

CHAPTER 2

IMPORTATION OF GOODS

1. Introduction

Goods which are intended to be imported for use or consumption within the Customs territory must be declared for home use. They may be declared for home use either directly on importation or after another Customs procedure such as warehousing, temporary admission or Customs transit. This chapter covers Section 9 of the Customs and Excise Act No. 20 of 1998.

2. Entry requirements

2.1 Prescribed forms:

The main obligations to be fulfilled by the declarant to obtain the clearance of goods for home use are the lodgment of a Goods declaration with supporting documents (invoice, bill of lading, Airway Bill, import license, certificates of origin, etc.) and the payment of any import duties and taxes applicable.

All goods imported into the Republic of Namibia must be reported to Namibia Customs and Excise through use of a goods declaration lodged at the Customs and Excise office at which they arrive. An SAD 500/501 declaration form must be lodged for all imported goods, which are for sale or for any industrial, occupational, commercial, institutional or other like use. Goods imported as passenger's baggage, non-commercial, postal parcels, and certain other personal importations are declared by other means. Details can be obtained from local Customs and Excise offices. The lodging of goods declaration represents a legally binding statement.

2.2 Completion of the SAD Form

The SAD500/501 may be completed either in type or manuscript. If prepared in manuscript, it must be legible, using block capitals in indelible blue or black ink. There must be no erasures, overwriting or alternations. Under no circumstances may correction fluid be used. In the event that an error is made in the preparation of the SAD500/501, the error shall be corrected by way of an official voucher of correction (SAD503) or Customs may require a new Goods Declaration to be completed. The SAD500/501 must be signed before lodgment at a Customs office.

2.3 SAD Accompany/Supporting Documents

Importers, Agents or Declarants will generally be required to submit one complete Customs declaration form accompanying commercial documents. The documents must be represented in triplicate, unless specific instructions require otherwise. One copy will be original, extra copy for Customs and final

copy will return to the declarant. The complete declaration package will consist of the documents listed below assembled in the following order (if applicable):

- a. Goods Declaration Form and its continuation sheets
- b. Commercial Invoices
- c. Commercial transport documents such as an Air waybill, Rail Advice Note or Bill of Lading
- d. Freight and Insurance statements
- e. Worksheet when necessary
- f. Documents supporting and application for relief
- g. Documents supporting a claim to a preferential rate of duty and /or tax
- h. License(s), import permit etc.
- i. Packing list(s)
- j. Manifest when necessary

3. Entry of goods and time of entry

In terms of Section 40 of the Act, an importer of goods must make due entry and declare the truth of such entry within seven (7) days of the date of importation or within such further time as the Commissioner may allow. The seven (7) days is calculated from the time when goods deemed to be imported as stipulated in terms of Section 9 of the Act.

The proviso in terms of Section 40;” or within such further period of time as the Commissioner may in writing allow state that the Commissioner allows any loose or break-bulk cargo, imported by sea, air or rail a period of 14 days. Containerized cargo Full Cargo Loads (FCL) or Less Cargo Loads (LCL) is allowed 28 days from the time of importation as defined in Section 9 of the Act.

The above-mentioned time periods pertain only to imported goods which are under the control of Customs. It stands to reason therefore that any persons entering a land border post, or entering the Republic with the goods and who wishes to leave the Customs Controlled Area, or any person wishing to remove any imported goods from a Customs Controlled Area must, prior to such removal make due entry. Any person/s outside any Customs Controlled Area in possession of imported goods which have not been duly entered, will be considered to have contravened the Customs and Excise Act and the goods will be deemed smuggled, or “illicit goods”

If the goods are not declared within the stipulated time periods as per above, the goods must be forwarded to State warehouse for securing of revenue and other lawful requirements.

4. Exemptions from entry requirements:

- 4.1** The following need not be entered on SAD 500, subject to written permission of the Controller (Section 40(2)):

- a. Containers temporarily imported,
- b. Human remains,
- c. Goods of no commercial value,
- d. Goods imported under carnet,
- e. Goods valued for duty purposes at less than N\$500 and on which no duty is payable in terms of Schedule 1.

4.2 Also, entry, surety and written declaration of any kind are waived in the case of:

- a. Containers – rebate items 480.05,
- b. Container handling equipment – rebate item 490.03,
- c. Pallets – rebate item 490.35, and
- d. Commercial road vehicles – rebate item 490.60.

5. Legibility

All entries must be completed in a clearly legible manner. Controllers may refuse to accept any entry they consider eligible or improperly completed.

6. Pre-filed entries permitted

Goods, which have been loaded on a ship or delivered to the carrier that conveys them to Namibia, may be entered prior to its arrival in Namibia. Goods must have been loaded at the time of entry.

7. Invoice Required:

By law (Section 44 of the Customs and Excise Act), persons importing goods into or exporting goods from Namibia are required to present with their goods declaration, a true, correct and sufficient commercial invoice from the supplier of the goods.

7.1 Invoice Content and Particulars: A commercial invoice must contain:

- a. the business name and address of the seller and of the purchaser,
- b. in addition to any proprietary or trade name of the goods, a full description of the nature and characteristics of such goods together with such

particulars thereof as are required to assess the duty due and to compile trade statistics,

- c. all particulars necessary to make a valid entry, including commissions, discounts, cost, charges, expenses, royalties, freight, duties, taxes, drawbacks, refunds, rebates, remissions, any refund made or becoming due by or to the exporter, any credit or debit note passed by the exporter (directly or indirectly, in money or in kind or in any other manner) and any other information which affects the transaction value. All particulars must relate to the goods in the condition in which they are imported into Namibia. Any refund, credit or debit note passed after the date of issue, or any other change requires that the importer provide an amended invoice to the Controller within one month or receipt thereof.

7.2 Invoice translation required: If an invoice or worksheet is not in English, then a translation must be provided by the importer.

7.3 Currency conversion worksheet: A worksheet shall be attached to commercial invoices converting foreign currencies to Namibia dollars.

7.4 Copy of original invoice acceptable: In lieu of the original invoice, a copy or facsimile of the original invoice is acceptable if it contains a signed declaration by the importer or declarant stating that it is a true and correct copy.

7.5 Non-commercial importations: Non-commercial importations, such as importations in passenger baggage, do not require a commercial invoice. In these situations, a retail invoice is sufficient.

8. Values

Any person entering goods must furnish in addition to the transaction value, the actual price charged by the exporter plus all costs and charges incidental to the sale and to placing the goods on board of ship or on any vehicle for exportation and any agent's commission and the CIF price.

8.1 VALUATION OF USED MOTOR VEHICLES FROM SACU AND NON-SACU

Section 75 read together with Sections 76,77 and 78 of the Customs& Excise Act 20 of 1998 provides for the determination of values for imported goods for customs duties purposes.

a. Values of motor vehicles used prior to importation

- i. When the value declared by an importer is considered to be unacceptable and it becomes necessary to determine a value for duty purposes, assessment should not be made simply on a mileage basis but in most cases a fair and reasonable value will be arrived by allowing

the following percentage deductions from the price paid by the owner of the vehicle.

ii. Percentage deductions which may be allowed off the price paid by the owner:

• One month to six months old	12%
• Over six months to one year old	25%
• Over one year to two years old	35%
• Over two years to three years old	50%
• Over three years to four years old	60%

iii. In instances where an importer purchased a used car, say a year old and used it for a period of two years prior to importation, the value should be calculated on the basis of price paid less 35% i.e. the difference between the allowances for one year and three years.

iv. It must be understood that the above allowances are off the new price of the vehicle and applies to cars in good roadworthy condition with mileage and appearance normal for age. Where a vehicle is in obviously subnormal condition or has an excessively high mileage for its age, the allowance may be suitably adjusted in the discretion of the Controller.

v. In the case of an importer who, for one reason or another, cannot produce evidence as to the price paid, the South Africa publication "Auto Dealers' Digest" current at date of importation, must be consulted in the Trading Value "T" column used as a basis for valuation. Here, too, where a vehicle is in obviously subnormal condition, the "T" price must be suitably adjusted in the discretion of the Controller.

vi. A diplomatic or other discount allowed to a privileged person, e.g. a person enjoying diplomatic status, a dealer or person in the trade, must be disallowed.

vii. Invoices produced for cars purchased overseas by private individuals must be scrutinized with care. If it appears that the invoice is an accommodation document the seller's receipt should be called for and if

it is found that an attempt was made to use the invoice to gain admission of the vehicle at a lesser amount of duty than is in fact due, the vehicle should be detained and the facts reported to Head Office.

b. Motor vehicles purchased in Namibia, delivered overseas and re-imported into Namibia

Motor vehicles purchased in Namibia, delivered overseas to the purchasers and subsequently brought into Namibia by them, should be dealt with as follows:-

- i. If the vehicle was purchased at Namibian prices and all charges incurred in the shipment and importation thereof, such as freight, insurance, landing charges and they are for a Namibian Dealer's account, then the vehicle is to be registered as being imported by the dealer and no allowance for period of use is to be made.
- ii. If the vehicle is purchased in Namibia but all charges, after delivery has taken place overseas, are for the purchaser's account, then the purchaser is to be regarded as the importer and the allowances prescribed above may be applied.

c. Value for duty purposes of motor vehicles imported under cover of triptiques and carnets.

