

## MEMORANDUM OF UNDERSTANDING

### AUTHORISED ECONOMIC OPERATOR PROGRAMME

THIS MEMORANDUM OF UNDERSTANDING is established on the ..... between, ..... a company incorporated under the laws of Jamaica with registered office at .....in the parish of ..... (hereinafter referred to as “the [Operator](#)”) of the ONE PART and the Commissioner of Customs for and on behalf of the [Jamaica Customs Agency](#) (JCA), an [Executive Agency](#) established under the Executive Agencies Act, with its head office located at Myers’ Wharf, Newport East in the parish of St Andrew (hereinafter referred to as “the Commissioner”) of the OTHER PART.

The Operator and the Commissioner are hereinafter referred to collectively as “the Parties”.

NOTING that the JCA has implemented the [Authorized Economic Operator \(AEO\) Programme](#) further to its adherence to the recommendations contained in the [Revised Kyoto Convention](#) and the execution of its mandate of trade facilitation, revenue collection, border protection and the enforcement of health and safety standards;

ACKNOWLEDGING that the JCA is committed to strengthening collaboration and partnership with the trading community;

RECOGNIZING that the JCA considers risk as an exposure to non-compliance regarding the regulatory requirements relating to the import and export of goods, supply chain security, revenue and border protection. The level of risk is determined by a Compliance Assessment as outlined in the [First Schedule](#). Through this assessment, an Operator is classified as high, medium or low risk.

EMPHASISING that in an effort to achieve increased efficiency and accountability, to reward low risk Operators and to encourage voluntary compliance, the JCA is

promulgating the AEO Programme, more particularly described in the First Schedule;  
and

RECOGNISING that the Operator, following a [Compliance Assessment](#), has been proven to the satisfaction of the Commissioner to be low risk.

**NOW THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:**

**1. GENERAL PROVISIONS**

- 1.1. The Schedules to this Agreement shall be construed and read as one with this Agreement;
- 1.2. This Agreement constitutes the entire agreement between the Parties.
- 1.3. The Parties expressly agree that the Operator's compliance with the provisions of this Agreement shall be a prerequisite for the Operator to obtain and continue to receive the privileges associated with the AEO Programme.
- 1.4. Subject to paragraph 1.5 of this Agreement, goods belonging to the Operator which are undergoing customs clearance under the AEO Programme ("relevant goods") may be exempted from pre-clearance examinations and may be released to the Operator or its appointed agent, provided that there are no discrepancies in relation to the documents submitted.
- 1.5. Nothing in this Agreement shall be construed as limiting the power and absolute discretion of the Commissioner to subject all goods imported by the Operator to customs control measures, including pre-clearance examinations. The Commissioner shall have the absolute discretion to utilize Risk Management and such other criteria as the Commissioner sees fit, in

determining the application of customs control measures to the Operator, or goods belonging to the Operator that are under-going customs clearance.

- 1.6. The Commissioner will not grant approval for the use of any place as an [Approved Site](#), unless the Commissioner is satisfied that the proposed place has met all the stipulated requirements established under this Agreement. It is also a condition precedent for such approval, for the Commissioner to be satisfied that the proposed place has been approved for use as an Approved Site by all other [Border Regulatory Authority](#) (BRA) with responsibility for any goods to be placed at the site. Note that the relevant BRA should be informed when the category of goods has changed. Likewise, where a new AEO takes over a warehouse, that AEO must seek approval PRIOR to offloading shipments at the location.
- 1.7. Except as otherwise allowed under this Agreement, where the Commissioner has approved a specific place as an Approved Site, pursuant to an application by an Operator (the applicant), that specific place shall be deemed to be the Approved Site assigned to that Operator.
- 1.8. The refund of duties and taxes shall be governed by the Customs Act and any other law that specifically governs the refund of the said duties and taxes.
- 1.9. Nothing in this Agreement shall be construed as limiting the powers of the Commissioner under any law, including the powers of the Commissioner to investigate, detect or deter the contraventions of that law or to impose any penalties, fines or sanctions.

## **2. OBLIGATIONS OF THE OPERATOR**

**The Operator is required to:**

- 2.1** Comply with all applicable law (including any law relating to customs, trade, and revenue legislation and any rules), and any directions or requirements (including Health and Safety Standards or directions relating to supply chain security), that may be issued from time to time by the Commissioner or a relevant BRA.
- 2.2** Submit accurate and complete declarations to the JCA and to any relevant BRA, along with all supporting documents.
- 2.3** Pay all applicable duties, taxes, fees, and other charges due to the Government in respect of the relevant goods.
- 2.4** Instruct its supplier(s) to exercise due diligence when dispatching shipments and mandate that the supplier(s) notify the Operator when goods are shipped below or in excess of the quantity stated on the documents required for Customs processing.
- 2.5** Make full and prompt disclosure to the Commissioner of any information (whether the information was received during or after the customs processing of relevant goods), which could reasonably impact, in a negative manner, on the Customs or Revenue laws. For the avoidance of doubt, this includes an obligation to promptly disclose any information that impacts the accuracy or completeness of any declaration submitted to the Commissioner or a relevant BRA.
- 2.6** Not cause goods and/or containers to be offloaded at, transported to, removed to or stored at, any place other than an Approved Site assigned to the Operator, except with the prior written approval of the Commissioner.
- 2.7** Not remove, tamper, or interfere (in any way) with any seal affixed by the JCA or a BRA.

- 2.8** Inform the requisite BRA (where applicable) immediately on the arrival of goods and/ or containers at an Approved Site.
- 2.9** Ensure that where licences, permits, or authorizations are required for goods, same are obtained from the relevant BRA or authority, within the timeframe stipulated by the law relating to that licence, permit, or authorization.
- 2.10** Prepare and retain the prescribed [documents](#) outlined in the [Third Schedule](#), for a period of seven (7) years
- 2.11** Prepare and retain the [records](#) required by the AEO [Security Requirements](#) outlined in the [Fifth Schedule](#), for a period of three (3) years.
- 2.12** Permit a [relevant officer](#), or any person who presents other legal authorization, to access the following:
- a) Documents and records detailed in the Third and Fifth Schedule;
  - b) All goods (whether or not imported under the AEO programme) located at an Approved Site or at any premises owned or occupied by the Operator;
  - c) An Approved Site;
  - d) Any premises owned or occupied by the Operator where records or documents under sub-paragraph a), or goods under sub-paragraph b), are located.
- 2.13** Permit a relevant officer, or any person who presents other legal authorization, to access the premises of an Approved Site for the following purposes:
- a) Observing, monitoring or assessing the systems and procedures in place at the Site;

- b) Observing, monitoring or assessing the Operator's compliance with any obligation under this Agreement;
- c) Random or scheduled inspections or visits; or
- d) Any purpose associated with the monitoring or performance of this Agreement.

