

19 APRIL 2020

UPDATE: CUSTOMS MEASURES RELATING TO COVID-19

The Government response to Covid-19 is constantly evolving as circumstances relating to the pandemic change. This also requires SARS to respond with agility to any changes that impact its Customs regulatory function relating to goods imported into, or exported from the Republic during this period.

The initial lockdown period was characterised by severe restrictions aimed at flattening the curve of Covid-19 infections. Only certain essential goods specified in the Regulations to the Disaster Management Act, 2002 were allowed to enter or leave the Republic. As a result, customs operations, inspections and services were also focused on these critical goods in order to ensure their unimpeded and expedited movement.

The majority of import and export cargo were, however, non-essential goods and were not permitted to be transported, or to be delivered to non-essential businesses remaining closed during this period.

On 2 April 2020 amendments to the Regulations were made that allowed all cargo to be moved away from ports of discharge and onwards to their intended destinations in order to ease port congestion.

The Minister of Transport, Mr Fikile Mbalula, would later remark in his Media Statement of 16 April 2020, on the domino effect that the earlier decision allowing only the movement of essential cargo had on the value chain. This included the unintended consequence of congestion at ports and surrounding storage facilities, which were not designed to handle the storage of such volumes of cargo.

In their media briefing, the Minister of Cooperative Governance and Traditional Affairs, Dr Nkosazana Dlamini-Zuma and members of the National Command Council (NCC), made it clear that the lockdown cannot end abruptly and that changes will be phased in to ensure that there is an orderly move towards normality.

In the subsequent media statement issued after the publication of the amended Regulations on 16 April 2020, Dr Nkosazana Dlamini-Zuma provided further clarity on the amendment of Regulation 11B as follows:

Imported cargo

1. Imported cargo, with the exception of liquor, may be transported from ports of entry to warehousing sites and essential goods may be transported from warehousing sites to essential service providers.

Export cargo

2. Government specifically made provision for the export of cargo in order to decongest ports. Cargo may also be transported to ports of entry for purposes of exporting.

The above-mentioned developments have a direct impact on the inspection of cargo by Customs, as well as on Customs services rendered at places of entry. As a result, we wish to advise traders as follows:

The inspection of cargo

3. Customs inspections will now take place in respect of all cargo and will no longer be limited only to essential cargo. We will, however, still prioritise essential cargo for inspection in order to avoid any undue disruption in respect of the supply of critical goods.
4. Extensive use will be made of documentary inspections and, where possible, non-intrusive examination methods will be used in an effort to limit physical inspections to numbers that match our operational capacity at this time.

Customs services at places of entry

5. In order to protect our officers and comply with the initial lockdown measures imposed, we reduced our operational footprint at ports of entry. As a result of the incremental easing of restrictions relating to the movement of cargo, we will now increase our capacity at ports of entry to make sure that we can render the required customs services.
6. The increase in our Customs capacity at ports of entry will be incremental and in accordance with social distancing protocols, high levels of hygiene in the work area, as well as other safety measures necessary to ensure that we aid Government's efforts to limit the further spread of Covid-19.
7. These measures may result in longer processing periods being experienced than what clients were accustomed to prior to the lockdown coming into effect. This is, unfortunately, unavoidable in the circumstances and we ask for your patience and understanding during this transitional period. We are, however, committed to continue working in a collaborative manner with all role-players to limit any negative impact on the flow of trade.

Escalations

8. We have previously communicated how we wish to handle operational escalations and once again ask that you assist us in this regard so that we may deal with issues efficiently and without undue duplication.
9. Any Customs query or escalation must first be directed to the relevant Customs Branch Office so that it may be speedily addressed at the point of origin – the relevant branch contact details are available on the SARS website. Only when queries or issues cannot be resolved by the Branch Office concerned, should the matter be further escalated to the Customs Operations Support Centre (osc@sars.gov.za).

Updates

10. SARS will continue to provide information and updates as far as it impacts on Customs procedures and the delivery of Customs services, as the result of amendments made to the Regulations, or any Directions thereto, or any information that is formally communicated by Government.

This update replaces the Customs Practice Note and its Explanatory Note issued on 06 and 07 April 2020 respectively.