

Directive No. 66/2004 issued to enforce the law regarding the importation of goods without payment in foreign currency

This directive was issued by the Ethiopian Revenue and Customs Authority in accordance to the power granted by Article 3/1/ of the updated Council of Ministers Regulation No. 88/1995 on the importation of goods without payment in foreign currency:

Due to the need to improve the revised implementation of Council of Ministers Regulation No. 88/1995 regarding the importation of goods without the payment of foreign currency, as well as its relation to the current technology transfer and the rise in the price of goods globally; and

In order to control the entry of unauthorized commercial goods by avoiding actions that are contrary to the purpose of the regulation, as well as the need to provide effective service to the goods allowed by the regulation in an appropriate manner.

1. Short Title

This instruction may be referred as Directive No. 66/2004 issued to enforce the law regarding the importation of goods without payment in foreign currency.

2. Definition

Unless the word's context suggests a different meaning, in this directive:

- 1) **“Personal property”** is defined as a movable, non-commercial property that is owned by an individual and is used or occupied for temporary or permanent periods of time; which includes household goods.
- 2) **“Household item”** refers to things used, owned, and consumed by a family residing in the same home that includes clothing, footwear, toiletries, cosmetics, kitchenware, and other similar items.
- 3) **“Good of commercial size and character”** refers to goods that can be sold or used in other ways to generate income and are larger than those intended for regular or household use.
- 4) **“Passenger's personal equipment”** refers to any movable, new or used items that are kept by a traveler either permanently or temporarily for use on his or her trip.
- 5) **“Gift items”** refers to items sent to one of the following in Ethiopia by a person or organization outside of Ethiopia:
 - a. To friends, family, or relatives for domestic or personal use;
 - b. To the Government Budget Office and Civil Society Institutions that are relevant and helpful.
 - c. To be used by civil societies, religious institutions, schools, and hospitals and are only intended for the activities of those institutions or organizations.
- 6) **“Government Budget Office”** refers to a federal or state government office responsible for managing the budget.
- 7) **“Sample Item”** is a product input or test item that a business is in charge of under the service it offers using its manufacturing license.

- 8) **“Commercial Promotional Item”** refers to a non-commercial item with the logo, appearance, name, or label of a person's or an institution's product that is given away for free to consumers as a promotion or for display at an authorized exhibition trade show.
- 9) **“Temporarily imported goods”** refers to services such as technology transfer, tourism, cultural exchange, construction work, consulting, or services for international meetings, conferences, symposiums, or workshops that are later used for peacekeeping or other missions. It is an item that may be legally given to another person or returned to another country in the same condition that it was received.
- 10) **“International organizations”** refers to organizations established by two or more nations, of which Ethiopia is a member.
- 11) **“Regulation”** refers to the Council of Ministers Regulation No. 88/1995 issued for the importation of goods without payment in foreign currency
- 12) **“ Authority”** refers to the Ethiopian Revenue and Customs Authority.

3. Objective

The purpose of this directive is to enable the importation of goods without the use of foreign currency as payment; for goods within their permitted purposes, do not interfere with the regular trading system, and have a financial source that is mostly located outside of Ethiopia.

4. Performance scope

This directive applies to the goods listed in Article 2 of the Regulation and approved for import by the authority's office in accordance with Article 32 of the Regulation.

5. Goods imported without payment in foreign currency

The quantity and type of goods specified in the table annex to this instruction will be imported without payment in foreign currency.

6. The requirement for authorization and evidence

- 1) Before goods are requested to be imported without payment in foreign currency, legal proof of the authorization in accordance with the table attached to this instruction must be presented to the authority, depending on the type of goods and subject to the submission of the evidence provided by the relevant regulatory office.
- 2) In accordance with the provisions of sub-paragraph one of this article, when goods are imported into the country at the port of entry located at the international airport of the country or directly stored in dry ports established in the country, the necessary evidence may be completed and submitted while the goods are in the port's warehouse.

7. Tax and insurance

Any imported goods without the payment of foreign currency shall be subject to duties and taxes in accordance with the applicable tariffs and regulations or shall be insured for duties and taxes as appropriate, unless an individual or organization has been granted a full or partial special privilege of exemption from duties and taxes.

