

**Law No. (10) of 1378 FDP (2010 AD)**  
**On Customs**

**The General People's Conference**

- In execution of the resolutions of the Basic People's Conferences in their annual session of 1377 FDP.
- Upon review of the Declaration of the Establishment of the Authority of the People;
- The Great Green Charter of Human Rights of the Jamahiriya Era;
- Law No. (20) of 1991 on promoting freedom;
- Law No. (1) of 1375 FDP on the work system of People's Conferences and People's Committees;
- Law No. (81) of 1970 on ports;
- Law No. (67) of 1972 issuing the Customs Law;
- Law No. (32) of 1974 on combatting the concealment and smuggling of supply goods;
- Law No. (97) of 1976 on combatting the smuggling of goods outside of customs stations;
- Law No. (2) of 1979 on economic crimes;
- Law No. (9) of 1430 FBP on free zones and transit trade;

**the following law was drafted:**

**Part (1)**

**Definitions and General Provisions**

**Chapter (1)**

**Definitions**

**Article (1)**

The terms used herein shall have the following meanings ascribed to them, unless the context requires otherwise:

1. State: The Great Socialist People's Libyan Arab Jamahiriya.
2. Secretary: The Secretary of the General People's Committee for Planning and Finance, or whoever assumes his powers.
3. Administration: The General Administration of the Customs Authority.
4. Director-General: The Director-General of the Customs Authority.
5. Competent Director: The Director of the geographical zone of the station determined by the Secretary.
6. Customs Employee: Any person who works for Customs.
7. Customs Territory: The territorial land and waters under the sovereignty of the State, and the space above it, and the continental shelves. Free zones, totally or partially excluded from customs provisions, may be established therein in accordance with the applicable legislation.
8. Customs Zone: The customs zone is the areas where the Customs Authority is responsible for taking measures to control persons, goods, and means of transport. The land and sea customs zones extend to a distance determined by a decision by the Secretary in

accordance with control requirements, provided that the distance of the sea customs zone is not less than the boundary of the territorial waters.

9. Customs Line: The political boundaries separating the State and the adjacent countries and the seashores surrounding it.
10. Customs Station: The area designated by the Secretary at each airport, seaport, or any other place determined by the Secretary where there is a customs office authorised to complete all or some of the customs procedures.
11. Customs Borders: The Libyan coast and the borders between the State and neighbouring states. The customs borders shall encompass the airspace above such coast and borders, and a barge, floating bridge, ship, port, harbour, or berth used to transport goods or passengers to and from an anchored ship or boat at any port or harbour to and from which imported or exported goods are transported abroad or transhipped.
12. Customs Office: any place designed to complete customs formalities.
13. Abroad: Outside the customs borders.
14. Export: Transportation of goods from the State through the customs borders.
15. Import: Transportation of goods into the State through the customs borders.
16. Traveller: Any person who enters or leaves the State, whether a resident or a non-resident.
17. Customs Declaration: The declaration submitted for authorised goods by the owner of the goods or his legal representative in accordance with the provisions of the present law and customs regulations.
18. Customs Tariff: The schedule that contains the names of goods, the customs fees that they are subject to, and the rules and notes therein.
19. Goods: All kinds of movable assets, including any natural material or product, whether animal, industrial, or agricultural.
20. Type of Good: The name of the good on the customs tariff schedule.
21. Origin of the Goods: The country where the good was produced, whether it is a natural, agricultural, industrial or animal product.
22. Provenance of the Goods: The country from which the goods are directly imported.
23. Prohibited Goods: Any good of which the import or export is prohibited by law.
24. Restricted Goods: Goods of which the import or export is restricted by the law.
25. Limited Goods: Goods of which the import is limited to a specific entity.
26. Goods Subject to Elevated Fees: Goods that are specified by a decision of the Secretary to raise the customs control rates, and such shall be published in the Code of Procedure.
27. Customs Broker: Any natural or legal person who prepares, signs, and submits customs declarations to Customs, and who undertakes the procedures related to the goods for the account of others.
28. Owner: The legal possessor, importer, exporter, receiver, representative, or holder of goods or means of transport, and any person other than customs officers who has the right to dispose of or control the goods or means of transport.
29. Transporter: The owner or the means of transport or his representative.
30. Means of Transport: Animals, boats, ships, aircraft, cars, and all other vehicles used to transport goods.

31. Storage Facility: The location or building designed by Customs or which Customs approved for use by a third party to store goods pending their withdrawal in accordance with the Customs Procedures.
32. Warehouse: The location or building in which goods for which customs fees and duties are suspended are stored under the supervision of the customs station in accordance with the provisions of the present law.
33. Customs Violation: Any act or failure to act that violates the provisions of this law and the regulations and decisions issued on the basis thereof.
34. Duty-Free Shop: The authorised location where goods for which customs fees and duties are suspended are stored for display and sale.
35. Smuggling: Exporting or importing goods in violation of the provisions of applicable legislation.
36. Produced Goods: Goods that have been cultivated, manufactured, or extracted.
37. Identical Goods: Good that are completely identical, including physical and qualitative characteristics and commercial reputation, which have minor differences in appearance.
38. Similar Goods: Good that have similar characteristics and similar material components, which allows them to perform the same functions according to the nature of the goods, commercial reputation, and the brand or trademark.  
The provisions of Items (37) and (38) shall not apply to goods that include or contain engineering, research, technical, or design works, or plans or figures that have not been modified.  
Goods may only be considered to be "identical" or "similar" if they were produced in the same country where the goods subject to evaluation were produced.
39. Goods of the Same Nature or Type: Goods classified in a group or class of goods produced by a certain production branch or sector of a production branch. This expression includes identical or similar goods.

## **Chapter (2)**

### **General Provisions**

#### **Article (2)**

Customs offices and entry points shall be established and their competencies determined by a decision by the Secretary. Customs stations and offices designated upon the entry into force hereof shall be considered to be designated or established under its provisions. Goods may only be imported or exported to or from the country through customs stations. Means of transport may only cross the Libyan customs borders through a customs office unless the Director-General authorises otherwise.

If the decision designating the customs station does not specify the borders of such station accurately, the goods shall be deemed to be within the customs station from the time of their inspection until their definitive withdrawal with the administration's permission.

### **Article (3)**

The Secretary shall determine the land routes between the borders and the customs stations, as well as the times and conditions for the means of transport to cross the customs borders to transport goods.

The Secretary shall also determine the official work days and hours during which the customs station shall be open to deal with the public.

### **Article (4)**

A council shall be formed called the Customs Tariff Council that is competent to draft the general customs tariff policy in accordance with its financial, economic, and social aims. A decision shall be issued to form this Council by the General People's Committee based on a proposal by the Secretary.

### **Article (5)**

Goods entering the territory of the Libyan territory shall be subject to the duties specified in the customs tariff in addition to other applicable taxes and fees, except those exempted by a decision issued by the General People's Committee based on a proposal by the Secretary. The decision issued shall specify the goods and the rate of discount or exemption from payable customs duties.

Goods exported from Libyan territory shall only be subject to customs duties and other fees if a decision in this regard is issued by the General People's Committee based on a proposal by the Secretary.

Customs duties and other fees and taxes levied on the import and export of goods shall be collected in accordance with the regulating laws thereof. Goods may not be released before completion of customs procedures and payment of duties and fees, unless stipulated otherwise by the law.

### **Article (6)**

The customs tariff shall be set and amended by a decision from the General People's Committee, based on a proposal from the Secretary.

### **Article (7)**

The Secretary may issue a decision imposing an additional tax not exceeding 5% of the customs duty on certain goods and allocating their returns for the purposes determined by a resolution of the General People's Committee.

### **Article (8)**

Imported goods shall be subject to proof of origin. A decision by the Secretary shall specify the rules of origin, conditions of proof, and exemptions from such proof.

### **Article (9)**

Goods imported from a country other than the country of origin after they have been offered for consumption in that country shall be subject to either the country-of-origin tariff or the country-of-provenance tariff, whichever is higher.

If the goods undergo manufacturing in a country other than the country of origin, they shall be subject to the tariff applicable to the country of origin or the country of manufacture according to the degree of manufacture, in accordance with the rules determined by a decision by the Secretary.

### **Article (10)**

Similar decisions shall be issued by the Director-General to classify goods that are not listed in the customs tariff schedule, and such decisions shall be published in the Code of Procedure.

A decision shall be issued by the Director-General classifying the goods that may be listed under more than one item of the customs tariff schedule.

Subject to the explanations of the tariff issued and the conditions applicable thereto determined by a decision by the Director-General, decisions issued by the Director-General under the previous two paragraphs shall be binding and final.

### **Article (11)**

Goods originating or exported from countries that have not concluded commercial agreements with the State containing a most-favoured-nation clause may be subject to additional taxes by a decision of the Secretary.

### **Article (12)**

Imported goods may be subject to a compensatory tax in the following cases:

1. When the goods benefit from a direct or indirect subsidy in the country of origin upon export.
2. When the price of the goods is reduced in a country with the purpose of dumping.

### **Article (13)**

Decisions amending the customs tariff shall apply to goods for which customs taxes have not been collected upon their entry into force, unless stipulated otherwise.

With regard to goods intended for import and for which the due taxes were paid before they fully entered customs, the part thereof which did not enter shall be subject to the applicable tariff upon their entry.

### **Article (14)**

Customs duties shall be levied on the goods subject to an ad valorem based on their condition at the time of imposition of the customs tariff and their schedules.

### **Article (15)**

The rules for the calculation of the tax on excisable goods based on weight, quantity, or size, as well as on their packages and boxes shall be determined by a decision by the Secretary.

### **Article (16)**

Notwithstanding Article (14) of the present law, the tariff shall be imposed as follows:

1. Upon legal settlement of the customs fees on goods stored at the warehouse due to the expiration of storage period or failure to obtain an extension, the tariff provisions in force as of the date of the expiration of the storage period shall be applied.
2. If goods are withdrawn from the warehouse unlawfully or if a deficit is noted upon review of the warehouse's accounts, the tariff in effect on the date that the deficit is discovered or on the date that it occurred shall be applicable, whichever is higher.
3. Goods for which fees are suspended in accordance with statements or guaranteed undertaking and which have not been submitted by their owners to the customs offices for payment shall be subject to the tariff in force on their date of registration or the date that their deadline for them passes, whichever is higher.
4. Goods submitted by their owners to offer them for consumption shall be subject to the tariff in force on their date of registration.
5. In order to offer goods for consumption outside of the duty-free zone, they shall be subject to the tariff in force on their date of registration.
6. Smuggled goods or the like shall be subject to the tariff fees in force on the date that the smuggling is discovered, the date on which it occurred if it is possible to determine, or the date of conciliatory settlement.
7. Goods sold by the administration in accordance with the provisions of this law shall be subject to the tariff in force on the date of sale.

