

Importation Customs VAT and DDP Responsibilities

Contract condition for used or refurbished ski lifts and cableway systems delivered and installed at Brezovica Ski Centre

Purpose and controlling principle

This condition allocates to the Contractor the complete commercial and financial responsibility for transporting, importing, customs-clearing, delivering, unloading and installing all equipment, components, tools and materials required for the Works. The agreed Contract Price is all-inclusive. Except where the Contract expressly states otherwise, the Employer shall not reimburse customs duty, import VAT, excise, customs-agent charges, terminal charges, storage, demurrage, transport, insurance or any comparable import or delivery cost.

For the delivery of goods, the applicable trade term shall be DDP Brezovica Ski Centre, Municipality of Shtërpçë/Štrpce, Republic of Kosovo, exact delivery point identified in the Contract, Incoterms® 2020. Incoterms® 2020 governs the allocation of delivery tasks, costs and risks for the goods only. Installation, testing, commissioning, acceptance, warranties, performance obligations and other services remain governed by the Contract.

Proposed binding contract clause

1 Delivery term

The Contractor shall supply and deliver all used or refurbished ski lifts, cableway equipment, spare parts, tools, consumables and associated materials under DDP Brezovica Ski Centre, Municipality of Shtërpçë/Štrpce, Republic of Kosovo, exact delivery and installation location as stated in the Contract, Incoterms® 2020. The Contractor shall not substitute DAP, DPU, CPT, CIP, FCA, EXW or another trade term without the Employer's prior written approval and a corresponding written Contract amendment.

2 Contractor costs

The Contractor shall, at its sole cost, arrange and pay for export packing; loading at origin; inland and international carriage; transit; freight forwarding; cargo insurance where required by the Contract; export, transit and import formalities; permits and licences; customs representation; inspections; certificates; terminal and handling charges; customs duty; import VAT; excise, if legally applicable; administrative and customs-agent fees; storage and demurrage caused by the Contractor; delivery to the named place; unloading; internal movement at the Site; and protection of the goods until the applicable contractual risk-transfer and acceptance points.

3 Importer of record and customs representation

The Contractor shall ensure that the import declaration is lawfully submitted by an eligible importer of record. If the Contractor cannot act as importer of record under Kosovo law, it shall, without additional cost or liability to the Employer, appoint and contract with a duly registered Kosovo entity, customs representative or other legally eligible person to perform that role. The use of any representative, affiliate, subcontractor or importer of record shall not relieve the Contractor of any contractual responsibility. The legal obligation of the declarant or importer towards the competent authorities does not alter the contractual allocation under which all related economic costs are borne by the Contractor.

4 Customs classification origin and value

The Contractor is responsible for the correct tariff classification, customs value, declared origin and preferential-origin claim, if any, for every shipment. Before dispatch, it shall identify the applicable TARIK and Harmonized System codes and obtain any binding or written clarification that prudent performance may require. Any customs-duty preference or exemption may be claimed only where supported by valid proof of origin and all applicable legal conditions. The Employer gives no warranty that any equipment qualifies for a zero or preferential customs rate or for a reduced VAT rate.

5 Taxes duties and price certainty

The Contract Price includes all taxes, duties, levies and charges applicable to the Contractor's performance, including import-related amounts, except only a tax expressly identified in the Contract as payable separately by the Employer. The Contractor bears the risk of its own erroneous classification, valuation, origin declaration, tax assumption or omission. No increase, reimbursement or extension of time shall arise from a difference between an estimated and the legally assessed customs duty, VAT or fee, unless the difference results solely from a Change ordered in writing by the Employer or from a change in applicable law occurring after the contractual base date and the Contract expressly provides for adjustment.

6 Import VAT

Import VAT shall be declared and paid by the legally responsible importer or declarant in accordance with Kosovo law, but its economic cost remains included in the Contract Price and for the Contractor's account. The Contractor shall not invoice the Employer separately for import VAT or request reimbursement merely because the tax was paid at import. Any domestic VAT shown on an invoice shall comply with Kosovo tax law and the agreed price schedule and shall not duplicate import VAT or increase the total Contract Price.

7 Documents

The Contractor shall prepare, obtain and retain all documents necessary for lawful export, transit, import and delivery, including as applicable: commercial invoice; packing list; transport document, including CMR, air waybill or bill of lading; customs declaration or Single Administrative Document; TARIK or HS classification details; proof of origin; export and transit documents; technical documentation; conformity documents; inspection certificates; evidence of customs-duty and import-VAT settlement; customs release; insurance evidence; delivery record; serial-number list; and any permit required for the equipment. Legible copies shall be provided to the Employer before or upon delivery and originals where the Contract or applicable law requires them.

8 Employer assistance

At the Contractor's timely written request, the Employer shall provide reasonable assistance limited to documents or information that only the Employer can provide and that are legally required for import clearance. Such assistance does not make the Employer the importer of record, transfer any cost or risk to the Employer, or excuse delay. The Contractor shall reimburse the Employer for reasonable documented costs caused by the Contractor's request, unless the Contract states otherwise.

