

COMMISSIONER GENERAL RULES N° 003/2007 OF 15/06/2007 IMPLEMENTING THE LAW N° 21/2006 OF 28/04/2006 ESTABLISHING THE CUSTOMS SYSTEM

Le Commissaire Général de l'Office Rwandais des Recettes,

Given Law No. 21/2006 of 28/04/2006 establishing the Customs System, especially in its articles 80 and 109;
Given Ministerial Order n° 002/06MIN of 28/09/2006 governing handling and warehousing services for goods under Customs bond and transit parking yards especially in its article 6;

Issues the following rules:

CHAPTER ONE: GENERAL PROVISIONS

Article Premier: Objective

These rules aim at setting procedure for pre clearance, licensing of bonded warehouses and parking yards.

Article 2: Definitions

For purposes of these rules, the following terms are defined as follows:

1. **Customs bonded warehouse:** a place licensed as customs bonded warehouse by the Commissioner.
1. **Commissioner General:** The Commissioner General of Rwanda Revenue Authority;
2. **Commissioner:** The Commissioner for Customs and Excise;
3. **License:** an authorization to operate a Customs bonded warehouse or a transit parking yard;
4. **Warehouse manager:** a person responsible for daily operations of customs bonded warehouse.

CHAPTER II: PRE- CLEARANCE

Article 3: Application for pre-clearance

Application for pre-clearance shall be addressed to the Commissioner on a prescribed form available at Customs.

Article 4: Required conditions

For an importer to benefit from the pre-clearance facility, he/she shall fulfill the following requirements:

- i) must possess a permanent address in Rwanda;
- ii) should keep proper books of accounts;
- iii) should not have outstanding arrears with the Tax Administration;
- iv) should not possess three or more statements of offences (PVs) in the previous year.

Any person who abuses the pre-clearance facility shall no longer benefit from the facility.

Article 5: Goods eligible for pre-clearance

The pre-clearance shall be granted to the following types of goods:

- i). Perishable goods;
- ii). Dangerous goods;
- iii). Fragile goods;
- iv). Capital goods or other urgent factory material;
- v). Relief goods for free distribution;
- vi). Diplomatic goods;
- vii). Drugs and medical equipments;
- viii). Agricultural inputs
- ix). Other goods which will be allowed authority of the Commissioner.

Article 6: Required documents

The following documents shall be required for pre-clearance:

- a. Application form;
- b. Invoices;
- c. Packing list (if applicable);
- d. Bill of lading (if applicable);
- e. Freight statement;

- f. Certificate of analysis (if applicable);
- g. Certificate of origin (if applicable);
- h. Bank Import Declaration and agricultural permits (if applicable).

All other documents (except b, g and h) can be submitted as copy/fax documents.

Article 7: Approval of the declaration

Once pre-clearance is approved, the declaration shall be prepared and submitted for processing.

Article 8: Pre- clearance procedure

Pre-clearance shall be handled in accordance with the normal customs clearance procedures.

Article 9: Time limit for making declaration

Pre-clearance is done at most 14 calendar days prior to arrival of goods. Upon expiry of that period, the declaration shall be cancelled from the system.

Article 10: Pre-clearance desk

After documentary processing and payment, all documents shall be submitted to the pre-clearance desk.

Documents should not be released to the importer until goods have arrived and all necessary original documents are submitted and verified.

Article 11: Post clearance audit

Post clearance audit shall be conducted to all goods granted pre-clearance.

Article 12: Refund

All pre-clearance re-imburements shall be dealt with in accordance with the Customs law, whether they arise from non-arrival of goods or incorrect declarations.

CHAPTER III: LICENSING OF PUBLIC AND PRIVATE BONDED WAREHOUSES AND TRANSIT PARKING YARDS

Article 13: Application for license

Application to operate a bonded warehouse shall be addressed to the Commissioner and shall clearly indicate the nature of the warehouse requested for.

