

Technical Guideline about Advance Rulings on customs classification and origin in Montenegro

Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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1. Introduction

The Guideline on the advance rulings for customs tariff classification and origin of goods imported and exported, serves the following objectives:

- Suggest a clear understanding about advance rulings so that traders can better apply for such a tool of facilitation and improve the legal certainty of doing international trade business,
- Offer an overview of the process for applying, being notified and using issued advance rulings and for dealing with existing divergent views and possibilities or appeal,
- Contribute to the harmonization of national and regional practices in the area of advance rulings and reinforce a fair climate of trade competition.

2. Advance Rulings on Customs tariff classification and/or origin as a major tool for International Trade Facilitation

While importing or exporting, traders face the challenge of the unexpected application of unfavorable regulations and/or the risk of liability to unforeseen customs duties and taxes at the clearance time. This has a direct impact on the expected feasibility and profitability of the business transactions, thus affecting the predictability, which, in the process of international trade operations, is vital for assuring the sustainability of the trading business.

In addition, importers and exporters may be confronted with inconsistent classification and origin decisions depending on, for example, the Customs office of import or export or the rotating allocation of appraisal officers. This leads to uncertainty in the entire trade transaction as these different decisions have an impact on the amount of duties to be paid and ultimately on the end price of the product. Also, divergences between various legal opinions from customs can lead to opportunities for integrity issues and generate conditions of unfair trade competition. This uncertainty can lead to supply chains moving to countries and locations of higher certainty, predictability and reliability, hence affecting the national trade development.

Subsequently, the potential legal disputes on tariff, valuation and origin that may be arising with the Customs authority at the moment of release

or clearance, represent additional costs for the parties involved and delays for both the customs revenue collection and for the economic cycle of production and distribution of the traders.

In the context of trade facilitation, internationally accepted as a key driver of economic growth, political stability and peace, there is a need for support and improvement of trade facilitating tools so that the customs procedures on valuation, origin and classification can be applied in a predictable, transparent, and reasonable manner so as to facilitate trade and support the national competition.

A national pre-entry advance ruling programme is to provide decisions on the classification, origin or other characteristics of commodities prior to their importation or exportation. They are legally binding to the national customs administration at the time of clearance, thus adding certainty and predictability to international trade and helping traders to make informed business decisions based on legally binding rulings. Customs related Advance Rulings must allow traders, prior to the import/export transaction, to be certain as to what charges they would have to pay and what regulations they would be subject to.

In addition, through a proper implementation of the advance rulings, the uniform application of customs laws shall guarantee the equal treatment of traders in their dealings with the national customs authorities.

3. The International context of advance rulings programmes

Currently, the design and implementation of such national advance rulings programmes take place in an international context as well as a regional framework of trade facilitation tools and standards as recommended by trade and customs international institutions.

According to the World Trade Organisation (WTO), the international trade policy areas that seem to have the greatest impact on trade volumes and trade costs, on imports' and exports' performance, are the availability of trade-related information, the simplification and harmonization of documents, the streamlining of procedures and the use of automated processes. According to a survey report from the OECD, (OECD, 2011) and using 16 key indicators of trade facilitation, the combined effect of improvements in those areas reaches almost 14.5% reduction of total trade costs for low income countries, 15.5% for lower middle-income

countries and 13.2% for upper middle-income countries. Regarding, the impact of trade facilitation improving measures on trade delays and costs, the OECD also identified that the advance rulings procedure was the most impactful single trade facilitation measure. According to those indicators, for advance rulings alone, the impact on trade cost was estimated to be a reduction of around 5,4%.

As a consequence, the Trade Facilitation Agreement (TFA) of the World Trade Organisation (WTO) has been put in force on 22nd February 2017. The article 3 of the TFA stipulates provisions related to advance rulings, where it requires WTO Members to issue advance rulings regarding especially the tariff classification and the preferential and non-preferential origin of goods in accordance with the provisions of that article.

Recognizing the need to promote trade facilitation with a uniform interpretation and application of the Harmonized System, the rules of origin and the WTO Valuation Agreement, the World Customs Organisation (WCO) has provided various guidelines and tools such as the chapter 9 of the Revised Kyoto Convention to assist its Members' customs administrations in the work of issuing, handling and managing the customs related advance rulings.

