EAC

JUMUIYA YA AFRIKA MASHARIKI

SINGLE CUSTOMS TERRITORY

PROCEDURE MANUAL 2022

RELEASE No. 2.0 | MAY | 2022

EAC ANTHEM

Ee Mungu twaomba uilinde
Jumuiya Afrika Mashariki
Tuwezeshe kuishi kwa amani
Tutimize na malengo yetu.

Jumuiya Yetu sote tuilinde
Tuwajibike tuimarike
Umoja wetu ni nguzo yetu
Idumu Jumuiya yetu.

Uzalendo pia mshikamano
Viwe msingi wa Umoja wetu
Natulinde Uhuru na Amani
Mila zetu na desturi zetu.

Viwandani na hata mashambani
Tufanye kazi sote kwa makini
Tujitoe kwa hali na mali
Tuijenge Jumuiya bora.

CORE VALUES

- PROFESSIONALISM
- ACCOUNTABILITY
- TRANSPARENCY
- TEAMWORK
- UNITY IN DIVERSITY
- ALLEGIANCE TO EAC IDEALS

MEMBER STATES

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PREFACE

The East African Community (EAC) is a regional organization mandated by the Governments of the Republic of Burundi, Democratic Republic of Congo, Republic of Kenya, Republic of Rwanda, Republic of South Sudan, United Republic of Tanzania, and Republic of Uganda, to spearhead the East African economic, social and political integration agenda. Article 5(2) of the Treaty for the Establishment of the East African Community provides for the establishment of a Customs Union, a Common Market, a Monetary Union and ultimately, a Political Federation in the EAC Region. The Protocol on the Establishment of the East African Community Customs Union was concluded in March 2004, and the EAC Customs Union commenced operations in January 2005. The Single Customs Territory (SCT) is a stage towards the actualization of the Customs Union.

The Community commenced operationalization of the SCT in 2014. One of the objectives of SCT is to reduce the cost of clearing cargo through harmonizing the clearance processes and eliminating duplication of processes and documentation. To achieve this, Partner States adopted a model where Customs documentation is done in one Partner State and shared electronically with other Partner States. For imports and intra-trade, the documentation is done in the Partner State of destination. It is done in the Partner State of export for exports, and in the Partner State of first entry for transiting goods.

This SCT Procedures Manual is an EAC Publication aimed at streamlining and standardizing cargo processes under the SCT, and providing a uniform understanding of key aspects thereof to stakeholders. It is designed to assist Customs and key public and private sector stakeholders involved in cargo clearance.

The manual can be used as an operational reference guide, and a tool for training and awareness creation. It is reviewed from time to time to reflect changing circumstances at regional and international level, and to ensure continuous improvement of processes.

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ABBREVIATIONS

AEO	Authorized Economic Operator
BL	Bill of Lading
CFA	Clearing and Forwarding Agent
CFS	Container Freight Station
EAC	East African Community
ICD	Inland Container Depot
OSBP	One-Stop Border Posts
RA	Revenue Authority
SCT	Single Customs Territory

DEFINITIONS

In this document, except where the context suggests otherwise, the following terms should be taken to mean as follows

C2	Cargo Manifest, contains summarized information about the cargo on board a truck or wagon
Equipment Interchange Receipt/Report	The Equipment Interchange Receipt, also known as the Container Interchange Receipt (CIR) is a form that is generated every time a container goes from one interchange point to another. The interchange points could be two container ships, terminals, container yards or at any intermodal interchange point. The document is issued by the carrier to the shipper to pick up or deliver the containers
Exports	Goods sold or sent to a country outside EAC from any EAC Partner State
Imports	Goods brought into any EAC Partner State from a country outside EAC
Intra-Region Transfers (Intra-Trade)	Internal trade among EAC Partner States
Partner State	A Country that is a member of the East African Community
Partner State of entry	A Partner State that is the first point of entry of goods into EAC
Partner State of exit	A Partner State from which goods exit EAC
Partner State of transfer	Partner State from where goods under intra-region transfer originate
Transits	Goods imported from a foreign place through the territory of one or more of the Partner States, to a foreign destination
Transit Inwards	Goods imported from a foreign place through the territory of one or more of the Partner States, entering the EAC from any of the EAC Sea Ports and passing through the EAC to a non-EAC destination
Transit Outwards	Goods entering the EAC from a non-EAC African Country neighbour, passing through the EAC and leaving from any of the EAC Sea Ports

THE IMPLEMENTATION OF THE CUSTOMS UNION WAS ENVISAGED TO BE PROGRESSIVE FOR A PERIOD OF FIVE YEARS AND SO FAR A NUMBER OF MILESTONES HAVE BEEN ACHIEVED TOWARDS THE ATTAINMENT OF THE GOAL OF A FULLY-FLEDGED CUSTOMS UNION.

01

INTRODUCTION

1.1 Background

The Single Customs Territory (SCT) can be described as the stage towards full attainment of the Customs Union which is attainable by the removal of duties and other restrictive regulations and/or minimization of internal border Customs controls on goods moving between Partner States. The ultimate goal is realization of free circulation of goods.

The Treaty for the establishment of the EAC was signed in November 1999, and entered into force in July 2000. According to Article 5(2) of the Treaty, Partner States undertook to establish a Customs Union, a Common Market, a Monetary Union, and ultimately a political federation in order to enhance their economic, social, cultural and political development and integration for their mutual benefit.

The Protocol on the Establishment of the EAC Customs Union was concluded in 2004 and implementation commenced in January 2005. Implementation of the Customs Union was envisaged to be progressive. A number of milestones towards the attainment of the goal of a fully-fledged Customs Union have so far been achieved. In this regard, in April 2012, the Summit adopted, in principle, the destination model of clearance of goods, where assessment and collection of revenue is done at the first point of entry and revenues are remitted to the destination Partner States.

1.2 Scope

This business process manual covers clearance all goods under the Single Customs Territory. It covers imports into EAC, exports from EAC and transits through EAC from and/or to neighbouring Countries.

1.3 Cargo Clearance Processes Under Single Customs Territory

The EAC Single Customs Territory is premised on the following pillars: Free circulation of goods; Revenue management systems; Port management systems; and Regional legal and institutional framework.

The scope of free circulation of goods within EAC covers treatment of imported goods in the EAC, intra-EAC transfer of goods, export of goods from Partner States to markets outside the EAC, Port and Border Operations and trade facilitation.

1.4 Guiding Principles

There are a number of guiding principles under SCT::

1.4.1 Mutual Recognition

Under this principle, Customs agents licensed in any of the Partner States are recognized in all the other Partner States. This means they can be granted access to any Customs system in the region, lodge Customs documents and clear goods within East Africa.

In addition, there is mutual recognition of Customs officers across the region. Officers in one Partner State will recognize the interventions of Officers in other Partner States. This means that once an Officer in one Partner State carries out verification of goods and provides a verification report, Officers in other Partner States should adopt the report without the need for further verification, unless there is intelligence that necessitates need for further intervention.

On the other hand, any trader accredited under the Regional Authorized Economic Operator (AEO) programme is recognized and accorded applicable privileges in all Partner States.

1.4.2 Single Clearance Document

To remove duplication, reduce clearance costs and ensure uniformity of trade data across the region, clearance documents are lodged once in any of the Partner States and the data shared electronically with other Partner States. This applies to Customs clearance documents, and agencies such as bureaus of standards.

In addition, a single Customs guarantee/bond is applied to cover goods moving across the region. This removes the need to execute new security guarantees while moving through different Partner States.

1.4.3 Collaborative Approach to Customs Clearance and Trade Facilitation

There is a common communication framework during the clearance process to facilitate and guide close collaboration among the different agencies.

> THE EAC SINGLE CUSTOMS TERRITORY IS PREMISED ON THE FOLLOWING PILLARS: FREE CIRCULATION OF GOODS; REVENUE MANAGEMENT SYSTEMS; PORT MANAGEMENT SYSTEMS; AND REGIONAL LEGAL AND INSTITUTIONAL FRAMEWORK


(EAC)
PASSPORT
VISA
APPROVED
KENYA
TANZANIA
Nairobi
Arusha
Tabora
Dodoma
Tanga
Pemba I.
Zanzibar
Dar es Salaam
Mafia I.
Lindi
Songea
Mbeya
IMMIGRATION

02

COMMON PROCEDURES

2.1 Port Clearance

Port Authorities have developed measures to streamline port operations and end congestion in the ports. Only authorized transporters and trucks are allowed into the ports, and have to obtain the authorization in advance. Clearing agents need not physically go the port since all processing is done online.

Under SCT, this has been simplified further by integrating Customs and Port Authority systems. Applications to collect or deliver cargo are done online. Important requirements are:

For exports and transits outwards

1) An exit note/T1s must have been received from the Customs administration of export;

2) A pre-advice is obtained via online application in the port system and have to reflect the exit note/T1 reference number;

3) Payments are made online;

4) An arrival notification is sent to the Customs administration of export;

5) A vessel loading message is sent to the Customs administration of export.

For Imports and Transit Inwards

1) A Customs release is received electronically from the Customs administration of destination;

2) A delivery order is received electronically from the shipping lines;

3) Pick-Up Order is obtained via online application in the port system. This is only possible after 1) and 2) above have been finalized;

4) Payments are made online;

5) A port release document is obtained online after making the payments.

2.2 Border Processes

To streamline clearance of persons, cargo and motor vehicles at the borders, the EAC Partner States institutionalized Integrated Border Management following the construction and operationalization of One Stop Border Posts (OSBPs). The OSBP concept refers to the legal and institutional framework, infrastructural facilities, and associated procedures that enable goods, people, and vehicles to stop at only one side of the border, where they undergo the necessary controls following applicable regional and national laws to exit one state and enter the adjoining Partner State.

To streamline OSBP operations, the EAC Partner States enacted the EAC One Stop Border Posts Act, 2016, and the EAC One Stop Border Posts Regulations, 2017. In addition, the OSBP Procedure Manual was developed to enable uniform interpretation and application of the Act and its Regulations. The Manual is designed to enable officers of border agencies, facilitation agents, transporters, border community residents, and other stakeholders to understand the procedures for OSBP operations.

For more details of the border clearance processes, refer to chapter 5 the OSBP Procedure Manual[1].

1 EAC Secretariat. 2018. The East African Community One Stop Border Posts Procedures Manual. Arusha: East African Com munity

2.3 Transhipment

This covers the process of change in the means of transportation or container before cargo reaches its final destination. This can be caused by accidents, truck breakdowns or a planned change in the transport means such as truck-to-wagon or wagon-to-truck.

2.3.1 Transhipment Necessitated by Accidents or Vehicle Breakdown

2.3.1.01 In case of accidents or vehicle breakdowns, the owner of the goods, the transporter or the clearing and forwarding agents (CFA) reports to the nearest Customs office in the Partner State where the accident or breakdown has taken place and makes any applicable payment;

2.3.1.02 The Customs officers visit the scene of the accident/breakdown and carries out the necessary procedures such as verification and resealing of containers;

2.3.1.03 The officers capture the report in their Customs system. This triggers generation of a transhipment notification to the Revenue Authority (RA) of the Partner State of destination or exit, RAs of other Partner States of passage and the Port Authority of exit in case of maritime exports or Transit outwards.

2.3.2 Transhipment for Multi-Modal Transportation

This is done as described in the processes. See section 3.1.5 (Multi-Modal Exports) and 3.3.3 (Railage of Maritime Imports). There are no charges for this type of transhipment.

2.4 Regional AEO

The EAC Partner States have implemented a program for mutual recognition of compliant traders. Economic operators recognized under this program qualify for a number of benefits in all Partner States. Partner States have agreed on procedures for accrediting traders into the programme, benefits to accord the traders and a common framework for management of the Regional Authorized Economic Operator (AEO) program..

