

Based on Article 255 of the Customs Law (Official Gazette of Republic of Serbia, no. 73/03, 61/05, 85/05 – state law and 9/10 – decision of the Constitutional Court), with the aim of unified implementation of regulations from the authorization of Customs Administration, the Head of the Customs Administration reaches a

CLARIFICATION OF THE CUSTOMS PROCEDURE IN POSTAL TRAFFIC

1. GENERAL PROVISIONS AND TERMS

This clarification regulates in greater detail the customs procedure regarding post shipments in international postal traffic (hereinafter: post shipments) that are placed in free circulation or are declared for some other customs procedure or use in the customs territory of the Republic of Serbia.

In the international postal traffic, post shipments are transported via land (surface: road and railway transport), water and air routes.

Takeover of post shipments from abroad, sending them abroad, transport of shipments between customs offices and receivers, and any other action performed within the customs procedure with post shipments in international postal traffic is done under customs supervision with implementation of measures of customs control, according to provisions of the Customs Law (Official Gazette of Republic of Serbia, no. 18/2010 and 111/2012, hereinafter Law), Regulation on customs-approved procedure with goods (Official Gazette of Republic of Serbia, no. 93/2010, hereinafter Regulation), international postal and customs agreements, i.e. acts of the Universal Postal Union, other regulations and this Clarification.

All the post shipments that arrive from abroad, that are sent abroad or are transported through the territory of the Republic of Serbia, are subject to measures of customs supervision and customs control, unless determined otherwise by customs regulations and this Clarification.

Customs supervision includes measures that are used for preventing unauthorized treatment of customs goods and for securing that it remains unchanged until the customs procedure is finished.

Post shipments that contain cash, securities and gold in processed form or in nuggets are also subject to foreign currency control, in accordance with regulations that regulate foreign currency operations.

The terms used in this Clarification have the following meaning:

1. **International postal traffic** – transport of post shipments between an authorized postal operator of one state and an authorized postal operator of another state or states;
2. **Foreign post office** – organizational part of foreign authorized postal operator;

3. **Office of exchange** – organizational part of public postal operator that deals with arrival, sorting and dispatch of letter mails, EMS (Express Mail Service) and package mails, between foreign and domestic post offices, as well as mediation of international mail in closed and open transit:

- Package exchange section – organizational part of office of exchange that deals with takeover, sorting and dispatch of postal packages, as well as mediation of package mails in international postal traffic,
- Letter exchange section – organizational part of office of exchange that deals with takeover, sorting and dispatch of letter mails and EMS post shipments, as well as mediation of letter mails in international postal traffic;

4. **Clearing post office** – organizational part of public postal operator that deals with submitting post shipments in international postal traffic for customs clearance;

5. **Customs office:**

- authorized – customhouse and its organizational units in charge of implementation of customs and other regulations, as well as procedures performed in international postal traffic,
- dispatch – customs office that starts the procedure of transit or some other customs procedure,
- destination – customs office that finishes the procedure of transit or some other customs procedure,

6. **Transit:**

- open transit – transport of post shipments in cases when a foreign post office does not have a sufficient number of shipments for dispatch in a direct mail, so post shipments are dispatched in a mail for office of exchange of another state that sends them together with its own shipments to the destination state,
- closed transit – transport of closed bags with post shipments of one foreign post office to another foreign post office,
- transport of post shipments in the transit procedure from the starting to the destination customs office;

7. **Mail** – one-time dispatch of post shipments in bags, containers, pallets and such, for which regulated postal documents are filled out. A mail can consist of one or more bags with post shipments and can contain letter mail, packages and EMS shipments;

8. **List of exchange** – a regulated document that is filled out and submitted to a customs office by an authorized office of exchange, i.e. clearing post office for letter mail, packages and EMS mails; this document is submitted alongside the mail;

9. **CONSIGNMENT of shipments (grouping of shipments)** – reception or dispatch of a large number of post shipments sent by one sender to one or more receivers;

10. **Post shipments** are:

- letter mail – shipments imported, exported or transported in closed bags, wrappers or containers,

- packages – shipments imported, exported or transported as individual shipments or several packages in closed bags, containers, pallets or packed in some other way;

11. **EMS (Express Mail Service) shipment** – urgent shipment for which the sender gets a receipt on reception, which is delivered with the signature of the receiver;

12. **Postal-customs application** – a regulated document that is filled out with information on post shipments, which the authorized clearing post office submits to the customs office when submitting shipments from abroad for customs inspection;

13. **Export postal-customs declaration (UPCD)** – declaration that is used in shortened procedure for calculating the customs debt for post shipments that a natural entity from the Republic of Serbia receives from abroad;

14. **Postal-customs shipping document (PCP)** – a regulated document that is filled out by Office of Exchange i.e. clearing post office for package and EMS mails and that is submitted to the customs office; it is submitted with the mail in which the package is sent;

15. **CN22** – customs declaration that is filled out, as an international postal document in the form of a sticker, by a sender for letter mail and EMS shipments in the total value up to 300 SDR;

16. **SDR** – monetary unit in which all the countries calculate the stated values of their national currency on post shipments in international traffic;

17. **CN23** – customs declaration that is filled out, as an international postal document, by a sender of a post shipment that contains customs goods and based on which post shipments are placed in an appropriate customs procedure during import and export, where applicable;

18. **CN24** – international customs document in which the authorized public postal operator makes a record on irregularity in case some irregularities about post shipments are found;

19. **CN13** – record as a notification on shipment confiscation;

20. **CP71** – dispatch note;

21. **CP72** – customs declaration/dispatch note;

22. **CP78** – Report on irregularity for packages in office of exchange when package weight is different

2. IMPORT OF POST SHIPMENTS

Post shipments are received from abroad and are dispatched abroad in direct and transit mails.