Article 14: Application requirements

To operate a bonded warehouse, the applicant must fulfill the following conditions:

- i. be a permanent resident or an investor registered under Rwanda Investment Export Promotion Agency;
- ii. should possess trade license issued in Rwanda;
- iii. should possess Tax Clearance Certificate.
- i. complete an application form issued by Customs;
- ii. submission of a plan of the premises as required by Customs;
- vi. meeting the standards set by Customs based on the nature of goods and active ties of the bonded warehouse;
- vii. executing a bond equal to duties and taxes due on goods to be warehoused (Bank/Insurance guarantee);
- viii. executing a bond equal to duties and taxes due on goods to be warehoused (Bank/Insurance guarantee);
- ix. payment of a license fee.

Article 15: Minimum requirements for the bonded warehouse premises

The warehouse management shall ensure that the following minimum requirements are available at bonded warehouse:

1. fence-structured premises should be at least 2 meters high;
2. the premises should have concrete or cemented ground/floor;
3. should provide a suitable office with all facilities for Customs;
4. should have a computerized system in place capable of generating arrival notice of goods and stock record of warehoused goods;
5. should have systematic procedure of entry and exit of goods in the warehouse;
6. possession of electronic weighing machines approved and certified by competent authority;

7. possession of elevating equipments, machines and materials where applicable;
8. stack and arrange the goods in the bonded warehouse in a proper way in order to ease verification by the customs officers;
9. provide locks and key for securing the doors of the bonded warehouse;
10. provide all necessary labor and materials needed for treatment, sorting, packing, examining, weighing and storing the goods;
11. ensure the insurance of warehoused goods;
12. parking space for vehicles;
13. safety equipment for the security of workers and warehoused goods;
14. lights for security purposes;
15. the premises should have a single entrance;
16. should have a 3-year period business plan illustrating marketing and customer care strategy.

Article 16: Validity of license

The License to operate a bonded warehouse shall be for one year renewable.

Article 17: Application for renewal

Companies or individuals requesting for the contract renewal shall be allowed only one month period to accomplish all the required formalities.

Article 18: Bonded warehouse under rental contract

In case the bonded warehouse is under rental contract, the contract should at least be equivalent to the bond agreement period of one year.

Article 19: Opening and locking of a bonded warehouse

The bonded warehouse shall be jointly opened and locked by the warehouse manager and Customs officer.

Article 20: Approval of goods to be warehoused

The goods to be warehoused should be those approved by the Customs.

Article 21: Suspension and cancellation of a license

The Commissioner may suspend or cancel a license where the warehouse management:

1. Fails to comply with the customs law and subsidiary legislations that regulate operations of a bonded warehouse;
2. Acts fraudulently in dealing with Customs and clients;
3. There is no longer a need for a bonded warehouse in the area in which it is located;
4. Failure to comply with the minimum requirements mentioned under article 18.

Article 22: Locking of a suspended warehouse

Where the bonded warehouse is suspended, Customs may lock and seal the bonded warehouse during the period of suspension.

Article 23: Licensing of a parking yards

The Commissioner issues a license to operate a transit parking yard upon satisfying the following conditions:

1. The applicant must be a permanent resident of Rwanda or an investor registered under Rwanda Investment Export Promotion Agency ;

2. Should possess trade license issued in Rwanda;
3. Should possess Tax Clearance Certificate
4. Enough parking space acceptable to Customs;
5. Located near the authorized routes;
6. Offices for the personnel and customs officer;
7. Lighting system;
8. Weigh bridges;
9. Insurance for the goods;
10. Guarantee equivalent to the value of goods handled;
11. Security personnel;
12. possess sanitary facilities.

Article 24: Abrogation of contrary rules

All previous rules contrary to these rules are hereby abrogated.

Article 25: Coming into force

These rules come into force on the date of their publication in the Official Gazette of the Republic of Rwanda. They will be effective as from 01/01/2006.

Done at Kigali, on 15/06/2007

The Commissioner General,
Rwanda Revenue Authority

Mary BAINE
(sé)