### **Article (17)**

The provisions of Article 16 of the present law shall apply to all other duties and fees collected by the administration, unless the law stipulates otherwise.

### **Article (18)**

If customs duties and any other taxes and fees previously collected are inferior to the amount stipulated by law, the person who paid the lesser or was refunded the amount by mistake, shall pay the remaining or refunded amount at the request of the competent customs officer.

The competent customs officer may refuse to deliver any other goods to the said person until the latter settles the amount to be paid or returned. Such does not prejudice or preclude the initiation of legal measures.

### **Article (19)**

If the goods are classified or can be classified under two or more categories, entailing a difference in the taxes thereon, the following rules shall apply, subject to the rules set forth in the customs tariff according to the harmonised system.

### **Article (20)**

A separate tax shall be imposed on unordinary goods containers unless the Director-General deems that such containers are usually and conventionally used to pack the goods inside them and he is convinced of the proportionality between the value of the goods and that of the container.

### **Article (21)**

If a dispute arises between the customs official and the owner of the goods over the type, origin, or value of the goods, it shall be submitted to the dispute-resolution committee formed under the provisions of the present law.

## **Chapter (3) Prohibition and Restriction**

### **Article (22)**

A customs declaration shall be submitted to the nearest customs office for any goods that enter or leave the State in accordance with customs regulations. A detailed declaration shall be submitted for all goods that are imported or exported in accordance with customs regulations.

The declaration shall be submitted when or after the goods reach the customs office. Nonetheless, the Director-General may authorise declaration to be filed before the goods reach the location of customs release, in accordance with the regulations prescribed in this regard.

Every travellers shall present himself to the competent customs station, in accordance with the regulations prescribed in this regard.

### **Article (23)**

Any goods that are not authorised for import or export are deemed prohibited. If the import or export of certain goods is subject to restrictions from any entity, such goods may not enter or leave the country unless they meet the requirements.

### **Article (24)**

In addition to the conditions set forth in the present law, importers and exporters shall abide by the legislation and agreements to which the State is party with regards to trade-related aspects of intellectual property rights.

## **Chapter (4) Distinguishing Elements of the Goods**

### **Article (25)**

Subject to the standards for origin of goods set forth in the applicable international agreements to which the State is party, the country from which the goods are obtained shall be considered their origin, and they shall be considered to be obtained in a country in the following situations:

1. Natural products extracted in the country.
2. Plant products harvested in the country.

3. Live animals born or raised in the country, and products derived from animals that were raised in the country.
4. Fishing products and other products extracted from the seas outside the country's territorial waters by means of ships bearing the country's nationality.
5. Products extracted from the seabed outside the territorial waters, provided that the country enjoys usage rights to exploit the seabed and its subsoil.
6. Scrap and the remains of manufacturing operations, provided that they were assembled in the country, and they may only be used to re-assemble the initial materials.

The rules determining the origin of goods and the rules to be followed to determine the origin of goods obtained in a country through use of the products set forth in the previous paragraph when they are imported shall be determined by a decision by the Secretary, in accordance with the rule of substantial transformation. The rule of substantial transformation is the standard that determines origin on the basis that the country of origin is the country where the last substantial transformation or manufacture occurred that is considered sufficient to give the commodity its main character.

The methods for submission of documents establishing origin and the situations requiring submission of such documents shall be determined by a decision by the Secretary.

#### **Article (26)**

The provenance of the goods is the country from which the goods are directly imported. If the goods simply transit, berth, halt, or are transhipped in an intermediary country, this is not sufficient to acquire the quality of provenance.

#### **Article (27)**

The type of goods shall be specified in the nomenclature of the customs tariff schedule, in accordance with the system for classifying the goods. In the absence of such nomenclature, the Director-General shall issue a decision to treat the concerned goods in the same manner as the type to which it is most similar. Such decisions shall be published in the Code of Procedure.

#### **Article (28)**

Connected persons are the following:

1. If one person is a director or member of the board of another.
2. If they have the legal capacity of partners in work.
3. If one of them is the employee of the other.
4. If any person possesses or holds directly or indirectly not less than 5% of issued shares or stock, with the right to vote in both establishments.
5. If one of them directly or indirectly supervises the other.
6. If one of them is directly or indirectly subject to the supervision of another person.
7. If two persons supervise a person directly or indirectly. A person is deemed to supervise another when this person is legally qualified or exercises de facto authority over the other to compel or direct.

8. If they are members of the same family and related up to the fourth degree, persons who are connected by a work relationship by which one of them is the sole agent, distributor, or concessionaire of the other are deemed connected if one of these conditions apply to them.

#### **Article (29)**

The customs value of goods imported into the State is the contractual value of the deal, i.e. the price actually paid or payable for sale of the goods after modification, as well as the costs to the extent that they are actually borne by the seller and not included in the price.

Costs include the following:

1. Commissions and brokerage expenses, excluding sale commissions.
2. The cost of the containers that are considered part of the cost of the goods individually for the purposes of customs assessment.
3. The cost of packaging, whether the activity or the materials.
4. The value of the following goods and services, that the seller provides directly or indirectly free or at low cost for use in the production of the imported goods, to the extent that this value is not incorporated in the price actually paid or payable:
  - a. Materials, components, parts, and similar elements that used to form the imported goods.
  - b. Tools, molds, and similar items used in the production of the imported goods.
  - c. The materials that are consumed in the production of the imported goods.
  - d. Engineering and development, technical works, design, plans, and figures carried out outside the State and which are necessary for the production of the imported goods.
5. Royalties and licensing rights for the goods to be assessed that the importer must pay, whether directly or indirectly, as a condition of sale of the goods to be assessed, unless such royalties or licensing rights are incorporated in the price actually paid or payable.
6. Any value that accrues to the buyers directly or indirectly from re-sale, disposal, or subsequent use of the imported goods.
7. Transport and insurance expenses for the imported goods.
8. Shipping and unloading expenses and all other expenses related to transporting the imported goods until they reach the point of entry into the customs territory.

#### **Article (30)**

Expenses added to the price actually paid or that must be paid shall be derived from objective data that may defined. Expenses for the re-production of imported goods may not be added, nor may expenses in consideration for distribution or re-sale rights of the imported goods, unless the latter are a condition of the sale for the purpose of exporting the goods imported to the State.

#### **Article (31)**

Customs value does not include the following elements:

1. Expenses of the imported goods after they enter Libyan territory.
2. Taxes and fees paid in the State.

3. Expenses relating to building, assembly, maintenance, or technical assistance conducted after the goods have been imported.
4. Sale commissions.
5. Expenses for the right to re-produce the goods imported to the State.

#### **Article (32)**

Customs may estimate the value of the goods if there is doubt about the correctness of the declared value or in the absence of invoices or freight calculation. Customs shall notify the owner of the goods of such estimation. If the latter objects thereto, he may file a complaint with the Director-General within ten days from his notification thereof.

#### **Article (33)**

If it is not possible to determine the customs value through application of Article (29), the provisions of Articles (29), (30), and (31) and the other provisions of the present law shall be applied in succession until this value is determined fairly and objectively.

#### **Article (34)**

1. Customs value is the contractual value of identical goods sold for export to the State at the same commercial level and in approximately the same quantity of goods that are assessed. In the absence of such sales, the contractual value shall be adopted of identical goods that were sold at a different commercial level or in a different quantity with modification, taking into account the differences that may be applied to the commercial level, the quantity, or both, provided that these modifications are made on the basis of evidence that clearly proves the reasonableness and accuracy of these modifications, whether they lead to an increase or a decrease of the value.
2. If the transport and insurance expenses of imported goods are included in the contractual value, this value shall be modified taking into account the significant differences that may be found between the costs and expenses of the imported goods and the costs and expenses of identical goods arising from the distances and means of transport.
3. If upon application of this article, it is proven that there is more than one contractual value for identical goods, the contractual value shall be consulted to determine the customs value of the imported goods.
4. In applying this article, the contractual value of goods produced by another person shall not be taken into account, unless a contractual value of identical goods produced by another person is not available.

#### **Article (35)**

1. Customs value is the contractual value of similar goods sold for export to the State, and which were exported at the time of export of goods that are assessed at the same commercial level and in approximately the same quantity as these goods. In the absence of such sales, the contractual value of similar goods sold at a different commercial level or in a different quantity shall be adopted with modification, taking into account the differences that may be applied to the commercial level, the quantity, or both, provided that these modifications are made on the basis of evidence that clearly proves the

reasonableness and accuracy of these modifications, whether they lead to an increase or a decrease of the value.

2. If the transport and insurance expenses of imported goods are included in the contractual value, this value shall be modified taking into account the significant differences that may be found between the costs and expenses of the imported goods and the costs and expenses of similar goods arising from the distances and means of transport.
3. If upon application of this article, it is proven that there is more than one contractual value for similar goods, the contractual value shall be consulted to determine the customs value of the imported goods.
4. In applying this article, the contractual value of goods produced by another person shall not be taken into account, unless a contractual value of similar goods produced by another person is not available.

### **Article (36)**

1. a. If imported goods, identical, or similar goods are sold inside the customs territory upon import, the customs value of the imported goods shall be based under this article on the unit price at which the imported goods or identical goods or similar goods that are imported in greater total quantities are sold at the time of import of the goods whose value is being estimated to persons who are not connected to the sellers, subject to the following deductions.

First. Commissions normally paid, or which were agreed to be paid, or additions normally made in consideration for the profit or general expenses in the country of the imported goods of the same class or type.

Second: Customary costs of transport and insurance and related costs in the importing country.

Third: Customs duties and other taxes and fees that are payable in the importing country for import or sale of the goods.

b. In the event that there are no imported, identical, or similar goods sold at the time the goods to be assessed are imported, the customs value shall be based on the unit price at which the imported, identical, or similar goods are sold as is upon their importation at the closest possible time within 90 days before or after the date of importation of the goods being assessed, taking into account the deductions referred to in Paragraph (1-A) of this article.

2. Subject to the provisions of Paragraph (1), Clauses (a) and (b) of this article, if the imported goods or identical or similar goods were sold in the customs territory as is upon importation, and if the importer requests such and Customs approves, the customs value shall be based on the unit price at which the imported goods are sold after being prepared in the largest total quantity to another party not connected with the buyer inside the customs zone, provided that the value added as a result of the said preparation is deducted along with the deductions stipulated in Paragraph (1) of this article.

