

(Legislative Supplement No. 27)

LEGAL NOTICE No. 84

THE TAX PROCEDURES ACT

(No. 29 of 2015)

IN EXERCISE of the powers conferred by section 112 of the Tax Procedures Act, 2015 the Cabinet Secretary for the National Treasury and Planning makes the following Regulations—

THE TAX PROCEDURES (UNASSEMBLED MOTOR VEHICLES AND TRAILERS) REGULATIONS, 2019

1. These Regulations may be cited as the Tax Procedures (Unassembled Motor Vehicles and Trailers) Regulations, 2019.

Citation.

2. In these Regulations, unless the context otherwise requires—

Interpretation.

“authorized assembler” means a person approved by the Cabinet Secretary to assemble motor vehicles or trailers in a bonded warehouse facility;

“assembly plant” means a bonded warehouse facility with plant and equipment for the assembly of motor vehicles or trailers by an authorized assembler;

“authorized importer” means a person approved by Cabinet Secretary to import completely knocked down kits for the assembly of motor vehicles or trailers in an assembly plant;

“automotive glass” means front and rear windscreens, and front and rear passenger glass;

“bonded warehouse facility” means a place or premises approved by the Commissioner where completely knocked down kits of unassembled motor vehicles or trailers are stored and used in the assembly of motor vehicles or trailers as the case may be;

“commercial vehicle” means a motor vehicle, other than a motorcar or a F.W.D. vehicle, with four or more wheels which is used primarily on roads;

“Commissioner” has the meaning assigned to it under section 2 (1) of the East African Community Customs Management Act, 2004;

No. 1 of 2005.

“completely knocked down kit” means a motor vehicle or trailer kit comprising parts and sub-assemblies used for the assembly of a motor vehicle or trailer;

“F.W.D. vehicle” means a motor vehicle, other than a motorcar, with power transmittable to at least two front and two rear wheels which has a load capacity of not more than two tonnes;

“fasteners” means bolting or clipping;

“interior trim” means seats, floor mats, door panels or roof lining;

“light commercial vehicle” means any commercial vehicle having a load capacity of less than three tonnes;

“localization” means the development, manufacture or production of local motor vehicle or trailers parts, components, sub- assemblies and systems for use in the assembly of motor vehicles or trailers and after-sales support;

“medium or heavy commercial vehicle” means a commercial vehicle having a load capacity of three tonnes or more;

“monocoque body” or “mono-construction body” means a vehicle body in which the body frame is integrated or combined with the chassis as a single unit;

“motorcar” means a saloon or a station-wagon or a motorcar type and size;

“original equipment manufacturer” means a manufacturer of parts and sub-assemblies where the manufacturer owns the intellectual property rights in the parts or sub-assemblies;

“part” means an individual component shaped, fashioned or otherwise manufactured from one piece of metal or any other material and not joined or connected in any way to another component or material;

“sub-assembly” means a component consisting of any two or more parts joined together by any means;

“trailer” means any unpowered vehicle designed to be drawn by a tractor;

“tractor” means a vehicle constructed essentially for hauling or pushing another vehicle, appliance or load, whether or not the vehicle contains subsidiary provision for the transport, in connection with the main use of tractor, of tools, seeds, fertilisers or other goods;

“system” means a set of items working together as parts of a motor vehicle or trailer mechanism; and

“unassembled” means a completely knocked down kit consisting of parts and sub-assemblies used for the assembly of motor vehicles or trailers.

“Manufacturer” is a person approved a Commissioner under the recommendation of the competent Authority in a Partner State, to undertake research and development in a product and produce the same in a licensed manufacturing plant;

3. (1) A person who intends to import unassembled motor vehicles or trailers shall comply with the conditions specified in these Regulations.

Importation of unassembled motor vehicles or trailers.

(2) The importation of kits shall be classified as unassembled only if the kits are imported in accordance with these Regulations.

(3) Parts or sub-assemblies may be imported from different countries of origin and the importer shall ensure that all import documentation complies with these Regulations.

4. (1) A person shall not import unassembled motor vehicles or trailers unless that person is an authorized importer.

Application for approval of importation.

(2) A person who intends to import unassembled motor vehicles or trailers shall apply to the Cabinet Secretary for authorization.