- i. Triptiques and carnet values may be accepted if these are not obviously understated. In the event of duty brought to account at a later stage on cars which entered Namibia on triptiques or carnets, the value for duty purposes shall be the value accepted at the time of entry into Namibia, i.e. that appearing on the triptyque or carnet. In such cases no allowance must be made for the period in use in Namibia (it is added that the reason for the general acceptance of values on triptiques and carnets is that motoring associations, in their own interests, are generally careful to accept only fair values i.r.o. the vehicles for which the triptiques or carnets are issued.)ii. When a motoring association issues a triptyque or carnet, that association is ultimately responsible to the Directorate for any duty which may become due. As the association's valuation was accepted it will be clear that such value cannot at a later stage be increased or decreased without the full knowledge of the association. It follows therefore, that should an importer wish to bring duty to account on a vehicle but contends that the value on the triptyque or carnet is too high, he should be advised to take up the matter with the association which issued the document. If his subsequent presentations, supported by an explanation from the association as to the high value originally

placed on the car is found acceptable by the Controller, the latter may accept a value which he considers to be fair and reasonable.

- ii. Permission to bring duty to account on a lesser value may only be given by the Director.

d. Value for duty purposes of motor vehicles imported under cover of forms CE 307

- i. The value for duty purposes for motor vehicles entering Namibia under cover of forms CE 307 is the value declared on the forms and accepted by the Directorate and no allowance is to be made for period of use in Namibia.
- ii. If the importer is not prepared to bring duty to account on the value declared he should furnish an explanation as to why he contends that the value declared should not be regarded as fair and reasonable. If he can satisfy the Director on this point, then the latter may accept a value which he considers to be fair.
- iii. Permission to bring duty to account on a lesser value may only be given the Director.
- iv. The form CE307 is only applicable to motor vehicle temporarily imported from outside SACU.

e. Value of motor vehicle imported immediately after purchasing

- i. In these circumstances, given that importation immediately followed the sale, the price actually paid or payable in connection with that sale should serve as the basis for establishing transaction value under article 1 if all other requirements and conditions of article 1 are fulfilled as per Section 76 (1,2 &3) and adjusted under Section 77 of the Customs & Excise Act 20 of 1998 .
- ii. If the provisions of the Transaction value method 1 cannot be applied, the Customs value must be determined by means of one of the other methods specified by the WTO Valuation Agreement, in the prescribed order of application as follows;
 - Transaction value of identical goods (Method 2)
 - Transaction value of similar goods (Method 3)
 - Deduction Method (Method 4)

- Computed Method (Method 5)

iii. Fallback Method (Method 6)

Note: In the case of an importer from SACU who, for one reason or another, cannot produce evidence as to the price paid, the South African publication Auto Dealers' Digest current at date of importation, must be consulted in the T" column used as a basis for valuation. Here too where a vehicle is in obviously subnormal condition, the T" price must be suitably adjusted in the discretion of the Controller.

9. Currency Conversion

When the value of goods or the price paid is expressed in foreign currency, it shall, for the purposes of calculating the customs value thereof, be converted to Namibia dollars at the rate published by Customs and Excise for the date of shipment of the goods. For the purposes of currency conversion, the date of shipment of non-containerized goods shall be the date of the bill of lading, air waybill, or consignment note. The date of shipment for containerized goods shall be the date on which the container is taken on board ship as endorsed on the bill of lading, or arrival notification or, if imported otherwise than by sea, the date of the air waybill or consignment note.

10. Missing documents

Where the admissibility of goods is subject to the production of a specific permit or certificate issued by another Ministry or authority, such permits must be produced at the time of entry. In terms of section 41(1) (d), the Commissioner may, subject to the conditions as he or she may determine, allow the person to, in lieu of any document required to be produced, to produce a document purporting to be a copy of such document and obtain by means telex or any other process, and which copy of the document shall, subject to compliance.

If proof of the availability of the permit or certificate (a telex from the particular authority) is presented at time of entry, the goods may be entered under an applicable rebate item without provisional payment and the importer advised that he has 14 days to produce it. Should the importer/agent fail to do so within 14 days, full duty will be demanded. If a document, or proof of availability of a document, which would result in application of a rebate and entry of goods at a lower rate of duty or free of duty cannot be produced at time of entry, the goods shall be entered at the normal rate.

11. Validity of Entries

11.1 No entry shall be valid unless:-

- a. the description and particulars of the goods corresponds to those on any accompanying certificate, permit or other document,
- b. the goods have been properly described (amount, tariff heading, item numbers, and circumstances according to which they are charged duty),
- c. the true value and true origin of the goods has been declared,
- d. a correct and sufficient invoice is produced, and
- e. any duties and import taxes due have been correctly paid except exports and duty free entries.

(Note: Importers must further produce transport document, invoices, electronic manifest, shipper's statement of expenses, copy of the confirmation of sale, and written clearing instructions.)

12. Incorrect entry

12.1 Requirement: Any person who has entered any goods, any subsequent owner, any licensee of customs warehouse, any person acquiring such goods or any other person dealing with or in or consuming such goods is required to advise the Controller if he becomes aware the goods were incorrectly entered and to produce any documents and other evidence in his possession.

12.2 Penalty: If the person detects the mistake on his own, then a corrected entry may be filed without penalty. However, if such incorrect entry is discovered by an officer, the matter should be reviewed by the Controller to determine whether a penalty is warranted.

13. Substitution of entries

When an importer, exporter or manufacturer discovers that an entry, which he has filed, is incorrect, he may substitute a corrected entry. Substitution does not indemnify the filer of the entry against any fine or penalty.

13.1 Substitution of corrected entry: Controllers are authorized to approve the substitution of entries where the original entry does not fully comply with requirements or the original entry is duty paid and should have been a warehouse or rebate entry. In the previous case, the Controller may determine whether the failure to comply with requirements can be remedied by the amendment of the entry using an SAD 503 or whether the entry must be cancelled and replaced with a new SAD 500. Generally, this will depend on the extent of the failure to meet requirements. In the second case (incorrect filing of a duty paid entry instead of a warehouse or rebate entry), cancellation and substitution are required.

13.2 Substitution of warehouse or rebate entry for duty paid entry: Substitution of warehouse/rebate entries for duty paid home consumption entries may be authorized only where the entry was passed in error.

13.3 Substitution requirements: Where an entry, which has been accepted as being in order, is allowed to be replaced by a substitute entry the substitute entry must note the fact that it is being substituted for a previously accepted entry and must make reference to that entry.

Time limitation: No application for such substitution referred to above, shall be considered by the Commissioner unless such application is received by the Controller, supported by the necessary documents and other proof to prove that such substitution is justified, within a period of six months –(Consult legal Section)

- (i) From the date of the entry for home consumption of the goods to which the application relates as provided in section (49(2);) or
- (ii) In the case of any amendment of a determination referred to in subparagraph (aa) of paragraph (b)(ii), or of a new determination referred to in subparagraph (bb) of that paragraph, from the date on which such amendment is effected or such new determination is made, or if such amendment or new determination is published by notice in the Gazette, the date on which such amendment or new determination is so published; or
- (iii) In the case of an amendment referred to in subparagraph (cc) of paragraph (b) (ii), from the date on which such amendment is published by notice in the Gazette.

13.4 Substitution of rebate entries for duty paid entries

- a. **Rebate withdrawn:** Should a rebate provision be withdrawn after the date of the original duty paid entry, substitution may be approved if the applicant could comply with the conditions of the relevant rebate item at the time of original clearance. The withdrawal of a rebate provision does not affect the applicant's establishes right to substitute a rebate entry for a duty paid entry.
- b. **Rebate approved after entry:** Substitution of rebate entries for duty paid entries may not be allowed where the registration under rebate is approved after the original duty paid entry has been passed unless the rebate has been authorized retroactively.
- c. **Retroactive rebate approved:** Where substitution is requested because a rebate has been authorized retroactively (as provided for in Sections 84(12) and 84(18 a) of the Act) such requests should be referred to the Head Office.

14. Subsequent duty paid entry of goods originally temporarily imported

Imported goods which have been allowed into the Republic under cover of triptyque, carnet, or temporary import permit and which later become dutiable should be entered in the usual manner on form SAD 500 and the number of the original document or carnet must be reflected on the entry.

15. Date of assessment of duties and taxes

Wherever goods have been entered without payment of duties due (as in the case of temporary importations, goods entered into warehouse, or goods entered under rebate of duties and import taxes), if such goods are subsequently entered for home consumption or if duty is brought to account, the duty and import taxes are payable at the rate of duty applicable at the time the goods were first entered.

Examples:

- In instances where goods cleared under rebate cannot be accounted for or have been used or disposed of otherwise than in accordance with the rebate conditions, the underpayment is to be collected according to the rate of duty which would have been applicable on the date of the rebate entry.
- Where substituting entries are required for any reason, the duty applicable at the assessment date of the original entry must be paid in all instances.
- When a duty remission incentive (DRI) trader pays duty on rebate materials in order that he may dispose thereof for other purposes, the rates of duty applicable on the date of the original entry must be applied.
- The duty payable on goods retained in a rebate store or in warehouse beyond than the authorized period must be calculated at the rates of duty applicable on the date of the original entry.

16. Cancellation of entries without replacement

When an entry has been filed in advance of the arrival of the goods and is found to be based on incorrect information from the carrier, shipper or due to unforeseen circumstances, the Controller may permit that entry to be cancelled.

17. Credit Facility Account & Consolidated Monthly Import Entry Procedure (Period Import Entry)

17.1 Credit Facility Account

a. Introduction

A credit facility account is introduced on the ASYCUDA system to allow the deferment payments of duties and taxes in terms of Section 41(2) of the Customs and Excise Act no.20 of 1998.

