

Mandatory EDI Customs Declarations put Transporters under pressure



Glenn Lawson, CoreFreight Systems (Pty) Ltd

“Many cross-border transporters are battling with the recent implementation of the South African Customs requirement that SAD declarations be submitted electronically by any importer, exporter or agent who is either accredited with SARS or, if unaccredited, submits more than 20 bills of entry per calendar month” states Glenn Lawson, Head of Customer Services at Core Freight Systems. The rules actually came into effect on 1 August 2009, but SARS commenced with the enforcement at certain land border posts in April this year. This has put a lot of pressure particularly on Exporters conducting business into Lesotho and Swaziland, as these border posts have traditionally operated on a manual basis.

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“This is integral to SARS “paper-less” initiative explains Glenn “and requires that the Agent or Exporter obtain access to an IT system which will provide connectivity to the SARS servers”. Many of these exporters and smaller agents do not traditionally have computerized systems and relied heavily on manual processes. The CoreFreight application

provides a simple cost-effective facility for this purpose. The operator requires a basic computer with internet access and all the complex messaging and infrastructure necessary for communication with Customs is supplied and maintained by Core Freight.

CoreFreight also operates a helpdesk which users can call if they do not understand what information is required by SARS or if they have a problem with understanding the CoreFreight system. This is particularly useful for exporters whose core business is not about understanding customs requirements, but is in fact about getting the goods to their customers.

“There are however benefits in the long term for these cross-border transporters in terms of speed and ease of clearance.” says Lawson. Due to the manual systems currently in place at most road border posts, a lot is left up to the interpretation and discretion of different customs officials. This is a massive problem in terms of consistency as what is required by one border post is not always the same as the next.

One of the big benefits of the EDI implementation is that a lot of the interpretation of the manual document is removed from the Customs official and replaced by the Electronic message. The use of EDI also enables exporters to pre-clear their shipments which also speeds up the process at the border post. All of the above should result in a smoother cross-border transition, at least from the South African Customs side, as well as greater compliance with SARS Customs requirements. ◆