To identify AEO consignments for preferential treatment during cargo clearance;

1) An accredited AEO is assigned a unique identifier that is also shared among all partner states;

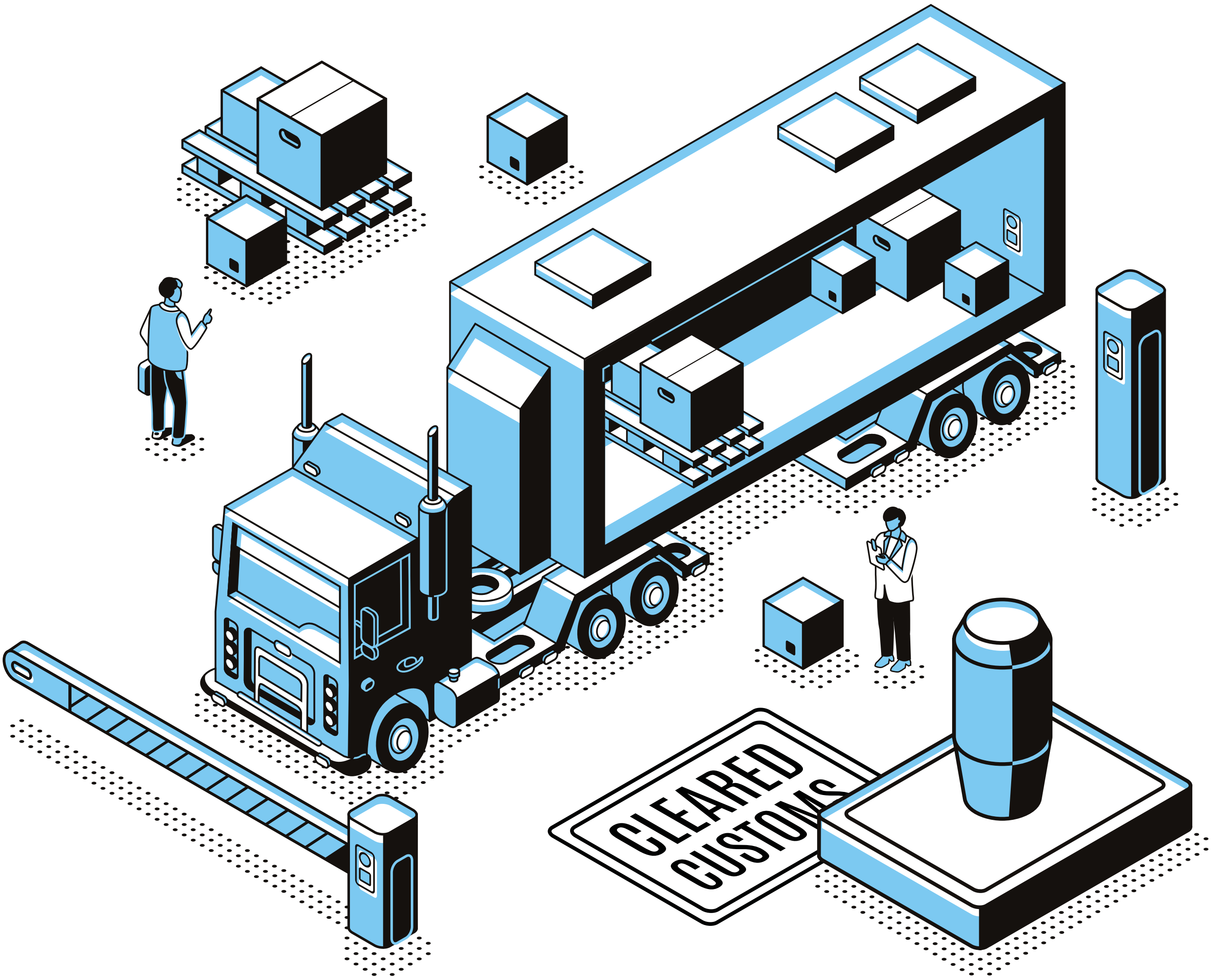
2) This identifier is linked to the TIN/PIN of the trader in all Partner States Customs systems;

3) When a Clearance Customs declaration is created where the trader is either the importer, exporter, declarant or transporter, the AEO ID is transmitted to other Partner States as part of the data exchanged under the SCT arrangement;

4) This information is used at key areas such as borders and ports to identify the consignment.

For more details about the EAC Regional AEO program, refer to the AEO Procedure Manual.[2]

2 East African Community. 2016. The East African Community Authorized Economic Operator Programme, Standard Operat ing Procedure Manual. [Unpublished]



03

SCT CLEARANCE PROCESS FLOWS

3.1 Exports

These processes cover clearance of goods sold or sent to a Country outside EAC from any EAC Partner State.

3.1.1 Exports through Land Borders

Description: These exports exit the EAC through a land border

3.1.1.01 The Customs declaration for exports is prepared in the Partner State of export. An approved form of security is attached to the declaration to cover the goods for the Partner State of export to exit point;

3.1.1.02 After assessment of the declaration, a Customs officer in the Partner State of export issues a Customs release/approves the declaration;

3.1.1.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route;

3.1.1.04 For each truck, the CFA prepares an exit note/T1;

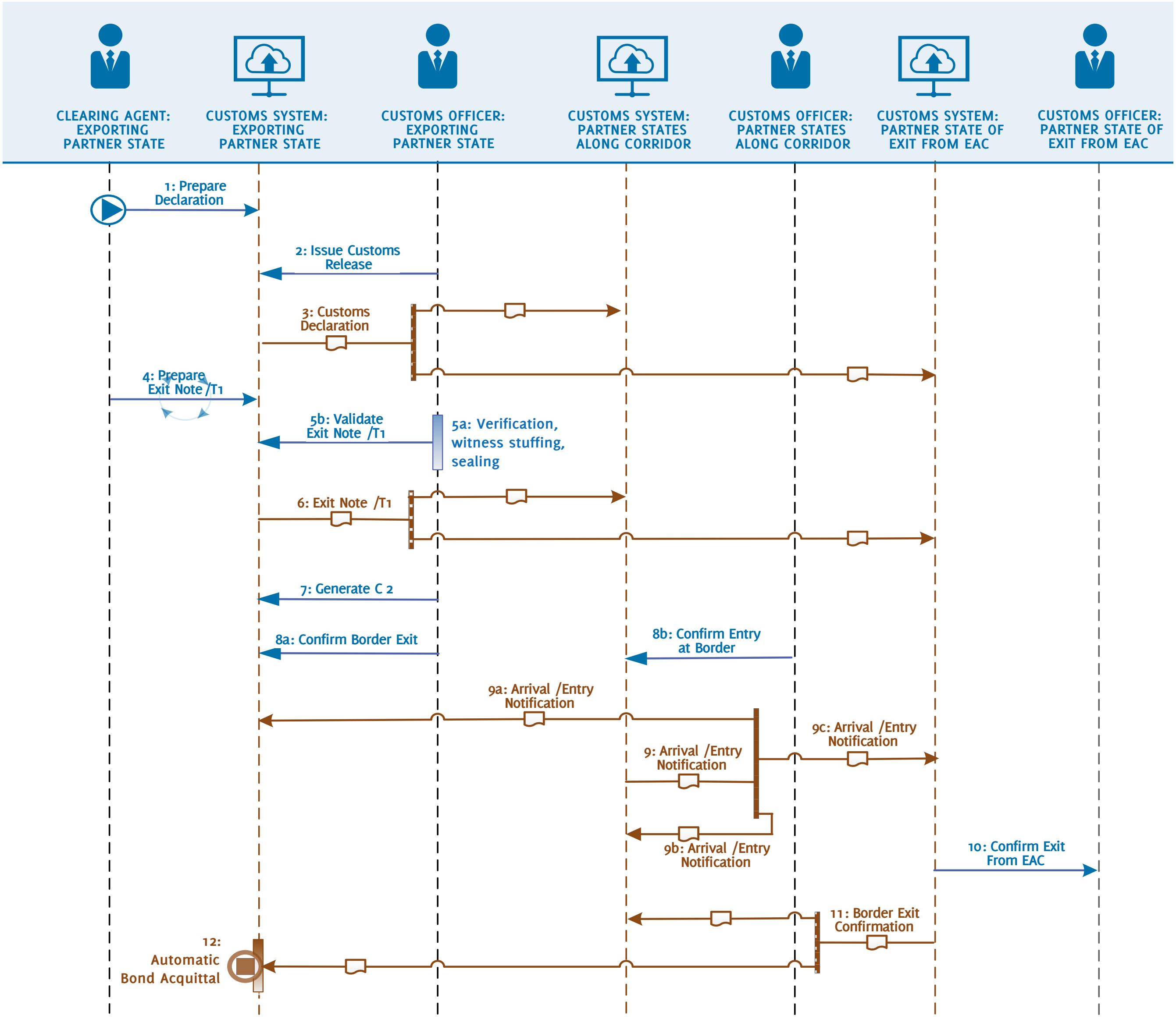
3.1.1.05 Verification, sealing and other formalities are finalized in the presence of a Customs officer of the RA of export who then validates the exit note/T1;

3.1.1.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.1.07 Officers of the RA of the Partner State of export generate a C2 for each truck;

> "AT EACH BORDER, CUSTOMS OFFICERS CONFIRM EXIT OF THE GOODS FROM THE COUNTRY AND OFFICERS OF THE RA OF THE ADJOINING PARTNER STATE (PARTNER STATE OF ARRIVAL) CONFIRM THE ARRIVAL/ ENTRY OF GOODS IN THE CUSTOMS SYSTEM

FIGURE 1: EXPORTS THROUGH LAND BORDERS



3.1.1.08 At each border, Customs officers confirm exit of the goods from the country and officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival/entry of goods in the Customs system;

3.1.1.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.1.10 At the border of exit from EAC, Customs officers of the RA of exit confirm border exit in the Customs System (or issue an export certificate);

3.1.1.11 The exit confirmation is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.1.12 The RA of the Partner State of export uses the exit confirmation to initiate automatic bond acquittal.

3.1.2 Direct Maritime Exports

Description: These are exports that exit EAC from one of the sea ports in exactly the same form, packaging and container as they left the Partner State of export.

3.1.2.01 A CFA in the Partner State of export prepares the Customs declaration for exports. An approved form of security will be attached to the declaration to cover the goods from the Partner State of export to exit point;

3.1.2.02 After assessment of the declaration, a Customs officer in the Partner State of export issues a Customs release/approves the declaration;

3.1.2.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route;

3.1.2.04 For each truck, the CFA prepares an exit note/T1;

3.1.2.05 Verification, sealing and other formalities are finalized in the presence of a Customs officer of the RA of export who then validates the exit note/T1;

3.1.2.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route. It is also transmitted to the Port Authority of exit to allow commencement of preparations for port gate entry as outlined in section 2.1;

3.1.2.07 Officers of the RA of the Partner State of export generate a C2 for each truck;

3.1.2.08 At each border, Customs officers confirm exit of the goods from the country and officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival/entry of goods in the Customs system;

3.1.2.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.2.10 On arrival at the Port of exit, the Port Authority officers issue a gate entry confirmation in the Port Authority system;

3.1.2.11 The gate entry notification/confirmation is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.2.12 The RA of the Partner State of exit conducts all final Customs processes that may be required for the goods (e.g., scanning and other verification);

