



Customs Procedures, Processes and Staffing Requirements for a One-Stop Juxtaposed Border Post

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SACU:

The Southern African Customs Union (SACU) is aimed at stimulating economic growth and development through regional economic integration. SACU provides for the imposition of a common external tariff by the five SACU countries (Botswana, Lesotho, Namibia, South Africa and Swaziland) and the free movement of goods between their territories.

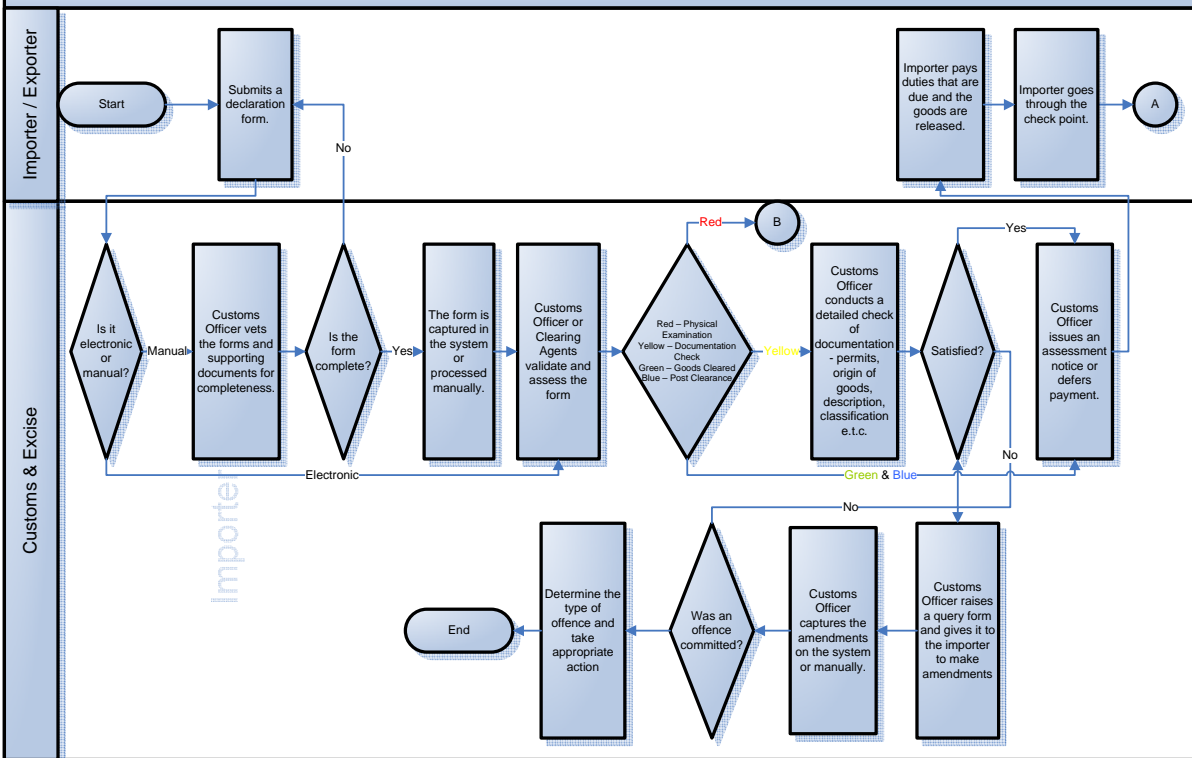
Single Customs Declaration:

The Trans Kalahari Corridor (TKC) Customs administrations of Namibia, Botswana and South Africa have simplified and harmonized their Customs transit procedures and introduced a common Customs transit declaration, the SAD 500. Together with the linked SAD 501 (continuation sheet) and the SAD 502 (transit control form) it is used as the only document for all Customs transit transactions along the TKC in the three countries. It replaced differing national Customs transit documents in each country. The SAD documentation is completed once at the office of commencement with enough copies for each transit border post until reaching the office of final destination. The transmission of the SAD document across international frontiers is however done manually, which means it has to be keyed in to Customs computers in the other country, which causes some delays. The simplified Customs procedures and harmonization of documentation have greatly reduced costs and transit time along the TKC. This is a key facilitation measure for transport corridors generally.

