

**Republic of Serbia**

**LAW ON CONTROL OF PRECIOUS METALS ARTICLES**

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**I INTRODUCTORY PROVISIONS**

Article 1

This law regulates conditions, manner and procedure of control of precious metals articles; governing technical requirements to standard of fineness of precious metals articles, means for soldering, coatings of other precious metal, parts of non-precious metals and non-metal parts; regulates conditions and manner of conformity assessment of precious metals articles and recognition of foreign hallmarks; establishes the obligation to pay compensation for actions taken and acts issued in the process of testing and hallmarking of precious metals articles; regulates performance of inspection supervision, as well as other issues of importance for the control of precious metals articles.

Article 2

Provisions of this Article shall not apply to:

- 1) precious metals articles intended for export, unless the foreign importer requires;
- 2) precious metals articles coated with enamel, gemstone, pearl or other non-metal material;
- 3) precious metals articles manufactured or imported temporarily as samples for exhibitions and fairs at which there are no marketing;
- 4) other metals articles coated with precious metal;
- 5) bezels on gemstone, pearl or other article where mass of precious metal is negligible;
- 6) precious metals articles of older production having scientific, historical or cultural value;
- 7) nibs for fountain pens;
- 8) minting coins used as legal tender, jubilee minting coins or medals made of precious metals or their alloys.

### Article 3

Terms used herein shall have the following meanings:

- 1) *precious metals* are platinum, gold, palladium and silver;
- 2) *alloy of precious metal* is a solid homogenous compound made of at least one precious metal and one or several other metals;
- 3) *fineness* is the mass portion of precious metal contained in total mass of an alloy, expressed in parts per thousand;
- 4) *fineness mark* is a numerical value that corresponds to one of the prescribed standards of fineness;
- 5) *standard of fineness* is the lowest mass portion of precious metal contained in total mass of an alloy, expressed in parts per thousand;
- 6) *state mark* is a mark of standard fineness confirming conformity of precious metals articles with the prescribed requirements, and that the precious metal article made in fineness equal or greater than prescribes for that standard of fineness, and lesser than following standard of fineness;
- 7) *precious metal article* is jewelry, goldsmith, silversmith or watchmaker ware, or any other article made from precious metal or its alloys, which contains all the necessary parts that make it complete;
- 8) *mixed article* is an article whose components are made of different precious metals, their alloys, other metals or other materials, as well as the object whose constituent parts are made of a precious metal of different fineness;
- 9) *coating of precious metal* is a layer of precious metal applied on article or its parts by means of chemical, electro-chemical, mechanical or some other process;
- 10) *solder* is an alloy of precious metal which may be used as a binder only;
- 11) *blank of precious metal* is a piece of precious metal or its alloy, intended for reworking or processing;
- 12) *ingots, castings and granules of precious metal* are non-processed precious metals, intended for further reworking or processing;
- 13) *semi-finished article* is an article of precious metal or its alloy intended for making a finished article;
- 14) *manufacturer* is an economic operator that is registered for performing the activity of production of precious metals articles in accordance with the law governing registration of economic operators and to whom the Directorate of Measures and Precious Metals issued a decision on manufacturer's mark;

15) *importer or representative* is an economic operator registered in the Republic of Serbia, in accordance with the law, importing precious metals and precious metals articles, or representing the manufacturer who authorized him to take actions from the mandate on his behalf related to placing precious metals and precious metals articles on the market of the Republic of Serbia and to which the Directorate of Measures and Precious Metals issued decision on importer's or representative's mark;

15a) *economic operator* is a legal entity or entrepreneur who is entered in the appropriate register in accordance with the regulations governing the registration of economic operators, which places precious metals articles on the market;

16) *manufacturer's mark* is a mark by which the manufacturer marks precious metals articles, in accordance with this Law;

17) *importer's or representative's mark* is a mark by which importer or representative marks precious metals articles, in accordance with this Law;

18) *marking of precious metals articles* is stamping of the manufacturer's, importer's or representative's mark and appropriate fineness mark;

19) *testing of precious metals articles* is the process of assessing the compliance of precious metals articles with the prescribed requirements;

20) *hallmarking of precious metals articles* is marking of precious metals articles with the state mark or international mark in accordance with ratified international agreement signed by the Republic of Serbia, or in exceptional cases the issuance of certificates on confirmation of standard of fineness;

20a) *prepared precious metals articles for placing on the market* are articles that have been tested and hallmarked and are located in the business premises of manufacturer, importer or representative, or other economic operator;

20b) *placing on the market of precious metals articles* is the first making available of precious metals articles on the Republic of Serbia market;

21) *authorized body* is economic operator, or other legal entity, authorized by the decision of Minister responsible for measures and precious metals that carries out conformity assessment of precious metals articles with the prescribed requirements, or which carries testing and marking of these articles;

22) *control of precious metals articles* includes all activities that are subject to precious metals articles which are placed on the market, pertaining to the conformity assessment of these articles with the prescribed requirements.