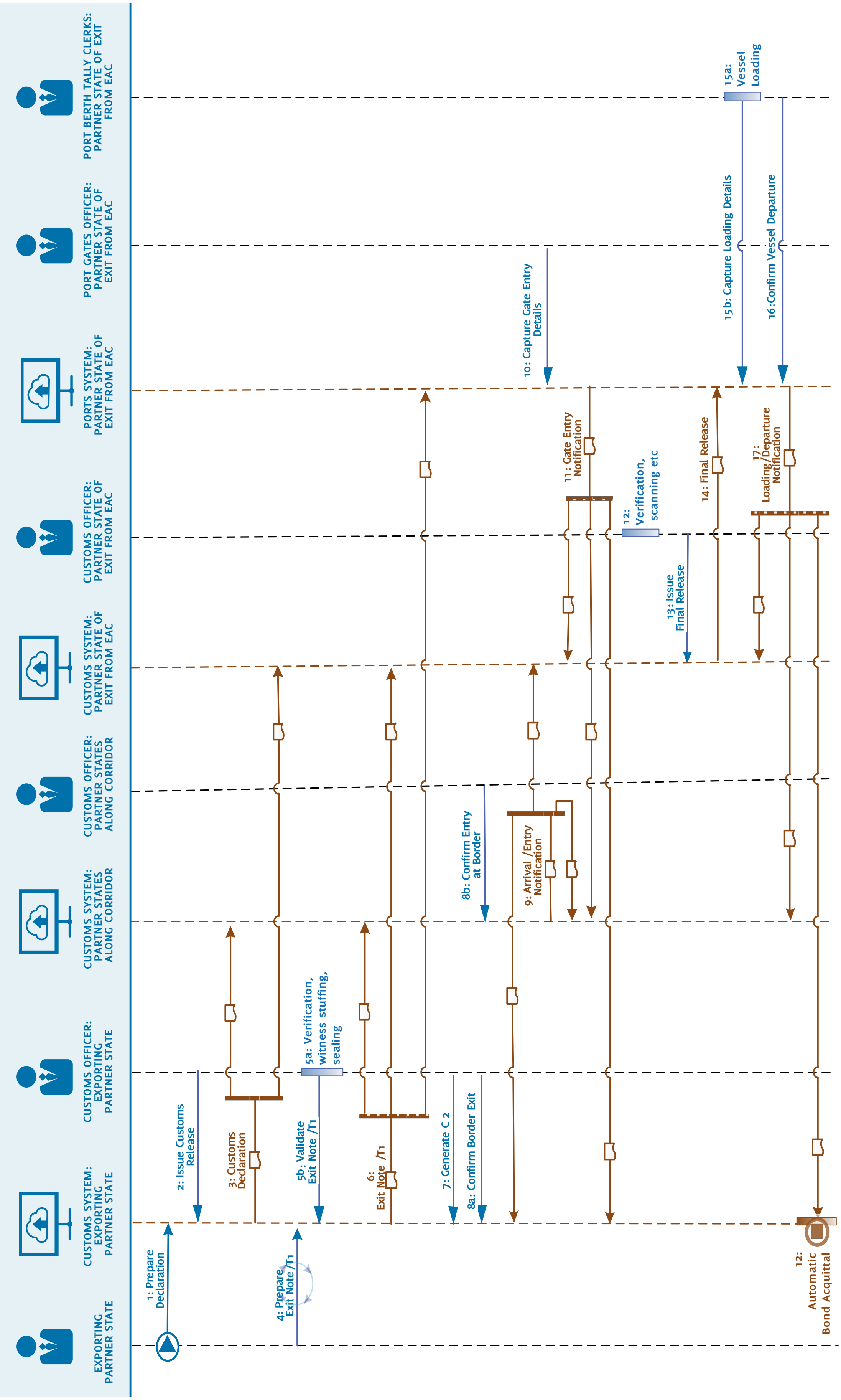
3.1.2.13 Once all Customs processes have been finalized the RA of the Partner State of exit issues a final release;

3.1.2.14 The release is transmitted to the Port Authority of exit;

3.1.2.15 The cargo is loaded to the vessel; Port Officers record the relevant loading details as the cargo is loaded;

> A CLEARING AND FORWARDING AGENT (CFA) IN THE PARTNER STATE OF EXPORT PREPARES THE CUSTOMS DECLARATION FOR EXPORTS. AN APPROVED FORM OF SECURITY WILL BE ATTACHED TO THE DECLARATION TO COVER THE GOODS FROM THE PARTNER STATE OF EXPORT TO EXIT POINT

FIGURE 2: DIRECT MARITIME EXPORTS



3.1.2.16 On departure of the vessel, the officers confirm departure in the port authority system;

3.1.2.17 Port Authority of exit transmits the vessel loading and departure notification to the Revenue Authorities of the Partner States of export and exit and others along the corridor;

3.1.2.18 The RA of Partner State of export uses the vessel loading and departure notification to initiate automatic bond acquittal.

3.1.3 Indirect Maritime Exports

Description: These are exports that exit EAC through one of the sea ports, but have changed either the form, packaging or container in the Partner State of exit. For example, consolidation of goods from different containers.

Note:

This does not include tea exports whose process is described in section 3.1.4.

Indirect exports are a two-stage process involving:

1) Transfer from the Partner State of export to the Partner State of exit;

2) Exportation from the Partner State of exit.

Rules:

- All the goods are processed or consolidated in the same bonded transit go-down/ warehouse/CFS. This means that goods cannot be consolidated from different warehouses..

3.1.3.01 A Customs declaration to transfer goods from Partner State of export is prepared in the Partner State of exit;

3.1.3.02 After assessment of the declaration, a Customs officer in the Partner State of exit issues a Customs release;

3.1.3.03 The Customs declaration is transmitted to the RA of export and to all RAs of all the other Partner States along the transportation route;

3.1.3.04 For each truck, officers of the RA of exit (or CFA) generate an exit note/T1;

3.1.3.05 The exit note/T1 is approved/validated by a Customs officer of the RA of exit;

3.1.3.06 The exit note/T1 is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.3.07 Officers of the RA of the Partner State of export generate a C2 for each truck after they have witnessed stuffing and sealing;

3.1.3.08 At each border, Customs officers confirm exit of the goods from the Country in the Customs systems;

3.1.3.09 Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival of goods in the Customs system;

3.1.3.10 The arrival notification is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.3.11 On arrival at the destination transit go-down/warehouse/CFS, the RA of exit issues a warehouse arrival notification;

> OFFICERS OF THE RA OF THE ADJOINING PARTNER STATE (PARTNER STATE OF ARRIVAL) CONFIRM THE ARRIVAL OF GOODS IN THE CUSTOMS SYSTEM

FIGURE 3: INDIRECT MARITIME EXPORTS (TRANSFER TO PARTNER STATE OF EXIT)

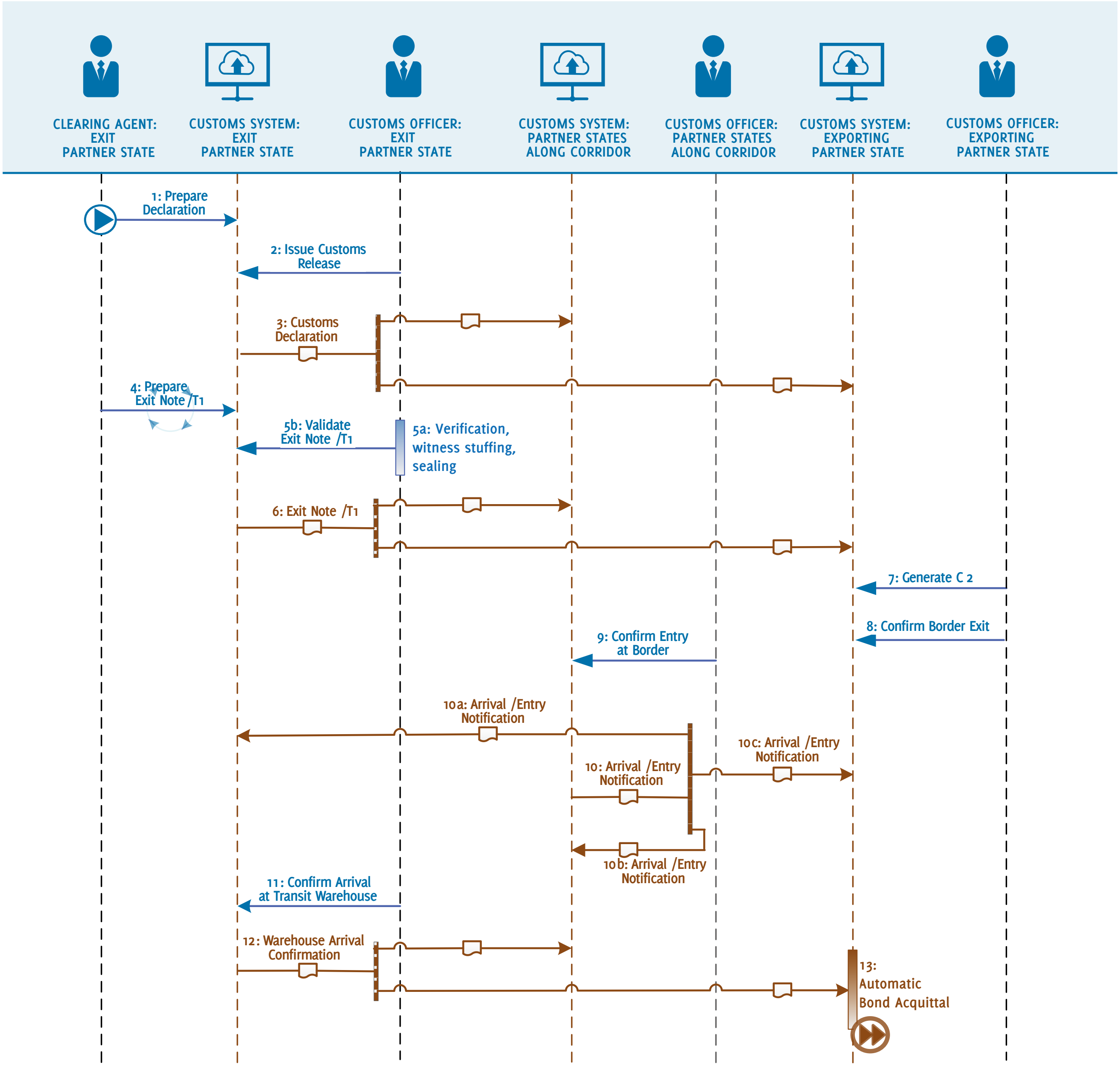
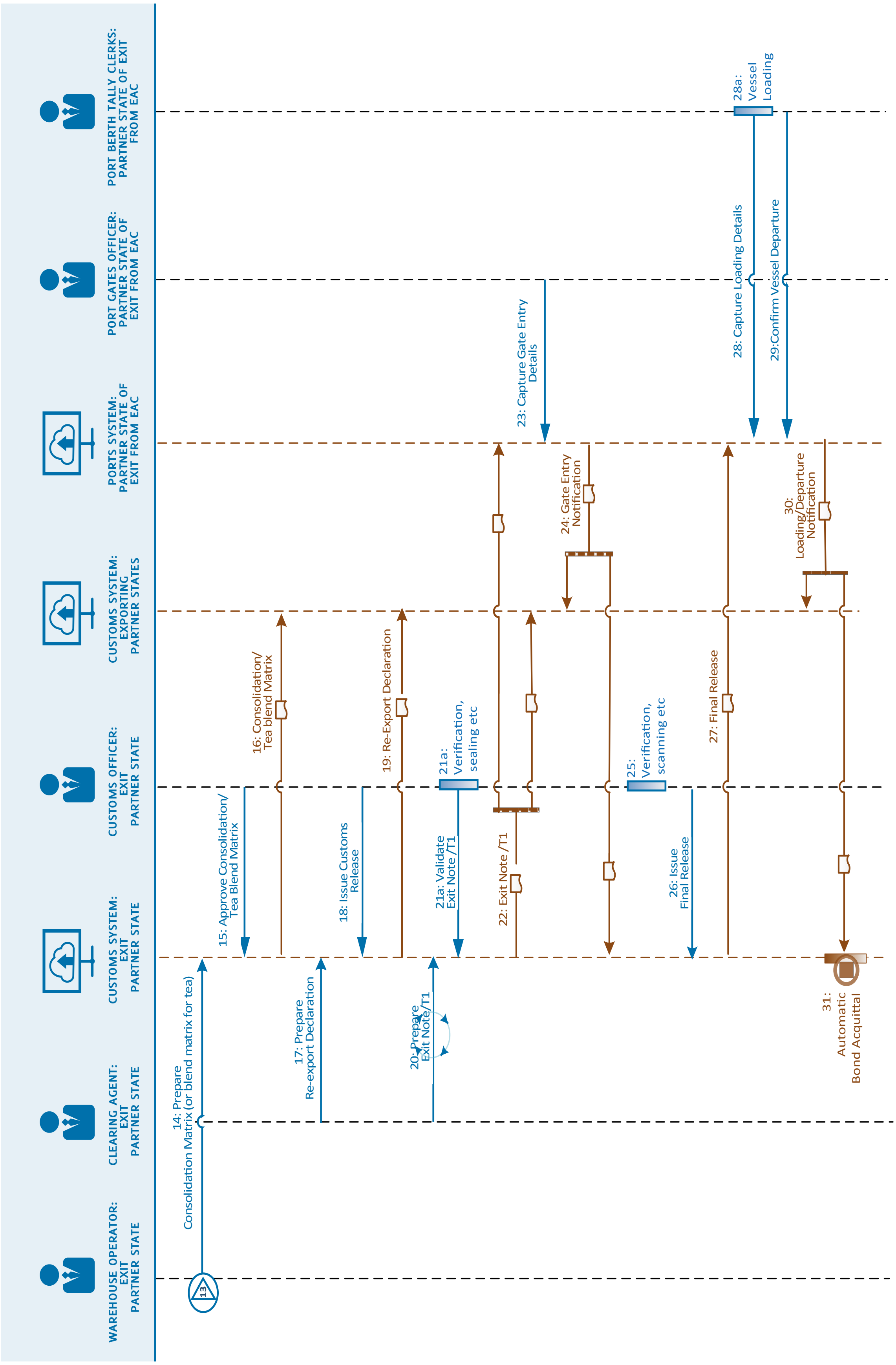