9 Delivery unloading and risk

Under DDP, delivery occurs when the goods are placed at the Contractor's disposal at the named destination, cleared for import and ready for unloading. As an additional express obligation under this Contract, the Contractor shall also unload the goods safely at the exact Site location designated by the Employer, using suitable personnel and equipment. Notwithstanding the Incoterms® delivery-risk rule, the Contractor remains responsible for loss or damage caused during unloading, internal Site movement, installation, testing or commissioning and for defects until acceptance as provided in the Contract.

10 Delays seizures and additional charges

The Contractor is responsible for delays, detention, seizure, penalties, storage, demurrage and additional costs resulting from incomplete or inaccurate documents; incorrect classification, valuation or origin; absence of permits; non-compliance of the goods; or acts or omissions of its carriers, representatives, subcontractors or importer of record. This paragraph does not apply to the extent the Contractor proves that the event resulted solely from the Employer's breach of an express contractual obligation.

11 No payment before compliant delivery

Delivery shall not be treated as complete, and the related payment milestone shall not become due, until the goods have arrived at the named place, have been lawfully released for import, have been unloaded as required, and the Contractor has submitted the documents required by the Contract. Payment does not constitute technical acceptance, waive defects or release the Contractor from installation, testing, commissioning, warranty or other obligations.

12 Indemnity

To the extent permitted by applicable law, the Contractor shall indemnify and hold harmless the Employer and the Privatization Agency of Kosovo from documented duties, taxes, interest, penalties, storage costs, claims and reasonable professional expenses arising from the Contractor's breach of these import and customs obligations or from an act or omission of its importer of record, customs representative, carrier or subcontractor. This indemnity does not cover amounts caused solely by the Employer's intentional misconduct or breach of an express contractual obligation.

13 Priority and interpretation

If this condition conflicts with a price schedule, technical specification or bidder statement, this condition prevails unless the Particular Conditions expressly identify and amend the affected paragraph. References to DDP and other trade terms mean the ICC Incoterms® 2020 rules. Incoterms® do not determine title, payment, acceptance, governing law, dispute resolution or liability for installation and services; those matters are determined by the Contract.

14 Total Contract Price and Inclusion of VAT (Tender pricing instruction)

The tender price and, consequently, the Contract Price shall constitute a **final price inclusive of VAT**, including the applicable VAT rate in the Republic of Kosovo. For this tender, the standard VAT rate is **18%**, unless the applicable tax legislation expressly provides for different treatment.

The total Contract Price shall include all costs necessary for the complete performance of the Contract and delivery of the ski lifts to the specified destination, including transportation, insurance, packing, loading, unloading, export and import formalities, customs clearance, customs duties, fees, permits and any other related expenses.

The manner in which the Tenderer calculates, incorporates or presents these costs in its internal cost breakdown shall not result in any division of the Contract Price or make such costs separately payable by the Contracting Authority. For the purposes of tender evaluation, contract award and contract performance, only the **total and final tender price inclusive of VAT** shall be taken into account. This price shall cover the complete performance of the Contract.

No transportation, importation, customs-clearance, customs-duty, fee or other related cost may subsequently be claimed as an additional payment, reimbursement or adjustment of the Contract Price, unless such adjustment is expressly permitted by the Contract and approved in writing in advance in accordance with the applicable legislation and procedure.

The price schedule may require the components of the price—including the amount exclusive of VAT, the applicable VAT and other relevant costs—to be presented separately for information purposes. Such presentation shall serve solely for transparency and tax verification and shall **not affect the indivisible nature of the total Contract Price inclusive of VAT**.

Responsibility matrix

Task or cost	Responsible party	Contractual position
Export clearance and origin documents	Contractor	Included in the Contract Price

Transport, transit and cargo handling	Contractor	Included in the Contract Price
Importer of record arrangement	Contractor	Contractor appoints eligible local entity if required
Import customs clearance	Contractor	Completed before delivery
Customs duty and import VAT	Contractor	Paid through the lawful importer or declarant; no Employer reimbursement
Delivery to the named Brezovica Site	Contractor	DDP named place, Incoterms® 2020
Unloading and internal Site movement	Contractor	Express additional contractual obligation
Installation, testing and commissioning	Contractor	Governed by the Contract, not by Incoterms®
Limited documentary assistance	Employer	Only where information can lawfully be provided solely by the Employer

Legal and technical references

- International Chamber of Commerce, Incoterms® 2020. DDP allocates export, transit and import formalities and related duties and taxes to the seller, subject to the detailed rule and the named place of destination.
- ICC Academy, Incoterms® 2020 guidance on DDP, DAP and DPU, including the warning that a foreign seller may face legal or administrative barriers when undertaking import formalities in the destination country.
- Law No. 05/L-037 on Value Added Tax, as amended and applicable in the Republic of Kosovo. The applicable VAT treatment must be determined from the law in force at the taxable event.
- Customs and Excise Code of Kosovo and implementing legislation, as amended and applicable at the time of import.
- Integrated Tariff of Kosovo, TARIK, version applicable on the date the customs declaration is accepted, for tariff classification, customs rates and trade-policy measures.
- Kosovo Customs and Tax Administration of Kosovo official guidance applicable at the time of import.