

Section 2
Customs warehousing

Division 1
General

Subdivision 1
Types of warehouse

Article 185
(types of customs warehouse)

(1) Within the customs warehousing procedure, customs goods may be warehoused in any of the following types of customs warehouses:

1. public warehouse, in which the keeper of warehouse is responsible for the obligations referred to in Article 108 of the Customs Law. (Type A);
2. public warehouse, in which each depositor of customs goods is responsible for the obligations from Article 108 of the Customs Law, in accordance with Article 109 of the Customs Law (Type B);
3. private warehouse, in which the keeper of warehouse is the owner of goods (Type C);
4. private warehouse, in which the keeper of warehouse is the depositor of goods, and not necessarily the owner of goods, and in which Article 110 of the Customs Law may apply (Type D);
5. customs warehousing procedures may also be performed in the private warehouse referred to in Article 106 of the Customs Law, when the keeper of customs warehouse is the depositor but not necessarily the owner of goods, in the manner which allows the warehousing of the approval holder's goods in the premises of the warehouse referred to in Article 105 paragraph 3 of the Customs Law. This system is defined as the Type E customs warehouse.

The examples referred to in Article 105 paragraph 3 of the Customs Law shall be the events when specific space is needed because of the specific conditions for warehousing of individual types of goods or if it is so necessary because the approved premises of the customs warehouse are all occupied.

6. Without prejudice to paragraph 1 of this Article, customs goods may also be warehoused in the public customs warehouse whose keeper is the customs authority (Type F).

(2) At the same premises or on the same location it shall be not possible to approve different types of warehouses referred to in this Article.

Subdivision 2
Premises of the customs warehouse

Article 186

(1) Customs warehouse, besides the Type E customs warehouse, comprises one or more interconnected fenced areas or premises which shall be visibly marked and in a suitable manner separated from other premises and areas.

(2) If the customs authority runs the customs warehouse by itself, the Customs Administration shall designate the premises and areas that shall constitute the customs warehouse premises and publish the relevant information in the "Official Gazette of the Republic of Montenegro".

Article 187

(1) The customs authority may approve that the customs warehouse, besides the customs warehouse Type E, be also used for temporary storage of goods pursuant to Article 61 of the Customs Law.

(2) Customs goods which is temporarily stored in the customs warehouse shall be stored separately from other goods in the customs warehouse.

(3) If the customs authority approves to the keeper of customs warehouse to temporarily store in the customs warehouse the customs goods in accordance with this Article, it shall, when it is so necessary for implementation of customs surveillance, keep records for these goods separately from other records of goods in the customs warehouse.

Subdivision 3 Economic policy measures

Article 188

If, in accordance with the regulations in force, economic policy measures are implemented when:

a) putting the goods into free circulation, then such measures shall not be used for the goods for which the customs warehousing procedure was instigated for as long as the goods are subjected to such procedure;

b) introduction of goods in the customs territory, then these measures shall be used when the customs warehousing procedure has been instigated for the customs goods;

c) exportation goods, then these measures shall be used in actual exportation of domestic goods which was previously subjected to the customs warehousing procedure, from the customs territory.

Division 2 Approval for opening of Type A, B, C, D or E customs warehouse

Article 189

Request for issuance of the approval for opening of customs warehouse shall be submitted by the applicant to the customs authority which is territorially competent considering the proposed location of the customs warehouse, on the form from the Addendum 12 A hereto.

Article 190

(1) The customs authority may approve the customs warehouse opening if the applicant demonstrates the compliance with the prescribed requirements and the existence of an economic need for customs warehousing.

(2) When determining whether the costs of the customs authority with regard to the conduct of surveillance are disproportionately high compared with the benefits of approving the customs warehouse, the customs authority shall take into account, primarily, the type of customs warehouse and the activities which the keeper wishes to perform in such customs warehouse.

(3) Customs warehouse shall, regardless of other activities which may be performed in the warehouse, primarily intended for warehousing of customs goods. Other activities which in accordance with this Decree may be approved in such customs warehouse, shall not prevail.

