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NEW **CUSTOMS ACTS** PROGRAMME



Reporting of Conveyances and Goods (RCG)

SAASOA - Durban

9 November 2017
Centre of Excellence (COE)



Presentation Structure

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NEW CUSTOMS ACTS PROGRAMME

1. NCAP Contextualisation
2. Manifest Processing (MPR) system
3. Reporting of Conveyances and Goods
4. Registration, CSK and Licensing
5. Clearance and Release
6. Communications



Business Magnitude of “Key shifts”

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50 years of operation in a radically changing global trade and security landscape



- **76 x Registrants and Licensees.**
- **6 x Cargo Reports.**
- **1 x Declaration type.**
- **56 x existing policies impacted.**

Next 50 years and beyond ... a robust framework for adaptation to changing needs



- **130 x Registrants and Licensees.**
- **60 x Cargo Reports.**
- **6 x Declarations types.**
- **79 x new policies to be developed.**
- Possible **382** additional documents (Standard operating procedures, guides, manuals, annexures templates such as letters and forms and terms of reference.
- **350 + Customs electronic messages** to support transactional and post clearance compliance.

...this informs SARS' approach to NCAP



NCAP Context - RLA, RCG and DPS

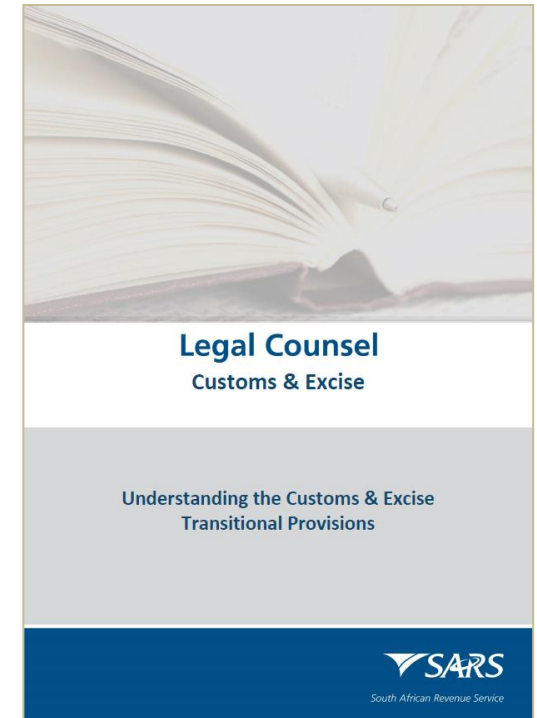
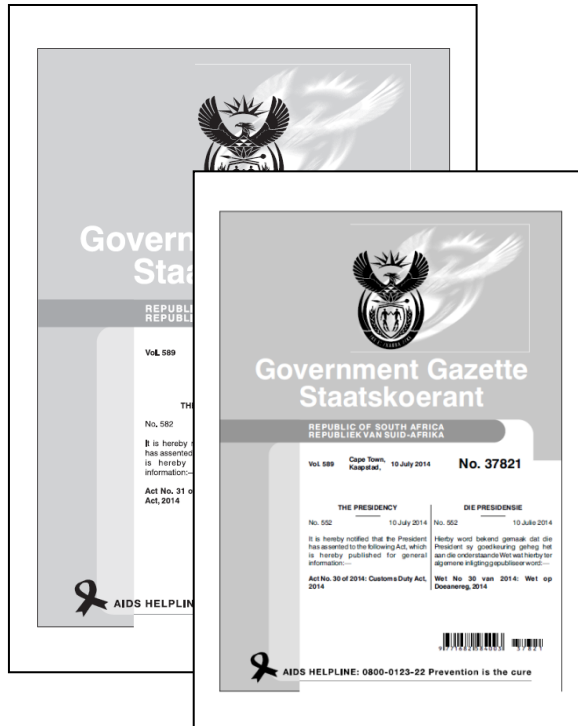
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Publications

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- [SARS Webpage](#) CCA
- [SARS Webpage](#) CDA
- [SARS Webpage](#) CCA Rules

- New Legislation overview available on the [SARS Webpage](#)

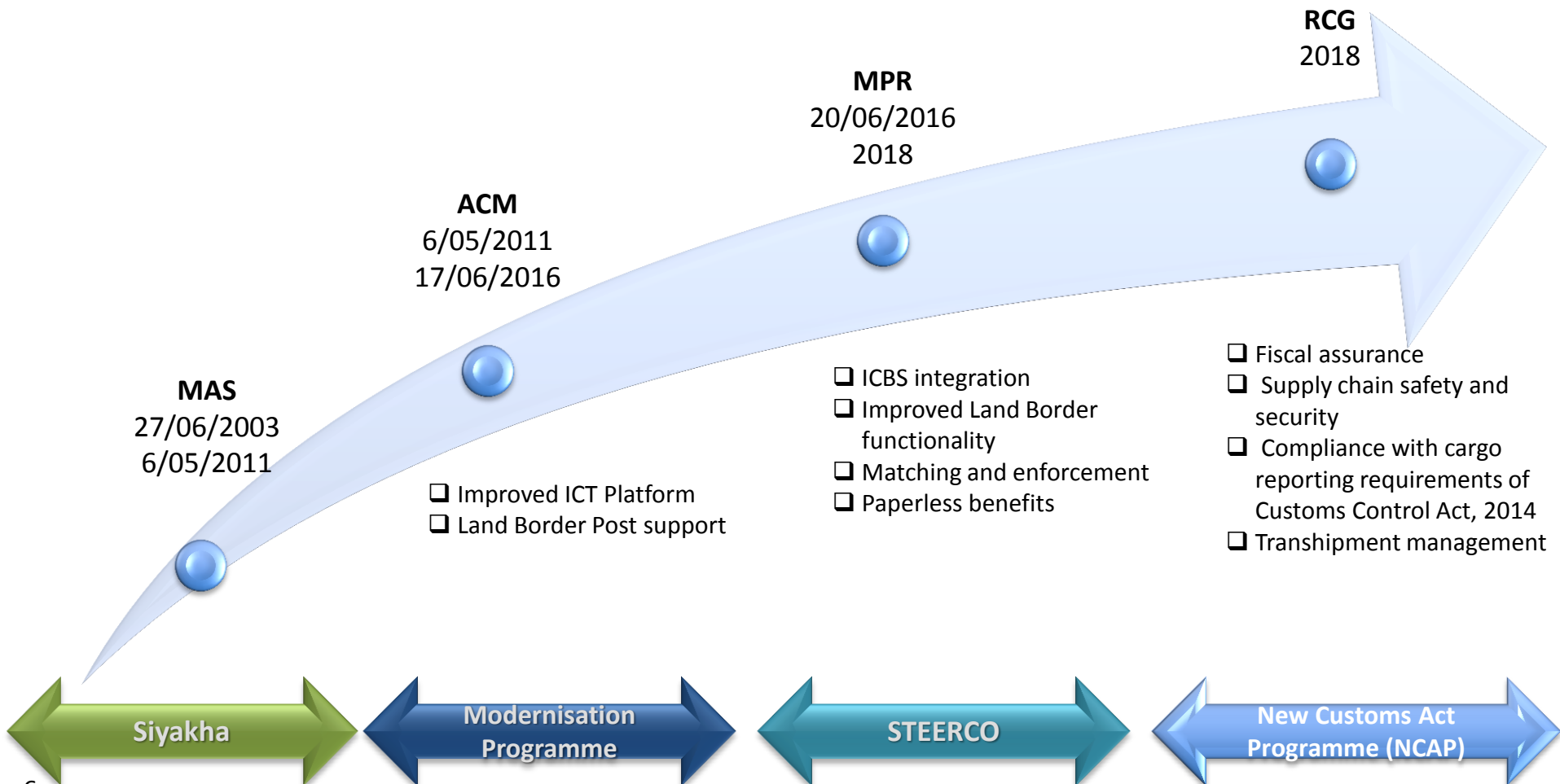
- Understanding the Transitional Provisions [SARS Webpage](#)



