly or indirectly control a third person; or
- h) they are members of the same family. Persons shall be deemed to be members of the same family only if they stand in any of the following relationships to one another:
 - i) husband and wife;
 - ii) parent and child;

- iii) brother and sister (whether by whole or half blood);
- iv) grandparent and grandchild;
- v) uncle or aunt and nephew or niece;
- vi) parent in law and son in law or daughter in law;
- vii) brother in law and sister in law.

55.2. For the purposes of this Title, persons who are associated in business with one another in that one is the sole agent, sole distributor or sole concessionaire, however described, of the other shall be deemed to be related only if they fall within the criteria of point 55.1.

56. For the purposes of determining customs value under Article 34 of the Code of goods in regard to which the price has not actually been paid at the material time for valuation for customs purposes, the price payable for settlement at the said time shall as a general rule be taken as the basis for customs value.

57.

57.1. Where goods declared for free circulation are part of a larger quantity of the same goods purchased in one transaction, the price actually paid or payable for the purposes of Article 34(1) of the Code shall be that price represented by the proportion of the total price which the quantity so declared bears to the total quantity purchased.

57.2. Apportioning the price actually paid or payable shall also apply in the case of the loss of part of the consignment or when the goods being valued have been damaged before entry into free circulation.

58. Where the price actually paid or payable for the purposes of Article 34(1) of the Code includes an amount in respect of any internal tax applicable within the country of origin or export in respect of the goods in question, the said amount shall not be incorporated in the customs value provided that it can be demonstrated to the satisfaction of the customs authorities concerned that the goods in question have been or will be relieved therefrom for the benefit of the buyer.

59.

59.1. For the purposes of Article 34 of the Code, the fact that the goods which are the subject of a sale are declared for free circulation shall be regarded as adequate indication that they were sold for export to the customs territory of the Republic of Albania. This indication shall also apply in the case of successive sales before valuation; in such cases each price resulting from these sales may be taken as a basis for valuation.

59.2. However, where goods are used in a third country between the time of sale and the time of entry into free circulation the customs value need not be the transaction value.

59.3. The buyer need satisfy no condition other than that of being a party to the contract of sale.

60. Where, in applying Article 34(1)(b) of the Code, it is established that the sale or price of imported goods is subject to a condition or consideration the value of which can be determined with respect to the goods being valued, such value shall be regarded as an indirect payment by the buyer to the seller and part of the price actually paid or payable provided that the condition or consideration does not relate to either:

- a) an activity to which Article 34(3)(b) of the Code applies; or
- b) a factor in respect of which an addition is to be made to the price actually paid or payable under the provisions of Article 37 of the Code.

61.

61.1. For the purposes of Article 34(3)(b) of the Code, the term “*marketing activities*” means all activities relating to advertising and promoting the sale of the goods in question and all activities relating to warranties or guarantees in respect of them.

61.2. Such activities undertaken by the buyer shall be regarded as having been undertaken on his own account even if they are performed in pursuance of an obligation on the buyer following an agreement with the seller.

62.

62.1. In applying Article 35(2)(a) of the Code (the transaction value of identical goods), the customs value shall be determined by reference to the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued. Where no such sale is found, the transaction value of identical goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and / or to quantity, shall be used, provided that such adjustments can be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.

62.2. Where the costs and charges referred to in Article 37(1)(e) of the Code are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the identical goods in question arising from differences in distances and modes of transport.

62.3. If, in applying this Point, more than one transaction value of identical goods is found, the lowest such value shall be used to determine the customs value of the imported goods.

62.4. In applying this Point, a transaction value for goods produced by a different person shall be taken into account only when no transaction value can be found under point 62.1 for identical goods produced by the same person as the goods being valued.

62.5. For the purposes of this Point, the transaction value of identical imported goods means a customs value previously determined under Article 34 of the Code, adjusted as provided for in paragraphs 1 (b) and 2 of this Article.

63.

63.1. In applying Article 35(2)(b) of the Code (the transaction value of similar goods), the customs value shall be determined by reference to the transaction value of similar goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued. Where no such sale is found, the transaction value of similar goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and/or to quantity, shall be used, provided that such adjustments can be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.

63.2. Where the costs and charges referred to in Article 37 (1) (e) of the Code are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the similar goods in question arising from differences in distances and modes of transport.

63.3. If, in applying this Point, more than one transaction value of similar goods is found, the lowest such value shall be used to determine the customs value for the imported goods.

63.4. In applying this Point, a transaction value for goods produced by a different person shall be taken into account only when no transaction value can be found under point 63.1 for similar goods produced by the same person as the goods being valued.

63.5. For the purposes of this Point, the transaction value of similar imported goods means a customs value previously determined under Article 34 of the Code, adjusted as provided for in paragraphs 1 (b) and 2 of this Article.

64.

64.1. a) If the imported goods or identical or similar imported goods are sold in the Republic of Albania in the condition as imported, the customs value of imported goods, determined in accordance with Article 35(2)(c) of the Code, shall be based on the unit price at which the imported goods or identical or similar imported goods are so sold in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons who are not related to the persons from whom they buy such goods, subject to deductions for the following:

i) either the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses (including the direct and indirect costs of marketing the goods in question) in connection with sales in the Republic of Albania of imported goods of the same class or kind;

ii) the usual costs of transport and insurance and associated costs incurred within the Republic of Albania;

iii) the import duties and other charges payable in Albania by reason of the importation or sale of the goods.* **(DCM no.516, Dt. 14.11.1999)**

iv) in compliance with Article 5.1 (a) (i) and Article 5.8 of the Explanatory Notes for the Customs Values of the WTO, of the agreement for the enforcement of Article 7 of the general agreement on tariffs and trade (GATT-1994), the local taxes payable in Albania by reason of the importation or sale of the goods according to point 64.1, letter a) i) (subtraction for commissions or reasons of profit or general expenses) are subtracted from the customs value stipulated on point 64.1 letter a) of these Implementing Provisions. * **(DCM no. 516, Dt. 14.11.1999)**

b) If neither the imported goods nor identical goods nor similar imported goods are sold at or about the time of importation of the goods being valued, the customs value of imported goods determined under this Point shall, subject otherwise to the provisions of point 64.1 (a), be based on the unit price at which the imported goods or identical or similar imported goods are sold in the country in the condition as imported at the earliest date after the importation of the goods being valued but before the expiration of 90 days after such importation.

64.2. If neither the imported goods nor identical nor similar goods are sold in the country in the condition as imported, then, if the importer so requests, the customs value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in the country who are not related to the persons from whom they buy such goods, due allowance being made for the value added by such processing and the deductions provided for in point 64.1 (a).

64.3. For the purposes of this Point, the unit price at which imported goods are sold in the greatest aggregate quantity is the price at which the greatest number of units is sold in sales to persons who are not related to the persons from whom they buy such goods at the first commercial level after importation at which such sales take place.

64.4. Any sale in the country to a person who supplies directly or indirectly free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods any of the elements specified in Article 37 (1) (b) of the Code should not be taken into account in establishing the unit price for the purposes of this Point.

64.5. For the purposes of point 64.1 (b), the “*earliest date*” shall be the date by which sales of the imported goods or of identical or similar imported goods are made in sufficient quantity to establish the unit price.

65.

65.1. In applying Article 35 (2) (d) of the Code (computed value), the customs authorities may not require or compel any person not resident in the Republic of Albania to produce for examination, or to allow access to, any account or other record for the purposes of determining this value. However, information supplied by the producer of the goods for the purposes of determining the customs value under this Point may be verified in a foreign country by the customs authorities with the agreement of the producer and provided that such authorities give sufficient advance notice to the authorities of the country in question and the latter do not object to the investigation.

65.2. The cost or value of materials and fabrication referred to in the first indent of Article 35 (2) (d) of the Code shall include the cost of elements specified in Article 37 (1) (a) (ii) and (iii) of the Code.

65.3. It shall also include the value, duly apportioned, of any product or service specified in Article 37 (1) (b) of the Code which has been supplied directly or indirectly by the buyer for use in connection with the production of the imported goods. The value of the elements specified in Article 37 (1) (b) (iv) of the Code which are undertaken in the Republic of Albania shall be included only to the extent that such elements are charged to the producer.

65.4. Where information other than that supplied by or on behalf of the producer is used for the purposes of determining a computed value, the customs authorities shall inform the declarant, if the latter so requests, of the source of such information, the data used and the calculations based on such data, subject to Article 25 of the Code.

65.5. The “*general expenses*” referred to in the second indent of Article 35 (2) (d) of the Code, cover the direct and indirect costs of producing and selling the goods for export which are not included under the first indent of Article 35 (2) (d) of the Code.

66. Where containers referred to in Article 37 (1) (a) (ii) of the Code are to be the subject of repeated importation, their cost shall, at the request of the declarant, be apportioned, as appropriate, in accordance with generally accepted accounting principles.

67. For the purposes of Article 37 (1) (b) (iv) of the Code, the cost of research and preliminary design sketches is not to be included in the customs value.

68. Article 38 (c) of the Code shall apply “*mutatis mutandis*” where the customs value is determined by applying a method other than the transaction value.

Chapter II

Provisions concerning royalties and license fees

69.

69.1. For the purposes of Article 37 (1) (c) of the Code, royalties and license fees shall be taken to mean in particular payment for the use of rights relating:

- a) to the manufacture of imported goods (in particular, patents, designs, models and manufacturing know-how), or
- b) to the sale for exportation of imported goods (in particular, trade marks, registered designs), or
- c) to the use or resale of imported goods (in particular, copyright, manufacturing processes inseparably embodied in the imported goods).

69.2. Without prejudice to Article 37 (5) of the Code, when the customs value of imported goods is determined under the provisions of Article 34 of the Code, a royalty or license fee shall be added to the price actually paid or payable only when this payment:

- a) is related to the goods being valued, and
- b) constitutes a condition of sale of those goods.

69. 3. The right of royalties and license fee shall not be added to the real paid or payable price for the cinematographic films imported in the Republic of Albania with the right of reproduction and redistribution.

*** (DCM no. 339, Dt. 23.06.2000, added point 3)**

70.

70.1. When the imported goods are only an ingredient or component of goods manufactured in the Republic of Albania, an adjustment to the price actually paid or payable for the imported goods shall only be made when the royalty or license fee relates to those goods.

70.2. Where goods are imported in an unassembled state or only have to undergo minor processing before resale, such as diluting or packing, this shall not prevent a royalty or license fee from being considered related to the imported goods.

70.3. If royalties or license fees relate partly to the imported goods and partly to other ingredients or component parts added to the goods after their importation, or to post-importation activities or services, an appropriate apportionment shall be made only on the basis of objective and quantifiable data, in accordance with the interpretative note to Article 37 (2) of the Code in Annex 6.

71. A royalty or license fee in respect of the right to use a trade mark is only to be added to the price actually paid or payable for the imported goods where:

- a) the royalty or license fee refers to goods which are resold in the same state or which are subject only to minor processing after importation,
- b) the goods are marketed under the trade mark, affixed before or after importation, for which the royalty or license fee is paid, and
- c) the buyer is not free to obtain such goods from other suppliers unrelated to the seller.

72. When the buyer pays royalties or license fees to a third party, the conditions provided for in Point 69.2 shall not be considered as met unless the seller or a person related to him requires the buyer to make that payment.

73. Where the method of calculation of the amount of a royalty or license fee derives from the price of the imported goods, it may be assumed in the absence of evidence to the contrary that the payment of that royalty or license fee is related to the goods to be valued. However, where the amount of a royalty or license fee is calculated regardless of the price of the imported goods, the payment of that royalty or license fee may nevertheless be related to the goods to be valued.

74. In applying Article 37 (1) (c) of the Code, the country of residence of the recipient of the payment of the royalty or license fee shall not be a material consideration.

Chapter III

Provisions concerning the place of introduction into the

Republic of Albania

75.

75.1. For the purposes of Article 37 (1) (e) and Article 38 (a) of the Code, the place of introduction into the customs territory of the Republic of Albania shall be:

- a) for goods carried by sea, the port of unloading, or the port of transshipment, subject to transshipment being certified by the customs authorities of that port;
- b) for goods carried by sea and then, without transshipment, by inland waterway, the first port where unloading can take place either at the mouth of the river or canal or further inland, subject to proof being furnished to the customs office that the freight to the port of unloading is higher than that to the first port;
- c) for goods carried by rail, inland waterway, or road, the place where the first customs office is situated;
- d) for goods carried by other means, the place where the land frontier of the customs territory of the Republic of Albania is crossed.

75.2. The customs value of goods introduced into the customs territory of the Republic of Albania and then carried by sea to a destination in another part of that territory shall be determined by reference to the first place of introduction into the customs territory of the Republic of Albania, provided the goods are carried directly by a usual route to the place of destination.

Chapter IV

Provisions concerning transport costs

76. In applying Articles 37 (1) (e) and 38 (a) of the Code:

- a) where goods are carried by the same mode of transport to a point beyond the place of introduction into the customs territory of the Republic of Albania, transport costs shall be assessed in proportion to the distance covered outside and inside the customs territory of the Republic of Albania, unless evidence is produced to the customs authorities to show the costs that would have been incurred under a general compulsory schedule of freight rates for the carriage of the goods to the place of introduction into the customs territory of the Republic of Albania;
- b) where goods are invoiced at a uniform free domicile price which corresponds to the price at the place of introduction, transport costs within the Republic of Albania shall not be deducted from that price. However, such deduction shall be allowed if evidence is produced to the customs authorities that the free-frontier price would be lower than the uniform free domicile price;
- c) where transport is free or provided by the buyer, transport costs to the place of introduction, calculated in accordance with the schedule of freight rates normally applied for the same modes of transport, shall be included in the customs value.

77.

77.1. All postal charges levied up to the place of destination in respect of goods sent by post shall be included in the customs value of these goods, with the exception of any supplementary postal charge levied in the Republic of Albania.

77.2. No adjustment to the declared value shall, however, be made in respect of such charges in determining the value of consignments of a non-commercial nature.

77.3. Points 77.1 and 77.2 are not applicable to goods carried by the express postal services known.

78. The air transport costs to be included in the customs value of goods shall be determined by applying the rules and percentages shown in Annex 8.

Chapter V

Valuation of certain carrier media for use in ADP equipment

79. Notwithstanding Articles 34 to 38 of the Code, in determining the customs value of imported carrier media bearing data or instructions for use in data processing equipment, only the cost or value of the carrier medium itself shall be taken into account. The customs value of imported carrier media bearing data or instructions shall not, therefore, include the cost or value of the data or instructions, provided that such cost or value is distinguished from the cost or value of the carrier medium in question.

Chapter VI

Documents to be furnished

80. Where it is necessary to establish a customs value for the purposes of Articles 27 and 33 to 40 of the Code the declarant shall furnish the customs authorities with the invoice on the basis of which the value of the imported goods is declared. Where the customs value is declared in writing this invoice shall be retained by the customs authorities.

81.

81.1. The customs authorities need not determine the customs valuation of imported goods on the basis of the transaction value method if, in accordance with the procedure set out in point 81.2, they are not satisfied, on the basis of reasonable doubts, that the declared value represents the total amount paid or payable as referred to in Article 34 of the Code.

81.2. Where the customs authorities have the doubts described in point 81.1 they may ask for additional information in accordance with 81.3. If those doubts continue, the customs authorities must, before reaching a final decision, notify the person concerned, in writing if requested, of the grounds for those doubts and provide him with a reasonable opportunity to respond. A final decision and the grounds therefore shall be communicated in writing to the person concerned.

The interested party is entitled to appeal the decision to the General Directorate of Customs within 10 days from the date of announcement. The Director General must respond within 5 days. * (this pointed was added by DCM no. 686, Dt. 02.11.2005.

81.3. It should be the responsibility of the declarant to supply with the following additional information and documents concerning the establishment of the customs value if the custom authorities so require:

- a) the authenticity of the documents produced,
- b) the supply of any additional information or documents necessary to establish the customs value of goods.

81.4. In accordance with the Article 7.3 of the agreement for the enforcement of Article 7 of the general agreement on tariffs and trade (GATT-1994), responding to the request of the importer, the customs authorities of the Republic of Albania are bound to announce the customs value in writing as well as the methods used to estimate the customs value of the imported goods stipulated in Title II, Chapter 3 on "Value of goods for customs reasons" of the Customs Code.* (DCM no. 516, Dt. 14.11.1999)

81.4(5) In the enforcement of Article 36 of the Code, the preparation and update of the available data on the customs value whenever it has not been possible to determine in accordance with Articles 34 or 35, shall be rendered by the General Customs Directorate and approved by the *ad-hoc* commission of the available data in Albania, subordinate to the Minister of Finance.

The commission's duties and compositions shall be determined by order of the Minister of Finance.

The available data on the customs value shall be published in all visible places determined for this purpose as well as in all customs houses and the General Directorate. They shall also be published on the internet site of this directorate and a special bulletin. * (this point was added by DCM no. 686, Dt. 02.11.2005. It seems that there is a problem in the numbering order. This point was to come after point 81.5, which is in force)

Title 7

Provisions applicable to goods in entry or exit from the customs territory of the Republic of Albania until they are assigned a customs-approved treatment or use

Chapter I

Entry or exit of goods from the customs territory of the Republic of Albania

82. In accordance with Article 41 of the Code this Chapter will lay down provisions concerning goods entering the customs territory of the Republic of Albania.

83. All means of transport remains under customs supervision as long as;

- a) they carry goods which are under customs supervision;
- b) when entering the customs territory or the Republic of Albania without carrying goods, until they have carried out all customs procedures;

c) when leaving the customs territory of the Republic of Albania without carrying goods, after they have notified the customs authorities about their departure.

84. Masters or drivers in means of transport under customs supervision are liable to use the itinerary prescribed by the customs authorities, and carry all customs documents concerning the means of transport and its cargo and to stop at the request of a custom officer. Masters and drivers in means of transport not under customs supervision and other persons are also liable to stop at the request of a customs officer. Such request may be given, when there are doubts that all provisions concerning customs rules have not been fulfilled.

85.

85.1. Upon arrival or departure from the customs territory of the Republic of Albania the person in charge of any means of transport is obliged to notify and inform the customs authorities about the means of transport and all goods transported. Means of transport under customs supervision are not allowed to enter or leave other places than customs areas. However, the General Directorate of Customs may in exceptional cases allow means of transport to enter or leave at other places upon a written request. In the authorisation the General Directorate of Customs state under which conditions the authorisation is granted.

85.2. Before an authorisation is granted a fee must be paid. The fee is 20.000 LEK for each authorisation.

86.

86.1. Vehicles carrying goods entering the customs territory of the Republic of Albania must in accordance with Article 65 of the Code be presented to the customs. Presentation is done on a form “*vehicle declaration*” approved by the General Directorate of Customs. However, if all goods on a vehicle are transported under a TIR or ATA carnet no vehicle declaration is needed.

86.2. The vehicle declaration should contain general information about all goods carried by the vehicle, the name of the driver, registration number of the vehicle and the drivers signature stating that the declaration is true and correct.

87. In order to control that information and declarations according to this Code and its implementing provisions have been carried out correct, and completely the customs authorities can examine:

- a) Means of transport, include containers, boxes and other spaces where goods can be stored
- b) Temporary storage facilities, warehouses, free zones, free warehouses and victualling warehouses, airports, railway stations and harbours, where goods under customs supervision are stored, and also all facilities inside these areas; and
- c) Luggage such as suitcases and briefcases, handbags and similar items carried by travellers entering or leaving the customs territory of the Republic of Albania or by persons entering or leaving by any means of transport that are under customs supervision.

88. For such control mentioned in Point 87 the person whose declaration is to be verified must give the customs authorities access to both means of transport and goods. He must also give access to all facilities and other places used for transport, storage and similar activities related to the verification.

89. If needed for customs control purposes and not causing considerable hindrance for normal traffic, a customs authority can temporarily close loading or unloading areas or areas where passengers are entering or leaving a means of transport. This is also applicable in other areas in the vicinity of means of transport such as exits and entrances to temporary storage facilities, warehouses, harbours, free zones and airports.

90. Customs authorities can lock, seal or mark on a means of transport, container and other goods that are under customs supervision. The customs authorities can also temporarily retain registration papers and similar documents, concerning any means of transport, when it is necessary in order to prevent its departure.

91. Transport companies transporting travellers from outside the customs territory of the Republic of Albania must, without cost provide the customs authorities with necessary facilities needed for clearance of vehicles and passengers carried by them. The facilities shall apply with a standard settled by the General Directorate of Customs.

92. What is written in the Code and its implementing provisions concerning non Albanian goods should also be applied “*mutatis mutandis*” on Albanian goods for which there has been an application for any export subsidiaries, remission, repayment or other economical matters due to its export from the customs territory of Albania.

Chapter II

Air traffic

93. No person is allowed to enter or leave an aircraft under customs supervision arriving from places outside the customs territory of the Republic of Albania without prior authorisation from the customs authorities except representatives from public authorities and the captain carrying out official duties.

94. Without prejudice to Article 45 in the Code, the General Directorate of Customs can in exceptional cases authorise an aircraft to enter or leave from places other than international airports. Point 85 shall apply in such cases.

Chapter III

Maritime and water traffic

95. Any vessel under customs supervision arriving from places outside the customs territory of the Republic of Albania are not allowed to make any other stops in the customs territory except what is necessary for safety reasons or approved by customs authorities or due to requests from any public authority in accordance with Albanian legislation.

96. No person is allowed to enter or leave a vessel under customs supervision arriving from places outside the customs territory of the Republic of Albania without prior authorisation from the customs authorities except pilots, shipping agents, representatives from public authorities and the master carrying out official duties.

97. Without prejudice to Point 85, vessels entering the customs territory of the Republic of Albania are not allowed to go to other places than an approved customs area.

98. Vessels in regular traffic with other countries, carrying passengers or goods inside lorries and trailers asking for immediate clearance upon arrival are not allowed to enter except on times and places approved by the competent customs authorities. Approval can be occasional or general.

99.

99.1. It is the duty of the master of a vessel to notify the competent customs authorities at least 24 hours before arrival to the customs territory of Albania. The notification should contain information about expected time of arrival, type of vessel, nationality, size, call sign, port of departure and ports visited on this voyage and a general description of its cargo and passengers. However, the customs authorities can authorise that this notification can be given later than 24 hours before arrival for vessels in a regular schedule acknowledged by the customs authorities in advance. The notification can in such cases be given not later than 1 hour before arrival.

99.2. If the time of arrival changes the master must immediately inform the customs authorities but in no cases later than 1 hour before arrival.

99.3. The master have the right to use a representative to fulfil his duties laid down in point 99.1 and 99.2.

100. When the captain declares the vessel in accordance with Article 55 of the Code he should together with the manifest also lodge the ships declaration, crew list, cargo declaration, ships provision declaration, crew declaration, passenger list all on forms approved by the General Directorate of Customs.

101. Vessels leaving the customs territory of the Republic of Albania carrying goods or passengers under customs supervision are not allowed to make any other stops in the customs territory except what is necessary for safety reasons or approved by customs authorities or due to requests from any public authority in accordance with Albanian legislation.

102. Vessels in regular traffic with other countries, carrying passengers or goods in lorries or trailers asking for immediate clearance upon departure are not allowed to leave except on times and places approved by the competent customs authorities. Approval can be occasional or general.

103. Vessels leaving the customs territory of the Republic of Albania cannot start loading without permission from the competent customs authorities. After loading has started, unloading is not permitted without prior permission from the customs authorities.

104.

104.1. It is the duty of the master of a vessel to notify the competent customs authorities at least 2 hours before departure from the customs territory of the Republic of Albania. The notification should contain information about expected time of departure, port of destination and a general description of its cargo and passengers, the form ships declaration described in Point 100 should be used. However, the customs authorities can authorise that this notification can be given later than 2 hours before departure for vessels in a regular schedule acknowledged by the customs authorities in advance. The notification can in such cases be given not later than 30 minutes before departure.

104.2. If the time of departure changes, the master must immediately inform the customs authorities but in no cases later than 30 minutes before departure.

104.3. The master have the right to use a representative to fulfil his duties laid down in point 104.1 and 104.2.

105. No person is allowed to enter or leave a departing vessels carrying goods or passengers under customs supervision without prior authorisation from the customs authorities except pilots, shipping agents, representatives from public authorities and the master carrying out official duties.

106. If the customs authorities have sealed stores or other spaces or goods on a vessel departing under customs supervision, the seal may not be broken within the customs territory of the Republic of Albania.

107. The General Directorate of Customs may decide on simplifications in the declaration procedure for certain kind of vessels as government ships, salvage tugs and similar vessels, vessels used for pleasure and fishing vessels.

108. The General Directorate of Customs may lay down guidelines in the practical application concerning goods entering or leaving the customs territory of the Republic of Albania.

TITLE 8

Introduction of goods into the customs territory

Chapter I

Examination of the goods and taking of samples by the person concerned

109.

109.1. Permission to examine the goods under Article 67 of the Code shall be granted to the person empowered to assign the goods a customs approved treatment or use at his written request, unless the customs authorities consider having regard to the circumstances, that an oral request is sufficient. The taking of samples may be authorised only at the written request of the person concerned.

109.2. A written request as referred to in point 109.1 shall be signed by the person concerned and lodged with the relevant customs authorities. It shall include the following particulars:

- a) name and address of the applicant;
- b) the location of the goods;
- c) number of the summary declaration, where it has already been presented, save where the customs office undertakes to enter such information, or indication of the previous customs procedure, or the particulars for identifying the means of transport on which the goods are located;
- d) all other particulars necessary for identifying the goods.

109.3. The customs authorities shall indicate their authorisation on the request presented by the person concerned. Where the request is for taking of samples, the said authorities shall indicate the quantity of goods to be taken.

109.4. A copy of the authorisation shall be kept together with the summary declaration.

109.5. Prior examination of goods and the taking of samples shall be carried out under the supervision of the customs authorities, which shall specify the procedures to be followed in each particular case. The person concerned shall bear the risk and the cost of unpacking, weighing, repackaging and any other operation involving the goods. He shall also pay any costs in connection with analysis.

109.6. The samples taken shall be the subject of formalities with a view to assigning them a customs approved treatment or use. Where examination of the samples results in their destruction or irretrievable loss, no debt shall be deemed to have been incurred. Article 197 (5) of the Code shall apply to waste and scrap.

Chapter II

Summary declaration

110.

110.1. The summary declaration shall be signed by the person making it.

110.2. The summary declaration shall be endorsed by the customs authorities and retained by them for the purpose of verifying that the goods to which it relates are assigned a customs-approved treatment or use within the period laid down in Article 74 of the Code.

110.3. The summary declaration for goods which have been moved under a transit procedure before being presented to customs shall take the form of the copy of the transit document intended for the customs office of destination.

110.4. The customs authorities may allow the summary declaration to be made in computerised form. In that case, the rules adapted in point 110.2 shall be adapted accordingly.

110.5. The summary declaration is made out of a ships manifesto, aeroplane manifesto, trains manifesto, CMR transport documents, transit declarations or in any other form accepted by the relevant customs office. A summary declaration is not needed for goods entering by post or are carried by traveller's.

110.6. The summary declarations shall at least contain information concerning:

- a) number of packages, their nature and the marks and number they bear;
- b) type of goods;
- c) the gross weight of the goods.

110.7. When the summary declaration is lodged at the competent customs office it shall register the declaration in the appropriate register and the registration number shall be indicated on the summary declaration. The registration number of the summary declaration shall also be indicated in box 40 of any customs declaration made in respect of goods referred to in the respective summary declaration.

111.

111.1. Goods covered by a summary declaration which have not been unloaded from the means of transport carrying them shall be re-presented intact by the person referred to in Point 110.1 whenever the customs authorities so require, until such time as the goods in question are assigned a customs-approved treatment or use.

111.2. Any person who holds goods after they have been unloaded in order to move or store them shall become responsible for compliance with the obligation to re-present all the goods intact at the request of the customs authorities.

Chapter III

Temporary storage

112.

112.1. Where the places referred to in Article 76(1) of the Code have been approved on a permanent basis for the placing of goods in temporary storage, such places shall be called "*temporary storage facilities*".

112.2. In order to ensure the application of customs rules, the customs authorities may, where they do not themselves manage the temporary storage facility, require that:

- a) temporary storage facilities be double-locked, one by being held by the said customs authorities;

b) the person operating the temporary storage facility keep stock account which enable the movements of goods to be traced.

113.

113.1. Authorisation for temporary storage facilities shall be granted by the General Director of Customs. This point does not apply for temporary storage facilities managed by the Customs Authorities.

113.2. In order to have an authorisation for temporary storage facilities a security must be provided. The amount of security to be lodged shall in no cases be less than 4 million Lek. No security has to be provided when the temporary storage facilities are managed by the state of Albania or by public bodies of Albania. The security must be lodged before an authorisation can be granted. Article 207 (2) of the Customs Code shall apply.

113.3. A written request for authorisation as referred to in point 113.1 shall be signed by the person concerned and lodged at the custom office were the premises are situated. They shall forward the request to General Directorate of Customs together with their written opinion about granting an authorisation within two weeks. The application must include the following particulars:

- a) Name and address of the applicant;
- b) Information concerning the applicants main business activities;
- c) Estimated number of consignment in a year;
- d) Number of employees;
- e) Description of the stock records;
- f) Authorised copy of the companies registration papers;
- g) Map, drawing or like showing the location of the facilities and its boundaries.

113.4. Authorisation is granted for a limited time of one year at a time and under the conditions stated in the authorisation.

113.5. The keeper of the temporary storage facilities must comply with all conditions and provisions stated in the authorisation regarding customs control, customs clearance, stock records and other provisions. If the keeper of the temporary storage facilities does not comply with all conditions in the authorisation shall render its immediate withdrawal and all goods stored there must immediately be assigned a customs approved treatment or use.

113.6. A condition shall be that the keeper must provide the customs authorities with necessary office facilities without any costs. This facilities must comply with a standard decided by the General Directorate of Customs.

113.7. A fee is due to be paid for each authorisation and the amount shall be 400.000 Lek for every period of twelve months covering the administrative expenses for the customs authorities.

114. Goods shall be placed in temporary storage facility on the basis of the summary declaration. However, the customs authorities may require the lodging of a specific declaration made out on a form corresponding to the model they have determined.

115. The keeper of the temporary storage facility must do regular inventories of all goods stored there. The inventories shall take place at least once every three months. The customs authorities shall be present whilst the inventory is done. The written result must be forwarded to the relevant custom office within three days after the inventory. This point shall apply “*mutatis mutandis*” on temporary storage facilities managed by customs authorities.

116. Without prejudice to Article 81 of the Code or to provisions applicable to the sale of goods by the customs authorities, the person who has made the summary declaration or, where such a declaration has not yet been lodged, the person referred to in Article 69 (2) of the Code shall be responsible for giving effect to the measures taken by the customs authorities pursuant to Article 78 (1) of the Code and for bearing the costs of such measures.

117. Where the customs authorities sell the goods in accordance with Article 78 of the Code, this shall be done in accordance with the rules in force in the Republic of Albania.

Title 9

Counterfeit goods and pirated goods

Chapter I

Application for action by the customs authorities

118.

*** (DCM NO. 547, DT. 01.05.08)**

In implementation of Article 82 (4) of the Code, this chapter defines:

1) The procedure of actions taken by the customs authorities where reasonable causes of doubt exist that a royalty is being infringed from goods that are:

- i) released in free circulation, exported or re-exported in accordance with the customs law;
- ii) discovered during the inspection of goods upon entrance or exit from the Republic of Albania, set in the transit procedures, custom warehousing, importation, processing under customs surveillance, temporary importation or stored in an empty warehouse or site in accordance with the customs law.

2) Measures taken by the customs authorities for the protection of royalties where the goods defined in paragraph 1 of this point are found to violate the royalties rights.

118.1 Such provisions shall not be enforced:

- i) for the goods that bear a trade mark, a consent of the holder of the mark or goods that bear protective geographical indicators or goods protected by a patent or an additional certificate of protection,

- the copyright or neighboring rights, a right of the vegetative varieties produced upon consent of the holder of the right but which are found in one of the situations referred to in point 118, paragraph 1, without the consent of the latter;
- ii) for the goods mentioned in point “i” which are produced or protected by a royalty right different from the ones mentioned in point 2.5 on terms other than the ones agreed with the holder of the right;
 - iii) for the goods, part of the traveller’s personal luggage which are not of commercial character, within the allowed limits of the *duty free*, and there are no suspicious indicators that the goods in question are part of the commercial traffic.

119

*** (DCM NO. 547, DT. 01.05.08)**

119.1 Where the customs authorities, for the cases mentioned in point 118, paragraph 1, and before the holder of the right lodges a request or before its approval by the customs authorities, have reasonable cause of doubt that the goods infringe a royalty right, they may suspend their release or seize them.

119.2 The customs authority shall notify promptly the holder of the right, and the declarant or the owner of the abovementioned measures. Within 3 working days from the moment the holder of the right receives the announcement, he must present the request for action, close to the General Directorate of Customs.

119.3 The customs authority, before discovering other data, with exception of the data on the real or approximate quantity of the goods and its kind; and before informing the holder of the right of the possible infringement of his right may ask the holder of the right to provide the full necessary information to verify their causes of doubt.

119.4 The holder of the right, may lodge an application in writing at the General Directorate of Customs when he has doubts that the goods of one of the situations mentioned in point 118, paragraph 1, infringe the royalty right and may ask the customs authorities to take action.

1) In order to enable the customs authorities to recognize them, the application shall contain:

- a) a sufficiently detailed technical description of the goods;
- b) any other useful information the holder of the right may bear relevant to the classification;
- c) the name and last name, the correct address and phone number of the focal point appointed by the holder of the right.

2) The application shall be accompanied by a declaration in accordance with point 119.4 paragraph 5 and a proof that the applicant is holder of the right for the said goods

a) Where the applicant is the holder of the right, the certificate asked in point 119.4 paragraph 2 shall consist of:

- i) a certificate of registration from the General Directorate of Trade marks and Patents in the case a right is registered or the registration procedure has started;
- ii) any proof providing evidence of the patent or the applicant’s status as holder of the right, in case the copyright or relevant neighboring rights, a design right or a model is not registered yet or the registration procedure has not started yet;
- iv) in the case of geographical indicators, in addition to the proof mentioned in paragraph 2, letter “a”, subsection (i), another proof shall be presented to verify that the holder of the right is the producer(s) of the said goods.

b) Where the application is demanded by another person, who is entitled to use a royalty, in addition to the proofs mentioned in letter "a", another document shall be presented to prove that the said person is authorized to use this right.

c) Where the application is demanded by a representative of the holder of the right, in addition to the proofs mentioned in letter "a", another document shall be presented to prove that the said person is authorized to act as representative.

3) When asked for information and if the holder of the right possesses this information he shall provide it with regard to:

- i) the customs value of the original good in the market of the Republic of Albania
- ii) location of the good or destination
- iii) peculiar features of the shipment
- iv) the expected date of the arrival or departure of the good
- v) data on the means of transport
- vi) data on the importer, exporter or the person owning the good
- vii) place(s) of production and itinerary of transfer
- viii) the technical changes, when known, between the original good and the good when there is a doubt that a royalty is infringed.

4) Besides the data envisaged by paragraphs 1, 2 and 3 of point 119.4, the customs authorities may ask for additional special data such as the place of production, distributors, names of the licensed persons etc who are related to the kind of royalty right and who would facilitate the technical analysis of the said goods.

5) The request for action is accompanied by a declaration by which the holder of the right is liable to all persons involved in one of the situations mentioned in point 118, paragraph 1, when the procedure according to point 120.1, is upheld due to the action or non action of the holder of the right or when confirmed that the said goods do not infringe any royalties.

Through this declaration, the holder of the right is engaged to cover all expenses of customs storing and surveillance.

6) The holder of the right is not required to cover the administrative expenses of the request review.

7) In cases when the request for action does not contain the binding data defined in point 119.4 and its subpoints, or they are incomplete, the General Directorate of Customs refuses to consider the request for action. The latter must justify the reasons of this decision including the information for the appealing procedures. The application may be repeated if the necessary information is added.

119.5

a) The General Directorate of Customs reviews the application for action within 30 working days from the date the application is received and informs the applicant in writing.

b) When the application is accepted, the General Directorate of Customs defines the time limits within which the competent authorities shall take action. The time limit may be longer than one year from the date the application is accepted. Before termination of the time limit, if the holder of the right has paid all duties in advance, he may demand the extension of the time limit.

c) The ruling for the approval of the request of the holder of the right shall be notified promptly to the customs office under whose surveillance the goods suspected of infringing a royalty are found. The holder of the right shall notify the said decision to the customs office under whose surveillance the said goods are found and make available any necessary information.

d) The holder of the right shall be obliged to promptly inform the General Directorate of Customs should the right cease to be validly registered or it expire.

Chapter II

Control procedures

*(DCM NO.. 547, DT. 01.05.08)

120.

120.1 a) Where the customs office, under whose surveillance, the goods suspected of infringing a royalty are located, upon being informed of the decision of the application acceptance and upon contacting the applicant, if necessary, proves that the goods found in one of the situations described in point 118, paragraph 1 correspond to the description of goods found in the decision of the General Customs Directorate, the office suspends their release or seizes them.

b) The customs office promptly informs the General Customs Directorate, the holder of the right, the declarant or the person possessing the good of the taken decisions. The customs offices may supply information to the latter on the real or assumed quantity or kind of the goods whose release has been suspended or which have been seized.

c) In order to determine whether there has been an infringement of royalty and in accordance with the legislation in force regarding the protection of professional, commercial and industrial secrecy, the General Customs Directorate or the competent customs office that have taken the decisions shall notify the holder of the right, based on a written request of the latter, of the name and address of the recipient, the consignee or the person possessing the goods, the origin of goods for which there is reasonable cause to suspect that they infringe a royalty.

d) The customs offices shall afford the applicant and the persons involved in one of the situations mentioned in point 118, paragraph 1, the opportunity to inspect the goods whose release has been suspended or which have been seized.

d) During the control of goods, the customs authorities may extract samples and based on a written request of the holder of the right, may hand the samples to the latter for tests and acceleration of procedures. If possible, with exception to the cases mentioned in point 120.2, paragraph 3, the samples must be returned immediately after the technical test and before the decision on suspension of release is revoked and the goods are released. The holder of the right shall bear the responsibility and expenses of the samples' analyses.

e) The holder of the right uses the data obtained according to point 120, letter "c", only for the verifying procedure of the infringement of a royalty. The holder of the right shall be held liable for the use of data in adverse to point 120, letter "c". The General Customs Directorate revokes the decision of accepting the application for action for the remaining period and overrules the request for extension of the time limit.

120.2 Upon approval of the holder of the right, an approval which allows the abandonment of the goods to be destroyed under customs control, the customs authorities may apply the accelerated procedure for the destruction of goods, whose release is suspended, without proving any infringement of royalty, according to the procedure defined by point 120.2 on condition that:

i) The holder of the right informs the customs authorities in writing (GCD) within 10 working days from the date of the announcement of the decision of acceptance of the request for action, that the goods in question infringe a royalty, and presents a written declaration of the declarant, the possessor or the owner, through which, the latter agree to leave the said goods for destruction. The above time limit is 3 days in the case of perishable goods. The declarant, the possessor or the owner of the good may present their consent of the destruction of goods to the customs authority within the time limit defined in this subsection. The consent of the destruction of goods shall be taken for granted unless the declarant, the possessor or the owner of the good opposes the destruction within the time limit defined in this subsection. The time limit may extend to 10 working days.

ii) The holder of the right is liable and covers the expenses of the destruction of the goods shall be destroyed. The customs authorities shall receive the samples prior to the destruction as they may be used as evidence in the legal proceedings.

iii) In all other cases, for instance, when the declarant, the holder of the possessor of the goods opposes the destruction, the procedure envisaged in point 120.3 shall be implemented.

