

SARS RESPONSE TO SMART BORDER PROPOSAL BY SAAF

Background

On the 19th of April 2021 SARS Customs management reviewed the proposal that was tabled by South African Association of Freight Forwarders (SAAFF) in Feb 2021.

SAAFF Proposal proposed that PE harbour be a pilot for SMART Borders concept with the hope of garnering support from the automotive industry which would benefit from the automation of processes of smart borders. It envisaged that the smart border process would provide great enhancement of border efficiencies and improve the seamless flow of goods. SAAF identified Port Elizabeth harbour as a viable appropriate pilot due to its strategic value and also as outcome of discussions by SAAF and the landlord Transnet whose plans are to relocate the port authority head office to P.E.

Response by sea modality

During the discussions, the sea modality management pointed out that they see no conflict with the proposal and should plans go ahead this initiative could be linked with the Lindela Project-Single Window Concept. This would enable the usage of multiple forums such as Border Police, Border Management Authority (BMA), Provincial Joints Committee. Customs Excellence and Projects office to guide the process.

Overall response to the SMART Borders concept application process

SARS Custom management also confirmed that the proposed project is line with the organisational strategy and strategic goals for customs and that Customs projects is busy will the implementation process of both projects, as such there is established team that is dedicated to the design of the projects, but it should be noted that the smart borders and single window are massive long term project which are multi-layered and not implementable on a short term basis.

The intention therefore that when they are rolled out there should have a single point of data interface across all government agencies. Given their massiveness and complexity they will be rolled out in phases which will also include Transnet trade platform and National Single Window at sea ports.

Further the modernisation team was of the view that the current priorities given the limited funding and capacity will be limited for now on Smart borders to the land modality and then expanded later. Also, the Single Window phase one with Transnet is likely to be in Durban given the current focus on enhancing efficiencies there from a government point of view with operation Vulindlela.

Way forward

Given the reasons raised above the meeting concluded that It will not be possible to achieve the expected results in a short period of time as both Single Window and SMART Borders projects are long-term projects that require more resource planning in order to be successful and impactful.

With that said it is proposed that a working group between Custom sea modality management and private sector members be established. This working group would work together to review current processes so as to find the best practises that would assist in expediting the cargo movement as supported by the AEO process.

The working group initiative would also assist in the streamlining of processes and would be useful and effective in improving productivity while waiting for the implementation of the SMART Borders and Single Window projects. SAAFF/ Customs could also consider socialising the approach to a wider audience from Private Sector so as to solicit more ideas for the working group.

Customs private sector and stakeholder to coordinate further engagements with key stakeholders including the BMA. The discussions will also be guided by Memorandum Of Understanding (MOU) between Transnet and SARS.