**2.14** Where access under paragraphs 2.12 or 2.13 requires the unlocking or opening of any place, or the operation of any equipment, computer or device, the Operator shall cause the place to be unlocked or opened, and the equipment, computer or device to be operated. If required by the relevant officer or other authorized person, the Operator shall provide a person to operate the said equipment, computer or device.

**2.15** Subject to paragraph 1.8, where goods are not examined by the JCA before release, the Operator shall be responsible for paying the full duties and taxes due in accordance with the information (including information relating to quantities) stated on the goods declaration submitted to the Commissioner, and or pursuant to which the goods were released to the Operator.

**2.16** Where the Operator asserts that there are any shortages in the quantity of goods shipped (short-shipment), the Operator shall prove the fact of the short-shipment, to the satisfaction of the Commissioner.

**2.17** Not impede or hinder-

- a. a relevant officer;
- b. a designated official; or
- c. any other person: -
  - i) carrying out a function pursuant to or in connection with this Agreement; or
  - ii) executing a function pursuant to the Customs laws, revenue laws or any law relating to a relevant BRA.

- 2.18** Maintain the mandatory policies and procedures stipulated in the AEO Security Requirements detailed in the Fifth Schedule which are in accordance with the World Customs Organization's (WCO) SAFE Framework of Standard to Securing and Facilitating Global Trade.
- 2.19** Notify the AEO Account Officer assigned to the Operator before making changes to any of the following:
- a) The Operator's registered address, if the Operator is a company;
  - b) The Operator's place of business or operation;
  - c) The location at which goods, documents or records relevant to this Agreement are stored or kept;
  - d) The nature or type of the Operator's business;
  - e) The type of legal entity;
  - f) The Operator's [point of contact](#).
- 2.20** In the event of an emergency that requires the relocation or storage of goods at a place other than an Approved Site assigned to the Operator, notify the AEO Account Officer of the emergency and the place to which the goods have been temporarily relocated or stored, no later than 24 hours after the said emergency.
- 2.21** Respond to all advisories or requests for information from the JCA or a relevant BRA, within seven days of receiving the advisory or request for information, or within such longer period as may be indicated in the advisory or request. Such advisories or requests may originate from various units within the JCA, such as [Post Clearance Audit](#), Valuation Verification and Entry Processing, among others.
- 2.22** Comply with such directions or requirements as the Commissioner may in any particular case issue or impose, in any case in which the Operator shares

a warehouse with other Operators or non-AEO companies. These directions or requirements may relate, among other things, to the manner in which goods are separated, secured, or stored.

**2.23** Cooperate fully with any review, enquiry, audit, or investigation that may arise as a result of any customs transaction. This may include, for example, providing information to the Commissioner relating to employees, the company's premises, equipment among other things.

### **3. OBLIGATIONS OF THE COMMISSIONER**

The Commissioner shall inform the Operator, in writing, of any changes under the AEO Programme.

### **4. DURATION**

Subject to paragraph 5, this Agreement is valid for a period of three (3) years, effective from the date of this instrument.

### **5. RE-CERTIFICATION, WITHDRAWAL, SUSPENSION, REVOCATION AND APPEAL**

#### **a. RE-CERTIFICATION**

- i. The Operator has the right to apply for re-certification.
- ii. The Operator is required to submit to the Commissioner its application for re-certification no later than thirty (30) days before the expiration of the term under this Agreement. The Commissioner may extend the time within which an application is required to be submitted.



- iii. Where the Operator does not apply to renew the AEO certification in accordance with paragraph a (ii), the Operator will be automatically removed from the AEO Programme.
- iv. The application for re-certification for the AEO Programme may be found on the official website of the Jamaica Customs Agency at <https://www.jacustoms.gov.jm/>
- v. The Commissioner may approve or refuse an application for re-certification under the AEO Programme.

#### **b. WITHDRAWAL**

The Commissioner may withdraw (in whole or in part) the privileges granted to the Operator under the AEO Programme if:

- a) There are changes in government policy or law, in respect of the importation or exportation of relevant goods;
- b) The Operator submits a written request to be removed from the AEO Programme;
- c) The Commissioner has discontinued the AEO Programme.

#### **c. SUSPENSION**

The Commissioner may suspend (in whole or in part) the privileges granted to an Operator under the AEO Programme (“suspension of AEO Certification”) for any of the following reasons: -

- a. The Operator fails to comply with –
  - i. this Agreement;
  - ii. any terms or conditions imposed by the Commissioner or a BRA in respect of the certification, or any relevant goods;
  - iii. the provisions of any applicable law (including customs, trade or revenue laws).

- b. The Operator, any of its directors, or any person responsible for the management of its business, is charged with a criminal offence, whether in Jamaica or any other country, related to any of the following:
  - i. corruption, fraud, dishonesty, money laundering, narcotics, firearms and ammunition, the customs laws or the revenue laws;
  - ii. physical injury, threat, or sexual misconduct in relation to a relevant officer.
- c. The Operator provides any false or misleading answer in relation to any question posed by a relevant officer.
- d. The Operator requests, in writing, that the status be suspended.
- e. The Operator imports or exports goods on behalf of non-AEO entities using the AEO status.
- f. The Operator engages in any acts or omissions that are deemed by the Commissioner to be injurious to the AEO Programme.
- g. A suspension of the Operator's certification remains in effect for a continuous period of six (6) months.