(4) In the premises of the customs warehouse it shall not be allowed to warehouse retail goods, save in the event of:

- the sales of goods within international covenants, on the basis of which diplomatic and consular missions and international organizations are exempted from customs duty payment.

Article 191

(1) The customs authority shall, on the basis of the request referred to in Article 190 hereof, issue the approval provided all prescribed requirements are met.

(2) Together with the approval for Type D customs warehousing, the customs authority shall issue, pursuant to Article 154 hereof, the approval for putting the goods into free circulation on the basis of bookkeeping entries.

(3) The approval referred to in paragraph 1 of this Article shall be issued by the customs authority on the form the contents of which correspond to the model from Addendum 13 A hereto.

(4) Keeper of customs warehouse shall commence the business when it obtains the approval and deposit with the customs authority a suitable security instrument pursuant to Article 193 hereof. Deposited security instrument shall not be used as a security for other customs debts which are not the debts that might arise in the procedure of goods warehousing pursuant to Article 118 of the Customs Law.

Article 192

(1) Approval for the customs warehouse opening shall be issued for an indefinite period of time, but this fact shall not affect any decision on cancellation, invalidation or amendment to the approval.

(2) In the approval, the customs authority shall designate the surveillance customs authority. If it is so necessary under the circumstances, it shall be also defined in the approval that the goods which may adversely affect other goods, and the goods whose warehousing require meeting of specific requirements, may be warehoused only in such customs warehouses which are specifically equipped for warehousing of such goods.

(3) For private customs warehouse, the customs authority may define, in the approval, the types of goods which may be warehoused in such warehouse.

(4) If the applicant requests to be allowed to be surrendered the goods for the purposes of instigating the customs warehousing procedure with other customs authority and not with the surveillance customs authority, provided such fact does not affect the customs surveillance, the customs authority may authorize, in the approval, one or more customs authorities as the authorities for instigation of the customs warehousing procedure.

Article 193

(1) Keeper of customs warehouse shall submit a security instrument before the customs warehouse starts its business.

(2) Value of the security instruments shall not be less than the amount of customs debts which were incurred or could have been incurred considering the average monthly level of import duties for the goods which was put into free circulation from the customs warehouse. The level of the security shall be determined pursuant to Article 585 paragraphs 3 and 4 hereof.

(3) The customs authority may release the keeper of warehouse from the submittal of security instruments referred to in paragraph 1 of this Article if the customs authority has designated the shared use of the key as a regular measure of customs surveillance,.

Article 194

Besides in the events referred to in Articles 9 and 10 of the Customs Law, the customs authority may cancel the issued approval:

1. if the keeper of warehouse does not start the customs warehouse business within six months after the issuance of approval, or

2. if it arises from the customs warehouse business that its existence is no longer economically justifiable. It shall be deemed that the existence of the customs warehouse is not longer economically justifiably if other activities prevail in such warehouse for a prolonged period of time.

Division 3
Instigation of the customs goods warehousing procedure

Article 195

(1) Customs declaration for the goods which were surrendered within the customs warehousing procedure, shall be submitted with the customs authority, save in the event referred to in Article 192 paragraph 4 hereof, when the declaration may be submitted with any of the customs authorities of the initial procedure which are designated in the approval.

(2) In the event referred to in Article 192 paragraph 4 hereof, the customs authority of the initial procedure shall notify the surveillance customs authority about receipt of the declaration. In such event, regulations on customs warehousing shall apply after the receipt date of the declaration for instigation of customs warehousing procedure. This declaration shall also be used for the soonest possible transportation of goods to the premises of customs warehouse and for introduction of goods to the customs warehouse, and the goods need not be re-surrendered to the surveillance the customs authority.

(3) It shall not be possible to apply the procedure referred to in paragraph 2 of this Article to warehousing of customs goods in the Type B customs warehouse.

(4) Procedure referred to in paragraph 2 of this Article may be omitted if internal organizational structure of the customs authority, primarily electronic data exchange, enables appropriate customs surveillance.