These accounts are opened for compliant individual Companies / traders to ensure smooth flow of goods and services across the borders of Namibia. Is a trade facilitation tool to permit goods meant for home consumption and is mainly used for IM4 declarations.

The facility caters for the deferment of duties and taxes for one (1) month only for all Companies due to the Value Added Tax (VAT) implications and that such importation for a specific month have to be settled before the 20th of the next month and three Months (3) for the Petroleum Companies as there is no VAT implications.

When this payment is validated it will replenish the account; the next consecutive receipt number will be allocated; it will be automatically posted back to the declaration and the transaction will be recorded against it in the day book of transactions. A receipt will be prepared and may be printed signed and issued to the payer.

Credit facility does not cater for the deferment of VAT, non-registered companies/traders or one time importers, nor does it cater for the TIN number ending with015.

b. Criteria for approving Credit facility account

- I. The companies/ traders must apply in writing to the Commissioner for such facility approval and include certified copy of identity/passport documents of the owners of the company, close corporation and employees.
- II. Furnish the founding statement of the company.
- III. Must submit evidence of proficiency in Customs and Excise related matters.
- IV. Must demonstrate sound financial statement from the financial institution.
- V. Must complete customs standard guarantee/ standard form and sign the indemnity clause.
- VI. Guarantees/bonds only be accepted and obtained from the commercial banks.
- VII. The maximum credit limit applied for must be equal to the amount of the bond and **NO** doubling of the guarantee amount will be allocated to each credit account.

c. Responsible office during the application

Revenue Control at HQ will be responsible for the following duties and task:

1. Create accounts and ensure that applicants are reputable and compliant,

2. Open records for each application,
3. Safeguard the bonds/guarantees for all applicants including the existing applicants,
4. Generate statements on the 1st of every month or 3th month for the oil companies for control purposes and trader equally to generate the statement to effect payments within 14 days from the issued date,
5. Review the account on annual basis and notify the traders in advance(month before),
6. Monitor these accounts and suspend the facilities in case of non-conformance,
7. Follow the necessary legal procedure on how to recover guarantees and bonds on non-conformance.
8. Should draft reports on the status of the applicant application during and after the reviews and advice the Commissioner.
9. Should handle and finalise all the applications.

d. Procedures to be followed after approval

I. Revenue Control

Section Revenue Control must create the credit facility account and ensure that the amount of credit available in the account should equal the amount of guarantee. A credit account code will be generated on Asycuda system as well as a secret code. This account code must be entered on the SAD 500 box 48 and at assessment the account will be debited with the monies due for the declaration. Together with the code a secret code must be generated that will be forwarded to the applicant. The account code will be linked to the VAT import number of the company ending with016, must clearly explain the purpose, procedures and requirements to the companies/ traders before granting such facility. If the payment is not received within the time limit then the account will be automatically frozen and no further transactions can be made. Customs then must recover the outstanding balance from the guarantee. The following step-by-step guidelines/procedure with regard to the creation, statements & payments should be followed for both ASYCUDA systems:

a) ASYCUDA ++ system

i. How to create the CREDIT FACILITY

Open the MODACC, then click

Function → Payment Account Management → Selection of Payment

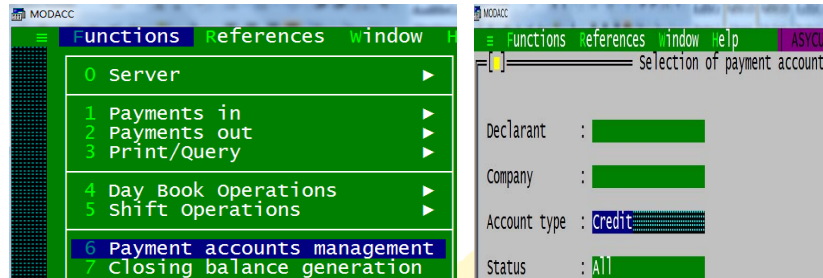
Account Type: Credit → Click Ok

Selection of the Payment Accounts

- Fill in the appropriate block and click OK as indicated in the table below.
- The Declarant Account or Company TIN number must be Valid and active in the ASYCUDA system

At the Payment Accounts

Click on “NEW”



ii. Payment Account (How to complete the Credit Account form)

Completed Example of Credit Account:

Account: NCE_CREDIT (Maximum character is 10)

Date Created: Date from: --14/05/2014----- Date To:
----- (Leave Blank)

Type: 1 (Credit) 2 (Prepayment)

Status: Suspended (Must activate after creation)

Maximum Authorised Overdraft: N\$ 1 500 000.00 (Insert the Guarantee amount approved by Directorate Customs & Excise)

Delay of Payment (Days):

Declaration The maximum days/ period allowed to deferred one or three months

Statement The maximum days / period to make payment, maximum one month

Linkage: Link the Credit Account either to the Declarant or Company TIN Number

Information:

Completed Example of Credit Account link to the Company TIN number

MODACC

Functions References Window Help

Payment account

Account # : NCE_CREDIT Valid from: 14/05/2014 to [redacted]

Type : Credit Status : Suspended

Maximum authorized overdraft : 150000.00 Delay of payment (Days) 31

Declarant: MINISTRY OF FINANCE
Company : 2693098016 PRIVATE BAG 13
Windhoek

Bank account nber : [redacted]
Bank code : [redacted]
Branch code : [redacted]

OK Cancel Help

Completed Example of Credit Account, continue.

MODACC

Functions References Window Help

Payment account Statement 31

Declarant: MINISTRY OF FINANCE
Company : 2693098016 PRIVATE BAG 13
Windhoek

Bank account nber : [redacted]
Bank code : [redacted]
Branch code : [redacted]

Information

Credit Facility Account NCE_CREDIT for Ministry of Finance's Namibia Customs & Excise Testing purposes ONLY.

OK Cancel Help

iii. Activation of Credit Account

All the Credit Account are Suspended at the time of creation, this must be activated after been successfully created as per the underneath table:

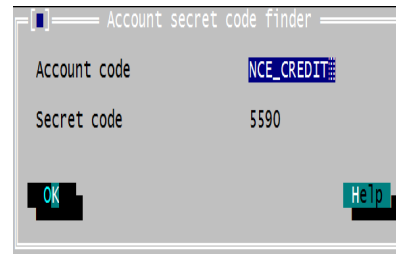
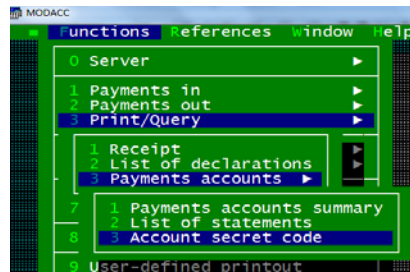
- Function
- Payment Account Management
- Selection of Payment
- Account Type: Credit, then click "OK"

At the Payment Accounts

- Click on Select the preferred Credit Account "NCE_CREDIT"
- Click on "Activate"

iv. Create the Credit Account PIN Code

- Function
- Print/Query
- Payment accounts
- Account Secret code
- At the Account Secret code finder;
 - Insert the Credit Account code "NCE_CREDIT"
 - Click "OK"
- The Secrete code "5590" will automatic generated.



v. How to generate the Credit Facility Statement

Statement of Credit Account should be paid at the same office where it has been generated, preferable at Windhoek Regional Excise office (WREX)

- MODACC, Function
- Function
- Decl. Statement (Credit)
- Generate statement
- Office ➡ Account code ➡ End date ➡ Click "OK"

vi. How to Pay the Credit Account

i) MODACC (CREDIT Account) Payment in

- MODACC, Function
- Function
- Payment in
- Crediting payment account (5)
- At Account Press F8 and/or Type in the Credit account e.g. BP_CREDIT
- Indicate the means of payment
 - a) Cash or
 - b) Cheque or
 - c) Electronic transfer or
 - d) Already paid or
 - e) Paid at other Customs office, etc.
- Check and validate

ii) Electronic Fund Transfer Payment (EFT)

The Credit Facility Account can be paid through the Electronic Fund Transfer (EFT) straight into Customs & Excise Account, Acc no. 165001, Bank of Namibia, Windhoek, Namibia.

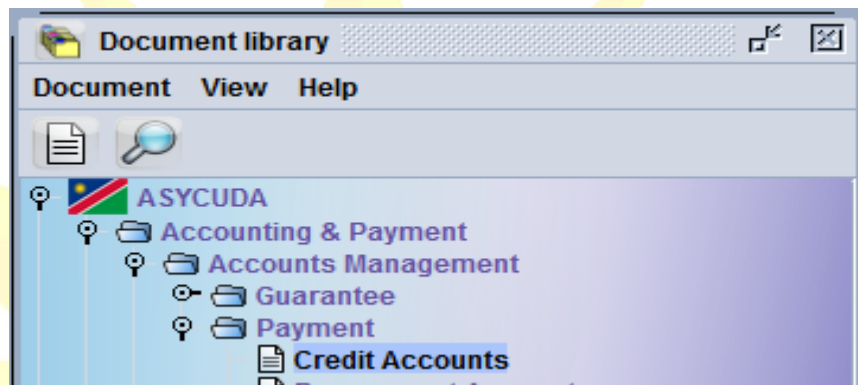
This transaction have to be confirmed by the Revenue Control at the HQ that the Bank of Namibia acknowledge prove of fund.

