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PROVISIONAL INSTITUTIONS OF SELF GOVERNMENT

**KUVENDI I KOSOVËS**  
**СКУПШТИНА КОСОВА**  
**ASSEMBLY OF KOSOVO**

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**LAW No.2004/28**

**ON PRECIOUS METAL PRODUCTS**

Assembly of Kosovo,

Pursuant to Regulation Nr. 2001/9 on a Constitutional Framework for Provisional Self-Government in Kosova of 15 May 2001, Chapters 5.1(d), 9.1.1, 9.3.3, 11.2, and based on Regulation Nr.1999/1 of United Nations Interim Administration Mission in Kosovo of June 25 1999 on the Authority of the UN Interim Administration in Kosova, amended by UNMIK Regulation Nr. 1999/24 of December 12 1999 on the Applicable Law in Kosova,

and for the purpose of protecting the market of Kosovo from the production, importing, and selling of precious metals that do not comply with the standards of this law and from an unfair competition in the free market of Kosova and in compliance with International Standards,

Approves:

**LAW ON PRECIOUS METAL PRODUCTS**

**I.GENERAL PROVISIONS**

**Article 1**

1.1. This Law regulates adjustment of production and selling of precious metal products with International Standards ISO 9202 (International Standard ISO 9202 Jewelry-Fineness of metal alloys) with respect to content and makeup (fineness) of precious metal products;

1.2. It ensures the rights and obligations of precious metal producers and importers;

1.3. It regulates the manner of control, investigation and marking of precious metal products.

1.4. The rights and obligations in this field shall be implemented by the Institute of Legal Metrology of Kosovo, and which will directly implement this Law.

1.5. A strict application of this Law shall ensure:

- a. Control and marking of all precious metal products for public use and circulation;
- b. Protection of precious metal products of producers and byres from possible illegal misuses.

## Article 2

All Precious Metals products can be placed into market and public circulation only if all conditions stated in this Law are fully met and respected.

## Definitions and Interpretative Rules

### Article 3

Each of the following terms, whenever used in this Law, will have the given meaning, unless the context in which a term appears means something else:

**Minister** shall mean the Minister of the Ministry of Trade and Industry.

**Ministry** shall mean the Ministry of Trade and Industry established pursuant to UNMIK Regulation Nr. 2001/19.

**Legal Metrology Institute of Kosova (LMIK)** shall mean the institution which will implement this Law in the name of the Ministry of Trade and Industry.

**Precious metals** according this Law include: platinum, gold, silver, iridium and palladium.

**Precious metals works/products** according to this Law include: jewelry, precious adornments and other works done with platinum, gold, silver, iridium and palladium and respective alloy of these metals.

**Producer** means a legal and/or physical person who processes and/or produces precious metal products.

**Seller** means a legal and/or physical person who sells precious metal products.

**Public market control structures** mean market inspection authorities, which supervise the market pursuant to their authority given by the applicable laws, with respect to inspection of precious metal products placed in the market.

**Importer** means a natural or legal person that imports precious metal products in accordance with the law.

#### Article 4

Precious metals products undergo obligatory examination and marking prior to being placed into the market, pursuant to the provisions of this Laws.

### II. CONTENT AND MAKEUP OF PRECIOUS METAL PRODUCTS

#### Article 5

Precious metal products can be made if:

- a. Gold products are made of an alloy, the substance of which contains:
  - i Gold with silver
  - ii Gold with copper
  - iii Gold with silver and copper
  - iv Gold with nickel and palladium,
- b. Silver products do have an alloy, the substance of which contains:
  - i Silver with copper.
- c. Platinum products do have an alloy, the substance of which is a mixture of:
  - i Platinum with silver and copper.

#### Article 6

- 6.1. Other metals can be added to alloys mentioned in article 5.
- 6.2. The producer of precious metal products is liable, when introducing his products for sealing and marking, to indicate in the delivery form the type, composition and content of metals that makeup that make up the alloy of the precious metal.
- 6.3. The iridium found in alloy of platinum made products is considered as platinum.
- 6.4. Silver products that are coated with gold are considered as silver.