Subdivision 1
Routine procedure

Article 196

Declaration referred to in Article 195 hereof shall be filled out in the manner stipulated by the regulations passed on the basis of Article 69 paragraph 2 of the Customs Law.

Subdivision 2
Simplified procedure

Article 197

The customs authority may, for instigation of the customs warehousing procedure, approve the simplifications referred to in Article 84 of the Customs Law, provided the requirements referred to in Articles 148-156 hereof are duly met.

Article 198

(procedure in transfer of goods from temporary storage to the customs warehousing procedure)

Procedure referred to in Articles 196 and 197 hereof shall be also applied in the event of transferring the temporary stored goods from the temporary storage referred to in Article 187 paragraph 1 hereof to the customs warehousing procedure.

Division 4
Keeping the customs warehouse

Subdivision 1

Article 199

(1) Records of the goods in Type A, C, D or E customs warehouse shall, pursuant to Article 112 paragraph 1 of the Customs Law and in accordance with the decision the customs authority, be kept by the keeper of customs warehouse.

(2) Keeper of customs warehouse shall, at the request, surrender to the competent customs authority the records for the purposes of verifying that records are kept properly and that the content of the records is in compliance with actual stocks in the customs warehouse.

(3) In the event of introduction of goods in Type B customs warehouse, the surveillance customs authority shall keep the declaration or other official documents for instigation of customs warehousing procedure, with the intention of performing surveillance over the conclusion of instigated customs warehousing procedures. In such event, it shall not be necessary to keep separate bookkeeping records.

(4) In the event of Type E customs warehouse, records of the goods located in the customs warehousing procedure shall be kept by the customs authority in accordance with this subdivision.

Article 200

Save in the events referred to in Article 199 paragraph 3 hereof, surveillance customs authority shall not keep records and, because of the administrative needs, it may keep the register of all declarations received.

Article 201

If the depositor keeps records for its commercial and taxation requirements and such records contain the data which, considering the type of customs warehouse and the procedures for instigation and conclusion of the customs warehousing procedure, are necessary for surveillance, the customs authority may approve such records as the records referred to in Article 112 of the Customs Law.

Article 202

(1) Records referred to in Article 112 of the Customs Law shall contain all the data necessary for proper implementation and surveillance over the procedure of customs warehousing.

(2) Records referred to in paragraph 1 of this Article shall contain the following minimum of data:

- a) data from boxes 1, 31, 37 and 38 of the unique customs document which is filled out for the declaration for instigation of the customs warehousing procedure;
- b) reference to the customs declaration, namely application for new allowed use or utilization of goods with which the customs warehousing procedure for respective goods has been concluded;
- c) the date and the data about other customs and other documents concerning the instigation and conclusion of the customs goods warehousing procedure;
- d) the data which make it possible to perform surveillance over movement of goods in the customs warehouse and, in particular, where the goods are located and the data about relocation of goods from one to the other warehouse, if any, while the customs warehousing procedure was not concluded;
- e) the data about joint warehousing of customs goods and goods referred to in Article 113 paragraph 1 of the Customs Law.;
- f) all other data which are of relevance for determination of the type and quality of goods;
- g) the data about routine procedures and treatment of goods in the customs warehouse;
- h) the data about temporary removal of goods from the customs warehouse premises.

(3) Records about the goods located in the Type D customs warehouse shall, besides the data referred to in paragraph 2 of this Article, contain the data from boxes 3, 5, 14, 19, 26, 32, 33, 34, 47, 49

and 54 of the unique customs document, which are filled out in the declaration with which the customs warehousing procedure is instigated.

(4) Keeper of customs warehouse shall keep records so that at any time they show actual stocks of goods in the customs warehousing procedure. In the time periods determined by the customs authority, the keeper of customs warehouse shall submit the extract from the records.

(5) If the declarant has requested that, when determining the customs value of the goods in the customs warehouse, Article 118 paragraph 2 of the Customs Law be applied, the data about customs value of goods shall be specified in the records before implementation of the approved procedure or treatment.

