

Office
Pretoria

Enquiries
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EXTERNAL STAKEHOLDERS

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Dear Customs client

Pilot of ePenalty System

SARS has developed an ePenalty system under its Reporting of Conveyances and Goods (RCG) project to identify instances of non-compliance with prescribed reporting obligations and to penalise cargo reporters accordingly.

Consultations with trade representative organisations have highlighted the potential financial implications of substantial reporting penalties on businesses. In addition, the need for more information to be made available to reporters to allow them to identify specific instances of non-compliance and to rectify them.

SARS has decided to pilot the ePenalty system outcomes with cargo reporters for a period of three months, starting on 1 September 2021 and concluding on 30 November 2021. During this period, cargo reporters (e.g. carriers and freight forwarders) will not be penalised.

The pilot will focus on the submission of advance cargo reports for imported goods in the sea and air modalities and on export goods in the rail modality. The road modality is already largely compliant with its reporting obligations as more than 99% of cross-border truck movements take place against electronic Road Freight Manifests (eRFMs) submitted to SARS by road carriers or their agents.

In the meantime, cargo reporters are reminded to submit the electronic conveyance and cargo reports for which they are responsible correctly and timeously. Declarants are also requested to ensure that they correctly reference transport document details on their customs clearance declarations.

Release authorities must also ensure that they verify the correctness of the transport document numbers reflected on the customs clearances or release notifications presented to them prior to releasing cargo.

For more information about Reporting of Conveyances and Goods (RCG), please click here: <https://www.sars.gov.za/customs-and-excise/about-customs/reporting-of-conveyances-and-goods/>

Sincerely

A handwritten signature in black ink, appearing to read 'Beyers Theron', enclosed within a large, loopy oval flourish.

**BEYERS THERON
DIRECTOR: CUSTOMS BORDER OPERATIONS, PORTS OF ENTRY
& CUSTOMS COMPLIANCE**