

### **Mauritius Freeport**

# Manual for Preferential Port Handling Charges

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Disclaimer Clause: Whilst care has been taken to ensure that the information provided herein is accurate and correct at the time of publication, Freeport certificate holders are advised to seek guidance from the Freeport Unit of the Board of Investment in case of uncertainty or ambiguity encountered in reading this manual. The Board of Investment shall, in no circumstances whatsoever, be held liable to any Freeport Certificate holder for not benefiting from preferential port handling charges arising from use of information contained herein.

#### 1 Preface

This manual provides a guideline to Freeport Certificate holders who wish to apply for Freeport preferential port handling charges, hereinafter referred to as preferential charge, on goods imported into and re-exported from a Freeport zone by a Freeport Certificate holder. It describes the procedures to be followed for the application; processing and approval through the new web based application system as well as the obligations and responsibility of operators/declarants in the submission of applications thereof. This manual is mainly addressed to Freeport operators and their declarants. It may also be useful to shipping agents and port officers dealing with Freeport Certificate holders.

Preferential charge has been granted since 1994 by the Mauritius Port Authority (MPA) and Cargo Handling Corporation Ltd (CHCL) to Freeport operators as part of the overall incentive package to the Freeport sector.

#### 2 Scope

The scope of this manual is limited to the conditions, procedures and guidelines related to the new web based application system to benefit from preferential charges on Freeport containerized and bulk cargo.

#### 3 Eligibility for Preferential Port Handling Charges

Preferential charges are given to Freeport Certificate holders for Freeport containerized or bulk cargo imported by a vessel and exclusively meant for reexport. Preferential charges are also given on re-export of cars, fish and other general goods exclusively meant for re-export.

Preferential charges are <u>not</u> applicable for groupage cargo or cargo imported in LCL containers and goods sourced from Mauritius for subsequent export.

### 3.1 Conditions to benefit from Preferential Port Handling Charges (CHCL Shore handling charges and MPA quay fees)

Preferential charges will apply exclusively to holder of a valid Freeport Certificate. The conditions attached to benefit from preferential port handling charges are listed below:

- a) Freeport cargo imported by a Freeport Certificate holder from overseas and exclusively destined for re-export to overseas,
- b) Freeport goods imported/exported from overseas in containers or in bulk, provided that the whole consignment is re-exported to overseas, (Shore handling charges do not apply for goods imported in bulk for direct delivery on vehicles);
- c) Freeport goods which are re-exported constructively i.e Freeport cargo that remain within the Port terminal and re-exported therefrom.
- freeport goods which are imported in one container and re-exported in another container provided the quantity and net weight of cargo imported remain unchanged,
- e) Freeport Goods imported in more than one container, unstuffed and re-shuffled in the same number of containers prior to re-exportation, whether in the same or different containers,
- f) Freeport Goods imported in bulk and re-exported in containers or vice versa however the whole consignment must be re-exported to overseas. (Shore handling charges do not apply for goods imported in bulk for direct delivery on vehicles);

- g) Only goods that have been granted preferential port handling charges at import in containers shall be eligible for preferential port handling charges at export.
- h) If goods imported from local market are mixed with Freeport goods imported from overseas and re-exported thereon, the Freeport operator shall not benefit from preferential port handling charges.
- i) Freeport goods imported in bulk and subsequently re-exported in containers shall benefit from preferential port handling charges at export only if an application is submitted at export and if the correct CPCs have been used at import and export.
- j) Only Freeport containers whose application have been submitted and approved through the web based system shall benefit from preferential port handling charges.

#### 4 Preferential Rates applied by MPA and CHCL

#### 4.1 Preferential Port Charges by MPA

The following reduced port handling charges are applied to Freeport Certificate holders by the Mauritius Ports Authority as per the Port (Fees) Regulations 1999-Government Notice 1 of 2000 of the Ports Act 1998.

