

# Customs Code of Georgia

## Section I. General Provisions

#### Article 4. Customs Legislation

1. The Customs legislation of Georgia is based on the Constitution of Georgia and is comprised of this Code, other laws and subordinated legislative enactments.
2. The subordinated legislative enactments shall not contravene this Code and other enactments of the Customs legislation. In the case of controversy states of this Code or an appropriate law shall apply.
3. An international treaty or agreement of Georgia in the sphere of Customs relations has a preferential legal force in relation to internal enactments unless it runs counter to the Constitution of Georgia.
4. The promulgated enactments of Customs legislation being in force at the date of transfer of property in full possession of the proprietor or owner are applied in the sphere of Customs relations.
5. The regulation of the relations being the Customs legislation prerogative by other law or by-laws is prohibited.
6. The enactments of Customs legislation shall have retroactive force unless a respective enactment provides otherwise.

#### Article 5. Definition of Terms and Notions Used in the Code

For the purposes of this Code the terms and notions used herein have the following meanings:

- a) Goods - any property, including money, securities and currency values, electric and thermal energy, gas, water, and means of transport, except the vehicles indicated in paragraph "d" of this Article;
- b) Home-made goods - goods originated in Georgia;
- c) Foreign-made goods - goods indicated in paragraph "b";
- d) Vehicles - any means used for international transportation of passengers and international transportation of goods, including containers, trailers, and other transport facilities;

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 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 person has a right to choose any customs procedure or replace it with another, irrespective of the type of goods or a vehicle, their number, the country of production or destination unless otherwise provided by this Code and other enactments of the Customs legislation.

#### Article 10. Time and Place of Crossing the Customs Frontier of Georgia with Goods and Vehicles

Crossing of the customs frontier of Georgia with goods and vehicles during the working hours of Customs bodies is allowed at the places specified by order of the President of Georgia. The crossing the customs frontier of Georgia with goods and vehicles at other places or during the non-working hours of Customs bodies is allowed in agreement with the Customs Department.

#### Chapter 3. Release of Goods for Free Circulation (Importation)

##### Article 11. Essence of the Customs Procedure for Releasing Goods for Free Circulation

The Customs procedure for releasing goods for free circulation (importation) means the permanent keeping of the imported goods on Customs territory without the obligation of their removal.

##### Article 12. Terms of Subjecting Goods to the Customs Procedure for Releasing Goods for Free Circulation (Importation)

The release of goods for free circulation (importation) provides for:

- a) the payment of duties provided for by legislation;
- b) the protection of economic policy measures.

#### Chapter 4. Re-import of Goods

##### Article 13. Essence of the Customs Procedure for Re-importing Goods

The Customs procedure for re-importing goods means the re-importation of the home-



1. In the event of an accident or force majeure circumstances goods may be transhipped. In such case the carrier shall be liable:
  - a) to take necessary measures for protecting goods and/or vehicles and preventing any use thereof;
  - b) to immediately notify the nearest Customs body about the state of things, the location of the goods and/or vehicles;
  - c) to 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 storage shall be subject to the storage in specially, arranged warehouses.

### Article 22. Period of Goods Storage

Goods may be stored in Customs warehouses for a period of one year. Upon expiry of



## Chapter 7. Free Trade Customs Treatment

### Article 29. Concept of Free Trade Customs Treatment

The free trade customs treatment means the sale of goods in duty-free retail trade objects under the Customs control without application of the economic policy measures to goods in the areas of the Customs control of Georgia.

Article 34. Goods Processing Operations

1. The operation of goods' processing include:

without applying the foreign po

#### Article 42. Placing Goods under Customs Treatment in the Course of Temporary Importation and/or Exportation

1. The temporary importation and/or exportation of goods are admissible only if the liability for importation and/or exportation are presented.
2. The Ministry of Finance of Georgia shall approve a list of the goods whose temporary importation and/or exportation are admissible on presentation of the Customs Department of Georgia.

#### Article 43. Permit for Temporary Admission and/or Removal of Goods

1. A permit for temporary admission and/or removal of goods is issued by Customs bodies under the procedure established by the Ministry of Finance of Georgia.
2. Customs bodies shall not be entitled to issue a permit for temporary admission and/or removal of goods unless the reliable identification thereof has been secured.

