

Memorandum of Understanding
Between
The Customs and Excise Department
And
The Members of the Chamber of Industry and Commerce
To Implement the Gold Card Initiative

Background and Scope

This Agreement shall be known as “The Gold Card Agreement” and shall be between the Customs Department and the _____ (The Card Holder)”.

The management of the Customs Department desires to maintain a harmonious and mutually beneficial relationship between the Customs staff and the business community generally and the membership of the Chamber of Industry and Commerce specifically.

The mandate of Customs is to:

- i.** To facilitate legitimate international trade and travel.
- ii.** To investigate suspected breaches against the Customs Laws and Regulations and other enactments relating to Customs matters.
- iii.** To prevent, deter and detect prohibited and restricted goods entering the state.
- iv.** To protect and collect the Government’s revenue.

The parties to this Memorandum of Understanding share a desire to:

- a.** Improve the quality of the operations of the St. Vincent and the Grenadines Customs Department.
- b.** Maintain professional standards.
- c.** Adapt international best practice in relation to International Trade
- d.** Promote increased efficiency so that the business community will be effectively served.

1. Definitions:

For the purposes of this Agreement, unless otherwise defined, the interpretation and definitions of the words, phrases and terms used herein are set out in Appendix 1.

2. Effective Date:

This agreement will take effect on the date of signature of the parties and shall remain in effect for a period of two years following which it may be renewed for further periods as agreed by the parties.

3. Qualifications for the Gold Card:

To qualify for the Gold Card:

- 3.1 The Gold Card Holder shall be a legal entity.
- 3.2 The Gold Card Holder must be registered on the Customs ASYCUDA system and must have updated records for the last 3 years.
- 3.3 The Gold Card Holder shall be a member, in good standing, of the Chamber of Industry and Commerce of St. Vincent and the Grenadines or a member of a similar organization or Trade Association which is certified and has a reliable financial status.
- 3.4 The Applicant shall be VAT registered.
- 3.5 The Gold Card Holder is required to allow the Customs to conduct a preliminary Systems review of his business.

4. Privileges of the Gold Card Holders:

The Gold Card Holder will acquire the following benefits:

The Gold Card Holder will be facilitated through the Customs system in the quickest possible time by the following:

- 4.1 The Card Holder will be subjected to fewer physical and documentary controls than other business operators. The examination of import entries through the ASYCUDA will be done through the Green Lane. However, the Customs may decide to examine a consignment to take account of specific threats, legal obligations relative to prohibited and restricted goods or the safety and security of the consignment. There will be a fast track processing of documents/entries as follows:
 - (a) Declarations up to five (5) lines will be processed within three (3) hours of lodgment;
 - (b) Declarations between six (6) and twenty five (25) lines will be

processed within twenty four (24) hours of lodgment;

(c) Declarations over twenty five (25) lines will be processed within forty eight (48) hours of lodgment.

- 4.2 Priority treatment of consignment if selected for examination: If following risk analysis, the consignment of a Gold Card Holder is selected for examination, the examination shall be carried out as a matter of priority.
- 4.3 Choice of place of examination: The Customs would favorably consider a request from the Gold Card Holder for examination on premises including during working hours. The goods will be exempted from examination by the authorized Customs Officer unless it is a random or partial examination. Generally, there will be less Customs intrusion in the examination or inspection of consignments.
- 4.4 There will be a dedicated line available for payment. The Gold Card Holder would be invited to establish a prepayment account to facilitate the timely and convenient payment of consignments.
- 4.5 Recognized as a compliant client/stakeholder. This status enhances the reputation of the Gold Card Holder.
- 4.6 Other Indirect benefits. In addition to the direct benefits, the Gold Card Holder may derive benefits that are not directly linked to the Customs side of his business. Further, efficiency and cooperation may lead to more transparency and visibility and may have a highly positive effect on the business of the Gold Card Holder.

