

**EXCISE**  
**EXTERNAL POLICY**  
**OIL INDUSTRY**

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## 1 SUMMARY OF MAIN POINTS

- a) The policy applies to the Oil Industry (including category 2 manufacturers of biodiesel).
- b) For the purpose of this document “fuel levy goods” means any goods specified in Part 5A of Schedule 1, which includes biodiesel.
- c) The policy does not cover:
  - i) Non-commercial and category 1 manufacturers of biodiesel as this is dealt with in document SE-BIO-02;
  - ii) The completion of the DA 159 and DA 160 (Petroleum Products Accounts) as these are dealt with in documents SE-BIO-03-M01 and SE-BIO-04-M01 respectively;
  - iii) Bonds as this is dealt with in document SE-BON-02;
  - iv) Licensing and Registration requirements as these are dealt with in document SE-LR-02; and
  - v) Refunds by licensed distributors as this is dealt with in document SE-REF-02.

## 2 POLICY

### 2.1 Liability for duty and levy

- a) In terms of Schedule 1 Part 2A (Excise duty), Part 5A (Fuel levy) and Part 5B (Road Accident Fund (RAF)) levy on fuel levy goods are charged by way of duty at source, whereby the duty and levies are assessed when the dutiable product goes into home consumption. This system replaces the previous system, loosely termed a “sales based” system, that assessed duties when the dutiable product went into home consumption.
- b) The Rules in 19A4 in respect of fuel levy goods also apply to biodiesel.

### 2.2 Types of warehouses allowed in the oil industry

#### 2.2.1 Manufacturing Warehouse (VM)

- a) The warehouse is established for the manufacturing of a range of products, which includes fuel levy goods by the conversion of crude oil, coal, gas or any other source of hydrocarbon, or blending such range of products and the manufacture of biodiesel.
- b) Such warehouse must be licensed at the Controller / Branch Manager’s office nearest to the premises where manufacture takes place.

#### 2.2.2 Special Storage Warehouse (SOS)

- a) The following activities and movements may take place in an oil industry SOS –
  - i) The specific purpose of storage of fuel levy goods for removal to BLNS countries or for export, including for the supply as stores for foreign-going ships, subject to the rules of duty at source and Excise in general; or
  - ii) The specific purpose of storing kerosene or aliphatic hydrocarbon solvents, which will subsequently be marked or used as aviation kerosene. The marking of goods in and the removal of marked goods or aviation kerosene from an SOS licensed for that purpose shall be subject to Section 37A and its Rules as to what constitutes marked or unmarked goods and the controls and requirements relating to such goods.

### 2.3 Production

- a) Fuel products are normally produced from crude oil, coal or gas whereas biodiesel is normally produced from vegetable or animal fats and oils sourced from a variety of vegetable or animal products.
- b) In terms of Section 44(2) fuel levy goods become excisable when they attain their essential character.

## 2.4 Blending

- a) Distillate fuel (diesel) may be blended with biodiesel after the diesel and biodiesel have been entered or deemed to have been entered for home consumption. In other words, both products have to be separately cleared out of the VM (duties and levies assessed) before blending takes place.
- b) Imported fuel levy goods taken into a licensed VM, after the **Customs Duty (Schedule 1 Part 1)** has been paid, are **blended** into locally manufactured product. Thereafter the imported product cannot be separately distinguished from the locally manufactured product. It therefore takes on the nature of a locally manufactured Excisable product. Any subsequent movement of such product from the VM will be treated as a movement of a locally manufactured Excisable product.

## 2.5 Keeping of records

- a) The licensee of a VM must keep records of:
  - i) Raw materials received, used in the production process, and / or removed;
  - ii) Yield from raw materials;
  - iii) Production;
  - iv) Stock on hand;
  - v) Receipts of bonded product;
  - vi) Removal of bonded product;
  - vii) Removal of rebated product;
  - viii) Removal for home consumption;
  - ix) Returns of duty paid stock;
  - x) Disposal of such duty paid stock;
  - xi) Exports; and
  - xii) Such other particulars as the Controller may require in each case.
- b) The retention period for all Excise related documents (prescribed Customs and Excise documents as well as relevant trader's commercial and financial records) is five (5) years, subject to the provisions of Rule 19A.05 read with Rule 60.08(2)(a)(i).
- c) A licensee may keep electronic records provided that they can be readily converted into hard (paper) copies and made available to SARS when required / requested.
- d) The licensed warehouse must, upon request, make available the documents and detailed records referred to above, for inspection or audit by an Excise officer.