120.3 a) If, within 10 working days, from the announcement of the decision for the suspension of the release of goods or their seizure, the holder of the right has not notified the customs office, according to point 120.1, that the procedure to prove the infringement of royalty has started, or has not sent his approval according to point 120.2, the customs office shall release the good, upon completing all customs procedures and formalities in force. This time limit may last up to 10 working days.

b) For all perishable goods for which there is reason to suspect that they infringe a royalty, the determined time limit in letter “a” of this point shall be 3 working days and shall not be extended.

c) The holder of the right notifies the customs authority that the procedure to prove the infringement of royalty has started through a copy of the lawsuit filed close to the competent court.

d) Upon the start of the procedure defined in letters “a” “c” of this point, the customs office shall repeal the decision of the suspension of the release of goods or their seizure.

120.4 a) The declarant, the owner of goods, the possessor, the importer or the recipient of goods may demand the customs authorities to release the goods for which there is reasonable cause to suspect that they infringe an industrial property and the release or seizure of which is suspended, on condition that a warranty is provided and:

- i) The customs authority is informed in accordance with point 120.3, letter “a”, that the procedure to prove the infringement of royalty has started
- ii) The competent court has not taken any safety measure for the said goods before the time limit determined in point 120.3, letter “a”;
- iii) All customs formalities are completed.

b) Where the procedure to prove the fact if an industrial property is infringed has not started upon the initiative of the holder of the right, the warranty shall be released if the person who started the procedure does not exercise the right to continue with the legal proceedings, within 20 working days from the date the announcement for the suspension of the release of goods or their seizure is taken.

c) The warranty defined in paragraph 1 of this Article must be satisfactory enough to protect the interests of the holder of the right.

120.5 a) Goods, the release or seizure of which is suspended for being suspected to infringe a royalty shall be preserved under customs surveillance in accordance with the provisions of the Code.

b) The applicant is responsible for paying all storing duties.

c) The goods proven to infringe a royalty after the completion of the procedure defined in point 120.1, shall not:

- be allowed to enter the customs territory of Albania
- be released in free circulation
- be removed from the customs territory of Albania
- be exported
- be re exported
- undergo the suspension procedure
- be deposited in a free are or warehouse.

120.6 a) The acceptance of request does not make the applicant entitled to claim compensation for the damage, when certain goods, infringing a royalty, are not discovered by the customs authority and are therefore released or no measures are taken to suspend their release or seizure in accordance to point 120.1.

b) The customs authorities or any other authority, whenever it is necessary to intervene in the struggle against goods infringing royalties, are not liable to the persons involved in one of the situations mentioned in point 118, paragraph 1, with regard to the damage caused due to the actions taken by these authorities.

Title 10

Customs declaration

Chapter I

Customs declarations in writing

S e c t i o n 1

General Provision

121.

121.1. Where a customs declaration covers two or more articles, the particulars relating to each article shall be regarded as constituting a separate declaration.

121.2. In a customs declaration goods under the same tariff code, same country of origin and imported under same conditions regarding preferential treatment and restrictions should be put together under a single article.

121.3. Component parts of industrial plant coming under a single CN code shall be regarded as constituting single item of goods.

122. Without prejudice to the possible application of penal provisions, the lodging with a customs office of a declaration signed by the declarant or his representative shall render him responsible under the provisions in force for:

- a) the accuracy of the information given in the declaration;
- b) the authenticity of the documents attached; and
- c) compliance with all the obligations relating to the entry of the goods in question under the procedure concerned.

123. Documents accompanying a declaration shall be kept by the customs authorities unless the said authorities provide otherwise.

124.

124.1. The declaration shall be lodged with the customs office where the goods were presented. It may be lodged as soon as such presentation as described in Article 12 in the Code has taken place.

124.2. The customs authorities may authorise the declaration to be lodged before the declarant is in a position to present the goods. In this case, the customs authorities may set a time limit, to be determined according to the circumstances, for presentation of the goods. If the goods have not been presented within this time limit, the declaration shall be considered not to have been lodged.

124.3. Where a declaration has been lodged before the goods to which it relates have arrived at the customs office or at another place designated by the customs authorities, it may be accepted only after the goods in question have been presented to the customs.

125.

125.1. The declaration shall be lodged with the competent customs office during the days and hours appointed for opening. However, the customs authorities may, at the request of the declarant and at his expense, authorise the declaration to be lodged outside the appointed days and hours.

125.2. Any declaration lodged with the officials of a customs office in any other place duly designated for that purpose by agreement between the customs authorities and the person concerned shall be considered to have been lodged in the said office.

126.

126.1. The date of acceptance of the declaration shall be noted thereon.

126.2. The date of acceptance for an computerised declaration should be the date when the declaration has been transferred to the customs authorities computer system in a readable form.

127.

127.1. The customs authorities may allow or require the corrections referred to in Article 90 of the Code to be made by the lodging of a new declaration intended to replace the original declaration. In that event, the

relevant date for determination of any duties payable and for the application of any provisions governing the customs procedure in question shall be the date of the acceptance of the original declaration.

127.2. If the customs authorities accept the lodging of a new declaration all copies of the old declaration must be kept in the files together with the new declaration. Notes on the old declaration must be made making it clear that it is invalidated. The notes must contain the decision to invalidate the declaration.

128. Without prejudice to the possible application of penal provisions, if the declarant or his representative finds out that information concerning import or export of goods provided in a customs declaration is incorrect or incomplete, he should without delay inform the relevant customs authorities. Article 90 of the Code shall apply.

129.

By way of derogation from Article 91 (2) of the Code, a customs declaration may be invalidated after the goods have been released, as provided below:

129.1. Where it is established that the goods have been declared in error, instead of other goods, for a customs procedure entailing the obligation to pay import duties, the customs authorities shall invalidate the declaration if a request to that effect is made within three months of the date of acceptance of the declaration, provided that:

- a) the goods originally declared:
 - (i) have not been used other than as authorised in their original status; and
 - (ii) have been restored to their original status; and that
- b) the goods which ought to have been declared for the customs procedure originally intended:
 - (i) could, when the original declaration was lodged, have been presented to the same customs office:
and
 - (ii) have been declared for the same customs procedure as that originally intended.

The customs authorities may allow the time limit referred to above to be exceeded in duly substantiated exceptional cases;

129.2. Where the goods have been declared for export or for the outward processing procedure, the declaration shall be invalidated provided that the customs office of export has been informed in accordance with Point 437 that the goods declared have not left the customs territory of the Republic of Albania and provided that:

- i) the declarant provides the customs office of export with evidence that the goods have not left the customs territory of the Republic of Albania,
- ii) the declarant returns to the said office all copies of the customs declaration, together with any other documents issued to him on acceptance of the declaration,

iii) the declarant, in accordance with the provisions in force, complies with any other obligations laid down by the customs office of export to regularise the position of the goods.

Invalidation of the declaration shall entail cancellation of any adjustments made on an export license or advance-fixing certificate presented in support of the declaration. Where the goods declared for export are required to leave the customs territory of the Republic of Albania by a specified time limit, failure to comply with that time limit shall entail invalidation of the relevant declaration;

129.3. In so far as the re-export of the goods entails the lodging of a declaration, point 129.1 shall apply "*mutatis mutandis*".

S e c t i o n 2

F o r m s t o b e u s e d

130.

130.1. The official model for written declaration to customs, for the purposes of placing goods under a customs procedure or re-exporting them in accordance with Article 197 (3) of the Code, shall be the Single Administrative Document.

130.2. Other forms may be used for this purpose where the provisions of the customs procedure in question permit.

130.3. The provisions of point 130.1 and 130.2 shall not preclude:

- a) waiver of the written declaration prescribed in Points 150 to 161 for release for free circulation, export or temporary importation;
- b) waiver based on the dispositions in force, for the forms referred to in point 130.1 where the special provisions laid down in Articles 60 (1) and 61 of the Code with regard to consignment by letter or parcel-post apply;
- c) use of special forms to facilitate the declaration in specific cases, where the General Directorate of Customs so permit.
- d) waiver of the form referred to in point 130.1 in the case of existing or future agreements or arrangements concluded between the Republic of Albania and other states with a view to greater simplification of formalities in all or part of the trade between the two countries;
- e) use by the persons concerned of loading lists for the completion of the transit formalities in force, in the case of consignments composed of more than one kind of goods;
- f) printing of export, transit or import declarations and documents certifying the Albanian status of goods not being moved under transit procedure by means of official or private-sector data processing systems, if necessary on plain paper, on conditions laid down by the General Directorate of Customs;
- g) provision by specific rule to the effect that where a computerised declaration-processing-system is used, the declaration, within the meaning of point 130.1, may take the form of the Single Administrative Document printed out by that system.

130.4. When formalities are completed using public or private computers, which also print out the declarations, the customs authorities may provide that:

- a) the hand-written signature may be replaced by another identification technique which may be based on the use of codes and having the same legal consequences as a hand-written signature. This facility shall only be granted if the technical and administrative conditions laid down by the competent authorities are complied with;
- b) the declarations thus produced may be directly authenticated by those systems, in place of the manual or mechanical application of the customs office stamp and the signature of the competent official.

130.5. Where in the legislation in force, reference is made to an export, re-export or import declaration or a declaration for placing goods under another customs procedure, the customs authorities may not require any administrative documents other than those which are:

- a) expressly created by Albanian legislation or provided by such legislation;
- b) required under the terms of international conventions;
- c) required from operators to enable them to qualify, at their request, for an advantage or specific facility;
- d) required, for the implementation of specific regulations which cannot be implemented solely by the use of the document referred to in point 130.1.

131. Without prejudice to Point 130.3, the customs administration may for the purpose of completing export or import formalities, dispense with the production of one or more copies of the Single Administrative Document intended for use by the public authorities, provided that the information in question is available on other media.

132.

132.1. The Single Administrative document shall be presented in subsets containing the number of copies required for the completion of formalities relating to the customs procedure under which the goods are to be placed.

132.2. Where the transit procedure is preceded or followed by another customs procedure, a subset containing the number of copies required for the completion of formalities relating to the transit procedure and the preceding or following procedure may be presented.

132.3. The subsets referred to in point 132.1 and 132.2 shall be taken from a set of eight copies, in accordance with the specimen contained in Annex 9;

132.4. Without prejudice to Points 130.3, 147 to 149, the declaration forms may be supplemented, where appropriate, by one or more continuation forms presented in subsets containing the declaration copies needed to complete the formalities relating to the customs procedure under which the goods are to be placed. Those copies needed in order to complete the formalities relating to preceding or subsequent customs procedures may be attached where appropriate. The continuation subsets shall be taken from a set of eight copies, in accordance with the specimen contained in Annex 10. The continuation forms shall be an integral part of the Single Administrative Document to which they relate.

132.5. By way of derogation from point 132.4, the customs authorities may provide that continuation forms shall not be used where a computerised system is used to produce such declarations.

133.

133.1. Where Point 132.2 is applied, each party involved shall be liable only as regards the particulars relating to the procedure for which he applied as declarant, principal or as the representative of one of these.

133.2. For the purposes of point 133.1, where the declarant uses a Single Administrative Document issued during the preceding customs procedure, he shall be required prior to lodging his declaration, to verify the accuracy of existing particulars for the boxes for which he is responsible and their applicability to the goods in question and the procedure applied for, and to supplement them as necessary. In the cases referred to in the first sentence, the declarant shall immediately inform the customs office where the declaration is lodged of any discrepancy found between the goods in question and the existing particulars. In this case the declarant shall then draw up his declaration on fresh copies of the Single Administrative Document.

134. Where the Single Administrative Document is used to cover several successive customs procedures, the customs authorities shall satisfy themselves that the particulars given in the declarations relating to the various procedures in question all agree.

135.

135.1. The declaration must be drawn in Albanian, except when the declaration is made under the terms of international conventions.

135.2. In the latter cases, the Albanian customs authorities may require from the declarant or his representative a translation of the declaration into Albanian.

136.

136.1. The Single Administrative Document must be completed in accordance with the explanatory note in Annex 12.

136.2. The customs authorities shall ensure that users have ready access to copies of the explanatory note referred to in point 136.1.

137. The codes to be used in completing the forms referred to in Point 130.1 are listed in Annex 13.

138.

138.1. In cases where the rules require supplementary copies of the form referred to in Point 130.1, the declarant may use additional sheets or photocopies of the said form for this purpose.

138.2. Such additional sheets or photocopies must be signed by the declarant, presented to the customs authorities and endorsed by the latter under the same conditions as the Single Administrative Document. They shall be accepted by the customs authorities as if their quality and legibility are considered satisfactory by the said authorities.

139.

139.1. The forms referred to in Point 130.1 shall be printed on self-copying paper, dressed for writing purposes and weighing at least 40 g/m². The paper must be sufficiently opaque for the information on one side not to affect the legibility of the information on the other side and its strength should be such that in normal use it does not easily tear or crease.

139.2. The paper shall be white for all copies. However, on the copies used for transit (1, 4, 5 and 7), boxes 1 (first and third subdivisions), 2, 3, 4, 5, 6, 8, 15, 17, 18, 19, 21, 25, 27, 31, 32, 33 (first subdivision on the left), 35, 38, 40, 44, 50, 51, 52, 53, 55 and 56 shall have a green background.

139.3. The form shall be printed in green ink.

139.4. The boxes are based on a unit of measurement of one tenth of an inch horizontally and one sixth of an inch vertically. The subdivisions are based on a unit of measurement of one-tenth of an inch horizontally.

139.5. A colour marking of the different copies shall be effected in the following manner:

- a) on forms conforming to the specimens shown in Annexes 9 and 10:
 - i) copies 1, 2, 3 and 5 shall have at the right hand edge a continuous margin, coloured respectively red, green, yellow and blue.
 - ii) copies 4, 6, 7 and 8 shall have at the right hand edge a broken margin coloured respectively blue, red, green and yellow;

139.6. The width of these margins shall be approximately 3 mm. The broken margin shall comprise a series of squares with a side measurement of 3 mm each one separated by 3 mm.

139.7. The copies on which the particulars contained in the forms shown in Annexes 9 and 10 must appear by a self-copying process are shown in Annex 11.

139.8. The forms shall measure 210 x 297 mm with a maximum tolerance as to length of 5 mm less and 8 mm more.

139.9. The form must show the name and address of the printer or a mark enabling the printer to be identified. The printing of Single Administrative Documents is subject to prior technical approval of the forms by the General Directorate of Customs.

Section 3

Particulars required according to the customs procedure concerned

140. The list of boxes to be used for declarations of entry for a particular customs procedure using the Single Administrative Document is contained in Annex 12.

141. The particulars required when one of the forms referred to in Point 130.2 is used, depend on the form in question. They shall be supplemented where appropriate by the provisions relating to the customs procedure in question.

Section 4

Documents to accompany the customs declaration

142.

142.1. The following documents shall accompany the customs declaration for release for free circulation:

- a) the invoice on the basis of which the customs value of the goods is declared, as required under Point 80;
- b) the documents required for the application of preferential tariff arrangements or other measures derogating from the legal rules applicable to the goods declared;
- c) all other documents required for the application of the provisions governing the release for free circulation of the goods declared.

142.2. The customs authorities may require transport documents or documents relating to the previous customs procedure, as appropriate, to be produced when the declaration is lodged.

142.3. Where a single item is presented in two or more packages, they may also require the production of a packing list or equivalent document indicating the contents of each package.

142.4. However, where goods qualify for duties under Article 104 of the Code, the documents referred to in point 142.1 (c) need not to be required.

142.5. In addition, where goods qualify for relief from import duty, the documents referred to in point 142.1 (a) and (c) need not to be required unless the customs authorities consider it necessary for the purpose of applying the provisions governing the release of the goods in question for free circulation.

143.

143.1. To satisfy the information provided in a customs declaration the invoice required by Point 142.1 (a) should contain the following information, unless the customs authorities consider having regard to the circumstances, that some information can be omitted:

- a) name and address of the seller,
- b) name and address of the buyer
- c) date of issue
- d) number of packages, their nature and the marks and number they bear,

- e) gross weight
- f) type of goods and quantity and price for each type of goods,
- g) eventual discounts and type of discount, and conditions of delivery.

143.2. If information concerning packages is not shown in the invoice a packing list should be attached to the invoice.

143.3. The customs authorities may, if needed, ask for a written translation to the Albanian language for information provided in the invoice.

144.

144.1. The transit declaration shall be accompanied by the transport document. The office of departure may dispense with the presentation of this document at the time of completion of the formalities. However, the transport document shall be presented at the request of the customs office or any other competent authority in the course of transport.

144.2. Without prejudice to any applicable simplification measures, the customs document of export/dispatch or re-exportation of the goods from the customs territory of the Republic of Albania or any document of equivalent effect shall be presented to the office of departure with the transit declaration to which it relates.

144.3. The customs authorities may, where appropriate, require production of the document relating to the preceding customs procedure.

145.

145.1. The documents to accompany the declaration of entry for a customs procedure with economic impact, except for the outward processing procedure, shall be as follows:

- a) the documents laid down in Point 142;
- b) the authorisation for the customs procedure in question or a copy of the application for authorisation where the second subparagraph of Point 278.1 applies, except in cases of entry for the customs warehousing procedure or where Points 284.3 or 366.3 applies.

145.2. The documents to accompany the declaration of entry for the outward processing procedure shall be as follows:

- a) the documents laid down in Point 146;
- b) the authorisation for the procedure or a copy of the application for authorisation where the second subparagraph of Point 406.3 applies, except where Point 414.2 applies.

145.3. Point 142.2 shall apply to declarations of entry for any customs procedure with economic impact.

145.4. The customs authorities may allow the documents referred to point 145.1 (b) and 2 (b) to be kept at their disposal instead of accompanying the declaration.

146.

146.1. The export or re-export declaration shall be accompanied by all documents necessary for the correct application of export duties and of the provisions governing the export of the goods in question.

146.2. Point 142.2 shall apply to export or re-export declarations.

Chapter II

Computerised customs declarations

147.

147.1. The customs authorities may authorise the declarant, in accordance with Article 86 (b) in the Code, to replace all or part of the particulars of the written declaration referred to in Annex 12 by sending to the customs office designated for that purpose, with a view to their processing by computer, codified data, or data made out in any other form specified by those authorities, corresponding to the particulars required for written declarations.

147.2. The General Directorate of Customs shall determine the conditions under which the data referred to in point 147.1 are to be sent.

148. The General Directorate of Customs may authorise the use of computers, inter alia, as follows:

- a) they may stipulate that the data necessary for completing the formalities in question shall be entered in their computerised declaration-processing systems, without a written declaration being required,
- b) they may provide that the declaration within the meaning of Point 130 (1) shall be constituted by entry of data in the computer if a document corresponding to a declaration is not produced.

149.

149.1. When formalities are completed using public or private computer systems, the General Directorate of Customs shall authorise persons who so request to replace the hand-written signature with a comparable identification device, which may be based on the use of codes, and which has the same legal consequences as a hand-written signature.

149.2. The General Directorate of Customs may authorise the persons concerned to make out and transmit by computer in whole or in part the supporting documents referred to in Points 142 to 146.

149.3. The facilities referred to in point 149.1 and 149.2 shall be granted only if the technical and administrative conditions laid down by the General Directorate of Customs are met.

Chapter III

Customs declarations made orally or by any other act

Section 1

Oral declarations

150. Customs declarations may be made orally for the release for free circulation of the following goods:

- a) goods of a non-commercial nature:
 - i) contained in traveller's personal luggage, or
 - ii) sent to private individuals, or
 - iii) in other cases, when the value of the consignment is less than 2000 LEK and the goods are allowed to enter without restrictions, where this is authorised by the customs authorities;
- b) goods of commercial nature provided:
 - i) the total value per consignment and per declarant does not exceed 2000 LEK,
 - ii) the consignment is not part of a regular series of similar consignments, and
 - iii) the goods are not being carried by an independent carrier as a part of a larger freight movement;
- c) the goods referred to in Point 145, where these qualify for relief as returned goods;
- d) the goods referred to in Point 155(b) and (c).

151. Customs declarations may be made orally for the export of:

- a) goods of a non-commercial nature:
 - i) contained in traveller's personal luggage, or
 - ii) sent by private individuals;
- b) the goods referred to in Point 150 (b);
- c) the goods referred to in Point 156(b) and (c);
- d) other goods in cases of negligible economic importance, where this is authorised by the customs authorities.

152.

152.1. Points 150 and 151 shall not apply where the person clearing the goods is acting on behalf of another person in his capacity as customs agent.

152.2. Where the customs authorities are not satisfied that the particulars declared are accurate or that they are complete, they shall require a written declaration.

153. Where goods declared to customs orally in accordance with Point 150 and 151 are subject to import or export duty the customs authorities shall issue a receipt to the person concerned against payment of the duty owing.

154.

154.1. Customs declarations may be made orally for the temporary importation of the following goods, in accordance with the conditions laid down by the General Directorate of Customs:

- a)
 - i) animals and equipment listed in Point 356,
 - ii) packings listed in Point 349,
 - iii) radio and television production and broadcasting equipment and vehicles specially adapted for use for the above purpose and their equipment imported by public or private organisations established outside the customs territory of the Republic of Albania and approved by the customs authorities issuing the authorisation for the procedure to import such equipment and vehicles,
 - iv) instruments and apparatus necessary for doctors to provide assistance for patients awaiting an organ transplant pursuant to Point 342.2(c);
- b) the goods referred to in Point 157;
- c) other goods, where this is authorised by the customs authorities.

154.2. The goods referred to in point 154.1 may also be the subject of an oral declaration for re-exportation discharging a temporary importation procedure.

Section 2

Customs declarations made by any other act

155. The following, where not expressly declared to customs, shall be considered to have been declared for release for free circulation by the act referred to in Point 158:

- a) goods of a non-commercial nature contained in traveller's personal luggage entitled to relief as duty free import or as returned goods;
- b) means of transport entitled to relief as returned goods;
- c) goods imported in the context of traffic of negligible importance and exempted from the requirements to be conveyed to a customs office in accordance with Article 42 (3) of the Code, provided they are not subject to import duty.

156. The following, where not expressly declared to customs, shall be considered to have been declared for export by the act referred to in Point 158(b):

- a) goods of a non-commercial nature not liable for export duty contained in traveller's personal luggage;
- b) means of transport registered in the Republic of Albania and intended to be re-imported;
- c) other goods in cases of negligible economic importance, where this is authorised by the customs authorities.

157.

157.1. The following, where not declared to customs in writing or orally, shall be considered to have been declared for temporary importation by the act referred to in Point 158, in accordance with Points 368 and 394:

- a) traveller's personal effects and goods imported for sport purposes listed in Point 354;
- b) the means of transport listed in Points 383 to 390.

157.2. Where they are not declared to customs in writing or orally, the goods referred to in point 157.1 shall be considered to have been declared for re-exportation discharging the temporary importation procedure by the act referred to in Point 158.

158. For the purpose of Point 155 to 157, the act which is considered to be a customs declaration may take the following forms:

- a) in the case of goods conveyed to a customs office or to any other place designated or approved in accordance with Article 42 (1) a of the Code:
 - i) going through the green or "*nothing to declare*" channel in the customs office where the two-channel system is in operation,
 - ii) going through a customs office which does not operate the two-channel system without spontaneously making a customs declaration;
- b) in the case of exemption from the obligation to convey goods to customs in accordance with the provisions implementing Article 42 (3) of the Code, in the case of export in accordance with Point 156 and in the case of re-exportation in accordance with Point 157.2:
 - i) the sole act of crossing the frontier of the customs territory of Albania.

159.

159.1. Where the conditions of Points 155 to 157 are fulfilled, the goods shall be considered to have been presented to customs within the meaning of Article 88 of the Code, the declaration to have been accepted and release to have been granted, at the time when the act referred to in Point 158 is carried out.

159.2. Where a check reveals that the act referred to in Point 158 has been carried out but the goods imported or taken out do not fulfil the conditions in Points 155 to 157, the goods concerned shall be considered to have been imported or exported unlawfully.

Section 3

Provisions common to Sections 1 and 2

160. The provisions in Points 150 to 157 shall not apply to goods in respect of which the payment of refunds or other amounts or the repayment of duties is sought, or which are subject to a prohibition or restriction or to any other special formality.

161. For the purpose of Sections 1 and 2, the following definition shall apply:

“Traveller” means: The person referred to in Article 63 of the Code.

PART II

CUSTOMS-APPROVED TREATMENT OR USE

Title 1

Release for free circulation

Chapter I

General provisions

162.

162.1. Where Albanian goods are exported under an ATA carnet, when imported again those goods may be released for free circulation on the basis of the ATA carnet.

162.2. In this case, the office where the goods are released for free circulation shall carry out the following formalities:

- a) verify the information given in boxes A to G of the re-importation voucher;
- b) complete the counterfoil and box H of the re-importation sheet;
- c) retain the re-importation voucher.

Chapter II

Favourable tariff treatment by reason of the nature of goods and by reason of their end use

Section 1

General provisions

163. In accordance with Title II, Chapter I, Article 28 of the Code this chapter will lay down provisions in the implementing of the favourable tariff treatment procedures.

Section 2

Favourable tariff treatment by reason of the nature of goods

Subsection 1

Goods subject to the condition that they be denatured

164. Classification under the tariff subheadings listed in column 2 of the table in Annex 14 of the goods listed against each subheading in column 3 shall be subject to the condition that the goods are denatured so as to make them unfit for human consumption, by means of one of the denaturants referred to in column 4 used in the quantities indicated in column 5.

165. Denaturing shall be carried out in such a way as to ensure that the product to be denatured and the denaturant are homogeneously mixed and cannot be separated again in a manner which is economically viable.

Subsection 2

Conditions for tariff classification of certain types of seed

166. Classification under the tariff subheadings listed in column 2 of Annex 15 of the goods listed against each subheading in column 3 shall be subject to the conditions laid down in Point 167.

167. Seed potatoes, sweet corn, spelt, hybrid maize, rice, sorghum hybrid, oil seeds and oleaginous fruits shall not be entered in the subheadings indicated in Point 166 unless the person concerned establishes to the satisfaction of the competent customs authorities of the Republic of Albania that they are actually intended for sowing.

Subsection 3

Conditions for tariff classification of bolting cloth as piece goods

168. The tariff classification of bolting cloth, not made up, falling within CN code 5911 20 00 shall be subject to the condition that it is marked as indicated below. A mark consisting of a rectangle and its diagonals must be reproduced at regular intervals along both edges of the fabric without encroaching on the selvages, in such a way that the distance between two consecutive marks, measured between the adjacent ends of the rectangles, is not more than one metre and that the marks on one edge are staggered so as to be half way between those on the other edge (the centre of each mark must be equidistant from the centre of the two nearest marks on the opposite edge). Each mark is to be so positioned that the long sides of the rectangle are parallel to the warp of the fabric (see sketch in Annex 16). The thickness of the lines forming the sides of the rectangle must be 5 mm, and that of the diagonals 7 mm. The rectangle from the outer edge of the lines must be at least 8 cm in length and 5 cm in width. The marks must be printed in a single colour contrasting with the colour of the fabric and must be indelible.

Section 3

Admission of goods with favourable tariff treatment by reason of their end-use

169.

169.1. The admission of goods entered for free circulation with favourable tariff treatment by reason of their end-use shall be subject to the granting of written authorisation to the person importing the goods or having them imported for free circulation. Articles 109 and 110 of the Code shall apply "*mutatis mutandis*".

169.2. The said authorisation shall be issued at the written request of the person concerned by the General Directorate of Customs.

169.3. The request shall contain inter alia the following information:

- a) name and address of the applicant;
- b) a brief description of the plant to be used for the proposed treatment;
- c) the nature of the proposed treatment;
- d) the type and quantity of goods to be used; and
- e) when applicable, the type, quantity and tariff description of the goods obtained. The person concerned shall enable the customs authorities to trace the goods to their satisfaction in the establishment or establishments of the undertaking throughout their processing.

170.

170.1. The customs authorities may limit the period of validity of the authorisation referred to in Point 169.

170.2. Where an authorisation is revoked the holder shall immediately pay import duties, established in accordance with Article 223 of the Code, in respect of those goods which have not already been assigned to the prescribed end-use.

171. The holder of the authorisation shall be obliged:

- a) to assign the goods to the prescribed end-use;
- b) to keep records enabling the customs authorities to carry out any checks which they consider necessary to ensure that the goods are actually put to the prescribed end-use, and to retain such records.

172.

172.1. All the goods shall be assigned to the prescribed end-use within one year of the date on which the declaration for free circulation was accepted by the customs authorities.

172.2. The period laid down in point 172.1 may be extended by the General Directorate of Customs if the goods have not been assigned to the prescribed end-use on account either of unforeseeable circumstances or force majeure or of exigencies inherent in the working or processing of the goods.

173.

173.1. Goods shall be considered to have been assigned to the end-use in question:

- a) in the case of goods which can be used only once, when all the goods have been assigned to the prescribed end-use in accordance with the time limits laid down;
- b) in the case of goods which may be put to repeated use, two years after they are first assigned to the prescribed use; the date of such first assignment shall be entered in the records referred to in Point 171(b).

173.2. Waste and scrap which result from the working or processing of the goods and losses due to natural wastage shall be considered as goods having been assigned to the end-use.

174. In cases of necessity duly substantiated by the holder of the authorisation, the customs authorities may allow the goods referred to in this Section to be stored with goods of the same type and quality having the same technical and physical characteristics. Where goods are stored in this way this Section shall apply to a quantity of goods equivalent to that released for free circulation under this Section.

175.

175.1. The customs authorities shall not approve the use of the goods otherwise than as provided for by the favourable tariff treatment referred to in Point 169 unless the holder of the authorisation can establish to their satisfaction that it has been impossible for reasons relating to his circumstances or to the goods themselves for the goods to be put to the prescribed end-use.

175.2. The approval referred to in the preceding paragraphs shall be conditional on the holder of the authorisation paying the amount of import duties established in accordance with Article 223 of the Code.

176. The customs authorities shall not approve the export of the goods from the customs territory of the Republic of Albania or the destruction of the goods under customs supervision unless the holder of the authorisation can establish to their satisfaction that it has been impossible for reasons relating to his circumstances or to the goods themselves for the goods to be put to the prescribed end-use. Where export of

the goods from the customs territory of the Republic of Albania is approved, the goods shall be considered as non-Albanian goods from the time of acceptance of the export declaration.

Section 4

Common provisions

177. Where the import duty applicable under the favourable tariff treatment by reason of the nature of goods or end-use arrangements to goods for a specific end-use is not lower than that which would otherwise be applicable to the goods, the said goods shall be classified in the CN code referring to the end-use and this Chapter shall not apply.

178. Favourable tariff treatment by reason of the nature of goods and by reasons of their end use for other goods than those mentioned in this Chapter may be granted in provisions laid down by the Minister of Finance.

179. The General Directorate of Customs may lay down guidelines in the practical application of the favourable tariff treatment procedures.

Chapter III

Management of tariff measures

Management of tariff quotas designed to be used following the chronological order of dates of customs declarations

180.

180.1. Save as otherwise provided, where tariff quotas are opened by an Albanian provision, those tariff quotas shall be managed in accordance with the chronological order of dates of acceptance of declarations for release for free circulation.

180.2. Where a declaration for release for free circulation incorporating a valid request by the declarant to benefit from a tariff quota is accepted, the customs authorities concerned shall draw from the tariff quota, through the General Directorate of Customs, a quantity corresponding to its needs.

180.3. The customs authorities shall not present any request for drawing until all documents have been presented to the customs authorities on which the granting of the reduced or zero rate is conditional.

180.4. Subject to point 180.8, allocations shall be granted by the General Directorate of Customs on the basis of the date of acceptance of the relevant declaration for release for free circulation, and to the extent that the balance of the relevant tariff quota so permits. Priority shall be established in accordance with the chronological order of these dates.

180.5. The customs authorities shall communicate to the General Directorate of Customs all valid requests for drawing without delay. Those communications shall include the date referred to in point 180.4, and the exact amount applied for on the relevant customs declaration.

180.6. For the purposes of points 180.4 and 180.5, the General Directorate of Customs shall fix order numbers where none are provided by the Albanian provision opening the tariff quota.

180.7. If the quantities requested for drawing from a tariff quota are greater than the balance available, allocation shall be made on a pro rata basis with respect to the requested quantities.

180.8. For the purposes of this Point, acceptance of a declaration by the customs authorities on 1, 2 or 3 January shall be regarded as acceptance on 3 January. However, if one of those days falls on a Saturday or a Sunday, such acceptance shall be regarded as having taken place on 4 January.

180.9. Where a new tariff quota is opened, drawings shall not be granted by the General Directorate of Customs before the 11th working day following the date of publication of the provision which created that tariff quota.

180.10. Customs authorities shall immediately return to the General Directorate of Customs the amount of drawings which they do not use. However, where an erroneous drawing representing a customs debt of 2000 LEK or less is discovered after the first month following the end of the period of validity of the tariff quota concerned, customs authorities needs not make a return.

180.11. If the customs authorities invalidate a declaration for release for free circulation in respect of goods which are the subject of a request for benefit of a tariff quota, the complete request shall be cancelled in respect of those goods. The customs authorities concerned shall immediately return to the General Directorate of Customs any quantity drawn, in respect of those goods, from the tariff quota.

181.

181.1. The General Directorate of Customs shall make an allocation each working day, except:

- days which are holidays for the General Directorate of Customs, or
- in exceptional circumstances, any other day, upon decision by the Director General of Customs.

181.2. Subject to Point 180.8, any allocation shall take into account all unanswered requests which relate to declarations for release for free circulation accepted up to and including the second previous day, and which have been communicated to the General Directorate of Customs.

Title 2

Transit

182. In accordance to Title IV, Chapter II, Section 3 B of the Code this chapter will lay down provisions in the implementing of the transit procedure.

183.

183.1. In accordance with Article 114 (1) (b) of the Code, Albanian goods shall move under the transit procedure in the following situations:

- i) when a repayment or remission of import duties is conditional on their being re-exported from the customs territory of the Republic of Albania or placed in a customs warehouse, free zone or free warehouse or under any customs procedure other than release for free circulation, or
- ii) when they have been released for free circulation under the inward processing procedure, drawback system, with a view to their later export in the form of compensating products and for which an application for repayment may be presented in accordance with Article 149 of the Code, and the person concerned have the intention of submitting such an application,

183.2. Goods referred to in point 183.1 which have not left the customs territory of the Republic of Albania shall be treated as Albanian goods provided it is certified that the export declaration and other customs formalities requiring the goods to leave the said customs territory, and any effects of those formalities have been cancelled.

184.

184.1. All goods which are to move under the transit procedure shall be the subject of a T1 declaration in accordance with this Section. A T1 declaration means a declaration on a form corresponding to the specimens in Annexes 9 and 10 and used in accordance with the notes referred to in Annexes 12 and 13.

184.2. Loading lists based on the specimen in Annex 17 may be used in accordance with this implementing provisions as the descriptive part of transit declarations. Such use shall in no way affect obligations in respect of any formalities attaching to a dispatch/export procedure, or in respect of the forms used for such formalities.

185. The loading list shall include:

- a) the heading "Loading List";
- b) a box measuring 70 x 55 mm, divided into a top part measuring 70 x 15 mm for the insertion of the symbol "T" followed by one of the endorsements "T1" or "T1 bis" and a lower part measuring 70 x 40 mm for official use;
- c) columns, in the following order and headed as shown:
 - i) serial No,
 - ii) marks, numbers, number and kind of package; description of goods,
 - iii) country of dispatch/export,
 - iv) gross mass (in kilograms),
 - v) for official use only.
- d) The width of the columns may be adapted as necessary. However, the width of the column headed "For official use only" shall be not less than 30 mm. Spaces other than those referred to under (a), (b) and (c) above, may also be used.

186.

186.1. Only the front of the forms may be used as a loading list.

186.2. Each item shown on a loading list shall be preceded by a serial number.

186.3. Each item shall be followed, where appropriate, by any special reference required by Albanian legislation, documents produced, and certificates and authorisations.

186.4. A horizontal line shall be drawn after the last entry and the remaining unused spaces barred so that any subsequent addition is impossible.

187.

187.1. The customs authorities may allow the use as loading lists which do not comply with all the requirements. However, the size and the space used for customs authorities must not be changed.

Use of such lists shall be allowed only where:

a) they are produced by firms whose records are based on an integrated electronic or automatic data processing system;

b) they are designed and completed in such a way that they can be used without difficulty by the customs authorities;

c) they include for each item, the number, kind and marks and numbers of packages, the description of the goods, the country of dispatch/export and the gross mass in kilograms.

187.2. The customs authorities may allow firms whose records are based on an electronic or automatic data-processing system, and which are already allowed under points 187.1 and 187.2 to use loading lists of a special type, to use such lists for transit operations involving only one type of goods where this facility is made necessary by the computer programs of the firms concerned.

188.

188.1. Where the principal uses loading lists for a consignment comprising two or more types of goods, boxes 15 "Country of dispatch/export", 33 "Commodity code", 35 "Gross mass (kg)", 38 "Net mass (kg)" and, where necessary, 44 "Additional information, documents produced, certificates and authorisations" of the form shall be barred and box 31 "Packages and description of goods" of that form shall not be used to show the marks and numbers, number and kind of the packages and description of goods. When loading lists are used, supplementary forms shall not be used.

188.2. The loading list shall be produced in the same number of copies as the T1 declaration to which it relates.

188.3. When the declaration is registered, the loading list must bear the same registration number as the T1 declaration to which it relates. That number must be entered either by means of a stamp incorporating the name of the office of departure or by hand. In the latter case it must be accompanied by the official stamp of the office of departure. The signature of an official of the office of departure shall be optional.

188.4. Where two or more loading lists accompany a single T1 declaration, each number must bear a serial number allotted by the principal: the number of loading lists shall be shown in box 4 "*Loading lists*" of the T1 declaration.

188.5. A declaration on a single administrative document form bearing the symbol "T1" in the right-hand subdivision of box 1 and accompanied by one or more loading lists shall be treated as a transit declaration.

189.

189.1. Where goods have to move under the transit procedure, the principal shall enter the symbol "T1" in the right-hand subdivision of box 1 of the form used. Where supplementary forms are used, the principal shall enter the symbol "T1 bis" in the right-hand subdivision of box 1 of the supplementary forms used.

189.2. The T1 declaration shall be signed by the principal and copy 1, 4, 5 and 7 thereof shall be produced at the office of departure.

189.3. Where the transit procedure succeeds another customs procedure, reference shall be made on the T1 declaration to that procedure or to the corresponding customs documents.

190.

190.1. The same means of transport may be used for the loading of goods at more than one office of departure and for unloading at more than one office of destination.

190.2. Each T1 declaration shall include only the goods loaded or to be loaded on a single means of transport for carriage from one office of departure to one office of destination. For the purposes of the first sentence, the following shall be regarded as constituting a single means of transport, on condition that the goods transported are to be dispatched together:

- a) a road vehicle accompanied by its trailer(s) or semi-trailer(s);
- b) a line of coupled railway carriages or wagons;
- c) boats constituting a single chain;
- d) containers loaded on a means of transport within the meaning of this Point.

191.