	Normal Ta	riff (USD)	Freeport Tariff(USD)	
Containers	Per TEU	Per FEU	Per TEU	Per FEU
Full Containers	50	100	27	54
Empty Containers	19	38	11	22
General Cargo Breakbulk	2.44	per ton	2	per ton

#### 4.2 Cargo Handling Corporation Ltd (CHCL)

The Cargo Handling Corporation (CHCL) provides the following preferential shore charges to Freeport licensees:

Container	Туре	Standard Charge (MUR)	Preferential Charge (MUR)
Containerized	TEU	1620	810
Cargo	FEU	3240	1620

#### 5 Mode of application

The Freeport operators shall submit their electronic application for preferential port handling charges through the Freeport Licensing system (<a href="www.eregulations.mu">www.eregulations.mu</a>). The Freeport operators who hold a valid Freeport Certificate will be provided with a login and password to have access to the Freeport Licensing System. The electronic applications for preferential port handling charges have to be submitted <a href="mailto:on-the-day-of-vessel's arrival at latest">on-the-day-of-vessel's arrival at latest</a>. The following procedure should be strictly observed:

- ➤ Application should be submitted for each Bill of Lading at import;
- ➤ At export, application should be submitted for each Freeport declaration
- Freeport operators shall continue to use the specific CPC code i.e 98508 & 98565, for import and 38508 & 38565 for export when submitting the Freeport declarations to benefit from preferential port handling charges

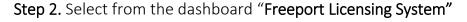
#### 6 Registration

To submit applications for preferential port charges, Freeport Certificate holders should hold a valid Freeport Certificate issued by the Board of Investment. The following procedures are to be observed:

- a) A unique access to the Freeport Licensing system is provided to each Freeport operator through www.eregulations.mu with a login and password at time of new and renewal of application for Freeport Certificate.
- b) An automated email is sent by the Board of Investment confirming the registered login and password to the Freeport Licensing system.
- c) The Freeport Certificate holder must access the Freeport Licensing System with its registered login and password to submit its application for preferential port handling charges.

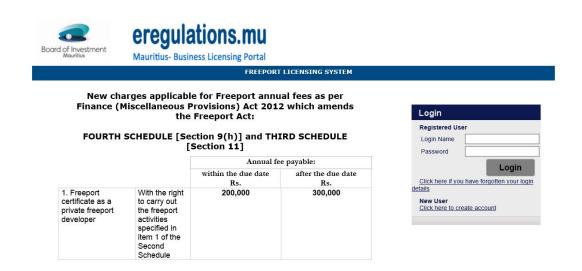
### 6.1 How to access the online application sheet for preferential port handling charges?

**Step 1** The Freeport Certificate holder must access the Freeport Licensing System through <a href="http://www.eregulations.mu">http://www.eregulations.mu</a>

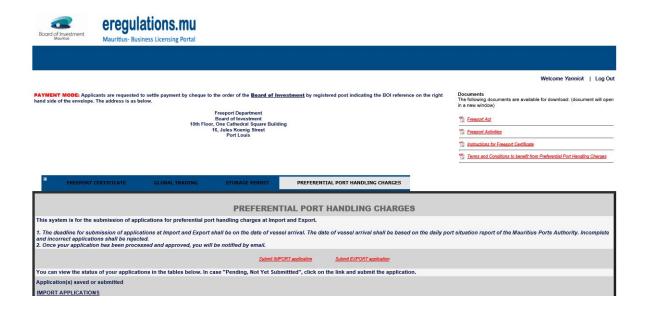




**Step 3** The menu as shown below shall appear. Insert the registered login and password to activate your account.

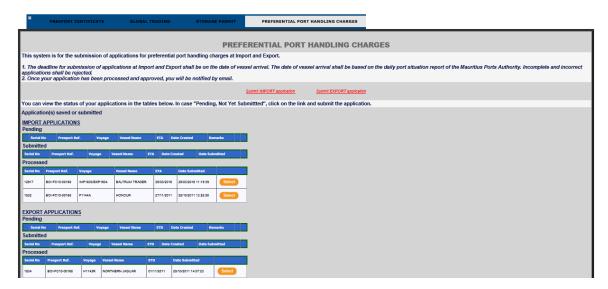


**Step 4.** The user application sheet for Freeport Licensing System as shown below shall appear. Select from the dashboard "**Preferential Port Handling Charges**".



