

CUSTOMS AND BORDER MANAGEMENT

EXTERNAL

STANDARD OPERATING PROCEDURE

EXCESS CURRENCY

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1 SCOPE

- a) This standard operating procedure (SOP) applies to every person who is about to enter / has entered, who is about to exit / has exited the Republic from / to countries outside the common monetary area through any recognised place of arrival / departure and who has in his / her possession South African banknotes in excess of ~~R5 000~~ or any foreign currency. R10 000
- b) This procedure applies only to countries falling outside the Common Monetary Area (CMA). There is no restriction of the movement of foreign currency and / or Rand within the CMA.

2 PROCEDURE

2.1 Requirements

PROCEDURE STEP
<p>2.1.1 Declaration</p> <ul style="list-style-type: none"> a) Travellers returning to / entering / leaving South Africa must declare to a Customs Officer, full particulars of all goods in his / her possession; this includes any bank notes, gold coins or foreign currency. <ul style="list-style-type: none"> i) The declaration made by such person shall for the purposes of the Customs and Excise Act No. 91 of 1964 (the Act) be deemed to be due entry for home consumption or export, respectively. ii) A formal verbal declaration may be made but must be supported by a written declaration prior to a search being conducted. iii) In the case where the resident is entering South Africa, the DA 331 must be used for this written declaration. iv) Such person must answer truthfully all questions raised and if required produce and open such goods for inspection. b) When visitors are in transit there is no obligation on them to declare any foreign currency however, a visitor / traveller entering South Africa and pass through immigration i.e. passport endorsed as entered into South Africa, cannot claim to be in transit and must make a formal declaration. c) On their departure abroad all South African resident are required to declare any household, jewellery and personal effects (excluding motor vehicles) exported on a temporary basis and present to Customs a form NEP, confirmed by an authorised dealer. Should the value of the goods taken by the traveller exceed R200 000 the specific approval of the Exchange Control Department of the SARB must be obtained before an NEP is confirmed by the authorised dealer. For valuation purposes the insurance value of the goods must be accepted. d) If necessary the person may be searched. In this regard refer to SC-CC-31-S1.

PROCEDURE STEP		
2.1.2 Restrictions		
a) South African bank notes		
i) Leaving or entering travellers is only allowed to carry R10 000 in South Africa bank notes with him / her. The following situations, as examples: may occur:		
DECLARED BY RESIDENT	FOUND DURING SEARCH	ACTION TAKEN BY CUSTOMS OFFICER
R15 000	R15 000	Seize R5 000 Hand R10 000 back
Nil – R10 000	R15 000 The person mis-declared / under declared	Seize R5 000 Hand R10 000 back
Nil	R10 000 The person is smuggling (money is hidden away, etc.) Caution must be taken of the specific circumstances surrounding the case.	Seize R10 000
ii) It might happen that a South African resident has a certain Rand amount in excess of R10 000 , which the traveller intends to use in paying import duties. This is allowed where the traveller has made use of the Red Channel and can provide a copy of the prior approval of the Exchange Control Department of the SARB.		
b) Foreign bank notes		
i) South African residence may take foreign bank notes when proceeding overseas to the full extent of the applicable travel allowance as prescribed by the Exchange Control Department of the South African Reserve Bank (SARB).		
ii) Foreign visitors / travellers:		
A) Have no limitation on the amount of foreign currency entering South Africa.		
I) Where a visitor has declared foreign currency in his / her possession the Customs Officer must date stamp, print name and sign the original form DA 331 verifying the amount in question, which must be retained by the visitor as proof.		
II) A form DA 331 not signed by both the visitor and the Customs Officer shall not be valid for the purposes of that transaction.		
III) A copy thereof must be retained by Customs for record purposes.		
IV) When leaving South Africa the visitor will then be in a position to justify the amount of foreign currency which he / she may have in his / her possession upon entering South Africa.		
V) Foreign and local currency which has not been declared upon entering South Africa shall be deemed to have been either acquired, earned or obtained in South Africa and it will be subject to all restrictions in terms of the Exchange Regulations.		
B) Have no limitation on the amount of foreign currency that a visitor / traveller may have in his / her possession when leaving South Africa, on condition that proof can be provided that the amount involved was originally declared when entering South Africa or that the amount was obtained from an authorised dealer (official printed document).		
iii) Authorised dealers must bring to the notice of their customers that in terms of the provisions of Exchange Control Regulation 2(4) foreign exchange provided may only be utilised for the purpose for which it was made available. Foreign currency may be purchased by a traveller 60 days before the date of departure.		
iv) When providing foreign exchange, authorised dealers must inform their customers that in terms of the provisions of Exchange Control Regulation 2(5) any unused foreign exchange must be resold forthwith to an authorised dealer on their return to South Africa.		
v) Residents who become entitled to sell or to procure sale of any foreign currency shall within 30 days after becoming so entitled make a declaration in writing of such foreign currency to the Treasury or to an authorised dealer.		