#### Article 7

- 7.1. Gold, silver, and platinum fineness in products made from the alloy of these metals, represents the ratio of precious metal to the total mass of that article, expressed in units per thousand according to the formula ( $p = m1 / m2 \cdot 1000$ ),
- 7.2. Precious metal articles must have one of the following fineness degrees:
  - a. Gold articles:
    - i I Degree: 999 parts per thousand (999 / 1000)
    - ii II Degree: 916 parts per thousand (916 / 1000)

- iii III Degree: 750 parts per thousand (750 / 1000)
  - iv IV Degree: 585 parts per thousand (585 / 1000)
  - v V Degree: 375 parts per thousand (375 / 1000)
- b. Silver products:
- i I Degree: 999 parts per thousand (999 / 1000)
  - ii II Degree: 925 parts per thousand (925 / 1000)
  - iii III Degree: 830 parts per thousand (830 / 1000)
  - iv IV Degree: 800 parts per thousand (800 / 1000)
- c. Platinum articles:
- i I Degree: 999 parts per thousand (999 / 1000)
  - ii II Degree: 950 parts per thousand (950 / 1000)
  - iii III Degree: 900 parts per thousand (900 / 1000)
  - iv IV Degree: 850 parts per thousand (850 / 1000)

7.3. Provisions from the previous Article shall not apply to precious metal products produced by forging [gold and silver coins, memorial plates, and similar ones], which may have a fineness degree:

- a. Gold products 900 per thousand (900/1000),
- b. Silver products 925 per thousand (925/1000).

#### Article 8

Gold or silver products, the fineness of which is higher than the prescribed fineness for the given degree according to Article 7, and lower than the next higher degree, are treated as products with lower fineness degree.

### III. MARKING OF PRECIOUS METAL PRODUCTS

#### Article 9

9.1. The manufacturer is obliged to strike his specific mark (the identity mark) on precious metal products, as well as the fineness mark.

9.2. The importer is obliged to strike his specific mark (identity mark) on imported precious metal products. The fineness mark is given only in the cases when the existing fineness mark does not correspond to the conditions provided in Article 7.

9.3. Products with less than 1 gram in mass shall not be marked with the identity mark or with the fineness mark, but after examining the products, if they comply with the requirements provided in Article 7, shall bear only the LMIK mark.

## Article 10

10.1. The identity mark shall be issued at the request of producer and/or exporter. The Legal Metrology Institute of Kosova, under the Regulation on determining the content, size and the usage terms of the identity mark on precious metal products, will render a decision, determining the content, shape, sizes and usage terms of the identity mark.

10.2 The standard sizes of the identity marks are:

Platinum:	not smaller than 0.75 mm
Gold:	1.5 mm 1.0 mm 0.75 mm 0.5 mm
Silver:	4.0 mm 2.0 mm 1.5 mm 1.0 mm 0.75 mm

10.3. The producer and/or importer may not stamp in his precious metal products other identity marks, except the identity mark licensed by the decision.

10.4. The matrices of identity marks and imprints of identity marks impressed on an aluminum slab will be preserved in the Legal Metrology Institute of Kosova.

## Article 11

The Legal Metrology Institute of Kosova is entitled to annul an identity mark decision if it:

- a. Finds out that the producer and/or importer does not meet conditions of identity marks provided by the ruling charter;
- b. Find out that the producer and/or importer has faked or falsified the identity mark for marking precious metal products;
- c. The producer and/or importer terminates his business.

## Article 12

Producer and/or importer upon termination of business is obliged to inform immediately the Legal Metrology Institute of Kosova.

## IV. EXAMINATION AND SEALING OF PRECIOUS METAL PRODUCTS

### Article 13

13.1. Precious metal products, before placed into the public market, will undergo a mandatory examination with respect to their content and makeup (fineness).

13.2. Precious metal products which, from the content, makeup and marking point of view, meet the requirements set in Articles 5, 6, 7 and 9 of this Law be certified by the LMIK sign.

### Article 14

The mandatory examination and marking does not apply to:

- a. Tools and instruments used for research purposes, equipment and instruments used for medical purposes, and the appliances used for production and laboratory examinations,
- b. Precious metal items assessed to have a historic, artistic, scientific, and cultural value;
- c. Nibs for fountain pens.

### Article 15

Precious metal products intended for export, do not undergo examination or marking if the exporter presents testimony that the foreign importer has requested exemption of such products from marking or has requested a different content and composition from the one provided by this Law..

### Article 16

16.1. The mandatory marking and examination does not apply to precious metal products that are private property.

16.2. The mandatory marking and examination applies to precious metal products that are private property if the owner places intends to sell them.

16.3. The Legal Metrology Institute of Kosova, at the request of the owner of precious metal products, is obliged to examine and mark such products even if the owner does not intend to sell them.

16.4. If during the examination of privately owned precious metal products is certified that such products do not have even the lowest level of finesse provided by the law, such products will be send back to the possessor without being marked.

#### Article 17

After being marked by the LMIK, precious metal products may not be processed or modified. Otherwise such products would have to be reexamined.

#### Article 18

18.1. Before introducing the products to LMIK for finesse examination and sealing, the producer of precious metal products must fill in a form indicating the data on the type, number, volume, alloy's makeup, and fineness content.