(3) An application under subregulation (2) shall provide the details of models of motor vehicles or trailers to be imported.

(4) The Cabinet Secretary shall review an application under subregulation (2) and approve or decline the application.

(5) Upon approval, the applicant shall apply to the Commissioner for a license to operate a bonded warehouse facility.

(6) Despite subregulation (5), upon approval, an importer of unassembled motor vehicle or trailers may import knocked down kits if the importer satisfies the Commissioner that the importer has access to, or use of, a bonded warehouse facility.

5. A person applying for approval as an authorized importer of unassembled motor vehicles or trailers shall—

Conditions for approval as an importer.

- (a) be incorporated in Kenya;
- (b) have an assembly plant or a contract with an assembly plant licensed by the Commissioner as a bonded warehouse facility; and
- (c) be tax compliant.

6. (1) The assembling of motor vehicles or trailers shall be undertaken in a bonded warehouse facility licensed by the Commissioner.

Assembling of motor vehicles or trailers.

(2) The Commissioner may allow in bonded warehouse facilities the receiving of locally purchased parts and sub-assemblies as components for the assembly of motor vehicles or trailers.

7. (1) The Commissioner may permit the transfer of unassembled or assembled motor vehicles or trailers from one bonded warehouse facility to another.

Transfers between bonded warehouse facilities.

(2) Notwithstanding subregulation (1), the Commissioner may impose such conditions as may be necessary for the transfer of unassembled or assembled motor vehicles or trailers from one bonded warehouse facility to another.

8. Knocked down kits for motor vehicles shall be imported as individual parts or sub-assemblies as specified in the First and Second Schedules to these Regulations.

Knocked down kits for motor vehicles.

9. Knocked down kits for trailers shall be imported as individual parts or sub-assemblies as specified in the Fourth Schedule to these Regulations.

Knocked down kits for trailers.

10. (1) Parts or sub-assemblies imported as part of completely knocked down kits shall not include any of the parts that are specified in the Third Schedule to these Regulations.

Parts to be excluded.

(2) The excluded parts sub-assemblies when imported with the rest of the completely knocked down kits shall be declared separately and relevant duties paid by the importer.

(3) The parts and sub-assemblies that are specified in the Third Schedule or Fourth Schedule to these Regulations shall be reviewed after every two years or such other time as may be necessary, by the Cabinet Secretary, in consultation with the Cabinet Secretary responsible for matters relating to industry.

11. An authorised assembler or importer shall submit to the Cabinet Secretary an annual report on the number and type of assembled or imported vehicles or trailers as the case may be.

Annual reports.

12. Despite the provisions of these Regulations in respect of levels 1 and 2, the timelines specified in the agreements between the Government and the assemblers entered into before the commencement of these Regulations shall continue to apply.

Transition.

13. A person who contravenes any of the provisions of these Regulations commits an offence and shall be liable, on conviction, to the relevant penalties specified under the Act.

Offences.

14. (1) The Customs and Excise (Unassembled Motor Vehicles) Regulations, 1993 are revoked.

Revocation.
L.N. No. 363/1993.

(2) The Customs and Excise (Restricted Imports) (Commercial Trailers) Order, 2002 is revoked.

L.N. No. 128/2002.

FIRST SCHEDULE

(r. 8)

1. General Provisions

(1) Except where otherwise specified in these Regulations, each individual part or sub-assembly shall be imported un-attached to other parts or sub-assemblies.

(2) Brackets, anchors or clinch nuts, clips and similar fasteners may be attached to parts or sub-assemblies in accordance with the provisions of paragraph (1).

(3) Parts or sub-assemblies which have undergone any of the following manufacturing processes may be permitted—

- (a) the covering of metal with rubber or plastic material;
- (b) the bonding of rubber or plastic material to metal or glass;
- (c) bright metal plating; or
- (d) imitation wood graining.

(4) Parts or sub-assemblies shall be permitted if joined or attached by any of the following processes—

- (a) automatic arc-welding;
- (b) flash butt-welding;
- (c) projection welding;
- (d) hydraulic pressure-welding;
- (e) high amp spot-welding;
- (f) di-electrical welding;
- (g) thermal bonding process; or
- (h) automatic or multi-spot welding.

