

2020 - Questionnaire on the implementation of the Protocol to Eliminate Illicit Trade in Tobacco Products by its Parties

A. ORIGIN OF THE REPORT

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Serbia

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Period of reporting:

	Month	Year
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End date (SQ002)	March (3)	2020 (6)

PART I: B. INTRODUCTION

ARTICLE 2 - RELATION BETWEEN THIS PROTOCOL AND OTHER AGREEMENTS AND LEGAL INSTRUMENTS

Please list any bilateral or multilateral agreements you entered into on issues relevant or additional to the Protocol, as mentioned in Article 2 of the WHO FCTC.

- Agreement with EU:Stabilization and association Agreement (SAA)
- CEFTA

<https://www.mei.gov.rs/eng/documents/agreements-with-eu/>

PART II: C. GENERAL OBLIGATIONS

ARTICLE 5 - PROTECTION OF PERSONAL DATA

What measure have you taken, in particular in the past two years, to ensure the protection of personal data of individuals, regardless of nationality or residence, when implementing this Protocol?

The Law on the Protection of Personal Data (Official Gazette RS 87/2018) regulates the right to protection of individuals concerning the processing of personal data and the free flow of such data, the principles of processing, the rights of data subjects, the obligations of controllers and personal data processor, code of conduct, transfer of personal data to other countries and international organizations, oversight of the implementation of this law, remedies, liability and penalties in case of violation of the rights of natural persons in connection with the processing of personal data, as well as special cases of processing.

This Law also regulates the right to the protection of individuals concerning the processing of personal data by the competent authorities to prevent, investigate and detecting criminal offences, prosecuting offenders or committing criminal sanctions, including prevention and protection against threats to public and national security, as well as the free flow of such data.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Appropriate technical, organizational and staffing measures have been taken to ensure that the processing of personal data is carried out in accordance with the Law.

PART III: D. SUPPLY CHAIN CONTROL

ARTICLE 6 – LICENCE, EQUIVALENT APPROVAL OR CONTROL SYSTEM

Do you have a licensing system in place for any of the following activities:

Manufacture of tobacco products?

Yes ✓

Manufacture of manufacturing equipment?

No ✗

Import of tobacco products?

Yes ✓

Export of tobacco products?

Yes ✓

Import of manufacturing equipment?

No ✗

Export of manufacturing equipment?

No ✗

Do you require a license for any natural or legal person engaged in:

Retailing of tobacco products

Yes ✓

Growing of tobacco, except for traditional small-scale growers, farmers and producers

Yes ✓

Transporting commercial quantities of tobacco products or manufacturing equipment

Yes ✓

Wholesaling, brokering, warehousing or distribution of tobacco and tobacco products or manufacturing equipment

Yes ✓

Which competent authority/ies, if any, have been established or designated with regard to licensing?

Ministry of Finance – Tobacco Administration

Does the competent authority have the prerogative to issue, renew, suspend, revoke and/or cancel licences for:

the manufacture of tobacco products?

Yes ✓

the import of tobacco products?

Yes ✓

the export of tobacco products?

Yes ✓

the manufacture of manufacturing equipment?

No ✗

the import of manufacturing equipment?

No ✗

the export of manufacturing equipment?

No ✗

Is the applicant for a license required to provide proof of any of the following?

When the applicant is a natural person

Its identity, including full name?

Yes ✓

Its tradename?

Yes ✓

Its business registration number (if any)?

Yes ✓

Applicable tax registration numbers (if any)?

Yes ✓

When the applicant is a legal person

Its full legal name?

Yes ✓

Its tradename?

Yes ✓

Its business registration number?

Yes ✓

Date and place of incorporation?

Yes ✓

Location of corporate headquarters and principal place of business

Yes ✓

Applicable tax registration numbers?

Yes ✓

Copies of articles of incorporation or equivalent documents?

Yes ✓

Its corporate affiliates

Yes ✓

Names of its directors and of any designated legal representatives

Yes ✓

Does the application for the licence requires the applicant to specify any of the following information?

precise business location of the manufacturing unit, warehouse location and production capacity of the business run by the applicant?

Yes ✓

product description?

Yes ✓

name of the product?

Yes ✓

registered trade mark (if any)?

Yes ✓

design?

Yes ✓

brand?

Yes ✓

model or make and serial number of the manufacturing equipment?

Yes ✓

description of where manufacturing equipment will be installed and used?

Yes ✓

documentation or a declaration regarding any criminal records?