(6) In the event of the approved application of simplified procedures referred to in Article 84 of the Customs Law, provisions of this Article pertaining to the declaration shall accordingly apply to the approved simplifications.

Article 203

(1) The goods for which the customs warehousing procedure was instigated in the Type A, C or D warehouse, shall be entered in the records at the moment when the goods are introduced to the customs warehouse. Care should be taken about the data accepted, namely confirmed by the customs authority or the customs authority for instigation of the procedure pursuant to Article 195 paragraph 2 hereof.

(2) If, for the goods, the customs warehousing procedure was instigated in the Type E warehouse, the goods shall be entered in the records at the moment when the goods arrive to the warehousing premises of the approval holder.

(3) If the customs warehouse pursuant to Article 187 hereof is used for temporary storage of goods, the goods shall be entered in the records:

1. in the event that the declaring was approved on the basis of bookkeeping entries in accordance with Article 154 hereof for transfer of goods from the temporary storage to the customs warehousing procedure – before expiry of the timeline referred to in Article 59 of the Customs Law,

2. in all other events – at the moment when the goods subjected to the procedure of customs warehousing, on the basis of received declaration.

(4) The data concerning the conclusion of customs warehousing procedure, the keeper of customs warehouse shall enter in the records:

1. in the event that any of simplified procedures referred to in Article 84 of the Customs Law is approved – not later than at the moment when the goods were removed from the customs warehouse,

2. in all other events – at the moment of releasing the goods to the declarant on the basis of the declaration for customs approved use or utilization goods.

Subdivision 2 Routine procedures and treatment

Article 204

(1) The customs authority may, on the basis of request, approve that the customs goods be subjected to routine procedures and treatment, for the reasons to preserve the goods, improve their appearance or market value, and prepare them for distribution and further sales.

(2) Procedures and treatment which may be approved in accordance with paragraph 1 of this Article are listed in the Addendum 14 hereto.

Article 205

(1) Request referred to in Article 118 paragraph 2 of the Customs Law should be submitted at the same time with the request for approval of the performance of routine procedures and treatment referred to in Article 204 hereof.

(2) Applicant referred to in paragraph 1 of this Article may at the same time request that the customs authority issue to him the certificate about the data which, pursuant to Article 118 paragraph 2 of the Customs Law, are taken into account in determination of customs debt, if any.

Article 206

Keeper of customs warehouse shall, in the written request for approval of the procedures and treatment referred to in Article 204 hereof, besides the general data, indicate the precise data about:

1. declaration and goods to which the approval pertains;
2. types of procedures and treatment which are to be approved;
3. customs warehouse in which the goods are to be warehoused, namely to be subjected to the approved procedures and treatment.

Article 207

(1) Approval for performance of routine procedures and treatment shall be issued by the surveillance customs authority, for each individual case separately.

(2) By way of derogation from paragraph 1 of this Article, surveillance customs authority may, in justifiable cases, issue the general approval for a limited or an unlimited period of time.

(3) If the request contains all the data necessary for the decision, and the customs authority completely meets the request, the approval referred to in paragraph 2 of this Article shall be issued in the form of a written note on the request.

Subdivision 3

Joint warehousing of the goods with different customs status

Article 208

(storing of domestic goods)

(1) The customs authority, which is a competent authority for surveillance over the customs warehouse, may, at the written request, approve to the keeper of customs warehouse to, in the premises of customs warehouse, store other domestic goods and not only the goods referred to in Article 113 paragraph 1 item 1 of the Customs Law. These goods shall not be subjected to the customs warehousing procedure.

(2) Approval referred to in paragraph 1 of this Article the customs authority may be issued solely provided:

1. it is economically justifiable,
2. it is possible to any time determine which goods are in the customs procedure and which are not,
3. fulfillment of prescribed requirements is ensured, and
4. customs surveillance remains ensured.

(3) As a rule, the goods referred to in paragraph 1 of this Article shall not be mixed with the goods which is in the warehouse and is in the customs warehousing procedure.

