

Proof

GOVERNMENT OF ZAMBIA

**ACT**

No. 4 of 1999

Date of Assent: 29th March, 1999

**An Act to amend the Customs and Excise Act**

[1st April, 1999

ENACTED by the Parliament of Zambia.

1. (1) This Act may be cited as the Customs and Excise (Amendment) Act, 1999, and shall be read as one with the Customs and Excise Act, in this Act referred to as the principal Act.

(2) Subject to subsections (3) and (4), this Act shall come into operation on the 1st July, 1999.

(3) Section *one hundred and twenty-eight* and *one hundred and twenty-nine* shall be deemed to have come into operation on the 30th January, 1999.

(4) Sections *one hundred and thirty-one* and *one hundred and thirty-two* shall come into operation on the 1st January, 2000.

2. Section *two* of the principal Act is amended—

(a) by the deletion of the definitions of “dealer”, “department”, “hotel”, “level of trade”, “licence”, “open stock”, “port”, “proper officer”, “State warehouse”, “tax payer identification number” and “transit shed”;

(b) by the deletion of the definition of “Assistant Commissioner” and the substitution therefor of the following definition:

“Assistant Commissioner” means an Assistant Commissioner of the Customs and Excise Division of the Zambia Revenue Authority;

(c) by the deletion of the definition of “brewer” and the substitution therefor of the following:

“brewer” means a brewer or manufacturer of beer;

(d) by the deletion of the definition of “Commissioner” and the substitution therefor of the following definition:

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Amendment  
of section 2

“ Commissioner ” means the Commissioner of the Customs and Excise Division of the Zambia Revenue Authority;

(e) by the deletion of the definition of “ custom house ” and the substitution therefor of the following:

“ custom house ” means a custom house appointed by the Minister in terms of section *thirteen*;

(f) by the deletion of the definition of “ customs aerodrome ” and the substitution therefor of the following definition:

“ customs aerodrome ” means any aerodrome appointed by the Minister in terms of section *thirteen* as being a place at or through which goods may be imported or exported and persons may arrive or depart, by air;

(g) by the deletion of the definition of “ customs area ” and the substitution therefor of the following definition:

“ customs area ” means a place appointed by the Commissioner-General in terms of section *seventeen*;

(h) by the deletion of the definition of “ Deputy Commissioner ” and the substitution therefor of the following definition:

“ Deputy Commissioner ” means a Deputy Commissioner of the Customs and Excise Division of the Zambia Revenue Authority;

(i) by the deletion of the definition of “ duty paid value ” and the substitution therefor of the following definition:

“ duty paid value ” means the customs value of any goods as determined in accordance with the provisions of the Fifth Schedule plus the duty payable thereon;

(j) by the deletion of the definition of “ entry ” and the substitution therefor of the following definition:

“ entry ” in relation to the clearance of goods for importation, warehousing, removal from warehouse or exportation, means the presentation, in accordance with the provisions of this Act, of a

correctly completed declaration in writing in the prescribed form together with such bills of lading, invoices, certificates and other documents which are by or under this Act required to be furnished with that declaration, and “ an entry ” or “ bill of entry ” and “ to enter ” and cognate expressions shall be construed accordingly;

(k) by the deletion of the definition of “ free on board ” and the substitution therefor of the following definition:

“ free on board ” means the value of goods when shipped for export, and includes all costs and charges up to the time of delivery of the goods on board the exporting vessel, vehicle or aircraft and the term “ free on board value ” shall be construed accordingly;

(l) by the deletion of the definition of “ licensed premises ” and the substitution therefor of the following definition:

“ licensed premises ” means any premises in respect of which a licence is issued in terms of section *ninety-seven*;

(m) by the deletion of the definition of “ manufacturer ” and the substitution therefor of the following:

“ manufacturer ” in relation to goods liable to excise duty or surtax, other than imported goods, includes any person who is required to be licensed in terms of section *ninety-three* and any person who mixes, brews, distils or produces goods liable to excise duty or surtax or who employs others to do so on account of such person and “ licensed manufacturer ” and cognate expressions shall be construed accordingly;

(n) by the deletion of the definition of “ methyrate ” and the substitution therefor of the following definition:

“ methyrate ” includes any prescribed method of denaturing, and cognate expressions shall be construed accordingly;

(o) by the deletion of the definition of “ neutral spirit ” and the substitution therefor of the following definition:

“ Commissioner ” means the Commissioner of the Customs and Excise Division of the Zambia Revenue Authority;

(e) by the deletion of the definition of “ custom house ” and the substitution therefor of the following:

“ custom house ” means a custom house appointed by the Minister in terms of section *thirteen*;

(f) by the deletion of the definition of “ customs aerodrome ” and the substitution therefor of the following definition:

“ customs aerodrome ” means any aerodrome appointed by the Minister in terms of section *thirteen* as being a place at or through which goods may be imported or exported and persons may arrive or depart, by air;

(g) by the deletion of the definition of “ customs area ” and the substitution therefor of the following definition:

“ customs area ” means a place appointed by the Commissioner-General in terms of section *seventeen*;

(h) by the deletion of the definition of “ Deputy Commissioner ” and the substitution therefor of the following definition:

“ Deputy Commissioner ” means a Deputy Commissioner of the Customs and Excise Division of the Zambia Revenue Authority;

(i) by the deletion of the definition of “ duty paid value ” and the substitution therefor of the following definition:

“ duty paid value ” means the customs value of any goods as determined in accordance with the provisions of the Fifth Schedule plus the duty payable thereon;

(j) by the deletion of the definition of “ entry ” and the substitution therefor of the following definition:

“ entry ” in relation to the clearance of goods for importation, warehousing, removal from warehouse or exportation, means the presentation, in accordance with the provisions of this Act, of a

and includes part of any such still and all apparatus or part of the apparatus capable of being used for the production and refining of alcohol;

(t) by the deletion of the definition of "warehouse or bonded warehouse" and the substitution therefor of the following definition:

"warehouse or bonded warehouse" means a building, installation or area licensed as a bonded warehouse by the Commissioner-General in accordance with the provisions of section *fifty-five*; and

(u) by the insertion in the appropriate places of the following new definitions:

"Customs Division" means the Customs and Excise Division of the Zambia Revenue Authority;

"customs carrier" means a person licensed by the Commissioner-General under section *forty-three* to carry uncustomed or in bond goods;

"customs port" means a place appointed by the Minister under section *thirteen* as being a place through which goods may be imported or exported and at which persons may arrive or depart, by land or water;

"customs value" means the customs value of those goods determined in accordance with the Fifth Schedule to this Act;

customs warehouse means any building, premises or area in Zambia that is declared by the Commissioner-General to be customs warehouse in terms of section *one hundred and ninety-five*;

"distress" means to detain or seize in substitution for other goods such goods or chattels as are deemed to be of equivalent value to those other goods or the sum of duties and other charges deemed to be due to the Republic on those other goods and "notice of distress" and cognate expressions shall be construed accordingly;

"examination station" means an area at a customs port designated by the Commissioner-General

“ neutral spirit ” means a spirit derived from the fermentation of carbohydrate materials and rectified at a strength of not less than ninety per centum of alcohol by volume;

(p) by the deletion of the definition of “ officer ” and the substitution therefor of the following definition:

“ officer ” means a person appointed by the Commissioner-General for the purposes of this Act, or any other person who is declared by the Commissioner-General to be an officer for the purposes of this Act whether at the time of appointment or otherwise;

(q) by the deletion of the definition of “ sealable goods ” and the substitution therefor of the following definition:

“ sealable goods ” means—

(i) ship or aircraft stores and any other goods being the personal property of, or in the possession of the pilot, master or any member of the crew, that are subject to duty and on which such duty has not been paid; and

(ii) goods including medical supplies, being prohibited or restricted imports into Zambia that are declared to the Customs Division by the pilot or master and which are held in a secure place under the personal supervision of the pilot or master.

(r) by the deletion of the definition of “ ship ” and the substitution therefor of the following definition:

“ ship ” includes any ship, vessel, boat, hovercraft or floating construction of any kind whatsoever, whether propelled by steam or otherwise or towed;

(s) by the deletion of the definition of “ still ” and the substitution therefor of the following definition:

“ still ” means a still designed for or capable of being used for the production or refining of alcohol

4. The principal Act is amended by the repeal of section *four* and the substitution therefor of the following section: Repeal and replacement of section 4
4. The Commissioner-General may— Powers of Commissioner-General
- (a) with the consent of and subject to such conditions as the President may determine, confer all or any of the powers and impose all or any of the duties of an officer under this Act:
- (i) upon any public officer or class of public officer;
- (ii) upon any member, or class of member of the Defence Force or upon any prison officer as defined in the Prisons Act or upon any police officer; and Cap. 97
- (b) with the consent of any person who is not a person or a member of a class of persons referred to in paragraph (a), confer all or any of the powers and impose all or any of the duties of an officer under this Act upon that person.
5. The principal Act is amended by the repeal of section *five* and the substitution therefor of the following section: Repeal and replacement of section 5
5. The Commissioner-General may station any officer on any such ship or train while such ship or train is within Zambia and the master of any such ship or the person in charge or control of any such train shall provide free of charge such accommodation and board as the Commissioner-General may reasonably require. Stationing of officers on ship or train
6. Section *seven* of the principal Act is amended— Amendment of section 7
- (a) by the deletion of subsection (1) and the substitution therefor of the following subsection:
- (1) An officer may board any ship arriving at or being about to depart from any port in Zambia or being within Zambian waters, and—
- (a) may freely stay on board for so long as the officer considers necessary for the proper performance of duties or until all goods laden therein have been delivered from such ship;

under section *sixteen* for the embarkation and disembarkation of persons and the loading and unloading of goods;

‘ fee units ’ means fee units as defined in the Fees and Fines Act;

“ forfeited goods ” means goods the property in which has passed to the Republic and “ forfeiture ” and “ liable to forfeiture ” and cognate expressions shall be construed accordingly;

“ in bond ” in relation to the removal, transport or carriage of goods means the removal, transport or carriage of goods which are uncustomed, by a customs carrier or person authorised for that purpose and “ in bond entry ” and cognate expressions shall be construed accordingly; and

“ penalty units ” means penalty units as defined in the Fees and Fines Act.

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Repeal and replacement of section 3

3. The principal Act is amended by the repeal of section *three* and the substitution therefor of the following section:

Commissioner-General and Commissioner of Customs and Excise

3. (1) The Commissioner-General shall be responsible for the administration of this Act and any other law relating to customs and excise.

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(2) The Commissioner-General shall, subject to the provisions of the Zambia Revenue Authority Act, have the management and control of the Customs and Excise Division and of all persons employed in that Division.

(3) The Board shall appoint a Commissioner of Customs and Excise Division who shall be responsible for the day to day operation and management of the Customs and Excise Division under the general supervision of the Commissioner-General.

(4) In the absence of the Commissioner-General from Zambia or when otherwise directed by the Commissioner-General or the Board, the Commissioner of Customs and Excise Division, shall subject to the directions of the Board, perform the functions of the Commissioner-General under this Act.

8. Section *nine* of the principal Act is amended—

Amendment  
of section 9

(a) in paragraph (1) of the proviso to subsection (1) by the deletion of the words “ the proper officer ” and the substitution therefor of the words, “ an officer ”;

(b) in subsection (2)—

(i) by the deletion of the words, “ a proper officer appointed for the purposes of this subsection or an officer authorised by such proper officer may ” and the substitution therefor of the words, “ the Commissioner-General or an officer authorised by the Commissioner-General may ”;

(ii) by the deletion of paragraph (e) and the substitution therefor of the following paragraph:

(e) take with him on to such premises an assistant who may be a police officer or other person:

(c) by the deletion of paragraph (c) of subsection (7) and the substitution therefor of the following paragraph:

(c) all payments made by or to any such person, company or institution.

9. Section *eleven* of the principal Act is amended in subsection (1) by the deletion of the words, “ or containing or suspected of containing any goods which are liable to duty, or required to be accounted for in terms of this Act ”.

Amendment  
of section 11

10. The principal Act is amended by the repeal of section *twelve* and the substitution therefor of the following section:

Repeal and  
replacement  
of section 12

12. (1) Where an officer—

(a) is not satisfied that the answer to a question put to a person under any section of this Act is correct:

(b) has not been given an answer to a question put to a person under any section of this Act: or

(c) is not satisfied with the explanation given by a person in respect of goods that are or have been, or that the officer suspects are or have been, in that person's possession or under that person's control and the officer has reasonable cause to suspect that an

Action of  
officer when  
given  
unsatisfac-  
tory answers  
to questions

(b) shall have free access and the right to search every part of the ship and to examine all goods on board;

(c) shall have power to fasten down hatchways, doors and other openings;

(d) shall have power to lock up, seal, mark, or otherwise secure any goods on board that ship; and

(e) shall have the right to lock up, seal, or otherwise secure the ship's wireless apparatus; and

(b) by the deletion of subsection (4) and the substitution therefor of the following subsection:

(4) An officer may, in pursuance of that officer's duties, stop and detain within the borders of Zambia any ship, aircraft, or vehicle entering or about to depart from Zambia.

Amendment  
of section 8

7. Section *eight* of the principal Act is amended—

(a) in subsection (1) by the insertion after the words "members of the crew shall declare all such sealable goods" of the words "and produce such goods";

(b) by the deletion of subsection (2) and the substitution therefor of the following subsections:

(2) An officer may seal up any goods other than sealable goods in the possession of the master, pilot, members of the crew, or passengers on the ship, aircraft, or vehicle.

(3) Except by the authority of an officer, no seal placed by an officer upon any goods under this section shall be broken or disturbed while the ship, aircraft, or vehicle remains at any place in Zambia.

(c) in subsection (4) by the deletion of the words, "the proper officer" and the substitution therefor of the words, "an officer"; and

(d) by the re-numbering of subsections (3) and (4) as (4) and (5) respectively.

12. Section *fifteen* of the principal Act is amended— Amendment  
of section 15
- (a) by the deletion of subsection (1) and the substitution therefor of the following subsection:
- (1) Subject to subsections (2) and (3) and section *twenty-one A*, all ships, aircraft and vehicles including trains and all persons whether or not engaged in importing or exporting goods shall enter or leave Zambia through ports or aerodromes appointed under section *thirteen*, and shall follow such routes as may have been appointed or defined under that section, and shall comply with all rules and regulations made under this Act or any other written law in force for the protection of the revenue and trade of Zambia or for any other purpose;
- (b) in subsection (2) by inserting the words “ whether or not ” immediately after the words “ and persons ”; and
- (c) in subsection (3) by the insertion immediately after the word “ imported ” of the words “ or exported ”.
13. Section *sixteen* of the principal Act is amended— Amendment  
of section 16
- (a) by the deletion of subsection (1) and the substitution therefor of the following subsection:
- (1) The Commissioner-General may appoint at any customs port or customs aerodrome places to be known as examination stations for the embarking and disembarking of persons and for the loading, unloading and examination of goods including baggage, and may from time to time make such rules and lay down such conditions in connection therewith as the Commissioner-General considers necessary; and
- (b) by the deletion of subsection (2) and the substitution therefor of the following subsection:
- (2) Where at any customs port or customs aerodrome an examination station has been appointed under this section, any person who embarks or disembarks or who loads or unloads goods otherwise than at such place, except with the written permission of the Commissioner-General, shall be guilty of an offence.
14. The principal Act is amended by the repeal of section *seventeen* and the substitution therefor of the following section: Repeal and  
replacement  
of section 17

offence has been, is being, or is about to be, committed against this Act by that person, the officer may—

- (i) take such person to a police station and lay a charge against that person; or
- (ii) if there is no police station in the vicinity take such person before a magistrate with a view to obtaining a warrant for that person's arrest.

Repeal and  
replacement  
of section 13

**11.** The principal Act is amended by the repeal of section *thirteen* and the substitution therefor of the following:

Customs  
ports,  
aerodromes  
and houses

**13.** (1) The Minister may, subject to such terms and conditions as the Minister may specify—

- (a) appoint places to be customs ports for Zambia at or through which goods may be imported or exported and persons may arrive or depart, by land or water;
- (b) appoint places within Zambia to be customs aerodromes at or through which goods may be imported or exported and persons may arrive or depart, by air;
- (c) define the roads or routes through which imported goods that are uncustomed, or goods that are to be conveyed in bond or goods intended for export, shall be conveyed to or from a particular customs port or customs aerodrome;
- (d) appoint custom houses at customs ports or customs aerodromes or elsewhere within Zambia for the processing of entries, the collection of revenue and for the general administration of this Act; and
- (e) determine the hours of the day and night during which particular customs ports and custom houses shall be open for the processing of persons and goods either in general or in specific classes or categories.

(2) The Minister may, by statutory order, revoke or amend any appointment, determination, definition, direction or specification made under subsection (1).

16. Section *nineteen* of the principal Act is amended by the deletion of the words "in which there is a customs officer or where an officer is stationed".

Amendment  
of section 19

17. The principal Act is amended by the repeal of section *twenty* and the substitution thereof of the following section:

Repeal and  
replacement  
of section 20

20. (1) Upon first arrival in Zambia of any train, the driver or other person in charge of any train shall cause that train to proceed and to stop within a customs area and shall deliver to the Customs Division an inward report in the prescribed form together with such other documents as may be required by the terms and conditions of the customs carriers licence issued to the owner or operator of the train.

Person in  
charge of  
train to  
supply  
documents  
to officer

(2) The driver or other person in charge of the train shall answer any questions asked by any officer in regard to the train, its journey and all persons or goods carried on it.

(3) No goods shall be unloaded from or loaded on to any train or any part of a train separated from any other part other than with the permission of the Customs Division.

(4) Any goods permitted by the Customs Division to be unloaded are to be unloaded within the customs area.

(5) No train shall leave the customs area to continue its journey within Zambia or for any other purpose other than with the written permission of the Customs Division.

(6) On having received permission from the Customs Division to leave the customs area, the driver or person otherwise in charge of the train shall comply with any terms or conditions of that permission and of the customs carriers licence issued to the owner or operator of the train.

18. The principal Act is amended by the repeal of section *twenty-one* and the substitution thereof of the following:

Repeal and  
replacement  
of section 21

21. (1) The person in charge of any vehicle, other than a railway train, arriving in Zambia, shall—

Person in  
charge of  
vehicle to  
report goods

(a) in the case of arrival by ship or aircraft, unless otherwise directed by an officer, proceed immediately with the vehicle from the examination station.

Appointment  
of customs  
areas

17. (1) The Commissioner-General may, subject to such terms and conditions as the Commissioner-General may require—

(a) appoint any area, place or building in or at a customs port of entry or customs aerodrome as a customs area in which imported goods or goods for export may be held and stored before entry for consumption, warehousing, export or such other purpose as permitted or required by this Act;

(b) appoint customs areas at inland places for the receipt and storage of uncustomed goods carried by licensed customs carriers, including trains, before entry in accordance with this Act.

(2) The owner or operator of a customs area shall provide and maintain without charge such accommodation and facilities as the Commissioner-General may determine are reasonably necessary and suitable for the purposes of carrying out the functions and responsibilities of the Customs Division at that place.

(3) No person or vehicle shall enter or leave a customs area and no goods whether dutiable or not shall be brought into or taken out of any customs area, otherwise than through an entrance or exit approved for that purpose by the Commissioner-General.

(4) No vehicle or goods shall be taken out of any customs area without the permission of the Customs Division.

(5) Any person or vehicle entering or leaving any customs area and all goods which are being brought into or out of such area may be detained by an officer for the purposes of search or examination.

(6) The operation of any customs area shall be subject to such regulations and rules as may be made pursuant to the provisions of this Act.

Repeal and  
replacement  
of section 18

15. The principal Act is amended by the repeal of section *eighteen* and the substitution thereof of the following section:

Charges by  
owner or  
operator of  
customs area

18. No charges shall be made by the owner or operator of a customs area for the reception and storage in that area of any imported goods, during such period and under such circumstances as may be prescribed under this Act.

22. (1) The pilot in charge of any aircraft arriving in Zambia shall, immediately after the landing at a customs aerodrome or other place permitted under the provisions of section *fifteen*, cause the aircraft to proceed to the examination station at that place.