The EFT payment have to be forwarded to WREX office or the respective Customs & Excise office to finalise the SAD 500 entries.

b. ASYCUDAWorld

i. How to create the Credit Payment

The purpose has been defined in point one on page one.



A template of empty Credit Account

A decision is required either to link to the Declarant Accounts or Company TIN Number (.016)

1. In case where the Credit Account is link to the Company TIN Number, the VAT due will be deferred to the Company VAT Import Account ending with TiN ...016.
2. In case In case where the Credit Account is link to the Declarant Account, the declarant have a choice to either make use of TIN ...015 or TIN .016
 - a. TIN ending with ...015, the VAT due will be deferred to the Company Credit Account and payable the time of settling the Credit Account.
 - b. TIN ending with ...016, the VAT due will be deferred to the Company VAT Import Account ending with TiN ...016.

Credit Accounts - New [n/a]

File Edit View Help

Credit Account Management

Account Reference Type Credit

Declarant Company

Name and Address

Valid From To

Status Maximum Authorised Overdraft

Delay of Payment (Days)

Declaration Statement

Bank Information

Bank Account Number Bank Code Branch Code

Additional Information

Messages

Error: Account code, input required

Error: Delay of Payment for Declaration (Days), input required

Error: Delay of Payment for Statement (Days), input required

Error: Amount, input required

ii. How to generate a Credit Account Statement in ASYCUDAWorld system

- Click on Operations Management
- Click on Payments
- Right Click on Credit Statement and select New
- Insert the Account Reference Number
- Select the Office Code
- In the date interval, insert the date TO. The date TO must be yesterday's date.
- Click on Verification, this will give you the amount collected, meaning what has to be paid.
- Click on Validation

Document library

Document View Help

ASYCUDA

Accounting & Payment

Accounts Management

Operations Management

Daybook

Payments

Cash Declaration

Closing Balance

Credit Declaration

Credit Statement

New

Find

Find outstanding unpaid

Expand All

Collapse All

Close

Repos

AW, Rep

Cargo M

Goods Cl

Integrate

Referenc

Selectiv

System Configuration

System Supervision

Transit

Transit Shed

International Norms

Credit Statement

Account Reference Account Holder

Name and Address

Customs Office

Reference Number

Amount Collected: 0.00

Date Interval

From To

Statement dates

Issued On Payment Due On

Declarations

Office	Declarant Ref.	Assessment Reference	Model	Amount
General				

iii. Credit Statement payment

After the declaration has been assessed, payment of the duties and taxes is due. (Provided that selectivity have been resolve prior to payment). Note that for this purpose the Credit Account Statement will be required. The accounting module needs only the Credit Account Statement reference/ registration number, (e.g. 2014 1) which the broker should hold in his files. The system will automatically inform the cashier as to the amount of duty that has been assessed for the Credit Account Statement.

The Credit Account Statement can be printed if payment is made into a Commercial bank through EFT or at the teller..

Declarations can remain in the processing office and should be filed in number order by the Supervisor and handed over for archiving at the end of the day.

Payment is conducted either:

As an account paid declaration – Credit Account (deferred payment) paid Cash at the respective Customs & Excise office or; .

As an account paid declaration - Credit Account (deferred payment) to be paid to a Commercial bank through EFT

Credit Statement payment

Credit Statement

Account Reference: [Redacted] Account Holder: [Redacted]

Name and Address: [Redacted] Holder Address: [Redacted]

Customs Office: [Redacted] Reference Number: 2014 Amount Collected: 0.00

Date Interval: From [Redacted] To [Redacted]

Statement dates: Issued On: 14/05/2014 Payment Due On: [Redacted]

Declarations:

Office	Declarant Ref.	Assessment Reference	Model	Amount

General

Document library: Accounting & Payment, Accounts Management, Operations Management, Daybook, Payments, Cash Declaration, Closing Balance, Credit Declaration, Credit Statement, Other, Prepaid Declaration Receivable, Prepayment Account, Refunds, Reports, A/V, Reports, Cargo Manifest, Goods Clearance, Integrated Tariff, References, Selectivity, System Configuration, System Supervision, Transit, Transit Shed, International Norms, System Administration.

II. PROCEDURES TO BE FOLLOWED BY COMPANY/CLEARING AGENT AFTER THE APPROVAL

The companies/traders or their clearing agents will make use of their secret codes to enter the declaration in the MODBRK. The secret pin of 4 digits will be inserted in the box 48 for the credit account.

A declaration in MODBRK will be registered as follows: function, declaration, mode IM4, procedure 4000 by using option 1 Company (Box 8) or option 2 Declarant in (Box 14) link it to box 48 for credit account.

The companies/traders/clearing agents should ensure that normal clearance process needs to be followed and that any non-declaration, failure to declarations or non-conformance will be dealt with in line with Customs penal provisions.

May increase his guarantee or will have to pay off a few of the declarations before he can use the account again and before the declaration can be re-assessed.

Should note, that if the amount of credit remaining in the account is not sufficient to cover the declaration amount, then assessment will be refused.

Must pay for all the goods imported and released as per statement generated by him/herselves within the time-limit set on the account. Company can request or generate a provisional statement before or during the month or three months period when they want to ensure that their credit account has not exceeded or is about to reach the allocated credit amount before the initial statement is issued.

Must keep all import/export documents in terms of Customs and Excise Act and make it available on request to Customs or any other authorized personnel.

III. PROCEDURES TO BE FOLLOWED BY CUSTOMS AND EXCISE OFFICE (AT ENTRY POINT) AFTER THE APPROVAL

Customs office at the entry office will be responsible for validation of the declared declarations by verifying (checking) the documents with the supporting documents.

Customs office will ensure that the credit account number is always inserted in box 48 of all registered declarations, by the company / clearing agents.

Customs office will stop the declaration like any other imports for physical examinations and inspections.

Customs office will determine the correct HS Code, value and origin of the goods.

Customs office will ensure that correct description, liters in box 41 of the SAD 500 Form is properly completed.

Customs office will ensure that box 41 on oil declarations is equal to net weight in box 38 of the SAD 500.

When the oil vessels arrive in Walvis Bay, Customs office need to be notified to supervise the offload, when the oil company do bulk imports.

This declaration must be Assessed and either:

- There is no tax to pay; or
- Duties have been cash paid at the cashier; or
- The declaration has been secured against a credit account.

If the above applies then the release order (and exit note) will be obtainable from the System.

Customs office should keep profiles of each credit facility account holder and advice the Revenue Control Section on any irregularity.

IV. PROCEDURES TO BE FOLLOWED BY REVENUE CONTROL DURING REVIEW PROCESS

Account to be monitored and reviewed annually.

Notification letters to be send out month before expiry.

Accounts not conforming to the standard/procedures/requirements will be terminated.

Guarantees must be indefinite with indemnity clause. Bonds/ guarantees must not be terminated without the concern from Customs/Commissioner.

Accounts conform to the requirements over the period of 5 years may on recommendation by Revenue Control and in conjunction with Audit of Enterprise and Risk Section apply to PT/AEO concept.

V. EXPORT PROCEDURES

All export clearance to be handled in the same manner as the imports, where all supporting documents e.g. invoices, delivery notes, etc. need to be provided and attached to the SAD 500.

This operation will be supervised by Customs & Excise Officers, (for the refund purpose when exports took place)

VI. GENERAL

It is advisable for company/ agent to note that this credit facility must only be exercised for their goods and no other goods must be cleared under this account.

Payments may be accepted at any Customs operations office in the form of EFT & Bank guarantee cheques.

Accounts are either paid or transferred straight into Customs & Excise Account no. 165001, Bank of Namibia, Windhoek, Namibia.

17.2 Consolidated Monthly Import Entry Procedure

- a. **General:** The Consolidated Monthly Import Entry Procedure allows repetitive importer to present a monthly NAMSAD incorporating all merchandise imported from within the common customs area during a single month. The advantages to Customs will be a substantially reduced number of entries filed, a corresponding reduction in time required to process those entries, and less time required for cargo release. The advantages to the trade are a reduced number of entry documents to prepare, the conformance of customs requirements to monthly accounting procedures widely used by private industry, and a speedier and more simplified procedure for cargo clearance.
- b. **Eligibility:** Regular importers who import at least 2 shipments per week or shipments per month from within the CCA may apply to participate in the Consolidated Monthly Entry Procedure if the following criteria are met:
 - * The importer must be registered with Inland Revenue for periodic payment of Value Added Tax (VAT).
 - * No importation which involves a payment of any kind at the time of importation may be consolidated into a monthly entry under this procedure. Similarly, no movement of goods removed in bond may be consolidated into a monthly entry under this procedure.

- * Importations covered by this procedure may not be commingled or consolidated with other shipments. This procedure is designed to facilitate movement of full container, truck or rail car loads.

c. Application procedure

- (1) Application address: An importer or clearing agent wishing to utilize the consolidated monthly entry procedure must make application to Customs. Applications should be presented in duplicate to: Customs and Excise, Room 036, FISCUS Building, Private Bag 13185, Windhoek.
- (2) Applications shall include: Written applications must provide the estimated volume of each shipment, estimated number of shipments per month, a copy of the Inland Revenue registration for periodic payment of Value Added Tax (VAT), and a sample copy of the single shipment packing list format to be used.
- (3) Approval required: The importer must receive approval and a registration number prior to participating in the consolidated monthly entry procedure.

d. Procedure

- (1) Border clearance: Approved importers will present an original and one copy of a single entry packing list for each shipment to Customs at the port of entry. Each single entry packing list must include:
 - * the names and addresses of the consignor and consignee,
 - * the Customs approval number authorizing participation in the monthly entry procedure, and
 - * for each type of goods included in the list, the description, tariff number, weights and measures as per the RSA Tariff.

