

Container- HCSU406714 1x 40ft. Report

After the arrival of the container at the Beira Port, it took quite some number of days to have it railed to Mutare. This was due to the goods train not plying the Beira route as is expected (as I explained in the 30th of October 2009).

Arrival at GMS

Finally the container was railed to the GMS container yard on 02-11-2009 and we were duly notified by GMS that the container had arrived and we need to be in touch with Zimra (Zimbabwe Revenue Authority) for the clearance of the container and issuing of the release note once they are satisfied with their inspection of the contents by verifying & reconciling items listed on the donation letter with the physical inspection of the contents.

Application for a Rebate

With the arrival of the container papers in the name of the Housing Trust, we approached Zimra asking to be considered for a rebate on all the goods since they are for charity & community projects under the city link. They then informed us that all second hand vehicles even those donated for charity are charged duty – only new ones intended for charity qualify for exemption. For the rest of the goods they asked us to apply in writing for the rebate. That is when we made the application as the consignee (the Housing Trust) for rebate on the rest of the goods except the KIA van.

However, after we had submitted our application they informed us Trusts are registered with the Ministry of Justice and are not considered for rebate but they first have to also register with the Ministry of Social Welfare as a Private Voluntary Organisation (PVO). They had checked with the Ministry of Social Welfare & were informed that we are not registered with them. When registered as a PVO you are given a reference number which Zimra are furnished with by Social Welfare Ministry once you make an application for rebate. Thus they would not consider us for a rebate until we have registered ourselves with the Ministry of Social Welfare –this is meant to curtail dubious organisations from getting rebates at the expense of Government not generating money through duty for imports.

We then went to the Ministry of Social Welfare who highlighted to us their registration process which is a very long & bureaucratic process without any guarantee for success. After filing your application you can go for up to even more than 2 years waiting before a respond which once again cannot always be guaranteed as positive. This is due to an “independent” board under the Ministry which sits only twice per year to scrutinize applications made – which are usually very many with many people trying to register organizations as PVO to enhance themselves duty free importations via these PVO. The officer who attended to us even informed us that for the past 2 years the Board only sat twice with many applications remaining unattended. We noted that this route was not an option considering that the container will be at GMS anytime soon.

Equipped with this information I approached a junior Officer at Zimra who I happen to know. He advised me to withdraw our Housing Trust letter for the rebate and then to apply for the rebate through the City of Mutare, on the basis that all our previous imports were done through the City Council hence our donations file is in/under the City of Mutare. This is because all our previous containers were always sent through City of Mutare’s Housing & Community Services Department-care of (c/o) us. That is the route we followed and then we approached the Director of Housing – Mr. Mapurisa who helped us with the application letter with which we managed to get the rebate

Physical Verification by Zimra

This was done on 03-11-2009. Having managed to get a Rebate/Duty free letter from Zimra on the rest of the container contents with the exception of the KIA van, the physical inspection by Zimra was mainly targeted at evaluating the value of vehicle for purposes of calculating the rightful duty and possibly a random inspection of a few other goods. The braking of the container seal was done in the presence of all the Sector Coordinators, Mr. Chinaka, Zimra Official and GMS/ Agent Staff.

However, in the process of taking the vehicle out on the container Zimra official who had come to value the vehicle noted some items with individual names and some packages for sport leaders who recently were in Haarlem and come back to Mutare via Malawi). They become suspicious and queried us on why some packages & items were written individual names for we had told them before hand that all the contents were for our community projects and charitable organization mostly in Mutare, even the application letter for rebate indicated the same. They proceeded with valuating the vehicle taking all the necessary details but they pointed out that our organization must not be mischievous in importing/ bringing items for individuals disguising them as meant for charitable & community projects otherwise we risk having the rebate rescinded/cancelled. They even went on to open some of the boxes/packages (randomly) that were in the container but continued querying those with individual names which they had already taken a negative interest in.

They then left for their office to calculate the vehicle duty using their 'system' and promised to come back to us and to issue us with the Container Release note so that we can go ahead in distributing the contents. However, they never returned for the rest of the day, same with the 4th & 5th of November. Meanwhile all the contents had to be repacked into the container (after they did not come back on the day of opening the container) and then locking it again until we had received the clearance/release note from GMS. We retained the keys of the container. Constant follow ups were made but yielded no positive results with various reasons- such as 'our system is down' being stated for the delay in issuing out the clearance papers.

Our assumption on the reason why Zimra were dragging their feet was that, they were frustrated that they had already issued us the rebate letter for all goods except the vehicle yet they discovered during the physical verification that some of the items were unlawfully brought for individuals benefit. We even assumed that his was also reflected in the upward reviewing of duty payable for the van which was even more than what our agent had calculated based on his analysis of the vehicle and its value as per the donation papers.

