

**OFFICE OF THE MINISTER**

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**Customs Act Regulations, Regulation No. 03/2019**  
**Minister of the Ministry of Finance Development**

**Having seen:** Section 36 of Law No. 73/2016, which gives a legal authority to the Minister of Finance Development for the issuance of a regulation in consultation with the customs department.

**Having realised:** The need to create and produce a regulation to enforce the Customs Act. No. 73/2016.

**Having seen:** The importance of finding a way to safeguard the country's economy and ensure that the central government funds are properly utilised.

**Having seen:** The need to ensure the protection of fixed assets of the various Government Agencies.

**Receiving:** the request of the Customs Department and the legal advice from the Legal Department of the Ministry of Finance Development.

I have issued these Customs Regulations of the Customs Act, Regulations No. 03/2019.

**ALLAA MAHAD LEH**

**Dr. Sacad Cali Shire**  
**Wasiirka Wasaaradda Hormarinta Maaliyadda**

THE REPUBLIC OF SOMALILAND  
MINISTRY OF FINANCE DEVELOPMENT

CUSTOMS ACT REGULATIONS  
(Regulation No. 03/2019)

August 2019

**NOTE: THIS IS AN UNOFFICIAL TRANSLATION OF THE CUSTOMS ACT REGULATIONS 2019 PREPARED FOR THE BENEFIT OF ENGLISH SPEAKERS AND MOFD OFFICIALS. WHILE ALL CARE HAS BEEN TAKEN IN ITS PREPARATION, THE OFFICIAL VERSION OF THE LAW REMAINS THE SOMALI VERSION.**

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## PART 1

### PRELIMINARY PROVISIONS

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#### Regulation 1

##### Citation

1. These Regulations may be cited as the *Customs Regulations, 2019*.

#### Regulation 2

##### Interpretation

- a) **Act:** means the *Somaliland Customs Act No. 73/ 2016*;
- b) **Authorised Officer:** means in relation to any function performed under the Act and these Regulations, the officer of Customs who is assigned those functions by the customs Authority;
- c) **Control of compliance with technical standards:** means the control to ensure that goods meet the minimum international or national standards specified by relevant laws and regulations;
- d) **Control services:** means any service responsible for carrying out Customs controls, medico-sanitary inspection, phytosanitary inspection, veterinary inspection, control of compliance with technical standards and quality controls;
- e) **The “customs Authority”:** referred to in Section 4(3) of the Act shall be;
  - i. The Director-General of the Somaliland Revenue Authority appointed under Section 197(1) of the Revenue Act (Law No. 72/2016);
  - ii. Until the date upon which the President of the Republic appoints the Director-General of the Somaliland Revenue Authority, the Director of the Customs Department of the Ministry of Finance Development;
- f) **Customs controls:** means specific acts performed by the customs Authority in order to ensure the correct application of customs rules and other legislation governing the entry, exit, transit, transfer and end-use of goods moved between the customs territory of Somaliland and other countries and the presence of goods that do not have Somaliland status;

- g) **Director of Customs:** means the person appointed to be in charge of administration of the Customs under the provisions of Section 197 of the *Revenue Act 2016* and corresponds in meaning to the term “customs Authority” in the *Customs Act, 2016*;
- h) **Medico-sanitary inspection:** means the inspections exercised for the protection of the life and health of persons, with the exception of veterinary inspection;
- i) **Quality control:** means any control other than control of compliance with technical standards, which are intended to ensure that the goods correspond to the minimum international or national definitions of quality specified in the relevant laws and regulations;
- j) **Traveller (on import):** means any person temporarily entering the customs territory of the Republic of Somaliland, not normally resident there, and any person returning to the customs territory of the Republic of Somaliland where he/she is normally resident, after having been temporarily in a foreign country;
- k) **Traveller (on export):** means any person temporarily leaving the customs territory of the Republic of Somaliland where he/she is normally resident, and any person, not normally resident in Somaliland, leaving the customs territory of Somaliland after a temporary stay in the country;
- l) **Veterinary inspection:** means the sanitary inspection applied to animals and animal products with a view to protecting the life and health of persons and animals, as well as that carried out on objects or goods which could serve as a carrier of animal diseases.

## PART 2

### ADMINISTRATION

#### Regulation 3 Delegation

Pursuant to Section 206 of the Act, the customs Authority may delegate to any officer of the Somaliland Revenue Authority, (or in the interim until its establishment, any officer of the Customs Department of the Ministry of Finance Development), any duty, power, or function conferred or imposed on the customs Authority under the Act, other than the power to delegate conferred by this Regulation.

**Regulation 4**  
**Working Days and Hours**

1. Without prejudice to the provisions in force regarding the daily working hours of public administration, the working hours of the offices of the Customs Administration is set from 7.00 am to 2.00 pm, during Saturday to Thursday, with the exception of holidays.
2. At the customs offices of land and sea borders and in the airports the border crossing service is provided for every day, public holidays included, 24 hours per day, with all the controls and formalities provided for by the present regulations being fulfilled.
3. In order to cover the customs activity, the customs Authority may set out working shifts or may authorise the payment of the hours worked over the normal daily working hours.
4. The customs Authority may introduce a different time-table of the working hours, or may reduce the opening hours of the offices, whenever the working needs so require.
5. The customs Authority shall post a notice in a conspicuous place at any port or place, indicating the days and hours in which officers at such a port or place will provide services to meet the convenience of the public and the requirements of Customs.
6. The customs Authority shall, to the extent necessary, seek to harmonise the working days and hours of Customs with those of other control services at the national border, and carry out joint control of goods and documents whenever possible with the control services of neighbouring countries.
7. An authorised officer may, on application by any person requiring the services of Customs at any port or place, permit the attendance of officers on days and hours that are outside those designated under paragraph 1 of this Regulation on conditions and using a format to be determined by the Director.

**GENERAL IMPLEMENTING PROVISIONS**

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**Regulation 5**  
**Decisions**

1. Where a person making a request for a decision is not in a position to provide all the documents and information necessary to give a ruling, the customs Authority shall provide to that person the documents and information at their disposal.
2. A decision concerning security favourable to a person who has signed an undertaking to pay the sums due at the first written request of the customs Authority, shall be revoked where the said undertaking is not fulfilled.



3. A revocation shall not affect goods which, at the moment of its entry into effect, have already been placed under a procedure by virtue of the revoked authorisation. However, the customs Authority may require that such goods be assigned to a permitted customs-approved treatment or use within the period which they shall set.

**Regulation 6**  
**Data-Processing Techniques**

1. The customs Authority may provide that formalities shall be carried out by a data-processing technique, under such conditions and in the manner provided under customs rules. For the purposes of this Regulation, a “data-processing technique” means:
  - a. Regular messages shared with the customs Authority using information technology exchange procedures;
  - b. Presentation of the required data in order to complete the procedures pertinent to how customs departments manage information; and
  - c. The transmission of standard communication messages, which have been previously used.
2. The conditions laid down for carrying out formalities by a data-processing technique shall *inter alia* include measures for checking the source of data and for protecting data against the risk of unauthorised access, loss, alteration or destruction.
3. Where formalities are carried out by a data-processing technique, the customs Authority shall determine the rules for replacement of the handwritten signature by another technique which may be based on the use of codes.
4. The customs Authority shall determine the formalities to be used during the testing of data-processing systems and appropriately notify concerned parties, and such formalities may include waiver of the requirement to submit a manual declaration or the omission of certain boxes of the Single Administrative Document provided that:
  - a. the amount of import duties and taxes that shall be charged in the testing period shall not be lower than would be levied when the usual formalities are used;
  - b. prior permission to carry out the test is obtained from the Minister of Finance upon submission of the details of the test, potential impact on the revenue, and mitigating actions;
  - c. the details of implementation and results are promptly communicated to concerned parties.

**Regulation 7**  
**Risk Management**

1. The customs Authority shall undertake risk management to differentiate between the levels of risk associated with goods subject to customs control or supervision and to determine whether or not, and if so where, the goods will be subject to specific customs controls.
2. The determination of levels of risk shall be based on an assessment of the likelihood of the risk-related event occurring and its impact, should the event actually materialise. The basis for the selection of consignments or declarations to be subject to customs controls shall include a random element.
3. Risk management referred to in Section 13, 2 of the Act, shall be carried out in accordance with, if available, an electronic risk management framework comprised of the following elements:
  - a. a customs risk management system for the implementation of risk management, to be used for the communication of any risk-related information that would help to enhance customs controls;
  - b. priority control areas;
  - c. risk criteria and standards for the harmonised application of customs controls in specific cases.
4. Priority controls shall be carried out in the following manner:
  - a. priority control areas shall cover particular customs-approved treatments or uses, types of goods, traffic routes, modes of transport or economic operators that are to be subject to increased levels of risk analysis and customs controls during a certain period;
  - b. the application of priority control areas shall be based upon risk analysis and, in order to ensure equivalent levels of customs controls, defined risk criteria and standards for the selection of goods or economic operators for control;
  - c. customs controls carried out in priority control areas shall be without prejudice to other controls normally carried out by the customs Authority.
5. The criteria and standards referred to in paragraph 3(c) of this Regulation shall include the following elements:
  - a. a description of the risk(s);

- b. the factors or indicators of risks to be used to select goods or economic operators for customs control;
  - c. the nature of the customs control to be undertaken by the customs Authority; and the duration of the application of the customs controls.
6. The following elements shall be taken account of in the establishment of priority control areas and the application of risk criteria and standards:
  - a. proportionality of the risk;
  - b. the urgency of the necessary application of controls;
  - c. probable impact on trade flow and on control resources.
7. In the context of controls provided for in Section 13 of the Customs Act, the customs Authority will seek to cooperate with the maritime, transport and respective police authorities on the joint application of controls and exchange of relevant data and information.
8. Where such joint operation is deemed necessary the customs Authority will enter into a memorandum of understanding with the referred entities.

#### Regulation 8 Definitions

For the purposes of this Part:

- (a) **Binding information:** means tariff information or origin information that is binding on the customs Authority when the conditions laid down in Regulations 9 and 10 of these Regulations are fulfilled;
- (b) **Applicant:**
  - (i) For tariff matters means a person who has applied to the customs Authority for binding tariff information;
  - (ii) For origin matters means a person who has applied to the customs Authority for binding origin information and has valid reasons to do so;
- (c) **Holder:** means the person in whose name the binding information is issued.

**Regulation 9**  
**Binding Information**

1. Applications for binding information shall be made using the following procedure:
  - a. Applications for binding information shall be made in writing to the customs Authority;
  - b. Applications for binding tariff information shall be made by means of a form conforming to a specimen to be determined by the customs Authority;
  - c. An application for binding tariff information shall relate to one type of goods and one set of circumstances conferring origin;
  - d. Applications for binding tariff information shall include the following particulars:
    - i. the holder's name and address;
    - ii. the name and address of the applicant where that person is not the holder;
    - iii. the customs nomenclature in which the goods are to be classified;
    - iv. a detailed description of the goods permitting their identification and the determination of their classification in the customs nomenclature;
    - v. the composition of the goods and any methods of examination used to determine this, where the classification depends on it;
    - vi. any samples, photographs, plans, catalogues or other documents available which may assist the customs Authority in determining the correct classification of the goods in the customs nomenclature, to be attached as annexes;
    - vii. the classification envisaged;
    - viii. agreement to supply a translation of any attached document into the Somali and/or English language(s) if requested by the customs Authority;
    - ix. any particulars to be treated as confidential;
    - x. acceptance that the information supplied may be stored in a database and that the particulars of the binding tariff information, including any photograph(s), sketch(es), brochure(s), etc may be disclosed to the public via the internet, with the exception of the information which the applicant has marked as confidential; the provisions governing the protection of information shall apply.

2. Applications for binding origin information shall include the following particulars:
  - a. the holder's name and address;
  - b. the name and address of the applicant where that person is not the holder;
  - c. the applicable legal basis, for the purposes of Sections 21 and 25 of the Act;
  - d. a detailed description of the goods and their tariff classification;
  - e. the composition of the goods and any methods of examination used to determine this and their ex-works price, as necessary;
  - f. the conditions enabling origin to be determined, the materials used and their origin, tariff classification, corresponding values and a description of the circumstances (rules on change of tariff heading, value added, description of the operation or process, or any other specific rule) enabling the conditions in question to be met; in particular the exact rule of origin applied and the origin envisaged for the goods shall be mentioned;
  - g. any samples, photographs, plans, catalogues or other documents available on the composition of the goods and their component materials and which may assist in describing the manufacturing process or the processing undergone by the materials;
  - h. agreement to supply a translation of any attached document into the official language of Somaliland if requested by the customs Authority;
  - i. any particulars to be treated as confidential, whether in relation to the public or the administration;
  - j. acceptance that the information supplied may be stored on a public-access database. However, apart from Section 15 of the Act the provisions governing the protection of information in force shall apply.
3. Where, on receipt of the application, the customs Authority considers that it does not contain all the particulars required to give an informed opinion, the customs Authority shall ask the applicant to supply the required information. The time limits of three months and 150 days referred to in Regulation 10 shall run from the moment when the customs Authority has all the information needed to reach a decision; the customs Authority shall notify the applicant that the application has been received and the date from which the said time limit will run.

**Regulation 10**  
**Notification to the Applicant**

1. Binding information shall be notified to the applicant as soon as possible:
  - a. tariff matters: if it has not been possible to notify binding tariff information to the applicant within three months of acceptance of the application, the customs Authority shall contact the applicant to explain the reason for the delay and indicate when they expect to be able to notify the information;
  - b. origin matters: information shall be notified within a time limit of 150 days from the date when the application was accepted.
2. Binding information shall be notified by means of forms corresponding to specimens for (a) Binding Tariff Information and (b) Binding Origin Information, to be determined by the customs Authority. The notification shall indicate what particulars will be treated as confidential. The right of appeal referred to in Section 203 of the Act shall be mentioned in the notification.

**Regulation 11**  
**Legal Effect of Binding Information**

1. Without prejudice to Section 5 and 62 of the Act, binding information may be invoked only by the holder:
  - a. for tariff matters: The customs Authority may require the holder, when fulfilling customs formalities, to inform the customs Authority that he/she is in possession of binding tariff information in respect of the goods being cleared through customs;
  - b. for origin matters: The customs Authority may require the holder, when completing any formalities, to inform the said Authority that he/she is in possession of binding origin information covering the goods in respect of which the formalities are being completed.
2. The holder of the binding information may use it in respect of particular goods only where it is established to the satisfaction of the customs Authority that:
  - a. for tariff matters: that the goods in question conform in all respects to those described in the information presented;
  - b. for origin matters: that the goods in question and the circumstances determining their origin information conform in all respects to those described in the information presented.

**Regulation 12**  
**Adoption of New Rulings**

If binding information ceases to be valid in accordance with Section 12 paragraph 5 of the Act, the customs Authority shall take the necessary steps to ensure that binding information shall thenceforth be issued only in conformity with the act or measure in question.

**Regulation 13**  
**Expiry of Binding Information**

1. When a holder of binding information which has ceased to be valid for reasons referred to in Section 12 paragraph 5 of the Act, wishes to make use of the possibility of invoking such information during a given period pursuant to paragraph 6 of that Section, he/she shall notify the customs Authority, providing any necessary supporting documents to enable a check to be made that the relevant conditions have been satisfied.
2. In cases where the conditions referred to in paragraph 1 of this Regulation concerning the possibility of continuing to invoke binding tariff information or binding origin information have not been fulfilled, the customs Authority shall notify the holder in writing.

**Regulation 14**  
**Transmission and Storage of Binding Information**

1. Binding tariff and origin information shall, without delay, be transmitted to all customs stations as appropriate to ensure the uniform application of the rules on tariff classification and origin as required under Section 2 of the Act.
2. The data of the application for binding tariff information and the binding origin information notified to the applicant, including any photograph(s), sketch(es), brochure(s) and so forth, shall be stored in a central database, and may be disclosed to the public via the internet, provided that the customs Authority shall keep confidential commercially sensitive information that may have been provided for the purpose of making a decision on the tariff classification or the originating status of the goods in question.

**Regulation 15**  
**Preferential Origin Criteria**

1. Goods shall be accepted as originating where they are consigned directly from a country to a consignee in a country with a trade agreement (direct transport) and where, in accordance with Section 22 of the Act,
  - a. they have been wholly produced; or

- b. they have been produced wholly or partially from materials imported from outside the country or of undetermined origin by a process of production which effects a substantial transformation of those materials.

**Regulation 16**  
**Direct Transport Rules**

1. The following shall be considered as transported directly from the beneficiary country to the importing country:
    - a. products transported without passing through the territory of any other country, except in the case of the territory of another country of the same regional group as defined in the Preferential Trade Agreement;
    - b. products constituting one single consignment transported through the territory of countries other than the beneficiary country or the importing country, with, should the occasion arise, transshipment or temporary warehousing in those countries, provided that the products remain under the surveillance of the customs Authority in the country of transit or of warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition;
    - c. products which are transported by pipeline without interruption across a territory other than that of the exporting beneficiary country or of the importing country.
  2. Evidence that the conditions specified in paragraph 1 (b) of this Regulation have been fulfilled shall be supplied to the customs Authority by the production of:
    - a. a single transport document covering the passage from the exporting country through the country of transit; or
    - b. a certificate issued by the customs Authority of the country of transit:
      - i. giving an exact description of the products;
      - ii. stating the dates of unloading and reloading of the products and, where applicable, the names of the ships, or the other means of transport used; and
      - iii. certifying the conditions under which the products remained in the country of transit;
- or, failing these, any substantiating documents<sup>1</sup>.

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<sup>1</sup> Note this last line has incorrectly been included in paragraph a of this sub-Regulation in the Somali version. This will be corrected at a future date



**Regulation 17**  
**Processes Not Conferring Origin**

1. Notwithstanding the provisions of Regulation 16, the following operations and processes shall be considered as insufficient to support a claim that goods originate from a country whether or not there is a change in tariff heading:
  - a. packaging, bottling, placing in flasks, bags, cases and boxes, fixing on cards or boards and all other simple packaging operations;
  - b. simple mixing of imported ingredients or simple assembly of imported components and parts to constitute a complete product;
  - c. operations to ensure the preservation of merchandise in good condition during transportation and storage such as ventilating, spreading out, drying, freezing, placing in brine, sulphur dioxide or other aqueous solutions, removal of damaged parts and similar operations;
  - d. changes of packing and breaking up or assembly of consignments;
  - e. marking, labelling or affixing other like distinguishing signs on products or their packages;
  - f. simple operations consisting of removal of dust, sifting or screening, sorting, classifying and matching, including the making up of sets of goods, washing, painting and cutting up;
  - g. a combination of two or more operations referred to in sub-paragraphs a) to f) of this Regulation; and
  - h. mere slaughter of animals

**Regulation 18**  
**Unit of Qualification**

1. In classifying goods for the purpose of origin, each item in a consignment shall be considered separately.
2. Notwithstanding the provisions of paragraph 1 of this Regulation:
  - a. where the Harmonised Commodity Description and Coding System specifies that a group, set or assembly of articles is to be classified within a single heading, such a group, set or assembly shall be treated as one article;

- b. tools, parts and accessories imported with an article, and whose prices are included in the price of tools, parts and accessories which are imported with the article or for which no separate charge is made, shall be considered as forming a whole with the article which the tools, parts and accessories constitute the standard equipment customarily included in the sale of articles of that kind; and
    - c. in cases not within the provisions of sub-paragraphs a) and b) above, goods shall be treated as a single article where they are so treated for purposes of assessing customs duties on like articles.
  3. An unassembled or disassembled article, which is imported in more than one consignment because it is not feasible for transportation or production reasons to import it in a single consignment, shall be treated as one article.

#### Regulation 19 Separation of Materials

1. For products or industries where it is not practicable for the producer to physically separate materials of similar character but different origin used in the production of goods, such separation may be replaced by an appropriate accounting system which ensures that no more goods are deemed to originate than would have been the case where the producer had been able to physically separate the materials.
2. Any accounting system referred to in paragraph 1 of this Regulation shall conform to the conditions that may be agreed upon by Customs in order to ensure that adequate control measures are applied.

#### Regulation 20 Treatment of Packing

1. For the purposes of assessing customs duties, goods may be treated separately from their packing and the origin of such packing may in respect of its import be determined separately.
2. Where paragraph 1 of this Regulation is not applied, packing shall be considered as forming a whole with the goods and no part of any packing required for their transport or storage shall be considered as having an impact in determining the origin of the goods as a whole.
3. For the purposes of paragraph 2 of this Regulation, packing with which goods are ordinarily sold at retail shall not be regarded as packing required for the transport or storage of the goods.

**Regulation 21**  
**Certificate of Origin**

1. An exporter/seller intending to export goods to a country which grants preferential tariff treatment at import must obtain a certificate of origin from the competent authority. The certificate, when presented to the customs Authority at import will serve as evidence to enable the goods to be accorded the preferential tariff treatment that is being sought for free circulation.
2. The procedure for requesting a certificate of origin, the further conditions which the applicant has to fulfil to obtain such certificate and the form of the certificate shall be regulated in the Preferential Trade Agreement concerned.

**Regulation 22**  
**Documentary Evidence**

1. The claim that goods originate shall be supported by a Certificate of Origin made by the exporter or exporter's representative in the prescribed form and authenticated by the competent authorities in the exporting state.
2. A producer, who is not an exporter, shall in respect of goods intended for export, furnish the exporter with a written declaration in conformity with the procedure, showing that the goods originate under the provisions of Sections 21 to 25 of the Act.
3. Notwithstanding the presentation of a Certificate of Origin issued in accordance with the provisions of paragraph 2 of this Regulation, the customs Authority may require further verification of the statement contained in that Certificate.
4. Where a request for further verification is made in accordance with paragraph 3 of this Regulation, the verification shall take place within the period of time and under the conditions specified in the preferential agreement.
5. The customs Authority shall not prevent the importer from taking delivery of goods solely on the grounds that it requires further evidence; but may require guarantee for any duty or other charge which may be payable.
6. Where the goods are subject to any prohibitions, the stipulations for delivery under guarantee shall not apply.
7. Copies of the Certificates of Origin and other relevant documentary evidence shall be preserved by the customs Authority for at least three years from the date of issuance.

## PART 3

### CUSTOMS VALUE

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#### Regulation 23 General Provisions

1. In applying the provisions of Sections 26 to 34 of the Act, account has to be taken of the *Guidance Notes on Customs Value*, approved by the customs Authority.
2. If it is necessary to make reference to generally accepted accounting principles in determining the customs value, the provisions of the Guidance Notes referred to in paragraph 1 of this Regulation shall apply.

#### Regulation 24 Definitions

1. For the purposes of Part 3 of these Regulations:

“The Agreement” means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, 1994, otherwise known as the World Trade Organisation Agreement on Customs Valuation;

“Produced goods” includes goods grown, manufactured and mined;

“Identical goods” means goods produced in the same country which are the same in all respects, including physical characteristics, quality and reputation. Minor differences in appearance shall not preclude goods otherwise conforming to the definition from being regarded as identical;

“Similar goods” means goods produced in the same country which, although not alike in all respects, have like characteristics and like component materials which enable them to perform the same functions and to be commercially interchangeable; the quality of the goods, their reputation and the existence of a trademark are among the factors to be considered in determining whether goods are similar;

“Goods of the same class or kind” means goods which fall within a group or range of goods produced by a particular industry or industry sector and includes identical or similar goods.

2. “Identical goods” and “similar goods”, as the case may be, do not include goods which incorporate or reflect engineering, development, artwork, design work, and

plans and sketches for which no adjustment has been made under Section 31 paragraph 1b) (iv) of the Act because such elements were undertaken in Somaliland.

**Regulation 25**  
**Relationship Between Buyer and Seller**

1. For the purposes of Sections 28 paragraph 1 (d) and 29 paragraph 2 (c) of the Act, persons shall be deemed to be related only if:
  - a. they are officers or directors of one another's businesses;
  - 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 % 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. together they directly or indirectly control a third person; or
  - h. they are members of the same family. Persons shall be deemed to be members of the same family only if they stand in any of the following relationships to one another:
    - i. husband and wife,
    - ii. parent and child,
    - iii. brother and sister (whether by whole or half-blood),
    - iv. grandparent and grandchild,
    - v. uncle or aunt and nephew or niece,
    - vi. parent-in-law and son-in-law or daughter-in-law, brother-in-law and sister-in-law
2. For the purposes of assessing whether the conditions on relationship between parties apply, persons who are associated in business with one another in that one is the sole agent, sole distributor or sole concessionaire, however described, of the other shall be deemed to be related only if they fall within the criteria of paragraph 1 of this Regulation.

**Regulation 26**  
**Time of Payment**

For the purposes of determining customs value under Section 28 of the Act of goods in regard to which the price has not actually been paid at the material time for valuation for customs purposes, the price payable for settlement at the said time shall as a general rule be taken as the basis for customs value.

**Regulation 27**  
**Apportioning & adjustment after the release of goods**

1. Where goods declared for free circulation are part of a larger quantity of the same goods purchased in one transaction, the price actually paid or payable for the purposes of Section 28, 1 of the Act shall be that price represented by the proportion of the total price which the quantity so declared bears to the total quantity purchased. Apportioning the price actually paid or payable shall also apply in the case of the loss of part of a consignment or when the goods being valued have been damaged before entry into free circulation.
2. After release of the goods for free circulation, an adjustment made by the seller, to the benefit of the buyer, of the price actually paid or payable for the goods may be taken into consideration for the determination of the customs value in accordance with Section 28 of the Act, if it is demonstrated to the satisfaction of the customs Authority that:
  - a. the goods were defective at the moment referred for release for free circulation;
  - b. the seller made the adjustment in performance of a warranty obligation provided for in the contract of sale, concluded before release for free circulation of the goods;
  - c. the defective nature of the goods has not already been taken into account in the relevant sales contract.

**Regulation 28**  
**Internal taxes in the country of export**

Where the price actually paid or payable for the purposes of Section 28, 1 of the Act includes an amount in respect of any internal tax applicable within the country of origin or export in respect of the goods in question, the said amount shall not be incorporated in the customs value provided that it can be demonstrated to the satisfaction of the customs Authority concerned that the goods in question have been or will be relieved therefrom for the benefit of the buyer.

**Regulation 29**  
**Export to Somaliland**

1. For the purposes of Section 28 of the Act, the fact that the goods which are the subject of a sale are declared for free circulation shall be regarded as an adequate indication that they were sold for export to the customs territory of Somaliland. This indication shall also apply in the case of successive sales before valuation; in such case each price resulting from these sales may be taken as a basis for valuation.
2. However, where goods are used in a third country between the time of sale and the time of entry into free circulation the customs value need not be the transaction value.
3. The buyer need satisfy no condition other than that of being a party to the contract of sale.

**Regulation 30**  
**Conditions for which the value can be determined**

1. Where, in applying Section 28, 1, b) of the Act<sup>2</sup>, it is established that the sale or price of imported goods is subject to a condition or consideration the value of which can be determined with respect to the goods being valued, such value shall be regarded as an indirect payment by the buyer to the seller and part of the price actually paid or payable provided that the condition or consideration does not relate to either:
  - a. an activity to which Section 28, 3, b) of the Act applies; or
  - b. a factor in respect of which an addition is to be made to the price actually paid or payable under the provisions of Section 31 of the Act.

**Regulation 31**  
**Marketing Activities**

1. For the purposes of Section 28 paragraph 3 (b) of the Act, the term “marketing activities” means all activities relating to advertising and promoting the sale of the goods in question and all activities relating to warranties or guarantees in respect of them.
2. Such activities undertaken by the buyer shall be regarded as having been undertaken on his/her own account even if they are performed in pursuance of an obligation on the buyer following an agreement with the seller.

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<sup>2</sup> Note reference in this Regulation to Section 28(1)(b) is incorrectly shown in the Somali version as being to Section 28(1). This will be corrected at a future date

## Regulation 32 Identical Goods

1. In applying Section 29 paragraph 2 (a) of the Act (the transaction value of identical goods), the customs value shall be determined by reference to the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued. Where no such sale is found, the transaction value of identical goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and/or to quantity, shall be used, provided that such adjustments can be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.
2. Where the costs and charges referred to in Section 31 paragraph 1 (e) of the Act are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the identical goods in question arising from differences in distances and modes of transport.
3. If, in applying this Regulation, more than one transaction value of identical goods is found, the lowest such value shall be used to determine the customs value of the imported goods.
4. In applying this Regulation, a transaction value for goods produced by a different person shall be taken into account only when no transaction value can be found under paragraph 1 of this Regulation for identical goods produced by the same person as the goods being valued.
5. For the purposes of this Regulation, the transaction value of identical imported goods means a customs value previously determined under Section 28 of the Act, adjusted as provided for in paragraphs 1 and 2 of this Regulation.

## Regulation 33 Similar Goods

1. In applying Section 29 paragraph 2 (b) of the Act (the transaction value of similar goods), the customs value shall be determined by reference to the transaction value of similar goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued. Where no such sale is found, the transaction value of similar goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and/or to quantity, shall be used, provided that such adjustments can be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.



2. Where the costs and charges referred to in Section 31 paragraph 1 (e) of the Act are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the similar goods in question arising from differences in distances and modes of transport.
3. If, in applying this Regulation, more than one transaction value of similar goods is found, the lowest such value shall be used to determine the customs value for the imported goods.
4. In applying this Regulation, a transaction value for goods produced by a different person shall be taken into account only when no transaction value can be found under paragraph 1 of this Regulation for similar goods produced by the same person as the goods being valued.
5. For the purposes of this Section, the transaction value of similar imported goods means a customs value previously determined under Section 28 of the Act, adjusted as provided for in paragraphs 1 and 2 of this Regulation.

#### Regulation 34 Deductive Value

1. If the imported goods or identical or similar imported goods are sold in Somaliland in the condition as imported, the customs value of imported goods, determined in accordance with Section 29 paragraph 2(c) of the Act, shall be based on the unit price at which the imported goods or identical or similar imported goods are so sold in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons who are not related to the persons from whom they buy such goods, subject to deductions for the following:
  - a. either the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses (including the direct and indirect costs of marketing the goods in question) in connection with sales in Somaliland of imported goods of the same class or kind;
  - b. the usual costs of transport and insurance and associated costs incurred within Somaliland;
  - c. the import duties and other charges payable in Somaliland by reason of the importation or sale of the goods.
2. If neither the imported goods nor identical nor similar imported goods are sold at or about the time of importation of the goods being valued, the customs value of imported goods, determined in accordance with Section 29 paragraph 2(c) of the Act, shall, subject otherwise to the provisions of paragraph 1, be based on the unit price at which the imported

goods or identical or similar imported goods are sold in Somaliland in the condition as imported at the earliest date after the importation of the goods being valued but before the expiration of 90 days after such importation.

3. If neither the imported goods nor identical nor similar imported goods are sold in Somaliland in the condition as imported, then, if the importer so requests, the customs value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in Somaliland who are not related to the persons from whom they buy such goods, due allowance being made for the value added by such processing and the deductions provided for in paragraph 1 of this Regulation.
4. For the purposes of this Regulation, the unit price at which imported goods are sold in the greatest aggregate quantity is the price at which the greatest number of units is sold in sales to persons who are not related to the persons from whom they buy such goods at the first commercial level after importation at which such sales take place.
5. Any sale in Somaliland to a person who supplies directly or indirectly free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods any of the elements specified in Section 31 paragraph 1 (b) of the Act should not be taken into account in establishing the unit price for the purposes of this Regulation.
6. For the purposes of paragraph 1 of this Regulation, the 'earliest date' shall be the date by which sales of the imported goods or of identical or similar imported goods are made in sufficient quantity to establish the unit price.

#### Regulation 35 The Computed Value

1. In applying Section 29 paragraph 2 (d) of the Act (computed value), the customs Authority may not require or compel any person not resident in Somaliland to produce for examination, or to allow access to, any account or other record for the purposes of determining this value. However, information supplied by the producer of the goods for the purposes of determining the customs value under this Section may be verified in a foreign country by the customs Authority with the agreement of the producer and provided that such Authority give sufficient advance notice to the authorities of the country in question and the latter do not object to the investigation.
2. The cost or value of materials and fabrication referred to in Section 29, 2, (d) (i) of the Act shall include the cost of elements specified in Section 31, 1) (a) (ii) and (iii) of the Act. It shall also include the value, duly apportioned, of any product or service specified in Section 31, 1, (b) of the Act which has been supplied directly or indirectly by the buyer for use in connection with the production of the imported goods. The value of the elements specified

in Section 31, 1, (b) (iv) of the Act which are undertaken in Somaliland shall be included only to the extent that such elements are charged to the producer.

3. Where information other than that supplied by or on behalf of the producer is used for the purposes of determining a computed value, the customs Authority shall inform the declarant, if the latter so requests, of the source of such information, the data used and the calculations based on such data, subject to the application of confidential data protection provisions in force.
4. The “general expenses” referred to in Section 29, 2, (d) (ii) of the Act, cover the direct and indirect costs of producing and selling the goods for export which are not included under Section 29, 2, (d) (i) of the Act.

#### Regulation 36 Containers

Where containers referred to in Section 31, 1, (a) (ii) of the Act are to be the subject of repeated importations, their cost shall, at the request of the declarant, be apportioned, as appropriate, in accordance with generally accepted accounting principles as provided in Regulation 23 paragraph 2.

#### Regulation 37 Research

For the purposes of Section 31, 1, (b) (iv) of the Act, the cost of research and preliminary design sketches is not to be included in the customs value.

#### Regulation 38 Interest Charges

Section 32 (c) of the Act shall apply *mutatis mutandis* where the customs value is determined by applying a method other than the transaction value.

#### Regulation 39 Royalties and License Fees

1. For the purposes of Section 31, 1, (c) of the Act, royalties and license fees shall be taken to mean in particular payment for the use of rights relating:
  - a. to the manufacture of imported goods (in particular, patents, designs, models and manufacturing know-how), or
  - b. to the sale for exportation of imported goods (in particular, trademarks, registered designs), or

- c. to the use or resale of imported goods (in particular, copyright, manufacturing processes inseparably embodied in the imported goods).
2. Without prejudice to Section 31, paragraph 5 of the Act, when the customs value of imported goods is determined under the provisions of Section 31 paragraph 1(c) of the Act, a royalty or license fee shall be added to the price actually paid or payable only when this payment:
  - a. is related to the goods being valued, and
  - b. constitutes a condition of sale of those goods.

#### Regulation 40

##### Royalties and License Fees in relation to Components & unassembled goods

1. When the imported goods are only an ingredient or component of goods manufactured in Somaliland, an adjustment to the price actually paid or payable for the imported goods shall only be made when the royalty or license fee relates to those goods.
2. Where goods are imported in an unassembled state or only have to undergo minor processing before resale, such as diluting or packing, this shall not prevent a royalty or license fee from being considered related to the imported goods.
3. If royalties or license fees relate partly to the imported goods and partly to other ingredients or component parts added to the goods after their importation, or to post-importation activities or services, an appropriate apportionment shall be made only on the basis of objective and quantifiable data, in accordance with the Guidance Notes on Customs Value.

#### Regulation 41

##### Royalties and License Fees in relation to use of Trademarks

1. A royalty or license fee in respect of the right to use a trademark is only to be added to the price actually paid or payable for the imported goods where:
  - a. the royalty or license fee refers to goods which are resold in the same state or which are subject only to minor processing after importation,
  - b. the goods are marketed under the trademark, affixed before or after importation, for which the royalty or license fee is paid, and
  - c. the buyer is not free to obtain such goods from other suppliers unrelated to the seller

#### Regulation 42

##### Payment of Royalties and License Fees to third parties

When the buyer pays royalties or license fees to a third party, the conditions provided for in Regulation 39, paragraph 2 shall not be considered as met unless the seller or a person related to him/her requires the buyer to make that payment.