Report of  
arrival of  
aircraft

(2) The pilot in charge of the aircraft shall—

(a) within one hour after landing the aircraft, deliver to the Customs Division an inward report in the prescribed form together with such other documents as may be required by or under this Act:

(b) answer any questions asked by any officer in regard to the aircraft, its cargo, crew, passengers and journey.

(3) Except with the permission of the Customs Division, no person shall enter or leave any aircraft that has arrived in Zambia or unload any cargo therefrom until a report has been made in terms of this section and any other customs requirements in regard to inspection or examination of the aircraft and its passengers or cargo have been completed.

(4) Except with the permission of the Customs Division and in accordance with a customs clearance, no aircraft shall leave the customs examination station.

21. The principal Act is amended by the repeal of section *twenty-three* and the substitution therefor of the following section:

Repeal and  
replacement  
of section 23

23. (1) The master of any ship arriving in Zambia at a customs port or other place permitted in accordance with the provisions of section *fifteen* shall cause that ship to proceed immediately to an examination station.

Report of  
arrival of  
ships

(2) The master of any ship arriving in Zambia shall—

(a) within twenty-four hours of such arrival, deliver to the Customs Division an inward report in the prescribed form together with such other documents as may be required by or under this Act:

(b) answer any question asked by any officer in regard to the ship, its cargo, crew, passengers and journey.

(3) Except with the permission of the Customs Division, no person shall enter or leave any ship that has arrived in Zambia

or other approved point of unloading, to a customs area at that port or aerodrome; or

(b) in the case of arrival by road, unless otherwise directed by an officer, proceed immediately to a customs area at that port and before unloading or in any manner disposing of such vehicle or any goods thereon or contained therein, shall deliver to the custom house at that port, a report in the prescribed form together with such other documents as may be required by the terms and conditions of any customs carriers licence issued to the owner or operator of the vehicle.

(2) The driver or other person in charge of the vehicle shall answer any questions asked by any officer in regard to the vehicle, its journey and all persons or goods carried in or on it.

Insertion of  
new section  
21A

Duty of  
persons  
arriving in  
Zambia to  
report to  
custom  
house

**19.** The principal Act is amended by the insertion immediately after section *twenty-one* of the following new section:

**21A.** (1) Any person arriving in Zambia shall—

(a) in the case of persons arriving by train, report to the Customs Division at the customs area designated for trains at the customs port of arrival;

(b) in the case of persons arriving by ship or aircraft, whether or not travelling by vehicle carried on that ship or aircraft, report to the Customs Division at the examination station of the customs port of arrival;

(c) in the case of persons arriving by vehicle, unless otherwise directed by an officer, convey that vehicle immediately to a customs area appointed at the customs port of arrival and report to the custom house at that port;

(d) in the case of persons crossing the border by foot or by means of transport other than as specified above, report to the custom house at the customs port nearest to the point at which that person crossed the border.

Repeal and  
replacement  
of section 22

**20.** The principal Act is amended by the repeal of section *twenty-two* and the substitution thereof of the following section:

26. The principal Act is amended by the repeal of section *twenty-nine* and the substitution therefor of the following section:

Repeal and  
replacement  
of section 29

29. (1) Notwithstanding anything to the contrary contained in sections *twenty-two*, *twenty-three* and *twenty-five*, the master of a ship, the pilot of an aircraft, or the operator of a pipeline, may appoint an agent to perform any act including the answering of questions under this Act, and any such act performed by the agent shall in all respects and for all purposes be deemed to be the act of the master, pilot or operator, as the case may be.

Master, pilot  
or pipeline  
operator may  
appoint  
agent

(2) Notwithstanding subsection (1), where the personal attendance of the master, pilot or operator is required by an officer, such person shall attend in person and answer any question asked by an officer.

27. Section *thirty-one* of the principal Act is amended—

Amendment  
of section 31

(a) in subsection (1) by the deletion:

(i) of the words “ With the exception of goods imported by post, the ” and the substitution therefor of the word “ The ”;

(ii) of paragraphs (a), (b) and (c) and the substitution therefor of the following paragraphs:

(a) in the case of ships and where goods are imported by ship, at the time when the ship first enters the territorial waters of Zambia whether or not in the course of a journey to Zambia;

(b) in the case of aircraft, and where goods are imported by aircraft, at the time when the aircraft first enters the sovereign airspace of Zambia whether or not in the course of a journey to Zambia;

(c) in the case of trains and where goods are imported by train, at the time when the train crosses the borders of Zambia; and

(b) by the deletion of subsection (2).

or unload any cargo therefrom until a report has been made in terms of this section and any other customs requirements in regard to inspection or examination of the ship and its passengers or cargo have been completed.

(4) Except with the permission of the Customs Division and in accordance with the customs clearance, no ship shall leave the customs examination station.

Repeal and  
replacement  
of section 24

**22.** The principal Act is amended by the repeal of section *twenty-four* and the substitution therefor of the following section:

Non-  
application  
of section 15

**24.** (1) Section *fifteen* shall not apply to a ship or aircraft that is required or compelled to berth, land, anchor or otherwise arrive at a place other than a customs port or customs aerodrome if such arrival—

(a) is required by any statutory or other requirement relating to navigation; or

(b) is compelled by accident, stress or weather or other necessity.

(2) The master, pilot or person in charge of any ship or aircraft to which this section applies—

(a) shall report forthwith to a customs officer;

(b) shall not, without the consent of a customs officer, permit any goods carried in the ship or aircraft to be unloaded from it or any of the crew or passengers to depart from its vicinity; and

(c) shall comply with any directions given by a customs officer in respect of any goods, crew or passengers carried in the ship or aircraft.

Amendment  
of section 25

**23.** Section *twenty-five* of the principal Act is amended by the insertion, immediately after the words “ by the operator of the pipeline ” of the words “ in such form as may be prescribed and ”.

Amendment  
of section 26

**24.** Section *twenty-six* of the principal Act is amended by the deletion of the words “ the proper officer may if he is satisfied ” and the substitution therefor of the words “ an officer may, if satisfied ”.

Amendment  
of section 27

**25.** Section *twenty-seven* of the principal Act is amended by the deletion of the words “ the proper officer ” and the substitution therefor of the words “ an officer ”.

wise than as cargo, as may be prescribed or as the Commissioner-General may determine in relation to any such ship, aircraft, train or other vehicle or class thereof, by rules made pursuant to section *two hundred*.

(2) For the purpose of making entry in respect of ships, aircraft, trains and other vehicles imported into Zambia otherwise than as cargo these vehicles shall be deemed to have been imported as cargo and unloaded as such on arrival.

30. The principal Act is amended by the repeal of section *thirty-three* and the substitution therefor the following section:

Repeal and  
replacement  
of section 33

33. (1) All goods not entered within thirty days after the time of their importation pursuant to section *thirty-one* shall be liable to seizure.

Entry of  
goods

(2) Where goods are not entered for customs purposes pursuant to the requirements of subsection (1) the goods shall be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of sections *two hundred and three to two hundred and five*.

(3) Notwithstanding the provisions of subsection (2), where any goods not entered in accordance with subsection (1) are, in the opinion of the Commissioner-General unsuitable for storage or of a dangerous or perishable nature, the Commissioner-General may direct that they be forthwith sold or disposed of in accordance with the provisions of sections *two hundred and three to two hundred and five*.

(4) Any sale or disposal undertaken pursuant to subsection (2) or (3) shall be undertaken without compensation to any person or party who may, either before or after such sale or disposal, claim a financial or other interest in such goods.

31. Section *thirty-four* of the principal Act is amended—

Amendment  
of section 34

(a) by the deletion of subsection (1) and the substitution therefor of the following subsection:

(1) Subject to subsection (2), the person making entry of any imported goods shall:

(a) deliver to the Customs Division such copies as may be required of a duly completed bill of entry;

(b) produce all such documents as may be required by the Customs Division;

Amendment  
of section 32**28.** Section *thirty-two* of the principal Act is amended—*(a)* by the insertion immediately after subsection (1) of the following new subsections:

(2) Subject to the provisions of section *thirty-four* and any regulations and or rules made pursuant to this Act, entry of imported goods shall in each case be made at the customs port of first arrival for one of the following purposes—

*(a)* for consumption;

*(b)* for warehousing in a bonded warehouse;

*(c)* for in-bond carriage to—

(i) another customs port or customs aerodrome for export; or

(ii) a customs area at another customs port or inland place for further entry.

(3) Goods entered for warehousing or otherwise for purposes involving in bond carriage shall be conveyed by licensed customs carrier to such warehouse, or customs area at another customs port or customs aerodrome or inland place as is specified in the entry or consignment documents or as otherwise directed by the Customs Division.

(4) Goods entered for in bond carriage to a customs area at another customs port or inland place for further entry shall be entered for consumption or warehousing within the period of thirty days as provided in section *thirty-three*;

*(b)* in subsection (2) by the deletion of the words “ or transit shed ” and

*(c)* by the re-numbering of subsections (2) and (3) as subsections (5) and (6).

Insertion of  
new section  
32A**29.** The principal Act is amended by the insertion, immediately after section *thirty-two* of the following new section:Entry of ships,  
aircraft and  
other vehicles

**32A.** (1) Notwithstanding anything in this Act, entry pursuant to section *thirty-two* shall be made in respect of ships, aircraft, trains and other vehicles imported into Zambia other-

questions asked by the Customs Division in relation to such documents or the imported goods, have been answered;

(b) in subsection (2) by the deletion of the words, "transit shed" and the substitution therefor of the words, "customs area"; and

(c) in subsection (3) by the deletion of the words, "transit shed" and the substitution therefor of the words "customs area".

34. The principal Act is amended by the repeal of sections *thirty-eight* and *thirty-nine*.

Repeal of  
sections 38  
and 39

35. Section *forty* of the principal Act is amended in subsection (1)

Amendment  
of section 40

(a) by the deletion of the word, "totally";

(b) by the deletion of paragraphs (a) to (g) and the substitution therefor of the following paragraphs:

(a) false or counterfeit coin or banknotes and any coin or banknotes that are intended for circulation in Zambia that are not legal tender in Zambia;

(b) any goods which in the opinion of the Minister are indecent, obscene or objectionable;

(c) goods manufactured or produced wholly or in part by prison labour or within or in connection with any prison, jail or penitentiary excluding a *bona fide* gift made by a prisoner for the personal use of a private individual;

(d) pirated and counterfeit goods and any goods bearing false or misleading marks or descriptions as to their origin, purpose and use;

(e) *qilika*;

(f) any goods the importation of which is prohibited by or under the authority of any other law; and

(g) any other goods that may be declared to be prohibited goods by statutory order issued by the Minister.

36. Section *forty-one* of the principal Act is amended—

Amendment  
of section 41

(a) in subsection (1) by the deletion of the words, "capable of being used for" and the substitution therefor of the words, "designed for or intended to be used for";

(c) answer any questions relating to those documents or those goods; and

(d) unless the goods are entered to be warehoused or removed in bond, pay all duties on the goods within five days of the issue by the Customs Division of an assessment notice in the prescribed form.;

(b) by the deletion of subsection (2) and the substitution therefor of the following subsection:

(2) Where—

(a) visitors motor vehicles are imported temporarily;

(b) goods not being goods for commercial use are imported in the baggage of passengers and accompanying them on the same ship, aircraft, train or vehicle other than a train;

(c) goods are unaccompanied passengers baggage not being goods for commercial use; or

(d) goods valued at not more than three thousand fee units are imported;

the presentation of a bill of entry may be dispensed with and entry may be effected in such manner as may be provided for under this Act.; and

(c) by the deletion of subsections (5) and (6).

Repeal of  
sections 35  
and 36

32. The principal Act is amended by the repeal of sections *thirt-five* and *thirty-six*.

Amendment  
of section 37

33. Section *thirty-seven* of the principal Act is amended—

(a) in subsection (1)—

(i) by the deletion of the words, “ or subsection (2) of section *thirty-six* ”; and

(ii) by the deletion of paragraph (d) and the substitution therefor of the following paragraph:

(d) all documents required by the Customs Division have been produced and all

43. (1) The Commissioner-General may licence, subject to such terms and conditions as the Commissioner-General may impose, persons to be known as customs carriers who shall be permitted to carry uncustomed and or in bond goods within or through Zambia." Customs carriers

(2) Except with the written permission of the Commissioner-General or where there are proceedings under a customs notice of redirection from the customs port of first entry to a customs area at another customs port, no person other than the Customs Division and persons licensed as customs carriers under subsection (1), shall be permitted to carry uncustomed or in bond goods within or through Zambia beyond a customs area at the port or aerodrome of first arrival.

(3) Without limiting the authority conferred on the Commissioner-General by subsection (1), the Commissioner-General may make the issue, continuation or reissue of any customs carriers licence conditional on the provision of a bond or guarantee or similar undertaking as may, in the opinion of the Commissioner-General, ensure that the duty due on any goods that might from time to time be carried by the customs carrier shall be secured to the Republic.

(4) The Commissioner-General may permit, subject to such terms and conditions as the Commissioner-General may impose, customs carriers licensed as such by authorities external to Zambia to act as if they were customs carriers licensed pursuant to the provisions of this section.

(5) Nothing in this section or in this Act shall limit or otherwise prevent the Commissioner-General from extending, subject to such terms and conditions as the Commissioner-General may impose, any customs carriers licence issued under this section to cover purposes allowed or approved under any international agreement to which Zambia is a party.

(6) The Commissioner-General may at any time require that the form or amount of security required under this section be altered as the Commissioner-General may determine.

(7) Any offence against this Act by a customs carrier or any breach or instance of non compliance with any term or condition of the licence issued under this section to that person shall be grounds for revocation or suspension of that licence.

(b) in subsection (2) by the deletion of the word, "such" and the substitution therefor of the word, "this".

Amendment  
of section  
41A

37. Section *forty-one A* of the principal Act is amended by the deletion of subsection (2) and the substitution therefor of the following subsection:

(2) Where an officer has reason to believe that a person required to make a declaration under subsection (1) has not made or refuses to make the declaration or where such person has made a declaration and the officer has reason to believe that the declaration is an incorrect or false declaration, the officer may search that person and any baggage or packages carried by or associated with that person.

Amendment  
of section 42

38. Section *forty-two* of the principal Act is amended—

(a) by the deletion of subsection (2) and the substitution therefor of the following subsection:

(2) Any person who has or who comes into possession or control of any uncustomed wreck—

(a) shall without delay give notice of the wreck to the nearest custom house;

(b) without the permission of the Customs Division, shall not remove or alter in any quantity or quality any such wreck;

(c) if required, shall deliver that wreck or permit it to be delivered to such person or place as directed by the Customs Division;

(b) by the deletion of subsection (3) and the substitution therefor of the following:

(3) Uncustomed wreck found within Zambia shall be deemed to be imported goods that have not been entered pursuant to subsection (1) of section *thirty-three* and this Act shall apply to such goods.

Amendment  
of Part IV

39. Part IV of the principal Act is amended by the deletion of the heading "COASTING TRADE" and the substitution therefor of the heading "CUSTOMS CARRIERS".

Repeal and  
replacement  
of section 43

40. The principal Act is amended by the repeal of section *forty-three* and the substitution therefor of the following section:

(3) The pilot of any aircraft departing from Zambia in accordance with a certificate of clearance issued by the Customs Division shall cause that aircraft to proceed immediately to its scheduled destination and shall not call at any other place in Zambia unless forced to do so by accident, stress or weather or other circumstances beyond the control of the pilot.; and

(b) in subsection (4) by the deletion of the word, " officer " and the substitution therefor of the words, " Customs Division ".

48. The principal Act is amended by the repeal of section *fifty-two* and the substitution therefor of the following section:

Repeal and replacement of section 52

52. (1) The master of any ship, the pilot of any aircraft, or the operator of any pipeline may appoint an agent to perform any act including the answering of questions required by or under this Part, and any such act performed by the agent shall in all respects and for all purposes be deemed to be the act of the master, pilot, or operator, as the case may be.

Master, pilot or pipeline operator may appoint agent

(2) Notwithstanding subsection (1) where the personal attendance of the master, pilot or operator is required by an officer, the master, pilot or operator shall attend in person to answer questions asked by the officer.

49. Section *fifty-three* of the principal Act is amended in subsection (2) by the deletion of the words, " subsection (4) of ".

Amendment of section 53

50. Section *fifty-four* of the principal Act is amended by the deletion of subsection (3) and the substitution therefor of the following subsection:

Amendment of section 54

(3) For the purpose of this Act—

(a) the entry of goods for export, the loading or placing of any goods upon a ship, aircraft, or vehicle which is about to leave Zambia or has other goods upon it which are to be exported;

(b) the taking of goods aboard such a ship, aircraft, or vehicle by a person;

(c) the handing of any goods to any carrier or transport company or to the master of a ship or the pilot or owner of any aircraft or any member of the crew of the ship, aircraft or vehicle for the purpose of exportation;

(b) in subsection (4)—

(i) by the insertion immediately after the word, “clearance” of the words, “in the prescribed form”;

(ii) by the deletion of the words, “proper officer” and the substitution therefor of the words, “Customs Division”;

(c) by the insertion immediately after subsection (4) of the following new subsection:

(5) The master of any ship departing from Zambia in accordance with a certificate of clearance issued by the Customs Division shall cause that ship to proceed immediately to its scheduled destination and shall not call at any other place within Zambia unless forced to do so by accident, stress or weather or other circumstances beyond the control of the master.;

(d) in subsection (5) by the deletion of the words “proper officer” and the substitution therefor of the words, “Customs Division”; and

(e) by the re-numbering of subsection (5) as subsection (6).

Amendment  
of section 51

47. Section *fifty-one* of the principal Act is amended—

(a) by the deletion of subsections (1), (2) and (3) and the substitution therefor of the following subsections:

(1) The pilot of any aircraft intending to depart from Zambia shall, before such departure:

(a) deliver to the Customs Division a duly completed application for clearance in the prescribed form; and

(b) answer all such questions concerning the aircraft and its freight, if any, passengers, if any, crew and journey as may be asked by any officer.

(2) The pilot shall not cause or permit the aircraft to depart without first obtaining a certificate of clearance in the prescribed form from the Customs Division which shall not without reasonable cause withhold such certificate.

(7) Goods to which subsection (6) applies that are not entered or cleared in accordance with the provisions of that subsection shall be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of sections *two hundred and three to two hundred and five*.

(8) Any sale or disposal undertaken pursuant to subsection (7) shall be so undertaken without compensation to any person or party who may, either before or after such sale, claim a financial or other interest in such goods.

52. The principal Act is amended by the repeal of section *fifty-six* and the substitution therefor of the following:

Repeal and  
replacement  
of section 56

56. (1) Without limiting the authority conferred on the Commissioner-General by section *fifty-five* the Commissioner-General may make the issue, continuation or reissue of any bonded warehouse licence conditional on the provision of such security by bond or guarantee or similar undertaking as may in the opinion of the Commissioner-General ensure that the duty due on any goods that might from time to time be warehoused in the bonded warehouse shall be secured to the Republic.

Issuing or  
reissuing of  
bonded  
warehouse  
licence

(2) The Commissioner-General may at any time require that the form or amount of security required under subsection (1) be altered as the Commissioner-General may determine.

53. Section *fifty-seven* of the principal Act is amended—

Amendment  
of section 57

(a) by the deletion of subsection (1) and the substitution therefor of the following subsection:

(1) The importer of any dutiable goods may warehouse them in any warehouse duly licensed under section *fifty-five* without payment of duty on the first importation and all goods so warehoused shall be subject to the provisions of this Act and any regulations or rules made thereunder;

(b) by the deletion of subsection (2);

(c) in subsection (3)—

(i) by the deletion of the words, "The purchaser or manufacturer of any goods liable to excise duty or surtax" and the substitution therefor of the

(d) the placing of any goods in a pipeline which has been prepared for the exportation of goods; or

(e) the placing in the post of any package addressed to a place outside Zambia;

shall be deemed to be an attempt to export.

Repeal and  
replacement  
of section 55

51. The principal Act is amended by the repeal of section *forty-five* and the substitution therefor of the following section:

Licensing of  
bonded  
warehouse

55. (1) On receipt of an application in the prescribed form, the Commissioner-General may licence, subject to such terms and conditions as the Commissioner-General may specify, buildings, installations and areas as bonded warehouses for the storage of goods without payment of duty.

(2) Without limiting the authority conferred by subsection (1) the Commissioner-General may licence bonded warehouses for particular purposes including the storage of particular goods or the manufacture of goods in bond.