(5) Parts or sub-assemblies not specifically mentioned in this Schedule may be imported in the condition supplied:

Provided that the parts or sub-assemblies shall not be attached or joined to any other parts or sub-assemblies.

2. Chassis frames

(1) Where the chassis frame whether of box channel, tubular or other construction is in a form consisting of side, cross, cruciform or other members, each part of such member shall be imported adrift, except where each part of such member is welded or riveted together by the original equipment manufacturer.

(2) Welded chassis frames shall be broken down into major sub-assemblies for welding in plant and all cross members and outriggers shall be shipped loose.

(3) Riveted chassis frames shall be broken down into major sub-assemblies for riveting in plant.

(4) Bolted chassis frames shall be broken down into major sub-assemblies for bolting in plant.

(5) Where the conventional chassis frame is replaced by welded floor components such as seat risers, floor pans, wheel houses and toe boards instead of side, cross, cruciform or other members, such floor components shall, except where welded or riveted together, be adrift.

3. Body or chassis panels, stamping and pressing

(1) Cowls, scuttles, bulkheads or firewalls may be assembled, but shall not be surface treated in any way except with a coat of primer or other anti-rust preparation or substance.

(2) The cabs shall be broken down to the extent that the following major items shall be imported as sub-assemblies—

- (a) doors;
- (b) floor assemblies;
- (c) roof panels;
- (d) bonnets;
- (e) cab back panels;
- (f) wheel larches;
- (g) radiator grilles;
- (h) grille surround panels;
- (i) dash assemblies;
- (j) bulk-head assemblies;
- (k) door pillars;
- (l) door surrounds;
- (m) windscreen surrounds; and
- (n) bumper valances.

(3) Instrument or dashboard panels, glove boxes and doors may be in the condition supplied by the manufacturer, but shall be devoid of all instruments and controls.

(4) Windscreen frames may be imported with reinforcements or other attachments but shall be without glass.

(5) Toe and running boards may be imported with reinforcements attached but shall be and may be surface treated in any way except of with primer or other anti-rust preparation or substance.

(6) Doors may be assembled with all internal fittings in position and may include deadeners or anti-drum materials but shall be devoid of—

- (a) door locks;
- (b) window winding mechanisms;
- (c) glass;
- (d) trim; or
- (e) upholstery material,

and shall not be surface-treated in any way except with a coat of primer or anti-rust preparation or substance.

(7) Door pillars may be assembled with metal fittings in position.

(8) Mudguards or fenders may be imported with holes made therein and reinforcements added but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.

(9) Trunks, boot lids, bonnets or engine covers may be assembled with fitting and deadeners or anti-drum materials attached but shall not be surface treated in any way except with a coat of primer or other anti-rust preparation or substance.

(10) Chassis and body panels, pressings and stampings not elsewhere provided for may be imported with holes made therein and reinforcements added and deadeners or anti-drum material attached, but shall not be surface-treated in any way except with a coat of primer or other anti-rust preparation or substance.

(11) Roof panels, pressings or stamping that comply with these regulations may have drip moulding attached.

4. Engines

(1) Engines shall be unattached to any supporting sub-frames or chassis members but may be complete with—

- (a) electrical equipment;

- (b) manifolds;
- (c) pumps; or
- (d) final drive units where such units are incorporated within the engine housings.

(2) Primary differential drive shafts and flanges may be fitted to differentials, where applicable.

(3) Radiators, including radiator shells and mounting frames may be assembled.

(4) Exhaust pipes and mufflers may be assembled, but not fitted together unless permanently attached.

(5) Fuel tanks complete with filter housings and covers may be imported in the condition supplied by the original equipment manufacturer.

5. Controls

(1) Steering boxes may have the shaft columns attached, but the steering wheels, gear linkages, if any, and electrical equipment shall be adrift.

(2) Pedals and linkages may be assembled.

6. Axles, brakes and suspension systems

(1) Rigid or beam type of front suspensions shall have the following parts or sub-assemblies adrift—

- (a) front axle beams complete with stub-axles, steering arms and braking equipment;
- (b) shock absorbers;
- (c) radius rods and other steering linkages;
- (d) brake pipes and hoses; and
- (e) tie rods and other steering linkages.