### **Article (37)**

1. If it is impossible to determine the customs value of the imported goods in accordance with the provisions of Articles (29) through (33), the customs value of the goods shall be based on the value calculated for the goods as follows:
  - a. The cost or value of materials, manufacture and other preparations used in the production of the imported goods.
  - b. The amount of profit and general expenses equivalent to the amount that usually results from sale of goods of the same class or type as the good being assessed and which are manufactured by producers in the country of provenance.
  - c. Wages, costs, and expenses relating to the shipment of imported goods, including transport, loading, unloading, and insurance costs and other services related to the shipment of goods until they reach the customs territory.
2. No non-resident shall be compelled to submit or allow examination of any invoice or other record for the purposes of determining the calculated value, although Customs may verify the information submitted by the producer of the commodities in another country in order to determine the customs value in accordance with the provisions of this article, with the approval of the producer, on the condition a sufficient deadline is granted to the authorities of the country concerned and the country concerned does not object to such verification.

### **Article (38)**

1. If it is impossible to determine the customs value of the imported goods in accordance with the provisions of Articles (29) through (37), the customs value of the goods shall be determined on the basis of data available through reasonable means that are consistent with the principles and provisions of international agreements to which the State is a party.
2. In determining the customs value under the provisions of the previous paragraph, the following elements may not be used:
  - a. The sale price inside the customs territory for goods produced therein.
  - b. Application of a system to adopt the highest value of two values for the purposes of customs assessment.
  - c. The price of goods in the domestic market of the exporting country.
  - d. Production costs others than those calculated and determined to identical or similar goods.
  - e. The prices of goods sold for export to a third country.
  - f. The customs value in the state.
  - g. Arbitrary or shadow values.

### **Article (39)**

The procedures for determining the customs value of imported goods shall not preclude the right of the importer to collect his goods, if he provides sufficient monetary guarantees accepted by Customs to cover the fees that may ultimately be imposed, in addition to the fine, if necessary.

Customs may keep samples of the goods released before final determination of their value and such samples shall be returned to the owner of the goods, unless they are used up in examination or analysis.

#### **Article (40)**

The Director-General shall determine the controls for application of the rules for assessment of goods set forth in the preceding articles, as well as the principles for cases not covered explicitly in these rules, subject to the explanatory notes of the customs assessment rules set forth in international agreements to which the State is a party.

#### **Article (41)**

An invoice authenticated by the chamber of commerce or other competent official body accepted by customs shall be attached to every customs declaration. The invoice shall establish the correct price and origin. Customs is entitled to require documents, contracts, correspondence, etc. pertaining to the deal, without having to abide by their content or the invoices themselves, and without restriction therein on its assessment authority.

#### **Article (42)**

Upon export, the customs value shall be the value of the goods at the time of registration of the customs declaration, with all expenses up to the location of export added. Such value shall not include the export tax and the production tax, and other taxes and fees refunded upon export.

#### **Article (43)**

If the elements adopted to determine the customs value of a given good are denominated in a foreign currency, the conversion shall be made at the current exchange rate as of the date of registration of the customs declaration.

#### **Article (44)**

Goods imported or exported by mail shall be approved in accordance with international agreements to which the State is a party. Within the limits of these agreements, the Post Department shall present to the administration mail packages, parcels, and files on which customs duties are levied or which are subject to special restrictions or procedures. The tax valuation and waiver procedures for imported or exported goods shall be specified by a decision by the Director-General of Customs, in agreement with the Post Department. In any case, the confidentiality of correspondence shall not be violated.

### **Part (2)**

#### **Customs Work Regulation**

#### **Article (45)**

1. The administration shall exercise its competencies in the customs territory according to the conditions defined in the present law.
2. A guard area shall be organised along the length of the land and sea borders, and this area shall constitute the customs control zone.

#### **Article (46)**

Customs employees who are appointed by a decision by the Secretary shall be considered judicial officers with regards to application of the provision of this law and within the scope of their competences.

#### **Article (47)**

Authorised customs officers shall have the right to search places, people, goods, and means of transport inside the customs station and in the locations and warehouses under the supervision of Customs. Customs may take all necessary measures to prevent smuggling in the customs station.

#### **Article (48)**

Customs officers may control the identity of persons who enter the customs territory or who circulate within the customs control zone.

#### **Article (49)**

Every driver of a means of transport shall comply with the orders of customs officials. Customs officials may take all appropriate measures to stop means of transport in the event that the driver fails to comply.

#### **Article (50)**

Customs officials are entitled to examine all ledgers, documents, and documentation pertaining to customs operations related to the work of the following:

1. Maritime navigation companies, maritime agents, ship suppliers, and maritime intermediaries.
2. Air navigation companies.
3. Ground transport companies.
4. Agencies, including rapid transport agencies that are guaranteed to accept, collect, and send parcels.
5. Customs brokers and transit contractors.
6. Maritime warehouses and storage facilities, and general storage facilities.
7. Customs storage facilities and hangars designed for export and import.
8. Railway stations.
9. Any natural or legal persons designated by a decision by the Secretary.

The persons concerned shall keep the documents mentioned in Paragraph (1) for no less than five years. If these documents are completed electronically through media applications and systems as well as the necessary information and systems to operate them, customs officials shall deliver a statement of what was recorded to these persons or companies.

#### **Article (51)**

Authorised customs officers may board vessels within the customs control zone to search the same or request manifests and other documents required by the established rules.

In the event of failure to present such documents, in the absence thereof, or in the event of suspicion of the presence of smuggled or prohibited goods, the necessary measures shall be taken, including the use of force, to seize the goods and sail the vessel to the nearest customs office when necessary.

#### **Article (52)**

Customs officers shall have the right to seize prohibited or smuggled goods if their existence violates the rules applicable in the customs territory. In the event of strong suspicion of smuggling, they shall have the right to search places and shops and look for smuggled goods in accordance with the provisions of the law and within the control zone.

#### **Article (53)**

Customs officers may inspect all ships within the maritime customs control zone.

#### **Article (54)**

Customs officers may inspect facilities and equipment established on the continental shelf or exclusive economic zone at any time. They may also inspect means of transport that are used or help explore for or exploit natural resources contained in the continental shelf or the exclusive economic zone.

#### **Article (55)**

Customs officers and those who assist them from other entities shall have the right to pursue smuggled goods and follow up thereon after such goods leave the customs zone. They may also inspect and search passing caravans in the desert if they are suspected of violating the provisions of the law.

In all cases, customs officers shall be entitled to apprehend persons, seize goods and means of transport, and transport the same to the nearest customs office. For this purpose, they shall enjoy free movement along the coast or any part thereof, as well as on seashores and any port, gulf, road, or public land, with the right to pass through private property within 5 kilometres from the borders.

#### **Article (56)**

If proof emerges that a crime has been committed in violation of the law, authorised customs officials may inspect homes where goods or documents pertaining to such crimes are found, after obtaining permissions from the public prosecution. The inspection shall be conducted in the presence of two witnesses if the owner or the house or his representative is not present.

In cases of *in flagrante delicto*, they may inspect homes or shops without being subject to the procedures set forth in the previous paragraph.

In any case, it shall not be permitted to inspect homes before 7 a.m. or after 7 p.m. However, inspection may continue after 7 p.m. if it had begun before that time.

#### **Article (57)**

Customs officers may perform the duties set forth in previous articles and take any of the following measures:

- a. Board and search any means of transport within the limits of their competences. For this purpose, they may open packages, boxes, and locks and examine relevant documents.

- b. Withhold any goods on board any means of transport; they may for this purpose lock cargo docks, seal goods and locks, and transport the same to storage facilities or customs stations.
- c. Investigate with any person aboard any means of transport within the limits of their competences. Captains of the means of transport shall provide customs officers with all necessary facilitation to perform their duties; they shall also provide food and accommodation to customs officers who are assigned to remain on board by a decision issued by the Customs Director-General, whenever necessary.

#### **Article (58)**

Customs officers may enter post offices, including mail-sorting rooms in direct contact with abroad, in the presence of postal employees, in order to search for opened or unopened letters, whether foreign or domestic, that contain or are suspected of containing prohibited items for import or export, or that are subject to restrictions or customs fees, with the exception of envelopes subject to the transit system.

#### **Article (59)**

The customs officer shall not be held accountable for any seizure he conducts in accordance with the provisions of this law if such seizure is based on a reasonable cause.

If the owner recovers a seized means of transport or goods or the revenues thereof, and the court decides that there is justifiable grounds for seizure, such decision shall preclude legal action against any customs officer with regard to such seizure.

### **Part (3)**

#### **Customs Procedures**

##### **Chapter (1)**

##### **Import**

#### **Article (60)**

- a. The maritime transport company or its agent shall notify Customs at least 24 hours in advance of when a ship delivers its cargo.
- b. All goods arriving by sea shall be recorded in the ship's manifest, even if they are being sent to free zones.
- c. Upon entry into the customs control zone, the captain of the ship shall produce the original manifest of the ship for endorsement and a copy thereof at the first request by the customs officer.
- d. The captain also shall provide the following upon entry of the ship into port:
  - General manifest.
  - List of the ship's equipment, the crew's baggage, and goods belonging to them.
  - List of names of passengers and all shipping documents and bills of lading that may be requested by Customs in application of customs regulations.
  - Ship manifest for goods that will be unloaded at this port, translated into Arabic.
- e. The said documents shall be provided within 36 hours of entry of the ship into port. Official holidays shall not be counted toward this deadline.

- f. The ship manifest may be electronic.
- g. The Director-General shall determine the number of copies to be submitted of the ship manifest and the basic procedures to be followed for reception of goods.
- h. Goods that are prohibited or subject to restrictions shall be recorded in the shipping documents under their real names and according to their type and description.

#### **Article (61)**

All goods delivered by sea shall be recorded in the general ship manifest.

Such manifest shall be signed by the captain and it shall include the name of the ship, its nationality, type of goods, quantity of packages, their marks and numbers, the names of the consignor and the consignee, the description of packaging, and the seaports from which the goods are shipped.

#### **Article (62)**

The shipmaster or his representative shall submit to the customs office a manifest of the goods shipped to the State within twenty-four hours at most from the date of arrival of the ship – excluding official holidays – in accordance with the rules stipulated by the previous article.

In all cases, Customs may examine the general manifest and all the shipping documents. If the manifest pertains to a vessel that does not make regular voyages or that does not have a forwarder in the State, or if it is a sail ship, such manifest shall be endorsed by the customs authorities at the shipping port.