18.2. Importer of precious metal products, when introducing products to LMIK for examination and fineness content is obliged must present a custom's declaration.

#### Article 19

Finesse examination and marking of precious metal products certifies the finesse (of content) and alloy's makeup from which precious metal products have been made.

#### Article 20

20.1. Examination, sealing and marking of precious metal products is done in the LMIK laboratory.

20.2. Examination, sealing and marking of precious metal products can be done also in the producer's or importer's laboratory, if such a laboratory is authorized by MTI through the LMIK.

#### Article 21

21.1. The marked part of a precious metal article is prohibited to be conveyed to another product.

21.2. Upon marking a precious metal article, no other additional component can be added to it.

#### Article 22

22.1. Examining and marking costs of precious metal products shall be borne by the applicant: producer, importer or the owner of such precious metal products.

22.2. The incomes from examination, sealing and marking services offered to producers and/or importers of precious metal products will paid to the Kosova Consolidated Budget through the MTI current account.

## V. MARKETING (SELLING AND BUYING) OF PRECIOUS METAL PRODUCTS

### Article 23

Precious metal products may be placed in selling premises only after being marked by LMIK.

### Article 24

Precious metal products that are exhibited for sale must be kept separate from non-precious metal products - imitation jewelry.

### Article 25

Natural or legal persons dealing with the selling of precious metal products must display a picture of the LMIK official marks in a conspicuous place and have also a magnifying eyeglass, which will enable identification of marks on the precious metal products.

## VI. SUPERVISION AND ADMINISTRATIVE MEASURES

### Article 26

Supervision on the selling regularity of precious metal products shall be carried out by the market inspector.

### Article 27

27.1. The market inspector, as a supervising body responsible for carrying out tasks provided by this Law, undertakes measures provided by this Law and other bylaws of the Law on Internal Trade and the Law on Trade Inspection.

27.2. If the market inspector finds out that precious metal products placed in the market are not marked and sealed according to the provisions of this Law, shall render a decision that will prohibit selling of such products, and a copy of that decision will be sent to the supervising body.

27.3. Precious metal products sales, for which a decision has been rendered in conformity with Paragraph 2 of this Article, shall be withdrawn immediately from circulation. These products must be packed and the package must be sealed by the relevant inspector.

27.4. The owner of precious metal products is obliged to hand over, within 15 days time period, the package sealed by the market inspector and send it together with the minutes to the IMLK for examination and marking.

27.5. The complaint against the decision under Paragraph 2 of this Article does not stop execution of decision.



## Article 28

The content, makeup, marking and sealing expertise supervision of precious metals products is carried out by LMIK.

## VII. PUNITIVE PROVISIONS

### Article 29

A penalty from 1000 € to 5000 € will be imposed on an enterprise for an economic breach if:

- a. Precious metal products, before being placed into the market, have not undergone the mandatory marking (Article 4 );
- b. It is established that the producer has placed into the market precious metal products whose sealing and/or marking have been falsified (Article 10, Paragraph 2);
- c. A marked and/or sealed part of a precious metal article has been moved from one article to another (Article 21, Paragraph 1);
- d. The supervising body does not permit or hinders supervision of precious metal products (Article 26).

### Article 30

A penalty from 200 € up to 1000 € will be imposed on an enterprise for a violation if:

- a. It does not display in conspicuous place the picture of official marks in order to verify the finesse of precious metal products, as well as a magnifying eyeglass for the inspection of the outer look of marks on such products (Article 25);

### Article 31

A penalty from 100 € up 500 € shall be imposed on a natural person if:

- a. Precious metal products do not undergo the mandatory marking before being placed into the market (Article 4);
- b. It is established that the producer has placed into the market precious metal products, by having falsified the marks of such products (Article 10, Paragraph 2);
- c. The marked part of a precious metal article has been transferred from one article to another (Article 21, Paragraph 1 );
- d. The supervising body does not permit or hinders supervision of precious metal products (Article 26).

#### Article 32

A penalty from 50 € up to 150 € will be imposed on a natural person if he does not display on a conspicuous place the picture of official marks which confirm the fineness of precious metal products, as well as a magnifying eyeglass for inspection of marks on such products (Article 25).

### VIII. FINAL PROVISIONS

#### Article 33

1. Upon the entry of this Law into force, all other bylaws governing the control of precious metal products shall be repealed.
2. Bylaws of this Law shall be issued by the MTI within six (6) month time period upon the entry of this Law into force.

#### Article 34

The present law shall enter into force after adoption by the Assembly on the date of its promulgation by the Special Representative of the Secretary-General.

**Law No.2004/28**  
**28 July 2004**

**President of the Assembly**

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**Academic Nexhat Daci**