## 2.6 Penalties

- a) Failure to adhere to the provisions of the Act, as set out in this document, is considered an offence.
- b) Offences may render the client liable to, as provided for in the Act:
  - i) Monetary penalties;
  - ii) Criminal prosecution; and / or
  - iii) Suspension or cancellation of registration, license or accreditation.

## 2.7 Promotion of Administrative Justice Act

- a) The Promotion of Administrative Act (PAJA) No. 3 of 2000 gives effect to everyone's right to administrative action that is lawful, reasonable and procedurally fair. Any person whose rights have been adversely affected by administrative action has the right to be given written reasons, as contemplated in Section 33 of the Constitution of the Republic of South Africa, 1996. PAJA:
  - i) Provides for the review of administrative action by a court or where appropriate, an independent and impartial tribunal;
  - ii) Imposes a duty on the State to give effect to those rights;
  - iii) Promotes an efficient administration as well as good governance; and

- iv) Creates a culture of accountability, openness and transparency in the Public Administration or in the exercise of a public power or the performance of a public function, by giving effect to the right to just administrative action.
- b) Administrative action, which significantly and unfavourably affect the rights or valid expectations of any person, must be procedurally fair. A fair administrative procedure depends on the circumstances of each case.
- c) A person must be given:
  - i) Written reasons of the nature and purpose of the proposed administrative action;
  - ii) A reasonable opportunity to make representations;
  - iii) A clear statement of the administrative action; and
  - iv) Adequate notice of any right of review or internal appeal, where applicable.
- d) Before administrative action can be taken by Excise, the client must be allowed the opportunity to:
  - i) Obtain assistance and, in serious or complex cases, legal representation;
  - ii) Present and dispute information and arguments; and
  - iii) Appear in person.
- e) Just administrative action requires the Excise Officer to consider all the facts presented and obtained in addition to affording the client the opportunity to be heard, prior to instituting any administrative action.
- f) Clients whose rights have been significantly and unfavourably affected by the administrative action and who have not been given reasons for the action may, within ninety (90) days after the date on which the client became aware of the action, request Excise to furnish written reasons for the action.
- g) Excise must within ninety (90) days after receiving the request, give the client adequate reasons in writing for the administrative action. If Excise fails to furnish adequate reasons for the administrative action, it is presumed in any proceedings for judicial review that the administrative action was taken without good reason.

## 2.8 Appeals against decisions

- a) In cases where clients are not satisfied with any decision taken in terms of the Customs and Excise Act, they have a right of appeal to the relevant appeal committee. The policy in this regard, as well as the process to be followed, is contained in document SC-CC-24.
- b) Should clients be unhappy with a decision of any appeal committee, their recourse will be to lodge an application for ADR (Alternative Dispute Resolution) with the relevant appeal committee. The committee will add its comments thereto and forward the application to the ADR Unit for attention. The policy in this regard, as well as the process to be followed is contained in document SC-CC-26.

## 2.9 Product classification

- a) Petroleum products refer to those products contained in Schedule 1 Part 2A (Excise Duty) under the heading Mineral Products which are therefore Excisable. The specific classification of these products can be examined in the Notes to Chapter 27 of the Harmonised Tariff.
- b) These products also attract other relevant taxes under Schedule 1 Part 5A (Fuel Levy) and Schedule 1 Part 5B (Road Accident Fund Levy).
- a) **Effective from 5 June 2019**, the fuel levy will be comprised of the general fuel levy and the carbon fuel levy as its constituent components as set out in the Notes in Section A of Part 5 of Schedule 1.

## 2.10 Rate of duties and levies measurement

### 2.10.1 Measure of dutiable quantity

- a) Any measurement of the movement of fuel levy goods that may be required shall be measured at 20°C quantified by utilising the IP 60(B) measurement tables as the standard basis for calculating such quantities moved.

### 2.10.2 Rate of duty / levies

- a) The rates of duty and levies to be used for the purpose of calculating the Excise duty, fuel levy and RAF levy on fuel products are the relevant rates of duty in terms of Schedule 1 Part 2A, Part 5A and Part 5B at time of entry for home consumption.