Journey

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Manifest Processing (MPR) System

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Where we are today:-

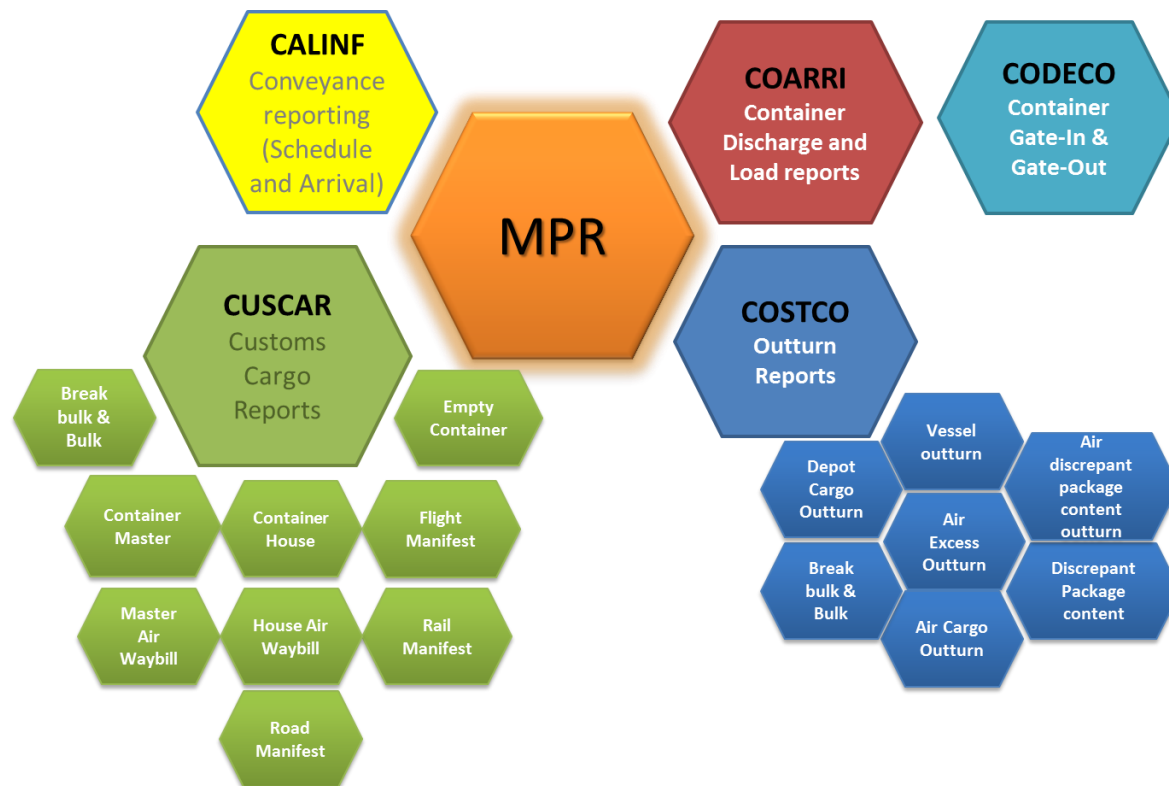
- MPR is SARS's current cargo and conveyance processing system.
- Uses UN/ EDIFACT (EDI) messaging.
- All modalities, import only (except for road freight).
- Implemented on 17 June 2016.
- Improvements in cross-border land movements (Standardised Road Freight Manifest, CARN, Barcode, Arrival and Exit messaging).
- Paperless benefits – compliant shipping lines.
- Identification of reporting non-compliance through matching clearances (CUSDEC) to cargo reports CUSCAR.