(3) A licence issued under this section shall expire on 31st December in each year and may be renewed by the Commissioner-General on receipt of an application for renewal, in the prescribed form and on payment of the prescribed fee.

(4) If the owner or operator of a bonded warehouse fails to comply with any condition of the licence or provision of this Act or regulations or rules made thereunder or with any instructions made or given by the Commissioner-General in connection with the administration of this Act, the Commissioner-General may revoke the licence or refuse to renew it.

(5) The Commissioner-General shall issue notice in the *Gazette* immediately following the issue or revocation of any licence under this section.

(6) Where the licence of a bonded warehouse is revoked by the Commissioner-General or is offered for surrender by the owner or operator thereof, all duty on all bonded goods in such warehouse shall be deemed to be due and payable at the time when notification of the revocation or surrender is given or received by the Commissioner-General and the goods shall be entered and duty paid within ten days of that time unless the goods are sooner removed for export or re-warehousing in accordance with the provisions of this Act.

stores. duly made and passed by the Customs Division in accordance with this Act and any regulations or rules made thereunder;

(c) by the deletion of subsection (4) and the substitution therefor of the following:

(4) If at any time warehoused goods are found to be missing from a warehouse without having been cleared from such warehouse in accordance with this Act or any regulations or rules made thereunder or are found to be less in quantity than that which was declared and accepted at the time of their entry into the warehouse, duty shall be due and payable on any such missing goods or such deficiency:

Provided that—

(a) in case of—

- (i) wet goods;
- (ii) oil in bulk storage tanks;
- (iii) petrol and any other spirit derived from petroleum shale or coal tar, in bulk storage tanks: and
- (iv) such other goods as may be prescribed;

an officer may, when assessing duty in respect of a deficiency, make such allowances as are specified by or in accordance with the provisions of regulations made under this Act if satisfied that no part of such deficiency was wilfully or negligently caused;

(b) nothing contained in this subsection shall be deemed to release the owner of any goods or the owner or operator of any warehouse from liability to prosecution under the provisions of this Act for the removal of goods from a warehouse without entry thereof; and

(c) any deficiency in the goods in a warehouse, except a deficiency not in excess of that

words, "The manufacturer or other person who becomes the owner of any goods liable to excise duty or surtax before that duty or surtax becomes due for payment"; and

- (ii) by the deletion of the words, "or in a place approved by the Commissioner-General in terms of subsection (2) and all goods so warehoused or stored shall be subject to such restrictions and conditions as may be imposed in terms of subsection (1) or (2), as the case may be".

Amendment  
of section 58

**54.** Section *fifty-eight* of the principal Act is amended—

(a) in subsection (2):

- (i) by the deletion of the word, "delivered" and the substitution therefor of the words, "prior to their delivery"; and

- (ii) by the deletion of the proviso and the substitution therefor of the following proviso:

Provided that—

(a) if any deficiency has already been accounted for in terms of subsection (4), duty shall only be paid on the actual quantity of goods to be delivered for consumption, in Zambia: and

(b) the payment of excise duty and or surtax on hydrocarbon oils and oil products manufactured by a licensed manufacturer in Zambia and stored in a bonded warehouse licensed for that purpose, shall be as provided for in regulations or rules made under this Act;

- (b) in subsection (3) by the deletion of paragraph (b) and the substitution therefor of the following paragraph:

(b) duty shall not be paid on goods which are released from a bonded warehouse in accordance with any entry for re-warehousing, or for in-bond export as cargo or as ship, aircraft or vehicle

forfeited and may be sold or disposed of by the Commissioner-General in accordance with sections *two hundred and three to two hundred and five*.

(3) Any sale or disposal undertaken pursuant to subsection (2) shall be so undertaken without compensation to any person or party who may, either before or after such sale, claim a financial or other interest in such goods.

59. The principal Act is amended by the repeal of section *sixty-three* and the substitution therefor of the following:

Repeal and replacement of section 63

63. (1) The Commissioner-General may permit—

Sorting, repacking or destroying goods under customs authority

(a) the owner of, or person having control over, warehoused goods to sort, separate, pack or repack any such goods and to make such alterations or arrangements as may be necessary for the preservation of those goods, or for the sale, exportation, or other legal disposal of the goods, and, in the case of wines and spirits, to bottle from bulk stocks or to break down from greater to less strengths;

(b) the assembly, blending, mixing, conversion or manufacture in bond of any goods wholly or partly consisting of materials liable to duty.

(2) When any goods referred to in subsection (1) are entered for consumption, duty shall be paid upon any material contained therein liable to duty or consumed in the processing or manufacture thereof and, when such duty is payable on value, the value of such materials as accepted at the time of their warehousing in Zambia, shall be their value for duty purposes.

(3) Anything done or performed under any permission granted in terms of subsection (1) shall be done or performed in accordance with the regulations or rules made by the Commissioner-General for the protection of revenue and for the payment of any expenses incurred in respect of the attendance of officers.

60. The principal Act is amended by the repeal of section *sixty-five* and the substitution therefor of the following section:

Repeal and replacement of section 65

65. The Commissioner-General may cause any bonded warehouse to be locked with a customs lock for so long as the Commissioner-General considers fit, and no person shall

Warehouses may be locked by an officer

specified by or in accordance with the provisions of regulations made under this Act, shall, in the absence of proof to the contrary, be deemed to have come about by the removal of goods from the warehouse without entry.;

(d) by the insertion immediately after subsection (4) of the following new subsection:

(5) The duty on missing or deficient goods pursuant to subsection (4) shall constitute a debt due to the Republic by the owner or operator of the warehouse and the importer or owner of the goods who shall be jointly and severally liable and; notwithstanding any appeal thereto, such duty shall be paid within ten days of the issue by the Commissioner-General of a notice of claim thereof;

(e) by the re-numbering of subsection (5) as subsection (6).

Amendment  
of section 59

**55.** Section *fifty-nine* of the principal Act is amended by the deletion of subsection (1) and the substitution therefor of the following subsection:

(1) Any person wishing to export goods as ship, aircraft or vehicle stores shall make application to the Customs Division in the form prescribed for that purpose and no such entry shall be valid authority for release of goods from a warehouse unless such application has been approved.

Repeal of  
section 60

**56.** The principal Act is amended by the repeal of section *sixty*.

Amendment  
of section 61

**57.** Section *sixty-one* of the principal Act is amended by the deletion of the words, " or place of security under lawful authority "

Repeal and  
replacement  
of section 62

**58.** The principal Act is amended by the repeal of section *sixty-two* and the substitution therefor of the following section:

When  
warehoused  
goods shall  
be cleared

**62.** (1) Except with the permission of the Commissioner-General, all goods entered into a bonded warehouse, whether or not re-warehoused at any time, shall be cleared from the warehouse and entered for export or consumption within two years of the date of first warehousing.

(2) If any goods are not entered within thirty days of the due date for entry pursuant to subsection (1) the goods shall be

63. The principal Act is amended by the repeal of section *sixty-nine* and the substitution therefor of the following:
69. Where any goods are to be removed from a warehouse for the purpose of re-warehousing or for export in-bond or for export in-bond as ship, aircraft or vehicle stores, or for any other purpose, such goods shall, unless otherwise permitted by the Commissioner-General, be so removed by a customs carrier licensed in accordance with this Act.
64. Section *seventy-one* of the principal Act is amended by the deletion of the words, " For the purposes of this Part " and the substitution therefor of the words, " For the purposes of this Act ".
65. The principal Act is amended by the repeal of sections *seventy-four*, *seventy-four A* and *seventy-five* and the substitution therefor of the following sections:
74. For the purposes of sections *seventy-five*, *seventy-five A*, *seventy-five B*, *seventy-five C*, *seventy-five D* and *seventy-five E*, unless the context otherwise requires—
- " dumping ", in relation to goods, means the situation where the export price of goods imported into Zambia or intended to be imported into Zambia is less than the normal value of the goods as determined in accordance with the provisions of regulations made under this Act, and " dumped " shall be construed accordingly;
- " industry ", in relation to any goods means—
- (a) the Zambian producers of like goods;
- (b) Zambian producers of like goods whose collective output constitutes a major proportion of the Zambian production of like goods, but does not include importers of those goods;
- " like goods ", in relation to any goods means—
- (a) other goods that are like those goods in all respect; or
- (b) in the absence of such goods, other goods which have characteristics closely resembling those other goods;
- Repeal and replacement of section 69
- Removal of goods in bond to any other port of entry or any other country
- Amendment of section 71
- Repeal and replacement of sections 74, 74A and 75
- Interpretation

during such period remove or break such lock or enter such warehouse or remove any goods therefrom without the permission of the Commissioner-General.

Amendment  
of section 68

61. Section *sixty-eight* of the principal Act is amended—

(a) by the deletion of paragraph (a) and the substitution therefor of the following paragraph:

(a) goods were destroyed by accident or lost by accident without going into consumption whilst in a bonded warehouse or place deemed to be a bonded warehouse in terms of subsection (6) of section *fifty-eight* or whilst in transit to a bonded warehouse or in transit for export in bond or export in bond as ship, aircraft or vehicle stores or when removed from a bonded warehouse in terms of subparagraph (i) of paragraph (a) of subsection (3) of section *fifty-eight*; and

(b) by the deletion of subsection (2) and the substitution therefor of the following subsection:

(2) The Commissioner-General shall remit the duty due upon goods which have been warehoused and which, with the consent of the Commissioner-General, are destroyed under customs supervision.

Insertion of  
new section  
68A

Failure to  
pay duty by  
importer or  
owner of  
warehoused  
goods

62. The principal Act is amended by the insertion immediately after section *sixty-eight* of the following new section:

68A. (1) Where the importer or owner of goods warehoused in a bonded warehouse is unable to pay the duty on the goods, such person may apply to the Commissioner-General to take over the goods.

(2) The Commissioner-General shall remit the duty due upon goods which have been warehoused and which, with the consent of the Commissioner-General, are destroyed under customs supervision.

(3) Any sale or disposal undertaken pursuant to this section shall be without compensation to any person or party who may either before or after such sale, claim a financial or other interest in such goods.

(b) may be imposed retrospectively.

(3) The dumping duty or countervailing duty levied pursuant to subsection (1) as determined by the Minister shall be at a rate—

(a) in the case of dumped goods, not exceeding the difference between the export price of the goods and their normal value; and

(b) in the case of subsidised goods, not exceeding the amount of subsidy on the goods.

(4) In determining the rate of duty under subsection (3), the Minister shall have regard to the desirability of ensuring that the amount of dumping or countervailing duty in respect of such goods is not greater than is necessary to prevent the material injury or a re-occurrence of the material injury to an industry or the material threat or retardation to the establishment of an industry, as the case may require.

(5) The Minister may, by statutory order revoke, in whole or in part, any such dumping or countervailing duty imposed under this section.

**75A.** (1) In determining, for the purposes of section *seventy-five*, whether or not any material injury to an industry has been or is being caused or threatened or whether or not the establishment of an industry has been or is being materially retarded by means of the dumping or the subsidising of goods exported or intended to be exported to Zambia from another country, the Minister shall examine—

Extent of  
injury

(a) the volume of the dumped or subsidised imports;

(b) the effect of the dumped or subsidised imports on prices in the Zambian market for like goods; and

(c) the consequent impact of the dumped or subsidised imports on the relevant Zambian industry.

(2) Without limiting the generality of subsection (1) the Minister shall have regard to the following matters—

(a) the extent to which there has been or is likely to be a significant increase in the volume of dumped or subsidised imports of the goods either in absolute terms or in relation to production or consumption in Zambia;

“ subsidised goods ” means—

(a) goods in respect of which the production, manufacture, growth, processing, purchase, distribution, transportation, sale, export or import is subsidised directly or indirectly, by the Government of a country other than Zambia as determined in accordance with the provisions of regulations made under this Act; and

(b) goods in respect of which the transportation has been or may be paid, granted, authorised, or otherwise provided, directly or indirectly, by any reduction or remission of freight.

Complaint  
against  
goods

75. (1) Where a complaint has been made and an investigation has been carried out, in accordance with regulations made under this Act and the Minister is satisfied in relation to the importation into Zambia of goods that—

(a) the goods have been or are being dumped or subsidised; and

(b) material injury to an industry has been or is being caused or is threatened or the establishment of an industry has been or is being materially threatened or the establishment of an industry has been or is being materially retarded as a result of the dumping or subsidy;

the Minister may by statutory order determine that—

(i) there shall be charged, collected and paid on demand by the Customs Division on those goods which are dumped, a dumping duty; and

(ii) there shall be charged, collected and paid on demand by the Customs Division on those goods which are subsidised, a countervailing duty.

(2) Subject to section *seventy-five C*, the duty under this section—

(a) shall apply to any goods entered for consumption on or after the date of notice under subsection (1); and

(6) Where provisional dumping duty is found on the completion of the investigation to have been incorrectly levied or levied at a higher rate than that subsequently found to be appropriate, such duty or part thereof shall be refunded to the importer.

75C. (1) Dumping and countervailing or provisional dumping or countervailing duties levied pursuant to section *seventy-five* or *seventy-five B*, as the case may be, shall only be applied to goods that are entered for consumption on or after the imposition of the duties by statutory order except as may be provided in this section.

Application  
of dumping  
and counter-  
vailing duty

(2) Where the Minister determines pursuant to section *seventy-five* that material injury has been or is being caused and that dumping or countervailing duty shall apply at a higher rate than any provisional duty that has been levied, the higher rate shall be applied retrospectively on and from the date on which the provisional duty was levied and such additional duty shall be charged, collected and paid on demand of the Customs Division.

(3) Where the Minister determines—

(a) in respect of dumped goods:

- (i) that there is a history of dumping causing material injury or that the importer was or is aware that the goods were dumped and that such dumping would cause injury; or
- (ii) that the material injury is caused by substantial dumped imports of a product in a relatively short period to such an extent that in order to prevent it recurring the Minister is of the opinion that it is necessary to levy a dumping duty retrospectively;

(b) in the case of subsidised goods, where the Minister determines that material injury is caused by substantial imports, in a relatively short period, of goods benefitting from export subsidies paid or bestowed inconsistently with the provisions of the General Agreement on Tariffs and Trade 1994 and the Agreements thereto relating to anti-dumping and countervailing measures, and for the purpose

- (b) the extent to which the effect of the dumped or subsidised imports is or is likely significantly to depress prices for the goods in Zambia or significantly prevent price increases for the goods which otherwise would have occurred; and
- (c) the economic impact of the dumped or subsidised imports on the industry including:
  - (i) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilisation of production capacity;
  - (ii) factors affecting domestic prices; and
  - (iii) actual and potential effects on cash flow, inventories, employment, wages, growth, ability to raise capital and investments.

Provisional  
dumping or  
counter-  
vailing duty

**75B.** (1) Where a complaint has been made in accordance with regulations made under this Act and the Minister is satisfied that a dumping or countervailing investigation shall be undertaken, the Minister may, by statutory order, impose a provisional dumping or countervailing duty that shall, subject to the provisions of section *seventy-five C*, have effect on any such goods entered for consumption on or after the date of such notice.

(2) In determining any provisional dumping or countervailing duty, the Minister shall have regard to the provisions of sections *seventy-five* and *seventy-five A* and to the likely final outcome of the investigation.

(3) Where provisional dumping or countervailing duty is imposed under section *seventy-five*, there shall be a full dumping and countervailing investigation carried out in accordance with regulations made under this Act.

(4) Provisional dumping and countervailing duty shall apply to any specified goods imported within a period of one hundred days from the date of notification unless such duty is sooner revoked by the Minister or such period is extended by statutory order.

(5) The period of application of any provisional dumping or countervailing duty shall not be extended beyond thirty days following the date on which it was due to cease.

67. The principal Act is amended by the repeal of section *seventy-eight*. Repeal of section 78
68. The principal Act is amended by the repeal of section *seventy-nine* and the substitution therefor of the following section: Repeal and replacement of section 79
79. (1) Subject to the provisions of subsection (2), the duties imposed under this Act shall be subject to all of the provisions of this Act, relative to agreements, suspensions, rebates, refunds, drawbacks, or remission of duty, or to the warehousing of goods. Duties payable subject to certain provisions
- (2) The provisions of this Act relative to agreements, suspensions, rebates, refunds, drawbacks or remissions of duty shall not apply to any dumping or countervailing duties imposed by the Minister pursuant to section *seventy-five* or *seventy-five B* unless such application is, in each case, specifically approved by the Minister by statutory instrument.
69. The principal Act is amended by the repeal of sections *eighty* and *eighty-four*. Repeal of sections 80 and 84
70. The principal Act is amended by the repeal of sections *eight-five*, *eighty-six*, *eighty-seven* and *eighty-eight* and the substitution therefor of the following sections: Repeal and replacement of sections 85 to 88
85. (1) Every person who makes entry of goods imported or to be imported shall, on making entry, assess the customs value of the goods determined in accordance with the Fifth Schedule of this Act. Importer to specify customs value on entry
- (2) Every importer or agent of an importer who makes an assessment pursuant to subsection (1) shall—
- (a) keep the documents, records and information in respect of that entry in such manner and for such period as is required by or under this Act; and
- (b) when required by the Customs Division, produce documents, records and information kept under paragraph (a) for the purpose of establishing the accuracy of the assessment.
86. (1) If the Commissioner-General is satisfied, that an assessment made under section *eighty-five* is— Amendment of valuation assessment
- (a) inconsistent with the Fifth Schedule to this Act; or

of precluding the recurrence of such material injury, the Minister imposes a countervailing duty retrospectively;

the Minister may levy dumping or countervailing duty, as the case may be, on goods which were entered for consumption not more than ninety days prior to the date of the notification of any provisional duty.

Provisional  
duty on  
imported  
goods

**75D.** Where the Minister is satisfied, in relation to the importation of goods into Zambia which have been produced or manufactured in another country, that—

(a) the goods are or have been dumped or subsidised; and

(b) material injury to a domestic industry of a third country has been or is being caused or threatened or the establishment of a domestic industry of a third country has been or is being materially retarded by the dumping or subsidy;

the Minister may, if requested by the Government of the third country so to do, by statutory order, declare that the provisions of this Act, shall, with necessary modification, apply with respect to the effect of those goods on a Zambian industry, and the Minister may, by statutory order, impose dumping or countervailing duty.

Powers on  
an inquiry on  
subsidised or  
dumped  
goods  
Cap. 41  
Cap. 41

**75E.** (1) The Commissioner-General or other person undertaking an inquiry relating to subsidised or dumped goods shall have the powers, rights, privileges and duties conferred or imposed on a Commissioner by the Inquiries Act.

(2) The provisions of the Inquiries Act shall apply to an inquiry held for the purpose of investigating a complaint against subsidised or dumped goods and to a person summoned to give evidence, or giving evidence at such inquiry.

Repeal and  
replacement  
of section  
76A

**66.** The principal Act is amended by the repeal of section *seventy-six A* and the substitution therefor of the following section:

Payment of  
excise duty  
on imported  
goods

**76A.** In respect of any imported goods that are of a kind or class subject to excise duties in terms of section *seventy-six* there shall, in addition to such other duties imposed by this Act or any other written law, be charged, levied collected and paid excise duties at the rates specified in the excise tariff.

- 88A.** The value for the purposes of assessing the amount of excise duty or surtax payable on goods manufactured in Zambia shall be determined in accordance with the Sixth Schedule to this Act. Assessment of excise duty and surtax on goods manufactured in Zambia
- 88B.** The value for customs purposes of goods exported from Zambia shall be the Free on Board value at the place of despatch or customs port of shipment. Valuation of exports
- 71.** Section *eighty-nine* of the principal Act is amended by the deletion of subsection (3) and the substitution therefor of the following subsection: Amendment of section 89
- (3) The Commissioner-General may make such rules as the Commissioner-General considers necessary for the effective administration of any regulations made pursuant to this section.
- 72.** Section *ninety-two* of the principal Act is amended— Amendment of section 92
- (a) by the deletion of subsection (2) and the substitution therefor of the following subsection:
- (2) Application for refund of duty overpaid shall be made to the Customs Division in the prescribed form; and
- (b) in subsection (4) by the deletion of the words, "an officer" and the substitution therefor of the words, "the Customs Division".
- 73.** The principal Act is amended by the repeal of sections *ninety-three* to *one hundred and one*, and the substitution therefor of the following sections: Repeal and replacement of sections 93 to 101
- 93.** (1) Subject to the provision of section *ninety-four*, *ninety-five* and *ninety-six*, no person shall manufacture on any premises any goods subject to excise duty or surtax or any potable liquid, other than honey beer, containing more than two per centum of alcohol by volume otherwise than in accordance with the conditions of a licence issued in accordance with this Act. Licence to manufacture goods liable to excise duty or surtax
- (2) A licence to distil spirits shall entitle the licensee to distil or produce all types of spirits and wine, and a licence to manufacture tobacco shall entitle the licensee to manufacture cigarettes, cigarette tobacco, pipe tobacco, cigars and snuff,

(b) for any other reason, incorrect;

the Commissioner-General may amend that assessment, and that amended assessment shall be the customs value for the purpose of this Act.