191.1. The office of departure shall accept and register the T1 declaration, prescribe the period within which the goods must be presented at the office of destination and take such measures for identification as it considers necessary.

191.2. The office of departure shall enter the necessary particulars on the T1 declaration, retain its copy 1 and return the others copies to the principal or his representative.

191.3. Means of transport under transit procedure are not allowed to depart from customs office of departure without authorisation from the customs authorities.

191.4. In cases where the goods considered for transit presents an increased risk of fraud, or whenever the customs authorities consider it necessary, the office of departure may prescribe an itinerary for the consignment. The itinerary shall be changed, upon application by the principal, only by the customs authorities of the office of departure and the application must be lodged within the prescribed time limit. The customs authorities shall take the necessary measures to deal with any offence or irregularity and to impose effective penalties in accordance with Article 260 of the Code.

191.5. In the case of force majeure the carrier may diverge from the prescribed itinerary. The consignment and the T1 document shall be presented without delay to the nearest customs authorities. The customs authorities shall inform without delay the office of departure of the diversion and record the relevant details on the T1 document.

192.

192.1. As a general rule, identification of the goods shall be ensured by sealing.

192.2. The following shall be sealed:

- a) the space containing the goods, where the means of transport has been approved under other rules or recognised by the office of departure as suitable for sealing;
- b) each individual package, in other cases.

192.3. Means of transport may be recognised as suitable for sealing on condition that:

- a) seals can be simply and effectively affixed to them;
- b) they are so constructed that no goods can be removed or introduced without leaving visible traces of tampering or without breaking the seals;
- c) they contain no concealed spaces where goods may be hidden; and
- d) the spaces reserved for the load are readily accessible for inspection by the customs authorities.

192.4. The office of departure may dispense with sealing if, having regard to other possible measures for identification, the description of the goods in the T1 document or in the supplementary documents make them readily identifiable.

193. The General Directorate of Customs may decide that transit with trucks, trailers or containers is only allowed if they are approved for international carriage of goods under customs seal and are in good condition.

194.

194.1. The goods shall be transported under cover of copy 4, 5 and 7 of the T1 document returned to the principal or his representative by the office of departure.

194.2. The master or driver on means of transport under transit procedure must at all time carry the those copies of the T1 document and present it at request from customs authorities or any other public authority in accordance with Albanian legislation.

195. Where goods are loaded or unloaded in the presence of intermediate customs authorities the copies of the T1 document shall be presented to those authorities.

196. The goods described on a T1 document may be transferred to another means of transport under the supervision of the customs authorities in the territory of which the transfer is to be made, without the need for a new declaration. In that case, the competent authorities shall record the relevant details on the T1 document.

197.

197.1. If seals are broken in the course of the transport operation for reasons beyond the carrier's control, the carrier shall without delay request that a certified report be drawn up by the nearest customs authorities without prejudice to the institutions of criminal proceedings in Article 280 of the Code. The customs authority concerned shall, if possible, affix new seals.

197.2. In the event of an accident necessitating transfer to another means of transport, it must be done under the supervision of the customs authorities in the territory of which the transfer is to be made.

197.3. In the event of imminent danger necessitating immediate unloading of the whole or part of the load, the carrier may take action on his own initiative. He shall record such action on the T1 document. Point 197.1 shall apply in such a case.

197.4. If, as a result of accidents or other incidents arising in the course of the transport operation, the carrier is not in a position to comply with the prescribed period within which the goods must be presented at the office of destination, he shall inform the customs authority referred to in point 197.1 as soon as possible. That authority shall then record the relevant details on the T1 document.

198.

198.1. The goods and the T1 document shall be presented at the office of destination.

198.2. Masters and drivers on means of transport under transit procedure shall without delay present the transit declaration together with the goods at the customs office of destination. He is not allowed make any stops during the transit procedure, except what is necessary for safety reasons or approved by customs authorities or due to requests from any public authority in accordance with Albanian legislation.

198.3. The office of destination shall record on copy 4 and 5 of the T1 document the details of controls carried out and shall without delay send copy 5 to the office of departure within 10 days and retain the other copy.

198.4. Whenever the customs authorities consider it necessary, the office of destination may be changed, upon application by the principal, only by the office of departure. The customs authorities shall, in such cases, record the relevant details on all copies of the T1 document.

198.5. The time limit prescribed by the office of departure within which the goods must be produced to the office of destination are not allowed to be changed by the office of destination.

198.6. Where the goods are presented at the office of destination after expiry of the time limit prescribed by the office of departure and the failure to comply with the time limit is due to circumstances which are explained to the satisfaction of the office of destination and are not attributable to the carrier or the principal, the latter shall be deemed to have complied with the time limit prescribed.

199.

199.1. The person presenting a transit document to the office of destination together with the consignment to which that document relates are entitled to obtain a receipt on request.

199.2. The form for the receipt certifying that a transit document and the relevant consignment have been presented at the office of destination shall conform to the specimen in Annex 18. However, the receipt in respect of the transit document may be made out on the specimen on the back of the copy 5 of the T1 declaration.

199.3. The receipt shall be completed in advance by the person concerned. It may contain other particulars relating to the consignment, except in the space reserved for the office of destination, but the endorsement by the office of destination shall be valid only in respect of the particulars contained in that space.

200.

200.1. The guarantee referred to in Article 117 (1) of the Code shall be valid throughout the Republic of Albania.

200.2. The guarantee may be comprehensive, covering a number of transit operations, or individual, covering a single transit operation.

200.3. The guarantee shall consist of the joint and several guarantee of any natural or legal third person fulfilling the conditions referred to in Article 210 of the Code or be a cash deposit lodged at the office of departure. The office of departure may allow a cash deposit to be lodged at any other customs office, when circumstances so warrant.

200.4. The guarantee document conform to the specimen contained in:

- a) Annex 19, in the case of a comprehensive guarantee,
- b) Annex 20, in the case of an individual guarantee.

200.5. Where the provisions laid down by Albanian law, regulation or administrative action or common practice so require, the customs authorities may allow the guarantee to be in a different form, on condition that it has the same legal effects as the specimen document referred to in point 200.4.

201.

201.1. The use of the comprehensive guarantee shall be granted only to persons:

- a) who are established in the Republic of Albania;

b) who have been regular users, either as principals or as consignors, of the transit system during the previous six months or are known by the customs authorities to have a good financial standing which is sufficient to fulfil their commitments; and

c) who have not committed any serious or repeated infringement of customs or tax laws.

201.2. A comprehensive guarantee shall be lodged with an office of guarantee.

201.3. Office of guarantee shall be the General Directorate of Customs.

201.4. The office of guarantee shall determine the amount of the guarantee, accept the guarantor's undertaking and issue an authorisation allowing the principal to carry out, within the limits of the amounts guaranteed, any transit operation irrespective of the office of departure.

201.5. Each person who has obtained authorisation shall, be issued with one or more guarantee certificates made out on a form conforming to the specimen contained in Annex 21.

201.6. Reference to the guarantee certificate shall be made on each T1 document.

201.7. The office of guarantee shall revoke the authorisation for the use of the comprehensive guarantee if the conditions referred to in point 201.1 no longer obtain.

202.

202.1. The amount of the comprehensive guarantee is fixed at 100 % of the duties and other charges payable, with a minimum of LEK 1.500.000, under the provisions of point 202.4, except in the cases referred to in point 202.2.

202.2. The customs authority may fix the amount of the comprehensive guarantee to at least 30% of the duties and other charges payable, with a minimum of LEK 1.500.000, under the provisions of point 202.4, as long as:

a) the operator has during the period of two years regularly carried out transit operations under the comprehensive guarantee system,

b) he has not committed any serious breaches of his obligations during that period,

c) that reduced guarantee covers at least the amount of the customs duty,

d) the goods are not listed in Annex 22 and are not excluded from the comprehensive guarantee.

202.3. The exception provided for in point 202.2 shall not apply if the conditions referred to therein no longer obtain.

202.4. The office of guarantee shall make an evaluation over a period of a week of:

a) consignments made;

b) the duties and other charges payable taking account of the highest level of taxation applicable. This evaluation shall be made on the basis of the commercial and accounting documentation of the person concerned in respect of goods transported during the past year, the amount obtained then being divided by 52. In the case of applicants for the use of the comprehensive guarantee the office of guarantee shall, in collaboration with the person concerned estimate the quantity, value and taxes applicable to the goods being transported over a given period based on data already available. The office of guarantee shall, by

extrapolation, determine the likely value of and taxes on the goods to be transported during a period of one week.

202.5. The office of guarantee shall carry out an annual review of the amount of the comprehensive guarantee, in particular on the basis of information from the office of departure, and shall if appropriate adjust the amount.

203.

203.1. Either upon initiative of the Minister of Finance or following a request of the Director General of Customs, the use of the comprehensive guarantee shall be temporarily forbidden, when it is intended to cover transit operations concerning goods which are considered to present an increased risk of fraud.

203.2. The maximum period for which use of the comprehensive guarantee shall be prohibited in respect of any goods shall be 12 months, unless the Minister of Finance decides to extend the period.

204.

204.1. On issue of the certificate of guarantee or at any time during the validity thereof, the principal shall on his own responsibility designate on the reverse of the certificate the person or persons authorised to sign transit declarations on his behalf. The particulars shall include the surname and forename of each authorised person followed by the signature of that person. Each nomination of an authorised person shall be acknowledged by the signature of the principal. The principal shall be entitled at his discretion to cross through the unused boxes.

204.2. The principal may at any time delete the name of an authorised person from the reverse of the certificate.

205. Any person named on the reverse of a guarantee certificate presented at an office of departure shall be deemed to be the authorised representative of the principal.

206. The period of validity of a guarantee certificate shall not exceed two years. However, that period may be extended by the guarantee office for one further period not exceeding two years.

207. If the guarantee is cancelled the principal shall be responsible for returning to the guarantee office forthwith all valid guarantee certificates issued to him.

208.

208.1. An individual guarantee furnished for a single transit operation shall be lodged at the office of departure. The office of departure shall fix the amount of the guarantee. The amount should cover all duties and other charges due on the consignment.

208.2. The guarantee referred to in point 208.1 may be a cash deposit lodged with the office of departure. In that case, it shall be returned when the T1 document is discharged at the office of departure.

209.

209.1. The guarantor shall be released from his obligations as provided for in Article 214 (1) of the Code and in addition he shall be released from his obligations upon expiry of a period of 12 months from the date of registration of the T1 declaration where he has not been advised by the customs office of departure of the non-discharge of the T1 document. Where, within the period provided for in the first sentence, the guarantor has been advised by the customs authorities of the non-discharge of the T1 document, he shall, in addition, be notified that he is or may be required to pay the amounts for which he is liable in respect of the transit operation in question. This notification shall reach the guarantor not later than three years after the date of registration of the T1 declaration. Where no such notification has been made before the expiry of that time limit, the guarantor shall likewise be released from his obligations.

209.2. The guarantee covering the transit operation shall not be released until the end of the aforementioned three-year period or until the duties and other charges applicable have been paid. The customs authorities shall take the necessary measures to deal with any offence or irregularity and to impose effective penalties in accordance with the Code.

210.

210.1. For the purposes of granting the guarantee waiver for transit operations, the undertaking to be given by the person concerned in accordance with Article 118 (2) (e) of the Code shall be drawn up in accordance with the specimen shown in Annex 23.

210.2. Where the provisions laid down by Albanian law, regulation or administrative action or common practice so require, the customs authorities may have the undertaking by the person concerned drawn up in a different form, on condition that it has the same binding effects as those of the undertaking provided for in the specimen.

211.

211.1. In accordance with Article 118 (3) of the Code, the guarantee waiver shall not apply to goods:

- a) the total value of which exceeds LEK 1.000.000 per consignment; or
- b) which are listed in Annex 22 as involving increased risks.

211.2. The guarantee waiver shall not apply where, the use of the comprehensive guarantee is forbidden.

212.

212.1. Where the guarantee waiver is applied, reference to the waiver shall be made on the corresponding T1 transit declaration.

212.2. The guarantee waiver certificate shall conform to the specimen in Annex 24.

212.3. On issue of the guarantee waiver certificate or at any other time during the validity thereof, the principal shall on his own responsibility designate on the reverse of the certificate the person or persons authorised to sign transit declarations on his behalf. The particulars shall include the surname and forename of each authorised person followed by the signature of that person. Each nomination of an authorised person shall be acknowledged by the signature of the principal. The principal shall be entitled at his discretion to cross through the unused boxes. The principal may at any time delete the name of an authorised person from the reverse of the certificate.

212.4. Any person named on the reverse of a guarantee waiver certificate presented at an office of departure shall be deemed to be the authorised representative of the principal.

212.5. The period of validity of a guarantee waiver certificate shall not exceed two years. However, this period may be extended by the authorities granting the waiver for one further period not exceeding two years.

212.6. If the guarantee waiver is revoked the principal shall be responsible for returning forthwith to the General Directorate of Customs all the guarantee waiver certificates issued to him which are still valid.

213.

213.1. Where a consignment has not been presented at the office of destination the office of departure shall notify the principal of this within 5 weeks following the date of registration of the transit declaration. However, the right to notify ceases to exist by the end of the 11th month following the date of registration of the transit declaration.

213.2. The notification referred to in point 213.1 shall indicate, in particular, the time limit by which proof of the regularity of the transit operation must be furnished to the office of departure to the satisfaction of the customs authorities. That time limit shall be maximum one month from the date of the notification referred to in point 113.1. If the said proof has not been produced by the end of that period, the competent customs authorities shall take steps to recover the duties and other charges involved.

214. Proof of the regularity of a transit operation shall be furnished to the satisfaction of the customs authorities:

a) by the production of a customs document certified by the customs authorities establishing that the goods in question were presented at the office of destination. That document shall contain enough information to enable the said goods to be identified; or

b) by the production of a customs document placing the goods under a customs procedure in an other country or by a copy or photocopy thereof; such copy or photocopy must be certified as being a true copy by the authorities of the other country concerned. The document shall contain enough information to enable the goods in question to be identified.

215. The transit declarations shall be drawn up in Albanian language.

216.

216.1. The paper used for the loading lists and receipts shall be dressed for writing purposes and weigh at least 40 g/m²; its strength shall be such that in normal use it does not easily tear or crease.

216.2. The paper used for the guarantee certificate and guarantee waiver certificate forms shall be free of mechanical pulp and weigh at least 100 g/m². It shall have a guilloche pattern background on both sides so as to reveal any falsification by mechanical or chemical means. The said background shall be:

- a) green for guarantee certificates,
- b) pale blue for guarantee waiver certificates.

216.3. The paper referred to in points 216.1 and 216.2 shall be white, except for the loading lists, for which the choice of colour shall be left to the persons concerned.

217. The forms shall measure:

- a) 210 x 297 mm for the loading list, a tolerance in the length of between - 5 and + 8 mm being allowed;
- b) 210 x 148 mm for the guarantee certificate and the guarantee waiver certificate.

218.

218.1. The General Directorate of Customs shall be responsible for printing or arranging the printing of the guarantee certificates and the guarantee waiver certificates. Each certificate shall bear a serial number for purposes of identification.

218.2. Forms for guarantee certificates and guarantee waiver certificates shall be completed using a typewriter or other mechanographical or similar process.

218.3. Loading lists and receipts may be completed using a typewriter or other mechanographical or similar process, or legibly by hand; in the latter case they shall be completed in ink in block letters.

218.4. Forms shall not contain any erasures or alterations. Corrections shall be made by crossing out the wrong words and adding any necessary particulars. Corrections shall be initialled by the person making them and explicitly authenticated by the customs authorities.

219. The transit procedure shall only be compulsory in respect of non Albanian goods transported by air if they are loaded or reloaded at an airport in the Republic of Albania and their destination is another airport in the Republic of Albania.

220. The transit procedure shall only be compulsory in respect of non Albanian goods transported by sea if they are loaded or transhipped at a port in the Republic of Albania and their destination is another port in the Republic of Albania.

221. The transit procedure shall not apply when goods referred to in Article 114 (1) of the Code are loaded on a vessel in a port situated in the customs territory of the Republic of Albania for export to a third country without unloading or transshipment in another port situated in the customs territory of the Republic of Albania.

222. For the purposes of using ATA carnets as transit documents, “*transit*” shall mean the transport of goods from a customs office situated in the customs territory of the Republic of Albania to another customs office situated within the same territory.

223. Where, in the course of transport from one point in the customs territory of the Republic of Albania to another, goods pass through the territory of an other country, the controls and formalities associated with the TIR or ATA procedure shall be carried out at the points where the goods temporarily leave the customs territory of the Republic of Albania and where they re-enter that territory.

224. Goods transported under cover of TIR or ATA carnets within the customs territory of the Republic of Albania shall be deemed to be non-Albanian goods, unless their Albanian status is duly established.

225.

225.1. This Point shall apply without prejudice to the specific provisions of the TIR and ATA Conventions concerning the liability of the guaranteeing associations when a TIR or an ATA carnet is being used.

225.2. Where it is found that, in the course of or in connection with a transport operation carried out under cover of a TIR carnet or a transit operation carried out under cover of an ATA carnet, an irregularity or offence has been committed inside the Republic of Albania, the recovery of duties and other charges which may be payable shall be effected by the General Directorate of Customs, without prejudice to the institution of criminal proceedings.

2. In order to monitor the procedure of the exit of goods from the *Duty Free Shops*, the summary declaration of exports for the sold goods is drafted periodically on the first Monday of each month.

225.3. Where it is not possible to determine in which territory the offence or irregularity was committed, such offence or irregularity shall be deemed to have been committed in the Republic of Albania if it was detected there unless, within the period laid down in the TIR and ATA conventions, proof of the regularity of the operation or of the place where the offence or irregularity was actually committed is furnished to the satisfaction of the customs authorities. Where no such proof is furnished and the said offence or irregularity is thus deemed to have been committed in the Republic of Albania, the duties and other charges relating to the goods concerned shall be levied by the General Directorate of Customs in accordance with the Code and its implementing provisions. The customs authorities shall take the necessary measures to deal with any offence or irregularity and to impose effective penalties in accordance with the Code.

226.

226.1. Where an offence or irregularity is found to have been committed in the course of or in connection with a transport operation carried out under cover of a TIR carnet or a transit operation carried out under cover of an ATA carnet, the customs authorities shall notify the holder of the TIR carnet or ATA carnet and

the guaranteeing association within the period prescribed in Article 11 (1) of the TIR Convention or Article 6 (4) of the ATA Convention, as the case may be.

226.2. Proof of the regularity of the operation carried out under cover of a TIR carnet or an ATA carnet shall be furnished within the period prescribed in Article 11 (2) of the TIR Convention or Article 7 (1) and (2) of the ATA Convention, as the case may be.

226.3. The proof referred to in point 226.2 shall be furnished to the satisfaction of the customs authorities:

a) by production of a customs document or the carnet voucher certified by the customs authorities establishing that the goods in question have been presented at the office of destination. This document must include information enabling the goods to be identified; or

b) by the production of a customs document showing entry for a customs procedure in an other country, or a copy or photocopy thereof; such copy or photocopy must be certified as a true copy either by the body which endorsed the original document, or by the authorities of the other country concerned. This document must include information enabling the goods in question to be identified; or

c) for the purposes of the ATA Convention, by the evidence referred to in Article 8 of that Convention.

227. For the purposes of Article 1 (h) of the TIR Convention, “*customs office en route*” shall mean any customs office through which a road vehicle, combination of vehicles or container, as defined in the TIR Convention, is imported into or exported from the customs territory of the Republic of Albania in the course of a TIR operation.

228. For the purposes of Article 8 (4) of the TIR Convention, where a consignment enters the customs territory of the Republic of Albania or starts from a customs office of departure situated in the customs territory of the Republic of Albania, the guaranteeing association shall become or shall be responsible to the customs authorities, up to the point at which it leave the customs territory of the Republic of Albania or up to the customs office of destination in that territory.

229. Where the General Directorate of Customs decide to exclude a person from the TIR procedure under the provisions of Article 38 of the TIR Convention, this decision shall apply throughout the customs territory of the Republic of Albania. This decision shall apply to all TIR carnets presented to a customs office for acceptance.

230.

230.1. Where a TIR operation concerns the goods with an increased risk of fraud or where the customs authorities consider it necessary, the office of departure/office of entry may prescribe an itinerary for the consignment. The itinerary shall be changed, on application by the holder of the TIR carnet, only by the customs authorities of departure/entry. The customs authorities shall record the relevant details on the TIR carnet. The customs authorities shall take the necessary measures to deal with any offence or irregularity and to impose effective penalties in accordance with the Code.

230.2. In the case of force majeure the carrier may diverge from the prescribed itinerary. The consignment and the TIR carnet shall be presented without delay to the nearest customs authorities. The customs

authorities shall inform the office of departure/office of entry without delay and record the relevant details on the TIR carnet.

231. Where the customs authorities of the Republic of Albania establish that a customs debt has been incurred, a claim shall be sent to the guaranteeing association as soon as possible. Where the incurrence of the debt is due to the fact that the goods covered by the ATA carnet have not been re-exported or have not been assigned a customs-approved treatment or use within the periods laid down by the ATA Convention, this claim shall be sent at the earliest three months after the date of expiry of the carnet.

232.

232.1. The amount of duties and taxes arising from the non discharge of an ATA Carnet shall be calculated by means of the model taxation form set out in Annex 25 completed in accordance with the instructions attached to it. The taxation form may be sent later than the claim, though not more than three months from the claim and in any event not more than six months from the date on which the customs authorities initiate the recovery proceedings.

232.2. The taxation form shall be completed in duplicate or triplicate, as necessary. The first copy shall be for the guaranteeing association connected with the customs authority of the Republic of Albania. The issuing customs office shall retain the second copy.

233. The General Directorate of Customs may lay down guidelines in the practical application of the transit procedure.

Title 3

Customs procedures with economic impact

Chapter I

Common provisions

234.

234.1. In accordance with Article 108 in the Code and without prejudice to the use of a simplified authorisation procedure, an application for authorisation to use a customs procedure with economic impact, hereinafter referred to as the "*application*", shall be made out in writing. It shall conform to the appropriate model in Annexes 26 to 30. The applicant shall provide in the application all the information required, as shown in Annexes 26 to 30, including the notes. The text of the notes need not, however, be reproduced in the application. Applications shall be signed and dated. Where the General Directorate of Customs consider that the information given in the application is inadequate, it shall require the applicant to furnish additional information, or require other particulars needed for the application.

234.2. The application shall refer to and be accompanied by originals or copies of all supporting evidence or documents relating to particulars to be given in the application whose presentation is necessary for its

appraisal. It may be accompanied by additional sheets where more extensive information is to be provided. All such documents, evidence or additional sheets shall constitute an integral part of the application they accompany. The number of annexes shall be indicated on the application.

234.3. All applications for legal persons must be accompanied with an authorised copy of their registration papers.

234.4. Without prejudice to the simplified application procedures, an application which does not fulfil the requirements laid down by this Point and which is not presented in accordance with the implementing provisions shall be inadmissible.

235. The lodging of an application signed by the applicant shall indicate that the person concerned wishes to use the customs procedure applied for and, without prejudice to the possible application of penal provisions, shall be responsible, under the provisions in force in the Republic of Albania, for:

- a) the accuracy of the information given in the declaration,
- b) the authenticity of the documents accompanying it, and
- c) compliance with all the obligations relating to the customs procedure applied for.

236.

236.1. Before issuing an authorisation, the customs authorities competent to grant it shall satisfy themselves that all the conditions for granting the authorisation are fulfilled.

236.2. An authorisation shall not be granted where the application is inadmissible.

237.

237.1. Without prejudice to the simplified authorisation procedures, an authorisation to use a customs procedure with economic impact as provided for in Article 108 of the Code, shall be made out on a model conforming to the relevant provisions in Annexes 31 to 35. It shall be signed and dated.

237.2. The applicant shall be notified that the authorisation has been issued.

237.3. Authorisations shall take effect on the date of issue. However, the General Directorate of Customs may issue a retroactive authorisation in exceptional cases.

237.4. Authorisations may cover more than one entries for the procedure concerned.

238.

238.1. Where one of the conditions for granting the authorisation is not fulfilled, the application shall be rejected.

238.2. The decision rejecting the application shall be set out in writing and shall be communicated to the applicant, in conformity with Article 18 (3) of the Code.

239.

239.1. The customs authorities shall keep applications and their annexes, together with any authorisation issued.

239.2. Where an authorisation is granted, the application, annexes and authorisation shall be kept by the customs authorities for at least three years from the end of the calendar year in which the authorisation expires or, in the case of an authorisation to operate a customs warehouse or use the customs warehousing procedure, for at least three years from the end of the calendar year in which the authorisation is cancelled or withdrawn.

239.3. Where an application is rejected or an authorisation is annulled or revoked, the application and either the decision rejecting the application or the authorisation, as the case may be, and all annexes shall be kept by the customs authorities for at least three years from the end of the calendar year in which the application was rejected or the authorisation was annulled or revoked.

Chapter II

Customs warehousing

240. In accordance to Title 4, Chapter II, Section 3 C of the Code this chapter will lay down provisions in the implementing of the customs warehouse procedure.

241.

241.1 Customs warehouses in which goods are stored under the customs warehousing procedure shall be classified as follows:

- a) type A: public warehouse available for use by any person for the warehousing of goods under the responsibility of the warehousekeeper,
- b) type B: public warehouse available for use by any person for the warehousing of goods under the responsibility of each depositor, in accordance with Article 125 (1) of the Code, having regard to the second sub-paragraph of Article 128 of the Code,
- c) type C: private warehouse reserved only for the warehousing of goods by the warehousekeeper, where the warehousekeeper is the same person as the depositor but is not necessarily the owner of the goods,
- d) type E: private warehouse, reserved only for the warehousing of goods by the warehousekeeper, where the warehousekeeper is the same person as the depositor but is not necessarily the owner of the goods, under a system permitting the warehousing of goods in storage facilities belonging to the holder of the authorisation but where the goods may be placed under the customs warehousing procedure without being stored in a customs warehouse.
- e) type F: public warehouse available for use by any person for the warehousing of goods operated by the customs authorities.

241.2. A location cannot be approved as more than one customs warehouse at the same time.

242.

242.1. With the exception of type E and type F warehouses, a customs warehouse shall consist of premises approved by the General Directorate of Customs.

242.2. Where the customs authorities decide to operate a type F warehouse, they shall designate the premises or location which constitute the warehouse. The decision shall be published in the form used by the General Directorate of Customs publishing its administrative or legal instruments.

242.3. A place approved by the customs authorities as a “*temporary storage facility*” or operated by the customs authorities may also be approved as a type A, type B or type C warehouse or operated as a type F warehouse.

243. Type C warehouses may also be approved as victualling warehouses or duty free shops.

244. Where Albanian legislation provide that commercial policy measures are to apply to:

- a) the release of goods for free circulation, they shall not apply when the goods are entered for the customs warehousing procedure, nor for such time as the goods remain there;
- b) the introduction of goods into the customs territory of the Republic of Albania, they shall apply when non-Albanian goods are entered for the customs warehousing procedure;
- c) the export of goods, they shall apply when Albanian goods are exported from the customs territory of the Republic of Albania after being entered for the customs warehousing procedure.

245. The provisions regarding authorisation shall apply to all types of warehouse except type F.

246. The application for authorisation shall be submitted, in accordance with Annex 26, to the custom office where the premises are situated or, in the case of a type E warehouse, to the customs authorities where the warehousekeeper's main accounts are kept. They shall forward the request to General Directorate of Customs together with their written opinion about granting an authorisation within two weeks from the date the application was submitted.

247. *(DCM no. 129, Dt. 02.03.2006)
(DCM no. 134, date 14.03.2007)

247.1. Authorisation may be granted only if the applicant shows that there is a real economic need for warehousing and if the warehouse is intended principally for the storage of goods; however, the goods may undergo usual forms of handling, inward processing or processing under customs control under the

conditions referred to in Article 129 and 132 of the Code, provided that such operations do not predominate over the storage of the goods.

The conditions of “a real economic need” are met in one of the following cases:

- a) The goods that are to enter the customs warehousing procedure serve as alternative resources of energy, and, for the specificity of transport, conservation, trade, volume and value, it is indispensable to have them enter the customs warehousing procedure. The entrance of such goods in the territory of Albania is conducted by legal persons only licensed by the appropriate authorities. Their request to receive an authorization by the custom warehouse shall be considered only if no violations, evasions, hindrance, penalties or other punishments relevant to the enforcement of the laws in force are noticed in the customs and tax payment background. These goods comprise the petrol and its derivatives, such as the natural gaz.
- b) The goods required to enter the customs warehousing procedures consist of unused, mobile vehicles entering the territory of Albania by importers authorized by the vehicles’ producers or distributors. It is indispensable to have them enter the customs warehousing procedures because of the great number of vehicles in one shipment, the parking area occupied, the long time before sale, and the great value of the shipment. The applicant’s request to receive an authorization by the custom warehouse shall be considered only if no violations, evasions, hindrance, penalties or other punishments relevant to the enforcement of the laws in force are noticed in the customs and tax payment background. These goods comprise the cars, vans, trucks, minibuses and buses.
- c) The goods required to enter the customs warehousing procedures shall undergo one of some of the following procedures:
 - Wrapping or unwrapping
 - Placing the labels, stamps, brands or other similar signs on condition that these goods do not look different from their real origin
 - Assembling the parts so that they present an additional, non-essential component of the goods manufacturing

The applicant’s request to receive an authorization by the custom warehouse shall be considered only if no violations, evasions, hindrance, penalties or other punishments relevant to the enforcement of the laws in force are noticed in the customs and tax payment background.

c/1. Goods serving as raw materials for the processing industry within the country * (DCM no. 134, date 14.03.2007, added points c/1-c/5)

c/2. Goods stored in public warehouses destined for re-exportation or short-term stays; logistical purposes up to the customs procedures (1-2 months).

c/3. Goods destined for exclusive use in the domestic and regional trade.

c/4. Goods destined for sale in *Duty Free Shops*.

c/5. Goods destined for supply of the boards, activities or other persons, which due to the Albanian law status, are entitled to benefit goods free of customs duties.

- d) The goods required to enter the customs warehousing procedures shall consist of those goods, which after undergoing one or more operations described in “c”, are destined for further distribution in the regional markets outside the territory of Albania and are not under the procedure of the goods in transit. The applicant’s request to receive an authorization by the custom warehouse shall be considered only if no violations, evasions, hindrance, penalties or other punishments relevant to the enforcement of the laws in force are noticed in the customs and tax payment background.
- e) In all cases, authorization shall be validated upon a banking warranty as defined by the laws and provisions in force.
- f) The customs service is bound to set up *soft-wares* free of charge with the appropriate modules for

each customs warehousing authorization approved. The entity shall present all movements of goods and accompanying documents through the computer system.

* (DCM no. 129, Dt. 02.03.2006, added all points except for points c/1-c/5 added by DCM no. 134, date 14.03.2007)

247.2. Without prejudice to warehouses type C approved as victualling warehouses or duty free shops, retail sales in the premises, storage area or any other defined location of a customs warehouse shall not be allowed.

248.

248.1. Authorisations shall be issued by the General Directorate of Customs, except for duty free shops which are approved by the Minister of Finance in accordance with Article 199 of the Code. Authorisations shall take effect on the date of issue or on a later date if they so provide. Authorisations shall be in the form prescribed for in Annex 31.

248.2. In order to have an authorisation for customs warehouse a security must be provided. The amount of security to be lodged shall in no cases be less than 4 million Lek. No security has to be provided when the customs warehouse are of type F or managed by the state of Albania or by public bodies of Albania. The security must be lodged before an authorisation can be granted. Article 207 (2) of the Code shall apply.

248.3. The warehousekeeper must comply with all conditions and provisions stated in the authorisation regarding customs control, customs clearance, stock records and other provisions. If the warehousekeeper does not comply with all conditions in the authorisation shall render its immediate withdrawal and all goods stored there must immediately be assigned a customs approved treatment or use.

248.4. A condition shall be that the warehousekeeper must provide the customs authorities with necessary office facilities without any costs. This facilities must comply with a standard decided by the General Directorate of Customs.

248.5. A fee is due to be paid for each authorisation and the amount shall be 200.000 Lek for every period of twelve months covering the administrative expenses for the customs authorities.

248.6. Without prejudice to the rules governing annulment, revocation and amendment, authorisations shall be for an unlimited period.

248.7. Authorisations shall specify the customs office responsible for supervising the customs warehouse. In the case of a private warehouse, the authorisation may also specify the categories of goods which may be admitted to that warehouse.

248.8. Where the person concerned asks permission to present the goods or declare them for the procedure at customs offices other than the supervising office, the General Directorate of Customs may empower one or more other offices to act as office(s) of entry for the procedure.

9. In order to benefit from type C *Duty Free Shop* of the customs warehousing, the applicants must submit a request in writing close to the customs office where the warehouse is expected to be established. The request is formed according to Annex 26 of the Implementing Provisions of the Customs Code and accompanies the following documents: * (**vkm 307**, dt. 25.03.2009, changed point 9, which was initially added by vkm nr. 134, date 14.03.2007, and added point 10 and its sub points)

- a) layout of the warehouse (shop)
- b) tax certificate, the NIPT number (notarized copy).
- c) status of the company and act of foundation
- d) certificate of proof by the prosecution office/Ministry of Justice proving that the entity is not subject to

criminal precedents

- e) proof of ownership or leasing contract of the venue to be used
- f) certificate of proof by the Tax Office that in charge of the activity, on any unpaid duties
- g) business plan justifying the foreseen annual flow and number/list of goods for trade
- h) data on the inventory screening system at entrance and exit points and the passengers' "Boarding pass",
- i) layout of the store, warehousing site, conditions of conservation of goods in these sites, opportunity for supervision by the customs authorities
- j) banking warranty on account of the General Customs Directorate at the amount of 5 (five) million ALL, in a form of warranty.

10. The entity interested in receiving the authorization must present a request in writing to the customs house, which enjoys the territorial competence over the required sites to be approved as customs warehouses, type C (*Duty Free Shop*). Upon reception of the application, the customs house verifies the file and sites proposed through a commission of 3 persons. The decision shall consist of:

- a) establishment of the shop (sufficient space of movement from the exit point of the customs territory of Albania and the environments where police and customs procedures are held)
- b) analysis of the travelers' flow basic needs
- c) condition of conservation of the goods safety in these environments (number of doors and leading, window closure, etc), in an existent building; and adoptability of the blueprint of a new building
- d) opportunity of supervision (goods control and /or inventory) by the customs authority.

The customs house dispatches the file and a briefing of the commission decision to the General Customs Directorate within 15 days from the date the request is filed.

10.1 The General Customs Directorate, upon the review of the responsible sector, within 10 days, sends the file for approval to the Minister of Finance, should the defined conditions be met, otherwise, it refutes or sends the file back to the proposing customs house for completion.

10.2 The Minister of Finance, within a time limit not more than 30 days from the time the request is filed in the directorate in charge of the fiscal policies in the Ministry of Finance, shall approve or disapprove the authorization and inform the entity and the General Customs Directorate. In the case of disapproval, the Minister shall provide arguments. The entities are entitled to appeal the decision in accordance with the provisions of the Administrative Procedure Code.

10.3 The authorization is valid for 5 years and entitled for renewal.

10.4 The entity, whose authorization is approved is officially informed to pay the annual authorization fee of 20 000 (twenty thousand) Euros, to the account of the General Customs Directorate. Upon reception of the banking receipt, the entity is supplied with the authorization and the General Customs Directorate activates the functioning of the *Duty Free Shop* warehouse in the computer system. In the event of reception of authorization for a *duty free* customs warehouse on the ship or aircraft boards, the annual authorization fee shall be 10 000 (ten thousand) Euros. If the entity receives the authorization during the second six months, it shall pay 50% of the annual fee. The annual fee is paid once a year, within the first trimester. In the case of authorization renewal, the annual fee is paid in complete amount.

10.5 The entities operating by authorization/licence to exercise a *duty free* activity must adapt to the new criteria and be equipped with the respective authorization within a quarterly period. Non equipment by this authorization according to the provisions of this decision shall make the entity lose the right of exercising a *duty free* activity.

*** (DCM no. 307, Dt. 25.03.2009, amended point 9 which was initially changed by DCM no. 34, date 14.03.2007, and added point 10 and its sub points)**

249. (DCM no. 307, Dt. 25.03.2009)

249.1. The economic need criterion shall be held to be no longer fulfilled where the person concerned asks in writing for the authorisation to be revoked.

2. Revocation of warehouse type *c Duty Free Shop* is applied by the Minister of Finance As issuer of authorization upon proposal of the General Customs Directorate when deemed that the defined conditions on the existence of the Duty Free Shop warehouse are violated. Revocation occurs in the following cases:

a) when demanded by the authorized company.

b) when the type *C Duty Free Shop* warehouse is not longer sufficiently used to warrant its existence.

c) when reiterated cases of violations are identified in the process of the entrance and exit and resgistration of goods. * (DCM no. 307, Dt. 25.03.2009, amended point 2 of Article 249)

249.2. **250.** For the purpose of Points 251 to 255 with “*provision*” is meant goods taken onboard ships and aircraft for use onboard or for sale to passengers and crew onboard such ships and aircraft.

251. * (DCM no. 547, Dt. 01.05.08)

251.1. Victualling warehouse means a customs warehouse type C used for storage of provisions for ships and aircraft.

251.2. Victualling warehouse is only for storage of non Albanian goods and non taxed Albanian goods used for:

a. a) provision or equipment of ships and aircraft in international traffic and the national fishing boats * (DCM no. 547, Dt. 01.05.08);

b) sale in duty free shops;

c) sale of non Albanian goods to persons who, enjoy such rights, privileges and immunities laid down in the Vienna convention of 1961 on Diplomatic Relations, the Vienna Convention of 24 April 1963 on Consular Relations, or the New York Convention of 16 December 1969 on Special Missions;

252. In a victualling warehouse it is allowed to store:

a) non Albanian goods of the following kind:

i) provisions, including alcoholic and other beverages,

ii) tobacco and tobacco products,

iii) chocolate and other sweets,

iv) perfumes, cosmetics and toilet waters,

v) articles for personal use of a kind normally carried on persons, i.e. ties,

scarves, watches, jewellery, pencils and cigarette lighters

- vi) goods used for equipping ships and aircraft,
- b) non taxed Albanian goods of the following kind:
 - i) provisions, including alcoholic and other beverages,
 - ii) tobacco and tobacco products,
 - iii) chocolate and other sweets,
 - iv) perfumes, cosmetics and toilet waters,
 - v) articles for personal use of a kind normally carried on persons, i.e. ties, scarves, watches, jewellery, pencils and cigarette lighters
 - vi) goods used for equipping ships and aircraft,

253. A duty free shop means a customs warehouse type C used for storage of provisions for sale to passengers leaving the customs territory of the republic of Albania.