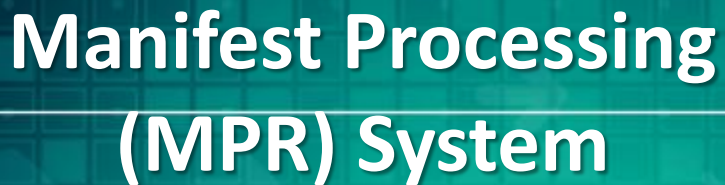


Manifest Processing (MPR) System

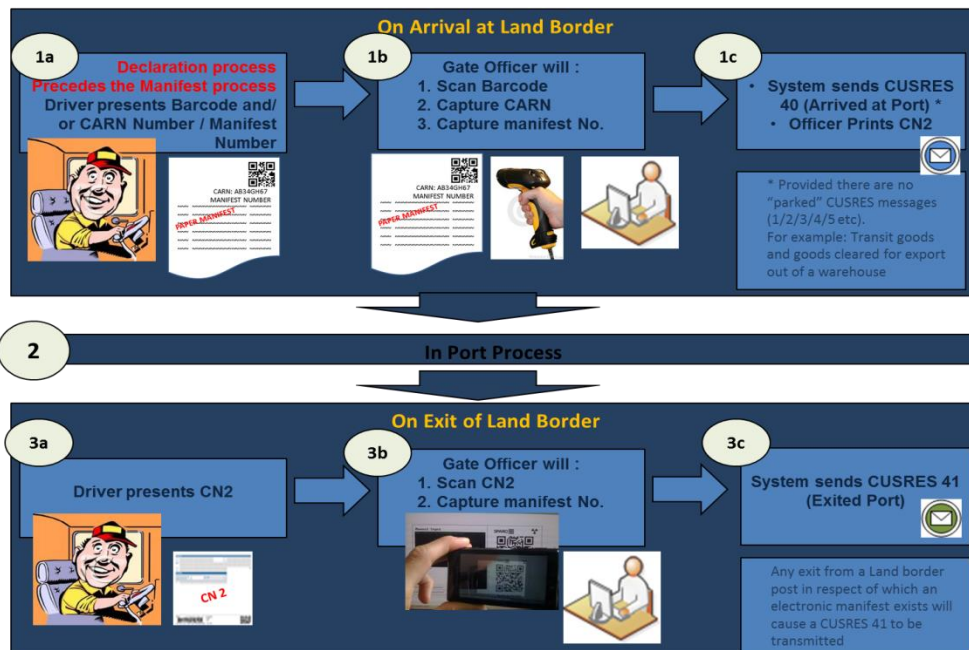
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Message Processing Scope:-





