



Customs Handbook

For Solar PV Products
in Zimbabwe

June 2021



Africa Clean Energy
Catalysing Africa's Solar Markets



TETRA TECH
International Development



The Foreign, Commonwealth & Development Office (FCDO) Africa Clean Energy Technical Assistance Facility

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Abbreviations



ACE TAF	Africa Clean Energy Technical Assistance Facility
ASYCUDA	Automated System for Customs Data
CE	Customs and Excise
FCDO	Foreign, Commonwealth and Development Office
GOGLA	Global Off-Grid Lighting Association
GOZ	Government of Zimbabwe
IEC	International Electrotechnical Commission
IFC	International Finance Corporation
LED	Light-emitting diode
MoEPD	Ministry of Energy and Power Development
MoFED	Ministry of Finance and Economic Development
OGS	Off-Grid Solar
SHS	Solar Home Systems
SI	Statutory Instrument
VAT	Value Added Tax

Foreword



Solar power is one of the key resources to provide universal access to electricity and reduce GHG emissions in Zimbabwe. Solar energy also eases power shortages in Zimbabwe, thereby improving quality of life.

While the benefits of solar energy are clear, there are obstacles that have slowed market penetration. One concern from ZIMRA officials and industry has been the importation of different types of solar energy products. In a bid to move towards solving the problem, the Government in partnership with ACE TAF, ZIMRA, and REAZ has developed the 'Customs Handbook for Solar PV Products in Zimbabwe.'

The handbook provides a practical interpretation of the Customs and Excise Act and relevant regulations in relation to solar products. The purpose of this handbook is to guide importers, government and other stakeholders on the clearance process, tariff codes, rates of duty and product description for ease of reference.

Solar products are expected to be key drivers to the economy and information is critical for the sector to grow. By providing greater clarity about the importation processes for solar PV products in Zimbabwe, we hope that this handbook may be a useful reference that contributes to the strengthening of Zimbabwe's power sector.

Author/signatory

June 2021

1. How to Use this Handbook



With the evolution of the off-grid solar (OGS) sector in recent years and the rising volume of OGS products into Zimbabwe, there is a need to provide more clarity on the exemption status of commonly imported OGS products. This comprehensive Customs Handbook aims to help clarify importation processes and reduce areas of misinterpretation by customs officials as well as importers or their clearing agents. This Handbook complements applicable legislation and is intended to help achieve more predictable and consistent classification and clearance of Solar products in line with Government's energy policy initiatives.

Section 2 of this handbook is a concise overview of fiscal policy in Zimbabwe, with a focus on Statutory Instrument (SI) 147.

Section 3 consists of a thorough importation guide as of January 2021 for solar lantern, solar home systems (SHS), minigrid, and other energy access products that are commonly imported into Zimbabwe.¹ The guide consists of the following information for integrated kits and component parts:

- Product descriptions
- HS Codes
- Illustrations
- Applicable duty rates
- Applicable value-added tax (VAT)

Section 4 provides an importation process map as well as step-by-step description of each stage of the importation process. This section also includes information about forms and fees required for importation.

Section 5 provides a brief overview of mitigation procedures in the event of importation challenges before clearance, at the border and after customs clearance.

Section 6 outlines a provision for regularly updating future versions of this Customs Handbook.

¹ At the time of drafting MOEPD has proposed several changes for applicable customs duty rates. These have not yet been gazetted and so this document does not reflect the proposals.

2. Zimbabwe's Fiscal Policy Framework for Energy Access



The Government of Zimbabwe's (GOZ) first step towards the elimination of tariffs and taxes on solar systems and products was through SI 147 of 2010. SI 147 suspended customs duties for a limited number of products that included solar PV panels and light-emitting

diode (LED) lighting (see Table 1 below). SI 147 of 2010 did not include solar inverters and agricultural products (that may be solar PV-powered) such as egg incubators and solar dryers as the customs duty rates in the Second Schedule to the Customs Tariff Book were already at 0%.

Table 1: Products currently with substantive duty rates removed in the Customs Tariff Book or suspended through SI 147 of 2010 and SI 13 of 2020.