#### Regulation 43

##### Relation of Royalty and License Fee payments to the goods

1. Where the method of calculation of the amount of a royalty or license fee derives from the price of the imported goods, it may be assumed in the absence of evidence to the contrary that the payment of that royalty or license fee is related to the goods to be valued.
2. However, where the amount of a royalty or license fee is calculated regardless of the price of the imported goods, the payment of that royalty or license fee may nevertheless be related to the goods to be valued.

#### Regulation 44

##### Country of Payment of Royalties

In applying Section 31, 1, c) of the Act, the country of residence of the recipient of the payment of the royalty or license fee shall not be a material consideration.

#### Regulation 45

##### Place of Introduction into Somaliland

1. For the purposes of Section 31, paragraph 1, e) and Section 32, paragraph 1 a) of the Act<sup>3</sup>, the place of introduction into the customs territory of Somaliland shall be:
  - a. for goods carried by sea, the port of unloading, or the port of transshipment, subject to transshipment being certified by the customs Authority of that port;
  - b. for goods carried by rail or road, the place where the first customs office is situated;
  - c. for goods carried by air, pipeline, cable or other means the place where the land frontier of the customs territory of Somaliland is crossed.
2. The customs value of goods introduced into the customs territory of Somaliland and then carried by sea to a destination in another part of that territory shall be determined by

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<sup>3</sup> Note references in this sub-Regulation are incorrectly shown in the Somali version as being to Sections 31(1)(a) and 32 of the Act. This will be corrected at a future date

reference to the first place of introduction into the customs territory of Somaliland, provided the goods are carried direct by a usual route to the place of destination.

#### Regulation 46 Transport Costs

1. In applying Sections 31, paragraph 1, e) and 32, paragraph 1 a) of the Act<sup>4</sup>:
  - a. where goods are carried by the same mode of transport to a point beyond the place of introduction into the customs territory of Somaliland, transport costs shall be assessed in proportion to the distance covered outside and inside the customs territory of Somaliland, unless evidence is produced to the customs Authority to show the costs that would have been incurred under a general compulsory schedule of freight rates for the carriage of the goods to the place of introduction into the customs territory of Somaliland;
  - b. where goods are invoiced at a uniform free domicile price which corresponds to the price at the place of introduction, transport costs within Somaliland shall not be deducted from that price. However, such deduction shall be allowed if evidence is produced to the customs Authority that the free-frontier price would be lower than the uniform free domicile price;
  - c. where transport is free or provided by the buyer, transport costs to the place of introduction, calculated in accordance with the schedule of freight rates normally applied for the same modes of transport, shall be included in the customs value.

#### Regulation 47 Postal Charges

1. All postal charges levied up to the place of destination in respect of goods sent by post shall be included in the customs value of these goods, with the exception of any supplementary postal charge levied in Somaliland.
2. No adjustment to the declared value shall, however, be made in respect of such charges in determining the value of consignments of a non-commercial nature.

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<sup>4</sup> Note references in this Regulation are incorrectly shown in the Somali version as being to Sections 31(1)(a) and 32 of the Act. This will be corrected at a future date

Regulation 48  
Air Transport

The air transport costs to be included in the customs value of goods shall be determined by applying the same rules as outlined in Regulation 46.

Regulation 49  
Valuation of Automatic Data-processing Equipment

1. Notwithstanding Sections 28 to 32 of the Act, in determining the customs value of imported carrier media bearing data or instructions for use in data-processing equipment, only the cost or value of the carrier medium itself shall be taken into account. The customs value of imported carrier media bearing data or instructions shall not, therefore, include the cost or value of the data or instructions, provided that such cost or value is distinguished from the cost or value of the carrier medium in question.
2. For the purpose of this Regulation:
  - a. the expression “carrier medium” shall not be taken to include integrated circuits, semiconductors and similar devices or articles incorporating such circuits or devices;
  - b. the expression “data or instructions” shall not be taken to include sound, cinematographic or video recordings.

Regulation 50  
Rates of Exchange

1. For the purposes of Regulations 52 to 54 of these Regulations:
  - a. “rate recorded” shall mean:
    - i. the latest selling rate of exchange recorded for commercial transactions on the most representative exchange market or markets, or
    - ii. some other description of a rate of exchange so recorded and provided that it reflects as effectively as possible the current value of the currency in question in commercial transactions;
  - b. “published” shall mean made generally known in a manner designated by the Central Bank of Somaliland;
  - c. “currency” shall mean any monetary unit used as a means of settlement between monetary authorities or on the international market.

**Regulation 51**  
**Time of Recording**

1. Where factors used to determine the customs value of goods are expressed at the time when that value is determined in a currency other than Somaliland Shilling, the rate of exchange to be used to determine that value shall be the rate recorded and published on each Thursday.
2. The rate recorded and published on each Thursday shall be used during the following calendar period of 7 days.
3. Where a rate of exchange is not recorded on Thursday as indicated in paragraph 1 of this Regulation, the last rate recorded for the currency in question shall be deemed to be the rate recorded and published on that Thursday.

**Regulation 52**  
**Monthly Rates**

1. Where the provisions in force allow the use of monthly exchange rates the following shall apply:
  - a. where factors used to determine the customs value of goods are expressed at the time when that value is determined in a currency other than Somaliland Shilling, the rate of exchange to be used to determine that value shall be the rate recorded and published on each second last Thursday of a month;
  - b. the rate recorded on each Thursday shall be used during the following calendar period of 1 month unless it is superseded by a rate established under Regulation 54 of these Regulations.
2. Where a rate of exchange is not recorded on the second last Thursday as indicated under point (a), the last rate recorded and published for the currency in question shall be deemed to be the rate recorded on that Thursday.

**Regulation 53**  
**Changes in Monthly Rates**

1. Where a rate of exchange recorded and published on the last Thursday of a month differs by 5 % or more from the rate established in accordance with Regulation 52 of this Regulation for entry into use the following month, it shall replace the latter rate from the first Thursday of that month as the rate to be applied for the application of Section 34 of the Act.



2. Where in the course of a period of application as referred to in the preceding provisions, a rate of exchange recorded on a Thursday differs by 5 % or more from the rate being used in accordance with this Part, it shall replace the latter rate and enter into use on the Thursday following as the rate to be used for the application of Section 34 of the Act. The replacement rate shall remain in use for the remainder of the current month, provided that this rate is not superseded due to operation of the provisions of the first sentence of this paragraph.

#### Regulation 54 Periodical Declarations

When the customs Authority authorises a declarant to furnish or supply at a later date certain details concerning the declaration for free circulation of the goods in the form of a periodic declaration, this authorisation may, at the declarant's request, provide that a single rate be used for conversion into Somaliland Shilling of elements forming part of the customs value as expressed in a particular currency. In this case, the rate to be used shall be the rate, established in accordance with this Part, which is applicable on the first day of the period covered by the declaration in question.

#### Regulation 55 Value Declaration DV1

1. Where it is necessary to establish a customs value for the purposes of Sections 27 to 35 of the Act, the customs Authority may request a declaration of particulars relating to customs value (Value Declaration) to accompany the customs entry made in respect of the imported goods. The value declaration shall be drawn up on a form D.V. 1 to be determined by the customs Authority.
2. It shall be a particular requirement that the Value Declaration prescribed in paragraph 1 of this Regulation shall be made only by a person who has his/her residence or place of business in the customs territory of Somaliland and is in possession of the relevant facts.
3. The customs Authority may waive the requirement of a declaration on the form referred to in paragraph 1 of this Regulation where the customs value of the goods in question cannot be determined under the provisions of Section 28 of the Act. In such cases the person referred to in paragraph 2 of this Regulation shall furnish or cause to be furnished to the customs Authority such other information as may be requested for the purposes of determining the customs value under another Section of the said Act; and such other information shall be supplied in such form and manner as may be prescribed by the customs Authority.
4. The lodging with a customs office of a declaration required by paragraph 1 of this Regulation shall, without prejudice to the possible application of penal provisions, be

equivalent to the engagement of responsibility by the person referred to in paragraph 2 of this Regulation in respect of:

- a. the accuracy and completeness of the particulars given in the declaration,
- b. the authenticity of the documents produced in support of these particulars, and
- c. the supply of any additional information or document necessary to establish the customs value of the goods.

#### Regulation 56 Derogations for Lodging a DV1

1. Except where it is essential for the correct application of import duties, the customs Authority shall waive the requirement of all or part of the declaration provided for in Regulation 55 of these Regulations:
  - a. where the customs value of the imported goods in a consignment does not exceed 1,000 USD, provided that they do not constitute split or multiple consignments from the same consignor to the same consignee; or
  - b. where the importations involved are of a non-commercial nature; or
  - c. where the submission of the particulars in question is not necessary for the application of the Customs Tariff or where the customs duties provided for in the Tariff are not chargeable pursuant to specific customs provisions.
2. In the case of continuing traffic in goods supplied by the same seller to the same buyer under the same commercial conditions, the customs Authority may waive the requirement that all particulars under Regulation 55 of these Regulations, be furnished in support of each customs declaration, but shall require them whenever the circumstances change and at least twice every year.
3. A waiver granted under this Regulation may be withdrawn and the submission of a D.V. 1 may be required where it is found that a condition necessary to qualify for that waiver was not or is no longer met.

#### Regulation 57 Periodic or recapitulative declarations

Where computerised systems are used, or where the goods concerned are the subject of a general, periodic or recapitulative declaration, the customs Authority may authorise variations in the form of presentation of data required for the determination of customs value.

**Regulation 58**  
**Accompanying Documentation**

1. The person referred to in Regulation 55, paragraph 2 of these Regulations shall furnish the customs Authority with a copy of the invoice on the basis of which the value of the imported goods is declared. Where the customs value is declared in writing this copy shall be retained by the customs Authority.
2. The customs Authority need not determine the customs valuation of imported goods on the basis of the transaction value method if, in accordance with the procedure set out in paragraph 3 of this Regulation, they are not satisfied, on the basis of reasonable doubts, that the declared value represents the total amount paid or payable as referred to in Section 28 of the Act.
3. Where the customs Authority has the doubts described in paragraph 1 of this Regulation, they may ask for additional information in accordance with paragraph 2 of this Regulation. If those doubts continue, the customs Authority must, before reaching a final decision, notify the person concerned, in writing if requested, of the grounds for those doubts and provide him/her with a reasonable opportunity to respond. A final decision and the grounds therefore shall be communicated in writing to the person concerned.
4. The interested party is entitled to appeal the decision to the customs Authority within 10 days from the receipt of the written communication.
5. If the customs Authority so requires any additional information and documents concerning the establishment of the customs value, the declarant is responsible for:
  - a. the supply of any additional information or documents necessary to establish the customs value of goods;
  - b. the authenticity of the documents produced.

**PART 4**

**ENTRY OF GOODS INTO THE CUSTOMS TERRITORY**

**Regulation 59**  
**Definitions**

For the purposes of this Part:

“Air waybill” means the document used for the commercial carriage of goods by air which provides evidence of the contract between the consignor and carrier, evidence that the goods have been received into the custody of the carrier and is a document of title;

“Bill of lading” means the document used for the commercial carriage of goods by sea which provides evidence of the contract between the consignor and carrier, evidence that the goods have been received into the custody of the carrier and is a document of title;

“Carrier” means the person who brings the goods, or who assumes responsibility for the carriage of the goods, into the customs territory of Somaliland, as referred to in Section 38 paragraph 3 of the Act;

“Manifest” means the list of all the cargo that comes aboard signed by the captains of the vessels or the aircrafts or the drivers of other means of transport, including rail transport, bearing not only the general manner of description of quantities of volumes, but also the quality, brands, numbers, weight, etc. and all the other indications necessary towards the identification of goods, as well as their description according to the order of ports or destinations depending on the means of transport used.

## Regulation 60

### Exceptions for lodging a summary declaration

1. An entry summary declaration shall not be required in respect of the following goods:
  - a. electrical energy;
  - b. goods entering by pipeline;
  - c. letters, postcards and printed matter, including on electronic medium;
  - d. goods moved under the rules of the Universal Postal Union Convention;
  - e. goods covered by customs declarations made by any other act in accordance with Regulations 102, 103 and 104 of these Regulations, except pallets, containers, and means of road, rail, air, sea and inland waterway transport carried under a transport contract;
  - f. goods contained in travellers’ personal luggage;
  - g. goods for which an oral customs declaration is permitted, in accordance with Regulation 105 of these Regulations except pallets, containers, and means of road, rail, air, sea and inland waterway transport carried under a transport contract;
  - h. goods entitled to relief pursuant to the *Vienna Convention on Diplomatic Relations* of 18 April 1961, the *Vienna Convention on Consular Relations* of 24 April 1963 or

other consular conventions, or the New York Convention of 16 December 1969 on special missions;

- i. goods in a consignment the intrinsic value of which does not exceed 600 USD provided that the customs Authority accepts, with the agreement of the economic operator, to carry out risk analysis using the information contained in, or provided by the system used by the economic operator.

#### Regulation 61 International Agreements

If an international agreement between Somaliland and another country provides for the recognition of ‘guarantee checks’ carried out in the country of export, the conditions set out in that agreement shall apply.

#### Regulation 62 Lodging of an entry summary declaration

1. The entry summary declaration Customs Form D1 may be made electronically. It shall correspond to the format prescribed by the customs Authority and shall be completed and authenticated in accordance with Explanatory Notes to be provided by the customs Authority.
2. The customs Authority shall allow the lodging of a paper-based entry summary declaration, or any other procedure replacing it where an electronic entry is not available. In that case, the paper-based entry summary declaration shall be made in accordance with Explanatory Notes provided by the customs Authority and signed by the person making it.
3. Where the consignment for which an entry summary declaration is made consists of more than one item of goods, the form shall be supplemented by a list of items.
4. The customs Authority may allow the form to be replaced by, or complemented by, commercial documents provided the documents submitted to the customs Authority contain the particulars laid down for entry summary declarations.
5. The summary declaration may consist of the ship’s manifest, aircraft manifest, train manifest, vehicle declaration (or other road transport documents approved by the customs Authority), transit declaration or any other form accepted by the relevant Customs office.
6. The commercial documentation shall contain the following minimum information:
  - a. date/time of arrival;
  - b. name and/or transport registration number;

- c. place arrived from;
  - d. the number of packages, their nature and the marks and number they bear;
  - e. the type of goods;
  - f. the gross weight of the goods.
7. Entry summary declarations shall be registered by the customs Authority immediately upon their receipt.
  8. The customs Authority shall notify immediately the person who lodged the entry summary declaration of its registration.
  9. Where an entry summary declaration is lodged by a person referred to in Section 38 paragraph 4 of the Act, the customs Authority may assume, except where there is evidence to the contrary, that the carrier has given his/her consent under contractual arrangements and that the lodging has been made with his/her knowledge.
  10. Where, after a period of 30 days from the date of lodging an entry summary declaration, the arrival of the means of transport has not been notified to customs or the goods have not been presented to customs in accordance with Section 41 paragraph 1 of the Act, the entry summary declaration shall be deemed not to have been lodged.

#### Regulation 63 Customs Supervision

1. Goods covered by a summary declaration which have not been unloaded from the means of transport carrying them shall be presented intact by the owner or an agent of the owner whenever the customs Authority so requires, until such time as the goods in question are assigned a customs-approved treatment or use.
2. Any person who holds goods after they have been unloaded in order to move or store them shall become responsible for compliance with the obligation to re-present all the goods intact at the request of the customs Authority.

#### Regulation 64 Time Limits

1. In the case of maritime traffic, the entry summary declaration shall be lodged at the customs office of entry at least 24 hours before the arrival of the vessel.
2. In the case of air traffic, the entry summary declaration shall be lodged at the customs office of entry at least one hour before the arrival of the aircraft.

3. In the case of rail traffic, the entry summary declaration shall be lodged at the customs office of entry at least two hours prior to arrival at the customs office of entry in the customs territory of Somaliland.
4. In the case of road traffic, the entry summary declaration shall be lodged at the customs office of entry upon arrival at the customs office of entry in the customs territory of Somaliland.

**Regulation 65**  
**Exceptions to the Time Limits**

1. The deadlines referred to in Regulation 64 of these Regulations shall not apply in the following cases:
  - a. where international agreements between Somaliland and third countries require the exchange of declaration data by deadlines different from those referred to in Regulation 64;
  - b. where the person required to lodge the entry summary declaration is prevented from doing so by *force majeure*.

**Regulation 66**  
**Irregularities**

1. Where it is found that goods presented to customs requiring the lodging of an entry summary declaration are not covered by such a declaration, the person who brought the goods, or who assumed responsibility for the carriage of the goods, into the customs territory of Somaliland shall lodge an entry summary declaration immediately.
2. Amendments to entry summary declarations shall not be possible after the customs Authority:
  - a. has informed the person who lodged the summary declaration that they intend to examine the goods; or
  - b. has established that the particulars in question are incorrect; or
  - c. has allowed the removal of the goods.
3. Prescribed penalties shall apply if an economic operator lodges the entry summary declaration after the deadlines provided for in Regulation 64 of these Regulations.

**Regulation 67**  
**Risk Analysis**

1. The customs office of entry shall, upon receipt of the information contained in the entry summary declaration, carry out appropriate risk analysis, prior to arrival of the goods in the customs territory of Somaliland.
2. Where the entry summary declaration has been lodged at a customs office other than the customs office of entry, and the particulars have been made available in accordance with Sections 37 paragraph 2, and 39 paragraph 1 of the Act, the customs Authority at the customs office of entry shall either accept the results of any risk analysis carried out by that other customs office, or take into consideration the results when carrying out their own risk analysis.
3. The customs Authority shall make efforts to complete the risk analysis prior to the arrival of the goods, provided that the relevant deadline set out in Regulation 64 of these Regulations is met.
4. Risk analysis may be carried out after the arrival of the goods in question where it is not possible to do so prior to arrival for reasons of work load or other exigencies.
5. Where that analysis provides reasonable grounds for the customs Authority to consider that the introduction of the goods into the customs territory of Somaliland would pose a serious threat to the fiscal, safety, security or other objectives and that immediate intervention is required, the customs Authority shall notify the person who lodged the entry summary declaration and, where different, the carrier that the goods are not to be unloaded upon arrival.
6. Where goods which are not covered by an entry summary declaration, in accordance with Regulation 60 of these Regulations, are brought into the customs territory of Somaliland, risk analysis shall be carried out upon presentation of the goods, where available on the basis of the commercial, port or trade information.
7. Goods presented to customs may be released for a customs-approved treatment or use as soon as the risk analysis has been carried out and the results allow such a release.

**Regulation 68**  
**Calling at more than one Port/Airport**

1. Where a vessel or aircraft is to call at more than one port or airport in the customs territory of Somaliland, provided that it moves between those ports without calling at any port or airport outside the customs territory of Somaliland, an entry summary declaration shall be lodged at the first Somaliland port or airport for all the goods carried.



2. The customs office at the first port or airport of entry shall carry out the risk analysis for fiscal, guarantee, safety or other purposes for all the goods carried, but additional risk analysis may be carried out for those goods at the port or airport at which they are discharged if deemed necessary.
3. Where a risk is identified, the customs office of the first port or airport of entry shall take prohibitive action in the case of consignments identified as posing a threat of a serious nature that immediate intervention is required, and, in any case, pass on the results of the risk analysis to the subsequent ports or airports.

## PART 5

### ENTRY OF GOODS, UNLOADING AND PRESENTATION TO CUSTOMS

#### Regulation 69

##### Introduction of Goods into Somaliland

In accordance with Section 41 of the Act, goods may be introduced into the customs territory of Somaliland at those places designated by the customs Authority and by the route specified.

#### Regulation 70

##### Customs Supervision

1. All means of transport will remain under customs supervision as long as:
  - a. they carry goods which are under customs supervision;
  - b. when entering the customs territory of Somaliland without carrying customs goods, until they have carried out all customs procedures.

#### Regulation 71

##### Notification of Arrival

1. The operator of the means of transport entering the customs territory of Somaliland or a representative of that operator shall notify the first customs office of entry of the arrival of the means of transport.
2. This notification of arrival shall contain the particulars necessary for the identification of the entry summary declarations lodged in respect of all goods carried on that means of transport.
3. The notification of arrival must be given within the following time limits:

- a. in the case of a ship, not less than 24 hours before the estimated time of arrival of the ship in Somaliland;
- b. in the case of an aircraft, not less than 1 hour before the estimated time of arrival in Somaliland;
- c. in the case of trains, or goods moved by pipeline, not less than 2 hours before the estimated time of arrival in Somaliland;
- d. in the case of road vehicles, immediately on arrival in Somaliland.

**Regulation 72**  
**Entry of Goods by Road**

1. Vehicles carrying goods entering the customs territory of Somaliland must be presented to Customs. Presentation is completed on a form “*vehicle declaration*” approved by the customs Authority. However, if all goods on a vehicle are transported under a COMESA carnet, no vehicle declaration is needed.
2. The vehicle declaration should contain general information about all goods carried by the vehicle, the name of the driver, registration number of the vehicle and the driver’s signature stating that the declaration is true and correct.

**Regulation 73**  
**Entry of Goods by Air**

1. On arrival of the aircraft in Somaliland, the Master of the aircraft, or a representative, in addition to the cargo manifest, shall provide Customs with the aircraft general declaration, crew list and passenger list.
2. The manifest shall include the following information:
  - a. the name of the airline transporting the goods;
  - b. the flight number;
  - c. the date of the flight;
  - d. the name of the airport of loading and unloading.
3. It shall also indicate, for each consignment:
  - a. the number of the air waybill;
  - b. the number of packages;
  - c. the normal trade description of the goods including all the details necessary for their identification;

- d. the gross mass.

**Regulation 74**  
**Entry of Goods by Sea**

1. On arrival of the vessel in Somaliland, the Master of the vessel, or a representative, in addition to the cargo manifest, shall provide Customs with the ship's declaration, crew list and passenger list.
2. The manifest shall include the following information:
  - a. the name of the shipping line transporting the goods;
  - b. the name of the ship;
  - c. the date of arrival;
  - d. the name of the port of loading and unloading.
3. It shall also indicate, for each consignment:
  - a. the number of the bill of lading;
  - b. the number of packages;
  - c. the normal trade description of the goods including all the details necessary for their identification;
  - d. the gross mass.

**Regulation 75**  
**Special provisions applicable to goods consigned by sea or air**

Goods brought into the customs territory of Somaliland by sea or air, which remain on board the same means of transport for carriage, without transshipment, shall be presented to customs in accordance with Section 43 of the Act only at a Somaliland port or airport where they are unloaded or transhipped.

**Regulation 76**  
**Customs Control of Means of Transport and Goods**

1. In order to confirm that information and declarations according to the Act and its regulations have been carried out correctly and completely, the customs authorities can examine:

- a. means of transport, including containers, boxes and other spaces where goods can be stored;
  - b. temporary storage facilities, warehouses, free zones, free warehouses and victualling warehouses, airports, railway stations and ports, where goods under customs supervision are stored, and also all facilities inside these areas; and
  - c. luggage such as suitcases and briefcases, handbags and similar items carried by travellers entering or leaving the customs territory of Somaliland or by persons entering or leaving by any means of transport that are under customs supervision
2. For the purpose of inspecting goods and the means of transport carrying them, the customs authorities may at any time require goods to be unloaded and unpacked.
  3. When customs authorities have suspicions that a customs violation has been committed, they may inspect the means of transport and the goods introduced in the customs territory of Somaliland, even before the summary declaration is lodged.
  4. The person who introduced the goods, the person who assumes responsibility for the carriage of goods following such entry or the declarant shall be entitled to be present whilst the goods are examined. The customs authorities shall notify their intention to proceed with the examination to the person concerned. If within two hours the said person does not declare his/her will to be present during the examination the customs authorities shall proceed without his/her presence.

#### Regulation 77 Unloading of Goods

1. Goods may not be unloaded without the authorisation of Customs.
2. Customs may authorise the unloading in advance of presentation of the summary declaration. Provided, suitable controls are in place, and if authorised by Customs, the unloading operation may be carried out outside Customs working hours.
3. In the case of aircraft operating on scheduled international flights, and other carriers, the Customs may give a general authorisation for the immediate unloading of cargo and passengers subject to compliance with conditions set down by the customs Authority and the provisions of the Act and its regulations.
4. All cargo transported into the country must be reconciled with the corresponding manifest, at the time of unloading, in the presence of a representative of the transporter.
5. The approved operator of the designated place for unloading, or other person designated by Customs must:

- a. assist as necessary and supervise the unloading;
  - b. check the marks, numbers and quantities of containers, or volumes discharged;
  - c. receive all the goods unloaded into the place approved for temporary storage, unless approved otherwise by Customs;
  - d. verify that the goods which are discharged correspond with the respective manifest and report, in a format to be agreed with Customs, any divergences;
  - e. register in a format to be agreed by Customs, the date of discharge of each item on the manifest together with the quantities, marks and numbers of goods unloaded and their exact location of storage in accordance with the storage plan approved by Customs, indicating those which are discharged directly to another means of transport;
  - f. check, weigh and seal any packages presenting signs of tampering, and record the gross weight on the package; and
  - g. notify Customs immediately of the discovery of packages showing signs of tampering where there is evidence of loss, and of any containers with signs of tampering or whose seals have been violated.
6. Customs will apply sample checks on the control of unloading according to the level of assessed risk.

#### Regulation 78

#### Prior Examination of Goods and Taking of Samples

1. The customs Authority may grant permission for examination of goods under the provisions of Section 45 of the Act at the oral request of the person required to assign the goods a customs-approved treatment or use, provided that having regard to the circumstances of the case, the customs Authority may consider a written request.
2. The customs Authority may only authorise the taking of samples at the written request of the person referred to in paragraph 1 of this Regulation.
3. The written request may be paper-based or electronic and shall be signed or authenticated by the person concerned and lodged with the competent customs office. It shall include the following particulars:
  - a. name and address of the applicant;
  - b. location of the goods;
  - c. reference to one of the following:

- i. the entry summary declaration;
    - ii. the previous customs procedure;
    - iii. the means of transport;
  - d. all other particulars necessary for identifying the goods.
4. The customs Authority shall communicate their decision to the person concerned. Where the request is for the taking of samples, the decision shall specify the quantity of goods to be taken.
  5. Examination of goods and the taking of samples shall be carried out under the supervision of the customs Authority, which shall specify the procedures to be followed. The person concerned shall bear all risks and costs related to the examination, taking of samples and analysis of the goods.
  6. The samples taken shall be subject to formalities with a view to assigning the goods to which they relate a customs-approved treatment or use. Where examination of the samples results in their destruction or irretrievable loss, no customs debt shall be deemed to have been incurred. Any waste or scrap resulting from the examination shall be assigned a customs-approved treatment or use prescribed for non-Somaliland goods.

## PART 6

### TEMPORARY STORAGE OF GOODS

#### Regulation 79 Temporary Storage Facilities

1. Where the places referred to in Section 51 of the Act have been approved on a permanent basis for the placing of goods in temporary storage, such places shall be called ‘temporary storage facilities’.
2. In order to ensure the application of customs rules, the customs Authority may, where they do not themselves manage the temporary storage facility, require that:
  - a. temporary storage facilities be double-locked, one key being held by the customs Authority;
  - b. the person operating the temporary storage facility keep stock accounts which enable the movements of goods to be traced.
3. Authorisation for temporary storage facilities shall be granted by the customs Authority.

The customs Authority may require security for the authorisation with a view to ensuring payment of any customs debt which may arise under Part V of the Act.

4. The keeper of the temporary storage facility must comply with all conditions and provisions stated in the authorisation regarding customs control, customs clearance, stock records and other provisions.
5. The keeper of the temporary storage facility must complete regular inventories of all goods stored there. The inventories shall take place at least once every three months. The customs authorities shall be present whilst the inventory is done. The written result must be forwarded to the relevant custom office within three days after the inventory. This point shall apply “*mutatis mutandis*” on temporary storage facilities managed by customs authorities.
6. Where temporary storage facilities are managed by customs authorities, demurrage charges may be charged for the storage of goods in the facility at rates approved by the customs Authority.

#### Regulation 80 Placing Goods in Temporary Storage

1. Goods shall be placed in the temporary storage facility on the basis of<sup>5</sup>:
  - a. reference to any entry summary declaration for the goods concerned; or
  - b. commercial documentation, containing the following minimum information:
    - i. date/time of arrival;
    - ii. name and/or transport registration number;
    - iii. place arrived from;
    - iv. the number of packages, their nature and the marks and number they bear;
    - v. the type of goods;
    - vi. the gross weight of the goods.

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<sup>5</sup> Note that while the text of this Regulation in the Somali version is the same, the numbering of sub-Regulations, the lettering of paragraphs and the numbering of sub-paragraphs is different and will be corrected to match this version at a future date

### Regulation 81

#### Time Limits for Assigning Goods a Customs-Approved Treatment or Use

1. For the purposes of Section 49 of the Act, the formalities necessary for the goods to be assigned a customs-approved treatment or use must be carried out within:
  - a. 45 days of the acceptance of the summary declaration in the case of goods arriving by sea;
  - b. 20 days of the acceptance of the summary declaration in the case of goods arriving by any other means of transport than sea.

### Regulation 82

#### Time limit for payment of customs duties and other levies due on the importation of goods

Without prejudice to the obligation set out in the previous Regulation, under the terms of Section 74 of the Act, it is obligatory to make or, where authorised by Customs, to guarantee payment in the form prescribed in the Act, within 10 working days of issue of the written demand from Customs.

### Regulation 83

#### Time limit for removal of goods cleared by customs

Goods which have been cleared by customs must be removed from the designated place within 10 working days of the issue of authorisation for release by Customs.

### Regulation 84

#### Out of Time Goods

In the case of non-compliance with the time limits set out in the previous 3 Regulations, the respective goods are deemed as “out of time” goods. Without prejudice to Customs own internal controls, the operator of any place approved for the temporary storage of goods under the terms of the present Regulation must submit to Customs by the 5th working day of each month, or within an alternative period stipulated by Customs, a list of all goods still in temporary storage whose period of such storage has exceeded by more than 10 days the period provided for in these Regulations. Customs will determine those goods which are out of time and ensure that the necessary measures are taken for their disposal, including confiscation and sale of the goods, under the terms of Section 74 of the Act.



## Regulation 85 Responsibilities

Without prejudice to Section 55 of the Act (*Destruction of Goods*) or to the provisions applicable to the sale of goods by the customs Authority, the person who has made the summary declaration or, where such a declaration has not yet been lodged, the persons referred to in Section 38 paragraph 3 of the Act, shall be responsible for giving effect to the measures taken by the customs Authority pursuant to Section 53 of the Act and for bearing the costs of such measures.

## Regulation 86 Request for voluntary abandonment or destruction of goods

Under the terms of Section 158 of the Act the declarant may apply to customs for voluntary abandonment or destruction of the goods, before expiry of the time limits set down for the commencement of customs formalities. The declarant should set out the justification for abandonment or destruction.

## Regulation 87 Procedures in cases of request for abandonment

Customs will approve the request for abandonment unless there are legal reasons or economic justification for refusing the request. Customs will set out the reason for the rejection in writing to the declarant. Where an application is rejected, the declarant will have a further 10 days to commence customs formalities from the date of rejection.

## Regulation 88 Procedures in cases of request for destruction

Destruction under Customs supervision may be approved by customs without payment of duties and taxes on the goods destroyed, but any waste or scrap remaining after destruction shall be liable to the respective taxes due, if taken into home use or exported in that state. The costs of the destruction will be borne by the declarant.

## PART 7

### CUSTOMS DECLARATIONS - NORMAL PROCEDURE

## Regulation 89 Declarations covering more than one article

Where a customs declaration covers two or more articles, the particulars relating to each article shall be regarded as constituting a separate declaration. In a customs declaration goods under the same tariff code, same country of origin and imported under the same

conditions regarding preferential treatment and restrictions should be put together under a single article.

#### Regulation 90 Responsibilities of the Declarant

1. Without prejudice to the possible application of penal provisions, the lodging of a declaration signed by the declarant or his/her representative whether manually or electronically using data-processing techniques with a customs office shall render the declarant or his/her representative responsible under the provisions in force for:
  - a. the accuracy of the information given in the declaration;
  - b. the authenticity of the documents presented; and
  - c. compliance with all the obligations relating to the entry of the goods in question under the procedure concerned.

#### Regulation 91 Accompanying Documentation

Documents accompanying a declaration shall be kept by the customs Authority unless the Authority provides otherwise or unless the declarant requires them for other operations.

#### Regulation 92 Customs Office of Presentation

1. The customs declaration shall be lodged at one of the following customs offices:
  - a. the customs office responsible for the place where the goods were or are to be presented to customs in accordance with the customs rules;
  - b. the customs office responsible for supervising the place where the exporter is established or where the goods are packed or loaded for export shipment, except in cases provided for in Regulations 324 (*Sub-Contracting*), 325 (*Designated Office of Export*) and 331 (*Oral Declarations*) of these Regulations.
2. The customs declaration may be lodged as soon as the goods are presented or available to the customs Authority for control. The customs Authority may allow the customs declaration to be lodged before the declarant is in a position to present the goods, or make them available for control, at the customs office where the customs declaration is lodged or at another customs office or place designated by the customs Authority. The customs Authority may set a time limit, to be determined according to the circumstances, within which the goods shall be presented or made available to the Customs; otherwise the

customs declaration shall be deemed not to have been lodged. The customs declaration may be accepted only after the goods in question have been presented to the customs Authority or have, to the satisfaction of the customs Authority, been made available for control purposes.

#### Regulation 93

##### Time and place for lodging the declaration

1. The declaration shall be lodged with the competent customs office during the days and hours appointed for opening. However, the customs Authority may, at the request of the declarant and at his/her expense, authorise the declaration to be lodged outside the appointed days and hours.
2. Any declaration lodged with the officials of a customs office in any other place duly designated for that purpose by agreement between the customs Authority and the person concerned shall be considered to have been lodged in the said office.
3. The customs declaration shall be lodged and goods shall be presented at the office of departure during the days and hours established by the customs Authority.
4. However, the office of departure may, at the request and expense of the principal, allow the goods to be presented in another place.

#### Regulation 94

##### Date of Acceptance

The date of acceptance of the declaration shall be noted thereon. The date of acceptance for a computerised declaration should be the date when the declaration has been transferred to the customs authority's computer system in a readable form. The customs declaration shall be accepted and registered by the office of departure during the days and hours established by the customs Authority.

#### Regulation 95

##### Amendments to the Declaration

1. The customs Authority may allow or require the corrections referred to in Section 63 of the Act to be made by the lodging of a new declaration intended to replace the original declaration. In that event, the relevant date for determination of any duties payable and for the application of any other provisions governing the customs procedure in question shall be the date of the acceptance of the original declaration. If the customs authorities accept the lodging of a new declaration, all copies of the old declaration must be kept in the files together with the new declaration. Notes on the old declaration must be made making it clear that it is invalidated. The notes must contain the decision to invalidate the declaration.

2. Customs shall not allow any amendments to a declaration after the customs Authority:
  - a. has informed the declarant that they intend to examine the goods; or,
  - b. has established that the particulars in question are incorrect; or,
  - c. has released the goods.

