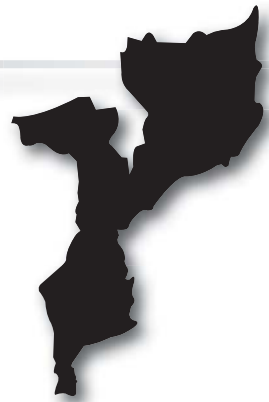


Regulations on the
**CUSTOMS REGIME OF THE
INDUSTRIAL FREE ZONE**



Ministerial Diploma nr. 14/2002 of 30th January

REGULATION ON THE CUSTOMS REGIME OF THE INDUSTRIAL FREE ZONE

CHAPTER I General Provisions

Article 1 (Definitions)

For the purpose of this Regulation, the expressions defined in the regulation passed by the Decree nr. 62/99, dated 21st September are integral part thereof including the following:

1. "CZFI", Council of Industrial Free Zone;
2. "Declarant", the person who makes the statement by himself or through His legal representative;
3. "Periodic Tax Declaration" summary declaration of all movements in a given period which includes all the information of the Single Document (DU);
4. "DGA", Customs General Directorate;
5. "DU", Single document used in load dispatching by the customs;
6. "OECZFI", Steering Committee of the Council of Industrial Free Zone;
7. "Customs Territory" all the geographical area in which the Republic of Mozambique exercises its taxation power;
8. "Customs Transit" regime through which the commodities not nationalised are transported under customs control from one customs Office to another;
9. "IFZ", Industrial Free Zone.

Article 2 (Features of the Free Industrial Areas – ZFIs)

For the purpose of the provisions of the article 4 of the IFZ Regulation passed by the Decree no. 62/99, dated 21st September, the Industrial Free Zone should, at least, comply with the following conditions:


- a) Be installed in fenced places with a security and lasting barrier and should only have entrance and exit for means of transport only;



- b) Have adequate premises for Customs adjacent to the authorized doors, including an Office for accommodation, telephone facilities, fax, weigh bridge, specific storage room and premises for IT equipment in accordance with the needs and Customs' specifications which will be determined taking into account the size of the IFZ and the trading volume;
- c) Have space and adequate conditions for loading and unloading of goods, under supervision of the Customs;
- d) Have adequate internal and external lighting;
- e) Have secure fire fighting systems;
- f) Have adequate storage rooms to store and handle specific goods which may be dangerous for public health or have risk of contamination of the remaining goods or spillage;
- g) Have adequate equipments and tools for the movimentation, weighing and opening of volumes; and
- h) Have a place for parking of vehicles or carriages used in international transport, when they are waiting for customs destiny.

Article 3
(Obligations of the operator
and/or Company IFZ)

1. The obligations of the operator and/or company of the IFZ are as follows:
 - a) Comply with and create conditions for the fulfilment of the law, in general, and regulations and customs instructions, in particular;
 - b) Be civil or fiscally held accountable for any fiscal and customs offence practiced by the owner and solidarily by the offences committed by his employees, representatives or proxy;
 - c) Provide all the information requested by the Customs regarding the means of transport, goods and people ingoing and outgoing the IFZ;
 - d) Cooperate with the Customs in terms of entrance and exit of goods from the IFZ;

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- e) Keep records and accounting of the transactions of goods and stocks, organized in a way which is suitable for the activity carried out, allowing effective control of the transportation documents, the acceptance and delivery of goods;
- f) Keep records of all goods transferred to other entities within the Free IFZ where all the details of the Dispatch Note provided for in the article 18 of this regulation should be included; provide statistics and any other information related to such transfers whenever requested by the Customs or by the Council of Industrial Free Zone(CZFI);
- g) Allow Access by the Customs to all IFZ's for the purpose of tax authority visiting or examination of the goods or people;
- h) Allow the Customs to Access the records and IT's related to acceptance, storage and delivery of goods;
- i) Pay duties and other charges due by goods in absent or whose existence can not be proved and have been subject to consignment; and
- j) Provide all material and human means technically required whenever the customs authority decides to undertake the check of the goods at the entrance to and exit from the IFZ in accordance with the place agreed for such check;
2. Additional responsibilities of the operator before the Customs are as follows:
- a) Control all authorized gates;
- b) Issue identification cards for people rendering regular services within the IFZ. The card should include a photograph, name, signature, name of employer and address in the IFZ, date of issue, signature of the operator and sequential number;
- c) Issue cards for the visitors of the IFZ; and
- d) Keep updated records of all individuals authorized to get in the IFZ with details provided for in line b).