#### **Article (63)**

Within the period set forth in the previous article, the shipmaster or his representative shall submit a list of the ship's passengers and supplies, including the tobacco and alcohol intended for on-board consumption, as well as the excisable belongings of the crew. Any excess in such items over the ship's needs at the time of anchorage shall be placed in a special warehouse sealed with the Customs' stamp.

#### **Article (64)**

The cargo of the ship or all other maritime means of transport shall only be unloaded at ports that contain customs offices. Goods shall be unloaded or transferred from one ship to another with written approval from the administration and in the presence of its officers.

The unloading or transfer from one ship to another shall take place during the fixed working hours and under the conditions set by the administration.

#### **Article (65)**

The shipmaster or his representative shall be held responsible for any shortage in the number of packages or the contents thereof or in the amount of the bulk goods until delivery of the goods to the customs storage facilities, warehouses or concerned persons. However, they shall not be responsible for any shortage in such case.

The degree of tolerance concerning bulk goods in case of excess or shortage as well as partial shortage in goods resulting from natural factors or poor packaging and leakage of their contents shall be determined by a decision by the Customs Director-General.

#### **Article (66)**

In the event of shortage in the number of unloaded packages or in the amount of goods compared to those mentioned in the manifest, the shipmaster or his representative shall justify such shortage. If the missing goods or packages have not been shipped in the first place, have not been unloaded, or have been unloaded at a different location, the shortage shall be justified by supporting documents. If such documents cannot be submitted, a time period not exceeding six months may be given to submit the same against a guarantee ensuring the Customs' rights.

#### **Article (67)**

Aircraft making international flights shall not land at airports that do not contain customs offices or checkpoints, unless granted permission by the Civil Aviation Authority after notifying the administration.

#### **Article (68)**

Goods transported on board aircraft shall be recorded in a bill of lading drafted in the manner described in Article (61) of the present law.

The captain of the aircraft shall produce such bill of lading to customs officers at the first request. He shall also present it to the customs office at the airport along with a translation thereof when necessary, immediately upon arrival at the airport.

#### **Article (69)**

Unloading or throwing goods from the airplane en route shall be prohibited. However, the captain of the aircraft may give orders to throw off goods if necessary for the safety of the aircraft, provided that he notifies the administration thereof immediately upon landing.

#### **Article (70)**

Goods transported by air shall be subject to the same provisions for goods transported by sea.

#### **Article (71)**

Goods imported by land shall head directly from the border to the nearest customs office. Their transporters shall adhere to the route or path leading directly to such office, which shall be designated by a decision by the Director-General.

The transporters of such goods shall be prohibited from bringing the goods past the customs office without authorisation or from placing them in homes or other locations before presenting them to such office.

When necessary, a decision by the Director-General may grant permission to import goods by other routes in accordance with the regulation issued for this purpose.

### **Article (72)**

Upon arrival at the customs office, the transporters of goods and their escorts shall present the bill of lading or packing list that functions as a manifest signed by the driver of the means of transport, accredited by the transport company's representative (if any), and drafted in accordance with the conditions set by the present law.

The bill of lading or packing list shall be attached to the documents supporting their content in accordance with the conditions set by the administration.

The Secretary shall issue a decision determining exceptions to this rule, which shall be published in the Code of Procedure.

### **Article (73)**

Goods shall be imported or exported by letter post or parcel post in accordance with Arab and international postal agreements and the legal texts in force.

## **General Provisions**

### **Article (74)**

All ships, trains, cars, aircraft or other means of transport, whether laden or unladen, shall be prohibited from leaving the State without presenting to the customs station a manifest in conformity with the provisions of Article (61) and all the documents mentioned in said article, and obtaining authorisation to leave, except in cases determined by a decision by the Director-General.

### **Article (75)**

It is prohibited for ships transporting all sorts of cargos to berth in ports other than those intended for such purpose without prior authorisation from the administration, except in cases of maritime emergencies or force majeure. In this case, the captain shall notify the nearest customs office and submit a report of the ship's cargo without delay.

### **Article (76)**

Aircraft may only cross the borders through the specified routes. They may land or take off only at the airports where customs offices exist, except in cases of force majeure, in which case pilots shall submit a report to the administration and they shall report accidents arising therefrom.

### **Article (77)**

Several sealed packages, assembled in any way whatsoever, may not be stated in the manifest or its equivalent as a single package.

Instructions issued by the administration shall be observed with respect to containers, platforms, and trailers.

### **Article (78)**

The provisions of this law shall apply to land and air transport with regards to unloading goods and transferring them from one means of transport to another. Drivers, airplane pilots, and

transportation companies or their representatives are liable for any shortage in land or air transport in the application of the present law.

#### **Article (79)**

No person present at a port, airport, or customs office may board a means of transport coming from outside the country unless by Customs authorisation, with the exception of port employees, passport police and health personnel who are authorised to perform such duties, each within their competence.

#### **Article (80)**

Ship captains, pilots, their agents or their representatives shall submit the soonest possible to the nearest customs office a statement on the place where the goods have been lost, destroyed or left in the event that the means of transport is lost, destroyed, forced to berth, or forced to land in places other than the Customs station.

### **Chapter (2): Export**

#### **Article (81)**

Goods for export shall head to a competent customs office for detailed authorisation.

#### **Article (82)**

It is prohibited for transporters heading to land borders to pass the customs offices or checkpoints without authorisation, or to take other routes with the aim of avoiding such offices or checkpoints, according to the provisions adopted by the administration.

### **Chapter (3) Customs Declaration**

#### **Article (83)**

A detailed customs declaration (customs procedural certificate) for all imported or exported goods shall be submitted to the customs office upon entry into the State and prior to the completion of customs procedures, even if such goods are exempted from customs duties and fees. The customs declaration shall contain all information, explanations and elements that enable application of the customs procedures in force and settlement of the necessary duties and fees, when necessary.

The customs declaration shall be submitted in writing, and it may be submitted electronically according to regulations determined by the Director-General.

The customs declaration form, the documents to be attached thereto, and the time period for submission thereof shall be determined by a decision by the Secretary.

The customs declaration shall be recorded, and its date of registration and annual serial number shall be noted, after verifying its conformity with the provisions of the present law.

#### **Article (84)**

The customs declaration may be invalidated after it is registered at the request of the owner of the goods or his agent in the following cases:

1. Goods presented for export that were not actually exported.
2. Imported goods that are proven to not be in conformity with the legislation in force, particularly legislation pertaining to technical, health, and environmental oversight or consumer protection.
3. Goods authorised upon import but which are not accepted by the person concerned.
4. Any other cases determined by a decision by the Secretary.

Customs is entitled to invalidate the declaration within 15 days from registration thereof if the duties and fees payable for the goods subject of the declaration are not paid.

#### **Article (85)**

Owners of the goods or their agents may request to check and examine their goods and take samples thereof when necessary, under supervision of the administration and in exchange for a fee specified by the Secretary not exceeding LYD 50.

#### **Article (86)**

Inspection shall take place in the presence of the submitter of the declaration or his legal representative. In the event of defect in the contents of packages, liability shall be determined as follows:

1. If the packages were placed in customs storage facilities or warehouse in an apparently sound condition that confirms that the defect occurred in the exporting country before shipping, the transporter shall not be liable.
2. If the packages entered the customs storage facilities or warehouses in an apparently unsound condition, the managing authority of such customs storage facilities or warehouses, along with the customs station and the transporting company, shall establish this condition in a notice of receipt and verification of weight and contents and the managing authority shall take the necessary measures to maintain the integrity of the same. The transporter shall be liable, unless he produces supporting documents that he received the packages and his contents in the condition that was witnessed upon their entry into the storage facilities or warehouses.
3. If the packages entered in an apparently sound condition, then after their entry into the storage facilities or warehouse they fell under suspicion, the managing authority shall be liable if it is verified that there is a defect or alteration.

#### **Article (87)**

The declaration stipulated in Article (83) shall be submitted by the owners of the imported or exported goods, their approved representatives, or by their authorised customs brokers.

The signatory of the declaration shall be responsible for the accuracy of its content, without prejudice to the liability of the goods' owner.

In the construal of this article, transporters, carriers of goods and travellers shall be considered as they owner with regards to the goods, items, and articles that they transport and carry.

### **Article (88)**

The content of customs declarations shall not be modified after they are registered. However, the submitter of the declaration may submit a request to correct them with regard to quantity, measurement, weight, or value, provided that the request is submitted to the Inspection Department within 24 hours of submission of the declaration.

### **Article (89)**

No one other than the owners of the goods or the legal representatives may examine the customs declarations, with the exception of judicial or oversight bodies.

### **Article (90)**

In the event that it is impossible to submit a detailed customs declaration, a summary declaration may be submitted in cases and conditions determined by the Director-General.

### **Article (91)**

A customs broker is any natural or legal person who prepares, signs, and submits customs declarations to customs offices and who undertakes the procedures related to the goods for the account of others. He may only act as a customs broker after obtaining authorisation from the administration and within the limits actually permitted to him in their scope. Persons resorted to by the customs broker in the completion of expediting procedures shall obtain authorisation.

### **Article (92)**

Licensing fees and conditions shall be specified by a decision by the General People's Congress based on a proposal submitted by the Secretary. Such decision shall also lay down the rules pertaining to expeditors and the disciplinary entity in charge of examining their violations and the penalties inflicted on them, subject to the provisions of the present law.

### **Article (93)**

After registering the customs declaration, the customs office shall inspect the goods and verify their type, value, origin, and conformity with the declaration and the relevant documents. It may also inspect all or some packages or refrain from doing so based on the rules issued by the Director-General.

### **Article (94)**

Goods shall be inspected in accordance with the previous article as expeditiously as possible, provided that priority in inspection is given to inspection of live animals and goods susceptible to spoilage, or that the administration deems necessary to inspect expeditiously.

### **Article (95)**

Packages may be opened for inspection only in the presence of the concerned parties or their representatives. Nonetheless, if the customs office suspects the presence of prohibited substances, it may open the packages by a written authorisation from the competent director in the absence of the concerned parties after one week from their notification thereof. A report in this respect shall be prepared by the committee formed for this purpose.

However, in cases of necessity, packages may be opened as per a decision by the Director-General in the absence of the concerned parties by the committee he forms for this purpose.

### **Article (96)**

Inspection shall take place at the customs station; however, in certain cases, such inspection may be conducted outside the customs station at the request and expense of concerned parties and in accordance with the rules laid down by the Director-General. In all cases, the administration may re-inspect the goods so long as they are still subject to its control.