**Regulation 96**  
**Form to be Used**

1. The official model for written declarations to customs by the normal procedure, for the purposes of placing goods under a customs procedure shall be the Single Administrative Document. Other forms may be used for this purpose where the provisions of the customs procedure in question permit.
2. The provisions of paragraph 1 of this Regulation shall not preclude:
  - a. waiver of the written declaration as provided for in Regulations 112 to 122 of these Regulations for release for free circulation, export or temporary importation by oral declarations or declarations by any other act;
  - b. waiver of the form referred to in paragraph 1 of this Regulation with regard to consignments by letter or parcel-post;
  - c. use of special forms to facilitate the declaration in specific cases, where the customs Authority so permit;
  - d. use, by persons concerned, of loading lists for the completion of transit formalities in the case of consignments composed of more than one kind of goods.
3. When formalities are completed using public or private computers, which also print out the declarations, the customs authorities may provide that:
  - a. the hand-written signature may be replaced by another identification technique which may be based on the use of codes and having the same legal consequences as a hand-written signature. This facility shall only be granted if the technical and administrative conditions laid down by the competent authorities are complied with;
  - b. the declarations thus produced may be directly authenticated by those systems, in place of the manual or mechanical application of the customs office stamp and the signature of the competent official.

4. Where in Somaliland legislation, reference is made to an export, re-export or import declaration or a declaration placing goods under another customs procedure, Customs may not require any administrative documents other than those which are:
  - a. expressly created by Somaliland acts or provided for by such acts;
  - b. required under the terms of international conventions ratified by the Republic of Somaliland;
  - c. required from operators to enable them to qualify, at their request, for an advantage or specific facility;
  - d. required, with due regard for the legal provisions in force in the Republic of Somaliland, for the implementation of specific regulations which cannot be implemented solely by the use of the document referred to in paragraph 1 of this Regulation.

#### Regulation 97 Exceptions

Without prejudice to Regulation 96, paragraph 3 of these Regulations, customs may, for the purpose of completing export or import formalities, dispense with the production of one or more copies of the Single Administrative Document intended for their use, provided that the information in question is available on other media.

#### Regulation 98 Subsets of the SAD

1. The Single Administrative Document shall be presented in subsets and one or more continuation forms where necessary, containing the number of copies required for the completion of formalities relating to the customs procedure under which the goods are to be placed.
2. Where the transit procedure is preceded or followed by another customs procedure, a subset containing the number of copies required for the completion of formalities relating to the transit and the preceding or following procedure may be presented.

#### Regulation 99 Responsibilities

1. Where Regulation 98, paragraph 2 of these Regulations applies, each party involved shall be liable only as regards the particulars relating to the procedure for which he/she applied as declarant, principal or as the representative of one of these.

2. For the purposes of paragraph 1 of this Regulation, where the declarant uses a Single Administrative Document issued during the preceding customs procedure, he/she shall be required, prior to lodging his/her declaration, to verify the accuracy of the existing particulars for the boxes for which he/she is responsible and their applicability to the goods in question and the procedure applied for, and to supplement them as necessary.
3. In the cases referred to in the first subparagraph, the declarant shall immediately inform the customs office where the declaration is lodged of any discrepancy found between the goods in question and the existing particulars. In this case the declarant shall then draw up his/her declaration on fresh copies of the Single Administrative Document.

#### Regulation 100 Successive Procedures

Where the Single Administrative Document is used to cover several successive customs procedures, the customs Authority shall satisfy themselves that the particulars given in the declarations relating to the various procedures in question all agree.

#### Regulation 101 Language

1. The declaration must be drawn up in the official language of the Republic of Somaliland, except when the declaration is made under the terms of international conventions.
2. In the latter case referred to in paragraph 1 of this Regulation, the customs Authority may require from the declarant or his/her representative a translation of the declaration into Somali.

#### Regulation 102 Completion of the SAD

1. The Single Administrative Document must be completed in accordance with the explanatory notes to be provided by the customs Authority and any additional rules laid down in other Somaliland legislation.
2. The customs Authority shall ensure that users have ready access to copies of the explanatory notes referred to in the above paragraph.

#### Regulation 103 Codes to be Used

The codes to be used in completing the form referred to in Regulation 96, paragraph 1 of these Regulations shall be determined by the customs Authority in Explanatory Notes to the Single Administrative Document.

**Regulation 104**  
**Supplementary Copies**

In cases where the rules require supplementary copies of the form referred to in Regulation 96 paragraph 1 of these Regulations, the declarant may use additional sheets or photocopies of the said form for this purpose. Such additional sheets or photocopies must be signed by the declarant, presented to the customs Authority and endorsed by the latter under the same conditions as the Single Administrative Document. They shall be accepted by the customs Authority as if they were original documents provided that their quality and legibility are considered satisfactory by the said Authority.

**PART 8**

**DOCUMENTS TO ACCOMPANY THE CUSTOMS DECLARATION**

**Regulation 105**  
**Declaration for Free Circulation**

1. The following documents shall accompany the customs declaration for release for free circulation:
  - a. the invoice on the basis of which the customs value of the goods is declared;
  - b. where it is required, the declaration of particulars for the assessment of the customs value of the goods declared (DV 1), drawn up in accordance with the conditions laid down in Regulation 55 of these Regulations;
  - c. the documents required for the application of preferential tariff arrangements or other measures derogating from the legal rules applicable to the goods declared;
  - d. all other documents required for the application of the provisions governing the release for free circulation of the goods declared.
2. The customs Authority may require transport documents or documents relating to the previous customs procedure, as appropriate, to be produced when the declaration is lodged.
3. Where a single item is presented in two or more packages, they may also require the production of a packing list or equivalent document indicating the contents of each package.
4. Where goods qualify for the flat rate of duty or where goods qualify for relief from import duties, the documents referred to in paragraphs 1 (a), (b) and (c) of this Regulation need not be required unless the customs Authority considers it necessary for the purposes of applying the provisions governing the release of the goods in question for free circulation.

5. To satisfy the provision of information required in a customs declaration, the invoice required by paragraph 1 of this Regulation should contain the following information, unless the customs authorities consider having regard to the circumstances, that some information can be omitted<sup>6</sup>:
  - a. name and address of the seller;
  - b. name and address of the buyer;
  - c. date of issue;
  - d. number of packages, their nature and the marks and number they bear;
  - e. gross weight of the goods;
  - f. type of goods and quantity and price for each type of goods;
  - g. eventual discounts and type of discount, and conditions of delivery.
6. If information concerning packages is not shown in the invoice referred to in paragraph 5 of this Regulation, a packing list should be attached to the invoice.
7. The customs authorities may, if needed, ask for a written translation to the Somali language of information provided in the invoice.

#### Regulation 106 Transit Declarations

1. The goods that are the subject of the transit declaration shall be presented together with the transit declaration and the transport document.
2. The office of departure may waive the requirement to produce the latter document when the customs formalities are completed, on condition that the document is kept at its disposal.
3. However, the transport document shall be presented at the request of the customs Authority or any other competent Authority in the course of transport.
4. Without prejudice to any applicable simplification measures, the customs document of export/dispatch or re-exportation of the goods from the customs territory of the Republic

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<sup>6</sup> Note that while the text of sub-Regulation 5 onwards in the Somali version is the same, the numbering of sub-Regulations and lettering of sub-paragraphs is different and will be corrected to match this version at a future date



of Somaliland or any document of equivalent effect shall be presented to the office of departure with the transit declaration to which it relates.

5. The customs Authority may, where appropriate, require production of the document relating to the preceding customs procedure.

#### Regulation 107

#### Declarations for procedures with economic impact

1. Without prejudice to specific provisions, the documents to accompany the declaration of entry for a customs procedure with economic impact, shall be as follows:
  - a. For the customs warehousing procedure:
    - i. type D; the documents laid down in Regulation 105 paragraph 1 a) and b) of these Regulations;
    - ii. other than type D; no documents;
  - b. For the inward-processing procedure:
    - i. drawback system; the documents laid down in Regulation 105, paragraph 1 of these Regulations;
    - ii. suspension system; the documents laid down in Regulation 105, paragraph 1 a) and b) of these Regulations, and, where appropriate, the written authorisation for the customs procedure in question or a copy of the application for authorisation in case of a retrospective authorisation;
    - iii. for processing under customs control the documents laid down in Regulation 105, paragraph 1 a) and b) of these Regulations, and, where appropriate, the written authorisation for the customs procedure in question or a copy of the application in case of a retrospective authorisation;
  - c. For the temporary importation procedure:
    - i. with partial relief from import duties; the documents laid down in Regulation 105, paragraph 1 of these Regulations;
    - ii. with total relief from import duties; the documents laid down in Regulation 105, paragraph 1 a) and b) of these Regulations, and, where appropriate, the written authorisation for the customs procedure in question or a copy of the application for authorisation in case of a retrospective authorisation;

- iii. for the outward-processing procedures, the documents laid down in Regulation 105, paragraph 1 of these Regulations and, where appropriate, the written authorisation of the procedure or a copy of the application for authorisation in case of retrospective authorisation.
2. Regulation 105, paragraph 2 of these Regulations shall apply to declarations of entry for any customs procedure with economic impact.
3. The customs Authority may allow the written authorisation of the procedure or a copy of the application for authorisation to be kept at their disposal instead of accompanying the declaration.

**Regulation 108**  
**Re-export declarations**

1. The export or re-export declaration shall be accompanied by all documents necessary for the correct application of export duties and of the provisions governing the export of the goods in question.
2. Regulation 105, paragraph 2 of these Regulations shall apply to export or re-export declarations.

**Regulation 109**  
**Customs declarations made using a data-processing technique**

1. Where the customs declaration is made by a data-processing technique, the particulars of the written declaration referred to in Regulation 96 paragraph 1 of these Regulations may be replaced by sending to the customs office designated for that purpose, with a view to their processing by computer, data in codified form or data made out in any other form specified by the customs Authority and corresponding to the particulars required for written declarations.
2. A customs declaration made by EDI shall be considered to have been lodged when the EDI message is received by the customs Authority.
3. Acceptance of a customs declaration made by EDI shall be communicated to the declarant by means of a response message containing at least the identification details of the message received and/or the registration number of the customs declaration and the date of acceptance.
4. Where the customs declaration is made by EDI, the customs Authority shall lay down the rules for implementing the provisions with regards to control and release notifications on the declaration.

5. Where the customs declaration is made by EDI, the release of the goods shall be notified to the declarant, indicating at least the identification details of the declaration and the date of release.
6. Where the particulars of the customs declaration are introduced into customs data-processing systems, paragraphs 2, 3, 4 and 5<sup>7</sup> of this Regulation shall apply *mutatis mutandis*.

**Regulation 110**  
**Hard copies to be produced**

Where a paper copy of the customs declaration is required for the completion of other formalities, this shall, at the request of the declarant, be produced and authenticated, either by the customs office concerned, or in case of declarations submitted through electronic means, by any other system of authentication as may be provided by the customs Authority.

**Regulation 111**  
**Transmitting documents by electronic means**

Under the conditions and in the manner which they shall determine, the customs Authority may authorise the documents required for the entry of goods for a customs procedure to be made out and transmitted by electronic means.

**Regulation 112**  
**Release for free circulation**

1. Customs declarations may be made orally for the release for free circulation of the following goods:
  - a. Goods of a non-commercial nature:
    - i. contained in travellers' personal luggage, or
    - ii. sent to private individuals, or
    - iii. in other cases of negligible importance, where this is authorised by the customs Authority.
  - b. Goods of a commercial nature provided:
    - i. the total value per consignment and per declarant does not exceed the statistical threshold laid down in the provisions in force, and

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<sup>7</sup> Note references in this sub-Regulation are incorrectly shown in the Somali version as being to paragraphs 2, 3 and 4 only. This will be corrected at a future date

- ii. the consignment is not part of a regular series of similar consignments, and
- iii. the goods are not being carried by an independent carrier as part of a larger freight movement.
- c. The goods referred to in Regulation 116 of these Regulations, where these qualify for relief as returned goods;
- d. The goods referred to in Regulation 117 (b) and (c) of these Regulations.

### Regulation 113

#### Export

1. Customs declarations may be made orally for the export of:
  - a. goods of a non-commercial nature:
    - i. contained in travellers' personal luggage, or
    - ii. sent by private individuals;
  - b. The goods referred to in Regulation 112, (b) of these Regulations;
  - c. The goods referred to in Regulation 118, (b) and (c) of these Regulations;
  - d. Other goods in cases of negligible economic importance, where this is authorised by the customs Authority.

### Regulation 114

#### Exceptions vis-a-vis the declarant

1. The customs Authority may provide that Regulations 112 and 113 of these Regulations shall not apply where the person clearing the goods is acting on behalf of another person in his capacity as customs agent.
2. Where the customs Authority is not satisfied that the particulars declared are accurate or that they are complete, they may require a written declaration.

### Regulation 115

#### Payment of Duties and Taxes

1. Where goods declared to customs orally in accordance with Regulations 112 and 113 of these Regulations are subject to import or export duty, the customs Authority shall issue a receipt to the person concerned against payment of the duty owing.
2. The receipt shall include at least the following information:

- a. A description of the goods which is sufficiently precise to enable them to be identified; this may include the tariff heading;
- b. The invoice value and/or quantity of the goods, as appropriate;
- c. A breakdown of the charges collected;
- d. The date on which it was made out;
- e. The name of the Authority which issued it.

**Regulation 116**  
**Temporary Importation**

1. Customs declarations may be made orally for the temporary importation of the following goods, in accordance with conditions specified by the customs Authority, for:
  - a. Animals for transhumance or grazing or for the performance of work or transport and other goods satisfying the conditions laid down in Regulation 298 of these Regulations;
  - b. Packing referred to in Regulation 302 of these Regulations bearing the permanent, indelible markings of a person established outside the customs territory of the Republic of Somaliland;
  - c. Radio and television production and broadcasting equipment and vehicles specially adapted for use for the above purpose and their equipment imported by public or private organisations established outside the customs territory of the Republic of Somaliland and approved by the customs Authority issuing the authorisation for the procedure to import such equipment and vehicles;
  - d. Instruments and apparatus necessary for doctors to provide assistance for patients awaiting an organ transplant pursuant to Regulation 300 of these Regulations;
  - e. The goods referred to in Regulation 119 of these Regulations;
  - f. Other goods, where this is authorised by the customs Authority.
2. The goods referred to in paragraph 1 of this Regulation may also be the subject of an oral declaration for re-exportation discharging a temporary importation procedure.

**PART 9**

**CUSTOMS DECLARATIONS BY ANY OTHER ACT**

**Regulation 117**  
**Release for free circulation**

1. The following, where not expressly declared to customs, shall be considered to have been declared for release for free circulation by the act referred to in Regulation 120 of these Regulations:
  - a. Goods of a non-commercial nature contained in travellers' personal luggage entitled to relief or as returned goods;
  - b. Goods entitled to relief under the provisions in force;
  - c. Means of transport entitled to relief as returned goods;
  - d. Goods imported in the context of traffic of negligible economic importance and exempted from the requirement to be conveyed to a customs office provided they are not subject to import duty.

**Regulation 118**  
**Export**

1. The following, where not expressly declared to customs, shall be considered to have been declared for export by the act referred to in Regulation 120 (b) of these Regulations:
  - a. goods of a non-commercial nature not liable for export duty contained in travellers' personal luggage;
  - b. means of transport registered in the customs territory of the Republic of Somaliland and intended to be re-imported;
  - c. goods relieved from export duties in accordance with the provisions in force;
  - d. other goods in cases of negligible economic importance, where this is authorised by the customs Authority

**Regulation 119**  
**Temporary Importation**

1. The following, where not declared to customs in writing or orally, shall be considered to have been declared for temporary importation by the act referred to in Regulation 120 of these Regulations, subject to Regulation 311 of these Regulations:
  - a. Personal effects and goods for sports purposes imported by travellers in accordance with the provisions in force;
  - b. The means of transport referred to in Regulations 288 to 293 of these Regulations;

- c. Welfare materials for seafarers used on a vessel engaged in international maritime traffic pursuant to Regulation 295 (1) (a) of these Regulations.
2. Where they are not declared to customs in writing or orally, the goods referred to in paragraph 1 of this Regulation shall be considered to have been declared for re-exportation discharging the temporary importation procedure by the act referred to in Regulation 120 of these Regulations.

### Regulation 120

#### Examples

1. For the purposes of Regulations 117 to 119 of these Regulations, the act which is considered to be a customs declaration may take the following forms:
  - a. in the case of goods conveyed to a customs office or to any other place designated or approved:
    - i. going through the green or ‘nothing to declare’ channel in customs offices where the two-channel system is in operation;
    - ii. going through a customs office which does not operate the two-channel system without spontaneously making a customs declaration;
  - b. in the case of exemption from the obligation to convey goods to customs in accordance with the provisions in force addressing tourist traffic, frontier traffic, postal traffic or traffic of negligible economic importance, in the case of export in accordance with Regulation 118 of these Regulations and in the case of re-exportation in accordance with Regulation 119, paragraph 2 of these Regulations: the sole act of crossing the frontier of the customs territory of the Republic of Somaliland.

### Regulation 121

#### Legal Implications

1. Where the conditions of Regulations 117 to 119 of these Regulations are fulfilled, the goods shall be considered to have been presented to customs within the meaning of Section 61 of the Act, the declaration to have been accepted and release to have been granted, at the time when the act referred to in Regulation 120 of these Regulations is carried out.
2. Where a check reveals that the act referred to in Regulation 120 of these Regulations has been carried out, but the goods imported or taken out do not fulfil the conditions in Regulations 117 to 119 of these Regulations, the goods concerned shall be considered to have been imported or exported unlawfully.

### Regulation 122

#### Repayment, prohibited and restricted goods

1. The provisions of Regulations 112 to 119 of these Regulations shall not apply to goods in respect of which the payment of refunds or other amounts or the repayment of duties is sought, or which are subject to a prohibition or restriction or to any other special formality.

## PART 10

### EXAMINATION OF THE GOODS, FINDINGS OF THE CUSTOMS OFFICE AND OTHER MEASURES TAKEN BY THE CUSTOMS OFFICE

### Regulation 123

#### Place of examination

1. The goods shall be examined in the places designated and during the hours appointed for that purpose by the customs Authority.
2. However, the customs Authority may, at the request of the declarant, authorise the examination of goods in places or during hours other than those referred to in paragraph 1 of this Regulation. Any costs involved shall be borne by the declarant.

### Regulation 124

#### Notification of examination

1. Where the customs Authority elects to examine goods, they shall inform the declarant or his/her representative so.
2. Where they decide to examine a part of the goods only, the customs Authority shall inform the declarant or his/her representative which items they wish to examine. The customs Authority's choice shall be final.

### Regulation 125

#### Presence of the Declarant

1. The declarant or the person designated by him/her to be present at the examination of the goods shall render to the customs Authority the assistance required to facilitate their work. Should the customs Authority consider the assistance rendered unsatisfactory, they may require the declarant to designate another person able to give the necessary assistance.
2. Where the declarant refuses to be present at the examination of the goods or to designate a person able to give the assistance which the customs Authority considers necessary, the said Authority shall set a deadline for compliance, unless they consider that such an



examination may be dispensed with. If, on expiry of the deadline, the declarant has not complied with the requirements of the customs Authority, the latter, for the purpose of applying Section 67 a) of the Act, shall proceed with the examination of the goods, at the declarant's risk and expense, calling if necessary on the services of an expert or any other person designated in accordance with the provisions in force.

3. The findings made by the customs Authority during the examination carried out under the conditions referred to in the preceding paragraph shall have the same validity as if the examination had been carried out in the presence of the declarant.
4. Instead of the measures laid down in paragraphs 2 and 3 of this Regulation, the customs Authority shall have the option of deeming a declaration invalid where it is clear that the declarant's refusal to be present at the examination of the goods or to designate a person able to give the necessary assistance neither prevents, nor seeks to prevent, the Authority from finding that the rules governing the entry of the goods for the customs procedure concerned have been breached.

#### Regulation 126 Sampling by Customs

1. Where the customs Authority decides to take samples, they shall so inform the declarant or his/her representative. Samples shall be taken by the customs Authority themselves.
2. However, they may ask that this be done under their supervision by the declarant or a person designated by him/her. Samples shall be taken in accordance with the methods laid down in the provisions in force.
3. The quantities taken as samples should not exceed what is needed for analysis or more detailed examination, including possible check analysis.

#### Regulation 127 Refusal to assist Customs

1. The declarant or the person designated by him/her to be present at the taking of samples shall render to the customs Authority all the assistance needed to facilitate the operation.
2. Where the declarant refuses to be present at the taking of samples or to designate a person to attend, or where he/she fails to render to the customs Authority all the assistance needed to facilitate the operation, the provisions of Regulation 125 paragraph 2 of these Regulations shall apply.

### Regulation 128

#### Release of goods awaiting the outcome of the analysis

Where the customs Authority takes samples for analysis or more detailed examination, they shall authorise the release of the goods in question without waiting for the results of the analysis or examination, unless there are other grounds for not doing so, and provided that, where a customs debt has been or is likely to be incurred, the duties in question have already been entered in the accounts and paid or secured.

### Regulation 129

#### Quantity of samples to be taken

The quantities taken by the customs office as samples shall not be deducted from the quantity declared. Where an export or outward processing declaration is concerned, the declarant shall be authorised, where circumstances permit, to replace the quantities of goods taken as samples by identical goods, in order to make up the consignment.

### Regulation 130

#### Return of samples taken by Customs

1. Unless destroyed by the analysis or more detailed examination, the samples taken shall be returned to the declarant at his/her request and expense once they no longer need to be kept by the customs Authority, in particular after all the declarant's means of appeal against the decision taken by the customs Authority on the basis of the results of that analysis or more detailed examination have been exhausted.
2. Where the declarant does not ask for samples to be returned, they may either be destroyed or kept by the customs Authority. In specific cases, however, the customs Authority may require the declarant to remove any samples that remain.

### Regulation 131

#### Obligation to keep records of examinations

1. Where the customs Authority verifies the declarations and accompanying documents or examines the goods, they shall indicate, at least in the copy of the declaration retained by the said Authority, or in a document attached thereto, the basis and results of any such verification or examination. In the case of partial examination of the goods, particulars of the consignment examined shall also be given.
2. Where appropriate, the customs Authority shall also indicate in the declaration that the declarant or his/her representative was absent.
3. Should the result of the verification of the declaration and accompanying documents or examination of the goods not be in accordance with the particulars given in the declaration,

the customs Authority shall specify, at least in the copy of the declaration retained by the said Authority, or in a document attached thereto, the particulars to be taken into account for the purposes of the application of charges on the goods in question and, where appropriate, calculating any refunds or other amounts payable on exportation, and for applying the other provisions governing the customs procedure for which the goods are entered.

4. The findings of the customs Authority shall indicate, where appropriate, the means of identification adopted. They shall be dated and bear the particulars needed to identify the official issuing them.
5. Where the customs Authority neither verifies the declaration nor examines the goods, they need not endorse the declaration or attached document referred to in paragraph 1 of this Regulation.
6. For the implementation of the transit procedure, the office of departure shall record the results of the verification by entering corresponding data in the transit declaration.

#### Regulation 132

#### Entry into the accounts – release of goods

1. The granting of release shall give rise to the entry in the accounts of the import duties determined according to the particulars in the declaration. Where the customs Authority considers that the checks which they have undertaken may enable an amount of import duties higher than that resulting from the particulars made in the declaration to be assessed, they shall further require the lodging of a guarantee sufficient to cover the difference between the amount according to the particulars in the declaration and the amount which may finally be payable on the goods. However, the declarant may request the immediate entry in the accounts of the amount of duties to which the goods may ultimately be liable instead of lodging this guarantee.
2. Where, on the basis of the checks which they have carried out, the customs Authority assesses an amount of import duties different from the amount which results from the particulars in the declaration, the release of the goods shall give rise to the immediate entry in the accounts of the amount thus assessed.
3. Where the customs Authority has doubts about whether or not a prohibition or restriction applies, and this cannot be resolved until the results of the checks the Authority has carried out are available, the goods in question cannot be released.
4. Notwithstanding paragraph 1 of this Regulation, the customs Authority may refrain from taking a guarantee in respect of goods which are the subject of a drawing request on a tariff quota.

**Regulation 133**  
**Form of Release**

1. The customs Authority shall determine the form of release, taking due account of the place at which the goods are located and of the special arrangements for their supervision.
2. Where the declaration is made in writing, a reference to the release and its date shall be made on the declaration or, where applicable, a document attached, and a copy shall be returned to the declarant.
3. For the implementation of the transit procedure, and if the results of the verification of the declaration allow it, the office of departure shall authorise the release of the goods and record the date of the release on the declaration.

**Regulation 134**  
**Regularisation of goods which cannot be released**

1. Where the customs Authority has been unable to grant release for one of the reasons specified in Section 74 a) ii) and iii) of the Act, they shall give the declarant a time limit to regularise the situation of the goods.
2. Where, in the circumstances referred to in Section 74 a) ii) of the Act, the declarant has not produced the requisite documents within the time limit referred to in paragraph 1 of this Regulation, the declaration in question shall be deemed invalid and the customs office shall cancel it. The provisions of Section 64 of the Act shall apply.
3. In the circumstances referred to Section 74 a) i) of the Act, and without prejudice to any measures taken under the first subparagraph of Section 64 of the Act, where the declarant has neither paid nor guaranteed the duties due within the time limit referred to in paragraph 1 of this Regulation, the customs Authority may start the preliminary formalities for the sale of the goods. In this case the goods shall be sold unless the requisite conditions have been fulfilled in the interim, if necessary by forced sale where the provisions in force so permits.
4. The customs Authority shall inform the declarant thereof.
5. The customs Authority may, at the risk and expense of the declarant, transfer the goods in question to special premises under their supervision.

**Regulation 135**  
**Invalidation of a Customs Declaration**

1. By way of derogation from Section 64 of the Act, a customs declaration may be invalidated after the goods have been released, as provided below.

2. Where it is established that the goods have been declared in error for a customs procedure entailing the payment of import duties instead of being placed under another customs procedure, the customs Authority shall invalidate the declaration if a request to that effect is made within three months of the date of acceptance of the declaration provided that:
  - a. any use of the goods has not contravened the conditions of the customs procedure under which they should have been placed;
  - b. when the goods were declared, they were intended to be placed under another customs procedure, all the requirements of which they fulfilled; and
  - c. the goods are immediately entered for the customs procedure for which they were actually intended.
3. The declaration placing the goods under the latter customs procedure shall take effect from the date of acceptance of the invalidated declaration.
4. Where it is established that the goods have been declared in error, instead of other goods, for a customs procedure entailing the obligation to pay import duties, the customs Authority shall invalidate the declaration if a request to that effect is made within three months of the date of acceptance of the declaration, provided that:
  - a. The goods originally declared:
    - i. have not been used other than as authorised in their original status; and
    - ii. have been restored to their original status; and that
  - b. the goods which ought to have been declared for the customs procedure originally intended could, when the original declaration was lodged:
    - i. have been restored to their original status; and
    - ii. have been presented to the same customs office; and
    - iii. have been declared for the same customs procedure as that originally intended.
5. The customs Authority may allow the time limit referred to in paragraphs 1 and 2 of this Regulation to be exceeded in duly substantiated exceptional cases:
  - a. in the case of mail order goods which are returned, the customs Authority shall invalidate the declarations of release for free circulation if a request to that effect is made within three months of the date of acceptance of the declaration, provided that the goods have been exported to the original supplier's address or to another address indicated by the said supplier;

- b. where a retroactive authorisation is granted in accordance with:
- i. Regulation 187 of these Regulations for release for free circulation with a favourable tariff treatment or at a reduced or zero rate of duty on account of the end-use of the goods, or
  - ii. Regulation 243 of these Regulations for a customs procedure with economic impact;
- c. where the goods have been declared for export or for the outward processing procedure, the declaration shall be invalidated provided that in the case of goods which are subject to export duty, to an application for the repayment of import duty, to refunds or other export amounts or to other special measures on export:
- i. the declarant provides the customs office of export with evidence that the goods have not left the customs territory of Somaliland,
  - ii. the declarant returns to the said office all copies of the customs declaration, together with any other documents issued to him/her on acceptance of the declaration,
  - iii. the declarant provides the customs office of export with evidence that any refunds and other amounts granted on the strength of the export declaration for the goods in question have been repaid or that the necessary measures have been taken by the departments concerned to ensure that they are not paid, and
  - iv. the declarant in accordance with the provisions in force, complies with any other obligations laid down by the customs office of export to regularise the position of the goods.
6. Invalidation of the declaration shall entail cancellation of any adjustments made on an export license presented in support of the declaration.
7. Where the goods declared for export are required to leave the customs territory of Somaliland by a specified time limit, failure to comply with that time limit shall entail invalidation of the relevant declaration, in the case of other goods, where the customs office of export has been informed, in accordance with Regulation 333 of these Regulations that the goods declared have not left the customs territory of Somaliland.
8. Paragraphs 6 and 7 of this Regulation shall apply in like manner in so far as the re-export of the goods entails the lodging of a declaration.

## Regulation 136

### Post clearance examinations of declarations

1. The customs Authority may, on their own initiative or at the request of the declarant, amend the declaration after the release of the goods.
2. In order to establish the accuracy of the particulars contained in the declaration, the customs Authority may order the inspection of the declaration, commercial documents and data relating to the import or export operations in respect of the goods concerned or to subsequent commercial operations involving those goods.
3. Such inspections may be carried out at the premises of the person who declared the goods, of any other person directly or indirectly involved in the said operations in a business capacity or of any other person in possession of the said document or data for business purposes.
4. The goods themselves may be examined where it is still possible for them to be produced.
5. Where the revision of the declaration or post-clearance examination indicates that the provisions governing the customs procedure concerned have been applied on the basis of incorrect or incomplete information, the customs Authority shall, in accordance with any provisions laid down, order the necessary measures to be taken to regularise the situation, taking account of the new information available.

## PART 11

### SIMPLIFIED PROCEDURES

#### A. GENERAL PROVISIONS

## Regulation 137

### Nature of the simplifications

1. The procedure for incomplete declarations shall allow the customs Authority to accept, in a duly justified case, a declaration which does not contain all the particulars required, or which is not accompanied by all documents necessary for the customs procedure in question.
2. The simplified declaration procedure shall enable goods to be entered for the customs procedure in question on presentation of a simplified declaration with subsequent presentation of a supplementary declaration which may be of a general, periodic or recapitulative nature, as appropriate.

3. The local clearance procedure shall enable the entry of goods for customs procedure in question to be carried out at the premises of the person concerned or at other places designated or approved by the customs Authority.
4. Any person may apply for an authorisation for the simplified declaration or the local clearance procedure, to be granted to himself/herself for his/her own use or for use as a representative, provided satisfactory records and procedures are in place allowing the authorising customs authority to identify the persons represented and to perform appropriate customs controls.
5. The use of the simplified declaration or the local clearance procedure is conditional on the provision of a guarantee for import duties and other charges.
6. The holder of the authorisation shall comply with the conditions and criteria laid down in this Part and the obligations resulting from the authorisation, without prejudice to the obligations of the declarant, and the rules governing the incurrence of a customs debt.
7. The holder of the authorisation shall inform the authorising customs authority of all factors arising after the authorisation is granted which may influence its continuation or content.
8. A reassessment of an authorisation for the simplified declaration or the local clearance procedure shall be carried out by the authorising customs authority in the following cases:
  - a. major changes to the relevant legislation;
  - b. reasonable indication that the relevant conditions are no longer met by the authorisation holder.
9. In the case of an authorisation for the simplified declaration or the local clearance procedure issued to an applicant established for less than three years, close monitoring shall take place during the first year after issue.

### Regulation 138

#### Use of data-processing techniques

Where a simplified procedure is applied using data-processing systems to produce customs declarations or using a data-processing technique, the provisions relating to authentication of the declaration and transmittal to customs as provided for in Regulation 109 and 111 of these Regulations shall apply *mutatis mutandis*.



## Regulation 139

### Granting of an authorisation for the simplified declaration or the local clearance procedure

1. Applications for authorisation of the simplified declaration or the local clearance procedure shall be made using a model application form or its corresponding electronic format as may be determined by the customs Authority.
2. Where the authorising customs authority establishes that the application does not contain all the particulars required, it shall, within 30 calendar days of receipt of the application, ask the applicant to supply the relevant information, stating the grounds for its request.
3. The application shall not be accepted:
  - a. it does not comply with paragraph 1 of this Regulation;
  - b. it has not been submitted to the competent customs Authority;
  - c. the applicant has been convicted of a serious criminal offence linked to the economic activity of the applicant;
  - d. the applicant is subject to bankruptcy proceedings at the time of the submission of the application.
4. Before granting an authorisation for the simplified declaration or the local clearance procedure the customs Authority shall audit the applicant's records, unless the results of a previous audit can be used.

## Regulation 140

### Conditions for granting a simplified declaration procedure

1. An authorisation for the simplified declaration procedure shall be granted provided that the applicant fulfils the following conditions and criteria:
  - a. over the last three years preceding the submission of the application no serious infringement or repeated infringements of customs rules have been committed by any of the following persons:
    - i. the applicant;
    - ii. the persons in charge of the applicant company or exercising control over its management;
    - iii. the person responsible in the applicant company for customs matters;

- b. The applicant has an administrative organisation which corresponds to the type and size of business and which is suitable for the management of the flow of goods, and has internal controls capable of detecting illegal or irregular transactions;
- c. Where applicable, the applicant has satisfactory procedures in place for the handling of licenses and authorisations connected to commercial policy measures;
- d. The applicant ensures that the employees are made aware of the need to inform the customs Authority whenever compliance difficulties are discovered and suitable contacts to inform the customs Authority of such occurrences are established;
- e. The financial solvency of the applicant can be proven for the past three years. For the purposes of this condition, financial solvency shall mean a good financial standing which is sufficient to fulfil the commitments of the applicant, with due regard to the characteristics of the type of the business activity. If the applicant has been established for less than three years, his/her financial solvency shall be judged on the basis of records and information that are available.

#### Regulation 141

#### Conditions for granting a local clearance procedure

- 1. An authorisation for the local clearance procedure shall be granted provided that the applicant fulfils the following conditions and criteria<sup>8</sup>:
  - a. over the last three years preceding the submission of the application no serious infringement or repeated infringements of customs rules have been committed by any of the following persons:
    - i. the applicant;
    - ii. the persons in charge of the applicant company or exercising control over its management;
    - iii. the person responsible in the applicant company for customs matters;
  - b. the applicant has a satisfactory system of managing commercial, and where appropriate transport records, which will be proven by the following requirements:
    - i. maintaining of an accounting system which is consistent with the generally accepted accounting principles in Somaliland;

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<sup>8</sup> Note that while the text of this Regulation in the Somali version is the same, the lettering of paragraphs and sub-paragraphs is different and will be corrected to match this version at a future date

- ii. allowing the customs Authority physical or electronic access to its customs and, where appropriate, transport records;
  - iii. having a logistical system which distinguishes between Somaliland and non-Somaliland goods;
  - iv. having an administrative organisation which corresponds to the type and size of business and which is suitable for the management of the flow of goods, and has internal controls capable of detecting illegal or irregular transactions;
  - v. having satisfactory procedures in place for the handling of licenses and authorisations connected to commercial policy measures;
  - vi. having satisfactory procedures in place for the archiving of the company's records and information and for protection against the loss of information;
  - vii. ensuring that employees are made aware of the need to inform the customs Authority whenever compliance difficulties are discovered and establish suitable contacts to inform the customs Authority of such occurrences;
  - viii. having appropriate information technology guarantee measures in place to protect the applicant's computer system from unauthorised intrusion and to secure the applicant's documentation;
- c. the financial solvency of the applicant can be proven for the past three years. For the purposes of this condition, financial solvency shall mean a good financial standing which is sufficient to fulfil the commitments of the applicant, with due regard to the characteristics of the type of the business activity. If the applicant has been established for less than three years, his/her financial solvency shall be judged on the basis of records and information that are available.

