



EUROPEAN UNION

DELEGATION TO BOSNIA AND HERZEGOVINA

Sarajevo, 22 March 2013

DELBIH/FCS/EM D(2013) 907

Dear Sir/Madam,

As per the *Instruction on the procedure for the implementation of customs and tax exemptions in accordance with the Framework Agreement between Bosnia and Herzegovina and the Commission of European Communities on the rules of cooperation regarding financial assistance to Bosnia and Herzegovina within provision of assistance through the Instrument for Pre-Accession Assistance (IPA)* issued by the BiH Indirect Taxation Authority and published the BiH Official Gazette number 74/11 on 19/09/2011, please be advised that certificate on VAT exemption (*Potvrda IPA DEU*) shall be **issued upon contractor's official request**, which has to be sent directly to the Delegation, with clear indication of the contract number and project title, immediately upon signature of the contract.

The contact email for the VAT and Customs issues in the Delegation is delegation-bih-vat@ec.europa.eu or postal address Delegation of the European Union, VAT office, Skenderija 3a, 7100 Sarajevo.

Please find attached the Instruction in English and local language for its application as well as excerpt from the Official Gazette.

Please note that projects funded from CARDS and PHARE programs continue to be subject to VAT payment and refund procedure, because the exemption has its legal basis in the ratified IPA Framework Agreement. Also, projects funded from CARDS and PHARE program continue to apply separate customs clearance procedure for goods imported to BiH.

Yours sincerely,

Emile MABITA

Head of Finance, Contracts and Audit Section