8. Regarding the provision allowing the importation of goods under special conditions without payment in foreign currency

- 1) In addition to the table attached to this directive, the manager of the authority's branch office may, subject to clause 6 of this directive, permit the importation of goods without payment in foreign currency in accordance with clause 3/2/ of the regulation.
- 2) Foreign investors working to develop the manufacturing sector or foreign investors of Ethiopian descent are allowed to import non-capital goods, spare parts for the machines they imported with tax incentives, and other accessories for their line of work, provided it can be shown that the goods cannot be produced or found in the country.
- 3) The deputy director of the authority's branch office coordination and support sector may also grant import permits without foreign currency payment under special circumstances, in addition to the conditions stated in sub-article one and two of this article.

9. Prohibition

- 1) Subject to the provisions of article 8, it is prohibited to import into Ethiopia goods of a commercial size and nature without paying in foreign currency, with the exception of the items listed in the table annex to this directive.
- 2) Despite what is stated in sub-paragraph 1 of this article, if the manager of the branch office approves it, the goods brought by the people listed in row number 13 of the table are allowed to enter without paying in foreign currency.

10. Legal action

1. When someone violates the prohibition in Article 9 of this directive, the goods that are imported in excess of the permitted profit or amount shall be deemed to have been obtained unfairly. To make an administrative decision, this determination shall be made in accordance with the standards established by the Revenue and Customs Authority for the purpose of adjudicating customs offenses.
2. Any item that is handled improperly or cannot be handled in accordance with sub clause one of this article will be investigated and reported to the authorities for violating the law.

11. Repealed and Ineffective Laws

- 1) Regulation No. 9/ 1996 and No. 27/ 1998 that were published to implement the altered rules regarding payment in foreign currency for goods imported into the nation are hereby repealed.
- 2) Existing practices and procedures in areas covered by this policy are not applicable if they conflict with it.

12. Transitional provision

Unresolved matters that may be covered by this directive that were begun but not finished or that didn't receive a decision prior to its implementation may be resolved in accordance with it.

13. The duration of the directive's validity

This instruction will take effect starting from the date of the General Director's signature.

Addis Ababa ----- Date 2011

Melaku Fenta
Ethiopian Revenue and Customs Authority
General Director

Unofficial translation

Item No	Type of Goods that can be imported without foreign currency payment	Amount of items that can be imported without paying in foreign currency and FOB value in US dollars	Proof that goods were imported without being paid for in foreign currency
1	Items imported for recognized services by diplomatic and consular missions.	Every item used in diplomatic or consular missions.	The documentation provided by the embassy and examined by the Ministry of Foreign Affairs.
2	Imported goods for known services by international organizations.	Every item used in international organizations.	The documentation provided by the international organization and examined by the Ministry of Foreign Affairs.
3	Items used by an aid organization in the provision of its services.	Every item used in aid organizations.	The documentation that has been examined by the Ministry of Agriculture or another relevant government body.
4	Personal and household items imported by officials, staff, and missions of diplomatic and consular missions.	All items used by the officers and employees for Personal and household appliances.	The documentation provided by the embassy and examined by the Ministry of Foreign Affairs.
5	Household goods and personal items imported by employees and officers of international organizations.	All items used by the officers and employees for Personal and household appliances	The documentation provided by the international organization and examined by the Ministry of Foreign Affairs.
6	Household goods and personal items imported by employees and officers of international aid organizations.	All items used by the officers and employees for Personal and household appliances	The documentation that has been examined by the Ministry of Agriculture or another relevant government body.
7	The gifts, grants, and donations that the Ethiopian Government Budget Office receives that are pertinent to their work.	Only the items that are necessary for the offices and their work	The confirmation evidence from the budget office
8	Items that civil associations receive as donations and gifts related to their work.	Only items that they require for and are beneficial to their work.	A certified document that confirms the establishment of the association as well as a gift, assistance, or donation.
9	Items imported solely for gifts or donations intended for use by religious, educational, medical, or institutional purposes		
10	Items brought into the country as gifts or donations for friends, family, or other acquaintances, with the exception of vehicles.		
11	Items imported as gifts and donations for researchers in any field, related to their research work.		

12	Individuals moving to Ethiopia for the first time may import personal items and household goods except automobiles		
13	Personal and home appliances and equipment used by Ethiopians and foreigners with Ethiopian ancestry who return home after traveling abroad for a variety of reasons.		

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