(2) The Commissioner-General shall give notice in writing to the importer of—

(a) an amended assessment made pursuant to subsection (1); and

(b) the basis for the amended assessment, and where applicable, the provisions of the Fifth Schedule to this Act that are relevant to the amended assessment.

(3) Subsection (1) of this section applies whether or not any duty assessed has been paid.

(4) An importer who is dissatisfied with a decision of the Commissioner-General under this section may, within twenty days after the date on which notice of the decision is given, appeal to the Revenue Appeals Tribunal against that decision.

Foreign  
currency to  
be converted  
into  
Zambian  
currency

87. (1) Where an amount that is required under this Act to be taken into account for the purpose of assessing duty or for any other purpose is not in Zambian currency, the amount to be so taken into account shall be the equivalent amount in Zambian currency in accordance with a rate of exchange determined by the Commissioner-General.

(2) Where an amount is required to be converted into Zambian currency pursuant to subsection (1), the amount shall be converted—

(a) in the case of goods in respect of which an entry shall be made, at the rate applying as at the date of importation or the date of making of the first entry for those goods, whichever is the later date;

(b) in the case of other goods, at the rate applying as at the date of the first assessment of duty on those goods.

Assessment  
of excise  
duty due on  
importation

88. The value for the purposes of assessing the amount of excise duty due on goods imported into Zambia shall be the customs value determined in accordance with the Fifth Schedule to this Act and any customs duty payable on those goods.

but not for sale or disposal for profit the following goods without a licence and without the payment of duty—

- (a) cigarettes;
- (b) pipe tobacco;
- (c) cigarette tobacco; and
- (d) cigars.

(2) If a person who is authorised by the Commissioner-General in terms of subsection (1) to manufacture goods referred to in that subsection fails to comply with the provisions of any rules made thereto, the Commissioner-General may cancel forthwith the authority to so manufacture.

(3) Where an authority is cancelled pursuant to the provisions of subsection (2) of this section any goods so manufactured shall be deemed to be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of sections *two hundred and three* to *two hundred and five* of this Act.

(4) Any person authorised by the Commissioner-General in terms of subsection (1) to manufacture the goods referred to in that subsection who sells or disposes of such goods otherwise than in accordance with rules made by the Commissioner-General shall be guilty of an offence.

Power of  
Commissioner-  
General to  
authorise  
manufacture  
of certain  
goods

96. (1) Notwithstanding anything to the contrary contained in this Act, any person other than a person licensed under this Act to manufacture beer of any kind may, in premises other than in any premises licensed under this Act, manufacture for that person's personal or domestic use but not for sale or disposal to any other person, an amount of opaque beer being not more than twenty-three decalitres in volume in any period of four consecutive days.

(2) The licensing requirements of section *ninety-three* shall not apply in respect of opaque beer manufactured in accordance with subsection (1) and the beer manufactured, consumed or disposed of in terms of that subsection shall not be liable to duty.

(3) Nothing in this section shall be deemed to affect the operation of any provision in any other law relating to the manufacture, sale or consumption of any beer referred to in subsection (1).

and a licence to manufacture hydrocarbon oils, shall entitle the licensee to manufacture, produce or treat all by-products of hydrocarbon oils, but in every other case where more than one of the commodities set out in the excise tariff or the surtax tariff are manufactured, mixed, brewed, distilled or produced on any premises, separate licences shall be required in respect of each commodity.

(3) Any person who contravenes any provision of this section shall be guilty of an offence and, in addition to any other penalty which may be imposed, all goods subject to excise duty or surtax, whether or not such duty or surtax has been paid, and all machinery, utensils, and materials for the manufacture of such goods found in possession of that person or on premises not licensed in accordance with the provisions of this section, shall be liable to forfeiture.

Goods which  
may be  
manufac-  
tured  
without  
licence and  
without  
payment of  
duty

94. (1) Notwithstanding anything to the contrary contained in this Act, and subject to the provisions of this section, any person may manufacture or produce without a licence and without payment of duty for the personal or domestic use of that person, but not for sale or disposal for profit to any other person, the following goods—

- (a) fermented liquor, other than opaque beer, containing not more than two per centum of alcohol by volume; and
- (b) tobacco in the form of cigars, cigarettes, pipe tobacco or snuff when made from manufactured tobacco on which duty has been paid or from roll tobacco.

(2) Any person who sells or disposes of for profit goods manufactured in terms of subsection (1) shall be guilty of an offence.

(3) Nothing in this section shall be deemed to affect the operation of any provision of any law relating to the manufacture, sale or consumption of any goods referred to in subsection (1).

Authority to  
manufacture  
goods  
without  
licence and  
without  
payment of  
duty

95. (1) Notwithstanding anything to the contrary contained in this Act, the Commissioner-General may, subject to the provisions of this section and any rules made thereunder, authorise a person to manufacture for experimental purposes

(6) A licence under this section shall expire on the 31st December in respect of the year in which the licence was issued and may be renewed by the Commissioner-General.

98. (1) If a licensed manufacturer fails to comply with any terms or conditions of the licence or provision of this Act or regulations or rules made thereunder or with any instruction made or given by the Commissioner-General in connection with the administration of this Act, the Commissioner-General may suspend or revoke the licence or refuse to renew it.

Refusal or  
suspension  
of licence

(2) For the purposes of this section any action taken, or as the case may be not taken, by a manager, employee or other representative of the licensed manufacturer, shall be deemed to have been taken or not taken by the licensed manufacturer.

(3) Where a manufacturer's licence is revoked by the Commissioner-General or is not renewed, all duty on all goods manufactured, sold or otherwise disposed of, not having already been paid to the customs shall be deemed to be due and payable at the time when notification of the revocation or non-renewal is issued by the Commissioner-General and such goods shall be entered and duty paid within ten days of that time unless the goods are sooner removed for export or warehousing in accordance with this Act.

(4) Goods to which subsection (3) applies that are not entered or cleared in accordance with the provisions of that section shall be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of sections *two hundred and three* to *two hundred and five*.

(5) Any sale or disposal undertaken pursuant to subsection (4) shall be so undertaken without compensation to any person or party who may either before or after such sale, claim a financial or other interest in such goods.

(6) Nothing contained in this section shall be deemed to deprive the Republic of any right it may have against the property or estate of the manufacturer or those of its sureties in respect of any duty which may remain unpaid after such sale or disposal, and the sale or disposal shall not relieve the manufacturer of liability to prosecution under this Act.

99. An applicant for a manufacturer's licence or for renewal of a manufacturer's licence who has been refused

Appeals

(4) Any person otherwise exempt from licensing and the payment of surtax pursuant to the provisions of this section who manufactures more than the amount permitted in the specified time or who manufactures such opaque beer in premises licensed under this Act or who sells or disposes of such opaque beer contrary to the provisions of this section shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding five thousand penalty units.

Licensing  
of manufac-  
turers

**97.** (1) On receipt of an application in the prescribed form, the Commissioner-General may licence, subject to such terms and conditions as the Commissioner-General may impose, persons to be licensed manufacturers of goods subject to excise duty or surtax, at specified premises.

(2) An applicant for a licence shall furnish information as to—

- (a) the nature of the goods which that person proposes to manufacture;
- (b) the process of manufacture that are intended;
- (c) the premises at which and the machinery and equipment with which the goods are to be manufactured;
- (d) the business, its shareholding, assets, related businesses and accounting practices; and
- (e) such other matters as the Commissioner-General may require.

(3) Without limiting the authority on the Commissioner-General by subsection (1), the Commissioner-General may make the issue, continuation or reissue of any manufacturer's licence conditional on the provision of such security by bond or guarantee or similar undertakings as will in the Commissioner-General's opinion ensure that such duty as might from time to time be due and unpaid on any goods manufactured by the licensed manufacturer shall be secured to the Republic.

(4) The Commissioner-General may at any time require that the form or amount of security required under subsection (1) be altered as the Commissioner-General may determine.

(5) Manufacturers licences shall be subject to an annual licence fee as may be prescribed under this Act.

(b) submit in such form and manner as may be required or permitted under the terms and conditions of the licence and otherwise by any regulations or rules made under this Act, a return of all manufacturing and business activity undertaken in the preceding month and a duly completed entry in the prescribed form accounting for all goods, not already accounted for in bond or other entry, that have been removed from the licensed premises or otherwise disposed of during that month.

(2) Where in any return made pursuant to this section, it is claimed that goods, on which excise duty or surtax has been paid, have been used as inputs in the manufacture of goods that are themselves subject to excise duty or surtax and the Commissioner-General is satisfied that the claim is correctly made and supported by auditable management processes and records, the Commissioner-General may allow the duty or surtax so paid to be deducted from the duty or surtax due in that return.

(3) The return and entry required under this section shall be submitted on or before the twentieth day of the month following that month to which the return relates and shall be accompanied by a bank certified cheque for the amount of duty and or surtax payable.

(4) Except as provided under this Act or in regulations or rules made thereunder, excise duty or surtax shall not be payable on goods manufactured or partially manufactured in licensed premises that are before sale or disposal used on those premises as inputs in the manufacture of products that are themselves subject to excise duty or surtax.

(5) A manufacturer licensed under this Act who fails to lodge a return within the time allowed by or under this Act shall pay additional duty consisting of—

(a) one thousand penalty units; and

(b) an additional one hundred penalty units for each day the return is not lodged.

(6) Where a return has not been lodged within the time allowed by or under this Act the Commissioner-General may assess the amount of duty that is due and may by written notice require payment of that assessment.

such licence, or renewal of licence, shall have the right of appeal against such refusal to the Minister.

Surrender of licence

**100.** Where the business of a licensed manufacturer is sold or a licensed manufacturer wishes to relocate operations to new premises the licence shall be deemed to have been surrendered as at the date of sale or relocation unless the prior approval of the Commissioner-General has been obtained and all terms and conditions required by the Commissioner-General have been met to the satisfaction of the Commissioner-General.

Authorised premises

**101.** No manufacturer shall without the written permission of the Commissioner-General conduct or allow to be conducted any business on premises licensed in terms of section *ninety-seven* other than the business for which the licence was issued.

Repeal of sections 102 to 107

**74.** The principal Act is amended by the repeal of sections *one hundred and two* to *one hundred and seven*.

Repeal and replacement of section 108

**75.** The principal Act is amended by the repeal of section *one hundred and eight* and the substitution therefor of the following section:

Duties of licensed manufacturer

**108.** (1) Every manufacturer licensed under this Act shall—

(a) maintain in such form and manner as may be required under the terms and conditions of the licence and otherwise by any regulations or rules made under this Act, a record of—

- (i) all goods received into the licensed premises;
- (ii) all goods manufactured or produced on the licensed premises;
- (iii) all goods removed from the licensed premises;
- (iv) all goods consumed, lost, or otherwise disposed of during any process of manufacture or production;
- (v) all stock on hand including input stock and products whether or not fully or partially manufactured or produced;
- (vi) all excise duty or surtax paid or payable;

80. Section *one hundred and fourteen* of the principal Act is amended in subsection (1) by the deletion of the words, " proper officer " and the substitution therefor of the words, " Commissioner-General ".
- Amendment of section 114
81. Section *one hundred and fifteen* of the principal Act is amended in subsection (2)—
- Amendment of section 115
- (a) by the deletion of the word, " premises "; and
- (b) in paragraph (b) by the deletion of the word, " regulations " and the substitution therefor of the words, " this Act and any regulations or rules made thereunder ".
82. The principal Act is amended by the repeal of section *one hundred and seventeen* and the substitution therefor of the following section:
- Repeal and replacement of section 117
117. The manufacturer licensed under this Act shall, at any premises that are specified in the manufacturer's licence, provide and maintain, without charge, such accommodation and facilities as the Commissioner-General may determine to be reasonably necessary and suitable for the purposes of carrying out the functions and responsibilities of the Customs Division at that place.
- Obligations of manufacturers of goods liable to excise duty or surtax
83. Section *one hundred and eighteen* of the principal Act is amended in subsection (1) by the deletion of the words, " proper officer " and the substitution therefor of the word, " Customs Division ".
- Amendment of section 118
84. Section *one hundred and nineteen* of the principal Act is amended—
- Amendment of section 119
- (a) by the deletion of subsection (1) and the substitution therefor of the following subsection:
- (1) If on any licensed premises any metre, rod, lock, key or fitting is tampered with or damaged, or if any pipe, cock, fastening or fitting connected with a safe, receiver, or charger is pierced or damaged, the licensee shall forthwith repair or renew the article in question to the satisfaction of the Customs Division and if such repair or renewal is not undertaken forthwith an officer may effect such repair or renewal or cause such repair or renewal to be effected by a third party at the expense of the licensee;

(7) Where the Commissioner-General has reason to believe that any excise duty or surtax due or to be due under this Act may not be paid within the time allowed by or under this Act the Commissioner-General may assess the amount of duty involved and may by notice in writing to the licensed manufacturer require payment forthwith of that assessment.

(8) Any assessment made by the Commissioner-General under subsection (6) or (7) shall be deemed to be a correct assessment for the purposes of section *one hundred and seventy*.

(9) Duty assessed by the Commissioner-General pursuant to subsection (6) or (7) shall be due and payable on or within five days following the issue of the notice thereof.

(10) Where a manufacturer licensed under this Act fails to make payment as required under subsection (9) the manufacturer shall be guilty of an offence and shall be liable, upon conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a term not exceeding twelve months, or to both.

Repeal and  
replacement  
of section  
109

**76.** The principal Act is amended by the repeal of section *one hundred and nine* and the substitution therefor of the following section:

Records to  
be kept on  
licensed  
premises

**109.** The records maintained pursuant to section *one hundred and eight* shall be kept on the licensed premises, whether or not in electronic or written form and shall be made available to any officer at any time on request by an officer.

Repeal and  
replacement  
of section  
110  
Stocktaking

**77.** The principal Act is amended by the repeal of section *one hundred and ten* and substitution therefor of the following section:

**110.** An officer may, at any time, enter any part of any licensed premises and take stock of all goods and materials on hand.

Amendment  
of section  
112

**78.** Section *one hundred and twelve* of the principal Act is amended in subsection (2) by the deletion of the words, " subsection (5) " and the substitution therefor of the words, " subsection (6) ".

Amendment  
of section  
113

**79.** Section *one hundred and thirteen* of the principal Act is amended in subsection (1) by the deletion of the words, " section *ninety-three* " and the substitution therefor of the words, " section *ninety-seven* ".

and all stock sold or otherwise disposed on which excise duty or surtax has not been paid together with a bank certified cheque for the amount of excise duty and or surtax payable.

(2) If the return referred to subsection (1) is not made or excise duty or surtax is not remitted pursuant to subsection (1) the goods shall be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of section *two hundred and three to two hundred and five*.

(3) Any sale or disposal undertaken pursuant to subsection (4) shall be so undertaken without compensation to any person or party who may either before or after such sale, claim a financial or other interest in such goods.

(4) Nothing in section shall be deemed to deprive the Republic of any right it may have against the property or estate of the manufacturer or those of its sureties in respect of any duty which may remain unpaid after such sale or disposal, and the sale or disposal shall not relieve the manufacturer of liability to prosecution under this Act.

89. Section *one hundred and forty-four* of the principal Act is amended by the deletion of the words, "or in accordance with the regulations" and the substitution therefor of the words, "or otherwise than in accordance with this Act or any regulations or rules made thereunder.

Amendment  
of section  
144

90. Section *one hundred and forty-five* of the principal Act is amended—

Amendment  
of section  
145

(a) in subsection (1) by the deletion of the words, "or any goods in a pipeline"; and

(b) in subsection (2) by the insertion immediately after the words, "from a pipeline" of the words "or upon any inspection plate, hatch or access to such pipeline".

91. The principal Act is amended by the repeal of section *one hundred and forty-eight* and the substitution therefor of the following section:

Repeal and  
replacement  
of section  
148

148. (1) If any officer makes any collusive seizure, or delivers up, or makes any agreement to deliver up or not to seize any ship, aircraft, vehicle, goods, or other things liable to forfeiture under this Act or any other law relating to customs

Bribery,  
collusive,  
seizure or  
agreement  
not to seize

or excise, or take or receives any bribe, fee, recompense, gratuity or reward, whether pecuniary or of any other sort or description whatsoever, directly or indirectly, from any person for the neglect or non-performance of the officer's duty in any of these respects the officer shall be guilty of an offence.

(2) Any person who gives or promises to give or offers or procures to be given, any bribe, fee, recompense, gratuity, or reward, whether pecuniary or of any other sort or description whatsoever, or makes any collusive agreement with any such officer to induce that officer in any way to neglect the duty of the officer in any of these respects or to do anything in conflict with the duty, or to do, or conceal, or connive at anything whereby the provisions of this Act may be evaded, shall be guilty of an offence.

Amendment  
of section  
151

92. Section *one hundred and fifty-one* of the principal Act is amended by the deletion of paragraph (a) and the substitution therefor of the following paragraph:

(a) supplies the means or materials for, or assists in establishing or repairing, maintaining, or working any still or distilling apparatus used or to be used in the production or refining of alcohol other than within premises licensed under section *ninety-seven* of this Act.

Amendment  
of section  
153

93. Section *one hundred and fifty-three* of the principal Act is amended by the deletion of paragraphs (a) to (f) and the substitution therefor of the following paragraphs;

(a) fails to keep the records required or permitted pursuant to the provisions of section *one hundred and eight* or fails to produce the records when required by an officer to do so;

(b) fails to make in any such record any entry required to be made or fraudulently or with fraudulent intent, makes any entry in such records;

(c) erases, obliterates or otherwise deletes any entry made in such records;

(d) mutilates or tears therefrom any leaf or page of any book or other documentary record;

(e) as the manufacturer or through the agency or with the assistance of any other person destroys, conceals, or makes away with any such records or part thereof;

(f) refuses to allow an officer at any time to inspect such records or obstructs or hinders any officer in such inspection:

94. Section *one hundred and fifty-five* of the principal Act is amended in subsection (2) by the deletion of paragraph (d). Amendment of section 155

95. Section *one hundred and fifty-six* of the principal Act is amended by the deletion of the words, " or other document relating to that package " and the substitution therefor of the words, " or declaration or other document of clearance " . Amendment of section 156

96. Section *one hundred and fifty-seven* of the principal Act is amended in subsection (2) by the deletion of the words, "liable to excise duty or surtax, or the materials for making such goods " . Amendment of section 157

97. Section *one hundred and fifty-nine* of the principal Act is amended by the insertion immediately after the word, " removal " of the words, " or carriage " . Amendment of section 159

98. Section *one hundred and sixty-one* of the principal Act is amended by the deletion of the words, " removal from bond, or delivery from factory " and the substitution therefor of the words, " removal from a bonded warehouse or delivery from licensed premises " . Amendment of section 161

99. The principal Act is amended by the repeal of section *one hundred and sixty-two* and the substitution therefor of the following section: Repeal and replacement of section 162

162. (1) Subject to the provisions of subsection (3) an officer may seize any goods, including any ship, aircraft or vehicle, which the officer has reasonable grounds to believe are liable to seizure. Power of officer to seize goods

(2) In this section " liable to seizure ", in relation to goods, means goods that are—

(a) forfeited or liable to forfeiture under any provision of this Act or under any provision of any other law relating to customs or excise; or

(b) the subject matter of an offence under or a contravention of or a failure to comply with any provision:

(i) of any law, including this Act, relating to customs or excise;

(ii) of any law prohibiting, restricting or controlling the importation or exportation thereof;

notwithstanding the fact that no person has been convicted of such offence, contravention or failure.