#### Article 44. Terms for Temporary Admission and/or Removal of Goods

1. A period for temporary admission and/or removal of goods shall be fixed by a Customs body of Georgia with due regard to the purpose and circumstances of such admission and/or removal, but for not more than a year.
2. The right to extend the period indicated in one of this Article, where necessary, shall be assigned to the Customs Department of Georgia under the procedure established by the Ministry of Finance of Georgia.

#### Article 45. Effects of Expiry of Fixed Period for Temporary Admission and/or Removal of Goods

The temporarily admitted and/or removed goods returned upon expiry of the fixed period shall be subject to the placement under another Customs. A Customs body owns the 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 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 Customs Zone and Free Warehouse

The Customs treatment for storing and/or using goods in a free customs zone and free warehouse means the storing and/or using of foreign goods within corresponding territorial limits or stores without applying the economic policy measures, and the storing and/or using of domestic goods – under the export Customs procedure corresponding conditions.

#### Article 48. Establishment of Free Customs Zones and Free Warehouses and Terms and Conditions for Storing and Using Goods Therein

The establishment of free customs zones and free warehouses and terms and conditions for storing and/or using goods therein, as well as the Customs procedure operating in free economic zones shall be governed under legislation.

### Chapter 12. Processing of Goods Beyond the Customs Territory of Georgia (Outward Processing)

#### Article 49. Essence of Customs Procedure for Outward Processing

The customs procedure for outward processing means the removal and use of Georgian goods outside the Customs territory of Georgia for the purpose of processing thereof and releasing the obtained products for free circulation on the Customs territory of Georgia without applying the economic policy measures.

#### Article 50. Outward Processing Operations

1. The operations stipulated in item one of Article 34 of this Code may be carried out in outward processing of goods.
2. Individual processing operations may be restricted by subordinated enactments.

#### 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 released for free circulation with the complete exemption from the import Customs duties;

- b) the outward processing of goods does ~~not~~ damage the interests of the Georgian economy.
2. The procedure for issuing a license sh



## 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 under the import treatment without applying the economic policy measures.
2. The re-exportation of goods shall be permissible 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 the date of importation, except for the changes caused by natural tear and wear, natural losses during transportation or storage in natural conditions.

## Chapter 15. Destruction of Goods

### Article 63. Essence of Customs Procedure for Destruction of Goods

1. The Customs procedure for destruction of goods means the destruction of goods under Customs supervision, including their bringing to the unusable state without applying the economic policy measures thereto.
2. A Customs body on the basis of a respective conclusion shall issue permission for destruction of goods.

### Article 64. Costs of Destruction of Goods

The holder or proprietor at own expense shall destroy goods. Such destruction shall not incur any expenses on behalf of the state.

### Article 65. Remnants from Destruction of Goods

The remnants from destruction of goods shall be placed under a corresponding Customs procedure as foreign-made goods subject to Customs control.

## Chapter 16. Surrender of Goods for the Benefit of the State

### Article 66. Essence of Customs Procedure for Surrender of goods for the benefit of the state

1. The customs procedure for surrender of goods for the benefit of the state means the renunciation by a person of his/her title in goods without applying the economic policy measures thereto.
2. The surrender of goods for the benefit of the state according to the provisions of this chapter is allowable under the procedure established by legislation.

#### Article 67. Expenses Relating to Surrender of Goods for the Benefit of the State

The surrender of goods for the benefit of the state shall not involve any expenses on the part of the state.

### Chapter 17. Crossing of Customs Frontier of Georgia by Vehicles and Individual Types of Goods

#### Article 68. Crossing of Customs Frontier of Georgia by Vehicles

1. Crossing of the Customs frontier of Georgia shall be effected in accordance with the Customs procedures applied towards vehicles.
2. Vehicles crossing the Customs frontier of Georgia as well as the vehicles, which will cross the Customs frontier, as goods shall be located at the places, determined by Customs bodies. The non-performance of the 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 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 II. 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



## Section IV. Customs Clearance

### Chapter 19. Basic Principles of Customs Clearance

#### Article 78. Customs Clearance

Customs clearance is the execution of definite Customs procedures for the purpose of placing goods and/or vehicles under a relevant Customs treatment and the completion of this treatment in accordance with the requirements of this Code.