Yes ✓

complete identification of the bank accounts intended to be used in the relevant transactions and other relevant payment details?

No ✗

a description of the intended use and intended market of sale of the tobacco products?

No ✗

How often, if at any time, are licence fees monitored and collected?

License fees are collected and monitored when issuing or renewing the license.

License fees are collected every 2 years for the retail of tobacco products.

Licence fees for first processing, manufacturing, wholesaling and import of tobacco products are collected every 5 years. These fees can be paid in annual installments.

All licences are monitored regularly through inspection control.

A system of continuous control by the competent authorities and verification has been established. In addition to administrative measures relating to the review and revocation of approvals and other acts that have been issued based on incorrect actions, a system of a misdemeanor and criminal liability has been established.

What measures, if any, are taken to prevent, detect and investigate any irregular or fraudulent practices in the operation of the licensing system?

Licensing system is established through The Law on Tobacco. Tobacco Administration's internal procedures are in place to secure regular and legal practices through three levels of control before the license is issued. Periodically internal and external audits take place

How often, if at any time, are periodic review, renewal, inspection and audit of licences being undertaken? (please provide details)

Licenses are issued every 2 years for the *retail of tobacco products, and every 5 years for production and first processing, manufacturing, wholesaling, import and export of tobacco and tobacco products. Licenses can be renewed on the request of applicant. For the renewal of license, all natural and legal persons are required to provide same information as for the issuing of license. Tobacco Administration conducts eligibility check for every applicant. Licenses are inspected by national inspectorates, through regular and random controls of all natural and legal persons.

There is regular proactive inspection action based on yearly Inspection plan. Also, there is an obligation to react and check on the spot based on the complaint.

Are all licenced natural or legal persons obliged to inform, in advance, the competent authority of any change of location of their business or any significant change in information relevant to the activities as licenced?

Yes ✓

Are all licenced natural or legal persons obliged to inform the competent authority, for appropriate action, of any acquisition or disposal of manufacturing equipment?

No ✗

Please provide a brief description of the progress made in implementing Article 6 (Licence, equivalent approval or control system) in the past two years or since submission of your last report.

Licensing system in tobacco sector has been established in 2003 by Law on Tobacco. Several amendments to the Law have been adopted since then, and last ones took place in 2018 and 2019. In 2018 Amendments to the Law on Tobacco improved control of tobacco sector and adopted measures to prevent illicit trade.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

The Law on Tobacco is mostly aligned with Article 6 of the Protocol, as it regulates licensing system in tobacco sector. The Law does not define requirements regarding manufacturing equipment, identification of the bank accounts intended to be used in the relevant transactions and other relevant payment details, and description of the intended use and intended market of sale of the tobacco products

D2. ARTICLE 7 - DUE DILIGENCE

Is it a requirement to conduct due diligence before the commencement of a business relationship for all natural and legal persons:

engaged in the supply chain of tobacco?

No ✘

engaged in the supply chain of tobacco products?

Yes ✔

Is it a requirement to conduct due diligence during the course of a business relationship for all natural and legal persons?

engaged in the supply chain of tobacco?

No ✘

engaged in the supply chain of tobacco products?

No ✘

Is it a requirement for actors in the supply chain of tobacco and tobacco products to conduct due diligence with regards to customer identification?

No ✘

As part of due diligence of the supply chain, for the purpose of customer identification, do you require documentation or a declaration regarding any criminal records required for customer identification?

Yes ✔

As part of due diligence of the supply chain, for the purpose of customer identification, do you require identification of the bank accounts intended to be used in transactions?

No ✘

Have any legal or natural persons been “blocked” as customers within your jurisdiction?

Yes ✔

Please provide a brief description of the progress made in implementing Article 7 (Due diligence) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Due diligence is only required before the commencement of a business relationship for legal persons engaged in manufacturing of tobacco products, as part of documentation required to be submitted in response to an invitation to bid. Bid (tender) is held by the Government for the issuing of the license for manufacturing of tobacco products.

Tobacco Administration requires declaration regarding any criminal records in regard to criminal offence in tobacco sector for all natural persons and legal representatives of legal persons in tobacco sector.

D3. ARTICLE 8 - TRACKING AND TRACING

Has a tracking and tracing system been established in your jurisdiction (also in relation to Article 15.2.b of the WHO FCTC)?

