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|  |  | Appendix No. 7  to the Contract No. \_\_\_\_\_\_\_\_\_\_\_\_\_  dd. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_ |

**Cargo Customs Clearance Procedure for El Dabaa NPP Project**

Since 1 October 2021, the Advance Cargo Information System (ACI) for the cargo coming to the customs duty area of the Arab Republic of Egypt by sea is in force. The use of this System is mandatory for all importers, including the Branch of JSC ASE in the Arab Republic of Egypt and the subcontractors under the El-Dabaa NPP Project.

Registration in system: <https://www.nafeza.gov.eg/en/register>

Receipt of EDS: <http://www.mcsd.com.eg/mcdr/english/showpage.aspx?pageid=75>

The work procedure in the system for the customs clearance is given below:

1. The importer shall enter the cargo data into the system on the basis of draft shipping documents in advance (not later than 36 hours prior to the cargo shipment);
2. The customs authority of the Arab Republic of Egypt shall check the data and assign a unique ACID identification number (generated automatically) to the cargo within 48 hours;
3. The number shall be sent automatically via e-mail to the importer in the Arab Republic of Egypt and to the foreign exporter;
4. The forwarder shall enter the cargo data (Bill of Lading number, ACID number, registration numbers of the exporter and the importer, the list of goods) 24 hours prior to the vessel departure on Nafeza portal <https://www.nafeza.gov.eg/en> for the purposes of automatic checking and confirmation receipt;
5. The foreign exporter is obliged to include the ACID number into the final shipping documents (invoice, packaging list and consignment note) and upload them to Nafeza portal <https://www.nafeza.gov.eg/en>;
6. The importer in the Arab Republic of Egypt shall check both the data and the documents and certify them by EDS. Then the importer may start the advance cargo registration process for customs clearance;
7. The forwarder’s agent in the Arab Republic of Egypt shall submit a cargo manifest to the customs authority online in electronic form within 48 hours after the vessel arrival.

The customs clearance shall be conducted on the basis of submission of the documents as follows to the customs authority:

1. Commercial invoice or proforma invoice (for cargoes of no commercial value or those relocated from the company subdivision in another country);
2. Bill of lading or air way bill. Telex release of the bill of lading is allowed;
3. Packaging List;
4. Certificate of Origin.

*Note: it is allowed not to submit the Certificate of Origin, provided that Form No. 6 (enclosed) filled-in and certified by the bank that provides services to the company has been submitted to the customs authority.*

The customs clearance currently takes 5-7 business days. At a later stage, this period may be reduced upon completion of transfer to ACI system.

**Procedure for Granting of Exemption from Customs Duties and Import VAT Payable**

* The exemption is granted to the certain cargo batch;
* The letter for the customs authority confirming that the cargo batch is imported for the needs of El-Dabaa NPP Project shall be issued by the Nuclear Power Plants Authority of the Arab Republic of Egypt on the basis of the request submitted by the Branch of JSC ASE in the Arab Republic of Egypt;
* The Branch of JSC ASE in the Arab Republic of Egypt accepts the requests for exemption from the import duties **only** from those subcontractors, with which the JSC ASE has a direct contract concluded. The subcontractors of the following tiers shall apply for the exemption through their customers having contractual relations with the JSC ASE;
* Scanned copies of shipping documents as follows: invoice, bill of lading and packaging list, shall be attached to the request. Invoice certification in the Chamber of Commerce and Industry of the country of departure is not required for obtaining of the exemption;
* The deadline for issue of the exemption letter is 3-5 business days. Therefore, the request for the exemption shall be submitted at least 5 days prior to the vessel arrival. The importer shall be responsible for the interaction with the exporting suppliers in other countries for the purposes of timely receipt of the documents scanned copies;
* For sea cargo, transportation of which takes less than 9 calendar days, as well as for air cargo, submission of the request attached with the draft bill of lading or air way bill is allowed upon condition of further submission of the scanned copy of the final document with same the details (number, date);
* The exemption letter shall be handed over in its original form to the Subcontractor’s representative that has made the request, against signature;