Article 4
(Documents and records to be kept by the operator and/or company of the Industrial Free Zone)

The operator/company should keep for a minimum period of five years records of the following documents:

- a) Copies of the Single Documents (DU) and all relevant documents;
- b) Transport slips, delivery notes, unloading reports or sheets, divergence notes and delivery orders for all goods received within the IFZ;
- c) Transport slips, loading lists and delivery notes for all goods in exit from the IFZ;
- d) Record of all goods in accordance with customs tariff which present details of the quantities received, consumed, produced, sold within the IFZ in the domestic market or exported and the existing stock; and
- e) Record of goods and units of transport of all receivables and distributions through the reference to the Single Documents (DU), slips and number of commercial invoices.

Article 5
(Costs with the Customs Control)

- 1. When the IFZ is located in a distance of more than 20km from the closest customs office, the operator is responsible for providing accommodation for the customs officers in duty;
- 2. The service provision after working hours, under the terms of the paragraph 3 of the article 7 of this regulation, is an overtime service provision and will imply its payment. The payment due by the operator or company of the IFZ for the work carried out after hours will be in accordance with the schedule in place in the Customs.

CHAPTER II

Customs Control of the Industrial Free Zone (IFZ)

Article 6 **(Customs Treatment)**

1. For the purpose of incidence of the duties and other charges, all goods for the activities of the IFZ are treated as if they were out of the customs territory of Mozambique;
2. The goods that come out from a ZFI for the domestic market of Mozambique are considered as if they are being imported to the customs territory of the country, being thus due the payment of duties and other charges, calculated on the basis of the their customs value at the moment of exit from the IFZ;
3. The goods imported to a IFZ, from the domestic market, are considered as if they were being exported from Mozambique;
4. The goods transacted under customs control from a border post to a IFZ, or dispatched from a IFZ to a border post, or transacted between IFZ or between these and storage rooms of customs regime are considered in transit being thus applicable the rules provided for in the regulation of customs transit.

Article 7 **(Customs Control)**

1. The customs are responsible by the customs control and collection of statistics related to the ingoing and outgoing goods from the IFZ;
2. The customs control exercised by the Customs is comprised of a number of measures and procedures provided for in this regulation aimed at, among other things, ensure the compliance of the law and regulations related to the entrance and/or exit of goods in the customs territoy of the Country. The main purpose of the custom control in a IFZ is to ensure that all transport means and goods which come in ou come out from it be duly declared and the customs charges are paid when due in accordance with the provisions of the customs legislation. This control may include:



- a) Vigilance and check of the security systems, exercised by the operator in the limits of the Free Industrial Area as well as in the authorized entry controls;
 - b) The patrolling of the Access roads to the IFZ;
 - c) The searching of the people and the checking of the goods and transport means that goes in and out the Free IFZ;
 - d) Customs checking of the amounts, description and amounts of the goods that come in and out the IFZ; and
 - e) Auditing of the documents, record and accounting of the goods kept by the operators and companies.
3. The working hours of the IFZ will be established in the authorization and may be adjusted by initiative of Director General of the Customs or at request of the operator of the Free IFZ based on the service needs. If it is necessary to work after hours it must be requested in writing to the Customs with prior notice of 24 hours.

Article 8 **(Customs Inspection of the IFZ)**

The customs shall, in exercising customs control of the IFZ, have competence to:

- a) Entry and inspect any part of the IFZ at any time;
- b) Examine, count, weigh, divide, collect samples of any goods existing or delivered from the IFZ for the purpose of confirming the amount, value and the amount of tax and customs duty. The collection of samples must be recorded by the customs officer in the adequate record form and in the declaration referred to in the article 16 of this Regulation; and

- c) Inspect, copy, removes any document, registry or mailing that may be related with the stored goods within the IFZ or the transaction of goods from the entrance and exit of the same Free IFZ. This competence of Access is extended to the computer programmes and systems and data included in it, related to the records that under the terms of this regulation the operator or company are obliged to keep. When the documents be copied or removed by the Customs, these will provide to the owner a detailed receipt of the records.

**Article 9
(Surveillance and Protection
of the Access to the IFZ)**

1. The area is designated as a fiscal area subject to an ongoing control by the Customs. Access to the Industrial Free Zone (IFZ) will only be allowed by the operator through entries and exits approved by the Customs.
2. Access will be allowed to:
 - a) Transport means;
 - b) Goods; and
 - c) People accredited by the operator or authorized by the Customs, holding a badge or identification card in a visible manner.
3. The people referred to in the previous number are as follows:
 - a) Employees of all companies authorized to operate within the IFZ;
 - b) Customs' officers or from other institutions when performing their role; and
 - c) Accredited visitors by the operator or authorized by the Customs with the aim at going in and out the IFZ, under customs control;
4. People that are not duly accredited, under the terms of this article, must be arrested and presented to the Customs by the operator;
5. All people and transport means, when going in or out the fiscal area of the IFZ will be subject to search which will be needed by duly grounded initiative of the Customs, or by request of the operator.