Transfer of post shipments between a foreign and domestic post office is done under the customs supervision and control.

Offices for inspection and clearance of post shipments are provided by the Clearing post office.

2.1. Reporting post shipments to entrance border customs office

Postal packages that are taken over from a foreign post office are reported by the domestic post office to the border customs office based on a copy or a transcript of the List of exchange of the foreign post office, while bags with letter mail and EMS shipments are reported to the border customs office orally.

If post shipments are transported from abroad in closed (sealed) postal vehicles, they are not reported to the border customs office. Instead, a copy or a transcript of the List of exchange of the foreign post office are submitted to the customs office authorized according to the seat of the office of exchange to which shipments are directed.

The authorized customs official compares the number of postal packages, i.e. bags with postal packages with the information from the copy or transcript of the List of exchange of the foreign post office, verifies the copies or the transcript of the List of exchange by placing a seal, and keeps one copy or transcript for themselves.

The post office that took over the mails from a foreign office sends them to the office of exchange. The post office that took over the mails from the foreign post office makes a postal-customs shipping document in four copies. The border customs office verifies all four copies of the postal-customs shipping document, keeps the first copy and returns three copies to the post office that received the mails from the foreign post office. The post office that took over the mails from the foreign post office keeps one copy of the postal-customs shipping document, and two copies, alongside the mail, sends to the office of exchange to which the mail is addressed. Upon the reception of mails to the office of exchange, the customs office authorized according to the seat of the office of exchange to which mails are directed, verifies two copies of the postal-customs shipping document, keeps one copy and returns the other one to the office of exchange. According to previously determined dynamics, the customs office at the office of exchange submits its verified copies of PCP to the border customs office as confirmation of reception.

Entrance (starting) border customs office performs customs inspection of the vehicle used to transport post shipments, and performs this quickly, as a priority.

2.2 Procedure in case of irregularity of taken over mails

If it is revealed during the takeover of mails from a foreign post office that bags or some packages are damaged or faulty, Minutes on irregularity is made or the irregularity is noted on the List of exchange. Minutes or the note on the List of exchange should be verified by the entrance border customs office, which keeps one copy of the Minutes with the List of exchange.

The damaged bag or package is placed in a new bag that is sealed and, with a copy of Minutes on bag irregularity, it is sent to the authorized office of exchange that will open the damaged bag and inspect its contents.

If it is revealed during the takeover of foreign mails that there is lack or excess of bags or packages, the post office that takes over the mail enters the corrections in the List of exchange with a commission present and reports the determined lack or excess of bags or packages to the customs office.

3. PROCEDURE IN OFFICE OF EXCHANGE

3.1. Takeover of mails and shipments

The takeover of mails in the authorized office of exchange is performed with a commission present and under customs supervision. The commission consists of one post office worker and one customs official. In extraordinary cases, upon the approval of the customs office at the authorized office of exchange, the commission can consist of several post office workers and/or customs officials.

During the takeover of a certain mail, the post office worker is obliged to inspect the mail, bags and how they are closed (strings, seals, labels) under customs supervision, as well as to compare the data on origin and destination of postal bags entered into the List of exchange with the data on bag labels.

3.2. Separating shipments in the office of exchange

3.2.1. Letter mail

Postal bags are opened in the office of exchange under customs supervision, after which letter mail that contain or that are suspected to contain goods subject to customs inspection are separated.

If it is revealed during the opening of letter bags that the shipment that contains these goods is visibly damaged, i.e. that the content is unavailable, the office of exchange will make for this shipment Minutes on irregularity on the form CN 24 (Act of Universal Postal Union – Beijing 1999, Bern 2009), signed by a post office worker and an authorized customs official. The customs body keeps one copy of the minutes.

Letter mail that contain or are suspected to contain goods subject to customs inspection are sent from the office of exchange to authorized clearing post offices.

The distributed letter mail are sent to authorized clearing post offices in mails after being inspected by other authorized offices.

Letter mail that are not subject to customs inspection, i.e. those that are deemed declared for being placed in free circulation at the moment of entering the customs territory of the Republic of Serbia, are sent from the office of exchange to destination post offices to be delivered to recipients.

3.2 Packages

Office of exchange separates packages received from abroad according to authorized clearing post offices.

Sorted packages are sent to clearing post offices after being inspected by other authorized offices.

For every package mail, the office of exchange makes a postal-customs shipping document in four copies, which is verified by the customs office that keeps the first copy and returns the other three copies to the office of exchange. The office of exchange keeps one of those copies and sends the other two copies to the authorized clearing post office to which the mail is directed.

The same procedure is applied if the office of exchange sends packages to other office of exchange in the country.