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CUSRES 41
Gate-out



2D BARCODE

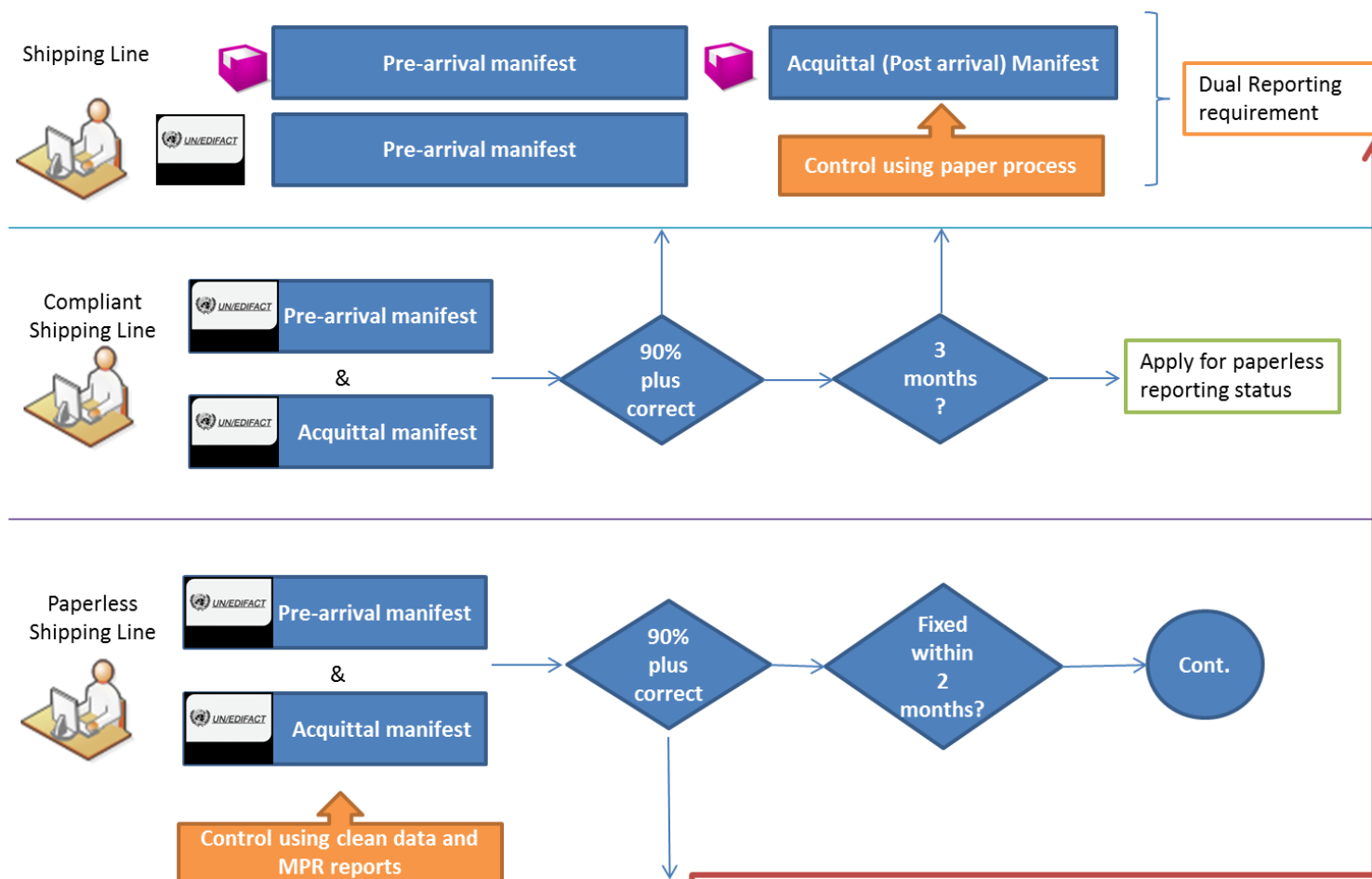




Manifest Processing (MPR) System

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Paperless Benefits:-





Manifest Processing (MPR) System

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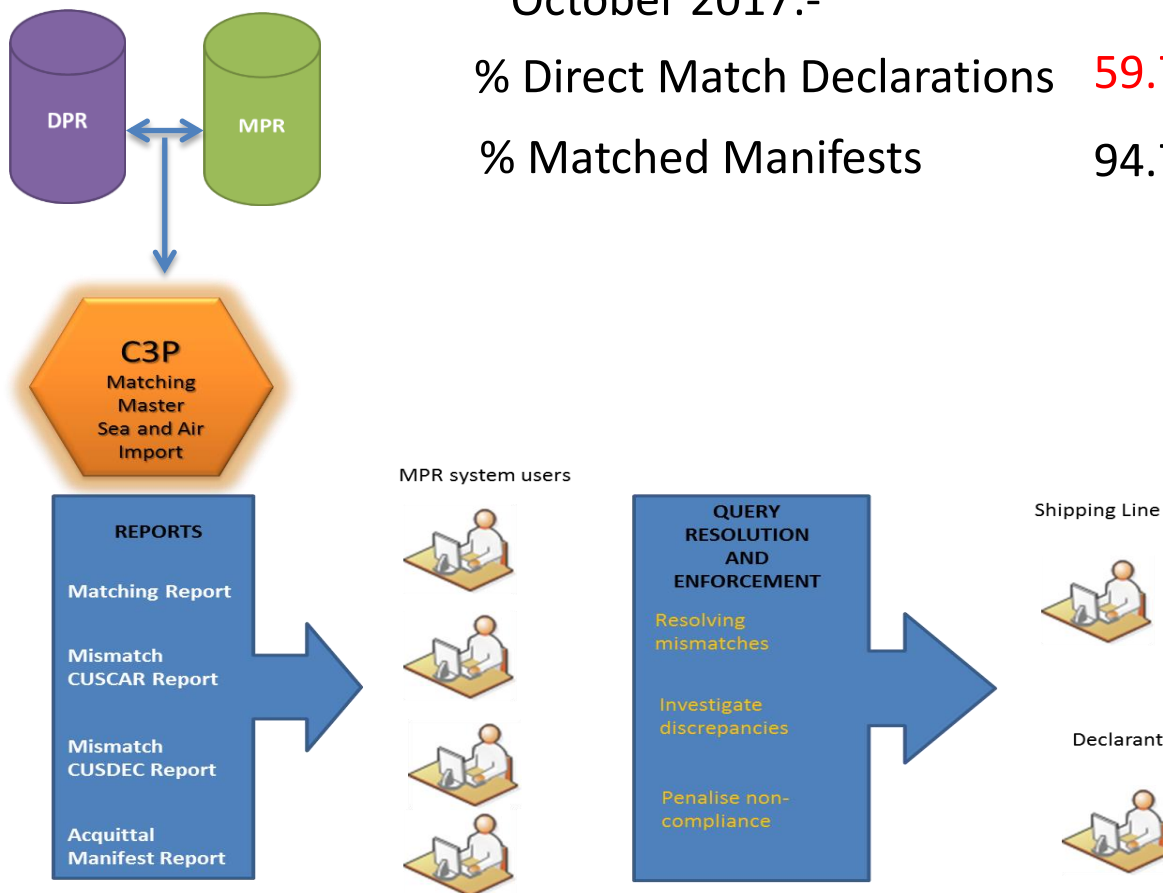
Reporting Enforcement:-

October 2017:-

% Direct Match Declarations	59.75%
% Matched Manifests	94.79%

Reasons:-

- Reporting Compliance
- Message failures and validations





RCG Mandate and Scope

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Customs Control Act, 2014 (Act No 31 of 2014)

- ☐ **Title:** To provide for customs control of all vessels, aircraft, trains, vehicles, goods and persons entering or leaving the Republic; to facilitate the implementation of certain laws levying taxes on goods and of other legislation applicable to such goods and persons; and for matters incidental thereto.
- ☐ **Chapter 3:** Reporting Requirements for inbound and outbound vessels, aircraft, trains, buses, trucks, persons and cargo.
- ☐ **Rules to Chapter 3:** The third draft of the rules published on 24 March 2017 for sight. This draft has been "frozen" for purposes of SARS systems development.
- ☐ **Rules to Chapter 8 of Customs and Excise Act, 1964:** Chapter 3 CCA rules to be incorporated into current legislation to cater for RCG first implementation.



Stakeholders impacted

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Rules Impacting Shipping Lines

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Manner of submission of reporting documents

- Electronic Data Interchange (EDI) for any report by carrier, cargo reporter, registered agent of a carrier, licensee, or port authority.

Transport document number not to be duplicated on more than one transport document

- Unique for 12 month period or as determined by Commissioner in specific case.

Advance containerised cargo loading notices

- At least 24 hours before the first container is loaded on board the vessel that will transport the cargo to the Republic.
- Submitted by carrier for FCL and LCL (Advance Loading Master – ALM)



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Advance containerised cargo loading notices

- Submitted by a customs broker or carrier in case of FCL Groupage cargo - Advance Loading House (ALH).
- Persons who arranged the transport have two options:-
 - provide the house bill information to the carrier to report, or
 - report this information on their own in a separate notice.
- Reporting permissions to be managed in Relationship Management Module (RMM) – future validation.

Advance vessel, crew and sea travellers arrival notices

- First implementation will require the reporting by the principal carrier of the vessel and voyage information only.
- 96 hours before the scheduled arrival of the vessel at the first customs seaport where the vessel is scheduled to call after entering the Republic.
- 6 hours before the arrival of the vessel at that customs seaport, if the duration of that voyage is likely to be less than 96 hours.



Rules Impacting Shipping Lines

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Advance sea cargo arrival notices

- No later than the timeframe prescribed for the submission of an advance vessel and crew arrival notice and an advance sea travellers arrival notice.

Advance vessel, crew and sea travellers departure notices

- Temporarily suspended.

Advance sea cargo departure notices

- Temporarily suspended.



Rules Impacting Shipping Lines

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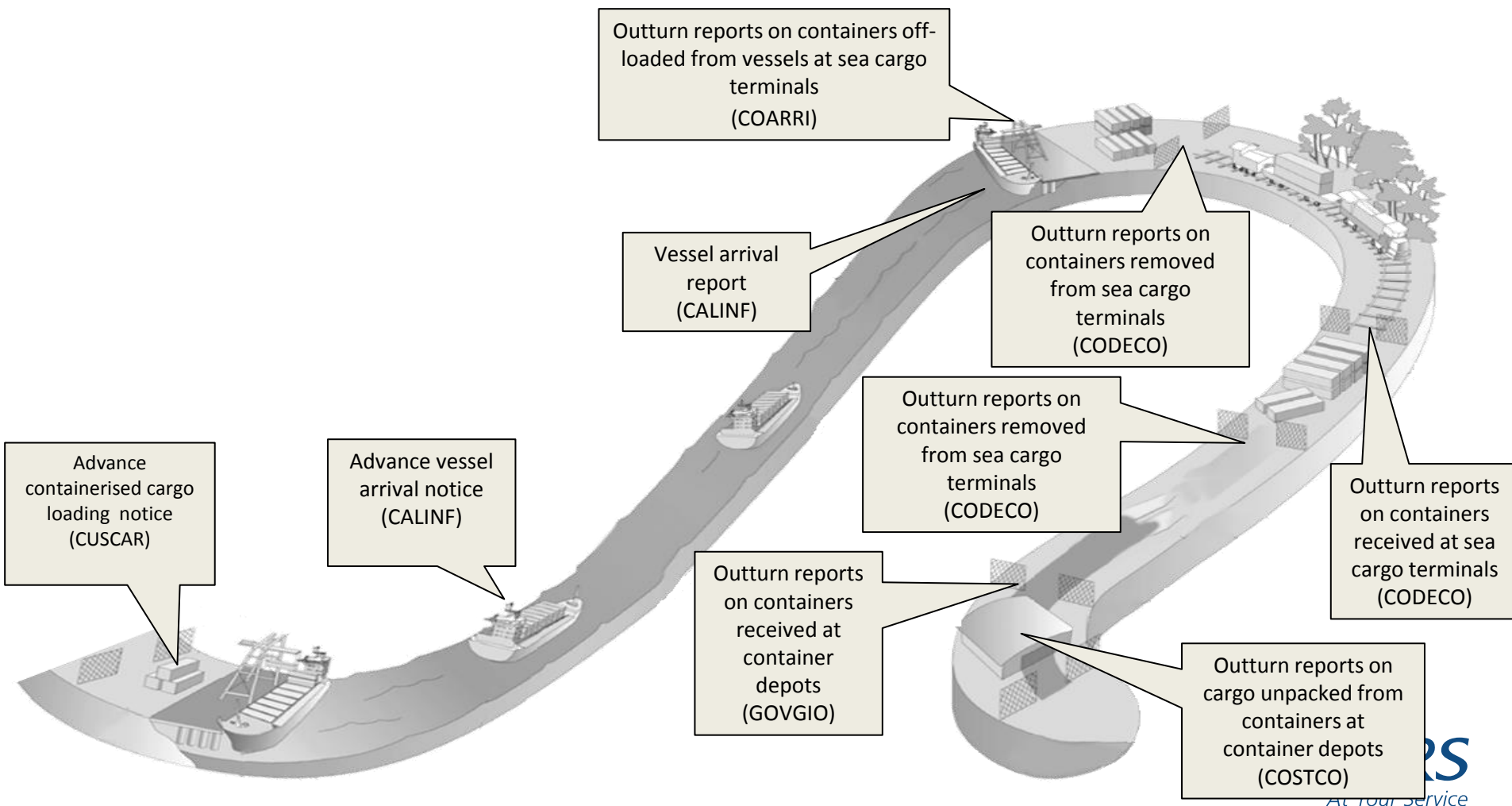
Sea cargo departure notices