(2) In the case of multi-drive vehicles, driving front axles may be complete with differential, half-shafts, constant velocity joints and braking equipment.

(3) In the case of brake shoes contained within a single brake drum being operated by twin slave cylinders, the bridging pipe connecting the cylinders may be left in position.

7. Front and rear suspensions

(1) The independent type of front suspension shall have the following parts or sub-assemblies adrift—

- (a) suspension frames;
- (b) stub axles complete with wishbones, constant velocity joints, steering arms and braking equipment;
- (c) radius rods, anti-roll bars and other suspension linkages;
- (d) brake pipes and hoses;
- (e) shock absorbers; and
- (f) springs excluding leaf springs.

(2) In the case of McPherson type front suspension, the stub axle may be complete with integral shock absorber and springs.

(3) In the case of brake shoes contained within a single brake drum being operated by twin slave cylinders, the bridging pipe connecting the cylinders may be left in position.

(4) The rigid or beam type of rear suspension shall have the following parts or sub-assemblies adrift—

- (a) rear axle completes with differential half-shafts and braking equipment;
- (b) springs excluding leaf springs;
- (c) shock absorbers;
- (d) radius rods and other similar suspension linkages; and
- (e) brake pipes and hoses.

(5) The independent type of rear suspension shall have the following parts or sub-assemblies adrift—

- (a) suspension frame;
- (b) stub axles complete with bearing housings and brake equipment;
- (c) differential housings complete with differential and primary differential drive shafts;
- (d) radius rods and other similar suspension linkages;

- (e) brake cables, linkages, pipes and hoses;
- (f) propeller shafts;
- (g) shock absorbers; and
- (h) springs (excluding leaf springs).

(6) Single pivot and double pivot swing type rear axles, where the half-shafts are enclosed in pivoted axle tubes may be assembled.

8. Instruments

Instruments including the cables may be clustered but may not be mounted in the instrument panel.

9. Miscellaneous materials, parts and accessories for motor vehicles

(1) Miscellaneous materials, parts and accessories for motor vehicles shall comply with the following conditions—

- (a) anti-squeak and anti-drum materials may be cut to size;
- (b) weather strips may be in the piece;
- (c) glass shall be devoid of any attachments;
- (d) seat frames may be assembled but not upholstered;
- (e) upholstery or cushion springs may be loose or in cages; and
- (f) carpeting, upholstery, headlining, convertible tops and vinyl roof coverings may be in the condition supplied by the original equipment manufacturer.

(2) The following fittings and accessories may be imported in the condition supplied—

- (a) bonnet catch sub-assemblies;
- (b) bonnet ornaments;
- (c) radiator grilles;
- (d) window and door handles;
- (e) window winding mechanisms;
- (f) window support frames;
- (g) window fasteners;

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- (h) window glass channels;
 - (i) window sash weather strip metal and felt;
 - (j) door arm-rests;
 - (k) door check straps, metal or other material;
 - (l) door pulls and assist cords;
 - (m) arm-rest sub-assemblies including hinges and support or brackets thereof but excluding upholstery;
 - (n) direction indicators;
 - (o) electrical sockets and fittings;
 - (p) cigar and cigarette lighters;
 - (q) clocks;
 - (r) windscreen wipers;
 - (s) horns or hooters;
 - (t) ash trays;
 - (u) robe rails;
 - (v) parcel nets;
 - (w) guiding and lifting adjustable seals;
 - (x) guiding and lifting adjustable seat level slides and locking devices;
 - (y) safety belts including fittings and anchorages;
 - (z) upholstery wire stiffeners;
 - (aa) ventilator window frames and operating mechanism including coal ventilator sub-assemblies;
 - (bb) step plates (running boards);
 - (cc) rubber engine mountings;
 - (dd) stone guards and dust shields;
 - (ee) ornamental mouldings and monograms including window reveals or garnish moulding to imitate wood;

- (ff) bolts, nails, nuts, rivets, tacks and washers, excluding U-bolt nuts and U-bolts as catered for under the exclusions;
- (gg) hinges and locks including hinger arm sub-assemblies;
- (hh) chains and hooks;
- (ii) metal brackets, braces, supports, reinforcements,
- (jj) forgings, castings, anchor plates or nuts;
- (kk) nailing strips with nails inserted;
- (ll) tacking or trim strips; and
- (mm) boot cardboard panels.