3.2.3. Procedure for damaged shipments

In case a visibly damaged or faulty shipment arrives, the office of exchange, with a customs official present, makes Minutes on irregularity on the CN 24 form. The Minutes is made in five copies, signed and verified by a post office worker and a customs official. The authorized office of exchange and the customs office keep one copy each, two copies are sent with the shipment, while one copy (translated to English or French) is sent by the authorized office of exchange to the foreign office of exchange with the Report on irregularity (CN 43).

3.3. Post shipments in import that are not subject to customs inspection

Pursuant to the provision of the Article 190, Section 1, Subsection 1, clause (1) of the Regulation, the following post shipments are deemed to be declared to the customs body for placing into free circulation at the moment of entry in the customs territory:

- letter mail, containing only personal messages
- letters in Braille alphabet (Secogram)
- all other post shipments (letter and package shipments), which, in accordance with the regulations defining passenger, cross-border and postal traffic, are not required to be delivered to the customs house.

The stated provisions are not applied on:

- 1) the shipments containing commercial products, the total value of which does not exceed EUR 25 in RSD equivalent
- 2) the shipments containing commercial products, which make a part of a regular sequence of similar activities
- 3) if the declaration was submitted in writing, orally or via electronic data exchange
- 4) if the shipment contains the goods for which return of import duties is required or for goods subject to restrictions, bans or other special formalities.

4. PROCEDURE IN THE CLEARING POST OFFICE

4.1. Takeover of mails of post shipments

The mails with post shipments subject to customs inspection, dispatched by the exchange post office in charge, are taken over in the clearing post office, under customs supervision.

The mails with letter mail containing goods are taken over by the clearing post office in a manner defined by postal rules, under customs supervision. The takeover and opening of the delivered mails is done by the commission which includes one postal clerk and one customs officer. Exceptionally, the commission, with approval of the customs office, may include more postal clerks and/or customs officers.

If on the occasion of takeover of mail a visible external damage of shipment is established and if in mails with a declared value the difference between marked and actual weight is established, CN24 minutes is made in four copies. In postal-customs declaration in "Note" section, the note "minutes" is entered, on which the clearing post office informs the post office of exchange, with a report on irregularity R61.

4.2. Verification of postal-customs shipping document

Concerning delivered package mail, the customs office verifies both copies of the postal-customs shipping document and registers it in the import control book for imported post shipments. One copy is retained, while the other is returned to the clearing post office. For its own records, the customs office in the clearing post office, according to previously defined dynamic, encloses their copies of postal customs application to the customs office at the office of exchange.

If the mail was received without postal-customs shipping document, the clearing post office fills out the present postal-customs application in four copies. The customs office verifies all of four pieces of the present postal-customs application and retains the first copy, while three copies are delivered to the clearing post office. The office of clearance delivers two copies of that application to the office of exchange from which the package mail came.

4.3. Submitting post shipments to the customs office at the clearing post office

If on occasion of takeover of package mails in the clearing post office it is established that the data in the postal-customs application do not correspond with the actual state, the clearing post office makes the minutes in four copies, which is signed by postal clerk and authorized customs officer. One copy of the minutes is submitted to the customs office in charge per place of the post office of exchange, from which the package mail comes, the second copy is submitted to the clearing post office, the third copy is enclosed to the post office of exchange from which the package mail comes, and the fourth copy is retained by the customs office.

Immediately after delivery in the clearing post office, the authorized customs officer separates the letter shipments subject to customs inspection from the shipments not subject to that inspection and which were not separated in the post office of exchange. The postal clerk puts label "Not subject to customs inspection" on the shipments which are not subject to customs inspection, and they deliver them per destination post offices for delivery.

4.4. Postal-customs application

The competent clearing post office reports post shipments which are subject to customs inspection to the customs office at that post office, based on postal-customs application which it submits to that office together with the shipment. Submitted with the postal-customs application are the documents accompanying the post shipment (dispatch notes, declarations, certificates, approvals etc.).

Not registered in the postal-customs application are the post shipments which are not subject to customs inspection and the data on shipments which, according to territorial organization, should be dispatched to other clearing post office. The shipments which, according to territorial division, belong to some other clearing post office are returned with a mail to the post office of exchange from which they came in order to be dispatched to the competent clearing post office (packages belonging to some other clearing post office are not registered in the postal-customs application, but are returned to the post office of exchange, with postal-customs application being made).

The data on the mass of the shipment are entered in the postal-customs application based on the documents accompanying the shipment or measuring in the competent clearing post office.

The postal-customs application is, as a rule, filled in, separately for letter shipments and separately for packages. If, on one postal-customs application the data are entered for both kinds of shipments, then a note must be entered in the heading of the postal-customs application: "Packages and letter mail". With approval of the customs office, the postal-customs application for EMS, priority and air mails may be separated.

The postal-customs application is recorded in the control book for imported letter mail.

If the shipments belonging to another clearing post office per territorial division are entered in the postal-customs application, such shipments are dispatched to the office of exchange, with filled-in postal-customs shipping document. In that case, the postal-customs application

is discharged with the number of the postal-customs shipping document. Submitted with the postal-customs shipping document are the documents accompanying the post shipments (dispatch note etc.).

4.5. Inspection

Opening and inspection of post shipments is carried out by a competent clearing post office and a customs office. The clerk of the competent clearing post office opens the post shipment in presence of the customs officer who conducts customs inspection, that is the customs check of the shipment and submitted customs declaration.