#### Article 4

Precious metals article can be placed on the market if complies with the prescribed requirements, if its compliance was assessed according to the prescribed procedure, if marked in accordance with this Law, or accompanied by the prescribed documentation.

## Article 5

Professional and related executive tasks in the field of control of precious metals articles perform Directorate of Measures and Precious Metals (hereinafter: Directorate).

While performing the tasks referred to in paragraph 1 of this Article Directorate:

- 1) determines by a decision the manufacturer's, importer's or representative's mark;
- 2) keeps records of manufacturer's, importer's or representative's marks;
- 3) performs testing and hallmarking of precious metals articles;
- 4) performs testing of precious metals and their alloys;
- 5) supervises in the field of control of precious metals articles;
- 6) cooperate with other relevant inspection authorities and provides professional assistance in the field of control of precious metals articles;
- 7) prepares expert basis for drafting regulations in the field of control of precious metals articles;
- 8) decides in administrative procedures in the field of control of precious metals articles;
- 9) represents Republic of Serbia in international and regional organizations and establishes cooperation in the field of control of precious metals articles;
- 10) performs other tasks in the field of control of precious metals articles, in accordance with the Law.

Directorate shall issue gazette which publishes decisions that Directorate issues in accordance with this Law, as well as the decisions on granting authorization for testing and hallmarking of articles, or testing of precious metals and their alloys.

## **II TECHNICAL REQUIREMENTS FOR PRECIOUS METALS ARTICLES**

### Article 6

Platinum is the most precious metal, followed by gold, than palladium, and silver.

Precious metals articles (hereinafter: articles) shall meet technical requirements in respect of one of the following standards of fineness:

1) platinum articles:

I standard of fineness 950 parts per thousand (950/1000);

II standard of fineness 900 parts per thousand (900/1000);

III standard of fineness 850 parts per thousand (850/1000);

1) gold articles:

I standard of fineness 950 parts per thousand (950/1000);

II standard of fineness 840 parts per thousand (840/1000);

III standard of fineness 750 parts per thousand (750/1000);

IV standard of fineness 585 parts per thousand (585/1000);

3) palladium articles:

I standard of fineness 950 parts per thousand (950/1000);

II standard of fineness 500 parts per thousand (500/1000);

4) silver articles:

I standard of fineness 950 parts per thousand (950/1000);

II standard of fineness 925 parts per thousand (925/1000);

III standard of fineness 800 parts per thousand (800/1000).

Articles, in addition to the prescribed standards of fineness, may have a fineness 999 parts per thousand (999/1000).

Exceptionally from provisions of paragraph 2, item 2) of this Article, gold articles made by minting (gold coins, memorial plaques etc) may have a fineness 900 parts per thousand (900/1000).

Articles made of a precious metal alloy whose fineness is lower than the minimum standard of fineness from paragraph 2 of this Article are not considered precious metals articles in terms of this Law.

Articles, in addition to the technical requirements in terms of standard of fineness, shall meet the technical requirements relating to the standard of fineness of means for soldering, coating of other precious metal, non-precious metals parts and non-metal parts, if the article contains them, as well as other requirements in terms of their production.

Minister responsible for precious metals (hereinafter: Minister) shall prescribe technical and other requirements set out in paragraph 6 of this Article.

#### Article 7

Articles that have fineness higher than the fineness prescribed for given standard according to Article 6 of this Law, but less than the next higher degree, are considered articles having a fineness of that lower standard, without negative deviations.

### III CONFORMITY ASSESSMENT

#### Article 8

Manufacturer of articles shall be obliged the articles he produced, to mark with his manufacturer's mark and fineness mark.

In addition to manufacturer's mark and fineness mark, manufacturer of the articles can mark articles also with the mark that is protected in accordance with the regulations governing hallmarks, about which he shall submit the evidence to Directorate.

Fineness mark referred to in paragraph 1 of this Article shall by the numerical value match one of the standards of fineness prescribed in Section 6 of this Law.

Manufacturer cannot marks articles with other marks or markings, except the manufacturer's mark and fineness mark, which are determined in accordance with this Law, as well as the mark from paragraph 2 of this Article.

