

Pursuant to Article IV 4 a) of the Constitution of Bosnia Herzegovina, the Parliamentary Assembly of Bosnia and Herzegovina, at the 30th session of the House of Representatives held on June 21, 2012 and at the 19th session of the House of Peoples held on July 19, 2012 adopted the following:

LAW ON CUSTOMS TARIFF

Article 1

(Subject of the Law)

The Law on Customs Tariff establishes the tariff and statistical nomenclature and customs tariff of Bosnia and Herzegovina entitled the Customs Tariff (hereinafter: CT), with the aim of meeting the requirements of the Customs Tariff of Bosnia and Herzegovina, foreign trade statistics and other policies that refer to export and import of goods to and from the customs territory of Bosnia and Herzegovina (hereinafter: BiH).

Article 2

(CT Contents)

(1) The CT shall comprise:

- a) Nomenclature of goods in line with the Harmonized System and Combined Nomenclature used in the European Union, subheadings for specific national requirements and additional codes;
- b) Conventional rates of duty (Most Favored Nation – MFN) applicable to goods covered by the nomenclature;
- c) Preferential rates of duty in accordance with international agreements concluded by BiH with certain countries or groups of countries;
- d) Temporary suspensions and reductions of duties, safeguards, antidumping and countervailing measures, and temporary tariff quotas;
- e) Other trade policy measures provided for by BiH legislation.

(2) The General Rules 1-6 on CT goods classification and the Rules on the Single Rate of Duty shall be integral parts of the CT.

Article 3

(CT Subheading Structure)

Each CT subheading shall have a ten-digit code number:

- a) The first six digits refer to headings and subheadings of the Harmonized System nomenclature in accordance with International Convention on the Harmonized Commodity Description and Coding System as developed and maintained by the World Customs Organization.

- b) The seventh and eighth digits are in accordance with the Combined Nomenclature. When a heading or subheading is not further subdivided, the seventh and eighth digits shall be "00".
- c) Subheadings for specific national requirements shall be identified by the ninth and tenth digits and shall be preceded by the designation "ex". In the absence of a subdivision, the ninth and tenth digits shall be "00".
- d) Exceptionally, additional codes of four characters may be used for the application of special measures which are not coded or not entirely coded at the ninth and tenth digits level.

Article 4

(Other CT Subheadings)

- (1) The CT shall include all information required to meet the objectives of this Law referred to in Article 1, including statistics.
- (2) Other measures as defined by Article 2 paragraph (1) items d) and e) of this Law shall be incorporated by the use of section or chapter notes and footnotes or any other annotation as appropriate.

Article 5

(Competences in CT Adoption Procedure)

- (1) The CT as defined by Article 2 paragraph (1) items a), c) and d) of this Law shall be established on the basis of a proposal prepared by Ministry of Foreign Trade and Economic Relations (hereinafter: MOFTER) based on consultations with the Indirect Taxation Authority and shall be adopted by the Council of Ministers of Bosnia and Herzegovina (hereinafter: Council of Ministers BiH).
- (2) The CT as defined by Article 2 paragraph (1) items b) and e) of this Law shall be established on the basis of a draft proposal prepared by MOFTER based on consultations with the Indirect Taxation Authority. These regulations shall be adopted by the Parliamentary Assembly of Bosnia and Herzegovina.
- (3) Any introduction, change or amendment of CT duty rates for countries not members of the World Trade Organization shall be made through a law adopted by the Parliamentary Assembly of Bosnia and Herzegovina.
- (4) The CT as defined by Article 2 paragraph (1) items a) and c) of this Law shall be adopted annually by a decision of the Council of Ministers BiH in accordance with the timetable from Article 6.
- (5) Council of Ministers BiH shall regulate in the CT the cases and value of goods to which the single duty rate of 10% cannot be applied.

Article 6

(Time Limits in the CT Adoption Procedure)

- (1) The CT as defined by Article 2 paragraph (1) items a) and c) of this Law shall be prepared by MOFTER not later than 15 November each year, harmonized with the Combined Nomenclature published by the European Union by October 31 each year.
- (2) The CT proposal shall be submitted to the Indirect Taxation Authority, which is obliged to, within ten days of receipt, deliver an opinion to the Ministry.
- (3) The CT proposal shall be submitted to the Council of Ministers BiH by December 5 every year, with the timely obtained opinions.
- (4) Council of Ministers BiH shall adopt a decision on the adoption of the CT for the following year not later than December 20 of the current year.

Article 7

(Competence in CT Interpreting and Explaining)

MOFTER shall be competent to provide interpretations and explanations of the CT and to provide opinions on CT application.

Article 8

(CT Publication)

The CT and any CT amendment shall be published in the Official Gazette of BiH and on the website of MOFTER.

Article 9

(Transitional Provisions)

The procedure to draft and adopt the first CT shall be finalized in accordance with time limits stipulated by Article 6 of this Law.

Article 10

(Repeal of Regulation and Exemptions)

By its entry into force, this Law shall repeal the following:

- (1) Law on Customs Tariff of Bosnia and Herzegovina (Official Gazette of BiH no. 1/98, 5/98, 7/98, 22/98, 31/02, 32/04, 48/05, 76/06, 35/09 and 14/10), except for:
 - a) Article 6 of the Law on Customs Tariff of Bosnia and Herzegovina (Official Gazette of BiH no. 1/98), which shall apply until the first CT adopted in line with this Law enters into force,
 - b) General rules, nomenclature of goods, duty rates and tariff quotas listed on the Law on Amendments to the Law on Customs Tariff of Bosnia and Herzegovina (Official Gazette of BiH no. 31/02, 32/04, 48/05, 76/06, 35/09 and 14/10), integrated into the Decision on Harmonization and Establishment of the 2012

- BiH Customs Tariff (Official Gazette of BiH no. 105/11);
- (2) Decision on the Application of Article 2 of the Law on Customs Tariff of Bosnia and Herzegovina (Official Gazette of BiH no. 6/98), which shall apply until the first CT adopted in line with this Law enters into force;
 - (3) Decision on the Customs Procedure for Unassembled or Disassembled Products Parts of which are Imported Successively (Official Gazette of BiH no. 6/98);
 - (4) Decision on Determining the Value of Goods to which the Single Duty Rate Applies (Official Gazette of BiH no. 6/98), which shall apply until the first CT adopted in line with this Law enters into force.

Article 11
(Entry into Force)

This Law shall enter into force on the eighth day of its publication in the Official Gazette of BiH.

Number 01,02-02-1-1/12

July 19, 2012

Sarajevo

Chairperson of the
House of Representatives
Parliamentary Assembly of BiH
Milorad Živković

Chairperson of the
House of Peoples
Parliamentary Assembly of BiH
Dragan Čović