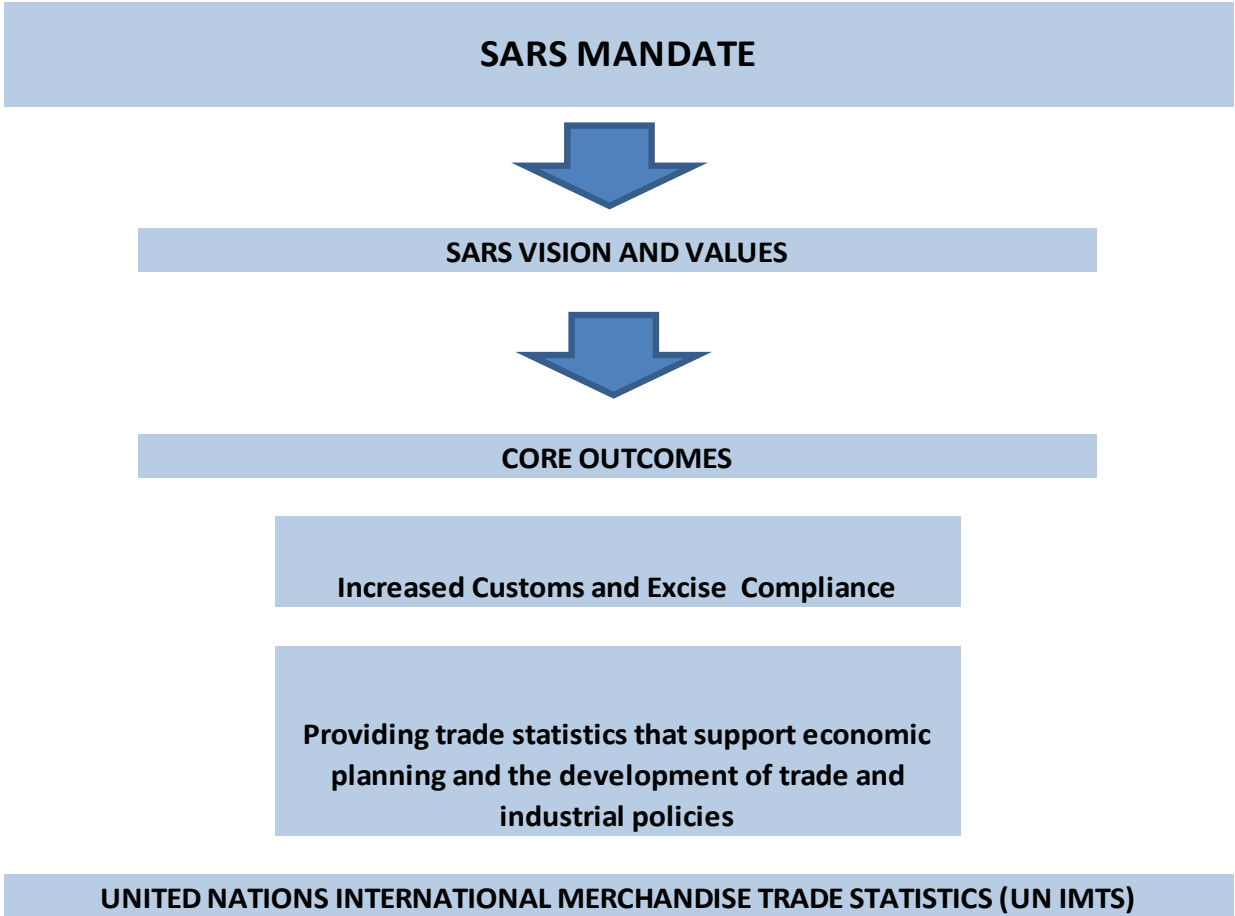


# SOUTH AFRICA

## Regional Workshop on IMTS Data compilation practices & strategies MALDIVES

03 April 2017

# SARS Mandate & Strategic Objective

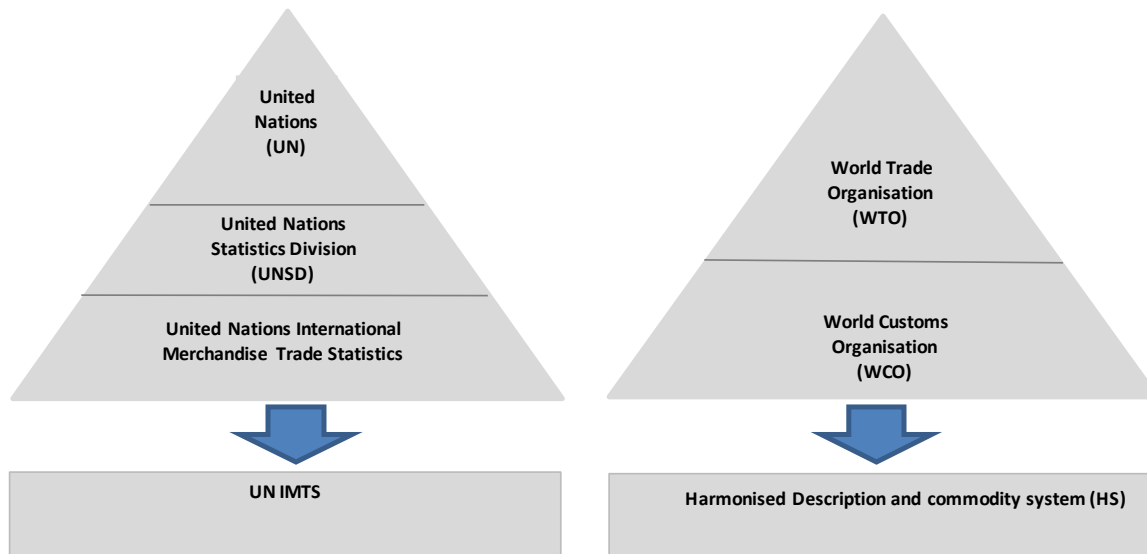


# Governing International Standards and institutions

## GOVERNING LEGISLATION

A) According to the Customs and Excise Act, 1964 (Act No. 91 of 1964), Chapter XII : General, Section 117. Statistics, Point 1:  
Such statistics of the import and export trade of the Republic and of excisable goods manufactured in the Republic and of fuel levy goods manufactured in and the Minister may determine, shall be compiled and tabulated by the Commissioner and published at such times and in such manner as the Minister may direct.

B) United Nations IMTS manual



# Trade Stats Compilation Practices

- SARS compiles South Africa's Trade Statistics in accordance with the UN IMTS 2010 guidelines
  - South Africa uses the Strict Special Trade System
  - Merchandise trade in South Africa for both exports and imports is reported using the free on board (FOB) valuation method
  - South Africa reports exports as Country of Destination (COD) and Imports as Country of Origin (COO) in accordance with UN IMTS Guidelines
  - South Africa follows the WTO agreement on rules of origin for purposes of special trade and duty pricing agreements between countries
  
- SARS records all imports and exports declaration (time of recording)
  - SARS Capturing Systems defaults the date of the declaration to the same day it was captured
    - ✓ *In the case where commercial freight is crossing a non-designated border post, there is an arrangement for SAPS to deliver the documents to the closest designated border post for capturing once a month.*
  - Physical Release Date would ultimately be the best to use, however it is currently not possible for all modes of transport. SARS is currently using the date embedded in the MRN (Movement Reference Number) also referred to as Final Date for trade stats reporting
  
- South Africa is a member of the World Customs Organisation (WCO) and has an obligation to adopt and implement the recommendations of the Customs Co-operation Council at a national level by amending the Schedules to the Customs and Excise Act, 1964 (the Act) also known as the "Tariff Book"
  - 8 digit tariff code is the lowest level of commodity classification
  
- Trade data is published monthly on the last working day @ 14h00. (30 days leg)