#### Article 77. Time and Place of Customs Clearance

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, customs structural division are located. thi(s/theutipen )]]acerformh



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 fr

#### Article 88. Rights and Duties of Declarant

1. When declaring goods and vehicles the declarant shall be liable:
  - a) to declare goods and vehicles according to the procedure stipulated by this Code;
  - b) to present necessary documents and references at the demand of the customs body;
  - c) to pay customs taxes and duties;
  - d) to facilitate the customs bodies in customs clearance, including by the way of performance of the necessary cargo and other operations.
2. Apart from other rights envisaged by this Code, before presenting the goods declaration to the customs, the declarant has the right to examine under the customs control goods and vehicles, as well as take samples for analysing goods by permission of the customs body. A separate customs declaration shall be filled in for samples and specimens of goods.

#### Article 89. Documents and References Required for Customs Clearance

1. Together with the customs declaration the customs body shall be presented with documents required for customs clearance.
2. A list of above-mentioned documents a

alter or enter coded data for machine processing when such data in the customs declaration are not coded.

#### Article 92. Temporary or Incomplete Customs Declaration

If the declarant due to exceptional reasons is unable to present a complete customs declaration, the customs body may, under established procedure, agree to the presentation of a temporary 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 removed by crossing the customs frontier during a definite time period.
2. The cases of and the procedure for the presentation of a periodical customs declaration shall be defined under subordinated enactments.

#### Article 94. Simplified Procedure for Declaring Goods and Vehicles

The Customs Department shall be entitled to permit the declarant to effect the declaration.



owners of the goods or their authorised representatives, and other bodies of the state control within the limits of their competence.

3. The quantity of samples and specimens should not exceed the minimal quantity necessary for the accomplishment of these procedures.
4. A protocol concerning the taking of samples and specimens shall be drawn up under established procedure.
5. The holder, owner of goods and other authorised persons shall be entitled to attend the taking of samples or specimens by the customs and other bodies of the state control. The customs officials shall attend the taking of samples and specimens by other bodies of the state control, as well as by the holder, owner of goods and other authorised persons. The aforesaid persons and their representatives shall be liable to facilitate the customs officials in taking samples and specimens of goods, namely to carry out, at own expense, the loading and other operations which are necessary for taking samples and specimens.
6. Customs bodies may take samples and specimens of goods without the presence of the holders, owners of goods and other authorised persons within ten days from the date of producing the goods; in the case of urgent circumstances the taking out of samples and specimens shall be attended by two impartial witnesses.
7. The holder, owner of goods and other authorised persons shall be entitled to familiarise with the results of the examination of samples and specimens. The results of the examination of samples and specimens of goods taken by other bodies of the state control shall be informed to the customs.
8. The customs shall not compensate the owner of goods for the damage in connection with the taking of samples and specimens. The owner of goods shall not compensate the expenses of the customs and customs laboratories in analysing samples and specimens except for the case when such examination is considered on the said person's initiative.
9. The taking of samples and specimens and their examination shall be carried out under established procedure.

#### Article 103. Assessment and Collection of Taxes and Dues

The assessment and collection of taxes and duties shall be governed by legislation.

#### Article 104. Customs Securities (Bond)

When clearing goods and vehicles under different customs procedures in the order established by law, the customs may require a bank guarantee or goods of a corresponding value as security (bond) to be returned within 15 days after the actual fulfillment of customs procedures.

#### Article 105. Release of goods

Customs clearance shall be accomplished and release of goods by which goods by which goods shall be placed at the full disposal of the holder shall place goods at the full disposal of the holder.

#### Article 106. Customs Clearance of Mail

Customs examination of postal items containing goods, which have arrived from abroad, shall be performed at post offices before their delivery to the addressee. The examination of mail to be sent abroad shall be carried out after the receipt or on the arrival at the post offices.

#### Article 107. Essence and Purpose of Preliminary Operations

1. Preliminary operations include all acts preceding the clearance of goods and vehicles
2. Preliminary operations shall facilitate and speed up customs clearance of goods and vehicles
3. In the course of preliminary operations the customs bodies shall render preliminary customs services.

#### 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 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 itinerary to the place fixed by the customs and stay there after the delivery.
2. Goods and vehicles and the documents shall be delivered by the customs by the fixed dates according to usual dates of deliver

## Chapter 23. Temporary Storage

### Article 111. Essence of Temporary Storage

Goods and vehicles from the moment of production 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 presentation of 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.

### 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 De

Article 115. Rights and Duties of Customs Broker

1. A customs broker shall be entitled to ca

8. A decision on the revocation, withdrawal,





#### Article 128. Participation of Specialists and Experts in Customs Control

1. Pursuant to legislation, the Customs shall be entitled to invite specialists and experts from law-enforcement and controlling bodies, enterprises, establishments and institutions for exercising Customs control.
2. The expenses in connection with the invitation of specialist and experts shall be compensated according to legislation.