#### **d. REVOCATION**

The Commissioner may revoke the privileges granted to an Operator under the AEO Programme ("revocation of AEO certification") for any of the following reasons: -

- a) The Operator fails to comply with –
  - i. this Agreement;
  - ii. any terms or conditions imposed by the Commissioner or a BRA in respect of the certification or any relevant goods; or
  - iii. the provisions of any applicable law (including customs, trade or revenue laws);

- b) The Operator has provided false or misleading information with regard to the Operator's application for certification;
- c) The Operator, any of its directors, or any person responsible for the management of its business has been convicted of an offence-
  - i) involving corruption, fraud, dishonesty, money laundering, firearms and ammunition, or an offence contrary to the customs laws or the revenue laws;
  - ii) involving physical injury, threat, or sexual misconduct in relation to a relevant officer.
- d) The Operator engages in any acts or omissions that are deemed by the Commissioner to be injurious to the AEO Programme.
- e) Are vocation of the Operator's certification remains in effect for a continuous period of twelve (12) months.

## **6. GENERAL PROCEDURE REGARDING REFUSAL, SUSPENSION OR REVOCATION OF AEO CERTIFICATION**

### **6.1 REFUSAL**

Where the Commissioner intends to refuse an application for re-certification, or to suspend or to revoke an Operator's certification, the Commissioner shall give written notice to the Operator of the proposed refusal, suspension, or revocation.

- a. The written notice must state –
  - i. In the case of suspension or revocation, the proposed effective date of the suspension or revocation;
  - ii. The grounds for the proposed refusal of re-certification, suspension, or revocation; and
  - iii. The period referred to under paragraph 6 (b) within which the Operator may make written representations.

- b. An Operator who has been given notice by the Commissioner of a proposal to refuse an application for re-certification, or to suspend or revoke a certification, may, within thirty (30) days after receipt of that notice, or such longer period as the Commissioner may in the circumstances allow and notify to the Operator, make written representations as to why the application should be granted, or the certification not suspended or revoked, as the case may be.
- c. After consideration of any representations made by the Operator under paragraph 6 (b), the Commissioner may-
  - i. Confirm the proposal and proceed to refuse the application for re-certification, or suspend or revoke the certification, as the case may be;
  - ii. Withdraw the proposal; or
  - iii. Modify the proposal and proceed to implement the proposal as modified.
- d. The Commissioner shall-
  - a) notify the Operator in writing of any decision taken under paragraph 6
  - b) provide the Operator with reasons for any decision to refuse to grant an application for re-certification or to revoke a certification.

## **6.2 RENEWAL OF APPLICATION FOR CERTIFICATION**

Where an Operator's application for re-certification has been refused or where an Operator's certification has been revoked, that Operator may, at any time after such refusal or revocation, make a fresh application to the Commissioner for certification.

### **6.3 IMMEDIATE SUSPENSION**

6.3.1 The Commissioner may suspend an Operator's AEO certification with immediate effect.

The Commissioner may act under paragraph 5 (c) if reasonably satisfied that the immediate suspension is required in order to:

- a. preserve the integrity of the AEO Programme;
- b. prevent the occurrence of fraud on the revenue or other unlawful revenue loss;
- c. protect the interest of national security; or
- d. otherwise protect the public interest

6.3.2 Upon suspending an Operator under paragraph 5 (c), the Commissioner is required to give written notice to the Operator stating-

- a) The date on which the suspension took effect;
- b) The grounds for the suspension, including only such information that the Commissioner is satisfied is not likely to -
  - i) facilitate;
  - ii) exacerbate; or
  - iii) compromise the investigation ofthe circumstance that has become the basis for the Commissioner to act under paragraph 6.4; and
- c) The period within which the Operator may make written representations.

6.3.3 An Operator that has been given notice by the Commissioner of the immediate suspension of that Operator's AEO certification may, within thirty (30) after receipt of that notice, or such longer period as the Commissioner may in the circumstance allow and notify to the person, make written representations as to why the suspension should be withdrawn.

- 6.3.4 After consideration of any representations made under paragraph 6.1 (b), the Commissioner may-
- a) Withdraw the suspension;
  - b) Confirm the suspension and determine the period for which it shall continue; or
  - c) revoke the Operator's AEO Certification.

## **7. REVIEW OF DECISIONS**

The Operator may apply to the Commissioner for a review of any decision taken under this Agreement.

### **i. DISPUTE RESOLUTION**

- a. Where a dispute arises under or in connection with this Agreement, the Parties shall first seek to resolve the dispute by mediation.
- b. The Parties shall jointly appoint a Mediator. If the parties fail to jointly appoint a Mediator, either Party may request the appointment of a Mediator by the Dispute Resolution Foundation of Jamaica.
- c. If the dispute is not resolved between the Parties within thirty (30) days after the appointment of the Mediator by the Dispute Resolution Foundation of Jamaica, or after such longer period as the Parties may mutually agree, each Party may seek to resolve the dispute by such other means as are appropriate.

- d. The costs for the Mediator appointed under paragraph 10 i b., shall be borne equally by the Parties.

**ii. Applicable Law and Forum**

- a. This Agreement shall be governed by and construed in accordance with the laws of Jamaica.
- b. 7.2 The forum for the conduct of any negotiation, mediation, arbitration or any other proceedings (including judicial proceedings) in respect of this Agreement shall be Jamaica

**iii. NOTICES**

- a. Any notice to be given to the Operator should be marked to:

Name of Operator:

Attention: *(Insert names of primary and secondary Points of Contact)*

and delivered to: *(Insert address)*

Email: *(insert emails for primary and secondary points of contact)*

Telephone No. *insert emails for primary and secondary points of contact*

- b. Any notice to be given to the Commissioner should be marked to:

The Commissioner AND the Operator's Account Officer

Attention: *insert names of Commissioner and Account*

*Manager)* and delivered to Myers' Wharf, Newport East, Kingston 15

Email :*(insert email of Account Officers)*

Telephone No. (*Insert telephone number of Account Officer*)

- c. Deemed delivery shall be determined as follows:
- i. by hand – the first Business Day following delivery;
  - ii. by private courier – at the time the courier company states that it was delivered;
  - iii. by email or fax – one hour after it is sent provided that it is sent on a Business Day before 3:00 p.m. failing which it will be deemed received on the next Business Day.

**iv. LIABILITY**

Notwithstanding the powers of the Commissioner to refuse an application for re-certification, suspend, revoke or withdraw the AEO status, an Operator may be liable to prosecution and /or incur civil liability in respect of any breach of any law, or this Agreement.



**IN WITNESS WHERE OF**, the parties have hereunto set their hands and seals the day and year first above written to this Memorandum of Understanding.