(4) If, due to the nature of the goods which is intended to be stored in accordance with paragraph 1 of this Article, it is not possible to ensure determination of the identity of these goods, warehousing of such goods in the customs warehouse may be approved only if such goods is of the same type as the customs goods. It shall be deemed that the goods of the same type, if it is classified in the same paragraph of the Customs Tariff Schedule and is of equal trade quality and equal technical characteristics.

(5) For the goods kept in the customs warehouse in accordance with this Article, the keeper of warehouse shall keep separate records pursuant to Article 202 hereof.

Subdivision 4
Temporary removal of goods from the customs warehouse

Article 209

(1) The customs authority, competent for surveillance over customs warehouse, may, pursuant to Article 116 of the Customs Law, approve temporary removal of goods from the customs warehouse.

(2) Approval referred to in paragraph 1 of this Article shall be, as a rule, issued by the customs authority for each individual case separately, on the basis of the warehouse keeper's, namely the goods user's written request,.

(3) If the approval for customs warehouse includes general approval for temporary removal of goods from the warehouse, the keeper shall notify the customs authority about every removal of goods in the manner specified by the customs authority.

(4) Request referred to in paragraph 2 of this Article shall contain all the data necessary for the decision on the request, and primarily the timeline in which the goods should be returned to the customs warehouse.

(5) If the customs authority fully meets the request, it shall issue the decision in the form of an official note on the request.

(6) In the event of temporary removal of customs goods from the customs warehouse, the applicant shall submit to the customs authority a suitable security instrument in case the obligation of customs debt payment arise, unless the customs authority already possesses a suitable security instrument with which it can secure the payment of customs debt, if any.

(7) In the event that the customs goods, while it is still temporarily removed from the customs warehouse, are subjected to routine procedures and treatment, Articles 204 to 206 hereof shall apply.

Subdivision 5
**Relocation of goods between customs warehouses without the conclusion
of customs warehousing procedure**

Article 210

(1) The customs authority may, pursuant to Article 117 paragraph 3 of the Customs Law, approve relocation of goods from one customs warehouse to other, while the customs warehousing procedure is not concluded, on the basis of the written request of keeper of the warehouse from which the goods are removed.

(2) Request referred to in paragraph 1 of this Article shall contain all the data necessary for the decision, and primarily the timeline that is necessary for the goods to be introduced to other customs warehouse.

(3) Responsibility for the goods for which the customs authority has approved the relocation shall be transferred to the keeper of the warehouse to which the goods is redirected, at the moment of introducing the relocated goods in the new warehouse and entry into the records of such warehouse.

(4) Relocation of goods from one customs warehouse to other without the conclusion of customs warehousing procedure shall not be possible when the goods are being removed from or introduced to the Type B customs warehouse.

(5) If the goods were relocated before it were introduced into other customs warehouse and subjected to procedures and treatment referred to in Article 204 hereof, and if the request referred to in Article 118 paragraph 2 of the Customs Law was submitted, the request referred to in paragraph 1 of this Article shall also contain the data about the nature, customs value, and quantity of relocated goods which is taken into account in the event that the customs debt arise for such goods.

(6) Relocation procedure shall be implemented in the manner defined in Addendum I5 hereto.

Subdivision 6

Article 211 (inventory of goods)

(1) The customs authority competent for surveillance over customs warehouse may, if it deems that it is necessary for the control of the properness of the customs warehouse business, request that the keeper of warehouse make inventory of all goods which is warehoused in the customs warehousing procedure or inventory of individual types of goods.

(2) The customs authority may request that the inventory of goods referred to in paragraph 1 of this Article is made in the presence of customs officers.

(3) Inventory of goods may be requested periodically or from time to time.

Division 5

Conclusion of customs warehousing procedure

Article 212

(1) If, pursuant to Article 208 paragraph 4 hereof, the customs authority has approved joint warehousing of the same-type domestic and customs goods, the goods for which the approval for allowed use or utilization is requested may be deemed to be the customs goods or the domestic goods. That is to be decided by the owner of warehouse or owner of goods.