(3) Seizure shall not be made in terms of subsection (1) where more than five years have elapsed since the goods first became liable to seizure:

Provided that goods imported in contravention of section *forty* or *forty-one* shall be liable to seizure at any time.

(4) All goods which have been seized in terms of subsection (1) shall be taken forthwith to and delivered into the custody of an officer at the custom house nearest to the place where they were seized or, in the event of their being of such nature that they cannot be removed to a place of security, the officer seizing them may declare them as having been seized in the place where the officer found them.

(5) If an officer has seized goods in terms of subsection (1) or has seized goods pursuant to the provisions of section *one hundred and fifty-eight*, the officer shall report the circumstances and grounds for seizure to the Commissioner-General.

(6) The Commissioner-General may—

- (a) order all or any of the goods to be released from seizure; or
- (b) if the articles could not be found or recovered, declare that the person from whom the goods would have been seized shall pay to the Customs Division an amount equal to the duty-paid value of such goods:

Provided that notice of any declaration made by the Commissioner-General in accordance with paragraph (b) shall be made in writing and shall be given in accordance with the provisions of subsection (8).

(7) Subject to the provisions of subsection (8), when goods are seized under this section the officer who seizes the goods shall, within ten days of such seizure, give to the person from whom the goods have been seized or the owner of the goods a notice in writing specifying the goods which have been seized and informing such person of the provisions of subsec-

tion (9).

(8) Notice in terms of subsection (7) shall be deemed to have been duly given to the person concerned—

- (a) if delivered to that person personally;
- (b) if addressed to that person and left at, or forwarded by post to that person's usual or last known place of abode or business; or
- (c) where the person is unknown or has no address within Zambia or has no known address, by publication of notice of seizure in the *Gazette*.

(9) The person from whom the goods have been seized or the owner of the goods or the person required to pay such amount as determined by the Commissioner-General pursuant to subsection (6) may, within three months of the notice being given or published under subsection (8), institute proceedings—

- (a) against seizure on the grounds that it was unlawfully made; or
- (b) against the declaration made by the Commissioner-General pursuant to subsection (6) on the grounds that such declaration was unlawfully made.

(10) If proceedings are not instituted under subsection (9) in respect of any goods seized under this section, the goods shall be forfeited and may be sold or disposed of by the Commissioner-General in accordance with the provisions of sections *two hundred and three to two hundred and five*.

(11) Any sale or disposal undertaken pursuant to subsection (10) shall be undertaken without compensation to any person or party who may, either before or after such sale or disposal, claim a financial or other interest in such goods.

(12) If proceedings are not instituted in terms of subsection (9) in respect of any sum determined by the Commissioner-General pursuant to subsection (6), the amount so determined shall be deemed to be due and payable at that date and all provisions of this Act relevant to the recovery of unpaid duty shall apply to that sum as if it were unpaid duty.

(13) For the avoidance of doubt it is hereby declared that any action taken in terms of this section shall not—

- (a) prevent the institution of criminal proceedings against

a person from whom goods have or would have been seized;

(b) prevent the imposition of a fine in terms of section *one hundred and sixty-eight*.

(c) affect the liability for the payment of duty in respect of goods seized and dealt with in terms of this section; or

(d) entitle any person to claim a refund of duty paid in respect of goods seized and dealt with in terms of this section.

Repeal and  
replacement  
of section  
163

**100.** The principal Act is amended by the repeal of section *one hundred and sixty-three* and the substitution thereof of the following section:

Power of  
Commissioner-  
General to  
release  
goods seized

**163.** (1) Where, pursuant to the provisions of section *one hundred and sixty-two*, any goods have been seized, the Commissioner-General may at any time before such goods are forfeited, deliver the goods to the owner or other person from whom they were seized, on the deposit with the Customs Division of a sum equal—

(a) in the case of imported goods, to the customs value of the goods; or

(b) in the case of goods manufactured in licensed premises to the value as determined in accordance with the Sixth Schedule;

together with any duty to which the goods may be liable as determined by the Commissioner-General.

(2) The money deposited shall be deemed to be substituted for the goods seized and all the provisions of this Act in so far as they are applicable shall extend and apply to the money accordingly.

Repeal and  
replacement  
of section  
168

**101.** The principal Act is amended by the repeal of section *one hundred and sixty-eight* and the substitution thereof of the following section:

Imposition  
of fine by  
Commissioner-  
General

**168.** (1) If a person alleged to be an offender under this Act admits in writing to the offence and agrees to pay the fine which the Commissioner-General may impose, not exceeding the maximum fine for the offence in question, as the Commissioner-General considers just in the circumstances of the case, in full

satisfaction of any fine or other penalty to which the person would otherwise be liable under this Act:

Provided that, if criminal proceedings have been instigated against the alleged offender for such offence the power conferred by this section shall not be exercised without the written consent of the Director of Public Prosecutions.

(2) The Commissioner-General may determine by written notice a due date for the payment of the sum referred to in subsection (1) in whole or by instalment.

(3) Any fine imposed pursuant to this section is a debt due to the Republic and shall, if not paid in accordance with the provisions of subsection (2) be recoverable at the suit of the Commissioner-General, or any officer authorised by that person, in any court of competent jurisdiction.

(4) If the Commissioner-General accepts any sum pursuant to this section such acceptance shall be treated as a conviction for a criminal offence and the offender shall not be liable to be prosecuted for the offence in respect of which the payment was made.

(5) Nothing in this section shall in any way affect the provisions of this Act in relation to liability for the payment of duty or the seizure and forfeiture of any goods.

(6) Where the Commissioner-General does not exercise the power under subsection (1), the admission in writing made by the offender shall not be admissible as evidence in any prosecution for that offence.

102. Section *one hundred and seventy* of the principal Act is amended—

Amendment  
of section  
170

(a) by the deletion of subsection (1) and the substitution therefor of the following subsection:

(1) The correct amount of duty payable in respect of any goods shall, from the time when it is due, constitute a debt due to the Government by the person concerned, and shall, at any time after it becomes due, be recoverable in a court of competent jurisdiction by proceedings in the name of the Commissioner-General, and—

(a) any goods in a bonded warehouse or in licensed premises or imported but not yet

entered or cleared through the Customs Division and belonging to that person; and

(b) any goods afterwards imported, manufactured or entered for export by the person from whom the duty is due;

shall, while under the control of the Customs Division, be subject to a lien for such debt and may be detained by the Customs Division until such debt is paid, and the claims of the Government shall have priority over the claims of all persons upon the said goods of whatever nature.; and

(b) by the deletion of subsections (3), (4) and (5).

Amendment  
of section  
170A

**103.** Section *one hundred and seventy A* of the principal Act is amended—

(a) by the deletion of subsection (1) and the substitution therefor of the subsection:

(1) Where any duty, fine or interest on any duty or fine due from a manufacturer or importer remains unpaid, an officer may, under warrant by the Commissioner-General, levy distress upon the goods and chattels of the manufacturer or importer;

(b) in subsection (4) by the deletion of the words, "be sold by public auction" and the substitution therefor of the words, "be forfeited and may be sold by the Commissioner-General in accordance with the provisions of section *two hundred and three*;

(c) by the deletion of subsections (5) and (6) and the substitution therefor of the following subsections:

(5) Any sale or disposal undertaken pursuant to subsection (4) shall be so undertaken without compensation to any person or party who may, either before or after such sale, claim a financial or other interest in such goods.

(6) Where distress has been levied on any goods or chattels and such goods or chattels, or any one or part of them, are removed or taken away by the owner or

any other person in an attempt to avoid or prevent the distraining of such goods, the owner or other such person shall be guilty of an offence and shall be liable on conviction, to a fine not exceeding ten thousand penalty units or three times the value of the goods and chattels so removed or taken away whichever is the greater, or to imprisonment for a term not exceeding twelve months or, to both.

**104.** The principal Act is amended by the repeal of section *one hundred and seventy-one* and the substitution therefor of the following section:

Repeal and replacement of section 171

**171.** (1) Where any amount of duty or fine remains unpaid after the day on which it became due for payment under this Act, the person liable to pay that duty or fine shall pay an amount in additional duty or fine consisting of—

Interest to be paid for late payment

(a) five thousand penalty units; and

(b) five hundred penalty units or interest on the unpaid sum calculated daily at the per annum rate advised by the Bank of Zambia for each day that the duty or fine thereafter remains unpaid, whichever is the greater.

(2) Notwithstanding any other provision of this Act, the Commissioner-General may, where duty is found to be owing to the Republic after clearance of goods from customs control, whether or not as a result of customs investigation or voluntary disclosure, determine by notice in writing, issued to the importer or owner of those goods, a due date for payment of that duty or due dates for the payment by instalment of that duty provided that where any amount of such duty remains unpaid after the day on which it becomes due for payment under this provisions of the subsection, the person liable to pay that duty shall pay an amount of additional duty consisting of—

(a) five thousand penalty units; and

(b) five hundred penalty units or interest on the unpaid sum calculated daily at the per-annum rate advised by the Bank of Zambia for each day that duty thereafter remains unpaid, whichever is the greater.

(3) Any additional duty, or fine or interest due under this section shall be a debt due to the Republic and shall, if not paid forthwith be recoverable at the suit of the Commissioner-General, or any officer in any court of competent jurisdiction.

(4) The Commissioner-General may remit the whole or part of any additional duty payable under subsections (1) and (2).

Repeal and  
replacement  
of section  
171A

**105.** The principal Act is amended by the repeal of section *one hundred and seventy-one A* and the substitution therefor of the following section:

Attachment  
of debts

**171A.** (1) Where any duty or fine, or interest on any duty or fine, due from any importer or manufacturer remains unpaid, the Commissioner-General may, by notice in writing, require any other person—

(a) from whom any money is due, or is accruing or may become due, to that importer or manufacturer;

(b) who holds, or may subsequently hold, money on account of some other person for or on account of, or of payment to, that importer or manufacturer; or

(c) having authority from any person to pay money to that importer or manufacturer;

to pay that money, or so much as is sufficient to discharge the sum of any duty, fine and interest due from that importer or manufacturer, in the manner directed by the Commissioner-General as and when, but for the notice, be or become payable to that importer or manufacturer.

(2) Upon the issuance of a notice under this section, the money referred to in subsection (1), to the extent necessary to discharge the sum of duty, fine and interest due from the importer or manufacturer, shall be a debt due to the Republic and shall if not paid in accordance with subsection (1) be recoverable at the suit of the Commissioner-General, or any officer in any court of competent jurisdiction.

(3) A person to whom a notice under subsection (1) has been issued who fails to comply with such notice shall be guilty of an offence and shall be liable on conviction, to a fine not exceeding five thousand penalty units or ten percentum of the amount demanded by the notice, whichever is the greater.

- 106.** Section *one hundred and seventy-three* of the principal Act is amended—
- Amendment  
of section  
173
- (a) by the deletion of subsection (1) and the substitution therefor of the following subsection—
- (1) When any goods are detained or seized under the provisions of this Act, and any question arises as to whether the duties have been paid on the goods, or whether the goods have been lawfully imported or lawfully laden or are being lawfully exported, the burden of proof of affirmative of these facts shall be on the person owning or claiming such goods; and
- (b) in subsection (3) by the deletion of the words, “ or prosecution ”.
- 107.** Section *one hundred and seventy-nine* of the principal Act is amended—
- Amendment  
of section  
179
- (a) in subsection (1) by the deletion of the word, “ bond ” and the substitution therefor of the words, “ bond, guarantee or similar undertaking ”; and
- (b) in subsection (2) by the deletion of the word, “ bond ” and the substitution therefor of the words, “ bond, guarantee or similar undertaking ”.
- 108.** Section *one hundred and eighty* of the principal Act is amended by the deletion of subsections (1) and (2).
- Amendment  
of section  
180
- 109.** Section *one hundred and eighty-one* of the principal Act is amended by the deletion of the word, “ bond ” and the substitution therefor of the words, “ bond, guarantee or similar undertaking ”.
- Amendment  
of section  
181
- 110.** Section *one hundred and eighty-three* of the principal Act is amended in subsection (2) by the insertion immediately after the word, “ exporter ” of the words, “ licensed manufacturer, owner or operator of a bonded warehouse ”.
- Amendment  
of section  
183
- 111.** The principal Act is amended by the repeal of section *one hundred and eighty-six*.
- Repeal of  
section 186
- 112.** Section *one hundred and eighty-seven* of the principal Act is amended—
- Amendment  
of section  
187
- (a) in subsection (2) by the deletion of words, “ unpaid duties ” and the substitution therefor of the words, “ such duties as if they were unpaid ”;

(b) by the insertion immediately after subsection (3) of the following new subsection:

(4) Notwithstanding the provisions of subsection (2) the Commissioner-General may subject to such terms and conditions as the Commissioner-General may impose, remit all or part of such duties.

Amendment  
of section  
188

**113.** Section *one hundred and eighty-eight* of the principal Act is amended by the deletion of subsection (1) and the substitution therefor of the following subsection:

(1) Every person carrying on any business in Zambia which involves handling or dealing in goods which are imported or exported or which are subject to excise duty or surtax shall keep or cause to be kept in Zambia, in the English language, reasonable and complete records of all of that person's transactions. Every such person shall, if required at any time within a period of five years after the date of the importation, exportation, manufacture or purchase of any goods, produce the bills of lading, rail notes, invoices, and all other documents including electronic documents containing all particulars regarding those goods, and shall allow such books, accounts and documents including any electronic documents and or electronic record systems at all times within such period to be open for inspection by any officer.

Amendment  
of section  
189

**114.** Section *one hundred and eighty-nine* of the principal Act is amended by the deletion of the words, "proper officer" and the substitution therefor of the following words, "Customs Division".

Repeal of  
section 190

**115.** The principal Act is amended by the repeal of section *one hundred and ninety*.

Amendment  
of section  
191

**116.** Section *one hundred and ninety-one* of the principal Act is amended—

(a) in paragraph (a) by the deletion of the words, "other than surtax on cigarettes";

(b) by the deletion of paragraph (b) and the substitution therefor of the following paragraph:

(b) goods which have been manufactured in Zambia and are liable to excise duty or surtax, shall be liable to the rates of duty which are applicable

to those goods at the time when they are delivered from the place of manufacture for consumption or are used or otherwise disposed of by the manufacturer or in the case of such goods that are immediately after manufacture entered into a bonded warehouse, at the time that they are entered for consumption; and

(c) by the deletion of paragraph (c).

117. The principal Act is amended by the repeal of section *one hundred and ninety-two* and the substitution therefor of the following section: Repeal and replacement of section 192

192. When a new duty is imposed or the rate of an existing duty is increased in terms of an order made under the Taxation (Provisional Charging) Act, the actual payment of the new duty or increased duty may be deferred if the person responsible for payment of the duty and a surety approved by the Customs Division enter into a bond, guarantee or similar undertaking providing for the payment of the new duty or increased duty as soon as the new duty or increased duty has been enacted by Parliament. Circumstances in which payment of proposed duty may be deferred Cap. 364

118. The principal Act is amended by the repeal of section *one hundred and ninety-three*. Repeal of section 193

119. The principal Act is amended by the repeal of section *one hundred and ninety-four* and substitution therefor of the following section: Repeal and replacement of section 194

194. The Commissioner-General may issue, for the guidance and direction of officers, policies, procedures and instructions not inconsistent with this Act or any other written law, and any such policies, procedures and instructions shall be binding on officers. Policies and instructions by Commissioner-General

120. The principal Act is amended by the repeal of section *one hundred and ninety-five* and the substitution therefor of the following section: Repeal and replacement of section 195

195. (1) The Commissioner-General may, by notice in the *Gazette*, declare any building, premises or area in Zambia, to be a customs warehouse for the purposes of this Act and may in a like manner declare that any customs warehouse shall cease to be a customs warehouse. Customs warehouses

(2) Customs warehouses shall be available for such purposes and subject to such terms and conditions as may, in each particular case, be determined by the Commissioner-general, and the provisions of this Act relating to bonded warehouses shall, in so far as they are applicable to, and compatible with, such purposes, terms and conditions, apply to customs warehouses.

Amendment  
of section  
197

**121.** Section *one hundred and ninety-seven* of the principal Act is amended by the deletion of the words, "such provisions as may be prescribed" and the substitution therefor of the words, "the provisions of this Act and any regulations and rules made thereunder".

Amendment  
of section  
198

**122.** Section *one hundred and ninety-eight* of the principal Act is amended—

(a) in paragraph (a) of subsection (2) by the deletion of the words, "transit sheds or";

(b) by the deletion of paragraph (e) and the substitution therefor of the following paragraph:

(e) the manner in which complaints in respect of subsidised imports or the dumping of goods shall be made and investigated;

(c) by the deletion of paragraph (f);

(d) in paragraph (h) by the deletion of the words, "by reference to the British Pharmacopoea, the specifications of the British Standards Institution and the like";

(e) by the deletion of paragraph (i) and the substitution therefor of the following paragraph:

(i) prescribing the fees which shall be paid—

(i) in respect of each licence issued or renewed in terms of this Act;

(ii) in respect of any correction to a bill of entry that is required to be made subsequent to the lodgement of such entry with the Customs Division;

(iii) in respect of any dumping or countervailing complaint made in terms of section *seventy-five B* of this Act;

(iv) on the entry of goods for consumption, warehousing, re-warehousing or removal from warehouse or exportation;

(v) in respect of each certificate of origin issued by the Customs Division following an application therefor;

(f) by the deletion of subsection (4); and

(g) in subsection (5) by the deletion of the words, " sections *thirty-four* and *thirty-five*" and the substitution thereof of the words, " section *thirty-four* ".

123. The principal Act is amended by the repeal of section *one hundred and ninety-nine* and the substitution thereof of the following section:

Repeal and  
replacement  
of section  
199

199. (1) The Minister may by regulation or statutory order determine—

Orders

(a) the working hours of the Customs Division either generally or at any particular place or places and the fees which shall be payable by any person in respect of whom or in respect of whose business the attendance of any customs officer is, in the opinion of the Commissioner-General, necessary at any time outside of those hours;

(b) the fees which shall be payable by any person in respect of whom or in respect of whose business the attendance of any customs officer is, in the opinion of the Commissioner-General, required at any time at a remote location.

(2) For the purposes of this section a " remote location " shall be any location that is not within ten kilometres of a port or customs aerodrome or custom house.

124. The principal Act is amended by the repeal of section *two hundred* and the substitution thereof of the following section:

Repeal and  
replacement  
of section 200

200. (1) The Commissioner-General may make rules not inconsistent with this Act or any other law in respect of any matter where this Act provides that such matter is to be dealt with in accordance with rules made by the Commissioner-General.

Rules

(2) Where any rule is made the Commissioner-General shall arrange for the publication in the *Gazette* of a notice advising that the rule has been made and the place or places where copies of such a rule are available for inspection free of charge or for purchase at a fee to be determined by the Commissioner-General.

(3) Every rule made shall come into effect on the fifth day following notification pursuant to subsection (3) or on such later date as advised in that notification.

(4) Every rule made pursuant to this section shall have the force and effect of a regulation made under this Act.

Amendment  
of section  
201

**125.** Section *two hundred and one* of the principal Act is amended by the deletion of the words, " with the approval of the Minister ".

Repeal of  
Part XIV

**126.** The principal Act is amended by the repeal of " Part XIV TARIFF APPEALS " and the substitution therefor of the following new Part:

#### PART XIV

##### MISCELLANEOUS

Disposal of  
goods by  
Commis-  
sioner-  
General

**203.** (1) Subject to the provisions of sections *two hundred and four* and *two hundred and five*, where the Commissioner-General is empowered under the Act to sell or dispose of any goods, the Commissioner-General shall endeavour to sell such goods—

(a) by tender; or

(b) by auction.

(2) No bid or tender shall necessarily be accepted, and the goods may be re-offered until sold at a price satisfactory to the Commissioner-General.

(3) The Commissioner-General or any officer may act as an auctioneer in the sale of goods without being licensed or otherwise authorised in that behalf.

(4) Notwithstanding subsection (1), the Commissioner-General may, in the case of perishable or dangerous goods or goods unsuitable for storage, accept such offer for purchase as may be made if the Commissioner-General is satisfied with the amount offered.