No

Is it a requirement that unique, secure and non-removable identification markings (“unique identification markings”), such as codes or stamps, are affixed to or form part of:

All unit packets of cigarettes

No

All unit packages of cigarettes

No

Any outside packaging of cigarettes

No

All unit packets of other tobacco products

No

All unit packages of other tobacco products

No

Any outside packaging of other tobacco products

No

Is the following information available in your jurisdiction, either directly or accessible by means of link?

Date of manufacture

No ✘

Location of manufacture

No ✘

Manufacturing facility

No ✘

Machine used to manufacture tobacco products

No ✘

Production shift or time of manufacture

No ✘

Information (name, invoice, order and payment records) on the first customer who is not affiliated with the manufacture

No ✘

The intended market of retail sale

No ✘

Product description

No ✘

Any warehousing and shipping

No ✘

The identity of any subsequent purchaser

No ✘

Shipment details (intended shipment route, the shipment date, shipment destination, point of departure and consignee)

No ✘

How is this information specified under D33 recorded in your country?

Customs administration have the information recorded in Customs Information System (ISCS).

Is the recorded information accessible to the global information sharing focal point through a secure electronic interface?

No ✘

In which way have you ensured that any of the obligations assigned to your government are not delegated to or performed by the tobacco industry?

Tracking and tracing system has not been established.

Which percentage of the costs associated with the government's obligations concerning the tracking and tracing regime, has the tobacco industry been required to bear?

At the moment it is not legally defined obligation of TI to cover expenses related to the Implementation of the Article 8 of the protocol.

Please provide a brief description of the progress made in implementing Article 8 (Tracking and tracing) in the past two years or since submission of your last report.

Tracking and tracing system has not been established.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

The Law on Trade (Official Gazette of the RS, No. 52/2019) introduced the obligation to label goods, without exception, with a machine-readable tag that provides the ability to obtain product information and enables the tracking of the supply chain (GTIN identification, QR code, etc.), aims to more effectively prevent illicit trafficking, adopted in 2019".

D4. ARTICLE 9 - RECORD-KEEPING

Do you require maintenance of complete and accurate records of all relevant transactions, for all natural and legal persons engaged in the supply chain of:

Tobacco?

Yes ✔

Tobacco products?

Yes ✓

Manufacturing equipment?

Yes ✓

What information do you require persons licenced in accordance with Article 6 of the Protocol to provide to the competent authorities?:

According to the Law on Tobacco and its bylaws, persons licensed in accordance with Article 6 of the Protocol are obliged to keep records related to:

- production and trading (buying and selling, import and export) of tobacco and processed tobacco about: the amount of used seeds, growing areas by lot number, type of tobacco leaves, tobacco growers, produced tobacco quantities, yield, processed quantities, bought and sold quantities, stocks of processed tobacco...

- manufacture and trade (wholesale, retail, import and export) of tobacco products about: quantities of manufactured, purchased and sold tobacco products and tobacco products stocks, by type of tobacco product for each brand, information on concluded contracts, warehouses, means of transport, prices of tobacco products...

Licensed entities are obliged to submit to the Tobacco Administration reports containing the recorded data semi-annually and annually.

Tobacco administration keeps the records and monitors changes of retail prices of all tobacco products by brands and by producers and importers of tobacco products who determine those prices.

In your country, are tobacco products and manufacturing equipment sold or manufactured for export, or subject to duty-suspended movement in transit or transshipment on the territory?

Yes ✓

Please upload any legislation/regulation that govern those movements.

Customs Law

Apart from this, there are VAT Law and Excise Law but cannot be uploaded

File type "doc"

What kind of measures have you adopted (legislative, executive, administrative or other measures) for record-keeping?

Record-keeping system is established by The Law on Tobacco and its bylaws. There is: Rulebook on the content and method of keeping registers and lists of records of the production, processing and trade in tobacco and tobacco products;

Rulebook on the content and method of keeping the lists of records by tobacco producers and tobacco processors,

Rulebook on the content and method of keeping records by producers of tobacco products; wholesalers and retailers tobacco products, importers and exporters of tobacco, processed tobacco and tobacco product ..and others.

Have you established a system for sharing with other Parties details contained in all records kept in accordance with Article 9?

No ✘

Do you cooperate with other Parties and with competent international organizations in progressively sharing and developing improved systems for record-keeping?

No ✘

Please provide a brief description of the progress made in implementing Article 9 (Record keeping) in the past two years or since submission of your last report.

Record keeping system has been improved, by the latest amendments of the Law on Tobacco in 2018 regarding the tobacco producers, by introducing the e-government portal and recording electronically tobacco production contracts.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

No other relevant information.