- Each cargo reporter responsible for cargo loaded on board a foreign-going vessel for export must, within three working days after the departure of the vessel from a customs seaport to a destination outside the Republic, submit to the customs authority a sea cargo departure notice in respect of the cargo for which that cargo reporter is responsible.



Data collection throughout supply chain – container imports

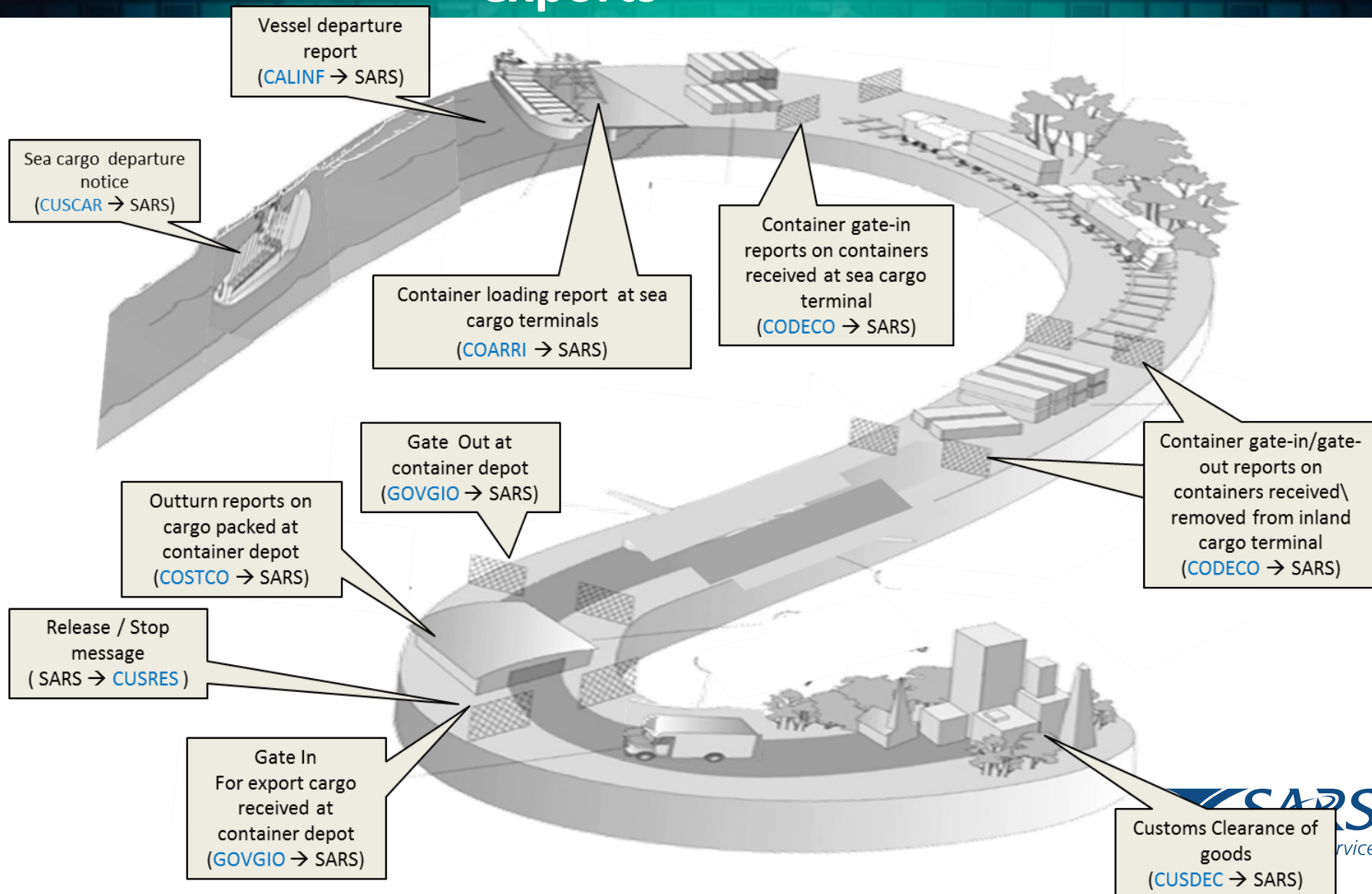
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Data collection throughout supply chain – container exports

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Message Implementation Guidelines

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The Message Implementation Guidelines (MIGs) for RCG are available via:

<http://196.36.218.62/server>

User = SARS

Pass = sarsedi

2017/09/14 20:26:01 914.142kB [CALINF 1 0.pdf](#)

2017/09/14 20:13:05 1.291mB [COARRI 1 0.pdf](#)

