



Agreement between the Caribbean Community and the Government of the Republic of Costa Rica



An Agreement between the Caribbean Community (CARICOM) and the Republic of Costa Rica was signed on March 9, 2004. The Agreement establishes a free trade area between CARICOM and Costa Rica and enables the movement of goods between the Parties at preferential duty rates.

Preferential market access is afforded to each Party to the Agreement, where certain goods are allowed duty-free entry into the respective territory of each Party, once the origin criteria is met. However, products deemed sensitive to both Parties have been excluded from the trading arrangement, while seasonal trade of agricultural products is permitted as stipulated by the free trade area.

In order to maximize trading opportunities between the Parties, a special list of products was created which would be subject to differentiated market access between Costa Rica and the Most Developed Countries (MDCs) of CARICOM, namely Barbados, Guyana, Jamaica, Suriname and Trinidad and Tobago. All other CARICOM Parties are classified as Least Developed Countries (LDCs). Although the Bahamas and Haiti are Members of CARICOM, they are not contracting Parties to the Agreement.

The CARICOM-Costa Rica Agreement is intended to promote regional integration among the Americas and enhance the competitiveness of both CARICOM and Costa Rica, as well as the larger region of the Americas through sustainable bilateral arrangements.

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“This is a symbol of partnership between Jamaica and Costa Rica and I look forward to improving our trade relationship. It will enhance our existing ties and provide an opportunity for more cooperation and exchange of valuable trading information.”

*The Honourable G. Anthony Hylton
Minister of Industry,
Investment and Commerce
Government of Jamaica*

Jamaica-Costa Rica MOU

Trade relations between Jamaica and the Republic of Costa Rica were further strengthened through the signing of a Memorandum of Understanding (MOU) between both countries in April 2015.

The MOU creates a transparent commercial framework for the planning of future trading activities and investments between Jamaica and Costa Rica. Through the MOU, both Parties have agreed to implement a system that properly recognizes the origin of goods.

In order to maximize on the benefits of a trade agreement, there must be an effective negotiation of the rules of origin. Complicated, insufficient or ambiguous rules of origin may deviate from the objectives of a trade agreement, and may cause barriers to trade, which consequently diminishes market access opportunities for exporting countries.



Rules of origin are typically negotiated to protect the sensitivities of products or to promote and support the exports most beneficial to a contracting Party. This is done by establishing clear and transparent rules of origin that guarantee appropriate market access of the intended product.

The rules of origin for the CARICOM-Costa Rica Agreement are outlined in Part Two of the Agreement, under the Section: Trade in Goods. Chapter 4 outlines the rules of origin which sets the criteria for the granting of preferential market access, which is described as fulfilling the origin requirement, once the proper rules are applied.

Although the MOU is not legally binding, formalized trade occurs between Jamaica and Costa Rica through the CARICOM-Costa Rica Agreement. Jamaican goods can receive originating status once the agreed rules of origin on the commodity is observed and authenticated through the issuing of a certificate of origin by the Trade Board Limited (TBL) of Jamaica. Main exports to Costa Rica from Jamaica include sauces, spices, boxes and plastic crates.

The MOU also seeks to take advantage of the close proximity between Jamaica and Costa Rica in hopes of increasing opportunities for further economic development. The development of logistics cooperation is already underway in light of the recent construction and opening of a Port located on the Caribbean Border of Costa Rica.

Structure of the CARICOM-Costa Rica Agreement - Key Areas

PART ONE: GENERAL PART

PART TWO: TRADE IN GOODS

Chapter 4: Rules of Origin

Originating Goods (Article IV.03)



1. Except as otherwise provided in **Chapter IV: Rules of Origin**, a good shall be deemed to originate in the territory of a Party where:

A.) it is **wholly obtained** or produced entirely in the territory of one or both Parties as defined in Article IV.01

B.) it is produced entirely in the territory of one or both Parties **exclusively from originating materials** under this Chapter; or

C.) each of the non-originating materials used in the production of the good undergoes an applicable **change in tariff classification** as set out in Annex IV.03 as a result of production occurring entirely in the territory of one or both

of the Parties, or the good otherwise satisfies the applicable requirements of that Annex, where no change in tariff classification is required, and the good satisfies all other applicable requirements of this Chapter.

2. The production of a good from **non-originating materials that comply with a change of tariff classification** and other requirements, according to the provisions of Annex IV.03, shall be done entirely in the territory of one or both Parties.