# Data Sources and Institutional Arrangement

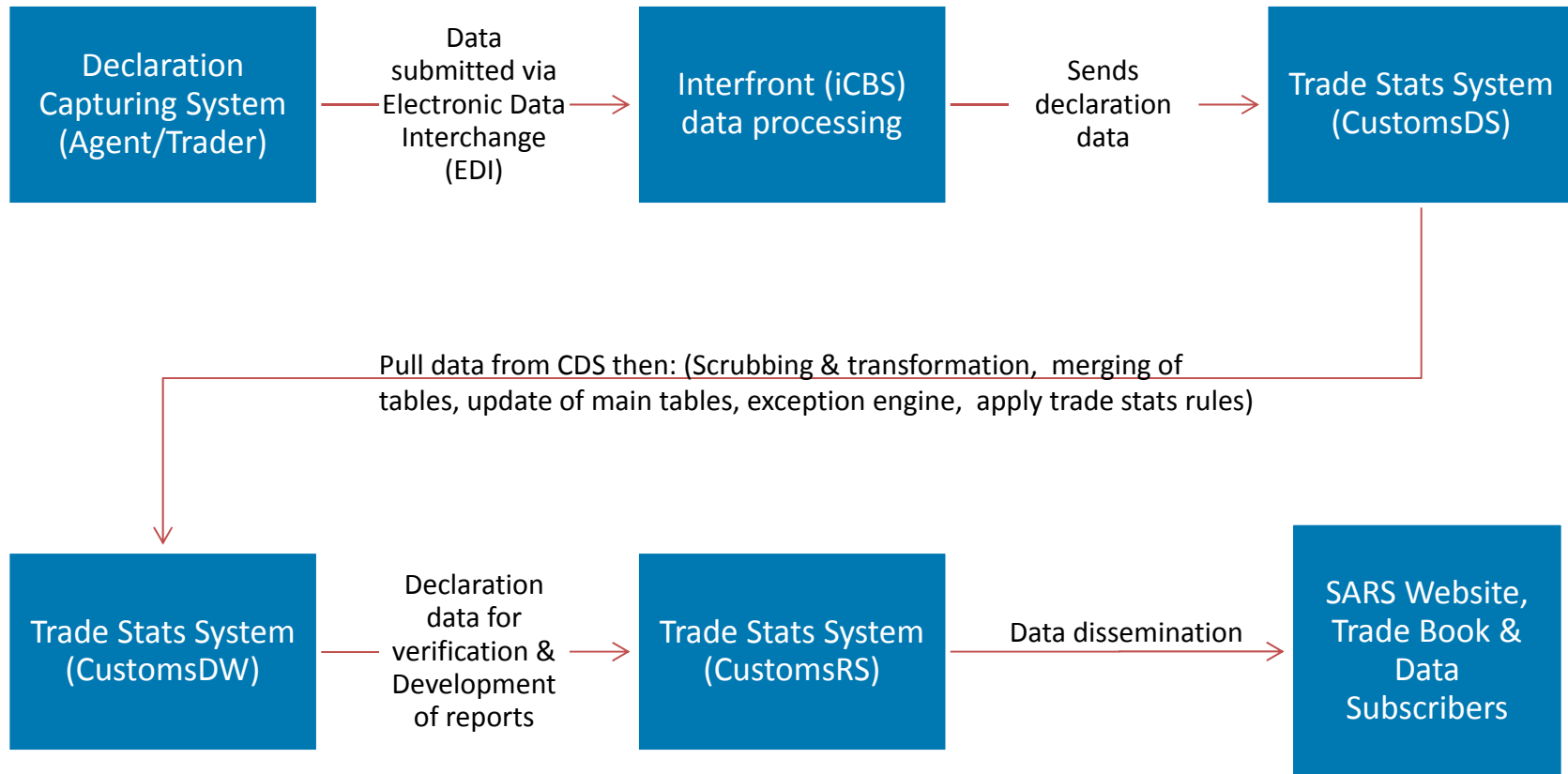
## Data Sources

- Customs Data (customs records) : (DPR System)
  - SAD500 (declaration form)
  - Declarations Supporting Documents (e.g. Invoice, Packing list, etc.)
  - SARS Customs Procedure Code Combinations (Purpose code, CPCs, Rebate Codes)
  - South African Reserve Bank (Gold)
  - Eskom (Electricity)
  - Trader Registration data
  
- Non Customs Data
  - Companies and Intellectual Property Commission (CIPC) : (U3TM System)
  
- Both customs and non–customs data is reconciled and integrated prior to trade statistics system.

## Institutional Arrangement

- SARS is the only institution responsible for the compilation and dissemination of official trade statistics of the country.
  - Governing Legislation (**Section 117 of the Customs & Excise Act of 1964**) – refer to Slide 3
  - Governed by **Section 4 (3) of the Customs & Excise Act of 1964** sets out the disclosure of information

# Data Processing (from raw to trade stats)



# Data Verification & Quality

Data is as good as declared by the trader or clearing agent.

## Customs Operations

- Risk Engine
  - A risk engine runs business rules that validate and check data after being captured and submitted by the trader or clearing agent.
- Case Selection
  - High risk transactions are flagged for audits
- Customs Inspection

## Trade Statistics Division

- The current trade stats system was developed to address data integrity and data quality
- Exception Engine
  - The use of trade stats exception engine helps to identify anomalies in unit value
- Customs data verification team
  - Daily data checking
- Data Analysis
  - In-depth analysis and daily /monthly trade movements is conducted (e.g. FOB vs CIFC)

***NB: When corrections (VOC) are submitted, a new version is created and old version is archived***

# Tools & Techniques for data compilation & dissemination

## **Data Compilation (electronic process end-to-end)**

- Declaration is generated through Customs software service providers
- Customs software pushes data to SARS EDI system (Electronic Data Interchange)
- EDI messages are then translated into readable data through Interfront (iCBS)
- Interfront pushes the live data into Trade Stats SQL Server (where the whole trade stats ETL takes place)
- Trade Stats System: SSIS, SSMS, SSAS, SSRS

## **Data Dissemination**

- Data is shared via SARS SFTP service monthly subscribers
- It is also shared via email & DVDs
- Published on the SARS website for downloads and visualisation



**Thank You**