**APPLICANT**

SIGNED on behalf of

---

Affix Company stamp or seal

.....  
Company name

.....  
Company Head (print name)

.....  
Company Head (signature)

.....  
And COMPANY SECRETARY/DIRECTOR  
(print name)  
in the presence of: -

.....  
SEC. /DIR. (signature)

.....  
Name & Seal  
Justice of the Peace  
Signing on behalf of Company

**CUSTOMS OFFICIAL USE**

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in the presence of: -

.....  
Name & Seal  
Justice of the Peace  
signing on behalf of JCA

.....  
COMMISSIONER OF CUSTOMS

## FIRST SCHEDULE

### GLOSSARY OF TERMS

**“Approved Site** “is the place that has been approved by the Commissioner and any relevant BRA, which is specifically assigned to an Operator for the off-loading, storing or securing of relevant goods, subject to such terms and conditions as the Commissioner or the BRA may impose.

**“Authorised Economic Operator Programme** “is a preferred status enjoyed by low risk Operators, as determined by the compliance assessment technique. The system fosters a mutually beneficial relationship between the low risk Operator and the JCA. The Programme lends itself to reductions in costs, fewer examinations of cargo and documents.

**“Authorized Economic Operator** “or **“Operator”** means a party involved in the international movement of goods in whatever function that has been approved by or on behalf of the JCA as complying with WCO or equivalent supply chain security standards. Authorized Economic Operators include inter alia manufacturers, importers, exporters, customs brokers, carriers, consolidators, intermediaries, port operators (sea or air), terminal operators, integrated operators, warehouse keepers and distributors.

**“Border Regulatory Authority”** refers to all Government Regulatory Bodies involved in a) the process of International trade; b) the granting of permits, licences or other authorizations relating to the import or export of goods; and c) the examination of any goods that require examination prior to release.

**“Compliance Assessment** “is an audit tool employed by the JCA which tests and reports on the Operator’s level of compliance with customs laws, and other revenue, trade, health and standards legislation.

**“Consent Form** “is an administrative document presented to the Operator in circumstances in which the Operator is alleged to have breached the Customs Act and the Operator has elected to request that the Commissioner exercise his quasi-judicial function pursuant to Section 219 of the Customs Act to determine the matter. The Consent Form requires the Operator, among other things, to present a written explanation of the circumstances surrounding the breach, for the consideration of the Commissioner.

**“Customs Laws** “includes the **Customs Act 1941** and any regulations or proclamations made thereunder, and all other enactments relating to the Customs.

**“Designated Official or “Officer** “includes any person employed in the Jamaica Customs Agency, the Revenue Protection Division of the Ministry of Finance, and all officers of the Jamaica Constabulary Force, as well as any person acting in the aid of any officer or any such person; and any person acting in the aid of an officer acting in the execution of his office or duty shall be deemed to be a designated official acting in the execution of his office or duty.

**“Document” means-**

- (a) Any written information relating, directly or indirectly, to goods which are imported or exported;
- (b) Any written declaration required by the Commissioner; and
- (c) Any record generated in any manner whatsoever, including any record generated by an automated recording device or programme required to retrieve information in usable form.

**“Duty”** includes any tax or surtax imposed by the customs or excise laws

**“Emergency”** refers to a sudden, urgent, usually unexpected occurrence or occasion, requiring immediate action. This may include fire, flood, or Acts of God.

**“Executive Agency” and "Agency"** refers to a public body, which is designated an Executive Agency pursuant to the Executive Agency Act of Jamaica.

**“Jamaica Customs Agency”** refers to Customs who executes its role to protect our borders, by performing agency functions on behalf of other government departments and ministries.

**“Post Clearance Audit”** refers to the review and/or investigation of all shipments, books and records that relate to importations or exportations by an entity or the Operator to ensure the proper application of customs laws. A post clearance audit may include a review or investigation of shipping documents, customs declarations, invoices, bills of lading and any other document required for such review or investigation.

**“Point of Contact”** refers to officer of the Operator designated to be the Primary point of contact with whom the AEO Account Officer communicates.

**“Records”** include any information made or normally kept in the ordinary course of business which pertains to the following:

1. Any importation, exportation, customs declaration or customs report;
2. The transportation or storage of goods that are subject to customs control to, from or within Jamaica;
3. The customs clearance of goods and any other information pertaining to, or from which is derived from any information used in connection with an activity described at 1 and 2 herein.

Records include, but are not limited to:

- a. electronically generated or machine-readable data;

- b. electronically stored or transmitted information or data; or
- c. computer programs necessary to retrieve information in a useable form;

**“Relevant Officer”** means any person employed to the Jamaica Customs Agency or a Border Regulatory Authority and who provides an official identification to that effect.

**“Revised Kyoto Convention”** refers to the International Convention on the simplification and harmonization of Customs procedures.

**“Revocation”** is the involuntary removal of the Operator from the AEO Programme by the Commissioner of Customs pursuant to clause 5 subsection d.

**“Risk Management”** is a formal and systematic technique employed by the Jamaica Customs Agency to assess and address non-compliance by Operators with respect to relevant laws and procedures. It involves the collection and analysis of data and information. The technique is constantly modified to adapt to changes and risks in international trade.

**“Suspension”** is the involuntary temporary removal of the Operator from the AEO Programme by the Commissioner of Customs pursuant to clause 5 c

**“Withdrawal”** is the discontinuation of the AEO status pursuant to Clause 5 subsection b

## SECOND SCHEDULE

Pursuant to Clause 2 subsection 2.12, Section 223 of the Customs Act, provides that -

- (1) The Importer, Exporter or any person concerned in the importation or exportation of any goods shall, on the request of any officer made at any time within three years of the date of importation or exportation, as the case may be, or of the date of delivery to the proper officer of an entry for such goods, if the same have been entered, produce for the inspection of such officer the invoices, books of account and any other documents of whatever nature relating to such goods which the officer shall require, and shall answer such questions and make and subscribe such declarations regarding the weight, measure, strength, value, cost, selling price, origin and destination of such goods, and the name of the place whence or where any imported goods were consigned or transferred from one aircraft or ship to another, as shall be put to him by the officer, and shall produce such evidence as the officer may consider necessary in support of any information so furnished; and if the Operator or Exporter or other person concerned as aforesaid shall neglect or refuse to carry out any of the provisions of this section, he shall incur a penalty not exceeding five hundred thousand dollars, and subject to Section 212 and the Commissioner may on such neglect or refusal, refuse entry, delivery or shipment of the goods, or may allow entry, delivery or shipment of the goods upon such terms and conditions, and upon deposit of such sum, pending the production of the proper documents and declarations, as he shall see fit to impose or require.
- (2) The deposit made in accordance with subsection (1) shall be forfeited unless within three months of the time of deposit, or such further period as the

Commissioner may allow, the person making the deposit shall produce the required documents or declarations to the Commissioner.