254. * (DCM no. 258, Dt. 24.04.2003)

In a duty free shop it is allowed to store:

- a) non Albanian goods of the following kind: **(DCM 237, Dt. 06.06.2002, the existent points i ii are repealed)**

- i). chocolate and other sweets,
- ii) perfumes, cosmetics and toilet waters,
- iii) articles for personal use of a kind normally carried on persons, i.e. ties, scarves, watches, jewellery, pencils and cigarette lighters;
- iv) handicrafts and souvenir items.

v). alcoholic beverages, wine and beer *** (DCM no. 258, Dt. 24.04.2003 adds points (i) and (ii) repealed by DCM 237, dt.06.06.2002. Herein they are added as points (v) and (vi)**

vi). tobacco and tobacco products, *** (DCM no. 258, Dt. 24.04.2003 adds points (i) and (ii) repealed by DCM 237, Dt. 06.06.2002. Herein they are added as points (v) and (vi)**

- i),
- ii) iii)

b) non taxed Albanian goods of the following kind: **(DCM 237, Dt. 06.06.2002, the existent points i ii are repealed)**

i). chocolate and other sweets,

ii) perfumes, cosmetics and toilet waters,

iii) articles for personal use of a kind normally carried on persons, i.e. ties,

scarves, watches, jewellery, pencils and cigarette lighters;

iv) handicrafts and souvenir items.

v). alcoholic beverages, wine and beer * **(DCM no. 258, Dt. 24.04.2003 adds points (i) and (ii) repealed by DCM 237, dt.06.06.2002. Herein they are added as points (v) and (vi)**

vi). tobacco and tobacco products,* **(DCM no. 258, Dt. 24.04.2003 adds points (i) and (ii) repealed by DCM 237, Dt. 06.06.2002. Herein they are added as points (v) and (vi)**

255. * (DCM 258 Dt. 24.04.2003)

255.1. Duty free shops may only sell goods to passengers leaving the customs territory of the Republic of Albania. * **(DCM 237, Dt. 06.06.2002, sentences 2 and 3 are repealed).**

Alcoholic beverages, wine and beer may only be sold to persons over the age of 18. Cigarettes only to persons over the age of 15. * **(DCM 258 Dt. 24.04.2003, added sentences 2 and 3 repealed by DCM 237, Dt. 06.06.2002)**

255.2. In accordance with Points 156 and 158 no export declaration should be lodged for goods leaving duty free shops.

256.

256.1. Goods to be entered for the customs warehousing procedure and the corresponding declarations of entry for the procedure must be presented at the supervising office.

256.2. Albanian goods entering a duty free shop must lodge a declaration in accordance with Point 121 to 161. The declaration must be presented at the supervising office.

256.3. Where the entry of Albanian goods into a duty free shop needs to be certified, the customs authorities supervising the duty free shop may endorse the invoice relating to the goods, upon request of the person concerned.

257. The declaration for entering the warehouse procedure shall be made in accordance with Points 121 to 161.

258. The normal declaration procedure shall also apply in respect of the transfer of goods from a location that is both temporary storage facility and customs warehouse.

259.

259.1. In type A, type C and type E warehouses, the customs authorities shall designate the warehousekeeper to keep the stock records referred to in Article 128 of the Code. The stock records shall be made available to the supervising office to enable it to carry out any checks.

259.2. In type B customs warehouses, the supervising office shall keep the declarations of entry for the procedure in order to monitor their discharge. Stock records shall not be kept. Where the goods to which the declaration relates have not been assigned to a customs-approved treatment or use within the time limit the supervising office shall require that the goods be assigned such treatment or use or that the initial declaration of entry for the procedure be replaced by a new declaration reproducing all the particulars of the old declaration.

259.3. In a type F warehouse, the customs records shall contain all the information concerning the goods. The said records shall replace the stock records referred to in Article 128 of the Code.

260. Except in type F warehouses, the supervising office shall not keep stock records. However, for administrative purposes it may keep a register of all declarations accepted.

261.

261.1. The stock records referred to in Article 105 of the Code shall contain all the particulars necessary for the proper application and supervision of the procedure. They shall include:

- a) the information contained in boxes 1, 31, 37 and 38 of the declaration of entry for the procedure;
- b) reference of the declarations by means of which the goods are assigned to a customs-approved treatment or use discharging the customs warehousing procedure;
- c) the date and reference of other customs documents and all other documents relating to entry and discharge;
- d) information enabling the goods to be monitored, including their location and particulars of any transfer of goods between customs warehouses;
- e) information concerning the common storage of Albanian and non Albanian goods;
- f) any other details which may be needed to identify the goods;
- g) information concerning the usual forms of handling to which the goods are subject;
- h) information concerning the temporary removal of goods from the premises of the customs warehouse.

261.2. The stock records shall at all times show the current stock of goods which are still under the customs warehousing procedure. At the times laid down by the customs authorities, the warehousekeeper shall lodge at the supervising office a list of the said stock.

261.3. Where Article 135 (2) of the Code applies, the customs value of the goods before handling shall appear in the stock records.

262.

262.1. Goods entered for the customs warehousing procedure in a type A or type C warehouse shall be entered in the stock records in accordance with Article 130 of the Code at the time when they are physically placed in the customs warehouse, on the basis of particulars recognised or accepted by the supervising office.

262.2. Where goods are entered for the procedure in a type E warehouse, the entry in the stock records referred to in point 262.1 shall take place at the time when they arrive at the storage facilities.

262.3. Where the customs warehouse also serves as a temporary storage facility, the entry in the stock records referred to in point 262.1 shall take place at the time when the goods are released following the lodging of the declaration entering the goods for the customs warehousing procedure.

262.4. Particulars relating to discharge of the procedure must be entered in the stock records at the time when the goods are released following presentation of a declaration entering them for a customs approved treatment or use.

263. The usual forms of handling referred to in Article 132 (2) of the Code shall be those defined in Annex 36.

264.

264.1. The person concerned must apply to the supervising office in writing, on a case-by-case basis, for authorisation to carry out usual forms of handling before such handling is carried out.

264.2. Applications for authorisation to carry out usual forms of handling must provide all particulars necessary. If the application is approved, the supervising office shall grant authorisation by endorsing the application to that effect and stamping it. Applications, annexes and the authorisation shall be kept by the supervising office for at least three years from the end of the year where the application was granted.

264.3. An authorisation to operate a customs warehouse indicate the usual forms of handling which are expected to be carried out under the procedure. In this case notification to the supervising office that handling is to be carried out shall replace the application.

265.

265.1. Provided the proper conduct of operations is not thereby affected, the supervising office may allow Albanian goods and non-Albanian goods to be stored in the same storage area. However, Albanian goods of the following nature are not allowed to be stored together with non Albanian goods:

- a) alcoholic beverages, wine and beer;
- b) tobacco and tobacco products,

except in victualling warehouses and duty free shops.

265.2. Where common storage, as referred to in point 265.1, makes it impossible to identify at all times the customs status of each type of goods, it shall be permitted only if the goods are equivalent. Equivalent goods

are those falling within the same subheading of the combined nomenclature, having the same commercial quality and the same technical characteristics.

266.

266.1. Before temporarily removing goods from the premises of the customs warehouse, the person concerned shall apply to the supervising office in writing, on a case-by-case basis, for authorisation to do so.

266.2. Applications for authorisation to remove goods temporarily shall provide all particulars necessary for the application of the provisions governing the customs warehousing procedure. If the application is approved, the supervising office shall grant authorisation by endorsing the application to that effect and stamping it. Applications, annexes and the authorisation shall be kept by the supervising office for at least three years from the end of the year where the authorisation was granted.

266.3. Authorisations to operate customs warehouses may indicate that goods can be temporarily removed. In this case notification to the supervising office that the goods are to be temporarily removed shall replace the application.

267.

267.1. To transfer goods between customs warehouses without termination of the customs warehousing procedure, the SAD document made according to the normal procedure, shall be used in accordance with the procedure described in Annex 37.

267.2. Responsibility for goods transferred between warehouses shall pass to the warehousekeeper of the customs warehouse in which the goods are to be placed when he receives the goods and enters them in his stock records.

267.3. When the goods to be transferred have undergone usual forms of handling and Article 135 (2) of the Code applies, the SAD document for entering the warehouse shall include the nature, customs value and quantity of the transferred goods.

267.4. Transfer without termination of the procedure is not allowed if one of the warehouses involved are a type B warehouse.

268.

268.1. The warehousekeeper must do regular inventories of all goods stored at the warehouse. The inventories shall take place at least once every three months. The supervising office shall be present whilst the inventory is done. The written result must be forwarded to the supervising office within three days after the inventory. This point shall apply "*mutatis mutandis*" on warehouses type F managed by customs authorities.

268.2. The procedure described in point 268.1 shall also apply to victualling warehouses and duty free shops with the exception that inventories shall take place once a month.

269.

269.1. Where equivalent goods are stored in common, goods declared for a customs-approved treatment or use may be considered to be either Albanian or non-Albanian goods, at the choice of the person concerned. In no case may application of the first sentence result in a given customs status being assigned to a quantity of goods greater than the quantity actually having that status which is stored at the customs warehouse when the goods declared for a customs-approved treatment or use are removed.

269.2. In the event of the total destruction or irretrievable loss of goods, the portion of goods entered for the procedure which has been destroyed or lost shall be established by reference to the proportion of goods of the same type under the procedure on the premises of the customs warehouse at the time when the destruction or loss occurred, unless the warehousekeeper can produce evidence of the actual quantity of goods under the procedure which was destroyed or lost. Article 221 of the Code shall apply.

270.

270.1. Where the customs authorities require Albanian goods which are stored on the premises of a customs warehouse to be listed in the stock records, the entry must make clear their customs status.

270.2. Without prejudice to equivalent goods, the supervising office may lay down specific methods of identifying Albanian goods, with a view in particular to distinguishing them from Non Albanian goods entered for the customs warehousing procedure stored on the same premises.

270.3. The goods referred to in point 270.1 may be used for usual forms of handling, inward processing or processing under customs control.

271. The General Directorate of Customs may lay down guidelines in the practical application of the warehouse procedure.

Chapter III

Inward processing

Section 1

General provisions

272. In accordance to Title IV Chapter II Section 3 D of the Code this Chapter will lay down provisions in the implementing of the inward processing procedure.

273. The goods referred to in Article 136 (2)(c) of the Code which can be used as production accessories are listed in Annex 38.

Section 2

Grant of the authorisation

274.

274.1. An authorisation to use the suspension system shall be granted only where the applicant has the actual intention of re-exporting the main compensating products from the customs territory of the Republic of Albania. In that case use of the suspension system may be authorised for all the goods to be processed.

274.2. An authorisation for use of the drawback system shall be granted only in the cases referred to in Article 145 of the Code, where opportunities exist for export of the main compensating products from the customs territory of the Republic of Albania.

274.3. Where the conditions for use of both systems are fulfilled, the applicant may request that the authorisation be for either the suspension system or the drawback system.

274.4. For the purposes of Article 138 (b) of the Code, the customs authorities shall stipulate the means of identifying the import goods in the compensating products. The customs authorities shall make use in particular of following means, as appropriate:

- a) the indication or description of special marks or manufacturers numbers;
- b) the affixing of plumbs, seals, clip-marks or other distinctive marks;
- c) the taking of samples, illustrations or technical descriptions;
- d) the carrying out of analyses;
- e) the examination of stock records or other supporting documents relating to the transaction under consideration which show clearly that the compensating products have been manufactured from the import goods.

275.

275.1. The economic conditions laid down in Article 138 (b) of the Code shall be considered satisfied inter alia where:

- a) the processing consists of one of the following:
 - i) operations carried out under a job-processing contract concluded with a person established in an other country. “*Job processing*” means any processing of import goods directly or indirectly placed at the disposal of the holder of the authorisation which is carried out according to the specifications and on behalf of a principal established outside the customs territory, generally against payment of processing costs alone;
 - ii) operations involving goods of a non-commercial nature;
 - iii) repairs, including overhaul and adjustments;
 - iv) usual forms of handling intended to preserve goods, improve their appearance or marketable quality or prepare them for distribution or resale;

- v) operations in which the value of the goods, by eight-digit CN code, does not exceed LEK 50.000.000 per applicant and per calendar year, irrespective of the number of operators carrying out the processing operation. The said value shall be the customs value of the goods estimated on the basis of the particulars known and the documents presented at the time when the application is lodged. This sub-point may be waived in respect of particular import goods after decision by the Minister of Finance;
- vi) processing operations carried out in a free zone or free warehouse;
- b) no goods comparable to the goods to be processed are produced in the Republic of Albania; “*Comparable goods*” means goods falling within the same eight-digit CNN code, being of the same commercial quality and having the same technical characteristics, having regard to the compensating products to be obtained;
- c) comparable goods as defined in letter (b) above are not produced in the Republic of Albania in sufficient quantity;
- d) comparable goods as defined in letter (b) above cannot be made available to the applicant within a suitable time by producers established in the Republic of Albania. Such goods shall be considered unavailable within a “*suitable time*” where producers established in the Republic of Albania cannot make them available to the operator in time for the proposed commercial operation to be carried out, despite a request having been made to them in good time;
- e) comparable goods as defined in letter (b) are produced in the Republic of Albania but cannot be used for one of the following reasons:
- i) their price would make the proposed commercial operation economically impossible, having regard to:
 - ii) the price before duty of the goods for processing and the price of comparable goods produced in the Republic of Albania less domestic taxes refunded or refundable on export. Conditions of sale, in particular payment terms, and proposed delivery terms for the Albanian goods shall also be taken into account when comparing prices,
 - iii) the price obtainable for the compensating products on the market of other countries;
 - iv) they do not have the quality or characteristics necessary for the operator to produce the required compensating products;
 - v) they do not conform to the expressly stated requirements of the person from another country purchasing the compensating products;
 - vi) the compensating products must be obtained from import goods in order to comply with provisions concerning the protection of industrial and commercial property rights;
- f) the applicant for an authorisation in respect of a particular type of goods to be entered for the procedure within a given period:
- i) is trying to guard against real supply problems, proven to the satisfaction of the customs authorities, for that type of goods, and the proportion of supplies of goods produced in the Republic of Albania is lower than 80% of his need;
 - ii) satisfies the customs authorities that he is taking the necessary steps to obtain goods for processing in the Republic of Albania, but has met with no response from Albanian producers;

275.2. The applicant shall indicate in his application the reasons for which the economic conditions are considered to be fulfilled within the meaning of point 275. 1.

276.

276.1. In exceptional circumstances, where the applicant considers the economic conditions to be fulfilled for reasons other than those mentioned before, he shall state the said reasons in his application.

276.2. Where the customs authorities consider that the economic conditions are fulfilled in cases other than mentioned before, the authorisation shall be granted for a limited period, which may not exceed nine months. The customs authorities may, at the request of the holder of the authorisation, extend the period of validity.

277.

277.1. Without prejudice to the simplified application procedure, the application shall be made in conformity with Point 234 and in accordance with the specimen in Annex 27, and presented by the person to whom the authorisation may be granted.

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

277.3. For the purposes of the second sentence of Article 138 (a) of the Code, “*imports of a non-commercial nature*” means imports of goods referred to in Point 1(5).

278.

278.1. Without prejudice to the simplified authorisation procedure, the authorisation shall be issued by the General Directorate of Customs and shall be made out on a model conforming to Annex 32. It shall be signed and dated. Authorisations shall take effect on the date of issue. However, the General Directorate of Customs may issue a retroactive authorisation in exceptional cases. However, the retrospective effect of such authorisation may not go back beyond the time when the application was lodged. Authorisations may cover more than one entries for the procedure concerned.

278.2. Each authorisation should be accompanied by a form “*inward processing record import*” that should form an integrated part of each authorisation. The specimen of the inward processing record import is described in Annex 32. All entries should be registered in this form, in accordance with instructions issued by the General Directorate of Customs.

278.3. a) To ensure correct application of the provisions governing the procedure, the customs authorities may require the holder, to keep or ensure the keeping of stock records, hereafter called “*inward processing records*” which indicate the quantities of import goods entered for the procedure and of compensating products obtained, and all particulars needed for the monitoring of the operations and the correct calculation of any import duties which may be payable.

b) The inward processing records shall be made available to the supervising customs office to enable it to carry out the checks necessary for the proper implementation of the procedure. Where the processing operations are being carried out in two or more enterprises, the stock records shall at all times show the information pertaining to the implementation of the procedure in each enterprises.

279. The period of validity of the authorisation shall be set by the General Directorate of Customs, having regard to the economic conditions and the specific needs of the applicant. Where the period of validity exceeds two years, the conditions on the basis of which the authorisation was issued shall be reviewed periodically at intervals specified in the authorisation.

280.

280.1. When issuing the authorisation the General Directorate of Customs shall specify the period within which the compensating products must be re-exported in accordance with Article 139 of the Code, taking into account the time required to carry out the processing operations as indicated in the authorisation for a given quantity of goods, the quantity of import goods authorised for the procedure, and the time required to assign the compensating products to a customs approved treatment or use.

280.2. 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.

281. The period within the compensating products must be re exported shall run from the date of acceptance of the declaration entering the goods for the procedure or, under the drawback system, of the declaration for release for free circulation.

282.

282.1. The rate of yield as defined in Article 136 (2) (e) of the Code or the method of determining such rate referred to in Article 140 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 operator's undertaking.

282.2. The rate, or method of determining the rate, shall be set in accordance with point 282.1 and shall be subject to retrospective verification by the customs authorities.

283.

283.1. The standard rates of yield referred to in point 283.2 shall apply only to import goods of sound, genuine and merchantable quality which conform to any standard quality laid down in Albanian legislation.

283.2. The standard rates of yield shown in column 5 of Annex 39 shall apply to inward processing operations carried out on the import goods listed in column 1 of that Annex which result in the production of the compensating products listed in columns 3 and 4.

284.

284.1. A simplified authorisation procedure can be used in the following cases:

- a) operations involving goods of a non-commercial nature;
- b) repairs, including overhaul and adjustments;

c) processing operations carried out in a free zone or free warehouse.

284.2. In those cases any customs office empowered by the General Directorate of Customs to grant authorisations using the simplified procedure shall allow the lodging of the declaration of entry for the procedure, under the suspension system, or the declaration for release for free circulation, under the drawback system, to constitute an application for authorisation. In this case acceptance of the declaration shall constitute the authorisation.

284.3. Declarations presented under point 284.2 shall be accompanied by a document made out by the declarant containing the following information, unless such information can be entered in box 44 of the form used for the declaration itself:

- a) where the person applying to use the procedure is not the same as the declarant, the name or business name and address of the applicant;
- b) where the operator is not the same as the applicant or declarant, the name or business name and address of the operator;
- c) the nature of the processing operation;
- d) the trade and/or technical description of the compensating products;
- e) the estimated rate of yield or, where appropriate, the method by which that rate is to be determined;
- f) the estimated period for re-exportation;
- g) the place where it is intended to carry out the processing operation.

284.4. The lodging of the declaration using the simplified application procedure signed by the applicant shall indicate that the person concerned wishes to use the customs procedure applied for and, without prejudice to the possible application of penal provisions, shall be responsible, under the provisions in force in the Republic of Albania, for:

- a) the accuracy of the information given in the declaration,
- b) the authenticity of the documents accompanying it, and
- c) compliance with all the obligations relating to the customs procedure applied for.

284.5. The customs authorities shall keep the declaration and its annexes, together with any authorisation issued.

284.6. Where an authorisation is granted, the application, annexes and authorisation shall be kept by the customs authorities for at least three years from the end of the calendar year in which the authorisation expires.

284.7. Where an application is rejected or an authorisation is annulled or revoked, the application and either the decision rejecting the application or the authorisation, as the case may be, and all annexes shall be kept by the customs authorities for at least three years from the end of the calendar year in which the application was rejected or the authorisation was annulled or revoked.

Section 3

Provisions applying to the suspension system

285.

285.1. The declaration entering import goods for the inward processing procedure (suspension system) shall be lodged at one of the offices of entry for the procedure specified in the authorisation.

285.2. Where the simplified application procedure is used, the declaration referred to in point 285.1 shall be lodged at a duly empowered customs office.

286.

286.1. The declaration entering import goods for the inward processing procedure (suspension system) shall be made in accordance with Points 121 to 161.

286.2. Without prejudice to the simplified application procedure, the description of the goods given in the declaration referred to in point 286.1 shall correspond to the specifications in the authorisation.

286.3. Each import declaration must contain the code IM 5 in box 1 of the declaration and reference to the number and date of the authorisation for inward processing in box 44. The form “*inward processing record, export*”, as described in Annex 32 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 re-exports should be registered in this form, in accordance with instructions issued by the General Directorate of Customs. The customs copy of 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 inward processing procedure.

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

287.

287.1. Pursuant to Article 112 of the Code, the inward processing procedure (suspension system) shall be discharged when the compensating products or goods in the unaltered state have been declared for another customs-approved treatment or use and all other conditions for use of the procedure have been complied with.

287.2. For the purposes of discharging the inward processing procedure (suspension system), the following shall be treated as export from the customs territory of the Republic of Albania: The delivery of compensating products to persons who are eligible for relief pursuant to either the Vienna Convention of 18 April 1961 on Diplomatic Relations, the Vienna Convention of 24 April 1963 on Consular Relations or other consular conventions, or the New York Convention of 16 December 1969 on Special Missions;

287.3. Discharge of the procedure shall be carried out according either to the quantities of import goods corresponding to the compensating products assigned to one of the treatments or uses referred to in point 287.1 or 287.2 or to the quantities of goods in the unaltered state assigned to such a treatment or use.

287.4. The declaration to assign compensating products or goods in the unaltered state to one of the customs-approved treatments or uses shall contain all particulars necessary for discharge of the procedure.

287.5. Each declaration for discharge of the inward processing procedure must contain the reference to the number and date of the authorisation for inward processing in box 44.

288.

288.1. When the nature and/or technical characteristics of the import goods have been altered as a result of unforeseeable circumstances or force majeure so that it becomes impossible to obtain the compensating products for which an inward processing authorisation (suspension system) has been issued, the holder of the authorisation shall immediately inform the supervising customs office of what has happened.

288.2. In cases where the alteration in question may affect the continuation in force or the substance of the authorisation, point 288.1 shall be without prejudice to Articles 20 and 110 (2) of the Code.

288.3. This Point shall apply “*mutatis mutandis*” to compensating products.

289.

289.1. Without prejudice to any commercial policy measures in force for import goods, the release for free circulation of goods in the unaltered state or main compensating products shall be allowed where the person concerned is unable to assign those goods or products to a customs-approved treatment or use under which import duties would not be payable, subject to payment of compensatory interest.

289.2. “*Compensatory interest*” means interest in accordance with Article 229 (3) of the Code calculated in accordance with Point 295.

290.

290.1. Any compensating products or goods in the unaltered state to be assigned to a customs-approved treatment or use shall be presented to the office of discharge in order to undergo the customs formalities specified for the treatment or use in question under the general provisions applicable.

290.2. The declaration discharging the inward processing procedure (suspension system) shall be lodged at the supervising office specified in the authorisation.

291.

291.1. The declaration discharging the inward processing procedure (suspension system) shall be made in accordance with the provisions laid down for the customs-approved treatment or use concerned.

291.2. The description of the compensating products or goods in the unaltered state in the discharging declaration shall correspond to the specifications in the authorisation.

291.3. 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.

292.

292.1. The import duties to be charged under Article 142 (1) of the Code on import goods eligible, at the time when the declaration of entry for the procedure was accepted, for favourable tariff treatment by reason of their end-use shall be calculated at the rate corresponding to such end-use without special authorisation for the granting of such treatment being required, provided that the conditions attaching to the granting of favourable tariff treatment are satisfied.

292.2. Point 292.1 shall apply only where the goods have been put to the end-use qualifying them for favourable tariff treatment before expiry of the time limit set for that purpose by the provisions governing the conditions under which such goods may be accorded the said treatment. The time limit shall run from the time of acceptance of the declaration of entry for the procedure. It may be extended by the customs authorities where the goods have not been put to the end-use in question as a result of unforeseeable circumstances, force majeure or the inherent technical exigencies of the processing operation.

293. In accordance with Article 143 of the Code, where the compensating products are released for free circulation and the customs debt is calculated on the basis of the items of charge appropriate to the import goods, boxes 15, 16, 34 and 41 of the declaration shall refer to the import goods.

294. Destruction under customs control of compensating products shall be treated as export from the customs territory of the Republic of Albania.

295.

295.1. Where a customs debt is incurred in respect of compensating products or goods in the unaltered state, compensatory interest shall be paid on the import duty applicable.

295.2. Point 295.1 of this point shall not apply:

- a) where a customs debt is incurred in order to allow the application of preferential tariff treatment under an agreement between the Republic of Albania and an other country on imports into that country,
- b) where waste and scrap resulting from destruction under Article 197 of the Code is released for free circulation,
- c) where compensatory interest calculated in accordance with point 295.4 does not exceed 2.000 LEK per declaration for free circulation,
- d) where the holder of the authorisation requests release for free circulation and supplies proof that particular circumstances not arising from any negligence or deception on his part make it impossible or uneconomic to carry out the export operation under the conditions he had anticipated when applying for the authorisation.
- e) where a customs debt is incurred as a result of an application for release for free circulation under Article 149 of the Code, as long as the import duties payable on the products in question have not yet actually been repaid or remitted.

295.3. a) The annual interest rates shall be set by the Minister of Finance on the basis of the arithmetical average of representative short-term rates in the same six-month period of the previous year.

They shall apply to all customs debts incurred in the course of a six-month period. Rates shall be published at least one month before they become applicable.

b) Interest shall be applied per month for the period running from the first day of the month following the month in which the import declaration was accepted to the last day of the month in which the customs debt is incurred. Where release for free circulation is requested under Article 149 (4) of the Code the period to be taken into account shall be that running from the first day of the month following the month in which the relevant duties were repaid or remitted to the last day of the month in which the customs debt was incurred.

c) The amount of interest shall be calculated on the basis of the import duties, the interest rate referred to in point 295.3(a) and the period referred to in point 295.3(b).

295.4. In specific cases, upon decision by the General Directorate of Customs, simplified methods may be used at the request of the persons concerned for the calculation and accounting of compensatory interest.

296.

296.1. The proportion of import goods incorporated in compensating products shall be calculated when necessary in order to determine the import duties to be charged. Such calculation shall not be effected when, inter alia, the amount of the debt is determined solely on the basis of Article 143 of the Code.

296.2. The calculations shall be effected in accordance with either the quantitative scale method or the value scale method or by any other method giving the same results on the basis of the examples set out in Annex 40.

297. The quantitative scale method (compensating products) shall be used where one kind of compensating product only is derived from the inward processing operations. In that case the quantity of import goods corresponding to the quantity of compensating products in respect of which a customs debt is incurred shall be calculated by applying to the total quantity of the said goods a coefficient corresponding to the ratio of the quantity of compensating products in respect of which a customs debt is incurred to the total quantity of compensating products.

298.

298.1. The quantitative scale method (import goods) shall be applied where all elements of the import goods are found in each compensating product.

298.2. In deciding whether this method shall apply, losses shall not be taken into account.

298.3. The quantity of import goods used in the manufacture of each compensating product shall be determined by successively applying to the total quantity of import goods a coefficient corresponding to the ratio of the quantity of the said goods found in each type of compensating product to the total quantity of the goods found in the compensating products as a whole.

298.4. The quantity of import goods corresponding to the quantity of compensating products in respect of which a customs debt is incurred shall be determined by applying the coefficient corresponding to the ratio of the quantity of compensating products in respect of which a customs debt is incurred to the quantity of import goods used in the manufacture of the said product calculated in accordance with point 298.3.

299.

299.1. Where the quantitative scale method do not apply, the value scale method shall be applied in all cases.

299.2. In order to determine the quantity of import goods used in the manufacture of each type of compensating product, successive coefficients corresponding to the ratio of the value of each compensating product to the total value of those products, calculated in accordance with point 299.3, shall be applied to the total quantity of import goods.

299.3. The value of each of the different compensating products to be used for applying the value scale shall be:

- a) the recent selling price in the Republic of Albania of identical or similar products, provided that this has not been influenced by the relationship between buyer and seller, or, where this is not known,
- b) the recent ex-works price in the Republic of Albania, provided that this has not been influenced by the relationship between buyer and seller.

Where the value cannot be ascertained using the methods above it shall be determined by the supervising customs office using any reasonable method.

299.4. The quantity of import goods corresponding to the quantity of compensating products in respect of which a customs debt is incurred shall be calculated by applying the coefficient arrived at by using the quantitative scale method for compensating products to the quantity of import goods used in the manufacture of the products in question, calculated in accordance with point 299.2.

300.

300.1. The holder of the authorisation shall supply the supervising office with a bill of discharge.

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

- a) reference particulars of the authorisation;
- b) the quantity of each type of import goods and reference particulars of the declarations entering them for the procedure;
- c) the combined nomenclature code of the import goods;
- d) the customs value of the import goods and the rate of import duties to which they are liable;
- e) the rate of yield established;
- f) the nature and quantity of the compensating 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) the value of the compensating products if the value scale method is used for the purposes of discharge;

300.3. The bill of discharge shall be sent to the supervising office within 30 days of the expiry of the time limit for re-exportation.

300.4. The supervising office may agree that the bill of discharge should be made out by computer or in any other form that the said office shall stipulate.

301. 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.

302.

302.1. Where import goods have been entered for the procedure by virtue of a single authorisation but under several declarations, the compensating products or goods in the unaltered state assigned to a customs-approved treatment or use shall be considered to have been obtained from the import goods entered for the procedure under the earliest of the declarations.

302.2. Where the holder of the authorisation can show the specific import goods from which the compensating products or goods in the unaltered state referred to in point 302.1 were obtained, the said point shall not apply.

303. Where the application for authorisation relates to goods subject to the commercial policy measures it shall not be necessary to present any licence, authorisation or other similar document at the time when the application is submitted.

304.

304.1. Where Albanian legislation provide for specific commercial policy measures on:

- a) release of goods for free circulation, the said measures shall not apply on entry of the goods for the inward processing procedure nor for such time as they remain under the procedure;
- b) goods brought into the customs territory of the Republic of Albania, the said measures shall apply when the import goods are entered for the inward processing procedure.

304.2. Where point 304.1 (a) applies, it shall not be necessary to present any licence, authorisation or other related document at the time of entry for the procedure.

304.3. Subject to the applicable provisions, the re-export of non-Albanian goods entered for the procedure shall not give rise to the application of the commercial policy measures laid down for exports of the goods in the unaltered state or compensating products, without prejudice to commercial policy measures applying to the export of products originating in the Republic of Albania.

305. The release for free circulation of import goods in the form either of goods in the unaltered state or of compensating products shall be subject to the application by the customs authorities of any commercial policy measures in force for the import goods at the time when the declaration for release for free circulation was accepted.

306.

306.1. Where the compensating products or goods in the unaltered state are placed in a free zone or free warehouse, enabling the inward processing procedure to be discharged, the box 31 on the single administrative document, shall, in addition to the information laid down for the procedure in question, contain the following indication: “*Inward Processing/Suspension Goods*” in red.

306.2. Where import goods entered for the procedure using the suspension system are subject to specific commercial policy measures and such measures continue to be applicable at the time when the goods, either in the unaltered state or in the form of compensating products, are placed under a customs procedure or in a free zone or free warehouse, the indication referred to in point 306.1 shall be supplemented by the text: “*Commercial policy*” in red.

306.3. The office of discharge shall satisfy itself that the indications referred to in points 306.1 and 306.2 have been entered as appropriate on any documents issued to replace or discharge the documents referred to in those paragraphs.

307.

307.1. The customs authorities may permit compensating products or goods in the unaltered state to be transferred from the holder of one authorisation to the holder of another authorisation, provided the transfer is recorded in the inward processing records of the first holder.

307.2. Responsibility for transferred goods or products shall pass to the holder of the second authorisation at the time at which he takes delivery of the said goods or products and enters them in his inward processing records.

307.3. Such entry in the inward processing records shall have the effect of placing the goods or products under the procedure again in the name of the holder of the second authorisation.

308. The holder of the authorisation shall be responsible for providing the customs authorities with advance notification of the transfers to be carried out in the form and manner which the said authorities shall determine.

Section 4

Provisions applicable to the drawback system

309. The declaration for release for free circulation under the drawback system shall be lodged at one of the offices of entry for the procedure specified in the authorisation.

310.1. The declaration for release for free circulation under the drawback system shall be made in accordance with Points 121 to 161.

310.2. Without prejudice to the simplified application procedure, the description of the goods given in the declaration referred to in point 310.1 shall correspond to the specifications in the authorisation.

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

310.4. Each import declaration must contain the code IM 5 in box 1 of the declaration and reference to the number and date of the authorisation for inward processing in box 44. The form "*inward processing record, export*", as described in Annex 32 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 exports 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 inward processing procedure.

311. For the purposes of discharging the inward processing procedure (drawback system), the following shall be treated as export of the compensating products from the customs territory of the Republic of Albania: The delivery of compensating products to persons who are eligible for relief pursuant to either the Vienna Convention of 18 April 1961 on Diplomatic Relations, the Vienna Convention of 24 April 1963 on Consular Relations or other consular conventions, or the New York Convention of 16 December 1969 on Special Missions.

312.

312.1. The declaration or application to assign compensating products or, if need be, goods in the unaltered state to one of the customs-approved treatments or uses referred to in Article 149 of the Code shall contain all the particulars necessary to support a repayment claim.

312.2. Each declaration for discharge of the inward processing procedure must contain the reference to the number and date of the authorisation for inward processing in box 44.

313. Any compensating products and, if need be, goods in the unaltered state which are to be assigned to one of the customs-approved treatments or uses referred to in Article 149 of the Code shall be presented to the office of discharge and undergo the customs formalities specified for the treatment or use in question in accordance with the general provisions applicable.

314.

314.1. The declaration assigning the compensating products and, if need be, goods in the unaltered state to one of the customs-approved treatments or uses referred to in Article 149 of the Code shall be lodged at the offices of discharge as specified in the authorisation.

314.2. The declaration assigning the compensating products or goods in the unaltered state to one of the customs approved treatments or use shall be made in accordance with the provisions laid down for the customs-approved treatment or use concerned.

314.3. The description of the compensating products or goods in the unaltered state in the discharging declaration shall correspond to the specifications in the authorisation.

314.4. 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.

315.

315.1. The proportion of import goods incorporated in compensating products shall be calculated when necessary in order to determine the import duties to be repaid or remitted. Such calculation shall not be effected when all the compensating products are assigned to one of the treatments or uses referred to in Article 149 of the Code.

315.2. The calculation shall be effected in accordance with the quantitative scale method or the value scale method or by any other method giving the same results on the basis of the examples set out in Annex 40.

316. The quantitative scale method (compensating products) shall be used where one kind of compensating product only is obtained from the inward processing operations. In that case the quantity of import goods corresponding to the quantity of compensating products for which repayment or remission may be claimed shall be calculated by applying to the whole amount of the said goods a coefficient corresponding to the ratio of the quantity of compensating products for which repayment or remission may be claimed to the total quantity of compensating products.

317.

317.1. The quantitative scale method (import goods) shall be applied where all elements of the goods released for free circulation are found in each compensating product.

317.2. In deciding whether this method shall apply, losses shall not be taken into account.

317.3. The quantity of import goods under the drawback system used in the manufacture of each compensating product shall be determined by successively applying to the total quantity of import goods a coefficient corresponding to the ratio of the quantity of the said goods found in each type of compensating product to the total quantity of the goods found in the compensating products as a whole.

317.4. The quantity of import goods under the drawback system corresponding to the quantity of compensating products for which repayment or remission may be claimed shall be determined by applying the coefficient corresponding to the ratio of the quantity of compensating products for which repayment or remission may be claimed to the total quantity of compensating products to the quantity of import goods used in the manufacture of the said product calculated in accordance with point 317.3.

318.

318.1. Where the quantitative scale method cannot be applied, the value scale method shall be used.

318.2. In order to determine the quantity of import goods used in the manufacture of each type of compensating product, successive coefficients corresponding to the ratio between the comparable value of each compensating product, calculated in accordance with point 318.3, shall be applied to the total quantity of import goods.

318.3. The value of each of the different compensating products to be used for applying the value scale shall be:

- a) the recent selling price in the Republic of Albania of identical or similar products, provided that this has not been influenced by the relationship between buyer and seller, or, where this is not known,
- b) the recent ex-works price in the Republic of Albania, provided that this has not been influenced by the relationship between buyer and seller.

Where the value cannot be ascertained using the methods above it shall be determined by the supervising customs office using any reasonable method.

318.4. The quantity of import goods corresponding to the quantity of compensating products for which repayment or remission may be claimed shall be calculated by applying the coefficient arrived at by the quantitative scale method (compensating products) to the quantity of import goods used in the manufacture of the products in question, calculated in accordance with point 318.2.

319. The repayment or remission of import duties shall be subject to the lodging by the holder of the authorisation of a claim, hereinafter referred to as the “*repayment claim/Inward Processing*”, with the supervising office. The claim shall be submitted in duplicate.

320.

320.1. The period referred to in Article 149 (3) of the Code within which the repayment claim/Inward Processing shall be lodged shall be a maximum of six months from the date on which the compensating products were assigned one of the customs-approved treatments or uses referred to in Article 149(1) of the Code.

320.2. Where special circumstances so warrant, the General Directorate of Customs may extend the period referred to in point 320.1 even after it has expired.

321. The repayment claim/Inward Processing shall contain inter alia the following particulars:

- a) reference particulars of the authorisation;
- b) the quantity of each type of import goods in respect of which repayment or remission is claimed;
- c) the CNN code of the import goods;
- d) the customs value of the import goods and the rate of import duties to which they are liable as ascertained by the customs authorities on the date of acceptance of the declaration for release for free circulation under the drawback system;

- e) the date of release for free circulation of the import goods under the drawback system;
- f) reference to the declarations under which the import goods were released for free circulation under the drawback system;
- g) the type and quantity of the compensating products and the customs-approved treatment or use to which they are to be assigned;
- h) the value of the compensating products if the value scale method is used for the purpose of discharge;
- i) the rate of yield fixed;
- j) reference to the declarations under which the compensating products or, if need be, goods in the unaltered state were entered for one of the customs-approved treatments or uses referred to in Article 149 of the Code;
- k) the amount of import duties to be repaid or remitted and any compensatory interest collected, taking into account inter alia the import duties on other compensating products.

322.

322.1. The supervising office may allow claims to omit some of the particulars where these do not affect calculation of the amount to be repaid or remitted.

322.2. The supervising office may allow the repayment claim/Inward Processing to be made out by computer or in such other form as the said office shall stipulate.

323. The supervising office shall annotate the repayment claim /Inward Processing on the basis of the verification carried out and shall inform the holder of the authorisation of the result of that verification; it shall keep the claim and related documents for at least three calendar years from the end of the year in which it takes a decision on the claim.

324.

324.1. Where compensating products under the drawback system are placed under one of the customs-approved treatments or uses referred to in the second indent of Article 149 (1) of the Code, thus allowing repayment, the box reserved for the description of the goods on the document used for the procedure or in the free zone or free warehouse shall contain the following indication: "*Inward Processing/Drawback. Goods*" in red.

324.2. The office of discharge shall satisfy itself that the indications referred to in point 324.1 are entered on any document issued to replace or discharge the documents referred to in that paragraph.

325. The General Directorate of Customs may lay down guidelines in the practical application of the inward processing procedure.

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.

Chapter V

Temporary importation procedure

Section 1

General provisions

342. In accordance to Title IV Chapter II Section 3 F of the Code this Chapter will lay down provisions in the implementing of the temporary importation procedure.

Section 2

Temporary importation of goods other than means of transport

343.

343.1. The temporary importation procedure with total relief from import duties shall be granted for professional equipment.