Article 10 (Certification of the inspection of the premises of the IFZ)

1. A draft/drawing with the specific and detailed features of the security systems of the IFZ must be submitted by the operator of the IFZ to the Customs for the purpose of agreement and previous approval of its construction and installation;
2. The operator must make a written detailed statement, when the construction of the security system is concluded, certifying that all requirements agreed have been fulfilled, requesting through the Steering Committee of the Council of Free Industrial Zones (OECZFI) to the Customs the respective definitive inspection;
3. The Director General of the Customs will make all efforts in order to undertake the inspection of the premises;
4. After the reception of the inspection report, the General Directorate must, within 15 working days and after the reception of the declaration by the Customs, do the following:
 - a) Issue a certificate of the Security Systems of the respective IFZ, in duplicate, whose original must be sent to the Council of the Industrial Free Zone (CIFZ). The format of the certificate is attached as Annex I; or
 - b) As long as the requirements provided for in the paragraph 1 of this article are not fulfilled, the Customs must notify the operator in writing through the OECZFI on the reasons of the non issuance of the certificate of security systems at that moment.

Article 11 (Statistic Data)

1. The Customs should keep up to date the records of the entry and exit of goods, based on data provided by the operators and companies of the IFZ;
2. The Customs must provide to the National Institute of Statistics and the Council of Industrial Free Zone (CIFZ), in a format to be agreed by both parties, data of goods that went in and out the IFZ.

CHAPTER III
Rules to be followed in the entry and exit
of commodities from/to the IFZs and flow
of commodities within the IFZ

Article 12
(Entry of foreign commodities into the IFZ)

1. Entry of foreign commodities from the IFZ will not be exempt from taxes and other duties once the commodities are kept within the IFZ and hence, they will be exempt from pre-departure inspection.
2. Commodities taken from an entry boarder to an IFZ will be subject to the rules provided for in the Regulation on Customs Transit.

Article 13
(Exit of commodities from an IFZ
to a destination outside Mozambique)

Commodities taken from an IFZ to a destination outside Mozambique will be exempt from taxes and other duties, as longer as they are taken straightforward for exportation according to the customs transit rules, if applicable.

Article 14
(Flow of Commodities in domestic markets to the IFZ)

1. The commodities can be transacted to an IFZ in the following circumstances:
 - a) When the commodities are intended to be used as part of an infrastructure or equipment at the IFZ or when these are items to be consumed within the IFZ;
 - b) When the commodities are to be used in the production process; and
 - c) When the commodities are temporarily at the IFZ for repair, improvement, or use for subsequent re-entry in the domestic market.
2. The transaction of commodities to an IFZ as described in this Section will fulfil the principles, procedures and conditions provided for in the Preliminary Instructions of the Customhouse Tariff, as follows:



- a) The transactions referred to in line a) and b) of the previous paragraph shall comply with the exportation requirements; and
- b) The transactions referred to in line c) of the previous paragraph shall comply with temporary exportation requirements.

Article 15
(Transactions from the Industrial Free Zone - to the domestic market)

The commodities may be transacted from the IFZ to the domestic market and will be subject to the following rules:

- a) Importations subject to taxes and other duties and to previous written authorization and issued by the Council of Industrial Free Zone (CIFZ), according to the terms and conditions of the article 9 of the Decree n. 62/99 dated 21 September;
- b) Temporary importations to the domestic customs territory with subsequent re-entry to the Industrial Free Zone, subject to the following conditions:
 - i. The commodities shall be kept in possession of a person established at the Industrial Free Zone; and
 - ii. A temporary importation guarantee should be granted according to the Preliminary Instructions of the Customhouse Tariff.
- c) Re-importation of temporarily exported commodities to the Industrial Free Zone.

Article 16
(Custom Declarations to be presented for transaction of goods from and to the IFZ, after the authorization of the IFZ regime)

- 1. For all transactions of commodities provided for in the articles 12 and 15 of this regulation, the respective IFZ operator or company shall present a Declaration to the Customs (Single Document - DU) identifying the Custom regime and the codes of procedure according to the regulation for customs declarations.