2017/09/17 19:01:36 1.41mB [CODECO 1 0.pdf](#)

2017/09/14 20:50:56 2.093mB [COSTCO 1 0.pdf](#)

2017/09/14 20:33:15 1.061mB [CUSCAR \[From SARS\] 1 0.pdf](#)

2017/09/18 12:28:04 5.116mB [CUSCAR 1.0.pdf](#)

2017/09/17 16:05:45 2.85mB [GOVGIO 1 0.pdf](#)



CUSCAR

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Document Types

Sub-Type	Name	Shipping Line / Agent	Airline / Agent	Road Carrier / Haulier Transporter	Rail Carrier	Broker	Terminal / Transit Shed	Depot / De-grouping	Port Authority	Airport Authority
Cuscar_alm	Advance Loading Master (container)	X								
Cuscar_alh	Advance Loading House (container)	X				X				
Cuscar_com	Container Master	X								
Cuscar_coh	Container House					X				
Cuscar_bbb	Bulk / Breakbulk	X								
Cuscar_ecl	Empty Container List	X								
Cuscar_ffm	Flight Forwarding Manifest		X							
Cuscar_fwb	Air cargo reported on a Master Air Waybill		X							
Cuscar_hab	Air cargo reported on a House Air Waybill					X				



CUSCAR

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Document Types

Sub-Type	Name	Shipping Line / Agent	Airline / Agent	Road Carrier / Haulier Transporter	Rail Carrier	Broker	Terminal / Transit Shed	Depot / De- grouping	Port Authority	Airport Authority
Cuscar_rma	Rail Manifest (Rail Consignment Note)				X					
Cuscar_rfm	Road Freight Manifest			X						
Cuscar_aqm	Acquittal Manifest	X	X							
Cuscar_ANT	Advance Notice - Terminals						X			
Cuscar_AND	Advance Notice - Depots							X		



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Sub-Type	Name	Shipping Line / Agent	Airline / Agent	Road Carrier / Haulier Transporter	Rail Carrier	Broker	Terminal / Transit Shed	Depot / De-grouping	Port Authority	Airport Authority
Coarri_98	Container Discharge						X			
Coarri_270	Container Load						X			

[illegible]



COSTCO

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Document Types

Sub-Type	Name	Shipping Line / Agent	Airline / Agent	Road Carrier / Haulier Transporter	Rail Carrier	Broker	Terminal / Transit Shed	Depot / De-grouping	Port Authority	Airport Authority
Costco_dor	Depot Cargo Outturn Report							X		
Costco_bbb	Bulk/Break Bulk/Cargo Outturn Report						X			
Costco_vor	Vessel Outturn Report							X		
Costco_aor	Air Cargo Outturn Report						X	X		
Costco_eor	Air Excess Outturn Report						X	X		
Costco_ALD	Air Terminal Load / Discharge Report						X			



GOVGIO

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Document Types

Sub-Type	Name	Shipping Line / Agent	Airline / Agent	Road Carrier / Haulier Transporter	Rail Carrier	Broker	Terminal / Transit Shed	Depot / De-grouping	Port Authority	Airport Authority
GIO_TGO	Sea Gate Out Terminal	} Alternative Message CODECO					X			
GIO_TGI	Sea Gate In Terminal						X			
GIO_DGI	Sea Gate Out Depot							X		
GIO_DGO	Sea Gate In Depot							X		
GIO_DCI	Sea Depot Consignment Gate In							X		
GIO_ATI	Air Terminal Gate In						X			
GIO_ADI	Air Depot Gate In							X		
GIO_BGI	Sea Break / Bulk Terminal In						X			
GIO_STO	Rail Terminal Container Gate Out						X			
GIO_STI	Rail Terminal Container Gate In						X			
GIO_SBI	Rail Break Bulk Gate In						X			



Transshipment Control

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Transshipment is a customs procedure that allows imported goods-

- a) to be transferred at a customs seaport or airport from the foreign-going vessel or aircraft on which those goods were imported to another foreign-going vessel or aircraft at that seaport or airport on which those goods are to be exported from the Republic; and
- b) to be exported from the Republic without complying with any export clearing formalities.





Transshipment Control

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Places where goods may be transhipped:-



Sea ports

- Cape Town;
- Durban;
- East London;
- Port Elizabeth;
- Port of Ngqura (Coega); and
- Richards Bay.



Air ports

- Cape Town International Airport;
- King Shaka International Airport;
- OR Tambo International Airport;
- and
- Port Elizabeth International Airport.



Transshipment goods must be cleared and released by means of :-

- a) Transshipment clearance declaration; or
- b) Other documents as transshipment clearance declarations :-
 - i. An advance loading notice of containerised cargo submitted in the case of containerised cargo to be cleared for transshipment;
 - ii. an advance sea cargo arrival notice submitted in the case of bulk or break bulk cargo to be cleared for transshipment; or
 - iii. an advance air cargo arrival notice submitted in the case of air cargo to be cleared for transshipment.



Transshipment Control

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An advance notice may serve as a transshipment clearance declaration if the person submitting the notice is—

- a) a licensed carrier or customs broker that has indicated in his /her licence details that such notices will be used as transshipment clearance declarations;
- b) the registered agent of a non-local carrier that has indicated in his/her registration details that such notices will be used as transshipment clearance declarations;
- c) a non-local carrier who has a registered agent authorised
- d) an accredited client

An advance notice must indicate that it will serve as a transshipment clearance declaration.

Only clearance declarations to be used for transshipment between customs seaports served by same Customs Office, e.g.:-