### 2.10.3 Duty / levies payable

- a) The Excise duty, fuel levy and RAF levy is calculated using the following formula:

$$\text{Bulk volume (litres)} \times \text{relevant rate of duty / levy} = \text{Excise duty, Fuel levy and RAF levy}$$

- b) The fuel levy rate on Biodiesel of tariff heading 3826.00.10 is partially rebated. This means that the fuel levy rate therefore is lower than that of the fuel levy rate on distillate fuel (diesel) of tariff heading 2710.10.12.30.

## 2.11 Origin of petroleum products

### 2.11.1 Imported

- a) Imported fuel levy goods taken into a licensed VM, after the **Customs Duty (Schedule 1 Part 1)** has been paid, is blended into locally manufactured product. Thereafter the imported products cannot be separately distinguished from the locally manufactured product.
- b) It therefore takes on the nature of a locally manufactured Excisable product. Any subsequent movement of such product from the VM will be treated as a movement of a locally manufactured Excisable product.

### 2.11.2 Locally manufactured

- a) Fuel levy goods manufactured in a licensed VM are generally manufactured from Crude Oil, Gas or Coal.
- b) The process of manufacturing is defined in the 'Definitions' of the Act.

## 2.12 Receipts into a warehouse (imports)

### 2.12.1 Dutiable refined products can be imported into South Africa by sea, rail or road

- a) Whether dutiable refined products (petrol, diesel, etc.) are being imported for home consumption (payment of duty and levies) or for warehousing, an import permit must be obtained from the International Trade Administration Commission (ITAC) in advance of the product being imported / landed.
- b) **Sea:**
- i) A letter from the ship's agent indicating the quantity of product to be discharged and the names of the companies to whom product is to be discharged and the related quantities must be submitted by the Controller / Branch Manager at least 24 hours before the arrival of the vessel.
  - ii) A landing order must be completed and presented by the importer or his / her agent to the Controller / Branch Manager at least 24 hours prior to the arrival of the vessel.

- iii) Customs / Excise supervision of discharge procedures including physical presence at dipping of on-shore tanks must be arranged by the importer or his / her agent with the Controller / Branch Manager at least 24 hours prior to the arrival of the vessel.
- iv) A P 2.01 dipping report must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager, together with a product specification, within 72 hours of completion of the delivery of the shipment.
- v) A Customs clearance declaration (CCD) must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager within seven (7) days after the completion of pumping of the shipment or such later date as the Commissioner may allow upon written request (in terms of Section 38(1)(a)). If cleared for home consumption, the relevant duties and levies in terms of Schedule 1 Part 1 (Customs duty), Part 2A (Excise part), Part 5A (Fuel levy) and Part 5B (RAF levy) must be paid.
- vi) Where the product(s) is to be warehoused, a CCD with procedure code E 40-00 must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager within seven (7) days after the completion of pumping of the shipment or such later date as the Commissioner may allow upon written request [in terms of Section 38(1)(a)]. A completed DA 490 must accompany the CCD and the Customs duty (Schedule 1 Part 1) must be paid.
- vii) Where there is a split consignment (various importers), documentation for each consignment must be submitted to the Controller / Branch Manager for clearance within seven (7) days of pumping having been completed.

c) **Rail and Road:**

- i) On importation the following documents must be submitted with the relevant clearance document:
  - A) A rail consignment note; or
  - B) Road manifest.
- ii) A CCD must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager. If cleared for home consumption, the relevant duties and levies in terms of Schedule 1 Part 1, Part 2A, Part 5A and Part 5B must be paid.
- iii) Where the product(s) is to be warehoused, a CCD must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager.
- iv) A completed DA 490 must accompany the CCD and the Customs duty (Schedule 1 Part 1) must be paid.
- v) Where there is a split consignment (various importers), documentation for each consignment must be submitted to the Controller / Branch Manager.

d) **Air:**

- i) On importation, an airway bill must be submitted with the relevant clearance document.
- ii) A CCD must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager. If cleared for home consumption, the relevant duties and levies in terms of Schedule 1 Part 1, Part 2A, Part 5A and Part 5B must be paid.
- iii) Where the product(s) is to be warehoused, a CD must be completed and submitted by the importer or his / her agent to the Controller / Branch Manager.
- iv) A completed DA 490 must accompany the CCD and the Customs duty (Schedule 1 Part 1) must be paid.
- v) Where there is a split consignment (various importers), documentation for each consignment must be submitted to the Controller / Branch Manager.

e) Besides the Customs duty being reflected in the Customs duty box, the Excise duty (Customs part), Fuel levy and RAF levy must also be reflected in this box, with the following alphabetic codes which is to be inserted in the additional box on the CCD:

- A) SCD – Part 2A (Customs part);
- B) FUL – Fuel levy; and
- C) RAF – Road Accident Fund levy.

