



Glenn Lawson, CoreFreight Systems (Pty) Limited

Service Provider gears up for customs modernisation

The first phase of the South African Revenue Service's (SARS) Customs Modernisation Programme will begin in October this year. SARS Commissioner Oupa Magashula unveiled the details of the scheduled modernisation of their Customs Operations in Johannesburg late last month (July). The project will see SARS implement several new technologies in an attempt to enhance various aspects of the clearance processing, electronic commerce, revenue collection, inspection, and case resolution aspects of the diverse customs process.

Specific focus areas of the programme will include: mandatory electronic communication with traders, customs brokers, carriers and release agents; risk-based Customs assessment (automated implementation); electronic supporting documents; and a single registration application process.

A new integrated Customs solution is also scheduled to standardise the processing and validation of Customs declarations across all modes. The first phase will include the processing of all goods declarations. In addition, clearances will soon be processed by means of a single declaration engine.

Glenn Lawson, Head of Customer Services at specialist South African Clearing and Forwarding software supplier CoreFreight Systems made the following comment after the announcement.

"From a personal perspective, one of the major benefits of the Modernisation Programme is acknowledgement of the role of the 'Service Provider' and 'Agents' in the facilitation of Customs compliant trade and hence appropriate inclusion and participation in the process of modernisation. Although we are not involved in all aspects of the programme clearly Customs Modernisation includes greater leverage of

information technology and this is where we believe we can make a meaningful contribution.

"SARS has invited our active participation in pertinent elements of the exercise and their representatives have been understanding of the all issues raised by ourselves and industry colleagues, considering them with an open mind and accommodating the Service Providers issues where reasonable and appropriate – in order to find a mutually beneficial solution. SARS has frequently used the term 'Co-creation' with reference to the interaction with the Service Providers, and has reflected this in their conduct.

"Under the current 'Pre-Modernisation' scenario a lack of published clarity on process rules, different interpretation or inconsistent action in application of the rules between Customs Offices and/or Officers causes wasted effort and frustration in the attempted resolution of issues. This sometimes manifests in delay in the movement of goods, with consequential financial losses. By collectively reviewing the applicable rules and centralising the interpretation thereof we believe that clarity and consistency should result, and issues which do arise in the future should be more speedily resolved.

"We need to see how the integrated testing between our application and the SARS Systems, which commenced at the beginning of August, progresses. However, at this stage we are confident that the CoreFreight Users will be ready for the switch-over to the new regime.

"Clearly we are excited by the modernisation of Customs. We believe that this will create more efficient import and export trade through clarity of requirements, consistency of application, speed of regular processing and resolution of exceptions. We wholeheartedly support SARS in their vision of modernisation of the Customs environment." ♦

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