**Regulation 142**  
**Suspension of an authorisation**

1. An authorisation for the simplified declaration or the local clearance procedure shall be suspended by the authorising customs authority where:
- a. non-compliance with the conditions and criteria referred to in Regulation 140, paragraph 1 of these Regulations has been detected;

- b. the customs Authority has sufficient reason to believe that an act, which gives rise to criminal court proceedings and is linked to an infringement of the customs rules, has been perpetrated by the holder of the authorisation.
2. In the cases referred to in point b) of paragraph 1 of this Regulation, the authorising customs authority may decide not to suspend an authorisation for the simplified declaration or the local clearance procedure if it considers an infringement to be of negligible importance in relation to the number or size of the customs related operations and not to create doubts concerning the good faith of the holder of the authorisation. Before taking a decision, the authorising customs authority shall communicate its findings to the holder of the authorisation. The holder of the authorisation shall be entitled to regularise the situation and/or express his/her point of view within 30 calendar days starting from the date of communication.
  3. If the holder of the authorisation does not regularise the situation referred to in point a) of paragraph 1 of this Regulation within the period of 30 calendar days the authorising customs authority shall notify the holder of the authorisation that the authorisation for the simplified declaration or local clearance procedure is suspended for a period of 30 calendar days to enable the holder of the authorisation to take the required measures to regularise the situation.
  4. In the cases referred to in point b) of paragraph 1 of this Regulation, the authorising customs authority shall suspend the authorisation until the end of the court proceedings. It shall notify the holder of the authorisation to that effect.
  5. Where the holder of the authorisation has been unable to regularise the situation within 30 calendar days but can provide evidence that the conditions can be met if the suspension period is extended, the authorising customs authority shall suspend the authorisation for the simplified declaration or the local clearance procedure for a further 30 calendar days.
  6. The suspension of an authorisation shall not affect any customs procedure that has already begun before the date of suspension but has not yet been completed.

#### Regulation 143 Cancelling of a suspension

1. When the holder of the authorisation has, to the satisfaction of the authorising customs authority, taken the necessary measures to comply with the conditions and criteria that have to be met in the authorisation for the simplified declaration or the local clearance procedure, the authorising customs authority shall withdraw the suspension and inform the holder of the authorisation. The suspension may be withdrawn before the expiry of the time limit laid down in Regulation 142 of these Regulations.

2. If the holder of the authorisation fails to take the necessary measures within the suspension period provided for in Regulation 142 of these Regulations, the authorisation shall be revoked.

#### Regulation 144

##### Request for suspension by the holder of the authorisation

1. Where a holder of an authorisation is temporarily unable to meet any of the conditions and criteria laid down for an authorisation for the simplified declaration or the local clearance procedure, he/she may request a suspension of the authorisation. In such cases, the holder of an authorisation shall notify the authorising customs authority, specifying the date when he/she will be able to meet the conditions and criteria again.
2. He/she shall also notify the authorising customs authority of any planned measures and their timescale.
3. If the holder of the authorisation fails to regularise the situation within the period set out in his notification, the authorising customs authority may grant a reasonable extension, provided that the holder of the authorisation has acted in good faith.

#### Regulation 145

##### Revocation of an authorisation

1. Without prejudice to Section 9 paragraph 4 of the Act and Regulation 5 paragraph 3 of these Regulations, an authorisation for the simplified declaration or local clearance procedure shall be revoked by customs in the following cases:
  - a. where the holder of the authorisation fails to regularise the situation referred to in Regulations 142 and 144 of these Regulations;
  - b. where serious or repeated infringements related to the customs rules have been committed by the holder of the authorisation and there is no further right of appeal;
  - c. upon request of the holder of the authorisation.
2. In the cases referred to in point b) above, the authorising customs authority may decide not to revoke the authorisation for the simplified declaration or the local clearance procedure if it considers the infringements to be of negligible importance in relation to the number or size of the customs related operations and not to create doubts concerning the good faith of the holder of the authorisation.

## B. ENTRY FOR RELEASE OF FREE CIRCULATION

### INCOMPLETE DECLARATIONS

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#### Regulation 146

##### Missing data

If the declarant so requests, the customs Authority may accept declarations for release for free circulation which do not contain all the particulars set out in the Explanatory Notes to the Single Administrative Document. However, the customs Authority shall determine the minimum particulars to be provided for acceptance of an incomplete declaration.

#### Regulation 147

##### Missing documentation

1. Declarations for release for free circulation which the customs Authority may accept at the declarant's request without their being accompanied by certain of the necessary supporting documents shall be accompanied at least by those documents which must be produced before the goods declared can be released for free circulation.
2. By way of derogation from paragraph 1 of this Regulation, a declaration not accompanied by one or more of the documents required before the goods can be released for free circulation may be accepted once it is established to the satisfaction of the customs Authority that:
  - a. the document concerned exists and is valid;
  - b. it could not be annexed to the declaration for reasons beyond the declarant's control;
  - c. any delay in accepting the declaration would prevent the release of the goods for free circulation or make them liable to a higher rate of duty.
3. Data relating to missing documents shall in all cases be indicated in the declaration.
4. The period allowed by the customs Authority to the declarant for the communication of particulars or production of documents missing at the time when the declaration was accepted may not exceed one month from the date of such acceptance.
5. In the case of a document required for the application of a reduced or zero rate of import duty, where the customs Authority has good reason to believe that the goods covered by the incomplete declaration may qualify for such reduced or zero rate of duty, a period longer than that provided for in the first subparagraph may, at the declarant's request, be granted for the production of the document, if justified in the circumstances. That period

may not exceed four months from the date of acceptance of the declaration. It cannot be extended.

6. Where the missing particulars to be communicated or documents to be produced concern customs value, the customs Authority may, where this proves absolutely necessary, set a longer time limit or extend the period previously set. The total period allowed shall take account of the prescribed periods in force.
7. Where a reduced or zero rate of import duty is applicable to goods released for free circulation within tariff quotas or, provided that the levy of normal import duties is not re-introduced, within tariff ceilings or other preferential tariff measures, the benefit of the tariff quota or preferential tariff measure shall only be granted after presentation to the customs Authority of the document on which the granting of the reduced or zero rate is conditional.
8. The document must in any case be presented:
  - a. before the tariff quota has been exhausted, or
  - b. in other cases, before the date on which the levy of normal import duties is re-introduced.
9. Subject to paragraphs 4 to 8 of this Regulation, the document on whose presentation the granting of the reduced or zero rate of import duty is conditional may be produced after the expiry date of the period for which the reduced or zero rate was set, provided the declaration in respect of the goods in question was accepted before that date.

#### Regulation 148 Release of goods

1. The customs Authority's acceptance of an incomplete declaration shall not prevent or delay the release of the goods thus declared, unless other grounds exist for so doing. Without prejudice to the provisions of Regulation 132 of these Regulations release shall take place in accordance with the conditions laid down in paragraphs 2 to 5 below.
2. Where the late production of particulars or of a supporting document missing at the time when a declaration is accepted cannot affect the amount of duties to which the goods covered by the said declaration are liable, the customs Authority shall immediately enter in the accounts the sum payable, calculated in the usual manner.
3. Where, pursuant to Regulation 146 of these Regulations, a declaration contains a provisional indication of value, the customs Authority shall:

- a. enter immediately in the accounts the amount of duties determined on the basis of this indication;
  - b. require, if necessary, the lodging of a guarantee adequate to cover the difference between that amount and the amount to which the goods may ultimately be liable.
4. Where, in circumstances other than those referred to in paragraph 3 of this Regulation, the late production of particulars or of a supporting document missing at the time when a declaration is accepted may affect the amount of duties to which the goods covered by the said declaration are liable:
  - a. if the late production of any missing particulars or document may lead to the application of duty at a reduced rate, the customs Authority shall:
    - i. immediately enter in the accounts the import duties payable at the reduced rate;
    - ii. require the lodging of a guarantee covering the difference between that sum and the sum which would be payable were the import duties on the goods in question calculated at the normal rate.
  - b. if the late production of any missing particulars or document may lead to the admission of the goods with total relief from duties, the customs Authority shall require the lodging of a guarantee covering the amount which would be payable were the duties charged at the normal rate.
5. Without prejudice to any subsequent changes which may arise, particularly as a result of the final determination of the customs value, the declarant shall have the option, instead of lodging a guarantee, of requesting the immediate entry in the accounts:
  - a. where paragraph 3 (b) or paragraph 4 (a) (ii) of this Regulation applies, of the amount of duties to which the goods may ultimately be liable, or
  - b. where paragraph 4 (b) of this Regulation applies, of the amount of duties calculated at the normal rate.

#### Regulation 149

##### Expiry of the period to produce missing documentation

If, at the expiry of the period referred to in Regulation 146 of these Regulations, the declarant has not supplied the details necessary for the final determination of the customs value of the goods, or has failed to provide the missing particulars or documents, the customs Authority shall immediately enter in the accounts as duties to which the goods in question are subject the amount of the guarantee provided in accordance with the



provisions of Regulation 148, paragraph 3 (b), paragraph 4 (a) (ii) or paragraph 4 (b) of these Regulations.

**Regulation 150**  
**Replacing of the incomplete declaration**

1. An incomplete declaration accepted under the conditions set out in Regulations 146 to 148 of these Regulations may be either completed by the declarant or, by agreement with the customs Authority, replaced by another declaration which complies with the conditions laid down in Section 60 of the Act.
2. In both cases, the operative date for the fixing of any duties and the application of other provisions governing the release of goods for free circulation shall be the date of acceptance of the incomplete declaration.

**SIMPLIFIED DECLARATION PROCEDURE**

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**Regulation 151**  
**Request**

1. An applicant shall, upon written request containing all the necessary information, be authorised in accordance with the conditions and in the manner laid down in Regulations 152 and 153 of these Regulations, to make the declaration for release for free circulation in a simplified form when goods are presented to customs.
2. Such simplified declaration shall contain at least the particulars for a simplified import declaration as shall be determined by the customs Authority.
3. Where circumstances permit, the customs Authority may allow the request for release for free circulation to be replaced by a general request in respect of release operations to take place over a given period. A reference to the authorisation granted in response to such general request shall be entered on the commercial or administrative document presented pursuant to paragraph 1 of this Regulation.
4. The simplified declaration shall be accompanied by all documents the production of which may be required to secure the release of the goods for free circulation. Regulation 147 of these Regulations shall apply.

**Regulation 152**  
**Granting of the authorisation**

Authorisation to use the simplified declaration procedure shall be granted to the applicant if the conditions and criteria referred to in Regulations 137, 138 and 139 of these Regulations are fulfilled.

**Regulation 153**  
**Content of the authorisation**

1. The authorisation referred to in Regulation 151 of these Regulations shall contain the following particulars:
  - a. the customs office(s) competent to accept simplified declarations;
  - b. the goods to which it applies; and
  - c. a reference to the guarantee to be provided by the person concerned to cover any customs debt which may arise.
2. It shall also specify the form and content of the supplementary declaration, and shall set the time-limits within which they must be lodged with the customs authority designated for this purpose.
3. The customs Authority may waive the presentation of the supplementary declaration where the simplified declaration concerns goods the value of which is below 500 USD and the simplified declaration already contains all the information needed for release for free circulation.

**LOCAL CLEARANCE PROCEDURE**

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**Regulation 154**  
**Authorisation**

1. Authorisation to use the local clearance procedure shall be granted in accordance with the conditions and in the manner laid down in Regulations 155 and 156 of these Regulations to any person wishing to have goods released for free circulation at his/her premises or at any other place designated and approved by the customs Authority and who submits to the Authority a written request to this end containing all the particulars necessary for the grant of the authorisation:
  - a. in respect of goods subject either to the transit procedure and for which the person referred to above is authorised to use the simplified procedures to be carried out at the office of destination in accordance with Regulations 181 to 183 of these Regulations;
  - b. in respect of goods previously placed under a customs procedure with economic impact;

- c. in respect of goods which, after having been presented to customs pursuant to Section 43 of the Act, are consigned to those premises or places in accordance with a transit procedure other than that referred to in subparagraph (a) of this Regulation;
- d. in respect of goods which are brought into the customs territory of Somaliland with an exemption from the requirement that they be presented to customs, pursuant to Section 44 of the Act.

**Regulation 155**  
**Conditions for granting the authorisation**

An authorisation to use the local clearance procedure shall be granted to the applicant if the conditions and criteria referred to in Regulations 139, 140 and 141 of these Regulations are fulfilled.

**Regulation 156**  
**Procedure upon arrival**

1. To enable the customs Authority to satisfy themselves as to the proper conduct of operations, the holder of the authorisation referred to in Regulation 154 of these Regulations shall:
  - a. in the cases referred to in Regulation 154 paragraph (a) and (c)<sup>9</sup>:
    - i. where the goods are released for free circulation upon their arrival at the place designated for that purpose:
      - duly notify the customs Authority of such arrival in the form and the manner specified by them, for the purpose of obtaining release of the goods, and
      - enter the goods in his/her records.
    - ii. where release for free circulation is preceded by temporary storage of the goods within the meaning of Section 50 of the Act at the same place, before expiry of the time-limit set under Section 49 of the Act:
      - duly notify the customs Authority, in the form and the manner specified by them, of his/her desire to have the goods released for free circulation, for the purpose of obtaining release of the goods, and

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<sup>9</sup> Note that while the text of this paragraph in the Somali version is the same, the lettering of sub-paragraphs is different and will be corrected to match this version at a future date

- enter the goods in his/her records.
  - b. in the cases referred to in Regulation 154 paragraph (b):
    - i. duly notify the customs Authority, in the form and the manner specified by them, of his/her desire to have the goods released for free circulation, for the purpose of obtaining release of the goods, and
    - ii. enter the goods in his/her records.
  - c. in the cases referred to in Regulation 154 paragraph (d), upon arrival of the goods at the place designated for that purpose:
    - i. enter the goods in his/her records;
    - ii. make available to the customs Authority, from the time of the entry in the records referred to in points a), b) and c) above, all documents, the production of which is required for the application of the provisions governing release for free circulation.
- 2. On condition that checks on the proper conduct of operations are not thereby affected, the customs Authority may:
  - a. permit the notification referred to in points (a) and (b) of paragraph 1 of this Regulation to be affected as soon as the arrival of the goods becomes imminent;
  - b. in certain special circumstances, where the nature of the goods in question and the rapid turnover so warrant, exempt the holder of the authorisation from the requirement to notify the competent customs office of each arrival of goods, provided that he/she supplies the said office with all the information it considers necessary to enable it to exercise its right to examine the goods should the need arise. In this case, entry of the goods in the records of the person concerned shall be equivalent to release.
- 3. The entry in the records referred to in points (a), (b) and (c) of paragraph 1 of this Regulation may be replaced by any other formality offering similar guarantees requested by the customs Authority. This entry shall indicate the date on which it is made and contain at least the particulars for a declaration under the local clearance procedure as may be determined by the customs Authority.

**Regulation 157**  
**Rules for the operation of the procedure**

1. The authorisation referred to in Regulation 153 of these Regulations shall lay down the specific rules for the operation of the procedure and in particular shall stipulate:
  - a. the goods to which it applies;
  - b. the form of the obligations referred to in Regulation 155 of these Regulations and the reference to the guarantee to be provided by the person concerned;
  - c. the time of release of the goods;
  - d. the time limit within which the supplementary declaration must be lodged with the competent customs office designated for that purpose;
  - e. the conditions under which goods are to be covered by general, periodic or recapitulative declarations, as appropriate.

**C. ENTRY FOR CUSTOMS WAREHOUSE PROCEDURE**

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**Regulation 158**  
**Incomplete declarations**

The customs Authority shall determine the particulars to be included in a declaration for the warehousing procedure for the declaration to be accepted by Customs, provided that the Director shall have the discretion to accept an incomplete declaration with some minimum information as the Director shall determine.

**Regulation 159**  
**Simplified declaration procedure**

1. Authorisation to use the simplified declaration procedure shall be granted to the applicant in accordance with the conditions and criteria and in the manner laid down in Regulations 137, 138, 140 and 160 of these Regulations.
2. Where this procedure is applied in a type D warehouse the simplified declaration shall also include the nature of the goods concerned, in sufficient detail to permit their immediate and unambiguous classification, and their customs value.

### Regulation 160

#### Application for the simplified declaration procedure

1. The application referred to in Regulation 159 of these Regulations shall be made in writing and contain all the particulars necessary for the grant of the authorisation.
2. Where circumstances permit, the application referred to in Regulation 159, paragraph 1 of these Regulations may be replaced by a general request in respect of operations to take place over a given period.
3. In this case the application shall be made under the conditions laid down in Regulations 236 to 238 of these Regulations and shall be submitted with the application to operate the customs warehouse or as a modification to the initial authorisation, to the customs authority which issued the authorisation for the procedure.

### Regulation 161

#### Rules for the operation of the procedure

The authorisation referred to in Regulation 159, paragraph 1 of these Regulations shall lay down the specific rules for the operation of the procedure, including the customs office(s) of entry for the procedure. It shall not be necessary to provide a supplementary declaration.

### Regulation 162

#### Local clearance procedure

1. Authorisation to use the local clearance procedure shall be granted according to the conditions and in the manner laid down in paragraph 2 of this Regulation and Regulations 163 and 164 of these Regulations. The local clearance procedure shall not apply to type B and F warehouses.
2. Regulation 160 of these Regulations shall apply *mutatis mutandis*.

### Regulation 163

#### Conduct of the operations

1. In order to allow the customs Authority to ensure the proper conduct of operations, the holder of the authorisation shall, upon arrival of the goods at the place designated for that purpose:
  - a. duly notify such arrival to the supervising office in the form and manner specified by it;
  - b. make entries in the stock records;

- c. keep at the disposal of the supervising office all documents concerning the entry of the goods for the procedure.
2. The entry in the stock records referred to in (b) above shall contain at least some of the particulars used to identify the goods commercially, including their quantity. Regulation 156 of these Regulations shall apply.

#### Regulation 164

##### Specific rules for the operation of the procedure

1. The authorisation referred to in Regulation 162 of these Regulations shall lay down the specific rules for the operation of the procedure and shall specify in particular:
  - a. the goods to which it applies;
  - b. the form of the obligations referred to in Regulation 163 of these Regulations;
  - c. the time of release of the goods;
  - d. A supplementary declaration need not be required.

#### D. ENTRY FOR INWARD PROCESSING, PROCESSING UNDER CUSTOMS CONTROL AND TEMPORARY IMPORTATION PROCEDURE

#### Regulation 165

##### Incomplete declarations

1. If the declarant so requests the customs office of entry may accept declarations for placing goods under a customs procedure with economic impact other than outward processing or customs warehousing which do not contain all the particulars as determined by the customs Authority or which are not accompanied by certain documents referred to in Regulation 107 of these Regulations.
2. However, the customs Authority shall establish the minimum particulars to be contained in an incomplete declaration for it to be accepted by Customs.
3. Regulations 148 and 149 of these Regulations shall apply *mutatis mutandis*.

#### Regulation 166

##### Simplified declarations and local clearance procedures

The provisions in Regulations 151 to 157 and of Regulation 160 of these Regulations shall apply *mutatis mutandis* to goods declared for the customs procedures with economic impact covered by this Part.

## E. ENTRY FOR AN OUTWARD PROCESSING PROCEDURE

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### Regulation 167 Operation of the procedure

The provisions of Regulations 170 to 177 of these Regulations applying to goods declared for export shall apply *mutatis mutandis* to goods declared for export under the outward processing procedure.

## F. DISCHARGE OF A PROCEDURE WITH ECONOMIC IMPACT

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### Regulation 168 Common provisions

Where two or more authorisations concerning customs procedures with economic impact are granted to the same person, and one procedure is discharged by the entry for another procedure using the local clearance procedure, a supplementary declaration need not be required.

### Regulation 169 Operation of the discharge procedure

1. In cases of discharge of a customs procedure with economic impact other than the outward processing and customs warehousing procedures, the simplified procedures for release for free circulation, export and re-exportation may be applied. In the case of re-exportation, the provisions of Regulations 170 to 177 of these Regulations shall apply *mutatis mutandis*.
2. The simplified procedures referred to in Regulations 146 to 157 of these Regulations may be applied to release of goods for free circulation under the outward processing procedure.
3. In cases of discharge of the customs warehousing procedure, the simplified procedures for release for free circulation, export or re-export may be applied, however:
  - a. for goods entered for the procedure in a type B warehouse only incomplete declarations and the simplified declaration procedure shall apply;
  - b. issue of an authorisation for a type D warehouse shall entail the automatic application of the local clearance procedure for release for free circulation.

However, in cases where the person concerned wishes to benefit from application of items of charge which cannot be checked without a physical examination of the goods, this procedure



may not be applied. In this case, other procedures involving presentation of the goods to customs may be used.

## G. EXPORT DECLARATIONS

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### Regulation 170

#### General rules

The formalities to be carried out at the customs office of export may be simplified in accordance with this Part. Regulations 327, 330, 331 and 334 of these Regulations shall apply *mutatis mutandis*.

### Regulation 171

#### Incomplete declarations

1. If the declarant so requests, the customs office of export may accept export declarations which do not contain all the particulars determined by the customs Authority provided that those incomplete declarations contain minimum particulars as determined by the customs Authority in administrative guidelines.
2. Where the goods are liable for export duties the export declarations shall contain all the information required for the application of such duties. Regulations 147 to 150 of these Regulations shall apply *mutatis mutandis* to the export declarations.

### Regulation 172

#### Simplified declaration procedure

1. Authorisation to use the simplified declaration procedure shall be granted to the applicant if the conditions and criteria referred to in Regulations 152 and 153 of these Regulations applied *mutatis mutandis* are fulfilled.
2. The simplified declaration shall contain at least the particulars for a simplified declaration set out in administrative guidelines determined by the customs Authority.
3. Regulations 146 to 150 of these Regulations shall apply *mutatis mutandis*.

### Regulation 173

#### Local clearance procedure

On written request, authorisation to use the local clearance procedure shall be granted under the conditions and in the manner laid down in Regulation 174 of these Regulations to any person, hereinafter referred to as an 'approved exporter', wishing to carry out export

procedures at his/her premises or at the other places designated or approved by the customs Authority. Regulations 154 and 155 of these Regulations shall apply *mutatis mutandis*.

#### Regulation 174 Approved exporter

1. The approved exporter shall, before removal of the goods from the places referred to in Regulation 173 of these Regulations fulfil the following obligations:
  - a. duly inform the customs office of export of such removal by lodging a simplified export declaration, as referred to in Regulation 172 of these Regulations;
  - b. make available to the customs Authority any documents required for the export of the goods.
2. The approved exporter may lodge a complete export declaration in place of the simplified export declaration. In this case, the requirement for a supplementary declaration, laid down in Section 76 of the Act, shall be waived.

#### Regulation 175 Special cases

1. The customs Authority may exempt the approved exporter from the requirement to lodge a simplified export declaration at the customs office of export for each removal of goods. This exemption shall be granted only if the approved exporter fulfils the following conditions:
  - a. the approved exporter informs the customs office of export of each removal, in the manner and form specified by that office;
  - b. the approved exporter supplies, or makes available, to the customs Authority all information they consider necessary for effective risk analysis before the removal of the goods from the places referred to in Regulation 173 of these Regulations;
  - c. the approved exporter enters the goods in his/her records.
2. The entry referred to in point c) above may be replaced by any other formality, required by the customs Authority, which offers similar guarantees. This entry shall indicate the date on which it is made and the particulars necessary for the identification of the goods.
3. In cases mentioned in Regulation 338, paragraph 2 of these Regulations, the customs Authority may authorise an economic operator to enter in his/her records immediately each export operation and to report all of them to the authorising customs office in a supplementary declaration on a periodic basis of up to one month after the goods have left

the customs territory of Somaliland. Such authorisation may be granted under the following conditions:

- a. the economic operator uses the authorisation only for goods which are not subject to prohibitions and restrictions;
  - b. the economic operator provides all the information to the customs office of export which this office considers necessary to enable it perform controls on the goods;
  - c. in cases where the customs office of export is different from the customs office of exit, the customs Authority shall have agreed to the use of such an arrangement and the information referred to under point b) above is also available to the customs office of exit.
4. Where the arrangement referred to in the first subparagraph of this paragraph is used, entry of the goods in the records shall be deemed to be release for export and exit.
5. The entry in the records referred to under paragraph 1 (c) of this Regulation shall include the particulars for the local clearance procedure set out by the customs Authority in administrative guidelines.

#### Regulation 176

##### Proof of exit

1. To check that the goods have actually left the customs territory of Somaliland, Copy No 3 of the Single Administrative Document shall be used as evidence of exit. The authorisation shall stipulate that Copy No 3 of the Single Administrative Document be authenticated in advance. Prior authentication may be affected in one of the following ways:
  - a. box A may be stamped in advance with the stamp of the competent customs office, and signed by an official from that office;
  - b. the approved exporter may stamp the declaration using a special stamp conforming to the model agreed by the customs Authority. The imprint of this stamp may be pre-printed on the forms where the printing is entrusted to a printer approved for that purpose.
2. Before the departure of the goods the approved exporter shall fulfil the following requirements:
  - a. carry out the procedures referred to in Regulation 174 or 175 of these Regulations;
  - b. indicate on any accompanying document or any other medium replacing it the following particulars:

- i. the reference to the entry in his/her records;
- ii. the date on which the entry referred to in point (i) was made;
- iii. the number of the authorisation;
- iv. the name of the issuing customs office.

#### Regulation 177

##### Detailed rules for the operation of the procedure

1. The authorisation referred to in Regulation 173 of these Regulations shall specify detailed rules for the operation of the procedure and in particular the following:
  - a. the goods to which it applies;
  - b. the way the conditions laid down in Regulation 175 of these Regulations are to be fulfilled;
  - c. the way and the moment the goods are released;
  - d. the procedure for presenting the supplementary declaration and the time limit within which it must be lodged.
2. The authorisation shall include an undertaking by the approved exporter to take all necessary measures to ensure the safekeeping of the special stamp or of the forms bearing the imprint of the stamp of the customs office of export or the imprint of the special stamp.

### H. TRANSIT DECLARATIONS

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#### Regulation 178

##### Authorised consignor

1. Persons wishing to carry out transit operations without presenting the goods and the corresponding transit declaration at the office of departure or any other authorised place may be granted the status of authorised consignor.
2. This simplification shall be granted solely to persons authorised to use a comprehensive guarantee or granted a guarantee waiver.

#### Regulation 179

##### The authorisation

1. The authorisation shall specify in particular:

- a. the office or offices of departure responsible for forthcoming transit operations;
- b. the time limit available to the customs Authority after the lodging of the transit declaration by the authorised consignor in order, if necessary, that the office may carry out any necessary controls before the departure of the goods;
- c. the identification measures to be taken, in which case the customs Authority may prescribe that the means of transport or the package or packages shall bear special seals, approved by the customs Authority as complying with the provisions of Regulation 216 of these Regulations and affixed by the authorised consignor;
- d. the excluded categories or movements of goods.

#### Regulation 180 Procedure at Departure

1. The authorised consignor shall lodge a transit declaration at the office of departure. The release of goods may not take place before the end of the time limit provided for in Regulation 179 (b) of these Regulations.
2. The authorised consignor shall enter on the transit declaration, where appropriate, the itinerary prescribed in accordance with Regulation 214 of these Regulations, the period prescribed in accordance with Regulation 215 of these Regulations within which the goods must be presented at the office of destination, as well as the number, the type and the mark of the seals.

#### Regulation 181 Authorised consignee

1. Persons who wish to receive at their premises or at any other specified place goods entered for the transit procedure without presenting them at the office of destination may be granted the status of authorised consignee.
2. The principal shall have fulfilled his obligations under Section 92, paragraph 1, a) of the Act, and the transit procedure shall be deemed to have ended, when the transit declaration has been delivered within the prescribed period to the authorised consignee at his premises or at the place specified in the authorisation, the identification measures having been duly observed.
3. At the carrier's request the authorised consignee shall issue the receipt provided for in Regulation 218 paragraph 5 of these Regulations, which shall apply *mutatis mutandis*, in respect of each consignment delivered in accordance with paragraph 2 of this Regulation.

Regulation 182  
The authorisation

1. The authorisation shall specify in particular:
  - a. the office or offices of destination responsible for the goods received by the authorised consignee;
  - b. the excluded categories or movements of goods.
2. The customs Authority shall specify in the authorisation whether any action by the office of destination is required before the authorised consignee may dispose of goods received.

Regulation 183  
Procedure at destination

1. When the goods arrive at his/her premises or at the places specified in the authorisation, the authorised consignee shall:
  - a. immediately inform the office of destination responsible of the arrival of the goods including all incidents during transport;
  - b. wait for the 'unloading permission' before starting the unloading;
  - c. after having received the 'unloading permission', send at the latest by the third day following the arrival of the goods, the unloading remarks including all differences to the office of destination, in accordance with the procedure laid down in the authorisation;
  - d. make available or send the transit document which accompanied the goods to the office of destination.

The office of destination shall keep records of the data received constituting the 'control results'.

PART 12

CUSTOMS APPROVED TREATMENT OR USES

A. RELEASE FOR FREE CIRCULATION

**Regulation 184**  
**Scope of the end-use procedure**

1. Regulations 184 to 192 of these Regulations shall apply where it is provided that goods released for free circulation with a favourable tariff treatment or at a reduced or zero rate of duty on account of their end-use are subject to end-use customs supervision.
2. **“accounts”** means: the holder's commercial, tax or other accounting material, or such data held on their behalf.
3. **“records”** means: the data containing all the necessary information and technical details on whatever medium, enabling the customs Authority to supervise and control operations.

**Regulation 185**  
**Granting of a favourable treatment**

1. The granting of a favourable tariff treatment in accordance with Section 20 of the Act, where it is provided that goods are subject to end-use customs supervision is subject to a written authorisation.
2. Applications shall be made in writing using a format to be determined by the customs Authority. The customs Authority may permit renewal or modification to be applied for by simple written request.
3. In particular circumstances the customs Authority may allow the declaration for free circulation in writing or by means of a data-processing technique using the normal procedure to constitute an application for authorisation, provided that:
  - a. In the applicant wholly assigns the goods to the prescribed end-use; and
  - b. the proper conduct of operations is safeguarded.
4. Where the customs Authority considers any of the information given in the application inadequate, they may require additional details from the applicant.
5. In particular, in cases where an application may be made by making a customs declaration, the customs Authority shall require that the application be accompanied by a document made out by the declarant containing at least the following information, unless such information is deemed unnecessary or is entered on the customs declaration:
  - a. name and address of the applicant, the declarant and the operator;
  - b. nature of the end-use;

- c. technical description of the goods, products resulting from their end use and means of identifying them;
  - d. estimated rate of yield or method by which that rate is to be determined;
  - e. estimated period for assigning the goods to their end-use;
  - f. the place where the goods are put to the end-use.
6. The applicant shall be informed of the decision to issue an authorisation, or of the reasons why the application was rejected, within thirty days of the date on which the application was lodged or of the date on which any outstanding or additional information requested was received by the customs Authority.

**Regulation 186**  
**The authorisation**

1. An authorisation using a format to be determined by the customs Authority shall be granted to persons established in Somaliland, provided that the following conditions are met:
- a. the activities envisaged are consistent with the prescribed end-use and the proper conduct of operations is ensured;
  - b. the applicant offers every guarantee necessary for the proper conduct of operations to be carried out and will undertake the obligations:
    - i. to wholly or partly assign the goods to the prescribed end-use and to provide evidence of their assignment in accordance with the provisions in force;
    - ii. not to take actions incompatible with the intended purpose of the prescribed end-use;
    - iii. to notify all factors which may affect the authorisation to the competent customs Authority.
  - c. efficient customs supervision is ensured and the administrative arrangements to be taken by the customs Authority are not disproportionate to the economic needs involved;
  - d. adequate records are kept and retained;
  - e. a guarantee is provided where the customs Authority considers this necessary.
2. For an application under Regulation 185 paragraph 3 of these Regulations, the authorisation shall be granted to persons established in Somaliland by acceptance of the customs declaration, under the other conditions set out in paragraph 1 of this Regulation.



3. The authorisation shall include the following items, unless such information is deemed unnecessary<sup>10</sup>;
  - a. identification of the authorisation holder;
  - b. where necessary the Tariff Classification Code, the type and description of the goods and of the end-use operations and provisions concerning rates of yield;
  - c. means and methods of identification and of customs supervision;
  - d. the period within which the goods have to be assigned to the prescribed end-use;
  - e. the customs offices where the goods are declared for free circulation and the offices to supervise the arrangements;
  - f. the places where the goods have to be assigned to the prescribed end-use;
  - g. the guarantee to be provided, where appropriate;
  - h. the period of validity of the authorisation;
  - i. where applicable, simplified procedures authorised in accordance with the provisions in force;
  - j. methods of communication.
4. Without prejudice to Regulation 188 of these Regulations the authorisation shall take effect on the date of issue or at any later date given in the authorisation.
5. The period of validity shall not exceed three years from the date on which the authorisation takes effect, except where there are duly substantiated good reasons.

#### Regulation 187 Retroactive authorisations

1. The customs Authority may issue a retroactive authorisation. Without prejudice to paragraphs 2 and 3 of this Regulation, a retroactive authorisation shall take effect on the date that the application was submitted.

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<sup>10</sup> Note that while the text of sub-Regulation 3 onwards in the Somali version is the same, the numbering of sub-Regulations and lettering of sub-paragraphs is different and will be corrected to match this version at a future date

2. If an application concerns the renewal of an authorisation for the same kind of operation and goods, an authorisation may be granted with retroactive effect from the date the original authorisation expired.
3. In exceptional circumstances, the retroactive effect of an authorisation may be extended further, but not more than one year before the date the application was submitted, provided a proven economic need exists and:
  - a. the application is not related to attempted deception or to obvious negligence;
  - b. the applicant's accounts confirm that all the requirements of the arrangements can be regarded as having been met and, where appropriate, in order to avoid substitution, the goods can be identified for the period involved, and such accounts allow the arrangements to be verified;
  - c. all the formalities necessary to regularise the situation of the goods can be carried out, including, where necessary, the invalidation of the declaration.

**Regulation 188**  
**Expiry of an authorisation**

The expiry of an authorisation shall not affect goods which were declared for free circulation by virtue of that authorisation before it expired.

**Regulation 189**  
**Transfers**

1. The transfer of goods between different places designated in the same authorisation may be undertaken without any customs formalities.
2. A transfer carried out between two authorisation holders shall be subject to an authorisation issued by the customs Authority. This authorisation shall specify the conditions for transferring of the goods and the obligations to the transferee.
3. With the receipt of the goods the transferee shall become the holder of obligations under this Part in respect of the transferred goods.
4. The transferor shall be discharged from his obligations where the following conditions are fulfilled:
  - a. the transferee has received the goods and was informed that the goods for which the obligations are transferred, are subject to end-use customs supervision;

- b. customs control has been taken over by the transferee's customs office; unless otherwise provided by the customs Authority, this shall be when the transferee has entered the goods in his/her records.

**Regulation 190**  
**Export/destruction of goods**

1. The customs Authority may, subject to conditions they shall lay down, approve the exportation of the goods or destruction of the goods.
2. Where goods are exported, they shall be considered as non-Somaliland goods from the time of acceptance of the export declaration.

**Regulation 191**  
**Incurrence of a Customs debt**

Where the customs Authority agrees that the use of the goods otherwise than as provided for in the authorisation is justified, such use, other than export or destruction, shall entail the incurrence of a customs debt.

**Regulation 192**  
**Customs supervision**

1. Goods released for free circulation with a favourable tariff treatment or at a reduced rate of duty shall remain under customs supervision and liable to import duties until they are:
  - a. first assigned to the prescribed end-use;
  - b. exported, destroyed or used otherwise in accordance with Regulations 190 and 191 of these Regulations.
2. However, where the goods are suitable for repeated use and the customs Authority considers it appropriate in order to avoid abuse, customs supervision shall continue for a period not exceeding two years after the date of first assignment.
3. Waste and scrap which result from the working or processing of goods and losses due to natural wastage shall be considered as goods having been assigned to the prescribed end-use.
4. For waste and scrap which result from the destruction of goods, customs supervision shall end when they have been assigned a permitted customs-approved treatment or use.
5. Managing the tariff quota following the priorities of customs declarations dates.