Minister shall prescribe the content, form and dimensions of manufacturer's, importer's or representative's mark and fineness mark, the manner in which the articles are marked, the equipment and layout of working premises that shall possess manufacturers of articles, as well as the content and form of application for obtaining the manufacturer's mark.

#### Article 9

Manufacturer's mark shall be determined by decision which at the request of manufacturer issues Directorate.

Decision referred to in paragraph 1 of this Article is issued for the validity period of ten years.

Manufacturer's mark shall be registered with the Directorate.

After receipt of the decision referred to in paragraph 1 of this Article the manufacturer shall be obliged to submit to Directorate the matrix of manufacturer's mark and manufacturer's mark in order to take imprint.

Matrices of manufacturer's mark and imprint of that mark are kept in Directorate.

Renewal of decision from paragraph 1 of this Article is carried out with the application of the manufacturer to be submitted no later than three months before the expiration of the period for which the decision was issued.

If the Directorate fail to decide on the submitted application within 60 days from the date of application referred to in paragraph 6 of this Article, but no later than the date of expiry of the period for which the decision was issued, manufacturer may use manufacturer's mark on the basis of the existing decision.

Manufacturer shall be obliged to inform the Directorate of any changes relating to the business or address, or any changes in his organizational units, as well as the suspension of business within 30 days from the date of change or termination of business.

With application under paragraph 6 of this Article proof of payment of republic administrative fee shall be submitted.

If determined that manufacturer does not fulfill the requirements regarding the equipment and working premises that shall possess manufacturers of articles for obtaining manufacturer's mark, Directorate will issue a decision rejecting the application referred to in paragraph 6 of this Article.

Against the decision referred to in paragraph 10 of this Article, manufacturer may appeal to Minister within 15 days of receipt of the decision.

With appeal under paragraph 11 of this Article proof of payment of republic administrative fee shall be submitted.

Decision of the Minister is final.

Manufacturer shall be obliged to, within 15 days from the receipt of final decision rejecting the application for renewal of decision referred to in paragraph 1 of this Article; deliver to Directorate the manufacturer's mark to be destroyed.

#### Article 10

Decision on determining the manufacturer's mark may be revoked by Directorate decision before the deadline referred to in paragraph 2 Article 9 of this Law, if:

- 1) it is found that the manufacturer of articles no longer fulfills prescribed conditions;
- 2) manufacturer or responsible person of manufacturer committed a criminal offense of counterfeiting of marks for marking articles for which is finally convicted;
- 3) manufacturer of articles ceases to perform activity relating to production, or making articles of precious metals.

Against decision referred to in paragraph 1 of this Article appeal may be lodged to Minister within 15 days of receipt of the decision.

Appeal does not stay its execution.

Decision of the Minister is final.

With appeal under paragraph 2 of this Article proof of payment of republic administrative fee shall be submitted.

Manufacturer's mark for which has abrogated the decision on manufacturer's mark or elapsed time period for which was issued the decision, except in the case of paragraph 7 of Article 9 of this Law, cannot be used.

Manufacturer which the decision was abrogated for the reasons referred to in paragraph items 1) and 2) 1 of this Article, cannot submit a new application for the determination of the

manufacturer's mark within six months from the date of receipt of the decision on repeal of the decision on the manufacturer's mark.

Manufacturer shall be obliged to deliver the manufacturer's mark from paragraph 6 of this Article to Directorate to be destroyed within 15 days from date of receipt of decision on repeal of the decision on manufacturer's mark, or date of expiry of period for which was issued decision.

#### Article 11

Directorate may issue a decision on manufacturer's mark also to members of the Association of applied artists who produce art objects, under the terms and conditions under which this decision is issued to manufacturers of articles.

With application for issuing the decision under paragraph 1 of this Article proof of payment of republic administrative fee shall be submitted.

Provisions of this Law relating to manufactures of articles apply also to persons referred to in paragraph 1 of this Article.

#### Article 12

Articles which components are made of alloys of various precious metals among which are not noticeable boundaries or differences shall have the fineness mark of precious metal which is an integral part of the alloy and which is the least precious.

Articles which components are made of alloys of the same precious metal but of different standard of fineness among which are not noticeable boundaries or differences, shall have the fineness mark of an integral part which standard of fineness is lowest.

On articles which components are made of alloys of various precious metals among which the boundary is clearly visible, fineness marking is mandatory on the part made from a precious metal alloy which is the least precious, and other components of this article do not have to be marked, but if marked, they are marked with the fineness mark of that precious metal alloy from which this piece is made.