If the customs officer demands, the post shipment must be weighed again before opening, with the established weight being compared with the data from the postal-customs application. After that, the postal clerk carefully opens the shipment, takes out certain parts of its content and submits those to the customs officer for inspection.

The receiver of the shipment or its authorized representative may attend the customs inspection of the post shipment.

If on the occasion of the control it is established that the content of the shipment is defective, damaged, destroyed, or has become unusable in any other way, the minutes are taken, which are signed by the postal clerk and authorized customs officer. The minutes are made in four copies, for all types of shipments, on CN 24 form. One copy of the minutes is retained by the customs office and is submitted with the postal-customs application and specification, on which, relevant note is entered on established state of the contents of the shipment.

4.6. Declaring post shipments received by natural entities

The import postal-customs declaration for natural person, or JCI is submitted with post shipment which is received from abroad by the natural entity in the Republic of Serbia.

The postal-customs declaration for natural entity is submitted in the cases when conditions are fulfilled for applying single customs tariff. JCI is submitted and filled in accordance with the Rulebook on form, contents, manner of submitting and filling in of the declaration and other forms in customs procedure (Official Gazette of the Republic of Serbia, Nr. 29/10,... and 12/13), and the procedure for it is the same as well as that for other JCIs by which the goods were placed in relevant customs procedure.

Clerk in the clearing post office opens the shipment which is submitted to the customs officer for inspection. The receiver of the shipment, or a person authorized by it may attend the customs procedure. The postal clerk carefully opens the shipment, takes out its contents or certain parts of it and submits them for inspection to the customs officer. After the customs officer takes the data required for customs procedure for the goods, the postal clerk returns the contents of the shipment in its envelope, packs the shipment and secures it so that the contents of the shipment cannot be reached without visible damage to the envelope.

Depending on the contents of the shipment, the customs officer decides whether the shipment will be freed of import duty, observing the provisions of the Customs Law and the Regulation on type, quantity and value of goods for which import duties are not paid (Official Gazette of RS, number 48/2010 and 74/2011>), or import duties will be applied on it. The postal clerk places a sticker "Release on import duty" on the shipment released from paying import duties. If it is a package, the same sticker is put on the dispatch note SR71. In the postal-customs application, the shipment in question is discharged per legal basis of exemption.

If on the occasion of inspection of the shipment it is established that the receiver of goods should prove that they fulfill the conditions for import of goods, or if there is some irregularity, due to which the procedure with the shipment on inspection of goods cannot be finished, the customs office calls the receiver, through the clearing post office to submit the required evidence, within eight days from the day of reception of the summons, for completion of the procedure with the shipment. It is stated in the summons that the shipment will be returned abroad if the receiver does not respond to the summons in given time, or within 30 days.

4.6.1. Postal-customs declaration for natural person

The calculation of import duties is done in the so called shortened procedure, on import postal-customs declaration (UPCD), in which the information is entered on receiver, the number of the postal-customs application and the number of shipment, the mass of the shipment, trade name of goods, value of goods, kind of applied duty, basis for calculation of duties (customs, excise, tax), rates of import duties, individual amounts of duties and fees and total customs debt. The customs office establishes the customs value of the contents of the shipment on which the customs debt is applied. The calculation of the customs debt is done in accordance with the Article 107 of the Customs Law and the Article 427 of the Regulation, applying single customs rate of 10%, up to the value of shipments of EUR 3,000 in dinar equivalent. Exceptionally, the receiver of the shipment may request that the customs rate defined by the customs tariff is applied. For shipment in the value over EUR 3,000, the customs office is enclosed JCI and the clearance is finished in regular customs procedure. The JCI is submitted, also, for shipments released from import duty unless it is defined that the note on release be put on the JCI for relevant goods. Such shipment is discharged in postal-customs application with the number of UPCD, that is the number of JCI, if such a declaration was submitted for the goods, the sticker "customs cleared" is placed on the shipment.

The import postal-customs declaration for natural person is filled in a set of three copies, of which first two copies, with the enclosed documents are retained by the customs office and the third copy with payment instructions for customs debt is submitted to the clearing post office, which submits it with the shipment. The post is responsible for correctness and contents of the shipment until it is delivered to the receiver. After collection of the calculated amount of customs debt, the postal worker will present the shipment with the declaration to the receiver (the post is obliged to transfer the amount of the collected customs debt to the directed account of the customs office within 24 hours after collection).

4.6.2. Complaint

The receiver can submit a complaint to the finding of the customs body regarding the kind, quality, quantity and value of goods. If the receiver of post shipment says that they submit a complaint, the post will return the unopened shipment to the clearing post office, together with UPCD, dispatch note and complaint of the receiver. The procedure of complaining and reaching of the decision upon the complaint is defined with the provisions of the Article 195 of the Regulation and the Article 96 of the Customs Law. The clearing post office retains the shipment until final decision, that is until the execution of the order of the customs office on the complaint, except in the case it is determined differently with an international contract.