Existing Exemptions for Energy Access Products

Commodity Code	Description of Goods	Rate of Duty	SI
8504.40.00	Static converters	0%	NA
8436.21.00	Poultry incubators and brooders	0%	NA
8479.89.00	Solar dryer	0%	NA
8419.1910	Domestic storage water heaters	0%	147 (2010)
8419.1990	Other	0%	147 (2010)
8539.3920	Compact fluorescent tubes and bulbs of a gas type of not exceeding 25w and voltage exceeding 170v	0%	147 (2010)
8541.4000	Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light emitting diodes.	0%	147 (2010)
9032.8900	Other instruments and apparatus not specified elsewhere.	0%	147 (2010)
8507.60.00	Lithium-ion accumulators	0%	13 (2020)

Support for the renewable energy sector was further enshrined in subsequent National Energy Policy of 2012, the Vision 2030 strategy released in 2018, and most recently the National Renewable Policy of 2019. In the 2020 fiscal budget, the Ministry of Finance and Economic Development (MoFED) called for the suspension of duty and VAT on all solar components and parts. This

fiscal pronouncement automatically triggered the review of SI 147 to include other SHS components and parts such as charge controllers, batteries, balance of system components and other solar technologies. SI 78 of 2021 included a specific Commodity Code for integrated SHS (9405.40.60) with a 0% rate of duty.

3. Energy Access Product Importation Guide



This section provides a comprehensive overview of energy access equipment commonly imported into Zambia. The section is divided into the following subsections:

- 1 Solar lanterns
- 2 Solar home systems
- 3 Energy access appliances and tools
- 4 Minigrids
- 5 Miscellaneous

For each component product, the following information is provided:

- Product
- Product description
- HS Code
- Applicable tax rates (Import duty & VAT) as of 31 December 2020.
- Illustration

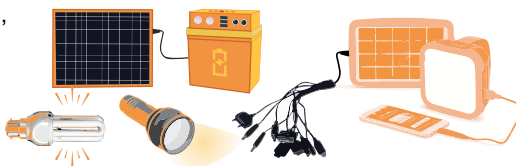
For integrated systems, the following information is provided:

- Product or system category
- Component parts
- HS Code (for integrated system)
- Illustration
- Shipment details
- Packing details
- Additional features considered under this category
- Requirement for correlation of components to complete systems
- Applicable duty rate (for integrated system)
- Applicable VAT (for integrated system)

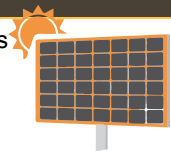



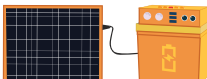


3.1 Solar Lanterns

Solar lanterns (integrated kits)

Product or system category	Solar lantern
Component parts	LED light, solar panel, built-in rechargeable battery, integrated control unit 
HS Code	8513.10.20
Sub-types considered under this category	Solar lantern with integrated radio
Shipment details	Single consignment
Packing details	System components packed in the same box System components packed in separate boxes i.e., solar panels and solar lanterns packed separately
Additional features considered under this category	May include secondary cables (e.g., USB).
Requirement for correlation of components to complete systems	None
Applicable duty rate	0%
Applicable VAT	14.5%

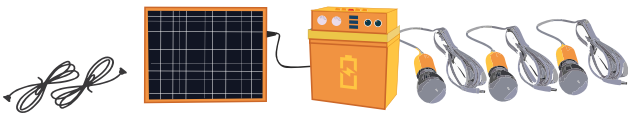
Solar Lanterns (component parts)

Product	Product Description	HS Codes	Import Duty	VAT
Solar Panels 	Photosensitive semiconductor devices, whether or not assembled in modules or made up into panels	8541.40.00	0%	14.5%
LED Lighting 	Light-emitting diode (LED) lamps	8539.50.00	10%	14.5%
Solar torch (rechargeable) 	Rechargeable	8513.10.90	40%	14.5%
Lithium-ion Battery 	Solar batteries	8507.60.00	0%	14.5%
Solar charge control units 	Charge control units for solar power (for a voltage not exceeding 1000V)	8537.10.00	20%	14.5%

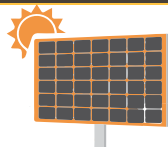






3.2 Solar Home Systems

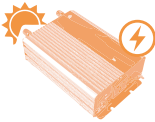

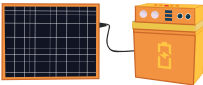




Solar Home Systems (Integrated Kits)

Product or system category	Solar home system (complete kit)
Component parts	<p>Solar powered lighting system comprising of a solar panel, multiple LED lights, battery, inverter, charge control unit, casing and cabling.</p> 
HS Code	9405.40.60
Additional features considered under this category	<p>Includes primary cables /interconnecting cables (i.e., panel to control unit and lights to the control unit)</p> <p>Includes secondary cables (i.e., USB cables for charging phones and rechargeable torch)</p> <p>Includes rechargeable torch charged from the system</p> <p>Includes rechargeable radio, charged from the system</p> <p>Solar lighting system can be charged via USB</p>
Shipment details	Single consignment
Packing details	<p>System components packed in the same box</p> <p>System components packed in separate boxes e.g., solar panels, lights, secondary cables, batteries and control units packed separately</p>
Applicable duty rate	0%
Applicable VAT	14.5%