(3) In this section a reference to “any person concerned” or “other person concerned” includes a reference to –

- (a) an insurance company which has issued a policy of insurance covering the goods in question; and
- (b) any person referred to in section 17G (3) of the Revenue Administration Act.

In accordance with Clause 7 Subsection 4., the following breaches under the Customs Act include:

Section 55A, stipulates that -:

- (1) A person commits an offence if, without lawful excuse or the permission of the proper officer, he interferes with any goods while those goods are in, or being conveyed between any port, customs area, container station, inspection *site*, wharf, or other place within the Island or the waters thereof.
- (2) For the purposes of subsection (1) a person interferes with goods if he –
  - (a) breaks into or opens any container, package, place or vehicle in which goods are kept or conveyed or to be conveyed;

- (b) removes any goods from such container, package, place, or vehicle or inserts therein any other goods;
  - (c) tampers with any lock, mark, or seal on or affixed to any such container, package, place, or vehicle.
- (3) A person who commits an offence under subsection (1) is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding two hundred thousand dollars, and the Resident Magistrate may order that such goods be forfeited.

Section 209, states that -:

- (1) A person commits an offence if:-
- (a) in any matter relating to the customs, or under the control or management of the Commissioner, he-
    - i. makes or subscribes or causes to be made or subscribed, any false declaration; or
    - ii. makes or signs or causes to be made or signed, any declaration, certificate or other instrument, required to be verified by signature, which is false in a material particular;
  - (b) he makes or signs any declaration made for the consideration of the Commissioner, on any application presented to him, which is false in a material particular;
  - (c) where required by the customs laws to answer questions put to him by an officer acting in the execution of his duty-
    - (i) he refuses to answer such questions; or



- (ii) he gives any answer which is false;
  
- (d) he counterfeits or falsifies-
  - (i) any document required by the customs laws or by or under the directions of the Commissioner; and
  - (ii) any instrument used in the transaction of any business or matter relating to the customs;
  
- (e) he willfully uses any such document which is counterfeited or falsified;
  
- (f) he alters any document or instrument after it has been officially issued;
  
- (g) he counterfeits the seal, signature, initials, or other mark of or used by, any officer for any purpose in the conduct of business relating to the customs or under the control or management of the Commissioner; or
  
- (h) on any document or instrument required for the purposes of the customs laws, he counterfeits or imitates the seal, signature, initials, or other mark of or used by any other person, whether with or without the consent of that other person.

(2) A person who commits an offence under subsection (1) shall be liable to a penalty not exceeding five hundred thousand dollars or treble the value of the goods to which the offence relates, whichever is the greater.

Section 210 (1) provides that -:

Every person who shall import or bring, or be concerned in importing or bringing into the Island any prohibited goods or any goods the importation of which is restricted, contrary to such prohibition or restriction, whether the same be unloaded or not, or shall unload, or assist or be otherwise concerned in

unloading any goods which are restricted and imported contrary to such restriction, or shall knowingly harbour, keep or conceal, or knowingly permit or suffer, or cause or procure to be harboured, kept or concealed, any prohibited, restricted or unaccustomed goods, or shall knowingly acquire possession of or be in any way knowingly concerned in carrying, removing, depositing, concealing, or in any manner dealing with any goods with intent to defraud Her Majesty of any duties due thereon, or to evade any prohibition or restriction of or applicable to such goods, or shall be in any way knowingly concerned in any fraudulent evasion or attempt at evasion of any import or export duties of customs, or of the laws and restrictions of the customs relating to the importation, unloading, warehousing, delivery, removal, loading and exportation of goods, shall for each such offence incur a penalty of not less than treble the import duties payable on the goods nor more than treble the value of the goods; and all goods in respect of which any such offence shall be committed shall be forfeited.

Section 211 provides -:

If any person shall import or export, or cause to be imported or exported, or attempt to import or export any goods concealed in any way, or packed in any package or parcel (whether there be any other goods in such package or parcel or not) in a manner calculated to deceive the officers of customs, or any package containing goods not corresponding with the entry thereof, such package and the goods therein shall be forfeited, and such person shall incur a penalty of not less than treble the import duties payable on the goods contained in such package nor more than treble the value of such goods.

In accordance with Clause 7 subsection 4, Section 219 of the Customs Act provides that -:

Subject to the approval of the Minister (which approval may be signified by general directions to the Commissioner) and notwithstanding anything contained in section 217, the Commissioner may mitigate or remit any penalty

or restore anything seized under the customs laws at any time prior to the commencement of proceedings in any court against any person for an offence against the customs laws or for the condemnation of any seizure.

### **THIRD SCHEDULE**

The documents referred to in Clause 2 subsection 2.12 include:

#### **Documents, Accounting Records and Reports Required for the Audit Process**

##### **A. Audited Financial Statements**

These comprise:-

- Balance Sheets;
- Profit or Loss Accounts/ Income Statement;
- Cash Flow Statements.

##### **B. Trial Balances**

##### **C. General Ledgers extracts: -**

- Accounts Payable (with related suppliers' statements). This includes payables directly to the supplier, his agent, and any other party in relation to the imported goods;
- Bank/Cash (with the bank statements and cheque stubs);
- Sales;
- Accounts Receivable (schedules);
- Inventory Accounts;
- Schedules of all foreign purchases;
- Schedules of all payments made to foreign suppliers, freight forwarders, and any other party in relation to imported goods.

