

## OVERALL AIM

To equip the learner with knowledge and skills essential for handling customs related operations

## LEARNING OUTCOMES

**On completion of this course, the learner should be able to:**

	Learning outcomes	K	C	A	An	S	E
1.	Advise on trade facilitation					✓	
2.	Analyse boarder operations				✓		
3.	Advise on entry examination and delivery of cargo					✓	
5.	Advise on exportation of goods, prohibited and restricted goods					✓	
6.	Analyse the different provisions relating to securities				✓		
7.	Analyse customs value and duty thereon				✓		
8.	Evaluate customs ware housing procedures						✓
9.	Evaluate the implications of various policies, procedure and documentation for international trade						✓
10.	Advise on the different ways of controlling smuggling and other irregularities					✓	

## **LEVEL OF ASSESSMENT**

The examination will test analysis, synthesis and evaluation of customs operations in facilitating cross border movement of goods and travellers.

## **EXAMINATION STRUCTURE**

There will be a three hour examination comprising of two sections. Section A will comprise one compulsory case study question carrying 50 marks. Section B will comprise of three scenario based questions each carrying 25 marks, of which the candidate will be required to attempt any two questions.

### **DETAILED SYLLABUS**

#### **A INTRODUCTION TO CUSTOM LAWS**

1. Meaning of key terms
2. Various customs procedure & documentation
3. Tax administration issues
4. Strategic over view of customs
5. International trade and economic security measures
6. Inspection and management of economic borders
7. Prohibition and restrictions
8. Role of customs:
  - (a) Trade facilitation
  - (b) Revenue collection- International trade taxes
  - (c) Protection of society and industry
  - (d) Collection of trade statistics
9. Customs in the international context
10. Taxes collected by customs
11. General provisions

## **B TRADE FACILITATION**

1. Meaning of key terms
2. Advantages and challenges of trade facilitation
3. World Trade Organisation, The: Kyoto convention
4. Customs administration and modernisation:
  - (a) Directorate of customs
  - (b) Powers of a customs officer, power of the customs office
  - (c) Appointment of customs ports and customs areas
  - (d) Licensing; inland container depots (ICDs) and warehouses, licensing customs agents, licensing of transit goods vehicles
  - (e) Procedures for licensing

## **C BORDER OPERATIONS**

1. Arrival and report of air craft, vessels and vehicles
2. Procedure on arrival of vessel, overland/by train
3. Customs declaration forms
4. Obligations of the master/agent

## **D ENTRY EXAMINATION AND DELIVERY OF CARGO**

1. Meaning of key terms
2. Procedure of customs entry of cargo:
  - (a) Home consumption
  - (b) Warehousing
  - (c) Transit and transshipment:
    - (i) Meaning of key terms
    - (ii) Types of transit and transshipment
    - (iii) Procedure for managing of goods in transit
  - (d) Temporary Imports
  - (e) Re-exports
  - (f) Exports

3. Declaration documentation of imports on entry
4. The customs bill of entry
5. Customs clearance procedures
6. Examination of goods
7. Customs risk management

## **E EXPORTATION**

1. Meaning of key terms
2. Prohibited and restricted exports
3. Types of export entries
4. Customs procedure for export cargo at point of entry
5. Guaranteed and non-guaranteed exports
6. Exports exempted from declaration

## **F PROHIBITED AND RESTRICTED GOODS**

1. Meaning of key terms
2. Need for prohibition and restriction of goods
3. Clearance of restricted goods
4. Disposal of prohibited and restricted goods
5. Legal provisions

## **G CUSTOMS VALUATION**

1. Meaning of key terms
2. International commercial terms (Inco terms)
3. World Trade Organisation customs valuation agreement
4. The general agreement on tariffs and trade 1994
5. The EAC customs union tariff structure
6. Rules of origin
7. Development, structure and concepts of the harmonised system (HS) classification

8. Legal provisions
9. Customs valuation methods:
  - (a) Transaction value method
  - (b) Identical goods method
  - (c) Similar goods method
  - (d) Deductive value method
  - (e) Computed value method
  - (f) Residual/ fall-back method

## **H PROVISIONS RELATING TO SECURITIES**

1. Meaning of key terms
2. Types of bonds, advantages and disadvantages of bond securities.
3. Procedure for execution of customs bonds
4. Discharge/ retirement/ cancellation of bonds
5. Refund of deposits
6. Obligations of the parties to the customs bond security
7. Benefits of using bonds in international trade

## **I CUSTOMS WAREHOUSING PROCEDURES**

1. Meaning of key terms
2. Types of warehouses
3. Advantages of customs warehouse
4. Procedure of warehousing goods
5. Transfer of goods between warehouses
6. Removal of goods from warehouse
7. Safe guarding revenue of warehoused goods
8. Obligations of warehouse keeper
9. Responsibilities of a proper officer
10. Offences and penalties

## **J FREE ZONES**

1. Entering goods into a free zone
2. Work carried out in a free zone
3. Removal of goods from a free a zone
4. Payments of duty
5. Records required

## **K INTERNATIONAL BUSINESS DOCUMENTS AND METHODS OF PAYMENT**

1. Importance of documentation
2. Types of international trade documentation
3. International contracts of sale
4. Validity of contracts
5. Methods of international payment for goods/ services

## **L SMUGGLING, FRAUD AND CUSTOMS CONTROL OF GOODS**

1. Meaning of key terms
2. Types and modes of smuggling
3. Controlling smuggling and other irregularities
4. Offences and penalties

## **M EMERGING ISSUES**

1. Authorised Economic Operator (AEO status- Mutual recognition agreement)
2. Single recognition agreements
3. Single customs territory system
4. Pre Export Verification of conformity (PVoC)

5. EAC-COMESA-SADC FTA
6. Africa continental Free Trade Area
7. Regional Electronic Cargo Tracking system (RECTS)
8. Regional Electronic Cargo & Driver Tracking System (RECDTS)
9. Global Travel Assessment System (GTAS)



**REFERENCES:**

1. EAC Customs Management Act, 2004
2. EAC Customs Regulations, 2010
3. EAC Common External Tariff 2007, 2012, 2017
4. EAC One Stop Boarder Post Act, 2016
5. EAC Duty Remission regulations
6. Free Zones Acts
7. International Conventions; Revision Kyoto Convention (RKC)
8. National Laws (Excise Duty Act, 2014 & Domestic tax Laws)