In 2016, CEFTA parties concluded negotiations on Additional Protocol 5 (AP5) to the CEFTA on Trade Facilitation. The AP5 is based on WTO Trade Facilitation Agreement (TFA) provisions but it takes into account the results of Trade Facilitation self-assessment of all CEFTA Parties and contains detailed information on implementation of the different measures. It also builds on the EU Acquis, on the EU agreements with EFTA states for trade facilitation and on the mutual recognition of Authorized Economic Operators (AEO). AP 5 contributes to the a) simplification of pre-clearance and clearance of goods, b) standardization of documentation requirements and c) harmonization of rules and regulations to eliminate non-tariff barriers.

Eventually, international practices of advance rulings have proven the strategic importance of this trade facilitation tool. In 1991, in the context of the European Community, the advance rulings on tariff classification, called Binding Tariff Information system and centralized in a single data basis called EBTI (European Binding Tariff Information), was adopted by the Community Customs Code (CCC) and its legal basis have been amended over several years. More recently, on 1st May 2016, the Union

Customs Code (UCC) came into effect, so the UCC is currently the legal basis for EU customs matters, introducing new strong considerations related to the issuing, handling, utilisation and management of the tariff classification and origin advance rulings.

The USA and Canada have both of them also developed a national advance rulings system for customs related matters mostly to assure a consistent application of the NAFTA through publishing and centralizing the own advance rulings in their respective systems.

4. Key specific provisions of the national AR scheme

4.1 Who may request and use an advance ruling?

There is no specific condition laid down in the legislation that the economic operator applying for advance ruling decision should be established in the Montenegro. Even when the applicant is not established in Montenegro, the applicant needs to identify himself through PIB number in the application (Annexes 1 and 2 of the Decree on implementation of CL).

4.2 What type of advance ruling can be applied for?

An economic operator in Montenegro can be applied for 2 types of advance rulings as the Customs Law of Montenegro prescribes: Binding Tariff Information (BTI) and Binding Origin Information (BOI) for preferential and non-preferential origin.

5. Framework of the National Advance Rulings' scheme implementation

5.1 Legal Basis:

5.1.1 Tariff classification – Binding Tariff Information (BTI)

Legal base for application of Binding Tariff Information (BTI) are Customs Law (Art. 12 and 13) and Decree for implementation of Customs Law (Art. 5-12).

5.1.2 Origin – Binding Origin Information (BOI)

Legal base for application of Binding Origin Information (BOI) are Customs Law (Art. 12 and 13) and Decree for implementation of Customs Law (Art. 5-12).

5.2 Organisation:

5.2.1 Tariff classification – Binding Tariff Information (BTI)

The focal contact service within the Customs Administration of Montenegro (MCA), acting and involved in the process of treating a request for binding ruling, of analyzing and deciding the tariff of the goods, of calling for a laboratory analysis, of appeal, and in charge of process of issuing BTI, is **Sector of Legal and Customs Operations, Department for customs tariff and TARICG.**

5.2.2 Origin – Binding Origin Information (BOI)

The focal contact service within the Customs Administration of Montenegro (MCA), acting and involved in the process of treating a request for binding ruling, of analyzing and deciding origin of the goods, of calling for a laboratory analysis, of appeal, and in charge of process of issuing the BOI, is **Sector of Legal and Customs Operations, Department for Value and Origin of goods.**

5.3 Processes:

5.3.1 Tariff classification – Binding Tariff Information (BTI)

In accordance with Art. 12 of the Customs Law, the Customs Administration of Montenegro issues Binding Information on the classification of goods at the Customs Tariff, which is given in writing, and it has the force of the decision issued in the administrative procedure.