## 2.13 Returned product

### 2.13.1 From the local market to a licensed VM

- a) The return of dutiable product into the VM will only be accepted for the purpose of a duty and levies reduction in the hands of the receiving VM when such product has been contaminated or is out of specification. Such returned product must, after receipt by the VM, be returned to production for reprocessing.
- b) Returns of goods contaminated or out of specification from BLNS countries may only enter South Africa after it can be demonstrated that the Excise duty, Fuel levy and RAF levy has been paid.
- c) Goods may only be returned as contemplated above where the Excise duty, Fuel levy and RAF levy to be deducted is greater than R 25 000 on each single occasion. **Deductions of less than R 25 000 per single occasion will not be considered.**
- d) An independent laboratory approved by the Commissioner for such purpose, must undertake a technical analysis of the returned fuel levy goods **at the cost of the VM**. Such analysis is required to determine the composition of the said goods for the purpose of determining the quantity and tariff to be applied in calculating the reduction in payment of Excise duty, Fuel levy and RAF levy.
- e) The said technical analysis may reveal that a proportion of the contaminated product consists of goods, which are not fuel levy goods. In these circumstances, only that proportion which constitutes fuel levy goods shall rank as the quantity of such goods used to calculate the reduction in payment of Excise duty, Fuel levy and RAF levy.
- f) Where the goods returned comprise Petronet pipeline intermixtures, and both Petronet and the VM independently undertake a technical analysis to determine the composition of those goods, and the analyses are materially identical in result, the requirements of the preceding sub-paragraph are waived.
- g) A delivery note is required to support such returns. The delivery note must indicate at least:
  - i) Quantity returned;
  - ii) Customer details; and
  - iii) Date of return.
- h) The VM must retain the delivery notes referred to above and make them available for inspection or audit by an Excise officer.

### 2.13.2 Contaminated or off-specification product from an unlicensed premises to a licensed VM [Section 37A(7)(b) and Rebate Item 623.19]

- a) Due to the nature of the oil industry and especially road transport, fuel levy goods become contaminated or road tankers are required to be flushed.
- b) An accurate record of the product contaminated and storage must be kept and be available for inspection. Such must reflect the:
  - i) Opening balance of storage vessel;
  - ii) Date of contamination;
  - iii) Products present in contamination;
  - iv) Quantity of product contaminated; and
  - v) Closing balance of storage vessel.
- c) The quantity of fuel levy goods so returned shall be measured and both the said unlicensed premises as well as the said VM independently must take a technical analysis to establish the composition of the goods so returned -
  - i) The analysis so taken are materially identical in result; and
  - ii) Such analyses must be retained by the said VM for inspection and comparison by an Excise officer.



- d) An Excise officer must seal the tank and endorse the declaration as follows:
- i) I..... (Name of officer) have verified the contents of the tanker(s) and found them to contain ..... (Litres) said to be the fuel entered on this form. New seal(s) number(s) ...../..... has / have been affixed to the tanker(s).  
Signature..... Date Stamp.....”
  - ii) The seal may only be removed under SARS supervision at the place of unloading.
- e) If any fuel levy goods become contaminated after delivery and are subsequently returned, the quantity of fuel levy goods so returned shall be measured by the consignor and the tank containing such goods for delivery must be sealed. The unsealing and confirmation of the quantity of fuel levy goods so measured and returned must be undertaken under Excise supervision at the consignee VM.