The original will be retained at the port of entry and forwarded to Customs and Excise Headquarters at the end of each month. The copy will be stamped and returned to the person in charge of the conveyance or the shipment to be used in the preparation of the consolidated monthly entry.

- (2) Lodging of consolidated monthly entries: No later than the 5th day of the following month approved importers will submit an SAD 500/501 covering all shipments covered by this procedure during the previous month. Such entry shall be supported by a consolidated monthly invoice.

The importer will note in block 40: "Monthly Consolidated Entry Covering __ Single Importations. Customs and Excise Approval Number: ____". The entry must be accompanied by a consolidated monthly invoice.

(3) Records retention: The importer's copy of the single importation packing lists must be retained by him for not less than three years from the date of filing of the Consolidated Monthly Entry and made available to Customs officers upon request.

e. Failure to comply In addition to any penalties which may result under statute or regulation, failure to comply with either condition will immediately cause the importer to be disqualified from further participation in the Consolidated Monthly Entry Procedure.

18. Entry by bill of sight

An importer or agent who does not have sufficient information to make proper entry, may request a bill of sight under Section 45. Upon receipt of a written request, Customs shall permit the importer to unlade and examine the goods in order to obtain sufficient information to make an entry. Examination must be under the supervision of an officer and shall be at the expense of the importer. The importer must enter the goods within three days after examination. Controllers may establish local procedures for authorizing bills of sight. Bills of sight are not processed through ASYCUDA. Only the final entry is processed through the system.

19. Questionable classification or value

In cases where the Controller has reason to doubt the classification or value of any item on an entry, the matter may be referred to Head Office (Section: Classification and Valuation) for tariff determination (CE 314). A provisional payment NA 70 must be required to cover the additional duty and import tax which the Controller believes is due.

20. Aircraft imported on a temporary basis for use in Namibia on a hire or lease basis.

20.1 When aircraft is temporarily imported on a hire basis duty must be paid on the rent or lease payable on the goods. Duty must be brought to account on form SAD 500 and the customs value will be the rent or hire charges payable.

Temporary importation is therefore allowed for the duration of the lease but entry is not allowed in terms of item 490.00.

20.2 To ensure that the aircraft will be exported or the additional duty due to a change of circumstances such as extension of the hire or lease

contract or decision to retain the goods in Namibia is paid, a provisional payment equal to 100 % of the customs duties and taxes paid must be lodged pending proof of export under customs supervision. These provisional payments must be followed up on a regular basis.

21. Request by importer for classification ruling

21.1 Request by importer, agent, etc.: In cases where the importer, agent, etc. desires Customs to provide a ruling as to classification of certain goods, he may request a tariff determination by providing a completed CE 314 to the Head Office, Attention Subdivision: Subdivision: Classification & Valuation. The reasons for requesting the tariff ruling must be stated as concisely as possible and an expression of the requesting party's opinion should be provided. If the request is in dispute of a customs ruling or decision, the requester must explain fully his reason for the dispute. All requests should be forwarded by registered post.

21.2 Sample to be provided: Where feasible, a sample of the item to be classified should be included in the submission.

21.3 Previous rulings: Reference numbers and dates of previous rulings, if any, should be quoted as well as reference to Chapter, Section and Explanatory Notes.

21.4 Supporting literature: Illustrated literature, pamphlets or catalogues will generally be of assistance in arriving at a decision. If such literature, etc., is not available and it is impossible to submit an actual sample, a photograph, sketch or drawing should be made and submitted. If the classification letter leaves any doubt as to the exact nature of the article to be classified or if considered necessary importers should be called upon to obtain same from the suppliers/manufacturers before submission of samples for classification.

The literature, pamphlets or catalogues submitted in support of classification of the commodity in question must be identifiable with the invoiced description and must be conspicuously marked in respect of the goods to be classified to enable easy identification with invoiced particulars.

21.5 Dispute regarding previous rulings: Submissions made at the request of an importer or his agent should be accompanied by a written statement from him/her setting forth reasons for disputing the departmental ruling or for requesting submission, and furnishing evidence to support his contention.

21.6 Retention of samples and literature: Samples and/or literature will be retained in Head Office for record purpose, save in exceptional circumstances.

22. Preparation of CE 314

- a. The Instructions and Guidelines: This manual contains both Instruction and Guidelines. Generally mandatory instructions for Customs officers or Zone operators are conveyed through the use of the word shall and are based on the requirements of law, regulations of law, regulation, or in the case of Customs officers on instructions from Customs Headquarters. Guidelines are also provided in the handbook. Guidelines do not have the force of law; however, they do express Customs preference, on an area in which Customs management may exercise some discretion or judgment. These guidelines are conveyed through the use of words may or should, the wording of section headings or the context of the section or paragraph.
- b. CE 314 must be completed in a triplicate. All copies must be clearly legible. Great care should be exercised in completing the Form CE 314 in accordance with the particulars called for, the following information should be included in the "Remarks" section:
 - i. the reasons for the submission;
 - ii. a description of the sample and supporting literature included;
 - iii. in the case of submissions regarding the liability or otherwise to the payment of anti-dumping duties, it should be stated whether such anti-dumping duty was paid for or not;
 - iv. the exact use/function and method of operation must be described in detail if not clearly illustrated in the literature;
 - v. the tariff heading which the requester considered applicable;
 - vi. if entry under rebate of duty is sought, the rebate item and the specified provision thereof under which admissibility under rebate is claimed;
 - vii. where goods are submitted for tariff classification and where the liability or otherwise in regard to the payment of ad valorem duties in terms of Part 2B of Schedule No. 1 are in question this must be clearly stated on form CE 314; and
 - viii. when submitting materials and articles to ascertain whether they are admissible under Schedule No. 3 to the Act, if it is desired also to know under which tariff heading the goods would fall were duty to be collected, that information must be specifically requested on the Form CE 314 as it will not otherwise be supplied.
- c. Full particulars including mass, metres, etc. should be inserted under paragraph 5 on form CE 314.

23. Release

No person may take delivery of imported goods landed from a ship, aircraft, train or vehicle, from any transit shed, wharf or other place until he has presented the person in charge with a *release / Exit Note* from Customs.

- 23.1 **Goods requiring examination by other agencies:** Goods requiring examination by other agencies (health, agriculture, etc.) will be so noted in block 40 by the person filing the entry. Customs will not release such entry until the other agency has performed its responsibilities with respect to that entry and noted on its face that the entry is authorised for release as far as their requirements are concerned. Actual procedures must be worked out between the Controller and the officer-in-charge of the other agency; however, it is suggested that this can be accomplished by a small rubber stamp stating Agriculture Release, Health Release, etc. The stamp should be in ink colour contrasting from the ink used by Customs (which is generally red) and the stamp should be signed and dated by the officer of the other agency. Customs release will not be authorised until the other agencies have indicated their release.

Customs Clearance Procedures: SOP

c. **Release Order**

- ✓ Release Order will be available only for SADs showing status “Paid” (cash or any other payment scheme), or SADs without amounts to be paid;
- ✓ Release Officer will print the Release Order and handover it to the Broker for further release of goods;
- ✓ Brokers can proceed collecting the goods from the Transit Shed.

Customs

Release Order

- a. Release Order will be available only for SADs showing status “Paid” (cash or any other payment scheme), or SADs without amounts to be paid;
- b. Release Officer will print the Release Order and handover it to the Broker for further release of goods;
- c. Brokers can proceed collecting the goods from the Transit Shed.

Customs

Exit Note

- a. Generate exit note for transport departing with cargo cleared by Customs.

Customs

Exit Gate

- a. Validate exit of goods at Gate

Customs Clearance Procedures: Pre-Clearance of DOCUMENTS before arrival of goods

Customs

Release Order

- a. Release Order will be available only for SADs showing status “Paid” (cash or any other payment scheme), or SADs without amounts to be paid;
- b. Release Officer will print the Release Order and handover it to the Broker for further release of goods;
- c. Brokers can proceed collecting the goods from the Transit Shed.

Customs

Exit Note

- a. Generate exit note for transport departing with cargo cleared by Customs.

Customs

Exit Gate

- a. Validate exit of goods at Gate

Customs Clearance Procedures: Direct Delivery of Urgent Goods

Customs Broker

Direct Delivery Release

- a. Prints out the SAD 500 (a clear printout is mandatory to facilitate release of goods);
- b. Produces SAD 500 to collect the urgent goods upon arrival of aircraft.

Customs – DD Release Officer

Confirmation of Release

- a. Applies the bar-code reader to the copy of the SAD produced by the Broker;
- b. If the system retrieves the SAD 500, the Officer will assess it;
 - i. If the system selects the SAD on Yellow or Red, the DD Officer will re-route it to Green, using the Inspection Act to annotate this situation;
 - ii. If the Pre-payment account has enough funds, the status of the SAD will turn to “paid”. The DD officer will print the Release Order, inspect the consignment and grant the release of goods. Results of the inspection will be annotated in the Inspection Act (e.g. after the release);

- iii. If the Pre-payment account does not have enough funds, the status of the SAD will remain “unpaid”, therefore the release of urgent goods will only be granted until the payment is done.
- c. If the system detects any error (e.g. the SAD cannot be retrieved), the Officer will request the Supervisor’s assistance. If attempt of fraud is detected, Customs may take relevant legal actions.