D5. ARTICLE 10 - SECURITY AND PREVENTATIVE MEASURES

What kind of measures are in place in your jurisdiction to prevent diversion of tobacco products into illicit trade channels?

In 2016 a working group was formed to combat tobacco and tobacco products smuggling; In 2018 the Law on Tobacco was amended to prevent the illicit trade in tobacco and tobacco products. Also, intersectoral cooperation and information exchange has been strengthened.

Do you have sanctions in place when licensees do not adhere to the provisions of article 10?

Yes ✓

If so, please provide further information regarding the kind of sanctions.

Criminal sanctions are prescribed, as well as security measures for the seizure of the items of the criminal offence of illicit trafficking, as well as misdemeanor penalties for unregistered activity. The imposition of criminal sanctions leads to a reconsideration of the conditions for further activity and may lead to the revocation of a license (administrative measure) if the licensed person is involved in the criminal activities, e.g. diversion of tobacco products into illicit trade channels.

Please provide a brief description of the progress made in implementing Article 10 (Security and preventive measures) in the past two years or since submission of your last report.

Sanctions don't exist, as this type of reporting is not foreseen.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Sanctions don't exist, as this type of reporting is not foreseen.

D6. ARTICLE 11 - SALE BY INTERNET, TELECOMMUNICATION OR ANY OTHER EVOLVING TECHNOLOGY

Does the Protocol apply to all sales through internet, telecommunication or any other evolving technology?

No ✘

Have you banned sales of tobacco products through internet, telecommunication or any other evolving technology?

Yes ✓

If so, please provide further details.

Law on tobacco does not give a possibility to issues license to sale tobacco and tobacco products through the Internet, telecommunication or any other evolving technology. It means that offer the mentioned products through the internet is an illegal action. Apart from that have to keep in mind that Law on Advertising prescribed ban of advertising tobacco via the internet.

Please provide a brief description of the progress made in implementing Article 11 (Sales by Internet, telecommunication or any other evolving technology) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Retail of tobacco products is regulated by Regulation on conditions and requirements for retail of tobacco products facility, which states that tobacco products can be sold only in certain type of stores and that they can be sold only in person, and not through self-service.

Ministry of Trade. Tourism and Telecommunication-Market inspection Sector banned 240 advertisements for the sale of cut tobacco via the internet.

D7. ARTICLE 12 - FREE ZONES AND INTERNATIONAL TRANSIT

Do you have authorizations to conduct controls in free zones, by use of all relevant measures as provided in the Protocol?

Yes ✓

Do you prohibit the intermingling of tobacco products with non-tobacco products in a single container or any other such similar transportation unit at the time of removal from free zones?

No ✗

Do you control transit or transshipment of tobacco products and/or manufacturing equipment?

Yes ✓

Please provide a brief description of the progress made in implementing Article 12 (Free zones and international transit) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

D8. ARTICLE 13 - DUTY FREE SALES

Do you allow duty-free sales in your jurisdiction?

Yes ✓

If yes, are they taking place?

Yes ✓

Do you implement effective measures to subject any duty-free sales to all relevant provisions of this Protocol?

Yes ✓

If yes, please provide details

All legal persons that conduct duty-free sales of tobacco products are required to register with Tobacco Administration and pay a fee. These persons are registered in the Register of legal persons conducting the trade of tobacco products in special circumstances. Duty-free sales is allowed only at the airport.

Please provide a brief description of the progress made in implementing Article 13 (Duty free sales) in the past two years or since submission of your last report.

Amendments to the Law on Tobacco that have been adopted in 2018 regulate duty-free sales, by requiring all legal persons conducting this type of business to register with Tobacco Administration (Register of legal persons conducting the trade of tobacco products in special circumstances) and report all brands of tobacco products they intend to sell. Tobacco Administrations keeps record-list on these tobacco products, as well as Register of tobacco products that are sold in the Republic of Serbia.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

PART IV: E. OFFENCES (Articles 14-19 of the Protocol)

ARTICLE 14: UNLAWFUL CONDUCT INCLUDING CRIMINAL OFFENCES

Please note that information requested in this section might be of confidential nature and might only be made accessible to Parties to the Protocol only, upon their request, unless otherwise stated by the transmitting Party.

In accordance with the Protocol, does the following constitute an unlawful conduct in your country's domestic laws?