**Step 5.** The user application sheet for Preferential Port Handling Charges for Import and Export as shown below shall appear. The applicant can also view

the status of its applications in the tables below. In case "Pending, Not Yet Submitted", click on the link and submit the application.



The full instructions to submit import and export application for Freeport containers to benefit from Preferential Port Handling Charges is shown in Section 8 and 9 mentioned below.

### 7 Application for Preferential Port Handling Charges

#### 7.1 Procedure for Full Container Load (FCL) containers at Import

After having successfully access the Freeport Licensing System, the Freeport Certificate holders will have access to the system upon activation of their account. Only Freeport operators who submit their application through the Freeport Licensing System shall benefit from preferential port handling charges.

The following procedure shall apply for Freeport Certificate holders applying for preferential port handling charges at import.

- 1. An account for each vessel will be opened through the Freeport Licensing for Preferential Port Handling Charges by the Freeport -Unit of the Board of Investment 5 days' prior vessel arrival.
- 2. Application for preferential port handling charges must be made at latest on the day of vessel's arrival. The date of vessel arrival shall be based on the port situation report of the MPA posted at <a href="http://www.mauport.com">http://www.mauport.com</a>. The Freeport Certificate holder will not be able to submit an application after the date of vessel arrival.
- 3. The Freeport operator must access the Freeport Licensing System through <a href="https://www.eregulations.mu">www.eregulations.mu</a> to submit his application.
- 4. Upon submission the Freeport Certificate holder shall receive a message to inform him whether his application has been successfully submitted or not.
- 5. The Freeport Certificate holder shall be able to view all applications successfully submitted or applications in process (if the applications have not yet been submitted), submitted by him.
- 6. The submitted application is verified by the Freeport Department of the Board of Investment and an automated email is sent to the Freeport Certificate holder to inform him whether his application has been approved or rejected and same is also sent to the shipping agents for information.
- 7. The BOI will approve freeport containers which are entitled to preferential port handling charges provided that the container is loaded or discharged on/from the vessel.
- 8. All approved applications are added to the vessel account based on Daily Port Situation from MPA and a list is being generated automatically from the Freeport Licensing System for each vessel.

- 9. In case of short shipped container(s) and whereby an application for preferential tariff has already been submitted, the Freeport Certificate holder must inform the Freeport Department of the Board of Investment in writing and fresh application be made for the said container(s).
- 10. A final report is generated automatically from the Freeport Licensing System and is sent via email one day after vessel's departure to the Shipping agents, MPA & CHCL. The CHCL will verify the approved freeport containers and provide a list to BOI and MPA certifying that the containers have been loaded or discharged on/from the vessel.
- 11. The Freeport Certificate holder who have submitted an approved application for preferential at import must use the CPC 98508 or 98565 while submitting their customs declaration.

#### 7.2 Procedure for Full Container Load (FCL) containers at Export

Preferential handling charges on FCL containers will be granted only to applications submitted at latest on the day of vessel's arrival.

The following procedure shall apply for Freeport certificate holders submitting an application for preferential port handling charges at export.

