

CUSTOMS PROCESSES RELATING TO THE IMPORTATION AND EXPORTATION OF GOODS IMPORTED FOR DISPLAY OR USE AT EXHIBITIONS, FAIRS MEETINGS OR SIMILAR EVENTS.

Please take note that various scenarios are herewith explained to highlight and identify the customs procedures.

CUSTOMS PROCEDURES TO BE FOLLOWED FOR THE IMPORTATION AND EXPORTATION OF GOODS FOR DISPLAY OR USE AT EXHIBITIONS, FAIRS MEETINGS OR SIMILAR EVENTS.

OPTION ONE:

A. T. A. CARNET

BACKGROUND:

ATA is an acronym of the French and English words “*Admission Temporaire/Temporary Admission*”. The ATA Carnet system is an internationally recognised and accepted uniform Customs document. Provision for the acceptance of A.T.A. carnets is made in Section 38(1) of the Customs and Excise Act (Act 91 of 1964) (Act).

The aim of the A.T.A. Convention is to facilitate the temporary duty-free admission of certain goods by eliminating the difficulties encountered in making out a Customs declaration on a national form at the time of importation into each country and in providing on spot adequate security for the payment of any duties due should the goods not be exported in due course. This has been achieved by the introduction of:

- (a) An international Customs document (ATA Carnet) which may be used in lieu of the national Customs document normally required for temporarily admitted of goods, and
- (b) An internationally valid security furnished by the associations which issue A.T.A. Carnets.

The ATA Carnet allows, amongst others, for the temporary importation of inter alia. professional equipment owned by persons abroad into a country that is a signatory to the Conventions governing ATA Carnets. The conditions governing the ATA Carnet, which users have to observe stringently, allows for the temporary importation of goods without the payment of duty whilst complying with the minimum of restrictions.

The A.T.A Carnet may only be used for the importation of the following goods:

- Goods for display or use at exhibitions, fairs, meetings or similar events.
- Professional equipment owned by persons abroad for the use solely by or under the supervision of the visiting person.
- Cinematographic equipment.

The term “**equipment for the press or for sound or television broadcasting**” means equipment necessary for the representatives of the press or of broadcasting or television organizations visiting a country for purposes of reporting or in order to transmit or record material for specified programmes.

CONDITIONS TO BE OBSERVED BY THE ATA CARNET HOLDER:

Goods imported under cover of an ATA Carnet **can and may not** be sold. Such goods must be re-exported by the carnet holder within the prescribed period for their temporary admission. It is therefore particularly important to obtain the correct Customs verification of entry and exit from the country visited. Failure to do so may well lead to Customs duty, Value added – tax (VAT) and a penalty being imposed.

An ATA Carnet shall be granted provided:

- the equipment shall be owned and imported by a natural person resident abroad or by a legal person established abroad;
- the equipment shall be capable of identification on re-exportation,
- the equipment shall be used solely by or under the personal supervision of the visiting person; and
- the equipment shall not be the subject of a hire contract or similar arrangement to which a person resident or established in the country of temporary importation is a party.

ADVANTAGES OF THE ATA CARNET SYSTEM:

The system offers the following advantages:

- It simplifies Customs procedures thereby allowing instant recognition and acceptability by Customs officials of ports of entry into the Republic and also avoids any necessity for a deposit or a guarantee in some form by the carnet

holder bringing the goods into the country.

- It allows commercial travelers to make Customs arrangements in advance of a country they intend to visit. It, furthermore, allows them to make these arrangements locally, quickly and at a determined cost.

WHAT HAPPENS IF THE GOODS COVERED BY AN ATA CARNET ARE NOT EXPORTED DUE TO LOST, THEFT OR DESTRUCTION?:

Such goods automatically become liable for Customs duty and VAT. Payment of such will be the liability of the ATA Carnet holder. In addition, the holder is responsible to the issuing Chamber for any costs that the Chamber may incur in meeting its obligations as guarantor.

LOSS, THEFT OR DESTRUCTION OF A.T.A. DOCUMENTS:

It should be noted that in the case of destruction, loss or theft of an A.T.A. document while the goods which it covers are still in the Republic, SARS will, at the request of the issuing association and subject to any conditions, accept a replacement document, the validity of which expires on the same date as that the carnet which it replaces.

VALIDITY PERIOD OF THE ATA CARNET:

The validity of an ATA Carnet normally extends for 12 months from the date of issue. This validity period **cannot** be renewed or extended.

VALUE OF GOODS TO BE STATED ON THE ATA CARNET:

The value of goods to be stated on ATA Carnets is the "**export value in the country of issue of the Carnet**". The Carnet holder must declare a value corresponding to the true commercial value. Furthermore, the Carnet holder is liable for penalties which might include seizure of goods, should cases of "under-declaration" of value be disclosed.

WHO ISSUE THE ATA CARNET:

ATA Carnet operations are administered by local Chambers of Commerce in participating countries as a result of an international arrangement known as the "IBCC Chain", sponsored by the International Chamber of Commerce (ICC) in Paris.