	Tobacco	Tobacco Products	Manufacturing equipment
E11a. Illicit manufacturing, wholesaling, brokering, selling, transporting, distributing, storing, shipping, importing or exporting of:	1	1	1
E11b. Tax evasion for tobacco products for:	1	1	1
E11c. Smuggling or attempted smuggling of:	1	1	1
E11d. Falsification of markings for:	1	1	1
E11e. Counterfeiting of :	1	1	1

In accordance with the Protocol, does the following constitute an unlawful conduct in your country's domestic law?

concealment of tobacco products?

Yes ✓

intermingling of tobacco products with non-tobacco products in contravention of Article 12.2 (*Free Zones and international transit*) of the Protocol?

Yes ✓

illicit trade of tobacco products through the Internet or other technology-based modes of sale?

Yes ✓

acting against good faith in relation to the supply chain of tobacco products?

Yes ✓

obstructing any public officer or an authorized officer in the performance of duties relating to the prevention, deterrence, detection, investigation or elimination of illicit trade in tobacco, tobacco products or manufacturing equipment?

fraud?

money laundering?

Yes ✓

Does any of the above activities constitute criminal offences in your jurisdiction?

Yes ✓

If yes, please provide further details.

Activities can be sanctioned according to the following laws:

1. Criminal Code,
Article 236 -Smuggling

2. Law on the Prevention of Money Laundering and the Financing of Terrorism (Official Gazette of the Republic of Serbia, No 113/17 of 17 December 2017 and 91/19 of 24 December 2019)

Article 2

For the purposes of this Law, money laundering means the following:

- 1) conversion or transfer of property acquired through the commission of a criminal offence;
- 2) concealment or misrepresentation of the true nature, source, location, movement, disposition, ownership of or rights with respect to the property acquired through the commission of a criminal offence;
- 3) acquisition, possession, or use of property acquired through the commission of a criminal offence.

3. Law on Tax Procedure and Tax Administration

Please attach the relevant legislation concerning the establishment of unlawful conduct in your country.

Please provide a brief description of the progress made in implementing Article 14 (Unlawful conduct including criminal offences) in the past two years or since submission of your last report.

The amendments to the Tobacco Law established an improved control system in the production and marketing of tobacco and tobacco products. In addition, modern systems for the identification of illegal tobacco plantations have been established.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

The Government has adopted the National Program for suppression the grey economy with an Action plan for implementing the National Plan for period 2019-2020

<https://www.srbija.gov.rs/dokument/45678/programi-planovi-strategije-.php>

E2. ARTICLE 15: LIABILITY OF LEGAL PERSONS

Has the liability of legal persons been established for the unlawful conduct (including criminal offences) under Article 14 of the Protocol?

Yes ✓

Please provide a brief description of the progress made in implementing Article 15 (Liability of legal persons) in the past two years or since submission of your last report.

Activities are conducted in line with the Law on liability of Legal persons. In past two years, Ministry of Internal Affairs has established service that provides other competent authorities insight to criminal records. Tobacco Administration uses this service in licensing process to ensure that directors and any designated legal representatives do not have criminal records in regard to criminal offence in tobacco sector.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Unlawful conduct is established for all natural and legal persons in tobacco sector by Law on Tobacco

E3. ARTICLE 16: PROSECUTIONS AND SANCTIONS

Is it ensured that persons held liable for the unlawful conduct (including criminal offences) under Article 14 are subjected to effective, proportionate and dissuasive criminal or non-criminal sanctions, including monetary sanctions?

Yes ✓

Please provide a brief description of the progress made in implementing Article 16 (Prosecutions and sanctions) in the past two years or since submission of your last report.

No progress has been made in past two years.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Unlawful conduct is established for all natural and legal persons in tobacco sector by Law on Tobacco.

E4. ARTICLE 17: SEIZURE PAYMENTS

Have you adopted legislative and / or other measures to levy an amount proportionate to lost taxes and duties from the producer, manufacturer, distributor, importer or exporter of seized tobacco, tobacco products and /or manufacturing equipment?

Yes ✓

Please provide a brief description of the progress made in implementing Article 17 (Seizure payments) in the past two years or since submission of your last report.

actions are conducted in line with Law on Seizure of Property arising from a Criminal Offense

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

E5. ARTICLE 18: DISPOSAL OR DESTRUCTION

Please provide information on the quantity of confiscated tobacco, tobacco products and manufacturing equipment that was destroyed (e.g, product, unit, quantity, by year and destruction method), if available.