2. For all transactions, the declaration to be made by the operators or IFZ should be accompanied by all necessary supporting documentation according to the legislation in force.
3. The Customs Director-General may authorize a group of goods dispatched by a unique Single Document (DU), periodically processed, for entrance in the IFZ.
4. The deadline for submitting the Single Document (DU) for aggregated commodities is as determined by the Director-General permission and should not exceed fifteen days counted from the first goods forwarding.

Article 17

(Transfer of commodities from one IFZ to another)

Commodities may be transferred from an IFZ to another exempted from paying taxes and other duties. The transferred commodities will be kept under control of the Customs according to the Regulation on Customs Transit.

Article 18

(Transfer of commodities among companies operating within the same IFZ)

1. IFZ operators and companies should, according to the article 8 of the Decree no. 62/99 dated 21 September, register all transfers and acceptances of goods to or from companies located within the IFZ.
2. For each internal transfer, the supplier should issue a delivery order in two copies with the following details:
 - a) Details on the company receiving the commodities, including its IFZ certificate number;
 - b) Taxpayer Identification Number (NUI);
 - c) The description of the commodities;
 - d) The quantities of the commodities;
 - e) The amount of cash;
 - f) The reference to the declaration document (Single Document - DU) related to the first entry of commodities in the IFZ; and



- g) Delivery Orders should be numbered in sequential manner with previously printed numbers. The supplier should issue two copies of the delivery order. A copy should be filed by the company that forward the commodities, following the check of secure acceptance and the other copy should be certified by the company receiving the commodities, acknowledging secure receipt and then returned to the supplier to file it.

Article 19

(Control of the arrival of the commodities transport units)

1. It is incumbent upon the IFZ operator, as responsible for its management, to arrange for the arrival of commodities from the transport units and take them for custom control.
2. It is incumbent upon the company receiving the commodities or its duly authorised representative to present all required documentation for commodities entry/exit permission in the IFZ. This will include a manifest of cargo, bill of lading, air delivery note, commodities arrival advice or a similar document and a commercial invoice.
3. The following procedures will be followed by the beneficiary company at the time of commodities arrival:
 - a) Subsequent to operator's due permission and registry, the means of transport will enter the IFZ through the authorised gate and parked at the customs screening site;
 - b) Once all adequate custom formalities have been fulfilled, the means of transport may be selected by the customs for screening or cleared to enter without being inspected. No means of transport will be allowed to pass beyond the screening site without customs authorization;
 - c) If inspection is ordered by a head of a custom office at the IFZ, it should take place at the time fixed by him, on the same day or on the following working day, except if the commodities to be taken to the IFZ are easily perishable. In this case, the IFZ operator or company will request an urgent inspection;
 - d) If the custom officer in charge of inspecting commodities cannot make it

at the fixed time, the IFZ operator or company may initiate the unloading of commodities half an hour later; and

- e) Once the commodities have been inspected or permission is given for the commodities to be unloaded without such a formality, this can be cleared through procedures fixed in regulations on commodities dispatch using the customs regime and the appropriate code of procedure.

Article 20
(Norm to be followed in customs
inspection of commodities at arrival)

1. Custom commodities inspection at unloading time, as well as the entry at IFZ storehouses, in case inspection has been carried out by the Customs, will be conducted under Customs control and guidance, according to the Law regulating commodities dispatch.
2. Exceptionally, the inspection can be carried out at the custom screening site where adequate facilities are available for a safe and efficacious inspection.
3. The receiver or his authorised representative may attend commodities inspection, in case he has requested or when required by the Customs.
4. In accordance with the Customs instructions, the operator or company or its representative should weigh or inspect the commodities in the packages.
5. The operator or company that receives the commodities should fill in an unloading checklist, according to the procedures provided for in the regulation for customs gates and this can be adapted as necessary. Trade documentation can be used for this purpose. When the Customs undertake commodities inspection, the officer should tick on the unloading checklist accordingly.
6. In case of irregularities, indications or signs of violation are found during inspection, the operator or company should follow the procedures for registration and reporting irregularities to the Customs, also provided for in the regulation for Customs terminal by issuing the corresponding disagreement note.