Customs

Exit Note

- a. Generate exit note for transport departing with cargo cleared by Customs.

Customs

Exit Gate

- b. Validate exit of goods at Gate

Clearance after arrival of goods (resume normal process)

Customs Broker

Inclusion of Manifest and other supporting documents

- a. Broker submits original (pending) documents to Customs;
- b. Reference to the Manifest is mandatory.

Customs (Direct Delivery seat)

Re-assessment of SAD 500

- a. Officer modifies and re-assesses SAD 500 (post entry);
- b. If SAD was selected Yellow, Officer conducts a documentary examination and fills the Inspection Act accordingly.

Customs Clearance Procedures: Express Mail / Courier

Customs

Release/Selectivity

- a. Incomplete documents will be rejected. If documents are complete, the Officer inspects the consignment;
- b. If no discrepancy is found, the Officer will:
 - i. Assess the SAD 500;
 - ii. If SAD 500 is routed to Yellow, Red or Blue, re-route to Green and fill the Inspection Act. In all cases print the Release Order and generate Exit Note.
- c. If discrepancies are found:
 - i. Modify the SAD (remove items found containing Dutiable Goods);

- ii. Return AWBs and other supporting documents of Dutiable Goods; and
- iii. Proceed with step b.i. (above)

CATEGORY 3 (*Dutiable goods*)

Courier

Handing over the AWB

- a. AWBs for dutiable goods shall be handed over to the Consignee;
- b. Brokers shall follow the normal clearance procedure.