Workers in the transportation of goods and their presentation for inspection must meet the conditions specified by the Director-General and no person may enter customs storage facilities, warehouses, hangars, yards designed for storage or deposit of goods, or locations designed for inspection, without the approval of the administration.

### **Article (97)**

Customs may analyse the goods in order to verify their type, specifications, or conformity with the regulations in force. Such analysis may be conducted at the request and expense of the concerned parties. The concerned parties may object to the result of the analysis conducted and may request a re-analysis at their own expense. The rules for such procedures shall be determined by a decision by the Secretary.

### **Article (98)**

1. If the other legal texts in force provide special conditions and descriptions and require analysis or inspection to be conducted, this shall take place before the goods are released.
2. The administration shall destroy goods proved through analysis to be harmful at the expense of and in presence of their owners or their legal representatives. If they wish, they may re-export the same within a deadline determined by the administration, provided that this take place through the same location where they entered and not another location passing through Libyan territory.

If they fail to appear or re-export after being notified in writing, the destruction shall take place at their expense, and a record drafted fining them for twice the cost of the destruction. They shall be prosecuted to pay the said expenses in accordance with the provisions of the legislation in force.

If it is impossible to destroy the goods and it emerges that they represent a danger to security, health, or public safety, they shall be considered contraband goods and their owners shall be compelled to re-export them.

### **Article (99)**

Goods may not be withdrawn from the customs station before payment of customs duties and other levied fees.

However, goods may be withdrawn in some cases against guarantees and according to the conditions specified by a decision by the Secretary.

### **Article (100)**

Duties and fees shall be collected in accordance with the contents of the declaration. However, if the result of analysis shows a discrepancy with the content of the declaration, the duties and

fees shall be collected on the basis of these results, without prejudice to right of the administration to seek collection of the required fines under the provisions of the present law.

**Chapter (4)**  
**Provisions Concerning Travellers**  
**Supplies and Consumer Items**

**Article (101)**

Travellers are allowed to carry personal luggage in accordance with the conditions and regulations determined by the execution regulation of the present law. Travellers shall apply to the competent customs office for authorisation for what they are carrying or what belongs to them.

**Article (102)**

Supplies and consumer items are commodities prepared for consumption by passengers or the crew on board ships, aircraft, or trains, or commodities for sale to passengers.

**Article (103)**

Food and supplies brought by ships, aircraft, or trains coming from abroad shall not be subject to customs duties or fees, provided that they remain on board.

**Article (104)**

A list of food and supplies found on board the ship, aircraft, or train shall be presented to Customs. These supplies shall not be transferred from one means of transport to another, except with the approval of the administration.

**Article (105)**

Petroleum products and spare parts for ships, aircraft, and trains are exempted from payment of customs duties and fees.

**Part (4)**  
**Special Customs Regulations**  
**Chapter (1)**  
**General Provisions**

**Article (106)**

Goods may be admitted or transported from one place to another within the customs territory, with suspension of the payment of customs duties and other taxes and fees levied thereon against cash or bank guarantees or written undertakings to pay such taxes and fees according to the rules, conditions, guarantees, and periods specified by the Secretary.

**Article (107)**

Goods provided for in the foregoing article shall be subject to the tax payable at the time of levying the relevant taxes and fees thereon by way of deposit or on the date of registration of the undertaking in the event of failure to observe the periods specified in said article.

### **Article (108)**

National and foreign goods, for which duties have been paid, may be transported to any other port within the State without passing through foreign ports in accordance with the conditions laid down by the administration.

### **Article (109)**

Foreign goods, for which customs duties have not been collected and which are not subject to one of the regulations set forth herein, may be returned abroad or transported to any other port in the State on the condition of providing guarantees and following the procedures specified by the Director-General.

## **Chapter (2)** **Customs Transit System**

### **Article (110)**

According to the transit system, goods of foreign origin may be transported within the State by all means of land, sea, and air transport. They may be brought in and out of the country through all authorised points of entry, provided that they pass through traffic lines specified by the legislation in force.

### **Article (111)**

Procedures pertaining to transit goods may only be taken at the customs offices intended for this purpose after deposit of customs duties and other fees levied on such goods by way of trust or after submission of an undertaking to deliver the goods to their destination within the specified period, subject to the provisions of agreements concluded or entered into by the State.

### **Article (112)**

The administration shall specify unified international document forms or transport ledgers according to the status of the transit. It shall also determine the specifications for packing and permitted means of transport for transport of the transit goods.

### **Article (113)**

Transit goods shall not be subject to any customs duties or other taxes or fees, except for the transit service fees prescribed by the legislation in force.

### **Article (114)**

Transit goods shall not be stored or assembled, nor shall procedures be taken in their regard, except with free zones.

### **Article (115)**

Transit goods shall be transported at the liability of the transit contractor. The provisions pertaining to customs declarations and inspection set forth in the present law shall apply to these goods.

### **Article (116)**

The departure of the goods for their destination shall be established by submission of a certificate from the customs office at the goods' point of exit, attesting that the seals are intact and the number of packages is correct. If the goods are transported inside containers, it is sufficient for it to state that the seals on the containers are intact.

### **Article (117)**

The customs office shall be responsible for inspection of the transit goods upon their arrival at the point of entry and shall verify their conformity with the documents and inspect all or some packages in accordance with the rules issued by the Customs Authority. In all cases, the inspection shall be conducted at the points of entry and exit within 24 hours of submission of the documents.

### **Article (118)**

Transit goods shall not be subject to restriction and prohibition unless stipulated otherwise by the laws and regulations in force.

### **Article (119)**

Transit goods, their means of transport, or both shall be sealed in the manner prescribed by Customs. The transit contractor shall be liable for tampering with the seals. If such tampering is proven, the goods shall be inspected and their conformity with the documents. The owner of the goods shall pay all prescribed customs fees for any shortage in the goods, along with the fine prescribed under this law. A similar fine shall also be inflicted on the transit contractor.

## **Chapter (3) Warehouses**

### **Article (120)**

Warehouses shall refer to the storage facilities where incoming goods are admitted under continuous customs oversight without payment of customs duties for the periods specified in this law. Warehouses shall be divided into two types:

**Public Warehouse:** where goods are stored for the account of third parties.

**Private Warehouse:** where the owner of the warehouse stores his own incoming goods authorised to be stored therein. Private warehouses shall only be allowed to be established by persons residing in the State.

### **Article (121)**

All warehouses shall be subject to customs oversight. The person concerned shall bear responsibility for obligations arising from customs oversight and for performing other customs procedures at the warehouses. The managing body of the warehouse shall bear sole responsibility for the goods deposited therein in accordance with the provisions of the present law. The executive regulation of this law shall determine the work system of such warehouses, provided that it contains the following:

1. Rules and conditions for the specifications of the warehouses.

2. Management system of the warehouses.
3. The maximum period during which the goods may remain in the warehouse.
4. The documents and information required to be submitted for the goods deposited.
5. Determine the format of the necessary forms and records for the deposited goods.
6. The inspection mechanism for the goods at the warehouse.
7. Guarantees to be paid to customs.
8. The annual consideration paid to customs.
9. The allowed rates of shortage and damage.
10. The types of goods that may be allowed in warehouses.
11. System for filing inventory and accounting.
12. Mechanism for authorising the owners of the deposited goods to conduct simple operations thereon for the sake of preservation and improvement.
13. Method for review or improving quality.
14. The goods that may be deposited in warehouses.
15. Storage fees.

#### **Article (122)**

The owner of the goods or his authorised represented is entitled to the following:

1. Inspect the goods deposited with the administration.
2. Take samples in return for payment of fees and pay import duty if the samples withdrawn have commercial value.
3. Engage in the normal handling necessary to improve their packaging and their display or to improve their quality.

#### **Article (123)**

Ownership of goods inside warehouses may be transferred from one person to another. The depositors of the goods shall remain liable before the administration in the event that the deposited goods are transferred and they shall only be relieved of responsibility after submitting proof that the new owner has undertaken before the administration to accept the obligations arising therefrom and the administration approves the same.

#### **Article (124)**

The person or entity that manages a warehouse shall be liable for the goods deposited therein in accordance with the laws in force.

#### **Article (125)**

The person or entity managing the warehouse shall act as the owner of the goods before the administration.

#### **Article (126)**

A public warehouse shall be considered specialised:

- When it is equipped to receive goods that by their presence constitute certain dangers or that may cause damage to the quality of other products.

- When the warehouse is used to preserve items and articles that by their nature require special facilities.

#### **Article (127)**

Goods may be transferred from one warehouse to another or by virtue of statements with guaranteed undertakings. The provisions applicable to the transit system shall apply to this situation.

#### **Article (128)**

In the event the warehouse closes, the owners of the goods shall be granted one month to transfer their goods to another warehouse or place them under another customs system, provided that the relevant customs regulations are adhered to.

### **Section (1)**

#### **Public Warehouse**

#### **Article (129)**

The regulations concerning public warehouses shall be authorised to enter into force by a decision issued by the Secretary at the proposal of the Director-General. The decision shall determine the rules and conditions for specifications of public warehouses, their administration, storage fees, etc.

#### **Article (130)**

The period of stay of the goods at the public warehouse shall be fixed at no longer than six months, which may be extended for another period when necessary based on a special request to be approved by the Director-General. This period shall not exceed 24 hours for damageable and perishable goods. In cases of necessity, the period may be reduced or lengthened by a decision by the Director-General.

#### **Article (131)**

Entry of goods into customs warehouses shall be prohibited for the following considerations:

1. Protection of ethics, public order, and public security.
2. The health and lives of people and animals.
3. Protection of the environment and plants.
4. Protection of national heritage.
5. Intellectual property rights.
6. Goods that show signs of corruption and those whose presence endangers other goods.
7. Considerations pertaining to lack of special installations in the customs warehouses or those that require by their nature or condition specialised warehouses.

#### **Article (132)**

Goods shall not be admitted to the public warehouse unless they are accompanied by a warehouse receipt. This receipt shall be presented and the goods inspected in accordance with the conditions set forth by the administration. In order to control the goods in the warehouses, the administration shall maintain special records recording all operations pertaining to the

goods, and such shall be the reference for conformity of the contents of the warehouses with their records.

#### **Article (133)**

If public warehouses are managed by a public body or institution, such body or institution shall be liable for the goods deposited, in accordance with the provisions in force.

#### **Article (134)**

The goods stored at the public warehouse shall be sold in accordance with the provisions of Part (8) of the present law if the concerned parties fail to return them abroad or to pay the customs duties levied thereon upon conclusion of the storage period. This sale shall be conducted within a period not exceeding two months from the date that the body concerned warns the owner of the goods.