Article 21
(Formalities to be fulfilled for commodities exit)

1. The IFZ operator or company should submit the Single Document (DU) duly filled in to the Customs, at least 24 hours in advance before loading commodities. The following documentation should be attached to the Single Document (DU):
 - a) The planning or list of commodities packaging;
 - b) Final trade invoices;
 - c) Documentation from origin point if applicable;
 - d) The documentation accompanying the transit movement, if applicable, namely transit commodities declaration and the manifest of cargo; and
 - e) A copy of the Single Document (DU) original entry in the IFZ for commodities with the domestic market as the destination, according to article 15, if applicable.
2. If the documentation referred to in the previous paragraph is accurately filled in, the Customs will issue the Single Document (DU) and dispatch the commodities within 24 hours, after submission of documentation.
3. In case the commodities have the domestic market as destination, customs dispatch will only take place after the importer has paid the due duties.
4. If the commodities are selected for inspection, the Customs will appoint a customs officer to attend the unloading process at the location indicated by the exporter. Unless otherwise allowed by the Customs Head, the inspection should be carried out during the working hours prescribed in this regulation and should take place 24 hours after submission of the Single Document (DU).
5. However, if the customs officer fails to appear within half an hour subsequent to the fixed time with the commodities owner, he can proceed to load them.
6. After loading commodities on trucks or train, depending upon circumstances, the commodities will be displayed at the assigned customs post for exit screening, where it will await formal permission for outgoing commodities.

7. Inspection can only take place according to the norms provided for in the Dispatch Regulations on Clearance of Commodities and customs terminals.
8. In the case of commodities being moved to another customs post in transit, it is incumbent upon the customs unit controlling the IFZ to fulfil the procedures prescribed in the Regulations for customs transit.
9. No commodities should leave the IFZ prior to exit permission by the customs unit controlling the IFZ.

Article 22 **(Exit of Commodities from the IFZ)**

1. Permission for commodities exit from the IFZ is issued by the Customs in three copies to be delivered as follows: (1) the original copy will be attached to the original declaration which will be filed by the customs; (2) the second copy is given to the exporter; and (3) the third copy is given to the operator.
2. The operator will only allow exit of cleared commodities against the display of the respective permit issued by the Customs at the IFZ.
3. The operator will register the exit of commodities from the IFZ at the time it will take place and will certify it on the customs declaration copy possessed by the exporter or his representative.

Article 23 **(Industrial scrap, destruction or loss of commodities)**

1. Industrial scrap to be regarded as rubbish, for instance, by the municipality authorities, may leave the IFZ without formal permission. The operator should register the entry and exit of the trucks that will load the scrap.
2. These trucks will, however, be subject to customs inspection.
3. The IFZ companies will carry out the destruction of commodities subject to the customs regime dealt with in this regulation, within the IFZ.

A full registry on the commodities destroyed in a ZFI should be filed.

4. Exceptionally, for health and security reasons, the Customs may authorise that the destruction takes place outside the IFZ. In this case, the Customs may decide to attend the destruction process and, in this situation, the owner of the commodities should provide transportation for (the) custom officer(s).



5. Any additional scrap, including its by-products, delivered to the domestic market, should be declared in a Single Document (DU) and its due duties should be paid according to its value and rank of the customhouse tariff at exit. Whenever these commodities are declared as off commercial value, the owner should prove this convincingly if requested by the Customs.
6. It is also acceptable, for tax purposes, those commodities may be lost at the IFZ due to accident or force majeure or even due to nature-related reasons, as long as enough proof is provided by the owner or company.

CHAPTER IV

Applicable penalties

Article 24

(Applicable penalties due to failure to fulfil the rules provided for in this Regulation)

1. Without prejudice of the n. 2 of this article, in case of repeated failure to fulfil the content of this regulation, the Customs will report to the Council of Industrial Free Zones (CIFZ) in order to revoke the license.
2. Infraction of the custom law will be punished according to the legislation in force.

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CHAPTER V

Transitional and Final Provisions

Article 25

(Transitional Provisions)

All IFZ permissions previously granted will be subject to this regulation, unless otherwise results from the concession regimes.

Article 26

(Change of procedures)

Once the IFZ operator/company has been heard, the Customs Director-General may issue changes in entry/exit procedures and declarations, according to the activity needs.

**REPUBLIC OF MOZAMBIQUE
MINISTRY OF PLANNING AND FINANCE
CUSTOMS GENERAL DIRECTORATE**

CERTIFICATION OF SECURITY SYSTEMS AT THE INDUSTRIAL FREE ZONES

1. Name of operator	4. IFZ FREE Regime Code
2. Importer Registration Number	5. Address at the IFZ
3. Taxpayer Identification Number (TIN)	6. Reference of IFZ Controlling Custom Unit

7. Description of Security measures found at the IFZ

1. Facility inspected in fenced area with safe and long lasting barrier
2. Fence is made of solid durable and long lasting material
3. Has private inlet and outlet for means of transportation
4. Does it have adequate facilities for the customhouse, located close to gates and duly equipped for customs control?

Date: ____/____/____

This IFZ fulfils all requirements prescribed in Decree 62/99 of 21 September and in section 2 of the Regulation for IFZ custom regime.

The Customs Director-General

Date: ____/____/____