The process sequences for the issuance of BTIs include the following:

- BTI shall be issued on the basis of a written request form submitted by the interested legal person, where the request:
 - Should be submitted on the form from Annex 1 which is an integral part of the Decree for implementation of Customs Law, which can be downloaded on the website of MCA:
www.upravacarina.gov.me
 - Should be considered complete and regular only if it contains all the information provided in Article 6, paragraph 3, items 1 - 10 of the Decree for implementation of Customs Law
 - Should refer to only one type of goods.
- Depending on the goods, if required, the manufacturer's certificates (original and translation), technical documentation, photo prospectus, samples or other documents available, containing data necessary for the decision to classify the goods at the Customs tariffs should be submitted beside request.
- If the MCA determines that the request is not complete, as it does not contain all the information required for the issuance of binding information on the classification, it may request from the applicant to submit the missing information.
- Deadline for BTI begins to run from the moment the MCA has all the necessary information for issuing.
- If the BTI could not be issued within three months from the date of acceptance of the proper request, the MCA shall inform the applicant of the reasons for the delay and shall determine the deadline in which MCA considers it to be issued.
- BTIs are issued on the form, which is contained in Annex 1 of Decree for implementation of Customs Law
- BTI is valid for three years from the date of issue.
- The list of the issued BTI can be found on the website of the MCA:
www.upravacarina.gov.me

5.3.2 Origin – Binding Origin Information (BOI)

In accordance with Art. 12 of the Customs Law, the Customs Administration of Montenegro issues Binding Origin Information, which is given in writing, and it has the force of the decision issued in the administrative procedure.

The process sequences for the issuance of BOIs include the following:

- BOI shall be issued on the basis of a written request form submitted by the interested legal person, where the request:
 - Should be submitted on the form from Annex 2 which is an integral part of the Decree for implementation of Customs Law, which can be downloaded on the website of MCA:
www.upravacarina.gov.me
 - Should be considered complete and regular only if it contains all the information provided in Article 6, paragraph 4, items 1 - 11 of the Decree for implementation of Customs Law
- Should refer to only one type of goods and one set of circumstances which define the origin of goods.
- BOI is issued in written form given in the Annex 2 of the Decree for implementation of Customs Law.
- BOI is valid within three years from the date of its issuance.
- BOI may cease to be valid even before the expiration of this deadline, in the cases prescribed by Article 12, paragraphs 6-9 of the Customs Law and the corresponding provisions of the Decree for implementation of Customs Law.

5.4 Procedures:

5.4.1 Tariff classification – Binding Tariff Information (BTI)

- Application for BTI Decision (Available in Annex 1 of the Decree for implementation of Customs Law) is submitted of a paper-based application. The application should be registered and a reference number should be assigned to the application. Every receipt and registration should be notified to the applicant (date of receipt and reference number assigned by the MCA).
- The description of the goods must be clear, precise and detailed in order to identify the goods that are the subject of classification.

- The applicant indicates the total number of the documents attached and provide a list of the attached information, this contains the type and, if applicable, the identification number and date of issue of the documents attached to the application.
- The MCA shall notify the applicant, by official letter or by e mail, that the request is non-conforming or incomplete and that applicant needs to provide necessary additional information. This additional information needs to be provided within reasonable time limit. In this case, the date of acceptance of the application is the date when the last data was received by the MCA.
- If the application does not comply with prescribed conditions the MCA will not accept it and inform the applicant.
- The MCA shall issue binding information in emergency procedure. BTI shall be issued within 90 days after the receipt date of orderly request. Where it was not possible to issue a binding information about classification of goods into the Customs Tariff Schedule within three months after the receipt date of orderly request, the MCA shall notify the applicant about the reasons for delay and set a timeline within which the information shall be issued.
- Where for determination of factual situation for the purposes of issuance of binding information, chemical, physical, technological examination or any other examination of goods is required, and it is not possible to conduct in the customs laboratory, the MCA shall submit the samples of goods to a suitable professional organization so that the required examination could be conducted.
- The binding information shall be supplied by the MCA to the applicant free of charge. However, where special costs are incurred by Customs, in particular as a result of analyses or expert reports on goods, or the return of the goods to the applicant, he may be charged the relevant amount.
- Where the applicant fails to submit to the MCA written consent within eight days after receiving the notification from the MCA, the procedure for issuance of binding information shall be ceased.
- The BTI shall be annulled where it is based on inaccurate or incomplete data supplied by the applicant.
- The BTI shall become invalid:

