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Customs Code of Georgia (as amended to October 13, 1998)

Section I. General Provisions

Chapter 1. Customs Policy of Georgia

Article 1. Objectives and Tasks of the Customs Policy of Georgia

- 1. A unitary Customs policy that constitutes an integral part of the internal and external economic policy of the country determined by the Parliament of Georgia as being carried out in Georgia.
- 2. The objectives of the Customs policy of Georgia are as follows: the protection of the economic sovereignty and economic security of Georgia; the stimulation of the economic development of Georgia and the domestic market protection; the accomplishment of other tasks of the internal and external policy of Georgia.
- 3. The Customs Code of Georgia defines legal, economic and organizational principles of the Customs policy execution. It establishes rights and obligations of the Customs and other state bodies, national and legal persons in the course of the Customs policy execution.
- 4. The Customs policy execution is attributed to the exclusive governance of the supreme state bodies of Georgia.
- 5. The Customs policy of Georgia is developed in the direction of harmonisation and unification with the universally acknowledged international legal norms and practice. Georgia is striving for the active international cooperation in the sphere of the Customs policy.

Article 2. Customs Territory and Customs Frontier of Georgia

- 1. The Customs territory of Georgia comprises land area, territorial and inner waterways, and air space of Georgia.
- 2. The Customs territory of Georgia also comprises the areas of man-made islands, installations and structures created in a special marine economic zone to which the special jurisdiction of Georgia extends.
- 3. The territory of Georgia may include free Customs zones and spare warehouses which territory is regarded as being outside the Customs territory of Georgia. Special Customs treatments established by this Code and other legislative enactments are effective on the territory of free Customs zones and spare warehouses.
- 4. The boundaries of the Customs territory of Georgia, as well as the perimeters of free Customs zones and spare warehouses constitute the Customs frontier of Georgia.

Article 3. Customs Policy and International Economic Integration

With the purpose of development and strengthening of the international economic integration, Georgia may, together with other states, set up Customs unions, free trade zones, make bilateral and multilateral agreements on Customs

prices. As well as other measures governing relations of the economy of Georgia with the world economy.

Section II. Crossing the Customs Frontier of Georgia with Goods and Vehicles. Customs Procedures

Chapter 2. Basic Principles of Crossing the Customs Frontier of Georgia with Goods and Vehicles

Article 6. Right to Import and Export Goods and Vehicles into and From Georgia

- 1. Any person is entitled on the equal basis to import and export goods and vehicles into and from Georgia under the procedure established by this Code.
- 2. No person may be deprived or restricted of the right to import and export goods and vehicles into and from Georgia, except for the cases provided for by this Code and other legislative enactments.

Article 7. Procedure for Crossing the Customs Frontier of Georgia with Goods and Vehicles

The crossing the customs frontier of Georgia with goods and vehicles is carried out in accordance with their Customs procedures under the procedure established by this Code.

Article 8. Types of Customs Procedures for Goods and Vehicles

For the purpose of Customs governance the following types of Customs procedures are established for goods and vehicles:

- a) release for free circulation (importation);
- b) re-import;
- c) transit;
- d) Customs warehousing of goods;
- e) free trade;
- f) inward processing;
- g) processing under Customs control;
- h) temporary importation and/or exportation;
- i) placement and use of goods in a free customs zoe;
- j) placement and use of goods in a spare warehouse;
- k) outwards processing;
- 1) export;
- m) re-export;
- n) destruction;
- o) refusal in favour of the state.

use thereof;

b) to immediately notify the nearest Customs body about the state of things, the location of the goods and/or vehicles;

- c) the ensure the delivery of goods to the nearest Customs body or bringing of the Customs body officials to the location of the goods and/or vehicles.
- 2. The expenses for the accomplishment of the measures stipulated in item one of these Articles shall be borne by the carrier goods.

Chapter 6. Customs Warehousing of Goods

Article 20. Essence of Customs Procedure for Customs Warehousing of Goods

The Customs procedure for Customs warehousing of goods means the keeping of goods conveyed to Georgia or intended to be conveyed out of the territory of Georgia under Customs supervision without applying the economic policy measures to the goods.