c) **Kruger coins:**

- i) **South African residence may not export any Kruger Rand coins from South Africa** without the prior approval of the SARB.
- ii) **Foreign visitors / travellers may take up to fifteen (15) Kruger Rand coins with them out of South**

PROCEDURE STEP
<p>2.1.3 Appeal by client</p> <p>a) Where currency has been seized the resident / visitor and / or his / her legal representative may make representations to the Exchange Control Department of the SARB as to why the whole or part of the bank notes should be refunded or returned to him / her.</p>
<p>2.1.4 Republic of Botswana</p> <p>a) The Republic Botswana does not form part of the Common Monetary Area (CMA) and therefore the same requirements apply to South African residents and visitors entering or leaving South Africa as set out in paragraph 2.1 of this document.</p> <p>b) Even in cases where business transactions are concluded between South Africa and Botswana (goods delivered and payment received) which results in receiving payment in cash, the same conditions will apply.</p>
<p>2.1.5 More information</p> <p>a) For more information on exchange controls an Exchange Control Manual has been published and can be accessed at the following website address www.reservebank.co.za. The Reserve Bank can also be contacted at (012) 313 3911 requesting the Exchange Control Department.</p>

3 QUALITY RECORDS

- a) The following Quality Records shall be generated and managed in accordance with QMS-15 – Record Control Procedures.

Number	Title
DA 331	Customs Declaration
NEP Form	No Exchange Provided For (SARB form)

4 REFERENCES

4.1 Legislation

TYPE OF REFERENCE	REFERENCE
Legislation and Rules administered by SARS:	e.g. Customs and Excise Act No. 91 of 1964: Sections 78-86 e.g. Customs and Excise Rules: Rule 00.01
Other Legislation:	e.g. Promotion of Administrative Justice Act No. 3 of 2000: Section 3 e.g. Counterfeit Goods Act No. 37 of 1997: Section 1
International Instruments:	e.g. Kyoto Convention Specific Annex B Chapter 3, Paragraph 7 (b) – Relief from import duties and taxes e.g. Framework of Standards: Annex 1, Standard 1.2 e.g. Trade Agreement between the European Union and the RSA

4.2 Cross References

DOCUMENT #	DOCUMENT TITLE	APPLICABILITY
SC-PA-01-06	External Policy – Excess Currency	All

5 DEFINITIONS AND ACRONYMS

Act	Customs and Excise Act No. 91 of 1964
Appropriate Officer	Any Officer of Customs and excise or immigration, any member of the South African Police Service or any person authorised by the Treasury to act as such
Authorised dealer	A person authorised by the Treasury to deal in gold or foreign exchange

CMA	Common Monetary Area, which consist of The Republic of South Africa; The Republic of Lesotho; The Republic of Namibia; and The Kingdom of Swaziland
Foreign currency	Any currency which is not legal tender in South Africa , including bills of exchange, letters of credit, money orders, promissory notes, traveller's cheques or any other instrument for payment in a currency unit which is not legal tender in South Africa
Gold	Gold in any form, except in Regulations 2 and 5 of the Exchange Control Regulations (gold other than wrought gold)
Goods	Includes all wares, articles, merchandise, animals, currency, matter or things
Money	Includes foreign currency or any bill of exchange or other negotiable instrument
NEP	No Exchange Provided Declaration in respect of goods leaving the CMA without the accrual of foreign exchange proceeds
ROLE (RACI) Responsible Accountable Consulted Informed	This role conducts the actual work or owns the problem. This role approves the completed work and is held fully accountable for it. This role may be consulted during the process. This role is to be informed of the progress and or results.
SARB	South African Reserve Bank
Security	Shares, stock, bonds, debentures, debenture stock, unit certificates or any document conferring or containing any evidence of rights in respect of any security
Treasury	The Minister of Finance or an officer in National Treasury who by virtue of the division of work in that Department deals with the matter on the authority of the Minister of Finance
VAT	Value-Added Tax

6 DOCUMENT MANAGEMENT

Designation	Name / Division
Business Owner:	Chief Officer: Customs and Border Management
Policy Owner:	Group Executive: Customs Strategy and Policy
Author:	Y. Els
Detail of change from previous revision:	Update of template and currency limit
Template number and revision	SC-POL-TM-15 – Rev 2