During the period 2017 - 2019, through the activities of the Working Group on Combating Illicit Tobacco and Tobacco Trafficking, the parcels on which illegal tobacco plantings were located were identified. The control of illegal plantings was carried out through joint activities of Phytosanitary inspection of the Ministry of Agriculture and the Ministry of Interior.

In 2017, a total of 66.91 hectares of illegal tobacco plantations with expected yield of 133.82 tonnes of tobacco leaves were destroyed.

In 2018, a total 60.14 hectares of illegal tobacco plantations with expected yield of 120.28 tons of tobacco leaves were destroyed . In 2019, a total area of 38.52 hectares of illegal tobacco plantations with expected yield of 76.92 tonnes of tobacco leaves were destroyed.

Please provide a brief description of the progress made in implementing Article 18 (Disposal or destruction) in the past two years or since submission of your last report.

Cooperation between Market Inspection Sector and Ministry of Trade regarding seizure tobacco was very good.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

E6. ARTICLE 19: SPECIAL INVESTIGATIVE TECHNIQUES

Do you allow the use of controlled delivery and other special investigative techniques to effectively combat illicit trade in tobacco, tobacco products or manufacturing equipment?

Yes ✓

If yes, please provide details.

The current legislation of the Republic of Serbia provides for the use of special actions, including controlled delivery. Article 162 of the Code of Criminal Procedure defines criminal offenses for which special procedures for collecting evidence can be used. Please note that when applying special actions in cases related to illicit trafficking in tobacco and tobacco products, MoI most often refer to the criminal offense of Money Laundering.

Ministry of Trade, telecommunication and tourism states that E-investigation is in place. The mystery shopper is a new inspection power.

Have you concluded any bilateral or multilateral agreement or arrangement for the use of techniques mentioned above when investigating the criminal offences established in accordance with Article 14 of the Protocol?

No ✘

Please provide a brief description of the progress made in implementing Article 19 (Special investigative techniques) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Customs Administration established a Customs Control Section using official dogs, within which there is a certain number of official dogs trained to detect tobacco and tobacco products

PART V: F. INTERNATIONAL COOPERATION

ARTICLE 20 – GENERAL INFORMATION SHARING

Article 20.1(a) SEIZURES OF ILLICIT...

	Quantity seized	Value of seizures Please specify currency (e.g. in USD or local currency)	Description of seized product	Date and place of manu- facture	Taxes evaded (in USD or local cur- rency; please, specify)
F11a. ...tobacco (raw)	86.6 tones		Tobacco (raw)	2019	
F11b. ...smoking tobacco products	18.910.080 pieces cigarettes and 1900 pieces cigars		cigarettes and cigars	2019	

Please provide examples of some of your seizures, if available.

Article 20.1(b) TOBACCO TRADE-RELATED MATTERS...

Import (please specify unit)	Export (please specify unit)	Transit (please specify unit)	Taxes paid (in USD or local cur- rency; please, specify)	Duty free sales (in USD or local cur- rency; please, specify)	Quantity or value of domestic produc- tion (please specify unit)

Please provide a brief description of the progress made in implementing Article 20 (General information sharing) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F2. ARTICLE 21 – ENFORCEMENT INFORMATION SHARING

Have you exchanged enforcement information with another Party on your own initiative or on their request?

Yes ✓

If yes, please provide examples of such enforcement information sharing (also in relation Article 24.2 of the Protocol).

The exchange of information goes through Directorate for international operational Police cooperation INTERPOL-EUROPOL-SELEC. In majority of cases information about persons involved in illegal trade of tobacco and tobacco products are exchanged.

Please provide a brief description of the progress made in implementing Article 21 (Enforcement information sharing) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F3. ARTICLE 22 – INFORMATION SHARING: CONFIDENTIALITY AND PROTECTION OF INFORMATION

Have you designated competent national authority or authorities to which data referred to in Articles 20, 21 and 24 of the Protocol are supplied?

Please provide a brief description of the progress made in implementing Article 22 (Information sharing: General Obligations) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F4. ARTICLE 23 - ASSISTANCE AND COOPERATION:

Have you provided financial or technical assistance (be it through unilateral, bilateral, multilateral agreements, and/or through international and regional organizations) in any of the following areas:

F41a. Information gathering	Yes
F41b. Law enforcement	Yes
F41c. Tracking and tracing	Yes
F41d. Information management	Yes
F41e. Protection of personal data	
F41f. Interdiction	
F41g. Electronic surveillance	Yes
F41h. Forensic analysis	
F41i. Mutual legal assistance	
F41j. Extradition	

If you answered "Yes" to any of the previous sub-questions, please provide further information (Party/Parties that were provided assistance, type of assistance (project), etc.)