- due to amendments in the regulations;
 - where the binding information no longer conforms to the instructions by the competent authority concerning the tariff classification of goods under the Customs Tariff Law, and
 - where the binding information is revoked or amended in accordance with Article 8b of this Law, and the holder of the information shall be notified of the revocation or amendment of the binding information.
- In cases where the binding information on tariff classification is no longer in accordance with the regulation or in line with the information of the Ministry of Finance, the given information shall become invalid as of the day of enforcement or implementation of the regulation adopted or its interpretation.
 - The holder of BTI decision has to use it whenever an import or export transaction respectively, is performed of goods which are subject of the BTI decision. The holder of BTI decision present the BTI decision in support of the customs declaration.
 - The holder of BTI who does not agree with the issued binding information may, within 15 days after the binding information handover date, submit to the Ministry of Finance its objection in writing for binding information about classification of goods into the Customs Tariff Schedule – in respect of the classification of the goods into the Customs Tariff Schedule, namely the underlying reasons for such classification.
 - In BTI, the data on holder and commercial name of goods are confidential and they are not published when posting BTI on the MCA web site.

5.4.2 Origin – Binding Origin Information (BOI)

- Application for BOI Decision (available in Annex 2 of the Decree for implementation of Customs Law) is submitted of a paper-based application. The application should be registered and a reference number should be assigned to the application. Every receipt and registration should be notified to the applicant (date of receipt and reference number assigned by the MCA).
- The description of the goods must be clear, precise and detailed in order to identify the goods that are the subject of classification.

- The applicant indicates the total number of the documents attached and provide a list of the attached information, this contains the type and, if applicable, the identification number and date of issue of the documents attached to the application. The MCA shall notify the applicant, by official letter or by e mail, that the request is non-conforming or incomplete and that applicant needs to provide necessary additional information. This additional information needs to be provided within reasonable time limit. In this case, the date of acceptance of the application is the date when the last data was received by the MCA.
- If the application does not comply with prescribed conditions the MCA will not accept it and inform the applicant.
- The MCA shall issue binding information in emergency procedure. BOI shall be issued within 90 days after the receipt date of orderly request. Also, where it was not possible to issue a BOI within three months after the receipt date of orderly request, the MCA shall notify the applicant about the reasons for delay and set a timeline within which the information shall be issued.
- Where for determination of factual situation for the purposes of issuance of binding information, chemical, physical, technological examination or any other examination of goods is required, and it is not possible to conduct in the customs laboratory, the MCA shall submit the samples of goods to a suitable professional organization so that the required examination could be conducted.
- Where the applicant fails to submit to the MCA written consent within eight days after receiving the notification from the MCA, the procedure for issuance of binding information shall be ceased.
- The BOI shall be annulled where it is based on inaccurate or incomplete data supplied by the applicant.
- The binding information regarding the origin of goods shall become invalid:
 - where a regulation is amended or an international agreement is concluded and the binding information no longer conforms to the regulations,
 - where the binding information no longer conforms to

interpretations of the body authorized by the Law to issue interpretations of rules concerning the origin of goods,

- where the binding information is revoked or amended pursuant to Article 8b of this Law, and the holder of the information shall be notified of the revocation or amendment of the information given.
- Where a regulation is amended or an international agreement is concluded, and the binding information is no longer in accordance with the regulations or is not in accordance with the interpretation by the ministry, the binding information shall cease to be valid on the date when the adopted regulation, international agreement or interpretation takes effect, or on the date it becomes effective.
- The holder of BOI decision must use it whenever an import or export of goods respectively, is performed which are subject of the BOI decision. The holder of BOI decision present the BOI decision in support of the customs declaration.
- The binding information shall be supplied by the MCA to the applicant free of charge. However, where special costs are incurred by Customs, in particular as a result of analyses or expert reports on goods, or the return of the goods to the applicant, he may be charged the relevant amount.
- The holder of BOI who does not agree with the issued binding information may, within 15 days after the binding information handover date, submit to the Ministry of Finance its objection in writing for binding information about origin of goods – in respect of the determination of origin of goods, namely the underlying reasons for such determination of origin and classification of goods into the Customs Tariff Schedule.
- In BOI data on holder, commercial name of goods and value of used materials are confidential.

5.5 Communication

The Montenegro Customs Administration has initiated channels and sources of information on advance rulings through the customs web site, chambers, ministries, programmed information seminars, public / private dialogue sessions, official publication, guidelines, and others.