Objects which consist of parts of precious metals and of parts of other materials will bear the fineness mark on the part made of precious metals, and parts of non-precious metals, which are an integral part of the object, shall be marked with a marking METAL, MET or M, depending on its size.

#### Article 13

Importer, or representative, before placing the article on the market, shall be obliged to mark articles of foreign manufacturer with its mark, or importer's mark or representative's mark.

If articles referred to in paragraph 1 of this Article do not have fineness mark or this mark does not correspond to the numerical value of standard of fineness in terms of Article 6 of this Law, importer, or representative shall be obliged to mark these articles with the fineness mark in accordance with this Law.

On articles from import that accompany the appropriate certificates or guarantees, which are considered as certificates of determining the standard of fineness of articles, is not placed importer's or representative's mark.

#### Article 14

Provisions of Art. 8 to 12 of this Law shall apply accordingly to importers or representatives also.

#### Article 15

Before placing an article on the market, manufacturer shall be obliged to deliver the article to the testing and hallmarking, to determine its compliance with the prescribed requirements, except for the article that has prescribed documentation.

Importer or representative provides determination of conformity of the article with the prescribed requirements by submitting that article to the testing and hallmarking.

Economic operator places on market only precious metals articles which are in compliance with the prescribed requirements.

By hallmarking referred to in paragraph 2 of this Article for articles from imports that follow appropriate certificates or guarantees, shall be deemed issuance of certificates of affirmation of article standard of fineness.

Minister shall prescribe types, shapes, look and way of making state hallmarks.

#### Article 16

Obligation of hallmarking shall not be subject to:

- 1) semi-finished precious metals articles;
- 2) parts or incomplete articles;
- 3) articles so small or fragile that is impossible to perform hallmarking without damage;
- 4) articles or article parts used for medical, dental, veterinary, scientific and technical purposes;
- 5) musical instruments or parts of such instruments made from precious metals;
- 6) articles of platinum, gold and palladium of mass lower than 1 g, and articles of silver of mass lower than 3 g.

Articles referred to in paragraph 1 items 3), 4) and 5) of this Article are subject to testing and shall be issued a test report.

Minister shall prescribe the manner of testing referred to in paragraph 2 of this Article, as well as the content of the report referred to in paragraph 2 of this Article.

## Article 17

Testing, or hallmarking of articles performs Directorate.

Testing and hallmarking can be performed also by an authorized body.

Minister shall prescribe the manner of testing and hallmarking of articles, precious metals and their alloys, content and form of the application for testing, or hallmarking of articles, form of the report on results of performed testing of precious metals and their alloys, as well as the equipment for testing and hallmarking of articles, list of articles that are hallmarked and a place to which the state mark imprints.

## Article 18

When submitting articles for testing and hallmarking shall be submitted a written application that contains in particular type, number and mass of articles, alloy of precious metal of which the article is made of, as well as its fineness.

When Directorate or an authorized body finds by testing that article is in accordance with the fineness mark, as well as to fulfill other prescribed requirements shall perform hallmarking of that article.

When Directorate or an authorized body finds by testing that article is not in accordance with the fineness mark or that does not fulfill other prescribed requirements, shall issue a decision rejecting the application.

Articles referred to in paragraph 3 of this Article, except articles from import that accompany the appropriate certificates or guarantees, Directorate, or an authorized body will make them ineligible for placing on the market.

When Directorate, or an authorized body cannot determine with certainty whether the article meets the prescribed requirements, will test that the article in a way which may require its damage, or destruction with the consent of the applicant.

If the applicant fails to agree to test the article in a way that may cause damage, or destruction of that article, Directorate, or an authorized body shall issue a decision rejecting application.

If during the exercise of supervision of precious metals articles is determined that applicant referred to in paragraph 6 of this Article, to which the Directorate issued a decision on the manufacturer's mark, or a decision on importer's or representative's mark, placed on the market articles which do not meet the requirements prescribed by this Law, Directorate shall issue a decision on repeal of that decision.

Against the decision referred to in paragraphs 3, 6 and 7 of this Article, manufacturer may appeal to Minister within 15 days of receipt of the decision.

Decision of the Minister is final and against it may be initiated an administrative dispute.

With appeal under paragraph 8 of this Article proof of payment of republic administrative fee shall be submitted.

## Article 19

Precious metals articles are tested and hallmarked in the official premises of the Directorate, or authorized bodies.

Exceptionally from provisions of paragraph 1 of this Article, articles can be, on manufacturer, importer or representative application, tested and hallmarked also in their business premises if prescribed requirements are met for adequate working facilities and equipment for testing and hallmarking.

