

General Customs Process

Prior to importing goods, agencies should conduct a thorough analysis of all customs guidelines and requirements, including any restrictions and the necessary documentation. Clearing agents/customs brokers and national authorities can help guide importers on the steps and documentation required. In emergencies where a national Logistics Cluster is activated, participating members can also share import relevant information as needed. In any situation – emergency or not – there should be a clear understanding of what steps are required and a clear plan of how to move.

It should be noted that this process *may* be altered in the face of rapid-onset emergencies, but not *always*.

Upstream Planning

As the need for international shipments develop, there are key steps that any organisation or entity initiating shipping will need to undergo. Response organisations acting as exporters/shippers will need to take key actions to obtain information and coordinate shipments:

Data Required from Requestor/Receiver

- Receive specific information about the required shipment – Quantities, specific item types, required dates, and more.
- Clarify import/export regulations into and out of the countries relating to the shipment.
- Identify delivery terms, Incoterms and which parties are responsible for what stage of the customs process.
- Identify all documentation needs with the receiver and provide advanced copies to the consignee or customs agent before the shipment.
- If budgets are signed off by either or both parties, communicate potential costs for clearance and shipping.
- Establish viable transport methods (air, sea, road, rail) and identify delivery locations and dates.

Shipment Preparation and Organization

- Work with vendors to properly identify HS codes, and fulfil all documentation, packaging and labelling needs.
 - Understand national and international regulations surrounding both regulated or banned goods, and legalities around countries of origin/destination.
 - Include physical copies of all required customs clearance documentation with the shipment.
 - Ensure all required documentation is available, and (where available) double check physical cargo so that items, quantities, and dimensions match documentation.
 - Solicit, identify and contract with a transporter, freight forwarder or other certified entity familiar with customs.
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**Strategies for
Emergency
Response
Organisations**

- Work with respective program and operations teams to identify routine response activities and pre-define cargo that will likely be used in response activities.
- For propositioned stock, it is possible to pre-identify HS codes, shipping documentation needs, and screen against country level import regulations (example – WHO approved medicines list).
- Solicit and identify third party vendors who can rapidly provide the specific products required for response, and make agreements that include documentation and labelling needs.
- Develop agreements with forwarding agents and shipping agents to provide rapid transport service and information on customs and infrastructure bottlenecks.

Downstream Planning

An organisation or an entity acting as importer or consignee intending to receive a shipment should also take steps to properly prepare and identify needs.

**Defining the
Importation
Process**

- Any organisation used as a consignee for any shipment must be legally registered in the country of importation. The registration process varies from country to country.
 - Wherever possible consignees should avoid listing single individuals as consignee, or using abbreviated or acronyms for agencies as consignee names.
 - If necessary, solicit and enlist the services of a clearing agent/company that is duly registered and licensed by the customs authorities to process the import documentation through customs.
 - Work with national authorities (customs, health, bureau of standards, border security) and/or contracted clearing agent to identify import regulations and requirements and share with the exporter/shipper.
 - Work with national authorities and/or contracted clearing agent to understand all tariffs, duties, fees and possible exemptions.
 - Define with the exporter/shipper the Incoterms and limits of responsibilities with the forwarder and/or contracted transporter.
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**Preparing to
Receive
Shipments**

- If the importer/consignee is also the requester, the importer/consignee should endeavour to provide as much information on the required cargo to the exporter/shipper as possible.
- Prepare for receipt, storage and inspection of the consignments in country.
- Understand the entry points and bottle necks associated with customs clearance.
- Have all documentation ready before consignment arrives.
- Expedite clearances where possible by pre-clearing using advanced copies of documentation.
- Track shipment and know when it arrives in country to avoid demurrage or lost cargo.
- Pre-identify transport to remove cargo from customs, ideally planned around the size of the shipment. Have adequate storage or downstream deliveries planned as well.
- As soon as consignment arrives, arrange for inspection and clear the consignments through customs.