FIGURE 4: INDIRECT MARITIME EXPORTS (RE-EXPORTATION)



3.1.3.12 The transit go-down/warehouse/CFS arrival notification is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.3.13 The movement/Transit security is acquitted;

Re-Exportation

3.1.3.14 The transit go-down/warehouse/CFS operator prepares a cargo consolidation matrix in the Partner State of exit system, containing details of the quantities and reference numbers from the different declarations (both local and from other Partner States);

3.1.3.15 The Customs officer based in the transit go-down/warehouse/CFS approves the consolidation matrix;

3.1.3.16 The consolidation matrix is shared with all exporting Partner States whose cargo forms part of the consolidation matrix;

3.1.3.17 The Customs agent in the Partner State of exit prepares a single re-export declaration from the cargo consolidation matrix;

3.1.3.18 After assessment of the declaration, a Customs officer in the Partner State of exit issues a Customs release/ approves the declaration;

3.1.3.19 The re-export declaration is shared with all exporting Partner States whose cargo forms part of the consolidation matrix;

3.1.3.20 A T1/Exit note is prepared for each truck to move the cargo into the port;

3.1.3.21 A Customs officer based at the transit go-down/warehouse/CFS approves/validates the T1/Exit note after verification and finalization of sealing and other formalities;

3.1.3.22 The approved T1s/Exit notes are transmitted to the Port Operator/Authority and all Partner States of export whose cargo forms part of the consolidation matrix;

3.1.3.23 The goods are transported to the port under an approved security. On arrival at the port, the Port Authority officers issue a gate entry confirmation in the Port Authority system;

3.1.3.24 The gate entry notification/confirmation is transmitted to the RA of exit and RAs of all Partner States of export whose cargo forms part of the consolidation matrix;

3.1.3.25 The RA of the Partner State of exit conducts all final Customs processes that may be required for the goods (e.g., scanning and other verification);

3.1.3.26 Once all Customs processes have been finalized, a Customs officer of the RA of the Partner State of exit issues a final release;

3.1.3.27 The release is transmitted to the Port Authority of exit which will allow the cargo to be loaded to the vessel;

3.1.3.28 The cargo is loaded to the vessel; port officers record the relevant loading details as the cargo is loaded;

3.1.3.29 On departure of the vessel, the officers confirm departure in the Port Authority system;

3.1.3.30 Port Authority of exit transmits the vessel loading and departure notification to the Revenue Authorities of the Partner States of export and exit;

3.1.3.31 The RA of Partner State of exit uses the vessel loading and departure notification to initiate automatic bond acquittal.

3.1.4 Indirect Maritime Tea Exports

Description: In this process, tea passes through a tea transit warehouse, undergoes an auction in the Partner State of exit and is re-exported blended or un-blended.

Indirect tea export is a multi-stage process involving:

1) Transfer from the Partner State of export to the Partner State of exit;
2) Blending of the tea in a tea transit warehouse as necessary;
3) Re-export from the Partner State of exit.

Note: The tea export declaration shall cover bulk consignments which can be drawn from the declaration in many trucks using an exit note/T1 per truck.

3.1.4.01 A Customs declaration to transfer tea from Partner State of export is prepared in the Partner State of exit;

3.1.4.02 After assessment of the declaration, a Customs officer in the Partner State of exit issues a Customs release/approves the declaration;

3.1.4.03 The Customs declaration is transmitted to the RA of export and to all RAs of all the other Partner States along the transportation route;

3.1.4.04 For each truck, the CFA prepares an exit note/T1;

3.1.4.05 The exit note/T1 is approved/validated by a Customs officer of the RA of exit;

3.1.4.06 The exit note/T1 is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.4.07 Officers of the RA of the Partner State of export generate a C2 for each truck after they have witnessed stuffing and sealing;

3.1.4.08 At each border, Customs officers confirm exit of the goods from the Country in the Customs systems;

3.1.4.09 Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival of goods in the Customs system;

3.1.4.10 The arrival notification is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.4.11 On arrival at the destination tea transit warehouse, the RA of exit issues a warehouse arrival notification;

3.1.4.12 The warehouse arrival notification is transmitted to the RA of export and to RAs of all the other Partner States along the transportation route;

3.1.4.13 The movement/transit security is acquitted;

3.1.4.14 The warehouse operator prepares a blend matrix in the Partner State of exit system, containing details of the quantities and reference numbers from the different declarations (local and from other Partner States);

3.1.4.15 The Customs officer based in the transit warehouse approves the blend matrix;

3.1.4.16 The blend matrix is shared with all exporting Partner States whose cargo form part of the blend matrix;

3.1.4.17 The Customs agent in the Partner State of exit prepares a single re-export declaration from the blend matrix;

3.1.4.18 After assessment of the declaration, a Customs officer in the Partner State of exit issues a Customs release/ approves the declaration;

3.1.4.19 The re-export declaration is shared with all exporting Partner States whose cargo forms part of the tea blend matrix;

3.1.4.20 A T1/exit note is prepared for each truck to move the cargo into the port;

3.1.4.21 A Customs officer based at the tea transit warehouse approves/confirms the T1/exit note;

3.1.4.22 The approved T1s/exit notes are transmitted to the Port Operator/Authority and all Partner States of export whose cargo form part of the blend matrix;

3.1.4.23 The tea is transported to the port under an approved security, and on arrival, the Port Authority officers issue a gate entry confirmation in the Port Authority system;

3.1.4.24 The gate entry notification/confirmation is transmitted to the RA of exit and RAs of all Partner States of export whose cargo form part of the blend matrix;

3.1.4.25 The RA of the Partner State of exit conducts all final Customs processes that may be required for the goods (e.g., scanning and other verifications);

3.1.4.26 Once all Customs processes have been finalized, the RA of the Partner State of exit issues a final release;

3.1.4.27 The release is transmitted to the Port Authority of exit which allows the cargo to be loaded to the vessel;

3.1.4.28 The cargo is loaded to the vessel; Port officers record the relevant loading details as the cargo is loaded;

3.1.4.29 On departure of the vessel, the officers confirm departure in the Port Authority system;

3.1.4.30 Port Authority of exit transmits the vessel loading and departure notification to the RAs of the Partner States of export and exit;

3.1.4.31 The RA of Partner State of exit uses the vessel loading and departure notification to initiate automatic bond acquittal.

3.1.5 Multi-Modal Exports via Sea

Description: The process covers exports that are transported by road to an inland depot where they are loaded into a wagon and transported by rail to a sea port to exit EAC.

3.1.5.01 A CFA in the Partner State of export prepares the Customs declaration for exports. An approved form of security will be attached to the declaration to cover the goods from the Partner State of export to exit point;

3.1.5.02 After assessment of the declaration, a Customs officer in the Partner State of export issues a Customs release/approves the declaration;

3.1.5.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route;

3.1.5.04 For each truck, the CFA prepares an exit note/T1;

3.1.5.05 Verification, sealing and other formalities are finalized in the presence of a Customs officer of the RA of export who then validates the exit note/T1;

3.1.5.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route and to the inland depot where transhipment to rail will take place. It is also transmitted to the Port Authority of exit to allow commencement of preparations for port gate entry as outlined in section 2.1;

3.1.5.07 Officers of the RA of the Partner State of export generate a C2 for each truck;

3.1.5.08 At each border, Customs officers confirm exit of the goods from the Country and Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival/entry of goods in the Customs system;

3.1.5.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.1.5.10 On entry into the inland depot, a gate entry confirmation is generated;

3.1.5.11 The gate entry confirmation is transmitted to the RAs of the Partner State of export and exit (and the Port Authority of exit if ICD/CFS is not managed by the Port Authority);

3.1.5.12 Customs officers in the Partner State of the ICD/CFS witness the transhipment to the wagon and generate a transhipment note in the Customs system;

3.1.5.13 The transhipment notification is transmitted to the RAs of the Partner State of export and exit and to the Port Authority of exit;

3.1.5.14 When all wagons have been loaded, the train departs for the Port. On receipt of the cargo in the Port, a port arrival confirmation is generated in the Port Authority system;