#### **Article (135)**

Customs may authorise the public warehouse to conduct simple operations to ensure preservation of the goods deposited, improve their display, or improve their commercial quality, including removing packaging, transferring them from one container to another, assembling or dividing packages, conducting maintenance on products, and improving their appearance. The executive regulation shall determine the conditions and procedures that allows such operations, undertaking normal handling to improve their packaging, manner of display, or quality.

#### **Article (136)**

Customs duties levied on the goods which have been previously stored at the warehouse shall be estimated based on the weight and number of the goods at the time of storage. The person managing the warehouse shall be liable for the duties and fees payable for any shortage, loss, or change in such goods.

Such duties and fees shall not be payable if the shortage, loss, or change to the goods arises from natural causes, force majeure, or causes attributable to the nature of such goods, in accordance with what is determined by the executive regulation of the present law.

### **Part (2)**

#### **Private Warehouse**

#### **Article (137)**

Any natural or legal person may practice economic or commercial activity by establishing a private warehouse to store goods that they intend for re-sale, manufacture, or consumption upon departure from the warehouse. Activity in private warehouse shall be limited to storing goods only.

#### **Article (138)**

The authorisation for the establishment of the private warehouse shall be issued by a decision by the Secretary at the proposal of the Director-General. Such decision shall designate the warehouse location, the annual rent, the guarantees to be presented, and other provisions.

### **Article (139)**

The stored goods shall be presented at every request made by the administration. Customs duties and fees shall be calculated on the total quantity of the goods, and no shortage resulting from any reason whatsoever shall be disregarded unless it arises from natural causes, such as evaporation, dryness, leakage or the like. To this shall be added any fines imposed by the administration.

### **Article (140)**

Storage facilities known as "impound facilities" managed by the Customs Authority shall be established for impounding the following goods:

- Goods, means of transport, and articles that have become property of the administration as the result of confiscation, settlement, or assignment.
- Goods which have not been withdrawn from warehouses during the periods or legal deadlines specified in the present law.
- Goods and articles left behind that were not identified by their owners.

### **Article (141)**

Customs sales of goods specified in the previous articles shall be conducted in accordance with the provisions of Part (8) of the present law.

## **Chapter (4) Temporary Importation**

### **Article (142)**

Certain goods may be temporarily imported with suspension of payment of customs duties and fees and other taxes and fees. Such goods shall be imported for a certain purpose with the intent to re-export them within a specific period, without being subjected to any change other than normal consumption in the value due to use. In application of this provision, the imported item shall be deposited with the administration in return for a financial guarantee, bank bond, or written undertaking.

### **Article (143)**

Without prejudice to import regulations, temporary importation of goods is permitted in the following cases:

- Equipment necessary to perform practical, scientific, industrial, and agricultural experiments and tests.
- Items imported temporarily for stadiums, theatres, expositions, festivals, and the like.
- Empty containers, wrapping, and packaging to be filled with commodities for the purpose of re-exporting them either empty or full.
- Commercial samples of value that are imported for commercial offering.
- Professional equipment.
- Goods imported for educational, scientific or cultural purposes.

- Devices for installation, testing, commissioning, control, maintenance, or repair of equipment.
- Press, audio and video broadcasting equipment, and cinematography equipment.
- Goods imported for touristic or sports purposes, or for aid or other humanitarian purposes.
- Machines, equipment, and other articles that are imported for repair.
- Machines, equipment, vehicles, cars for private use, trucks, floating drilling platforms, and trains to implement projects in the State.
- Means of commercial or personal transport.
- Other items for which a decision is issued by the Secretary.

The items set forth in this article shall be re-exported or stored in the free zone, customs stations, or warehouses during the period of temporary importation. The goods shall be owned by a person who is not a resident of the State.

#### **Article (144)**

Temporary importation of goods and other articles that may be consumed in projects is prohibited.

#### **Article (145)**

The provisions of international agreements on temporary importation of commercial and personal means of transport shall be observed.

#### **Article (146)**

Temporary importation of vehicles, equipment, articles and installations for companies contracted to implement projects within the State shall be permitted for a period of six months renewable for a similar period and a maximum of three years, unless the period necessary for execution requires a longer duration.

#### **Article (147)**

The right of temporary importation may be transferred to another person on the condition that they fulfil the conditions and obligations of the original beneficiary, and upon approval by the administration.

#### **Article (148)**

Articles and items that are imported temporarily may not be used, allocated, or disposed of for purposes other than those for which they were imported.

#### **Article (149)**

The administration may refuse to grant temporary importation when it is impossible to identify the goods for the purposes of ensuring oversight.

#### **Article (150)**

All goods sent as gifts or imported to aid persons harmed by natural disasters, including cars and other means of transport, food and food items, clothing, tents, and the like, and any other basic needs, as well all equipment and other means of transport, trained animals, supplies, necessities, and personal luggage of aid workers in natural disasters may be temporarily

imported and exported, and they shall be exempted from customs duties and fees and other fees.

The executive regulation of the present law shall determine the procedures for customs release of these goods.

#### **Article (151)**

The Director-General shall determine the regulations, including time periods, cases, and conditions for an importer to benefit from the temporary importation system.

### **Chapter (5) Temporary Exemption**

#### **Article (152)**

Raw materials that are imported to be manufactured in the State and items that are imported to be repaired or to complete the manufacture thereof shall be exempted temporarily from customs duties and fees.

This provision is conditional upon the presentation by the importer to the administration of a security or bank guarantee that equals the amount of due taxes and fees, the transportation of the items and manufactures by the importer or through a third party to a free zone, and their exportation within one year from their importation date. If such is not accomplished upon expiry of this period, such taxes and fees shall become payable.

This period may be extended by a decision by the Secretary. The Secretary may exempt from the presentation of the stipulated guarantee in accordance with the rules and conditions determined by a decision thereof.

Disposal of the aforementioned materials and items for other than the purposes for which they are imported shall be deemed an act of smuggling and shall be punished by the penalties set forth in this law, with the exception of cases where such disposal is conducted in accordance with the rules and conditions determined by a decision by the Secretary.

#### **Article (153)**

The materials and items which are subject to this regulation, as well as the industrial operations carried out thereon, the percentage of industrial waste, and the necessary conditions thereof shall be determined by a decision by the Secretary, in coordination with the relevant sectors.

#### **Article (154)**

If the industrial operations carried out on the aforementioned items change their features so as to render it difficult to recognize their kind, it shall suffice for the exported products to be of the type in the manufacture of which the imported items are usually used, in accordance with a decision issued by the Secretary, in coordination with the relevant sectors.

## **Chapter (6)**

### **Free Zones**

#### **Article (155)**

Free zones are zones where goods may be imported and various economic and industrial activities may be undertaken without restrictions and they shall be exempted from all customs duties and fees. A part of any port called a maritime free zone may be designated and all commercial and economic activities may be practiced there. Free zones and maritime free zones shall be established by a decision of the General People's Committee.

#### **Article (156)**

All goods entering into the infrastructure of the free zone shall be exempted from all customs taxes and fees.

Foreign goods may not be consumed inside the free zone for personal use before payment of the customs fees and other taxes and fees.

#### **Article (157)**

Foreign goods may not be consumed inside the free zone for personal use before payment of the customs fees and other taxes and fees.

#### **Article (158)**

Investment bodies in the free zone shall submit to the administration a list of all goods entering or leaving the zone within 36 hours.

#### **Article (159)**

The administration is entitled to inspect goods stored in free zones at any time. It may also review documents and examine goods upon suspicion of smuggling.

#### **Article (160)**

Goods may be imported from the domestic market into the free zones that are owned by the contracting party.

#### **Article (161)**

All types of goods may enter the free zone, with the exception of goods that are prohibited or restricted for the following reasons:

1. Public ethics, public order, and public security, or cleanliness, public health or health considerations or for considerations of the health of animals and plants.
2. Goods that violate laws pertaining to protection of intellectual, industrial, and moral property rights.
3. Goods that are under economic boycott.
4. Weapons, explosives, and ammunition of any type.
5. Narcotics and psychotropic substances of any type.

#### **Article (162)**

Ownership of goods imported to free zones may be transferred.

### **Article (163)**

Goods that are imported to the free zone or produced therein may be wholly or partially exported to another free zone or placed under another customs regime, subject to the conditions and procedures applied in each case and upon submission of guaranteed undertakings to the administration.

### **Article (164)**

The type of activity contracted in free zones and the operations that goods may be subjected to in general or in detail shall be determined by a decision by the General People's Committee.

### **Article (165)**

Upon export of the goods abroad or their importation into the domestic market from the free zone, they shall be treated as foreign imported goods with regards to payment of duties and presenting documents.

### **Article (166)**

The provisions of the customs tariff in force shall apply at the time of levying of the payable tax, and its value shall be determined on such date.

### **Article (167)**

In the event that the free zone closes, the contractor shall be granted six months to transfer his goods to another free zone or place them under another customs regime, provided that the conditions and procedures applied in either case are adhered to.

### **Article (168)**

The entities managing the free zones shall be deemed liable for all violations committed by their employees and for unlawful leakage of goods. The penalties set forth in the present law shall be applied in their regard.

## **Chapter (7) Temporary Exemption**

### **Article (169)**

Temporary export shall be permitted of the following:

- Fixtures, equipment, and animals for the purpose of temporary usage outside the State.
- Personal luggage, including personal or commercial means of transport.
- Ships, aircraft, vehicles, equipment, and cars and their spare parts for the purpose of maintenance and repair.
- Raw and half-manufactured materials for the purpose of manufacture abroad.
- Machines, equipment, and trucks for the purpose of executing projects outside the State.

### **Article (170)**

Customs shall determine the period granted for each case on the condition that it does not exceed three years.

#### **Article (171)**

Goods exported temporarily shall be exempted from customs taxes and fees upon their re-importation in the same condition in which they were temporarily exported, export for normal depreciation.

#### **Article (172)**

In the event of manufacture abroad, the customs duties and fees shall be collected in accordance with the rules and conditions determined by the Secretary in coordination with the sectors concerned for the goods produced.

#### **Article (173)**

In coordination with the sectors concerned, the Secretary shall determine the conditions for defining goods exported abroad for manufacture, with indication of their nature and the processes to which they are subject.

#### **Article (174)**

Customs duties and fees shall be payable for the value of what was repaired or manufactured according to the original documents submitted in their regard.

#### **Article (175)**

The markings and numbers of the temporarily exported goods shall be determined, and the administration has the right to place markings if the commercial means for identifying the goods are not sufficient.

