



Trade and Economic Cooperation Agreement between the Caribbean Community and the Government of the Republic of Cuba



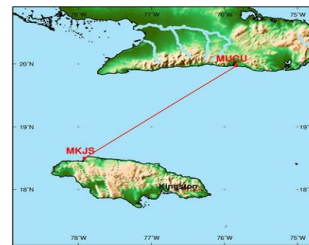
The Trade and Economic Cooperation Agreement between the Caribbean Community (CARICOM) and the Republic of Cuba was inspired by the purposes of the Association of Caribbean States (ACS), where key among its functions is to facilitate the integration of the Caribbean and Latin American States.

The CARICOM/CUBA Agreement is a partial scope agreement signed on July 5, 2000 and seeks to promote an expanded economic

space for regional trade and investment. The Agreement also seeks to gradually and progressively foster economic integration, including the liberalization of trade, investment, transportation and other related areas. This objective may be found in the preamble to the Agreement and outlines the need for further integration between the Parties (CARICOM and CUBA) which is aimed at increasing and facilitating the international competitiveness and development of the region.

CARICOM/Cuba Relations

With only 90 miles of separation between Jamaica and the Republic of Cuba, a long history of collaboration and cooperation has been forged between the two countries. Formalized from as early as 1972, diplomatic relations were initiated on December 8 of that year, marking the start of the CARICOM/Cuba relations. Based on the principles of mutual respect and non-intervention, Cuba and the CARICOM states have come together to



establish closer trade and investment relations through this Agreement.

As developing island States, especially vulnerable to the slightest changes in the world

economy, the Parties have had to adjust to the effects of the recent global financial crisis. With renewed levels of cooperation in trade and economic development, the Agreement serves as a means to promote economic viability within the Parties, as well as the international trading community. This Agreement serves to harness the benefits of trade by granting market access among the Parties within a free trade context subject to the agreed terms.

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The Trade and Economic Cooperation Agreement between CARICOM and Cuba provides for duty-free treatment on certain goods with provisions for agricultural products to be afforded duty free treatment at specified times for the year. It also covers trade promotion and facilitation, services, tourism, investment, intellectual property rights and the promotion and development of co-operative activities between the parties.

Structure of the CARICOM/CUBA Agreement

The Agreement begins by summarizing the objectives of the Parties and is located in the Preamble to the Agreement. The Agreement comprises 30 Articles and 6 Annexes, which defines key concepts and outlines how the Agreement should be interpreted and administered in the various subjects regarding international trade development and cooperation among the Parties.

Article 1 - INTERPRETATION

Acknowledges that the Annexes are considered apart of and shall be referenced as one with the Agreement. The 'Territories of the Parties' are defined as the respective territories of Cuba and the Member States of CARICOM including the airspace and the defined maritime areas of each Party as per the Agreement. Article 1 also defines the CARICOM countries and distinguishes between them according to level of economic development. The More Developed Countries (MDCs) are listed as Barbados, Guyana, Jamaica, Suriname and Trinidad and Tobago. While the Least Developed Countries (LDCs) are identified as Antigua and Barbuda, Belize, Dominica, Grenada, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines.

Article 2 - OBJECTIVE

Outlines the ways in which the commercial and economic relations between the parties will be strengthened.

Article 3 - JOINT COMMISSION

The Joint commission is responsible for supervising the implementation and administration of the Agreement, resolve disputes and make recommendations to the Parties. Decisions by the Joint council serve as recommendations and shall be taken based on consensus.

Article 4 - JOINT COMMISSION MEETINGS

Article 5 - MARKET ACCESS



The Parties agree through the Agreement, to a trade liberalization programme between them, recognizing the disparity in development of the LDCs. As such the LDC's are not

required to extend preferential treatment to goods originating in Cuba. However goods traded between the MDC's and Cuba shall be done on a reciprocal basis subject to the provisions of the Annexes to the Agreement. Market Access shall be granted as stipulated by the 6 Annexes to the Agreement.