*(Supporting documents related to all accounting reports and records must be maintained and must be presented upon the request of the relevant officer.)*

- D. Bank Reconciliation Statements**
- E. Contracts giving Operators exclusive agency rights for specific product(s) or service(s).**
- F. Contracts relating to royalties and license fees;**
- G. G. Contracts and agreements between Operator and freight forwarder/ consolidators** in relation to the movement, packaging, consolidation, and storage of imported goods.
- H. Other Contracts and agreements between Operators and suppliers** related to imports.
- I. Credit Card Statements** (relating to overseas purchases for the business)
- J. Suppliers Statements**
- K. Suppliers/Commercial Invoices**
- L. Freight Forwarders Files**
- M. Shipping Records**
- N. Purchase Orders**
- O. Delivery Notes**
- P. Journals & Ledgers**
- Q. Business Correspondences**
- R. Health Certificates and other relevant governmental licenses or documents.**

***(THE ABOVE LIST IS NOT EXHAUSTIVE, OTHER TYPES OF RECORDS MAY BE REQUIRED DEPENDENT ON THE NATURE OF THE AUDIT)***

**FOURTH SCHEDULE**



**JAMAICA CUSTOMS AGENCY  
SITE INSPECTION & COLD STORES APPLICATION FORM**

SITE101

Version 1.3 effective August 5, 2016

1. Name of Entity:  TRN (13 Digit)

Trading As:  TRN (13 Digit)

2. Business/Company Address

Inspection Address

3. Telephone Office  Cellular  Other

Website URL  Facsimile

4. Date of Incorporation/Registration

5. Company Registration Number

6. Name of Customs Broker/Number

Address of Customs Broker

7a. Directors of the Company

7b. Principal Officer(s)

8. Nature of Business

4. Directions to the Company/Factory

10a. Types of Products Imported

10b. Regulatory authorization  Other

11. Frequency of Imports

12. Application request for (a) One Off Site Inspection  (b) Permanent

13. Number of containers expected per shipment per month

14. Facility Amenities: Please Tick if Applicable

- a. Security Personnel
- b. Security Fencing/Wall
- c. Adequate Lighting
- d. Ramp Area
- e. Paved Unloading Area
- f. Enclosed Unloading Area
- g. Working Forklift
- h. Sanitary convenience
- i. Covered observation Area
- j. CCTV with back-up data storage
- k. CCTV with back-up data storage and remote access
- l. Intrusion Detection System with 24 hour armed response
- m. Intrusion Detection System without 24 hour armed response

15a. Is the site located in close proximity to a volatile area? YES  NO

15b. If yes, please explain

16. How many persons will be assigned to each shipment for off-loading

Suggestions: Pallet jack  Workmen  Special Tools

17. What is your expected time for unloading each type of examination? (Please indicate hours/minutes)

a. 20ft Container  b. 40ft Container

c. Palletized Cargo  d. Non-Palletized

18. Justification of request for Site Inspection privileges

19. Other remarks/comments

**TERMS AND CONDITIONS**

**By making this application to be granted Site Inspection Privileges, I/ we expressly agree to the following:**

1. An application for Site Inspection may be rejected by the Commissioner of Customs at any time.
2. Site Inspection is a privilege that may be withdrawn at any time and it is subject to the terms and conditions imposed by the Commissioner of Customs.
3. Without limiting the generality of paragraph 2, Site Inspection may be withdrawn, or the terms and conditions relating to the same may be varied during the term of the privilege, for any of the following reasons:
  - a) non-compliance with the terms or conditions imposed by the Commissioner of Customs;
  - b) breach of an obligation imposed by the Commissioner of Customs or by law;
  - c) risk assessment (including, but not limited to, risk assessment of the premises, the goods or the beneficiary of the privilege);
  - d) Misrepresentation, misstatement, incorrect or incomplete information in the application for Site Inspection or where the privilege was obtained on that basis;
  - e) breach of the Customs Laws and other related legislation
  - f) Conviction of a criminal offence involving fraud or dishonesty.
4. To provide the Commissioner of Customs, his servants and or agents, with access to the premises and every part thereof for the purpose of conducting physical inspections or other activities related to the powers, functions and duties of the Commissioner under the Customs laws.
5. To provide a plan of the premises, in such form and with such details as may be required, to the Commissioner of Customs.
6. To comply with all requests for information by the Commissioner of Customs under the Customs laws.
7. To install Closed Circuit Television (CCTV) surveillance equipment with back-up data storage and to provide the Commissioner with remote access to live feed from the same.
8. To notify the Commissioner of any change in circumstances, including but not limited to, any changes relating to the premises, the management of the company (including changes in the directors), the goods being stored at the facility or the security of the premises or its environs.
9. For other terms and conditions, see Annex 8

**I/We declare that the information provided herein is true and correct. I/We understand that the failure to provide complete and accurate information may result in the denial of this application, the withdrawal of Site Inspection privileges and/ or may constitute an offence against the Customs laws.**

**COMPANY REPRESENTATIVE**

**NAME**

**AFFIX COMPANY SEAL/STAMP:**

**TITLE**

**SIGNATURE:** .....

**DATE:** .....

**CUSTOMS OFFICIAL REVIEW:**    **APPROVED**             **PENDING**             **REJECTED**

**SIGNATURE:** .....

**SIGNATURE:** .....

**CUSTOMS OFFICIAL USE/ADDITIONAL NOTES**


**PROPER OFFICER**  **DATE**

*For further details, please contact our Site representatives at:  
**923-7018/2110 ext. 3428 (Kingston)**  
**953-6937 or 684-9912 (Montego Bay)**  
**972-1633/7311 (St. Ann)***

*All forms are to be complete electronically and submitted with supporting documents **via email** to:  
**[siteinspection@jacustoms.gov.jm](mailto:siteinspection@jacustoms.gov.jm)***



## **FIFTH SCHEDULE**

### **SECURITY REQUIREMENTS FOR JAMAICA'S AUTHORIZED ECONOMIC OPERATOR (AEO) Programme**

#### **OPERATORS ENGAGED IN IMPORTATION, EXPORTATION & MANUFACTURING**

### **1. MANAGEMENT AND ADMINISTRATION OF THE SECURITY CONTROL SYSTEM**

#### **THE AEO MUST:**

- 1.1. Document, implement, publish, and distribute security policies which aid in the prevention of illegal and criminal activities. The policies must have clear and measurable objective stolen sure compliance. Illegal and criminal activities include but are not limited to, drug trafficking, terrorism, smuggling, and theft.
- 1.2. Charge Senior Management with the responsibility of ensuring compliance with security policies (referenced in 1.1).
  - 1.2.1. Have a designated Manager who is documented as being responsible for all security functions.
- 1.3. Document and implement a Risk Management system (as detailed in 2-9) incorporating business partner security, container and conveyance security, physical security, physical access control, personnel security, information technology security, training, and security of raw and packaging materials

(where applicable).