FIGURE 5: MULTI-MODAL EXPORTS VIA SEA

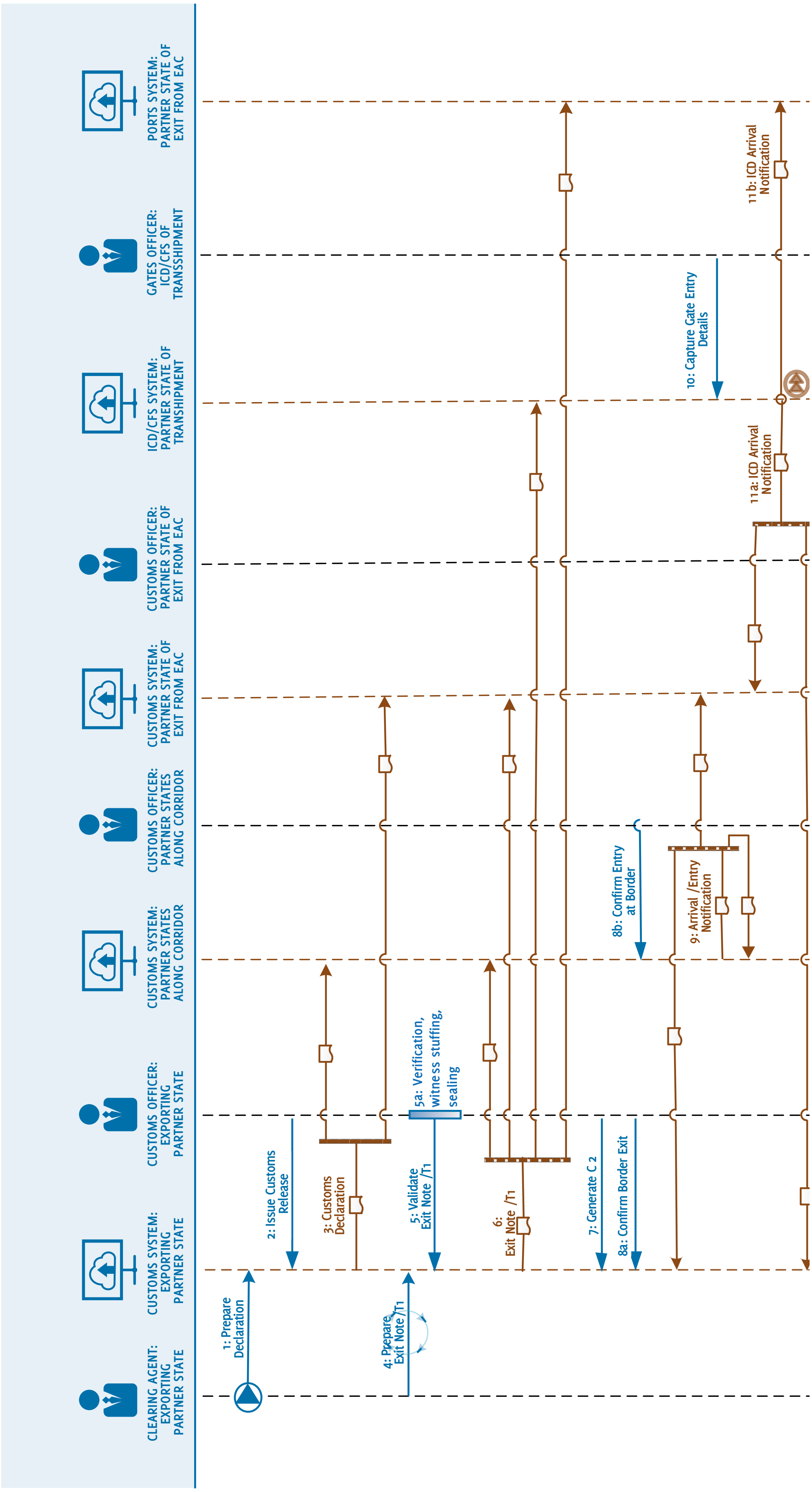
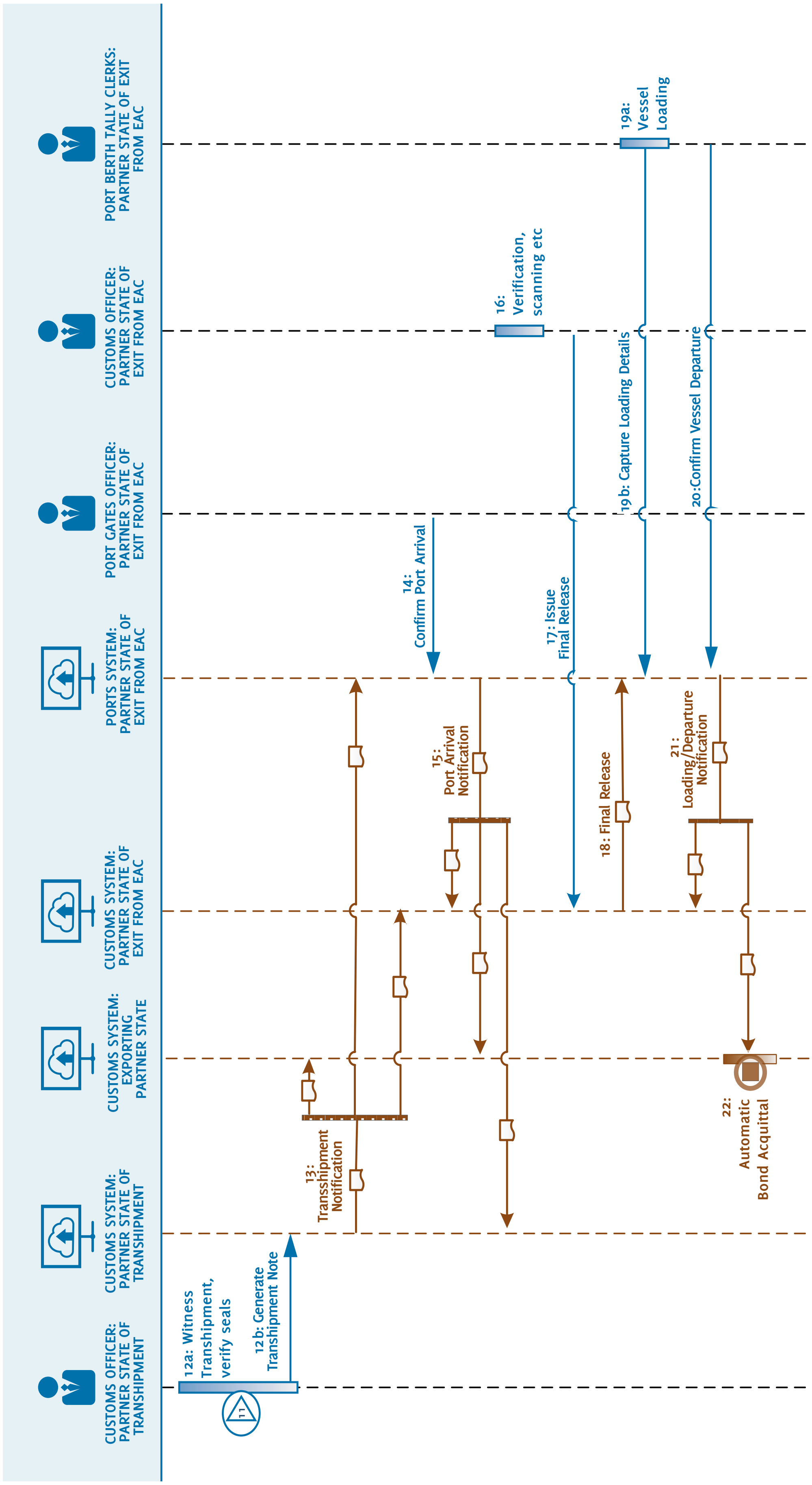


FIGURE 6: MULTI-MODAL EXPORTS VIA SEA (CONTINUATION ...)



3.1.5.15 The arrival notification/confirmation is transmitted to the RAs of exit, export and transhipment (where ICD/CFS of transhipment is located);

3.1.5.16 The RA of the Partner State of exit conducts all final Customs processes that may be required for the goods (e.g., scanning and other verification);

3.1.5.17 When all Customs processes are finalized, the RA of the Partner State of exit issues a final release;

3.1.5.18 The release is transmitted to the Port Authority of exit;

3.1.5.19 The cargo is loaded to the vessel, as Port officers record the relevant loading details;

3.1.5.20 On departure of the vessel, the officers confirm departure in the Port Authority system;

3.1.5.21 Port Authority of exit transmits the vessel loading and departure notification to the RAs of the Partner States of export and exit, and others along the corridor;

3.1.5.22 The RA of Partner State of export uses the vessel loading and departure notification to initiate automatic bond acquittal.

3.1.6 Temporary Exports

Description: The process covers a Customs procedure under which goods which are in free circulation in any of the EAC Partner States may temporarily leave the community for manufacturing, processing or repair abroad, and re-imported with total or partial exemption from import duties and taxes.

This is a two-stage process involving temporally exportation and re-importation.

Temporary Exportation

3.1.6.01 3.1.6.01 The temporary exportation follows the steps under direct maritime exports process (see section 3.1.2) or direct exports through land borders (see section 3.1.1);

Re-Importation

3.1.6.02 The Customs declaration for re-importation is done in the Partner State of original (temporary) exportation. The declaration will strike-off a sea manifest in case of maritime re-importation, and will reference the original temporary export declaration as a preceding document. In all cases, an approved form of security will be used to cover movement of the goods from entry to destination;

3.1.6.03 The process then follows either of the following:

1) The Maritime re-importation process if the goods enter into EAC through sea (see sections 3.3.1 or 3.3.3

OR

2) Re-importation through land borders process if the goods enter into EAC through a land border (see section 3.3.6).

3.2 Intra-Region Transfers

These processes cover clearance of goods transferred between EAC Partner States.

3.2.1 Direct Transfers

3.2.1.01 A Customs declaration is prepared in the destination Partner State. If goods will pass through another Partner State, a security is used to cover the goods to the Partner State of destination;

3.2.1.02 After assessment of the declaration, a Customs officer in the Partner State of destination issues a Customs release/approves the declaration;

3.2.1.03 The Customs declaration is transmitted to the RA of the transferring Partner State and RAs of all the other Partner States along the transportation route;

3.2.1.04 For each truck, the CFA prepares an exit note/T1;

3.2.1.05 The exit note/T1 is approved/validated by a Customs officer of the RA of Partner State of destination;

3.2.1.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route;

3.2.1.07 Officers of the RA of the transferring Partner State generate a C2 for each truck after they have witnessed the final processes on the cargo, such as sealing;

3.2.1.08 At each border, Customs officers confirm exit of the goods from the Country in the Customs systems; while

3.2.1.09 Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the entry/arrival of goods in the Customs system;

3.2.1.10 The entry/arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

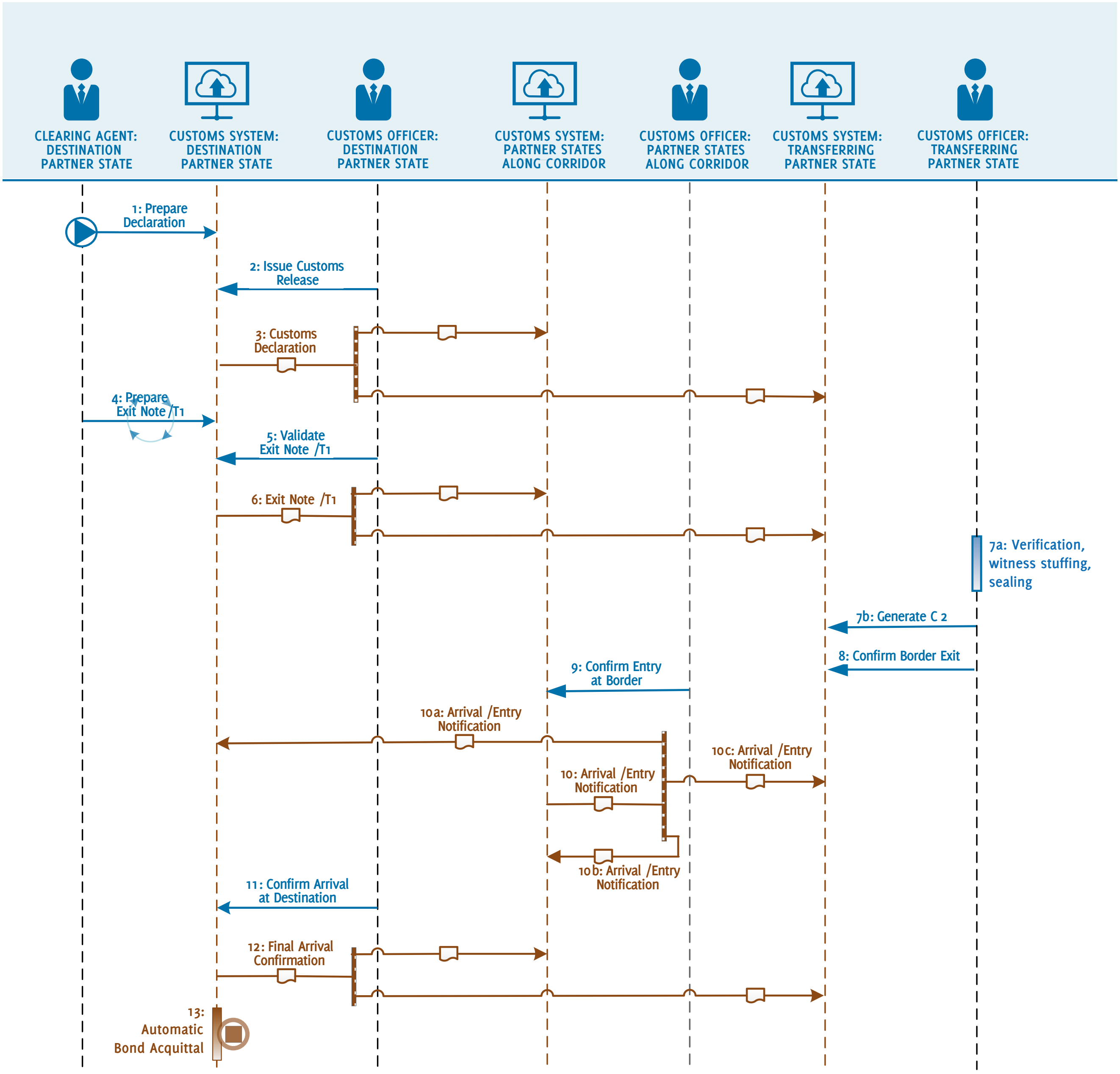
3.2.1.11 When the goods arrive at the destination, the RA of destination issues an arrival notification;

3.2.1.12 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.2.1.13 The RA of destination initiates bond acquittal where applicable.