The Parties also agree that they will not apply any quantitative restrictions with respect to trade under this Agreement, but take into account the rights of the parties under the WTO Agreement and the obligations of CARICOM Member States under the Treaty establishing the Caribbean Community.

The Joint Commission may consider any request by the Parties for the modification of the Lists in Annexes I to IV.

Article 6 - TREATMENT OF GOODS PRODUCED IN FREE TRADE ZONES/EXPORT PROCESSING ZONES



Goods produced or shipped in a free trade zone or export processing zone in the territory of a Party shall be subject to MFN rates of Duty (Duty payable) when imported to the other Party. Provision is made for alteration to the treatment of said goods, subject to the Joint Council being advised and considering the measures necessary to support the interpretation of the Agreement.

ARTICLE 7 - RULES OF ORIGIN

The rules of Origin are set out in Annex VI of the Agreement.

ARTICLE 8 - TECHNICAL STANDARDS

ARTICLE 9 - GENERAL EXEMPTIONS

ARTICLE 10 - ECONOMIC COOPERATION

ARTICLE 11- DOUBLE TAXATION AGREEMENTS

ARTICLE 12 - TRADE PROMOTION

ARTICLE 13 - BUSINESS FACILITATION

ARTICLE 14 - TRADE FINANCING

ARTICLE 15 - TRADE IN SERVICES

ARTICLE 16 - TOURISM

ARTICLE 17 - INVESTMENT

ARTICLE 18 - INTELLECTUAL PROPERTY RIGHTS

ARTICLE 19 - TRANSPORTATION

ARTICLE 20 - SAFEGUARDS

ARTICLE 21 - SPECIAL ARRANGEMENTS FOR TRADE IN SELECTED AGRICULTURAL PRODUCTS



In order to avoid the adverse impact on the demand for local products resulting in serious losses to producers/farmers, and having regard to the seasonal and perishable nature of agricultural products, the Parties agree that with respect to the agricultural products listed in Annex V which are being accorded duty free treatment, they may apply, if necessary, the Most Favoured Nation (MFN) rate of duty during the periods identified in the schedule.

ARTICLE 22 - UNFAIR TRADE PRACTICES

ARTICLE 23 - ANTI-COMPETITIVE BUSINESS PRACTICES

ARTICLE 24 - SETTLEMENT OF DISPUTES

ARTICLE 25 - AMENDMENTS

ARTICLE 26 - REVIEW OF THE AGREEMENT

ARTICLE 27 - ACCESSION TO THE AGREEMENT BY OTHER MEMBER-STATES OF THE ASSOCIATION OF CARIBBEAN STATES

ARTICLE 28 - DEPOSITORY

ARTICLE 29 - TERMINATION

ARTICLE 30 - ENTRY INTO FORCE

Annexes to the Agreement

Annex I - LIST OF EXPORTS FROM CARICOM ON WHICH CUBA WILL GRANT DUTY FREE ACCESS



- Goods on Annex I will not be subject to MFN rates and shall be imported duty-free to Cuba from the States of CARICOM.
- A valid and duly signed certificate of origin as prescribed by Annex VI, should accompany the goods validating their originating status, along with the relevant export documents, such as the bill of lading.
- The certificate of origin should be validated by the Competent Authority, which in the case of Jamaica is the Trade Board Limited.

Examples of products listed on Annex I include:

Description of Goods	Tariff Heading
Pineapple Juice	2009.40
Insecticides	3808.10
Handkerchiefs	62.13

Annex II - LIST OF EXPORTS FROM CUBA ON WHICH CARICOM WILL GRANT DUTY FREE ACCESS



- Goods on Annex II will be accorded duty free treatment upon importation to CARICOM. For example below:

Description of Goods	Tariff Heading
Baths, shower-baths and wash-basins	3922.10
Sugar Confectionery	17.04
Inflatable balls	9506.62

Annex III - LIST OF ITEMS ON WHICH CUBA WILL GRANT PHASED REDUCTION OF DUTY TO CARICOM (over four years)

This Annex represents goods originating in CARICOM that were designed for phased reduction. However, these goods shall be granted duty free access to Cuba, as the phasing period of 4 years has been exhausted.