(2) In no event shall the customs approved use or utilization of goods in accordance with paragraph 1 of this Article be requested for a quantity of customs goods exceeding the actual quantity of such goods warehoused in the customs warehouse at the time of removal of the goods which was notified for a particular allowed use or utilization.

(3) In the event of complete destruction or irrecoverable loss of the goods which were in the customs warehousing procedure, share of the destroyed or lost goods shall be determined taking into account the share of such goods in the total quantity of the same-type goods in the customs warehousing procedure in the premises of the customs warehouse at the time of occurrence of the destruction or loss, unless the owner of warehouse submits to the customs authority the evidence of actual quantity of lost or destroyed goods which were in the customs warehousing procedure.

Division 6

Specific provisions for the goods referred to in Article 105 paragraph 1 item 2 of the Customs Law.

Article 213

- (1) Unless otherwise provided in this Division, provisions of Divisions 1 to 5 of this Section shall also apply to the goods referred to in Article 105 paragraph 1 item 2 of the Customs Law.
- (2) Goods referred to in Article 105 paragraph 1 item 2 of the Customs Law may be warehoused in the same warehouse premises as other customs and domestic goods pursuant to Article 208 paragraph 1 hereof, only if it is possible to at any time determine the customs status of each individual product.

Article 214 (declaration for instigation of procedure)

Goods referred to in Article 105 paragraph 1 item 2 of the Customs Law shall be declared for instigation of warehousing procedure by way of a declaration filled out in the manner provided by the regulations passed on the basis of Article 69 paragraph 2 of the Customs Law. All documents necessary for instigation of customs warehousing procedure shall be appended to the declaration.

Article 215 (declaration for conclusion of procedure)

- (1) Customs warehousing procedure shall be concluded by the receipt of declaration for exportation of goods.
- (2) The goods for which the exportation declaration was submitted shall remain under customs surveillance until the goods actually leave the customs territory. In such time period, the goods may be stored in the premises of customs warehouse even if they are not in the customs warehousing procedure.

Article 216 (exportation customs declaration)

- (1) For the goods referred to in Article 105 paragraph 1 item 2 of the Customs Law, exportation declaration shall be filled out in the manner provided by the regulation passed on the basis of Article 69 paragraph 2 of the Customs Law, and all prescribed documents shall be appended to the declaration.
- (2) The customs authority shall, on the back of the documents referred to in paragraph 1 of this Article, insert the date when the goods were actually removed from the customs territory.

Article 217 (timeline for exportation)

Goods referred to in Article 115 paragraph 1 item 2 of the Customs Law shall be actually removed from the customs territory within 3 months after the date when the customs warehousing procedure was instigated for such goods.

Division 7 Utilization of customs warehouse even if no customs warehousing procedure was instigated for the goods

Article 218 (processing of goods)

- (1) The Customs Administration may, pursuant to Article 113 of the Customs Law, on the basis of the written request, approve that, in the premises of customs warehouse, processing of customs goods be performed in accordance with the procedure for importation of the goods for production for exportation or procedure for processing under customs surveillance, provided the following requirements are met:

1. applicant has proven the economic justifiability;
2. processing of goods has been separated in other premises so that the processing of goods cannot cause mixing of such goods with the goods which are in the customs warehousing procedure.
3. it is not a permanent activity but rather only a temporary or sporadic activity which is supposed to provide better economic exploitation of warehousing premises.

(2) Approval referred to in paragraph 1 of this Article shall be issued, as a rule, for each individual case separately, and it shall contain the data about the warehouse in which the processing will be performed.

(3) By way of derogation from paragraph 2 of this Article, the Customs Administration may issue the general approval, if the approved processing is performed in the Type A, C or D customs warehouse, and, if the approval for declaring the goods on the basis of bookkeeping entries was issued at the same time.

(4) Applicant shall not commence the processing of goods in the customs warehouse in accordance with this Article before it obtains the approval.