Fulfillment of conditions referred to in paragraph 2 of this Article shall be determined by the Directorate, a decision.

Decision referred to in paragraph 3 of this Article makes the Director of Directorate for a period of five years.

Against the decision referred to in paragraphs 4 of this Article an appeal may be lodged to the Minister.

With application for determination of fulfillment of conditions referred to in paragraph 2 of this Article proof of payment of republic administrative fee shall be submitted.

Minister shall prescribe the conditions to be fulfilled by the working premises and equipment for testing and hallmarking of articles.

## Article 20

After the completion of hallmarking to article shall not be added parts of precious or other metals, as well as other materials which cannot be viewed or recognized.

It shall be forbidden to transfer imprinted mark to another article.

## Article 21

If hallmarked article of precious metal be changed or reprocessed so to change its standard of fineness, shall be re-submitted for testing and hallmarking.

Article referred to in paragraph 1 of this Article shall also be article obtained by processing purchased used articles of precious metals.

Purchase of used articles of precious metals may be performed only by a person that for the purpose of this Law is considered to be the manufacturer.

## Article 22

Obligation of hallmarking in the manner referred to in Article 15 of this Law does not apply to manufacturer whose precious metal article has prescribed documentation.

Manufacturer referred to in paragraph 1 of this Article shall be obliged to obtain from the Directorate, or an authorized body, for article which has prescribed documentation, proof of standard of fineness and composition of precious metal alloy from which article is made of.

Compliance of article with prescribed requirements manufacturer referred to in paragraph 1 of this Article confirm by marking the article with its manufacturer's mark and fineness mark.

Manufacturer shall be obliged to mark, the articles that produce, with its manufacturer's mark and fineness mark. Manufacturer shall be obliged to keep prescribed documentation referred to in paragraph 1 of this Article permanently and to keep records on the articles produced of alloy for which has proof of standard of fineness and composition.

Compliance of article referred to in paragraph 1 of this Article can be determined by testing and hallmarking of that article too.

Minister shall prescribe the manner of determining the compliance of the article with the prescribed requirements on the basis of prescribed documentation, as well as the content of this documentation.

#### Article 23

Provisions of Article 18 of this Law shall apply to the importer, or representative.

An importer, or representative shall be obliged to, with the application for hallmarking articles form import, deliver to Directorate, or an authorized body, also the customs declaration of article relating to customs procedure of release of goods for free circulation.

#### Article 24

Directorate keeps records on manufacturers, importers and representatives of precious metals articles, which shall contain in particular: name of manufacturer, importer or representative, data on manufacturer's mark, or importer's or representative's mark and data on the manner in which manufacturers, importers or representatives prove compliance of articles with the prescribed requirements.

#### Article 25

An authorized body is economic operator or other legal entity who performs tests and hallmarking of articles, as well as testing of precious metals and their alloys, on the basis of authorization issue in accordance with this Law.

Authorization to perform testing and hallmarking of articles, as well as testing of precious metals and their alloys shall be issued if it is established that the entity referred to in paragraph 1 of this Article meets the prescribed requirements, particularly with regard to:

- 1) professional competence of employees and other engaged persons;
- 2) premises and equipment for work;

- 3) independence and impartiality in relation to persons linked with the article which is the subject of testing and hallmarking;
- 4) handling complaints on the work and decisions taken;
- 5) confidentiality, or professional secrecy;
- 6) liability insurance for damage.

## Article 26

Fulfillment of the requirements referred to in Article 25 of this Law at the request of the entity referred to in paragraph 1 of Article 25 hereof establishes a commission formed by the Minister (hereinafter: Commission).

Commission has at least three members.

Minister shall prescribe the composition of the Commission, as well as its operation and decision making.

In determining compliance with the requirements referred to in Article 25 of this Law the Commission takes into account the act of accreditation if the applicant has obtained it in the accreditation process.

It shall be considered that the applicant meets the prescribed requirements for testing and hallmarking of articles, or testing of precious metals and their alloys, if the scope of these activities is fully covered by the scope of activities contained in the act on accreditation.

Minister by decision shall authorize the entity referred to in paragraph 1 of Article 25 hereof who has applied for authorization and for which have been determined to fulfill the prescribed requirements to perform testing and hallmarking of articles, or testing of precious metals and their alloys. This entity shall bear the costs of the procedure of issuing the decision.

Decision referred to in paragraph 6 of this Article shall be final and against it may be initiated an administrative dispute.

Decision referred to in paragraph 6 of this Article is valid for five years from the date of issue.