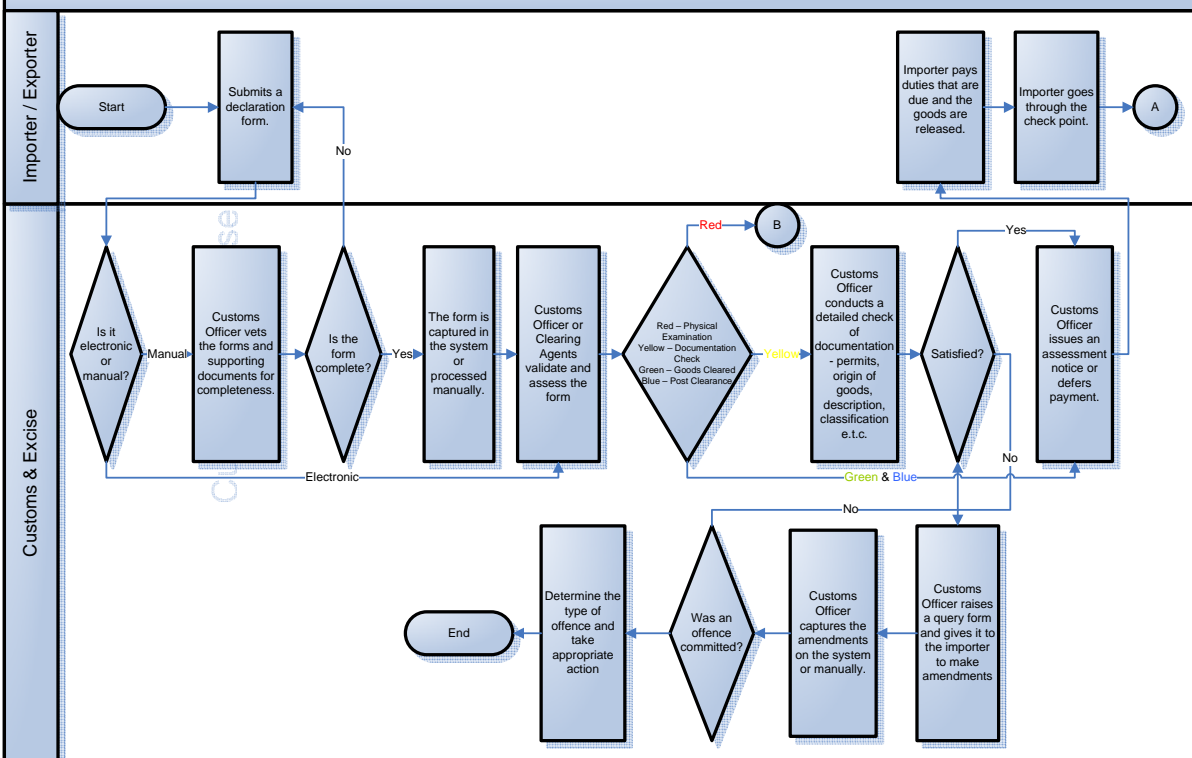
Customs Declaration Process:

Botswana and Namibia Customs Administrations are using ASYCUDA ++ and the clearance process is almost identical. The Customs procedures of Namibia have been documented in earlier studies on the proposed Katima Mulilo OSBP. The process in Botswana is shown in the following flowcharts:

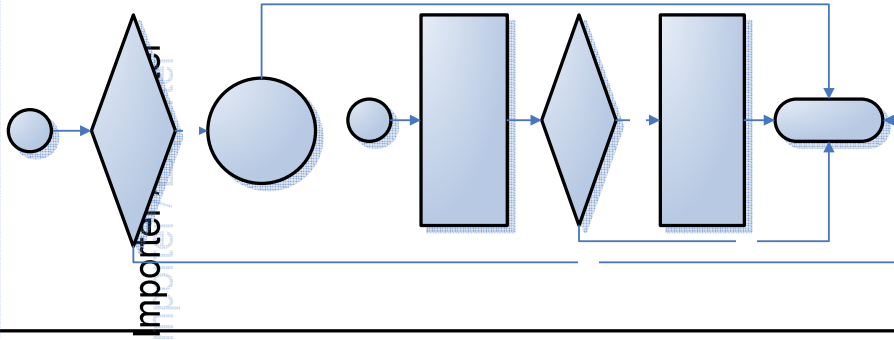
Customs Declarations



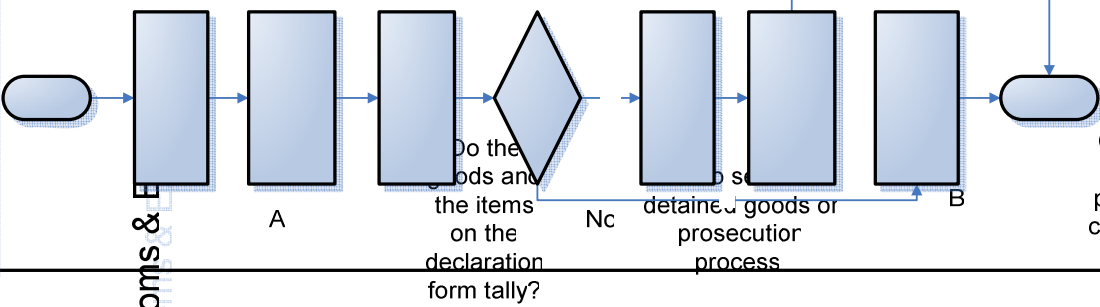
Customs Declarations



Customs Declaration (Cont')