- 1.4. Identify and document the processes (pictorial representations maybe used) that the organization uses in the conduct of its business. These processes should identify inputs, outputs, indicators measuring compliance and responsible use of the processes.
- 1.5. Have the designated AEO Officer for the company or if the internal audit teams conduct an audit on the compliance of AEO requirement, this person should be trained in the AEO Program and its requirements’.
- 1.6. Conduct a minimum of one (1) annual internal audit to assess compliance with minimum AEO security requirements and to identify and implement corrective actions and improvements where required. These audits shall be submitted to the Commissioner of Customs. This audit report must be submitted no later than three (3) months after the anniversary date of receiving the AEO status.
- 1.7. Have an organized and updated system that covers all administrative and financial activities of the organization: general accounting, banking, accounts receivable, accounts payable, billing, inventory, payroll, production, purchasing, sales, etc.
- 1.8. Have documented job descriptions for personnel employed in areas of importation and exportation.
- 1.9. Provide the AEO Account Officer or Manager AEO Unit with official copies of documents upon request.

## **2. BUSINESS PARTNER SECURITY**

Business partners are considered to be persons/entities contracted or subcontracted to

perform a service or provide goods, whose action can affect the security of the supply chain. These include air and sea carriers, importers, exporters, Customs Brokers, freight consolidators/forwarders, Shipping Agents, port facilities, airports, suppliers, and haulage contractors.

THE AEO MUST:

- 2.1. Have written and verifiable processes for the selection of business partners (as defined in 2).
  
- 2.2. Maintain and update (at least) the following information for their business partners:
  - a) Individual– name or trading name
  - b) Corporate Entity - the legal and trading name (if applicable) of the organization
  - c) Unique identification number, such as a tax registration number
  - d) Business Address
  - e) Business background ( inclusive of their economic activity
  
- 2.3. Document (certificate number, if applicable) which of their business partners have any of the following security certification: C-TPAT, BASC, AEO, ISO28000, PIP, NEEC, MCME.
  
- 2.4. Check that their business partners who are certified by a security program other than those listed in 2. 3, or who have no form of security certification, meet the minimum-security requirements of the AEO Programme. This can be verified by administering the Business Partner Security Questionnaire (available on the JCA website). This questionnaire is to be re-administered to business partners in this category whenever the AEO status is being renewed.
  - 2.4.1. If the AEO identifies weaknesses in their business partners in this regard, they should ask that the weaknesses be corrected.

*If the business partner has security certification as listed in 2.3 or meets the minimum-security requirements as outlined in 2.4, then .1&3.2 do not apply*

### **3. CONTAINER AND CONVEYANCE SECURITY**

Container and conveyance integrity must be maintained to protect against the introduction of unauthorized material and/or persons. At the point of stuffing, procedures must be in place to properly seal and maintain the integrity of the shipping containers. A high security seal must be affixed to all loaded containers bound for Jamaica and outbound from Jamaica.

#### **THE AEO MUST:**

- 3.1. Request a Container Inspection Report, duly signed by the inspecting officer from their overseas supplier/consolidator for each container prior to loading. This report must incorporate the seven-point inspection process outlined in 3.2 including the names of the personnel off-loading the container
- 3.2. Have documented and implemented procedures in order to verify the physical integrity of the container. This should include there liability of the locking mechanisms of the doors after unloading and prior to returning the empty container to the port. As even- point inspection process is required for all containers:
  1. Front wall
  2. Left side
  3. Right side
  4. Floor
  5. Ceiling/Roof
  6. Inside/outside doors
  7. Outside/Undercarriage

Reefer:

- a. Inspection of the evaporator area.
- b. Area of the condenser.
- c. Control box
- d. Area Compressor

**When exporting** –Inspect the tractor head and chassis and complete the inspection Checklist. The inspection checklist must be duly signed by the inspecting officer. It must contain the following:

1. The fifth wheel area – inspect the natural compartment/ skid plate
2. Exterior-front/ side
  - i. Rear-bumpers/doors
  - ii. Front wall
  - iii. Left side
  - iv. Right side
  - v. Floor
  - vi. Ceiling Indoor/ Outdoor
  - vii. Inside (including the Sleeper)/ outside
  - viii. Exterior/ Bottom section

### **3.3. CONTAINER SEALS**

- 3.3.1. Submit a written request to their suppliers/consolidator for high security seals to be affixed to all the imported containers. All seals must meet or exceed the current PAS SO17712 standards for high security seals.

- 3.3.2. Document, implement, and maintain procedures to recognize and report to the shipping line or agent and the Jamaica Customs Agency (JCA), whenever the seals, containers, and/or other cargo units have been violated. Similarly, the importer must
- 3.3.3. Report to the JCA prior to the landing or opening of the container if the supplier(s)/ consolidator neglect to use seals meeting the required standard.
- 3.3.4. Document, implement, and maintain procedures governing the use, distribution, and storage of seals. Only designated employees should handle and distribute seals.

#### **3.4. CONTAINER STORAGE**

- 3.4.1. Store containers and other cargo units (loaded and empty) in a secure area to prevent access and/or tampering.
- 3.4.2. Have procedures for reporting and neutralizing unauthorized entry into containers, trailers, and areas for the storage of containers and trailers.
- 3.4.3. Perform and document periodic inspections of storage areas for containers and other cargo units (full and empty) to detect suspicious or irregular activities (refer to 8.1).

### **4. PHYSICAL SECURITY**

THE AEO MUST:

#### **4.1. FENCING**

- 4.1.1. Have perimeter fencing that encloses the cargo handling areas and

storage facilities. The fencing must be appropriate for protecting the cargo.

- 4.1.2. Inspect perimeter fencing at least once per week to verify their integrity and address any damages. There must be documentary record of the inspections, duly signed by the person who conducted the inspection.
- 4.1.3. Finished goods imported for export under bonded facility. Have designated areas within the cargo handling area to separate and store goods intended for local consumption and goods intended for export.

#### **4.2. ENTRANCES AND EXITS**

- 4.2.1. Monitor entrances and exits for vehicles and personnel. A log must be used to capture information such as the driver's/visitor's name; license plate number; and the number from valid photo identification. This log must be kept for three (3) years.