Annex IV - LIST OF ITEMS ON WHICH CARICOM WILL GRANT PHASED REDUCTION OF DUTY TO CUBA (over four years)

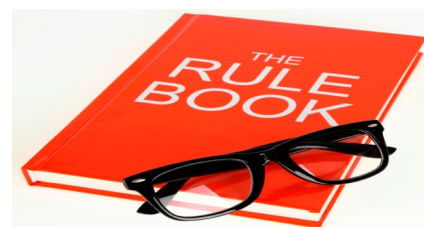
This Annex represents goods originating in Cuba that were designed for phase reduction. However, these goods shall be granted duty free access to CARICOM, as the phasing period of 4 years has been exhausted.

Annex V - SCHEDULE FOR LIST OF SELECTED AGRICULTURAL PRODUCTS TO BE SUBJECT TO SPECIAL TRADING ARRANGEMENTS WHEN IMPORTED INTO CARICOM MDC'S FROM CUBA AS APPROVED FOR IN ARTICLE 21 OF THE AGREEMENT

- A listing of sensitive agricultural products within the MDC's is identified, for which MFN rate is payable during the months of the highest production.
- Special treatment shall be accorded to selected agricultural products as per Annex V. The products shall attract the MFN duty during the months specified, i.e. noted with "2" which is specific to Jamaica. However, where a period is not indicated then the product shall be granted duty free access.



Annex VI — Rules of Origin



1. The determination of origin of goods and the appropriate certification and verification procedures will be defined and applied as established by this Annex.

2. The Rules of Origin in this Annex are based on the general principle of substantial transformation characterized by the change of Customs classification heading. To that end, the parties will use the Nomenclature of the Harmonized Commodity Description and Coding System, including the headings, sub-headings, and the corresponding numerical codes, the notes to the sections, chapters and sub-headings, as well as the general rules of interpretation.

3. The following shall be considered as originating in the Parties:

- **Wholly produced goods**

Direct Transport

7. In order for goods to benefit from the preferential treatment, goods must be directly delivered from the exporting country to the importing country. Under this Agreement the following shall be considered as direct transport:

A. Goods transported without going through third countries;

B. Goods transported in transit through one or more non-participating countries, with or without transshipment or temporary storage, under the surveillance of customs authorities of such countries, provided that:

(i) the transit is justified by geographical reasons or by considerations related to transport requirements;

(ii) the goods are not designed for trade or use in the transit country;

(iii) the goods do not undergo during transportation or storage any operation other than loading or unloading or operations to keep them in good condition and ensure their conservation.

CARICOM/Cuba Economic Cooperation Agreement Jamaica Gazette

The Economic Cooperation Agreement between the Caribbean Community and the Republic of Cuba was ratified by Jamaica Gazette dated July 29, 2014 Vol. CXXXVII, No. 57.2 A and Corrigendum dated July 29, 2014 no. 57.5 A.

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



First Schedule

Goods originating in Cuba, specified in **Annex II**, shall be exempt from import duty and be granted immediate liberalization into Jamaica.

Good Originating in Cuba not specified in schedule 1 or schedule 2 are to be considered excluded from the Agreement.

Application of the Free code

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

Second Schedule

- Special treatment shall be accorded to selected agricultural products as per **Annex V**. The products shall attract MFN duty during the months specified, i.e. noted with "2" for Jamaica. However, where a period is not indicated then the product shall be granted duty free access.



Goods originating in Cuba that were designed for phased reduction of tariff, for which the phasing out period has been exhausted, shall be granted duty free status as specified by **Annex IV** of the Agreement.

