

authorities' viz.:-

- Animal and animal products** - Ministry of Water and Livestock
- Plant and Plant products** - Ministry of Agriculture & Food Security
- Food products** - Tanzania Food and Drug Authority

9. Sanitary / Phytosanitary certificate

An importer may demand the exporter to produce Sanitary or Phytosanitary Certificate for the goods imported. Most countries (including Tanzania) have such requirements. Sanitary and Phytosanitary inspections objectives are to protect human life from risk arising from additives, toxins, and plant and animal borne diseases. It also Protect animals and plants life from the risk arising from additives, toxins, pests, diseases, and disease causing organisms.

A country from risks arising might have:-

- Capture permits** – Allows an exporter to capture animals.
- Ownership Certificate** – Permit to own what has been captured.
- Export permit** – Authority to export what one owns.
- Cites permit** - special permit for export of cites.

10. Export License / Permits

Export licenses and Permits are not international documents but are part of the process towards an international transaction. These are issued by the Government Authority or Agency granting the right to export a specified quantity of a commodity. Export licenses for consignment exports were abolished in 1993. However, to attain certain policy objectives, increase the availability of resources to the domestic processing industry or control for the environmental or ecological reasons, some export products are closely regulated by the government. To that effect, before a consignment is exported, a special permit is required. Products that require permits include:-

(i) Wildlife and wildlife products CITES

Tanzania is a signatory to the Multilateral Environment Agreements (MEA). The obligations imposed to MEA member countries in order to control-trade, take the form of a prohibition on imports and exports. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) among other things provide guidelines on methods for catching or killing of animals or fish. Heeding to the convention guidelines, all exports of live animals (live birds, mammals, invertebrates, reptiles etc.) animal products (e.g. trophies, skins, hippo teeth etc) and safari hunting missions, need to obtain permits from the Ministry of Natural Resources and Tourism (Wildlife Division).

(ii) Timber and Timber Products.

A permit is required in respect of all timber and timber products for export. This permit is issued by the Ministry of Natural Resources and Tourism -Forestry Department.

Before exportation, the department issues a timber-grading certificate, where a royalty is levied.

(i) Fishery Products

An exporter of fishery products must obtain the export permit from the Ministry of Livestock Development and Fisheries – Department of Fisheries. Before each export consignment, a royalty of 6% of the invoice has to be paid. The Department of Fisheries is also responsible for the issuance of the health certificate.

(ii) Livestock and Livestock Products.

An exporter of this kind of products should do the following in order to export the products:-

- A letter has to be written to the Permanent Secretary of the Ministry of Livestock Development and Fisheries indicating the kind of livestock and or livestock products the customer wants to export.
- Business license from the Ministry of Industry and Trade.
- Import permit of the Importing country.
- The livestock must stay for a period of not less than fourteen (14) days for vaccination purpose to ensure that they are free from pests and diseases. The report letter from the registered veterinary doctor who did that vaccination should also be available.
- Then the export permit will be issued by the Ministry of Livestock Development and Fisheries - Department of Livestock Development for the customer who has fulfilled all the procedures.

(iii) Precious Minerals

Before one exports minerals or precious stones, one has to obtain mineral export permit from the Ministry of Energy and Minerals. This permit is issued annually, but each export consignment has to be treated separately (and this is essential for levy of royalties).

(iv) Staple Food Products

An exporter of staple food products (like maize, rice, beans) has to obtain an export permit from the Ministry of Agriculture, Food Security and Cooperatives via its Food Security Department, (National Food Reserve Agency NFRA). The clearance is issued on consignment basis. The idea behind this is to control excessive depletion of food reserves.

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TANZANIA TRADE DEVELOPMENT AUTHORITY

Fostering Business

Tips on

**EXPORT
DOCUMENTATION**

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Tips on EXPORT DOCUMENTATION

Documentation refers to all paper work required to complete a transaction through customs and facilitating payments according to agreed terms. It varies from product to product and from country to country.

The following are commonly used basic documents:

1. Commercial Invoice

A commercial invoice is a bill for the goods usually signed and issued by the supplier (exporter) of goods addressed to the buyer (importer) containing pertinent information such as the description of goods, quality, quantity, specifications, total price and basis upon that reference of the sale agreement is quoted (e.g. FOB, CIF, C&F etc).

Sometimes the buyer may demand that a shipment of goods be certified by the Consul of the country for which the merchandise is destined. In such a situation the document is called *Consular invoice*, this invoice is normally used by customs officials of the country of entry to verify the value, quantity, and nature of the merchandise imported.