4.6.3. Shipments for which evidence of origin is not required (exception of proving origin for natural entities)

The exceptions from proving the origin for natural entities are defined by the Article 27 of the Protocol on origin of goods of the following agreements: Agreement on amendment and joining the Agreement on Free Trade in Central Europe - CEFTA 2006 (Official Gazette of the Republic of Serbia - International Contracts", Nr. 88/07), Draft Agreement on Trade and Trade Issues between the European Community on one side and the Republic of Serbia on the other (Official Gazette of the Republic of Serbia - International Contracts, Nr 83/08), Agreement on Free Trade between the Republic of Serbia and the Republic of Turkey (Official Gazette of the Republic of Serbia - International Contracts, Nr 105/09) and Agreement on Free Trade between the Republic of Serbia and EFTA states (Official Gazette of the Republic of Serbia - International Contracts, Nr 6/10).

Pursuant to the stated article of the Protocol on origin of goods, the products which the natural entities send in small packages to natural entities are considered to be products with origin, so that, for those submitting of evidence on origin is not required, under condition that such products are not imported for trade purpose and that they are declared as products meeting requirements defined by the Protocol on origin of goods and when there is no doubt regarding truthfulness of the statement. In the case of goods sent by post such a statement can be given on customs declaration CN22/CN23, or on a paper which is attached with the document.

Individual export which contains only products for personal use for the receivers or their families is not considered to be an import of commercial nature if it is obvious in the nature and quantity of products that they are not intended for commercial use.

The total value of those products cannot exceed EUR 500 in the case of small shipments.

4.7. Procedure in the case of (letter and package) shipments the receivers of which are natural entities

When foreign post shipment is received by a natural entity in the Republic of Serbia, with customs declaration CN 22 or CN 23 and the postal-customs application, in accordance with the Article 190, section 4 of the Regulation, JCI is submitted for the required customs procedure in which the goods are placed.

Exceptionally, the customs office may allow the procedure by submitting the statement of the declarant, for instance, for advertising material and samples which meet the requirements defined by the provision of the Article 26 of the Regulation on type, quantity and value of goods for which import duties are not paid. The statement is submitted in two copies, of which one copy is held by the customs office, while the other stays with the declarant.

4.7.1. Submitting Unified Customs Document (JCI)

JCI is submitted for placing the post shipment in required customs procedure in the cases when the procedure by UPCD cannot be carried out for natural persons, as well as for the procedure when the legal entities are receivers.

The JCI is submitted by the receiver of goods (declarant) or its authorized representative who meets requirements for representation in customs procedure. The JCI for releasing the goods for free circulation, that is for placing them under some other customs procedure is filled in a manner prescribed with provisions of the Article 12 of the Rules on form, contents, manner of submitting and filling of the declaration and other forms in the customs procedure.

The JCI must be signed, must contain all the data and all documentation required for implementation of regulations connected with the customs procedure for which the goods are declared, has to be enclosed.

The procedure on the declaration is conducted (declaration inspection, sampling, minutes on change of data, declarants complaint to the finding of the customs office etc.) and completed per provisions of the Customs Law and the Regulation, as well as per explanation of the Customs Administration No. 148-03-030-02-65/2011, dated June 3, 2011.

4.8. Procedure with goods for which special conditions are set

If on occasion of customs control it is established that the post shipment contains the goods for releasing of which in the required customs procedure special conditions are set (e.g. licenses, veterinary or sanitary inspection, quality inspection etc.) or that the release of goods requires fulfillment of some other conditions (e.g. conditions for implementation of tariff preferences) the customs office shall conduct the required customs procedure and release the goods of the declarant, only under condition of fulfillment of all set conditions. Otherwise, the shipment will be retained in the clearing post office until fulfillment of conditions for completion of the required procedure, in which case, the customs officer will state the reasons for retaining on the postal-customs application and on the wrapper of the shipment.

If the receiver of the shipment does not meet requirements for import of such goods, the

4.9. Procedure for goods whose import is prohibited

If it is revealed during the goods inspection that a shipment contains goods whose import is prohibited, the customs office will make a decision in accordance with the Article 100 of the Customs Law, ordering the clearing post office that the goods are returned abroad within a

deadline that cannot be longer than 8 days from the day the decision was received, with the note that the goods would be seized if it is not returned abroad within that period. The clearing post office returns these shipments abroad via Office of Exchange and makes a Postal-customs shipping documents, based on which the shipment is discharged in the Postal-customs application.

If it is revealed during the goods' control that a shipment contains narcotics, psychotropic substances, radioactive substances, explosive, combustible or other dangerous items for which import conditions are not fulfilled, the clearing post office will exclude such a shipment from the procedure and submit it to the customs office for further action. Minutes is made about this, signed by a worker of the clearing post office and a customs officer.

4.10. Procedure for hidden goods

If it is revealed during customs inspection that a shipment contains hidden goods, i.e. that the goods or a part of goods were packed in such a way that obviously shows the intent of avoiding paying customs duty, the customs office will make a minutes about it in three copies, which is signed by a customs officer and a worker of the authorized clearing post office. Two copies of the minutes, together with the hidden goods the minutes refers to, will stay at the authorized customs office for further action, while the third copy is kept by the clearing post office and makes a note of it in the postal-customs application. The clearing post office packs the remainder of the shipment and continues the clearance procedure.

Further procedure with hidden goods for which a minutes was made depends on qualification of the violation.