### 2.13.3 Contaminated product from a BLNS country to a licensed VM (Rule 19A4.08)

- a) Any fuel levy goods returned to South Africa from a BLNS country **by road** shall only be allowed re-entry after proof of payment of Excise duty, Fuel levy and RAF levy (declaration) is presented at the port of entry upon such goods re-entering South Africa.
- b) The quantity of fuel levy goods so returned shall be measured by calculating the difference between the quantities removed as reflected on the declaration and the sum of the quantities delivered as per signed delivery note(s).
- c) A Customs officer must seal the tank and endorse the declaration as follows:
- i) I..... (Name of officer) have verified the contents of the tanker(s) and found them to contain ..... (Litres) said to be the fuel entered on this form. New seal(s) number(s) ...../..... has / have been affixed to the tanker(s).  
Signature..... Date Stamp.....”
  - ii) The seal may only be removed under SARS supervision at the place of unloading.
  - iii) The licensee or licensed distributor of fuel (LDF) must respectively-
    - A) Amend the declaration by reducing the quantity in respect of the returns; and
    - B) Deduct any such returns from any set-off amount or refund of duty.
- d) Any fuel levy goods that are contaminated or that have been found to be out of specification and are returned to South Africa from a BLNS country may only be removed to a licensed VM.
- e) If any fuel levy goods become contaminated after delivery and are subsequently returned to South Africa from a BLNS country, the quantity of fuel levy goods so returned shall be measured by the consignor and the tank containing such goods for delivery must be sealed. The unsealing and confirmation of the quantity of fuel levy goods so measured and returned must be undertaken under Excise supervision at the consignee VM.

### 2.14 Losses

- a) Fuel levy products entered under rebate of duty must be used for the purpose described in the provisions of the specific rebate item under which it is entered.
- b) A detailed list of all such rebates applicable to the fuel industry is found in Schedule 6. The most common rebates applicable to the fuel industry are rebates for:
- i) Handling losses;
  - ii) Destructions;
  - iii) Reprocessing; and
  - iv) Vis major losses.
- c) **Handling losses:**
- i) The only handling losses deductible for duty and levy purposes are those governed by Section 75 (18), which provides for fixed allowances on product manufactured in South Africa. The allowance in the case of petrol is 0, 25% and for distillate fuel (diesel) is 0.15% of any quantity entered for removal and removed from a licensed VM.

- ii) Such losses will be separately reported on the DA 160 Excise account each month, and will form the basis of a duty and levies reduction in the hands of the VM concerned.

d) **Abandonment / destructions:**

- i) Licensees may apply (in terms of Rebate Item 624.40 of Schedule 6) to the Controller / Branch Manager for the destruction of bonded fuel levy products in instances where a specific consignment of fuel has lost all commercial value or the sale of the specific consignment could be harmful to the industry.
- ii) If the specific consignment, however, still has commercial value and the sale of the specific consignment will not be harmful to industry, the Controller / Branch Manager may insist on the licensee abandoning the consignment to the SARS for subsequent sale or other application by SARS in order to at least recover the monetary value of the relevant Excise duty and levies.