Solar Home Systems (Component Parts)

Product	Product Description	HS Codes	Import Duty	VAT
Solar Panels 	Photosensitive semiconductor devices, whether or not assembled in modules or made up into panels	8541.40.00	0%	14.5%
LED Lighting 	Light-emitting diode (LED) lamps	8539.50.00	10%	14.5%
Solar torch (rechargeable) 	Rechargeable	8513.10.90	40%	14.5%
Lithium-ion Battery 	Solar batteries	8507.60.00	0%	14.5%
Solar charge control units 	Charge control units for solar power (for a voltage not exceeding 1000V)	8537.10.00	20%	14.5%



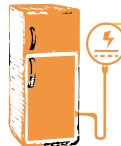






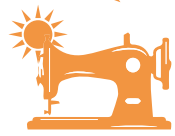

Solar Home Systems (Component Parts)

Product	Product Description	HS Codes	Import Duty	VAT
Static Converters 	Inverters for solar power (Electrical transformers, static converters and inductors)	8504.40.00	0%	14.5%
Hybrid Inverters 	Inverters for solar power (Electrical transformers, static converters and inductors) with charge control units	8504.40.00	0%	14.5%
Solar charge control units 	Charge control units for solar power (for a voltage not exceeding 1,000 V)	8537.10.00	20%	14.5%
Solar cables 	Insulated wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors.	8544.49.00	15%	14.5%
Solar Switches 	Electrical Apparatus for switching and protecting electric circuits.	8536.50.00	10%	14.5%
Solar Breakers 	Electrical Apparatus for switching and protecting electric circuits.	8536.20.10	10%	14.5%
Solar Breakers 	Other automatic circuit breakers	8536.20.90	10%	14.5%



3.3 Energy Access Appliances and Tools

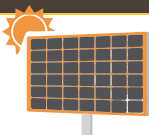








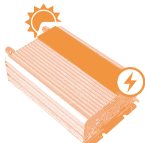
Energy Access Appliances and Tools


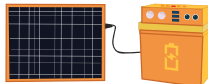




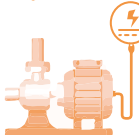


Product	Product Description	HS Code	Import Duty	VAT
Solar cooker/ Oven 	An apparatus for cooking food using the energy of direct sunlight	8516.60.00	40%	14.5%
DC fan 	Other fans	8414.59.90	20%	14.5%
DC fridge or freezer 	Refrigerators of a household type, compression type	8418.21.00	60%	14.5%
DC fridge or Freezer 	Other refrigerators household type	8418.29.00	60%	14.5%
DC radio 	Reception apparatus for radio-broadcasting	8527.19.90	40%	14.5%
DC Television 	Reception apparatus for television	8528.72.00	40%	14.5%
DC irrigation Pump 	Pumps for liquids, whether or not fitted with a measuring device.	8413.81.00	5%	14.5%
Egg Incubators 	Poultry incubators and brooders	8436.21.00	0%	14.5%
Hair Clippers 	Other hair clippers with self-contained electric motor	8510.20.90	20%	14.5%
Sewing Machines 	Sewing machines of the household type	8452.10.00	5%	14.5%
Solar dryer 	Solar productive use tool	8419.31.00	0%	14.5%



3.4 Minigrids

Minigrid Component Parts

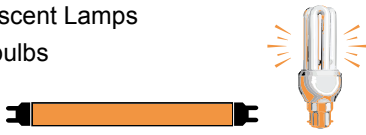
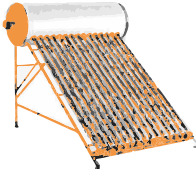

Product	Product Description	HS Code	Import Duty	VAT
Solar Panels 	Photosensitive semiconductor devices, whether or not assembled in modules or made up into panels	8541.40.00	0%	14.5%
LED Lighting 	Lighting emitting diode (LED) lamps	8539.50.00	10%	14.5%
Lead acid battery for piston engine 	Solar batteries	8507.10.00	60%	14.5%
Other lead acid Accumulator 	Solar batteries	8507.20.00	20%	14.5%
Nickel cadmium Batteries 	Solar batteries	8507.30.00	15%	14.5%
Nickel iron Batteries 	Solar batteries	8507.40.00	20%	14.5%
Nickel-metal hydride battery 	Solar batteries	8507.50.00	20%	14.5%
Lithium-ion Battery 	Solar batteries	8507.60.00	0%	14.5%
Other Accumulators 	Solar batteries	8507.80.00	20%	14.5%
Static Converters 	Inverters for solar power (Electrical transformers, static converters and inductors)	8504.40.00	0%	14.5%