- 1. An account for each vessel will be opened by the Freeport Department of the Board of Investment 5 days' prior vessel arrival.
- 2. Application for preferential port handling charges must be made at latest on the day of vessel's arrival. The day of vessel arrival shall be based on the port situation report of the MPA posted at

- http://www.mauport.com
  . The Freeport Certificate will not be able to submit an application after the date of vessel arrival
- 3. The Freeport operator must access the Freeport Licensing System through www.eregulations.mu to submit his application.
- 4. Upon submission the Freeport licensee shall receive a message to inform him whether his application has been successfully submitted or not.
- 5. The Freeport Certificate holder shall be able to view all applications successfully submitted or applications in process (if the applications have not yet been submitted).
- 6. The submitted application is verified by the Freeport Department of the Board of Investment and an automated email is sent to the Freeport Certificate holder to inform him whether his application has been approved or rejected and same is also sent to the shipping agents for information.
- 7. The BOI will approve freeport containers which are entitled to preferential port handling charges provided that the container is loaded or discharged on/from the vessel.
- 8. All approved applications are added to the vessel account based on Daily Port Situation from MPA and a list is being generated automatically from the Freeport Licensing System for each vessel.
- 9. In case of short shipped container(s) and whereby an application for preferential tariff has already been submitted, the Freeport Certificate holder must inform the Freeport Department of the Board of Investment in writing and fresh application be made for the said container(s).

- 10. A final report is generated automatically from the Freeport Licensing System and is sent via email one day after vessel's departure to the Shipping agents, MPA & CHCL. The CHCL will verify the approved freeport containers and provide a list to BOI and MPA certifying that the containers have been loaded or discharged on/from the vessel.
- 11. The Freeport Certificate holder who have submitted an application for preferential at export must use the CPC 38508 or 38565 while submitting their Freeport declaration.

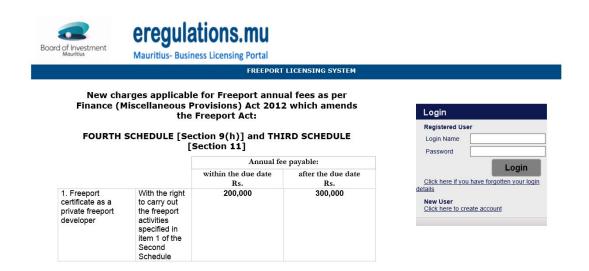
#### 8 How to submit an application at import?

**Step 1** The Freeport Certificate holder must access the Freeport Licensing System through <a href="http://www.eregulations.mu">http://www.eregulations.mu</a>

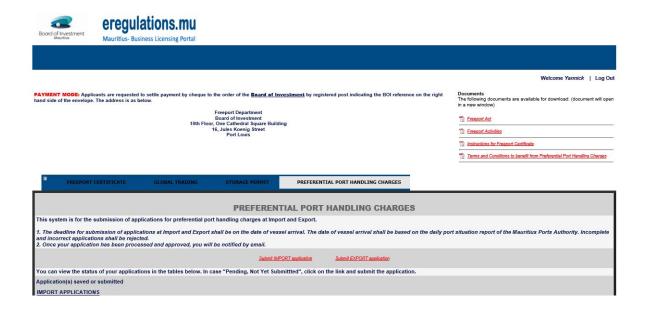
Step 2. Select from the dashboard "Freeport Licensing System"



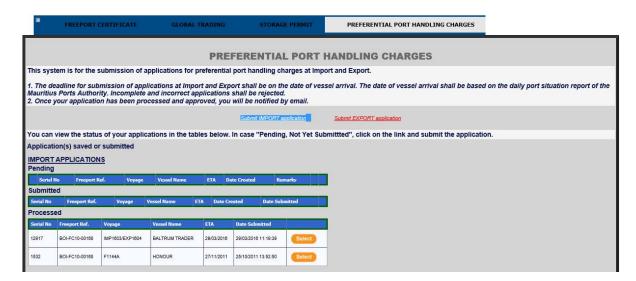
**Step 3** The menu as shown below shall appear. Insert the registered login and password to activate your account.