Three months before the expiry of the period, for which the decision is issued, authorized body may apply for the issuance of new decision to Ministry responsible for Precious Metals (hereinafter: Ministry).

If Minister fail to decide on submitted application within 60 days from the date of application referred to in paragraph 9 of this Article, but no later than the date of expiry of the period for which the decision is issued, authorized body may continue to carry out testing, marking and hallmarking on the basis of the existing decision.

Questions that this Law is not specifically regulated, and refer to process of issuing decision on authorization, are subject to provisions of law governing general administrative procedure.

Authorized body performs testing and hallmarking tasks as delegated tasks.

With application under paragraph 1 of this Article proof of payment of republic administrative fee shall be submitted.

#### Article 27

Authorized body ceases to fulfill the prescribed requirements shall be obliged to promptly inform the Ministry, as well as any changes that might affect compliance with the prescribed requirements.

Authorized body may stop performing tasks of testing and hallmarking articles, or testing precious metals and their alloys even before the expiry of the period for which was issued the decision on authorization, and shall inform the Ministry, provided that it shall be obliged to perform tasks of testing and hallmarking articles, or testing of precious metals and their alloys, within a period which may not be less than 90 days from the date of delivery of the notice to the Ministry.

Ministry as a public book keeps a register of authorized bodies for testing and hallmarking of articles, or testing of precious metals and their alloys.

Minister shall specify the conditions and manner of authorization, keeping a register of authorized bodies, as well as other issues related to the work of authorized bodies.

#### Article 28

Authorized body shall maintain records that contain particularly information on:

- 1) name and address, or business name and address of applicant for testing and hallmarking of articles, or testing of precious metals and their alloys;
- 2) date of performed testing and hallmarking of articles, or testing of precious metals and their alloys;
- 3) performed hallmarking, or issued test reports.

Authorized body shall be obliged to keep record referred to in paragraph 1 of this Article for at least five years.

At the request of Directorate, authorized body shall be obliged to deliver to Directorate data from records referred to in paragraph 1 of this Article.

Minister shall prescribe the content and form of records referred to in paragraph 1 of this Article as well as the manner of keeping these records.

## **IV RECOGNITION OF FOREIGN HALLMARKS**

### **Article 29**

In the Republic of Serbia are valid foreign hallmarks if they are issued in accordance with the ratified international agreements signed by the Republic of Serbia.

Minister may recognize the validity of foreign hallmarks on articles, if they are issued under conditions which ensures compliance with the requirements that are in the Republic of Serbia prescribed for these articles.

Minister shall prescribe the manner of recognition of the foreign hallmarks referred to in paragraph 2 of this Article.

## **V COMPENSATIONS**

### **Article 30**

For performing testing and hallmarking of articles, conducting chemical analysis of precious metals, alloys and articles, testing of equipment that is used for testing of precious metals articles, verifying compliance with the requirements for issuing decision on manufacturer's, importer's, or representative's mark, verifying compliance with the requirements for issuing decision on testing and hallmarking of articles in business premises of manufacturer or importer, as well as performing other tasks related testing and hallmarking of articles, compensation shall be borne by manufacturers, importers, or holders of articles owned by citizens, as well as other entities that have applied to Directorate or authorized body.

Amount of compensation referred to in paragraph 1 of this Article is the same for domestic and foreign persons.

Amount and method of payment of compensation referred to in paragraph 1 of this Article shall be determined by the Government.

Compensations referred to in paragraph 1 of this Article for tasks carried out by Directorate shall be paid to the respective account for payment of public revenues of budget of Republic of Serbia.

## **VI BUSINESS AND RETAIL PREMISES**

### **Article 31**

In business premises of manufacturer, importer or representative or other economic operator there are articles which are prepared for placing on the market.

In business premises referred to in paragraph 1 of this Article can be found also articles for which to Directorate, or authorized body, has been submitted the application for testing and hallmarking.

Articles intended for sale can be found in the retail store of the manufacturer, importer or representative or other economic operator and shall be labeled with inscription as articles of certain precious metal.

Products made of other metals which in the retail store are held together with the articles shall be specifically labeled with inscription as products that are not of precious metals.

#### Article 32

In the retail store, in a visible place, shall be kept images of state hallmarks and magnifying glass with which marks and hallmarks, prescribed by this Law, can clearly see and differentiate and shall be made available to interested persons as well as notification that are not subject to obligation of hallmarking the articles of platinum, gold and palladium of mass up to 1 g, and articles of silver of mass up to 3 g.

Manufacturers, importers, or representatives are obliged to keep in their retail stores in a visible place also the decision on manufacturer's, importer's, or representative's mark.