#### Article 129. Methods of Customs Control

1. When crossing the Customs frontier of a country with goods and vehicles, an overall or selective control shall be exercised.
2. For the exercising of Customs control the Customs shall apply such methods which secure the observation of Customs law and international treaties and agreements.
3. Customs control may be exercised by technical means that neither endangers life and health of people, animals and plants nor cause damage to goods and vehicles.

#### Article 130. Inadmissibility of Causing of Illegitimate Damage during Customs Control

The causing of illegitimate damage to persons, their goods and vehicles during Customs control shall be inadmissible. Infringers shall bear responsibility in accordance with law.

#### Article 131. Identification and Control of Goods, Vehicles, Stores and other Places

1. Vehicles, stores and other places where or in which may be goods and vehicles subject to Customs control, the places where activities subject to Customs control are carried out, as well as goods and vehicles subject to Customs control may be identified by the Customs.
2. Identification shall be carried out by affixing a seal, stamp, figures, letters or other marking, by taking samples and specimens, inventory of goods and vehicles, drawing, by using dimensioned drawings, photographs, illustrations, other means of identification.
3. The substitution, removal or destruction of identification means shall be possible only by the customs bodies or with their permission, except for the cases when there is a real danger of destruction, loss or essential damage of goods and vehicles. The customs shall be immediately notified about the substitution, removal or destruction of identification means.
4. With the purpose of the performance of customs control the appropriate customs state officials within their competence shall be entitled, pursuant to the law of procedure, to enter any store where the activities subject to customs control are carried out, or where goods and vehicles subject to customs control or documents necessary for customs control may be placed.

#### 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.



#### Article 136. Inventory of Goods and Vehicles

The customs bodies shall be authorized to take inventory of goods and vehicles subject to customs control any time, as well as goods the duties on which are payable, or which enjoy customs preferences as 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 financial and economic activities subject to 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 documents concerning the activity subject to customs control;
  - b) to receive from officials and other persons 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 legitimate 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





## Chapter 29. Delivery Subject to Control

### Article 148. Delivery of Drugs and Psychotropic Substances Subject to Control

1. With the purpose of elimination of international illegal circulation of drugs and psychotropic substances and revealing persons engaged in such circulation the Customs in each individual case shall in agreement with the Customs and other competent bodies of foreign states or on the basis of international treaties, apply a form of delivery subject to control which means the conveyance of drugs and psychotropic substances involved in illegal circulation into and from Georgia, or their transit through its territory under the Customs control.
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 the respective body or person under established procedure.

### Article 149. Other Cases of Using 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 by the Customs Department which shall immediately inform the respective bodies and officials thereon.

## Section VII. Foreign Trade Customs Statistics and Foreign Economic Activity Commodity Classification

### Chapter 30. Maintenance of Foreign Trade Customs Statistics

#### Article 150. Foreign Trade Customs Statistics

1. With the purpose of providing information on the state of foreign trade to state bodies, analysis of the control of entry Customs taxes and duties to the state budget, drawing up balances and the whole state of foreign trade the Customs shall receive and process, information on the conveyance of goods and vehicles across the Customs frontier of Georgia and maintain foreign trade Customs statistics.



Article 155. Additional Powers of the Customs Department of Georgia in the Sphere of Foreign Economic Activity Commodity Classification

1. The Customs Department of Georgia is a Georgian party in



#### Article 164. Transfer of Land Plots to Customs Bodies

Land plots shall be transferred to Customs bodies for carrying out Customs activities pursuant to legislation.

#### Article 165. Use of Information Communicated to Customs by Residents of Georgia

1. The information communicated to the Customs by state institutions, enterprises, establishments, organizations and individuals in accordance with this Code and other legislation acts shall be used only for Customs activities.
2. Information containing state, bank or other law protected secrets, as well as confidential information (information not accessible for all and which may infringe interests of the person who gave it away and law protected interests), may not be published, used by the Customs officials for personal purpose, transferred to a third person except for the cases provided by legislation.

#### Article 166. Appeals against Decisions, Actions or Inaction of Customs and Officials Thereof

Decisions, action or inaction of Customs bodies and their officials may be appealed against under procedure established by law.

