



JOINT PRESS STATEMENT

RTSA AND ZRA CONCLUDE MOTOR VEHICLE REGISTER AUDIT

LUSAKA, 30th November 2023. Following the findings that 33,045 imported motor vehicles had no matching records at the Road Transport and Safety Agency (RTSA) and the Zambia Revenue Authority (ZRA) as announced in the media in 2022, a joint committee comprising technical personnel from both RTSA and ZRA was constituted to carry out a detailed audit and reconciliation of motor vehicle databases held by the two institutions. This process also included the submission of documentation by importers of the motor vehicles with mismatched details for verifications. The exercise has now been concluded and the results are depicted below:

No.	Description	Total	Estimated Revenue (including Penalties & interest), ZMK	Loss &	Percentage (%) of Total Cases
1	Flagged-off motor vehicles: of which	33, 045			100.0%
A	Motor vehicles duly cleared	32,292			97.7%
B	Motor vehicles with anomalies: of which	753	27,164,744.58		2.3%
i)	<i>Mismatched Year Models & Misclassified</i>	134	9,931,179.12		
ii)	<i>Undervalued</i>	82	7,844,463.23		
iii)	<i>Registered on Transit Import Permits</i>	2	74,938.00		
iv)	<i>Abuse of ASYCUDA Additional Processing Code (APC) 403- Rebates on imported goods by new/returning residents</i>	5	343,932.84		
v)	<i>Abuse of APC 420 – Rebates for agencies funded Government</i>	1	52,058.00		
vi)	<i>Abuse of APC 462 – Rebates on imported motor vehicles by persons with disabilities</i>	22	687,375.75		
vii)	<i>Abuse of APC on rebates for Government Ministries</i>	55	7,789,058.95		
viii)	<i>Invalid SADC Certificate of Origin</i>	5	441,738.69		
ix)	<i>Registered with suspected forged documents</i>	447	To be assessed		

Of the 33, 045 flagged-off motor vehicles, a total of 753 motor vehicles with an estimated revenue loss of K27.2 million were established to have anomalies at importation, while 32,292 were determined to be duly cleared. A breakdown of the motor vehicles with anomalies indicates that 447 motor vehicles were registered with suspected forged customs documents, 82 were undervalued and 55 were suspected of abusing the ASYCUDA Additional Processing Code (APC) for imports by Government Ministries. The balance of the motor vehicles had various suspected offences as shown in the table.

The audit further revealed that there is rampant misuse of homemade trailer plates, and that there are cases of addition of extra alpha-numerical characters on chassis numbers on customs documents and modification of original declarations or re-use of customs entries. These vices contribute to tax evasion and have overtime resulted in spillage of the much-needed Government revenue.

To prevent these identified anomalies and revenue losses, RTSA and ZRA have interfaced their systems, namely the electronic Zambia Transport Information System (e-ZamTIS) and ASYCUDAWorld. This interface was officially launched on 5th October, 2022. The interface enables real-time transmission of motor vehicle information between the two systems and has automated the customs validation process by RTSA for imported motor vehicles before registration.

In view of the foregoing, members of the public whose motor vehicles have identified to have anomalies will be contacted by RTSA and ZRA for final verifications. Through this exercise, it is expected that all motor vehicles which were irregularly imported shall have to follow the due-process of the Law and account for all the taxes.

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