As a tool for treating the request for rulings decisions the MCA is consulting and using Decisions on classification of specific goods adopted by the HS Committee of the World Customs Organisation but also the Decisions on classification of specific goods adopted by the European Commission, published in their Official Journal and the respective databases EBTI (European Binding Tariff Information) and ECICS (European Customs Inventory of Chemical Substances).

5.6 Procedures for modification, invalidation and revocation of an issued ruling

Pursuant to Article 8a of the Customs Law, the binding information (BTI and BOI) shall be annulled where it is based on inaccurate or incomplete data supplied by the applicant.

BTI shall become invalid:

- due to amendments in the regulations;
- where the binding information no longer conforms to the instructions by the competent authority concerning the tariff classification of goods under the Customs Tariff Law, and
- where the binding information is revoked or amended in accordance with Article 8b of the Customs Law, and the holder of the information shall be notified of the revocation or amendment of the binding information.

In cases where the BTI is no longer in accordance with the regulation or in line with the information of the Ministry of Finance, the given information shall become invalid as of the day of enforcement or implementation of the regulation adopted or its interpretation.

BOI shall become invalid:

- where a regulation is amended or an international agreement is concluded and the binding information no longer conforms to the regulations,
- where the binding information no longer conforms to interpretations of the body authorized by the Law to issue interpretations of rules concerning the origin of goods,
- where the binding information is revoked or amended pursuant to Article 8b of the Customs Law, and the holder of the information shall be notified of the revocation or amendment of the information given.

Where a regulation is amended or an international agreement is concluded, and the binding information is no longer in accordance with the regulations or is not in accordance with the interpretation by the ministry, the binding information shall cease to be valid on the date when the adopted regulation, international agreement or interpretation takes effect, or on the date it becomes effective.

5.7 Right of appeal from an adverse decision of an advance ruling

Administrative protection of participants in the customs procedure is enabled by the Law on Administrative Procedure, thus the holder of the binding information may file a complaint with the Ministry of Finance within 15 days after the binding information handover date.

5.8 Right to call for justice at tribunal jurisdictions

Judicial protection of participants in the customs procedure is enabled by the Law on Administrative Dispute, thus the holder of the binding information may initiate an administrative dispute before the Administrative Court of Montenegro against decision of the Ministry of Finance.

5.9 Procedure to follow when traders are aware of divergent binding opinions for identical products

An economic operator can inform MCA that there are divergent binding opinions for identical product, in which case MCA will resolve the matter and annul or revoke wrong binding information.

Also, MCA can ex officio proceed to annul or revoke wrong binding information.

5.10 Possibility of consultation of previously issued rulings

Business operators and related actors may consult the BTIs and BOIs previously issued by the Montenegro customs administration for information purpose.

BTIs and BOIs **cannot** be invoked at clearance time by the importer/exporter or his agent if not the ruling's holder himself.

5.11 Treatment of confidential information

An applicant in application for binding information lists all data that should be treated as confidential data and gives the consent for the submitted data to be kept in the MCA archive.

Annexes:

- Annex 1 of the Decree for implementation of Customs Law,
- Annex 2 of the Decree for implementation of Customs Law,
- FAQ (Frequently Asked Questions)

<p>3. Representative (name and address)</p> <p>Telephone:</p> <p>Fax:</p> <p>TIN:</p>	<p>4. Reissue of binding information (hereinafter referred to as: BTI)</p> <p>If you are applying for the reissue of BTI, please complete the following information:</p> <p>BTI number:</p> <p>Valid from:</p> <p>Day ☐☐☐ Month ☐☐☐ Year ☐☐☐☐☐☐</p> <p>Tariff code:</p>
	<p>5. Type of transaction</p> <p>Does the application relate to actually envisaged import or export?</p> <p style="text-align: center;">YES <input type="checkbox"/> NO <input type="checkbox"/></p>
	<p>6. Proposal for the classification of goods</p> <p>Indicate how, in your own view, the goods should be classified:</p> <p>Tariff code:</p>
<p>7. Description of goods</p> <p>Indicate details of the composition of goods and testing methods used for the determination of the composition of goods, method of manufacturing, value (including components), purpose and use of goods, usual trade name and, if applicable, method of packing of the goods, especially in the case of retail sets (if more space is required for the description, please use a separate sheet)</p>	
<p>8. Trade name and additional information (*) (confidential)</p> <p>Indicate which information, submitted in accordance with the one referred to in item 9 of this application or available to the Customs Administration, should be considered as confidential:</p> 	

9. Samples etc.:

Indicate if any of the following information is enclosed with your application:

Description: Brochures: Photographs: Samples: Other:

Do you wish your samples to be returned: YES NO

Special costs incurred by the customs authority as a result of analyses, expertise or returning of the samples may be charged to the Applicant.