Goods to be  
donated by  
Commissioner-  
General

**204.** Notwithstanding the provisions of section *two hundred and three* where the sale of such goods in the opinion of the Commissioner-General may be inappropriate because of the sale price obtainable or the effect of such sale on local manufacture or for any other reason the Commissioner-General may donate the goods to a charitable institution

within Zambia for the purpose of use not involving sale or may order the goods destroyed under supervision.

205. (1) The proceeds of any sale made pursuant to section *two hundred and three* are to be dispersed in the following manner and order of priority—

Proceeds of sale

- (a) in payment of any costs and expenses incurred by the Customs Division in the storage or sale of the goods;
- (b) in payment of any duty that may be owing in respect of the goods;
- (c) in payment of any unpaid fines or interest on duty or fines if unpaid;
- (d) in payment of customs area or bonded warehouse charges; and
- (e) in payment of any freight costs due in respect of the goods if written notice claiming such freight costs has been given to the Commissioner-General.

(2) The residue of any proceeds shall be paid to the person, appearing to the Commissioner-General, to be entitled thereto.

(3) Where no entry has been made in respect of the goods to which this section applies, the Commissioner-General may, when assessing the duty that may be owing for the purposes of paragraph (b) of subsection (1), value the goods at the price for which they are sold and shall not be required to assess the goods for duty in accordance with the Fifth Schedule.

127. (1) In this section, " Schedules commencement date " means the 1st January, 2000.

Savings and transitional provisions

(2) Any reference in this Act to customs value before the Schedules commencement date shall be construed to mean value for duty purposes as provided in Part IX.

128. The First Schedule to the principal Act is amended as set out in Appendix I to this Act.

Amendment of First Schedule

129. The Second Schedule to the principal Act is amended as set out in Appendix II to this Act.

Amendment of Second Schedule

130. The principal Act is amended by the repeal of the Third Schedule.

Repeal of Third Schedule

Insertion of  
Fifth  
Schedule

**131.** The principal Act is amended by the insertion after the Fourth Schedule of a new Fifth Schedule set out in Appendix III to this Act.

Insertion of  
Sixth  
Schedule

**132.** The principal Act is amended by the insertion after the Fifth Schedule of a new Sixth Schedule as set out in Appendix IV to this Act.

APPENDIX I

(Section 128)

Amendments to the First Schedule

CUSTOMS TARIFF

1. Paragraph (b) of Rule 3 of the General Rules for the interpretation of the Harmonized System is deleted and the following is substituted therefor—

(b) Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to paragraph (a) shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable.

2. Chapter 2 is amended by the deletion of the subheading Nos 0206.80.00 and 0206.90.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
0206.80.10	- Other, fresh or chilled: --- Of sheep or goats	kg	25%	
0206.80.90	---Other	kg	25%	
0206.90.10	- Other, frozen: --- Of sheep or goats	kg	25%	
0206.90.90	--- Other	kg	25%	

3. Chapter 4 is amended—

(a) by the deletion of subheading No. 0402.21.30 and the substitution therefor of the following new subheading:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
0402.21.30	---Powdered milk, when imported in bulk for further processing of Ultra Heat Treated (UHT) milk	kg	5%	

(b) by the deletion in the Duty Rate Column opposite to subheading Nos 0405.10.00, 0405.20.00 and 0405.90.00 of the figure "25%" and the substitution therefor of "25% or K850 per kg whichever is the greater".

4. Chapter 6 is amended—

(a) by the deletion in the Duty Rate Column opposite to subheading No. 0602.10.00 of the figure "25%" and the substitution therefor of the word "Free"; and

(b) by the deletion in the Duty Rate Column opposite to subheading Nos 0602.20.00, 0602.30.00, 0602.40.00 and 0602.90.00 of the figure "5%" and the substitution therefor of the word "Free".

5. Chapter 7 is amended by the deletion of heading No. 07.14 and the substitution thereof of the following new heading and subheadings:

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
<b>07.14</b>	<b>Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith.</b>			
	- Manioc (cassava):			
0714.10.10	--- Fresh or chilled	kg	25%	
0714.10.90	--- Other	kg	25%	
	- Sweet potatoes:			
0714.20.10	--- Fresh or chilled	kg	25%	
0714.20.90	--- Other	kg	25%	
	- Other:			
0714.90.10	--- Fresh or chilled	kg	25%	
0714.90.90	--- Other	kg	25%	

6. Chapter 8 is amended—

(a) by the deletion of heading Nos 08.01 to 08.05 and the substitution thereof of the following new headings and subheadings:

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
<b>08.01</b>	<b>Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled.</b>			
	- Coconuts:			
0801.11.00	-- Desiccated	kg	25%	
	-- Other:			
0801.19.10	--- Dried	kg	25%	
0801.19.90	--- Other	kg	25%	
	- Brazil nuts:			
	-- In shells:			
0801.21.10	--- Dried	kg	25%	
0801.21.90	--- Other	kg	25%	
	-- Shelled			
0801.22.10	--- Dried	kg	25%	
0801.22.90	--- Other	kg	25%	
	- Cashew nuts:			
	-- In shells:			
0801.31.10	---Dried	kg	25%	
0801.31.90	---Other	kg	25%	
	---Shelled:			
0801.32.10	---Dried	kg	25%	
0801.32.90	---Other	kg	25%	

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
<b>08.02</b>	<b>Other nuts, fresh or dried, whether or not shelled or peeled.</b>			
	-Almonds:			
	--In shells:			
0802.11.10	---Dried	kg	25%	
0802.11.90	---Other	kg	25%	
	--Shelled:			
0802.12.10	---Dried	kg	25%	
0802.12.90	---Other	kg	25%	
	- Hazelnuts or filberts ( <i>corylus spp.</i> ):			
	-- In shells:			
0802.21.10	---Dried	kg	25%	
0802.21.90	---Other	kg	25%	
	--Shelled:			
0802.22.10	---Dried	kg	25%	
0802.22.90	---Other	kg	25%	
	-Walnuts:			
	--In shells:			
0802.31.10	---Dried	kg	25%	
0802.31.90	---Other	kg	25%	
	--Shelled:			
0802.32.10	---Dried	kg	25%	
0802.32.90	---Other	kg	25%	
	-Chestnuts ( <i>castanea spp.</i> ):			
0802.40.10	---Dried	kg	25%	
0802.40.90	---Other	kg	25%	
	-Pistachios:			
0802.50.10	---Dried	kg	25%	
0802.50.10	---Other	kg	25%	
	-Other:			
0802.90.10	---Dried	kg	25%	
0802.90.90	---Other	kg	25%	
<b>08.03</b>	<b>Bananas, including plantains, fresh or dried.</b>			
08.03.00.10	---Fresh	kg	25%	
08.03.00.20	---Dried	kg	25%	
<b>08.04</b>	<b>Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens fresh or dried</b>			
	-Dates:			
0804.10.10	---Fresh	kg	25%	
0804.10.20	---Dried	kg	25%	
	-Figs:			
0804.20.10	---Fresh	kg	25%	
0804.20.10	---Dried	kg	25%	
	-Pineapples:			
0804.30.10	---Fresh	kg	25%	
0804.30.20	---Dried	kg	25%	
	-Avocados:			
0804.40.10	---Fresh	kg	25%	
0804.40.20	---Dried	kg	25%	
	-Guavas, mangoes and mangosteens:			
0804.50.10	---Fresh	kg	25%	
0804.50.20	---Dried	kg	25%	

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
08.05	Citrus fruit, fresh or dried			
	-Oranges:			
0805.10.10	---Fresh	kg	25%	
0805.10.20	---Dried	kg	25%	
	-Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids:			
0805.20.10	---Fresh	kg	25%	
0805.20.20	---Dried	kg	25%	
	-Lemons ( <i>citrus limon</i> , <i>citrus limonium</i> ) and limes ( <i>citrus aurantifolia</i> ):			
0805.30.10	---Fresh	kg	25%	
0805.30.20	---Dried	kg	25%	
	-Grapefruit:			
0805.40.10	---Fresh	kg	25%	
0805.40.20	---Dried	kg	25%	
	-Other:			
0805.90.10	---Fresh	kg	25%	
0805.90.20	---Dried	kg	25%	

(b) by the deletion of the Heading No. 08.14 and the subheading No. 0814.00.00 and the substitution thereof of the following new heading and subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
08.14	Peels of citrus fruit or melons (including watermelons) fresh, frozen, dried, or provisionally preserved in brine, in sulphur water or in other preservative solutions			
0814.00.10	---Fresh	kg	25%	
0814.00.90	---Other	kg	25%	

7. Chapter 11 is amended by the deletion in the Duty Rate Column opposite to subheading Nos. 1101.00.00 and 1202.10.00 of "25% or K500 per kg whichever is the greater" and the substitution thereof of "25% or K1.000 per kg whichever is the greater".

8. Chapter 15 is amended—

(a) by the deletion in subheading No. 1515.90.00 immediately following subheading No. 1515.11.00 and the substitution thereof of the new subheading No. 1515.19.00:

(b) by the deletion in the Duty Rate Column opposite to subheading Nos 1506.00.00, 1507.90.00, 1508.90.00, 1509.10.00, 1509.90.00, 1510.00.00, 1511.90.90, 1512.19.00, 1512.29.00, 1513.19.00, 1513.29.00, 1514.90.00, 1515.19.00, 1515.29.00, 1515.30.00, 1515.40.00, 1515.50.00, 1515.60.00, 1515.90.00, 1516.10.00, 1516.20.00 and 1518.00.00 of "25% or K350 per kg whichever is the greater" and the substitution thereof of "25% or K850 per kg whichever is the greater";

(c) by the deletion in the Duty Rate Column to subheading No. 1517.10.00 of the figure "15%" and the substitution thereof of "25% or K850 per kg whichever is the greater"; and

(d) by the deletion of subheading No. 1517.90.00 and the substitution thereof of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
1517.90.10	- Other ---for further processing into margarine	kg	15%	
1517.90.90	---Other	kg	*	

\*25% or K850 per kg whichever is the greater.

(e) by the deletion in the Duty Column opposite subheadings No. 1507.10.00, 1512.11.00 and 1512.21.00 of the figure "15%" and the substitution thereof of "5%";

9. Chapter 17 is amended by the deletion in the Duty Rate Column opposite to subheading No. 1704.90.00 of the figure "25%" and the substitution thereof of "25% or K2,000 per kg whichever is the greater".

(Item 10 Deleted)

11. Chapter 22 is amended—

(a) by the deletion of Heading Nos 2201 and 2202 and subheading Nos 2201.10.00, 2201.90.00, 2202.10.00, 2202.90.00 and the substitution thereof of the following headings and new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
22.01	<b>Water, including natural or artificial mineral waters and aerated waters, not containing added sugar or sweetening matter nor flavoured; ice and snow.</b>			
	-Mineral waters and aerated waters:			
2201.10.10	---Mineral waters, not aerated	litre	*	
2201.10.20	---Aerated waters	litre	*	
2201.90.00	-Other	litre.	*	
22.02	<b>Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading No. 20.09</b>			
	-Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured:			
2202.10.10	---Not aerated	litre	*	
2202.10.20	---Aerated	litre	*	
2202.90.00	-Other	litre	*	

\*25% or K650 per litre whichever is the greater

(b) by the deletion in the Duty Rate Column opposite to subheading No. 2203.00.90 of "25% or K400 per litre whichever is the greater" and the substitution thereof of "25% or K800 per litre whichever is the greater".

11A. Chapter 27 is amended by the deletion in the Duty Rate Column opposite to subheading No. 2712.20.00 of the figure "15%" and the substitution therefor of the figure "5%";

12. Chapter 28 is amended—

- (a) by the deletion in the Duty Rate Column opposite to subheading No. 2811.29.00 of the figure "15%" and the substitution therefor of the figure "5%"; and
- (b) by the deletion in the Duty Rate Column opposite to subheading Nos 2833.22.10 and 2833.30.10 of the figure "25%" and the substitution therefor of the word "Free";
- (c) by the deletion in the Duty Rate Column opposite to subheading Nos 2833.22.20 and 2833.30.20 of the figure "25%" and the substitution therefor of the figure "15%"; and
- (d) by the deletion in the Duty Rate Column opposite to subheading No. 2849.10.00 of the figure "15%" and the substitution therefor of the word "Free".

12A. Chapter 32 is amended by the deletion in the duty Rate Column opposite to subheading Nos 3211.00.00 and 3212.90.90 of the figure "15%" and the substitution therefor of the figure "5%";

13. Chapter 33 is amended by the deletion in the Duty Rate Column opposite to subheading No. 3302.90.20 of the figure "5%" and the substitution therefor of the figure "15%";

14. Chapter 34 is amended—

- (a) by the deletion of subheading Nos 3401.11.10, 3401.11.90, 3401.19.10 and 3401.20.00 and the substitution therefor of the following new headings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
3401.11.10	---Shaving soap	quintal	*	
3401.11.20	---Medicated soap	quintal	25%	
3401.11.90	---Other	quintal	*	
	--Other	quintal		
3401.19.10	---Medicated products	quintal	25%	
3401.19.90	---Other:	quintal	*	
	-Soap in other forms:			
3401.20.10	---Medicated	quintal	25%	
3401.20.90	---Other	quintal	*	

\*25% or K2.500 per kg whichever is the greater

- (b) by the deletion in the Duty Rate Column opposite to subheading Nos 3402.19.00 and 3402.20.00 of the figure "25%" and the substitution therefor of the figure "25% or K1.200 per kg whichever is the greater"; and
- (c) by the deletion in the Duty Rate Column opposite to subheading No. 3406.00.00 of the figure "25%" and the substitution therefor of the figure "25% or K2.000 per kg whichever is the greater".

15. Chapter 35 is amended—

- (a) by the deletion in the Duty Rate Column opposite subheading No. 3506.10.00 of the figure "15%" and the substitution of the figure "25%";
- (b) by the deletion of subheading No. 3506.91.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
	--Adhesives based on rubber or plastics (including artificial resins):			
3506.91.10	---When imported in bulk for use in Tyre retreading or remoulding	kg	5%	
3506.91.20	---Other	kg	25%	

(c) by the deletion in the Duty Rate Column opposite to subheading No. 3506.99.00 of the figure " 15% " and the substitution thereof of the figure " 25% ".

16. Chapter 36 is amended by the deletion of heading No. 36.03 and the substitution thereof of the following new heading and new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
36.03	Safety fuses; detonating fuses; percussion or detonating caps; igniters; electric detonators.			
3603.00.10	---Unassembled	No.	15%	
3603.00.90	---Other	No.	25%	

17. Chapter 38 is amended—

(a) by the deletion in the Duty Rate Column opposite to subheading Nos 3808.20.00, 3808.30.00, 3811.21 .00 and 3811.29.00 of the figure " 15% " and the substitution thereof of the figure " 5% ";

(b) by the deletion in the Duty Rate Column opposite to subheading No. 3817.20.00 of the figure " 15% " and the substitution thereof of the word " Free ".

17A. Chapter 39 is amended—

(a) by the deletion of heading No. 39.21 and substitution thereof of the following heading and new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
39.21	Other plates, sheets, film, foil and strip of plastic			
	-Cellular:			
	--Of polymers of styrene:			
3921.11.10	---Imitation leather	kg	25%	
3921.11.20	---For further processing into tarpaulins	kg	15%	
3921.11.90	---Other	kg	25%	
	--Of polymers of vinyl chloride:			
3921.12.10	---Imitation leather	kg	25%	
3921.12.20	---For further processing into tarpaulins	kg	15%	
3921.12.90	---Other	kg	25%	
	--Of polyurethane:			
3921.13.10	---Imitation leather	kg	25%	
3921.13.20	---For further processing into tarpaulins	kg	15%	
3921.13.90	---Other	kg	25%	
	--Of regenerated cellulose:			
3921.14.10	---Imitation leather	kg	25%	
3921.14.20	---For further processing into tarpaulins	kg	15%	
3921.14.90	---Other	kg	25%	
	--Of other plastic:			
3921.19.10	---Imitation leather	kg	25%	
3921.19.20	---For further processing into tarpaulins	kg	15%	
3921.19.90	---Other	kg	25%	
	-Other:			
3921.90.10	---Imitation leather	kg	25%	
3921.90.20	---For further processing into tarpaulins	kg	15%	
3921.90.90	---Other	kg	25%	

(b) by the deletion in the Duty Rate Column opposite subheading No. 3923.30.10 of the figure " 15% " and the substitution thereof of the figure " 5% ";

20. Chapter 51 is amended—

(a) by the deletion of subheading Nos 5102.11.00, 5102.19.00 and 5102.20.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
5102.11.00	- Fine animal hair:			
	--Of Kashmir goats	kg	15%	
5102.19.00	--Other	kg	15%	
5102.20.00	- Coarse animal hair	kg	15%	

(b) by the deletion of heading No. 51.05 and the substitution therefor of the following new heading and subheadings:

HS Code	Description	Statistical Unit of quantity	Duty rate	Remarks
<b>51.05</b>	<b>Wool and fine or coarse animal hair, carded or combed (including combed wool in fragments).</b>			
5105.10.00	-Carded wool	kg	15%	
	- Wool tops and other combed wool:			
5105.21.00	--Combed wool in fragments	kg	15%	
5105.29.00	--Other	kg	15%	
	-Fine animal hair, carded or combed:			
5105.31.00	--Of Kashmir goats	kg	15%	
5105.39.00	--Other	kg	15%	
5105.40.00	-Coarse animal hair, carded or combed	kg	15%	

21. Chapter 52 is amended—

(a) by the deletion in the Duty Rate Column opposite to subheading Nos 5101.00.00 of the figure " 5% "; and the substitution therefor of the figure " 15% "; and

(b) by the deletion in the Duty Rate Column opposite to subheading No. 5209.39.00 of the figure " 15% " and the substitution therefor of the figure " 5% ".

22. Chapter 56 is amended by the deletion in the Duty Rate Column opposite to subheading No. 5602.29.00 of the figure " 25% " and the substitution therefor of the figure " 15% ".

23. Chapter 61 is amended by the deletion of subheading Nos 6110.12.00 and 6112.19.00 and the substitution therefor of the following new subheadings.

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
	- Of wool or fine animal hair:			
6110.12.00	--Of Kashmir goats	kg	25%	
6112.19.00	--Other	kg	25%	

24. Chapter 61 is amended by the deletion in the Duty Rate Column opposite to subheading No. 6307.20.00 of the figure " 25% " and the substitution therefor of the word " Free ".

25. Chapter 68 is amended by the deletion in the Duty Rate Column opposite to subheading Nos 6811.10.00, 6811.20.00, 6811.30.00 and 6811.90.00 of the figure " 15% " and the substitution therefor of the figure " 25% ".

18. Chapter 40 is amended—

- (a) by the deletion in the Duty Rate Column opposite to subheading No. 4006.10.00 of the word " Free " and the substitution therefor of the figure " 15% ";
- (b) by the deletion in the Duty Rate Column opposite to subheading No. 4007.00.00 of the figure " 25% " and the substitution therefor of the figure " 15% "; and
- (c) by the deletion of heading No. 40.11 and the substitution therefor of the following new heading and subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
<b>40.11</b>	<b>New pneumatic tyres, of rubber</b>			
4011.10.00	-Of a kind used on motor cars (including station wagons and racing cars)	kg	*	
	-Of a kind used on buses or lorries			
4011.21.00	--Having a load index not exceeding 121	kg	*	
4011.22.00	--Having a load index exceeding 121	kg	*	
4011.30.00	-Of a kind used on aircraft	kg	25%	
4011.40.00	-Of a kind used on motor-cycles	kg	25%	
4011.50.00	-Of a kind used on bicycles	kg	Free	
	-Other, having a " herring-bone " or similar tread:			
4011.61.00	--Of a kind used on agricultural or forestry vehicles and machines	kg	25%	
4011.62.00	--Of a kind used on construction or Industrial handling vehicles and machines and having a rim size not exceeding 61 cm (24 inches)	kg	25%	
4011.63.00	--Of a kind used on construction and Industrial handling vehicles and machines and having a rim size not exceeding 61 cm (24 inches)	kg	25%	
4011.69.00	--Other	kg	*	
	- Other:			
4011.92.00	--Of a kind used on agricultural or forestry vehicles and machines	kg	25%	
4011.93.00	--Of a kind used on construction vehicles and machines	kg	25%	
4011.99.00	--Other	kg	*	

\*25% or K3,000 per kg whichever is the greater; and

- (d) by the deletion of heading No. 40.12 and the substitution therefor of the following new heading and subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
<b>40.12</b>	<b>Retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre treads and tyre flaps, of rubber.</b>			
	-Retreaded tyres:			
4012.11.00	--- Of a kind used on motor cars (including station wagons and racing cars)	Kg	*	
4012.12.00	---Of a kind used on buses or lorries	kg	*	

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
4012.13.00	---Of a kind used on aircraft	kg	25%	
4012.19.00	---Other	kg	*	
4012.20.10	-Used pneumatic tyres: ---Of a kind used on motor cars (including station wagons and racing cars)	kg	*	
4012.20.20	---Of a kind used on buses or lorries	kg	*	
4012.20.30	---Of a kind used on aircraft	kg	25%	
4012.20.40	---Other	kg	*	
4012.90.10	---Tyre treads	kg	15%	
4012.90.90	---Other	kg	*	

\*25% or K3,000 per kg whichever is the greater.