### Section X. Civil Servants of Customs Bodies of Georgia

#### Chapter 34. Legal Status of Civil Servants of Customs Bodies of Georgia

#### Article 167. Legal Status of a Civil Servant of Customs Bodies of Georgia and Terms of Service

The status of a civil servant of the Customs and the terms for appointment to and relieve from office, disciplinary responsibility and other conditions shall be determined according to law.

#### Article 168. Legal and Social Protection for Civil Servants of Customs

1. Civil servants of the Customs shall be protected under social security guarantees applicable to police officers pursuant to the Law of Georgia "On Police".
2. A single uniform shall be established for civil servants of the Customs. The procedure for conferring special ranks on civil servants of the Customs shall be determined by the Law of Georgia "On Special Titles and Diplomatic Ranks".
3. Pension security of civil servants of the Customs and their family members shall be under the procedure established by the law of

## Article 169. Material Incentives and Material and Technical Supply Fund of Customs Bodies

1. A material incentives and material and technical supply fund is formed on the basis of income, controllable by said bodies according to the amounts actually paid to the budget in the following amount:
  - a) for forming and replenishing the material incentives and material and technical supply fund - the minimal level of the fulfillment of the target figure of the state budget approved by law shall be 70 per cent;
  - b) in the case of fulfillment of the budget income targets by 70 to 80 per cent – 3 per cent of the amount credited to the budget in excess of 70 per cent;
  - c) in the case of the fulfillment of the budget by 80 to 90 per cent – 5 per cent of the amount credited to the budget in excess of 80 per cent and the total amount calculated according to paragraph “b” of item 1 of this Article;
  - d) in the case of fulfillment of the budget income targets by 90 to 100 per cent – 10 per cent of the amount credited to the budget in excess of 90 per cent and the total amount calculated according to paragraph of item 1 of this Article;
  - e) in the case of fulfillment of the budget income targets by 100 per cent – 15 per cent of the amount credited to the budget in excess of 100 per cent and the total amount calculated according to paragraph 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 Enactment's, Amendments and Addenda to Effective Legislative Acts

#### Article 172. Putting into Effect of the Customs Code

The Customs Code shall be putting into effect from the 1 January 1998.

#### Article 173. Legislative Act Invalidated upon Enactment of the Customs Code

Upon enactment of this Code the Customs Code approved by the Resolution of the State Council of the Republic of Georgia dated October 1992 (collection of Enactment of the State Council of the Republic of Georgia, volume 2, Article 183) shall be deemed null and void.

#### Article 174. Amendments and Addenda to Legislative Acts in Connection with Putting into Effect of the Customs Code

In connection with putting into effect of this Code the Georgian Parliamentary Committees for Finance and Budget and Constitutional, Legal Matters and Legality shall work out and submit to Parliament for approval before the end of 1997 the draft amendments and addenda to be made the following legislative acts:

- a) the Law of Georgia "On Customs Tax" dated 27 December 1996 (The Georgian Parliamentary Gazette, 1997, Legislative Supplement, 1-2);
- b) the Law of the Republic of Georgia "On Fire-Arms" dated 15 March 1994 (GPG, 1994, 16, Art. 304);
- c) the Law of the Republic of Georgia "On Special Titles and Diplomatic Ranks" dated 29 April 1993 (GPG, 1993, 6 Art. 99);
- d) Criminal, Administrative Offences and Criminal Procedure Codes.

#### Article 175. Preparation of Draft Subordinated Enactments

1. The Ministry of Finance of Georgia shall within one month from putting into effect of this Code, prepare and submit to the President for approval under established procedure "The Statute of the Customs Department" and "The Regulations for Service of the Customs Civil Servants".
2. The Ministry of Finance of Georgia shall within one month from putting into effect of this Code, prepare and submit to the Ministry of Justice for entry to the State register

- d) Statute on the Procedure for Crossing the Georgian Customs Frontier by a Natural Person and/or Goods;
  - e) Statute of the Procedure for Performance of Preliminary Operations and Preliminary Decisions-making;
  - f) Statute on the Procedure for Customs Clearance of International Mail;
  - g) Statute on the Informing and Consulting Procedure.
3. The Ministry of Finance jointly with the Ministry of Economy of Georgia shall, within two months from putting into effect this Code, approve and submit to the Ministry of Justice for entry into the State Register the Procedure for Defining Output Rates of Products Obtained as a Result of Inward and Outward Processing of Goods.

President of Georgia  
Eduard Shevardnadze  
Tbilisi,  
14 November 1997  
No. 11012-Is.