## Regulation 193

### Tariff quota

1. Save as otherwise provided, where tariff quota are opened they shall be managed in accordance with the chronological order of dates of acceptance of declarations for release for free circulation.
2. Where a declaration for release for free circulation incorporating a valid request by the declarant to benefit from a tariff quota is accepted the customs Authority concerned shall draw a corresponding quantity from the tariff quota, on the basis of the date of acceptance of the relevant declaration for release for free circulation, and to the extent that the balance of the relevant tariff quota so permits. Priority shall be established in accordance with the chronological order of these dates.
3. If the quantities requested for drawing from a tariff quota are greater than the balance available, allocation shall be made on a pro rata basis with respect to the requested quantities.
4. For the purposes of this Regulation, acceptance of a declaration by the customs Authority on 1, 2 or 3 January shall be regarded as acceptance on 3 January. However, if one of those days falls on a Friday, such acceptance shall be regarded as having taken place on 4 January.
5. If the customs Authority invalidates a declaration for release for free circulation in respect of goods which are the subject of a request for benefit of a tariff quota, the complete request shall be cancelled in respect of those goods.
6. Details of drawings requested shall be treated as confidential.

## B. CUSTOMS STATUS OF GOODS

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## Regulation 194

### General rules

1. Subject to the exceptions listed in paragraph 2 of this Regulation, all goods in the customs territory of Somaliland shall be deemed to be Somaliland goods unless it is established that they do not have Somaliland status.
2. The following shall not be deemed to be Somaliland goods unless it is established in accordance with Regulations 195 and 196 of these Regulations that they do have Somaliland status:
  - a. goods brought into the customs territory of Somaliland;

- b. goods in temporary storage;
  - c. goods placed under a suspensive procedure.
3. By way of derogation from paragraph 2, (a) of this Regulation, goods brought into the customs territory of Somaliland shall be deemed to be Somaliland goods unless it is established that they do not have Somaliland status where, if carried by air, the goods have been loaded or transhipped at an airport in the customs territory of Somaliland, for consignment to another airport in Somaliland, provided that they are carried under cover of a single transport document.

**Regulation 195**  
**Evidence of status**

1. Proof that the goods have Somaliland status may be established solely by the production of the invoice or transport document relating to the goods.
2. The invoice or transport document referred to in paragraph 1 of this Regulation shall include at least the full name and address of the consignor, or of the person concerned where this is not the consignor, the number and kind, marks and reference numbers of the packages, a description of the goods, the gross mass in kilograms and, where necessary, the container numbers.
3. The person concerned shall mark the said document clearly with the ‘SOM’ symbol, accompanied by his/her handwritten signature.
4. At the request of the person concerned, the invoice or transport document duly completed and signed by him/her shall be endorsed by the competent office. The endorsement shall include the name and stamp of the competent office, the signature of an official of that office, the date of endorsement and either the registration number given or the number of the dispatch declaration where such a declaration is required.
5. This Regulation shall apply only where the invoice or transport document relates exclusively to Somaliland goods.

**Regulation 196**  
**Transport by sea**

1. For goods transported by sea from one port in Somaliland to another, proof of the Somaliland status of goods shall be furnished, in accordance with the conditions set out below, by the production of the shipping company's manifest relating to the goods.
2. The manifest shall include at least the following information:
  - a. the name and full address of the shipping company;

- b. the name of the vessel;
  - c. the place and date of loading;
  - d. the place of unloading.
3. The manifest shall further include, for each consignment:
  - a. the reference for the bill of lading or other commercial document;
  - b. the number, description, marks and reference numbers of the packages;
  - c. the normal trade description of the goods including sufficient detail to permit their identification;
  - d. the gross mass in kilograms;
  - e. the container identification numbers, where applicable; and
  - f. the entry 'SOM' for the status of the goods.
4. At the request of the master or the shipping company, the manifest duly completed and signed shall be endorsed by the competent office. The endorsement shall include the name and stamp of the competent office, the registration number given, the signature of an official at that office and the date of endorsement.

### C. TRANSIT

#### Regulation 197 Definitions

For the purposes of this Part, the following definitions shall apply:

**“customs office of departure”**: means the customs office where a transit operation starts by the presentation of the vehicle and the goods and where the transit declarations placing goods under the transit procedure are accepted;

**“customs office of destination”**: means the customs office where a transit operation ends and where goods placed under the transit procedure and the related vehicle must be presented;

**“COMESA”**: means the common market for Eastern and Southern Africa.

Regulation 198  
Use of the transit procedure

1. The transit procedure shall permit the movement from one point to another in the customs territory on Somaliland of:
  - a. goods which did not originate in Somaliland, without such goods being subject to import duties and other charges or to commercial policy measures;
  - b. goods which did originate in Somaliland, which are subject to measures involving their export to countries or places outside Somaliland and in respect of which customs formalities for the export of those goods have already been carried out; or
  - c. goods originating from Somaliland or goods that did not originate from Somaliland but placed under another suspensive customs regime in Somaliland and destined to a third country.
2. As provided under paragraph 2 of Section 58 of the Act, the customs Authority reserves the right to prohibit the transit of goods subject to any prohibitions or restrictions under the Customs Act or by any written law currently in force in Somaliland.
3. The movement referred to in paragraph 1 of this Regulation shall take place:
  - a. under the Somaliland transit procedure;
  - b. under any suspensive customs procedure applicable in Somaliland (such as temporary import or export);
  - c. by post (including parcel post); or
  - d. under any transit procedure agreed by Somaliland at regional or bilateral level.

Regulation 199  
Bilateral, Regional and International Agreements

When the government of Somaliland is party to any bilateral, regional or international transit agreements, the customs Authority shall apply the transit procedures agreed in the relevant agreement.

Regulation 200  
Mandatory use

The transit procedure shall be compulsory in respect of Somaliland goods or non-Somaliland goods carried by road from any point of its territory, including a port, as long as these goods are destined to a third country or originating from a third country, unless otherwise provided by bilateral or other agreements.

**Regulation 201**  
**Guarantees**

1. Unless provided for in any bilateral, regional or international agreement, no goods shall move under a transit procedure unless there has been provided in respect of those goods a guarantee, in order to ensure payment of any customs debt or other charges which may be incurred in respect of those goods.
2. The guarantee shall be either:
  - a. an individual guarantee covering a single transit procedure; or
  - b. a comprehensive guarantee covering a number of transit procedures where the person providing the guarantee has been authorised to provide such a guarantee by the customs Authority.
3. The individual and comprehensive guarantees shall conform to the format of the COMESA model, approved by the customs Authority.

**Regulation 202**  
**Validity of the guarantee**

The guarantees referred to in Regulation 201 of these Regulations shall be valid throughout Somaliland.

**Regulation 203**  
**Individual guarantee**

1. The individual guarantee may be provided in the following forms:
  - a. by a cash deposit furnished at the customs office of departure;
  - b. by an undertaking given by a guarantor to the customs Authority; or
  - c. by a voucher.
2. The individual guarantee shall cover 100% of the Customs duties, taxes and other fees and charges payable. The customs Authority shall establish the amount of the guarantee, in light of information on the goods to be carried under the transit procedure, based on the highest rates applicable to the goods.
3. Individual guarantees in the form of a cash deposit in Somaliland Shillings shall be lodged at the customs office of departure. They shall be repaid as soon as the procedure has been discharged at the office of departure



4. An individual guarantee furnished by a guarantor may be in the form of individual guarantee vouchers for an amount of 5.000.000 SL/= issued by the guarantor to persons who intend to act as principal. The guarantor shall be liable for up to 5.000.000 SL/= per voucher.

#### Regulation 204

##### Furnishing an individual guarantee

1. An individual guarantee furnished by a guarantor under Regulation 203 of these Regulations shall correspond to the COMESA format, approved by the customs Authority.
2. The original guarantee instrument shall be retained at the customs office of departure. A copy of the instrument will be provided to the principal to accompany the transit declaration.

#### Regulation 205

##### Furnishing an individual guarantee by means of Vouchers

1. The guarantor shall provide the customs office of departure with any required details about the individual guarantee vouchers that he/she has issued, in the manner decided by the customs Authority.
2. The last date on which the voucher may be used cannot be later than one year from the date of issue.
3. A 'guarantee reference number' shall be communicated by the guarantor to the principal for each individual guarantee voucher which is allocated to him/her.
4. For the purposes of acceptance of the transit declaration by the customs Authority the guarantor shall issue the principal with individual guarantee vouchers drawn up on a paper form corresponding to the specimen to be determined by the customs Authority, using the COMESA model.
5. The principal, as defined under Section 92 of the Act, shall lodge, at the customs office of departure, the number of individual guarantee vouchers corresponding to the multiple of 5, 000, 000 SL/= required to cover the total amount of duties, taxes and other fees and charges payable relating to the goods in question.
6. The principal shall communicate the numbers of the vouchers to the office of departure in the transit declaration. The original guarantee documents shall be retained by the customs office of departure.

**Regulation 206**  
**Revocation or cancellation**

1. The customs Authority shall revoke its decision accepting the guarantor's undertaking if the conditions laid down at the time of issue are no longer fulfilled.
2. Equally, the guarantor may cancel his/her undertaking at any time.
3. The customs Authority shall inform the principal of the decision to revoke or cancel the acceptance of the individual guarantee.
4. The revocation or cancellation shall become effective immediately following the date on which the guarantor or the customs Authority, as appropriate, is notified. Any individual guarantee vouchers placed and accepted by the customs Authority before the revocation shall remain valid until the discharge of the related transit declaration.

**Regulation 207**  
**Use of the comprehensive guarantee**

1. The principal may use a comprehensive guarantee, up to a reference amount.
2. The application for benefiting of a comprehensive guarantee is made as per the provisions related to simplifications.
3. The reference amount shall be the same as the amount of 100% of the Customs duties, taxes and other fees and charges which may be incurred in respect of goods the principal places under the transit procedure during a period of at least one month.
4. The customs Authority shall establish the amount in collaboration with the party concerned on the following basis:
  - a. the information on goods he/she has carried in the during the past year based on his/her commercial documentation and accounts;
  - b. in establishing the reference amount, account shall be taken of the highest rates of duty and charges applicable to the goods in Somaliland;
  - c. the absence of any outstanding customs debt.
5. The calculations made under paragraph 4 of this Regulation shall be divided by 12 to reach the likely value of and taxes due on the goods to be transported during a period of one month.

6. The customs Authority shall review the reference amount in particular on the basis of a request from the principal and shall adjust it if necessary. The reference amounts shall be handled and may be monitored by the customs Authority.
7. Each principal shall ensure that the amount at stake does not exceed the reference amount, taking into account any operations for which the procedure has not yet been terminated to the satisfaction of the customs Authority.

#### Regulation 208

##### Reduction of the reference amount

1. The amount to be covered by the comprehensive guarantee shall be the same as the reference amount referred to in Regulation 207 of these Regulations.
2. The amount to be covered by the comprehensive guarantee may be reduced:
  - a. to 50 % of the reference amount where the principal demonstrates that his/her finances are sound and that he/she has sufficient experience of the transit procedure;
  - b. to 30 % of the reference amount where the principal demonstrates that his/her finances are sound, that he/she has sufficient experience of the transit procedure and that he/she cooperates very closely with the customs Authority.

#### Regulation 209

##### Form of the comprehensive guarantee

1. The comprehensive guarantee shall be furnished by a guarantor.
2. The guarantee document shall conform to the specimen to be determined by the customs Authority, based on the COMESA model.
3. The guarantee instrument shall be retained at the headquarters of the customs Authority.

#### Regulation 210

##### Comprehensive guarantee certificates

1. On the basis of the authorisation, the customs Authority shall issue the principal with one or more guarantee certificates, hereinafter referred to as certificates, drawn up as appropriate on a form based on the COMESA model and approved by the customs Authority, to enable the principal to provide proof of the comprehensive guarantee.
2. The period of validity of a certificate shall not exceed two years. However, that period may be extended by the office of guarantee for one further period not exceeding two years.

### Regulation 211

#### Revocation or cancellation of the comprehensive guarantee

1. Paragraphs 1 and 3 of Regulation 206 shall apply *mutatis mutandis* to the revocation and cancellation of the comprehensive guarantee.
2. The revocation of an authorisation to use a comprehensive guarantee by the customs Authority, and the effective date of revocation by the customs Authority of its acceptance of a guarantor's undertaking, or the effective date of cancellation of an undertaking by a guarantor shall be kept by the customs Authority.
3. From the effective date of revocation or cancellation any certificates issued may not be used to place goods under the transit procedure and shall be returned by the principal to the office of guarantee without delay.

### Regulation 212

#### Single means of transport

1. Each transit declaration shall include only the goods loaded or to be loaded on a single means of transport for carriage from one office of departure to one office of destination. This may cover goods moved in more than one container or more than one package where the containers or packages are loaded on a single means of transport.
2. For the purposes of this Regulation, the following shall be regarded as constituting a single means of transport, on condition that the goods carried are to be dispatched together:
  - a. a road vehicle accompanied by its trailer(s) or semi-trailer(s);
  - b. a set of coupled railway carriages or wagons.
3. A single means of transport may be used for loading goods at more than one office of departure and for unloading at more than one office of destination. In that case, each consignment must be clearly individualised and identified.

### Regulation 213

#### Transit declaration form to be used

1. Goods are placed under the transit procedure by means of a transit declaration. Transit declarations shall comply with the structure and particulars of:
  - a. the Single Administrative Document (SAD) as provided in Regulation 96 of these Regulations;

- b. the COMESA Carnet<sup>11</sup>.
2. The transit declaration must be established in 3 original copies. Each original copy of the transit declaration may be supplemented by one or more continuation sheets. The forms shall be an integral part of the declaration.
  3. Loading lists complying with and drawn up in accordance with a specimen and rules determined by the customs Authority may be used instead of continuation sheets as the goods descriptive part of a transit declaration, of which they shall be an integral part.
  4. As required under paragraph 1 of Regulation 106 of these Regulations, the transport document will be presented together with the transit declaration.
  5. The customs Authority may, where appropriate, require production of the document relating to the preceding customs procedure.

#### Regulation 214

##### Formalities at the customs office of departure

1. The vehicle, goods and the required documents including the guarantee document, shall be presented at the customs office of departure during the days and hours appointed for opening. However, the said office may, at the request and expense of the party concerned, allow the vehicle, goods and documents to be presented outside the appointed days and hours.
2. The original copies of the transit declaration and the original guarantee document shall be signed by the Principal and lodged at the office of departure together with the goods involved and the vehicle used.
3. The customs office of departure shall accept and register the transit declaration on condition that:
  - a. it contains all the information required;
  - b. it is accompanied by all the necessary documents;
  - c. the goods to which it refers are presented to customs;
  - d. the guarantee presented is valid.
4. The office of departure shall take the measures necessary for verifying the transit declaration and the identification of the goods as provided in Regulation 76 of these

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<sup>11</sup> Note paragraph b is incorrectly shown as part of sub-Regulation 2 in the Somali version. This will be corrected at a future date

Regulations. The result of the verification shall be recorded on each copy of the transit declaration.

5. If the findings of the verification are consistent with the declaration, the customs office of departure shall accept the transit declaration after having sealed the load compartment and recorded the seal number on the transit declaration. The date and time of the acceptance shall be recorded on the copies of the transit declarations.
6. The customs office of departure shall retain one original copy of the transit declaration and confirm the acceptance on the copy that is retained by the principal.
7. For the application of individual guarantees under Regulation 203 of these Regulations, calculation is made of the amount of the taxes and duties and other charges which may be incurred on the goods placed under transit. The principal is requested to present the guarantee to the customs office of departure under the provisions of Regulations 202 to 205 of these Regulations.
8. For the application of comprehensive guarantees under Regulation 207 of these Regulations, calculation is made of the amount of the taxes and duties and other charges which may be incurred for the goods placed under transit by the declarant and he/she shall ensure that the amount at stake does not exceed the reference amount, taking into account also any operations for which the procedure is not yet ended. The certificate is returned to the principal for further use.
9. Goods placed under the transit procedure shall be carried to the customs office of destination along an economically justified route under cover of the two original copies of the Customs transit declaration given to the principal by the customs office of departure.
10. If deemed necessary, the office of departure shall specify a prescribed itinerary and / or transit time limit.
11. The customs Authority may determine, if considered necessary, the type of goods for which the office of departure shall prescribe an itinerary and or a transit time limit, taking into account any details prescribed by the principal.

#### Regulation 215 Time limitations

1. The customs office of departure shall set a time limit within which the goods must be presented at the customs office of destination, taking into account the itinerary, any current transport or other legislation and, where appropriate, the details communicated by the principal.

2. The time limit prescribed by the customs office of departure shall be binding on the competent customs authorities at the office of destination.
3. Where the goods are presented at the customs office of destination after expiry of the time limit prescribed by the customs office of departure; and where this failure to comply with the time limit is due to circumstances which are explained to the satisfaction of the office of destination and are not attributable to the carrier or the principal; the latter shall be deemed to have complied with the time limit prescribed.

### Regulation 216 Sealing

1. Without prejudice to paragraph 8 of this Regulation, goods to be placed under the transit procedure shall not be placed under transit procedure unless they are sealed.
2. The customs office of departure shall take the identification measures it considers necessary and shall enter the relevant details in the transit declaration.
3. The following shall be sealed:
  - a. the space containing the goods, where the means of transport has been approved under other rules or recognised by the customs office of departure as suitable for customs transit under sealing;
  - b. each individual package, in other cases.
4. Customs seals shall bear the word “Customs”. In addition, they shall have the following essential characteristics and comply with the following technical specifications:
  - a. remaining intact and securely fastened in normal use;
  - b. being easily checkable and recognisable;
  - c. being so manufactured that any breakage, tampering or removal leaves traces visible to the naked eye;
  - d. being designed for single use or, if intended for multiple use, being so designed that they can give a clear, individual identification mark each time they are reused;
  - e. bearing individual seal identifiers which are permanent, readily legible and uniquely numbered;
  - f. the form and dimensions of seals may vary with the sealing method used but the dimensions shall be such as to ensure that identification marks are easy to read;
  - g. the identification marks of seals shall be impossible to falsify and to reproduce;

- h. the material used shall be resistant to accidental damage and such as to prevent undetectable falsification or reuse.
5. The customs Authority must keep a record of seals numbers allocated and used.
6. Means of transport may be recognised as suitable for sealing on condition that:
  - a. seals can be simply and effectively affixed to the load compartment;
  - b. they are so constructed that no goods can be removed or introduced into the sealed loading compartment without leaving visible traces or without breaking the seals;
  - c. they contain no concealed spaces where goods may be hidden;
  - d. the spaces reserved for the load are readily accessible for inspection by the customs authorities.
7. Any road vehicle, trailer, semi-trailer or container approved for the carriage of goods under customs seal in accordance with an international agreement to which Somaliland is a party shall be regarded as suitable for sealing.
8. The office of departure may dispense with sealing if:
  - a. having regard to other possible measures for identification, the description of the goods in the data of the transit declaration or in the supplementary documents makes them readily identifiable;
  - b. the means of transport is not suitable for sealing and the use of escorts is imposed by the customs Authority; or
  - c. the physical characteristics of the goods transported are incompatible with customs sealing such as abnormal loads.
9. Whenever a seal needs to be removed to allow customs inspection, the customs authorities shall endeavour to reseal as necessary, with a customs seal of at least equivalent security features and note the particulars of the action, including the new seal number, on the transit declaration.

**Regulation 217**  
**Events during the transport**

1. The carrier, when faced with exceptional circumstances as described below shall immediately inform the customs authorities by any available means and present the vehicle, goods and customs and other documents to the nearest customs office for appropriate action:



- a. if the prescribed itinerary is changed and the provisions of Regulation 214, paragraph 11 of these Regulations apply;
  - b. if seals are broken in the course of a transport operation for reasons beyond the carrier's control;
  - c. if goods are transferred to another means of transport; any such transfer must be made under the supervision of the customs authorities which may, however, authorise transfers to be made without their supervision;
  - d. in the event of imminent danger necessitating immediate partial or total unloading of the means of transport;
  - e. in the event of any incident or accident capable of affecting the ability of the principal or the carrier to comply with his/her obligations.
2. The relevant information shall be recorded on the transit declaration by the competent customs authorities.
  3. Where the competent customs authorities consider that the transit operation concerned may continue in the normal way, they shall take any steps that may be necessary, record the incident on the transit declaration and then endorse the transit declaration with the written notice "Continuation of Transit allowed".
  4. Where the transit cannot continue under the same transit declaration and guarantee, customs authorities must terminate the first transit declaration. The principal shall submit a new transit declaration, and shall:
    - a. make reference of the new transit declaration number on the cancelled transit declaration; and
    - b. make reference to the cancelled transit declaration number on the new transit declaration.
  5. In cases where transit operations have been authorised to end at an office other than the one entered in the transit declaration, that office shall then become the customs office of destination.
  6. The authorisation to change the customs office of destination should be recorded on each copy of the transit declaration and stamped by the competent customs authorities.

## Regulation 218

### Presentation of the goods at the customs office of destination and termination of the transit operation

1. The vehicle, goods and the required documents, including the guarantee document used for that operation, shall be presented at the customs office of destination during the days and hours appointed for opening. However, the said office may, at the request and expense of the party concerned, allow the vehicle, goods and documents to be presented outside the appointed days and hours. Similarly, at the request and expense of the party concerned, the customs office of destination may also allow the vehicle, goods and the required documents to be presented in any other place.
2. The customs office of destination shall keep the two copies of the transit declaration and carry out necessary controls of the documents, goods and means of transport.
3. The customs office of destination shall record the date and time of arrival on the two copies of the transit declaration and record details of any controls carried out.
4. To provide evidence of the procedure having ended in accordance with Regulation 219, paragraph 6 of these Regulations, the office of destination shall endorse a copy of the transit declaration with the following phrase:  
— *Alternative proof* —
5. At the request of the carrier, the office of destination shall endorse a confirmation of receipt of the goods at the request of the person presenting the goods and the required documents.
6. The receipt shall be completed in advance by the person concerned. It may contain other particulars relating to the consignment, except in the space reserved for the office of destination.
7. The receipt shall not be used as proof of the procedure having ended within the meaning of Regulation 219, paragraph 6 of these Regulations unless it is endorsed by the office of destination.

## Regulation 219

### Notification to the customs office of departure to discharge the transit operation

1. The customs office of destination shall notify the customs office of departure of the arrival of the goods on the day they are presented at the customs office of destination.
2. The customs office of destination shall return an original copy of the transit declaration to the customs office of departure at the latest on the third day following the day the goods are presented at the customs office of destination.

3. This formality may be dispensed with where the transit declaration is lodged and processed by an electronic system, the return copy of the transit declaration shall be replaced by transmission for computer processing to the customs office of departure of data equivalent to the particulars of the copy of the transit declaration.
4. Where the transit operation is ended in another office than that declared initially in the transit declaration, the new customs office of destination shall notify the arrival to the customs office of departure.
5. The customs office of departure shall notify the arrival to the originally declared customs office of destination.
6. The transit procedure shall end and the obligations of the principal shall be met when the goods placed under the transit procedure and the required documents are produced to its satisfaction at the customs office of destination.
7. The customs authorities shall discharge the transit procedure when they are in a position to establish, on the basis of a comparison of the transit declaration kept at the customs office of departure at the start of the operation and the copy sent back by the customs office of destination after termination of the transit are corresponding demonstrating that the procedure has ended correctly.

#### Regulation 220

##### Time limits to launch the inquiry procedure

1. When the customs office of departure has not received copy of the transit declaration within six days after the date the goods have left the office of departure, the customs Authority shall launch the inquiry procedure in order to obtain the information needed to discharge the procedure or, where this is not possible:
  - a. to establish whether a customs debt has been incurred, and
  - b. to identify the debtor.
2. If the customs Authority receives information earlier that the transit procedure has not ended, or suspect that to be the case, the inquiry procedure shall be initiated forthwith.
3. The customs office of departure shall initiate the inquiry procedure by requesting the information needed to discharge the procedure from the office of destination and from the principal.
4. The office of destination and the principal shall reply to the request, referred to in paragraph 3 of this Regulation, within 8 days. If the principal provides sufficient information within

this period, the customs office of departure shall take into account such information or shall discharge the procedure if the information provided so permits.

5. If the information received from the principal is not sufficient to discharge the procedure but is sufficient for the inquiry procedure to continue according to the customs office of departure, it shall immediately initiate a request to the customs office involved.
6. If no proof of evidence has been provided to discharge the transit procedure within the time limits referred to in paragraph 4 of this Regulation, the customs Authority shall take steps to establish the customs debt, identify the customs debtor and recover the duties and other charges involved.

#### Regulation 221 Proof of evidence

1. The proof that the procedure has ended within the time limit prescribed in the declaration may be furnished by the principal to the satisfaction of the customs Authority in the form of a document certified by the customs office of destination identifying the goods and establishing that they have been presented at the office of destination or by providing a copy of the transit declaration endorsed by the customs office of destination.
2. The transit procedure shall also be considered as having ended where the principal presents, to the satisfaction of the customs Authority, one of the following documents:
  - a. a subsequent customs document issued in another country entering the goods for a customs-approved treatment or use;
  - b. a document issued in another country, stamped by the customs Authority of that country and certifying that the goods are considered to be in free circulation in the country concerned;
  - c. the regularised import declaration confirmed by the Somaliland customs Authority or the proof that the goods have been transferred under another customs regime in Somaliland;
  - d. the proof of payment in Somaliland of the corresponding taxes and duties;
  - e. the proof that the goods covered by the transit declaration have been destroyed or have been irrecoverably lost by accident or force majeure.
3. The documents mentioned in paragraph 2 of this Regulation can be replaced by copies or photocopies, certified as true copies by the body which certified the original documents or by other authorities.

Regulation 222  
Simplifications

1. Following an application by the principal or the consignee, as appropriate, the customs Authority may authorise the following simplifications:
  - a. use of a guarantee waiver;
  - b. use of seals of a special type;
  - c. exemption from the requirement to use a prescribed itinerary.

Regulation 223  
Conditions for obtaining simplifications

1. The authorisations referred to in Regulation 222 of these Regulations shall be granted only to persons who:
  - a. are established in Somaliland;
  - b. regularly use the transit procedures;
  - c. have not committed any serious or repeated offences against customs or tax legislation.
2. To ensure the proper management of the simplifications, authorisations shall be granted only where:
  - a. the customs Authority is able to supervise the procedure and carry out controls without an administrative effort disproportionate to the requirements of the person concerned;
  - b. the persons concerned keep records which enables the customs Authority to carry out effective controls; and
  - c. the persons concerned authorise the customs Authority to access at any time their premises, their book-keeping and any document they keep.

Regulation 224  
The authorisation

1. An application for authorisation to use simplifications, hereinafter referred to as 'the application' shall be dated and signed by the customs Authority. Under the conditions and in the manner which they shall determine the customs Authority shall provide that the application shall be made in writing or lodged using an electronic data-processing technique.

2. The application must include all the facts which will allow the customs Authority to check that the conditions subject to which use of the simplifications may be granted have been met.

#### Regulation 225 Application

1. The application shall be lodged at an office or offices of the customs to be designated by the customs Authority.
2. The applicant shall be given a signed and dated receipt of his/her application.
3. The authorisation shall be approved or rejected within a reasonable period, but at any rate within one month of the date on which the application is lodged.

#### Regulation 226 Conditions for use

1. The dated and signed original of the authorisation and one or more certified copies thereof shall be given to the holder.
2. The authorisation shall specify the conditions for use of the simplifications and lay down the operating and control methods. It shall be valid from the date of issue.
3. In the case of the simplifications referred to in Regulation 222, authorisations shall be presented whenever the customs office of departure so requires.

#### Regulation 227 Information to be provided

1. The holder of an authorisation shall inform the customs Authority of any factor arising after the authorisation was granted which may influence its continuation or content.
2. The date on which the decision takes effect shall be indicated in a decision revoking or amending the authorisation.

#### Regulation 228 Record keeping

1. The customs Authority shall keep applications and attached supporting documents, together with a copy of any authorisations issued.
2. Where an application is rejected, or an authorisation is annulled or revoked, the application and the decision rejecting or annulling or revoking the application, as the case may be, and all attached supporting documents shall be kept for at least three years from the end of the

calendar year in which the application was rejected or the authorisation was annulled or revoked.

#### Regulation 229 Guarantee waivers

A guarantee waiver may be granted where the principal demonstrates that he/she maintains the standards of reliability described in paragraphs 1 and 2 of Regulation 223 of these Regulations, is in command of transport operations and has sufficient financial resources to meet his/her obligations.

#### Regulation 230 Guarantee waiver certificates

1. On the basis of the authorisation, the customs Authority shall issue the principal with one or more guarantee waiver certificates, hereinafter referred to as certificates, drawn up as appropriate on a form approved by the customs Authority, to enable the principal to provide proof of the guarantee waiver.
2. The period of validity of a certificate shall not exceed two years. However, that period may be extended by the customs Authority for one further period not exceeding two years.

#### Regulation 231 Revocation or cancellation of the guarantee waiver

1. Regulation 206 paragraphs 1, 2 and 3 of these Regulations shall apply *mutatis mutandis* to the revocation and cancellation of the guarantee waiver.
2. The revocation of an authorisation to use a guarantee waiver by the customs Authority, and the effective date of revocation by the customs Authority of its acceptance of a guarantor's undertaking, or the effective date of cancellation of an undertaking by a guarantor shall be kept by the customs Authority.
3. From the effective date of revocation or cancellation any certificates issued may not be used to place goods under the transit procedure and shall be returned by the principal to the customs Authority without delay.

#### Regulation 232 Use of seals of a special type

The customs Authority may authorise principals to use special types of seals on means of transport or packages provided the customs Authority approves the seals as complying with the customs seal standards as provided in Regulation 216 paragraph 4 of these Regulations.

Regulation 233  
Exemption regarding prescribed itinerary

The customs Authority may grant an exemption from the requirement to follow a prescribed itinerary to principals who ensure that the customs Authority is able to ascertain the location of the consignments concerned at all times.

Regulation 234  
Postal consignments

The customs Authority shall prescribe the form to be attached to goods originating in Somaliland where they are sent by post to a country or place outside Somaliland.

**D. CUSTOMS PROCEDURES WITH ECONOMIC IMPACT**

Regulation 235  
Definitions

For the purposes of this Part, these terms have the following meanings:

- (a) “arrangements” means a customs procedure with economic impact<sup>12</sup>;
- (b) “authorisation” means permission by the customs Authority to use arrangements;
- (c) “holder” means the holder of an authorisation;
- (d) “supervising office” means the customs office indicated in the authorisation as empowered to supervise the arrangements;
- (e) “office of entry” means the customs office or offices indicated in the authorisation as empowered to accept declarations entering goods for the arrangements;
- (f) “office of discharge” means the customs office or offices indicated in the authorisation as empowered to accept declarations assigning goods, following entry for the arrangements, to a new permitted customs-approved treatment or use, or, in the case of outward processing, the declaration for free circulation;
- (g) “accounts” means the holder's commercial, tax or other accounting material, or such data held on their behalf;
- (h) “records” means the data containing all the necessary information and technical details on whatever medium, enabling the customs Authority to supervise and control the

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<sup>12</sup> Note the Somali version incorrectly includes this definition as part of the introductory wording and thus labels definitons (b) to (k) as (a) to (j). This will be corrected at a future date



arrangements, in particular as regards the flow and changing status of the goods; in the customs warehousing arrangements records are called stock records;

- (i) “main compensating products” means compensating products for the production of which the arrangements were authorised;
- (j) “secondary compensating products” means compensating products which are a necessary by-product of the processing operation other than the main compensating products specified in the authorisation;
- (k) “period for discharge” means the time by which the goods or products must have been assigned a new permitted customs approved treatment or use including, as the case may be, in order to claim repayment of import duties after inward processing (drawback system), or in order to obtain total or partial relief from import duties upon release for free circulation after outward processing.

**Regulation 236**  
**Form of the application**

1. Application for authorisation shall be made to the customs Authority in writing.
2. The customs Authority may permit renewal or modification of an authorisation to be applied for by simple written request.
3. In the following cases, the application for authorisation may be made by means of a customs declaration in writing or by means of a data-processing technique using the normal procedure:
  - a. for inward processing, where in accordance with Regulation 253 of these Regulations, the economic conditions are deemed to be fulfilled, with the exception of applications involving equivalent goods;
  - b. for processing under customs control, where in accordance with Regulation 265, paragraph 1 of these Regulations, the conditions are deemed to be fulfilled;
  - c. for temporary importation; when a high amount of import duties is at stake or a serious risk of noncompliance with obligations of the arrangements exists;
  - d. for outgoing goods using the standard exchange system without prior importation;
    - i. for release of the goods for free circulation after outward processing using the standard exchange system without prior importation, where the existing authorisation does not cover such a system, and the customs Authority permits its modification;

- ii. for release of the goods for free circulation after outward processing if the processing operation concerns goods of a non-commercial nature.
4. The application for authorisation may be made by means of an oral customs declaration for temporary importation, subject to the presentation of a document made out in accordance with Regulation 238, paragraph 3 of these Regulations.
5. The application for authorisation for temporary importation may be made by means of a customs declaration or by any other act.
6. The customs Authority may require applications for temporary importation with total relief from import duties in accordance with Regulation 310 of these Regulations.

**Regulation 237**  
**Submitting of an application**

1. The application for an authorisation under Regulation 236 of these Regulations shall be submitted:
  - a. for customs warehousing: to the customs Authority designated as the place to be approved as a customs warehouse or where the applicant's main accounts are held;
  - b. for inward processing and processing under customs control: to the customs Authority designated as the place where the processing operation is to be carried out;
  - c. for temporary importation: to the customs Authority designated as the place where the goods are to be used, without prejudice to Regulation 312, paragraph 3<sup>13</sup> of these Regulations;
  - d. for outward processing: to the customs Authority designated as the place where the goods to be declared for temporary exportation are located.

**Regulation 238**  
**Information to be provided**

1. Where the customs Authority considers any of the information given in the application inadequate, they may require additional details from the applicant.
2. In particular, where an application may be made by making a customs declaration, the customs Authority shall require that the application be accompanied by a document made

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<sup>13</sup> Note the reference in this paragraph is incorrectly shown in the Somali version as being to paragraphs 2 and 3 of Regulation 312. This will be corrected at a future date

out by the declarant containing at least the following information, unless such information is deemed unnecessary or can be entered on the form used for the written declaration:

- a. name and address of the applicant, the declarant and the operator;
  - b. nature of the processing or use of the goods;
  - c. technical description of the goods and compensating or processed products and means of identifying them;
  - d. estimated rate of yield or method by which that rate is to be determined;
  - e. estimated period for discharge;
  - f. proposed office of discharge;
  - g. place of processing or use;
  - h. proposed transfer formalities;
  - i. in the case of oral customs declaration, the value and quantity of the goods.
3. Where the document referred to in paragraph 2 of this Regulation is presented with an oral customs declaration for temporary importation, it shall be made out in duplicate and one copy shall be endorsed by the customs Authority and given to the declarant.

**Regulation 239**  
**Economic conditions**

1. Except where the economic conditions are deemed to be fulfilled, the authorisation shall not be granted without examination of the economic conditions by the customs Authority.
2. For the inward processing arrangements, the examination shall establish the economic unviability of using Somaliland sources taking account in particular of the following criteria:
  - a. unavailability of Somaliland-produced goods sharing the same quality and technical characteristics as the goods intended to be imported for the processing operations envisaged;
  - b. differences in price between Somaliland-produced goods and those intended to be imported;
  - c. contractual obligations.