Article 21. Terms for Placing Goods under Customs Warehousing

- 1. Any goods may be placed under the Customs warehousing procedure except for the goods the importation or exportation of which is prohibited.
- 2. Goods, which require special conditions of storing shall be subject to the storage in specially, arranged warehouses.

Article 22. Period of Goods Storage

Goods may be stored in Customs warehouses within a period of one year. Upon expiry of the established period, the goods may be placed under another Customs procedure.

Article 23. Operations Applied to Customs Warehoused Goods

- 1. The operations securing storage of the Customs warehoused goods or the ones preparing the sale and transportation thereof may be applied thereto.
- 2. A list of and the procedure for the mentioned operations are specified by subordinated enactments.

Article 24. Customs Warehouses

- 1. Specially arranged store premises Customs warehouses shall be used for storing goods.
- 2. A Customs warehouse may be open accessible for any person, and closed used solely by specified persons.
 - 3. Closed Customs warehouses may be set on the basis of a subordinated enactment.

Article 25. Customs Warehousemen

Customs bodies or natural and/or legal persons of Georgia may be Customs Warehousemen.

shall subject to the placement under another Customs. A Customs body owns treatment or storing in a temporary warehouse.

Article 46. Non-return of a Temporarily Removed Good as a Result of its Production, Loss, Shortage or Unlawful Action by Foreign State Bodies or Officials

A person who has temporarily removed goods and failed to return them by the fixed date shall be relieved from responsibility therefor only in the case where the fact of the destruction or loss to force majeure, natural wear and tear, natural changes caused by transportation or storage in normal conditions, or unlawful action by foreign state bodies or officials according to legislation of Georgia is confirmed by an appropriate consulate of Georgia.

Chapter 11. Storing and/or Using of Goods in a Free Customs Zone and Free Warehouse

Article 47. Essence of Customs Treatment for Storing and/or Using of Goods in a Free

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Article 51. Cases when Customs Procedure for Outward Processing may not be Applied

The Customs procedure for outward processing of goods is not applicable in the cases as follows:

- a) where in removing goods from the Customs territory of Georgia the return of the import Customs duties or the exemption from duties may be demanded;
- b) where, prior to the removal, goods were exemption from the import Customs duties;
 - c) in other cases provided for in law.

Article 52. Outward Processing License

- 1. The outward processing of goods is carried out on the basis of a license issued by the Customs Department being granted to a natural or legal person of Georgia in the case where:
- a) in admitting the processed products it is possible to determine that they have been actually obtained as a result of the processing of the removed goods;
 - b) the outward processing of goods does not damage the interests of the Georgian economy.
 - 2. The procedure for issuing a license shall be established under legislation.

Article 53. Period of Outward Processing

The outward processing of goods shall be carried out within the periods fixed by a Customs body to be defined under established procedure.

es, their loss, natural tear and wear, natural loses caused by transportation or storage in normal conditions or unlawful action by foreign state bodies or officials recognized as such under legislation of Georgia is confirmed by appropriate consular institutions of Georgia.

Chapter 13. Exportation of Goods

Article 58. Essence of Customs Procedure for Exportation of Goods

The Customs procedure for exportation of goods means the removal of goods from the Customs territory of Georgia without obligation of their return to the same territory.

Article 59. Requirements to Exportation of Goods

The exportation of goods shall be effected with the observance of legislation and the economic policy measures.

Article 60. Release of Goods under Export Customs Procedure

In releasing goods under the export Customs procedure the goods shall be removed from the Customs territory in the same conditions as they were at the date of the presentation of a goods declaration to Customs bodies, except for the changes caused by the natural tear and wear, the natural losses during transportation or storage in normal conditions.

Chapter 14. Re-exportation of Goods

Article 61. Essence of Customs Procedure for Re-exportation of Goods

- 1. The Customs procedure for re-exportation of goods means the removal of foreign-made goods from the Customs territory of Georgia without applying the economic policy measures.
- 2. The re-exportation of goods shall be admissible under permission of a Customs body pursuant to the procedure established by legislation.

Article 62. Terms for Re-exportation of Goods

1. The goods the importation of which was declared for re-exportation upon the conveyance there of on the Customs territory of Georgia shall be removed from this territory within not later than six months as of the date of the Customs declaration acceptance.