18A. Chapter 48 is amended by the insertion immediately after subheading No. 3802.52.00 of the following new subheading:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
4802.52.20	---Other uncoated paper in rolls	kg	Free	

19. Chapter 49 is amended—

(a) by the deletion of subheading No. 4901.10.00 and the substitution thereof of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
4901.10.10	-In single sheets, whether or not folded: ---Brochures and leaflets	kg	Free	
4901.10.90	---Other	kg	Free	

(b) by the deletion of subheading No. 4902.90.00 and the substitution thereof of the following:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
4902.90.10	--Other ---Appearing at least once a fortnight other than those of heading 4902.10.00	kg	Free	
4902.90.90	---Other	kg	15%	

(c) by the deletion of subheading No. 4904.00.00 and the substitution thereof of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
4904.00.10	---In hook form	kg	Free	
4904.00.90	---Other	kg	Free	

20. Chapter 51 is amended—

(a) by the deletion of subheading Nos 5102.11.00, 5102.19.00 and 5102.20.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
5102.11.00	- Fine animal hair: --Of Kashmir goats	kg	15%	
5102.19.00	--Other	kg	15%	
5102.20.00	- Coarse animal hair	kg	15%	

(b) by the deletion of heading No. 51.05 and the substitution therefor of the following new heading and subheadings:

HS Code	Description	Statistical Unit of quantity	Duty rate	Remarks
51.05	<b>Wool and fine or coarse animal hair, carded or combed (including combed wool in fragments).</b>			
5105.10.00	-Carded wool	kg	15%	
5105.21.00	- Wool tops and other combed wool: --Combed wool in fragments	kg	15%	
5105.29.00	--Other	kg	15%	
5105.31.00	-Fine animal hair, carded or combed: --Of Kashmir goats	kg	15%	
5105.39.00	--Other	kg	15%	
5105.40.00	-Coarse animal hair, carded or combed	kg	15%	

21. Chapter 52 is amended—

(a) by the deletion in the Duty Rate Column opposite to subheading Nos 5101.00.00 of the figure "5%"; and the substitution therefor of the figure "15%"; and

(b) by the deletion in the Duty Rate Column opposite to subheading No. 5209.39.00 of the figure "15%" and the substitution therefor of the figure "5%".

22. Chapter 56 is amended by the deletion in the Duty Rate Column opposite to subheading No. 5602.29.00 of the figure "25%" and the substitution therefor of the figure "15%".

23. Chapter 61 is amended by the deletion of subheading Nos 6110.12.00 and 6112.19.00 and the substitution therefor of the following new subheadings.

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
6110.12.00	- Of wool or fine animal hair: --Of Kashmir goats	kg	25%	
6112.19.00	--Other	kg	25%	

24. Chapter 61 is amended by the deletion in the Duty Rate Column opposite to subheading No. 6307.20.00 of the figure "25%" and the substitution therefor of the word "Free".

25. Chapter 68 is amended by the deletion in the Duty Rate Column opposite to subheading Nos 6811.10.00, 6811.20.00, 6811.30.00 and 6811.90.00 of the figure "15%" and the substitution therefor of the figure "25%".

26. Chapter 70 is amended by the deletion in the Duty Rate Column opposite to subheading No. 7010.10.00 of the figure " 15% " and the substitution therefor of the figure " 5% ".

27. Chapter 72 is amended—

(a) by re-aligning the subheadings under heading 72.10 as follows:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
7210.11.00	-Plated or coated with tin: --Of a thickness of 0.5mm or more	tonne	Free	
7210.12.00	--Of a thickness of less than 0.5mm	tonne	Free	
7210.20.00	-Plated or coated with lead, including terne-plate	tonne	Free	
7210.30.00	-Electrolytically plated or coated with zinc	tonne	Free	

(b) by the deletion in the Duty Rate Column opposite to subheading Nos 7210.30.00, 7210.49.00 and 7212.20.00 of the word " Free " and the substitution therefor of " 15% ";

(c) by the deletion in the Duty Rate Column opposite to subheading No. 7210.41.00 of the figure " 5% " and the substitution therefor of " 15% ";

(d) by the deletion in the Duty Rate Column opposite to subheading No 7214.10.00 of the word " Free " and the substitution therefor of the figure " 15% ";

(e) by the deletion of subheading No. 7214.20.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
	-Containing indentations, ribs, grooves or other deformations, produced during the rolling process or twisted after rolling			
7214.20.10	---Twisted after rolling	tonne	15%	
7214.20.90	---Other	tonne	Free	

28. Chapter 73 is amended—

(a) by the deletion in the Duty Rate Column opposite to subheading Nos 7214.10.00, 7314.21.10 and 7310.29.10 of the figure " 15% " and the substitution therefor of the figure " 5% ";

(b) by the deletion in the Duty Rate Column opposite to subheading Nos 7314.20.00, 7325.91.00 and 7326.11.00 of the figure " 15% " and the substitution therefor of the figure " 25% ";

## 29. Chapter 76 is amended—

- (a) by the deletion in the Duty Rate Column opposite to subheading No. 7605.11.00 of the figure " 15% " and the substitution therefor of the figure " 5% ";
- (b) by the deletion in the Duty Rate Column opposite to subheading Nos 7605.19.00, 7614.10.00 and 7614.90.00 of the figure " 15% " and the substitution therefor of the figure " 25% "; and
- (c) by the deletion in the Duty Rate Column opposite to subheading Nos 7608.10.10, 7608.20.10 and 7612.90.10 of the figure " 15% " and the substitution therefor of the figure " 5% ".

30. Chapter 83 is amended by the deletion of subheading No. 8308.10.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
8308.10.10	-Hooks, eyes and eyelets: ---Hooks	kg	25%	
8308.10.20	---Eyes and eyelets	kg	15%	

## 31. Chapter 84 is amended—

- (a) by the deletion of Heading No. 84.15 immediately following subheading No. 8424.90.00 and the substitution therefor of heading No. 84.25;
- (b) by the deletion in the Duty Rate Column opposite to subheading No. 8424.81.00 of the figure " 5% " and the substitution therefor of the word " Free "; and
- (c) by the deletion in the Duty Rate Column opposite to subheading Nos 8452.21.00 and 8452.29.00 of the figure " 5% " and the substitution therefor of the word " Free ".

## 32. Chapter 85 is amended—

- (a) by the deletion in the Duty Rate Column opposite heading Nos 8506.10.00, 8506.30.00, 8506.40.00, 8506.50.00, 8506.60.00 and 8506.80.00 of the figure " 15% " and the substitution therefor of " 15% or K1,100 per kg whichever is the greater ";
- (b) by the deletion in the Duty Rate Column opposite subheading Nos 8507.10.00, 8507.20.00 and 8507.80.00 of " 25% or K20,000 per unit whichever is the greater " and the substitution therefor of " 25% or K30,000 each whichever is the greater "; and
- (c) by the deletion in the Duty Rate Column opposite to subheading Nos 8541.40.00 and 8541.50.00 of the figure " 15% " and the substitution therefor of the word " Free ".

## 33. Chapter 87 is amended—

- (a) by the deletion of subheading No. 8701.90.00 and the substitution therefor of the following new subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
8701.90.10	-Other: ---For use in agriculture or horticulture	No.	5%	
8701.90.90	---Other	No.	5%	

(b) by the deletion of Heading No. 87.03 and the substitution therefor of the following new heading and subheadings:

HS Code	Description of Goods	Statistical Unit of Quantity	Duty Rate	Remarks
87.03	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading No. 87.02), including station wagons and racing cars.			
8703.10.00	-Vehicles specially designed for travelling on snow; golf cars and similar vehicles	No.	*	
	-Other vehicles, with spark-ignition internal combustion reciprocating piston engine:			
	--Of a cylinder capacity not exceeding 1.000 cc:			
8703.21.10	---Ambulances	No.	15%	
8703.21.20	---Prison vans and hearses	No.	15%	
8703.21.90	---Other	No.	*	
	----Of a cylinder capacity exceeding 1.000 cc but not exceeding 1.500 cc:			
8703.22.10	---Ambulances	No.	15%	
8703.22.20	---Prison vans and hearses	No.	15%	
8703.22.90	---Other	No.	*	
	--Of a cylinder capacity exceeding 1.500 cc but not exceeding 3.000 cc:			
8703.23.10	---Ambulances	No.	15%	
8703.23.20	---Prison vans and hearses	No.	15%	
8703.23.90	---Other	No.	*	
	--Of a cylinder capacity exceeding 3.000 cc			
8703.24.10	---Ambulances		15%	
8703.24.20	---Prison vans and hearses		15%	
8703.24.90	---Other		*	
	-Other vehicles, with compression-ignition internal combustion piston engine (diesel or semi-diesel):			
	--Of a cylinder capacity not exceeding 1.500cc:			
8703.31.10	---Ambulances	No.	15%	
8703.31.20	---Prison vans and hearses	No.	15%	
8703.31.90	---Other	No.	15%	
	--Of a cylinder capacity exceeding 1.500 cc but not exceeding 2.500 cc:			
8703.32.10	---Ambulances	No.	15%	

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
8703.32.20	---Prison vans and hearses	No.	15%	
8703.32.90	---Other	No.	*	
	--Of a cylinder capacity exceeding 2.500 cc:			
8703.33.10	---Ambulances	No.	15%	
8703.33.20	---Prison vans and hearses	No.	15%	
8703.33.90	---Other	No.	*	
	- Other:			
8703.90.10	---Ambulances	No.	15%	
8703.90.20	---Prison vans and hearses	No.	15%	
8703.90.90	---Other	No.	*	

34. Chapter 90 is amended—

(a) by the deletion of subheading Nos 9003.11.00 to 9003.90.00 and the substitution thereof of the following new subheadings:

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
	-Frames and mountings:			
	--Of plastics:			
9003.11.10	---For spectacles	—	15%	
9003.11.90	---Other	—	15%	
9003.19.10	---For spectacles	—	15%	
9003.19.90	---Other	—	15%	
	- Parts			
9003.90.10	---For spectacles	—	15%	
9003.90.90	---Other	—	15%	

(b) by the deletion of subheading No. 9033.00.10 and the substitution thereof of the following new sub-headings:

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
9033.00.10	---for scientific apparatus	—	Free	
9033.00.20	---For medical or surgical apparatus	—	Free	

35. Chapter 93 is amended—

(a) by re-aligning subheading No. 9305.10.00 to read:

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
9305.10.00	-Of revolvers or pistols	No.	15%	

(b) by the deletion in the "Description of Goods" Column opposite to subheading No. 9305.21.00 of the word "barrel" and the substitution thereof of the word "barrels"; and

(c) by the insertion below subheading No. 9305.21.00 of new subheading Nos 9305.22.00 and 9305.29.00.

<i>HS Code</i>	<i>Description of Goods</i>	<i>Statistical Unit of Quantity</i>	<i>Duty Rate</i>	<i>Remarks</i>
9305.22.00	--Shotgun butts	kg	15%	
9305.29.00	--Other	kg	15%	

APPENDIX II  
(Section 129)

Amendment to the Second Schedule

(EXCISE TARIFF)

By the deletion of Heading 4 and all the texts in the columns opposite to it, and the substitution thereof of the following new heading:

<i>Heading No.</i>	<i>Description of Goods</i>	<i>HS Code</i>	<i>Statistical Requirement</i>	<i>Duty Rate</i>	<i>Remarks</i>
4	1. Undenatured ethyl alcohol of an alcoholic strength by volume of 80% volume or higher: (a) For use in a process of manufacture (b) Other	2207.10.00 2207.19.00	litre litre	125% 125%	
	2. Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol: Spirits, liqueurs and other spirituous beverages	Ex 22.08	litre	125%	

APPENDIX III  
(Section 131)FIFTH SCHEDULE  
(Sections 85 and 88)

## VALUATION OF GOODS FOR THE PURPOSE OF THE TARIFF

Interpretation

## 1. (1) In this Schedule—

“computed value” means the value determined in accordance with clause 7;

“country of export” means the country from which the goods are deemed to be shipped pursuant to this Act and the country from which any goods are exported;

“deductive value” means the value determined in accordance with clause 6;

“goods of the same class or kind” means imported goods that—

(a) are within a group or range of imported goods produced by a particular industry or industry sector that includes identical goods or similar goods in relation to the goods being valued; and

(b) for the purposes of—

(i) Clause 6, were exported from any country; and

(ii) Clause 7, were produced in and exported from the country in and from which the goods being valued were produced and exported;

“identical goods” means imported goods that—

(a) are the same in all respects, including physical characteristics, quality, and reputation, as the goods being valued, except for minor differences in appearance that do not affect the value of the goods;

(b) are produced in the country in which the the goods being valued were produced; and

(c) are produced by or on behalf of the person who produced the goods being valued but does not include imported goods where engineering, development work, artwork, design work, plans, or sketches undertaken in Zambia were supplied,

directly or indirectly, by the buyer of those imported goods free of charge or at a reduced cost for use in connection with the production and sale for export of those imported goods;

"price paid or payable", in relation to any goods, means the aggregate of all amounts paid or payable by the buyer to or for the benefit of the seller in respect of the goods;

"to produce" includes to grow, to manufacture, and to mine;

"similar goods" means imported goods that—

(a) closely resemble the goods being valued in respect of component materials and parts and characteristics and are functionally and commercially interchangeable with the goods being valued having regard to the quality and reputation of the goods and the goods being valued;

(b) are produced in the country in which the goods being valued were produced; and

(c) are produced by or on behalf of the person who produced the goods being valued but does not include imported goods where engineering, development work, artwork, design work, plans or sketches undertaken in Zambia were supplied, directly or indirectly by the buyer of those goods imported free of charge or at a reduced cost for use in connection with the production and sale for export of those imported goods;

"sufficient information" in respect of the determination of any amount, difference, or adjustment, means objective and quantifiable information that clearly establishes the accuracy of the amount, difference or adjustment; and

"transaction value" means the value determined in accordance with clauses 2 and 3.

(2) For the purposes of this Schedule, persons shall be deemed to be related only if—

(a) they are officers or directors of one another's business;

(b) they are legally recognised partners in business;

(c) they are employer and employee;

(d) any person directly or indirectly owns, controls, or holds 5 percent or more of the outstanding voting stock or shares of both of them;

- (e) one of them directly or indirectly controls the other;
- (f) both of them are directly or indirectly controlled by a third person;
- (g) they together directly or indirectly control a third person;  
or
- (h) they are members of the same family.

(3) For the purposes of this Schedule persons shall be deemed to be members of the same family if—

- (a) they are connected by blood relationship within the fourth degree of relationship;
- (b) they are married to one another or if one is married to a person who is connected within the fourth degree of relationship to the other; or
- (c) one has been adopted as the child of the other or as a child of a person who is within the third degree of relationship to the other.

(4) For the purposes of this Schedule, where there are no goods that were produced by or on behalf of the person who produced the goods being valued and there are otherwise identical goods or similar goods, goods that were produced by or on behalf of a different person and that are otherwise identical goods or similar goods shall be deemed to be identical or similar goods, as the case may be.

(5) For the purposes of this Schedule, charges for interest under a financing arrangement entered into by the buyer and relating to the purchase of imported goods shall not be regarded as part of the customs value where—

- (a) the charges are distinguished from the price actually paid or payable for the goods;
- (b) such goods are actually sold at the price declared as the price actually paid or payable; and
- (c) the buyer, if required, can demonstrate that—
  - (i) the financing arrangement was made in writing;  
and
  - (ii) the claimed rate of interest does not exceed the level of such transaction prevailing in the country where, and at the time when, the finance was provided.

2. (1) The customs value of imported goods shall be their transaction value, that is, the price paid or payable for the goods when sold for export to Zambia, adjusted in accordance with clause 3—

Transaction  
value as  
primary  
basis of  
valuation

(a) if there are no restrictions respecting the disposition or use of the goods by the buyer, other than restrictions that—

(i) are imposed by law;

(ii) limit the geographical area in which the goods may be resold; or

(iii) do not substantially affect the value of the goods;

(b) if the sale of the goods or the price paid or payable for the goods is not subject to some condition or consideration in respect of which a value cannot be determined;

(c) where any part of the proceeds of any subsequent resale, disposal, or use of the goods by the buyer is to accrue, directly or indirectly, to the seller, the price paid or payable for the goods includes the value of that part of the proceeds or can be adjusted in accordance with clause 3; or

(d) if the buyer and seller of the goods are not related at the time the goods are sold for export or, where the buyer and seller are related at that time—

(i) their relationship did not influence the price paid or payable for the goods; or

(ii) the importer demonstrates that the transaction value of the goods meets the requirements set out in the subclause (2) of this clause.

(2) In a sale between related persons, for the purpose of showing that the relationship did not influence the transaction value, the importer shall produce evidence that the transaction value of the goods being valued, taking into consideration any relevant factors including such factors and differences as may be prescribed, closely approximates the customs value of other goods exported at the time or substantially at the same time as the goods being valued, is—

(a) the transaction value of identical goods or similar goods in respect of a sale of those goods for export to Zambia between a seller and buyer who are not related at the time of the sale;

- (b) the deductive value of identical or similar goods determined in accordance with clause 6; or
- (c) the computed value of identical or similar goods determined in accordance with clause 7.

(3) Where the Commissioner-General is of the opinion that the relationship between the buyer and seller of any goods influenced the price paid or payable for the goods, the Commissioner-General shall inform the importer, in writing if so requested, of the grounds on which the Commissioner-General formed that opinion and shall give the importer a reasonable opportunity to satisfy the Commissioner-General that the relationship did not influence the price.

(4) Where subclause (2) applies, the importer shall, without limiting the generality of that subclause, provide the following information:

- (a) the nature of the goods being valued;
- (b) the nature of the industry that produces the goods being valued;
- (c) the season in which the goods being valued are imported;
- (d) whether a difference in values is commercially significant;
- (e) the trade levels at which the sale take place;
- (f) the quantity levels of the sales;
- (g) any of the amounts referred to in clause 3; and
- (h) the costs, charges, or expenses incurred by a seller when the seller sells to a buyer to whom the seller is not related that are not incurred when the seller sells to a buyer to whom the seller is related.

(5) Where—

- (a) in the opinion of the Commissioner-General, the customs value cannot be determined under this clause; or
- (b) the Commissioner-General has reason to doubt the truth or accuracy of the declared customs value and, after having sought further explanations or other evidence that the declared customs value represents the total amount actually paid or payable for the imported goods, the Commissioner-General is still not satisfied that the customs value can be determined under this clause;

the Commissioner-General may determine the customs value of the goods by proceeding sequentially through clauses 4 to 8 under which the customs value can, in the opinion of the Commissioner-General be determined.

(6) Notwithstanding subclause (5), on the written request of the importer to the Commissioner-General, the order of consideration of the valuation basis provided for in clauses 6 and 7 shall be reversed.