10. Other applications for the issuance of BTI or other BTI issued*

Please indicate if you have applied for the issuance of binding information and if binding information has been issued before for the same or similar goods by the customs authority.

YES NO

If yes, please indicate the reasons and enclose a copy of the binding information:

12. Date and signature:

Your contact number:

Date: Day Month Year

Signature and stamp:

Note:

** if more space is required, please use a separate sheet“*

BINDING INFORMATION

ON CLASSIFICATION OF GOODS IN CUSTOMS TARIFF

Copy for the user

1. CUSTOMS ADMINISTRATION OF MONTENEGRO (Article 12 of the Customs Law and Article 8 of the Decree implementing the Customs Law)	2. Number of binding tariff information:
3. Holder (name and address): <i>confidential</i> TIN:	4. Start date of validity:
Note Pursuant to Article 12 paragraphs 10 and 11 of the Customs Law, this binding tariff information shall be effective for three years following the Date of Submission. Data from this binding information shall be stored in the archives of the Customs Administration. The holder shall be entitled to appeal to the Ministry of Finance within 15 days following the Date of Submission	5. Date and Application number:
	6. Classification of goods in customs tariff:
7. Description of goods:	
8. Trade name and additional information:	<i>confidential</i>

9. Legal basis for the classification of goods:

10. The binding tariff information shall be issued on the basis of the following data and materials submitted by the Applicant:

Description: Broshures: Photographs: Samples: Other:

Place:

Signature:

Stamp:

Date:

BINDING INFORMATION

ON CLASSIFICATION OF GOODS IN CUSTOMS TARIFF

Copy for the Customs Administration

1. CUSTOMS ADMINISTRATION OF MONTENEGRO (Article 12 of the Customs Law and Article 8 of the Decree implementing the Customs Law)	2. Number of binding tariff information:
3. Holder (name and address): <i>confidential</i> TIN:	4. Start date of validity:
Note Pursuant to Article 12 paragraphs 10 and 11 of the Customs Law, this binding tariff information shall be effective for three years following the Date of Submission. Data from this binding information shall be stored in the archives of the Customs Administration. The holder shall be entitled to appeal to the Ministry of Finance within 15 days following the Date of Submission	5. Date and Application number:
	6. Classification of goods in customs tariff:
7. Description of goods:	
8. Trade name and additional information:	<i>confidential</i>

9. Legal basis for the classification of goods:

10. The binding tariff information shall be issued on the basis of the following data and materials submitted by the Applicant:

Description: Broshures: Photographs: Samples: Other:

Place:

Signature:

Stamp:

Date:

Copy for the Customs Administration

11. Additional information:

Customs Administration

Department for Customs Tariff
and TARICG

Oktobarske revolucije br. 128

10 000 Podgorica

Tel/fax 020/ 442-003 / 442-001

12. Number of binding tariff information:

13. Language:

14. Key words:

_____	_____
_____	_____
_____	_____
_____	_____

ANNEX 2

APPLICATION FOR THE ISSUANCE OF BINDING ORIGIN INFORMATION

1. Applicant (name and address) TIN: Telephone: Fax: e-mail:	For official use (Stamp) Date of receipt: Date of issue:
1a. Holder (name and address) (if different from 1.) TIN: Telephone: Fax: e-mail: <hr/>	
2. Representative Telephone: Fax: e-mail:	
3. Legal basis (preferential/non-preferential)	
4. Trade description of goods	5. Tariff code Insert the Tariff code the goods are classified in and if the binding tariff information is issued for the goods in the level of 6 digit Customs nomenclature.