### **VII SUPERVISION**

#### Article 33

Supervision of the application of the law or other regulation in the field of articles control shall be conducted by Ministry.

Inspection control of the trade of articles performs market inspectors in accordance with law, except for the part of supervision exercised by the Directorate.

#### Article 34

Directorate supervises the:

- 1) articles that are placed on the market, in terms of compliance with prescribed requirements;
- 2) economic operators engaged in the purchase of precious metals articles;
- 3) maintenance of prescribed conditions at manufacturers of articles to which was issued decision on manufacturer's, importer's, or representative's mark;
- 4) maintenance of prescribed conditions in business premises of manufacturer, importer or representative, of articles in accordance with Article 19 para 2 and 7 of this Law.

#### Article 35

Directorate performs supervision of the persons authorized to supervise articles.

Person referred to in paragraph 1 of this Article shall have acquired high education of the second degree studies (graduate studies – master, specialist academic studies and specialist professional studies), or on the basic studies lasting at least four years, or other conditions

provided by the law governing the rights and duties of civil servants, other regulation and act on internal organization and job classification in the Ministry.

Person authorized to exercise supervision of the articles shall have official identification card.

Minister shall prescribe the form and content of the official identification card referred to in paragraph 3 of this Article, as well as the manner of keeping records of the issued official identification cards.

## Article 36

During supervision, person authorized to exercise supervision of the articles has the right and duty to:

- 1) enters premises in which the articles are produced and marked, to check the fulfillment of prescribed conditions in terms of equipment and work premises;
- 2) enters all premises that make business and sales area of the manufacturer, importer or representative and economic operator, in which articles are placed on the market or keep prepared for placing on the market, in order to check the conformity of articles with the prescribed requirements, as well as compliance with the requirements of Articles 31 and 32 of this Law;
- 3) enter manufacturer, importer or representative premises in which testing and hallmarking of articles are carried out in accordance with the Article 19 paragraph 2 of this Law, in order to verify compliance with the prescribed conditions;
- 4) requires all data that are needed for preparation of the minutes of the supervision performed and makes the minutes.

If the person authorized to exercise supervision found that are not met prescribed conditions referred to in paragraph 1 point 1), 2) and 3) of this Article, it shall order elimination of irregularities and deficiencies within 30 days.

If deficiencies referred to in paragraph 2 of this Article referring to paragraph 1 point 1) of this Article not been removed within a specified period, Directorate shall issue a decision on the repeal of the decision on the manufacturer's mark.

If deficiencies referred to in paragraph 2 of this Article referring to paragraph 1 point 2) of this Article not been removed within a specified period, Directorate shall issue a decision on the withdrawal of articles from the market.

If deficiencies referred to in paragraph 2 of this Article referring to paragraph 1 point 3) of this Article not been removed within a specifies period, Directorate shall issue a decision on the repeal of the decision referred to in paragraph 3 of Article 19 of this Law.

Against the decision referred to in para 3, 4 and 5 of this Article, appeal may be lodged to Minister within 15 days.

Appeal does not stay execution of decision.

Decision of the Minister is final and against it may be initiated an administrative dispute.

#### Article 37

Provisions of Article 36 of this Law shall accordingly apply to manufacturers referred to in Article 22 of this Law.

During supervision, person authorized to supervise the articles has the right and duty to check whether the manufacturer referred to in Article 22 of this Law provided evidences referred to in paragraph 1 of Article 22 of this Law.

In case that the manufacturer referred to in Article 22 of this Law performs more consecutive violations in terms of failure to comply with the requirements referred to in Article 22 of this Law, or the provisions of Article 15 of this Law, Directorate shall issue the decision ordering manufacturer that verification of the conformity of articles with the prescribed requirements can be made only by testing and hallmarking at Directorate or authorized body.

When making decision referred to in paragraph 3 of this Article Directorate takes into account the nature of the deficiencies which are identified and their implications.

Against decision referred to in paragraph 3 of this Article, appeal may be lodged to Minister within 15 days.

Appeal does not stay execution of decision.

Decision of the Minister is final and against it may be initiated an administrative dispute.

#### Article 37a

If the person authorized to supervise articles during the supervision of an article which was placed on the market cannot determine with certainty whether this article comply with the prescribed requirements he will take this article for laboratory testing.

At the occasion of taking the article referred to in paragraph 1 of this Article, manufacturer, importer or representative and other economic operator shall be obliged to person authorized for supervision of articles put at disposal of this article for laboratory testing.

Costs of testing of article referred to in paragraph 1 of this Article bears Directorate if it is determined that the article comply with the prescribed requirements.