Minigrid Component Parts					
Product		Product Description	HS Code	Import Duty	VAT
Hybrid inverters		Inverters for solar power (Electrical transformers, static converters and inductors) with charge control units	8504.40.00	0%	14.5%
Solar charge control units		Charge control units for solar power (for a voltage not exceeding 1,000V)	8537.10.00	15%	14.5%
Solar Cable		Insulated wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors.	8544.49.00	15%	14.5%
Solar breakers		Electrical Apparatus for switching and protecting electric circuits.	8536.20.10	10%	14.5%
Solar breakers		Breaking capacity of 6kPA and below	8536.20.90	20%	14.5%
Solar switches		Electrical Apparatus for switching and protecting electric circuits.	8536.50.00	10%	14.5%
DC irrigation Pump		Pumps for liquids, whether or not fitted with a measuring device.	8413.81.00	5%	14.5%
Standard 20-foot shipping container		Containers specially designed for carriage of goods	8609.00.00	0%	14.5%
PV Module Support Structure		Steel solar module rack	7308.90.90	25%	14.5%



3.5 Other commonly imported solar equipment

Miscellaneous energy access equipment

Product	Product Description	HS Code	Import Duty	VAT
Florescent Lamps and bulbs 	Discharge lamps – florescent	8539.31.00	10%	14.5%
Solar Geysers 	Solar geyser	8419.19.10	0%	14.5%
Solar Street Lights 	Other Electric lamps and lighting fittings	9405.40.50	0%	0%

4. Solar PV Importation Procedures



Section 38(1) of the Customs and Excise Act, Chapter 23:02 of the Laws of Zimbabwe, provides that Goods shall not be imported into Zimbabwe without an entry and declaration being made and without such duties as may be imposed by law being paid or secured.

Section 39(1) further provides for the entry of imported goods be made at the time of importation or 10 days after the time of importation for one of the following purposes:

☀ **for consumption** - This is the importation where customs import procedures are conducted and concluded at the customs port of first arrival. Regulation 18(1)(a)(i) of the Customs and Excise (General) Regulations, 2001 (SI 154 of 2001) provides for the completion and submission of bill of entry for the goods in Form 21 for consumption on importation at the customs port of entry.

☀ **for warehousing in a bonded warehouse** – This is the importation procedure where an importer of any dutiable goods may warehouse them in any warehouse duly licensed under section 68 of the Customs and Excise Act without payment of duty on the first importation. All goods so warehoused are subjected to the provisions of the Customs and Excise Act and

any regulations or rules made thereunder. Importation for warehousing is provided for under Section 70 of the Customs and Excise Act.