In the case of violation of the fixed term the goods shall be deemed to placement under the importation Customs procedure.

2. Upon removal the goods intended for re-exportation from the Customs territory of Georgia shall be in the same condition as of the date of importation, except for the changes caused by natural tear and wear, the natural losses during transportation or storage in natural conditions.

cross the Customs frontier, as goods shall be located at the places, determined by Customs bodies. The non-performance of this requirement will lead to the measures of the forced stoppage of vehicles taken by Customs bodies.

- 3. The length of stoppage of vehicles shall be defined by the Customs body together with the carrier with due regard for the time required for the Customs control and Customs clearance.
- 4. The departure of vehicles from the parking area shall be carried out upon permission of the Customs bodies.
- 5. The carrier shall coordinate the time and place of the crossing of the Customs frontier with the corresponding Customs body in compliance with the provisions of Article 10 of this Code.

Article 69. Forfeiture and Disposal

- 1. The goods, which have been the object of the offence and the means of offence, as well as the ownerless, and the goods surrendered for the benefit of the state shall be transferred into the state ownership.
 - 2. The procedure for forfeiture and disposal of goods shall be defined by legislation.

Article 70. Conveyance of National Currency, Securities, Foreign Currency and other Currency Values Across the Customs Frontier of Georgia

The conveyance of Georgian currency, securities, foreign currency and other currency values across the Customs frontier of Georgia shall be carried out under the procedure established by legislation of Georgia.

Section III. Customs Duties and Taxes

Chapter 18. Types of Customs Duties and Taxes

Article 71. Customs Duties and Taxes

- 1. In releasing goods and vehicles from the Customs control and in other cases provided for by law, taxes Customs duties and charges shall be payable.
 - 2. Taxes are:
 - a) Customs tax;
 - b) Value added tax;
 - c) excise tax.
 - 3. Customs duties are:
 - a) for Customs procedures;
 - b) for license issuance.

Article 72. Customs Taxes

In releasing from the Customs control and in other cases stipulated by law, goods shall be

subject to the payment of the Customs, value added and excise taxes pursuant to the Tax Code of Georgia and the Law on the Customs Tax.

Article 73. Customs Duties

In releasing goods and vehicles (including the vehicles being conveyed as goods) and in other law-established cases, as well as for clearance of international mail and issuance of licenses by the Customs bodies the persons shall be charged with the appropriate duties under the procedure and in the amount established by legislation.

Article 74. Payment of Customs Taxes and Duties and Compulsory Payment

- 1. The payment of Customs taxes and duties shall be made prior to the completion of Customs clearance in accordance with legislation.
- 2. If a Customs taxpayer failed to pay the corresponding amount by the fixed date, the Customs Department and its respective bodies shall be authorized on the basis of a court judgement to seize the taxpayer's property and subject to property to the payment according to the procedure established by Article 245 of the Tax Code of Georgia.
 - 3. The Customs Department or its respective bodies are entitled:
- a) to notify banks and other financial institutions on withdrawal of Customs taxes and duties from the accounts receivable;
- b) to carry out the withdrawal of the amount due from the taxpayer's accounts receivable according to the order (letter) of collection on the basis of a court judgement.
 - 4. The responsibility for the payment of the Customs duties and taxes shall be borne by both

1. Customs clearance shall, as a rule, be performed at the time and place established by the Customs Department of Georgia – on the operating territory of the Customs body where the consignor, consignee, or their structural division are located.

- 2. At the request of a concerned person, at his/her expense and on the written consent of the Customs body, Customs clearance may be performed at the place and/or at the non-working time of Customs body indicated in the application.
- 3. The Customs Department shall be entitled to establish definite Customs bodies to perform Customs clearance of individual categories of goods and vehicles.

Article 78. Language of Customs Clearance

Customs documents shall be drawn up in Georgian, as well as in other languages in accordance with international legal norms, where necessary.

Article 79. Attendance of Authorized Persons and their Representatives

Persons or their authorized representatives entitled to goods or vehicles shall be entitled, or obliged – in the case of the Customs body's demand, to attend the Customs examination of goods.