3. For the processing under customs control arrangements, the examination shall establish whether the use of non-Somaliland sources enables processing activities to be created or maintained in Somaliland.
4. For the outward processing arrangements, the examination shall establish whether:
  - a. carrying out processing outside the Somaliland is likely to cause serious disadvantages for Somaliland processors; or
  - b. carrying out processing in the Somaliland is economically unviable or is not feasible for technical reasons or due to contractual obligations.

**Regulation 240**  
**Granting of the authorisation**

1. The customs Authority competent to decide shall grant the authorisation as follows:
  - a. for an application under Regulation 236, paragraph 1 of these Regulations, using a format to be determined by the Director of Customs;
  - b. for an application under Regulation 236, paragraph 3 of these Regulations, by acceptance of the customs declaration;
  - c. for an application for renewal or modification, by any appropriate act.

**Regulation 241**  
**Feedback to the applicant**

The applicant shall be informed of the decision to issue an authorisation, or the reasons why the application was rejected, within 30 days or 60 days in the case of the customs warehousing arrangements, of the date the application was lodged or the date any requested outstanding or additional information is received by the customs Authority.

**Regulation 242**  
**Validity of the authorisation**

1. Without prejudice to Regulation 243 of these Regulations, an authorisation shall take effect on the date of issue or at any later date given in the authorisation. In the case of a private warehouse, the customs Authority may exceptionally communicate their agreement to use the arrangements prior to the actual issuing of the authorisation.
2. No limit on the period of validity shall be fixed for authorisations for the customs warehousing arrangements.

3. For inward processing, processing under customs control and outward processing, the period of validity shall not exceed three years from the date the authorisation takes effect, except where there are duly justified good reasons.

**Regulation 243**  
**Retroactive authorisations**

1. Except for the customs warehousing arrangements, the customs Authority may issue a retroactive authorisation.
2. Without prejudice to paragraphs 3 and 4 of this Regulation, a retroactive authorisation shall take effect at the earliest on the date on which the application was submitted.
3. If an application concerns renewal of an authorisation for the same kind of operation and goods, an authorisation may be granted with retroactive effect from the date the original authorisation expired.
4. In exceptional circumstances, the retroactive effect of an authorisation can be extended further, but not more than one year before the date the application was submitted, provided a proven economic need exists and
  - a. the application is not related to attempted deception or to obvious negligence;
  - b. the period of validity which would have been granted under Regulation 57 of these Regulations is not exceeded;
  - c. the applicant's accounts confirm that all the requirements of the arrangements can be deemed to be met and, where appropriate, the goods can be identified for the period involved, and such accounts allow the arrangements to be controlled; and
  - d. all the formalities necessary to regularise the situation of the goods can be carried out, including, where necessary, the invalidation of the declaration.

**Regulation 244**  
**Commercial policy measures**

1. Commercial policy measures provided for in Somaliland Acts shall be applicable on entry for the arrangements of non-Somaliland goods only to the extent that they refer to the entry of goods into the customs territory of the Somaliland.
2. Where compensating products other than those determined through administrative guidelines as may be issued by the customs Authority from time to time, obtained under the inward processing arrangements are released for free circulation, the commercial policy measures to be applied shall be those applicable to the release for free circulation of the import goods.

3. Where processed products, obtained under the arrangements for processing under customs control, are released for free circulation, the commercial policy measures applicable to those products shall be applied only where the import goods are subject to such measures.
4. Where Somaliland Acts provide for commercial policy measures on release for free circulation, such measures shall not apply to compensating products released for free circulation following outward processing:
  - a. that have retained Somaliland origin;
  - b. involving repair, including the standard exchange system;
  - c. following successive processing operations in accordance with Section 132 of the Act.

**Regulation 245**  
**Change of Supervising office**

Without prejudice to specific rules for export, the supervising office may allow the customs declaration to be presented at a customs office other than those specified in the authorisation. The supervising office shall determine how it shall be informed.

**Regulation 246**  
**Transfers**

1. The authorisation shall specify whether and under which conditions the movement of goods or products placed under suspensive arrangements between different places or to the premises of another holder may take place without discharge of the arrangements (transfer), subject, in cases other than temporary importation, to the keeping of records.
2. Transfer shall not be possible where the place of departure or arrival of the goods is a type B warehouse.

**Regulation 247**  
**Different types of transfers**

1. Transfer between different places designated in the same authorisation may be undertaken without any customs formalities.
2. Transfer from the office of entry to the holder's or operator's facilities or place of use may be carried out under cover of the declaration for entry for the arrangements.
3. Transfer to the office of exit with a view to re-exportation may take place under cover of the arrangements. In this case, the arrangements shall not be discharged until the goods or products declared for re-exportation have actually left the customs territory of Somaliland.

**Regulation 248**  
**Formalities**

1. Transfer from one holder to another can only take place where the latter enters the transferred goods or products for the arrangements under an authorisation to use the local clearance procedure. Notification to the customs Authority and entry in the records of the goods or products shall take place upon their arrival at the premises of the second holder. A supplementary declaration need not be required.
2. In the case of temporary importation, the transfer from one holder to another may also take place where the latter enters the goods under the arrangements by means of a customs declaration in writing using the normal procedure.
3. The formalities to be carried out shall be provided for in departmental Standard Operating Procedures for transfer of goods under suspensive arrangements from one place to another. Upon receipt of the goods or products, the second holder shall be obliged to enter them for the arrangements.

**Regulation 249**  
**Guarantee**

If in the opinion of the customs Authority a transfer involves increased risk, such transfer shall be covered by a guarantee under conditions equivalent to those provided for in the transit procedure.

**Regulation 250**  
**Obligation to keep records**

1. The customs Authority shall require the holder, the operator or the designated warehouse keeper to keep records, except for temporary importation or where they do not deem it necessary.
2. The customs Authority may approve existing accounts containing the relevant particulars as records.
3. The supervising office may require an inventory to be made of all or some of the goods placed under the arrangements.

**Regulation 251**  
**Information to be recorded**

3. The records referred to in Regulation 250 and, where they are required, under Regulation 311, paragraph 2 of these Regulations for temporary imports shall contain the following information:

- a. the information contained in the boxes of the minimum list laid down for the declaration of entry for the arrangements;
  - b. particulars of the declarations by means of which the goods are assigned a customs-approved treatment or use discharging the arrangements;
  - c. the date and reference particulars of other customs documents and any other documents relating to entry and discharge;
  - d. the nature of the processing operations, types of handling or temporary use;
  - e. the rate of yield or its method of calculation where appropriate;
  - f. information enabling the goods to be monitored, including their location and particulars of any transfer;
  - g. commercial or technical descriptions necessary to identify the goods;
  - h. particulars enabling monitoring of the movements under the inward processing arrangements operating with equivalent goods.
1. However, the customs Authority may waive the requirement for some of this information where this does not adversely affect the control or supervision of the arrangements for the goods to be stored, processed or used.

#### Regulation 252

##### Rate of yield

1. Where relevant for the arrangements, a rate of yield or the method for determining a rate, including average rates, shall be established in the authorisation or at the time the goods are entered for the arrangements. Such rate is to be determined, as far as possible, on the basis of production or technical data or, where these are not available, data relating to operations of the same type.
2. In particular circumstances the customs Authority may establish the rate of yield after the goods have been entered for the arrangements, but not later than when they are assigned a new customs-approved treatment or use.

#### Regulation 253

##### Calculation of the rate of yield

1. The proportion of import/temporary export goods incorporated in the compensating products shall be calculated in order:
  - a. to determine the import duties to be charged;



- b. to determine the amount to be deducted when a customs debt is incurred; or
  - c. to apply commercial policy measures.
2. These calculations shall be made in accordance with the quantitative scale method, or the value scale method as appropriate, or any other method giving similar results.
3. For the purposes of the calculations, compensating products shall include processed products or intermediate products.
4. The quantitative scale method shall be applicable where:
  - a. only one kind of compensating product is derived from the processing operations; in this case the quantity of import/temporary export goods deemed to be present in the quantity of compensating products for which a customs debt is incurred shall be proportional to the latter category of products as a percentage of the total quantity of compensating products;
  - b. several kinds of compensating product are derived from the processing operations and all elements of the import/temporary export goods are found in each of those compensating products; in this case the quantity of import/temporary export goods deemed to be present in the quantity of a given compensating product for which a customs debt is incurred shall be proportional to:
    - i. the ratio between this specific kind of compensating product, irrespective of whether a customs debt is incurred, and the total quantity of all compensating products; and
    - ii. the ratio between the quantity of compensating products for which a customs debt is incurred and the total quantity of compensating products of the same kind.
5. In deciding whether the conditions for applying the methods described in a) or b) are fulfilled, losses shall not be taken into account. Losses means the proportion of import/temporary export goods destroyed and lost during the processing operation, in particular by evaporation, desiccation, venting as gas or leaching. In outward processing secondary compensating products that constitute waste, scrap, residues, offcuts and remainders shall be treated as losses.
6. The value scale method shall be applied where the quantitative scale method is not applicable.
7. The quantity of import/temporary export goods deemed to be present in the quantity of a given compensating product incurring a customs debt shall be proportional to:

- a. the value of this specific kind of compensating product, irrespective of whether a customs debt is incurred, as a percentage of the total value of all the compensating products; and
  - b. the value of the compensating products for which a customs debt is incurred, as a percentage of the total value of compensating products of that kind.
8. The value of each of the different compensating products to be used for applying the value scale shall be the recent ex-works price in the Somaliland, or the recent selling price in Somaliland of identical or similar products, provided that these have not been influenced by the relationship between buyer and seller.
9. Where the value cannot be ascertained pursuant to paragraph 6, 7 and 8 of this Regulation, it shall be determined by any reasonable method.

**Regulation 254**  
**Compensatory interest**

1. Where a customs debt is incurred in respect of compensating products or import goods under inward processing or temporary importation, compensatory interest shall be due on the amount of import duties for the period involved.
2. The applicable rate shall be determined by the Central Bank of Somaliland and shall be that applicable two months before the month in which the customs debt is incurred.
3. Interest shall be applied on a monthly basis, starting on the first day of the month following the month in which the import goods for which a customs debt is incurred were first entered for the arrangements.
4. The period shall close on the last day of the month in which the customs debt is incurred.
5. Where inward processing (drawback system) is concerned and release for free circulation is requested under Section 123, 4, of the Act, the period starts from the first day of the month following the month in which the import duties were repaid or remitted.
6. Paragraphs 1, 2, 3, 4 and 5 of this Regulation shall not apply to the following cases:
  - a. where the period to be taken into account is less than one month;
  - b. where the amount of compensatory interest applicable does not exceed 15000 SI/= per customs debt incurred;
  - c. where a customs debt is incurred in order to allow the application of preferential tariff treatment under an agreement between Somaliland and another country on imports into that country;

- d. where waste and scrap resulting from destruction is released for free circulation;
  - e. where secondary compensating products as may be specified by the customs Authority are released for free circulation, provided they are in proportion to exported quantities of main compensating products;
  - f. where a customs debt is incurred as a result of an application for release for free circulation under Section 123,4, of the Act, as long as the import duties payable on the products in question have not yet actually been repaid or remitted;
  - g. where the holder requests release for free circulation and submits proof that particular circumstances not arising from any negligence or deception on his/her part make it impossible or uneconomic to carry out the re-export operation under the conditions he/she had anticipated and duly substantiated when applying for the authorisation;
  - h. where a customs debt is incurred and to the extent a guarantee is provided by a cash deposit in relation to this debt;
  - i. where a customs debt is incurred in accordance following temporary importation with partial relief or is due to the release for free circulation of goods which were entered for the temporary importation arrangements under Regulations 288 to 293, 295, 296, 300, 304 and 308 of these Regulations.
7. In the case of inward processing operations in which the number of import goods and/or compensating products makes it uneconomic to apply the provisions of paragraphs 2, 3, 4 and 5 of this Regulation, the customs Authority, at the request of the person concerned, may allow simplified methods giving similar results to be used for the calculation of compensatory interest.

**Regulation 255**  
**Period of discharge**

1. Where import or temporary export goods have been entered under two or more declarations for the arrangements by virtue of one authorisation:
- a. in the case of a suspensive arrangement, the assignment of goods or products to a new customs-approved treatment or use shall be considered to discharge the arrangements for the import goods in question entered under the earliest of the declarations;
  - b. in the case of inward processing (drawback system) or outward processing, the compensating products shall be considered to have been obtained from the import or

temporary export goods in question respectively, entered under the earliest of the declarations.

2. Application of the first subparagraph shall not lead to unjustified import duty advantages.
3. The holder may request the discharge to be made in relation to specific import or temporary export goods.
4. Where the goods under the arrangements are placed together with other goods and there is total destruction or irretrievable loss, the customs Authority may accept evidence produced by the holder indicating the actual quantity of goods under the arrangements which was destroyed or lost. Where it is not possible for the holder to produce such evidence, the amount of goods which has been destroyed or lost shall be established by reference to the proportion of goods of that type under the arrangements at the time when the destruction or loss occurred.

**Regulation 256**  
**Further provisions for discharge**

1. At the latest upon expiry of the period for discharge:
  - a. in the case of inward processing (suspension system) or processing under customs control, the bill of discharge shall be supplied to the supervising office within 30 days;
  - b. in the case of inward processing (drawback system), the claim for repayment or remission of import duties must be lodged with the supervising office within six months.
2. Where special circumstances so warrant, the customs Authority may extend the period even if it has expired.
3. The bill or the claim shall contain the following particulars, unless otherwise determined by the supervising office:
  - a. reference particulars of the authorisation;
  - b. the quantity of each type of import goods in respect of which discharge, repayment or remission is claimed;
  - c. the tariff code of the import goods;
  - d. the rate of import duties to which the import goods are liable and, where applicable, their customs value;

- e. the particulars of the declarations entering the import goods under the arrangements;
  - f. the type and quantity of the compensating or processed products or the goods in unaltered state and the customs-approved treatment or use to which they have been assigned, including particulars of the corresponding declarations, other customs documents or any other document relating to discharge and periods for discharge;
  - g. the value of the compensating or processed products if the value scale method is used for the purpose of discharge;
  - h. the rate of yield;
  - i. the amount of import duties to be paid or to be repaid or remitted and where applicable any compensatory interest to be paid. Where this amount refers to the application of Regulation 278 of these Regulations, it shall be specified;
  - j. in the case of processing under customs control, the tariff code of the processed products and elements necessary to determine the customs value.
4. The supervising office may make out the bill of discharge.

#### E. CUSTOMS WAREHOUSING

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##### Regulation 257 Different types of warehouses

1. Where a customs warehouse is public, the following classification shall apply:
  - a. type A, if the responsibility lies with the warehouse keeper;
  - b. type B, if the responsibility lies with the depositor;
  - c. type F, if the warehouse is operated by the customs Authority.
2. Where a customs warehouse is private, and responsibility lies with the warehouse keeper who is the same person as the depositor but not necessarily the owner of the goods, the following classification shall apply:
  - a. type D, where release for free circulation is made by way of the local clearance procedure and may be granted on the basis of the nature, the customs value and the quantity of the goods to be taken into account at the time of their placing under the arrangements;
  - b. type E, where the arrangements apply although the goods need not be stored in a place approved as a customs warehouse;

- c. type C, where neither of the special situations under points (a) and (b) applies.
2. An authorisation for a type E warehouse may provide for the procedures laid down for type D to be applied.

#### Regulation 258

##### Special conditions for granting the authorisation

1. When granting the authorisation the customs Authority shall define the premises or any other location approved as a customs warehouse of type A, B, C or D. They may also approve temporary storage facilities as such types of warehouse or operate them as a type F warehouse.
2. A location may not be approved as more than one customs warehouse at the same time.
3. Where goods present a danger or are likely to spoil other goods or require special facilities for other reasons, authorisations may specify that they may only be stored in premises specially equipped to receive them.

#### Regulation 259

##### Intended use of the warehouse

1. Authorisations may be granted only if any intended usual forms of handling, inward processing or processing under customs control of the goods do not predominate over the storage of the goods.
2. Authorisations shall not be granted if the premises of customs warehouses or the storage facilities are used for the purpose of retail sale. An authorisation may, however, be granted, where goods are retailed with relief from import duties:
  - a. to travellers in traffic to third countries;
  - b. under diplomatic or consular arrangements;
  - c. to members of international organisations.
3. For the purposes of Section 83, paragraph 1, b) of the Act, when examining whether the administrative costs of customs warehousing arrangements are disproportionate to the economic needs involved, the customs Authority shall take account, *inter alia*, of the type of warehouse and the procedure which may be applied therein.

**Regulation 260**  
**Responsibility for the records**

1. In warehouses of type A, C, D and E, the person designated to keep the stock records shall be the warehouse keeper.
2. In warehouses of type F, the operating customs office shall keep the customs records in place of stock records.
3. In type B warehouses, in place of stock records, the supervising office shall keep the declarations of entry for the arrangements.

**Regulation 261**  
**Data to be kept**

1. The stock records shall at all times show the current stock of goods which are still under the customs warehousing arrangements. At the times laid down by the customs Authority, the warehouse keeper shall lodge a list of the said stock at the supervising office.
2. Where Section 108, paragraph 2 of the Act applies, the customs value of the goods before carrying out usual forms of handling shall appear in the stock records.
3. Information on the temporary removal of goods and on goods in common storage in accordance with Regulation 266, paragraphs 2 and 3 of these Regulations shall appear in the stock records.

**Regulation 262**  
**Time of entry into the stock records**

1. Where goods are entered for the type E warehouse arrangements, the entry in the stock records shall take place when they arrive at the holder's storage facilities.
2. Where the customs warehouse also serves as a temporary storage facility, the entry in the stock records shall take place at the time the declaration for the arrangements is accepted.
3. Entry in the stock records relating to discharge of the arrangements shall take place at the latest when the goods leave the customs warehouse or the holder's storage facilities.

**Regulation 263**  
**Usual forms of handling**

1. Non-Somaliland goods may, subject to such conditions as the customs Authority may impose and provided such operations do not give rise to a different tariff code or increase the risk of fraud, undergo the usual forms of handling.

2. Usual forms of handling include:

- a. simple operations to keep the goods in good shape during storage such as<sup>14</sup>:
  - i. ventilation, spreading out, drying, removal of dust, simple cleaning operations, repair of packing, elementary repairs of damage incurred during transport or storage in so far as it concerns simple operations, application and removal of protective coating for transport;
  - ii. stocktaking, sampling and weighing of the goods;
  - iii. removal of damaged or contaminated components;
  - iv. conservation, by means of addition of preservatives or other means;
  - v. treatment against parasites;
  - vi. treatment by simple raising of temperature, even if it results in a different tariff classification code.
- b. treatment for improving of the appearance or market value of import goods such as:
  - i. stemming and/or pitting of fruits;
  - ii. assembling and addition, even if it concerns adding certain parts into a whole product, where this treatment does not constitute an important part of the production process even if the adding results in a different tariff classification code (such as adding a radio or windshield wipers to a motor vehicle);
  - iii. salting, cleaning and washing;
  - iv. adding to the goods one or more kinds of goods so long as the adding is relatively small and does not result in change of the original nature of goods;
  - v. dilution of fluids;
  - vi. mixing different types of goods in order to obtain a different quality or a quality which is requested by a customer, without changing the nature of the goods;
  - vii. dividing or cutting the goods to size.

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<sup>14</sup> Note that the Somali version contains the same text for this paragraph but uses different sub-paragraph numbers



- c. treatment or preparation of the goods for distribution or further resale such as:
- i. sorting, sifting, mechanical filtering, classification and transfer;
  - ii. arranging and levelling/ alignment;
  - iii. packing, unpacking, change of packing, decanting and simple transfer into containers;
  - iv. affixing, and removal of marks, seals, labels, price tags or other similar distinguishing signs, provided such action does not make the goods appear that they have an origin different from the original;
  - v. testing, adjusting, regulating and putting into working order of machines, apparatus and vehicles, if only simple operations are used;
  - vi. testing in order to control the compliance with technical standards, if only simple operations are involved;
  - vii. cutting up and breaking down of dried fruits or vegetables;
  - viii. anti-rust treatment;
  - ix. reassembly of the goods after transportation;
  - x. simple adjustment of the temperature for the purpose of transporting or preserving the goods;
  - xi. ironing of textiles.

**Regulation 264**  
**Temporary removal**

Goods may be temporarily removed from the warehouse without payment of duties for a period not exceeding three months upon such conditions as the customs shall deem fit. Where circumstances so warrant, this period may be extended.

**Regulation 265**  
**Applications for usual forms of handling and temporary removal**

1. Applications for permission to carry out usual forms of handling or to remove goods temporarily from the customs warehouse shall be made in writing on a case by case basis to the supervising office. They must contain all particulars necessary to apply the arrangements.

2. Such permission may be granted as part of an authorisation to operate the warehousing arrangements. In this case the supervising office, in the manner it shall determine, shall be notified that such handling is to be carried out or the goods are to be temporarily removed.

**Regulation 266**  
**Identification of the goods**

1. Where Somaliland goods are stored on the premises of a customs warehouse or the storage facilities used for goods under the warehousing arrangements, specific methods of identifying such goods may be laid down with a view, in particular, to distinguishing them from goods entered for the customs warehousing arrangements.
2. The customs Authority may permit common storage where it is impossible to identify at all times the customs status of each type of goods.
3. Goods in common storage shall share the same eight-digit Tariff code, the same commercial quality and the same technical characteristics.
4. For the purpose of being declared for a customs-approved treatment or use the goods in common storage, as well as, in particular circumstances, identifiable goods which fulfil the conditions of paragraph 3<sup>15</sup> of this Regulation, may be deemed to be either Somaliland goods or non-Somaliland goods.
5. Application of paragraph 2 of this Regulation shall, however, not result in a given customs status being assigned to a quantity of goods greater than the quantity actually having that status which is stored at the customs warehouse or the storage facilities when the goods declared for a customs-approved treatment or use are removed.

**Regulation 267**  
**Processing operations in a warehouse**

1. Where operations of inward processing or processing under customs control are carried out on the premises of customs warehouses or in storage facilities, the provisions of Regulation 266 of these Regulations shall apply, *mutatis mutandis*, to the goods under these arrangements.
2. Where, however, these operations concern inward processing without equivalence or processing under customs control, the provisions of Regulation 266 of these Regulations on common storage shall not apply with regard to Somaliland goods.

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<sup>15</sup> Note reference in this sub-Regulation is incorrectly shown in the Somali version as being to paragraph 2. This will be corrected at a future date

3. Entries in the records shall allow the customs Authority to monitor the precise situation of all goods or products under the arrangements at any time.

## F. INWARD PROCESSING

### Regulation 268

#### Definitions

- (a) 'Prior exportation' means the system whereby compensating products obtained from equivalent goods are to be exported before the import goods are entered for the arrangements using the suspension system;
- (b) 'Job processing' means any processing of import goods directly or indirectly placed at the disposal of the holder which is carried out according to specifications on behalf of a principal established in another country, generally against payment of processing costs alone.

### Regulation 269

#### Re-export condition

An authorisation shall be granted only where the applicant has the intention of re-exporting or exporting main compensating products.

### Regulation 270

#### Prohibitions

1. An authorisation may also be granted for the goods referred to in the fourth indent of Section 109, 2, c) of the Act, with the exception of:
  - a. fuels and energy sources other than those needed for the testing of compensating products or for the detection of faults in import goods needing repair;
  - b. lubricants other than those needed for the testing, adjustment or withdrawal of compensating products;
  - c. equipment and tools.

### Regulation 271

#### Economic conditions

1. The economic conditions shall be deemed to be fulfilled where:
  - a. The application concerns:
    - i. operations involving goods of a non-commercial nature;

- ii. a job processing contract;
  - iii. the processing of compensating products already obtained by processing under a previous authorisation the granting of which was subject to an examination of the economic conditions;
  - iv. usual forms of handling referred to in Regulation 263 of these Regulations;
  - v. repair, and
- b. the aggregate value of the import goods per applicant and per calendar year for each eight-digit tariff code does not exceed 300 000 000 SI/=.

**Regulation 272**  
**Identification measures**

The authorisation shall specify the means and methods of identifying the import goods in the compensating products and lay down the conditions for the proper conduct of operations using equivalent goods. Such methods of identification or conditions may include examination of the records.

**Regulation 273**  
**Specific conditions for equivalent goods**

1. The authorisation shall specify whether and under which conditions equivalent goods referred to in Section 109, 2, e) of the Act and sharing the same eight-digit tariff code, the same commercial quality and the same technical characteristics as the import goods may be used for the processing operations.
2. Equivalent goods may be allowed to be at a more advanced stage of manufacture than the import goods where the essential part of the processing with regard to these equivalent goods is carried out in the undertaking of the holder or in the undertaking where the operation is being carried out on his/her behalf, save in exceptional cases.

**Regulation 274**  
**Period for discharge**

1. The authorisation shall specify the period for discharge. Where the circumstances so warrant, this period may be extended even when that originally set has expired.
2. Where the period for discharge expires on a specific date for all the goods placed under the arrangements in a given period, the authorisation may provide that the period for discharge shall be automatically extended for all goods still under the arrangements on this date.

3. However, the customs Authority may require that such goods be assigned a new permitted customs-approved treatment or use within the period which they shall set.

**Regulation 275**  
**Prior exportation**

1. In the case of prior exportation, the authorisation shall specify the period within which the non-Somaliland goods must be declared for the arrangements, taking account of the time required for procurement and transport to Somaliland.
2. The period referred to in paragraph 1 of this Regulation shall not exceed six months.
3. The period of six months may, however, be extended where the holder submits a reasoned request, provided that the total period does not exceed twelve months. Where the circumstances so warrant the extension may be allowed even after the original period has expired.

**Regulation 276**  
**Approved destinations**

1. For the purposes of discharging the arrangements or the claim for repayment of import duties, the following shall be regarded as re-exportation or exportation:
  - a. the delivery of compensating products to persons who are eligible for relief from import duties pursuant to the Vienna Convention of 18 April 1961 on Diplomatic Relations, or to the Vienna Convention of 24 April 1963 on Consular Relations or other consular conventions, or the New York Convention of 16 December 1969 on Special Missions;
  - b. the delivery of compensating products to the armed forces of other countries stationed in the territory of Somaliland, where special relief from import duties is granted;
  - c. the delivery of civil aircraft; however, the supervising office shall allow the arrangements to be discharged once import goods have been used for the first time for the manufacture, repair, modification or conversion of civil aircraft or parts thereof, on condition that the records of the holder are such as to make it possible to verify that the arrangements are being correctly applied and operated;
  - d. the delivery of spacecraft and related equipment; however, the supervising office shall allow the arrangements to be discharged once import goods have been used for the first time for the manufacture, repair, modification or conversion of satellites, their launch vehicles and ground station equipment and parts thereof that are an integral part of the systems, on condition that the records of the holder are

such as to make it possible to verify that the arrangements are being correctly applied and operated;

- e. disposal in accordance with the relevant provisions of secondary compensating products whose destruction under customs supervision is prohibited on environmental grounds; for these purposes, the holder shall prove that discharge of the arrangements in accordance with the normal rules is either impossible or uneconomic.

#### Regulation 277

##### Use of the suspension system

1. Use of equivalent goods for processing operations in accordance with Section 110 of the Act shall not be subject to the formalities for entry of goods for the arrangements.
2. The equivalent goods and compensating products made therefrom shall become non-Somaliland goods and the import goods Somaliland goods at the time of acceptance of the declaration discharging the arrangements.
3. However, where import goods are put on the market before the arrangements are discharged, they shall change their status at the time they are put on the market. In exceptional cases, where the equivalent goods are expected not to be present at that time, the customs Authority may allow, at the request of the holder, the equivalent goods to be present at a later time, to be determined by them and within a reasonable time.
4. In case of prior exportation:
  - a. compensating products shall become non-Somaliland goods on acceptance of the export declaration on condition that the goods to be imported are entered for the arrangements;
  - b. import goods shall become Somaliland goods at the time of their entry for the arrangements.

#### Regulation 278

##### Release for free circulation

1. The authorisation shall specify whether compensating products or goods in the unaltered state may be released for free circulation without a customs declaration, without prejudice to prohibitive or restrictive measures. In this case they shall be considered to have been released for free circulation, if they have not been assigned a customs-approved treatment or use on expiry of the period for discharge.

2. For the purposes of entering the amount of the customs debt into the accounts the declaration for release for free circulation shall be considered to have been lodged and accepted and release granted at the time of presentation of the bill of discharge.
3. The products or goods shall become Somaliland goods when they are put on the market.

**Regulation 279**  
**Favourable tariff treatment**

1. The import duties to be charged under Section 116, 1, of the Act on import goods eligible, at the time when the declaration of entry for the arrangements was accepted, for favourable tariff treatment by reason of their end-use shall be calculated at the rate corresponding to such end-use.
2. This shall be allowed only if an authorisation for such end-use could have been granted and if the conditions attaching to the granting of favourable tariff treatment would have been fulfilled.

**Regulation 280**  
**Import duties on compensating products**

1. The customs Authority may, subject to the customs laws and to any conditions that may be imposed including payment of duties, allow compensating products to enter into free circulation in Somaliland in accordance with Section 117, a) of the Act.
2. Where compensating products other than those mentioned on the list referred to in paragraph 1 of this Regulation are destroyed, they shall be treated as if they were re-exported.

**Regulation 281**  
**Specific markings**

1. Where the compensating products or goods in the unaltered state are entered for one of the suspensive arrangements enabling the arrangements to be discharged, the documents or records used for the said customs-approved treatment or use or any documents replacing them, shall contain the following indication:  
  
    ‘IP/S goods’
2. Where import goods entered for the arrangements are subject to specific commercial policy measures and such measures continue to be applicable at the time when the goods, either in the unaltered state or in the form of compensating products, are entered for one of the suspensive arrangements the indication referred to in paragraph 1 of this Regulation shall be supplemented by the following: ‘Commercial policy’.

## Regulation 282

### Specific markings within the drawback system

Where goods under the drawback system are assigned a customs-approved treatment or use referred to in Regulation 280 paragraph 1 of these Regulations the indication required for that provision shall be the following:

‘IP/D goods’

## G. PROCESSING UNDER CUSTOMS CONTROL

## Regulation 283

### Scope of the procedure

1. The arrangements for processing under customs control shall apply for goods the processing of which leads to products which are subject to a lower amount of import duties than that applicable to the import goods.
2. The arrangements shall also apply for goods which have to undergo operations to ensure their compliance with technical requirements before their release for free circulation.
3. Regulation 274, paragraphs 1, 2 and 3 of these Regulations shall apply *mutatis mutandis*.
4. For the purposes of determining the customs value of processed products declared for free circulation, the declarant may choose any of the methods referred to in Section 29, 2, a), b) or c) of the Act or the customs value of the import goods plus the processing costs.
5. Processing costs means all costs incurred in making the processed products, including overheads and the value of any Somaliland goods used.

## H. TEMPORARY IMPORTATION

## Regulation 284

### General Provisions

1. Animals, unless of negligible commercial value, born of animals placed under the arrangements are considered to be non-Somaliland goods and placed themselves under those arrangements.
2. The customs Authority shall ensure that the total period for which the goods remain under the arrangements for the same purpose and under the responsibility of the same holder does not exceed 24 months, even where the arrangements were discharged by entry for another suspensive arrangement and subsequently entered again for temporary importation.



3. However, at the holder's request, they may extend this period for the time during which the goods are not used, in accordance with the conditions laid down by them.
4. For the purposes of Section 135, 3, of the Act, “exceptional circumstances” means any event as a result of which the goods must be used for a further period in order to fulfil the purpose of the temporary importation operation.
5. Goods placed under the arrangements must remain in the same state.
6. Repairs and maintenance, including overhaul and adjustments or measures to preserve the goods or to ensure their compliance with the technical requirements for their use under the arrangements are admissible.

**Paragraph 285**  
**Types of relief**

1. Temporary importation with total relief from import duties (hereinafter: ‘total relief from import duties’) shall only be granted in accordance with Regulations 286 to 308 of these Regulations.
2. Temporary importation with partial relief from import duties shall not be granted for consumable goods.

**Regulation 286**  
**Definitions**

1. For the purposes of Regulations 288 to 302 of these Regulations:
  - (a) ‘commercial use’ means the use of means of transport for the transport of persons for remuneration or the industrial or commercial transport of goods, whether or not for remuneration;
  - (b) ‘private use’ means the use other than commercial of a means of transport;
  - (c) ‘internal traffic’ means the carriage of persons or goods picked up or loaded in the customs territory of Somaliland for setting down or unloading at a place within that territory.
2. Means of transport include normal spare parts, accessories and equipment accompanying them.

**Regulation 287**  
**Pallets**

1. Pallets shall be granted total relief from import duties.

2. No duties shall be paid when pallets of the same type and substantially the same value are exported or re-exported.

### Regulation 288

#### Containers

1. Total relief from import duties shall be granted for containers where they have been durably marked in an appropriate and clearly visible place with the following information:
  - a. the identity of the owner or operator shown by either his/her full name or an established identification, symbols such as emblems or flags being excluded;
  - b. with the exception of swap bodies used for combined rail-road transport, the identification marks and numbers of the container, given by the owner or operator; its tare weight, including all its permanently fixed equipment;
  - c. with the exception of containers used for transport by air, the country to which the container belongs, shown either in full or by means of the ISO alpha-2 country code provided for in International Standards ISO 3166 or 6346 or by the distinguishing initials used to indicate the country of registration of motor vehicles in international road traffic, or in numbers, in the case of swap bodies used for combined rail-road transport.
2. Where the application for authorisation is made in accordance with Regulation 236, paragraph 3) (c) of these Regulations, the containers shall be monitored by a person represented in the customs territory of Somaliland being able to communicate at all times their location and particulars of entry and discharge.
3. Containers may be used in internal traffic before being re-exported.
4. Under the conditions of the Convention of Geneva of 21 January 1994 on *Customs Treatment of Pool Containers used in International Transport*, the customs Authority shall permit the arrangements to be discharged where containers of the same type or the same value are exported or re-exported.

### Regulation 289

#### Relief according to the registration

1. Total relief from import duties shall be granted for means of road, air and sea transport where they:
  - a. are registered outside the customs territory of Somaliland in the name of a person established outside that territory; however, if the means of transport are not

registered, the above condition may be deemed to be met where they are owned by a person established outside the customs territory of Somaliland;

- b. are used by a person established outside that territory, without prejudice to Regulations 290, 291 and 292 of these Regulations; and
  - c. in the case of commercial use, are used exclusively for transport which begins or ends outside the customs territory of Somaliland; however, they may be used in internal traffic where the provisions in force in the field of transport, in particular those concerning admission and operations, so provide.
2. Where the means of transport referred to in paragraph 1 of this Regulation are rehired by a professional hire service established in the customs territory of Somaliland to a person established outside that territory, they must be re-exported within eight days of entry into force of the contract.

#### Regulation 290

##### Temporary import by Somaliland residents

1. Persons established in the customs territory of Somaliland shall benefit from total relief from import duties where:
- a. a trailer is coupled to a means of road transport registered in the customs territory of Somaliland;
  - b. means of transport are used in connection with an emergency situation and their use does not exceed five days; or
  - c. means of transport are used by a professional hire firm for the purpose of re-exportation within a period not exceeding five days.

#### Regulation 291

##### Temporary import by private residents

1. Natural persons established in the customs territory of Somaliland shall benefit from total relief from import duties where they privately use means of transport occasionally, on the instructions of the registration holder, this holder being in the customs territory at the time of use.
2. Such persons shall also benefit from total relief, for the private use of means of transport hired under a written contract, occasionally:
- a. to return to their place of residence in Somaliland;
  - b. to leave Somaliland; or

- c. where this is permitted on a general level by the customs administration.
3. The means of transport shall be re-exported or returned to the hire service established in the customs territory of Somaliland within:
  - a. five days of the entry into force of the contract in the case mentioned in paragraph 2a)<sup>16</sup> of this Regulation;
  - b. two days of the entry into force of the contract in the case mentioned under paragraph 2b) of this Regulation;
  - c. eight days of the entry into force of the contract in the case mentioned in paragraph 2c) of this Regulation.