4.11. Handing shipments over to another authorized body

In case another authorized body (internal affairs body, court, inspection or any other authorized body) submits a request for handing over uncleared shipments in order to perform an adequate procedure, the clearing post office makes a Minutes on the CN 13 form – Notification on shipment confiscation, signed by a customs official, worker from the clearing post office and worker of that other authorized body.

When the clearing post office receives from the destination post office the returned (undelivered) cleared shipment with a decision of the authorized body (e.g. authorized investigating body), the clearing post office hands over that shipment to that body, with a confirmation on reception in the Minutes CN 13. The decision of the authorized body, together with one copy of the minutes and postal-customs declaration for a natural entity and orders for paying the customs debt or JCI according to which the shipment was cleared (depending on the situation), are submitted by the clearing post office to the customs office where the shipment was cleared.

4.12. Deadlines for performing customs procedures

The customs procedure with post shipments should be finished within 4 days of the day they were submitted to the customs office, unless there are other justified reasons or problems why the procedure cannot be finished within that period (e.g. the lack of necessary documents, the declarant was called to deliver those documents, etc.).

The customs procedure with EMS and urgent shipments, shipments that contain live animals, easily perishable goods and drugs finishes within five working hours from the time the stated shipments were submitted to the customs office. For priority/plane shipments, the procedure should be finished within 24 hours from the time they were submitted to the customs office, unless there are other justified reasons or problems why the procedure cannot be finished within that period.

4.13. Closing of shipments

After the performed customs inspection of a post shipment, a worker of the authorized clearing post office returns the shipment content into a wrapper and packs it so that the shipment content cannot be reached without visibly damaging the wrapper, in accordance with general and special regulations on packing and sealing certain types of shipments in international traffic.

After closing the post shipment, the authorized clearing post office puts a label 'Cleared' on the shipment wrapper, or a label 'Release on paying customs duty', depending on the specific case.

After the performed customs inspection and closing the post shipment, the shipment is measured again and the determined weight is marked on the shipment wrapper.

4.14. Discharge of the postal-customs application

Customs office discharges the postal-customs application, depending on the situation:

- a) with a number of the appropriate postal-customs declaration for natural entities,
- b) with a number of JCI for placing goods in the requested customs procedure,
- c) with a Statement number,
- d) with other documents (e.g. list of exchange, minutes, postal-customs shipping document) as regulated in certain cases in this Clarification.

When a post shipment that contains goods that fulfill conditions for being released from paying customs duty is cleared, and submitting the customs declaration is not envisaged, the Postal-customs application is discharged by entering this note (in the 'note' section): 'Release from paying customs duty,' and by entering the appropriate legal provision based on which the shipment is released from customs duty.

4.15. Procedure with undelivered shipments

In case a post shipment cannot be delivered to the receiver, and in case the receiver refuses to accept the shipment for reasons other than not agreeing with the findings of the customs office, the shipment and its accompanying documents will be returned as undelivered to the authorized clearing post office.

The authorized clearing post office measures and submits, with a register, the undelivered shipment returned by the destination post office to the customs office where it was cleared,

so it could be inspected again. If the customs office determines in the repeated control that the content of the shipment is unchanged, the shipment will be returned immediately, or within 48 hours, to the sender abroad.

For mails that contain the stated shipments a Postal-customs shipping document is made in four copies. The clearing post office and the customs office keep one copy each, while the other two are sent with the mail to the office of exchange.

The customs office discharges the Postal-customs application with the number of Postal-customs shipping document.

A copy of the returned Postal-customs declaration for a natural entity or a JCI (depending on the situation), with submitted documents, are kept by the customs office. The customs office then confirms on the Postal-customs application the receipt of returned documents and makes an adequate note of it. Based on the returned Postal-customs declaration for a natural entity, with the accompanying documents, and proof of return of post shipment abroad as undelivered, the customs office will discharge the amount of the calculated customs debt per specific Postal-customs declaration for a natural entity. For post shipments that are returned abroad as undelivered, for which the customs procedure was done according to JCI, the refund or waiving of customs debt is resolved in a regular customs administrative procedure.

For undelivered cleared shipments that are returned to the clearing post office, that are not received with a Postal-customs declaration for a natural entity or a JCI, the clearing post office makes a Record on irregularity for the destination post office. The clearing post office submits to the customs office a statement that contains all the relevant information needed for discharge of the undelivered cleared shipment in the Postal-customs application and for further action regarding the calculated customs debt. In such cases, the customs office performs the discharge based on its records and proof that the shipment was returned abroad.

If it is determined during a customs inspection that the content of the shipment is completely unusable, a CN24 record and a Record on destruction in three copies are made. The Record on destruction is signed by postal clerks and a customs officer. In the Postal-customs application, in the 'note' section, an adequate note is filled in for specific shipments. If it is determined that the shipment content is partially unusable, the clearing post office makes a CN24 record in four copies, signed by postal clerks and a customs officers. The other, usable part of the shipment content is sent to the receiver with two copies of the aforementioned document. In the 'note' section of the Postal-customs application, an adequate note is filled out for a specific shipment.

The undelivered post shipment that should be returned abroad, for which the sender made a note that he waives the shipment in case it is not delivered, is handed over to the customs office for further action, with the accompanying documents. The same procedure is applied for undelivered shipments that cannot be returned abroad because the exact country of origin cannot be determined. The clearing post office hands over to the customs office the stated shipments and a written statement on reasons of handing over the shipment.