- ☐ Port of Ngqura (Coega)
- ☐ Port Elizabeth



Transshipment Control

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Pier 1 : Ship A



Sailing schedule

CALINF



Arrival

CALINF



Discharge

COARRI



Gate-out

CODECO

Pier 2 – Ship B



Sailing schedule



Departure



Load



Gate-in

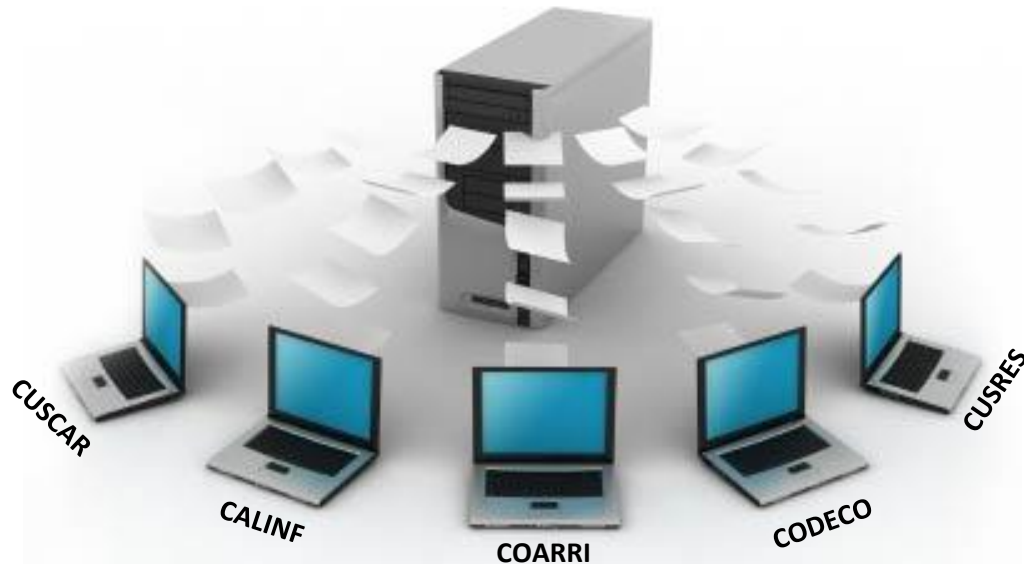


Transshipment Control

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Control Centre





Goods Accounting

N | C | A | P

NEW CUSTOMS ACTS PROGRAMME

CUSCAR

CUSDEC

COSTCO

CALINF

COARRI

CODECO

GOVGIO

Fiscal Assurance

- C3P corroborative data
- Automated case workflow

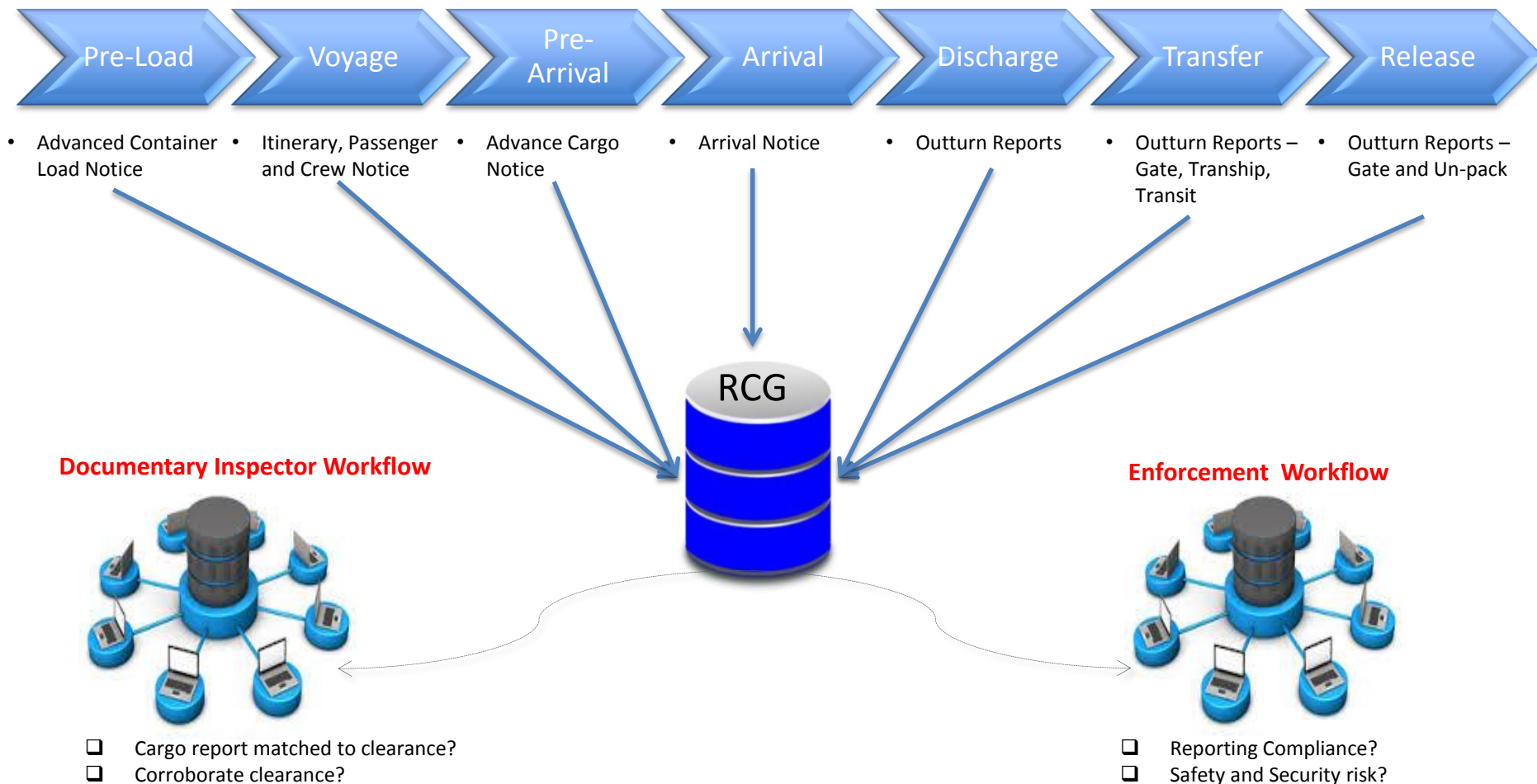
Supply Chain Security

- Supply chain reports
- Compliance enforcement
- Automated discrepancy management



RCG Use Of Supply Chain Data

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Benefits

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Automated reporting of conveyances and goods in an internationally standardised manner (UN/EDIFACT) and accordance to WCO Data Model.

Compliance with Revised Kyoto Convention on the Simplification and Harmonization of Customs procedures, WCO SAFE Framework of Standards to Secure and Facilitate Global Trade, etc.

Facilitation of legitimate trade.

Secure supply chain paves the way for the Preferred Trade / Authorised Economic Operator (AEO).