343.2. Professional equipment means:

- a) equipment for the press or for sound or television broadcasting which is necessary for representatives of the press or of broadcasting or television organisations established outside the customs territory of the Republic of Albania and visiting Albania for purposes of reporting or in order to transmit or record material for specified programmes;
- b) cinematographic equipment necessary for a person established outside the customs territory of the Republic of Albania and visiting Albania in order to make a specified film or films;
- c) any other equipment necessary for the exercise of the calling, trade or profession of a person established outside the customs territory of the Republic of Albania and visiting Albania to perform a specified task. It does not include equipment which is to be used for the industrial manufacture or packaging of goods or (except in the case of hand tools) for the exploitation of natural resources, for the construction, repair or maintenance of buildings or for earth moving and like projects;
- d) ancillary apparatus for the equipment mentioned in subparagraphs (a), (b) and (c) of this point, and accessories thereof. An illustrative list of goods to be considered as professional equipment is given in Annex 42.

343.3. The temporary importation procedure referred to in point 343.1 shall be granted provided that the professional equipment is:

- a) owned by a person established outside the customs territory of the Republic of Albania;
- b) imported by a person established outside the said territory;
- c) used solely by or under the personal supervision of the person visiting the said territory. However, the condition referred to in (c) shall not apply to cinematographic equipment imported for the production of films, television programmes or audio-visual works, under a coproduction contract concluded with a person established in the customs territory of the Republic of Albania. In the case of joint radio or television programme productions, professional equipment may be the subject of a hire contract or similar arrangement to which a person established in the customs territory of the Republic of Albania is a party.

344. Spare parts subsequently imported for the repair of professional equipment which has been temporarily imported shall be entitled to temporary importation facilities on the same conditions as the equipment itself.

345.

345.1. The temporary importation procedure with total relief from import duties shall be granted for:

- a) goods intended for display or demonstration at an event;
- b) goods intended for use in connection with the display of imported products at an event, including:

- i) goods necessary for the purpose of demonstrating imported machinery or apparatus to be displayed,
 - ii) construction and decoration material, including electrical fittings, for the temporary stands of persons established outside the Republic of Albania,
 - iii) advertising and demonstration material and other equipment which is publicity material for the imported goods displayed, such as sound and image recordings, films and transparencies, together with apparatus necessary for their use;
- c) equipment, including interpretation equipment, sound and image recording apparatus and films of an educational, scientific or cultural character, intended for use at international meetings, conferences or congresses;
 - d) live animals intended for exhibition at or participation in an event;
 - e) products obtained during an event from goods, machinery, apparatus or animals imported temporarily.

345.2. Event means:

- a) a trade, industrial, agricultural or craft exhibition, fair, or similar show or display;
- b) an exhibition or meeting which is primarily organised for a charitable purpose;
- c) an exhibition or meeting which is primarily organised to promote any branch of learning, art, craft, sport or scientific, technical educational, cultural, trade union or tourist activity, to promote religious knowledge or worship or to promote friendship between peoples;
- d) a meeting of representatives of international organisations or international groups of organisations;
- e) a representative meeting of an official or commemorative character, except exhibitions organised for private purposes in shops or business premises with a view to sale of the imported goods.

346.

346.1. The temporary importation procedure with total relief from import duties shall be granted for:

- a) pedagogic material and scientific equipment;
- b) spare parts and accessories for such material or equipment;
- c) tools especially designed for the maintenance, checking, calibration or repair of such material or equipment.

346.2. "*Pedagogic material*" means any material intended for the sole purpose of teaching or vocational training, and in particular models, instruments, apparatus and machines. The list of goods to be considered as pedagogic materials is set out in Annex 43. An illustrative list of other goods imported in connection with educational, scientific or cultural activities is given in Annex 44.

346.3. "*Scientific equipment*" means equipment intended for the sole purpose of scientific research or teaching, and in particular models, instruments, apparatus and machines.

346.4. The temporary importation procedure referred to in point 346.1 shall be granted provided that the pedagogic material or scientific equipment, spare parts, accessories or tools:

- a) are imported by approved establishments and are used under the supervision and responsibility of such establishments;
- b) are used for non-commercial purposes;
- c) are imported in reasonable numbers, having regard to the purpose of the importation;
- d) remain throughout their stay in the customs territory of the Republic of Albania the property of a person established outside that territory.

346.5. The period during which such pedagogic material or scientific equipment may remain under the temporary importation procedure shall be 12 months.

346.6. For the purposes of point 346.4 (a), “*approved establishments*” means, in the case of pedagogic material public or private teaching or vocational training establishments which are essentially non-profit making and have been approved by the General Directorate of Customs as recipients of pedagogic material under the temporary importation procedure.

346.7. For the purposes of point 346.4 (a) “*approved establishments*” means, in the case of scientific equipment, public or private scientific or teaching establishments which are essentially non-profit making and have been approved by the General Directorate of Customs as recipients of scientific equipment under the temporary importation procedure.

347.

347.1. The temporary importation procedure with total relief from import duties shall be granted for medical, surgical and laboratory equipment intended for hospitals and other medical institutions.

347.2. The temporary importation procedure referred to in point 347.1 shall be granted provided that the said equipment:

- a) has been dispatched on an occasional basis, on loan free of charge;
- b) is intended for diagnostic or therapeutic purposes.

347.3. Equipment dispatched on an occasional basis means any medical, surgical or laboratory equipment dispatched at the request of a hospital or other medical institution which is facing exceptional circumstances and has urgent need of such equipment to make up for the inadequacy of its own facilities.

348.

348.1. The temporary importation procedure with total relief from import duties shall be granted for materials to be used in connection with measures taken to counter the effects of disasters affecting the customs territory of the Republic of Albania.

348.2. The temporary importation procedure referred to in point 348.1 shall be granted provided that such materials:

- a) are imported on loan free of charge,
- b) are intended for state bodies or bodies approved by the General Directorate of Customs.

349.

349.1. The temporary importation procedure with total relief from import duties shall be granted for packings.

349.2. Packings means:

- a) containers used, or to be used, in the state in which they are imported, for external or internal packing of goods;
- b) supports on which goods are, or are to be, rolled, wound or attached, but excluding packing materials such as straw, paper, glass wool and shavings when imported in bulk.

349.3. The temporary importation procedure referred to in point 349.1 shall be granted provided that:

- a) if the packings are imported filled, they are declared as being for re-exportation empty or filled;
- b) if the packings are imported empty, they are declared as being for re-exportation filled.

349.4. Packings admitted under the temporary importation procedure may not be used even occasionally in internal traffic, except with a view to the export of goods from the customs territory of the Republic of Albania. In the case of packings imported filled, this ban shall apply only from the time that they are emptied of their contents.

349.5. The period during which such packings may remain under the temporary importation procedure shall be six months.

350.

350.1. The temporary importation procedure with total relief from import duties shall be granted for:

- a) moulds, dies, blocks, drawings, sketches and other similar articles intended for a person established in the customs territory of the Republic of Albania, where at least 75 % of the production resulting from their use is exported from that territory;
- b) measuring, checking and testing instruments and other similar articles intended for a person established in the customs territory of the Republic of Albania for use in a manufacturing process, where at least 75 % of the production resulting from their use is exported from that territory;
- c) special tools and instruments made available free of charge to a person established in the customs territory of the Republic of Albania for use in the manufacture of goods which are to be exported in their entirety, on condition that such tools and instruments remain the property of a person established outside the customs territory of the Republic of Albania;
- d) goods of any kind which are to be subjected to tests, experiments or demonstrations, including the tests and experiments required for type-approval procedures, but excluding any tests, experiments or demonstrations constituting a gainful activity;
- e) goods of any kind to be used to carry out tests, experiments or demonstrations, but excluding any tests, experiments or demonstrations constituting a gainful activity;

f) samples, i.e. articles which are representative of a particular category of goods already produced or which are examples of goods the production of which is contemplated, but not including identical articles brought in by the same individual, or sent to a single consignee, in such quantity that, taken as a whole, they no longer constitute samples under ordinary commercial usage.

350.2. To qualify for the temporary importation procedure referred to in point 350.1:

- a) the goods referred to in letters (a), (b), (c) and (f) of that paragraph must be owned by a person established outside the customs territory of the Republic of Albania;
- b) the samples referred to in point (f) of that paragraph must be imported solely for the purpose of being shown or demonstrated in the customs territory of the Republic of Albania for the soliciting of orders for similar goods to be imported into that territory. They may not be sold or put to normal use except for the purposes of demonstration, or used in any way while in the customs territory of the Republic of Albania.

351.

351.1. The temporary importation procedure with total relief from import duties shall be granted for replacement means of production.

351.2. The period during which replacement means of production may remain under the temporary importation procedure shall be six months.

351.3. Replacement means of production means instruments, apparatus and machines made temporarily available to a customer free of charge by a supplier or repairer, pending the delivery or repair of similar goods.

352.

352.1. The temporary importation procedure with total relief from import duties shall be granted for:

- a) second-hand goods imported with a view to their sale by auction;
- b) goods imported under a contract of sale subject to satisfactory acceptance tests;
- c) works of art, collectors items and antiques imported for the purpose of exhibition, with a view to possible sale;
- d) consignments on approval of made-up articles of fur, precious stones, carpets and articles of jewellery, provided that their particular characteristics prevent their being imported as samples.

352.2. The period during which the goods referred to in point 352.1 may remain under the temporary importation procedure is 6 months in the case of (a) and (c), 3 months in the case of (b) and 1 month in that of (d).

352.3. For these purposes:

- a) “*second-hand goods*” means goods other than newly manufactured goods,
- b) “*works of art, collectors items and antiques*” mean goods as defined in Annex 45;

c) “*consignments on approval*” means consignments of goods which the consignor for his part wishes to sell and which the consignee may decide to purchase after inspection.

353. The temporary importation procedure with total relief from import duties shall be granted for:

- a) positive cinematograph films, printed and developed and other recorded image-bearing media intended for viewing prior to commercial use;
- b) films, magnetic tapes and wires and other sound- or image-bearing media which are intended to be provided with a sound track, dubbed or copied;
- c) films demonstrating the nature or the operation of foreign products or equipment, provided that they are not intended for public showing for charge;
- d) data-carrying media, sent free of charge for use in automatic data-processing;

354.

354.1. The temporary importation procedure with total relief from import duties shall be granted for personal effects and goods imported for sports purposes.

354.2. For these purposes:

- a) “*traveller*” means: The person mentioned in Article 63 of the Code;
- b) “*personal effects*” means all articles, new or used, which a traveller may reasonably require for his or her personal use during the journey, taking into account all the circumstances of the journey, but excluding any goods imported for commercial purposes;
- c) “*goods imported for sports purposes*” means sports requisites and other articles for use by travellers in sports contests or demonstrations or for training taking place in the customs territory of the Republic of Albania.

354.3. Personal effects shall be re-exported at the latest when the person who imported them leaves the customs territory of the Republic of Albania. The period during which goods imported for sports purposes may remain under the temporary importation procedure shall be 12 months.

354.4. The illustrative list of such goods is set out in Annex 46.

355.

355.1. The temporary importation procedure with total relief from import duties shall be granted for tourist publicity material.

355.2. “*Tourist publicity material*” means goods the purpose of which is to encourage the public to visit foreign countries, in particular in order to attend cultural, religious, touristic, sporting or professional meetings or events held there.

355.3. An illustrative list of such goods is set out in Annex 47.

356.

356.1. The temporary importation procedure with total relief from import duties shall be granted for the equipment and live animals of any species imported for the purposes listed in Annex 48.

356.2. The temporary importation procedure referred to in point 356.1 shall be granted on condition that:

- a) the animals are owned by a person established outside the customs territory of the Republic of Albania;
- b) the equipment is owned by a person established in the frontier zone adjacent to that of the customs territory of the Republic of Albania;
- c) draught animals and equipment are imported by a person established in the frontier zone adjacent to that of the customs territory of the Republic of Albania for working land located inside the customs territory of the Republic of Albania, involving the performance of agricultural or forestry work, including the clearing or transport of timber, or for pisciculture.

356.3. “*Frontier zone*” means, without prejudice to existing conventions in this respect, a zone which, as the crow flies, does not extend more than 15 kilometres from the frontier. The local administrative districts, part of whose territory lies within the zone, shall also be considered to be part of the frontier zone, notwithstanding any derogations on this matter.

357.

357.1. The temporary importation procedure with total relief from import duties shall be granted for welfare materials for seafarers.

357.2. For these purposes:

- a) welfare material means material for the pursuit of cultural, education, recreational, religious or sporting activities by seafarers,
- b) seafarers means all persons transported on board a vessel responsible for tasks relating to the operating or service of the vessel at sea.

357.3. The list of goods to be considered as welfare material for seafarers is given in Annex 49.

357.4. The temporary importation procedure referred to in point 357.1 shall be granted on condition that the material is:

- a) unloaded from a vessel engaged in international maritime traffic to be temporarily used ashore by the crew for a period not exceeding the vessels stay in port;
- b) imported for temporary use in cultural or social establishments for a period of 6 months. Cultural or social establishments means hostels, clubs or recreation centres for seafarers, managed either by official bodies or by religious or other non-profit making organisations, and places of worship where services for seafarers are regularly held.

358. The temporary importation procedure with total relief from import duties shall be granted for miscellaneous equipment used under the supervision and responsibility of a public authorities for the building, repair or maintenance of infrastructure of general importance in frontier zones.

359.

359.1. The temporary importation procedure with total relief from import duties shall be granted for goods temporarily imported into the customs territory of the Republic of Albania in a particular situation having no economic effect.

359.2. Temporary importation into the customs territory of the Republic of Albania on an occasional basis, for a period not exceeding three months, of goods whose value is less than 150.000 LEK shall be considered a particular situation having no economic effect.

360.

360.1. The General Directorate of Customs may decide to grant total relief instead of the partial relief referred to in Article 162 of the Code for goods imported into its territory on an occasional basis for a period not exceeding three months.

360.2. Following expiry of the period for which goods entered for the procedure under this Point may remain under the procedure, the goods shall be assigned to a new customs-approved treatment or use or entered for the temporary importation procedure with partial relief from import duties. If it becomes necessary to determine the duties to be levied under the partial relief procedure, the date to be taken into consideration shall be that on which the goods were entered for temporary importation under point 360.1.

361. In accordance with Article 162 (1) of the Code the General Directorate of Customs may decide to grant the use of the temporary importation procedure with partial relief from import duties. The list of goods in respect of which the temporary importation procedure with partial relief from import duties may not be used is given in Annex 50.

362.

362.1. The application shall be made in conformity with Point 234 and in accordance with the specimen in Annex 29, and presented by the person to whom the authorisation may be granted under Articles 109 and 158 of the Code.

362.2. Without prejudice to the simplified application procedure, the application shall be submitted to the General Directorate of Customs.

363.

363.1. Without prejudice to the simplified authorisation procedure, the authorisation shall be issued by the General Directorate of Customs and shall be made out in accordance with the specimen in Annex 34.

363.2. Each authorisation should be accompanied by a form “*temporary importation record import*” that should form an integrated part of each authorisation. The specimen of the temporary importation record import is described in Annex 34. All entries should be registered in this form, in accordance with instructions issued by the General Directorate of Customs.

364. The period of validity of the authorisation shall be set by the General Directorate of Customs on a case-by-case basis, having regard to the specific needs of the applicant.

365.

365.1. When issuing the authorisation the General Directorate of Customs shall specify the period within which the import goods must be assigned a customs-approved treatment or use, taking into account the specific periods laid down in the Code and in the implementing provisions and the time required to achieve the object of the temporary importation.

365.2. Where an extension is granted which exceeds the period provided for, it shall be set having regard to the circumstances which prevented the holder of the authorisation from fulfilling his obligation to re-export within that period.

366.

366.1. This point shall apply whenever application of Article 162 (1) of the Code is not requested.

366.2. A customs office empowered by the General Directorate of Customs to grant authorisations using the simplified procedure shall allow the declaration of entry for the procedure to constitute an application for authorisation. In this case acceptance of the declaration shall constitute the authorisation, the said acceptance remaining in any event subject to the conditions governing the granting of the authorisation, including the decision of the control office, indicated in the box 44 of the form.

366.3. A declaration presented under point 366.2 shall be accompanied by a document made out by the declarant containing the following information, in so far as this information is necessary and cannot be entered in box 44 of the form used for the declaration itself:

- a) where the person applying to use the procedure is not the same as the declarant, the name or business name and address of the applicant, and, where appropriate, of the owner of the goods;
- b) where the user is not the same as the applicant or declarant, the name or business name and address of the user of the goods;
- c) the article under which the application is being made;
- d) the period for which the goods are expected to remain under the procedure;
- e) the place where the goods are to be used;

366.4. The lodging of the declaration using the simplified application procedure signed by the applicant shall indicate that the person concerned wishes to use the customs procedure applied for and, without prejudice to the possible application of penal provisions, shall be responsible, under the provisions in force in the Republic of Albania, for:

- a) the accuracy of the information given in the declaration,
- b) the authenticity of the documents accompanying it, and
- c) compliance with all the obligations relating to the customs procedure applied for.

366.5. The customs authorities shall keep the declaration and its annexes, together with any authorisation issued.

366.6. Where an authorisation is granted, the application, annexes and authorisation shall be kept by the customs authorities for at least three years from the end of the calendar year in which the authorisation expires.

366.7. Where an application is rejected or an authorisation is annulled or revoked, the application and either the decision rejecting the application or the authorisation, as the case may be, and all annexes shall be kept by the customs authorities for at least three years from the end of the calendar year in which the application was rejected or the authorisation was annulled or revoked.

367.

367.1. Presentation of an ATA carnet to a customs office duly empowered by the General Directorate of Customs in order to use the temporary importation procedure shall be equivalent to presentation of the application for authorisation and acceptance of the carnet (temporary importation voucher) shall be equivalent to authorisation to use the procedure.

367.2. Goods which can be temporarily imported in accordance with the procedure described in point 367.1 are listed in Annex 51.

367.3. ATA carnets shall be accepted by the customs offices only if they are:

- a) issued in a country which is a contracting party to the ATA Convention, and endorsed and guaranteed by an association forming part of an international guarantee chain, and
- b) certified by the customs authorities in the appropriate section of the cover page, and
- c) valid in the customs territory of the Republic of Albania.

368.

368.1. “*Travellers*” personal effects and goods imported for sports purposes as mentioned in Annex 46 shall be authorised for the temporary importation procedure without written or oral application or authorisation.

368.2. Where a high amount of import duties and other charges is involved, point 368.1 shall be waived with regard to personal effects and to goods imported for sports purposes. In this case the simplified application procedure shall apply “*mutatis mutandis*”.

369.

369.1. The declaration entering goods for the temporary importation procedure shall be lodged at one of the customs offices of entry for the procedure specified in the authorisation.

369.2. Where the simplified authorisation procedure applies, the declaration entering the temporary importation procedure shall be lodged at a duly empowered customs office.

369.3. Where temporary importation is done using an ATA carnet, the ATA carnet shall be presented in order to enter goods for the temporary importation procedure at any duly empowered office of entry. However:

- a) where the duly empowered office of entry is unable to check the fulfilment of all conditions to which the use of the temporary importation procedure is subject, or
- b) where the office of entry is not empowered to act as the office of entry for the procedure;
- c) the said office shall permit the goods to be carried to the office of destination able to carry out such checks under cover of the ATA carnet used as a transit document.

369.4. The General Directorate of Customs shall empower customs offices to act as offices of entry for the procedure.

370.

370.1. For the purposes of Article 111 of the Code, entry for the temporary importation procedure shall be subject to the provision of a security.

370.2. By way of derogation from point 370.1, Annex 52 lists the cases in which no security shall be required for entry of goods for the temporary importation procedure.

371.

371.1. The security shall be lodged at the office issuing the authorisation, in order to ensure payment of any customs debt and other charges which may be incurred in respect of the goods.

371.2. The security shall be released by the office issuing the authorisation, once they receives a copy endorsed by the office of discharge:

- a) either by copy No 3 of the re-export declaration, or
- b) by a copy of the document entering the goods for another customs-approved treatment or use or, proof to the satisfaction of the customs authorities that the goods have been assigned another customs-approved treatment or use.

372.

372.1. The declaration entering the temporary importation procedure shall be made in accordance with Points 121 to 161.

372.2. Without prejudice to the simplified application procedure, the description of the goods in the declaration referred to in point 372.1 shall correspond to the specifications in the authorisation.

372.3. Each import declaration must contain the code IM 5 in box 1 of the declaration and reference to the number and date of the authorisation for temporary importation in box 44. The form “*temporary importation record, export*”, as described in Annex 34 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 customs 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 temporary importation procedure.

372.4. Where the temporary importation procedure is done under cover of an ATA carnet, the office of entry for the procedure shall proceed as follows:

- a) verify the information given in boxes A to G of the importation voucher;
- b) complete the counterfoil and box H of the importation voucher; the final date for re-exportation of the goods, to be entered in box H (b), must not be later than the date on which the carnet's validity expires, without prejudice to the special periods referred to in Article 160 of the Code;
- c) enter the name and address of the office of entry for the procedure in box H (e) of the re-exportation voucher; and
- d) retain the importation voucher.

373. The entry for a customs-approved treatment or use of goods under the temporary importation procedure with partial relief shall be subject to payment of any amount due under Article 163 of the Code.

374.

374.1. Except where the simplified application procedure are applied, the declaration discharging the temporary importation procedure shall be lodged at one of the customs offices of discharge specified in the authorisation.

374.2. Where the simplified application procedure is applied, the declaration referred to in point 374.1 shall be lodged at the customs office which issued the authorisation.

374.3. Where the temporary importation procedure is done under cover of an ATA carnet, the ATA carnet shall be presented at a duly empowered customs office of discharge.

374.4. Each declaration for discharge of the temporary importation procedure must contain the reference to the number and date of the authorisation for temporary importation in box 44.

375.

375.1. The declaration discharging the temporary importation procedure shall be made in accordance with the provisions laid down for the customs-approved treatment or use concerned.

375.2. The description of the import goods in the declaration referred to in point 375.1 shall correspond to the specifications in the authorisation.

375.3. Where the temporary importation procedure is done under cover of an ATA carnet, the office of discharge shall:

- a) complete the counterfoil and box H of the re-exportation voucher;
- b) retain the re-exportation voucher and return it without delay to the office referred to in box H (e).

376. Pursuant to Article 164 (1) of the Code, in the case of goods for display or use at exhibitions, fairs, meetings or similar events or second-hand goods imported with a view to their sale by auction or works of art, collectors items and antiques imported for the purpose of exhibition or consignments on approval of made-up articles of fur, precious stones, carpets and articles of jewellery, the material time for the purposes of determining the customs debt shall be the time of acceptance of the declaration for release for free circulation.

377.

377.1. Where a customs debt is incurred in respect of goods previously entered for the procedure of temporary importation, compensatory interest shall be paid on the total amount of the import duty applicable.

377.2. Point 377.1 shall not apply:

- a) where a customs debt is incurred pursuant to Article 216 (1) (b) of the Code;
- b) where a customs debt is incurred and a security is provided by a cash deposit equal to one of the amounts of customs debt set out in Article 207 (1) of the Code;
- c) where a customs debt is incurred due to the release for free circulation of goods which were entered for the temporary importation procedure for display or use at exhibitions, fairs, meetings or similar events or second-hand goods imported with a view to their sale by auction or works of art, collectors items and antiques imported for the purpose of exhibition or consignments on approval of made-up articles of fur, precious stones, carpets and articles of jewellery;
- d) where compensatory interest, calculated in accordance with point 377.3, does not exceed LEK 1.000 per case of a customs debt incurred;
- e) where the holder of the authorisation requests release for free circulation and supplies proof that particular circumstances not arising from any negligence or deception on his part make it impossible or uneconomic to carry out the re-export operation under the conditions he had anticipated and duly substantiated when applying for the authorisation.
- f) point 295 shall apply "*mutatis mutandis*".

377.3. a) The annual interest rates shall be those in force at the time when the customs debt is incurred.

b) Interest shall be applied per calendar month for the period running from the first day of the month following the month in which the import goods were first entered for the procedure to the last day of the month in which the customs debt is incurred. The material period for the application of compensatory interest shall not be less than one month.

c) The amount of interest shall be calculated on the basis of the import duties applicable, the interest rate referred to in (a) and the period referred to in (b).

378. In the case of an offence or irregularity committed in the course of or in connection with a temporary import operation under cover of an ATA carnet, the provisions relating to use of the ATA carnet as a transit document shall apply "*mutatis mutandis*" to recovery of the import duties payable.

379. Where the import goods are placed in a free zone or free warehouse or entered for one of the permitted conditional relief procedures, enabling the temporary importation procedure to be discharged, the box reserved for the description of goods on the document concerning the said customs-approved treatment or use, shall, in addition to the information laid down for the procedure in question, contain the following indication: "*Temporary Admission goods*" in red.

380. Where Article 113 of the Code is applied the competent authorities approving such transfer shall annotate the authorisation accordingly. Such transfer shall terminate the procedure in respect of the previous holder.

381.

381.1. Where it is foreseen that the temporary importation operation might exceed the period of validity of the ATA carnet because the holder is unable to re-export the goods, the issuing association may issue a replacement carnet. The holder shall return the original carnet to the issuing association.

381.2. The replacement carnet shall be submitted to the competent customs office for the place where the goods are located, which shall carry out the following formalities:

- a) it shall discharge the original carnet using the re-exportation voucher which it shall return without delay to the initial customs office of temporary importation;
- b) it shall receive the replacement carnet and retain the importation voucher, first entering on the said voucher the final date for re-exportation as shown on the original carnet plus any extension, and the number of the original carnet.

381.3. When the temporary importation procedure is discharged the office of re-exportation shall:

- a) complete the counterfoil and box H of the re-exportation voucher;
- b) retain the re-exportation voucher and return it without delay to the office referred to in box H (e).

using the re-exportation voucher of the replacement carnet, which it shall return without delay to the customs office which received the replacement carnet.

381.4. The issue of replacement carnets is the responsibility of the issuing association. If an ATA carnet expires and the holder is unable to re-export the goods, and the issuing association refuses to issue a replacement carnet, the customs authorities shall require completion of a new application for either temporary duty free importation or any other customs approved treatment or use allowed for the goods in question.

Section 3

Temporary importation of means of transport

382. Without prejudice to Points were it is expressly allowed, the means of transport below shall not be lent, hired, pledged, transferred or put at the disposal of any person established in the Republic of Albania.

383.

383.1. The temporary importation procedure shall apply to road vehicles for commercial use.

383.2. For the purposes of this Point, vehicles shall mean all road vehicles and all trailers which can be coupled to such vehicles.

383.3. Without prejudice to point 383.4, admission under the temporary importation procedure referred to in point 383.1 shall be subject to the condition that the vehicles are:

- a) imported by a person established outside the customs territory of the Republic of Albania or on his behalf;
- b) used for commercial purposes by such a person or on his behalf; and
- c) registered outside the customs territory of the Republic of Albania in the name of a person established outside that territory. However, if the vehicles are not registered, the above condition shall be deemed to be met where the vehicles in question belong to a person established outside the customs territory of the Republic of Albania;
- d) used exclusively for transport which begins or ends outside the customs territory of the Republic of Albania.

383.4. Where a trailer is coupled to a motor vehicle registered in the customs territory of the Republic of Albania, the temporary importation procedure may be granted even if the conditions set out in points 383.3 (a) and 383.3(b) are not satisfied.

383.5. Road vehicles for commercial use may remain in the customs territory of the Republic of Albania subject to the conditions laid down in points 383.3 during the time required for carrying out the operations for which temporary importation is requested, e.g. the carriage, picking up and setting down of passengers, loading and unloading goods, transport and maintenance.

383.6. For the purposes of subparagraphs points 383.3 (a) and points 383.3 (b), persons acting on behalf of a person established outside the customs territory of the Republic of Albania must be duly authorised by the person concerned.

383.7. By way of derogation from point 383.3:

- a) subject to the requirements of point 383.6, vehicles for commercial use may be driven by natural persons established in the Customs territory of the Republic of Albania;
- b) the General Directorate of Customs may:

i) in exceptional cases, allow a person established in the customs territory of the Republic of Albania to import and use vehicles for commercial use under the temporary importation procedure for a limited period fixed by the said authorities according to the circumstances of the case under consideration,

ii) allow a natural person established in the customs territory of the Republic of Albania and employed by a person established outside that territory to import and use in that territory, for commercial use, a vehicle belonging to the latter. The vehicle admitted under the temporary importation procedure may also be used for private purposes where such use is occasional, subsidiary to the commercial use and provided for in the contract of employment;

384.

384.1. The temporary importation procedure shall apply to road vehicles for private use.

384.2. For the purposes of this Point, vehicles means all road vehicles, including caravans and trailers which can be coupled to motor vehicles.

384.3. The temporary importation procedure for road vehicles for private use shall be subject to the condition that the vehicles are:

- a) imported by persons established outside the customs territory of the Republic of Albania;
- b) used for private purposes by the persons concerned;
- c) registered outside the customs territory of the Republic of Albania in the name of a person established outside that territory. However, if the vehicles are not registered, the above condition shall be deemed to be met where the vehicles in question belong to a person established outside the customs territory of the Republic of Albania.

384.4. The temporary importation procedure shall also apply in the following cases:

- a) where a private vehicle registered in the country of normal residence of the user is used regularly in the customs territory of the Republic of Albania for the journey from his residence to his place of work and vice versa. Authorisation to use the procedure shall not be subject to any other time limit;
- b) where a student uses a private vehicle registered in the country of his normal residence in the customs territory of the Republic of Albania in which the student is staying for the sole purpose of pursuing his studies.

384.5. Without prejudice to point 384.4, road vehicles for private use may remain in the customs territory of the Republic of Albania for:

- a) a period of six months, whether continuous or not, in any 12 months;
- b) the period the student stays in the customs territory of the Republic of Albania in the cases referred to in point 384.4 (b).

384.6. Points 384.4 (b) and 384.5 (b) shall apply “*mutatis mutandis*” to persons fulfilling assignments of a specified duration inter alia scientists and doctors.

384.7. For the purposes of point 384.3 (a) and (b), vehicles for private use shall not be hired, lent or made available following their importation or, if they were on hire, on loan or made available at the time of their

importation, they shall not be re-hired or sub-hired or lent or made available to another person in the customs territory of the Republic of Albania for any purpose other than immediate re-exportation.

384.8. Pursuant to point 384.7, vehicles for private use belonging to a hire firm whose registered place of business is outside the customs territory of the Republic of Albania may be re-hired to a natural person established outside that territory with a view to their re-exportation within a period to be set at the discretion of the General Directorate of Customs, where they are within the customs territory of the Republic of Albania following performance of a contract of hire.

384.9. Notwithstanding point 384.7:

a) the spouse and the relatives in the direct ascending and descending lines of a natural person established outside the customs territory of the Republic of Albania who have their normal residence outside that territory may use a private vehicle already admitted under the temporary importation procedure;

b) a vehicle for private use which has been placed under the temporary importation procedure may be used occasionally by a natural person established in the customs territory of the Republic of Albania where such person is acting on behalf of and on the instructions of the user of the procedure, who is himself in that territory.

384.10. By way of derogation from Point 381;

a) The temporary importation procedure provided for in point 384.8 shall be available to natural persons established in the customs territory of the Republic of Albania;

b) Vehicles may also be brought back from the customs territory of the Republic of Albania by an employee of the hire firm resident in that territory;

384.11. For the purposes of point 384.5 (a), in order to interrupt the period in which a vehicle imported under the procedure remains in the customs territory of the Republic of Albania, the user of the temporary importation procedure shall so inform the customs authorities and shall comply with the measures considered appropriate by those authorities to prevent use of the vehicle on a temporary basis.

385.

385.1. Point 384, excluding paragraph 11 thereof, shall apply "*mutatis mutandis*" to saddle or draught animals and the vehicles drawn by them entering the customs territory of the Republic of Albania.

385.2. The animals and the vehicles drawn by them may remain in the customs territory of the Republic of Albania for a period of three months.

386.

386.1. The temporary importation procedure shall apply to means of rail transport.

386.2. For the purposes of this Point, means of rail transport means all prime movers, railcars and multiple sets, and rolling stock of any description used for the transport of persons or goods.

386.3. The temporary importation procedure for means of rail transport shall be subject to the condition that the means of rail transport:

a) belong to a person established outside the customs territory of the Republic of Albania;

b) are registered on a railway network outside the customs territory of the Republic of Albania.

386.4. Means of rail transport may remain in the customs territory of the Republic of Albania for 12 months.

386.5. By way of derogation from Point 382: Means of rail transport may be placed at the disposal of a person established in the customs territory of the Republic of Albania on condition that they are used jointly under an agreement whereby each network may use the rolling stock of the other networks as its own rolling stock;

387.

387.1. The temporary importation procedure shall apply to means of air transport.

387.2. The means of air transport may remain in the customs territory of the Republic of Albania during the time required for carrying out the operations for which temporary importation is requested, e.g. the carriage, picking up and setting down of passengers, loading and unloading goods, transport and maintenance.

387.3. Where the means of air transport are used for private air transport, the following conditions apply;

a) imported by persons established outside the customs territory of the Republic of Albania;

b) used for private purposes by the persons concerned;

c) registered outside the customs territory of the Republic of Albania in the name of a person established outside that territory. However, if the means of air transport are not registered, the above condition shall be deemed to be met where the means of air transport in question belong to a person established outside the customs territory of the Republic of Albania.

387.4. The means of air transport used for private air transport may remain in the customs territory of the Republic of Albania for a period of six months, whether continuous or not, in any 12 months.

388.

388.1. The temporary importation procedure shall apply to means of sea and inland waterway transport.

388.2. The means of sea and inland waterway transport may remain in the customs territory of the Republic of Albania for the time required for carrying out the operations for which temporary admission is requested, e.g. the carriage, picking up and setting down of passengers, loading and unloading goods, transport and maintenance.

388.3. Where the means of sea and inland waterway transport are used for private sea or inland waterway transport, the following conditions shall apply.

a) imported by persons established outside the customs territory of the Republic of Albania;

b) used for private purposes by the persons concerned;

c) registered outside the customs territory of the Republic of Albania in the name of a person established outside that territory. However, if the means of sea and inland waterway transport are not registered, the above condition shall be deemed to be met where the means of sea and inland waterway transport in question belong to a person established outside the customs territory of the Republic of Albania.

388.4. The means of transport referred to in point 388.3 may remain in the customs territory of the Republic of Albania for a period of six months, whether continuous or not, in any 12 months.

388.5. By way of derogation from Point 382, in exceptional cases where lake harbour infrastructure outside the customs territory of the Republic of Albania is not adequate to allow the mooring of means of inland waterway transport for private use, the General Directorate of Customs may allow a natural person established in the customs territory of the Republic of Albania to import a vessel placed under the temporary importation procedure and used on the Republic of Albania part of a lake situated both within the said territory and in the country in which the vessel is registered. The person concerned shall provide evidence of the inadequacy of lake harbour infrastructure by any means acceptable to the General Directorate of Customs.

389.

389.1. The temporary importation procedure shall apply to pallets.

389.2. Pallets which can be identified may remain in the customs territory of the Republic of Albania for a period of 12 months, which may be reduced at the request of the person concerned.

389.3. Pallets other than those referred to in point 389.2 may remain in the customs territory of the Republic of Albania for a period of six months, which may be reduced at the request of the person concerned.

390.

390.1. The temporary importation procedure shall apply to containers approved for transport under customs seal or simply bearing marks when they are brought into the customs territory of the Republic of Albania on behalf of their owners, their operators or the representatives of either of those.

390.2. Containers other than those referred to in point 390.1 shall be admitted under the temporary importation procedure where this is authorised by the customs authorities.

390.3. Containers placed under the temporary importation procedure may remain in the customs territory of the Republic of Albania for a period of 12 months.

390.4. Containers placed under the temporary importation procedure may be used in internal traffic before being re-exported from the customs territory of the Republic of Albania. However, the containers may be used only once during each stay in a Republic of Albania, for transporting goods which are loaded within the territory of the Republic of Albania and are intended to be unloaded within that territory, where the containers would otherwise have to make a journey unladen within that territory.

390.5. Without prejudice to the provisions concerning temporary importation of spare parts accessories and normal equipment for containers, container accessories and normal container equipment may be imported either with a container for subsequent re-export separately or with another container, or separately for subsequent re-export with a container.

391.

391.1. Point 390.1 shall apply to containers, whether or not they have been approved for transport under customs seal, on which the following information has been durably marked in an appropriate and clearly visible place:

- a) the identity of the owner or operator;
- b) the identification marks and numbers of the container, given by the owner or operator;
- c) the tare weight of the container, including all its permanently fixed equipment; and
- d) the country to which the container belongs.

391.2. However, the information referred to in point 391.1 (c) shall not be marked on swap bodies used for combined rail-road transport and the information referred to in point 391.1(d) shall not be marked on containers used for transport by air.

391.3. The country to which the container belongs may be shown either in full or by means of the ISO alpha-2 country code provided for in International Standard ISO 3166 or by the distinguishing initials used to indicate the country of registration of motor vehicles in international road traffic, or in numbers, in the case of swap bodies used for combined rail-road transport. The identity of the owner or operator may be shown by either his full name or an established identification, symbols such as emblems or flags being excluded.

391.4. Containers which:

- a) bear, in addition to the information provided for in point 391.1, the following details, which shall be put on the approval plate in accordance with the rules referred to in point 391.5:
 - i) the manufacturer's serial number (manufacturer's number), and
 - ii) if they are covered by type approval, the identification numbers or letters of the type;
- b) comply with the technical conditions referred to in point 391.5; and
- c) have been approved in accordance with the procedures provided for in point 391.5;

shall be recognised as approved for transport under customs seal.

391.5. The technical rules applying to containers which may be approved for transport under customs seal and the procedures concerning such approval shall be in accordance with those contained respectively in Part I and Part II of Annex 7 to the TIR Convention.

391.6. Where it is found that containers which have been approved do not comply with the technical rules referred to in point 391.5, or where a container has a major defect and so no longer complies with the standards under which it was approved for transport under customs seal, the customs office shall act in accordance with Annex 53.

392.

392.1. The temporary importation procedure shall be granted for normal spare parts, accessories and equipment, including the gear used to stow, secure or protect goods, imported with or separately from the means of transport for which they are intended.

392.2. Spare parts imported together with or separately from the means of transport for which they are intended shall be used solely to carry out minor repairs and routine maintenance of those means of transport.

392.3. Routine maintenance operations and repairs to means of transport which have become necessary during the journey to or within the customs territory of the Republic of Albania shall not constitute a change for the purposes of Article 157 of the Code and may be carried out during the period of temporary importation.

393. Admission of means of transport under the procedure shall be authorised without written application or authorisation.

394.

394.1. Means of transport where not declared to customs in writing or orally shall be entered for the temporary importation procedure by the act described in Point 1571.

394.2. Pursuant to Article 111 of the Code, the entry for the temporary importation procedure of means of transport which are not declared shall not be subject to the provision of a security.

394.3. By way of derogation from point 394.1, where the supervising customs office considers at the time of entry for the procedure or when carrying out controls that there is a serious risk of non-compliance with the obligation to re-export a means of transport, the temporary importation procedure shall apply subject to:

- a) production of a declaration made out in accordance with Point 130.1;
- b) in the case of containers, an oral declaration, accompanied by a list. The list shall indicate:
 - i) the name, business name and address of the operator or his representative;
 - ii) the means of identifying the containers;
 - iii) the number of containers and the quantity and type of normal spare parts, accessories and equipment.

394.4. Without prejudice to point 394.2, where the supervising customs office considers that point 394.3 applies and that the payment of the customs debt which may be incurred is not certain, the provision of a security shall be required.

395.

395.1. Means of transport entered for the temporary importation procedure upon discharge of the inward processing procedure shall be treated as means of transport which have been brought into the customs territory of the Republic of Albania.