#### **Article (176)**

##### **Guarantees Required upon Export**

The Secretary shall issue the regulations concerning export and import of goods that were imported during the warranty period in the contract such that it does not exceed one year, on the condition that they are imported without paying their value to the importer.

#### **Chapter (8)**

##### **Drawback**

#### **Article (177)**

Customs duties and other fees and taxes previously paid on some imported foreign goods which were used in the manufacture of local products exported abroad may be refunded – fully or partially – provided that the manufactured goods are transported by the importer or a third party to a free zone, or re-exported within one year of the date of levying the duties thereon, upon submission of sufficient documents to prove the use of the imported items in the production of the manufactured goods to be exported. Such period may be extended by a decision of the Secretary.

#### **Article (178)**

The manufactured goods subject to the refund of customs duties and other taxes and fees, as well as the industrial operations that are carried out thereon, the materials used therein, their percentage, and the necessary conditions shall be determined by a decision by the Secretary, in coordination with the sectors concerned.

### **Article (179)**

Subject to the rules and conditions issued by a decision of the Secretary, drawback is possible in the following cases:

1. If the goods are proved to have been destroyed during transport or inspection by customs control.
2. If the goods are proved to have been sent by mistake to the importer or are re-exported within six months from importation.
3. If it is proven that the tax is not imposed by law.
4. If the customs duty was collected for goods that were authorised but which did not in fact arrive.

### **Article (180)**

Customs duties and other fees and taxes may be refunded – fully or partially – upon exporting imported foreign goods which have no locally-produced substitute, provided that their type is verified and that they are exported within one year from the date of payment of the duties thereon, in accordance with the rules and conditions set forth by a decision issued by the Secretary, in coordination with the sectors concerned.

Customs duties and other fees and taxes previously paid may also be refunded – fully or partially – upon exporting machinery, equipment, or goods that have been previously imported and that were not definitely approved for any reason, provided that they are exported within one year from the date of payment of the duty.

### **Article (181)**

Taxes and fees previously paid upon export may be refunded – fully or partially – for domestic goods and materials if they are re-imported from abroad.

## **Part (5)**

### **Customs Exemptions**

### **Article (182)**

The following shall be exempted from inspection, customs duties and other taxes and fees based on and within the limits of the reciprocity principle, after coordination with the Foreign Liaison and International Cooperation Sector, as follows:

1. Imports intended for the personal use of the members of diplomatic and consular missions (non-honorary), and the members of the United Nations who are registered in the schedules issued by the Ministry of Interior, in addition to imports intended for their spouses and minor children.
2. Imports intended for the official use of embassies, commissions, non-honorary consulates, the United Nations mission and international organisations of which the State is a party.
3. Imports intended for personal use subject to inspection, such as personal luggage, furniture, household items, and one vehicle for every non-political employee who is not locally appointed, who is dispatched to political and non-honorary consular missions and

who does not benefit from the exemption stipulated in Clause (1), provided that the importation is conducted within six months from the arrival of the beneficiary. The Director-General may extend this period with the approval of the competent sector. The exemptions referred to in previous clauses shall be granted after approval of the exemption requests by the head of the political or consular mission, depending on the case.

4. Used personal luggage imported by the members of the political and consular corps and other civil servants assigned to Libyan missions abroad, upon their transfer from their duty station to the State. The rules and conditions necessary for application of this article shall be issued by a decision of the Secretary.

#### **Article (183)**

The items set forth in Clause (1) of the foregoing article may be exempted from the aforementioned taxes and fees for the benefit of high profile non-nationals out of international courtesy, by a decision issued by the Secretary.

#### **Article (184)**

Without prejudice to the exemptions stipulated by special laws or in execution of conventions to which the government is party, the following shall be exempted from customs duties and other fees and taxes, subject to inspection:

1. Used personal luggage belonging to foreigners who are traveling to the State for a first-time stay of no less than one year.  
The personal luggage of travellers under the rules and conditions prescribed by a decision issued by the Secretary.
2. Badges, medals, sports and academic prizes, and the like.
3. Furniture, tools, personal luggage, and vehicles previously exported from the State on a temporary basis, which belong to persons whose original place of residence is the State.
4. Items that are exported abroad and then re-imported, under the rules and conditions prescribed by a decision issued by the Secretary.
5. Used personal luggage imported by national students and returning expatriates aiming to establish a residence in the country, under the rules and conditions prescribed by a decision issued by the Secretary.
6. Gifts, donations, and samples granted to secretariats and the departments thereof.
7. Any of the items referred to in the previous clause, which are delivered to public departments, bodies and institutions, in which case the exemption shall be effected by a decision by the Secretary.
8. Equipment imported from abroad without value as a replacement for damage or loss of sent items that have been previously exported or rejected and for which customs duties have been collected at the time, provided that the administration confirms the same.
9. Items whose import is required by commercial operations with other countries, provided that locally produced goods of similar value and type are exported. Such items shall be specified in each case by a decision issued by the Secretary, in coordination with the relevant sectors.

10. Goods that are imported for the purpose of contributing to agricultural, industrial, or economic development. Such goods shall be specified by a decision issued by the Secretary, in coordination with the relevant sectors.
11. Fresh fish, squaliformes, and sponges (porifera) that are caught and unloaded by locally registered boats.
12. Supplies, fuel, and the necessary equipment for high seas ships and aircraft during their external flights, as well as the requirements of their passengers and pilots.

#### **Article (185)**

Subject to the previous article, exemptions from customs duties and other taxes and fees may be granted by special decisions issued by the Secretary.

#### **Article (186)**

If goods are exempted from customs duties for a certain purpose, the Director-General may at his own discretion require the importer to deposit an amount equalling the value of customs duties or to present a security for such value. The deposit or security shall be returned when the administration verifies that the goods were used for the purpose they were imported for.

#### **Article (187)**

The imports of bodies funded by the public treasury shall be exempted from customs duties and fees and other taxes and fees. The regulations determining the cases and conditions of exemption shall be issued by a decision by the Secretary.

#### **Article (188)**

Items that are exempted from duties in conformity with the previous article may not be discharged to any person who does not enjoy exemption before notifying the administration and paying such customs duties and other taxes and fees in accordance with the status and values of these goods at the time of payment of these duties and fees in accordance with the customs tariff in force at the time of payment.

#### **Article (189)**

No person may provide ships or aircraft with supplies, fuel, and equipment that are necessary for their external trips, nor the items required by their passengers and pilots without authorisation from the administration.

The Secretary shall specify the rules and procedures regulating the work of ship and aircraft suppliers, as well as the conditions for licensing such work in accordance with the provisions of this law, and the licensing fees.

### **Part (6)**

#### **Service Fees**

#### **Article (190)**

Goods that are stored in areas, storage facilities, and warehouses subject to customs control shall be subject to storage fees and any additional fees levied on the storage and inspection processes of the goods and all the other services provided by Customs. Under no circumstances may these fees exceed half the value of the goods upon their exit from Customs.

Goods that are stored in free zones shall only be subject to the service fees of the zones in which they are stored and the fees of services provided.

#### **Article (191)**

The prices of publications provided by the administration shall be determined by a decision by the Secretary, provided that the price be equivalent to the actual cost of such publications.

#### **Article (192)**

Imported, exported, and transit goods, according to the case, shall be subject to service fees for stacking, sealing, and analysis. Customs service fees may also be collected for actions performed by customs officers during import, export, transit, re-export operations and inspections of travellers' luggage.

#### **Article (193)**

The fees provided for in the previous article shall not be subject to exemption or drawback.

#### **Article (194)**

The material consideration payable to the Customs Authority in return for works and services undertaken by customs officers and workers outside of working official working hours or outside of customs stations, warehouses, or storage facilities shall be determined by a decision by the Secretary.

#### **Article (195)**

No entity shall be exempted from the payment set forth in the previous article.

### **Part (7)**

### **Customs Violations**

#### **Chapter (1)**

### **Customs Violations**

#### **Article (196)**

Captains of ships, aircraft, and other means of transport shall be subject to a fine of no less than LYD 1000 and no more than LYD 5000 in the following cases:

1. If they fail to present the manifest, if there is no manifest, if there are several manifests, if they are late to submit the manifest, or if they refrain from submitting any other documents when requested by the administration.
2. Omission of any information required in the manifest.
3. Harboring vessels, landing aircraft, or parking any other means of transport inside the customs station in other than the places designated by the administration.
4. Loading, unloading, or transferring goods from one means of transport to another without authorisation from the administration or without the presence of the person concerned.
5. Unloading goods within the customs station in other than their designated places.
6. Leaving vessels, aircraft, or other means of transport in the customs station without authorisation.

### **Article (197)**

A fine of no less than LYD 1000 and no more than LYD 10,000 in the following cases:

1. Failure of customs brokers to observe the regulations that specify their duties.
2. Failure to allow customs officers to undertake their duties and exercise their right to inspect, review, or request documents.
3. Failure of ship and aircraft suppliers to observe the rules and procedures that regulate their work.
4. Failure to preserve the customs seals on parcels or means of transport, without it entailing a loss or change in the goods.

### **Article (198)**

A fine of LYD 1000 or the value of the goods, whichever is greater, shall be inflicted in the following cases, provided that the customs duty subject to loss does not exceed 1000 LYD:

1. Possession or transport of goods within the customs station in violation of the administration's regulations.
2. Entry or exit or attempted entry or exit of goods into or out of the State through other than the customs routes or offices.
3. Importation by post of closed rolls or boxes that do not bear the statutory tags, in violation of the provisions of postal agreements.
4. Violation of the regulations pertaining to transit, warehouses, temporary admission, temporary release, or exemptions.
5. Presentation of false information regarding the origin or type of the goods.
6. Failure to preserve papers, documents, records, and documents or failure to provide them in violation of the provisions of the present law.

### **Article (199)**

Captains of ships, aircraft, and other means of transport shall be subject to a fine not less than the value of customs duties subject to loss, and not exceeding double, in addition to other due taxes resulting from unjustified shortage in the number or content of parcels or in bulk goods compared to the manifest.

### **Article (200)**

A fine not less than the value of the goods, with the value of customs fees added, along with confiscation of the goods, shall be imposed in the event of seizure of any undeclared goods. The goods may be returned to their owner in return for payment of their value with the customs fees and fine added thereto, unless importation of the goods is prohibited.

### **Article (201)**

Fines stipulated by the previous articles shall be imposed by the competent director. They shall be paid within fifteen days from the date that violators are notified of such decision by registered letter with acknowledgment of receipt or any other electronic means of notification, unless the concerned parties submit a complaint through any ordinary letter or electronically in this regard to the Director-General within the aforementioned fifteen-day period, in which case the Director-General may endorse, amend, or cancel the fine.

