Customs & Excise

Operational Centre of Excellence



Office Pretoria

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EXTERNAL STAKEHOLDERS

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Dear Customs client

UPDATE ON IMPENDING IMPLEMENTATION OF NEW REPORTING REQUIREMENTS UNDER CUSTOMS AND EXCISE ACT, 1964, FOR PURPOSES OF THE NEW CUSTOMS ACTS PROGRAMME (NCAP)

We would like to update you on the planned implementation of the Reporting of Conveyances and Goods (RCG) project following the national New Customs Acts Programme (NCAP) roadshow that took place from July this year.

Building on the foundations laid by SARS's current Manifest Processing (MPR) system, RCG will be the first component to be delivered under NCAP.

Currently MPR enables shipping lines and airlines to report both prearrival and acquittal (post-arrival) manifest information to SARS electronically, thus reducing their reporting cost of compliance considerably. MPR is also able to match cargo reports to their corresponding customs clearances to identify instances of reporting noncompliance.

The new Cargo Processing System (CPS) to be implemented under the RCG project reflects the new legislative framework in respect of cargo reporting, as set out in the Customs Control Act, 2014, and significantly improves cargo management and supply chain security. CPS, which includes both import and export reporting as well as transhipment reporting, introduces a number of new supply chain reports, including outturn reports, gate reports and pre-loading notices for containerised cargo.

In order to facilitate the transition to the new dispensation of the Customs Control Act, 2014, the decision was taken to implement the first phase of RCG under the Customs and Excise Act, 1964. To achieve this, the rules under section 8 of the 1964 Act will be replaced by rules adapted for the 1964 Act, incorporating certain requirements of the reporting provisions contained in Chapter 3 of the Customs Control Act, 2014, and the rules to that Chapter.

This first phase of RCG under the 1964 Act is expected to be implemented in the first half of 2018. The new rules under section 8 will be published for public comment shortly.

Under RCG, it will be mandatory for all cargo reporters in the air, sea and road industries to submit reports to SARS electronically. Customs clients impacted by RCG include carriers, customs brokers, Port/Airport authorities, terminals, depots and registered agents.

Clients, who have never submitted electronic reports, must find out more about the legislative and system requirements relating to electronic reporting in order to become fully compliant before RCG is implemented.

Over the past few months, SARS has published specific Message Implementation Guides (MIG's) relating to the various conveyance and electronic cargo messages to be submitted to SARS and held detailed technical discussions with software developers on system development requirements.

SARS recently met with the Airline Operators Committee (AOC), the Airside Operators Association (AOA), the Air Cargo Operators Committee (ACOC) and the Airline Association of South Africa (AASA) as part of our ongoing commitment to stakeholder engagement on the project.

The RCG project team have also been invited to come to Durban on 9 and 10 November for information sessions with shipping lines, port terminal operators (bulk, breakbulk, containerised, etc), as well as licensed container depots. A similar engagement will take place in Gauteng this month, hosted by the SA Association of Freight Forwarders (SAAFF).

In the meantime, please visit our Legal webpage to read more about the new Customs Acts by clicking here: <u>Legal</u> and read more about MPR for current electronic reporting requirements by clicking here: <u>MPR</u>

After conclusion of the current NCAP roadshows, we will place presentations and Frequently Asked Questions (FAQs) on this site: NCAP, where there is also a link to more information about RCG.

SARS will continue to engage with public and private stakeholders throughout the process.

Thank you for your support.

Sincerely

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BEYERS THERON
EXECUTIVE: CUSTOMS & EXCISE CENTRE OF EXCELLENCE