395.2. The date of entry for the temporary importation procedure of the means of transport referred to in point 395.1 shall be the date on which they are first used under the procedure.

395.3. For the purposes of drawing up the bill of discharge provided for under the inward processing procedure, the user of the temporary importation procedure shall issue the holder of the inward processing authorisation with a certificate containing the information needed to draw up the bill of discharge.

396. Parts replaced following repairs or maintenance and new spare parts which are damaged or defective shall be assigned to a customs approved treatment or use permitted for the import goods.

397. In the case of means of rail transport and pallets used jointly under an agreement, the procedure shall also be discharged when means of rail transport of the same type or pallets of the same type as or equivalent value to those which were put at the disposal of a person established in the customs territory of the Republic of Albania are assigned to a permitted customs-approved treatment or use.

398.

398.1. Where means of transport are entered for the temporary importation procedure without any declaration, the procedure shall be discharged:

- a) in the case of re-exportation, in the manner referred to in Point 157.2;
- b) in the case of declaration for any other customs-approved treatment or use, in the manner specified for declarations for the treatment or use in question.

398.2. Where Point 394.3 has been applied, the temporary importation procedure shall be discharged in respect of the means of transport concerned by presenting the means of transport for a permitted customs-approved treatment or use together with the declaration by the time limit laid down by the customs office where the said document was produced or the declaration was lodged.

399. The customs authorities may revoke a temporary importation authorisation in respect of means of transport where, without prejudice to derogation provided for by this Chapter and without prejudice to the institution of criminal proceedings, it finds inter alia:

- a) that means of road transport for commercial use have been used in internal traffic,
- b) that means of transport for private use have been used for commercial purposes in internal traffic,
- c) that means of transport have been hired, lent or made available subsequent to their importation or, if they were on hire, on loan or made available at the time of importation, have been re-hired or sub-hired or lent or made available to another person in the customs territory of the Republic of Albania for any purpose other than immediate re-exportation.

Section 4

Special arrangements for discharge and commercial policy measures

400. For the purposes of this Chapter, it shall always be possible with the agreement of the customs authorities to abandon goods to the Exchequer in exceptional substantiated cases.

401.

401.1. Where Albanian legislation provide for commercial policy measures on:

- a) release of goods for free circulation, the said measures shall not apply on entry of the goods for the temporary importation procedure nor for such time as they remain under the procedure;
- b) goods brought into the customs territory of the Republic of Albania, the said measures shall apply when the goods are entered for the temporary importation procedure;
- c) exports, the said measures shall not apply when non-Albanian goods are re-exported from the customs territory of the Republic of Albania after being placed under the temporary importation procedure.

401.2. The release of import goods for free circulation shall be subject to the application by the customs authorities of any commercial policy measures in force for those goods at the time when the declaration for release for free circulation was accepted.

402. The General Directorate of Customs may lay down guidelines in the practical application of the temporary importation procedure.

Chapter VI

Outward processing

Section 1

General provisions

403. In accordance to Title IV, Chapter II, Section 3 G of the Code this chapter will lay down provisions in the implementing of the outward processing procedure.

Section 2

Authorising use of the procedure

404.

404.1. For the purposes of Article 168 (b) of the Code, the General Directorate of Customs shall satisfy themselves that it is possible to establish that the compensating products have been manufactured from temporary export goods, by means, in particular, of the following:

- a) the statement or description of special marks or manufacturer's numbers;
- b) the affixing of plombs, seals, clip-marks or other distinctive marks;
- c) the taking of samples, illustrations or technical descriptions;

- d) the carrying out of analyses;
- e) the examination of supporting documents relating to the transaction under consideration (such as contracts, correspondence or invoices) which show clearly that the compensating products are to be manufactured from the temporary export goods.

404.2. Where the procedure is requested for the repair of goods, whether or not with the standard exchange system, the General Directorate of Customs shall satisfy themselves that the temporary export goods are capable of being repaired. If the General Directorate of Customs consider that this condition is not fulfilled, they shall refuse authorisation.

404.3. Where the standard exchange system is requested, the General Directorate of Customs shall, inter alia, make use of the verification methods listed in point 404.1 (a), (c), (d) or (e). In the case of point 404.1 (e), supporting documents shall indicate clearly that the repair in question will be carried out by supplying a replacement complying with the conditions set out in Article 175 (1) of the Code.

404.4. For the purposes of point 404.3, the General Directorate of Customs shall, in particular, satisfy themselves that the use of the procedure to carry out a replacement as provided for in Article 174(1) of the Code is not authorised as a means of improving the technical performance of the goods. To that end they shall check:

- a) the contracts and other supporting documents relating to the repair, and
- b) the sales or leasing contracts and/or invoices relating to the temporary export goods or the goods incorporating temporary export goods, in particular the terms set out therein.

404.5. Where it is not possible to establish whether the compensating products will be manufactured from the temporary export goods and a request is made to the customs authorities for a derogation under Article 168(b) of the Code, the authorities shall submit the application to the Minister of Finance.

405.

405.1. The application shall be made in conformity with Point 234 and in accordance with the specimen in Annex 30, and presented by the person to whom the authorisation may be granted under Articles 109, 167 and 168 of the Code.

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

406.

406.1. Without prejudice to the simplified authorisation procedure, authorisations shall be issued by the General Directorate of Customs and shall be made out in accordance with the specimen in Annex 35.

406.2. Each authorisation should be accompanied by a form “*outward processing record export*” that should form an integrated part of each authorisation. The specimen of the outward processing record export is described in Annex 35. All entries should be registered in this form, in accordance with instructions issued by the General Directorate of Customs.

406.3. In duly substantiated exceptional cases, the General Directorate of Customs may issue a retroactive authorisation. The retroactive effect of such authorisation may not go back beyond the time when the application was lodged. This derogation shall not apply to standard exchange with prior importation.

407. An authorisation for use of the standard exchange system without prior importation may also be used for the reimportation of compensating products instead of the replacement products, provided that all the conditions are fulfilled. The persons concerned shall submit a request to this effect no later than the time the products are imported.

408. The period of validity of an authorisation shall be set by the General Directorate of Customs having regard to the economic conditions and the specific needs of the applicant. Where the period of validity exceeds two years, the economic conditions on the basis of which the authorisation was issued shall be reviewed periodically at intervals specified therein.

409.

409.1. The period within which compensating products must be reimported into the customs territory of the Republic of Albania shall be determined with reference to the time required to complete the processing operations and to transport the temporary export goods and the compensating products. This period shall be calculated from the date of acceptance of the declaration of entry for the procedure.

409.2. Under the standard exchange system without prior importation, the period within which replacement products must be imported into the customs territory of the Republic of Albania shall be determined with reference to the time required for the substitution of the temporary export goods and for transport of the temporary export goods and of the replacement products. This period shall be calculated from the date of acceptance of the declaration of entry for the procedure.

409.3. The reimportation of compensating products and the importation of replacement products shall be deemed to have been accomplished when the products are:

- a) released for free circulation, or
- b) placed in a free zone or free warehouse or under the customs warehousing or inward processing procedures,
- c) placed under the transit procedure.

409.4. The date to be taken into account for the application of this Point shall be the date of acceptance of the declaration for release for free circulation or the declaration entering the products for one of the customs-approved treatments or uses referred to in point 409.3, or the date of entry into a free zone or free warehouse.

410. Where circumstances so warrant the period for reimportation of compensating products and importation of replacement products under the standard exchange system without prior importation may be extended, even if the initial period has already expired.

411.

411.1. Where circumstances so warrant, the period referred to in Article 177 of the Code may be extended even after the original period has expired.

411.2. For the purposes of Article 177 (1) of the Code, the placing of goods in a free zone or free warehouse or under the customs warehousing procedure for subsequent export shall be treated as export.

412. The rate of yield referred to in Article 169 (2) of the Code shall be fixed no later than the time when the goods are entered for the procedure, taking into account the technical data concerning the operation or operations to be performed where these are available, or, where they are not, data available in the Republic of Albania relating to operations of the same type.

413.

413.1. For the purposes of Article 167 (2) of the Code, the authorisation for outward processing shall be issued at the request of the person exporting the temporary export goods even where he is not the person carrying out the processing operations. This derogation shall be requested in the application presented to the customs authorities. The authorisation shall be issued to the applicant. The derogation shall enable a person other than the holder of the authorisation to declare compensating products for free circulation and to be authorised to use the procedure.

413.2. The application must be accompanied by all supporting documents required for its examination.

413.3. When the General Directorate of Customs have all the necessary information they shall decide whether and on what conditions an authorisation may be issued, and shall in particular specify control measures to ensure that the relief referred to in Article 171 of the Code is granted only for compensating products in which the temporary export goods are actually incorporated.

414.

414.1. When the processing operations concern the repair of goods, a customs office empowered by the General Directorate of Customs to issue authorisations using the simplified procedure shall allow the lodging of the declaration of entry for the procedure to constitute an application for authorisation. In this case acceptance of the declaration shall constitute the authorisation, and the said acceptance shall be subject to the conditions governing the granting of the authorisation.

414.2. Declarations presented under point 414.1 shall be accompanied by a document made out by the declarant containing the following information, as necessary, unless such information can be entered in box 44 of the form used for the declaration itself:

- a) where the person applying to use the procedure is not the same as the declarant, the name or business name and address of the applicant;
- b) the trade and/or technical description of the compensating products;
- c) the nature of the processing operations;
- d) the time required to reimport the compensating products;
- e) the rate of yield or, where appropriate, the manner of establishing the rate of yield;
- f) the means of identification.

414.3. The lodging of the declaration using the simplified application procedure signed by the applicant shall indicate that the person concerned wishes to use the outward processing procedure and, without prejudice to the possible application of penal provisions, shall be responsible, under the provisions in force in the Republic of Albania, for:

- a) the accuracy of the information given in the declaration,
- b) the authenticity of the documents accompanying it, and
- c) compliance with all the obligations relating to the outward processing procedure.

414.4. The customs authorities shall keep the declaration and its annexes, together with any authorisation issued.

414.5. Where an authorisation is granted, the application, annexes and authorisation shall be kept by the customs authorities for at least three years from the end of the calendar year in which the authorisation expires.

414.6. Where an application is rejected or an authorisation is annulled or revoked, the application and either the decision rejecting the application or the authorisation, as the case may be, and all annexes shall be kept by the customs authorities for at least three years from the end of the calendar year in which the application was rejected or the authorisation was annulled or revoked.

415.

415.1. Where the processing operations concern repairs of a non-commercial nature, whether for a consideration or free of charge, the customs office designated by the General Directorate of Customs shall, at the request of the declarant, allow the declaration for release for free circulation to constitute the application for authorisation. In these cases, acceptance of the declaration shall constitute authorisation and the said acceptance shall be subject to the conditions governing the granting of the authorisation.

415.2. For the purposes of point 415.1 “*repairs of a non-commercial nature*” means repairs to goods, including restoring them to their original condition and putting them in order, which:

- a) are carried out on an occasional basis, and
- b) relate exclusively to goods for the personal use of the importer or his family, which do not by their nature or quantity reflect any commercial interest.

415.3. It shall be for the applicant to prove the non-commercial nature of the goods. The customs office shall not grant the facilities provided for in point 415.1 unless all the conditions are fulfilled.

Section 3

Operation of the procedure

416. The procedures governing the entry of goods for the outward processing procedure shall apply to temporary export goods, including temporary export goods used under the standard exchange system whether with prior importation or not.

417.

417.1. Except where the simplified authorisation procedure applies, the declaration entering temporary export goods for the outward processing procedure (export declaration) shall be lodged at one of the offices of entry for the procedure specified in the authorisation.

417.2. Where the simplified authorisation procedure applies, the declaration entering the procedure shall be lodged at a duly empowered customs office.

417.3. Each export declaration must contain the code EX 2 in box 1 of the declaration and reference to the number and date of the authorisation for outward processing in box 44. The form “*outward processing record, import*”, as described in Annex 35 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 re-imports should be registered in this form, in accordance with instructions issued by the General Directorate of Customs. The export 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 outward processing procedure.

418.

418.1. The declaration entering the outward processing procedure shall be made in accordance with the provisions laid down for exportation.

418.2. Without prejudice to the application simplified procedure concerning repairs of a non-commercial nature, the description of the goods in the declaration entering the outward processing procedure shall correspond to the specifications in the authorisation.

418.3. The declaration for entering the outward processing procedure shall be made in accordance with Points 121 to 161.

418.4. Without prejudice to the simplified application procedure, the description of the goods given in the declaration entering the outward processing procedure shall correspond to the specifications in the authorisation.

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

419. Without prejudice to Point 409 (running of period provided for in Article 169 (1) of the Code), entitlement to relief under the outward processing procedure shall be subject to the lodging of a declaration for release for free circulation.

420.

420.1. Except where simplified authorisations are applied, the declaration for release for free circulation shall be lodged at one of the offices of discharge specified in the authorisation.

420.2. Where the simplified authorisation concerning the repair of goods (commercial) is applied, the declaration for free circulation shall be lodged with the customs office which issued the authorisation.

420.3. Where the simplified authorisation concerning repair of goods (non-commercial) is applied, the declaration for release for free circulation shall be lodged with a customs office duly empowered by the General Directorate of Customs.

420.4. The declaration for release for free circulation referred to in point 420.1 and 420.3 shall be made in accordance with Points 121 to 161.

420.5. Without prejudice to the application of the simplified authorisation for repair of a non commercial nature, the description of the compensating products or replacement products in the declaration for free circulation shall correspond to the specifications in the authorisation.

420.6. For the purposes of Article 87 (2) of the Code, the documents to accompany the declaration shall be those whose production is necessary for the release of the goods for free circulation, as provided for in Points 142 to 146 and:

- a) a copy of the declaration of entry for the procedure, and
- b) where the declaration for release for free circulation is lodged after the expiry of the periods fixed in accordance with Article 169 (1) of the Code, and Point 409.3 is applied, any supporting documents making it possible to verify that the compensating or replacement products were assigned to the customs-approved treatments or uses within the said period.

420.7. Each declaration for free circulation finalising the outward processing procedure must contain the reference to the number and date of the authorisation for outward processing in box 44.

421.

421.1. Where the second sentence of Article 171 (2) of the Code is applied, the loading, transport and insurance costs for the temporary export goods to the place where the processing operation or the last such operation took place shall not be included in:

- a) the value of the temporary export goods which is taken into account when determining the customs value of the compensating products in accordance with Article 37 (1) (b) (i) of the Code,
- b) the processing costs, where the value of the temporary export goods cannot be determined by application of Article 37 (1) (b) (i) of the Code, referred to in the first indent.

421.2. The processing costs shall include the loading, transport and insurance costs for the compensating products from the place where the processing operation or the last processing operation took place to the place where they enter the customs territory of the Republic of Albania.

421.3. The repair costs referred to in Article 173 of the Code shall consist of the total payment made or to be made by the holder of the authorisation to or for the benefit of the person carrying out the repairs for the repairs carried out and shall include all payments made or to be made as conditions of the repair of the temporary export goods by the holder of the authorisation to the person carrying out the repairs or by the holder of the authorisation to satisfy an obligation of the person carrying out the repairs. Such payment need not necessarily take the form of a transfer of money. Payment may be made by way of letters of credit or negotiable instruments and may be made directly or indirectly.

422.

422.1. The proportion of temporary export goods incorporated in the compensating products shall be calculated by either using the quantitative scale method or the value scale method where all the compensating products, other than secondary compensating products which constitute waste, scrap, residues, offcuts and remainders resulting from a given processing operation are not released for free circulation at the same time.

422.2. The calculations using these methods shall be worked out on the basis of the examples set out in Annex 54 or by any other method giving the same results.

423.

423.1. Where one kind of compensating product only is derived from the outward processing operations from one or more kinds of temporary export goods, the quantitative scale method (compensating products) shall be used to determine the amount to be deducted on release for free circulation of the compensating products.

423.2. For the purposes of point 423.1, the quantity of each kind of temporary export goods corresponding to the quantity of compensating products released for free circulation to be taken into account for determining the amount to be deducted shall be calculated by applying to the total quantity of each kind of the said goods a coefficient corresponding to the ratio of the quantity of compensating products released for free circulation to the total quantity of compensating products.

424.

424.1. Where several kinds of compensating product are derived from the outward processing operations from one or more kinds of temporary export goods and all elements of the said goods are found in each of the different kinds of compensating product, the quantitative scale method (temporary export goods) shall be used to determine the amount to be deducted on the release for free circulation of the compensating products.

424.2. In deciding whether the method referred to in point 424.1 applies, no account shall be taken of losses.

424.3. In determining the proportion of temporary export goods, secondary compensating products which constitute waste, scrap, residues, offcuts and remainders shall be treated as losses.

424.4. Where point 424.1 is applied, the quantity of each kind of temporary export goods used in the manufacture of each kind of compensating product shall be determined by successively applying to the total quantity of each kind of temporary export goods a coefficient corresponding to the ratio of the quantity of the said goods found in each kind of compensating product to the total quantity of the said goods found in the compensating products as a whole.

424.5. The quantity of each kind of temporary export goods corresponding to the quantity of each kind of compensating product released for free circulation to be taken into account for determining the amount to be deducted shall be calculated by applying the coefficient corresponding to the ratio of the quantity of compensating products released for free circulation to the total quantity of compensating products to the quantity of each kind of temporary export goods used in the manufacture of each kind of the said products, calculated in accordance with point 424.4.

425.

425.1. Where the quantitative scale method do not apply, the value scale method shall be used. However, with the agreement of the holder of the authorisation and for the purposes of simplification, the customs authorities may apply the quantitative scale method (temporary export goods) instead of the value scale method where either method would give similar results.

425.2. In order to determine the quantity of each kind of temporary export goods used in the manufacture of each kind of compensating product, successive coefficients corresponding to the ratio of the customs value of each compensating product to the total customs value of those products shall be applied to the total quantity of temporary export goods.

425.3. Where one type of compensating product is not reimported, the value of such products for the purposes of the value scale shall be the recent selling price in the Republic of Albania of identical or similar products, provided such price is not influenced by a relationship between the buyer and seller. Point 55 shall apply for the appraisal of the relationship between the buyer and seller. If the value cannot be determined by application of the above provisions, it shall be determined by the customs authorities by any reasonable method.

425.4. The quantity of each kind of temporary export goods corresponding to the quantity of each kind of compensating product released for free circulation to be taken into account for determining the amount to be deducted shall be calculated by applying the coefficient corresponding to the ratio of the quantity of compensating products released for free circulation to the total quantity of compensating products to the quantity of each kind of temporary export goods used in the manufacture of those products, calculated in accordance with point 425.2.

426.

426.1. Commercial policy measures on exports shall apply at the time of acceptance of the declaration of entry for the procedure.

426.2. When the compensating products referred to in Article 165 (1) of the Code are released for free circulation, the specific commercial policy measures in force for such products at the time when the declaration for release for free circulation is accepted shall apply only where such products do not originate in the Republic of Albania within the meaning of Articles 29 and 30 of the Code.

426.3. Commercial policy measures for imports shall not apply where the standard exchange system is used, nor in the case of repairs or of additional processing operations to be carried out in accordance with Article 144 of the Code.

427. The General Directorate of Customs may lay down guidelines in the practical application of the outward processing procedure.

Title 4

Implementing provisions relating to export

Chapter I

Exportation

428. In accordance to Title IV, Chapter II, Section 4 of the Code this chapter will lay down provisions in the implementing of the export procedure.

429.

429.1. The exporter, within the meaning of Article 181 (4) of the Code, shall be considered to be the person on whose behalf the export declaration is made and who is the owner of the goods or has a similar right of disposal over them at the time when the declaration is accepted.

429.2. Where ownership or a similar right of disposal over the goods belongs to a person established outside the Republic of Albania pursuant to the contract on which the export is based, the exporter shall be considered to be the contracting party established in the Republic of Albania.

430. Where, for administrative reasons, the first sentence of Article 181 (4) of the Code cannot be applied, the declaration may be lodged with any customs office, which is competent for the operation in question.

431. Where there are duly justified good reasons accepted by the customs authorities, an export declaration may be accepted at a customs office other than that referred to in the first sentence of Article 181 (4) of the Code.

432. Duly justified good reasons means e.g. that the customs office responsible for supervising the place where the exporter is established is situated in the wrong direction and in a distance more than 30 km from the exporters premises. The exporter can in these cases lodge the export declaration at the first custom office on route to the border.

433.

433.1. The export declaration is made on the basis of the Single Administrative Document and copies 1, 2 and 3 of the form shall be used. The customs office where the export declaration has been lodged (customs office of export) shall stamp Box A and complete box D. On granting release of the goods, it shall retain copy 1, send copy 2 to the statistical office and return copy 3 to the person concerned.

433.2. Before releasing the goods, as a general rule, identification of the goods shall be ensured by sealing.

433.3. The following shall be sealed:

- a) the space containing the goods, where the means of transport has been approved under other rules or recognised by the customs office of export as suitable for sealing;
- b) each individual package, in other cases.

433.4. Means of transport may be recognised as suitable for sealing on condition that:

- a) seals can be simply and effectively affixed to them;
- b) they are so constructed that no goods can be removed or introduced without leaving visible traces of tampering or without breaking the seals;
- c) they contain no concealed spaces where goods may be hidden; and
- d) the spaces reserved for the load are readily accessible for inspection by the customs authorities.

433.5. The customs office of export may dispense with sealing if, having regard to other possible measures for identification, the description of the goods in the export declaration make them readily identifiable.

434.

434.1. Copy 3 of the Single Administrative Document and the goods released for export shall be presented to customs at the customs office of exit.

434.2. Customs office of exit means:

- a) in the case of goods exported by rail, post, air or sea, the customs office competent for the place where the goods are taken over under a single transport contract for transport to another country by the railway companies, the postal authorities, the airlines or the shipping companies;
- b) in the case of goods exported by pipeline and of electrical energy, the office designated by the General Directorate of Customs;
- c) in the case of goods exported by other means or in circumstances not covered by point 434.2 (a) and (b), the last customs office before the goods leave the customs territory of the Republic of Albania.

434.3. The customs office of exit shall satisfy itself that the goods presented correspond to those declared and shall supervise their physical departure. The normal indication that the presented goods correspond to those declared is that the attached seal is intact and shows no signs of tampering. The said office shall certify the physical departure of the goods by means of an endorsement on the back of Copy No 3 and shall give that copy to the person who presented it. The endorsement shall take the form of a stamp showing the name of the office and the date. Copy No 3 of the export declaration, endorsed in accordance with this paragraph can be used, upon request of other public Administration to prove that the goods covered by the Copy No 3 of the export declaration have been exported from the customs territory of the Republic of Albania. However, when point 434.8 is applied the return of Copy No 3 to the person who presented it shall not take place before the transit procedure is discharged.

434.4. Where the customs office of exit establishes that goods are missing, without prejudice to the institution of criminal proceedings it shall note the copy of the declaration presented and inform the customs office of export.

434.5. Where the customs office of exit establishes that there are goods in excess, without prejudice to the institution of criminal proceedings, it shall refuse exit to these goods until the export formalities have been completed.

434.6. When the customs office of exit establishes a discrepancy in the nature of the goods, without prejudice to the institution of criminal proceedings, it shall refuse exit until the export formalities have been completed, and shall also inform the customs office of export.

434.7. In the cases referred to in point 434.2 (a), the customs office of exit shall endorse copy 3 of the export declaration in accordance with point 434.3. The transit procedure must be used if the goods is unloaded or transhipped in another Albanian port, airport or railway station.

434.8. When export goods are sent to a customs office of exit under a transit procedure, the office of departure shall make the endorsement "*Export*", in red, on all copies of the transit document. The customs office of exit shall control the physical exit of the goods.

434.9. The customs office of export may ask the exporter to provide evidence that the goods have left the customs territory of the Republic of Albania.

435.

435.1. Goods not subject to prohibition or restriction and not exceeding 100.000 LEK in value per consignment and per declarant may be declared at the customs office of exit. This provision shall not apply when the person making the export declaration is acting as a professional customs agent on behalf of others.

435.2. Oral declarations may be made only at the customs office of exit.

436. Without prejudice to the export procedures used for products of sea-fishing and other products taken from the sea, where goods leave the customs territory of the Republic of Albania without an export declaration being lodged due to involuntary errors or omissions or other special circumstances, such declaration may be lodged retrospectively by the exporter at the customs office competent for the place where he is established. Acceptance of this declaration shall be subject to presentation by the exporter, to the satisfaction of the customs authorities of the customs office concerned, of evidence concerning the nature and quantity of the goods in question and the circumstances under which they left the customs territory of the Republic of Albania. That office shall also endorse copy 3 of the Single Administrative Document. Retrospective acceptance of the declaration shall not preclude application of the penalties in force.

437. Where goods released for export do not leave the customs territory of the Republic of Albania, the exporter shall immediately inform the customs office of export. Copy 3 of the declaration in question shall be returned to that office.

Chapter II

Export of products of sea-fishing and other products taken from the sea by Albanian fishing vessels without being landed in the Republic of Albania

438. The following procedure should be used if products of sea-fishing and other products taken from the sea is exported from the Republic of Albania without actually being landed there:

a) Upon return to the Republic of Albania the master of the fishing vessel must lodge an export declaration. Such declaration shall be lodged at the customs office competent for the place where he is established. Acceptance of this declaration shall be subject to presentation by the master, to the satisfaction

of the customs authorities of the customs office concerned, of evidence concerning the nature and quantity of the goods in question.

b) The said evidence should consist of an authorised copy of the customs declaration lodged at the country of destination.

c) That competent customs office shall endorse copy 3 of the Single Administrative Document in accordance with Point 433.3.

Chapter III

Temporary exportation using an ATA carnet

439.

439.1. An ATA carnet may be used for export where the following conditions are fulfilled:

a) the ATA carnet shall be issued in the Republic of Albania and endorsed and guaranteed by an association established in the Republic of Albania forming part of an international guarantee chain;

b) the ATA carnet shall be applicable only to Albanian goods:

i) in respect of which no request for repayment has been submitted;

c) the documents referred to in Point 221 must be presented. The customs authorities may require production of the transport document;

d) the goods must be intended for reimportation.

439.2. Where goods covered by an ATA carnet are entered for the purposes of temporary exportation, the customs office of export shall carry out the following formalities:

a) verify the information given in boxes A to G of the exportation voucher against the goods under cover of the carnet;

b) complete, where appropriate, the box on the cover page of the carnet headed "*Certificate by customs authorities*";

c) complete the counterfoil and box H of the exportation voucher;

d) enter its name in box H (b) of the reimportation voucher;

e) retain the exportation voucher.

439.3. If the customs office of export is not the office of exit, the customs office of export shall carry out the formalities referred to in point 439.2, but it shall not complete box 7 of the exportation counterfoil, which must be completed by the customs office of exit.

439.4. The time limit for reimportation of the goods laid down by the customs authorities in box H (b) of the exportation voucher may not exceed the validity of the carnet.

440. Where goods which left the customs territory of the Republic of Albania under cover of an ATA carnet are no longer intended to be reimported, an export declaration containing the particulars referred to in Annex 37 shall be presented to the customs office of export. On presentation of the carnet in question, the latter shall endorse copy 3 of the export declaration and shall invalidate the reimportation voucher and counterfoil.

441. The General Directorate of Customs may lay down guidelines in the practical application of the export procedure.

Title 5

Other customs-approved treatments or uses

Chapter I

Free zones and free warehouses

Section 1

General provisions

442. In accordance to Title IV, Chapter III, Section 1 of the Code this chapter will lay down provisions in the implementing of the free zone and free warehouse procedure.

443. Where Albanian legislation provide that commercial policy measures are to apply to:

- a) the release of goods for free circulation, such measures shall not apply when the goods are placed in a free zone or free warehouse nor for such time as the goods remain there;
- b) the entry of goods into the customs territory of the Republic of Albania, such measures shall apply when non-Albanian goods are placed in a free zone or free warehouse;
- c) the export of goods, such measures shall apply when Albanian goods in a free zone or free warehouse are exported from the customs territory of the Republic of Albania. Such goods shall be subject to supervision by the customs authorities.

444.

444.1. The perimeter enclosing free zones and the premises of free warehouses shall be such as to facilitate supervision by the customs authorities outside the free zone or free warehouse and prevent any goods being removed irregularly from the free zone or free warehouse. The area immediately outside the perimeter shall be such as to permit adequate supervision by the customs authorities. Access to the said area shall require the consent of the said authorities.

444.2. The developer of a free zone shall without cost to the government build and maintain fences and other protection decided by the General Directorate of Customs.

444.3. Customs authorities may decide when and where different sort of traffic may enter or exit a free zone.

444.4. The means of transport must upon request by a customs officer stop and make all parts of the means of transport available for customs control.

445. Without prejudice to the supervision referred to in Article 185 (1) of the Code, the customs authorities shall carry out the checks referred to in Article 185 (2) and (4) of the Code only at random or whenever they have reasonable doubts concerning compliance with the applicable legislation.

446. In the case of activities referred to in Article 192 (1) of the Code, the notification referred to in Article 189 (1) of the Code shall take the form of presentation of the application for approval of the stock records.

447. The operator shall take the necessary precautions to ensure that the persons he employs to carry on his activities comply with customs legislation.

448.

448.1. Before commencing activities in a free zone or a free warehouse, the operator shall obtain the customs authorities approval of the stock records referred to in Article 192 of the Code.

448.2. The approval of the stock records shall be accorded only to persons offering all the necessary guarantees concerning the application of the provisions on free zones and free warehouses.

449.

449.1. The application for approval stock records, hereinafter referred to as the “*application*”, shall be submitted in writing to the General Directorate of Customs.

449.2. The application shall specify which of the activities referred to in Article 192 (1) of the Code is envisaged. It shall include a detailed description of the stock records kept, or to be kept, the nature and customs status of the goods to which these activities relate, the customs procedure under which the activities are to be carried out, where applicable, and any other information needed by the customs authorities in order to ensure the proper application of the provisions governing free zones and free warehouses.

449.3. Applications and related documents shall be kept by the customs authorities for at least three years from the end of the calendar year in which the operator ceases activity in the free zone or free warehouse.

450. Approval of the stock records shall be issued in writing and shall be dated and signed. The applicant shall be notified of approval. A copy shall be kept by the customs authorities for at least three years from the end of the calendar year in which the operator ceases activity in the free zone or free warehouse.

451.

451.1. The customs authorities shall amend or revoke the approval of the stock records where they prohibit the person to whom the approval was issued from carrying on an activity in the free zone or free warehouse under Article 189 (2) or (3) of the Code.

451.2. Approval shall be revoked by the customs authorities where they find repeated disappearances of goods which cannot be explained to their satisfaction.

451.3. Once an approval has been revoked the activities to which the stock records relate may no longer be carried on in the free zone or free warehouse.

Section 2

Entry of goods into a free zone or a free warehouse

452. Without prejudice to Articles 185 (4) and 187 (2) of the Code, when goods arrive in a free zone or free warehouse they need not be presented nor shall a customs declaration be required. The arrival of any goods in the places used for the activity shall be entered immediately in the stock records.

453. The transport document referred to in Article 185 (4) of the Code shall be any document relating to transport, such as a waybill, delivery note, CMR, manifest or dispatch note, provided it gives all the information necessary for identification of the goods.

454.

454.1. Where goods placed under a customs procedure need to be presented to the customs authorities responsible for supervising the free zone pursuant to Article 187 (2) (a) of the Code, the relevant document must be presented with the goods.

454.2. Where the inward processing procedure or temporary importation procedure is discharged by placing of the compensating products or import goods under the transit procedure, followed by entry into a free zone or a free warehouse with a view to subsequent export from the customs territory of the Republic of Albania, the customs authorities shall carry out random checks to satisfy themselves that all relevant information are entered in the stock records. They shall also satisfy themselves that where goods are transferred from one operator to another within a free zone this is entered in the stock records of the operator receiving them.

455. Where a decision to repay or remit import duties authorises the placing of the goods in a free zone or a free warehouse, the customs authorities responsible for supervising the free zone/ free warehouse shall certify that the goods are placed in a free zone/free warehouse.

456. The entry into a free zone or a free warehouse of goods which are subject to export duties or other export provisions and which are required by the customs authorities under Article 187 (3) of the Code to be

brought to the attention of the customs office shall occasion neither presentation of a document on entry nor systematic and general controls on all goods entering.

457.

457.1. Where the customs authorities certify the Albanian or non-Albanian status of the goods, in accordance with Article 187 (4) of the Code, they shall use a form conforming to the model and provisions in Annex 55.

457.2. Where the entry of Albanian goods into a free zone or free warehouse needs to be certified, the customs authorities supervising the free zone may endorse the invoice relating to the goods, upon request of the person concerned.

Section 3

Operation of a free zone or a free warehouse

458.

458.1. The operator keeping the approved stock records shall enter therein all particulars necessary to check the proper application of customs legislation.

458.2. If the operator discovers that goods have disappeared other than by natural causes he shall notify the customs authorities.

458.3. The stock records shall include:

- a) particulars of marks, identifying numbers, number and kind of packages, the quantity and usual commercial description of the goods and, where relevant, the identification marks of the container;
- b) information enabling the goods to be monitored, in particular their location;
- c) reference particulars of the transport document used on entry and removal of the goods;
- d) indication of customs status;
- e) particulars of usual forms of handling;
- f) where the bringing of goods into a free zone or a free warehouse discharges either an inward processing procedure, a temporary importation procedure, or an transit procedure which itself discharges one of these procedures, one of the appropriate indications below:
 - i) *Inward Processing/Suspension Goods, Inward Processing/Drawback. Goods*” in red, or
 - ii) *“Temporary Admission Goods*” in red;
- g) particulars concerning goods which would not be subject upon release for free circulation or temporary importation to import duties or commercial policy measures, the use or destination of which must be checked.

458.4. Where accounts have to be kept for the purposes of a customs procedure, the information contained in those records need not appear in the stock records.

459. The usual forms of handling referred to in point (b) of the first paragraph of Article 190 of the Code are those defined in Annex 36.

Section 4

Exit of goods from a free zone or a free warehouse

460. Particulars of the removal of goods from the places used for the activity shall be entered immediately in the stock records.

461. In the case of the re-exportation of non-Albanian goods, which are not unloaded or which are transhipped within the meaning of Article 192 (2) of the Code, the notification referred to in Article 197 (3) of the Code shall not be required.

462. A victualling warehouse and a duty free shop may be set up, as a customs warehouse type C, in a free zone or a free warehouse.

Section 5

Procedures applicable where the inward processing procedure (suspension system) or procedure for processing under customs control is used in a free zone or free warehouse

463. Processing operations carried out under the inward processing procedure (suspension system) or the procedure for processing under customs control in a free zone or free warehouse shall not take place until the authorisation for the procedure in question has been granted. The authorisation shall specify the free zone or free warehouse where the operations will be carried out.

464. The customs authority shall withhold authorisation to use the procedures referred to in this Section where the necessary guarantees for the proper conduct of the operations are not afforded. The customs authorities may withhold authorisation from persons who do not frequently carry out inward processing operations or processing under customs control.

465.

465.1. The holder of the authorisation shall keep inward processing records or records of processing under customs control, which shall also contain a reference to the authorisation.

465.2. For the purpose of drawing up the bill of discharge, a reference to the entries in the records specified in point 465.1 shall replace the reference to the declarations and documents specified in the bill of discharge.

466. Where goods are placed under the inward processing procedure or the procedure for processing under customs control at the time when they are brought into the free zone or free warehouse, the normal procedures laid down in Points 121 to 161 shall apply.

467.

467.1. Where goods already in a free zone or free warehouse are placed under the inward processing procedure or the procedure for processing under customs control, the normal procedure laid down in Points 121 to 161 shall apply.

467.2. Reference particulars of the entry in the inward processing records or records of processing under customs control shall be recorded in the stock records of the free zone or free warehouse.

468.

468.1. The inward processing procedure or procedure for processing under customs control shall be discharged in respect of the compensating products, processed products or goods in the unaltered state situated in a free zone or free warehouse by the lodging of declaration in accordance with the normal procedure laid down in Points 121 to 161 and subsequently entry the particulars in the stock records of the free zone or free warehouse. Reference particulars of such entry shall also be recorded in the inward processing records or records of processing under customs control, as the case may be.

468.2. The indications "*Inward Processing /Suspension Goods*" in red shall be entered in the stock records of the free zone or free warehouse.

469.

469.1. Where the inward processing procedure, in respect of the compensating products or goods in the unaltered state, or the procedure for processing under customs control, in respect of the processed products or goods in the unaltered state, is discharged at the time of removal from the free zone or free warehouse by the re-export of those products or goods, the normal procedure laid down for this purpose shall apply.

469.2. Where the inward processing procedure, in respect of the compensating products or goods in the unaltered state, or the procedure for processing under customs control, in respect of the processed products or goods in the unaltered state, is discharged at the time of removal from the free zone or free warehouse by the release for free circulation of those products or goods, the normal procedure laid down for this purpose shall apply.

469.3. Where the inward processing procedure or procedure for processing under customs control is discharged at the time when the compensating products, processed products or goods in the unaltered state

are removed from the free zone or free warehouse to be entered for a procedure other than release for free circulation or export, the normal procedure laid down for that purpose shall apply.

470. The Albanian status of compensating or processed products or goods in the unaltered state released for free circulation in or on removal from a free zone or free warehouse shall be certified by the document referred to in Annex 55, to be issued by the customs authorities.

471. Entries in the inward processing records or records of processing under customs control must enable the customs authority to verify at any time the exact situation of all goods or products placed under one of the procedures in question or in the free zone or free warehouse.

472. The General Directorate of Customs may lay down guidelines in the practical application of the free zone and free warehouse procedure.

Chapter II

Re-exportation, destruction and abandonment

473. In accordance to Title IV, Chapter III, Section 2 of the Code this chapter will lay down provisions in the implementing of the re-exportation, destruction and abandonment procedures.

474. Where re-exportation is subject to a customs declaration, the provisions regarding export shall apply, without prejudice to particular provisions which may apply when the previous customs procedure with economic impact is discharged.

475.

475.1. For the purposes of Article 197 (3) of the Code, notification of destruction of goods shall be made in writing and signed by the person concerned. The single administrative document shall be used. The notification must be made in sufficient time to allow the customs authorities to supervise the destruction.

475.2. Where the goods in question are already the subject of a declaration accepted by the customs authorities, they shall make a reference to the destruction on the declaration and invalidate the declaration in accordance with Article 91 of the Code. The customs authorities present when the goods are destroyed shall specify on the form or declaration the type and quantity of any waste or scrap resulting from the destruction in order to determine the items of charge applicable to them and to be used when they are assigned another customs-approved treatment or use.

475.3. Point 475.1 and 475.2 shall apply “*mutatis mutandis*” to goods abandoned to the Exchequer.

476. The General Directorate of Customs may lay down guidelines in the practical application of the re-exportation, destruction and abandonment procedures.

PART III

EXEMPTIONS

Chapter I

General provisions

477.

In accordance to Article 199 of the Code this chapter will lay down provisions in those cases, owing to special circumstances, relief from import duties shall be granted when goods are released for free circulation.