**Possible Customs
Specific
Regulations for
Importation**

- Temporary importation for use of items and re-exportation at a later date.
- Provisional customs release pending perfection of the documentation at a later pre-defined date, e.g. pending exemption letter, certain permits.
- Entry of re-exported cargo.
- Entry of transit cargo, under security bonds.
- Re-importation of cargo after temporary exportation for repair of maintenance.
- Seizure and destruction of prohibited cargo.
- Customs penalties/fines for incorrect declaration by consignees or their appointed clearing agents.

**Strategies for
Emergency
Response
Organisations**

- Liaise with programming and operational teams to assess needs, and use assessment outcomes to validate needs.
- If possible, apply for authorities and waivers for the exports and the imports.
- Attempt to expedite exemptions. Where exemptions are already given, immediately authorise shipment of consignments ensuring all the correct paperwork is in place and that the shipping instructions are appropriate.

Documentation

The import process usually requires specific, and at times substantial documentation.

In emergencies, the authorities will usually ask for originals or copies of the following documents:

- **Commercial / Proforma Invoice** – Indicates an overview of the contents of the shipment and the party responsible for procuring / paying for the cargo. Invoices typically list a total cargo cost which can be used for customs duty purposes. Many humanitarian agencies

prefer to use self-generated proforma invoices to specifically indicate that the cargo will be used for humanitarian aid.

- **[Packing List](#)** – Should be detailed and accurate enough that customs officials don't need to inspect every item. Packing lists are typically far more detailed than invoices when shipments have a large number of line items.
- **[Bill of Lading](#) / [Airway Bill](#) / [Rail Waybill](#) / [Trucking Waybill](#).**

Other Import documentation often required:

- **Letter/Certificate of Donations and/or Humanitarian Goods**- Many agencies will include self made letters of humanitarian intent or donation to help facilitate the customs exemption process.
- **Proof of duty exemption** - May be required at the time of clearance, usually a registered humanitarian agency should be able to obtain some form of letter from the relevant tax revenue authority. A letter may be required for every import, however.
- **Certificates of Origin (COO)** - Usually generated and certified by the manufacturer, but can be done by the sending agency if required. Some countries have strict source origin requirements.
- **Certificates of Inspection (COI)** - COIs are usually associated with regulated commodities that may be consumed by humans - example: Medication - or may have adverse effects on human health - example: flammable plastic shelter material. COIs typically require certification from an outside laboratory testing facility, certified to test the specific chemical properties of the items in question.
- **Certificates of Conformity (COC)** - COCs are used to confirm that products meet or exceed a certain industry standard, and require inspection by outside testing and certifying companies.
- **Phytosanitary Certificates** - Certification attesting that imported plant based material meets the sanitary requirements of the country in question, usually from an outside laboratory.
- Special handling instructions ([dangerous goods](#), [cold chain](#), [drugs](#), food).

Port of Entry Procedures

Most large seaports and international airports have the capacity to carrying out customs inspections, storage and clearance on site. For customs clearance to be official, there will need to be offices designated to the relevant customs authority and space for storage of goods undergoing customs.

The main formalities connected with the handling of goods by authorities in the export or import trade are as follows:

1. Before any cargo is has a copy of the cargo manifest/packing list and BOL/AWB must be delivered to the relevant customs and port/airport authorities.
2. When cargo is discharged and offloaded from the ship/aircraft, it will be counted by a designated agent on the ground.
3. Wharfage and/or ground handling fees at the prescribed rates is levied on all goods arrived.
4. Goods not removed from the custody of the customs authorities within the free storage period allowed are charged rent at the prescribed demurrage rate.
5. Demurrage will be charged on any un-manifested cargo not removed within the prescribed time after delivery.
6. Failure to cover demurrage fees may ultimately result in cargo being sold at public auction.

