

CUSTOMS DESCRIPTION (CLASSIFICATION) OF GOODS - UNDERSTANDING TARIK

The Kosovo Customs Code provides the authority for the methods that must be applied in determining the description (classification) of imported and exported goods. [see Articles 24 and 25 of the Customs Code].

In summary, the Customs Code provides that:

Import duties legally owed where a “customs debt” is incurred will be based on the goods nomenclature of TARIK, the Customs Tariff of Kosovo, the applicable laws of Kosovo and any agreement with another country or group of countries entered into by Kosovo which provides for the granting of preferential tariff treatment.

Any other measure under the applicable laws of Kosovo applying to the importation or exportation of goods will, where appropriate, be applied according to the tariff classification of those goods within TARIK.

The Customs Tariff of Kosovo is based on the International Harmonized Commodity Description and Coding System generally referred to as "Harmonized System" or simply "HS". The HS is a multipurpose international product nomenclature developed and administered by the World Customs Organization (WCO).

The HS comprises more than 5,000 commodity groups, each identified by an international six-digit subheading, arranged in a legal and logical structure and supported by well-defined rules to achieve uniform classification. The system is used by more than 200 countries and economies as a basis for their customs tariffs and for the collection of international trade statistics. Over 98 % of the merchandise in world trade is classified in terms of the HS.

The official interpretation of the HS is given in five volumes of Explanatory Notes published by the WCO, as part of a commodity database giving the HS classification of more than 200,000 commodities actually traded internationally.

Decisions concerning the interpretation and application of the Harmonized System, such as classification decisions and amendments to the Explanatory Notes or to the Compendium of Classification Opinions, become effective two months after the approval by the WCO's HS Committee.

TARIK IN KOSOVO

Kosovo adopted the HS as the basis for the Kosovo Customs “TARIK” in 2005 and will continue to use the HS as the TARIK is eventually integrated with the EU-based external tariff. The TARIK comprises a schedule of rates and measures which apply to the importation and exportation of goods; the international six-digit subheading is further refined with an additional four digits to take into account all requirements for the Statistical Office of Kosovo, customs duties, import and export trade policy measures, preferential rates of duty (CEFTA), VAT and excise rates.

The TARIK is the common point of reference for traders, customs clearing agents, the Kosovo Customs Service and all relevant ministries and so affords the uniform application of all laws and regulations applicable on import and export. The TARIK is updated to take into account any newly passed regulations, and is updated on an annual basis in accordance with the published Combined Nomenclature of the European Union.

Harmonized Commodity and Coding System Nomenclature

The Commodity Code for imports is a ten digit number which equates to a description of the item. Every item will have a code number – however diverse or obscure.

Against each commodity code, a duty rate is set, as are any restrictions likely to apply eg. DTI Import License may be needed. Classifying your products to the right commodity codes is very important as the code;

describes the goods, and
sets the duty rate.

The majority of products being imported will attract duty. It is important that the correct duty rate is paid. If you pay too much, you will be disadvantaged financially. If you pay too little you are likely to have to pay the additional amount later, perhaps after you have sold the goods on. Ensuring your products are classified to their correct commodity code(s) is of prime importance. Commodity Codes are contained in Volume 2 of the Tariff and there are some 65,000 of them. The Tariff has monthly updates as codes can change, be removed or new ones added.

You have direct access to the Kosovo TARIK at:

<http://dogana.rks-gov.net/Uploads/Documents/tarik/indexalb.htm>