

Meeting global norm on sealing of goods

ACCORDING to the World Customs Organisation Safe Framework of Standards June 2007 greater clarity and consensus is required in the movement of secure containerised goods.

The Safe Framework of Standards provides that the benefits of seal integrity for containers is that there will be "improved security against acts of terrorism that exploit the global trade in goods; reduced risk of economic hardship caused by disruptions to or closures of trade in response to terrorist acts; improved security against theft and diversion of cargo...; improved security against illegal transport of materials such as narcotics and weapons and of persons", and so on.

The South African Revenue Service (SARS) is aligning the Customs and Excise Act, 1964, (the customs act) with the Safe Framework of Standards, by way of recent amendments specifically providing for the placing of seals on all goods that are subject to the customs act.

Section 11A has been inserted into the customs act by section 15 of the Revenue Laws Amendment Act, 2006, to specifically provide for the placing of seals on containers and packages and vehicles. Prior to the introduction of section

11A there was no specific provision dedicated to the issue of the placing of seals for customs purposes. Although this new section has been enacted, it will only come into effect on a date to be fixed by the president by proclamation in the Government Gazette. All affected should ensure that they are in a position to comply once the section comes into effect.

Prior to the new section 11A, there were a few sections that touched briefly on the placing of seals for example, section 4(9)(c) which provides that "an officer shall have free access to and the right to rummage every part of any ship or vehicle and to examine all goods on board, with power to fasten down hatchways and to mark any goods before landing and to lock up, seal, mark or otherwise secure any goods..."

Section 80 of the customs act makes it a serious offence for any person to remove or break or interfere with any lock, meter, gauge, rod, seal, mark or fastening placed on or fitted on to any warehouse, vessel, package, container, or other article, place or plant, by an officer. There are a few other sections that touch briefly on this issue. The customs act did not, however, have a dedicated section to provide for the proverbial "Who? When? What and Why?"

when it came to the sealing of goods for customs purposes.

In terms of the new section 11A, any container; any vehicle with a built-up closed body; any road tanker; any other vehicle or part of a vehicle or any package must have a security seal affixed thereto or the goods themselves must be otherwise secured by such fastenings as prescribed by rule. The seals must be placed at the risk and expense of: the importer; exporter; manufacturer; owner or other person who is in control of the goods. Where the goods are in a customs and excise warehouse the owner of the goods or the licensee of the warehouse will bear the risk and expense of the placing of the seals. Where the goods are in transit the person who enters the goods for transit will bear the risk and expense. For transshipment goods it will be the person who declares the goods for transshipment. If any of the aforementioned people fail to affix the appropriate seals or fastening, then a customs officer may do so at the risk and expense of the person that should have done so.

The commissioner will announce the date by rule whereafter all goods under customs control must be secured before being entered or declared, or removed. Further provisions regarding the procedures for the keeping and affix-



ing of seals and the recording of seal numbers will be inserted into the rules to the customs act. The rules will also specify what records must be kept of the inspection of seals and the circumstances and

the requirements that must be met when seals or fastenings are replaced.

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