1. EU technical assistance in the field of quality infrastructure and Market surveillance (IPA 2017), includes Management information system and Rapid Alert System, ISCMS, general product safety and New Legal Framework with the focus on new enforcement techniques procedures in Market Surveillance

2. EU Twinning project IPA 2016 with the focus on IPR Enforcement includes establishment of online platform for exchange information between Customs Administration, Police, Prosecution Office, Market inspection and other enforcement institution in Serbia as well as on education about e-investigation

3. Regional project supporting by PTB Germany in the field of Quality Infrastructure and Market Surveillance in the Western Balkans Countries

5. PLAC Project- support legal harmonisation with Acquis Communitarians in the field of consumer protection and public health-CH28 (Tobacco control), including capacity building in charge of combating against illicit trade of tobacco and tobacco products

Have you received financial or technical assistance (be it through unilateral, bilateral, multilateral agreements, and/or through international and regional organizations) in any of the following areas:

F42a. Information gathering	Yes
F42b. Law enforcement	Yes
F42c. Tracking and tracing	Yes
F42d. Information management	Yes
F42e. Protection of personal data	No
F42f. Interdiction	No
F42g. Electronic surveillance	Yes
F42h. Forensic analysis	No
F42i. Mutual legal assistance	No
F42j. Extradition	No

If you answered "Yes" to any of the previous sub-questions, please provide further information (Party/Parties from which assistance was received, type of assistance (project), support from other entities including the tobacco industry etc.)

Data on seizures of tobacco and tobacco products are collected by the Customs Administration and entered into the World Customs Organization (CEN) offense database, and the Customs Administration signed an Agreement on the use of the nCEN application with the World Customs Organization in early 2018, which represents the national offense database.

Customs Administration established a High-Tech Customs Group on 1.10.2018. within the framework of the Action Plan of the Strategy for Combating High-Tech Crime. Training for Customs officers was organized for the period 2019-2020.

The Customs Administration has been participating in the Hercule Program under the „Venice Initiative“, initiated by the Italian Monopoly and Customs Agency, and in cooperation with the European Anti-Fraud Office (OLAF), since 2013. in the work of the Working Group on Combating Cigarette Trafficking, as well as in the activities of the Hercule II and III Program in the fight against illicit cigarette trafficking.

The Customs Administration participates in international operations and projects organized by SCO / RILO, OLAF, SELEC, INTERPOL and in the annual meetings of the Customs Fraud Task Force organized by SELEC, as well as the annual cigarette conference organized by OLAF, and exchanges information on tobacco seizures and tobacco products with liaison officers of the United Kingdom, France, Germany, Romania and customs administrations in the region, as well as with SELEC, OLAF.

The Customs Administration participated in the Project to improve the quality infrastructure of the competent institutions of the Western Balkans, funded by SIDA/EFTA.

Have you developed or conducted research on identifying the exact geographical origin of seized tobacco and tobacco products?

Please provide a brief description of the progress made in implementing Article 23 (Assistance and cooperation: training technical assistance and cooperation in scientific, technical and technological matters) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F5. ARTICLE 24 – ASSISTANCE AND COOPERATION: INVESTIGATION AND PROSECUTION

Have you entered in multilateral, regional or bilateral arrangements for the purpose of the advancement of investigation and prosecution of offences in accordance to Article 24 of the Protocol?

Yes ✓

If yes, please provide details as appropriate.

If yes, please provide details as appropriate. In 2017, Republic of Serbia joined to EUROPL focal point Smoke

Have you cooperated and exchanged relevant information?

Please provide a brief description of the progress made in implementing Article 24 (Assistance and cooperation: investigation and prosecution of offences) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Good cooperation between Market inspection, Police, Customs Administration and Public Prosecution Office established at national level, especially regarding investigation of illicit trade of cut tobacco.

F6. ARTICLE 26 - JURISDICTION

Have you adopted measures to establish your jurisdiction over the criminal offences in accordance with Article 14 of the Protocol?

Yes ✓

If so, please provide details, as appropriate.