"CUSTOMS OFFICERS IN THE PARTNER STATE OF THE ICD/CFS WITNESS THE TRANSHIPMENT TO THE WAGON AND GENERATE A TRANSHIPMENT NOTE IN THE CUSTOMS SYSTEM

FIGURE 7: DIRECT TRANSFERS



3.2.2 Transfer under Drawback

Description: This is transfer of duty paid goods from one Partner State to another, where duties and other taxes have already been paid in the Partner State of Transfer and refund of the duties and taxes paid will be requested after evidence of the transfer. For the duty paid goods, the person intending to transfer the goods shall first apply to the Commissioner of Customs in the Partner State where the duties were paid. It is only after approval of the application that the declaration process in the destination Partner State shall commence.

Note:

i) The goods must still be under Customs control prior to request for transfer;

ii) The goods must be in the same state as when they were first imported.

3.2.2.01 The owner of the goods in the Partner State of transfer, or appointed agent, apply to the Commissioner of Customs requesting to transfer the goods to another Partner State, by creating a partial repackaging request from the original import entry. The request indicates the actual quantities and weights to transfer and the Partner State of destination;

3.2.2.02 The request goes through the relevant approval processes (depending on the Partner States' internal requirements);

3.2.2.03 After approval, the information is transmitted to the RA of the Partner State of destination where it will be used as a preceding reference document;

3.2.2.04 The clearing agent in the destination partner state creates a transfer declaration. The declaration strikes-off against the precedent document earlier received from the Partner State of transfer;

3.2.2.05 The rest of the process follows from step 3.2.1.01 of the direct transfers (see section 3.2.1).

3.2.3 Temporary Transfers

Description: This procedure covers duty paid goods which are transferred from one Partner State to another for temporary use, and are then returned to the original Partner State, re-transferred to another Partner State or re-exported to a non-EAC country.

This is a two-stage process involving temporary transfer and re-transfer (or re-exportation).

1) ***Temporary Transfer to destination***

3.2.3.01 The temporary transfer declaration is lodged in the Partner State of destination/ temporary stay;

3.2.3.02 The rest of the process then follows from step 3.2.1.01 of the direct transfers (see section 3.2.1);

3.2.3.03 On arrival in the Partner State of destination, the movement security bond is acquitted and a local security is executed to cover the goods during the temporary stay.

2)

i) Re-Transfer

3.2.3.04 3.2.3.04 The Customs declaration for re-transfer is done in the Partner State of temporary stay/destination (where goods are currently located). (Rationale: "re-transfer" can be done to any other country other than the original Partner State of transfer). The declaration will reference the original temporary transfer declaration as a preceding document;

3.2.3.05 When the goods leave the Partner State of temporary stay/destination, the local security is acquitted;

3.2.3.06 If goods will pass through another Partner State, a security is used to cover the goods to the Partner State of transfer/next destination;

3.2.3.07 When the goods arrive in the Partner State of transfer/next destination, the movement security is acquitted.

ii) ***Re-Exportation***

3.2.3.08 3.2.3.08 The re-exportation declaration importation is lodged in the Partner State of temporary stay/destination (where goods are currently located) (Rationale: "re-exportation" can be done to any other country other than the original Partner State of transfer) and will reference the original temporary transfer declaration as a preceding document. This process then follows either of the following:

1) The Maritime exportation process where the goods are leaving EAC through the sea (see section 3.1.2);

OR

2) Exportation through land borders process where the goods are leaving EAC through a land border (see section 3.1.1).

3.2.3.09 3.2.3.09 In all cases, an approved form of security will be used to cover movement of the goods from Partner State of temporary importation to the exit point.

3.2.4 Temporary Transfer of Packaging/Containers

Description: This covers the process of handling transfer of objects used for holding or transporting goods, e.g., gas cylinders, crates for soda or beer. The container/packaging is cleared differently from the consumable goods. The process has three declarations; temporary transfer, re-transfer and transfer for local consumption.

3.2.4.01 The consumable goods/ items, are cleared using the Direct Transfers process (see section 3.2.1).

3.2.4.02 The packaging objects/containers are cleared using the temporary transfer process described in section 3.2.3.

3.2.5 Temporary Transfer of Motor-Vehicles/Personal Vehicles (C32)

Description: This procedure covers temporary transfer of motor-vehicles within EAC. It is a two-stage process involving temporally transfer and re-transfer.

1) ***Temporary Transfer to destination***

3.2.5.01 Application for temporary transfer (C32) is prepared in the Partner State of registration;

3.2.5.02 After approval, the electronic C32 is shared with the Partner State of destination and all Partner States of transit;

3.2.5.03 At each border, Customs officers approve arrival after the necessary verification and due diligence;

3.2.5.04 The arrival notification is transmitted to the Partner States of registration, Partner State of previous destination and all Partner States of transit.

2) ***Re-Transfer***

3.2.5.05 Application for re-transfer (C32) is prepared in the Partner State where the motor vehicle is currently located and should reference the original C32;

3.2.5.06 After approval, the electronic C32 is shared with the Partner State of registration and all Partner States of transit;

3.2.5.07 At each border, Customs officers approve arrival after the necessary verification and due diligence;

3.2.5.08 The arrival notification is transmitted to the Partner States of registration, Partner State of previous destination and all Partner States of transit.

3.2.6 Ex-Warehouse Transfers

NB: Assumes original warehouse/import entry already exists in the Partner State of transfer/source

3.2.6.01 Consignor/transferor (or bonded warehouse owner) or appointed agent, creates a partial repackaging request from the warehouse entry. The request indicates the actual quantities and weights to transfer and the Partner State of destination;

3.2.6.02 The repackaging request goes through the relevant approval processes (depending on the Partner States' internal requirements);

3.2.6.03 After approval, the information is transmitted to the RA of Partner State of destination, where it will be used as a preceding reference document;

3.2.6.04 The clearing agent in the destination Partner State creates an import declaration. The declaration strikes-off against the precedent document earlier received from the Partner State of transfer;

3.2.6.05 The rest of the process follows from step 3.2.1.01 of the direct transfers (see section 3.2.1).

3.3 Imports

These processes cover clearance of goods brought into any EAC Partner State from a non-EAC country.

3.3.1 Sea Manifest Processes

3.3.1.01 A Sea manifest is lodged per vessel by shipping line or appointed agent in the Customs system of the Partner State of entry;

3.3.1.02 The manifest is approved by a Customs officer of the RA of entry;

3.3.1.03 The manifest is transmitted to the Port Authority of entry and to RAs of all Partner States of destination (with cargo in the vessel).

3.3.2 Maritime Imports for Home Consumption

3.3.2.01 The Customs declaration for imports is lodged in the Partner State of destination and will strike-off a sea manifest (already received from RA of entry as per step 3.3.1.03 of section 3.3.1). An approved form of security MAY be attached to the declaration to cover the goods for the whole journey. In the meantime, the Port procedures as outlined in section 2.1will already be progressing in parallel;

3.3.2.02 A Bill of Lading (BL) utilization notification is transmitted to the RA of the Partner State of entry. This is used to mark the relevant Bill of Lading as already utilized to prevent any future amendments of the BL;

3.3.2.03 A selectivity notification is transmitted to the Port Authority. This notification allows the Port Authority to move the cargo to the appropriate place depending on the channel;

3.3.2.04 After assessment of the declaration, a Customs officer in the Partner State of destination issues a Customs release/approves the declaration;

3.3.2.05 The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route;

3.3.2.06 The Customs release is transmitted from the Partner State of destination Customs system to the Port Authority of entry;

3.3.2.07 Meanwhile, the shipping lines or appointed agents process the delivery order in the Port Authority's system. The delivery order together with the Customs release received by the Port Authorities are used to validate the CFA's applications for delivery of cargo;

3.3.2.08 For each truck, the CFA prepares an exit note/T1 in the Partner State of destination Customs system;

3.3.2.09 The exit note/T1 is approved/validate by a Customs officer of the RA of destination;

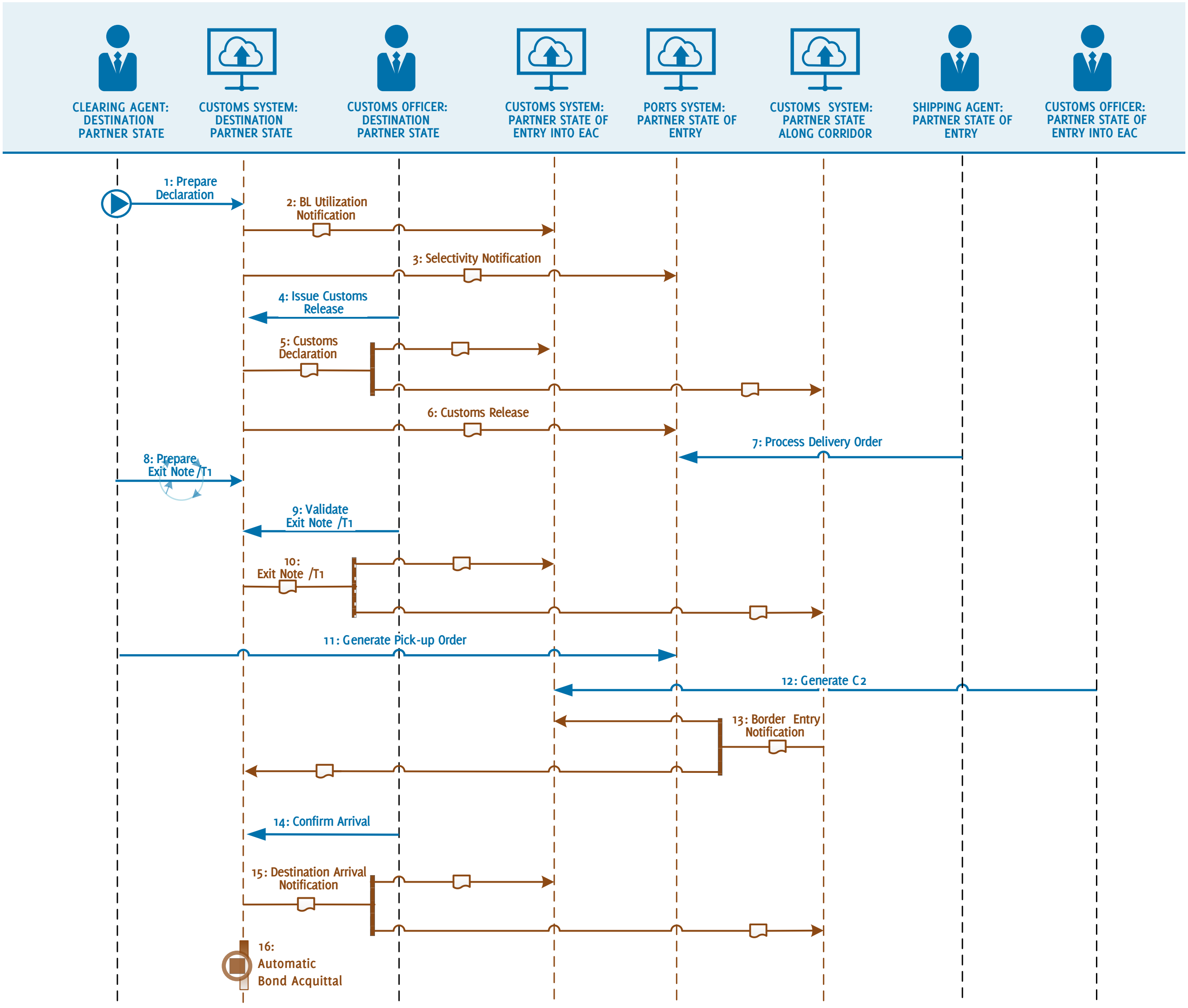
3.3.2.10 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.2.11 The clearing agent generates a pick-up order in the Port Authority system and makes online payments;

3.3.2.12 At the gate of exit from the Port, officers of the RA of the Partner State of entry generate a C2 for each truck;

3.3.2.13 At each border, Customs officers confirm exit of the goods from the Country and officers of the RA of the adjoining Partner State confirm the arrival/entry of goods in the Customs system.

