



## **Business Activities in the Zone and the Warehouse**

### *Article 5*

All business activities may be conducted in the zone and the warehouse, except those jeopardizing the environment, human health, material goods and the country's safety, in accordance with the Law.

## **Act on Establishment of the Zone and the Warehouse and Founder's Contract**

### **Article 10**

The Founder passes the Act on Establishment of the Zone and warehouse respectively which particularly contains: name(s) of the founder(s), name and the seat of the zone and warehouse, location of establishment and the area it covers, subject who will manage it and activities that will be performed.

If the zone and the warehouse have several founders, their mutual rights and obligations shall be regulated by a contract.

## **Request for Approval for the Establishment of the Zone and the Warehouse**

### **Article 11**

The founder submits to the Ministry the request for approval for the establishment of the zone or the warehouse.

The following shall be enclosed to



In addition to managing the zone, the Operator may at the same time act as its user, which is defined in the contract with the Founder.

The provision referred to in paragraph 1 of this Article shall be applied regardless of the type of goods imported and the purpose thereof in the zone and the warehouse, including the goods imported by the Operator and the User and intended

Goods that are temporarily taken out of the zone and the warehouse shall be returned into the zone and the warehouse or exported abroad within the period required to complete the operations referred to in paragraph 1 of this Article, and not later than a year from the day they are taken out of the zone and the warehouse.

## **Tax Exemptions**

### Article 23

Deleted.

## **Payment Operations in the Zone and the Warehouse**

### Article 24

Payment operations with abroad, and their mutual payment operations, the Users shall carry out freely, in accordance with the agreed manner and within the agreed terms, through a bank in the zone or other bank with the seat in Montenegro.

The Law on Banks shall be applied on establishment, issuance and taking of operational licenses, status changes, business, managing, administration and control over operations of banks that are established and perform business in the zone.

Payment operations in the zone and warehouse may be effected in the agreed currency.

Provisions of paragraph 1 of this Article shall be also applied to payment operations between the Users and the Operator.

## **Credit Relations**

### Article 25

For the purpose of conducting business in the zone, the Users and Operators may draw loans from abroad, create conditions to do so, or grant loans for such purposes, freely and without any limitations that may be provided by general regulations.

In case the state owns more than 51% of the User and the Operator, drawing of loans has to be in accordance with the Law.

## **Employment Contract and Collective Contracts**

### Article 26

Rights and obligations of employees in the zone and the warehouse and the procedure for their implementation shall be regulated by the labor contract, in accordance with the law and the collective agreement.

## **Free Negotiation of Wages**

### *Article 27*

The employers (Users and Operator) and the employees in the zone and the warehouse may freely



## **Functions of the Competent Ministry**

### **Article 33**

The republican authority competent for urban planning affairs shall supervise legality in the implementation of the Operator's authorizations referred to in Article 32 of this Law.

## **Free Investment of Capital and Transfer of Profits**

### **Article 34**

Capital investments in the territory of the zone and the warehouse, and transfer of profits and investments are free.

## **Ownership over Banks and Insurance Companies**

### **Article 35**

Banks and other financial organizations and insurance companies with a seat in the zone may be entirely under ownership of a foreign person, in accordance with the law.

## **Exemptions from Nationalization and Expropriation**

### **Article 36**

Property of the Operator and the User may not be subject to nationalization or expropriation.

## **V CONDITIONS FOR CESSATION OF OPERATIONS IN THE ZONE AND THE WAREHOUSE**

### **Conditions for Cessation of Operations in the Zone and the Warehouse**

#### **Article 37**

If, in the course of the operation of the zone and warehouse, it is proved that the requirements set by this Law regarding its setting up have ceased to exist permanently, the Government may cancel the approval for setting up the zone and the warehouse, upon the proposal of the Ministry and after obtaining the opinions of other ministries, the Founders and the Operators.

The Decision on cancellation referred to in paragraph 1 of this Article, shall be published in the Official Gazette of Montenegro.

In the Decision on cancellation of the approval for setting up the zone and the warehouse, the Government shall define the term within which the zone will cease its operation, which may not be shorter than six months or longer than a one year period after enactment of the Decision.

Within six months after expiry of the term referred to in paragraph 3 of this Article, foreign goods in the zone or the warehouse must be cleared and returned abroad.



#### Article 40

The authorized person in the competent ministry shall conduct the first-instance procedure relating to the offences referred to in Article 38 of this Law.

The competent Customs Office shall conduct the first-instance procedure relating to the offences referred to in Article 39 of this Law.

## **VII TRANSITIONAL AND FINAL PROVISIONS**

### **Adjustment of the Existing Zones' Operations**

#### Article 41

The zones and the warehouses founded by the date this Law come into force, shall keep their operations in accordance with this Law.

### **Cessation of Other Regulations**

#### Article 42

On the day this Law comes into effect, the Law on Free Zones (FRY OG No. 81/94), shall cease to apply.

### **Coming into Force**

#### Article 43

This Law shall come into force eight days after its publication in the Official Gazette of Montenegro.