2. Transport Documents

Once an export deal is agreed upon, the seller has to ensure that the goods contracted are shipped to the buyer. There are several ways for which goods could be delivered to the buyer. It could be by air, road, rail or sea. Documents that may be used in each of the above modes of transport are highlighted below:

i) Air waybill

When fast delivery of goods is needed, such as medical supplies and replacement parts delivery by air is best option, and the document that is issued by Airline or Agent is the *Airway Bill*. This document acknowledges receipt of the goods described in the document and that the carrier will undertake to deliver the same to the named Airport port of destination.

ii) Road/ Railway consignment note

The document issued by a transport agent or an inland carrier to the seller (exporter) evidencing receipt of goods and undertaking to carry them by road or rail to the named point of destination to the consignee. A duplicate copy is usually given to the seller (exporter) as receipt for acceptance of the goods.

iii) Bill of Lading (B/L)

A bill of Lading is a document that is issued by a carrier to the shipper signed by the captain, agent or owner of vessel. It serves as *evidence of receipt* of the goods to be shipped,

a confirmation of *contract* of carriage between the shipper and the carrier in which the latter undertakes to deliver the goods described in the bill of lading on the date indicated to the named port of destination to the consignee. It also serves as *title to goods*. Once the consignee receives the Bill of Lading from the shipper, he/she becomes the lawful owner of the merchandise.

3. Certificate of Origin (CoO)

This is a document attesting to the country of origin of goods. Apart from establishing the origin of the goods, the certificate of origin accords the right of a product to preferential treatment to which it may be entitled. The certificate of origin must be completed by the exporter and be certified by an authorised Institution or Agent in the country of dispatch. In Tanzania, the Tanzania Chamber of Commerce Industry and Agriculture (TCCIA) is the issuing authority of all types of certificates of origin. There are various types of certificates of origin currently in use.

(i) Generalized System Preferences (GSP) and the EUR1

Least Developed Countries (LDC) and Africa Caribbean and Pacific Countries (ACP) are generally exempted from the main GATT/WTO principles of reciprocity and non-discrimination. They receive trade privileges through preferential tariffs, often equal to zero tariffs. These preferences are laid down in the GSP. A point to note in that, goods must be transported directly to preference giving countries from the beneficiary country accompanied by appropriate documentary evidence as to their origin. Certification of the GSP (other markets) and the EUR1 (Europe) is done by the Customs Department.

(ii) SADC Certificate of Origin

Tanzania is a member of the Southern African Development Community (SADC) trading and economic block whose other members are Angola, Botswana, Democratic Republic of Congo (DRP), Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Zambia and Zimbabwe. Intra-SADC traded goods are accorded preferential tariff treatment by member States provided that the traded goods conform to rules of origin set by the SADC Trade Protocol. The preferential treatment is valid only when the goods are accompanied by the SADC Certificate of origin. It operates as a VISA free passport for products to qualify for such treatment.

(iii) The African Growth and Opportunity Act (AGOA)

In January 2000, the US Congress passed a legislation that authorizes a new trade and investment policy for Sub-Saharan African countries (SSA) which renews the Generalized System of Preferences (GSP) and re-authorizes the trade adjustment assistance programme.

The act grants eligible SSA countries enhanced market access into the US from 1st October 2000 to 30th September 2015. This access takes the form of duty free entry of specific goods. All exports into this country must be accompanied by an AGOA Certificate of origin.

(vi) TCCIA Certificate of Origin

This is a normal certificate of origin by the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA). Unlike the above mentioned, which fall under specific trade agreements, the use of this certificate does not accord the importer any preferential tariff treatment. It only attests the country of origin of goods.

4. Inspection Certificates

Effective 1st January 2004, the government of the United Republic of Tanzania introduced a Destination Inspection Scheme. This decision represented a move away from Pre-shipment Inspection and contributed to the Customs modernization initiative by introducing Destination Inspection (DI). DI facilitates trade, protects revenues, can reduce the volume of physical inspections at entry points and offer capacity building for Customs through training and knowledge transfer. COTECNA, through its Tanzania subsidiary TISCAN Ltd., is responsible for developing and implementing a highly innovative Destination Inspection Scheme aimed at facilitating legitimate trade while securing government revenues, by introducing combined Risk Management and Scanning Services.

5. Export Taxes/Royalties

Export taxes have been phased out in most export products because of the distortion effect they have in the allocation of investment resources away from taxed sectors towards others. They are a disincentive to export endeavour, as they raise the prices of products and make them less competitive in the international market. The use of export tax is now limited to a few products such as raw hides and skins, metal scraps, etc.

6. Packing List

This document supplements the commercial invoice when numerous units of the same product are being shipped, or when the quantity, weight or contents of individual units in a shipment vary. Generally, a separate list (packing list) is prepared for each package, showing the weight, measurement and contents.

7. Insurance Certificate:

This is a document indicating the type and amount of coverage in force on a particular shipment. It is used to give assurance to the consignee that insurance is provided to cover loss of or damages to the cargo while in transit.

8. Health or Sanitary Certificates

Many countries require health or sanitary certificates when animals, animal products, plants, plant products etc., are shipped into their countries. These certificates confirm that goods are free from disease or insect pests or, for food products, that they have been prepared in such a way that they meet prescribed sanitary standards. These certificates are issued by respective sector