**Form No. 6**



**Request for exemption for import procedure (on the Company’s letterhead)**

|  |  |
| --- | --- |
|  | To:  Director for El Dabaa NPP Construction - Director of JSC ASE Branch in the Arab Republic of Egypt |

Exemption from customs fees: *name of equipment or material*

Dear...,

We hereby inform you that *Company’s name* is planning to import *name of equipment or material* into the customs territory of the Arab Republic of Egypt for the performance of works under the Contract *number and date* between JSC ASE and *Company’s name*. Detailed information is provided in the Table below:

|  |  |
| --- | --- |
| Consignee: |  |
| Consignor: |  |
| Country of departure: |  |
| Name: |  |
| Quantity: |  |
| Number of cargo items: |  |
| Total gross weight: |  |
| Customs value: |  |
| Destination: |  |
| Estimated date of arrival: |  |
| Border crossing point: |  |
| Delivery conditions |  |

In consideration of the above, *Company’s name* confirms and agrees with the following:

1. The imported *name of equipment or material* shall not be sold or transferred to third parties on the territory of the Arab Republic of Egypt.

2. The imported *name of equipment or material* shall be used solely for the performance of contractual obligations of *Company’s name* to JSC ASE.

3. The imported *name of equipment or material* shall be used and written off within the period of performance of contractual obligations of *Company’s name* to JSC ASE.

4. Should the imported *name of equipment or material* be used for any purpose other than the above, *Company’s name* shall be responsible for the payment of any taxes and duties that would have been payable if the imported goods and materials had not been subjected to exemption from customs fees and duties.

In consideration of the above, we hereby request the Branch of JSC ASE in the Arab Republic of Egypt to ensure the exemption from customs fees and duties for the above mentioned *name of equipment or material* through a request to the Nuclear Power Plants Authority of the Arab Republic of Egypt.

Attachments: *scanned copies of signed shipping documents*

**Request for exemption for temporary import procedure (on the Company’s letterhead)**

|  |  |
| --- | --- |
|  | To:  Director for El Dabaa NPP Construction - Director of JSC ASE Branch in the Arab Republic of Egypt |

Exemption from customs fees: *name of equipment*

Dear Mr. ...,

We hereby inform you that *Company’s name* is planning to import *name of equipment* temporarily into the customs territory of the Arab Republic of Egypt for the performance of works under the Contract *number and date* between JSC ASE and *Company’s name*. Detailed information is provided in the Table below:

|  |  |
| --- | --- |
| Consignee: |  |
| Consignor: |  |
| Country of departure: |  |
| Name: |  |
| Quantity: |  |
| Number of cargo items: |  |
| Total gross weight: |  |
| Customs value: |  |
| Destination: |  |
| Estimated date of arrival: |  |
| Border crossing point: |  |
| Delivery conditions |  |

In consideration of the above, *Company’s name* confirms and agrees with the following:

1. The imported equipment shall not be sold or transferred to third parties on the territory of the Arab Republic of Egypt during the validity period of the temporary import procedure.

2. The imported equipment shall be used solely for the performance of contractual obligations of *Company’s name* to JSC ASE.

3. The imported equipment will be exported back within validity period of the temporary import procedure.

4. Should the imported equipment be not exported from the customs territory of the Arab Republic of Egypt, *Company’s name* shall be responsible for the payment of any taxes and duties that would have been payable if the imported equipment had not been subjected to exemption from customs fees and duties.

In consideration of the above, we request the Branch of JSC ASE in the Arab Republic of Egypt to ensure the exemption from customs fees and duties for the above mentioned equipment through a request to the Nuclear Power Plants Authority of the Arab Republic of Egypt.

Attachments: *scanned copies of signed shipping documents*

|  |  |
| --- | --- |
| **ПОКУПАТЕЛЬ / BUYER:**  АО «КОНЦЕРН ТИТАН-2», осуществляющее деятельность на территории Арабской Республики Египет через Филиал АО «КОНЦЕРН ТИТАН-2» в г.Каир /  CONCERN TITAN-2 JSC, operating in the Arab Republic of Egypt through the Cairo branch of CONCERN TITAN-2 JSC  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Максим Новожилов / Maksim Novozhilov | **ПОСТАВЩИК / SUPPLIER:**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ / \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |