

## LOGISTICS COORDINATION MEETING

### MINUTES – 01.10.09

**Date:** 01 October, 2009 – 1000 hours

**Location:** UNJLC Meeting Room, UNJLC Office, Khartoum

**Next Meetings:** 29 October: 1000; 26 November: 1000

#### 1. Previous Action Items

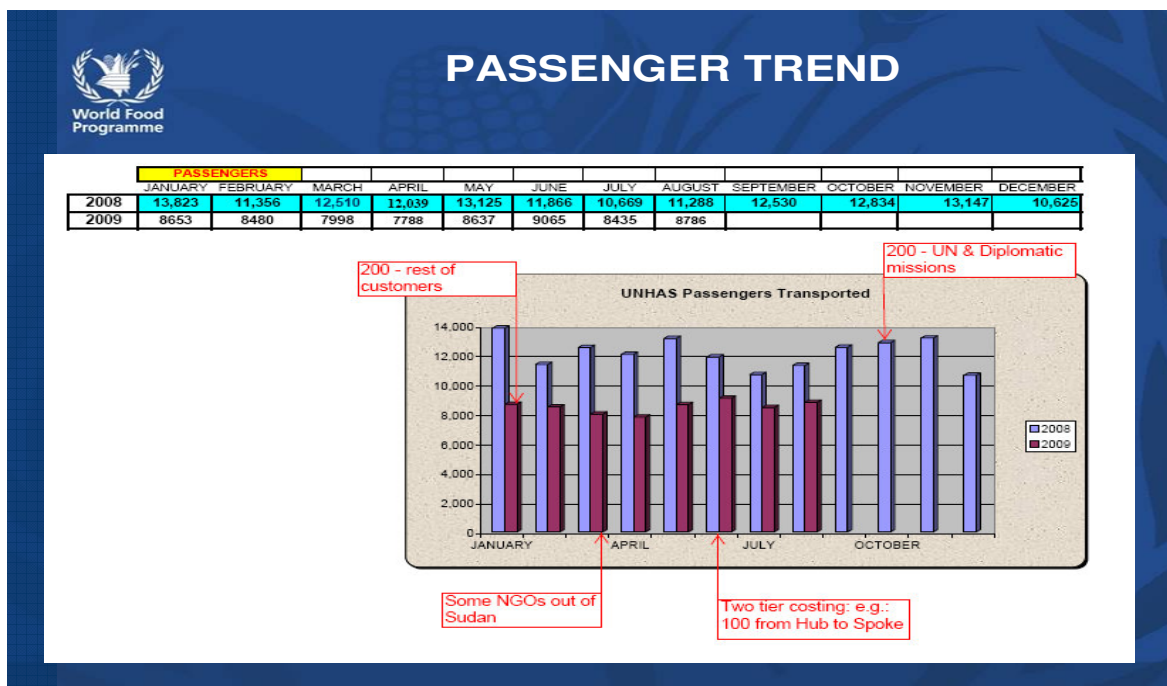
<b>Action Point Summary</b>				
<b>Issue</b>	<b>Responsible</b>	<b>Decided</b>	<b>Timing</b>	<b>Action</b>
Customs and Tax Exemption	UNJLC	30 07 09	Completed	Provide an overview of the revisions to the customs and tax exemption component of the UNOCHA General Directory of Procedures (NGO Toolkit).
Customs and Tax Exemption in South Sudan	UNJLC	27 08 09	Completed 06 10 2009	Provide update on customs procedures status in South Sudan.

#### 2. Discuss Previous Action Items and approve minutes from 27 08 2009

- A summary of the revisions made to the customs and tax exemption component of the UNOCHA General Directory of Procedures (NGO Toolkit) was provided following confirmation from UNOCHA that the revised GDP is now a live document and as such is in the public domain. UNOCHA remain responsible for the further dissemination of the revised GDP. With kind permission from UNOCHA kindly find annexed herein pages 16 – 21 of the GDP – Customs and Tax Exemption Information for review.
- The remainder of the minutes of the 27 07 09 Logs Coordination Meeting were approved.

#### 3. Presentation on the utilization of UNHAS air assets for 01 – 09 2009

- UNHAS provided a brief overview including statistics on the utilization of UNHAS air assets from January-September 2009 with a comparison to the statistics figures from last year. *Reproduced below with kind permission from UNHAS.*



#### 4. UNAMID Weekly Convoy

- UNAMID conduct regular convoys within the Darfur States; **joining UNAMID convoys is limited to UN agencies only**. Interested agencies are requested to contact their respective UNAMID field liaison officer bilaterally to request inclusion of vehicles to the convoys. A weekly schedule of the anticipated UNAMID convoys is also available bilaterally from the respective UNAMID liaison officer.

#### 5. Use of Sudan.logs email circulation lists

- Following an internal review of the UNJLC administered email lists (e.g. sudan.logs & southsudan.logs), meeting attendees were invited to discuss the utilization of the logistics email information sharing platform to affirm best practice for this resource. Following a few clarifications, it was agreed that the lists retain their current utilization. The below provides some pointers on the management of the UNJLC subscription lists:
  - It was confirmed that UNJLC review (moderate) messages for content and relevance prior to posting on sudan.logs/ southsudan.logs.
  - Posts concerning membership management issues will not be disseminated but moderated by UNJLC bilaterally with the party that posted the message.
  - After UNJLC moderation as required, posts requesting a response from other list subscribers will be submitted to the list. It is the posting party's responsibility to indicate if they only wish responses sent to the original poster rather than the subscription list. All list subscriber's were reminded of the 'reply to sender' and 'reply to all' facility to self moderate the messages posted to the circulation lists.
  - UNJLC carefully manages the subscription to the humanitarian logistics information resources that UNJLC maintains. UNJLC is committed to preventing spam or unnecessary emails being sent to our subscribers. Subscribers should feel confident that their messages will be reserved for the humanitarian community only; however, UNJLC are not in a position to accept liability for loss or damage incurred thru the use of UNJLC subscription lists.

#### 6. A.O.B.

##### South Sudan Customs Procedures: Update from UNJLC Monthly Logistics Bulletin, September

- UNJLC and the NGO Secretariat in Southern Sudan are working together to gather information on the planned changes in customs and tax exemption procedures established by GOSS. From current information available, the process will require NGOs to prepare the following documentation: registration form, annual work plan, budget, staff list (international and national), planned procurement for the fiscal year, area of operations, and address of NGO headquarters. An MoU will also need to be signed with the GoSS line ministry. For further information and queries contact: [jubangoforum@gmail.com](mailto:jubangoforum@gmail.com) or [sudan.juba@unjlc.org](mailto:sudan.juba@unjlc.org).
- Further updates on customs in South Sudan will be disseminated as it becomes available.

There being no other business the meeting closed at 1050.

#### List of Attendees:

Name	Organization	E-mail
John Clements (Chair)	UNJLC	<a href="mailto:john.clements@wfp.org">john.clements@wfp.org</a>
Dalia Eissa	UNJLC	<a href="mailto:dalia.eissa@wfp.org">dalia.eissa@wfp.org</a>
Xavier Dufrenot	WHO	<a href="mailto:dufrenotx@sud.emro.who.int">dufrenotx@sud.emro.who.int</a>
Callixte Kalisa	UNHCR	<a href="mailto:kalisa@unhcr.org">kalisa@unhcr.org</a>
William Abira	UNHAS	<a href="mailto:william.abira@wfp.org">william.abira@wfp.org</a>
Patrick Efinda	UNICEF	<a href="mailto:pefinda@unicef.org">pefinda@unicef.org</a>

**Annex 1. GDP – Customs and Tax Exemption Information**

**MINISTRY OF HUMANITARIAN AFFAIRS (MHA)  
HUMANITARIAN AID COMMISSION (HAC)  
JOINT PROCEDURES CENTRE (JPC)**

**GENERAL DIRECTORY OF PROCEDURES**

Revised July 2009

*(Excerpt PP16 - 21)*

**4 CUSTOMS PROCEDURES**

***4.1 Customs Agreements for INGOs***

Registered NGOs can seek to obtain a Customs Agreement with the Ministry of Finance (MoF) through the

JPC. These agreements are renewed annually. The Customs Agreement is necessary to obtain exemption

from custom duties for items included in the list submitted by the NGO and approved by MoF.

Renewal of

the Customs Agreement will be conditional on submission of an annual report, including information on

the level of utilization of imported items during the previous year.

To obtain the Customs Agreement, NGOs will have to present the following documents to the JPC:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO

Director General at JPC requesting a Customs Agreement.

Copy of a valid Registration Certificate of the NGO. The NGO is to ensure that the copy is clear.

Copy of the signed Country Agreement. The NGO is to ensure that the copy is clear.

List of items (see below) to be imported signed by the Country Director or his/her Deputy. The list must be in line with the activities, plans and proposed projects of the organization.

Note: Specimen copy of the Customs agreement and table of fees calculated per unit is provided in the annex.

*After internal review at JPC, HAC will provide a letter of approval. The NGO is responsible for submitting*

*this letter of approval, together with the full documentation listed above and endorsed by HAC, to the Ministry of Finance for final endorsement.*

## **4.2 Importation List**

Every year, the NGO is to prepare a list of items that are expected to be imported into the country.

This

process is done at the same time as the customs agreement.

To obtain approval for the list of items the NGO is to provide the following to the JPC:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO

Director General at JPC, including the list of items to be approved.

The NGOs have from January to mid April to submit their import list.

*After internal review at JPC, and following an agreement between JPC and NGO on the importation list,*

*HAC will provide a letter of approval. The NGO is responsible for submitting this letter of approval, together with the full documentation listed above and endorsed by HAC, to the Ministry of Finance for final*

*endorsement.*

## **4.3 Adding New Items to the Importation List**

In order to add items to the importation list during the year, the NGO is to provide the following:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO

Director General at JPC providing the reason(s) for the addition of items to the approved importation list.

A copy of a valid Customs Agreement. The NGO is to ensure that the copy is clear.

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Three copies of the previous list of imported items.

*After internal review at JPC, HAC will provide a letter of approval. The NGO is responsible for submitting*

*this letter of approval, together with the full documentation listed above and endorsed by HAC, to the Ministry of Finance for final endorsement.*

*As the financial records at the Ministry of Finance close on 15 November, the addition of items beyond this*

*date will be accepted only in exceptional circumstances.*

## **4.4 Importation of Items**

General procedures are spelled below. However, in case of drugs and foodstuffs which might expire, HAC will issue a letter requesting immediate release from the port of such items with the understanding that the NGO will seek immediate completion of the approval processes at the JPC and at the Pharmacology and Toxics Department at the Federal Ministry of Health (for drugs) or with the Sudanese Standard and Metrology Organization (for food).

#### **4.4.1 Drugs<sup>12</sup> and Nutrition<sup>13</sup> Items**

At the time of import, drugs and nutrition items must have a minimum of 2/3<sup>rd</sup> of their shelf life. To be granted customs exemption for drugs, nutrition items, diagnostic material and medical equipment, the NGO

shall submit in duplicate the following to HAC Director General Programme Coordination, to the attention of the Health Department:

Letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO Director General Programme Coordination at HAC, to the attention of the Health Department, stating type and quantity of items (which must be included in the approved importation list), storage, health projects, and beneficiaries.

Bill of lading (for imported items) or invoice (for locally purchased items). The NGO is to ensure that the copy is clear.

Detailed packing list, including generic name and commercial name of the item, concentration, dosage form, value and name of the producer/factory and country of origin of each item.

For items imported in form of a kit, should the kit not be a standard one known by the Federal Bureau of Pharmacy and Poisons FBPP/FMoH or by the World Health Organization, the NGO should provide the list of all items included in the kit.

Copy of the Technical Agreement (except for emergency procurement).

*After internal review at the HAC Health Department, the department will issue to the NGO a letter, which*

*the NGO will bring to the FBPP (FBPP/FMoH) for their approval.*

*The GDPTD/FMoH will issue an approval letter that the NGO will have to bring back to the HAC Health*

*Department. The HAC Health Department will issue another letter to JPC to authorize proceeding of customs exemption. At the same time, the GDPTD/FMoH will issue another letter for the NGO to be brought to the port of entry. There, GDPTD/FMoH officials will check that all items are included in the*

*packing list and NGO official will be allowed to collect samples and bring them back to the GDPTD/FMoH*

12 For drugs it is intended all medicines included in the latest issue of the 'National List of Essential Medicines', vaccines, cosmetics and any formula which has effects towards human health. Only the items included in the list can

be imported in Sudan. If the item imported is not in the list, an order of re-exportation will be issued and the NGO will

have to bear the cost for re-exporting.