6. Description of materials used in the manufacturing					7. Ex-works price of goods
Materials	Tariff code CT	Origin	Value	Other	
8. Manufacturing process					
9. Enclosures submitted to assist with determining the origin of goods					
Samples <input type="checkbox"/> Photographs <input type="checkbox"/> Plans <input type="checkbox"/> Catalogues <input type="checkbox"/> Other <input type="checkbox"/>					
10. Type of work:					
Does the application relate to actually envisaged import or export?					
YES			NO		
Import to Montenegro			(indicate from which country)		
Export to			(indicate the country)		
11. Have you previously applied for the issuance of BOI for identical or similar goods?					
If yes, please give details					
12. Are you aware of the existence of Binding Origin Information for identical or similar goods?					
If yes, please give details					

13. Important note

By signing this Application, the Applicant accepts responsibility for the accuracy and completeness of the information indicated in the form and in all of its annexes. The Applicant accepts that photographs, plans, catalogues and other are stored in the archives of the Customs Administration.

Signature of the Applicant:

*If more space is required, please use a separate sheet

Guidance for completion

The following notes provide specific guidance on the completion of the Application for Binding Origin Information. Please read them carefully before completing your application.

Box 1. Applicant (name and address)

For the purpose of binding origin information, Applicant means a person who has applied to the customs authority for binding origin information.

Box 1a. Holder (name and address) (if different from 1.)

If Holder of binding origin information is different from the Applicant, the Holder's name and address should also be indicated.

Box 2. Representative (name and address)

Representative's name and address should be indicated.

Box 3. Legal basis (preferential/non-preferential)

The Applicant should indicate whether the binding information required is for preferential or non-preferential purposes. If the binding information is required for preferential purposes the Applicant should indicate which regime is applied.

Box 4. Trade description of goods

Description of goods for which the binding information is required should contain the information for the purposes of identifying goods (and classification under the customs nomenclature). In addition, detailed information about the composition of goods and methods used to determine their composition should also be indicated.

Box 5. Tariff code

Indicate the Tariff code in which the goods are classified, if binding tariff information in the level of 6-digit Customs nomenclature has been issued for the goods.

Box 6. Description of materials used in the manufacture

Provide a detailed description of goods. Using the columns and headings provided, the Applicant should indicate all materials/components/parts used in manufacture, together with their tariff code, country of origin and value.

Box 7. Ex-works price

Indicate the ex-works price of the goods for which the binding information is required.

Box 8. Manufacturing process

Provide the details of the manufacturing process for which the binding information is required.

Box 9. Enclosures submitted to assist with the determination of origin of goods

All available samples, photographs, plans, catalogues or other documents related to the composition of goods or their components that may clarify the working or manufacturing process these materials are subjected to should be added as enclosures, if needed.

Box 10. Type of work

Indicate whether the application for binding information relates to actually envisaged import or export.

In case of import to Montenegro, indicate from which country the goods are imported.

In case of export from Montenegro, indicate the country the goods are exported to.

Box 11. Have you previously applied for binding origin information for identical or similar goods?

Indicate if the Applicant has previously applied for the binding information for identical or similar goods. Indicate details of the application.

Box 12. Are you aware of the existence of binding origin information for identical or similar goods?

Indicate if the Applicant is aware of the existence of previous binding origin information in relation to the similar type of goods, quoting references.

Box 13. Important note

By signing this application the Applicant accepts the responsibility for the accuracy and completeness of the information indicated in this form and all of its enclosures. The Applicant accepts that photographs, plans, catalogues and other are stored in the archives of the Customs Administration.

7. Description of goods:

and (if required) the composition and applied control method; trade description (confidential)

8. Country of origin and legal basis for acquiring origin (non-preferential/preferential; agreement, convention; decree; Type of transaction; “without origin” when preferential origin cannot be determined; other)

Type of transaction: IMPORT [] or EXPORT []

9. Merits for the origin statement by customs authority (fully obtained products, last essential commercially justified processing or treatment, sufficiently processed goods, cummulation of origin, other)

Place:

Date:

