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What is APN
An Advance Payment Notification (APN) is a unique reference number issued by the **South African Revenue Service (SARS)**.
It is a mandatory customs compliance requirement used when a South African importer intends to make a foreign exchange payment of **R100,000 or more** to an overseas supplier for goods that have **not yet arrived or been cleared** through customs.

How and Where a Client Registers an APN on SARS eFiling
An importer must apply for and generate an APN electronically through the SARS eFiling service before submitting a payment application to their bank. [1, 2]
Prerequisites Before You Start

1. The client must have an active **SARS eFiling user profile** linked to their business.
2. The company **must be registered as an Importer** with SARS Customs. If the profile is not registered for customs, eFiling will throw a validation error instructing the client to register via the Registration, Licensing and Accreditation (RLA) portal first.
3. A digital copy of the **pro-forma or commercial invoice** from the foreign supplier must be ready to upload. [1, 2, 3, 4]

🛠️ **Step-by-Step eFiling Process**
An importer can capture and register the APN by following these navigation steps:

- **Step 1: Log In & Select Profile**
  Log into the SARS eFiling platform and ensure the user portfolio is set to **Organisation** and the correct taxpaying entity is selected. [1]
- **Step 2: Access the Customs Ribbon**
  Look at the top main menu bar (ribbon) and click on the **Customs** tab. [1]
- **Step 3: Open the APN Menu**
  On the left-hand navigation panel, locate and click on **Advance Payment Notification**. [1]
- **Step 4: Create a New Request**
  Click on the **Submit New Advance Payment Notification** sub-menu option. [1]
- **Step 5: Capture Transaction Details**
  A digital form will open. Complete all mandatory fields, including importer information, foreign supplier details, invoice value, country of export, the specific South African bank facilitating the transaction, and the exact BOP category code (usually 101 subcategories). [1]
- **Step 6: Upload and Submit**
  Attach the corresponding supplier invoice. Review the data and click **Continue / Submit**. [1]

Why Customs Implemented the APN
SARS, in collaboration with the South African Reserve Bank (SARB) and commercial banks, introduced the APN system under the Customs Modernisation Programme to: [1]

- **Prevent Customs Undervaluation:** Minimizes the risk of importers under-declaring the value of goods to avoid paying rightful customs duties and taxes. [1]

- **Combat Illicit Financial Flows:** Stops illegal cash outflows where capital is sent abroad under the guise of trade without the physical goods ever entering South Africa. [1]
- **Bridge the Information Gap:** Creates an audit trail linking the financial payment data captured by commercial banks directly to the physical cargo declarations managed by customs. [1]

Visual Structure: What an APN Looks Like & How It Is Read

The APN is a structured alphanumeric reference number generated on SARS eFiling. While it can scale up to **35 characters**, a typical live APN format generally appears and is broken down as follows: [1, 2]
\(\mathbf{APNYYYYMMDDNNNNNNNNNN}\)

- **APN:** The system prefix identifying the transaction type.
- **YYYYMMDD:** The exact date the notification was generated via eFiling.
- **NNNNNNNNNN:** A unique sequential identification number assigned by SARS to isolate that specific advance payment event.

Where to Capture the APN on the Bill of Entry

When your customs clearing agent frames the customs worksheet, the APN must be explicitly declared on the **Customs Clearance Declaration (CCD / Bill of Entry - SAD 500)**. [1, 2]

- It is captured electronically under the **Extended/Transport Document Number Field** or the specific designated **Reference Number block** allocated for automated cross-matching in the agent's EDI clearing software.
- The APN **must be provided prior to framing** the bill of entry. If the declaration is submitted to EDI without a pre-validated APN matching the invoice financials, the customs system will trigger an immediate rejection or systemic error.

Possible Downstream Issues & Financial Penalties

- **Additional Charges during Voucher of Correction (VOC):** If you make a mistake or fail to include the APN on the original declaration, your clearing agent will have to submit a VOC. Amending these fields post-submission frequently triggers manual customs interventions, resulting in **documentary delays, cargo storage costs, and demurrage fees** at the port.
- **Banks Refusing to Pay Suppliers Going Forward:** Authorized Forex Dealers (banks) are legally mandated to validate the APN directly with SARS before releasing any cross-border funds under Balance of Payment (BOP) category code 101. If a valid, unexpired APN (valid for **30 days** from issuance) is missing or mismatched, **the bank will completely block and refuse the outward foreign exchange payment**, halting operations with your international supplier