10. Electric Vehicle Components

The power electronics for electrical vehicles including the harnesses, control systems, rechargeable batteries, electric motors and or inverters may be imported in the condition supplied by the original equipment manufacturer. All other parts of the electric vehicle breakdown shall be as per schedule one, two and three of this regulation.

SECOND SCHEDULE

(r. 8)

PART A—SPECIFIC BREAK DOWN OF COMPLETELY KNOCKED DOWN KITS FOR TRUCKS AND BUSES

1. Provisions for completely knocked down kits under level 3-trucks and buses

The requirements for completely knocked down kits under level 3 for trucks and buses shall be in accordance with the First Schedule to these Regulations.

2. Provisions for completely knocked down kits under level 2-trucks and buses

The special breakdown level 2 of completely knocked down kits for trucks and buses shall be in accordance with the First Schedule to these Regulations save for the following—

- (a) the cab may be imported as a sub-assembly with the doors adrift, in the welded condition as supplied by the original equipment manufacturer but not dressed;
- (b) the cab may be surface treated with paint, primer or other anti-rust preparation or substance;
- (c) a monocoque body, chassis, cab or other metal or plastic assemblies which are welded or glued together may be surface treated with paint, primer or other anti-rust preparation or substance; and
- (d) vehicles with monocoque bodies shall be supplied not trimmed and the following parts shall be supplied adrift; the tyres, the suspension system, windscreen, , drive shafts, brake shoe assembly, exhaust system, front and rear bumper assembly, engine, transmission, electric motor, rechargeable battery and body trims in the condition supplied by the original

equipment manufacturer.

PART B—SPECIFIC BREAK DOWN OF COMPLETELY
KNOCKED DOWN KITS FOR PICK-UP

1. Provisions for completely knocked down kits under level 3-
pickups

The requirements for completely knocked down kits under level 3
for pickups shall be in accordance with the First Schedule to these
Regulations save for the following—

- (a) The panel components for the pick-up body and the rear
bodywork shall be shipped loose, provided that the following
may be shipped as sub-assemblies—
 - (i) doors;
 - (ii) bulk-heads;
 - (iii) scuttles; and
 - (iv) dash assemblies;
- (b) where stiffeners and brackets are required to be welded to
panels to prevent damage during transit these sub-assemblies
may be imported in this condition; and
- (c) the chassis longitudinal members shall be supplied in a welded
condition but with the cross members and out-riggers supplied
loose.

2. Provisions for completely knocked down kits under level 2 -
pickups

(1) The special breakdown level 2 of completely knocked down
kits for pickups shall be in accordance with the First Schedule to these
Regulations, save for the following—

- (a) the cab may be imported as a sub-assembly, in the welded
condition as supplied by the manufacturer but not dressed;
- (b) the cab may be surface treated with paint, primer or other anti-
rust preparation or substance; and
- (c) all chassis cross members and outriggers may be imported as
riveted or welded together by the original equipment
manufacturer. The chassis parts may also be imported treated
with paint, primer or other anti-rust preparation or substance.

(2) The authorized assembler assembling completely knocked down kits at this level shall work with local content suppliers to ensure localization of parts and components.

(3) The authorized assembler shall facilitate technology transfer to local parts and components manufacturers to ensure quality of parts and components to be locally produced.

**PART C—SPECIFIC BREAK DOWN OF COMPLETELY
KNOCKED DOWN KITS FOR PASSENGER VEHICLES AND
STATION WAGONS**

1. Provisions for completely knocked down kits under level 3 - passenger cars including station wagons

The requirements for completely knocked down kits under level 3 for passenger cars including station wagons shall be in accordance with the First Schedule of these Regulations save for the following—

(1) Body and Chassis

Vehicles with monocoque type bodies or chassis shall be supplied in sub-assemblies for arc or spot welding in plant.