Structure of the CARICOM-Costa Rica Agreement - Key Areas



Direct Transport (Article IV.13)

Goods accessing preferential treatment under this Agreement shall be subject to direct expedition from the exporting Party to the importing Party. Goods may also be transported in transit through one or more countries, being Party or non-Party to the Agreement, with or without transshipment or temporary storage under surveillance of customs authorities of such countries provided that:

- 1.) the transit is justified by **geographical reasons** or by considerations related to international transport requirements;
- 2.) they **do not enter into domestic trade or consumption** in such countries; and
- 3.) they **do not undergo further production** or be subject to any other operation outside the territory of the Parties, other than unloading, reloading or any other operation necessary to preserve the good in good condition or to transport it to the territory of a Party.

Chapter 5: Customs Procedures

Article V.02 Certificate of Origin

CERTIFICATE OF ORIGIN			
1. NAME AND ADDRESS OF THE EXPORTER Name: _____ Address: _____		2. NAME AND ADDRESS OF THE IMPORTER Name: _____ Address: _____	
3. N.E.P. Reference Code _____		4. N.E.P. Reference Code _____	
5. Type of Goods of Origin _____	6. Description of Goods _____	7. Reason of Origin _____	8. The date and place of issuance _____
9. Customs Declaration _____			
10. The information provided in this document is true and accurate and of such the responsibility of the person who has signed it and who has provided the necessary documents to the competent authorities. The issuing authority is not responsible for the accuracy of the information provided in this document. The issuing authority is not responsible for the accuracy of the information provided in this document. The issuing authority is not responsible for the accuracy of the information provided in this document.			
11. Signature of the issuer Name: _____ Position: _____			
12. Signature of the importer Name: _____ Position: _____			
13. Declaration: TO BE COMPLETED ONLY BY SIGNIFICANTLY REGISTERED ISSUERS The issuing authority is not responsible for the accuracy of the information provided in this document. The issuing authority is not responsible for the accuracy of the information provided in this document. The issuing authority is not responsible for the accuracy of the information provided in this document.			
14. Signature of the issuer Name: _____ Position: _____			
15. Signature of the importer Name: _____ Position: _____			
16. Declaration: SIGNATURES OF THE ISSUING AUTHORITY AND THE IMPORTER MUST BE FURNISHED WITH DECLARATIONS BEFORE THE GOODS ARE EXPORTED Name: _____ Position: _____			
17. Declaration: _____			

1. The Parties shall establish by the date of entry into force of this Agreement, a Certificate of Origin, which shall serve to certify that a good being exported from the territory of a Party into the territory of the other Party **qualifies as an originating good**. This Certificate of Origin may be modified by agreement of the Parties.

2. Each Party may require that a certificate of Origin for a good imported into its territory is completed in the **language required** under its law.

3. Each Party shall require its **exporters to make a declaration** on the Certificate of Origin, indicating compliance with the rules of origin prescribed in Chapter IV (Rules of Origin) for the export of a good for which an importer may claim preferential tariff treatment.

4. The certifying authority of the exporting Party shall certify on the Certificate of Origin that the declaration made by the exporter is **accurate**.

5. Each Party shall provide that, where an exporter in its territory is not the producer of the good, the exporter may make a **declaration** on the Certificate of Origin on the basis of:

- (a) its **knowledge** of whether the good qualifies as an originating good; or
- (b) its **reasonable reliance** on the producer's written declaration made on the Certificate of Origin or on a separate document, that the good qualifies as an originating good;

6. Each Party shall prescribe that the Certificate of Origin issued by a certifying authority, in accordance with paragraph 4, is applicable to a single import of one or more goods.

7. Each Party shall prescribe that the Certificate of Origin shall be accepted by the customs authority of the importing Party within the period of six (6) months from the signature date.

Article V.11 Advanced Rulings

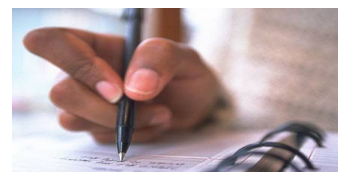


The Parties shall establish provisions regarding advanced rulings, through administrative mechanisms established in this Agreement subsequent to the decision of the CARICOM authorities on this issue.

PART THREE: Services and Investment



PART FOUR: Administrative and Institutional Provisions



PART FIVE: Other Provisions

PART SIX: Final Exceptions



CARICOM/Costa Rica Agreement - Jamaica Gazette

The Agreement between the Caribbean Community and the Republic of Costa Rica was ratified by Jamaica Gazette on July 29, 2014 Vol. CXXXVII, No. 57.3 A and subsequent Corrigendum No. 57.4 A

The Ministry of Finance and Planning has advised, in a letter dated March 12, 2015, that the CARICOM/Costa Rica Agreement shall be administered with effect from March 16, 2015 as follows:

First Schedule



1. Goods originating in Costa Rica that shall receive country specific preferential treatment are specified in **Table D.1.** for Jamaica in particular. All goods in this table shall be excluded from liberalization except tariff line 7610.90 (complete structures) which shall be granted immediate liberalization.