Article 80. Cargo and other Operation Required for Customs Clearance of Goods and Vehicles

- 1. At the Customs body's demand, the proprietor of the good or vehicle or the authorized person thereof when crossing the Customs frontier of Georgia shall be liable to execute the operations required for Customs clearance: transportation of goods, definition of quantity, loading, re-loading, repair of the damaged packing, opening of the packing, packing or re-packing. A warehouseman shall also be liable to open stores, depots and other places where the goods and vehicles subject to Customs clearance may be placed.
- 2. The operations specified by item one of this Article as applicable to the goods and vehicles being under the Customs control may be carried out only subject to the Customs body's permit.
- 3. The cargo and other operations in connection with the Customs clearance of goods and vehicles shall be performed at the expense of the proprietor and shall not incur any expenses on the part of the state.

Article 81. Priority Rules of Customs Clearance

- 1. The Customs clearance of perishable goods, animals, mass media goods sent at the address of the supreme administration bodies of Georgia, as well as the goods admitted to and removed from the Customs territory during force majeure circumstances shall be performed under a simplified a priority procedure.
- 2. The cases and conditions for the application of the priority rule of Customs clearance shall be defined under subordinated enactments.

Article 82. Use and/or Disposal of Goods and Vehicles to which the Customs Clearance has not been completed

The use and/or disposal of goods and vehicles to which the Customs clearance has not been

completed are inadmissible except for the cases provided for by legislation.

Chapter 20. Declaration

Article 83. Goods and Vehicles Declaration

In crossing the Customs frontier of Georgia with goods and vehicles, as well as in changing the Customs regime, the goods and vehicles being conveyed shall be subject to declaration in Customs.

Article 84. Form of Declaration

- 1. The Customs declaration, containing particulars concerning goods and vehicles, their Customs regime and other references required for the purposes of Customs, shall be made under the established form (written, or oral via means of electronic communication).
- 2. The form and procedure, as well as a list of particulars required for the purposes of Customs shall be defined under established procedure.

Article 85. Place of Declaration

- 1. Goods shall be declared at the Customs body where Customs clearance of goods takes place.
- 2. Vehicles, by means of which goods are transported, shall be subject to declaration together with the goods except for the cases provided for item three of this Article.
- 3. The declaration of planes and shops shall be effected upon arrival in the port or airport of destination on the Customs territory of Georgia, as well as in the port or airport of departure of the Customs territory.
- 4. The declaration of empty and passenger transportation vehicles is made when crossing the Customs frontier of Georgia.

Article 86. Period of Presenting Customs Declaration

- 1. The presentation of a Customs goods declaration shall be made within the period fixed by the Customs Department. This period shall not exceed 2 days from the date of the presentation of goods and their conveying vehicles to the Customs bodies.
- 2. In conveying goods across the Customs frontier in luggage and cargo of natural persons, the Customs declaration shall be presented together with the goods.
- 3. Empty and passenger vehicles shall be declared upon entry to the Customs territory of Georgia within not later than three hours from the moment of crossing the Customs frontier,

rary or incomplete customs declaration on the grounds that the temporary or incomplete declaration shall contain basic particulars which are necessary for customs purpose, while the data missing shall be presented by the time as established by the customs body.

Article 93. Periodical Customs Declaration

1. In the case of a regular movement of one and the same goods and vehicles by one and the same person the customs body may permit such person to present one customs declaration on all goods and vehicles being moved by crossing the customs frontier during a definite time period. e cu90omsart-20.80

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- a) producing of goods and vehicles, their customs examination;
- b) taking samples and specimen of goods under examination;
- c) assessment and collecting of taxes and duties;
- d) producing securities to the customs;
- e) release of goods.

Article 100. Customs Examination of Goods and Vehicles

Article 108. Preliminary Notification of the Customs on Admission or Removal of Goods and/or Vehicles to and from the Customs Territory of Georgia

1. In conveying goods and vehicles to and from the customs territory of Georgia the holder of goods or his/her authorized representative shall be entitled to preliminary notify the customs about crossing of the customs frontier of Georgia.

2. The customs shall be liable to register the notification and in the case of positive decision to fix the time and place where goods and vehicles are to be delivered for customs clearance.