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Licensing of RCG Clients including Customs Sufficient Knowledge (CSK) and Relationship Management



CSK Conceptual Design

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External

Trader (Employer)

Register for CSK via eFiling

1

Nominate Employees

2

View results

10

Trader's Employee

Register for CSK via eFiling

3

Book/ Amend/ Cancel test date

4

Notification on test details

5

View results

10

SARS Venue



Invidulator

Authenticate Employee

6

Open session

7

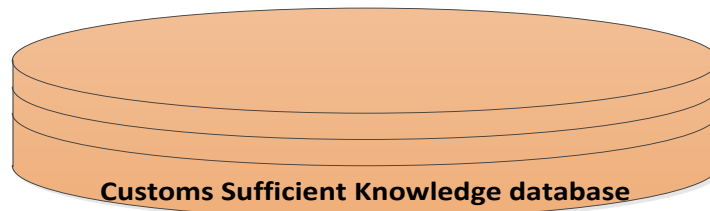
Employee Perform test

8

Close session

9

Registration,
Licencing and
Accreditation (RLA)



Customs Sufficient Knowledge database



RCG Registration and CSK Implementation Plan

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2017/2018

2018

2019

2017/2018

CSK Stress Test

- A select group of clients will be invited to write the CSK tests once systems stability has been achieved.
- The Customs Control Act No 31 of 2014 requires in Chapter 28, Chapter 29 and Chapter 30 for certain Customs clients to undertake the "Customs Sufficient Knowledge test".
- CCA requires for Traders to provide proof of customs sufficient knowledge.

CSK Assessment

- The CSK test for trade is per client type required to write the CSK test, e.g. Registered Agent: Importer (non-local) will write a test specifically focused on the chapters applicable to the client type.
- RCG clients will then be invited to write the test first, after which the test will be open for all other client types required to write the test.
- RCG clients registering as persons submitting reports on form DA8.

Registration, Licensing and Accreditation (RLA) Implementation

- RCG clients register or license (as applicable) as SARS client type.
- RLA focuses on chapters 12, 17, 28 – 30 and 41 of the Customs Control Act.
- Systems implementation and the new registration process will precede the CCA "switch-on".

RLA Go-Live



RCG Client Types

1964 Act vs CCA

CLIENT TYPE – CURRENT ACT	CLIENT TYPE – 2016 RULES	CSK Y/N
Transit shed	Air Cargo Terminal	Y
General Sea Cargo Terminal	General Sea Cargo Terminal	Y
Special Sea Cargo Terminal	Special Sea Cargo Terminal	Y
Bulk Sea Cargo Terminal	Bulk Sea Cargo Terminal	Y
Container Terminal	Container Terminal	Y
Combination Sea Cargo Terminal	Combination Sea Cargo Terminal	Y
Multi-purpose Sea Cargo Terminal	Multi-purpose Sea Cargo Terminal	Y
Rail Cargo Terminal	Rail Cargo Terminal	Y
	Transshipment air cargo depot	N
	Transshipment Sea Cargo Depot	N
Transit shed (Courier)	Courier air cargo Depot	Y
Degrouping Depot	Air cargo depot	Y
Container depot	Container depot	Y



RCG Client Types

1964 Act vs CCA

CLIENT TYPE – CURRENT ACT	CLIENT TYPE – 2016 RULES	CSK Y/N
	Air Carrier (local)	Y
	Air Carrier (non-local)	N
	Rail Carrier (local)	Y
	Rail Carrier (non-local)	N
Remover of goods in bond by road	Road Carrier (local)	Y
Remover of goods in bond by road	Road Carrier (non-local)	N
	Own Goods Carrier: Air	Y
	Own Goods Carrier: Rail	Y
	Own Goods Carrier: Road	Y
	Own Goods Carrier: Sea	Y
	Sea Carrier (local)	Y
	Sea Carrier (non-local)	N



RCG Client Types

1964 Act vs CCA

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CLIENT TYPE – CURRENT ACT	CLIENT TYPE – 2016 RULES	CSK Y/N
	Courier (AIR)	Y
	Courier (ROAD)	Y
Clearing Agent	General customs broker	Y
	Courier customs broker	Y
Registered Agent who could act on behalf of non-local Importers, Exporters and Remover of goods in bond by road	Registered agent: Carriers (non-local)	Y
Electronic user (EDI)	Electronic user (EDI - Local)	N
Electronic user (EDI)	Electronic user (EDI - Non-local)	N



RMM Conceptual Design

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❑ Functionality offering :

- Provide capability for Trade to allow the management of relationships between parties with minimal intervention by SARS (in most cases no intervention by SARS is required)
- Relationships disclosed in RMM will facilitate in automated declaration validations between parties
- RMM is housed within RLA
- Online channel (via eFiling on Customs Trader Portal (CTP)) for eFiling users
- Electronic Branch capturing (Customs Operations Portal (COP))
- Real-time processing
- Creation and cancellation of relationships by any party



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Declarations and Release



DPS Key Shifts

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CHAPTER 4 – GENERAL PRINCIPLES GOVERNING THE CLEARANCE AND RELEASE OF GOODS FOR HOME USE OR A CUSTOMS PROCEDURE

General

Clearance may be submitted before arrival of goods provided already loaded on board the ship transporting the goods to the Republic

Customs can process and validate the clearance but may not release the goods before their arrival at that place

Goods imported on a ship must be cleared within three (3) working days of arrival at the port where the goods are to be offloaded

Containerised Inland Movement

Must be cleared at least three (3) calendar days before arrival of goods at port of discharge

Customs can process and validate the clearance despite fact that goods have not yet arrived

Goods may be provisionally released before arrival at port pending release of goods at arrival.

Provisional release falls away if goods are detained on arrival



Communications

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- **Private Sector Stakeholder Management**

- The NCAP Working Group, which meets monthly, provides a central point of entry for communication with SARS in order for SARS and the Trade Associations, Public Sector Entities and Service Providers to:
 - Reach consensus on key policy and operational issues for ratification by the SARS Management;
 - Highlight problem areas and reach consensus on solutions;
 - Implement joint initiatives and appoint issue specific working groups for such initiatives if necessary;
 - Act as a communication springboard between the SARS and External Parties;
 - Continuously improve on service delivery; and
 - Ultimately ensure the implementation of the Customs Control Act and Customs Duty Act

- **Public Sector Stakeholder Management**

- Efforts in this division will be aimed at ensuring that all external stakeholders in the Public Sector are adequately informed and will assist in providing the necessary platforms for effective communications on the embedding of the New Customs Acts Implementation programme. This includes:
 - Leveraging on established networks within the inter-governmental space (standing meetings, forums, bi-laterals etc.,) to ensure broad consultation and communications;
 - Acting as a central liaison node between the NCAP project team and other government agencies;
 - Reviewing the current MOU's and LOU's to ensure alignment to NCAP
 - Utilising the official intergovernmental relations framework as contained in the Cluster system.



Communications

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Communication channels:-

- NCAP mailbox (NewCustomsActs@sars.gov.za)
- NCAP / RCG webpage:-
 - ✓ Frequently Asked Questions (FAQs)
 - ✓ Regular updates
- Letters to traders
- Leaflets, posters, etc
- Media engagements and articles



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THANK YOU