477/1 * (DCM no. 1130, Dt. 05.08.08)

1. A Member of Parliament, during his 4-year term in office is relieved from the import duties of his vehicle used to conduct his activity as MP.
2. The right to relief is gained upon delivery of the document to the customs structures proving the owner of the vehicle is an MP.
3. The relief is gained at the moment the vehicle passed the customs under the name of the MP.
4. In cases of conveyance the vehicle to a third party, the MP clears the vehicle according to the value payable at the customs upon the vehicle's entrance into the customs territory. After payment of the duty, the MP is entitled to benefit from relief from the vehicle customs duties.
5. The MP could not have more than one vehicle relieved from customs duties for personal use.
6. The authorities in charge of these procedures are the competent customs authorities of the Republic of Albania.

478. Relief from import duties shall apply both to goods declared for free circulation coming directly from other countries and to goods declared for free circulation after having been subject to another customs procedure.

479. Where relief from import duties is granted conditional upon goods being put to a particular use by the recipient, only the competent customs authorities of the Republic of Albania may grant this relief.

480. The competent customs authorities of the Republic of Albania shall take all appropriate measures to ensure that goods placed in free circulation, where relief from import duties is granted conditional upon goods being put to a particular use by the recipient, may not be used for other purposes without the relevant import duties being paid unless such alternative use is in conformity with the conditions laid down by this regulation.

481. Where the same person simultaneously fulfils the conditions required for the grant of relief from import duties under different provisions of this regulation the provisions in question shall apply concurrently.

482. Where this regulation provides that the granting of relief shall be subject to the fulfilment of certain conditions, the person concerned shall, to the satisfaction of the competent customs authorities, furnish proof that these conditions have been met. When circumstances so require, the Director General may determine a different procedure for granting the authorisation for relief from customs duties (problems arise herein).

483. In the event of duty-free importation being granted within the limit of an amount determined in Lek, the sum arrived should be round-off.

484. Nothing in this provisions shall prevent the Republic of Albania from granting:

- a) relief pursuant to the Vienna convention on diplomatic relations of 18 April 1961, the Vienna convention on consular relations of 24 April 1963 or other consular conventions, or the New York convention of 16 December 1969 on special missions;
- b) relief under the customary privileges accorded by virtue of international agreements or headquarters agreements to which either another country or an international organisation is a contracting party, including the relief granted on the occasion of international meetings;
- c) relief under the customary privileges and immunities accorded in the context of international agreements concluded and the setting up of a cultural or scientific institute or organisation under international law;
- d) relief under the customary privileges and immunities accorded in the context of cultural, scientific or technical co-operation agreements concluded with other countries;
- e) special relief introduced under agreements concluded with other countries and providing for common measures for the protection of persons or of the environment;
- f) special relief introduced under agreements concluded with adjacent countries, justified by the nature of the frontier-zone trade with the countries in question.
- g) relief in the context of agreements entered into on the basis of reciprocity with other countries that are contracting parties to the convention on international civil aviation (Chicago 1944) for the purpose of implementing recommended practices 4.42 and 4.44 in Annex 9 to the convention.

Chapter II

Special circumstances where relief from import duty shall be granted

Section 1

Personal property belonging to natural persons transferring their normal place of residence from another country to Republic of Albania

485. Subject to Points 486 to 492, personal property imported by natural persons transferring their normal place of residence from another country to the customs territory of the Republic of Albania shall be admitted free of import duties. The form “*Customs relief for migrants property, form of assurance*” laid down in Annex 56 should be used.

486. The relief shall be limited to personal property which:

- a) except in special cases justified by the circumstances, has been in the possession of and, in the case of non-consumable goods, used by the person concerned at his former normal place of residence for a minimum of six months before the date on which he ceases to have his normal place of residence in the country of departure;
- b) is intended to be used for the same purpose at his new normal place of residence.
- c) in the case of motor vehicles, caravans, vessels and aircraft’s have to fulfil the following additional conditions:
 - i) the person concerned has been the registered owner for the motor vehicle, caravan, vessel or aircraft, where such registration is applicable, for at least 12 months before moving to the Republic of Albania;
 - ii) has belonged to the person concerned for at least 12 months before being brought into the customs territory of the Republic of Albania;
 - iii) has been used by the person concerned to a normal extent in another country for at least 12 months before being brought into the customs territory of the Republic of Albania;
 - iv) after being granted relief may not be transferred until two years after its submission to customs clearance unless payment is first made of any customs duty and other taxes for which relief has been granted.
 - v) relief from import duties shall be subject to the lodging of a security. The form and amount shall be determined by the competent customs authorities. The security shall be released after two years have elapsed following the submission to customs clearance, upon production of satisfactory evidence that the person concerned is and has been throughout this period of time, the registered owner of the motor vehicle, caravan, vessel or aircraft, for which relief was granted.

487. Relief may be granted only to persons whose normal place of residence has been outside the customs territory of the Republic of Albania for a continuous period of at least 12 months. However, the competent authorities may grant exceptions to the rule in the first sentence provided that the intention of the person concerned was clearly to reside outside the customs territory of the Republic of Albania for a continuous period of at least 12 months and transfers his normal place of residence from another country to the Republic of Albania as a result of exceptional political circumstances.

488. No relief shall be granted for:

- a) alcoholic products;
- b) tobacco or tobacco products;
- c) commercial means of transport;
- d) articles for use in the exercise of a trade or profession, other than portable instruments of the applied or liberal arts.

489. Except in special cases, relief shall be granted only in respect of personal property entered for free circulation within 12 months from the date of establishment, by the person concerned, of his normal place of residence in the customs territory of the Republic of Albania. The personal property may be released for free circulation in several separate consignments within the period referred to in the preceding sentence.

490.

490.1. Until 12 months have elapsed from the date on which its entry for free circulation was accepted, personal property which has been admitted duty-free may not be lent, given as security, hired out or transferred, whether for a consideration or free of charge, without prior notification to the competent customs authorities.

490.2. Any loan, giving as security, hiring out or transfer before the expiry of the period referred to in point 490.1 shall entail payment of the relevant import duties on the property concerned, at the rate applying on the date of such loan, giving as security, hiring out or transfer, on the basis of the type of property and the customs value ascertained or accepted on that date by the competent customs authorities.

491.

491.1. By way of derogation from Point 489, relief may be granted in respect of personal property entered for free circulation before the person concerned establishes his normal place of residence in the customs territory of the Republic of Albania, provided that he undertakes actually to establish his normal place of residence there within a period of six months. Such undertaking shall be accompanied by a security, the form and amount of which shall be determined by the competent authorities.

491.2. Where use is made of the provisions of point 491.1, the period laid down in Point 486 (a) shall be calculated from the date on which the personal property is brought into the customs territory of the Republic of Albania.

492. The competent customs authorities may derogate from Points 486(a) and (b), 488(c) and (d) and 490, when a person has to transfer his normal place of residence from another country to the customs territory of the Republic of Albania as a result of exceptional political circumstances.

Section 2

Goods imported on the occasion of a marriage

493.

493.1. Subject to Points 494 to 497, trousseaux and household effects, whether or not new, belonging to a person transferring his or her normal place of residence from another country to the customs territory of the Republic of Albania on the occasion of his or her marriage, shall be admitted free of import duties.

493.2. Subject to the same conditions, presents customarily given on the occasion of a marriage, which are received by a person fulfilling the conditions laid down in point 493.1 from persons having their normal place of residence in another country shall also be admitted free of import duties. The value of each present admitted duty-free may not, however, exceed 50.000 Lek

494. The relief referred to in Point 493 may be granted only to persons:

- a) whose normal place of residence has been outside the customs territory of the Republic of Albania for a continuous period of at least 12 months. However, derogation from this rule may be granted provided that the intention of the person concerned was clearly to reside outside the customs territory of the Republic of Albania for a continuous period of at least 12 months and transfers his normal place of residence from another country to the Republic of Albania as a result of exceptional political circumstances.;
- b) who produce evidence of their marriage.

495. No relief shall be granted for alcoholic products, tobacco or tobacco products.

496.

496.1. Save in exceptional circumstances, relief shall be granted only in respect of goods entered for free circulation:

- a) not earlier than two months before the date fixed for the wedding (in this case the relief shall be subject to the lodging of appropriate security, the form and amount of which shall be determined by the competent customs authorities), and
- b) not later than four months after the date of the wedding.

496.2. The goods referred to in Point 493 may be released for free circulation in several separate consignments within the period referred to in point 496.1.

497.

497.1. Until 12 months have elapsed from the date on which their entry for free circulation was accepted, goods which have been admitted duty-free under Point 493 may not be lent, given as security, hired out or transferred, whether for a consideration or free of charge, without prior notification to the competent customs authorities.

497.2. Any loan, giving as security, hiring out or transfer before the expiry of the 12 months period shall entail payment of the relevant import duties on the goods concerned, at the rate applying on the date of such

loan, giving as security, hiring out or transfer, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

Section 3

Personal property acquired by inheritance

498.

498.1. Subject to Points 499 to 501, personal property acquired by inheritance, by a natural person having his normal place of residence in the customs territory of the Republic of Albania shall be admitted free of import duties.

498.2. For the purposes of point 498.1, “*personal property*” means all the property referred to in point 12.2 (a) constituting the estate of the deceased.

499. No relief shall be granted for:

- a) alcoholic products;
- b) tobacco and tobacco products;
- c) commercial means of transport;
- d) articles for use in the exercise of a trade or profession, other than portable instruments of the applied or liberal arts, which were required for the exercise of the trade or profession of the deceased;
- e) stocks of raw materials and finished or semi-finished products;
- f) livestock and stocks of agricultural products exceeding the quantities appropriate to normal family requirements.

500.

500.1. Relief shall be granted only for personal property entered for free circulation not later than two years from the date on which the person concerned becomes entitled to the property (final settlement of the inheritance). However, this period may be extended by the competent customs authorities on special grounds.

500.2. The personal property may be imported in several separate consignments within the period referred to in point 500.1.

501. Points 498 to 500 shall apply “*mutatis mutandis*” to personal property acquired by inheritance by legal persons engaged in a non-profit making activity who are established in the customs territory of the Republic of Albania.

Section 4

School outfits, scholastic materials and other scholastic household effects

502.

502.1. Outfits, scholastic materials and household effects representing the usual furnishings for a student's room and belonging to foreign pupils or students coming to stay in the customs territory of the Republic of Albania for the purpose of studying there and intended for their personal use during the period of their studies shall be admitted free of import duties.

502.2. For the purposes of point 502.1:

- a) “*pupil or student*” means any person enrolled in an educational establishment in order to attend full-time the courses offered therein;
- b) “*outfit*” means underwear or household linen as well as clothing, whether or not new;
- c) “*scholastic materials*” means objects and instruments (including calculators and typewriters) normally used by pupils or students for the purposes of their studies.

503. Relief shall be granted at least once per school year.

Section 5

Consignments of negligible value

504.

504.1. Subject to Point 505, any consignments made up of goods of negligible value dispatched direct from another country to a consignee in the Republic of Albania shall be admitted free of import duties.

504.2. “*Goods of negligible value*” means goods the intrinsic value of which does not exceed a total of 10 000 Lek per consignment.

505. The relief shall not apply to the following:

- a) alcoholic products;
- b) perfumes and toilet waters;
- c) tobacco or tobacco products.

Section 6

Goods contained in travellers' personal luggage

506.

506.1. Subject to Points 507 to 510, goods contained in the personal luggage of travellers coming from another country shall be admitted free of import duties, provided such imports are of a non-commercial nature.

506.2. For the purposes of point 506.1:

a) "*personal luggage*" means the whole of the luggage which a traveller is in a position to submit to the customs authorities on his arrival in the customs territory of the Republic of Albania, as well as any luggage submitted to this same authority at a later date, provided that evidence can be produced to prove that it was registered, at the time of the traveller's departure, as accompanied luggage with the company which transported it into the customs territory of the Republic of Albania from the country of departure. Without prejudice to Point 549.1 (b), portable containers holding fuel shall not constitute personal luggage;

b) "*imports of a non-commercial nature*" means imports which:

i) are of an occasional nature, and

ii) consist exclusively of goods for the personal use of the travellers or their families, or of goods intended as presents; the nature and quantity of such goods should not be such as might indicate that they are being imported for commercial reasons.

507.

507.1. The relief referred to in Point 506.1 shall, in respect of the goods listed below, apply subject to the following quantitative limits per traveller:

a) tobacco products:

200 cigarettes, or

100 cigarillos (cigars of a maximum weight of three grams each), or

50 cigars, or

250 grams of smoking tobacco, or a proportional assortment of these different products;

b) alcohol's and alcoholic beverages:

i) distilled beverages and spirits of an alcoholic strength by volume exceeding 22 % volume; non-denatured ethyl alcohol of 80 % volume and over: one litre, or

ii) distilled beverages and spirits, and aperitifs with a wine or alcoholic base, tafia, sake, or similar beverages, of an alcoholic strength by volume not exceeding 22 % volume; sparkling wines, liqueur wines: two litres, or a proportional assortment of these different products and

iii) still wines: two litres;

c) perfumes: 50 grams or toilet waters: 0,25 litre;

d) medicinal products: the quantity required to meet travellers personal needs.

507.2. No relief for the goods referred to in point 507.1 (a) shall be granted to travellers under 15 years old.

507.3. No relief for the goods referred to in point 507.1 (b) shall be granted to travellers under 18 years old.

508. The relief referred to in Point 506 shall be granted up to a total value of 30 000 Lek per traveller to goods other than those listed in Point 507. This amount is reduced to 15 000 Lek for travellers under 15 years of age

509. Where the total value per traveller of two or more items exceeds the amounts referred to in Point 508, relief up to those amounts shall be granted for such of the items as would, if imported separately, have been granted relief, it being understood that the value of an individual item cannot be split up.

510.

510.1. The Minister of Finance may reduce the value and/or the quantities of goods allowed to enter duty-free if they are imported by:

- a) persons residing in the frontier zone,
- b) frontier workers,
- c) the crews of means of transport used between other countries and the Republic of Albania.

510.2. These restrictions shall not apply where persons having their residence in the frontier zone of the adjacent country. They shall, however, still apply to frontier workers and to the crew of means of transport used between other countries and the Republic of Albania where they import goods when travelling in the course of their work.

510.3. For the purposes of applying the provisions of point 510.1:

- a) “*frontier zone*” means, without prejudice to existing conventions in this respect, a zone which, as the crow flies, does not extend more than 10 kilometres from the frontier.
- b) “*frontier worker*” means any person whose normal activities require that he should go to the other side of the frontier on his work days.

Section 7

Laboratory animals and biological or chemical substances intended for research

511.

511.1. Relief from import duties shall be granted for animals specially prepared for laboratory use.

511.2. The relief referred to in point 511.1 shall be limited to animals which are intended for:

- a) either public establishments principally engaged in education or scientific research and those departments of public establishments which are principally engaged in education or scientific research, or
- b) private establishments principally engaged in education or scientific research and authorised by the competent customs authorities of the Republic of Albania to receive such articles duty-free.

Section 8

Therapeutic substances of human origin and blood-grouping and tissue-typing reagents; human organs for transplantation

512.

512.1. Subject to Point 513, the following shall be admitted free of import duties:

- a) therapeutic substances of human origin;
- b) blood-grouping reagents;
- c) tissue-typing reagents.
- d) human organs for transplantation

512.2. For the purposes of point 512.1:

- a) “*therapeutic substances of human origin*” means human blood and its derivatives (whole human blood, dried human plasma, human albumin and fixed solutions of human plasmic protein, human immunoglobulin and human fibrinogen),
- b) “*blood-grouping reagents*” means all reagents, whether of human, animal, plant or other origin used for blood-type grouping and for the detection of blood incompatibilities,
- c) “*tissue-typing reagents*” means all reagents whether of human, animal, plant or other origin used for the determination of human tissue-types.

513. Relief shall be limited to therapeutic substances of human origin and blood-grouping and tissue-typing reagents which:

- a) are intended for institutions or laboratories approved by the competent customs authorities, for use exclusively for non-commercial medical or scientific purposes;
- b) are accompanied by a certificate of conformity issued by a duly authorised body in the country of departure;
- c) are in containers bearing a special label identifying them.

514. Relief shall be limited to human organs for transplantation which:

- a) are intended for hospitals or other medical institutions, for the exclusive use of transplantation purposes;
- b) are accompanied by a certificate issued by a duly authorised body in the country of departure;
- c) are in containers bearing a special label identifying them.

515. Relief shall include the special packaging essential for the transport of therapeutic substances of human origin or blood-grouping or tissue-typing reagents or human organs and also any solvents and accessories needed for their use which may be included in the consignments whether imported together with the products or separately.

Section 9

Reference substances for the quality control of medicinal products

516. Consignments which contain samples of reference substances approved by the world health organisation for the quality control of materials used in the manufacture of medicinal products and which are addressed to consignees authorised by the competent customs authorities of the Republic of Albania states to receive such consignments free of duty shall be admitted free of import duties.

Section 10

Pharmaceutics products used at international sports events

517. Pharmaceutical products for human or veterinary medical use by persons or animals coming from other countries to participate in international sports events organised in the customs territory of the Republic of Albania, shall, within the limits necessary to meet their requirements throughout their stay in that territory, be admitted free of import duties.

Section 11

Goods for charitable organisations, philanthropic organisations or assistance purposes for charity organisations, religious institutions, public entities, as well as budget funded state entities

518. * (DCM 341, Dt. 07.07.2000)

*** (DCM no. 547, Dt. 01.05.08)**

518.1. Subject to Points 520 and 521, the following shall be admitted free of import duties, in so far as this does not give rise to abuses or major distortions of competition:

- a) basic necessities imported by charitable, philanthropic or religious organisations, public entities as well as budget funded state entities approved by the competent customs authorities for distribution free of charge to needy persons;
- b) equipment and office materials sent free of charge, by a person or an organisation established outside the customs territory of the Republic of Albania, and without any commercial intent on the part of the sender, to charitable, philanthropic or religious organisations, public entities as well as budget funded state entities approved by the competent customs authorities, to be used solely for the purpose of meeting their operating needs or carrying out their charitable or philanthropic aims.
- c). Materials and equipment sent for the building and reconstruction of religious worshipping buildings, religious institutions and other goods necessary to be used by these institutions only for purposes of religious activities. * (DCM 341, Dt. 07.07.2000)
- d). Materials and equipment sent for the building and reconstruction of water supplies, power plants, schools, hospitals financed by religious institutions. * (DCM 341, Dt. 07.07.2000)
- e). Sundry goods sent free of charge by a person or organization situated outside of the customs territory of the Republic of Albania without any commercial intent on the part of the sender to charitable, philanthropic organizations or state entities approved by the competent customs authorities to be used for collection of funds in special charity events for the persons in need. * (DCM no. 547, Dt. 01.05.08)

518.2. For the purposes of point 518.1 (a), “*basic necessities*” means those goods required to meet the immediate needs of human beings, e.g. food, medicine, clothing and bed-clothes.

519. No relief shall be granted for:

- a) alcoholic products;
- b) tobacco or tobacco products;
- c) coffee and tea;
- d) motor vehicles other than ambulances and other emergency vehicles.

520. Relief shall be granted only to organisations the accounting procedures of which enable the competent customs authorities to supervise their operations and which offer all the guarantees considered necessary.

521.

521.1. The organisation benefiting from the relief may not lend, hire out or transfer, whether for a consideration or free of charge, the goods and equipment referred to in Point 529 for purposes other than those laid down in .1(a) and (b) of that point without prior notification to the competent customs authorities.

521.2. Should goods and equipment be lent, hired out or transferred to an organisation entitled to benefit from relief pursuant to Points 518 and 520, the relief shall continue to be granted provided the latter uses the goods and equipment for purposes which confer the right to such relief. In other cases, loan, hiring out or transfer shall be subject to prior payment of import duties, at the rate applying on the date of the loan, hiring out or transfer, on the basis of the type of goods or equipment and the customs value ascertained or accepted on that date by the competent customs authorities.

522.

522.1. Organisations referred to in Point 518 which cease to fulfil the conditions giving entitlement to relief, or which are proposing to use goods and equipment admitted duty-free for purposes other than those provided for by that Point, shall so inform the competent customs authorities.

522.2. Goods and equipment remaining in the possession of organisations which cease to fulfil the conditions giving entitlement to relief shall be liable to the relevant import duties at the rate applying on the date on which those conditions cease to be fulfilled, on the basis of the type of goods and equipment and the customs value as ascertained or accepted on that date by the competent customs authorities.

522.3. Goods and equipment used by the organisation benefiting from the relief for purposes other than those provided for in Point 518 shall be liable to the relevant import duties at the rate applying on the date on which they are put to another use, on the basis of the type of goods and equipment and the customs value as ascertained or accepted on that date by the competent customs authorities.

523. * (DCM no. 547, Dt. 01.05.08)

1. Without prejudice to points 524 - 528, goods imported by charitable, philanthropic or religious organisations, public entities as well as budget funded state entities approved by the competent customs authorities shall be admitted free of import duties where they are intended:

- a) for distribution free of charge to victims of disasters affecting the territory of the Republic of Albania; or
- b) to be made available free of charge to the victims of such disasters, while remaining the property of the organisations in question.

2 Goods imported for free circulation by the approved agencies, associations or structures to mitigate the disaster consequences, to meet their needs during the time of activity shall be relieved of the import duties according to the conditions laid down in point 523.1. * (DCM no. 547, Dt. 01.05.08)

Subject to Points 524 to 528, goods imported by charitable, philanthropic or religious organisations, public entities as well as budget funded state entities approved by the competent customs authorities shall be admitted free of import duties where they are intended:

- a) for distribution free of charge to victims of disasters affecting the territory of the Republic of Albania; or
- b) to be made available free of charge to the victims of such disasters, while remaining the property of the organisations in question.

524. No relief shall be granted for materials and equipment intended for rebuilding disaster areas.

525. Relief shall be granted only to organisations the accounting procedures of which enable the competent customs authorities to supervise their operations and which offer all the guarantees considered necessary.

526.

526.1. The organisations benefiting from the relief may not lend, hire out or transfer, whether for consideration or free of charge, the goods referred to in Point 523 under conditions other than those laid down in that point without prior notification thereof to the competent customs authorities.

526.2. Should goods be lent, hired out or transferred to an organisation itself entitled to benefit from relief pursuant to Point 523, the relief shall continue to be granted, provided the latter uses the goods for purposes which confer the right to such relief. In other cases, loan, hiring out or transfer shall be subject to prior payment of import duties at the rate applying on the date of the loan, hiring out or transfer, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

527.

527.1. The goods referred to in Point 523 (b), after they cease to be used by disaster victims, may not be lent, hired out or transferred, whether for a consideration or free of charge, unless the competent customs authorities are notified in advance.

527.2. Should goods be lent, hired out or transferred to an organisation itself entitled to benefit from relief pursuant to Point 523 or, if appropriate, to an organisation entitled to benefit from relief pursuant to Point 518.1 (a), the relief shall continue to be granted, provided such organisations use them for purposes which confer the right to such relief. In other cases, loan, hiring out or transfer shall be subject to prior payment of import duties at the rate applying on the date of the loan, hiring out or transfer, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

528.

528.1. Organisations referred to in Point 523 which cease to fulfil the conditions giving entitlement to relief, or which are proposing to use the goods admitted duty-free for purposes other than those provided for by that Point, shall so inform the competent customs authorities.

528.2. In the case of goods remaining in the possession of organisations which cease to fulfil the conditions giving entitlement to relief, when these are transferred to an organisation itself entitled to benefit from relief pursuant to Point 523 or, if appropriate, to an organisation entitled to benefit from relief pursuant to Point 518.1 (a), relief shall continue to be granted, provided the organisation uses the goods in question for purposes which confer the right to such relief. In other cases, the goods shall be liable to the relevant import duties at the rate applying on the date on which those conditions cease to be fulfilled, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

528.3. Goods used by the organisation benefiting from the relief for purposes other than those provided for in Point 523 shall be liable to the relevant import duties at the rate applying on the date on which they are put to another use, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

529.

529.1. Instruments and apparatus intended for medical research, establishing medical diagnoses or carrying out medical treatment which are donated either by a charitable or philanthropic organisation or by a private individual to health authorities, hospital departments or medical research institutions approved by the competent customs authorities of the Republic of Albania to receive such articles duty free, or which are purchased by such health authorities, hospitals or medical research institutions entirely with funds supplied by a charitable or philanthropic organisation or with voluntary contributions, shall be admitted free of import duties, always provided that it is established that:

- a) the donation of the instruments or apparatus in question does not conceal any commercial intent on the part of the donor; and
- b) the donor is in no way connected with the manufacturer of the instruments or apparatus for which relief is requested.

529.2. The relief shall also apply, subject to the same conditions, to:

- a) spare parts, components or accessories specifically suitable for the above instruments or apparatus, provided that these spare parts, components or accessories are imported at the same time as such instruments and apparatus or, where they are imported subsequently, that they can be identified as being intended for instruments or apparatus previously admitted duty free;
- b) tools to be used for the maintenance, checking, calibration or repair of instruments or apparatus, provided that these tools are imported at the same time as such instruments and apparatus or, where they are imported subsequently, that they can be identified as being intended for instruments or apparatus previously admitted duty free.

Section 12

Honorary decorations or awards

530. On production of satisfactory evidence to the competent customs authorities by the persons concerned, and provided the operations involved are not in any way of a commercial character, the following shall be admitted free of import duties:

- a) decorations conferred by governments of other countries on persons whose normal place of residence is in the customs territory of the Republic of Albania;
- b) cups, medals and similar articles of an essentially symbolic nature which, having been awarded in another country to persons having their normal place of residence in the customs territory of the Republic of Albania as a tribute to their activities in fields such as the arts, the sciences, sport or the public service or as in recognition for merit at a particular event, are imported into the Republic of Albania by such persons themselves;

c) cups, medals and similar articles of an essentially symbolic nature which are given free of charge by authorities or persons established in another country to be presented in the customs territory of the Republic of Albania for the same purposes as those referred to in (b) of this point;

d) awards, trophies and souvenirs of a symbolic nature and of limited value intended for distribution free of charge to persons normally resident in other countries at business conferences or similar international events; their nature, unitary value or other features, must not be such as might indicate that they are being imported for commercial reasons.

Section 13

Presents received in the context of international relations

**531. * (DCM no. 367, Dt. 18.07.2002
DCM no. 791, Dt. 16.12.2005)**

Without prejudice, where relevant, to Points 506 to 510, and subject to Points 532 and 533 below, relief shall be granted for goods:

a) imported into the customs territory of the Republic of Albania by persons who have paid an official visit to another country and who have received them on this occasion as gifts from the host authorities;

b) imported into the customs territory of the Republic of Albania by persons coming to pay an official visit in the Republic of Albania and who intend to offer them on that occasion as gifts to the host authorities;

c) sent as gifts, in token of friendship or goodwill, by an official body, public authority or group, carrying on an activity in the public interest which is located in another country, to an official body, public authority or group carrying on an activity in the public interest which is located in the customs territory of the Republic of Albania and approved by the competent customs authorities to receive such articles free of duty.

d) Presence for use in the military units, the Armed Forces, and the State Police structures such as instruments, devices and their parts, underwear, logistic and health material, machinery and equipment

. * (DCM no. 367, Dt. 18.07.2002 and DCM no. 791, Dt. 16.12.2005) **532.** No relief shall be granted for alcoholic products, tobacco or tobacco products.

533. Relief shall be granted only:

a) where the articles intended as gifts are offered on an occasional basis,

b) where they do not, by their nature, value or quantity, reflect any commercial interest,

c) if they are not used for commercial purposes.

Section 14

Goods to be used by heads of state

534.

534.1. The following shall be admitted free of import duties, within the limits and under the conditions laid down by the General Directorate of Customs:

- a) gifts to heads of state;
- b) goods to be used or consumed by heads of state of other countries, or persons officially representing them, during their official stay in the customs territory of the Republic of Albania. However, relief may be made subject, by the member state of importation, to reciprocal treatment.

534.2. The provisions of point 534.1 are also applicable to persons enjoying prerogatives at international level analogous to those enjoyed by reigning monarchs or heads of state.

Section 15

Goods imported for trade promotion purposes

535.

535.1. Without prejudice to Point 539.1(a), samples of goods which are of negligible value and can be used only to solicit orders for goods of the type they represent with a view to their being imported into the customs territory of the Republic of Albania shall be admitted free of import duties.

535.2. The competent customs authorities may require that certain articles, to qualify for relief, be rendered permanently unusable by being torn, perforated, or clearly and indelibly marked, or by any other process, provided such operation does not destroy their character as samples.

535.3. For the purposes of point 535.1, "*samples of goods*" means any article representing a type of goods whose manner of presentation and quantity, for goods of the same type or quality, rule out its use for any purpose other than that of seeking orders.

536. Subject to Point 537, printed advertising matter such as catalogues, price lists, directions for use or brochures shall be admitted free of import duties, provided that they relate to:

- a) goods for sale or hire, or
- b) transport, commercial insurance or banking services offered by a person established outside the customs territory of the Republic of Albania.

537. The relief referred to in Point 536 shall be limited to printed advertisements which fulfil the following conditions:

- a) printed matter must clearly display the name of the undertaking which produces, sells or hires out the goods, or which offers the services to which it refers;

- b) each consignment must contain no more than one document or a single copy of each document if it is made up of several documents. Consignments comprising several copies of the same document may nevertheless be granted relief, provided their total gross weight does not exceed one kilogram;
- c) printed matter may not be the subject of grouped consignments from the same consignor to the same consignee.

538. Articles for advertising purposes, of no intrinsic commercial value, sent free of charge by suppliers to their customers, which, apart from their advertising function, are not capable of being used otherwise, shall also be admitted free of import duties.

539.

539.1. Subject to Points 540 to 543, the following shall be admitted free of import duties:

- a) small representative samples of goods manufactured outside the customs territory of the Republic of Albania intended for a trade fair or similar event;
- b) goods imported solely in order to be demonstrated or in order to demonstrate machines and apparatus, manufactured outside the customs territory of the Republic of Albania and displayed at a trade fair or similar event;
- c) various materials of little value such as paints, varnishes, wallpaper, etc., used in the building, fitting-out and decoration of temporary stands occupied by representatives of other countries at a trade fair or similar event, which are destroyed by being used;
- d) printed matter, catalogues, prospectuses, price lists, advertising posters, calendars, whether or not illustrated, unframed photographs and other articles supplied free of charge in order to advertise goods manufactured outside the customs territory of the Republic of Albania and displayed at a trade fair or similar event.

539.2. For the purposes of point 539.1, "*trade fair or similar event*" means:

- a) exhibitions, fairs, shows and similar events connected with trade, industry, agriculture or handicrafts;
- b) exhibitions and events held mainly for charitable reasons;
- c) exhibitions and events held mainly for scientific, technical, handicraft, artistic, educational or cultural, or sporting reasons, for religious reasons or for reasons of worship, trade union activity or tourism, or in order to promote international understanding;
- d) meetings of representatives of international organisations or collective bodies;
- e) official or commemorative ceremonies and gatherings, but not exhibitions staged for private purposes in commercial stores or premises to sell goods of other countries.

540. The relief referred to in Point 539.1 (a) shall be limited to samples which:

- a) are imported free of charge as such from other countries or are obtained at the exhibition from goods imported in bulk from those countries;

- b) are exclusively distributed free of charge to the public at the exhibition for use or consumption by the persons to whom they have been offered;
- c) are identifiable as advertising samples of low unitary value;
- d) are not easily marketable and, where appropriate, are packaged in such a way that the quantity of the item involved is lower than the smallest quantity of the same item actually sold on the market;
- e) in the case of foodstuffs and beverages not packaged as mentioned in (d)above, are consumed on the spot at the exhibition;
- f) in their total value and quantity, are appropriate to the nature of the exhibition, the number of visitors and the extent of the exhibitor's participation.

541. The relief referred to in 539.1 (b) shall be limited to goods which are appropriate, in their total value and quantity, to the nature of the exhibition, the number of visitors and the extent of the exhibitor's participation.

542. The relief referred to in Point 539.1 (d) shall be limited to printed matter and articles for advertising purposes which:

- a) are intended exclusively to be distributed free of charge to the public at the place where the exhibition is held;
- b) in their total value and quantity, are appropriate to the nature of the exhibition, the number of visitors and the extent of the exhibitor's participation.

543. The relief referred to in Point 539.1 (a) and (b) shall not be granted for:

- a) alcoholic products;
- b) tobacco or tobacco products;
- c) fuels, whether solid, liquid or gaseous.

Section 16

Consignments sent to organisations protecting copyrights or industrial and commercial patent rights

544. Trademarks, patterns or designs and their supporting documents, as well as applications for patents for invention or the like, to be submitted to the bodies competent to deal with the protection of copyrights or the protection of industrial or commercial patent rights , shall be admitted free of import duties.

Section 17

Tourist information literature

545. The following shall be admitted free of import duties:

- a) documentation (leaflets, brochures, books, magazines, guidebooks, posters whether or not framed, unframed photographs and photographic enlargements, maps whether or not illustrated, window transparencies, and illustrated calendars) intended to be distributed free of charge and the principal purpose of which is to encourage the public to visit foreign countries, in particular in order to attend cultural, tourist, sporting, religious or trade or professional meetings or events, provided that such literature contains not more than 25 % of private commercial advertising matter, excluding all private commercial advertising for Republic of Albania firms, and that the general nature of its promotional aims is evident;
- b) foreign hotel lists and yearbooks published by the official tourist agencies, or under their auspices, and timetables for foreign transport services, where such literature is intended to be distributed free of charge and contains not more than 25% of private commercial advertising, excluding all private commercial advertising for Republic of Albania firms;
- c) reference material supplied to accredited representatives or correspondents appointed by official national tourist agencies and not intended for distribution, viz. yearbooks, lists of telephone or telex numbers, hotel lists, fairs catalogues, specimens of craft goods of negligible value, and literature on museums, universities, spas or other similar establishments.

Section 18

Miscellaneous documents and articles

546. The following shall be admitted free of import duties:

- a) documents sent free of charge to the public services of the Republic of Albania;
- b) publications of foreign governments and publications of official international bodies intended for distribution without charge;
- c) ballot papers for elections organised by bodies set up in other countries;
- d) objects to be submitted as evidence or for like purposes to the courts or other official agencies of the Republic of Albania;
- e) specimen signatures and printed circulars concerning signatures sent as part of customary exchanges of information between public services or banking establishments;
- f) official printed matter sent to the central banks of the Republic of Albania;
- g) reports, statements, notes, prospectuses, application forms and other documents drawn up by companies registered in another country and sent to the bearers or subscribers of securities issued by such companies;

- h) recorded media (punched cards, sound recordings, microfilms, etc.) used for the transmission of information sent free of charge to the addressee, in so far as duty-free admission does not give rise to abuses or to major distortions of competition;
- i) files, archives, printed forms and other documents to be used in international meetings, conferences or congresses, and reports on such gatherings;
- j) plans, technical drawings, traced designs, descriptions and other similar documents imported with a view to obtaining or fulfilling orders in other countries or to participating in a competition held in the customs territory of the Republic of Albania;
- k) documents to be used in examinations held in the customs territory of the Republic of Albania by institutions set up in other countries;
- l) printed forms to be used as official documents in the international movement of vehicles or goods, within the framework of international conventions;
- m) printed forms, labels, tickets and similar documents sent by transport undertakings or by undertakings of the hotel industry in another country to travel agencies set up in the customs territory of the Republic of Albania;
- n) printed forms and tickets, bills of lading, way-bills and other commercial or office documents which have been used;
- o) official printed forms from other country or international authorities, and printed matter conforming to international standards sent for distribution by other country associations to corresponding associations located in the customs territory of the Republic of Albania;
- p) photographs, slides and stereotype mats for photographs, whether or not captioned, sent to press agencies or newspaper or magazine publishers.
- q) tax and similar stamps proving payment of charges in other countries.
- r) banknotes and coins that are legal tender, sent to banks or state bodies in the Republic of Albania.

Section 19

Ancillary materials for the stowage and protection of goods during their transport

547. The various materials such as rope, straw, cloth, paper and cardboard, wood and plastics which are used for the stowage and protection - including heat protection - of goods during their transport from another country to the customs territory of the Republic of Albania, not normally reusable, shall be admitted free of import duties.

Section 20

Litter, fodder and feeding stuffs for animals during their transport

548. Litter, fodder and feeding stuffs of any description put on board the means of transport used to convey animals from another country to the customs territory of the Republic of Albania for the purpose of distribution to the said animals during the journey shall be admitted free of import duties.

Section 21

Fuel and lubricants present in land motor vehicles and special tanks

*** (DCM no. 547, Dt. 01.05.08)**

549.

549.1. Subject to the provisions of Points 550 to 553:

- a) fuel contained in the standard tanks of
 - i) private and commercial motor vehicles and motor cycles
 - ii) special container entering the customs territory of the Republic of Albania* **(DCM no. 547, Dt. 01.05.08)**
- b) fuel contained in portable tanks carried by private motor vehicles and motor cycles, with a maximum of 10 litres per vehicle and without prejudice to national provisions on the holding and transport of fuel;

shall be admitted free of import duties.

549.2. For the purposes of point 549.1:

- a) “*commercial motor vehicle*” means any motorised road vehicle (including tractors with or without trailers) which by its type of construction and its equipment is designed for and capable of transporting, whether for payment or not:
 - i) more than nine persons including the driver,
 - ii) goods,
 - iii) and any road vehicle for a special purpose other than transport as such;
- b) “*private motor vehicle*” means any motor vehicle not covered by the definition set out in (a);
- c) “*standard tanks*” means: the tanks permanently fixed by the manufacturer to all motor vehicles of the same type as the vehicle in question and whose permanent fitting enables fuel to be used directly, both for the purpose of propulsion and, where appropriate, for the operation, during transport, of refrigeration systems and other systems. Gas tanks fitted to motor vehicles designed for the direct use of gas as a fuel and tanks fitted to the other systems with which the vehicle may be equipped shall also be considered to be standard tanks.
- d) “*special tanks*”, means any tank fixed to the special device of the refrigeration systems, oxygenation systems, thermal injection or other systems. *** (DCM no. 547, Dt. 01.05.08)**

5 50. As regards the fuel contained in the standard tanks of commercial motor vehicles, the General Directorate of Customs may limit application of the relief to 200 litres per vehicle and per journey.

551. The General Directorate of Customs may limit the amount of duty-free fuel allowed in the case of:

- a) commercial motor vehicles engaged in international traffic into their frontier zone to a maximum depth of 25 km as the crow flies, provided such journeys are made by persons residing in the frontier zone,
- b) private motor vehicles belonging to persons residing in the frontier zone specified in Point 510.3.

552. Fuel admitted duty-free under Points 549 to 551 may not be used in a vehicle other than that in which it was imported nor be removed from that vehicle and stored, except during necessary repairs to that vehicle, nor be transferred, whether for a consideration or free of charge, by the person benefiting from the relief. Non-compliance with the preceding paragraph shall give rise to application of the import duties relating to the products in question at the rate in force on the date of such non-compliance, on the basis of the type of goods and the customs value ascertained or accepted on that date by the competent customs authorities.

553. The relief referred to in Point 549 shall also apply to the lubricants present in the motor vehicles and required for their normal operation during the journey in question.

Section 22

Materials for the construction, upkeep or ornamentation of memorials to, or cemeteries for, war victims

554. Goods of every description, imported by organisations authorised for this purpose by the competent customs authorities, to be used for the construction, upkeep or ornamentation of cemeteries and tombs of, and memorials to, war victims of other countries who are buried in the customs territory of the Republic of Albania, shall be admitted free of import duties.