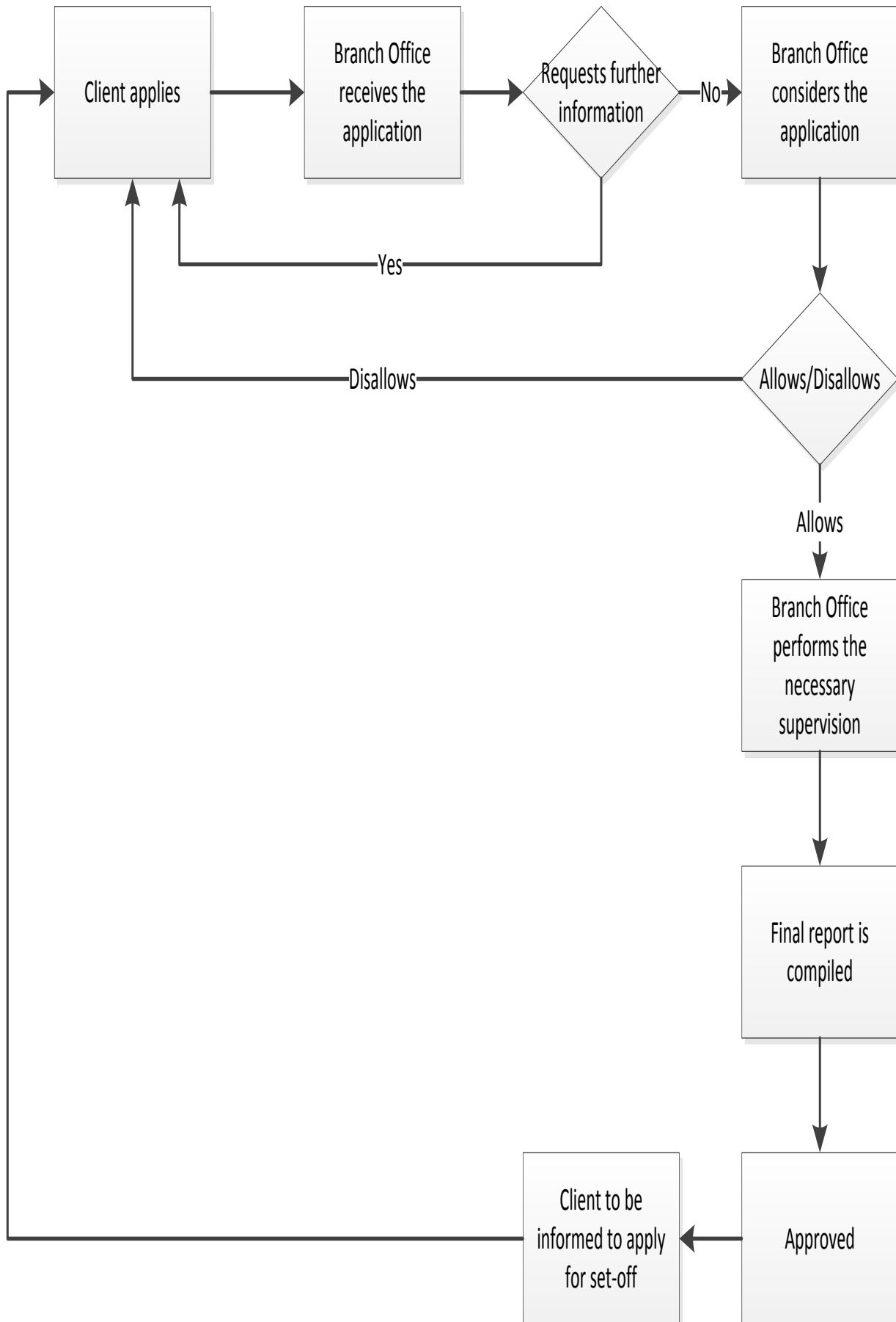
e) **Reprocessing -**

- i) Licensees may apply (in terms of Rebate Items 624.60 of Schedule 6) to the Controller / Branch Manager to withdraw fuel levy products from the market.
- ii) Such approval must be obtained before such goods are withdrawn and returned to the VM. The manufacturer must provide detailed particulars of the steps he / she intend taking to keep such goods or materials in his or her VM.
- iii) If the application is approved the goods returned shall be -
  - A) Kept intact and entirely separate from any other goods or materials until they have been examined and identified by an Excise officer; and
  - B) Unpacked and transferred to and mixed with stocks of materials for processing, under the supervision of an Excise officer.
- iv) The licensee of the VM to which the product has been returned must produce evidence to the Controller / Branch Manager of the duty / levies paid on the goods so returned and if such evidence cannot be produced the Controller / Branch Manager may determine an amount, which shall be deemed to be the duty / levies, paid on such goods.

f) **Vis major losses:**

- i) The only losses deductible for duty purposes are those governed by Rebate Item 624.50 of Schedule 6. It allows a full rebate of duty and levies on goods in respect of which the Excise duty, together with the Fuel levy and RAF levy where applicable, amounts to not less than R 25 000.
- ii) However, it must be proved to have been lost, destroyed or damaged, on any single occasion, in circumstances of vis major or in such other circumstances as the Commissioner deems exceptional.
- iii) A written application to the Commissioner requesting the allowance of such losses is required.
- iv) The supplying VM or SOS must, upon request, make available the written consent of the Commissioner, referred to above, for inspection or audit by an Excise officer.
- v) Where the allowance is granted, such losses will also be separately reported on the DA 159 or DA 160 Excise accounts and will form the basis of a duty reduction in the hands of the SOS or VM concerned.