Fines shall be levied jointly on both perpetrators and accomplices. Goods shall be considered a security against the payment of such fines.

#### **Article (202)**

Decisions of the Director-General issuing the fines set forth in the present law may be appealed before the judiciary within fifteen days from their announcement. The court's judgment shall be final and unappealable.

### **Chapter (2) Customs Smuggling Crimes**

#### **Article (203)**

Any of the following acts shall be considered as smuggling:

1. The entry or exit of all kinds of goods into or out of the State by illegal means without payment of all or part of the customs duties.
2. Entry or exit of goods illegally in contravention of the rules in force regarding prohibited goods.
3. Entry or exit of currency from State in excess of the amount required to be declared upon entry or exit without submission of the relevant declaration.

Subject to the provisions of Article (197), any of the following acts shall be considered as smuggling:

1. Failure to present information, declarations, or any other documents relating to the shipment.
2. Failure of the persons responsible to present declarations for the means of transport.
3. Presentation of fake, erroneous, or counterfeit documents or invoices.
4. Failure to present any statement, declaration, or document.
5. Presentation of false information regarding the origin or type of the goods.
6. Providing false information, placing false markings, or concealing markings.
7. Presence of goods on a means of transport which are not stated properly in the statement, after unloading the cargo and during their presence inside the customs borders.
8. Absence of goods on board a means of transport, which were carried thereon and mentioned in the statement during their presence inside the customs borders, with the exception of goods that are unloaded in a legal manner.
9. Failure to present any goods to the customs officer, which are subject to customs duties and listed in the statement, declaration, or report, unless the person in charge of the means of transport provides a sufficient explanation about these goods, which is convincing to the customs officer.
10. Omission of any information required in the manifest.
11. Shipping and unloading goods that are subject to customs control, or their transfer from one means of transport, pier, storage facility, customs station, or any other place to another or to outside the customs station without obtaining a permit from the administration in accordance with the provisions of this law.

12. Transporting or assisting in the transportation of goods that are under customs control from a means of transport which is not declared in a statement or any other relevant document, or which failed to declare the goods in their statement or any other relevant document, without obtaining a permit from the administration in accordance with the provisions of this law.
13. Possession or transport of goods within the scope of customs control in violation of the administration's regulations.
14. Knowingly concealing smuggled goods, accepting their storage, preserving the same, or assisting therein in any way.
15. Violation of the regulations pertaining to transit, warehouses, temporary admission, temporary release, or exemptions.
16. Failure to preserve papers, documents, records, and documents or failure to provide them in violation of the provisions of the present law.

Failure to seize the goods shall not preclude from proving the occurrence of the act of smuggling.

#### **Article (204)**

Smuggling or attempted smuggling shall be penalized by a fine not exceeding three times the due customs duties in addition to three times the value of the goods, or the amount of LYD 1000 – whichever is greater – and by imprisonment for a period not exceeding six months, or by both penalties. In all cases, the court may, in addition to the aforementioned penalties, order the confiscation of the goods subject of smuggling. It may also order the confiscation of the means of transport, tools, and materials used in the act of smuggling, with the exception of vessels and aircraft unless they are equipped or rented for such purpose.

Smuggling cases filed by the Public Prosecution shall be referred to court urgently.

#### **Article (205)**

Without prejudice to any harsher penalty stipulated by the Penal Code or other laws, any customs officer who abuses his functions by conspiring with others to seize goods or means of transport outside the requirements of the law, or who illegally delivers seized goods or means of transport, or agrees with others to deliver the same or to seize goods or means of transport that are subject to confiscation by law, or conspires with any person to smuggle goods or overlooks the same, or takes part in any of the foregoing acts shall be punished by imprisonment for a period not exceeding five years and a fine not exceeding LYD 3,000, or by both penalties.

#### **Article (206)**

All the sums paid by order of the court shall be acquired by the public treasury whether in the form of accrued taxes or fines for customs offences and violations, after deducting the expenses of the legal action and procedures.

#### **Article (207)**

The captains of ships and aircraft and the drivers of other means of transport shall be civilly responsible for each contravention pertaining to the crew of the ships, aircraft or the means of

transport. They shall provide sufficient financial guarantees to cover the payment of the customs duties and fines payable by law. In the event of failure to provide such guarantee, the ships, aircraft and other means of transport shall be a guarantee for the payment of customs duties and fines. The owners of the goods shall be deemed civilly liable for all actions of their employees or customs brokers with regards to preparing statements and customs procedures. Customs brokers shall also be civilly liable for the actions of their employees in this regard.

#### **Article (208)**

Notice of issues pertaining to this law may be effected through modern electronic means in addition to other legal means.

#### **Article (209)**

Means of transport or goods shall be regarded as confiscated if their owner or the person with whom they were seized does not object before the competent court within one month from the date of notification of the seizure. The court may order the confiscation of the goods or means of transport or both.

#### **Article (210)**

Public prosecution or legal action may not be taken with regard to smuggling offences and violations of the provisions of this law and the regulations issued in accordance herewith, which are committed or suspected of being committed, except by a written letter from the Director-General or the person delegated by the Secretary for this purpose.

#### **Article (211)**

The Director-General, in lieu of the procedures referred to in the previous article, may resort to conciliation before a judgment is issued by the court of first instance, except for the crimes provided for in Article (204). He shall have full power to accept from the perpetrator an amount not exceeding the maximum amount of the fine, in addition to confiscation when required.

#### **Article (212)**

The conciliation shall result in abating the effects of the smuggling or violation offence, provided that the incident is recorded as a customs precedent against the accused and a criminal record is issued for him.

#### **Article (213)**

A customs dispute resolution committee for disputes over value, origin, and tariff shall be formed within the Customs Authority, headed by a judge of no less a grade than court of first instance president, and with a delegate from the Customs Authority as a member, and the concerned person or his representative.

The executive regulation of the present law shall determine the work system of the committee, and a decision shall be issued by the Secretary to form it.

## **Part (8)** **Sale of Goods**

### **Article (214)**

The administration may sell goods in the following cases and conditions:

1. Goods for which the specified legal deadlines in the customs warehouses and storage facilities has expired.
2. Items left behind by travellers in customs offices.
3. For seized goods that are perishable or liable to leak, animals, or goods that may affect the integrity of other goods or facilities within 24 hours, a record of their condition shall be drafted and they may be sold at other than public auction.
4. Goods, means of transport, and articles that have become property of the administration as the result of conciliation, written assignment, or confiscation.
5. Goods stored at customs warehouses that are in yards or on piers and which the concerned parties fail to return abroad or to pay the customs duties levied thereon during the storage period.
6. The remainder of the goods and items of negligible value and unidentified owners, which have not been claimed for two months from the date of importation. The sales stipulated in the previous paragraphs shall be conducted at public auction in accordance with the conditions and rules established by the Secretary.

### **Article (215)**

With permission from the Director-General, seized goods and means of transport may be sold after three months, regardless of the reason for the seizure. They may be sold before the end of this period if their value is susceptible to decrease. The sale shall be effected based on a record establishing the condition of the goods and the causes justifying their sale without need to notify their owners or wait for a court ruling. If a ruling is issued to return them to their owners, the remainders of the proceeds of the sale shall be returned to them after deducting any customs duties or fees or other expenses.

### **Article (216)**

The sales provided for in the previous articles shall be effected under the terms and conditions prescribed by a decision by the Secretary. The goods shall be sold after payment of the customs duties and other taxes and fees.

### **Article (217)**

The proceeds of sale shall be distributed in the following order:

1. Selling expenses and any kind of costs incurred by the administration.
2. Customs duties.
3. Other taxes and fees.
4. Expenses by the warehouse owner.
5. Storage fees.
6. Freight.

The remainder of the selling price of the goods authorised to be imported shall be deposited as a trust with the administration's cash office after deduction of the above expenses. The concerned parties shall have the right to claim it within three years from the date of sale, otherwise it shall become the right of the State Treasury.

#### **Article (218)**

If it is impossible to sell the goods after two successive offers, they may be destroyed with permission from the Director-General, and a record of the destruction shall be drafted. In lieu of destruction, the goods may be given to charitable institutions if commensurate with their needs, provided that their integrity, usability, and consumability are verified in accordance with the rules determined by the Director-General.

#### **Part (9)**

#### **Final Provisions**

#### **Article (219)**

The Secretary shall issue a decision specifying the rules of compensation for informants and those who exposed the offence or assisted in its detection or exposure or in the completion of related procedures.

#### **Article (220)**

For debts to the administration arising from customs duties and other fees that it collects, as well as the collection of fines, indemnities, confiscations, and refunds, the Administration shall enjoy a general lien over the movable and immovable assets of the debtors, except for debts for judicial fees and expenses.

#### **Article (221)**

All amounts paid as guarantee and security shall irrevocably constitute a payment of customs duties and other taxes within the time limits and under the conditions specified by the administration, unless the goods owners submit the documents and fulfil the requirements that allow for the settlement of such guarantees and securities.

In this case, such periods may exceed six months, with the exception of guarantees that are paid in return for the withdrawal of the goods in conformity with the regulations concerning temporary importation.

In all cases, the remaining balance may not be claimed after three years from the date of payment of guarantee and security amounts unless the delay is caused by the administration.

#### **Article (222)**

A fund called the Social Care Fund shall be established within the Customs Authority. A decision by the Secretary shall be issued on its naming and organisation and determining its activities, resources, and manner of investing its funds, provided that such does not contradict the laws in force.

### **Article (223)**

Except in cases of *in flagrante delicto*, customs guards officers may only conduct investigations upon issuance of written permission from the Secretary.

### **Article (224)**

The Secretary shall have the right to enter into any agreements with the customs authorities of neighbouring countries in order to facilitate the implementation of the provisions of this law and the customs laws in force in such countries.

### **Article (225)**

The executive regulations for this law shall be issued by a decision from the General People's Committee, based on a proposal from the Secretary.

### **Article (226)**

Customs Law No. (67) of 1972 and the amendments thereof shall be repealed, as well as Law No. (32) of 1974 on combatting concealment and smuggling of supply goods, and Article (5) of Law No. (2) of 1979 on economic crimes. Law No. (97) of 1976 on combatting the smuggling of goods outside customs stations and the amendments thereof shall also be repealed.

The regulations and decisions issued under the Customs Law and supplementary laws shall remain in force to the extent that they do not conflict with the provisions of the present law, until they are amended or repealed.

### **Article (227)**

This law shall be published in the Official Gazette and it shall enter into force from the date of issuance thereof.

**The General People's Congress – Libya**

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