**Regulation 292**  
**Temporary registration**

1. Total relief from import duties shall be granted where means of transport are to be registered under a temporary series in the customs territory of Somaliland, with a view to re-exportation in the name of one of the following persons:
  - a. in the name of a person established outside Somaliland;
  - b. in the name of a natural person established inside Somaliland where the person concerned is preparing to transfer normal residence to a place outside.
2. In the cases referred to in paragraph 1 b) of this Regulation, the means of transport must be exported within three months of the date of registration.
3. Total relief from import duties shall be granted where means of transport are used commercially or privately by a natural person established in the customs territory of Somaliland and employed by the owner of the means of transport established outside Somaliland or otherwise authorised by the owner.
4. Private use must have been provided for in the contract of employment. Customs Authority may restrict the temporary importation of means of transport under this provision in the case of systematic use.
5. Total relief from import duties may in exceptional cases be granted where means of transport are commercially used for a limited period by persons established in the customs territory of Somaliland.

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<sup>16</sup> Note references in this sub-Regulation are incorrectly shown in the Somali version as being to paragraphs 1a, 1b and 1c. They will be corrected at a future date

Regulation 293  
Period for discharge

1. Without prejudice to other special provisions, the periods for discharge are the following:
  - a. for means of rail transport: 12 months;
  - b. for commercially used means of transport: the time required for carrying out the transport operations;
  - c. for means of road transport privately used:
    - i. by students: the period the student stays in the customs territory of Somaliland for the sole purpose of pursuing their studies;
    - ii. by persons fulfilling assignments of a specified duration: the period this person stays in the customs territory of Somaliland for the sole purpose of fulfilling their assignment;
    - iii. in other cases, including saddle or draught animals and the vehicles drawn by them: six months;
  - d. for privately used means of air transport: six months;
  - e. for privately used means of sea transport: 18 months.
2. Personal property and goods with sports intentions imported by travellers; mariner's care equipment<sup>17</sup>.

Regulation 294  
Personal effects

Total relief from import duties shall be granted where personal effects reasonably required for the journey and goods for sports purposes are imported by a traveller.

Regulation 295  
Welfare materials for seafarers

1. Total relief from import duties shall be granted for welfare materials for seafarers in the following cases:
  - a. where they are used on a vessel engaged in international maritime traffic;
  - b. where they are unloaded from such a vessel and temporarily used ashore by the crew;

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<sup>17</sup> Details of the relief covered by this sub-Regulation are outlined in Regulations 294 and 295(1)

- c. where they are used by the crew of such a vessel in cultural or social establishments managed by non-profit-making organisations or in places of worship where services for seafarers are regularly held.
2. Humanitarian equipment, medical equipment, surgery and laboratory; animals, goods used at the border<sup>18</sup>.

**Regulation 296**  
**Disaster relief material**

Total relief from import duties shall be granted for disaster relief material where it is used in connection with measures taken to counter the effects of disasters or similar situations affecting the customs territory of Somaliland and intended for state bodies or bodies approved by the competent Authority.

**Regulation 297**  
**Medical, surgical and laboratory equipment**

Total relief from import duties shall be granted where medical, surgical and laboratory equipment is dispatched on loan at the request of a hospital or other medical institution which has urgent need of such equipment to make up for the inadequacy of its own facilities and where it is intended for diagnostic or therapeutic purposes.

**Regulation 298**  
**Animals and goods for use in the frontier zone**

1. Total relief from import duties shall be granted for animals owned by a person established outside the customs territory of Somaliland.
2. The relief mentioned in paragraph 1 of this Regulation shall be granted for the following goods intended for activities in keeping with the particularities of the frontier zone as defined by the provisions in force:
  - a. equipment owned by a person established in the frontier zone adjacent to the frontier zone of temporary importation and used by a person established in that adjacent frontier zone;
  - b. goods used for the building, repair or maintenance of infrastructure in such a frontier zone under the responsibility of public authorities;

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<sup>18</sup> Details of the relief covered by this sub-Regulation are outlined in Regulations 296, 297 and 298(1), (2) (a) & (b)

- c. voice, picture or media data, advertising materials; professional materials, educational materials and scientific equipment<sup>19</sup>.

#### Regulation 299

##### Sound, image or data carrying media

1. Total relief from import duties shall be granted for goods:
  - a. carrying sound, image or data processing information for the purpose of presentation prior to commercialisation, or free of charge, or for provision with a sound track, dubbing or copying; or
  - b. exclusively used for publicity purposes.

#### Regulation 300

##### Professional equipment

1. Total relief from import duties shall be granted where professional equipment is:
  - a. owned by a person established outside the customs territory of Somaliland;
  - b. imported either by a person established outside the customs territory of Somaliland or by an employee of the owner, the employee may be established in the customs territory of Somaliland; and
  - c. used by the importer or under their supervision, except in cases of audio-visual co-productions.
2. Total relief shall not be granted where equipment is to be used for the industrial manufacture or packaging of goods or, except in the case of hand tools, for the exploitation of natural resources, for the construction, repair or maintenance of buildings or for earth moving and like projects.

#### Regulation 301

##### Pedagogic material and scientific equipment

1. Total relief from import duties shall be granted where pedagogic material and scientific equipment are:
  - a. owned by a person established outside the customs territory of Somaliland;

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<sup>19</sup> Details of the relief covered by this paragraph are outlined in Regulations 299, 300 and 301(1)

- b. imported by public or private scientific, teaching or vocational training establishments which are essentially non-profit making and exclusively used in teaching, vocational training or scientific research under their responsibility;
  - c. imported in reasonable numbers, having regard to the purpose of the importation; and
  - d. not used for purely commercial purposes.
2. Packing containers, solid metal, bundles, diagrams, drawings, measurements, assuring and testing of other similar materials and products<sup>20</sup>;
  3. Equipment and tools, items used in experiments or being experimented, specimens; extra production<sup>21</sup>.

#### Regulation 302 Packing

1. Total relief from import duties shall be granted where packing:
  - a. if imported filled, are intended for re-exportation whether empty or filled;
  - b. if imported empty, are intended for re-exportation filled.
2. Packing is not to be used in internal traffic, except with a view to the export of goods. In the case of packing imported filled, this shall apply only from the time that they are emptied of their contents.

#### Regulation 303 Moulds, dies, blocks, drawings, sketches, measuring, checking and testing instruments and other similar articles

1. Total relief from import duties shall be granted where moulds, dies, blocks, drawings, sketches, measuring, checking and testing instruments and other similar items are:
  - a. owned by a person established outside the customs territory of Somaliland; and
  - b. used in manufacturing by a person established in the customs territory of Somaliland and at least 75 % of the production resulting from their use is exported.
2. Total relief from import duties shall be granted for special tools and instruments where the goods are:

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<sup>20</sup> Details of the relief covered by this sub-Regulation are outlined in Regulations 302 and 303

<sup>21</sup> Details of the relief covered by this sub-Regulation are outlined in Regulations 304, 305 and 306(1)



- a. owned by a person established outside the customs territory of Somaliland; and
- b. made available free of charge to a person established in the customs territory of Somaliland for the manufacture of goods which are to be exported in their entirety.

**Regulation 304**  
**Goods for testing**

1. Total relief from import duties shall be granted for the following goods:
  - a. goods subjected to tests, experiments or demonstrations;
  - b. goods imported, subject to satisfactory acceptance tests in connection with a sales contract containing the provisions of the satisfactory acceptance tests and subjected to those tests;
  - c. goods used to carry out tests, experiments or demonstrations without financial gain;
  - d. for the goods referred to in point (b), the period for discharge is six months.

**Regulation 305**  
**Samples**

Total relief from import duties shall be granted where samples are imported in reasonable quantities and solely used for being shown or demonstrated in the customs territory of Somaliland.

**Regulation 306**  
**Replacement means of production**

1. Total relief from import duties shall be granted where replacement means of production are temporarily made available to a customer by a supplier or repairer, pending the delivery or repair of similar goods. The period for discharge is six months.
2. Extra parts, decorations and equipment; goods intended for events or sales; other products<sup>22</sup>.

**Regulation 307**  
**Spare parts, accessories and equipment**

Total relief from import duties shall be granted where spare parts, accessories and equipment are used for repair and maintenance, including overhaul, adjustments and preservation of goods entered for the arrangements.

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<sup>22</sup> Details of the relief covered by this sub-Regulation are outlined in Regulations 307, 308 and 309(1)(a) & (b)

**Regulation 308**  
**Goods for events or for sale**

1. Total relief from import duties shall be granted for goods to be exhibited or used at a public event not purely organised for the commercial sale of the goods, or obtained at such events from goods placed under the arrangements. In exceptional cases, the competent customs Authority may authorise the arrangements for other events.
2. Total relief from import duties shall be granted for goods for approval where they cannot be imported as samples and the consignor for his/her part wishes to sell the goods and the consignee may decide to purchase them after inspection. The period for discharge is two months.
3. Total relief from import duties shall be granted for the following:
  - a. works of art, collectors' items and antiques imported for the purposes of exhibition, with a view to possible sale;
  - b. goods other than newly manufactured ones imported with a view to their sale by auction.
4. Total relief from import duties shall be granted where spare parts, accessories and equipment are used for repair and maintenance, including overhaul, adjustments and preservation of goods entered for the arrangements.

**Regulation 309**  
**Other goods**

1. Total relief from import duties may be granted where goods other than those listed in Regulations 287 to 308 of these Regulations or not complying with the conditions of these Regulations, are imported:
  - a. occasionally and for a period not exceeding three months; or
  - b. in particular situations having no economic effect;
  - c. provisions in regards of the work of the procedures.

**Regulation 310**  
**The declaration**

Where personal effects, goods imported for sports purposes or means of transport are declared orally or by any other act for entry of the arrangements, the customs Authority may require a written declaration when a high amount of import duties is at stake or a serious risk of noncompliance with obligations of the arrangements exists.

**Regulation 311**  
**Guarantee**

1. Entry for the arrangements by written declaration shall be subject to the provision of guarantee, except in the following cases:
  - a. materials belonging to airline, shipping or railway companies or postal services and used by them in international traffic, subject to them being distinctively marked;
  - b. packings imported empty, carrying indelible non-removable markings;
  - c. disaster relief material intended for State or approved bodies;
  - d. medical, surgical or laboratory equipment intended for a hospital or medical institution which has urgent need of such equipment;
  - e. entry for temporary importation of goods transferred to a new owner where the previous guarantee has not been discharged.
2. In order to facilitate control of the arrangements, the customs Authority may require records to be kept.

**Regulation 312**  
**Incurrence of a customs debt**

1. Where goods placed under the arrangements in accordance with Regulation 307 of these Regulations are discharged by their entry for free circulation, the amount of the debt shall be determined on the basis of the elements of assessment appropriate to these goods at the moment of acceptance of the declaration for free circulation.
2. Where goods placed under the arrangements in accordance with Regulation 311 of these Regulations are put on the market, they shall be considered as presented to customs when they are declared for release for free circulation before the end of the period for discharge.
3. For the purposes of discharging the arrangements in respect of goods referred to in Regulation 308, paragraph 1) of these Regulations, their consumption, destruction or distribution free of charge to the public at the event shall be considered as re-exportation, provided their quantity corresponds to the nature of the event, the number of visitors and the extent of the holder's participation therein. This paragraph shall not apply to alcoholic beverages, tobacco goods or fuels.

Regulation 313  
Specific markings

Where the goods placed under the arrangements are entered for one of the suspensive arrangements enabling temporary importation to be discharged, the documents or records used for the said customs-approved treatment or use or any document replacing them shall contain the following indication:

‘TI goods’.

Regulation 314  
Means of rail transport

For means of rail transport used jointly under an agreement, the arrangements shall also be discharged when means of rail transport of the same type or the same value as those which were put at the disposal of a person established in the customs territory of Somaliland are exported or re-exported.

I. OUTWARD PROCESSING

Regulation 315  
Economic conditions

1. Except where indications to the contrary exist, the essential interests of Somaliland processors shall be deemed not to be seriously harmed.
2. Where an application for authorisation is made by a person who exports the temporary export goods without arranging for the processing operations, the customs Authority shall conduct a prior examination of the conditions set out in Section 142, 2, of the Act on the basis of supporting documents.

Regulation 316  
The authorisation

1. The authorisation shall specify the means and methods to establish that the compensating products have resulted from processing of the temporary export goods or to verify that the conditions for using the standard exchange system are met.
2. Such means and methods may include the examination of the records.
3. Where the nature of the processing operations does not allow it to be established that the compensating products have resulted from the temporary export goods, the authorisation may nevertheless be granted in duly justified cases, provided the applicant can offer sufficient guarantees that the goods used in the processing operations share the same eight-

digit tariff code, the same commercial quality and the same technical characteristics as the temporary export goods. The authorisation shall lay down the conditions for using the arrangements.

#### Regulation 317

##### Repairs

Where the arrangements are requested for repair, the temporary export goods must be capable of being repaired and the arrangements shall not be used to improve the technical performance of the goods.

#### Regulation 318

##### Period for discharge

1. The authorisation shall specify the period for discharge. Where the circumstances so warrant, this period may be extended even when that originally set has expired.
2. Regulation 154 of these Regulations applies, even after the original period has expired.

#### Regulation 319

##### The declaration

1. Declarations entering the temporary export goods for the arrangements shall be made in accordance with the provisions laid down for exportation.
2. In the case of prior importation, the documents accompanying the declaration for free circulation shall include a copy of the authorisation unless such authorisation is applied for in accordance with Regulation 236, paragraph 3 d) of these Regulations. Regulation 107, paragraph 3 of these Regulations applies *mutatis mutandis*.

#### Regulation 320

##### Establishing of the amount to be deducted

1. For the calculation of the amount to be deducted, no account shall be taken of anti-dumping duties and countervailing duties. Secondary compensating products that constitute waste scrap, residues, off-cuts and remainders shall be deemed to be included.
2. In determining the value of the temporary export goods in accordance with one of the methods referred to in Section 146, 2, of the Act, the loading, transport, and insurance costs for the temporary export goods to the place where the processing operation or the last such operation took place shall not be included in:
  - a. the value of the temporary export goods which is taken into account when determining the customs value of the compensating products in accordance with Section 31,1, b) (i) of the Act; or

- b. the processing costs, where the value of the temporary export goods cannot be determined in accordance with Section 31, 1, b) (i) of the Act.
3. The loading, transport and insurance costs for the compensating products from the place where the processing operation or the last processing operation took place to the place of their entry into the customs territory of Somaliland shall be included in the processing costs.
4. Loading, transport and insurance costs shall include:
  - a. commissions and brokerage, except buying commissions;
  - b. the cost of containers not forming an integral part of the temporary export goods;
  - c. the cost of packing, including labour and materials;
  - d. handling costs incurred in connection with transport of the goods.

**Regulation 321**  
**Cost of processing**

1. Partial relief from import duties by taking the cost of the processing operation as the basis of the value for duty shall be granted on request.
2. The customs Authority shall refuse the calculation of partial relief from import duties under this provision if before the compensating products are released for free circulation it is established that the sole object of the release for free circulation at a zero-duty rate of the temporary export goods, which are not of Somaliland origin within the meaning was to benefit from partial relief under this provision.
3. Sections 28 to 34 of the Act shall apply *mutatis mutandis* to the processing costs which shall not take into account the temporary export goods.

**Regulation 322**  
**Average rate of duty**

1. In the case of undertakings frequently carrying out processing operations under an authorisation not covering repair, the customs Authority may, on request of the holder, set an average rate of duty applicable to all those operations (aggregated discharge).
2. This rate shall be determined for each period not exceeding twelve months and shall apply provisionally for compensating products released for free circulation during that period. At the end of each period, the customs Authority shall make a final calculation.

## J. EXPORT

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### Regulation 323 Definition of an exporter

1. The exporter, within the meaning of Section 156, paragraph 4 of the Act, shall be considered to be the person on whose behalf the export declaration is made and who is the owner of the goods or has a similar right of disposal over them at the time when the declaration is accepted.
2. Where ownership or a similar right of disposal over the goods belongs to a person established outside Somaliland pursuant to the contract on which the export is based, the exporter shall be considered to be the contracting party registered in Somaliland.

### Regulation 324 Sub-contracting

In cases involving sub-contracting, the export declaration may also be lodged at the customs office responsible for the place where the sub-contractor is registered.

### Regulation 325 Designated office of export

1. Where there are duly justified good reasons, an export declaration may be accepted at a customs office other than that referred to in the first sentence of Section 156, 4 of the Act.
2. In this case, controls relating to the application of prohibitions and restrictions shall take account of the special nature of the situation.

### Regulation 326 Risk analysis

1. The competent customs office shall, upon receipt of the customs declaration, carry out appropriate risk analysis and customs controls, prior to release of the goods for exportation.
2. Goods may be released as soon as the risk analysis has been carried out and the results allow such a release.

### Regulation 327 Irregularities

Where it is found that goods presented to customs are not covered by a customs declaration containing the particulars necessary for the exit summary declaration, the person who brings the goods, or who assumes responsibility for the carriage of the goods out of the

customs territory of Somaliland, shall lodge a customs declaration or an exit summary declaration immediately.

**Regulation 328**  
**Export formalities**

Where, in the cases referred to in Regulation 325 of these Regulations export formalities are not completed at the customs office responsible for supervising the place where the exporter is established, the customs office where the export declaration has been lodged shall send a copy of the declaration to the first mentioned customs office.

**Regulation 329**  
**Procedure at the office of export**

1. The customs office where the export declaration has been lodged (customs office of export) shall stamp the declaration after the calculation and collection of export duties due in cases laid down in the Somaliland Customs Tariff and after a risk-based inspection of the goods has taken place.
2. On granting release of the goods, it shall retain copies 1 and 2 of the declaration and return copy 3 to the person who presented the declaration.

**Regulation 330**  
**Formalities at the office of exit**

1. Copy 3 of the export declaration and the goods released for export shall be presented to customs at the customs office of exit.
2. “Customs office of exit” means:
  - a. in the case of goods exported by rail, post, air or sea, the customs office competent for the place where the goods are taken over under a single transport contract for transport to another country by the railway companies, the postal authorities, the airlines or the shipping companies;
  - b. in the case of goods exported by pipeline and of electrical energy, the customs office where the exporter is registered;
  - c. in the case of goods exported by other means of transport or in circumstances not covered by items a) and b), the last customs office before the goods leave the customs territory of Somaliland.
3. The customs office of exit shall satisfy itself that the goods presented correspond to those declared and shall supervise their physical departure. Where the declarant enters ‘RET-EXP’ or otherwise indicates his/her wish to have Copy No 3 returned to him, the said office



shall certify the physical departure of the goods by means of an endorsement on the back of Copy No 3 and shall give that copy to the person who presented it or, where that is not possible, to an intermediary named on the declaration and established in the district of the office of exit, for return to the declarant.

4. The endorsement shall take the form of a stamp showing the name of the office and the date.
5. In case of partial exportation, the endorsement shall be given only for those goods which are actually exported.
6. Where the customs office of exit establishes that goods are missing, it shall note the copy of the declaration presented and inform the customs office of export.
7. Where the customs office of exit establishes that there are goods in excess, it shall refuse exit to these goods until the export formalities have been completed.
8. When the customs office of exit establishes that the goods presented are different from the goods declared, it shall refuse exit until the export formalities have been completed and shall also inform the customs office of export.
9. In the cases referred to in paragraph 2 item (a) of this Regulation, the customs office of exit shall endorse copy 3 of the export declaration in accordance with paragraph 3 of this Regulation after making the endorsement 'Export' in red on the transport document and affixing its stamp. Where, in the case of direct transport or flights to other country destinations, the operators are able to guarantee the regularity of operations by other means, the endorsement 'Export' shall not be required.
10. The customs office of export may ask the exporter to provide evidence that the goods have left the customs territory of Somaliland.

**Regulation 331**  
**Oral declarations**

Oral declarations may be made only at the customs office of exit.

**Regulation 332**  
**Retrospective lodging of export declarations**

1. Where goods leave the customs territory of Somaliland without an export declaration, such declaration shall be lodged retrospectively by the exporter at the customs office competent for the place where he/she is registered.
2. Acceptance of this declaration is subject to the condition that the exporter submits satisfactory evidence to the competent customs office concerning the nature and quantity

of the goods in question and the circumstances under which they left the customs territory of Somaliland.

3. Retrospective acceptance of the declaration shall not preclude application of the penalties in force.

**Regulation 333**  
**Annulments of export**

Where goods released for export do not leave the customs territory of Somaliland, the exporter shall immediately inform the customs office of export. Copy 3 of the declaration in question shall be returned to that office.

**K. RE-EXPORTATION, DESTRUCTION AND ABANDONMENT**

**Regulation 334**  
**Re-exportation**

Where re-exportation is subject to a customs declaration Regulations 325 to 333 of these Regulations shall apply *mutatis mutandis*, without prejudice to particular provisions which may apply when the customs procedure with economic impact preceding re-exportation of the goods is discharged.

**Regulation 335**  
**Exit summary declaration**

1. Where re-exportation is not subject to a customs declaration, an exit summary declaration shall be lodged in accordance with Regulations 337 to 340 of these Regulations.
2. Provided that an entry summary declaration is lodged at the time when the goods are brought into the customs territory of Somaliland, an exit summary declaration shall not be required for re-exportation of non- Somaliland goods in one of the following cases:
  - a. the goods are not unloaded from the means of transport which carried them into the customs territory of Somaliland;
  - b. the goods are transshipped at the place where they are unloaded from the means of transport which carried them into the customs territory of Somaliland.
3. The short-term storage of goods in connection with such transshipment shall be considered to be an integral part of the transshipment. The control measures shall take account of the special nature of the situation.

Regulation 336  
Destruction and Abandonment

1. For the purposes of Section 158 of the Act, notification of destruction of goods shall be made in writing and signed by the person concerned. The notification must be made in sufficient time to allow the customs Authority to supervise the destruction.
2. Where the goods in question are already the subject of a declaration accepted by the customs Authority, they shall make a reference to the destruction on the declaration and invalidate the declaration in accordance with Section 64 of the Act.
3. The customs Authority present when the goods are destroyed shall specify on the form or declaration the type and quantity of any waste or scrap resulting from the destruction in order to determine the items of charge applicable to them and to be used when they are assigned another customs-approved treatment or use.
4. The provisions of paragraph 2 of this Regulation shall apply *mutatis mutandis* to goods abandoned to the State.

PART 13

GOODS LEAVING THE CUSTOMS TERRITORY OF SOMALILAND

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Regulation 337  
Exit summary declaration

1. Where goods to be brought out of the customs territory of Somaliland are not covered by a customs declaration, a summary declaration, hereinafter referred to as 'an exit summary declaration', shall be lodged at the customs office of exit, as defined in Regulation 330 of these Regulations, in accordance with Section 161 of the Act.
2. An exit summary declaration shall not be required in the following cases:
  - a. electrical energy;
  - b. goods leaving by pipeline;
  - c. letters, postcards, printed matter, including on electronic medium;
  - d. goods moved under the rules of the Universal Postal Union Convention;
  - e. goods covered by a customs declaration made by any other act in accordance with Regulation 117 of these Regulations, except pallets, containers, and means of road, rail, air, sea and inland waterway transport carried under a transport contract;

- f. goods contained in travellers' personal luggage;
- g. goods for which an oral declaration is permitted in accordance with Regulation 112 of these Regulations, except pallets, containers, and means of road, rail, air, sea and inland waterway transport carried under a transport contract;
- h. goods covered by Comesa Carnets;
- i. goods in a consignment the intrinsic value of which does not exceed 150 USD provided that the customs Authority accepts, with the agreement of the economic operator, to carry out risk analysis using the information contained in, or provided by the system used by the economic operator;
- j. goods entitled to relief pursuant to the Vienna Convention on diplomatic relations of 18 April 1961, the Vienna Convention on consular relations of 24 April 1963 or other consular conventions, or the New York Convention of 16 December 1969 on special missions.

#### Regulation 338

##### Format of the exit summary declaration

1. The exit summary declaration shall be made using a data-processing technique. It shall contain the particulars for such declaration as set out in Explanatory Notes provided by the customs Authority and shall be completed in accordance with those Explanatory Notes.
2. The exit summary declaration shall be authenticated by the person making it.
3. Exit summary declarations which comply with the conditions set out in paragraphs 1 and 2 of this Regulation shall be registered by the customs Authority immediately upon their receipt.
4. The customs Authority shall allow the lodging of a paper-based exit summary declaration or any other procedure replacing it where an electronic exit is not available.
5. In that case, the paper-based exit summary declaration shall be made using a form, approved by the customs Authority.
6. Where the consignment for which an exit summary declaration is made consists of more than one item of goods, the form shall be supplemented by a list of items.
7. The list of items shall form an integral part of the Document.
8. The customs Authority may allow the form to be replaced by or complemented by commercial documents provided the documents submitted to the customs Authority contain the particulars laid down by customs for exit summary declarations.

9. The paper-based exit summary declaration shall be signed by the person making it

#### Regulation 339

##### Lodging of the exit summary declaration

1. The exit summary declaration shall be lodged at the office of exit.
2. The competent customs office shall, upon lodging of the exit summary declaration, carry out appropriate risk-based controls, primarily for safety and guarantee purposes, prior to release of the goods for exit from Somaliland.
3. Where goods covered by one of the exemptions laid down in Regulation 337 paragraph 2 of these Regulations from the requirement for an exit summary declaration are brought out of the customs territory of Somaliland, risk analysis shall be carried out upon presentation of the goods, on the basis of the documentation or other information covering the goods.
4. Goods may be released for exit as soon as the risk analysis has been carried out.
5. Where it is found that goods intended to be brought out of the customs territory of Somaliland and for which an exit summary declaration is required are not covered by such a declaration, the person who brings the goods, or who assumes responsibility for the carriage of the goods, out of the customs territory of Somaliland shall lodge an exit summary declaration immediately.
6. Where, on the basis of the checks which they have carried out, the customs Authority is unable to grant release of the goods for exit, the competent customs office shall notify the person who lodged the exit summary declaration and, where different, the person responsible for the carriage of the goods out of the customs territory of Somaliland, that the goods are not to be released.
7. Such notification shall be given within a reasonable time after risk analysis has been finalised for these goods.

#### Regulation 340

##### Irregularities

Where goods subject to an exit summary declaration have, after a period of 30 days from the date of lodging the declaration, not left the customs territory of Somaliland, the exit summary declaration shall be deemed not to have been lodged.

### PART 14

## RETURNED GOODS AND RELIEF REGIMES

### Regulation 341

#### General rule

1. Returned goods shall be exempt from import duties even where they represent only a proportion of the goods previously exported from the customs territory of Somaliland.
2. The same applies where the goods consist of parts or accessories belonging to machines, instruments, apparatus or other products previously exported from the customs territory of Somaliland.

### Regulation 342

#### State of the returned goods

1. By way of derogation from Section 166 of the Act, returned goods in one of the following situations shall be exempt from import duties:
  - a. goods which, after having been exported from the customs territory of Somaliland, have received no treatment other than that necessary to maintain them in good condition or handling which alters their appearance only;
  - b. goods which, after having been exported from the customs territory of Somaliland, received treatment other than that necessary to maintain them in good condition or handling other than that altering their appearance, but which proved to be defective or unsuitable for their intended use, provided that one of the following conditions is fulfilled:
    - i. such treatment or handling was applied to the goods solely with a view to repairing them or restoring them to good condition;
    - ii. their unsuitability for their intended use became apparent only after such treatment or handling had commenced.
2. Where returned goods have undergone treatment or handling permitted under paragraph 1 b) of this Regulation and such treatment would have rendered them liable to import duties if they had come under outward processing arrangements, the rules in force for charging duty under the said arrangements shall apply.
3. However, if goods have undergone an operation consisting of repair or restoration to good condition which became necessary as a result of unforeseen circumstances which arose outside the customs territory of Somaliland, this being established to the satisfaction of the customs Authority, relief from import duties shall be granted provided that the value of the returned goods is not higher, as a result of such operation, than their value at the time of export from the customs territory of Somaliland.

4. For the purposes of paragraph 3<sup>23</sup> of this Regulation:
  - a. repair or restoration to good condition which became necessary means: any operation to remedy operating defects or material damage suffered by goods while they were outside the customs territory of the Somaliland, without which the goods could no longer be used in the normal way for the purposes for which they were intended;
  - b. the value of returned goods shall be considered not to be higher, as a result of the operation which they have undergone, than their value at the time of export from the customs territory of Somaliland, when the operation does not exceed that which is strictly necessary to enable them to continue to be used in the same way as at that time.
5. When the repair or restoration to good condition of goods necessitates the incorporation of spare parts, such incorporation shall be limited to those parts strictly necessary to enable the goods to be used in the same way as at the time of export.

#### Regulation 343

#### Identification measures at export

When completing the customs export formalities, the customs Authority shall, at the request of the person concerned, issue a document containing the information necessary for identification of the goods in the event of their being returned to the customs territory of Somaliland.

#### Regulation 344

#### Proof of evidence

1. Goods for which:
  - a. the copy of the export declaration has been returned to the exporter by the customs Authority; or
  - b. a copy of such document has been certified as true by the said Authorityis produced in support of the declaration for release for free circulation shall be accepted as returned goods.
2. Where evidence available to the customs Authority at the customs office of re-importation or ascertainable by them from the person concerned indicates that the goods declared for free circulation were originally exported from the customs territory of

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<sup>23</sup> Note the reference in this sub-Regulation is incorrectly shown in the Somali version as being to chapter 2 of paragraph 3. This will be corrected at a future date

Somaliland, and at that time satisfied the conditions for acceptance as returned goods, the document referred to above shall not be required.

3. Paragraph 1 of this Regulation shall not apply to the international movement of packing materials, means of transport or certain goods admitted under specific customs arrangements where autonomous or conventional provisions lay down that customs documents are not required in these circumstances.
4. Nor shall it apply in cases where goods may be declared for release for free circulation orally or by any other act.
5. Where they consider it necessary, the customs Authority at the customs office of re-importation may ask the person concerned to submit additional evidence, in particular for the purposes of identification of the returned goods.

#### Regulation 345 Relief from import duties

1. In accordance with Section 163 of the Act and under the conditions stated below, the following goods shall be exempted from import duties:
  - a. objects belonging to foreign Sovereigns or Heads of State who come to stay in Somaliland on the basis of reciprocity;
  - b. objects and motor vehicles belonging to diplomatic and consular agents accredited to the Somaliland Republic, and objects necessary for the initial establishment of diplomatic and consular office, and motor vehicles and other objects for official use on the basis of reciprocity;
  - c. objects and motor vehicles belonging to the representative, officials and expert of the United Nations Organisation, its specialised Agencies and other International Organisations in accordance with Agreements ratified by Law:
    - i. for official use of the United Nations Organisation, its specialised Agencies or other International Organisations and objects and motor vehicles necessary for the execution with Agreements ratified by law, except for more comprehensive concessions under Agreements covered in Foreign Governments or International Organisations for the execution of bilateral technical assistance programs in Somaliland;
    - ii. the exemptions are granted by the Ministry of Finance Development with prior authorisation from the Ministry of Foreign Affairs;



- iii. Customs permits the sale or other disposal of objects or motor vehicles imported duty free to persons or for purposes other than originally stipulated after payment of duties due on the basis of the value of the objects or motor vehicles at the time of their sale of disposal;
- d. personal belongings, personal computers and telecommunication devices, jewellery, baby carriage and strollers, sporting equipment, furniture, radio receivers, sound recorders, cameras and projectors (8mm), firearms, typewriters and sewing machines, household items, professional tools and instruments, but excluding motor cars belonging to persons taking up residence in Somaliland for whatever reasons:
  - i. provided the items are all used and not excessive in relation to the status of the person concerned;
  - ii. the goods may be imported in separate shipments within six months from the date of the person's arrival in Somaliland;
  - iii. exemption shall be granted by the customs Authority on submission of an application together with an itemised list of the goods to be imported in one or more shipments, and also a residence certificate issued by the local authorities or equivalent document;
- e. traveller's personal belongings, including firearms, personal computers and telecommunication devices, jewellery, baby carriage and strollers, sporting equipment, furniture, radio receivers, sound recorders, cameras and projectors (8mm), firearms, typewriters and sewing machines, household items, professional tools and instruments, provided the items are all used and are not excessive in relation to the status of the persons concerned;
- f. in addition to the used personal effects listed in paragraph (e) of this regulation, travellers may bring the following items exempt from import duties:
  - i. traveller's personal effects, gifts and souvenirs purchased abroad or in any free shop up to a value of USD 800, in non-commercial quantities;
  - ii. tobacco up to 200 cigarettes, or 50 cigars, or 250 grams of tobacco, providing the passenger is over 18 years of age;
  - iii. 250 mls of eau de cologne or 50 mls of perfume;
- g. objects used in religious worship which are sent to religious missions and communities in Somaliland;

- h. publications and other objects donated directly to cultural institutes or organisations and to be used for scientific or cultural purposes;
- i. samples of goods, provided they are not directly utilisable;
- j. publications diaries, calendars, booklets, postcards, posters, metal plates, albums, illustrated and other catalogues, and price lists to be distributed free of charge to advertise tourism or business;
- k. stamps and stamped paper, banknotes and other instruments of credit;
- l. goods imported directly by the Government or purchased after their arrival but before they are cleared through Customs. In the latter case, exemption shall be granted only on submission of an authorisation issued by the Ministry of Finance Development;
- m. materials required for organising the Desert Locust Survey, for use in the anti-locust campaign and for the malaria eradication campaign;
- n. gifts and aid in kind to populations struck by public disasters;
- o. artificial limbs and invalid wheel chairs;
- p. materials to be used exclusively by the blind, imported by organisations for assistance to or re-education of the blind, or institutions attached to them;
- q. selected domestic animals, male and female, for breeding and domestic animals to be used in agriculture;
- r. live trees and other plants, slips, cuttings, tubers, selected seeds for field and kitchen garden crops, fertilisers and parasitic-ides to be used exclusively for agriculture, provided they are imported directly by the agricultural establishment concerned or their exclusive agricultural use is proved;
- s. ship's stores, for the exclusive use of passengers and crew of ships or aircraft, to be used during the voyage and while the ships or aircraft are in port, subject to the guarantees and limitations laid down by the customs Authority;
- t. packing materials and packing of any kind needed for the transport of fruit or vegetables to be exported, subject to the guarantees and limitations laid down by the customs Authority;
- u. jars, cans and other containers for foodstuff to be exported, subject to the guarantees and limitations laid down by the customs Authority;
- v. fuels and lubricants for the servicing of:

- i. ships leaving or operating outside the territorial waters;
- ii. aircraft leaving with destiny abroad including those making intermediate stops in the Somaliland territory;
- w. coffins and urns containing remains of deceased persons transported to Somaliland, and ornaments therefore. Exemption shall be granted by the customs Authority on submission of an authorisation by the relevant authorities;
- x. wreaths and ornaments for graves in Somaliland;
- y. goods of proven Somaliland origin. Such exemption shall be granted to the owner of the goods on behalf of whom the export was effected, subject to submission of the export customs document and provided the goods are re-imported within one year from the date shown on the document.

