

# ST. KITTS AND NEVIS CUSTOMS AND EXCISE DEPARTMENT

## Voluntary Compliance Program (VCP) Agreement



Approved Version

2015



THE GOVERNMENT OF ST KITTS AND NEVIS – MINISTRY OF FINANCE

## **St. Kitts and Nevis Customs & Excise Department Voluntary Compliance Program (VCP) Agreement**

This Agreement is made the day of \_\_\_\_\_, BETWEEN The St Kitts and Nevis Customs and Excise Department of Bird Rock, Basseterre, St. Kitts and Nevis (hereinafter referred to as “the SKNCED”) and \_\_\_\_\_ of \_\_\_\_\_ (hereinafter referred to as “the Approved VCP Member)

WHEREAS the SKNCED has implemented the Voluntary Compliance Program (VCP) on and

WHEREAS the VCP is aimed at establishing an effective customs duty payment system that can:

- a. Establish an effective customs duty payment system which can systematically obtain voluntary compliance from the majority of assessed importers;
- b. Provide a greater level playing field for the trade supply chain;
- c. Appropriately reward Approved VCP members who, in good faith, voluntarily comply with relevant customs laws and regulations, and

WHEREAS the Approved VCP Member has elected to be enrolled in the VCP program and adopt the VCP policy and procedures, a copy of which is attached hereto as Annex A

NOW THEREFORE the Parties agree as follows:

### **1. Commitments of the St. Kitts and Nevis Customs and Excise Department**

**The SKNCED agrees to:**

- 1.1** Implement the Voluntary Compliance Program in accordance with the standards and guidelines laid down in the VCP policy.
- 1.2** Do all within its available resources to ensure that costs incurred by the Approved VCP Member for compliance are kept at a bare minimal.
- 1.3** In accordance with all applicable national laws and regulations, and in conformity with Article 6, paragraph 3.6 of the Ninth Ministerial World Trade Organization (WTO) Trade Facilitation Agreement, when considering the imposition of a penalty, give due regard to the fact that a voluntary disclosure had been made by the Approved VCP Member.

**1.4** Conduct periodic compliance review and assessment to evaluate the Approved VCP Member for compliance with the provisions of this VCP agreement and attendant policy.

**1.5** Upon request and within its available resources, assist the Approved VCP Member in establishing, maintaining, or improving its voluntary compliance requirements and voluntary disclosure reporting procedures.

**1.6** Administer the VCP in a fair, transparent and confidential manner.

## **2. Commitments of the Approved VCP Member**

### **The Approved VCP Member agrees to:**

**2.1** Build an improved working relationship with the SKNCED through voluntary compliance with respect to the payment of all applicable customs duties, taxes and other charges and to understand and meet all their obligations in accordance with The Customs Act, No. 19 of 2014, the VCP policy and procedures.

**2.2** In accordance with the VCP Policy guidelines and procedures, to voluntarily present themselves to the SKNCED in good faith to disclose all discrepancies and omissions made in their declarations submitted to the SKNCED within a period of five (5) working days after receipt of goods or for such further period as allowed by the Comptroller.

**2.3** In conformity with applicable national customs laws and regulations, facilitate and provide all necessary assistance to the SKNCED in any of its periodic compliance review and assessment exercises designed to evaluate the Approved VCP Member for compliance with the provisions of this VCP agreement and attendant policy.

## **3. Conflicts between Agreement and Applicable Laws**

This agreement and its attendant policy shall not supersede or replace existing departmental/government policies or any other applicable law to which the SKNCED is subjected. Any controversy that may arise between this agreement and applicable laws, including regulations and departmental/government policies shall be resolved in accordance with the latter.

## **TERMINATION OF AGREEMENT**

### **4. Termination by the Approved VCP Member**

Where the Approved VCP Member elects to withdraw from the VCP, the Approved VCP Member shall terminate this agreement by providing written notification to the SKNCED.

#### **4.1 Termination by the SKNCED**

The SKNCED may terminate this agreement where–

- a. The SKNCED determines that the Approved VCP Member has failed to substantially comply with the Voluntary Disclosure reporting procedures as specified within the VCP policy;
- b. The Approved VCP Member fails without reasonable explanation to the satisfaction of the Comptroller of Customs to meet any of the requirements of the VCP Policy or
- c. The SKNCED pursues an administrative or judicial action against the Approved VCP Member.
- d. If any employee or agent of the approved VCP member is found to be in contravention of the Customs Laws and Regulations or any Related Laws and Regulations whilst acting on behalf of the company; such infractions may result in termination of this Agreement unless the approved VCP member takes appropriate action(s) to address the issue(s) to the satisfaction of the Comptroller of Customs.

#### **4.2 Effective date of termination.**

Any termination will be effective five (5) working days after the terminating party notifies the other party in writing.

#### **4.3 Renewal after termination.**

Notwithstanding termination of an existing agreement under clause 4.1, the Approved VCP Member may at after thirty calendar days submit a new application for the VCP. Prior to formal reacceptance, the applicant will be subject to a monitoring period of at least six months.

## **5 EFFECTIVE DATE OF AGREEMENT**

This VCP Agreement becomes effective upon the date of signing of both parties to the agreement and shall remain in force until termination by either party.

**IT IS FURTHER AGREED AS FOLLOWS:**

- a. This Agreement is deemed to be under and shall be governed by and construed according to the laws of St. Kitts and Nevis.
- b. This Agreement including all Annexes attached hereto, contains all the terms and conditions agreed upon by the parties. No other agreements, oral or otherwise regarding the subject matter of this Agreement shall be deemed to exist or to bind either party hereto.

IN WITNESS WHEREOF the SKNCED and the Approved VCP Member have read and agreed to the terms of this Agreement and caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

**For and on behalf of the approved VCP member:**

\_\_\_\_\_  
Name of approved VCP member

Signature:

Title:

Address:

Date: ..... Official company stamp/seal

Witnessed by:

\_\_\_\_\_  
Name

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Signature

**For and on behalf of the Comptroller of Customs of St. Kitts and Nevis Customs and Excise Department:**

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Signature

Title:

Address:

Date: \_\_\_\_\_ Departmental stamp/seal

Witnessed by:

\_\_\_\_\_  
Name

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Signature