ID (01) Free code	Description	Duty Rate
900.40	CARICOM/Cuba Economic Cooperation Agreement	0

Certification of Origin

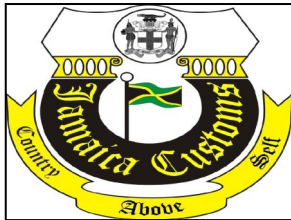
All goods for export should have a duly authorized and stamped Certificate of Origin in order to gain preferential market access. The certificate of origin shall be valid for a period of 180 days. In the event that the importer is unable to submit a certificate of origin in respect of the clearance of any goods, the Customs authorities may permit release of the goods and may adopt the actions necessary to safeguard the fiscal interests.

The certificate of origin will include:

- The Exporter's declaration or the declaration of the final producer that the origin requirements have been met.
- A certificate from the authorized body of the exporting country attesting to the accuracy of the declaration
- The signature of an official designated by the authorized body in the exporting territory.

CERTIFICATE OF ORIGIN					
1. NAME AND ADDRESS OF THE EXPORTER			2. NAME AND ADDRESS OF THE IMPORTER		
Name: _____ Fax: _____			Name: _____ Fax: _____		
N.A.T./Exporter Code: _____			N.E.T./Importer Code: _____		
3. Item No.	4. Quantity of Packages	5. Tariff Classification	6. Description of Goods	7. Rule of Origin	8. No. and Date of Invoice
9. Certificate/Declaration: _____, declare under oath that:					
The information provided in this document is true and accurate and I shall be responsible to prove what has been stated. I am aware that I will be responsible for any false statements given in the present document. I consent to sign and approve the economic document which includes the contents of this Certificate as well as to certify, at the person to whom I have issued this Certificate of any change that may affect its accuracy or validity. The goods originate from _____ and comply with requirements of Annex III of the Agreement. The goods have not been subject to any further process or any other operation outside of the Parties' territories.					
This Certificate consists of _____ pages.					
ID: _____		Position: _____			
Name: _____		Date: _____			
11. Certification: TO BE COMPLETED ONLY IF GOODS ORIGINATE FROM BELIEF.					
It is hereby certified on the basis of control carried out that the declaration by the exporter is correct.					
Signature and date of certified Authority: _____		Name of Certifying Authority: _____		Date (dd/mm/yy): _____	
WARNING: PERSONS WHO FURNISH OR CAUSE TO BE FURNISHED UNTRUE DECLARATIONS RENDER THEMSELVES LIABLE TO PENALTIES.					
12. Observations: _____					





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

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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/Cuba Economic Cooperation Agreement—Sample Queries from Jamaica

1. Can Pasta be imported duty free to Jamaica under the CARICOM/Cuba Agreement:

This query was finalized by determining the relevant tariff heading for Pasta of 19.02, which was used to verify eligibility for duty free importation to Jamaica under the Agreement.



Pasta of tariff heading 19.02 can be imported duty free to Jamaica as it falls under Annex IV of the Agreement.

Origin Criteria for Pasta must be met and supported by a valid and duly signed certificate of origin, submitted to Customs along with the relevant import documents to receive the preferential (duty free) treatment.

Preferential treatment is administered by Customs through the use of the 900.40 free code for items being imported duty-free from the Republic of Cuba.

The customer was also advised of the other fees and charges applicable to importation such as General Consumption Tax (GCT), Customs Administrative Fee (CAF), Standard Compliance Fee (SCF), and Environmental Levy (Envl.)



2. Can Cement Clinker be imported duty free to Jamaica under the CARICOM/Cuba Agreement?

This query was finalized by determining the relevant tariff heading for Cement Clinker of 25.23, which was used to verify eligibility for duty free importation to Jamaica under the Agreement.



Cement Clinker of tariff heading 25.23 is subject to MFN duty rates (import duty payable) and does not appear on any of the Schedules to the Agreement.