Release Note

We were finally issued with this note on the 06/11/2009 at which point we emptied the container and sorting all its contents according to the codes and names as per the distribution list. Meanwhile we had contacted some of the benefiting groups and they were at the site to immediately collect their stuff. We then delivered the rest of the contents to the respective sector sites like the Multi-purpose centre for the Health Sector, Chikanga Sports Complex for the Sport Sector, Hobhouse for the Housing Sector & books for the Education & Culture Sector and to various other groups like Kura uone, Amai Maria, Zororai Old People's Home & the rest. For the Karoi Children's Home all the boxes were taken to Hobhouse and they are still in our custody - they have not yet come to collect them.

Collection of Empty Container

We intended to collect our empty container to Hobhouse (where it will be renovated to be used as a community library – the hunger for books project) on the 7th after having successfully distributed all the container items to respective beneficiaries. This was also to curtail the storage costs. However, on the day we were notified by our Clearing Agent that although Zimra had give the release note, it was not fully stamped and they had not yet released the vehicle papers to enable the registration of the vehicle. Upon taking the paper back to Zimra for full stamping and to inquire about the papers for the vehicle, the agent was told that the container cannot be lifted neither can the vehicle be moved from GMS premises (for it was still at GMS until its papers were cleared) until all the papers are duly finalized and also until we furnish Zimra with the Distribution list – thus explaining the codes & the physical address of all the benefiting groups or organization.

I finally managed to get all the papers – full release order and vehicle papers well after 6:30pm on the 9th which facilitated the collection of the container to Hobhouse on the 10th. This involved hiring the Truck to ferry the container and the crane to offload in Hobhouse as well as re-arranging the two containers at Hobhouse site so that we can accommodate this third one.

Thereafter I did the registration of the vehicle which included the process of;

1. Clearing the Vehicle with police (mandatory to guard against registration of stolen vehicles)- they check the chassis & engine numbers reconcile with stolen vehicle they are looking for & clearing them once satisfied.
2. Insuring the vehicle
3. registering with the Central Vehicle Registry for the number plates & book
4. paying the government vehicle license – which allows one to legally use the roads
5. lastly - fitting of plates, attending to some repairs & maintenance including general servicing- see details on the financial expenditure report.

Missing Items

Some sectors & benefiting groups, like what happened with the previous container did not get all the items as on the Distribution letter. For instance the list indicated 4 spare tyres but there were only 2. We do not know the point of disappearance or whether they are wrong entries on the distribution list. However, the cases were not many.

Unfortunately the Windscreen that was sent for the Hyundai H200 was already damaged when we opened the container, it was among the 1st items when we opened the container and its casing was not safe enough for a Windscreen.

Conclusion/Recommendations

1. The coding system as advised before is the best way of identifying beneficiaries of the donations with identifying individual recipients or noting individual names on boxes or packages , which has always resulted conflicts with Zimra. These codes will only be known internally. Names for projects or charitable organizations are not a problem even if scribed on the packages.
2. The coordinators' committee also felt that items meant for our projects or communities must be the priority in the contents for any future donations with a minimal allowance for individual items.
3. All our imports will be cleared under the City Council file (including application for rebates) until we are registered as a PVO with the Social Welfare Ministry. To operate our own file with Zimra we also need to normalize our some of our operations including the disbursements of allowances to our staff & volunteers for tax purposes- we will consult with the help on Mr. Chinaka the Human Resources Department of the City Council for advise on the way forward and then we will update you accordingly. This is because once we are dealing directly with Zimra they will start following up on your organization's adherence to tax related issues. Meanwhile they know us as operating under the City Council's system and operations.
4. The Distribution list content and number of Items must be as much as is possible be representative of the items in the container to avoid cases of missing items which have resulted in some beneficiaries being suspicious of those who receive and clear the goods on behalf of the intended beneficiaries – in this case the Housing Trust and the Coordinators' team. It arouses unnecessary suspicions and at end of day some will feel short changed – although the items in the container will have failed to be reconciled with the distribution list. However, this is once again a minor problem and cannot be treated as a fast and hard rule but just a point to note - since at times you also discover items in the container but not on the distribution list – like the Windscreen.

Vote of Thank

On behalf of all the beneficiaries of the container items, we remain very grateful and appreciative of the gesture shown by all the donating partners and stakeholders. The donations like in all past scenarios have gone a long way in sustaining & improving the livelihood & lifestyle of the receiving/benefiting individuals or communities. Despite the hiccups with Zimra we remain very appreciative of these donations and any future ones will continue to be of immense value & of great importance to our target communities and beyond.

Yours responses are highly welcomed.

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