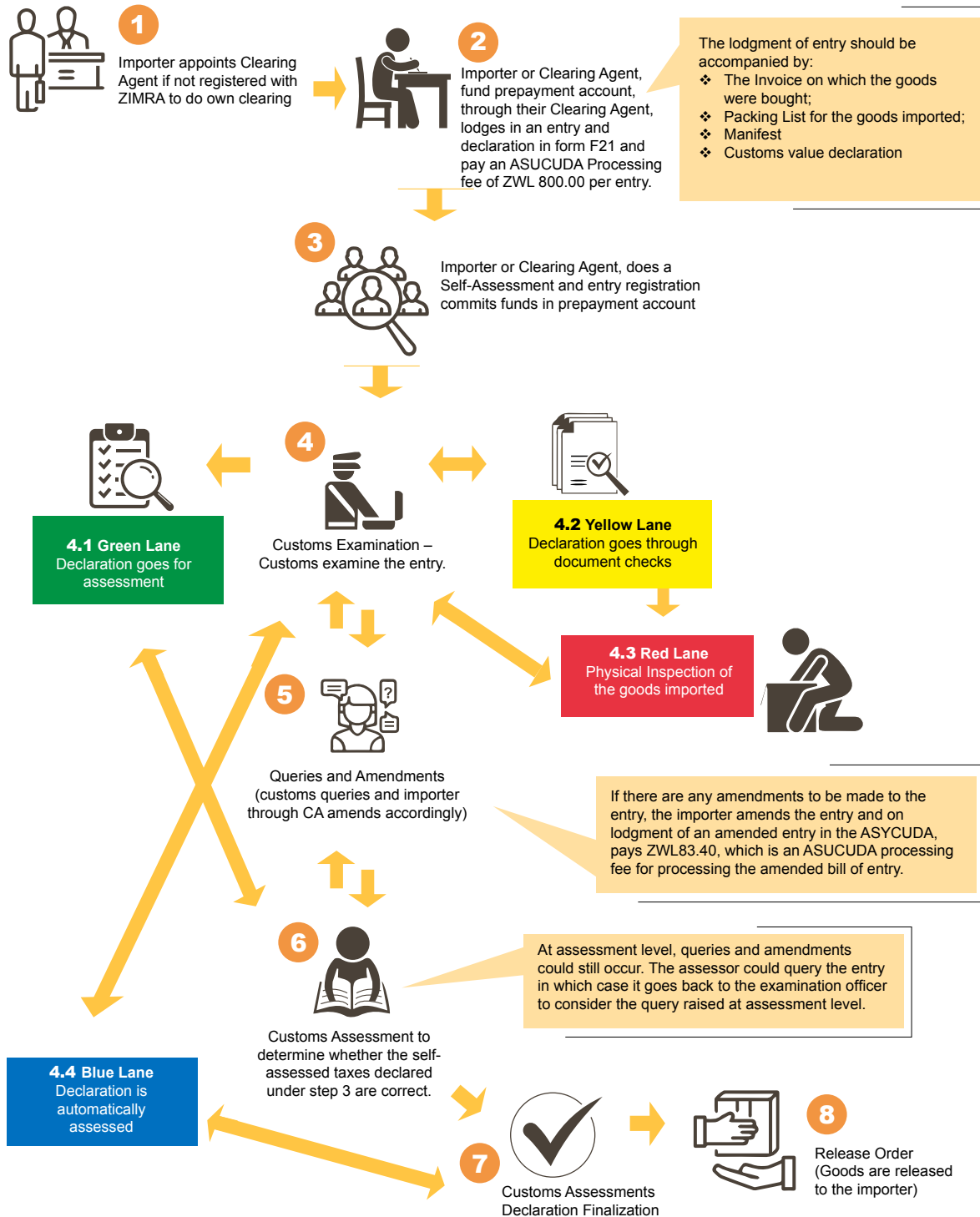
☀ **for removal in bond to an inland place for further entry** - This is where an importer of any dutiable goods may, subject to approval by the Commissioner, remove the goods in bond to an inland place in accordance with Section 83(1) of the Customs and Excise Act. Where the goods are then warehoused after the removal in bond, the provisions of the Customs and Excise Act relating to bonded warehouses, in so far as they are applicable to, and compatible with, such purposes, terms and conditions, apply to customs warehouses.

It must be noted that almost all the importation of goods for energy access is done for consumption where customs import procedures are conducted and concluded at the customs port of first arrival. This is because the other two forms (i.e., for warehousing in bonded warehouses and for in-bond carriage to inland place) for further entry are more costly as the importer needs to incur additional costs in warehouse/storage charges, removal of bond fees payable to the agents and handling costs at the bonded warehouse.



4.1 Importation Process Map

Below is the importation process map for Zimbabwe. This importation process map may also be printed separately for customs agents or other stakeholders.





4.2 Procedures for Importation of Goods for Consumption

This is the importation procedure and process for the importation of solar PV products where the customs procedures are conducted and finalized at the port of entry. This handbook does not differentiate between importation at a border crossing and at an airport as ZIMRA has only one official importation process.

Under the ZIMRA Client Service Charter there is an undertaking to process a clean customs declaration within 3 hours of bill entry submission.

The importation procedure is as follows:



Step 1 – Appointment of a Clearing Agent by the Importer

The person intending to import goods may in terms of Section 35 of the Customs and Excise Act appoint a Registered Clearing Agent to act on his behalf. This is not compulsory under Zimbabwe Customs law therefore individual importers can perform their own customs clearance formalities provided they are registered with ZIMRA. However very few companies do in-house customs clearing, the majority appoint a clearing agent, to help with the customs formalities at the border on their behalf.