(2) The following sub-assemblies shall be imported complete—

- (a) doors;
- (b) floor assemblies;
- (c) roof panels;
- (d) bonnets and boots;
- (e) cab back panels;
- (f) wheel arches;
- (g) radiator grilles;
- (h) grille surround panels;
- (i) dash assemblies;
- (j) bulk-head assemblies;
- (k) door pillars;
- (l) door surrounds;
- (m) windscreen surrounds; and

(n) bumper valances.

(3) Where stiffeners and brackets are required to be welded to panels to prevent panel damage during shipment, these sub-assemblies may be imported in this condition.

2. Provisions for completely knocked down kits under level 2 - passenger cars including station wagons

(1) The special breakdown level 2 of completely knocked down kits for passenger cars including station wagons shall be in accordance with the First Schedule and the provisions under level 3 for passenger vehicles and station wagons in these Regulations, save for the following—

- (a) a monocoque body, chassis cab or other metal or plastic assemblies which are welded or glued together shall be surface treated with paint, primer or other anti-rust preparation or substance;
- (b) vehicles with monocoque bodies shall be supplied not trimmed and the following parts shall be supplied adrift; the wheel assembly, the suspension system, windscreen, drive shafts, brake shoe assembly, exhaust system, engine, transmission, electric motor, rechargeable battery in the condition supplied by the original equipment manufacturer;
- (c) vehicles with chassis frame shall be supplied with the side members and cross members assembled together except the following which shall be supplied adrift; wheel assembly, the suspension system, drive shafts, brake shoe assembly, exhaust system, engine, transmission, , electric motor, rechargeable battery propeller shafts, front and rear axle assembly in the condition supplied by the original equipment manufacturer;
- (d) chassis parts may be imported treated with paint, primer or other anti-rust preparation or substance; and
- (e) the cab body for vehicles with chassis frame may be imported as a sub-assembly adrift of the chassis, in the welded condition as supplied by the manufacturer but not dressed trimmed;
- (f) the cab body may be surface treated with paint, primer or other anti-rust preparation or substance;

(2) The authorized assembler shall work with local content suppliers to ensure localization of parts and components.

(3) Vehicles having a welded chassis frame shall have the chassis frame broken down into major sub-assemblies with all cross members and outriggers shipped loose, for welding in plant.

(4) Authorized assembly using knock down kits level 2 for passenger cars including station wagons shall only be allowed for a maximum of five years per vehicle model.

(5) The authorized assembler shall facilitate technology transfer to local parts and components manufacturers to ensure quality of parts and components to be locally produced.

4. Provisions for completely knocked down kits under level 1 - passenger cars including station wagons

(1) The special breakdown provisions for level 1 completely knocked down kits for passenger cars including station wagons shall be as follows—

- (a) a monocoque body, chassis, cab or other metal or plastic assemblies which are welded or glued together shall come fully painted with the final paint coat;
- (b) vehicles with monocoque bodies shall be supplied fully trimmed except the following parts which shall be supplied adrift; the wheel assembly, the suspension system, drive shafts, brake shoe assembly, propeller shafts, front and rear axle assembly exhaust system, front and rear bumper assembly, and the engine attached to the transmission, electric motor, rechargeable battery shall all come adrift in the condition supplied by the original equipment manufacturer; and
- (c) vehicles with chassis frame shall be supplied with the side members and cross members assembled together except the following which shall be supplied adrift; wheel assembly, the suspension system, drive shafts, brake shoe assembly, the engine attached to the transmission, electric motor, rechargeable battery, propeller shafts, front and rear axle assembly, front and rear bumper assembly, in the condition supplied by the original equipment manufacturer.
- (d) the cab body for vehicles with chassis frame may be imported as a sub-assembly in the welded condition, adrift of the chassis, fully painted with the final paint coat and fully trimmed, as supplied by the original equipment manufacturer.

(2) Components that have staining, bonding, lacquering, wood graining and riveting, are all allowed as supplied by the original equipment manufacturer.

(3) Items that do not meet the categories stated herein above shall be delivered in the supply condition as provided for by the original equipment manufacturer.

(4) The authorized assembly using knock down kits level 1 for passenger cars including station wagons shall only be allowed for a maximum of 3 years per vehicle model.