2.15 Process for reprocessing, destruction or abandonment



**2.15.1 Application**

- a) The client must apply in writing to the Controller / Branch Manager for the reprocessing, destruction or abandonment of product of which application must at least contain the following information:
- i) Must be on a company letter head;
  - ii) Power of attorney (if applicable);
  - iii) Which Rebate Item is applied for;
  - iv) Product applicable;
  - v) Quantity / litres;
  - vi) Indemnity letter (indemnifying SARS of any civil claim) (if applicable);
  - vii) Rate of duty applicable;
  - viii) The reason why the application is made;
  - ix) The method that will be used to destroy the product (if applicable);
  - x) The date on which the product will be reprocessed or destroyed;
  - xi) State the location of the goods; and
  - xii) All relevant supporting documentation.
- b) If necessary, the Excise Branch Office can request further information.

**2.15.2 Consideration**

- a) The Excise Officer must ensure that:
- i) The client has met the conditions of the notes to the relevant Rebate Item; and
  - ii) That all supporting documents have been submitted.
- b) If necessary, the said Officer can request further information from the client.
- c) The relevant Officer must compile a report for the Operations Manager (OPS Manager), indicating whether the application can be considered or not.
- d) Should the application not be considered the client must be informed in writing of the reasons thereof taking PAJA into account.

**2.15.3 Allow / disallow**

- a) When the OPS Manager allows the application, two (2) Officers' must be tasked to attend the reprocessing, destruction or abandonment. If needed the application can be verified by these officers.

**2.15.4 Supervision**

- a) Once the two (2) appointed Officers have viewed the reprocessing or destruction a P2.08 must be completed in duplicate verifying that such destruction or reprocessing has taken place.
- b) A copy thereof must be handed to the client.

**2.15.5 Final report**

- a) A final report must be compiled by the Officers, attaching all relevant supporting documentation, and submitting it to the OPS Manager.
- b) The OPS Manager must inform the client in writing to apply for a set-off on their Excise account / return.

**2.16 Pipeline intermixture**

- a) When products of one (1) type (e.g. petrol) follows product of another type (e.g. diesel), it is inevitable that at the point where the two (2) products meet in the pipeline there will be some mixing of the two (2) products resulting in a contamination which is not suitable for use (known as "pipeline intermixture").

- b) Provision exists (Rebate Items 623.19 and 671.02 of Schedule 6) whereby the Excise duty and levies on off specification or contaminated goods supplied by a pipeline operator may be set-off on the monthly Excise account (DA 160) when so returned to a VM, on condition that:
- i) Both the said pipeline operator and the said VM independently take a technical analysis to establish the composition of the goods so returned;
  - ii) The analyses so taken are materially identical in result; and
  - iii) Such analyses must be retained by the said VM for inspection and comparison by an Excise officer.

### 3 RELATED INFORMATION

#### 3.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	<b>Customs and Excise Act No. 91 of 1964:</b> Sections , 18A, 19, 19A, 21, 24, 27(4), (9), (10), 37A, 37B, 38, 44(2), 47, 75(18)€, 101(1A), 101A and 114 <b>Customs and Excise Rules:</b> Rules 18A.01 to 18A.10, 19A.01 to 19A.10, 19A4, 24, 27, 37A.01 to 37A.15, 37B.01 to 37B.22, 75.22 to 75.23, 101.01 to 101.03 and 101A.01 to 101A.12.
Other Legislation:	<b>Promotion of Administrative Justice Act No. 3 of 2000:</b> Section 3 <b>Maritime Zones Act No. 15 of 1994:</b> Section 8(1)
International Instruments:	<b>United Nations Convention on the Law of the Sea:</b> Article 76

#### 3.2 Cross References

DOCUMENT #	DOCUMENT TITLE
SC-CF-04	Completion of Declarations – External Manual
SC-CF-55	Clearance Declaration – External Standard
SC-DT-C-06	Completion of DA 66 – External Manual
SC-TR-01-05	Remover of Goods – External Policy
SE-BFS-02	Bunkering of Foreign Going Ships – External Policy
SE-BIO-02	Biodiesel Industry – External Policy
SE-BIO-03-M01	Completion of DA 159 – External Manual
SE-BIO-04-M01	Completion of DA 160 – External Manual
SE-BON-02	Bonds – External Policy
SE-LR-02	Licensing and Registration – External Policy
SE-REF-02	Refunds – External Policy