Step 2 – Lodgment of Entry (Entry and Declaration)

For imports by road the Agent/Transporter registers manifest in ASYCUDA and gives details to the running number to Declarant/Agent for pre-clearance. All commercial importations by road transport are now required to be pre-cleared in terms of Section 5A of the Customs and Excise (General) Regulations as amended by SI 9 of 2018. For goods imported by other means of transport the importer may pre-clear but it's not mandatory. Before the arrival of the goods an importer is required to make an entry and declaration (lodge an entry in the ASYCUDA system) in form 21 as provided for under Section 39 of the Customs and Excise Act. The Declaration must be accompanied by the following documentation:

- (a) Original Invoice on which the goods were bought;
- (b) Packing List for the goods imported; and
- (c) Manifest (road manifest if goods are imported by road, Airway bill if goods are imported by air, Railway advise note if goods are imported by rail).

The declarant/agent upon pre-clearance and registration of the bill of entry is required to have funded his prepayment account in the ASYCUDA system and the amount of duty is committed to the particular entry.

In the case of goods being imported and covered under SI 147 and SI 13 the customs rate of duty is zero and VAT at a standard rate of 14.5% is currently payable.



Step 3 – Self assessment and payment of any customs duties due

On lodgment of a bill of entry, the Declarant/Agent, makes an own assessment of the duties to be paid and deposits such amount into his prepayment account in ASYCUDA system. The funds are automatically paid upon assessment of the bill of entry. In all cases where the imported goods are subject to an acceptable sale transaction the valuation for customs duty purposes shall be based on the invoice value in terms Section 106 of the Customs and Excise Act. Kindly note that Zimbabwe uses the Cost, Insurance and Freight (CIF) basis of valuation. This means that the cost, insurance and freight paid up to the point of importation are all included in the value on which the rate of duty is applied.

However, if Customs are in doubt of the values declared by the importer, they will ask for further evidence (may be specific) to verify the correctness of the declared values. If they are still not satisfied, they will then use alternative methods of valuation in their hierarchical order in consultation with the importer. This is in accordance with the WTO Valuation Decision 6.1 that deals with situations where declared values are in doubt.



Step 4 – Custom's Examination

The next stage is where Customs makes an examination. The Entry can go to Red Lane, Yellow Lane, Blue Lane or Green Lane in the ASYCUDA system.

- (a) **RED** Lane: All declarations that are selected red will first be handled by the Customs Examining officer and record their documentary check results in the ASYCUDA system. A physical examination (PE) order is issued on Form 45 to enable the physical inspection of the goods to be undertaken to determine if the declaration is in line with the actual goods imported.
- (b) **YELLOW** Lane: Customs may only do a documentary check. Documentary checks are mainly to verify the correctness of all information appearing on the face of the bill of entry and that all required supporting documentation is attached. For example, where the value of the goods as declared on the bill of entry (Form 21) is very different from the Value appearing on the commercial invoice, Customs will undertake such documentary check to establish why the values are different. However, Customs could make a determination based on the documentary check findings to send the goods to the Red lane even if the ASYCUDA assigned them the yellow lane in which case the goods would have to undergo a physical inspection.
- (c) **GREEN** Lane: Entries in this lane are automatically assessed after a set time. The risk of fraud or mistakes on these entries is perceived to be low based on

set risk profiles in the ASYCUDA system and therefore their movement across the border is facilitated.

- (d) BLUE Lane: This lane is for Authorised Economic Operators (AEOs). The entry automatically assesses and is subject to possible post clearance audit checks.

In most cases, importation under tax incentives is assigned the Yellow or Red Lane and go through physical inspections as a safeguard measure by customs to guard against fraudulent misclassification of items that may not qualify to be imported under the incentive.



Step 5 – Queries and Amendments

This step is done at the time of examination of the entry in step 4. It's a stage where customs query the declaration made in form 21 or the Declarant/Agent, may decide to make an amendment to the declaration in terms of General Regulation 18(6). This is normally the stage that delays the clearing of goods because it depends on how long the importer takes to respond to the queries and provide additional information/amendments required by customs and for the customs to respond to the response from the importer especially where an importer disputes the query.

The most common queries and amendments are in relation to Commodity codes, declared values, declared origin, description of goods and procedure codes.

As an example, the examining officer may determine that the goods have been misclassified or undervalued, the officer may query the entry and requests for an amendment which the importer may agree to or may not agree to. If the importer agrees to make the necessary amendments to the entry, the amended entry will have to be accompanied by payment of amendment fees, reassessed taxes and the accompanying penalties. If on the other hand the importer disagrees to the query, this will trigger an appeal process as outlined in Section 5.2 below. The goods can however be provisionally cleared subject to a cash deposit to cover the duty at stake in terms of General Regulation 18(8).