3. (1) In determining the transaction value of goods under clause 2, the price paid or payable for the goods shall be adjusted—

Adjustment  
of price paid  
or payable

(a) by adding thereto amounts, to the extent that each such amount is not otherwise included in the price paid or payable for the goods and is determined on the basis of sufficient information, equal to—

- (i) commissions and brokerage in respect of the goods incurred by the buyer, other than fees paid or payable by the buyer to the buyer's agent for the service of representing the buyer overseas in respect of the purchase of the goods;
- (ii) the packing costs and charges incurred by the buyer in respect of the goods, including the cost of cartons, cases, and other containers and coverings that are treated for customs purposes as being part of the imported goods and all expenses of packing incidental to placing the goods in the condition which they are shipped to Zambia;
- (iii) the value of any of the following goods and services:
  - (A) materials, component parts, and other goods incorporated in the imported goods:
  - (B) tools, dies, moulds, and other goods utilised in the production of the imported goods:
  - (C) materials consumed in the production of the imported goods:
  - (D) engineering, development work, artwork,

design work, plans, and sketches undertaken elsewhere than in Zambia and necessary for the production of the imported goods;

determined in accordance with subclause (2) are supplied, directly or indirectly, by the buyer free of charge or at a reduced cost of use in connection with the production and sale for export of the imported goods, apportioned to the imported goods in a reasonable manner and in accordance with generally accepted accounting principles;

- (iv) royalties and license fees, including payments for patents, trademarks, and copyrights in respect of the imported goods that the buyer shall pay, directly or indirectly, as a condition of the sale of the goods for export to Zambia, exclusive of charges for the right to reproduce the imported goods in Zambia;
- (v) the value of any part of the proceeds of any subsequent resale, disposal or use of the goods by the buyer that accrues or is to accrue, directly or indirectly, to the seller;
- (vi) the value of any materials, component parts, and other goods incorporated in the imported goods for the purpose of repair to, or refurbishment of, those goods prior to export of the goods to Zambia, and the price paid for the service of repair or refurbishment, as the case may be;
- (vii) the costs of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the imported goods until the goods have left the country of export; and
- (viii) the costs of transportation and insurance of, and the loading, unloading, and handling charges, and other charges and expenses associated with the transportation of, the

imported goods from the time the goods have left the country of export;

(b) by deducting therefrom amounts, to the extent that each such amount is otherwise included in the price paid or payable for the goods, equal to any of the following costs, charges, or expenses—

(i) any reasonable cost, charge or expense that is incurred for the construction, erection, assembly, or maintenance of, or technical assistance provided in respect of, the goods after the goods are imported;

(ii) any reasonable cost, charge, or expense that is incurred in respect of the transportation or insurance of the goods within Zambia and any reasonable cost charge, or expenses associated therewith;

(iii) any customs duties or other taxes payable in Zambia by reason of the importation or sale of goods;

if the cost, charge, or expense is identified separately from the balance of the price paid or payable for the goods;

(c) in respect of carrier media bearing data or instructions, by deducting the value of the data or instructions from the price paid or payable for the goods if—

(i) the value of the data or instructions is distinguished from the cost or value of the carrier media; and

(ii) the data or instructions are not incorporated in data processing equipment.

(2) The value of the goods and services described in subparagraph (iii) of paragraph (a) of subclause (1) shall be determined—

(a) in the case of materials, components, parts and other goods incorporated in the goods being valued or any materials consumed in the production of the goods being valued—

(i) by ascertaining—

- (A) their cost of acquisition where they were acquired by the buyer from a person who was not related to the buyer at the time of their acquisition;
  - (B) their cost of acquisition incurred by the person related to the buyer, where the goods were acquired by the buyer from a person who was related to the buyer at the time of their acquisition but who did not produce them; or
  - (C) their cost of production where they were produced by the buyer or a person related to the buyer at the time of their production;
- (ii) by adding thereto—
- (A) the cost of their transportation to the place of production of the goods being valued; and
  - (B) the value added to them by any repairs or modifications made to them after they were so acquired or produced;
- (b) in the case of tools, dies, moulds, and other goods utilised in the production of the goods being valued—
- (i) by ascertaining—
- (A) their cost of acquisition where they were acquired by the buyer from a person who was not related to the buyer at the time they were so acquired;
  - (B) their cost of acquisition incurred by the person related to the buyer, where they were acquired by the buyer from a person related to the buyer at the time they were so acquired but who did not produce them; or
  - (C) their cost of production where they were produced by the buyer or a person related to the buyer at the time of their production;

- (ii) by adding thereto—
    - (A) the cost of their transportation to the place of production of the goods being valued; and
    - (B) the value added to them by any repairs or modifications made to them after they were so acquired or produced;
  - (iii) by deducting therefrom an amount to account for any previous use of the goods made after the goods were so acquired or produced;
- (c) in the case of engineering, development work, artwork, design work, plans and sketches, undertaken elsewhere than in Zambia and necessary for the production of the goods being valued by ascertaining—
- (i) their cost of acquisition or of the lease thereof, where they were acquired or leased by the buyer from a person who was not related to the buyer at the time they were so acquired or leased and are not generally available to the public;
  - (ii) their cost of acquisition or of the lease thereof incurred by the person related to the buyer, where they were acquired or leased by the buyer from a person related to the buyer at the time they were so acquired or leased, but who did not produce them and are not generally available to the public;
  - (iii) the cost to the public of obtaining them where they are available generally to the public; or
  - (iv) the cost of production thereof where they were produced by the buyer or a person related to the buyer at the time of their production.
- (3) For the purposes of paragraph (c) of subclause (1)—
- (a) the expression “carrier media” does not include integrated circuits, semi-conductors and similar devices, or articles incorporating such circuits or devices; and
  - (b) the expression “data or instruction” does not include sound, cinematic or video recordings.

(4) Where any adjustment in terms of subclause (3) cannot, in the opinion of the Commissioner-General, be made because of lack of sufficient information, the transaction value of the goods being valued cannot be determined under clause 2.

Transaction  
value of  
identical  
goods as  
customs  
value

4. (1) Subject to subclauses (2) to (4), where the customs value of imported goods cannot, in the opinion of the Commissioner-General, be determined under clause 2 the customs value of the goods shall be the transaction value of identical goods in respect of a sale of those goods for export to Zambia if that transaction value is the customs value of the identical goods and the identical goods were exported at the same or substantially the same time as the goods being valued and were sold under the following conditions—

- (a) to a buyer at the same or substantially the same trade level as the buyer of the goods being valued; and
- (b) in the same or substantially the same quantities as the goods being valued.

(2) Where the customs value of imported goods cannot be determined under subclause (1) because identical goods were not sold under the conditions described in paragraphs (a) and (b) of subclause (1), there shall be substituted therefor identical goods sold under any of the following conditions—

- (a) to a buyer at the same or substantially the same trade level as the buyer of the goods being valued but in quantities different from the quantities in which those goods were sold;
- (b) to a buyer at a trade level different from that of the buyer of the goods being valued but in the same or substantially the same quantities as the quantities in which those goods were sold; or
- (c) to a buyer at a trade level different from that of the buyer of the goods being valued and in quantities different from the quantities in which those goods were sold.

(3) For the purposes of determining the customs value of imported goods under subclause (1), the transaction value of identical goods shall be adjusted by adding thereto or deducting therefrom, as the case may be, amounts to account for—

- (a) commercially significant differences between the costs, charges, and expenses referred to in clause 3 (1) (a) (vii) in respect of the identical goods and those costs, charges,

and expenses in respect of the goods being valued that are attributable to differences in distances and modes of transport;

- (b) where the transaction value is in respect of identical goods sold under the conditions described in any of paragraphs (a) to (c) of subclause (2), differences in the trade levels of the buyers of the identical goods and the goods being valued or the quantities in which the identical goods and the goods valued were sold or both, as the case may be;

if each amount can, in the opinion of the Commissioner-General, be determined on the basis of sufficient information; where any such amount cannot be so determine, the customs value of the goods being valued shall not be determined on the basis of the transaction value of those identical goods under this clause.

(4) Where, in relation to imported goods being valued, there are two or more transaction values of identical goods that meet all the requirements set out in subclauses (1) and (3) or where there is no such transaction value but there are two or more transaction values of identical goods sold under the conditions described in any of paragraphs (a) to (c) of subclause (2) that meet all the requirements set out in this clause that are applicable by virtue of subclause (2), the customs value of the goods being valued shall be determined on the basis of the lowest such transaction value.

5. (1) Subject to subclause (2) and subclauses (2) to (4) of clause 4, where the customs value of imported goods cannot, in the opinion of the Commissioner-General, be determined under clause 4, the customs value of the goods shall be the transaction value of similar goods in respect of a sale of those goods for export to Zambia if that transaction value is the customs value of the similar goods and the similar goods were exported at the same or substantially the same time as the goods being valued and were sold under the following conditions:

Transaction  
value of  
similar goods  
as customs  
value

- (a) to a buyer at the same or substantially the same trade level as the buyer of the goods being; and
- (b) in the same or substantially the same quantities as the goods being valued.

(2) Subclauses (2) to (4) of clause 4 shall apply to this clause in respect of similar goods as if every reference in those subclauses to "identical goods" were a reference to "similar goods".

Deductive  
value as  
customs  
value

6. (1) Subject to subclauses (5) and (6) of clause 2 where the customs value cannot, in the opinion of the Commissioner-General, be determined under clause 5 the customs value of the goods shall be the deductive value in respect of the goods.

(2) Where the goods being valued or identical goods or similar goods are sold in Zambia in the condition in which they were imported at the same or substantially the same time as the time of importation of goods being valued, the deductive value of the goods being valued shall be the price per unit in respect of sales described in subclause (5) determined in accordance with that subclause and adjusted in accordance with subclause (6) at which the greatest number of units of the goods being valued or identical goods or similar goods are so sold.

(3) Where the goods being sold or identical goods or similar are sold in Zambia in the condition in which they were imported before the expiration of ninety days after the importation of the goods being valued but are not so sold at the same or substantially the same time of that importation, the deductive value of the goods being valued shall be the price per unit in respect of sales described in subclause (5) determined in accordance with that subclause and adjusted in accordance with subclause (6) at which the greatest number of units of the goods being valued or identical goods or similar goods are so sold at the earliest date after the importation of the goods being valued.

(4) Where the goods being valued or identical goods or similar are not sold in Zambia in the circumstances described in subclause (2) or subclause (3) but the goods being valued, after being assembled, packed, or further processed in Zambia, are sold in Zambia before the expiration of ninety days after the importation thereof and the importer of the goods being valued requests that this subclause be applied in the determination of the customs value of the goods, the deductive value of the goods being valued shall be the price per unit, in respect of sales described in subclause (5) determined in accordance with that subclause and adjusted in accordance with subclause (6) at which the greatest number of units of the goods being valued are so sold.

(5) For the purpose of subclauses (2) to (4), the price per unit in respect of any goods being valued or identical goods or similar goods, shall be determined by ascertaining the unit price in respect

of sale of the goods at the first trade level after their importation to persons who—

- (a) are not related to the persons from whom they buy the goods at the time the goods are sold to them; and
- (b) have not supplied, directly or indirectly, free of charge or at a reduced cost for use in connection with the production and sale for export of the goods, any of the goods or services referred to in clause 3 (1) (a) (iii) of this Schedule;

at which the greatest number of units of the goods were, in the opinion of the Commissioner-General, a sufficient number of such sales have been made to permit a determination of the price per unit of the goods.

(6) For the purpose of subclauses (2) to (4), the price per unit in respect of any goods being valued or identical goods or similar goods, shall be adjusted by deducting therefrom an amount equal to the aggregate of—

- (a) an amount, determined in accordance with subclause (7), equal to—
  - (i) the amount of commission generally earned on a unit basis; or
  - (ii) the amount for profit and general expenses, including all costs of marketing the goods, considered together as a whole, that is generally reflected on a unit basis in connection with sales in Zambia of goods of the same class or kind as those goods:
- (b) reasonable costs, charges and expenses that are incurred in respect of the transportation and insurance of the goods within Zambia and reasonable costs, charges, and expenses associated therewith to the extent that an amount for such costs, charges, and expenses is not deducted in respect of general expenses under paragraph (a);
- (c) the costs, charges and expenses referred to in clause 3 (1) (b)
  - (i) incurred in respect of the goods, to the extent that an amount for such costs, charges, and expenses is not deducted in respect of general expenses under paragraph (a);

(d) any customs duties or other taxes payable in Zambia by reason of the importation or sale of the goods, to the extent that an amount for such duties and taxes is not deducted in respect of general expenses under paragraph (a); and

(e) where subclause (4) applies, the amount of the value added to the goods that is attributed to the assembly, packaging, or further processing in Zambia of the goods, if that amount is determined, in the opinion of the Commissioner-General, on the basis of sufficient information.

(7) The amount considered to be equal to the amount of commission or the amount for profit and general expenses referred to in paragraph (a) of subclause (6) shall be calculated on a percentage basis and determined on the basis of information prepared in a manner consistent with generally accepted accounting principles that is supplied—

(a) by or on behalf of the importer of the goods being valued;  
or

(b) where the information supplied by or on behalf of the importer of the goods being valued is not sufficient information, but an examination of sales in Zambia of the narrowest group or range of goods of the same class or kind as the goods being valued from which sufficient information can, in the opinion of the Commissioner-General, be obtained.

(8) Where an amount referred to in paragraph (e) of subclause (6) in respect of any goods being valued cannot, in the opinion of the Commissioner-General, be determined on the basis of sufficient information, the customs value of the goods cannot be determined on the basis of the deductive value under subclause (4).

Computed  
value is  
customs  
value

7. (1) Subject to subclauses (3) and (5) of clause 2, where the customs value of imported goods cannot, in the opinion of the Commissioner-General be determined under clause 6, the customs value of the goods shall be the computed value in respect of those goods.

(2) The computed value of the goods being valued is the aggregate of amounts equal to—

- (a) the costs, charges, and expenses incurred in respect of, or the value of—
  - (i) materials employed in producing the goods being valued; and
  - (ii) the production or other processing of the goods being valued determined on the basis of—
    - (A) the commercial accounts of the producer of the goods being valued; or
    - (B) any other sufficient information relating to the production of the goods being valued that are supplied by or on behalf of the producer of the goods and prepared in a manner consistent with the generally accepted accounting principles of the country of production of the goods being valued;
  - (iii) the costs, charges and expenses referred to in clause 3 (1) (a) (ii);
  - (iv) the value of any of the goods and services referred to in clause 3 (1) (a) (ii) and (iv), determined and apportioned to the goods being valued as referred to in that clause, whether or not goods and services have been supplied free of charge or at a reduced cost;
  - (v) the costs, charges, and expenses incurred by the producer in respect of engineering, development work, artwork, design work, plans or sketches undertaken in Zambia that were supplied, directly or indirectly, by the buyer of the goods being valued for use in connection with the production and sale for export of those goods to the extent that such elements are charged to the producer of the goods, apportioned to the goods being valued as referred to in clause 3 (1) (a) (iii)
- (b) the amount, determined in accordance with subclause (4), for profit and general expenses, considered together as a whole, generally reflected in sales for export to Zambia of goods of the same class or kind as the goods being

valued, made by the producers of the goods to buyers in Zambia who are not related to the producers from whom they buy the goods at the time the goods are sold to them.

(3) For the purpose of this clause, the expression "general expenses" means the direct and indirect costs, charges and expenses of producing and selling goods for export, other than the costs, charges and expenses referred to in paragraph (a) of subclause (2).

(4) The amount of profit and general expenses referred to in paragraph (b) of subclause (2) shall be calculated on a percentage basis and determined on the basis of information prepared in a manner consistent with generally acceptable accounting principles of the country of production of the goods being valued and that is supplied—

- (a) by or on behalf of the producer of the goods being valued; or
- (b) where the information supplied by or on behalf of the producer of the goods being valued is not sufficient information, by an examination of sales for export to Zambia of the narrowest group or range of goods of the same class or kind from which sufficient information can, in the opinion of the Commissioner-General, be obtained.

Residual  
basis of  
valuation

8. (1) Where customs value of imported goods cannot, in the opinion of the Commissioner-General be determined under clause 7 it shall be determined on information available in Zambia on the basis of a value derived from the methods of valuation set out in clauses 2 to 7 interpreted in a flexible manner and reasonably adjusted to the extent necessary to arrive at a customs value of the goods.

- (2) A customs value shall not be determined on the basis of—
- (a) the selling price in Zambia of goods produced in Zambia;
  - (b) a basis which provides for the acceptance of the higher of two alternative values;
  - (c) the price of goods on the domestic market of the country of exportation;
  - (d) the cost of production, other than computed values that have been determined for identical or similar goods in accordance with clause 7;

- (e) the price of goods for export to a country other than Zambia, unless the goods were imported into Zambia;
- (f) minimum customs values; or
- (g) arbitrary or fictitious values.

APPENDIX IV  
(Section 132)

SIXTH SCHEDULE  
(Sections 88A and 163)

VALUATION OF GOODS FOR THE PURPOSES OF ASSESSING EXCISE DUTY  
OR SURTAX PAYABLE ON GOODS MANUFACTURED IN ZAMBIA

1. The value of any goods for the purposes of section 88A of this Act shall be the price at which the goods are sold exclusive of excise duty and surtax and value added tax by a person licensed under section 97 of this Act if such sale is a sale on the open market as defined in clause 4 (1) (c).

Value of goods for excise duty and surtax

2. Goods upon which any work has been done by a contractor shall be deemed to have been manufactured by a contractor and the value of any goods manufactured by a contractor shall be their fair market value as determined under clause 4.

Value of goods manufactured by a contractor

3. Where the value of the goods cannot be determined under clause 1 the value shall be the fair market value of those goods as determined under clause 4.

Value of goods not sold in the open market

4. (1) In determining a fair market value, the Commissioner-General shall—

Determination of fair market value

- (a) use only those prices which represent a sale between buyers and sellers independent of each other; and
- (b) exclude from the price any excised duty and surtax and value added tax.

(2) For the purposes of this Schedule, the fair market value of any goods shall be determined by proceeding sequentially through subclauses (3) to (8) to the first such subclause under which fair market value can be determined.

(3) The fair market value of goods at any date shall be the lowest price for which identical goods in the same or substantially the same quantities are generally sold at that date in the open market in Zambia on sales freely offered and made on ordinary trade terms by a person licensed under section 97 of this Act, other than a contractor.

(4) Where, in the opinion of the Commissioner-General, the fair market value cannot be determined under subclause (3), it shall be deemed to be the lowest price for which identical goods in quantities different from those being sold are generally sold at that date in the open market in Zambia on sales freely offered and made on ordinary trade terms by a person licensed under section 97 of this Act, other than a contractor.

(5) Where, in the opinion of the Commissioner-General, the fair market value cannot be determined under subclause (4), it shall be deemed to be the lowest price for which similar goods in the same or substantially the same quantities are generally sold at that date in the open market in Zambia on sales freely offered and made on ordinary trade terms by a person licensed under section 97 of this Act, other than a contractor.

(6) Where, in the opinion of the Commissioner-General, the fair market value cannot be determined under subclause (5), it shall be deemed to be the lowest price for which similar goods in quantities different from those being sold are generally sold at that date in the open market in Zambia on sales freely offered and made on ordinary trade terms by a person licensed under section *ninety-seven* of this Act, other than a contractor.

(7) Where, in the opinion of the Commissioner-General, the fair market value cannot be determined under subclause (6), the Commissioner-General shall ascertain the price at which the goods would generally fetch at the retail level and deduct from that price such amount as would reasonably represent the profit margin and other costs beyond the manufacturing level on those goods.

(8) Where, in the opinion of the Commissioner-General, the fair market value cannot be determined under subclause (7), the Commissioner-General shall compute the value of the goods by taking the costs of the production of the goods and adding such amount as reasonably represents the profit margin and other costs to the manufacturing level of those goods.

(9) For the purposes of this clause—

“ identical goods ” means goods that are the same in all respects, including physical characteristics, quality, and reputation, as the goods being valued, except for minor differences (if any) in appearance that do not affect the value of the goods;

"similar goods" means goods that closely resemble the goods being valued in respect of component materials and parts and characteristics and are functionally and commercially interchangeable with the goods being valued, having regard to the quality and reputation of the goods being valued;

"a sale in the open market" means—

- (i) that the price is the sole consideration;
- (ii) that the price is not influenced by any commercial, financial, or other ties, whether by contract or otherwise, between the seller, or any person associated in business with the seller, and the buyer, or any person associated in business with the buyer (other than the relationship created by the sale of the goods in question); and
- (iii) that no part of the proceeds of any subsequent resale, use, or disposal of the goods will accrue, either directly or indirectly, to the seller, or to any person associated in business with the seller.

(10) Two persons shall be deemed to be associated in business with each other if, whether directly or indirectly, either of them has any interest in the business or property of the other, or both have a common interest in any business or property, or some third person has an interest in the business or property of both of them.

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