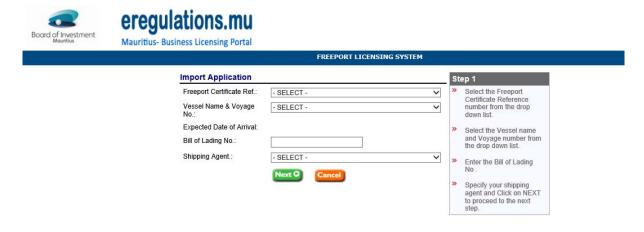
**Step 4.** The user application sheet for Freeport Licensing System as shown below shall appear. Select from the dashboard "**Preferential Port Handling Charges**".



**Step 5.** Click on "Submit Import Application" as shown below:



**Step 6.** The Import application sheet will appear as follows:



The following steps should be completed in Step 6 for import, to continue further:

- Select the Freeport Certificate Reference number from the drop down list. Select the Vessel name and Voyage number from the drop down list.
- Enter the Bill of Lading Number
- Specify the shipping agent and Click on NEXT to proceed to the next step.

**Step 7.** Upon access the second screen, applicant should enter the container number specifying the container type, size and net weight of cargo in kgs, and Click on the (Add+) button.



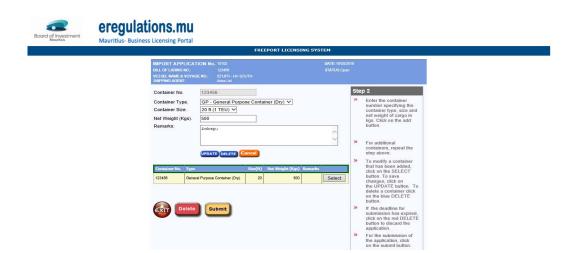
#### The following steps should be completed in Step 7, to continue further:

- For additional containers, repeat the step 7 above.
- For the submission of the import application, click on the submit button.

#### Additional information for step 7:

• To modify details of a container that has been added click on "SELECT".

The details information of the container will appear as follows:



- To save changes click on "UPDATE"
- To delete a container, click on the blue "DELETE"
- To discard an application, click on the red "DELETE"
- To submit the application, click on "SUBMIT"

**Step 8.** Verify whether all information inserted are true and correct and click on "SUBMIT NOW"



Upon submission, the Freeport Certificate holder shall receive a message stating whether the Import application has been successful submitted or not.



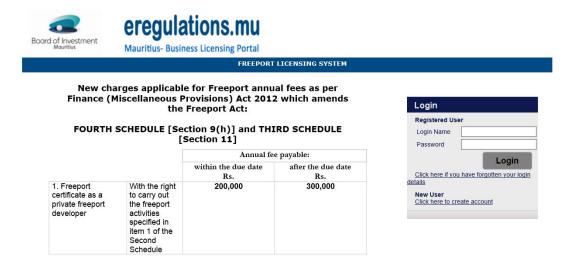
#### 9 How to submit an application at export?

**Step 1** The Freeport Certificate holder must access the Freeport Licensing System through http://www.eregulations.mu

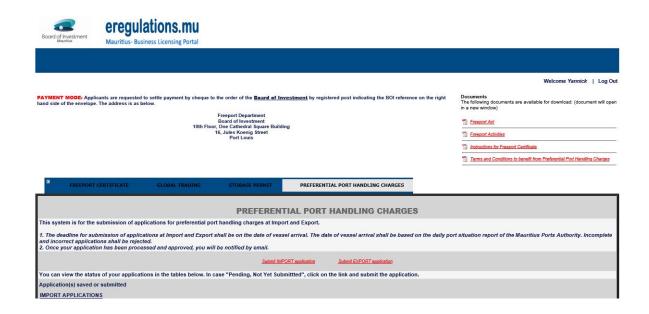
Step 2. Select from the dashboard "Freeport Licensing System"



