

GENERAL EXPLANATORY NOTE:

[] Words that are between square brackets and in bold typeface, indicate deletions from the existing rules

_____ Words that are underlined with a solid line, indicate insertions in the existing rules

**DRAFT RULE AMENDMENT
SOUTH AFRICAN REVENUE SERVICE**

No.

R.

2020

**CUSTOMS AND EXCISE ACT, 1964
AMENDMENT OF RULES**

Under section 120 of the Customs and Excise Act, 1964 (Act No. 91 Of 1964), the rules published in Government Notice R.1874 of 8 December 1995, are herewith amended to the extent set out in the Schedule hereto **with effect from.....**

EDWARD CHRISTIAN KIESWETTER

COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

SCHEDULE

Insertion of rules

1. The following rules are hereby inserted in the Rules under the Customs and Excise Act1964 (Act No. 91 of 1964) after rule 120.09A:

“Compulsory sealing for purposes of monitoring the movement of certain categories of goods”

120.09B (a) A container, the holding compartment of a vehicle capable of being closed or a road tanker containing the following goods must be sealed with an electronic seal conforming with the requirements listed in paragraph (b):

- (i) Goods entered for removal in bond that are in transit through the Republic and destined to a consignee in a country outside the Republic;
- (ii) excisable goods of tariff subheadings 2402.20 and 2402.90.2, 22.08 when removed in bulk, and 2710.12 respectively, removed for export from a customs and excise manufacturing warehouse or a special customs and excise storage warehouse, whether removed in bond by a licensed remover in bond or by the licensee of the warehouse; and
- (iii) the following goods of Schedule No. 1 Part 1 Section XI, removed for export from a customs and excise storage warehouse, a special customs and excise warehouse, a rebate store or a container depot where such goods were consolidated, whether removed in bond by a licensed remover in bond or by the licensee of the warehouse or the registrant in respect of the rebate store:
 - (aa) Yarns and fabrics of Chapter 50 to Chapter 60;
 - (bb) articles of apparel and clothing accessories of Chapter 61 and 62;
 - (cc) other made up textile articles of Chapter 63; and
 - (dd) articles of bedding and similar furnishing articles of heading 94.04.

(b) A seal contemplated in paragraph (a) must be capable of –

- (i) locking or otherwise securing the holding compartment of the container or vehicle or road tanker;
- (ii) detecting any tampering with the seal;
- (iii) determining the geographical location of the container, vehicle or road tanker; and
- (iv) communicating any data collected in relation to the container, vehicle or road tanker via the Global System for Mobile

Communications network for purposes of monitoring the movement of the goods.

- (c) The licensed remover in bond or the relevant licensee or registrant, as the case may be, who is responsible for the movement of goods as contemplated in paragraph (a), or the licensee of the container depot where the goods are consolidated for export, must –
- (i) place a seal conforming with the requirements listed in paragraph (b) on the container, vehicle or road tanker; and
 - (ii) ensure that real time access to the data collected by means of an electronic seal placed on the container, vehicle or road tanker is given to the Commissioner for purposes of monitoring the seal status and geographical location of the goods.
- (d) The route to be followed by the vehicle containing goods contemplated in paragraph (a) to the place of exit where the goods will leave the Republic must conform to requirements prescribed in terms of rule 6.01 read with item 200.03A of the Schedule to the Rules.
- (e) Goods referred to in paragraph (a)(i), (ii) or (iii) not capable of being sealed must be dealt with in terms of rule 64D.09(4).
- (f) Compliance with the sealing requirement as set out in this rule may be regarded as compliance with a sealing requirement in any rule in respect of goods referred to in paragraph (a)(i), (ii) or (iii).”

Amendment of the Schedule to the Rules

2. The Schedule to the Rules to the Customs and Excise Act, 1964, is hereby amended by the insertion of the following item after item 200.03:

“200.3A **Limitations on routes for purposes of rule 6.01 read with rule**

120.09B

- (a) Road routes for purposes of rule 6.01 read with rule 120.09B are limited to national roads as envisaged in the

South African National Roads Agency Limited and
National Roads Act, 1998 (Act No. 7 of 1998).

- (b) Paragraph (a) does not preclude a remover in bond,
a licensee or registrant contemplated in rule 120.09B(a) (i),
(ii) or (iii) who undertook the transport of goods from using
a road which is not a national road—
- (i) in order to—
- (aa) gain access to a national road when
travelling from the starting point of the
removal in transit or the removal for export;
or
- (bb) to reach the place of exit after travelling on a
national road; or
- (ii) in the event of a road closure affecting a national
road.”.