Criminal Cod ("Official Gazette of the RS", No. 85/2005, 88/2005 - correction., 107/2005 - correction, 72/2009, 111/2009, 121/2012, 104/2013, 108/2014, 94/2016 i 35/2019):

Art. 225. Tax evasion

Art.234. Unlawful manufacturing

Art.235. Illicit trade

Art.236. Smuggling

Art. Disabling control

Art. Unauthorized use of someone elses business name and another mark of a good or service

Art. 245. Money laundering

Please provide a brief description of the progress made in implementing Article 26 (Jurisdiction) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F7. ARTICLE 27 – LAW ENFORCEMENT COOPERATION

Have you established mechanisms for effective domestic cooperation, including between customs, police and other law enforcement agencies, for the benefit of information sharing and law enforcement?

Yes ✓

If yes, please provide examples of such domestic cooperation.

Ministry of Trade, Tourism and Telecommunications-Market Inspection Sector has a good cooperation with Ministry of Interior regarding investigation illicit trade of tobacco and tobacco products as well as with Customs Administration in the field of identification and elimination counterfeiting goods.

Have you established mechanisms for cooperation with other Parties for the benefit of information sharing and law enforcement?

Please provide a brief description of the progress made in implementing Article 27 (Law enforcement cooperation) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

Under the Twinning project, IPA 2016, implemented by EU Administration (Denmark and IRZ Germany) in the field of IPR Enforcement, national enforcement institution: Customs Administration, Police, Prosecution Office, Market Inspection can learn and exchange experience with Prosecution office, Police and Customs Administration from Germany and Denmark. E investigation online training by Europol platform considered for Customs Administration and Market Inspection Sector and other enforcement authorities

F8. ARTICLE 28 – ASSISTANCE ADMINISTRATIVE MUTUELLE

Have you entered into a procedure of mutual administrative assistance with another Party on the basis of the Protocol?

No ✘

Please provide a brief description of the progress made in implementing Article 28 (Mutual administrative assistance) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

We are in the inception face of the PLAC Project that are going to help us in introducing best practices in this field.

F9. ARTICLE 29 – MUTUAL LEGAL ASSISTANCE

Have you entered into mutual legal assistance procedures with another Party on the basis of the Protocol?

Have you designated a central authority for the purpose of mutual legal assistance?

Yes ✓

If so, please provide details.

Ministry of Justice

Please provide a brief description of the progress made in implementing Article 29 (Mutual legal assistance) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

F10. ARTICLE 30 – EXTRADITION and ARTICLE 31 – MEASURES TO ENSURE EXTRADITION

Have you utilized the Protocol for the purposes of extradition?

Please provide a brief description of the progress made in implementing Articles 30 (Extradition) and 31 (Measures to ensure extradition) in the past two years or since submission of your last report.

If you have any other relevant information pertaining to but not covered in this section, please provide details in the space below.

PART VI: G. PRIORITIES AND COMMENTS

What are the priorities for implementation of the Protocol in your jurisdiction?

Strengthening the capacity and cooperation of the competent authorities with the active involvement of customs, police and inspections, with a view to more effectively eliminating all forms of illicit trafficking in goods covered by the Protocol.

In relation to Article 36 of the Protocol, do you finance your national activities, in accordance with your national plans, priorities and programmes?

Have you identified any specific gaps between the resources available and the needs assessed for implementing the Protocol?

Yes ✓

If yes, please provide details in the space below.

The reporting period is marked by a ban on employment in the public sector. This has led to a reduction in an administrative capacity.

What, if any, are the constraints or barriers, other than lack of resources, you have encountered in implementing the Protocol?

The planned capacity building by the gradual implementation of the employment that already adopted by Government according to the needs assessment will face a lot of challenges in the context of combating the coronavirus pandemic.

If any of the actions reported in this instrument were only taken at subnational level, please give further information here.

Please provide any other relevant information not covered elsewhere that you consider important.

National institutions in charge of alignment of national legal acts with the EU acquis have taken part in PLAC III project that is taking place in the Republic of Serbia from January 2019 till April 2021 in order to improve further building of capacities of relevant national structures for successful carrying out of accession negotiations. Ministry of Finance – Tobacco Administration and other competent authorities are beneficiaries of the activity that aims to provide assistance in assessing national legislation and its compliance with the Union aquis, as well as drafting aquis-compliant regulations and thus harmonizing national legislation with Union aquis (Directive 2014/40/EU) in regard to tobacco sector, with consideration of the practical aspects and challenges in the implementation of the harmonized legislation.

Please provide any suggestions for further development and revision of this reporting instrument.

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