FIGURE 8: MARITIME IMPORTS FOR HOME CONSUMPTION



3.3.2.14 On arrival at destination, Customs officers confirm arrival in the Customs System;

3.3.2.15 The RA of destination transmits the arrival notification to the RAs all the other Partner States along the transportation route;

3.3.2.16 The RA of destination initiates automatic bond acquittal where applicable.

3.3.3 Railage of Maritime Imports with Through Bill of Lading

Description: This covers maritime imports where goods are transported by rail to an inland depot where clearance takes place before being transported to destination by road.

NOTE: At the Country of export, the carrier declares cargo as Through Bill of Lading (TBL) with the final place of delivery being the inland depot where the goods will be delivered.

3.3.3.01 The Shipping Line or appointed agent lodges the manifest with the RA of the Partner State of entry;

3.3.3.02 The manifest is transmitted to the Port Authority of entry, the place of delivery (ICD) and the RA of the Partner State of destination;

3.3.3.03 The clearing agent may lodge a Customs declaration in the Partner State of destination any time after manifest is received. The declaration will strike-off the sea manifest. After assessment of the Customs declaration, a Customs officer in the Partner State of destination issues a Customs release. The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route. A BL utilization notification is transmitted to the RA of the Partner State of entry. This is used to mark the relevant BL as already utilized to prevent any future amendments of the BL;

3.3.3.04 The Port Authority prepares a train schedule, rail booking and port documentation for all the TBL containers in the Port systems;

3.3.3.05 The Ports Authorities prepare Cargo Acceptance Sheet and submit to the rail operator for booking of the wagons;

3.3.3.06 On arrival of the vessel, the Port Authority loads the containers onto the wagons and issues an Equipment Interchange Report (EIR). The EIR is the document generated by the Port whenever the container is transferred from one vessel to another, or container yard to another, or from container yard onto another means of transport such as the rail wagon;

3.3.3.07 The Rail operator generates consignment notes after loading and the information is shared with the Port Authority and RA of entry;

3.3.3.08 At the inland depot, pre-exit processes are carried out by the officers of the RA of destination (or RA of entry depending on existing arrangements with RA of destination). These may include sighting and sealing. The officers then issue an exit note/T1 for each truck;

3.3.3.09 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transit route;

3.3.3.10 Officers of the RA of the Partner State of entry generate a C2 for each truck after they have witnessed the final processes on the cargo such as sealing;

3.3.3.11 At the gate of exit from the ICD, the RA of the Partner State of exit generates an ICD gate exit notification;

3.3.3.12 The gate exit notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.3.13 At each border, Customs officers confirm exit of the goods from the Country in the Customs systems;

3.3.3.14 Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival of goods in the Customs system;

3.3.3.15 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.3.16 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.3.17 On arrival at destination, the RA of destination transmits an arrival notification to the RA of Partner State of entry and RAs of Partner States along the transportation route;

3.3.3.18 The RA of Partner State of destination initiates automatic bond acquittal.

3.3.4 Imports Destined for Warehousing in Destination Partner State

Description: This covers Customs procedures for clearance of goods that enter into EAC from a non-EAC country, and whose final destination is a Customs warehouse.

3.3.4.01 The Customs declaration is lodged in the Partner State of destination. In all cases, an approved form of security will be used to cover movement of the goods from entry to destination;

This process then follows either of the following:

1) The Maritime Importation process if the goods enter into EAC through sea (see sections 3.3.1 and 3.3.3

OR

2) Importation through land borders process if the goods enter into EAC through a land border (see section 3.3.6

3.3.4.02 When the goods arrive at the destination transit go-down/warehouse, the RA of destination issues a warehouse arrival notification.

3.3.4.03 The warehouse arrival notification is transmitted to the RA of entry and the RAs of all the other Partner States along the transit route;

3.3.4.04 The RA of Partner State of destination initiates bond acquittal.

3.3.5 Temporary Importation

Description: This process covers a Customs procedure under which certain goods are brought into the EAC temporarily for a permitted purpose, conditionally relieved from the payment of import duties and taxes; and must be intended for re-exportation within the permitted period.

This is a two-stage process involving temporally importation and re-exportation.

Temporary Importation to Destination

3.3.5.01 The temporary importation declaration is lodged in the Partner State of destination.

This process then follows either of the following:. This process then follows either of the following:

3) The Maritime Importation process if the goods enter into EAC through sea (See sections 3.3.1 and 3.3.3)

OR

4) 4) Importation through land borders process if the goods enter into EAC through a land border (See section 3.3.6)

3.3.5.02 In all cases, an approved form of security will be used to cover movement of the goods from entry to destination;

3.3.5.03 On arrival at destination, the movement security is acquitted and a local security is executed to cover the goods during the temporary stay.

Re-Exportation

NB: Re-exportation could be also be a transfer or temporary transfer to another Partner State

3.3.5.04 The re-export declaration importation is lodged in the Partner State of temporary importation and will reference the original temporary importation declaration as a preceding document. This process then follows either of the following:

1) The Maritime Exportation process if the goods will leave EAC through the sea (See section 3.1.2)

OR

2) Exportation through land borders process if the goods will leave EAC through a land border (See section 3.1.1)

3.3.5.05 In all cases, an approved form of security will be used to cover movement of the goods from Partner State of temporary importation to the exit point.

3.3.6 Imports through Land Borders

Description: This covers a Customs procedure for clearance of goods that enter into EAC through a land border of one EAC Partner State, and whose final destination is another EAC Partner State.

3.3.6.01 The Customs declaration for imports through land borders is lodged in the Partner State of destination. An approved form of security will be attached to the declaration, where applicable, to cover the goods for the whole journey;

3.3.6.02 After assessment of the declaration, a Customs officer in the Partner State of destination issues a Customs release;

3.3.6.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transportation route;

3.3.6.04 For each truck, officers of the RA Partner State of destination (or CFA) generate an exit note/T1;

3.3.6.05 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.6.06 Officers of the RA of the Partner State of entry generate a C2 for each truck after undertaking any necessary verification and witnessing the final processes on the cargo such as sealing;

3.3.6.07 At each border, Customs officers confirm exit of the goods from the Country in the Customs systems;

3.3.6.08 Officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival of goods in the Customs system;

3.3.6.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transportation route;

3.3.6.10 On arrival at destination, the RA of destination transmits an arrival notification to the RA of Partner State of entry and RAs of Partner States along the transportation route;

3.3.6.11 The RA of Partner State of destination initiates automatic bond acquittal.

3.4 Transits

These processes cover clearance of goods imported from a non-EAC country to another non-EAC country, passing though the territory of one or more EAC Partner States.

3.4.1 Transit Outwards

Description: Transit outwards are transit goods that exit the EAC through one of the sea ports.

3.4.1.01 A CFA in the Partner State of entry prepares the transit declaration. An approved form of security will be attached to the declaration to cover the goods for the whole journey;

3.4.1.02 After assessment of the declaration, a Customs officer in the Partner State of entry issues a Customs release/approves the declaration;

3.4.1.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transit route;

3.4.1.04 For each truck, the CFA prepares an exit note/T1;

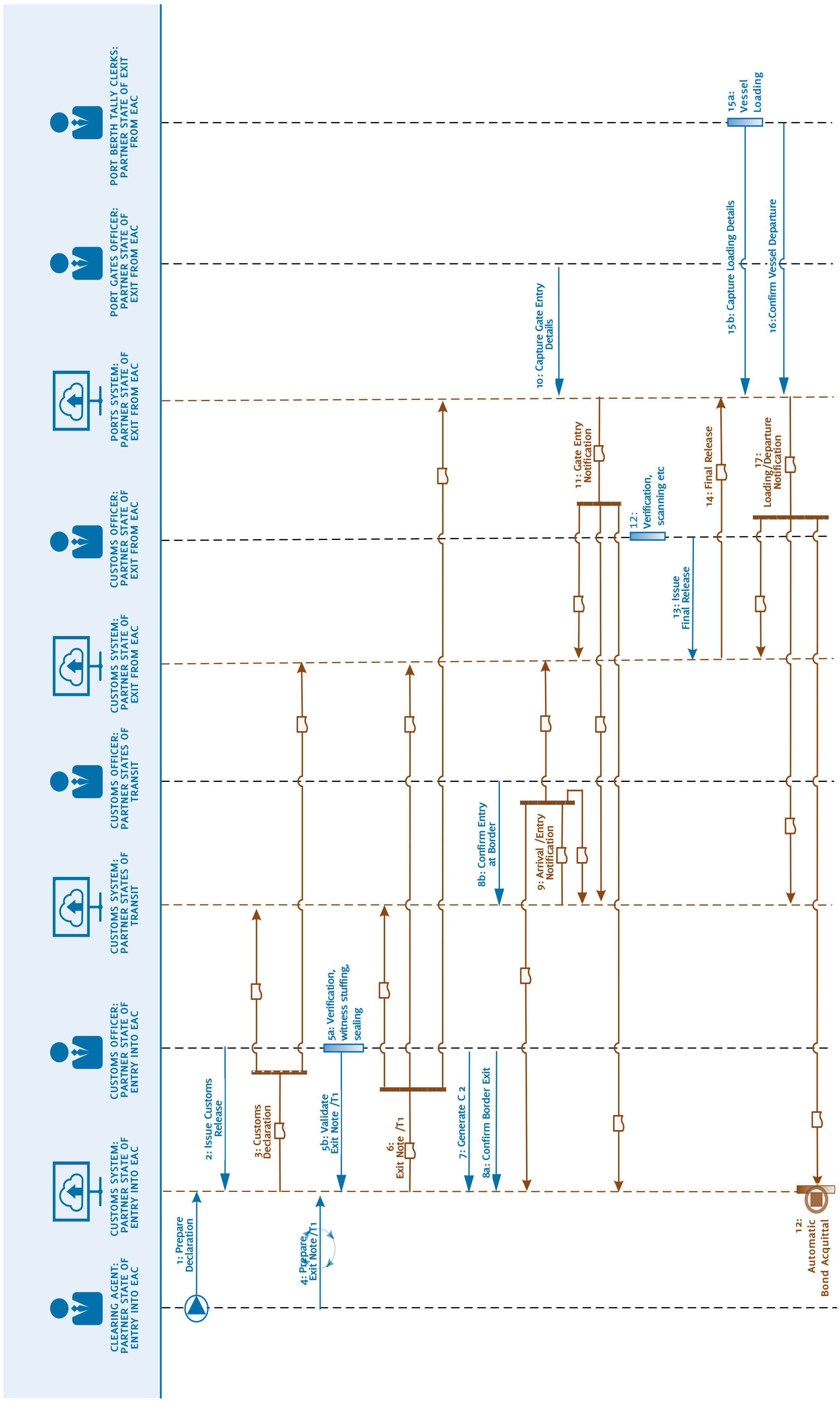
3.4.1.05 Verification, sealing and other formalities are finalized in the presence of a Customs officer of the RA of entry who then validates the exit note/T1;

3.4.1.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transit route. It is also transmitted to the Port Authority of exit to allow commencement of preparations for port gate entry as outlined in section 2.1;

3.4.1.07 Officers of the RA of the Partner State of entry generate a C2 for each truck;

3.4.1.08 At each border, Customs officers confirm exit of the goods from the country and officers of the RA of the adjoining Partner State (Partner State of arrival) confirm the arrival/entry of goods in the Customs system;

FIGURE 9: TRANSIT OUTWARDS



3.4.1.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transit route;

3.4.1.10 On arrival at the port of exit, the Port Authority officers issue a gate entry confirmation in the Port Authority system;

3.4.1.11 The gate entry notification/confirmation is transmitted to the RAs of all the other Partner States along the transit route;

3.4.1.12 The RA of the Partner State of exit conducts all final Customs processes that may be required for the goods (e.g., scanning and other verification);

3.4.1.13 Once all Customs processes have been finalized the RA of the Partner State of exit issues a final release;

3.4.1.14 The release is transmitted to the Port Authority of exit;

3.4.1.15 The cargo is loaded to the vessel; port officers record the relevant loading details as the cargo is loaded;

3.4.1.16 On departure of the vessel, the officers confirm departure in the Port Authority system;

3.4.1.17 Port Authority of exit transmits the vessel loading and departure notification to the RAs of the Partner States of entry and exit and others along the transit corridor;

3.4.1.18 The RA of Partner State of entry uses the vessel loading and departure notification to initiate automatic bond acquittal.