7. Demurrage fees may be waived in cases of:
 1. Goods arriving in a damaged condition for which a claim is made against the carrier, some extension of free time may be allowed to enable a survey of the damaged cargo to be made.
 2. Goods damaged subsequent to offloading and for which an "Application for Survey" has been received by the port authorities.
 3. Goods are detained by the customs authorities for special examination, chemical tests, etc.
 4. Removal of goods is delayed due to no fault or negligence on the part of the importers.
8. Areas used for the offloaded and storage of imported goods must be declared as Customs Areas under a Customs Act, and usually are bonded, highly secure facilities.
9. Storage of hazardous cargo will be permitted only in locations specially designated for that purpose.
10. Examination of cargo by Customs will be permitted only if the consignee or clearing agent produces to the port authorities the delivery order issued by the shipping agent together with the Bill of Entry prepared on behalf of the consignee.

For cargo arriving by air:

- Larger airports usually provide facilities inside designated Customs Areas for transit cargo to be de-consolidated and consolidated with local export cargo.

For arriving by sea:

- In the case of containerised cargo, containers may be unstuffed in the port area before the cargo is presented for examination by Customs. Alternatively, containers may be taken to an inland container depot, or warehouse, or factory of the consignee where they are unstuffed and delivered to the consignee after completing Customs formalities.
- Carting or transporting of export cargo, if it is Break Bulk, is permitted at the berth where the ship is ready to load. In the case of containerised cargo, carting is permitted to the location assigned to the shipping line by the port authority.
- Like imports, exports attract demurrage after the expiry of free time but port authorities sometimes waive this charge in the case of special cargo. Ports may defer acceptance of export cargo if there is a delay in the arrival of the vessel.
- When export cargo is taken to an inland clearance depot, Customs formalities are completed there and the cargo is stuffed into containers, which are then brought to the port for direct loading onto the ship. The same procedure may also be followed if containers are stuffed at the factory or warehouse of the shipper.

When planning arrival of cargo, it is extremely important to know if customs is an option, especially in post rapid-onset emergencies. There may be instances where planes or boats may be physically able to arrive at a seaport or airport, but not actually able to legally import goods.

Clearing Goods

The following steps detail the process through which cargo is handled and inspected by customs after arrival and offloading:

1. All imported cargo must be offloaded at a designated Customs port and should not be removed from customs control without written permission of the customs authorities.
2. Before permission is given to remove goods from customs control, the owner or agent

acting on the owner's behalf is required to submit documentation as required by law, in the prescribed form to enable customs authorities to examine the goods. The specific cargo details must match across all documents.

3. When goods are destined for bonded warehousing, application for permission to warehouse those goods and a bond must accompany the documentation.
4. Customs authorities are empowered to examine all imported goods. The examination may be physical (visual inspection, counting, weighing, measuring, chemical test, etc.) or documentary (involving examination of relevant documents such as invoices, bankers' notes, insurance policies and forms listing the quantity and description of goods).
5. If goods are dutiable, either customs tariffs must be paid at the time or the importer must give a bond to guarantee payment of the duty.
6. If goods are not removed within the prescribed period after the arrival of the importing vessel or aircraft, they are liable to be sold at public auction by the port authorities who will recover from the sale proceeds all charges due to them, including customs duty.
7. Customs authorities are entitled to recover from the importer any shortfall in duty levied or erroneous refund of customs duty, in accordance with prescribed procedures and laws.
8. In cases where import licenses are required, customs authorities will check the legality of the imported goods against those licenses.
9. Once the local customs authority has deemed all paperwork and payment sufficient, the consignee or consignee's acting agent will be able to pick up cargo from the designated cargo facility.

Customs authorities will use paper copies of all associated documentations - and depending on the context and the capacity of the customs authority, electronic copies - to identify cargo going through the physical inspection process.

If the importer or the customs broker acting on their behalf fails to obtain paperwork by the time customs clearance should begin, the submission procedure will be delayed, and the release of cargo will be delayed or not happen at all. The consequences of frustrated cargo result in delays in the delivery to beneficiaries, or additional costs such as demurrage. Within a short period of time, large amounts fees can accumulate for which the receiver is held accountable.