

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Voluntary Public

Date: 4/3/2013

GAIN Report Number: CB1304

Trinidad and Tobago

Post: Miami ATO

Trinidad and Tobago Seeks to Facilitate Trade

Report Categories:

National Plan
Policy and Program Announcements
Market Development Reports
Trade Policy Monitoring

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Report Highlights:

Exporting U.S. agricultural products to Trinidad and Tobago could get easier. The Government of Trinidad and Tobago is making efforts to streamline customs procedures and integrate software throughout all the different agencies involved in the clearance process. If successful, these improvements could cut customs clearance times dramatically and possibly reduce import costs as well. Trinidad and Tobago is already one of the largest importers of U.S. agricultural products in the Caribbean.

General Information:

Despite its small size, Trinidad and Tobago (TT) boasts one of the largest and most dynamic economies in the Caribbean. However, according to the World Bank Group's Doing Business rankings, TT ranks 69th among 184 countries around the world in terms of ease of doing business. In an effort to improve its rankings and thus become more competitive and facilitate investment, the Government of Trinidad and Tobago (GOTT) is seeking to reduce business constraints in a variety of areas. One such area is trading across borders (both export and import), where TT ranks 75th. According to government news releases, TT's Ministry of Trade, Industry and the Economy plans to present to TT's Parliament this month legislation aimed at improving the efficiency of Customs and Excise operations at the country's 13 sea ports and two airports. If successfully implemented, these customs improvements could facilitate U.S. trade with TT, a \$371 million market for U.S. agricultural, fish and forestry products in 2012.



The

container yard at Port of Spain' sea port.

On the import side, one of the key improvements will be to allow delivery for the advance manifest to Customs prior to a vessel's arrival at port. This will give Customs officials the opportunity to make security determinations in advance of arrival which in turn will enable them to utilize container scanners more effectively. TT currently has three container scanners donated by the U.S. Government. The GOTT is reportedly purchasing additional container scanners for two of its main ports, Port of Spain and Point Lisas.

Perhaps a more significant improvement involves the implementation of a single electronic "window" to be used to clear imported product. When importing agricultural products, the current process requires a customs broker to input information into the ASYCUDA¹ system, await a reply, and then physically seek separate approval from five different agencies (Ministry of Trade, T&T Bureau of Standards, the Ministry of Health's Chemistry Food & Drugs Division, the Ministry of Food Production, and the Customs & Excise Division of the Ministry of Finance). This procedure alone could take up to eight days, according to the GOTT's own estimates.

When the new system is implemented, information entered into the ASYCUDA system would be shared electronically across all the platforms of the agencies mentioned above, conceivably reducing the interagency approval process substantially.

1 - ASYCUDA (*Automated System for Customs Data*) is a computerized customs management system which covers most foreign trade procedures. The system handles manifests and customs declarations, accounting procedures, and warehousing manifest and suspense procedures. It generates detailed information about foreign trade transactions which can be used for economic analysis and planning.

It is worth noting that TT's Customs & Excise Division's website (<http://www.customs.gov.tt/>) has undergone a dramatic transformation recently. It now offers access to TT duties (the CARICOM's common external tariff), thorough step-by-step explanation of import procedures, customs laws and regulations, and more, enhancing the transparency of the import process.

The following table illustrates TT's 2013 trading across borders ranking and ease of importing indicators relative to neighboring Caribbean countries and the United States.

Trading Across Borders Rankings in Selected Caribbean Countries & the United States

Country	Rank ¹	Documents to import ² (number)	Time to import ³ (days)	Cost to import ⁴ (US\$ per container)
Antigua and Barbuda	110	8	23	1,870
Bahamas, The	58	6	13	1,405
Barbados	31	6	8	1,615
Dominica	92	8	14	1,350
Grenada	71	7	9	2,235
St. Kitts and Nevis	64	7	12	2,635
St. Lucia	109	9	17	2,675
St. Vincent and the Grenadines	43	5	13	1,575
Trinidad and Tobago	75	10	14	1,260
<i>Document preparation</i>			6	360
<i>Customs clearance & tech control</i>			3	350
<i>Ports & terminal handling</i>			3	350
<i>Inland transport & handling</i>			2	200
United States	22	5	5	1,315

Source: *Doing Business*, World Bank Group, www.doingbusiness.org

1. Ranking among 185 countries of ease of trading across borders (export & import), with 1 being the best.
2. All documents required per shipment to import the goods are recorded. It is assumed that a new contract is drafted per shipment and that the contract has already been agreed upon and executed by both parties. Documents required for clearance by relevant agencies—including government ministries, customs, port authorities and other control agencies—are taken into account. Since payment is by letter of credit, all documents required by banks for the issuance or securing of a letter of credit are also taken into account. Documents that are requested at the time of clearance but that are valid for a year or longer and do not require renewal per shipment (for example, an annual tax clearance certificate) are not included.
3. The time for exporting and importing is recorded in calendar days. The time calculation for a procedure starts from the moment it is

initiated and runs until it is completed. If a procedure can be accelerated for an additional cost and is available to all trading companies, the fastest legal procedure is chosen. Fast-track procedures applying only to firms located in an export processing zone, or only to certain accredited firms under authorized economic operator programs, are not taken into account because they are not available to all trading companies. Sea transport time is not included. It is assumed that neither the exporter nor the importer wastes time and that each commits to completing each remaining procedure without delay. Procedures that can be completed in parallel are measured as simultaneous. But it is assumed that document preparation, inland transport, customs and other clearance, and port and terminal handling require a minimum time of 1 day each and cannot take place simultaneously. The waiting time between procedures—for example, during unloading of the cargo—is included in the measure.

4. Cost measures the fees levied on a 20-foot container in U.S. dollars. All the fees associated with completing the procedures to export or import the goods are taken into account. These include costs for documents, administrative fees for customs clearance and inspections, customs broker fees, port-related charges and inland transport costs. The cost does not include customs tariffs and duties or costs related to sea transport. Only official costs are recorded.

Source: Doing Business, World Bank Group, www.doingbusiness.org.