## **GOVERNMENT OF ZAMBIA**

STATUTORY INSTRUMENT No. 23 of 1994

The Customs and Excise Act (Laws, Volume XII, Cap. 662)

The Customs and Excise (Suspension) (Manufacturing Inputs) Regulations, 1994

IN EXERCISE of the powers contained in section eighty-nine of the Customs and Excise Act, the following Regulations are hereby made:

1. These Regulations may be cited as the Customs and Excise (Suspension) (Manufacturing Inputs) Regulations, 1994.

Title

2. (1) Subject to subsection (2), the duties appearing in the Customs Tariff, in so far as they apply to manufacturing inputs for the manufacture of products in Zambia, are hereby suspended to the substantive rate applicable to imported finished articles comparable to those so manufactured, if the rate applicable to the imported finished article is lower than the rate on the manufacturing inputs.

Suspension of duty on manufacturing inputs

- (2) Subsection (1) shall apply, subject to the following conditions:
  - (a) approval is given for the suspension by the Ministers responsible for finance and industry;
  - (b) the submission by the importer of written evidence that—
    - (i) the manufacturing inputs constitute at least 25 per centum of the factory cost of the goods to be manufactured; and
    - (ii) the cost of production based on normal customs duty rates on the manufacturing inputs would render the output uncompetitive in price against similar imported goods; and

- (c) any manufacturing inputs entered under suspension of duty shall be used solely for manufacturing purposes and shall not be sold or otherwise disposed of to any person without the payment of the substantive duty.
- (3) Any person wishing to obtain a suspension of duty on manufacturing inputs shall apply in writing to the Minister responsible for finance, submitting-
  - (a) full details of the manufacturing inputs to be imported;
  - (b) full details of the goods to be manufactured; and
  - (c) evidence as required by sub-paragraphs (i) and (ii) of paragraph (b) of subsection (2).
  - (4) For the purposes of this regulation—
    - " manufacturing inputs " means goods intended for use as component or constituent materials not being of a kind produced in Zambia.

LUSAKA 27th January, 1994 [MFB.103/13/12]

R. D. S. PENZA. Minister of Finance