

Pre-arrival Clearance (PAC)



What is Pre-arrival Clearance (PAC)?

This refers to the electronic submission of the relevant goods and/or cargo declaration data and documents to Customs and other government authorities before the actual arrival of the goods.

Why is PAC necessary?

PAC is a Customs control measure (risk assessment) as well as a trade facilitation (expedite release) measure such that legitimate goods are released immediately upon arrival, and high-risk cargo controlled for risk mitigation.

To who does it apply and under what conditions?

Applies to all importers who lodge their documentation early. The organisation has piloted with AEOs because of their compliance status. There are however no conditions for joining the PAC program.

Components of PAC

- Information – advance electronic submission of documentation/information, e.g. manifest, entry, invoice, CoO, permits, certificates, etc.
- Automation – electronic data exchange of scanned documents
- Processing – verification, assessment and risk assessment of the data and documents,
- Release - Action by Customs to permit goods to be released to an interested party upon arrival.
- Clearance - Final determination and satisfaction of Customs duties, taxes, fees, charges and PGA requirements. Can be accomplished pre-arrival.
- Coordinated Border Management - Pre-arrival coordination between customs and other partner government agencies
- Post-Clearance Audit - measures by which the Customs satisfy themselves as to the accuracy and authenticity of declarations through the examination of the relevant books, records, business systems and commercial data held by persons concerned.

How it works

- The importer & or the Clearing Agent should **lodge declaration to customs and make payments at least 48 hours (2days) before expected arrival of the vessel.**
- Upon arrival of vessel and discharge, consignments will be subjected to minimal interventions and the release process will be expedited.

Benefits of PAC

Benefits are two fold, to Customs and the traders.

a) Customs

- Facilitates in carrying out risk assessment in advance
- Focus their limited resources on high-risk cargo
- Efficient border control processes and trade facilitation
- Enhances supply chain security and revenue collection
- Decongests borders/ports
- Facilitates the implementation of Free Trade Agreements s and Mutual Recognition Arrangements
- Promotes economic competitiveness and investment

b) Traders

- Reduction in clearance time.
- Reduction in storage and other logistical costs
- Efficient inventory planning and management
- Improves predictability and transparency in the supply chain
- Facilitates in carrying out risk assessment in advance
- Efficient border control processes and trade facilitation
- Decongestion of entry and exit points i.e. borders, ports
- Promotes economic competitiveness and investmen

Key Players

- Importers/ Exporters
 - Shipping Lines & Ship Agents
 - Clearing and Forwarding Agents
 - Airlines operators
 - Transporters
 - Government Agencies i.e Kenya Revenue Authority, Kenya Ports Authority, Kenya Bureau of Standards among others involved in clearance
 - Other control agencies i.e security forces.
 - Commercial Banks
 - Insurance Companies
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