Step 6 – Custom's Assessment

This process is done by the Examining Officer for declarations without queries or by the Queries Officer after resolution of queries. Once examining officer clears the entry, it then goes for assessment to now determine if the self-assessed taxes declared under step 3 are correct. At assessment level, queries and amendments could still occur. The assessor could query the entry in which case it goes back to the examination officer to consider the query raised at assessment level.



Step 7 – Assessed Declaration Finalization

If everything is clean after undergoing the above steps (i.e., all documentation provided and no queries and amendments or further queries amendments), Customs accepts the declaration made by the importer. The Chief Examiner undertakes final checks and finalizes the assessed declaration.



Step 8 – Release order

Once the Chief Examination Officer undertakes the final checks and assessment is done, then a release order is issued, and the goods are released by customs to the importer for consumption. Currently as a Covid-19 mitigation measure the release order printing function is being done by the Declarant/Agents ASYCUDA profile in order to reduce physical interaction with the Customs Office.

4.3 FORMS

The following are the required importation forms in accordance with the provisions of the Customs and Excise Act:

(1) The Customs and Excise Entry and Declaration Form (Form 21): An importer is required to make an entry and declaration of goods imported in Form 21 as required by Subsection (1) of Section 39 of the Customs and Excise Act. Form 21 is set out in the First Schedule, Part II of the Customs and Excise (General) Regulations, 2001 (SI 154 of 2001). An importer is also required to attach the following documents to Form 21:

- (a) Original Invoice on which the goods were bought;
- (b) Packing List for the goods imported;
- (c) Valuation declaration forms; and
- (d) Manifest (road manifest if goods are imported by road, Airway bill if goods are imported by air, Railway advise note if goods are imported by rail).

(2) The Customs and Excise Bill of entry Query Notification/ Request to Amend an Entry (Form 45): In an event that the declaration made in

Form 21 is incorrect, the importer may request to amend the entry using Form 45. Form 45 is set out in the First Schedule to the Customs and Excise (General) Regulations, 2001 (SI 154 of 2001).

(3) Application to lodge a cash deposit as security for an obligation (Form 122). In an event that clearance for consumption cannot be finalised at the time of importation for any reason, importer can make an application to pay a deposit in order to facilitate the release of the goods.

(4) Declaration of particulars relating to Customs Value where Transaction Value Method is used (Form 52A). Whenever the Transaction value method has been used this completed value declaration form must be attached to the Form 21.

(5) Declaration of particulars relating to Customs Value where other Methods of Valuation are used (Form 53A). Whenever a valuation method other than the Transaction value method has been used this completed value declaration form must be attached to the Form 21

(6) Application of registration of Value Ruling on F54B. In the event that there is a relationship as defined in Section 104(3) between the seller of goods and the importer an application for the registration of a value ruling on this form is required.

(7) Declaration of particulars relating to Customs Value – Value Ruling (Form 54B). In the event that a Value Ruling has been issued, it must always be attached to the Form 21 whenever an importation between the related seller and importer are involved.

154 of 2001). The Following are the fees prescribed to be paid by importers:

- Fees to be paid on the entry of goods: The fee to be paid on entry of goods is set out in Part XV of the Regulations SI 154 of 2001 and is currently set at a sum equal to eight hundred Zimbabwean dollars (ZWL800.00) for each entry; and
- Fees to be Paid on any correction to a bill of entry: The fee to be paid on any correction to a bill of entry that is required to be made subsequent to the lodgement of the entry is provided for under SI 154 of 2001 and is currently set at a sum equal to eight hundred Zimbabwean dollars (ZWL800.00) for each corrected entry.

4.4 FEES

All fees to be paid under the Customs and Excise Act are prescribed in Part XV of the Customs and Excise (General) Regulations, 2001 (SI

5. Mitigating importation challenges



Importation delays are a major challenge for a landlocked country like Zimbabwe. Among the trade facilitation initiatives that ZIMRA is currently undertaking to mitigate importation delays are pre-registration and pre-clearance. These processes are provided for under Section 5A of the Customs and Excise (General) Regulations as amended by SI 260 of 2018.

Pre-registration is the lodgement of documents with Customs prior to importation of the goods. This process is legally compulsory for goods imported by road transport and in terms of SI 272 of 2020 – In Criminal Law (Codification and Reform) (Standard Scale of Fines), Notice 2020 the fine for not complying is level 7 currently amounting to Sixty thousand Zimbabwean dollars (ZWL60 000.00).