5. Special treatment shall be accorded to Oils, Fats and Soaps of Chapter 15 and Chapter 34 as specified in **Table E.1.**

These products shall attract the MFN rate until the Joint Council meets and decides the treatment that should be granted to such products.



Second Schedule

1. Special treatment shall be accorded to selected agricultural products as per **Table A.1.** The products shall attract MFN duty during the months specified. However, where a period is not indicated then the product shall be granted duty free access.



Good Originating in Costa Rica for which no specified treatment is mentioned shall be eligible for duty free access into Jamaica



2. Goods originating in Costa Rica that shall be excluded from liberalization and attract MFN duty rates are specified in **Table B.1.**



3. Goods originating in Costa Rica that were designed for phased reduction of tariff, for which the phasing period has been exhausted, shall be granted duty free status as specified by **Table C.1.** of the Agreement.



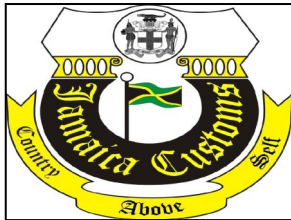
Application of the Free code

Import Duty (01) free code for the CARICOM/Costa Rica Agreement has been implemented and should be used to facilitate clearance of goods originating in Costa Rica, **provided a valid certificate of origin, duly signed and stamped is presented.**



4. Special treatment shall be accorded to Headings 02.01 (Meat of bovine animals, fresh or chilled and 02.02 (Meat of bovine animals, frozen). These products shall attract MFN duty rates except where permission is granted by CARICOM's Council for Trade and Economic Development (COTED) to suspend the Common External Tariff (CET) on the importation of such products.

ID (01) Free code	Description	Duty Rate
900.30	CARICOM/Costa Rica Free Trade Agreement	0



**JAMAICA CUSTOMS AGENCY
INTERNATIONAL & INDUSTRY LIAISON UNIT**

Myers Wharf
New Port East
P.O. Box 466
Kingston 15

Phone: 8769225140-8 ext.3028/3182
E-mail: international.liaison@jacustoms.gov.jm



Country Above Self

We're on the Web!
<http://www.jacustoms.gov.jm>

The CARICOM Desk of the International and Industry Liaison Unit is committed to raising the level of awareness on topics relating to the Caribbean Community, as well as issues concerning the wider topic of international trade, to both our internal and external stakeholders. Our monthly newsletter seeks to highlight global trade topics and their importance to Customs Administrations worldwide and specifically how they affect the Jamaica Customs Agency. As we realize our vision of becoming a modern Customs administration delivering excellent service, we recognize the importance of knowledge transfer in delivering our objectives and use this forum as our way of contributing to the vision of the JCA. The International Liaison Unit is located at the Myers Wharf head office and our officers are available to respond to your queries and clarify any points of concern.

Prepared by: CARICOM Officer—Marsha Wilson-Maxwell

CARICOM/Costa Rica Agreement—Sample Queries from Jamaica



1. What is the duty status of Corrugated carton boxes being imported from Costa Rica?

Corrugated carton boxes of tariff heading 4819.10 from Costa Rica can be imported duty free to Jamaica as long as it fulfills the originating criteria.

2. Can seafood (fresh & frozen) be imported to Jamaica duty free from Costa Rica?

Seafood (fresh & frozen) of chapter 3 of the Harmonized System (Tariff) are listed on Tables B.1 and D.1 and are subject to MFN rates of duty. (duties payable)

3. Can ceramic toilets from Costa Rica be imported duty free to Jamaica?

Ceramic Toilets of tariff heading 6910.10.80 from Costa Rica can be imported duty free to Jamaica

4. What is the duty status of aluminum window and doors being imported from Costa Rica into Jamaica?



Aluminium windows and doors of tariff heading 7610.10 attract the MFN duty rate. (duties payable)

5. Can carbon dioxide be imported duty free from Costa Rica to Jamaica. What free code should I use?

Carbon dioxide of tariff heading 2811.21 would be exempt from duty providing originating criteria is fulfilled.

6. What are the provisions of the CARICOM/Costa Rica FTA re pineapple suckers? Pineapple suckers of tariff heading 06.02 can be imported duty free to Jamaica under the Agreement.



7. Can dairy products get preferential access under the CARICOM Costa Rica FTA?

Items of 04.01 & 04.02 fall under Table B.1 of the Agreement and are subject to MFN duty rates. However, Items of tariff headings 04.03 & 04.04 can be imported duty free to Jamaica.