THIRD SCHEDULE

(r. 10)

PART I

The following items shall not be allowed as constituting parts or sub-assemblies of the unassembled motor vehicles specified in the First Schedule, Second Schedule and Fifth Schedule —

-
- (a) batteries;
 - (b) battery cables;
 - (c) engine air filters ;
 - (d) exhaust pipes and silencers;
 - (e) leaf springs assembly and leaf springs;
 - (f) U-Bolts, U-bolt nuts and central bolts;
 - (g) wiring harnesses excluding electric vehicle harnesses;(discuss with local suppliers)
 - (h) in vehicle literature;
 - (i) vehicle VIN plates and decals;
 - (j) radio, USB, compact disc or DVD players excluding infotainment systems;
 - (k) automotive paints and painting preparation chemicals;
 - (l) speed governors and accessories;
 - (m) seat frames;
 - (n) seat foam pads (polyurethane foam);
 - (o) seat upholstery;

 - (p) canvas;

 - (q) spare-wheel carrier;

 - (r) shackle pins for leaf springs;

 - (s) flat laminated windscreen, side and rear glass

- (t) canvas hoods, covers and screens;
- (u)

PART II

The following items shall not be allowed as constituting parts or sub-assemblies of unassembled motor vehicles specified in the First, Second and Fifth Schedule—

- (a) oils;
- (b) greases;

- (c) fuels;
- (d) hydraulic fluid;
- (e) sealers;
- (f) adhesives;
- (g) paint;

- (h) pre-mixed metal pre-treatment chemicals;

PART III

The following items may be included as constituting parts or sub-assemblies of unassembled motor vehicles specified in the First, Second and Fifth Schedule—

- (a) tyres
- (b) radiators
- (c) electric vehicle lithium batteries
- (d) catalytic converters as part of exhaust assemblies
- (e) soft interior trim;
- (f) sound deadening material
- (g) hydraulic jacks
- (h) scissor jacks
- (i) tool kits
- (j) curved laminated windscreen, curved side and rear glass

FOURTH SCHEDULE

(r. 9)

COMPLETELY KNOCKED DOWN KITS FOR TRAILERS

(1) The following parts or sub-assemblies shall constitute the complete knocked down kits for trailers—

- (a) axles;
- (b) suspensions;
- (c) air braking kits;
- (d) rims;
- (e) landing gears; and

(f) turntables.

(2) The axle and suspension in paragraph 1 of this Schedule shall consist of the following parts and sub-assemblies—

(a) brackets;

(b) casting blocks;

- (c) equalizers;
- (d) fixed and adjusters arms;
- (e) shock absorbers;
- (f) springs (parabolic, air and helical);
- (g) air chambers;
- (h) axle lift kits;
- (i) axle beams complete with stubs, studs, hubs, drums and braking equipment;
- (j) steeling axles complete with stubs, hubs, suds, steering arms and linkages.
- (k) King pin
- (l) Hydraulic tipping Jack kits
- (m) Manhole assembly, Valve and pump kits for tanker or bulkers
- (n)
- (o)

FIFTH SCHEDULE

The provisions for completely knocked down kits under level 4 for passenger cars and commercial vehicles shall be in accordance with the first schedule of these regulations save for the following;

- (1) Chassis frames
 - a. Where the Chassis frame is of C channel construction in a form consisting of side, cross, cruciform or other members all these shall be manufactured, welded or joined locally.
 - b. Where the Chassis frame is of box channel, tubular or other construction, the side members may be imported broken down unwelded and adrift save for the cross, outrigger, cruciform or other members and brackets which shall be manufactured locally for welding and assembly in plant.
 - c. Where the conventional chassis frame is replaced by welded floor components, such as seat risers, floor pans, wheelhouses and toe boards instead of side, cross, cruciform or other members, all such components shall be manufactured locally.
- (2) Body or chassis panels, stamping and pressing
 - a. The cab frame structure or monocoque body shall be manufactured locally including the following components. Other cab frame components not indicated may be imported adrift;
 - i. Doors panels
 - ii. Floor panels
 - iii. Roof panel
 - iv. Bonnet
 - v. Cab back panel
- (3) Controls
 - a. Pedals and linkages made from steel shall be manufactured locally. Those made from other material may be imported but shall be adrift.

HENRY ROTICH,
Cabinet Secretary for the National Treasury and Planning.