Article 109. Delivery of Goods, Vehicles and their Documents to the Place Fixed by the Customs

- 1. Upon notification as indicated in Article 108 of this Code the holder or his/her authorized representative shall be liable to deliver goods, vehicles and their documents without any change in the condition of goods (except for the changes caused by natural tear and wear, losses from transportation or storage in normal conditions) and without the use for any other purpose by the prescribed itenary to the place fixed by the customs and stay there after the delivery.
- 2. Goods and vehicles and the documents thereof shall be delivered by the customs by the fixed dates according to usual dates of delivery with regard to the prescribed itenary, capacities of vehicles and other terms and conditions of shipment; however, these dates shall not exceed the date which is fixed at the rate of a hundred kilometers per item.

Article 110. Liability during Preliminary Operations

Before placing goods and vehicles under a definite customs procedure, the liability for these goods and vehicles, including for the payment of customs taxes and duties, shall be imposed on the owner or his/her authorized representative.

Chapter 23. Temporary Storage

Article 111. Essence of Temporary Storage

Goods and vehicles from the moment of producing to the customs and their release, or prior to delivery at the disposal of a person in accordance with the given customs procedure, shall be temporarily stored under customs control, be subject to declaring and payment of customs duties.

Article 112. Places and Terms of Temporary Storage

- 1. Temporary storage shall be effected in specially provided and arranged warehouses or other places (customs terminals), to which the conditions and provisions, stipulated in Chapter 6 of this Code apply.
- 2. Terms of temporary storage shall be established by the customs, taking into consideration the time necessary for presenting a declaration, the nature of goods and applied vehicles.
- 3. The total term of temporary storage of goods and vehicles in a customs terminal shall not exceed one month. The Customs Department may establish more extended term of storage for

individual categories of goods, but not in excess of three months.

Chapter 24. Customs Broker

Article 113. Customs Broker

- 1. Any enterprise established pursuant to legislation of Georgia having the rights of a legal person and a license of the Customs Department to engage on the activities of a customs broker, may be a customs broker (agent). The customs official may not be the founder and/or the employee of the customs broker.
- 2. A customs broker shall operate on the basis of this Code and the Regulations approved by the Ministry of Finance of Georgia.
- 3. Relations between a customs broker and the authorizing person shall be based on a written contract.

Article 114. Activity License of a Customs Broker

- 1. For obtaining the activity license of a customs broker it is necessary:
- a) to conclude a guarantee agreement on the brokers activities. The guarantee amount shall be less than GEL 30,000;
- b) to have material and technical equipment which is necessary for fulfillment of the brokers' activities;
- c) To envisage terms and conditions securing customs clearance, keeping of records and accounts accurately reflecting the operations conducted in relation to goods subject to customs control.
- 2. The procedure for issuance of a license shall be defined under Law and other legislative acts.

Article 115. Rights ands Duties of Customs Broker

- 1. A customs broker shall be entitled to carry out any customs clearance operation and accomplish other agency functions in the sphere of customs activity on his/her behalf at the expense of the authorizing person and on the latter's instructions.
- 2. In exercising customs control and customs clearance the customs broker shall fulfill all duties, bear the same responsibility which would have been imposed on a person independently conveying goods across the customs frontier.
- 3. The rights and duties and responsibility of a customs broker may not be restricted under an agreement with the authorizing person.

Article 116. State Register of Customs Brokers

g) checking of the territory of terminals and stores, Customs warehouses, spare stores, free trade zones and duty-free shops, and other places where goods and vehicles subject to Customs

Article 132. Customs Control of Goods and Vehicles

1. All goods and vehicles conveyed across the customs frontier shall be subject to customs control except for the cases provided for by this Code.

2. Customs bodies shall be authorized to compulsorily stop vehicles return ships and aircraft that left the customs territory without the customs permission except for vessels and aircraft staying on the territory of other states.

Article 133. Personal Examination

- 1. Personal examination, as a special form of customs control, may be performed by the order of the senior officer of the customs station or his/her substitute when there are reasonable grounds to suspect that the natural person crossing the customs frontier or staying in customs control zone, or in the open airport transit zone conceals and does not produce goods which pursuant to legislation of Georgia or international treaties and agreements, are subject to customs control.
- 2. Before starting the personal examination, the customs official shall be liable to notify the natural person about the order of the customs senior officer or his/her substitute concerning his/her personal examination, inform him/her about his/her rights and duties during the examination and offer him/her to produce the concealed goods of his/her own account.
- 3. In the case of refusal of the natural person to undergo the personal examination voluntarily, the personal examination, including the body examination shall be performed as provided by the law procedure.

Article 134. Period for Checking Customs Decl

Article 136. Inventory of Goods and Vehicles

The customs bodies shall be authorized to effect inventory of goods and vehicles subject to customs control any time, as well as of goods the duties on which are payable, or which enjoy customs preferences in the part of customs duties.

Article 137. Audit of Financial and Economic Activity

- 1. Customs bodies, within their competence and pursuant to the customs regulations, shall be entitled to appoint or conduct an audit of the customs control.
- 2. In auditing financial and economic activity, the customs bodies within their competence shall be entitled:
- a) To demand for familiarization any document concerning the activity subject to customs control;
- b) to receive from officials and other personnel references, written and oral reports and comments;
 - c) pursuant to the law of procedure, to seal and withdraw documents;
- 3. Where necessary, the customs officials may prescribe the time and place for familiarization with documents and information.
- 4. When auditing, the action of the customs officials shall not cause illegitimate damage to a person whose financial and economic activity is being audited. The audit results shall be immediately informed to the person.
- 5. Information obtained during an audit is confidential where the provisions of Article 165 of this Code are applied thereto.

Article 138. Competence of Customs Bodies in Exercising Currency Control

- 1. The Customs Department of Georgia is a currency control agent in Georgia.
- 2. The functions and rights and duties of the customs bodies in the sphere of currency control exercise shall be defined within the competence of the Customs Department.
- 3. The customs bodies shall exercise currency control of currency securities, currency values, conveyed by persons across the customs frontier, except for free customs zones and perimeters of spare depots.
- 4. The customs bodies shall exercise currency control under this code and according to sub-ordinated enactments.
- 5. In exercising currency control, the responsibility for offences revealed shall be established pursuant to law.

Chapter 27. Customs Preferences

Article 139. Release from Customs Control

- 1. The release from Customs control shall be effected only on the basis of this Code.
- 2. The release from Customs control does not mean the release from responsibility for violation of the requirements provided for by the Customs regulations, international treaties and

agreements.

3. The President of Georgia, the Chairman of Parliament, members of Parliament of Georgia and the government of Georgia, the administrative and technical personnel of diplomatic missions of Georgia abroad having diplomatic immunity, their accompanying family members, their luggage shall not be subject to Customs control with the exception of the cases as provided by law.

- 4. Under the established procedure, individuals, goods and vehicles may be released from definite forms of Customs control where this meets the interests of Georgia.
- 5. The release from definite forms of Customs control in accordance with international treaties and agreements shall be effected as a result of their ratification.

Article 140. Customs Preferences for Diplomats

- 1. The diplomatic and administrative and technical staff of foreign diplomatic missions in Georgia (including their family members living with them) and their luggage shall not be subject to Customs control with the exception of the cases as provided by law of Georgia.
- 2. Import of the goods intended for the official use of the foreign missions provided by item one of this Article and for the diplomatic and administrative and technical personnel, as well as the diplomatic and administrative and technical personnel of diplomatic missions of Georgia abroad (including the family members living with them) shall be exempt from Customs taxes and duties in the form by which such exemption is provided for by a respective international treaty or agreement to which Georgia is a party. The import of goods of the Georgian diplomatic missions abroad shall be also except from Customs taxes and duties.

Article 141. Crossing of the Customs Frontier of Georgia with Foreign Diplomatic Mail and Consular Consigment (Valise)

1. Diplomatic mail and consular consignments conveyed or conveyable across the Georgian Customs frontier shall neither be opened nor detained. If there are reasonable grounds to suspect that the consignments contain articles other than those referred to in item three of this Article, the Customs shall be entitled to ask the addressee or an authorised person of the sending state to open the consignment in the presence of the Customs officials.

In the case of refusal of opening the consignment shall be returned to the sender.

- 2. All the packages consisting of diplomatic ble external marks of their character.
 - 3. Diplomatic mail and consular consignments may contain only diplomatic aempti

ernmental delegations arriving in Georgia for participating in interstate negotiations, international conferences and meetings or with other official assignments and to their family members the Customs preferences as provided in Article 140 of This Code shall apply.

2. Customs preferences granted for the staff of foreign inter-governmental organisations, their representatives, as well as their family members shall be established according to a respective international treaty of Georgia.

Article 144. Customs Preferences for Diplomatic Personnel and Consular Officials, Members of Foreign State Missions and Official Delegations Travelling in Transit via the Customs Territory of Georgia

To the diplomatic personnel of foreign state mi

2. The decision on a form of delivery subject to control shall be made by the Customs Department, which is to be fulfilled jointly with other law-enforcement bodies.

3. In the case of making a decision on the form of controllable delivery, where the country of destination of drugs and psychotropic substances is a foreign state, criminal proceedings shall not be initiated in Georgia and the decision made shall be immediately notified by the Customs to a respective body or person under established procedure.

Article 149. Other Cases of Using of Controllable Delivery Form

- 1. Under the procedure as provided by Article 148 of this Code, the usage of the controllable delivery form may be also applied to drastic poisonous substances as well as other objects which represent an object or means of offence, have been obtained in a criminal way, or towards which the illegal action is deemed to be smuggling.
- 2. The decision concerning the application of the controllable delivery form to the goods specified in item one of this Article shall be made the Customs Department which shall immediately inform the respective bodies and officials thereon.

2. The requirements provided for by Article 165 of this Code shall apply to information produced for statistics.

Chapter 31. Foreign Economic Activity Commodity Classification

Article 153. Application of Foreign Economic Activity Commodity Classification

1. For the purpose of coding and classification of goods the Customs shall apply the foreign economic activity commodity classification which has been developed on the basis of the harmonised system of description and coding of goods and is included in the national system of techno-economc1 55.32 791 cm 0 0 CS 0 0 08 0 130 10ee68hay-of goo5s tDepart goo5she r5quithe Custake goo5she r5quithe Goo5she goo5she goo5she goo5she goo5she goo5she goo5

cle (name of act, object of regulation. date of passing and entry into force, place of promulgation) shall be provided to each concerned person free of charge.

3. The Customs Department of Georgia shall be authorised to promulgate all the Customs legislative acts stipulated in item 1 of this Article and sell it to all interested persons at the price co-ordinated with the Ministries of Finance and Economy of Georgia.

Article 157. Consulting of Matters within Competence of Customs Bodies

The consulting by the staff of Customs bodies, their laboratories, research and educational institutions on the matters within competence of Customs bodies shall be carried out under established procedure.

Section IX. Organisations of Customs Activities

Chapter 33. Customs Bodies and their Function

Article 158. Customs Bodies of Georgia

- 1. Customs activities in Georgia shall be carried out by a law-enforcement body the Customs Department of Georgia, which is established and operates pursuant to the law of Georgia "On the Executive Power Structure and Activity Procedure".
- 2. The Customs Department of Georgia comprises the central staff, the Customs Bodies of the Abkhazian and Adjarian Autonomous Republics, regional Customs houses, Customs offices and Customs control stations.

amount credited to the budget in excess of 100 per cent and the total amount calculated according to paragraph "d" of item 1 of this Article.

- 2. At least of 60 per cent of a material incentives and material and technical supply funds' recourses shall be used as material incentives for employees of the Customs, the remainder being directed at the material and technical supply requirements of the Customs system.
- 3. The allocation of the material incentives and technical supply funds' recourses shall be effected from the budget.

Chapter 35. Responsibility of the Customs Bodies and their Civil Servants

Article 170. Responsibility of the Customs Bodies

- 1. The Customs bodies and their officials shall be responsible for the damage cost to natural and legal persons and their property through their illegitimate decisions, action or inaction while performing official duties.
- 2. Damage shall be subject to compensation on the general basis in conformity with the law–prescribed procedure.

Article 171. Responsibility of Customs Civil Servants

The Customs Civil Servants shall bear responsibility for unlawful actions in accordance with law.

Section XI. Concluding and Transitional Provisions

Chapter 36. Putting into Effect of the Customs Code. Invalidated Enact-

Law of Georgia On Making Amendments and Addenda to "Customs