#### 3.3 Quality Records

Number	Title
CCD	Customs Clearance Declaration such as SAD 502, etc. which can only be considered as clearance documents when it has been duly presented and processed by the Controller / Branch Manager
DA 66	General Application for Drawback / Refund
DA 103	License
DA 159	Petroleum Excise Account (Special Storage Warehouse) (accompanied by standardized supplementary supporting schedules)
DA 160	Petroleum Excise Account (Manufacturing Warehouse) (accompanied by standardised supplementary supporting schedules)
DA 187	Customs Road Freight – External Form
DA 490	Bill of Entry Departmental
P 2.01	Dipping Certificate

## 4 DEFINITIONS AND ACRONYMS

Aliphatic hydrocarbon solvent	A paraffin like solvent (a substance capable of or used in dissolving a product) derived from crude oil
Aviation kerosene	Used as fuel in jet engines
Biodiesel	Biodiesel is normally produced from vegetable or animal fats and oils sourced from a variety of vegetable or animal products
BLNS	The Republic of Botswana; The Kingdom of Lesotho; The Republic of Namibia; and The Kingdom of Swaziland
CD	Customs Declaration such as SAD 502, etc. which can only be considered as clearance documents when it has been duly presented and processed by the Controller/Branch Manager
Category 2 manufacturer of Biodiesel	Manufactures more than 25 000 litres of biodiesel per calendar month AND more than 300 000 litre per calendar year, for consumption in South Africa and exports biodiesel or removes biodiesel to any BLNS country
Commissioner	Commissioner for SARS
Continental Shelf	Section 8(1) of the Maritime Zones Act, 1994 read with Article 76 of the United Nations Convention on the Law of the Sea loosely defines the continental shelf as the area to the outer edge of “the continental margin” which is the submerged continuation of the natural continental land mass consisting of sea bed and sub soil, but not the deep ocean floor. This is further extended to a minimum of 200 nautical miles from the coastline if the land mass as defined does not extend that far. Should the issue of the continental shelf arise it would be wise to take expert legal opinion on the matter.
Distillate fuel	Diesel
DP	Duty Paid
EDI	Electronic Data Interchange
Fuel Levy goods	Means any goods specified in Part 5A of Schedule 1
IP 60 (B)	Tables for the measurement of quantities of petroleum products of various specific gravities and temperatures published by The Institute of Petroleum in the United Kingdom and used as the South African standard
ITAC	International Trade Administration Commission
Kerosene	Comprises of refined petroleum distillate intermediate in volatility between gasoline and gas/diesel oil
LDF	Licensed Distributor of Fuel
PAJA	Promotion of Administrative Justice Act
RAF	Road Accident Fund
Role-players	a) The South African Revenue Service; b) BLNS countries; c) Manufacturers of oil products; d) Importers of oil products; e) Exporters of oil products; and f) Licensees of Customs and Excise warehouses
SACU	The Southern African Customs Union, consisting of:  a) The Republic of South Africa; b) The Republic of Botswana; c) The Kingdom of Lesotho; d) The Republic of Namibia; and e) The Kingdom of Swaziland
Schedule 1 Part 1	Ordinary Customs Duty
Schedule 1 Part 2A	Specific Excise duties, and specific Customs duties on imported goods of the same class or kind
Schedule 1 Part 5A	Fuel levy
Schedule 1 Part 5B	Road Accident Fund

Schedule 4	Industrial Rebates
Schedule 6	Rebates and Refunds of Excise Duties, Fuel Levy, RAF Levy and Environmental Levy
SOS	Special Storage Warehouse
VAT	Value-Added Tax
Vis Major	A natural and unavoidable catastrophe that interrupts the expected course of events; normally caused by forces of nature
VM	Manufacturing Warehouse
VOC	Voucher of Correction
WH	Warehousing
ZMR	Monthly summary by the receiving Special Storage Warehouse of fuel levy goods received from a manufacturing warehouse
ZMS	Monthly summary by the supplying manufacturing warehouse of fuel levy goods removed to a Special Storage Warehouse

## 5 DOCUMENT MANAGEMENT

Policy Owner	Executive: Governance
Detail of change from previous revision	Paragraph 2.7 has been inserted to make provision for the Promotion of Administrative Justice Act (PAJA); and Effective from 5 June 2019, the fuel levy will be comprised of the general fuel levy and the carbon fuel levy as its constituent components.
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