The liability of the Carnet holder shall cease if he proves that the goods have been duly exported or if the goods have been exported under customs supervision.

GUARANTEEING COUNTRIES OF THE ATA SYSTEM:

*Andorra	Luxemborg
Australia	*Macedonia
Austria	Malaysia
Belgium	Malta
Bulgaria	Mauritius
Canada	Morocco
*China	Netherlands
Cote D'Ivoire	New Zealand
Croatia	Norway
Cyprus	Poland
Czech Republic	Portugal
Denmark	Romania
*Estonia	Senegal
Finland	Singapore
France	Slovak Republic
Germany	Slovenia
Gibratar	South Africa
Greece	Spain
Hong Kong	Sri Lanka
Hungary	Sweden
Iceland	Switzerland
*India	Thailand
Ireland	Tunisia
Israel	Turkey
Italy	United Kingdom
Japan	United States of America
Korea	
Lebanon	

* Subject to approval from the South Africa Revenue Service and South Africa Chamber of Commerce.

PLEASE NOTE THAT AN ATA CARNET MAY NOT BE USE FOR THE IMPORTATION OF CONSUMABLE GOODS SUCH AS STATIONARY AND ANY OTHER FORM OF "HAND-OUTS" WHICH WILL NOT BE EX-PORTED AFTER THE EVENT.

OPTION TWO:**TEMPORARY IMPORTATION OF GOODS IN TERMS OF REBATE ITEM 480.10
OF SCHEDULE NO. 4 TO THE CUSTOMS AND EXCISE ACT.**

Goods may also be imported into the Republic on a temporary basis in terms of rebate item 480.10 of Schedule No. 4 to the said Act.

Clearance in terms of the rebate item may only be made with prior approval from the Commissioner for the South African Revenue Service (Commissioner). Goods imported in terms of rebate item 480.10 shall on importation be entered on form SAD 500 and on re-exportation on a form SAD 500 (export) or on such other form as may be specified by the Commissioner.

Where articles cannot be readily be identified by foreign seals, marks, numbers or any other identification permanently fixed to it, customs and excise marks and seals may be fixed to them.

The customs duty and VAT, which is normally payable at time of importation, must be covered by means of:

- the lodgement of a cash provisional payment or
- the furnishing of a special bond in lieu of the cash payment.

In this regard it is stressed that the surety to these bonds must be a South African branch of a South African Reserve Bank approved bank or Insurance company.

Special bonds may only be cancelled and provisional payments refunded when all the conditions there under have been met i.e. the goods in question have been satisfactorily accounted for by having been re-exported or if sold in the Republic, the duty and VAT thereon be brought to account.

Rebate of duty in terms of this item is intended to cover only goods **which are and remain the property of persons or firms normally resident and carrying on their businesses or professions outside the Republic.**

PERIOD OF TIME WHICH GOODS ENTERED IN TERMS OF REBATE ITEM 480.10 MUST BE RE-EXPORTED:

The goods imported under this item should be exported within a period of **six months** from date of entry thereof.

RE-EXPORTATION OF THE GOODS TEMPORARILY ENTERED INTO THE REPUBLIC.

On re-exportation of the goods concerned such goods may be re-exported through any customs and excise office through which goods may be exported and may be in more than one consignment.

The documents produced at the time of entry (SAD 500) shall be produced to the Branch Manager and the goods shall be re-exported under customs supervision.

The liability of the importer shall cease if he proves that the goods have been duly exported or if the goods have been exported under customs supervision.

CUSTOMS PROCEDURES TO BE FOLLOWED FOR THE IMPORTATION AND EXPORTATION OF PERSONAL EFFECTS OWNED BY THE PARTICIPANTS OF THE EVENT.

Provision currently exists in terms of rebate item 407.01 of Schedule No. 4 to the Act whereby all personal effects belonging to the participants of the event may be imported into the Republic without the payment of customs duty or VAT, provided it is imported in reasonable quantities according to the prevailing circumstances of each case and are for the passenger's personal use.

This equipment (new or used) may be imported either as accompanied or unaccompanied passenger's baggage.

Goods imported in terms of this rebate item shall on importation be entered on form SAD 500 (purpose code GR) and on re-exportation on a form SAD 500 (export) or on such other form as may be specified by the Commissioner.

IMPORTATION OF GOODS OF NO COMMERCIAL VALUE i.e. LEAFLETS, BROCHURES etc.:

Provision exists in terms of Section 38(1)(a)(iii) of the Act whereby goods which in the opinion of the Commissioner for the South African Revenue Service are of no commercial value can be declared as per form DA 306 at the port of entry. In this instance no customs duty or VAT are payable. The above-mentioned are not under obligation for re-export purposes.

Please note that this only acts as a guideline for intended importers with regard to the customs requirements.

Should you encounter any problems or need any additional information in this regard, please do not hesitate to contact **SARS, Customs** at **(012) 422 4000** during office hours.