4.16 Finishing the procedure

Upon performed customs inspections, the procedure with shipments in a customs office is finished, and the clearing post office sends the cleared shipments alongside their respective paperwork to destination post offices.

5. CUSTOMS PROCEDURE FOR POST SHIPMENTS DISPATCHED ABROAD

5.1. Procedure in a clearing post office

Post shipments for export, i.e. those which are dispatched abroad and which must be submitted to customs office, may be submitted to any organizational unit of post network (hereinafter: Acceptance Post Office) or directly to a clearing post office. Post shipments which submit to customs control are accepted in a post opened and can be accepted only if they are registered. When being accepted, office clerk checks if shipments are prepared in accordance with the rules which regulate acceptance of shipments abroad as well as if they fulfill conditions for import to certain destination countries. If these conditions are not met, the post shipment is returned to a sender in accordance with post service regulations.

In order to conduct customs procedure, acceptance post office, dispatches accepted shipments to the clearing post office, labelling them with 'subject to customs control'.

Post shipments submitted by legal entities with JCI for a customs procedure, are prepared exclusively in clearing post offices.

Post shipments with the goods which are cleared for export can be submitted with JCI to any post office to be dispatched abroad.

Shipments which miss certain document are not submitted to customs office. If it is confirmed that such shipment is in customs office, it is returned to acceptance post office within three days from its receipt.

5.1.1 Shipments that are not subject to customs control

In accordance with Article 190, section 1, paragraph 1 of the Regulation, post shipments are considered declared to customs office of export when post office operators accept them, in case of letters or packages. They can be:

- Letters, exclusively with personal notes,
- Braille letters (secogram),
- All other post shipments (letters or packages) for which there is no obligation of submitting them to customs office in accordance with travel, border and post traffic regulations.

These shipments are not dispatched from the acceptance post office to clearing post office for customs control in customs office but are dispatched from acceptance post office to office of exchange and they are considered having been submitted to customs office, customs declaration is accepted and the release for export procedure is approved at the moment when shipments are accepted in acceptance post office.

Customs officer in office of exchange may select a shipment and forward it to the clearing post office if he/she considers that certain shipment should be submitted to clearing control, and postal clerk sufferance in office of exchange labels it with 'subject to customs control'.

5.1.2. Submitting post shipments to customs office

Post shipments which are subjected to customs control and which fulfill conditions for dispatching abroad, submitted to acceptance post office or clearing post office, are submitted for customs control by a clearing postal clerk to a customs officer.

5.1.2.1. Post customs declarations (CN22 and CN23)

For post shipments which are subjected to customs control, when they are submitted to an acceptance post office or clearing post office, a sender (legal or natural entity) must fill in customs declarations CN22 (for letters and EMS) and/or CN23 for which he/she confirms the validity of data with his/her signature in a certain section. For the export of goods in post shipments, a sender (entrepreneur or legal entity) fills in declaration CP72.

It is considered that post shipments are declared for export at the moment of submitting post customs declaration CN22, CN23 and CP72, which an authorized customs officer registers in an appropriate control lists, to the customs office.

The procedure of oral declaration for export of post shipments containing low-value goods of total value up to 1,000 euros for entrepreneurs and companies (POST EXPORT), regulated by Clarification of Customs Administration No. 148-03-030-04-6/7/2011 of November 7, 2011.

5.1.2.2. Unified Customs Document (JCI)

Unified Customs Document (JCI) is submitted to a customs office for the goods which require a refund of import duties or for the goods which are subjected to limitations, bans or other specific formalities, for shipments containing commercial goods with the total value over 25 euros in dinar equivalent, for shipments containing commercial goods which are part of regular series of similar activities, for the goods with submitted written, oral or electronic declaration which is in post shipments dispatched abroad.

Unified Customs Document (JCI) is submitted by an exporter of the goods (declarant) or his/her authorized representative who fulfills conditions for performing activities of representation in a customs procedure. JCI for placing the goods under an export procedure is filled in a manner prescribed by provisions of Article 9. of the Regulation on form, content, manner of submitting and filling a declaration and other documents in a customs procedure.

Unified Customs Document (JCI) must be signed, it must contain all information and all documents necessary for application of regulations relating to requested procedure must be enclosed. Procedure per declaration is performed (control of declaration, minutes on data exchange and other) and finalized in accordance with the provisions of the Customs Law and the Regulation.

5.1.2.3. The statement

If shipments for export contain goods' samples, promotional material, items of domestic exhibitors at foreign fairs, books and other, the procedure may be finalized by submitting the Statement. The Statement is submitted in two copies of which one is retained by a customs office and another one by an applicant.

5.1.3. Treatment of invalid declarations

When customs office confirms certain deficiencies or irregularities in submitted declarations CN22, CN23, CP72 or JCI, it returns them to a clearing post office with a note explaining why they are invalid. The clearing post office is obligated to remove those deficiencies or irregularities by itself or with applicant's help in acceptance post office and to submit valid declaration to the customs office. If an applicant disagrees with customs office's comments, customs office acts in a way which regulates issue of accepting declaration which does not fulfill requirements for this phase of customs procedure.

Invalid declarations CP72 will be dealt with in accordance with provisions of the Clarification of the Customs Administration No. 148-03-030-04-6/7/2011 of November 7, 2011.