Preclearance is the facility that allows importers to lodge their documents with Customs and then proceed to assess the declaration and release the documents before the goods actually arrive at the border. However, the customs interventions which require the presence of the actual goods are carried out when the goods arrive at the border. For example, the law provides that, where Customs deem it necessary, the pre-cleared goods may be subject to a physical inspection at the time that the goods arrive at the Customs port. This can be done randomly by Customs or if the Risk Management system in the ASYCUDA assigns a RED lane to the declaration.

5.1 PRE-CLEARANCE OF GOODS

Section 5A (2) of the Customs and Excise (General) Regulations as amended by SI 9 of 2018 requires the importer or his agent to lodge

preclearance documents before the arrival of goods in Zimbabwe if the goods are dispatched for export by road transport. Goods imported by other means of transport may also be precleared but however its not mandatory.

Requirements for pre-clearance

For pre-clearance of goods, the person intending to import the goods should meet the following requirements:

- Declare the goods before they arrive at the border;
- Ensure that the goods match the declaration;
- Ensure that they attach the following documents: invoices, airway bills (if importation is by air) cargo/road manifests (if importation is by road), Railway advise note (if importation is by rail) and Packing list

Amendment to the pre-clearance declaration

Should there be differences between the declaration and the actual goods when they arrive at the Customs port, either the importer or Customs may request for an amendment to the declaration. However, any false declarations may lead to seizure of the goods. In addition, where Customs deem it necessary, the pre-cleared goods may be subject to a physical inspection at the time that they arrive at the Customs port.

Benefits of Pre-clearance

Some of the benefits of Pre-clearance include the following:

- It allows for a shorter clearance time of goods by Customs, as the customs formalities will have already been undertaken even before the goods arrive at the customs port;

- It reduces dwell time by importers at the borders; and
- It reduces congestion at the borders and also reduces cost of doing business

5.2 QUERY RESOLUTION AT THE BORDER

There are instances where queries arise during or after Customs clearance that may not be resolved amicably, which require an appeal procedure. If a query is raised by an examining officer in the ASYCUDA system, the ZIMRA expects the importer/agent to respond within a reasonable time period. However, an importer may reject the query raised by the examining officer. If the importer rejects the query, the query is sent to the Declaration Processing Centre (DPC/Shift/Station) Manager to resolve it.

If the matter is not resolved by the (DPC)/Shift/Station Manager, an appeal process then starts and at this point, it will be done outside the ASYCUDA system. An importer can appeal to the Regional Manager. If the Regional Manager fails to resolve the matter, the importer can make an appeal to the Commissioner of Customs at ZIMRA Head Office.

Tariff Classification Dispute: If the matter does not get resolved by the Commissioner an importer can in terms of section 87(3) of the Customs and Excise Act appeal to the Fiscal Appeals Court in terms of the Fiscal Appeals Court Act Chapter 23:05. If still not satisfied, an importer can seek further recourse to the Supreme Court.

Customs Valuation Dispute: If the matter does not get resolved by the Commissioner an importer can in terms of section 119(1) of the Customs and Excise Act appeal to the High Court. If still not satisfied, an importer can seek further recourse to the Supreme Court.

5.3 ISSUE RESOLUTION AFTER CUSTOMS CLEARANCE

There are also instances where goods are cleared by customs at the border and released for consumption but ZIMRA may carry out post importation audits and discover some anomaly and revisit the declaration. Under this circumstance, Regional Manager issues a letter to the importer which letter is regarded as an assessment.

Once the letter is issued by the Regional Manager the importer is given reasonable time within which to respond or appeal to the assessment as contained in the letter. However, at the end of the dispute and should the importer lose the case, ZIMRA will charge interest and penalties for the entire period from the time of importation until the case is resolved.

If the importer disputes the assessment in the letter from the Regional Manager, the importer can appeal to the Commissioner at ZIMRA Head Office.

If the matter does not get resolved by the Commissioner, the Importer can further appeal as in part 5.2 above.

6. Provision for updating the Customs Handbook



This Customs Handbook is intended to be a living document that accurately reflects applicable tax treatment of energy access products and importation processes into Zimbabwe. To remain effective, ZIMRA will be updating the Handbook whenever there are any tax policy or tax administrative changes on these products.

Africa Clean Energy Technical Assistance Facility (ACE TAF)

Tetra Tech International Development leads the implementation of the Africa Clean Energy Technical Assistance Facility together with several key partners. Tetra Tech International Development is responsible for the programme set-up, leadership and overall management taking an inclusive and collaborative approach ensuring that we engage partners throughout the implementation of the programme.

Customs Handbook

For Solar PV Products
in Zimbabwe



Africa Clean Energy



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