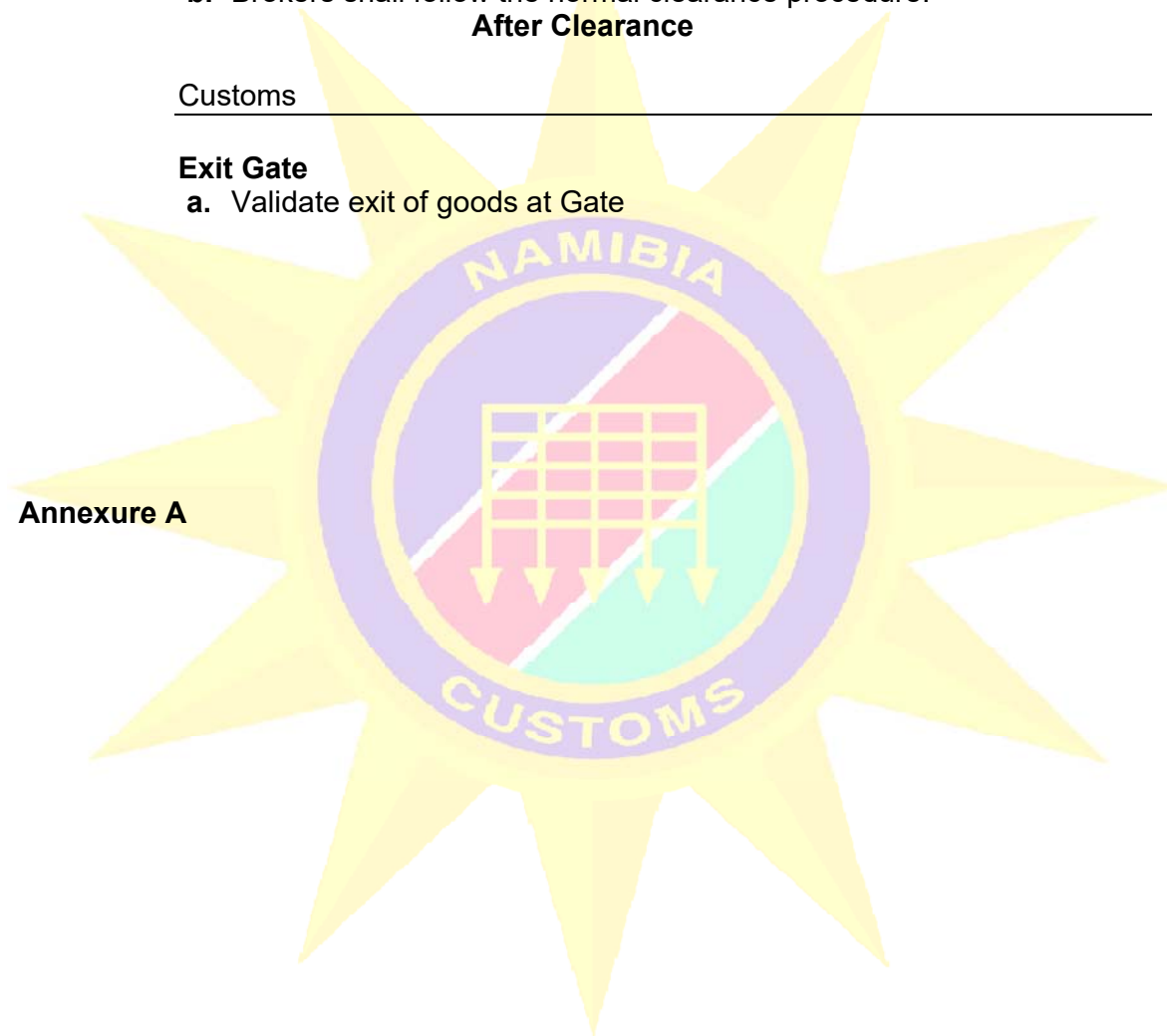
After Clearance

Customs

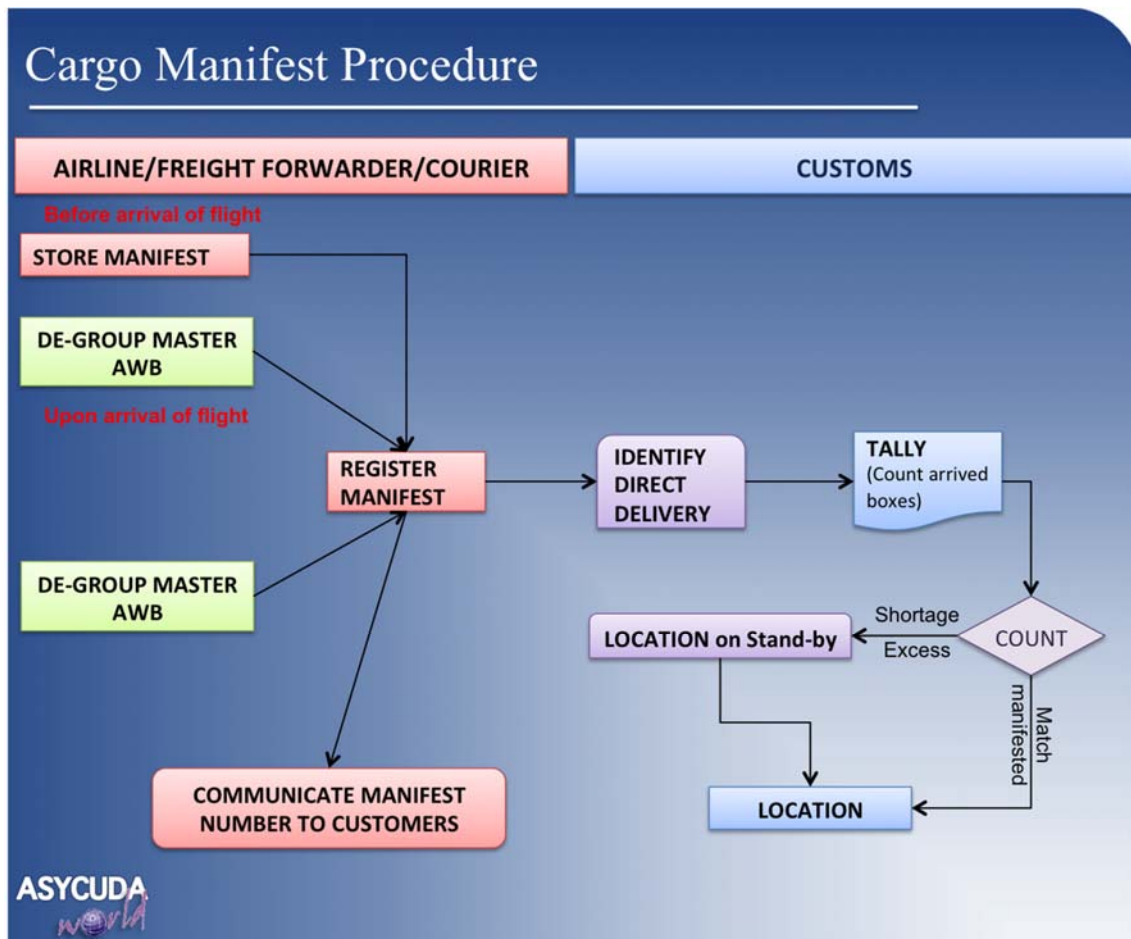
Exit Gate

- a. Validate exit of goods at Gate

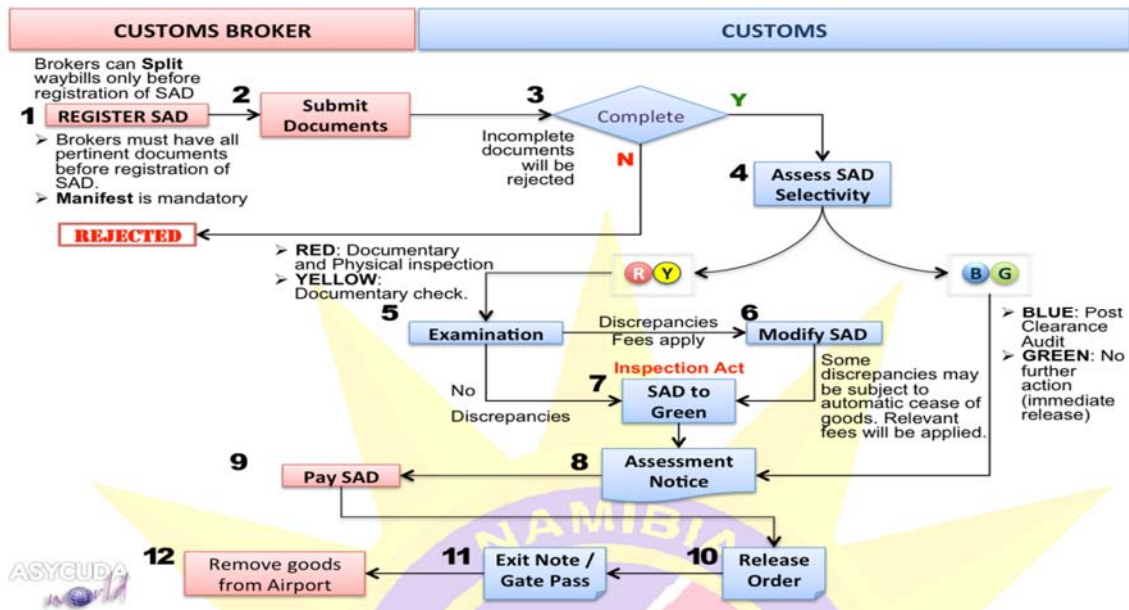
Annexure A



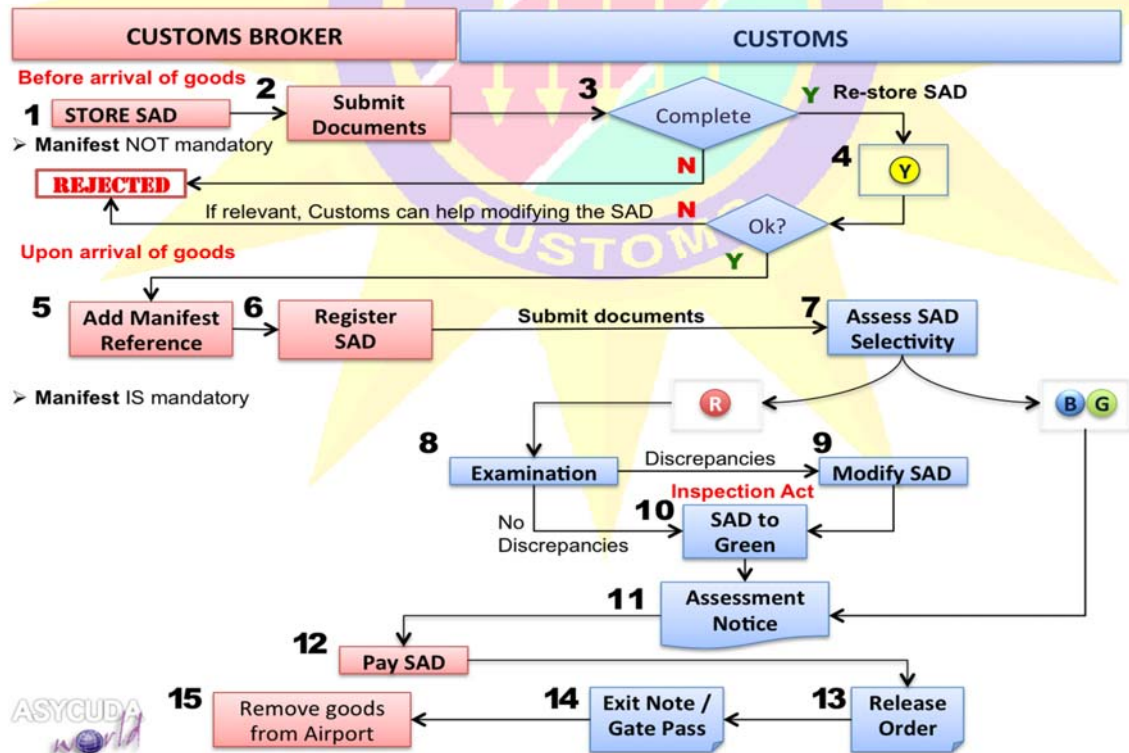
Annex 01: MANIFEST PROCEDURES AT EROS AIRPORT – FLOW CHART



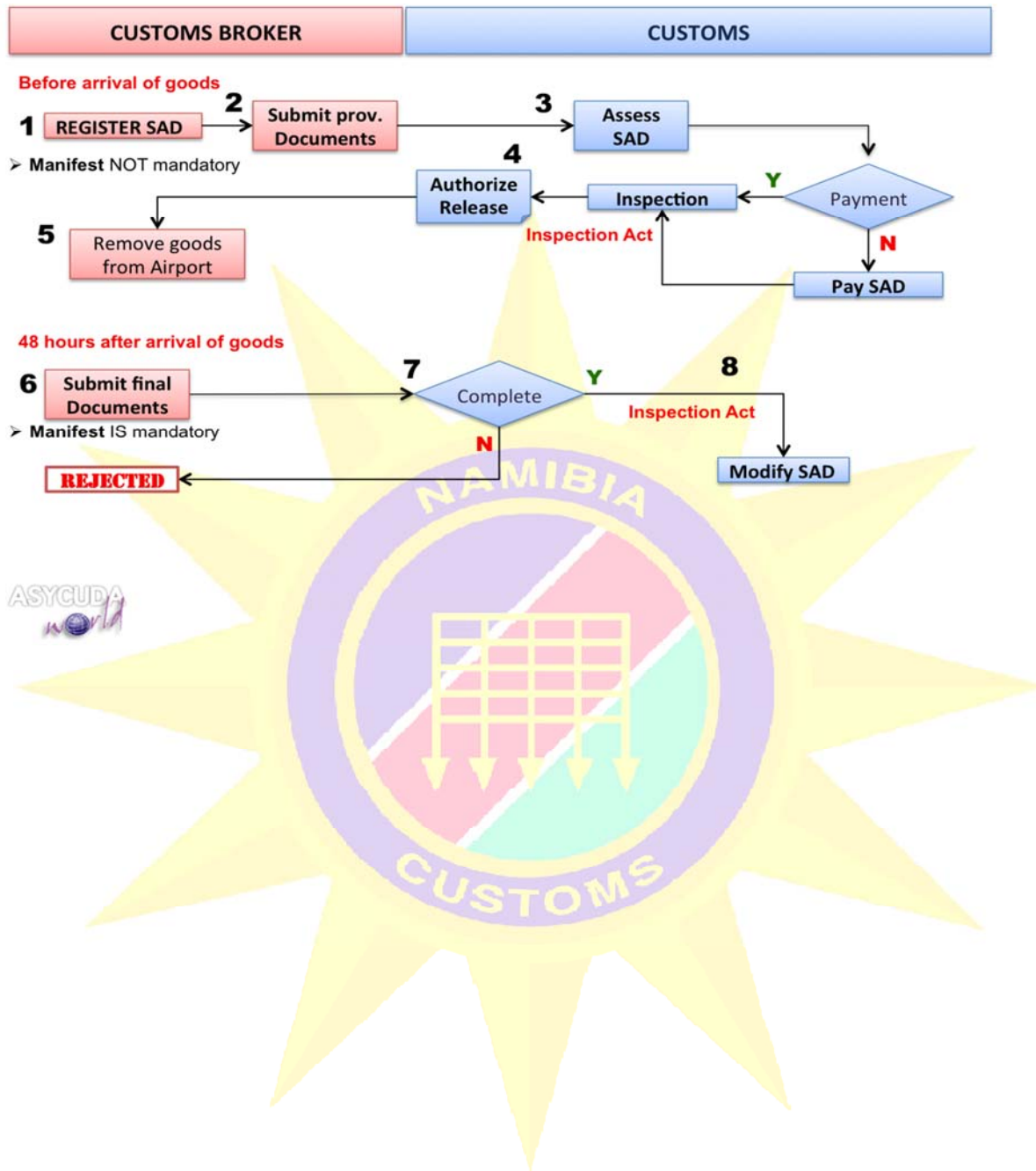
ANNEX 02: SUMMARY OF CLEARANCE PROCEDURE (FLOW CHART)



