

Customs and Excise (Suspension) (Amendment) Regulations, 2020  
(No. 225)

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IT is hereby notified that the Minister of Finance and Economic Development has, in terms of section 235 of the Customs and Excise Act [*Chapter 23:02*], made the following regulations:—

1. These regulations may be cited as the Customs and Excise (Suspension) (Amendment) Regulations, 2020 (No. 225).

2. The Customs and Excise (Suspension) Regulations, 2003, published in Statutory Instrument 257 of 2003 (hereinafter called “the principal regulations”), are amended by the insertion in the principal regulations, after section 9JJ, of a new section as follows—

*“Suspension of duty on semi-knocked down (SKD) bus kits imported by approved assemblers*

9KK. (1) In this section—

“assembler” means any person who is registered as an assembler of buses in terms of subsection (6) for the purposes of this section;

“form” means the appropriate form referred to in Table 9KK.01 to this section;

“semi-knocked down (SKD) bus kits” means assembly kits for buses described under commodity codes 8702.10.11 being imported by an approved assembler entirely for completion of the process of assembling buses.

(2) Customs duty is suspended to a rate of duty of ten *per centum* (10%) on SKD bus kits imported or taken out of bond by an approved assembler for use in the assembly of buses in terms of this section.

(3) No suspension of duty shall be granted on completely built-up bus bodies.

(4) Any person who wishes to claim a suspension of duty in terms of this section shall apply to the proper officer in the form approved by the Commissioner for registration as an assembler.

(5) All forms required in terms of this section and copies thereof shall be completed indelibly in a legible manner.

(6) An officer may refuse to accept any form if he or she considers that any part of it is illegible or that it has not been properly completed.

(7) An application referred to in subsection (4) shall be supported by such additional information or documents as the Commissioner may require and shall be made before the importation or removal from bond of any SKD bus kits intended for bus assembly.

(8) On receipt of an application in terms of this section, the proper officer shall, before referring the application to the Commissioner, inspect the premises and machinery of the person making the application and report his or her findings to the Commissioner.

(9) If the Commissioner approves the application, he or she shall call on the person making the application to—

- (a) erect on his or her premises the stores provided for in subsection (20) of this section;
- (b) enter into a bond in a form approved by the Commissioner, with sufficient surety in an amount determined by the Commissioner, for the securing of the suspended duty and compliance with the requirements of this section.

(10) When the applicant has complied with the requirements of subsection (9) to the satisfaction of the Commissioner, the Commissioner shall register the person as an assembler.

(11) The Commissioner may reject an application for registration if he or she is of the opinion that—

**9kk01 (Section 9kk)**

<i>Form number</i>	<i>Title</i>
MVAS 1 .....	Application for registration
150 .....	Bus Assembler's Bond

In terms of section 5(2) of the Interpretation Act [*Chapter 1:01*], the stated forms are not published in these regulations. They may be inspected free of charge at the offices of the Zimbabwe Revenue Authority, Harare, or at any of the offices of the Zimbabwe Revenue Authority countrywide.

- (a) adequate control of SKD bus kits imported or taken out of bond under suspension of duty is not likely to be maintained; or
- (b) any provisions of this section will not be complied with.

(12) The Minister shall approve assemblers for the purpose of this section.

(13) SKD bus kits shall be admitted under suspension only if—

- (a) the assembler has furnished the Commissioner with—
  - (i) a complete specification of each model of any bus which he or she proposes to assemble; and
  - (ii) a comprehensive description of the SKD bus kits which are to be used in the assembly of each model of bus;and
- (b) the process of assembly of each model has been approved by the Commissioner using either—
  - (i) the process of assembly from the supplier; or
  - (ii) a summarised process of assembly followed by a complete process of assembly once a number of units have been assembled.

(14) An assembler shall not, without the prior approval of the Commissioner, substantially alter the process of assembly approved in terms of paragraph (b) of subsection (13).

(15) Subject to subsection (16), SKD bus kits shall not be admitted under suspension unless each consignment of such kits is, on importation into Zimbabwe, packed so as to contain the exact quantities to complete the models whose specifications have been furnished to the Commissioner in terms of subsection (13) and which are referred to in the invoice relating to that consignment.

(16) SKD bus kits which were wrongly supplied or which have been damaged may be admitted under suspension if the

Commissioner is satisfied that they were so wrongly supplied or damaged.

(17) SKD bus kits imported otherwise than in accordance with subsection (15) may be admitted under suspension if the Commissioner is satisfied that there has been substantial compliance with that paragraph in any particular case.

(18) SKD bus kits to be entered under the suspension of duty provided for in this section shall be entered for consumption at the port of entry nearest to the assembler's business premises.

(19) An assembler shall, when effecting entry on importation, or on removal from bond of SKD bus kits intended for assembly under this suspension, submit with the relevant bill of entry a declaration signed by him to the effect that the said SKD bus kits are to be used solely in the assembly of buses.

(20) The assembler shall provide on his premises secure stores for the safe storage of SKD bus kits on which duty has been suspended and shall, at his own expense, provide the necessary fastenings so that the stores may be secured with customs locks.

(21) No SKD bus kits with duty suspension may be stored elsewhere than in the stores provided for in subsection (20), and no such store shall, without the prior written permission of the Commissioner, be used for any other purpose other than for the storage of SKD bus kits.

(22) An assembler shall keep a stock-book in a form approved by the Commissioner, showing full particulars of all receipts and disposals of SKD bus kits entered for the assembly of buses in such a manner that the suspended SKD bus kits can readily be accounted for to the satisfaction of the Commissioner.

(23) If an assembler fails to keep a stock book in the manner approved in terms of subsection (22), any suspended SKD bus kits received by the assembler during the period when the stock-book was not so kept shall be deemed to have been used for a purpose other than that for which the suspension was granted unless the

assembler satisfies the Commissioner that the suspended SKD bus kits were used for the purpose for which the suspension was granted.

(24) The stock-book and premises of an assembler shall be open for inspection by ZIMRA officer at any time.

(25) Subject to subsections (26) and (27) an assembler shall not, except with the written authority of the Commissioner, and on payment of the duty suspended, dispose of any SKD bus kits otherwise than in accordance with this section.

(26) The Commissioner may authorise the disposal of suspended SKD bus kits on payment of such duty, not exceeding the amount of duty suspended as he or she thinks fit, if, in the opinion of the Commissioner, the SKD bus kits cannot be economically used for the purpose for which they were entered under suspension.

(27) An assembler shall, when required by the Commissioner to do so, carry out under the supervision of an officer, at such time as the Commissioner may consider necessary, any assembly operation in which SKD bus kits entered under suspension are used.

(28) Duty on suspended SKD bus kits which are accidentally destroyed before being used in the assembly of buses may be remitted if the Commissioner is satisfied that every reasonable effort was made and precaution taken to prevent their destruction.

(29) The Commissioner may cancel or suspend the registration of an assembler if such assembler—

- (a) ceases to assemble buses; or
- (b) fails to comply with or contravenes any of the provisions of this section; or
- (c) so requests.

(30) If any registration is cancelled in terms of paragraph (a) of subsection (29), any duty suspended shall immediately become due and payable.