

PART XII

GOODS OF COMMUNITY ORIGIN

Definitions.

109. In this Part—

“Community” means the Caribbean Community established by Article 2 of the Revised Treaty and includes the CSME established by the Revised Treaty;

“Community origin” has the meaning assigned to it in section 114;

“COTED” means the Council for Trade and Economic Development the Organ of the Community so named in paragraph 2(b) of Article 10 of the Revised Treaty;

“CSME” means the regime established by the Revised Treaty replacing Chapters Three through Seven of the Annex to the Treaty Establishing the Caribbean Community and Common Market signed at Chaguaramas on 4 July 1973;

“export duties” means any duties or charges with equivalent effect imposed on or in connection with the export of goods;

“Less Developed Country” means a Member State regarded as such in accordance with Article 4 of the Revised Treaty;

“list” means the list comprising goods set out in Part (a) of Schedule I to the Revised Treaty;

“materials” includes raw materials, intermediate products, parts and components used in the process of production, repair, renovation or improvement of goods;

“Member State” has the meaning assigned to it in the Revised Treaty;

“More Developed Country” means a Member State regarded as such in accordance with Article 4 of the Revised Treaty;

“remission” includes exemption for materials brought into free ports and other places that have duty-free customs privileges; and

“Rules of Origin” means the Rules regarding Community origin set out in Part (b) of Schedule I to the Revised Treaty.

Import duty on goods of Community origin.

110. (1) Subject to subsection (2), any customs duty otherwise imposed on goods of any description does not apply to goods produced in a Member State.

(2) Subsection (1) does not—

- (a) prohibit the imposition of non-discriminatory internal charges of any type on any goods, including goods produced in a Member State; or
- (b) apply to fees and similar charges commensurate with the cost of services rendered applied to any goods, including goods produced in a Member State.

(3) Where the Minister is satisfied that a Member State has, in accordance with the Revised Treaty, suspended the operation of the preferential treatment of goods of Community origin in respect of any class of goods exported to that Member State from Saint Christopher and Nevis—

- (a) the Minister may issue a notification in the *Gazette* to that effect; and
- (b) notwithstanding subsection (1), any goods of the class described in such notification and exported from that Member State, if entered for use in Saint Christopher and Nevis during the continuance in force of the notification, are liable to import duty and entry tax.

Prohibition of export duty.

111. (1) Export duties do not apply to goods of Community origin traded within the Community.

(2) Where goods destined for export to a non-Member State are exported through a Member State, export duties applicable to goods exported to non-Member States may be applied to such goods.

(3) The Comptroller is authorised to take any necessary action to prevent the evasion of the payment of export duties.

Drawback.

112. (1) Notwithstanding section 110—

- (a) goods of Community origin which benefit from drawback when exported from another Member State may be treated upon importation as if such goods were not of Community origin for the purposes of this Part; and
- (b) where, after importation, drawback is allowed in respect of goods which on importation were treated as goods of Community origin, the full amount of duty which would have been chargeable if the goods were not treated as goods of Community origin is payable on demand being made by the Comptroller.

(2) The duty which would have been chargeable on the goods constitutes a civil debt owed to the State immediately upon demand being made by the Comptroller.

(3) The debt referred to in subsection (2) is recoverable by action at the suit of the Comptroller on behalf of the State.

Quantitative restrictions.

113. (1) Nothing in Part XI authorises the application of any quantitative restriction on—

- (a) the importation of goods which are of Community origin; or
- (b) exports to a Member State.

(2) Nothing in subsection (1) prohibits the taking of measures necessary to prevent evasion of any prohibition or restriction under Part XI.

Determination of Community origin.

114. (1) Subject to this Part, imported goods shall be treated as being of Community origin where the goods are—

- (a) wholly produced within the Community; or
- (b) produced within the Community, wholly or in part, from materials imported from a non-Member State or from materials of undetermined origin by a process which results in a substantial transformation characterised—
 - (i) by the goods being classified in a tariff heading different from the tariff heading in which any of the materials is classified; or
 - (ii) in the case of the goods set out in the list, only by satisfying the conditions specified for those goods.

(2) Subject to subsection (3), goods of Community origin exported from Saint Christopher and Nevis to another Member State for repair, renovation or improvement shall, on the return of the goods to Saint Christopher and Nevis, be treated as goods of Community origin.

(3) Subsection (2) applies only where the goods are returned directly to Saint Christopher and Nevis and the value of materials imported from a non-Member State or of undetermined origin used in the process of repair, renovation or improvement does not exceed—

- (a) in the case of goods undergoing the process of repair, renovation or improvement in a More Developed Country, 65% of the cost of repair, renovation or improvement; and
- (b) in the case of goods undergoing the process of repair, renovation or improvement in a Less Developed Country, 80% of the cost of repair, renovation or improvement.

(4) Where the importer fails to furnish proof to the satisfaction of the Comptroller that goods are of Community origin, the determination of the origin of the goods for the purposes of this Part may be made by the Comptroller without regard to any proof or statements made by the importer.

(5) Where a person, in support of a claim in Saint Christopher and Nevis that goods are of Community origin and are eligible for preferential treatment, furnishes or causes to be furnished any document which is untrue in a material particular—

- (a) the person commits an offence and is liable on summary conviction to a fine of twenty-five thousand dollars; and

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- (b) the goods in respect of which the offence is committed are liable to forfeiture.
- (6) The Rules of Origin shall be applied in determining the origin of goods under this Part.

Common External Tariff.

115. (1) The Common External Tariff shall be applied to goods that do not qualify for Community origin treatment.

(2) The Minister—

- (a) is the competent authority for the administration of the Common External Tariff; and
- (b) may, in keeping with relevant determinations of COTED, alter or suspend the Common External Tariff with respect to any goods.

Cooperation in customs services.

116. The Comptroller shall provide to Member States administrative assistance in customs matters in accordance with agreements between the parties.