13 For nutritional items it is intended all nutritional formulas.

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*for testing. Once the samples have been tested, the GDPTD/FMoH will issue its written approval or rejection.*

*The NGO will then bring both letters issued by the GDPTD/FMoH with test results and HAC Health Department authorizing customs exemption to the JPC. The JPC will then will provide a letter of approval*

*that the NGO will have to bring to the port of entry for their release from customs. In case of rejection, a*

*re-exportation letter will be issued by JPC.*

#### **4.4.2 Diagnostic Material and Medical Equipment**

To be granted customs exemption for these items the NGO shall submit the following to NGO Director

General at JPC:

Two copies of a letter from the NGO signed by the Country Director or his/her Deputy addressed to the

NGO Director General at JPC stating type and quantity of items (which must be included in the approved importation list), storage, health projects and the beneficiaries.

Two copies of the bill of lading (for imported items) or invoice (for locally purchased items). The NGO

is to ensure that the copy is clear.

Two copies of the detailed packing list, including name of the producer/factory and country of origin of

each item.

Copy of the Technical Agreement (except for emergency procurement)

*After internal review at the JPC, the department will issue to the NGO a letter to be brought to the customs*

*at the port of entry.*

#### **4.4.3 Foodstuffs**

To be granted customs exemption for foodstuffs, the NGO shall submit:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO Director General at JPC describing the list of items (which must be included in the approved importation list).

A copy of the bill of lading (for imported items) or invoice (for locally purchased items). The NGO is to ensure that the copy is clear.

Detailed packing list.

*After internal review at the JPC, HAC will provide a letter of approval. The NGO is responsible for submitting this letter of approval, together with the full documentation listed above and endorsed by HAC,*

*to the Health, Food Control Authorities and the Sudanese Standards and Metrology Organization (SSMO). Once the samples have been tested, the SSMO will issue its written approval, via HAC/JPC.*

#### **4.4.4 Vehicles, Machinery and Equipment**

Vehicles, machinery and equipment whether purchased internationally or locally are exempt from customs

fees. To be granted customs exemption, the NGO shall submit:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO Director General at JPC requesting exemption from customs fees.

Copy of the invoice (for local purchase) or copy of the waybill (for international purchase). The NGO is to ensure that the copy is clear.

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Detailed packing list.

*After internal review at JPC, HAC will provide a letter of approval. The NGO is responsible for submitting*

*this letter of approval, together with the full documentation listed above and endorsed by HAC, to the Ministry of Finance for final endorsement.*

#### **4.4.5 Communications Equipment**

Based on the laws of the government, permission for utilization of communication and V SAT devices using satellites is only allowed through government licensed companies (currently Sudatel and Canartel)

and their subsidiaries. Illegal devices such as military and semi-military Communication Devices are prohibited by the Telecommunications law and regulations. Currently the following communication devices are allowed to be imported or purchased locally for use by NGOs:

- 1 HF Mobile
- 2 HF Base
- 3 VHF Mobile
- 4 VHF Base
- 5 Repeater
- 6 Thuraya
- 7 Bgan
- 8 R. Bgan
- 9 Inmar. Sat
- 10 V. Sat

To be granted customs exemption for communications equipment the NGO shall provide:

A letter from the NGO signed by the Country Director or his/her Deputy addressed to the NGO Director General at JPC providing details on the type, number and the location where they will be used.

The communications equipment must be relevant to the project being implemented. The letter will only include communication equipment and not any other item.

In the case of radio base, HAC will second a radio operator to the NGO, and the NGO will be responsible for payment of salary.

After obtaining HAC approval, the NGO must pay fees to the NTC, as prescribed in the fees annex.

#### **4.4.6 Reallocation of Relief Materials in Emergency Situation within the country**

Relief materials can be reallocated in emergency cases as follows:

The NGO shall submit a letter from the NGO to the JPC signed by the Country Director or his/her Deputy addressed to the NGO Director General at JPC requesting support in obtaining HAC Federal approval to move materials or equipment.