#### **4.3. BUILDING STRUCTURE**

- 4.3.1. Secure their building structures with the necessary physical features that will serve to reduce the possibility of illegal entry.
- 4.3.2. Perform annual inspections and conduct repairs as circumstances dictate in order to maintain the integrity of their building structures.

#### **4.4. CONTROL OF LOCKS AND KEYS**

- 4.4.1. Secure all windows, doors, interior and exterior gates with locks. Management or security personnel must control the issuance of all locks and keys using appropriate logs. This log must be kept for a minimum of three (3) years.

## **4.5. SECURITY SYSTEM**

- 4.5.1. Either have their own security service staffed by persons registered with the Private Security Regulation Authority (PSRA) or contract a security company registered with the PSRA. The security personnel should be prepared to offer timely 24-hour response service in the event of any unforeseen threat to the company's operations.
- 4.5.2. Have a map showing the location of sensitive areas ( relating to the importation, manufacturing, and exportation of cargo, as applicable) of the facility.
- 4.5.3. Use alarm systems and video surveillance cameras to monitor premises (especially the sensitive areas as defined in 4.9) and aid in deterring unauthorized access to the areas of cargo handling and storage. The recordings must be stored for a minimum of 30 days (1 month). Storage can be in the form of, DVDs, etc.
- 4.5.4. Document, implement, and maintain contingency and emergency procedures to be used in the event of natural disasters, civil unrest, container contamination (in any form), corruption, and terrorist acts in order to ensure continuity and security in the international supply chain.
- 4.5.5. Conduct drills testing contingency and emergency procedures outlined in 4.11.

## **4.6. LIGHTING**

THE AEO MUST:



- 4.6.1. Always have adequate lighting inside and outside the facility. Special attention must be paid to the following areas: entrances and exits, areas of cargo handling and storage, perimeter fencing, and parking areas.
- 4.6.2. Have an emergency electrical power supply system (such as generators or inverters) to restore power to sensitive areas (refer to 4.9) in the event of a possible loss of electricity. Alarm systems and surveillance video cameras must be connected to the emergency power supply system.

#### **4.7. PARKING AND LOCKERS**

- 4.7.1. Prohibit the parking of vehicles of employees and visitors within the cargo handling areas and adjacent areas while such operations are taking place.
- 4.7.2. Manage areas designated for employees' lockers, ensuring that these areas are away from the cargo handling areas.

### **5. PHYSICAL ACCESS CONTROLS**

THE AEO MUST:

- 5.1. Have an identification system for employees if they employ in excess of nineteen (19) persons. This system must include an identification card with a picture which must be presented upon arrival.
- 5.2. Document procedures for delivery, removal and changing of access devices to employees (e.g. keys, keycards, etc.).

- 5.3. Require visitors going to the sensitive areas (refer to 4.9) of the organization to submit valid photo identification upon arrival, and record essential information from the ID.
- 5.4. Issue visitors going to the sensitive areas (refer to 4.9) of the organization with the organization's temporary visitor pass, which must be visibly displayed for the duration of the visit (This requirement does not apply to organizations employing less than 20 persons).
- 5.5. Control the issuance and return of visitors' passes. This includes having procedures in place to address lost to run returned passes.
- 5.6. Have a record of all visitors going to the sensitive areas (refer to 4.9) of the organization. These records must include their arrival and departure times, as well as the name of the employee they are visiting.

**THE AEO SHOULD:**

- 5.7. Escort visitors going to the sensitive areas (refer to 4.9) of the organization during their visit.
- 5.8. Have documented and implemented procedures on how to identify, challenge and address unauthorized or unidentified people within the facility.

## **6. PERSONNEL SECURITY**

**THE AEO MUST:**

- 6.1. Document, implement and maintain procedures for the selection of employees (a recruitment policy).
- 6.2. Verify the information on the employment application, such as criminal

record, personal and employment references, etc., in keeping with appropriate national legislation for candidates with employment opportunity.

- 6.3. Have updated employment history for all personnel, including photograph, address, phone number(s), next of kin information, and other relevant personal data.
- 6.4. Identify and update the critical positions that could compromise the security of the supply chain. Critical positions encompass all employees working in the sensitive areas (referto4.9) of the organization, along with the management team.
- 6.5. Have a manual of conduct and code of ethics that stipulates the administrative sanctions for breaches of the security measures and other behaviors that affect safety. This manual must be communicated and made available to all staff.
- 6.6. Have a policy in place to control the supply (delivery and return) of uniforms and company identification and make reasonable effort (documented) to ensure that these supplies are returned upon the employee's separation from the company.
- 6.7. Have a policy governing the separation of employees from the organization
- 6.8. Have procedures in place to refer staff to appropriate institutions in cases of substance abuse.

## **7. INFORMATION TECHNOLOGY SECURITY**

THE AEO MUST:

### **7.1. CONTROL AND DATA PROTECTION**

- 7.2. Assign individual accounts to employees. These accounts must require a change of password every three (3) months (minimum).
- 7.3. Have Information Technology policies documented, and these must be communicated to employees through training.
- 7.4. Have a backup of trade-sensitive information for at least the last three (3) years of operation. A copy must be stored securely offsite.
- 7.5. Have a system in place to identify abuse of computer systems and detect improper access, tampering or the altering of business data.
- 7.6. Apply disciplinary measures to all violators of the system
- 7.7. Comply with the laws governing Intellectual Property Rights (IPR) and Copyright.

## **8. SECURITY TRAINING AND AWARENESS OF THREATS**

### THE AEO MUST:

- 8.1. Train employees in the procedures established by the company to address and report suspicious activities to the management team and the Jamaica Customs Agency.
- 8.2. Provide specific training to assist employees in maintaining cargo integrity, access controls, and recognizing internal conspiracies.

### THE AEO SHOULD:

- 8.3. Implement a threat awareness program to equip employees with the knowledge of how to prevent, recognize and react to any threat of smuggling,

hostage taking, bomb threat, criminal activities, and terrorism.

## **9. CONTROL OF RAW MATERIALS AND PACKAGING MATERIALS (Applicable to Manufacturers only)**

THE AEO MUST:

- 9.1. Use the necessary documentation (such as requisitions, returns, inputs, outputs, and authorized signatures) for the control of raw materials and packaging materials. These documents must be maintained for at least three (3) years.
  
- 9.2. Control access to areas where raw materials and packaging materials are stored.