Section 23

Coffins and funerary urns and ornamental funerary articles

555. The following shall be admitted free of import duties:

- a) The coffins containing bodies and urns containing the ashes of deceased persons, as well as the flowers, funeral wreaths and other ornamental objects normally accompanying them;

b) flowers, wreaths and other ornamental objects brought by persons resident in other countries attending a funeral or coming to decorate graves in the customs territory of the Republic of Albania, provided that the value of these items are less than 10.000 LEK.

Section 24

Machinery and other equipment for use in a free zone or free warehouse imported by persons licensed to operate in a free zone or free warehouse

556. In accordance with the provisions of the Law on Free Zones and without prejudice to the measures in force in the in the Republic of Albania with regard to industrial and commercial policy, and subject to Points 557 to 559, machinery and other equipment for permanent use in a free zone or free warehouse, shall be admitted free of import duties when imported by persons licensed in accordance with the provisions of the Law on Free Zones.

557. Relief shall be limited to machinery and other equipment which:

- a) are intended for permanent use in a free zone or free warehouse;
- b) are intended to be used by the licensed person;
- c) are appropriate to the nature and size for the activity carried out by the licensed person

558. No relief shall be granted for:

- a) means of transport which are not of the nature of instruments of production or of the service industry;
- b) supplies of all kinds intended for human consumption;
- c) fuel and stocks of raw materials or finished or semi-finished products;

559.

559.1. Until 36 months have elapsed from the date on which their entry for free circulation was accepted, machinery and other equipment which have been admitted duty-free may not be lent, given as security, hired out or transferred, whether for a consideration or free of charge, without prior notification to the custom authorities supervising the free zone or free warehouse .

559.2. Any loan, giving as security, hiring out or transfer before the expiry of the period referred to in point 559.1 shall entail payment of the relevant import duties on the goods concerned, at the rate applying on the date of such loan, giving as security, hiring out or transfer, on the basis of the type of goods and the customs value ascertained or accepted on that date by the custom authorities supervising the free zone or free warehouse.

559.3. Removal from the free zone or free warehouse shall entail payment of the relevant import duties on the goods concerned, at the rate applying on the date of removal on the basis of the type of goods and the customs value ascertained or accepted on that date by the custom authorities supervising the free zone or free warehouse.

Section 25

Final provisions

560. The General Directorate of Customs may lay down guidelines in the practical application of exemption procedures.

PART IV

RETURNED GOODS

Title 1

Returned goods

561. In accordance to Title VI, Chapter II of the Code this Title will lay down provisions in the implementing of returned goods procedure.

562.

562.1. In accordance with Article 200 (2) (b) of the Code, goods which have been the subject of a measure involving their exportation to another country shall be exempt from import duties if the goods:

- a) could not be entered for free circulation in the country to which they were sent on account of laws in force in that country;
- b) were returned by the consignee as being defective or not in accordance with the provisions of the contract relating to them;
- c) were reimported into the customs territory of the Republic of Albania because they could not be used for the purposes intended owing to other circumstances outside the exporter's control.

562.2. The circumstances referred to in point 562.1 (c) shall include the following:

- a) goods returned to the customs territory of the Republic of Albania following damage occurring before delivery to the consignee, either to the goods themselves or to the means of transport on which they were carried;
- b) goods originally exported for the purposes of consumption or sale in the course of a trade fair or similar occasion which have not been so consumed or sold;

- c) goods which could not be delivered to the consignee on account of his physical or legal incapacity to honour the contract under which the goods were exported;
- d) goods which, because of natural, political or social disturbances, could not be delivered to their consignee or which reached him after the mandatory delivery date stipulated in the contract under which the goods were exported;
- e) fruit and vegetables, exported and sent for sale on consignment, but which were not sold in the market of the country of destination.

562.3. The goods referred to in point 562.1 shall not be exempt from import duties unless they are entered for free circulation in the customs territory of the Republic of Albania within twelve months of the date of completion of the customs formalities relating to their exportation.

563. Returned goods shall be exempt from import duties even where they represent only a proportion of the goods previously exported from the customs territory of the Republic of Albania. The same applies where the goods consist of parts or accessories belonging to machines, instruments, apparatus or other products previously exported from the customs territory of the Republic of Albania.

564.

564.1. By way of derogation from Article 201 of the Code, returned goods in one of the following situations shall be exempt from import duties:

- a) goods which, after having been exported from the customs territory of the Republic of Albania, have received no treatment other than that necessary to maintain them in good condition or handling which alters their appearance only;
- b) goods which, after having been exported from the customs territory of the Republic of Albania, received treatment other than that necessary to maintain them in good condition or handling other than that altering their appearance, but which proved to be defective or unsuitable for their intended use, provided that one of the following conditions is fulfilled:
 - i) such treatment or handling was applied to the goods solely with a view to repairing them or restoring them to good condition,
 - ii) their unsuitability for their intended use became apparent only after such treatment or handling had commenced.

564.2. Where returned goods have undergone treatment or handling permitted under point 564.1 (b) and such treatment would have rendered them liable to import duties if they had come under outward processing arrangements, the rules in force for charging duty under the said arrangements shall apply.

564.3. However, if goods have undergone an operation consisting of repair or restoration to good condition which became necessary as a result of unforeseen circumstances which arose outside the customs territory of the Republic of Albania, this being established to the satisfaction of the customs authorities, relief from import duties shall be granted provided that the value of the returned goods is not higher, as a result of such operation, than their value at the time of export from the customs territory of the Republic of Albania.

564.4. For the purposes of point 564.3:

a) “*repair or restoration to good condition which became necessary*” means: any operation to remedy operating defects or material damage suffered by goods while they were outside the customs territory of the Republic of Albania, without which the goods could no longer be used in the normal way for the purposes for which they were intended;

b) the value of returned goods shall be considered not to be higher, as a result of the operation which they have undergone, than their value at the time of export from the customs territory of the Republic of Albania, when the operation does not exceed that which is strictly necessary to enable them to continue to be used in the same way as at that time. When the repair or restoration to good condition of goods necessitates the incorporation of spare parts, such incorporation shall be limited to those parts strictly necessary to enable the goods to be used in the same way as at the time of export.

565.

565.1. The following shall be accepted as returned goods:

a) goods for which the following documents are produced in support of the declaration for release for free circulation:

i) copy No 3 of the export declaration returned to the exporter by the customs authorities, or a copy of such document certified true by the said authorities; or

ii) where evidence available to the customs authorities at the customs office of reimportation or ascertainable by them from the person concerned indicates that the goods declared for free circulation were originally exported from the customs territory of the Republic of Albania, and at that time satisfied the conditions for acceptance as returned goods, the documents referred to at (i) shall not be required.

b) goods covered by an ATA carnet issued in the Republic of Albania. These goods may be accepted as returned goods, within the limits laid down by Article 200 of the Code, even when the validity of the ATA carnet has expired. In all cases, the formalities discharging the ATA Carnet shall be carried out.

565.2. Point 565.1 (a) shall not apply to the international movement of packing materials, means of transport or certain goods admitted under specific customs arrangements where autonomous or conventional provisions lay down that customs documents are not required in these circumstances. Nor shall it apply in cases where goods may be declared for release for free circulation orally or by any other act.

565.3. Where they consider it necessary, the customs authorities at the customs office of reimportation may ask the person concerned to submit additional evidence, in particular for the purposes of identification of the returned goods.

566. At the request of the customs authorities at the customs office of reimportation, the customs authorities at the customs office of exportation shall communicate to the former all the information at their disposal to enable them to determine whether the goods meet the conditions necessary to benefit from the provisions of this part.

567. The General Directorate of Customs may lay down guidelines in the practical application of the return goods procedure.

Title 2

Products of sea-fishing and other products taken from the sea by Albanian fishing vessels

568. In accordance to Title VI, Chapter III of the Code this Title will lay down provisions in the implementing of the exemption from import duties for products of sea-fishing and other products taken from the sea.

569.

569.1. Exemption from import duties for the products referred to in Article 203 (a) of the Code can only be granted if the products fulfil the following conditions:

- a) are unloaded from the Albanian fishing vessel which made the catch;
- b) are processed on board an Albanian factory ship and the catch have been made by an Albanian fishing vessel.

569.2. For products to be released for free circulation in the Republic of Albania, the master of the Albanian vessel making the catch shall certify the particulars concerning the catch. If the catch has been processed on board, the master of the vessel shall also declare which vessel made the catch.

569.3. For the purposes of points 569.1 and 569.2, the meaning of “*Albanian fishing vessel*” and “*Albanian factory ship*” shall be:

- a) “*Albanian fishing vessel*” means a vessel which is listed and registered in the customs territory of the Republic of Albania and, flies the flag of the Republic of Albania, catches products of sea-fishing and, as the case may be, processes them on board;
- b) “*Albanian factory ship*” means a vessel which is listed or registered in the customs territory of the Republic of Albania and, flies the flag of the Republic of Albania and does not catch products of sea-fishing but does process such products on board.

569.4. In order to ensure that point 569.1 to 569.3 are complied with, the customs authorities may perform any checks and controls they deem necessary in checking that information provided are accurate.

570. The General Directorate of Customs may lay down guidelines in the practical application of the exemption from import duties for products of sea-fishing and other products taken from the sea.

PART V

CUSTOMS DEBT

Title 1

General provisions

571. In accordance to Title VII, of the Code this Part will lay down provisions in the implementing of the customs debt.

Title 2

Security

572.

572.1. The types of security other than cash deposits or guarantors, within the meaning of Articles 208, 209 and 210 of the Code, and the cash deposit or the submission of securities for which the customs authorities may opt even if they do not comply with the conditions laid down in Article 209 (1) of the Code, shall be as follows:

- a) the creation of a mortgage, an antichresis or other right deemed equivalent to a right pertaining to immovable property;
- b) the cession of a claim, the pledging, with or without surrendering possession, of goods, securities or claims or, in particular, a savings bank book;
- c) the assumption of joint contractual liability for the full amount of the debt by a third party approved for that purpose by the customs authorities and, in particular, the lodging of a bill of exchange the payment of which is guaranteed by such third party;
- d) a cash deposit or security deemed equivalent thereto in a currency other than Albanian LEK;
- e) participation, subject to payment of a contribution, in a general guarantee scheme administered by the customs authorities.

572.2. The circumstances in which and the conditions under which recourse may be had to the types of security referred to in point 572.1 shall be determined by the customs authorities.

573. Where security is given by making a cash deposit, no interest thereon shall be payable by the customs authorities.

Title 3

Incurrence of the debt

Chapter I

Failures which have no significant effect on the operation of temporary storage or of the customs procedure

574.

574.1. The following failures shall be considered to have no significant effect on the correct operation of the temporary storage or customs procedure in question within the meaning of Article 219 (1) of the Code, provided:

- a) they do not constitute an attempt to remove the goods unlawfully from customs supervision,
- b) they do not imply obvious negligence on the part of the person concerned, and
- c) all the formalities necessary to regularise the situation of the goods are subsequently carried out:

574.2. The failures referred to in point 574.1 are as follows:

- a) exceeding the time limit allowed for assignment of the goods to one of the customs-approved treatments or uses provided for under the temporary storage or customs procedure in question, where the time limit would have been extended had an extension been applied for in time;
- b) in the case of goods placed under a transit procedure, exceeding the time limit for presentation of the goods to the office of destination, where such presentation takes place later;
- c) in the case of goods placed in temporary storage or under the customs warehousing procedure, handling not authorised in advance by the customs authorities, provided such handling would have been authorised if applied for;
- d) in the case of goods placed under the temporary importation procedure, use of the goods otherwise than as provided for in the authorisation, provided such use would have been authorised under that procedure if applied for;
- e) in the case of goods in temporary storage or placed under a customs procedure, unauthorised movement of the goods, provided the goods can be presented to the customs authorities at their request;
- f) in the case of goods in temporary storage or placed under a customs procedure, removal of the goods from the customs territory of the Republic of Albania or their entry into a free zone or free warehouse without completion of the necessary formalities;
- g) in the case of goods eligible on release for free circulation for the total or partial relief from import duties referred to in Article 165 of the Code, the existence of one of the situations referred to in Article 219 (1) (a) or (b) of the Code while the goods concerned are in temporary storage or under another customs procedure before being released for free circulation;
- h) in the case of inward processing operations carried out on an ongoing basis, the failure to request renewal of the requisite authorisation even though the conditions for its issue have been met.

575. The customs authorities shall consider a customs debt to have been incurred under Article 219 (1) of the Code unless the person who would be the debtor establishes that the conditions set out in Point 574 are fulfilled.

576. The fact that the failures do not give rise to a customs debt shall not preclude the application of provisions of criminal law in force or of provisions allowing cancellation and withdrawal of authorisations issued under the customs procedure in question.

Chapter II

Natural wastage

577.

577.1. For the purposes of Article 221 of the Code, the customs authorities shall, at the request of the person concerned, take account of the quantities missing wherever it can be shown that the losses observed result solely from the nature of the goods and not from any negligence or manipulation on the part of that person.

577.2. In particular, negligence or manipulation shall mean any failure to observe the rules for transporting, storing, handling, working or processing the goods in question imposed by the customs authorities or by normal practice.

Chapter III

Goods in special situations

578. The presentation of a customs declaration for the goods in question, or any other act having the same legal effects, and the production of a document for endorsement by the competent authorities, shall be considered as removal of goods from customs supervision within the meaning of Article 218 (1) of the Code, where these acts have the effect of wrongly conferring on them the customs status of Albanian goods.

579. Without prejudice to the provisions laid down concerning prohibitions or restrictions which may be applicable to the goods in question, where a customs debt on importation is incurred pursuant to Articles 217, 218, 219 or 220 of the Code and the import duties have been paid, those goods shall be deemed to be Albanian goods without the need for a declaration for entry into free circulation.

580. The confiscation of goods pursuant to Article 246 (c) and (d) of the Code shall not affect the customs status of the goods in question.

581.

581.1. Non-Albanian goods which have been abandoned to the Exchequer or seized or confiscated shall be considered to have been entered for the customs warehousing procedure.

581.2. The goods referred to in point 581.1 may be sold by the customs authorities only on the condition that the buyer immediately carries out the formalities to assign them a customs-approved treatment or use. Where the sale is at a price inclusive of import duties, the sale shall be considered as equivalent to release for free circulation, and the customs authorities themselves shall calculate the duties and enter them in the accounts. In these cases, the sale shall be conducted according to the procedures in force in the Republic of Albania.

581.3. Where the customs administration decides to deal with the goods referred to in point 581.1 otherwise than by sale, it shall immediately carry out the formalities to assign them one of the customs-approved treatments or uses laid down in Article 8 (15) (a), (b), (c) and (d) of the Code.

Title 4

Recovery of the amount of the customs debt

582. There shall be no post-clearance recovery of import duties or export duties where the amount per recovery action is less than 1.500 LEK.

583. The customs authorities shall themselves decide not to enter uncollected duties in the accounts:

a) in cases in which preferential tariff treatment has been applied in the context of a tariff quota, a tariff ceiling or other arrangements when entitlement to this treatment had been ended at the time of acceptance of the customs declaration without that fact having been published before the release for free circulation of the goods in question or, where such fact is not published, having been made known in an appropriate manner in the Republic of Albania, the person liable for payment for his part having acted in good faith and complied with all the provisions laid down by the legislation in force as regards the customs declaration;

b) in cases in which they consider that the conditions laid down in Article 235 (2) (b) of the Code are fulfilled, provided that the amount not collected from the operator concerned in respect of one or more import or export operations but in consequence of a single error is less than 300.000 LEK;

584. * (DCM no. 686, dt.02.11.05, added point 4)

584.1. The customs authorities shall suspend a debtor's obligation to pay the duties until such time as they have taken a decision on a request described in (a) to (c) below, provided that, where the goods are no longer under customs supervision, security is lodged for the amount of those duties, and that:

a) in cases where a request for invalidation of a declaration has been presented, this request is likely to be met;

b) in cases where a request has been presented for remission pursuant to Article 249 of the Code in conjunction with Article 235 (2) (b) of the Code or where a declaration is invalidated after the goods have been released or where the custom authorities sell the goods, the customs authorities consider that the conditions laid down in the relevant provision may be regarded as having been fulfilled;

c) in cases other than those referred to under (b), a request has been presented for remission pursuant to Article 249 of the Code and the following conditions have been fulfilled;

i) where the customs authorities have good reasons to believe that the disputed decision is inconsistent with customs legislation; or

ii) that irreparable damage is to be feared for the person concerned

It shall not be necessary to require a security where such requirement would be likely, owing to the debtor's circumstances, to cause serious economic or social difficulties.

584.2. In cases where goods in one of the circumstances referred to in the second indent of Article 246 (c) of the Code or in Article 246 (d) of the Code are seized, the customs authorities shall suspend the debtor's obligation to pay the duties if they consider that the conditions for confiscation may be regarded as having been fulfilled.

4 The customs authorities, upon proposal of the Director General and approval by the Minister of Finance allow the postponement of payments in view of objective cause and a warranty laid down in Article 239 of the Code.

In these cases the entity shall pay the usurious duties, which is defined by order of the Minister of Finance

*** (DCM no. 686, dt.02.11.05, added point 4)**

Title 5

Repayment or remission of import or export duties

Chapter I

Implementing provisions relating to Articles 248 to 255 of the Code

Section 1

Applications

585.

585.1. Application for repayment or remission of import or export duties, hereinafter referred to as "*application for repayment or remission*", shall be made by the person who paid or is liable to pay those duties, or the persons who have taken over his rights and obligations. Application for repayment or remission may also be made by the representative of the person or persons referred in the first sentence.

585.2. Without prejudice to export goods on which export duties were levied at their time of export from the customs territory of the Republic of Albania, application for repayment or remission shall be made, in one original and one copy, on a form conforming to the specimen and provisions in Annex 57. However, application for repayment or remission may also be made, at the request of the person or persons referred to in point 285.1, on plain paper, provided it contains the information appearing in the said Annex.

586.

586.1. Applications for repayment or remission, accompanied by the documents referred to in Article 18 (1) of the Code, must be lodged with the customs office of entry in the accounts; the said office shall transmit it immediately after acceptance to the decision-making customs authority if it is not itself designated as such.

586.2. The customs office referred to in point 286.1 shall enter the date of receipt on the original and the copy of the application. It shall return the copy to the applicant. Where the application is made on plain paper, the said customs office shall acknowledge receipt in writing to the applicant.

587. An application relating to goods in respect of which an import or export licence was produced when the relevant customs declaration was lodged must also be accompanied by certification issued by the authorities responsible for issuing such licence attesting that the necessary steps have been taken to cancel the effects of the said licence. Such certification shall not be required, however:

- a) where the customs authority to which the application is submitted itself issued the licence in question,
- b) where the ground relied upon in support of the application is a substantive error that has no effect on the attribution of the licence in question.

588.

588.1. The customs office of entry in the accounts may accept an application not containing all the information provided for on the form in Annex 57. However, the application must contain at least the information to be entered in boxes 1 to 3 and 7.

588.2. Where point 288.1 is applied, the said customs office shall set a time limit for the supply of any missing particulars and/or documents.

588.3. Where the time limit set by the customs office pursuant to point 288.2 is not observed, the application shall be considered to have been withdrawn. The applicant shall be informed of this immediately.

589.

589.1. For returned goods on which export duties were levied at the time of their export from the customs territory of the Republic of Albania, repayment or remission of these duties shall be subject to the presentation to the customs authorities of a request accompanied by:

- a) the document issued as evidence of payment, where the amounts concerned have already been collected;
- b) the original, or the copy certified by the customs office of reimportation, of the declaration for free circulation relating to the returned goods. This document shall bear the following endorsement made by the customs office of reimportation: "*Goods admitted as returned goods under Article 200 (2) (b) of the Code*" in red.
- c) the copy of the export declaration returned to the exporter at the time of completion of the export formalities for the goods, or a copy thereof certified by the customs office of exportation.
- d) where the decision-making customs authority is already in possession of the particulars contained in one or more of the declarations referred to at (a), (b) or (c) above, the declaration or declarations concerned need not be produced.

589.2. The request referred to in point 289.1 must be lodged with the customs office of entry in the accounts within 12 months of the date of acceptance of the export declaration.

Section 2

Procedure for granting repayment or remission

590.

590.1. The decision-making customs authority may authorise completion of the customs formalities to which any repayment or remission may be subject before it has ruled on the application for repayment or remission. Such authorisation shall be entirely without prejudice to its decision on the application.

590.2. Without prejudice to point 590.1 and until a decision has been taken on the application for repayment or remission, the goods in respect of which repayment or remission of duties has been requested may not be transferred to a location other than that specified in the said application unless the applicant notifies in advance the customs office of entry in the accounts, which shall in turn inform the decision-making customs authority.

591. Where an application for repayment or remission relates to a case where supplementary information must be obtained or where the goods must be examined in order to ensure that the conditions for repayment or remission laid down in the Code and in this Title are satisfied, the decision-making customs authority shall adopt the measures necessary to that end, if necessary by requesting the assistance of the supervising customs office, specifying the nature of the information to be obtained or of the checks to be carried out. The supervising customs office shall comply promptly with this request and shall forward the information obtained and the results of the checks carried out to the decision-making customs authority within 30 days.

592.

592.1. When the decision-making customs authority possesses all the necessary particulars, it shall give its decision in writing on the application for repayment or remission in accordance with Article 18 (2) and (3) of the Code.

592.2. Where the application is approved, the decision shall include all the particulars necessary for its implementation. Depending on the circumstances, some or all of the following particulars shall appear in the decision:

- a) the information necessary for identifying the goods to which it applies;
- b) the grounds for repayment or remission of the import or export duties and a reference to the corresponding article of the Code and, where appropriate, the corresponding point of this Title;
- c) the use to which the goods may be put or the destination to which they may be sent, depending on the possibilities available in the particular case under the Code and where appropriate on the basis of a specific authorisation by the decision-making customs authority;
- d) the time limit for completion of the formalities to which repayment or remission of the import or export duties is subject;
- e) a statement indicating that the import or export duties will not be repaid or remitted until the implementing customs office has informed the decision-making customs authority that the formalities to which repayment or remission is subject have been completed;

f) particulars of any requirements to which the goods remain subject pending implementation of the decision;

g) a notice informing the recipient that he must give the original of the decision to the implementing customs office of his choice when presenting the goods.

593.

593.1. The implementing customs office shall take steps to ensure:

- a) where appropriate, that the requirements in the decision approving repayment or remission are met,
- b) that in all cases the goods are actually used in the manner or sent to the destination specified in the decision to repay or remit import or export duties.

593.2. Where the decision specifies that the goods may be placed in a customs warehouse, a free zone or a free warehouse, and the recipient avails himself of this opportunity, the necessary formalities must be carried out with the implementing customs office.

593.3. When the implementing customs office has satisfied itself that the conditions set out in point 593.1 are fulfilled, it shall send a certificate to the decision-making customs authority certifying that the conditions set in the decision are fulfilled.

594. A decision-making customs authority having approved an application for repayment or remission of duties shall repay or remit such duty only after receiving the certificate from the implementing customs office.

595. Where the request for repayment or remission is based on the existence, at the time when the declaration of release for free circulation was accepted, of a reduced or zero rate of import duty on the goods under a tariff quota, a tariff ceiling or other preferential tariff arrangements, repayment or remission shall be granted only on condition that, at the time of lodging the application for repayment or remission accompanied by the necessary documents:

- a) in the case of a tariff quota, its volume has not been exhausted,
- b) in other cases, the rate of duty normally due has not been re-established. If the conditions laid down in the preceding paragraph are not fulfilled, repayment or remission shall nevertheless be granted where the failure to apply the reduced or zero rate of duty to the goods was the result of an error on the part of the customs authorities themselves and the declaration for free circulation contained all the particulars and was accompanied by all the documents necessary for application of the reduced or zero rate.

596. Where a certificate of origin, movement certificate or other appropriate document is produced in support of an application for repayment or remission, indicating that the imported goods were eligible, at the time of acceptance of the declaration for free circulation, for preferential tariff treatment, the decision-making customs authority shall grant such application only where it is duly established:

i) that the document thus produced refers specifically to the goods in question and that all the conditions relating to acceptance of the said document are fulfilled,

ii) that all the other conditions for the granting of the preferential tariff treatment are fulfilled. Repayment or remission shall take place upon presentation of the goods. Where the goods cannot be presented to the implementing customs office, the latter shall grant repayment or remission only where it has information indicating unequivocally that the certificate or document produced post-clearance applies to the said goods.

597. Import duties shall not be repaid or remitted under Article 251 of the Code where:

a) the defective nature of the goods was taken into consideration in drawing up the terms of the contract, in particular the price, under which the goods were entered for a customs procedure involving the obligation to pay import duties,

b) the goods are sold by the importer after it has been ascertained that they are defective or do not comply with the terms of the contract.

598.

598.1. Without prejudice to Point 604.1 (c), the decision-making customs authority shall set a deadline, no later than two months from the date of notification of the decision to repay or remit import duties or export duties, for completion of the customs formalities to which the repayment or remission of duties is subject.

598.2. Failure to observe the deadline referred to in point 598.1 shall result in loss of entitlement to repayment or remission except where the person concerned by the decision proves that he was prevented from meeting this deadline by unforeseeable circumstances or force majeure.

599. Where destruction of the goods authorised by the decision-making customs authority produces waste or scrap, such waste or scrap shall be regarded as non-Albanian goods once a decision has been taken accepting the application for repayment or remission.

600. Where the authorisation referred to in Article 251 (2) (b) of the Code is granted, the customs authorities shall take all necessary steps to ensure that goods placed in a customs warehouse, free zone or free warehouse may subsequently be recognised as non-Albanian goods.

601. Where it is not the complete article that is exported, re-exported or destroyed or assigned to another authorised customs treatment or use, but one or more parts or components of that article, the amount to be repaid or remitted shall be the difference between the amount of import duties on the complete article and the amount of import duties which would have been chargeable on the remainder of the article if the latter had been entered in the unaltered state for a customs procedure involving the obligation to pay such duties on the date on which the complete article was so entered.

602. The amount referred to in Article 253 of the Code is hereby set at 1.500 LEK.

Chapter II

Specific provisions relating to the application of Article 252 of the Code

603. Without prejudice to other situations to be considered case by case by the Minister of Finance, where the decision-making customs authority establishes that an application for repayment or remission submitted to it under Article 252 (2) of the Code:

- a) is based on grounds corresponding to one of the circumstances referred to in Points 604 to 607, and that these do not result from deception or obvious negligence on the part of the person concerned, it shall repay or remit the amount of import duties concerned. *“The person concerned”* shall mean the person or persons referred to in Point 585.1, or their representatives, and any other person who was involved with the completion of the customs formalities relating to the goods concerned or gave the instructions necessary for the completion of these formalities,
- b) is based on grounds corresponding to one of the circumstances referred to in Point 608, it shall not repay or remit the amount of import duties concerned.

604.

604.1. Import duties shall be repaid or remitted where:

- a) non-Albanian goods placed under a customs procedure involving total or partial relief from import duties goods or released for free circulation with favourable tariff treatment by reason of their end-use are stolen, provided that the goods are recovered promptly and placed again in their original customs situation in the state they were in when they were stolen;
- b) non-Albanian goods are inadvertently withdrawn from the customs procedure involving total or partial relief from the said duties under which they had been placed, provided that, as soon as the error is found, they are placed again in their original customs situation in the state they were in when they were withdrawn;
- c) goods originally released for free circulation are subsequently returned to their non-Albanian supplier, under the outward processing arrangements, to enable him - free of charge - to eliminate defects existing prior to the release of the goods (even if found after release of the goods) or to bring them into line with the provisions of the contract under which they were released for free circulation, and the said supplier decides to keep the goods permanently because he is unable to remedy the defects or because it would not be economic to do so;
- d) a judicial body has forbidden the marketing of an item previously entered for a customs procedure obliging the person concerned to pay import duties under normal conditions, and the said item is re-exported from the customs territory of the Republic of Albania or destroyed under the control of the customs authorities, provided it is established that the item in question has not actually been used in the Republic of Albania;

- e) goods, sent through an express courier, have been entered for a customs procedure involving the obligation to pay such duties by a declarant empowered to do so on his own initiative and, through no fault of the declarant, it has not been possible to deliver them to the consignee;
- f) the goods have been addressed to the consignee in error by the consignor;
- g) the goods are found to be unsuitable for the use for which the consignee intended them because of an obvious factual error in his order;
- h) after having been released for a customs procedure involving the obligation to pay import duties, the goods are found not to have complied, at the time of their release, with the rules in force concerning their use or marketing and therefore cannot be used for the purpose intended by the consignee;
- i) the use of the goods by the consignee for the purpose intended is prevented or substantially restricted as a result of measures of general scope taken, after the date of release for a customs procedure involving the obligation to pay import duties, by an authority or other body having the appropriate power of decision;
- j) total or partial import duty relief applied for by the person concerned in accordance with existing provisions cannot, through no fault of the person concerned, be granted by the customs authorities, because of tariff quotas, ceilings or anti dumping measures, and the customs authorities accordingly enter in the accounts the import duties which have become due,
- k) the goods reached the consignee after the binding delivery dates stipulated in the contract under which they were entered for a customs procedure involving the obligation to pay import duties, the application for repayment or remission must be lodged within three days from the release of the goods;
- l) it has not been possible to sell the goods in the customs territory of the Republic of Albania and they are delivered free of charge to international charity organisations:
 - i) carrying out their activities in another country, provided that they are represented in the Republic of Albania, or
 - ii) carrying out their activities in the customs territory of the Republic of Albania, provided that they are eligible for relief in the case of importation for free circulation of similar goods from other countries;
- m) the customs debt has been incurred otherwise than under Article 216 of the Code and the person concerned is able to produce a certificate of origin, a movement certificate (EUR 1 and similar certificates) or other appropriate document showing that if the imported goods had been entered for free circulation they would have been eligible for or preferential tariff treatment, provided the other conditions referred to in Point 595 were satisfied.

604.2. Without prejudice to point 604. 3, repayment or remission of import duties in the cases referred to in point 604.1 (d) to (l) shall, except where the goods are destroyed by order of a public authority or delivered free of charge to charities carrying out their activities in the Republic of Albania, be conditional upon their re-export from the customs territory of the Republic of Albania under the supervision of the customs authorities. If requested, the decision-making authority shall permit re-export of the goods to be replaced by their destruction or by placing them, with a view to re-export, under the transit procedure, under the customs warehousing arrangements, or in a free zone or free warehouse. However, concerning the cases referred to in point 604.1 (e), (g) and (j), the decision-making authority may, if requested, permit re-export of the goods to be replaced by placing them under the customs warehousing arrangements, or in a free zone or free warehouse. Goods to be assigned one of these treatments shall be considered to be non-Albanian goods. In this case, the customs authorities shall take all requisite measures to ensure that the goods placed in a customs warehouse, in a free zone or in a free warehouse may later be recognised as non-Albanian goods.

604.3. In the cases referred to in point 604.1 (f), repayment or remission of import duties shall be conditional on re-export of the goods to the original supplier or to another address specified by him.

604.4. In addition, the supervising customs office must be satisfied that the goods have been neither used nor sold before their re-exportation.

605.

605.1. Import duties shall be repaid or remitted where:

a) goods entered in error for a customs procedure involving the obligation to pay import duties have been re-exported from the customs territory of the Republic of Albania without having been previously entered for the customs procedure under which they should have been placed, provided the other conditions laid down in Article 250 of the Code have been met;

b) the goods have been re-exported or destroyed in accordance with Article 251 (2) (b) of the Code without customs supervision, provided the other conditions laid down in the said Article have been met;

c) the goods have been re-exported or destroyed without customs supervision in accordance with Point 604.1 (d) to (l), provided the other conditions laid down in Point 604.2 and 604.4 have been met.

605.2. Repayment or remission of import duties in the circumstances referred to in point 605 1 shall be conditional on:

a) production of all the evidence needed to enable the decision-making customs authority to satisfy itself that the goods in respect of which repayment or remission is requested:

i) have actually been re-exported from the customs territory of the Republic of Albania, or

ii) have been destroyed under the supervision of authorities or persons empowered to certify such destruction officially;

b) the return to the decision-making customs authority of any document certifying the Republic of Albania status of the goods in question under cover of which the said goods may have left the customs territory of the Republic of Albania, or the presentation of whatever evidence the said authority considers necessary to satisfy itself that the document in question cannot be used subsequently in connection with any importation of goods into the Republic of Albania.

606.

606.1. For the purposes of Point 605.2:

a) the evidence needed to enable the decision-making customs authority to satisfy itself that the goods in respect of which repayment or remission is requested have actually been re-exported from the customs territory of the Republic of Albania shall consist of the presentation by the applicant of:

i) the original or a certified copy of the declaration for export of the goods from the customs territory of the Republic of Albania, and

ii) certification by the customs office through which the goods actually left the customs territory of the Republic of Albania.

Where such certification cannot be produced, proof that the goods have left the customs territory of the Republic of Albania may be presented in the form of:

- a) certification by the customs office in the country of destination confirming that the goods have arrived, or
- b) the original or a certified copy of the customs declaration for the goods made in the country of destination.

These documents must be accompanied by administrative and commercial documentation enabling the decision-making customs authority to check that the goods exported from the customs territory of the Republic of Albania are the same as those which had been declared for a customs procedure involving the obligation to pay import duties, namely:

- the original or a certified copy of the declaration for the said procedure, and
- where this is considered necessary by the decision-making customs authority, commercial or administrative documents (such as invoices, dispatch details, transit documents or health certificates) containing a full description of the goods (trade description, quantities, marks and other identifying particulars) which were presented with the declaration for the said procedure or with the export declaration from the customs territory of the Republic of Albania, as the case may be;
- b) the evidence needed to enable the decision-making customs authority to satisfy itself that the goods in respect of which repayment or remission is requested have actually been destroyed under the supervision of authorities or persons authorised to certify officially such destruction shall consist of the presentation by the applicant of:
 - a report or declaration of destruction drawn up by the authorities under whose supervision the goods were destroyed, or a certified copy thereof, or
 - a certificate drawn up by the person authorised to certify destruction, accompanied by evidence of his authority.

These documents shall contain a sufficiently full description of the destroyed goods (trade description, quantities, marks and other identifying particulars) to enable the customs authorities to satisfy themselves, by means of comparison with the particulars given in the declaration for a customs procedure involving the obligation to pay import duties and the accompanying commercial documents (invoices, dispatch details, etc.), that the destroyed goods are those which had been declared for the said procedure.

606.2. Where the evidence referred to in point 606.1 is insufficient to allow the decision-making customs authority to take a decision on the case submitted to it in full knowledge of the facts, or where certain evidence is not available, such evidence may be supplemented or replaced by any other documents considered necessary by the said authority.

607.

607.1. For returned goods in respect of which an export duty was levied when they were exported from the customs territory of the Republic of Albania, entry for free circulation shall give the right to repayment of the amounts levied.

607.2. Point 607.1 shall apply only to goods which are in one of the following situations:

- a) could not be entered for free circulation in the country to which they were sent on account of laws in force in that country;

b) were returned by the consignee as being defective or not in accordance with the provisions of the contract relating to them;

c) were reimported into the customs territory of the Republic of Albania because they could not be used for the purposes intended owing to other circumstances outside the exporter's control.

607.3. The circumstances referred to in point 607.2 (c) shall include the following:

a) goods returned to the customs territory of the Republic of Albania following damage occurring before delivery to the consignee, either to the goods themselves or to the means of transport on which they were carried;

b) goods originally exported for the purposes of consumption or sale in the course of a trade fair or similar occasion which have not been so consumed or sold;

c) goods which could not be delivered to the consignee on account of his physical or legal incapacity to honour the contract under which the goods were exported;

d) goods which, because of natural, political or social disturbances, could not be delivered to their consignee or which reached him after the mandatory delivery date stipulated in the contract under which the goods were exported;

e) fruit and vegetables, exported and sent for sale on consignment, but which were not sold in the market of the country of destination.

607.4. It must be proved to the satisfaction of the customs office where the goods are declared for release for free circulation that the goods are in one of the situations referred to in Article 200 (2) (b) of the Code.

607.5. Point 607.1 shall apply even where the returned goods constitute only a proportion of the goods previously exported from the customs territory of the Republic of Albania.

608. Import duties shall not be repaid or remitted where the only grounds relied on in the application for repayment or remission are, as the case may be:

a) re-export from the customs territory of the Republic of Albania of goods previously entered for a customs procedure involving the obligation to pay import duties, for reasons other than those referred to in Articles 250 or 251 of the Code or in Points 604 or 605, notably failure to sell;

b) destruction, for any reason whatsoever, save in the cases expressly provided for by Albanian legislation, of goods entered for a customs procedure involving the obligation to pay import duties after their release by the customs authorities;

c) presentation, for the purpose of obtaining preferential tariff treatment of goods declared for free circulation, of documents subsequently found to be forged, falsified or not valid for that purpose, even where such documents were presented in good faith.

609.

609.1. Where the decision-making customs authority to which an application for repayment or remission under Article 252 (2) of the Code has been submitted cannot take a decision on the basis of Point 603, but the application is supported by evidence which might constitute a special situation resulting from

circumstances in which no deception or obvious negligence may be attributed to the person concerned, the decision making custom authority shall transmit the case to the Director General of Customs to be settled under the procedure laid down for such cases. In all other cases, the decision-making customs authority shall refuse the application.

609.2. The case sent to the Director General of Customs shall include all the facts necessary for a full examination of the case presented. It shall also include a statement, signed by the applicant for repayment or remission, certifying that he has read the case and stating either that he has nothing to add or listing all the additional information that he considers should be included. Should it be found that the information supplied by the decision making customs authority is not sufficient to enable a decision to be taken on the case concerned in full knowledge of the facts, the Director General of Customs may ask for additional information to be supplied.

609.3. Without awaiting completion of the procedure laid down, the decision-making customs authority may, if requested, permit the customs formalities relating to the re-export or destruction of the goods to be carried out before the Director General of Customs has given a ruling on the application in question. Such permission shall be entirely without prejudice to the final decision on the application.

610. The Director General of Customs shall decide whether or not the special situation which has been considered justifies repayment or remission. That decision shall be taken within 90 days of the date on which the case is received by the Director General of Customs. Where the Director General of Customs has found it necessary to ask for additional information from the decision making customs authority in order to reach its decision, the 90 days shall be extended by a period equivalent to that between the date the Director General of Customs sent the request for additional information and the date it received that information.

611.

611.1. The decision making customs authority shall be notified of the decision taken by the Director General of Customs as soon as possible and in any event within 10 days of the expiry of the time limit set to reach such a decision.

611.2. Where it is established by the decision that the circumstances under consideration justify repayment or remission, the Director General of Customs may, under conditions which it shall determine, authorise the decision making customs authority to repay or remit duties in cases involving comparable issues of fact and of law.

612. If the Director General of Customs fails to take a decision within the time limit set to reach such a decision, or fails to notify a decision to the decision making customs authority within the time limit set, the decision-making customs authority shall grant the application.

613. The General Directorate of Customs may lay down guidelines for the practical application of the customs debt.

PART VI

FINAL PROVISIONS

614.

614.1 All references to a Point or a paragraph without further specification within this Implementing provisions are referring to the corresponding Point or paragraph in this Implementing provisions. When referring to Articles in other legislation the reference specifies in which legislation the referred Article is included.

614.2. References to the provisions repealed shall be understood as referring to this Regulation.

615. With these Implementing Provision coming into force, all the legal acts enacted in the implementation of the legal acts referred in Article 298 of the Code, as well as any other provision which does not comply with these Implementing Provisions, shall be repealed.

616. This Regulation shall enter into force on

This Regulation shall be binding in its entirety and directly applicable in the Republic of Albania.