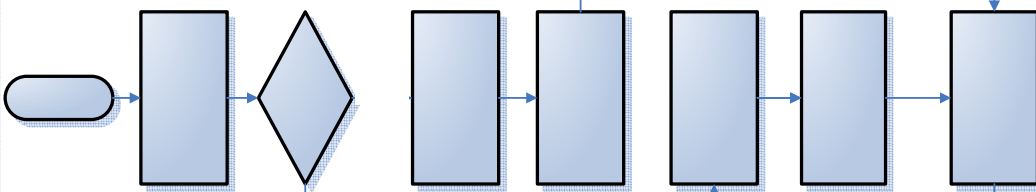


Customs Officer

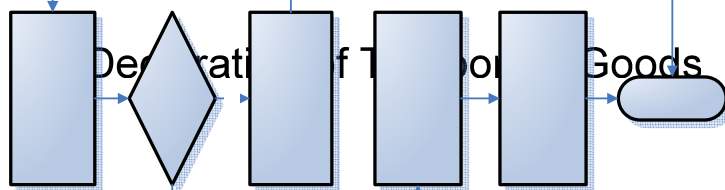


Customs Officer physically checks the goods

Entry Station



Exit Station



Customs Officer

Start

Importer submits the temporary declaration form

Customs officer conducts duty liability and calls for a deposit/surety (bank guarantee insurance) with a conditions

Temp import declaration is processed

Are the goods exported?

Definitions and procedures:

Transit Definitions

"Customs transit means the Customs procedure under which goods are transported under Customs control from one Customs office to another"

"Transit is a customs facility available to operators for goods to cross a given territory without paying the charges due in principle when the goods enter (or leave) that territory"

"Transit is a Customs control procedure to facilitate the movement of goods potentially liable to duties and taxes, from one customs point to another within a customs territory, or between two or more different customs territories, without payment of such duties and taxes. The revenue liability usually being secured through a guarantee mechanism"

Outline of Harmonized Transit Procedures

- Principal organizes bond guarantee with Customs
 - SAD 500 / 501 and SAD 502 documentation completed
 - Office of commencement registers the movement
 - Copies of SAD given to Customs offices along Corridor route
 - Office of final destination will certify goods arrival
 - Customs or Trader ensures return of acquittal copy of SAD to office of commencement
 - Guarantee can be invoked as a last resort if Goods lost, etc.
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Use of SAD 502

- A Transit control document that accompanies SAD 500
 - Recognized and accepted at all offices along the route
 - Several copies of SAD 500 and SAD 502 presented at Office of Commencement
 - SAD documentation presented at each transit Customs office along route. Each office can retain one copy of documentation if required
 - Copies 6 and 7 of SAD 502 must be stamped at all offices
 - Copy 7 to be returned to Office of commencement at end of Transit movement
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Detailed Procedures at Each Point

Country of Commencement:

Office of Commencement:

- Check documents - SAD 500/ 501/ 502/ Guarantee
- SAD Registration
- Time limit logged
- Enter seal information, etc. Box 61
- Release goods

Office of Exit:

- Seal check
- Check vehicle exterior
- Use query sheet if errors discovered
- Stamp 6th and 7th copies of SAD documents
- Stamp below Box 62 of SAD 502s and return to driver. Release goods
- Retain and file copy of SAD 500/502
- Advise next office by fax, phone, computer system

Country of Transit [if applicable]

- Check documents
- Use query sheet if errors
- Time limit checked
- Seal check and check exterior
- Enter seal information and other relevant comments under Box 69
- Stamp 6th and 7th copies of SAD 500/502
- Stamp below Box 69 [\[entry office\]](#)
- Stamp below Box 70 [\[exit office\]](#)
- Retain and file copy of SAD 500 /502
- Release goods
- Advise next office

Country of Destination [assuming goods cleared inland]:

- Check documents
- Use query sheet if errors
- Time limit checked
- Seal check and check exterior
- Enter seal information and other relevant comments under Box 85
- Stamp 6th / 7th copies of SAD 500
- Stamp below Box 85 [\[entry office\]](#)
- Retain and file copy SAD 500/502 [\[entry office\]](#)
- Release goods
- Advise next office
- [Destination Office](#) completes and stamps below Box 86
- Finalize movement. Acquittal copy returned to Office of departure