The NGO must then obtain written approval from the relevant State Authority (through Federal HAC) authorizing the concerned NGO to reallocate the listed relief material and equipment from the project on a permanent or temporary basis.

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The NGO will submit to HAC at both federal and state level a brief report on the project from which the relief materials and equipment are shifted to ensure that the said project can continue to be smoothly implemented.

NGOs can apply to HAC for reallocation of assets such as vehicles etc, due to insecurity and or other unexpected conditions that result in the suspension of work. Approval must be obtained from the

Commissioner General, HAC.

#### ***4.5 Procedures for Destruction of Expired, Damaged or Inappropriate***

##### ***Items***

NGOs that need to destroy or re-utilize expired, damaged or inappropriate items (food and drugs) should

follow the following procedures:

Submit a letter to State HAC and to the State MoH at state level mentioning type of commodity(ies), quantity to be disposed of, and expiry date(s).

NGOs are required to apply such requests at least three months before the date of expiration for medical items

Fill the relevant State MoH form (different from State to State) and submit to HAC and MOH together with the letter mentioned above.

*A Government committee including concerned departments at state level will be formed and will be tasked*

*to identify means and specifics of disposal or reutilization of items, as appropriate.*

Once the committee deliberation is known, the NGO will be responsible for the destruction of the items

according to the specifications provided by the committee. The NGO will have to bear all expenses related to all phases of the disposal.

Members of the committee and NGO officials must be present to the destruction of commodities.

Members of the committee will issue a certificate that the disposal has been carried out according to the

specifications that the Committee has laid. The certificate will be issued within three working days from the date of destruction.

Should the items be reprocessed or reutilized by other entities, the NGO will bear no cost. HAC will issue a document indicating how the items will be reutilized. The certificate will be issued within seven

working days from the date of deliberation of the committee. Should the NGO re-utilize the item in one

of its projects, any cost of re-processing will be borne by the NGO.

The NGO will submit a report to HAC federal on the disposal of items, including copies of the relevant

documentation (letter to State HAC and SMOH, SMOH form, destruction certificate). The report is to be

endorsed by HAC at State level. The NGO will have to submit the report within seven working days

from the date of reception of the certificate of destruction by the committee.

## **5 TAX EXEMPTION**

### ***5.1 Taxation Procedures***

All imported items included in the approved list in accordance with the Customs Agreement are exempted

from all types of taxation, except for Value Added Tax (VAT) for locally purchased items. Such

exemptions are based on article 186 (A) of the Customs Law.

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### ***5.2 Value Added Tax (VAT)***

Value Added Tax is payable for all items which are locally purchased by the NGO, whether these items are

included in the approved import list or not. VAT is mandatory for NGOs and no exception is made to this

rule.

### ***5.3 Port Fees Exemption***

The following procedures shall be followed to secure exemption from the payment of port fees:

A letter from the NGO signed by the Country Director or his/her Deputy to the NGO Director General at JPC requesting port/deck fees exemption for the items plus freight charges with a copy of the bill of lading, packing list, invoice and the importation certificate that includes type and weight of imported items.

HAC will write to MoF requesting an exemption, attaching the invoice. The MoF will issue an

exemption letter. The NGO should go to MoF to retrieve the exemption letter.

## **5.4 Individual Income Tax**

Sudanese staff working for foreign NGOs pays individual income tax according to the taxation law.

NGOs

should put Sudanese staff under the National Fund for Social Insurance<sup>14</sup> and pay fees accordingly.

Only international staff working for NGOs are exempt from paying individual income tax. Tax exemption

does not apply to services fees provided by the local authorities such as fees for environmental health.

To obtain tax exemption for international staff working for NGOs, the NGO shall submit to the JPC:

A letter from the NGO signed by the Country Director or his/her Deputy to the NGO Director General at JPC requesting that the foreign staff member working for the NGO is to be exempted from individual income tax.

*After internal review at JPC, HAC will provide a letter of approval. The NGO is responsible for submitting*

*this letter of approval, together with the full documentation listed above and endorsed by HAC, to the Ministry of Finance for final endorsement.*