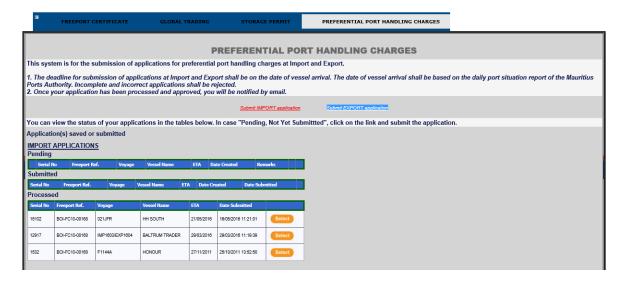
**Step 3** The menu as shown below shall appear. Insert the registered login and password to activate your account.



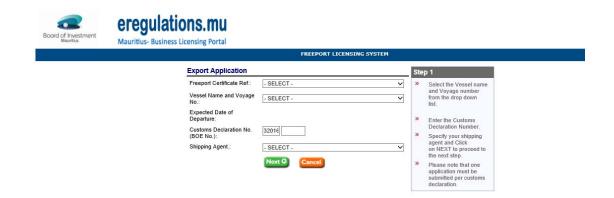
**Step 4.** The user application sheet for Freeport Licensing System as shown below shall appear. Select from the dashboard "**Preferential Port Handling Charges**".



Step 5. Click on "Submit Export Application" as shown below:



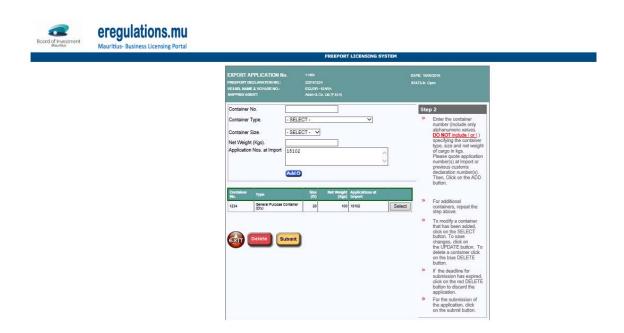
**Step 6.** The Export application sheet will appear as follows:



#### The following steps should be completed in Step 7 for export, to continue further:

- Select the Vessel name and Voyage number from the drop down list.
- Enter the Customs Declaration Number.
- Specify your shipping agent and Click on NEXT to proceed to the next step.
- Please note that one application must be submitted per customs declaration.

**Step 7.** Upon access the second screen, applicant should enter the container number (Include only alphanumeric values. Do not include / or \) specifying the container type, size and net weight of cargo in kgs. Please quote application number(s) at Import or previous customs declaration number(s). Then, click on the (Add+) button.



#### The following steps should be completed in Step 7, to continue further:

- For additional containers, repeat the step 7 above.
- For the submission of the export application, click on the submit button.

#### Additional information for step 7:

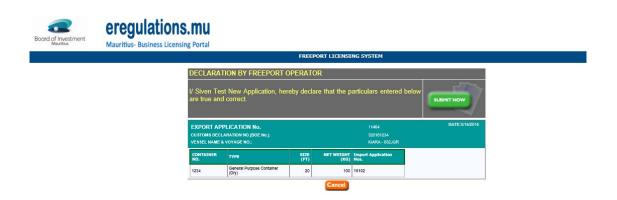
• To modify details of a container that has been added click on "SELECT".

The details information of the container will appear as follows:



- To save changes click on "UPDATE"
- To delete a container, click on the blue "DELETE"
- To discard an application, click on the red "DELETE"
- To submit the application, click on "SUBMIT"

**Step 8.** Verify whether all information inserted are true and correct and click on "SUBMIT NOW"



Upon submission, the Freeport Certificate holder shall receive a message stating whether the Export application has been successful submitted or not.