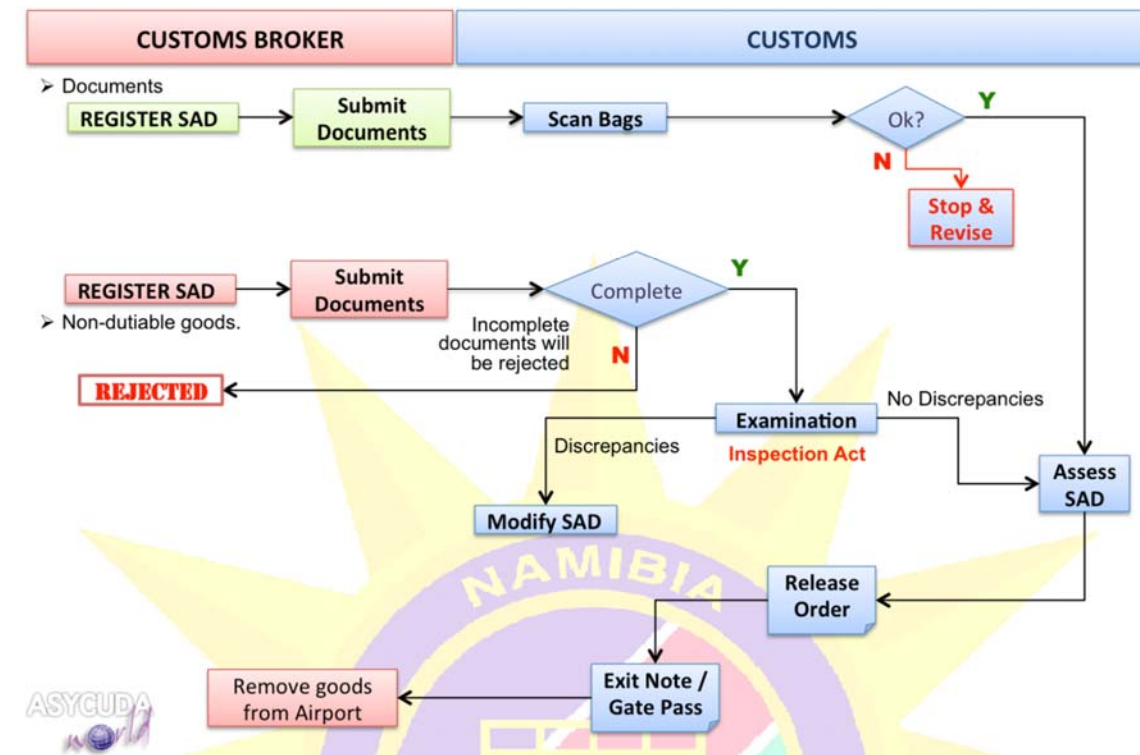
ANNEX 03: SUMMARY OF PRE-CLEARANCE PROCEDURES (FLOW CHART)



ANNEX 04: SUMMARY OF DIRECT DELIVERY PROCEDURES (FLOW CHART)

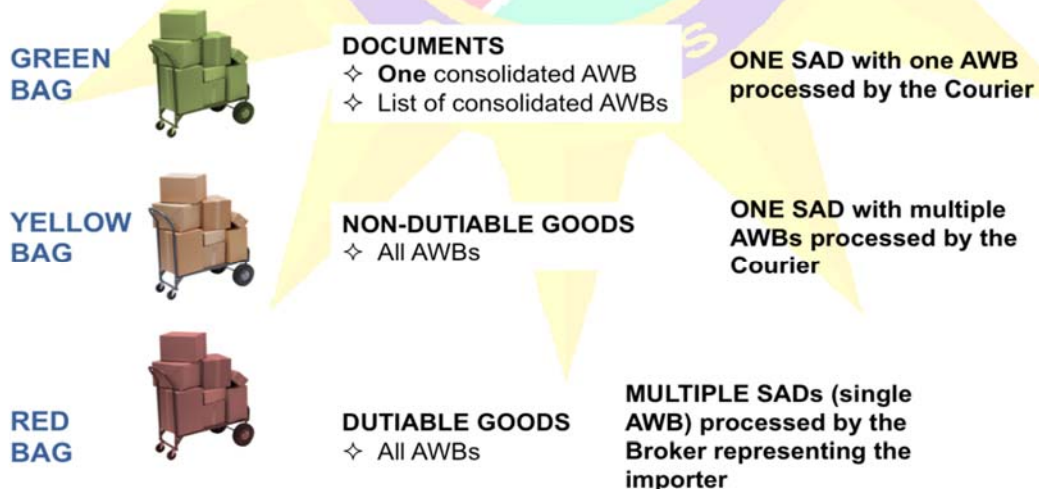


ANNEX 05 DUTIABLE GOODS FOLLOW NORMAL CLEARANCE



PROCEDURES

DEGROUPE → Courier Bags



- a. **Redelivery:** If any goods are delivered before release has been granted, the Controller may demand redelivery of the goods to Customs custody at the expense of the person who delivered them.
- b. **Pre-filed entries:** Entries may be filed in advance of the arrival of the carrier and may be released prior to such arrival, however, should such goods be designated for examination, release will be withheld until the goods have been arrived and examined.
- c. **Goods removed without entry:** Goods taken, removed or delivered without a valid entry shall be considered goods taken without entry.
If such goods are included in an entry with more than one package and it is shown that the invalidity arose without willful default or negligence, the invalidity does not extend to all packages and only the packages not validly entered shall be considered as landed without entry.





REPUBLIC OF
MINISTRY OF
CUSTOMS AND



APPLICATION FOR TARIFF CLASSIFICATION

CE 314

Office:

Serial Number:

File No:

The Director, Customs and Excise, Windhoek

1. * Classification of the articles described in paragraph 7 is required and a sample/illustration/literature is attached/has been sent under separate cover. The relative invoice is attached/not available.
2. Importer: _____ Agent: _____
3. * Consignment released/detained/under embargo/intended importation.
4. * Departmental submission/Submission at importer's request
5. Entry Number: _____ Dated: _____

Country of origin	Tariff-Heading/Item	Qty	Description and particulars of goods	Value	Duties and Vat

6. Specific reason why classification/analysis is required:

7. Article:

8. Trade Name:

9. Use:

10. * Manufacturer/Supplier:

Controller

(*Delete words not applicable)

Date

FOR USE IN HEAD OFFICE ONLY

11. Analytical Report:

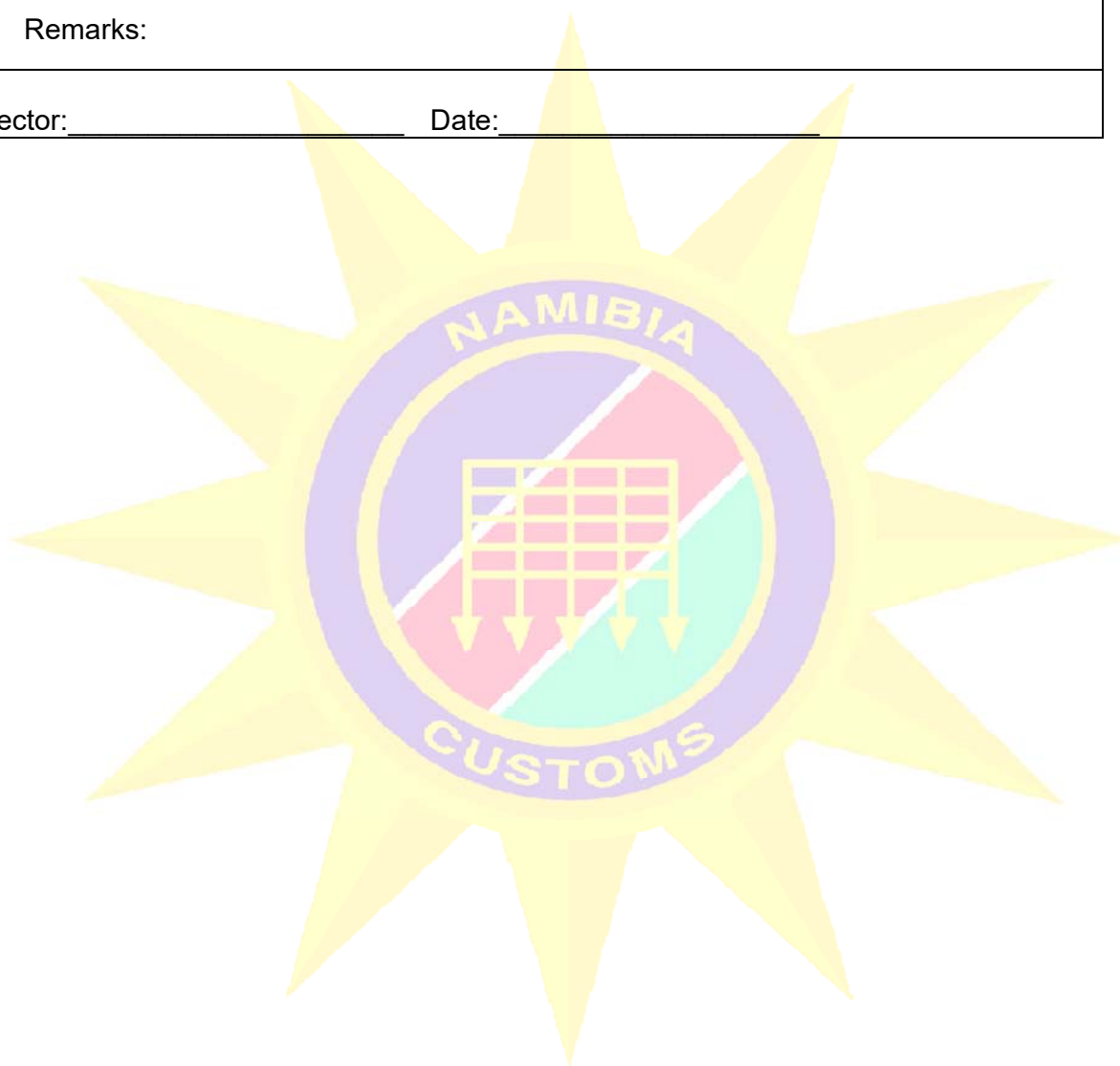
12. Invoice: Cost: For importer a/c: For Customs a/c:

13. Classification:

14. Tariff Heading/Item: Rebate Item:

15. Remarks:

Director: _____ Date: _____



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