Minister shall prescribe the manner of taking the article and test methods that are used in the supervision of articles.

#### Article 38

Supervision of work of authorized bodies is conducted by the Ministry through Directorate.

If the person authorized to exercise supervision of articles finds that an authorized body does not work in accordance with the regulations it shall order removal of identified irregularities and deficiencies within a specified period.

If within the period referred to in paragraph 2 of this Article the authorized body fails to remove identified irregularities Directorate will inform the Ministry about it.

If Minister, on the basis of established facts, repeals the decision on authorization, authorized body shall be deleted from the register of authorized bodies.

Decision referred to in paragraph 4 of this Article is final and against it may be initiated an administrative dispute.

## **VIII PUNITIVE PROVISIONS**

### **Article 39**

With a fine from 10,000 to 150,000 dinars shall be fined for the offense the natural person or responsible person in the legal entity, with a fine from 20,000 to 500,000 dinars shall be fined for offense the entrepreneur, and with a fine from 100,000 to 2,000,000 dinars shall be fined for offense the legal entity:

- 1) if places on the market or keeps prepared for placing on the market, or keeps exhibited as samples the articles which do not comply with requirements in terms of fineness (Article 6);
- 2) if it uses the manufacturer's, importer's or representative's mark for which the decision on rejecting the application for renewal of decision on determining the manufacturer's mark, importer's or representative's mark, as well as the decision on repeal of the decision on the manufacturer's mark, importer's or representative's mark, or has expired period of validity of decision, and if this mark does not submit to the Directorate to be destroyed (Articles 9, 10 and 14);
- 3) if parts of non-precious metals are not marked with the appropriate marking (Article 12);
- 4) if importer, or representative with address in the Republic of Serbia places on the market article which was not marked with their assigned mark, or if this article was not marked with fineness mark in accordance with this Law, if this article has no fineness mark or has a fineness mark that does not match the numerical value of the standard of fineness in terms of Article 6 of this Law (Article 13);
- 5) if placed on the market or keeps prepared for placing on the market, or keeps exhibited as samples the articles which do not comply with the prescribed requirements, or which are not tested or hallmarked or are not followed by prescribed documentation (Article 15);
- 6) if transfers imprinted mark to another article or after completion of hallmarking add to the article other foreign objects which cannot be viewed or recognized (Article 20);
- 7) if prior to placing on the market does not re-submitted for testing and hallmarking precious metal articles that are changed or reprocessed (Article 21 para 1 and 2);

- 8) if performs activities contrary to this Law (Article 21 paragraph 3);
- 9) if does not keep records in accordance with the article 28 of this Law;
- 10) if articles, or articles of other metals exhibited in the retail store are not visibly labeled with inscription (Article 31);
- 11) if manufacturer, importer, or representative in their retail stores in a visible place does not keep images of state hallmarks, decision on manufacturer's, importer's, or representative's mark, as well as magnifying glass or does not make available magnifying glass to interested persons (Article 32);
- 12) if does not enable exercise of supervision to authorized person (Articles 36, 37 and 38);
- 13) if placed on the market or in any other way disposed articles for which was issued a decision on the withdrawal of article from the market (Article 36);
- 14) if while taking the article do not put at the disposal of the article for laboratory testing to person authorized for supervision of article (Article 37a paragraph 2).

## **IX TRANSITIONAL AND FINAL PROVISIONS**

### Article 40

By-laws prescribed by this Law shall be passed in term of two years upon entry into force of the present Law.

Until by-laws prescribed by this Law have been adopted, regulations adopted on the basis of the Law on Control of Precious Metals Articles ("Official Gazette of SRY", nos. 80/94, 83/94 - correction and 28/96 - other law) shall apply, if they are not inconsistent with this Law.

### Article 41

Articles that have been tested and hallmarked until the entry into force of this Law are not subject to re-testing and hallmarking.

### Article 42

On the day of the entry into force of the present Law the Law on Control of Precious Metals Articles ("Official Gazette of SRY", nos. 80/94, 83/94 - correction and 28/96 - other law) shall be rendered inoperative.

### Article 43

The present Law shall enter into force on the eight day after its publication in the "Official Gazette of the Republic of Serbia".

***Independent Articles of the Law on Amendments of the  
Law on Control of Precious Metals Articles***

*(“Official Gazette of RS”, No. 15/16)*

Article 15

By-laws prescribed by this Law shall be passed in term of one year upon entry into force of the present Law.

Article 16

The present Law shall enter into force on the eight day after its publication in the "Official Gazette of the Republic of Serbia".