#### 10 Approval of applications

All applications submitted shall be processed by the Freeport Unit of the Board of Investment. Only applications submitted through the Preferential system shall be considered for approval and these applications should be in compliance to the conditions attached for benefiting from preferential port handling charges mentioned in Section 7.1 and 7.2 above. The Freeport Certificate holder

shall receive an email approval to inform him whether his application has been approved and the same email is sent to the respective shipping agents informing them that the application submitted by the Freeport Certificate holder has been approved by the Freeport Unit of the Board of Investment. The freeport containers listed through the email approval are entitled to preferential port handling charges provided that the container is loaded or discharged on/from the vessel.

The shipping agents shall grant preferential tariff based only on the approved reports sent by the Freeport Unit of the Board of Investment. All approved applications are then consolidated per vessel and the list is sent by email to the Cargo Handling Corporation Ltd, the Mauritius Ports Authority and the respective shipping agent one working day after vessel departure. The date of departure shall be based on the port situation report of the MPA posted at <a href="http://www.mauport.com">http://www.mauport.com</a>.

The Cargo Handling Corporation Ltd will verify from their records whether all approved containers entitled to preferential port handling charges have been loaded or discharged on/from the vessel, and sent a report to MPA and BOI.

The automated email approval for import and export containers entitled to preferential port handling charges is as follows:

#### APPLICATION FOR PREFERENTIAL PORT HANDLING CHARGES AT IMPORT

To: Siven Test company Ltd

Dear Operator.

Your Application (No. 15064) for preferential port handling charges at Import has been processed by the Freeport Unit - Board Of Investment.

Please view the list of container(s) that have been processed below

BILL OF LADING No. MSCU123456 IMPORT APPLICATION No.:123456 09/05/2016 VESSEL AND VOYAGE No.:ABCDEF - MSC AGATA DATE SUBMITTED: ETA: 18/05/2016 DATE PROCESSED: 17/05/2016 ETD: 19/05/2016 PROCESSED BY: Vinay Aubeeluck List of APPROVED Containers : Size(Ft) NET WEIGHT(KG) CONTAINER No. TYPE FCIU123456 General Purpose Container (Dry) 20 500

The freeport containers listed above are entitled to preferential port handling charges provided that the container is loaded or discharged on/from the vessel.

Should you require any additional information, please email us at fls@investmauritius.com

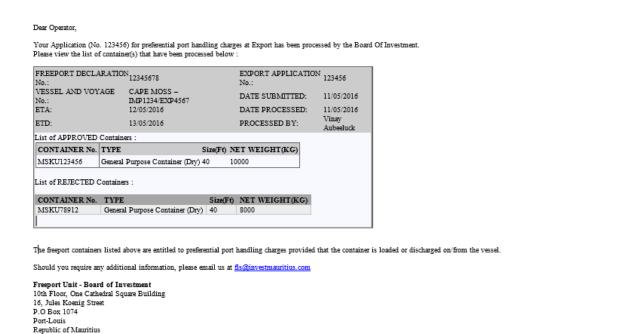
Freeport Unit - Board of Investment 10th Floor, One Cathedral Square Building 16, Jules Koenig Street P.O Box 1074 Port-Louis Republic of Mauritius Tel:(230) 203 3800

Fax:(230) 208 2924 Website:<u>www.efreeport.com</u>

If a Freeport Certificate holder has not received the email approval from the Board of Investment after submission of an application, and he wants to take delivery of his container, he shall pay to the shipping agents the full amount. The shipping agents shall make the refund to the Freeport Certificate holder only after they receive the approved final report from the Board of Investment.

#### **Rejected Applications**

If an application is rejected, or some containers in the application have been rejected, the Freeport operator shall receive an email to inform him that his application has been rejected or some containers in his application have been rejected. The Freeport Certificate holder will have to submit a new application if all the containers in his application has been rejected. In cases whereby some containers have been approved and some rejected for an application, the Freeport Certificate holder must resubmit an application for containers which have been rejected only.