If export clearing procedure is performed at customs office through authorized representative, JCI applicant, JCI will be dealt with in accordance with provisions of the Customs Law.

5.1.4. Customs control of a shipment

Shipments which comply with requirements for dispatch abroad are submitted to the control of a clearing post office on the same day, taking into account a priority of submitting shipments. Letter mail and letters with marked value have precedence over packages. EMS shipments and shipments which contain perishable goods and drugs have precedence during clearing.

Clearing post office employee opens a post shipment and submits it to control and its contents is made available to an authorized customs officer. Upon the performed customs control, customs officer closes the shipment, removes a label 'subject to customs control' and places a label 'cleared'. Authorized customs officer puts a signature and a stamp on a Customs Bond. If necessary, he/she also verifies the following invoices.

If it is confirmed, during the control of a shipment, that the shipment contains goods prohibited for export, a clearing post office returns the shipment to the acceptance post office per customs office's order with a Deregistration of Irregularity (P-61) with a note 'Prohibited for export'.

If the shipment contains the goods which are conceded to the authorities, Minutes on shipment irregularity (P-63) are made. The clearing post office returns the remaining part of a shipment to the acceptance post office with the Deregistration of Irregularity (P-61) noting reasons for the return.

5.1.5. Dispatch of shipments from a clearing post office to an office of exchange

Clearing post office forwards post shipments cleared for export to an office of exchange with four copies of a Postal-customs shipping document verified by a customs office. The first copy is retained by a customs office and the remaining three are submitted to the clearing post office. The clearing post office retains one copy and encloses other two with a mail card and dispatches them to the office of exchange.

For the cleared shipments which are followed by JCI in export, a declaration number is entered into the Postal-customs shipping document. Two copies of JCI are enclosed with the Postal-customs shipping document for each shipment which is cleared in this manner.

5.1.6. Procedure with retour shipments

When the shipment which is not delivered to a recipient in a country is returned to the clearing post office to be returned to a sender abroad, the clearing post office submits the shipment to the customs office for re-control. If the shipment is cleared in the import procedure, a copy of UPCD is returned to the customs office and all stated shipments are discharged in the Postal-Customs Application and UPCD is destroyed. The shipments are forwarded to the office of exchange to be dispatched abroad with the Postal-customs shipping document.

5.2. Procedure in an office of exchange

When a mail arrives to an office of exchange, a customs office at the office of exchange verifies both copies of a Postal-customs shipping document, registers it in a control list of post shipments in export, retains one copy and returns the other to the office of exchange. According to a previously established dynamics, the customs office in the office of exchange confirms the receipt of the Postal-customs shipping document to the clearing post office.

Both copies of JCI are submitted to an authorized customs officer who verifies Postal-customs shipping document. With a verification of the Postal-customs shipping document, customs officer confirms that he also took over relevant documents (JCI) for package, EMS or S mail.

If a post shipment without a label on a wrapper that a customs control is performed (e.g. there is no label 'Cleared') arrives to the office of exchange, and the shipment should be subjected to the customs control, the office of exchange places a label 'Subject to Customs Control' on it and returns the shipment to an authorized clearing post office along with the Postal-customs shipping document.

If an irregular shipment, with an available content, for which procedure of export clearing is finished, arrives to the office of exchange, the office of exchange will take minutes CN24 in presence of a customs officer and re-pack the shipment. Data from the

shipment are copied on a new wrapper, and a new determined mass and label 'Re-packed, open in presence of a receiver' are entered. After wrapping, the shipment is returned to the authorized clearing post office along with Deregistration of Irregularity and two copies of the minutes CN24.

If the shipment which is not delivered to a receiver in a country arrives to the office of exchange and is to be returned to the sender abroad (retour), without the Postal-customs shipping document, the office of exchange dispatches such shipment to the authorized clearing post office along with the Deregistration of Irregularity.

5.2.1. Dispatch of shipments from an office of exchange abroad

An office of exchange dispatches all post shipments for export which arrived from the clearing post office to foreign posts in regulated mail.

Letter, EMC and SV mails are declared to border customs office orally. If letter mail is transported to a border crossing in closed (sealed) post vehicles, they are declared to a customs office authorized for a seat of an office of exchange.

Package shipments are dispatched in package mails. Such shipments are declared to the customs office by submitting a copy of the List of Exchange and a Postal-Customs Application. All bags and packages out of bags are entered into the Postal-Customs Application. The customs office at the office of exchange verifies all four copies of the Postal-Customs Application. They retain the first copy and return the other three to the office of exchange which retains one copy and dispatches the remaining two along with the mail with the List of Exchange, as an attachment. The border customs office of exit verifies Postal-Customs Application, retains one copy (for discharge and, if needed, submits the original or a copy to the customs office at the office of exchange which forwarded Postal-Customs Application), and returns the other copy to a post office. If package mail is dispatched to the border customs office in closed (sealed) vehicles, customs office at the seat of the office of exchange which places a seal on a vehicle verifies the Postal-Customs Application. If package mail is dispatched by airplane, the manner and procedure of handover of mail is determined by an agreement between the post and the airline company.

The application of the above stated Clarification of the customs procedure in postal traffic begins on **May 27, 2013**.

(Customs Administration Act 148-03-030-05-6/6/2013 of June 20, 2013)