3.4.2 Transit Inwards

Description: Transit inwards are transit goods that enter the EAC through one of the sea ports.

Pre-Requisite: Sea manifest lodged by shipping line or agent and approved by the Revenue Authority

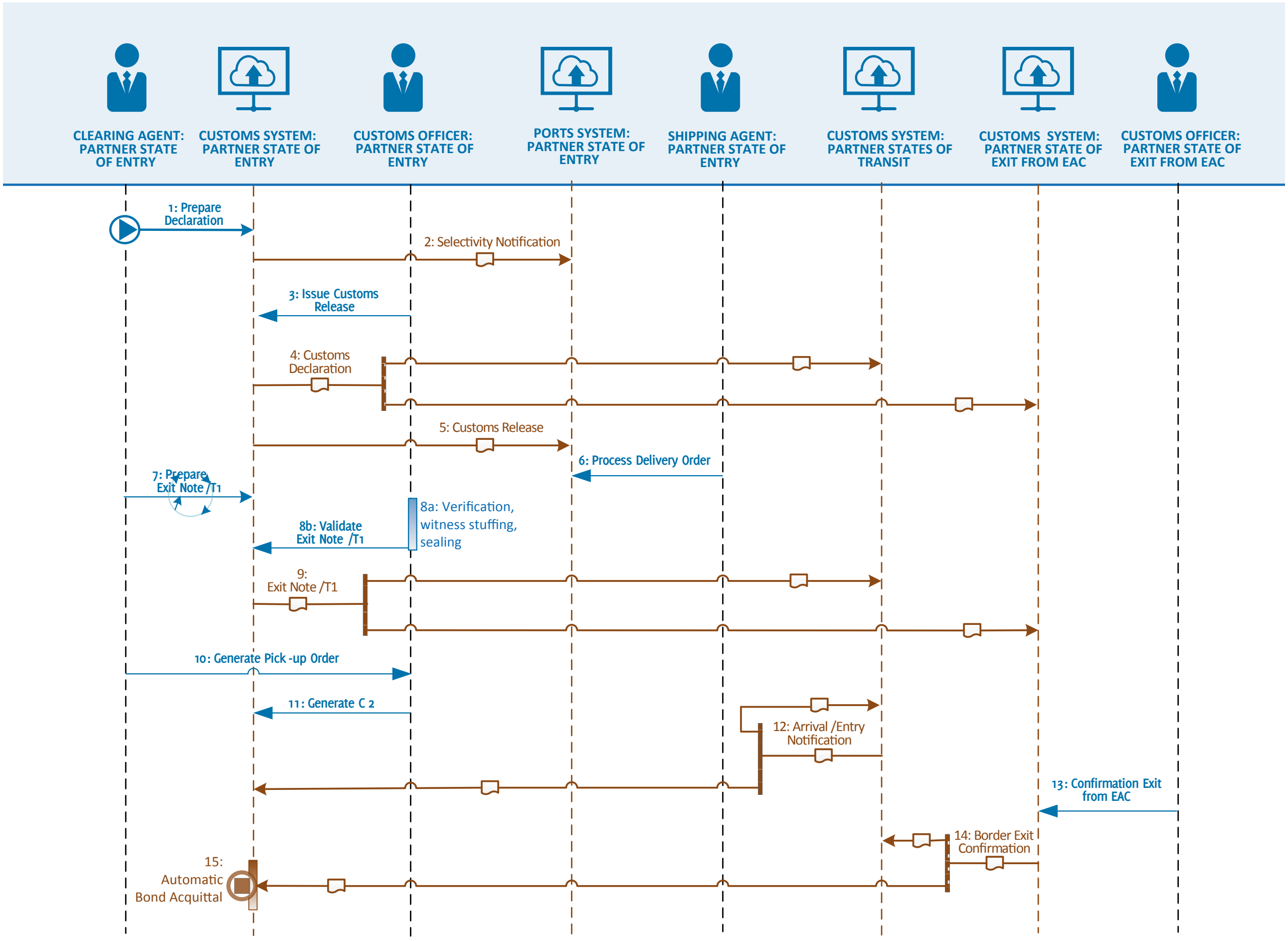
3.4.2.01 The Customs declaration for transit cargo is lodged in the Partner State of entry into EAC and will strike-off a sea manifest (already received from RA of entry as per step 3.3.1.03 of section 3.3.1). An approved form of security must be attached to the declaration to cover the goods for the whole journey. In the meantime, the port procedures as outlined in section 2.1, will be progressing in parallel;

3.4.2.02 The RA of the Partner State of entry triggers selectivity based on the risk criteria and a selectivity notification is transmitted to the Port Authority. This notification allows the Port Authority to move the cargo to the appropriate place depending on the channel. Green, blue and yellow lane entries are released by officers of the Partner State of entry after all conditions have been fulfilled. For consignments selected for red channel, the Port Authority moves the cargo to the location designated for physical verification;

3.4.2.03 After assessment of the declaration, a Customs officer in the Partner State of entry issues a Customs release/approves the declaration;

3.4.2.04 The Customs declaration is transmitted to RAs of all the other Partner States along the transit route;

FIGURE 10: TRANSIT INWARDS



3.4.2.05 The Customs release is transmitted from the Customs system of the Partner State of entry to the Port Authority of entry;

3.4.2.06 Meanwhile, the shipping lines or appointed agents process the delivery order in the Port Authority's system. The delivery order together with the Customs release received by the Port Authority are used to validate the CFA's applications for delivery of cargo;

3.4.2.07 For each truck, the CFA prepares an exit note/T1 in the Customs system of the Partner State of entry;

3.4.2.08 The exit note/T1 is approved/validated by a Customs officer of the RA of entry after verification, sealing and other formalities are finalized;

3.4.2.09 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transit route;

3.4.2.10 The clearing agent generates a pick-up order in the Port Authority system and makes online payments;

3.4.2.11 At the gate of exit from the port, officers of the RA of the Partner State of entry generate a C2 for each truck;

3.4.2.12 At each border, Customs officers confirm exit of the goods from the Country and Officers of the RA of the adjoining Partner State confirm the arrival/entry of goods in the Customs system. The arrival notification is transmitted to the RAs of all the other Partner States along the transit route;

3.4.2.13 At the border of exit from EAC, Customs officers of the RA of exit confirm border exit in the Customs system (or issue an exit certificate);

3.4.2.14 The exit confirmation is transmitted to the RAs of all the other Partner States along the transportation route;

3.4.2.15 The RA of Partner State of export uses the exit confirmation to initiate automatic bond acquittal.

3.4.3 Inland Transits

Description: Inland transits are transit goods that enter and exit the EAC through a land border.

3.4.3.01 A CFA in the Partner State of entry prepares the transit declaration. An approved form of security will be attached to the declaration to cover the goods for the whole journey;

3.4.3.02 After assessment of the declaration, a Customs officer in the Partner State of entry issues a Customs release/approves the declaration;

3.4.3.03 The Customs declaration is transmitted to RAs of all the other Partner States along the transit route;

3.4.3.04 For each truck, the CFA prepares an exit note/T1;

3.4.3.05 Verification, sealing and other formalities are finalized in the presence of a Customs officer of the RA of entry who then validates the exit note/T1;

3.4.3.06 The exit note/T1 is transmitted to the RAs of all the other Partner States along the transit route;

3.4.3.07 Officers of the RA of the Partner State of entry generate a C2 for each truck;

3.4.3.08 At each border, Customs officers confirm exit of the goods from the country and officers of the RA of the adjoining Partner State confirm the arrival/entry of goods in the Customs system;

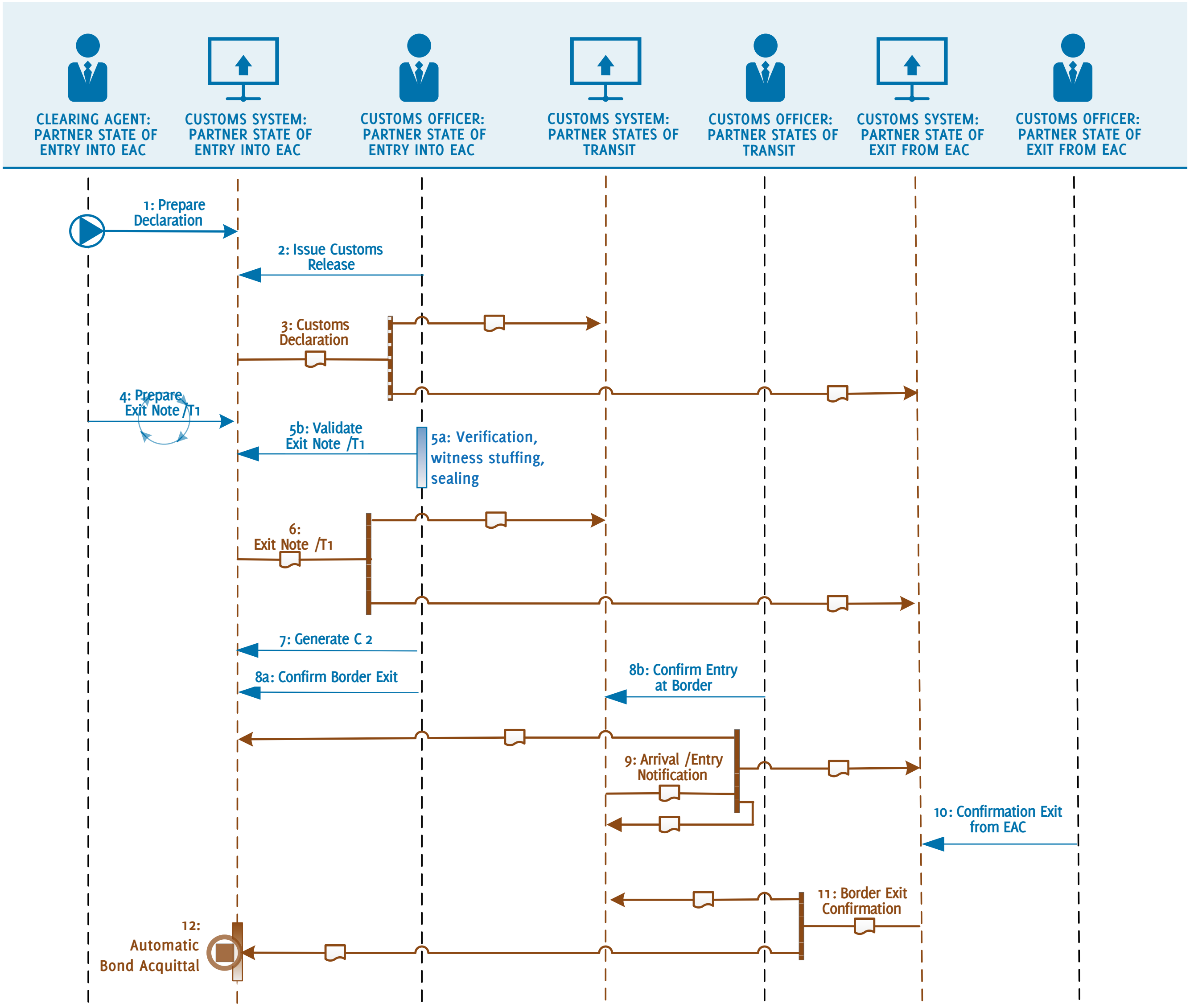
3.4.3.09 The arrival notification is transmitted to the RAs of all the other Partner States along the transit route;

3.4.3.10 At the border of exit from EAC, Customs officers of the RA of exit confirm border exit in the Customs system (or issue an exit certificate);

3.4.3.11 The exit confirmation is transmitted to the RAs of all the other Partner States along the transportation route;

3.4.3.12 The RA of Partner State of exit uses the exit confirmation to initiate automatic bond acquittal.

FIGURE 11: INLAND TRANSITS



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