**Regulation 346**  
**Relief from export duties**

1. In accordance with Section 163 of the Act and under the conditions stated below, the following goods shall be exempted from export duties:
  - a. personal belongings including vehicles, furniture, personal computers and telecommunication devices, jewellery, baby carriage and strollers, sporting equipment, furniture, radio receivers, sound recorders, cameras and projectors (8mm), firearms, typewriters and sewing machines, household items, professional tools and instruments, belonging to persons taking up residence abroad for any reason, provided the items are all used and not excessive in relation to the status of the person concerned;
  - b. traveller's personal belongings, including firearms, personal computers and telecommunication devices, jewellery, baby carriage and strollers, sporting equipment, furniture, radio receivers, sound recorders, cameras and projectors (8mm), firearms, typewriters and sewing machines, household items, professional tools and instruments, provided the items are all used and are proportionate to the owners' status;
  - c. ship's stores for the use of passengers and crews on ships in ports or roads of the Republic, subject to the conditions laid down by the customs Authority;
  - d. postal parcels up to a value of USD300;

- e. coffins and urns containing remains of deceased persons to be sent abroad and ornaments therefore, subject to prior authorisation by the relevant authorities.

## PART 15

### CUSTOMS DEBT

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#### Regulation 347 Requirement of guarantee

1. Where in accordance with customs rules the competent Authority requires a guarantee to be provided in order to ensure payment of a customs debt, such guarantee shall be provided by the person who is liable or who may become liable for that debt as prescribed in the Act.
2. The customs Authority shall require only one guarantee to be provided in respect of one customs debt.
3. The customs Authority may authorise the guarantee to be provided by a person other than the person from whom it is required.
4. Account shall be taken of Section 90, paragraph 4, of the Act.

#### Regulation 348 Cases of optional guarantee

1. Where the Customs Act or this Regulation has a provision of optional guarantee, such guarantee shall be required at the discretion of Customs in so far as it is considered that a customs debt which has been or may be incurred is not likely to be paid within the prescribed period.
2. Where the guarantee referred to in paragraph 1 of this Regulation is not required, Customs may require an undertaking to comply with the obligations which a person is legally obliged to fulfil.
3. The guarantee referred to in paragraph 1 of this Regulation shall be required:
  - a. at the time of application of the rules requiring such guarantee to be provided; or
  - b. at any subsequent time when the competent Authority find that the customs debt which has been or may be incurred is not certain to be paid within the prescribed period.

### Regulation 349

#### Approval to use guarantee for two or more transactions

At the request of the person referred to in Regulation 347, paragraph 1 and 3 of these Regulations, Customs shall allow a comprehensive guarantee to cover two or more transactions in respect of which a customs debt has been or may be incurred.

### Regulation 350

#### Amount of guarantee

1. Where any provision in force makes it compulsory for a guarantee to be provided, and subject to any specific provisions laid down for transit in accordance with the Act or this Regulation, Customs shall fix the amount of guarantee at a level equal to:
  - a. the precise amount of the customs debt or debts in question, where that amount can be established with certainty at the time when the guarantee is required; and
  - b. in other cases, the maximum amount, as estimated by Customs, of the customs debt or debts which has been or may be incurred.
2. Where a comprehensive guarantee is provided for customs debts which vary in amount over time, the amount of such guarantee shall be set at a level enabling the customs debts in question to be covered at all times.
3. Where the customs law or any other provision in force provides that the provision of a guarantee is optional and Customs require a guarantee to be provided, the amount of the guarantee shall be fixed so as not to exceed the level provided for in paragraph 1 of this Regulation.
4. The circumstances in which, and the conditions under which a flat-rate guarantee may be provided, shall be determined in accordance with these procedures.

### Regulation 351

#### Form of guarantee

1. A security may be provided in the form of a sufficient guarantee by way of:
  - a. a cash deposit; or
  - b. a bank guarantee; or
  - c. a bond guarantee; or
  - d. any combination of paragraphs a), b) and c) of this paragraph or;

- e. other forms of undertakings by the owner of goods as may be determined by Customs.
2. Subject to paragraph 1 of this Regulation, a guarantee may be given to cover any other transactions which the person giving the guarantee may enter into within such period and for such amount as determined by Customs.
3. The form of guarantee specified by Customs shall be a sufficient guarantee for all purposes of a bond or guarantee under these Regulations and shall bind the guarantor thereto.
4. Every guarantee shall be valid for such period as may be specified in the bond or guarantee and may be reviewed subject to paragraph 2 of this Regulation.

**Regulation 352**  
**Cash deposit in local currency**

1. A cash deposit shall be made in Somaliland shilling.
2. The following shall be deemed equivalent to a cash deposit:
  - a. submission of a cheque the payment of which is guaranteed by the institution on which it is drawn in any manner acceptable to the customs Authority; and
  - b. submission of any other instrument recognised by Customs as a means of payment.
3. Guarantee in the form of a cash deposit or payment deemed equivalent to a cash deposit shall be given in accordance with the provisions in force in Somaliland in which the guarantee is required.
4. Where a guarantee is made in the form of a cash deposit, no interest thereon shall be payable by the customs Authority.

**Regulation 353**  
**Choice of guarantee**

1. A person required to provide a guarantee shall be free to choose between the types of guarantee laid down in Regulation 351 of these Regulations provided that such guarantee is recognised by the Customs as a means of payment.
2. Customs may refuse to accept the type of guarantee proposed where it is incompatible with the proper functioning of the approved customs procedure concerned.
3. Customs may require that the type of guarantee chosen be maintained for a specific period.

#### Regulation 354

##### Joint and several liability and circumstances in which the guarantor and guarantee shall be replaced

1. A guarantor shall undertake in writing to pay jointly and severally with the debtor the secured amount of a customs debt which the debtor fails to pay.
2. A guarantor shall be a third person established and residing in Somaliland and approved by Customs.
3. Customs may refuse to approve the guarantor or type of guarantee proposed where the guarantor does not appear certain to ensure payment of the customs debt within the prescribed period.
4. If any person being a guarantor:
  - a. dies; or
  - b. becomes incapacitated; or
  - c. becomes bankrupt; or
  - d. enters into an arrangement or composition with, or for the benefit of his/her creditors; or
  - e. departs from the customs territory without leaving sufficient property therein to satisfy the whole amount of the bond or guarantee;a fresh guarantor shall be required<sup>24</sup>.
5. Customs may also require a fresh guarantee where it is not satisfied with the sufficiency of any guarantee previously given.

#### Regulation 355

##### Other forms of guarantee

1. Where provisions in force so provide, Customs may accept types of guarantee, other than those referred to in Regulation 351 of these Regulations where such securities provide equivalent assurance that the customs debt will be paid.
2. Customs shall refuse the guarantee proposed by the debtor where they do not consider that such guarantee is likely to ensure payment of the customs debt.

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<sup>24</sup> This last line has been incorrectly omitted from the Somal version. Also the sub-paragraphs of this sub-Regulation appear in a different order. These will be corrected at a future date

3. Subject to the reservation referred to in paragraph 2 of this Regulation, the customs Authority may accept a cash deposit without the conditions laid down in Regulation 352, paragraph 1 of these Regulations being fulfilled.

**Regulation 356**  
**Additional or new guarantee**

Where Customs establish that the guarantee provided does not ensure, or is no longer certain or sufficient to ensure, payment of the customs debt within the prescribed period, they shall require the person referred to in Regulation 347, paragraph 1 of these Regulations, at his/her option, to provide an additional guarantee or to replace the original guarantee with a new guarantee.

**Regulation 357**  
**Discharge of guarantee by the competent authority**

1. A guarantee shall not be released until such time as the customs debt in respect of which it was given is extinguished or can no longer arise.
2. Once the customs debt is extinguished or can no longer arise, the guarantee shall be released forthwith.
3. Where the customs debt has been extinguished in part or may arise only in respect of part of the amount which has been secured, part of the guarantee shall be released accordingly at the request of the person concerned, unless the amount involved does not justify such action.

**Regulation 358**  
**Incurrence of Customs debt**

1. A customs debt on importation shall be incurred through:
  - a. the clearance for free circulation of goods liable to import duties and taxes; or
  - b. the placing of such goods under the temporary importation procedure with partial relief from import duties and taxes.
2. A customs debt shall be incurred at the time of acceptance of the customs declaration as is stipulated under Section 61 of the Act.
3. The debtor shall be:
  - a. the declarant; or



- b. where a customs declaration in respect of one of the procedures referred to in paragraph 1 of this Regulation is drawn up on the basis of information which leads to all or part of the duties and taxes legally owed not being collected, the persons who provided the information required to draw up the declaration and who knew, or who ought reasonably to have known that such information was false.

**Regulation 359**  
**Unlawful importation**

1. A customs debt on importation shall be incurred through the unlawful entry into the customs territory of goods liable to import duties and taxes.
2. The customs debt shall be incurred at the moment when the goods unlawfully enter the customs territory.
3. A debtor for purposes of this Regulation shall be:
  - a. the person who introduced such goods unlawfully;
  - b. the person who caused such goods to enter unlawfully;
  - c. any person who participated in the unlawful introduction of the goods and who was aware or should reasonably have been aware that such introduction was unlawful; and
  - d. any person who acquired or held the goods in question and who was aware or should reasonably have been aware at the time of acquiring or receiving the goods that they had been introduced unlawfully.

**Regulation 360**  
**Unlawful removal from customs supervision or control**

1. A customs debt on importation shall be incurred through the unlawful removal from customs supervision or control of goods liable to import duties and taxes.
2. The customs debt shall be incurred at the moment when the goods are unlawfully removed from customs supervision or control.
3. A debtor for the purposes of this Regulation shall be:
  - a. the person who unlawfully removed the goods from customs supervision or control;
  - b. the person who caused the goods to be unlawfully removed from customs supervision or control;

- c. any persons who participated in such unlawful removal and who were aware or should reasonably have been aware that the goods were being unlawfully removed from customs supervision or control;
- d. any persons who acquired or held the goods in question and who were aware or should reasonably have been aware at the time of acquiring or receiving the goods that they had been unlawfully removed from customs supervision or control; and
- e. where appropriate, the person required to fulfil the obligations arising from temporary storage of the goods or from the use of the approved customs procedure under which those goods are placed.

#### Regulation 361

#### Non-fulfilment of obligations or conditions

1. A customs debt on importation shall be incurred through:
  - a. non-fulfilment of any of the obligations arising, in respect of goods liable to import duties and taxes, from their temporary storage or from the use of the approved customs procedure under which they are placed;
  - b. non-compliance with a condition governing the placing of the goods under that procedure or the granting of a reduced or zero rate of import duty and tax by virtue of the end-use of the goods;
  - c. in cases other than those referred to in Regulation 376 of these Regulations unless it is established that those failures have no significant effect on the correct operation of the temporary storage or customs procedure in question.
2. The customs debt shall be incurred:
  - a. at the moment when the obligation whose non-fulfilment gives rise to the customs debt ceases to be met; or
  - b. at the moment when the goods are placed under the customs procedure concerned where it is established subsequently that a condition precedent governing the placing of the goods under the said procedure or the granting of a reduced or zero rate of import duty and or tax, by virtue of the end-use of the goods was not in fact fulfilled.
3. A debtor for the purposes of this Regulation shall be a person who is required, according to the circumstances:

- a. to fulfil the obligations arising, in respect of goods liable to import duties and taxes, from their temporary storage or from the use of the approved customs procedure under which they have been placed; or
- b. to comply with the conditions governing the placing of the goods under that procedure.

#### Regulation 362

##### Consumption or use in a free zone or free warehouse

1. A customs debt on importation shall be incurred through the consumption or use, in a free zone or a free warehouse, of goods liable to import duties, under conditions other than those approved by the customs Authority.
2. The customs debt shall be incurred at the moment when the goods are consumed or are first used under conditions other than those approved by the customs Authority<sup>25</sup>.
3. The debtor shall be:
  - a. the person who consumed or used the goods;
  - b. any persons who participated in such consumption or use and who were aware or should reasonably have been aware that the goods were being consumed or used under conditions other than those approved by the customs Authority;
  - c. where the customs Authority regards goods which have disappeared as having been consumed or used in the free zone or the free warehouse, and it is not possible to apply paragraph 2 of this Regulation, the person liable for payment of the customs debt shall be the last person known to the customs Authority to have been in possession of the goods.

#### Regulation 363

##### Circumstances where no customs debt is incurred

1. By way of derogation from Regulations 359 and 361 of these Regulations, no customs debt on importation shall be deemed to be incurred in respect of specific goods:
  - a. where the person concerned proves that the non-fulfilment of the obligations which arise from:

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<sup>25</sup> The initial words of this sub-Regulation were incorrectly omitted from the Somali version. This will be corrected at a future date

- i. the lawful entry into the customs territory of goods liable to import duties and taxes;
- ii. keeping the goods in question in temporary storage; or
- iii. the use of the customs procedure under which the goods have been placed;

results from the total destruction or irretrievable loss of the said goods as a result of the actual nature of the goods or unforeseeable circumstances or *force majeure* or with the permission of the authorising agency<sup>26</sup>.

- b. imported goods cleared for home use at a reduced or zero rate of import duty and tax by virtue of their end-use, where such goods are exported or re-exported with the permission of the customs Authority.
2. For the purposes of this Regulation, goods shall be irretrievably lost when they are rendered unusable by any person.

#### Regulation 364

##### Status of scrap or waste resulting from end-use destruction

Where, in accordance with Regulation 192 of these Regulations, no customs debt is deemed to be incurred in respect of goods cleared for free circulation at a reduced or zero rate of import duty and tax on account of their end-use, any scrap or waste resulting from such destruction shall be deemed to be non-Somaliland goods and liable to duties, taxes, prohibitions and restrictions accordingly.

#### Regulation 365

##### Credit for the reduced rate of duty paid

1. Where in accordance with Regulation 358 of these Regulations, a customs debt is incurred in respect of goods cleared for free circulation at a reduced rate of import duty and tax on account of their end-use, the reduced amount paid when the goods were cleared for free circulation on behalf of their end-use shall be deducted from the amount of the customs debt incurred.
2. This Regulation shall apply *mutatis mutandis* where a customs debt is incurred in respect of scrap and waste resulting from the destruction of such goods.

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<sup>26</sup> Note the last 3 lines of this paragraph were incorrectly omitted from the Somali version. This will be corrected at a future date

### Regulation 366

#### Customs debt incurred on the basis of an export declaration

1. On exportation, a customs debt shall be incurred through the exportation from the customs territory, under cover of a customs declaration, of goods liable to export duties and taxes.
2. The customs debt referred to in paragraph 1 of this Regulation shall be incurred at the time when the export declaration is accepted.
3. For the purposes of this Regulation the debtor shall be the declarant.

### Regulation 367

#### Exportation without a customs declaration

1. On exportation, a customs debt shall be incurred through the removal from the customs territory of goods liable to export duties and taxes without a customs declaration.
2. The customs debt referred to in paragraph 1 of this Regulation shall be incurred at the time when the said goods actually leave the customs territory.
3. The debtor shall be:
  - a. the person who removed the goods; and
  - b. any person who authorised the removal of the goods; and
  - c. any person who participated in such removal and who was aware or should reasonably have been aware that a customs declaration had not been but should have been lodged.

### Regulation 368

#### Customs debt relating to goods subject to prohibitions and restrictions

For the purposes of criminal law as applicable to customs offences, a customs debt shall nevertheless be deemed to have been incurred where, under the Somaliland criminal law, customs duties and taxes provide the basis for determining penalties, or the existence of a customs debt is grounds for taking criminal proceedings.

### Regulation 369

#### Favourable tariff treatment in the absence of fraud or negligence

1. Where customs law provides for favourable tariff treatment of goods by reason of their nature or end-use or for relief or total or partial exemption from import or export duties and taxes pursuant to these regulations, such favourable tariff treatment, relief or exemption

shall also apply in cases where a customs debt is incurred pursuant to these Regulations on condition that:

- a. the act or omission of the person concerned involves neither fraudulent dealing nor obvious negligence; and
- b. a person produces evidence that the other conditions for the application of favourable treatment, relief or exemption have been satisfied.

**Regulation 370**  
**Joint and several liability**

1. Where several persons are liable for payment of one customs debt, the said persons shall be jointly and severally liable for such debt.

**Regulation 371**  
**Time of incurrance of a customs debt and payment of compensatory interest**

1. Save as otherwise provided by this Regulation and without prejudice to paragraph 2 of this Regulation, the amount of the import and export duties and taxes applicable to goods shall be determined on the basis of the rules of assessment appropriate to those goods at the time when the customs debt in respect of them is incurred.
2. Where it is not possible to determine precisely when the customs debt is incurred, the time to be taken into account in determining the rules of assessment appropriate to the goods concerned shall be the time when Customs conclude that the goods are in a situation in which a customs debt is incurred.
3. Where the information available to the competent Authority enables them to establish that the customs debt was incurred prior to the time when they reached that conclusion, the amount of the import and export duties and taxes payable on the goods in question shall be determined on the basis of the rules of assessment appropriate to the goods at the earliest time when existence of the customs debt arising from the situation may be established from the information available.
4. Compensatory interest shall be applied, in the circumstances and under the conditions set out in the Act, in order to prevent the wrongful acquisition of a financial advantage through deferment of the date on which the customs debt was incurred or entered in the accounts.

### Regulation 372

#### Place where the customs debt has occurred

1. A customs debt shall be occurred<sup>27</sup>:
  - a. at the place where the events from which it arises occur;
  - b. if it is not possible to determine that place, at the place where the customs Authority concludes that the goods are in a situation in which a customs debt is incurred;
  - c. if the goods have been entered for an approved customs procedure which has not been discharged, and the place cannot be determined pursuant to points a) and b) within a period of time determined, if appropriate, in accordance with these Regulations, at the place where the goods were either placed under the procedure concerned or were introduced into the customs territory.
2. Where the information available to the customs Authority enables them to establish that the customs debt was already incurred when the goods were in another place at an earlier date, the customs debt shall be deemed to have been incurred at the place which may be established as the location of the goods at the earliest time when existence of the customs debt may be established.

### Regulation 373

#### Duty to be calculated by the declarant and paid on a self-assessment basis

1. All duties and taxes due on importation or exportation shall be calculated by the importer or exporter, as the case may be.
2. Customs checks, examinations, verifications, audits and investigations shall not relieve the importer or exporter of his/her legal obligation to declare his/her goods correctly and to pay the full amount of duties and taxes legally due in accordance with the provisions in force at the time of acceptance of his/her goods declaration.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Regulation, the competent Authority may assess the duty and tax liabilities in defined circumstances as specified by the provisions in force such as in the case of non-commercial goods imported by post and goods in traveller's baggage.
4. Import and export duties and taxes shall be paid in accordance with the rates in the Tariff Schedule being in force.

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<sup>27</sup> Note that while the text is the same, the lettering of paragraphs in this sub-Regulation is incorrectly shown in the Somali version. This will be corrected at a future date

5. The time and place of payment of duties and taxes shall be at the time and place of acceptance of the declaration, subject to any requirement regarding the production of the goods.
6. The amount of import or export duty and tax shall, subject to any checks be entered by Customs in the accounting records or any other equivalent medium such as entry in the accounts within the prescribed period.
7. Paragraph 6 of this Regulation shall not apply where:
  - a. a provisional anti-dumping or countervailing duty and tax has been introduced;
  - b. the amount of duties and taxes legally due exceeds that determined on the basis of binding information;
  - c. the provisions in force waive the requirements for Customs to enter in the accounts, amounts of duty and tax below a given level.

#### Regulation 374

##### Correction of errors by the competent authority

1. Where Customs find an error in the goods declaration or in the assessment of the duties and taxes that will cause or has caused the collection or recovery of an amount of duties and taxes less than the legally chargeable amount, they shall require the declarant to correct the error and pay the amount of duties and taxes demanded.
2. Where the underpayment is a *bona fide* one and the amount involved is less than the prescribed minimum, Customs shall waive the collection of the amount otherwise due.

#### Regulation 375

##### Non-payments and underpayments to be entered into the accounts except in specified circumstances

1. Where the amount of duty and tax resulting from a customs debt has not been entered in the accounts in accordance with the Act or has been entered in the accounts at a level lower than the amount legally owed, the amount of duty to be recovered or which remains to be recovered shall be entered in the accounts within two days of the date on which Customs become aware of the situation and are in a position to calculate the amount legally owed and to determine the debtor such as subsequent entry in the accounts.
2. The time limit referred to in paragraph 1 of this Regulation may be extended in duly substantiated circumstances.
3. Except in the cases referred to in Regulation 373, paragraph 7 (a), (b) and (c) of these Regulations, subsequent entry in the accounts shall not occur where:



- a. the original decision not to enter duty in the accounts or to enter it in the accounts at a figure less than the amount of duty legally owed was taken on the basis of general provisions invalidated at a later date by a court decision;
  - b. the amount of duty legally owed was not entered in the accounts as a result of an error on the part of the customs Authority which could not reasonably have been detected by the person liable for payment, provided the person liable for payment acted in good faith and complied with all the provisions laid down by the provisions in force as regards the customs declaration;
  - c. Where the preferential status of the goods is established on the basis of a system of administrative cooperation involving the customs Authority of a foreign country, the issue of a certificate by those responsible to do so, should it prove to be incorrect, shall constitute an error which could not reasonably have been detected within the meaning of paragraph 3 b) of this Regulation.
4. The issue of an incorrect certificate shall not constitute an error where the certificate is based on an incorrect account of the facts provided by the exporter, except where, in particular, it is evident that the issuing authority were aware or should have been aware that the goods did not satisfy the conditions laid down for entitlement to the preferential treatment.
  5. A person liable for payment may plead good faith when he/she can demonstrate that, during the period of the trading operations concerned, he/she has taken due care to ensure that all the conditions for the preferential treatment have been fulfilled.

**Regulation 376**  
**Notification of duty payment**

1. Where goods have been entered in accordance with the provisions of the Act, the amount of duties and taxes chargeable on the goods shall be that declared by the declarant unless the amount of duty and tax declared does not correspond to the amount determined and due, either at that stage or any stage subsequent to declaration or clearance of the goods.
2. Customs shall notify the declarant without delay of the acceptance or rejection of the goods declaration in accordance with the provisions of the Act.
3. Where the customs Authority has rejected a declaration, they shall set out the reasons in writing and advise the declarant accordingly in order that he/she may rectify the position.
4. Any consequential amendments to a declaration shall, where allowed by Customs, be subject to any applicable penalties, fines and fees, calculated by the customs Authority, provided in the legislation in force.

5. Clearance or release of the goods by Customs shall be equivalent to communication to the debtor that the amount declared by such debtor has been accepted and entered into the accounts.
6. The customs Authority shall not proceed against the debtor or attempt to recover any outstanding duties and taxes deemed due after the expiry of a period of three years from the date on which the customs debt was incurred and/or the referenced entry was passed.
7. The period referred to in paragraph 6 of this Regulation shall be suspended from the time an appeal within the meaning of Section 203 of the Act is lodged, for the duration of the appeal proceedings.
8. Where the customs debt is the result of an act which, at the time it was committed, was liable to give rise to criminal court proceedings, the amount may, under the conditions set out in the Act, be communicated to the debtor after the expiry of the three year period, save the national laws the criminal activity has no time limit.

**Regulation 377**  
**Means of payment**

1. Payment shall be made in Somaliland and:
  - a. in cash;
  - b. by adjustment of credit balance or by any other means with similar discharging effects as provided for in the provisions in force.

**Regulation 378**  
**Conditions for duties and taxes to be extinguished**

1. Without prejudice to the provisions in force relating to the time-barring of a customs debt and non-recovery of such a debt in the event of a legally established insolvency procedure of a debtor, a customs debt shall be extinguished:
  - a. upon payment of the amount of duties and taxes due;
  - b. by remission of the amount of duties and taxes due;
  - c. where, in respect of goods declared for a customs procedure entailing the obligation to pay duties:
    - i. a customs declaration is invalidated;

- ii. the goods, before their release, are either seized and subsequently forfeited, on the instructions of Customs, destroyed or abandoned or irretrievably lost as a result of their actual nature or circumstance of *force majeure*;
  - d. where goods in respect of which a customs debt is incurred in accordance with Regulation 359 of these Regulations are seized upon their unlawful introduction and are subsequently forfeited.
- 2. Where goods have been seized and subsequently forfeited, a customs debt shall, for purposes of the criminal law applicable to customs offences, be deemed not to have been extinguished where, under criminal law, customs duties provide the basis for determining penalties or the existence of a customs debt as grounds for taking criminal proceedings.

#### Regulation 379

#### Repayments, remissions and time limits

- 1. Import and export duties and taxes shall be repaid where it is established that when such duties and taxes were paid, the amount of such duties and taxes was not legally owed or that the amount has been entered in the accounts contrary to Regulation 375, paragraph 3 of these Regulations.
- 2. Import and export duties and taxes shall be remitted where it is established that when such duties and taxes were entered in the accounts, the amount of such duties and taxes was not legally owed or that the amount has been entered in the accounts contrary to Regulation 375, paragraph 3 of these Regulations.
- 3. No repayment or remission shall be granted when the facts which led to the payment or entry in the accounts of an amount which was not legally owed are the result of deliberate action by the person concerned.
- 4. Import duties and export duties and taxes shall be repaid or remitted upon submission of an application to the appropriate customs office within a period of three years from the date on which the amount of duties and taxes was declared to and accepted by Customs in accordance with the provisions in force.
- 5. The period referred to in paragraph 4 of this Regulation shall be extended if the person concerned provides evidence that he/she was prevented from submitting his application within the said period as a result of circumstances of *force majeure*.
- 6. Where the customs Authority discovers within the period referred to in paragraph 4 of this Regulation that either of the situations described in paragraphs 1 and 2 of this Regulation exist, Customs shall repay or remit on their own initiative.

### Regulation 380

#### Duty and taxes to be repaid or remitted when a customs declaration is invalidated

1. Import and export duties and taxes shall be repaid or remitted where a customs declaration is invalidated, and the duties have been paid.
2. Repayment shall be granted upon submission of an application by the person concerned within the periods laid down for submission of the application for invalidation of the customs declaration.

### Regulation 381

#### Goods rejected by importer for non-conformity with the contract

1. Import duties and taxes shall be repaid or remitted where it is established that the amount of such duties and taxes entered in the accounts relates to goods placed under the customs procedure in question and rejected by the importer because at the time referred to in Regulation 94 of these Regulations they are defective or do not comply with the terms of the contract on the basis of which they were imported.
2. Defective goods, within the meaning of paragraph 1 of this Regulation, shall be deemed to include goods damaged before their release.
3. Repayment or remission of import duties and taxes shall be granted on condition that:
  - a. the goods have not been used, except for such initial use as may have been necessary to establish that they were defective or did not comply with the terms of the contract;
  - b. the goods are exported from the customs territory.
4. At the request of the person concerned, the competent Authority shall permit the goods to be destroyed or to be placed, with a view to re-export, under the external transit procedure or the customs warehousing procedure or in a free zone, instead of being exported.
5. For the purposes of being assigned one or more of the approved customs procedures provided for in paragraph 4 of this Regulation, the goods shall be deemed to be non-Somaliland goods.
6. Import duties and taxes shall not be repaid or remitted in respect of goods which, before being declared to customs, were imported temporarily for testing, unless it is established that the fact that the goods were defective or did not comply with the terms of the contract could not normally have been detected in the course of such tests.
7. Import duties and taxes shall be repaid or remitted for the reasons set out in paragraph 1 of this Regulation upon submission of an application to the Customs Authority within twelve

months from the date on which the amount of those duties and taxes was accepted by the said Authority.

8. Customs may permit the period referred to in paragraph 7 of this Regulation to be exceeded in duly justified exceptional cases.

#### Regulation 382

##### Provision for equitable repayments or remissions

1. Import and export duties and taxes may be repaid or remitted in situations other than those referred to in Regulations 379 to 381 of these Regulations where resulting from circumstances in which no deception or obvious negligence may be attributed to the person concerned.
2. Repayment or remission may be made subject to special conditions.
3. Subject to paragraphs 1 and 2 of this Regulation, duties and taxes shall be repaid or remitted upon submission of an application to the appropriate customs office within twelve months from the date on which the amount of the duties and taxes was entered in the accounts.
4. The provisions of Regulation 381, paragraph 8 of these Regulations also apply.

#### Regulation 383

##### Payment of interest charges by competent Authority

1. Subject to paragraph 2 of this Regulation, repayment by Customs of amounts of import and export duties and taxes of credit interest, interest on arrears collected on payment of such duties and taxes shall not give rise to the payment of interest by the Authority.
2. The Customs Authority shall pay interest where:
  - a. a decision to grant a request for repayment is not implemented within three months of the date of adoption of that decision; or
  - b. any provisions in force prescribe so.
3. The rate of such interest referred to in paragraph 2 of this Regulation shall be calculated in such a way that it is equivalent to the rate which would be charged for this purpose on the commercial market in Somaliland.

#### Regulation 384

##### Repayments and remissions made in error

1. Where a customs debt has been remitted in error, or the corresponding amount of duty repaid in error, the original debt shall become payable.

2. Any interest paid under Regulation 383 of these Regulations shall be reimbursed.

#### Regulation 385

#### Scope and conditions for drawback of duty

Drawback of duty shall be granted upon submission of an application to the appropriate customs office within a period of twelve months from the date of exportation or performance of the conditions on which drawback may be allowed.

### PART 16

## PROHIBITED AND RESTRICTED IMPORTS AND EXPORTS

#### Regulation 386

#### Prohibited imports

1. All goods, the importation of which is for the time being prohibited under the Customs Act or by any written law for the time being in force in Somaliland:
  - a. Narcotic drugs under international control;
  - b. Asbestos or any items containing asbestos;
  - c. Alcoholic beverages;
  - d. Live swine and its meat;
  - e. Plastic bags;
  - f. Printed publications, photographs, pictures, books, and magazines which contradict Islamic teachings, decency or morality;
  - g. Any new or used items containing radioactive elements;
  - h. Radio or remote-controlled model aircraft.
2. The full list of prohibited items can be found in the Somaliland National Customs Tariff.

#### Regulation 387

#### Restricted imports

1. All goods the importation of which is restricted under the Customs Act or by any written law for the time being in force in Somaliland:
  - a. Arms and ammunition;

- b. Unworked ivory and rhinoceros' horn.

Regulation 388  
Prohibited exports

All goods the exportation of which is prohibited under the Customs Act or by any written law for the time being in force in Somaliland.

Regulation 389  
Restricted exports

- 1. All goods the exportation of which is restricted under the Customs Act or by any other written law for the time being in force in Somaliland:
  - a. Female animals;
  - b. Wild animals and birds, and meat of wild animals or birds;
  - c. Historical artefacts;
  - d. Arabian gum (tree).

PART 17

OFFENCES

Regulation 390  
General

- 1. A customs offence is any breach or attempted breach of the statutory or regulatory provisions which are provided for in the Customs Act or this Regulation.
- 2. Customs offences shall be dealt with in accordance with the procedures approved by the customs Authority.

Regulation 391  
Investigation powers in establishing Customs offences

- 1. Where there is reasonable ground to believe that a Customs offence has been committed, Customs shall commence investigation to establish the identity of the offenders and the conditions under which it has been committed.

2. Where appropriate, Customs will deal with the offence through an administrative settlement.
3. When, based on risk assessment, there are reasonable grounds to suspect a Customs offence, Customs shall, in accordance with Sections 67 and 75 of the Act, be empowered to:
  - a. examine goods and means of transport;
  - b. require the production of documents or correspondence;
  - c. require access to computerised databases;
  - d. search persons and premises;
  - e. secure evidence; and
  - f. take all further measures to ensure that the provisions in force are complied with.
4. Customs shall record the particulars on their intervention and the measures taken in offence reports or administrative records.

#### Regulation 392

#### Seizure or detention of the goods or means of transport

1. Where an offence has been committed by a person, Customs may seize goods and/or means of transport only when:
  - a. they are liable to forfeiture or confiscation necessitated by the seriousness of the offence;
  - b. they may be required to be produced as evidence at some later stage in the procedure.
2. Subject to Section 69 of the Act, if a Customs offence relates only to part of a consignment, only that part shall be seized or detained, provided that the Customs are satisfied that the remainder of the consignment did not serve, directly or indirectly, in the commission of the offence.
3. When the Customs seize or detain goods and/or means of transport, they shall furnish the person concerned with a document showing:
  - a. the description and quantity of the goods and means of transport seized or detained;
  - b. the reason for the seizure or detention; and
  - c. the nature of the offence.



**Regulation 393**  
**Conditional Release of seized goods**

1. The Customs should release seized or detained goods against adequate security, provided that the goods are not subject to any prohibitions or restrictions or needed as evidence at some later stage in the procedure.
2. The Customs should release from seizure or detention means of transport that have been used in the commission of a Customs offence where they are satisfied that:
  - a. the means of transport have not been constructed, adapted or altered or fitted in any manner for the purpose of concealing goods; and
  - b. the means of transport are not required to be produced as evidence at some later stage in the procedure; and
  - c. where required, adequate security can be given.

**Regulation 394**  
**Forfeiture of seized goods**

1. Means of transport should only be forfeited or confiscated where:
  - a. the owner, operator or person in charge was, at the time, a consenting party or privy to the Customs offence, or had not taken all reasonable steps to prevent the commission of the offence; or
  - b. the means of transport has been specially constructed, adapted or altered or fitted in any manner for the purpose of concealing goods; or
  - c. restoration of the means of transport which has been specially altered or adapted is not possible.

**Regulation 395**  
**Detention of goods**

1. Without exception, seized goods shall be detained, unless they are likely to deteriorate quickly, or it would, due to their nature, be impracticable for the Customs to store them.
2. Seized or detained goods should not be sold or otherwise disposed of by the Customs before they have been definitively condemned as forfeited or confiscated or have been abandoned to the Revenue.

### Regulation 396

#### Administrative settlement of Customs offences

1. The Customs shall take the necessary measures to ensure, where applicable, that as soon as possible after a Customs offence is discovered:
  - a. the administrative settlement of the latter is initiated; and
  - b. the person concerned is informed about the terms and conditions of the settlement, the avenues of appeal and the time limits for such appeals.
2. Where during clearance of the goods a Customs offence has been discovered which is regarded as of minor importance, the offence should be settled by the Customs office which discovers it.
3. Where a traveller is regarded as having committed a Customs offence of minor importance, the offence should be settled without delay by the Customs office which discovers it.

## PART 18

### APPEALS

### Regulation 397

#### Right of appeal

1. A person shall have the right to appeal against decisions taken by the customs Authority which relate to the application of the Act, including, customs valuation, classification and origin, and administrative procedures which concern him/her directly and individually.
2. A person who has applied to the customs Authority for a decision relating to the application of the Act and has not obtained a ruling on that request within the period referred to in Regulation 10 of these Regulations shall be entitled to exercise the right of appeal without penalty or a threat of penalty.
3. The appeal shall be lodged:
  - a. initially, before the customs Authority;
  - b. subsequently, if necessary, before the Tribunal established according to the provisions of Section 205 of the Act.
4. Details on establishment, organisation and functioning of the Tribunal established under Section 205 of the Act to hear appeals against decisions of Customs will be published by the Ministry of Finance Development.

**Regulation 398**  
**Effect of an appeal**

1. The lodging of an appeal shall not cause implementation of a disputed decision to be suspended.
2. The customs Authority shall suspend implementation of a decision in whole or in part where they have good reason to believe that the disputed decision is inconsistent with the Act or that irreparable damage is to be feared for the person concerned.
3. Where a disputed decision has the effect of causing import and export duties and taxes to be charged, suspension of implementation of that decision shall be subject to the existence or lodging of a guarantee.
4. The guarantee referred in paragraph 3 of this Regulation shall not be required where such a requirement would be likely, owing to the debtor's circumstances, to cause serious economic or social difficulties to Somaliland.

**Regulation 399**  
**Interpretation of the Regulations**

Any legal dispute arising from these regulations will be referred to Customs Act No.73 / 2016.

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**Dr. Sacad Cali Shire**

**Wasiirka Wasaaradda Horumarinta Maaliyadda**