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RCG 2nd phase roll-out gets the industry thumbs up

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Cargo clearers and related industry interests appear to have stepped up to the crease of enhanced manifest declaration, the once contentious Reporting of Conveying and Goods (RCG) regulations that SA Revenues Service (Sars) started rolling out last November.

Whereas several extensions were initially allowed because of industry concerns around compliance, Sars' acting chief officer for Customs & Excise, Beyers Theron, made it very clear at an FTW-sponsored breakfast in October that appeals for further delays would no longer be tolerated.

And yet, despite drawing a line in the sand saying "enough is enough", Sars has been lauded by several companies contacted by FTW for its accommodating conduct since last year's November deadline came and went.

Moreover, the subsequent initiation of RCG phase two a fortnight ago is generally agreed to have gone swimmingly.

Easy Clear general manager Michael Henning said the second phase mainly pertained to part shipment and declaration processes, particularly in as much as road freight was concerned, adding that "Sars has exceeded itself in helping industry".

According to Henning, the tension that developed last year between industry and the tax authority as companies started kicking against portents of penalties for non-compliance seems to have suddenly disappeared.

"Sars is doing a lot from its side to gauge compliance and is taking proactive action by addressing uncertainty around roll-out requirements and helping companies where possible."

Clifford Evans, customs liaison manager at logistics company Berry & Donaldson, agreed with Henning saying "RCG is all about modernisation and we have to go with it".

Whereas his sentiments following last year's FTW customs event spoke of industry not being ready for the enhanced manifest regulations, Evans said "it's no longer the case.

"It's amazing how quickly companies start complying with new regulations when they face penalties of R5000 per shipment. We, for one, cannot afford it and have found compliance with RCG to be much easier than initially anticipated."

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>
> – MICHAEL HENNING

Linking up with Henning's views, Evans said: "Sars has been holding workshops all over the country and service providers and the like have all participated to ensure a smooth start of the second phase."

Going into detail as to the actual nitty gritty of the recent roll-out, Evans said new part shipment regulations related to Sars "making provision in the system where companies might have a declaration but may have 15 to 20 trucks carrying cargo and they're not all going to be at the border at the same time.

"They needed to figure out how to use one bill of entry if there are several trucks that, for example, are moving an entire factory cross border. As a result Sars has tweaked the system in such a way that part shipments can arrive at border posts at different times and still have the same bill of entry."

As for declaration processes, Evans explained that these must henceforth display the carrier codes of vessel operators. Bills of lading, for example, must now be prefixed with shipping line abbreviations.

It also requires bills of lading to carry the details of agents where they represent shipping lines that don't have offices in a country.

"Sars has made provision for when a shipping line uses an agent so they can tell exactly who is locally involved. Previously a shipping line didn't use an agent's code in a bill of lading if they didn't have representation in a country."

So far, Evans said, RCG seemed to be meticulously geared towards capturing as much detail as possible for comprehensive customs coverage.