Signature

Stamp

Year

Month

Day

⠠⠠⠠⠠⠠

⠠⠠⠠

⠠⠠⠠

BINDING ORIGIN INFORMATION

BOI

10. Ex-works price (if required) (confidential)	11. Number of binding information:		
12. Main materials used (if required)	Country of origin	Tariff code CT	Value (confidential)
Place: Datum: Year Month Day Signature Stamp ☐☐☐☐☐ ☐☐ ☐☐☐			
13. Number of binding information			
14. Description of processing required for acquiring origin (if required) (confidential)			
15. Language			
16. Number of current binding origin information or application	17. Number of current binding information on classification in customs tariff nomenclature or application		
18. Key words			
		(confidential)	
		_____ (*)	_____ (*)
		_____ (*)	_____ (*)
		_____ (*)	_____ (*)
		_____ (*)	_____ (*)
		_____ (*)	_____ (*)

19. This binding information is issued on the basis of the following information submitted by the Applicant:

Description Broshures Photographs Samples Other

Place:

Date:

Year

Month

Day

Signature

Stamp



FAQ

- **What is an advance ruling?**

Advance rulings are binding decisions by Customs at the request of the person concerned on specific particulars in relation to the intended import or export of goods. Advance rulings facilitate the declaration and consequently the release and clearance process, as assessments in relation with the goods have already been made in advance ruling.

- **What type of advance ruling it is possible to apply for?**

In Montenegro it is possible to apply for Binding Tariff Information (BTI) and Binding Origin Information (BOI).

- **What is the difference between a binding advance ruling and a legal customs opinion?**

Binding advance ruling has the force of the decision made in the administrative procedure, while a legal customs opinion do not have the power of the solution. Therefore, when requesters disagree with customs' binding information, they have right to appeal.

- **What is the advantage of an advance ruling?**

Advance rulings facilitate the declaration and consequently the release and clearance process, as assessments in relation with the goods have already been made in advance ruling.

- **How to apply for an advance ruling?**

Applications for BTI decision (Annex 1 of the Decree for implementation of CL) and BOI decision are submitted of a paper-based application. The application should be registered and a reference number should be assigned to the application. Every receipt and registration should be notified to the applicant (date of receipt and reference number assigned by the MCA).

- **What does it cost to apply for an advance ruling?**

In Montenegro any person may request information from the Customs Authority on application of the customs legislation free of charge.

- **What happens when a ruling is issued?**

MCA delivers issued BTI or BOI to holder, who can invoke an advance ruling at time and place of clearance.

- **How and when the advance ruling decision is notified?**

Binding Tariff Information (BTI) is published on the MCA web site. In BTI data on holder and commercial name of goods are confidential and they are not published when posting BTI on the MCA web site.

- **How to use a BTI ruling**

The holder of BTI or BOI decision has to use it whenever an import or export transaction respectively, is performed of goods which are subject of the BTI or BOI decision. The holder of BTI or BOI decision present the paper decision in support of the paper customs declaration.

- **Who can consult historical advance rulings**

Customs officers from Department for customs tariff and from Department for value and origin of goods, which are in charge of process of issuing BOI, can consult historical advance rulings.

- **Who can invoke an advance ruling at time and place of clearance**

The advance ruling holder may refer to the issued binding information if, in the procedure with binding information on the classification of goods in the Customs Tariff, he / she proves to the customs authority that the goods in question correspond fully to the goods specified in the proposed binding information.

The holder of BOI decision has to use it whenever an import or export transaction respectively, is performed of goods which are subject of the BOI decision. The holder of BOI decision present the paper BOI decision in support of the paper customs declaration.

- **When might an advance ruling not or no longer be valid?**

An advance ruling shall be annulled where it is based on inaccurate or incomplete data supplied by the applicant.

- The BTI shall become invalid: due to amendments in the regulations; where the binding information no longer conforms to the instructions by the competent authority concerning the tariff classification of goods under the Customs Tariff Law, and where the binding information is revoked or amended in accordance with Article 8b of this Law, and the holder of the information shall be notified of the revocation or amendment of the binding information.

- The BOI shall become invalid: where a regulation is amended or an international agreement is concluded and the binding information no longer conforms to the regulations; where the binding information no longer conforms to interpretations of the body authorized by the Law to issue interpretations of rules concerning the origin of goods, and where the binding information is revoked or amended pursuant to Article 8b of this Law, and the holder of the information shall be notified of the revocation or amendment of the information given.
- **What if requestors do not agree with an advance ruling?**

The holder of the binding information has the right to object to MCA within 15 days from the date of issuing of the binding information.
- **What about changes to advance rulings**

Advance rulings can be changed due to amendments in the regulations.