### 11 Responsibility of the Freeport operator and/or his declarant

Tel:(230) 203 3800 Fax:(230) 208 2924 Website:www.efreep

The Freeport operators shall submit an application only for transactions which qualify to the conditions of the preferential port handling charges. Any Freeport operator who submits to the Freeport Department of the Board of Investment any application which is incorrect or false in any material particular shall commit an offence and be liable to punitive actions.

It is the duty and responsibility of the operator and/or his declarant to ensure that the applications submitted are eligible for preferential port handling charges and the correct CPCs are used while submitting their Freeport declarations.

#### 12 Monitoring by the Freeport Unit of the Board of Investment

All applications submitted for preferential tariff shall be verified and approved by the Freeport Unit which shall verify and monitor all the applications submitted with a view to ensure that only eligible operators benefit from the rebate and MPA and CHCL are not unduly penalized.

The Freeport Unit of the Board of Investment will apply the following measures in case of non compliance:

	Degree of non-compliance	Action by Freeport Department
		of the Board of Investment
01	1st Time non-compliant	Warning + payment of full tariff
		to CHCL and MPA
02	2nd Time non-compliant	Non-eligibility to preferential
		tariff for a period of 3 months+
		payment of full tariff to CHCL
		and MPA
03	3rd Time non-compliant	Indefinite cancellation of benefit
		+ payment of full tariff to CHCL
		and MPA + possible revocation
		of Freeport Certificate

#### 13 Refund to MPA and CHCL

The Freeport Unit of the Board of Investment shall ensure that the refunds are made to Cargo Handling Corporation Ltd and the Mauritius Ports Authority in case of non compliance. The Freeport Certificate holder shall be issued with a letter from Board of Investment with copy to CHCL and MPA requesting the Freeport Certificate holder to make the refund within 2 weeks from the day of

issue of the letter. The Freeport Certificate holder must make the refunds directly at the Cash Office of the Cargo Handling Corporation Ltd and the Billing Section, Finance Department of the Mauritius Ports Authority, situated at their respective head offices.

#### 14 Contingency plan in case of system failures

In the event of any system failures, connection problems or any unforeseen events, the following procedures shall apply:

## Scenario1. Freeport Certificate holders having connection problems or IT related problems in submitting their applications.

If Freeport Certificate holders or their declarants are having problems submitting their application for preferential port handling charges, they must immediately inform the Freeport Unit of the Board of Investment. The Board of Investment shall make available, at the office of the Board of Investment, a computer whereby the Freeport Certificate holder or his declarant can submit his application. The Freeport Unit of the Board of Investment shall also assist the Freeport Certificate holder or his declarant in submitting the application if required.

#### Scenario 2. A system failure at the Board of Investment

In the event there is a server break down or any system failures at the level of the Board of Investment preventing the application for preferential port handling charges through the web based system, the Freeport Certificate holder or their declarants must immediately contact the Freeport Department of the Board of Investment. The Board of Investment shall send by fax to the applicant

a paper based application form to be filled and faxed back to the Board of

Investment. The Freeport Certificate holder shall fax at latest the application

form to the Board of Investment on the day of vessel arrival. The Board of

Investment shall process the applications sent by fax and shall inform the

Freeport Certificate holder or his declarant whether the application has been

approved or not. All approved applications shall be consolidated by the Board of

Investment into a report, and same shall be sent to the respective shipping

agents, CHCL and MPA, one day after vessel departure.

We wish to remind all the Freeport Certificate holders and their declarants that

these above mentioned procedures shall apply only as contingency measures in

case of system failures. The Board of Investment shall not be responsible if the

Freeport Certificate holder or his declarant fails to inform the Board of

Investment in case of system failures.

15 **Contact details** 

**Board of Investment - Freeport Unit** 

10th Floor One Cathedral Square Building

16, Jules Koenig Street,

Port Louis

Tel: + 230 203 3800

Fax: +230 208 2924

Email: fls@investmauritius.com

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