Distribution of SAD Copies [if 3 countries involved]

| | |
|----------|------------------------------------|
| Original | Office of Commencement |
| Copy 1 | Exporter |
| Copy 2 | Exit Office – Commencement country |
| Copy 3 | Entry Office – Transit country |
| Copy 4 | Exit Office – Transit country |

| | |
|--------|------------------------------------|
| Copy 5 | Entry Office – Destination country |
| Copy 6 | Destination office |
| Copy 7 | Acquittal copy |
| Copy 8 | Importer copy |
| Copy 9 | Other requirements if necessary |

Potential Incidents in Transit

- Commercial situation change - Goods going elsewhere
 - Goods lost
 - Documents lost
 - Change of office
 - Time limit exceeded
 - Change of transport
 - Weighbridge check reveals overloaded vehicle
 - Seals broken
 - Goods do not arrive at nominated office
 - Goods description differs from that on documents
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Action to Consider When Incidents in Transit Occur

- Use of a Query form, obtain letter of explanation from trader
 - Advise office of commencement/ previous office, etc.
 - Examination – Note: Transit cargo should only be physically examined in cases of suspicion
 - Enquiries / Investigation
 - Fresh documentation
 - Reseal vehicle
 - Call on Guarantee
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Proposal for the Development of Customs Interface and connectivity on Trans Kalahari Corridor:

Electronic exchange benefits

Information and documentation are key elements in the control of international cross-border trade. In today's interconnected electronic environment, information exchange between Customs authorities prior to the arrival of the goods is an essential control measure. Such a concept dovetails with the WCO recommendations under the revised Kyoto Convention. An arrangement to exchange electronic data would be a landmark step in the region and would be a very positive modernization achievement.

Electronic exchange of information would have notable benefits for both countries including:

- Speedier clearance for trade - because the information is only captured once
- Free up Customs resources currently involved in keying declarations for more important work
- Ensure that the same data, particularly goods description and value, is presented to both administrations
- Fits with the concept of future "one stop" borders

General operation scheme

The Asycuda ++ system is used by both Namibia and Botswana and both countries already also make use of the Asycuda transit module – MODTRS. It is currently working effectively.

If and when Namibia and Botswana will adopt a system of electronic data exchange for TKC traffic it could essentially apply the following pattern of operation:

When a declaration is captured in one country's system for transit purposes, officers across the border in the "import" country can download a copy of the declaration containing the data from the "export" country's Asycuda ++ system and finalize processing.

Procedures: in practice the detailed processing of transit declaration could be as follows:

- Each country would set up special password profiles in Asycuda to allow "view only" access to each other's system
- When a declaration is captured in the "export" country's system it will be important that the relevant declaration and office reference details are entered on the SAD 500 / SAD 502 Transit declaration hard copy. The trader has to subsequently furnish this document to Customs at the "import" country
- Customs at the import country will access its neighbor's system and download a copy of the relevant declaration
- It will then be necessary to amend the model of declaration, make any other relevant changes to comply with the import country's requirements
- The declaration can then be checked, assessed and finalized in the import country

Current situation

There is no connectivity between Botswana and Namibian ASYCUDA ++, but a TKC Task Team has been formed and is working on modalities of systems interface.

Institutional framework

It is proposed that a Memorandum of Understanding [MOU] will be required to formalize this agreement between Namibia and Botswana. Any agreement should cover the following areas:

- Communication methods and costs involved
- Other Technical Issues
- Version exchange

- Use of Data
- Security
- Non-disclosure of Data
- Procedures Outline
- Fallback situation
- Error handling and reporting
- Liaison points, contact details
- Involvement of other identified stakeholders

System security

The password security arrangements proposed would ensure that officers could only download a copy of one specific declaration at a time rather than access a list of all declarations for the neighboring country. Although most data is available from trade statistics, this would reduce the risk of sensitive information [imports by defense forces, diamond exports, etc.] being readily available. Only declarations for the corresponding transit from the neighboring country should be accessed. It will be a role of managers at border sites to carry out spot checks to reduce the risk of misuse. The Asycuda ++ audit log facility can be used to check on which declarations have been accessed by relevant officers. The data downloaded from the neighboring country can be utilized for comparison purposes in situations where 100% DTI is already operating effectively.

Technical resources

The Asycuda teams in both countries will mainly supply the resources required for this proposal to become a reality. Technical, Customs and Training resources will be involved. There will be a need for exchange visits between the teams to finalize technical arrangements and procedures. This will have to be budgeted by the two administrations. The need for technical and functional expertise will also require UNCTAD involvement in the process.