5. The Obligations of the Gold Card Holder

- 5.1 The Gold Card Holder shall fully comply with the Customs laws and regulations.
- 5.2 The Gold Card Holder shall keep all documents related to importation or exportation for at least 5 years consistent with section 97 of the Customs Control and Management Act CAP 422 of the Revised Laws of Saint Vincent and the Grenadines 2009 (the Act).
- 5.3 The Gold Card Holder shall maintain all relevant records in a particular manner for ease of reference in order to facilitate

auditing by the Customs authority.

5.3.1 The following is a description of the documents and evidence that is expected to be kept in St. Vincent and the Grenadines by the Gold Card Holder for the purposes of this Agreement:

- I. In the case of a Gold Card Holder involved in the importation and/or exportation of goods, the documents include but are not limited to:
 - i. Copy of the entry
 - ii. Duty receipt
 - iii. Evidence of payment record
 - iv. Import/export permit
 - v. Financial statement and other accounting document
 - vi. Freight and insurance payment documents
 - vii. Bill of Lading
 - viii. Airway bill
 - ix. Letter of credit or document relating to money received or paid
 - x. Invoice
 - xi. Proforma invoice
 - xii. Order/contract/correspondences for goods purchased/sold
 - xiii. Agreement of copyright
 - xiv. Royalty
 - xv. Commission
 - xvi. Stock cards or goods accounting
 - xvii. Record of goods purchased, sold and produced, the calculation of cost and other necessary documents relating to the importation or the exportation.
 - xviii. Any other document that may be required for the purpose of conducting the audit.

- II. In the case of a Gold Card Holder who acts as the agent of a vessel or aircraft, the documents required include but are not limited to:
 - i. Manifest
 - ii. Bill of Lading
 - iii. Airway Bill
 - iv. Invoices
 - v. Documents of freight payment and other necessary documents related to goods landed.

- 5.4 The Gold Card Holder shall, in accordance with section 97 of the Act, give expressed permission to the authorized Customs Officer to enter into his/her premises or such places where his/her records are kept for examining the accounts, documents, evidence and information in any respect and afford such Officers every reasonable facility at a reasonable time agreed upon, via telephone conversation, facsimile, electronic mail or in writing, between both parties.
- 5.5 The Gold Card Holder shall permit the authorized Customs Officer to make copies of or take extracts from any relevant record or document.
- 5.6 The Gold Card Holder shall, within seven (7) days of receipt of such notification, pay all additional and/or outstanding duties that may arise from any review done after the goods have been released.

6. Termination of this Agreement

- 6.1 Either party can terminate this agreement by giving the other party one month notice.
- 6.2 Once the Comptroller is satisfied that the Gold Card Holder is not honoring their obligations under the Agreement, that is:
 - 6.2.1 If any agent, importer or exporter of the Gold Card Holder willfully or persistently neglects or refuses to comply with any requirements contained within this Agreement, the Comptroller may by notice in writing, advise that the Gold Card Holder will no longer form part of this Agreement and that such privileges will be terminated with effect from the date published in the correspondence.
- 6.3 The Gold Card Holder privileges emanating from this Agreement will be terminated if any of the following occurs:
 - 6.3.1 The Gold Card Holder commits a gross offence against the Customs Law or any other Law pertaining to Customs where there is a final judgment of the Court disposing of the case.
- 6.4 Where the Comptroller is satisfied that an error consisting of omission or incorrect reporting in the keeping of the records was not made knowingly or recklessly, the privileges of that Gold Card Holder may be suspended. However, such a Gold Card Holder would be given one

month to have any deficiency in the records keeping rectified. Failure to do so may result in the termination of this Agreement.

7. Penalty

- 7.1 The Comptroller is obligated to investigate any reports made against any Officer who is allegedly in breach of this agreement.
- 7.2 Disciplinary actions may be taken against any Officer found to be in breach of this Agreement.

8. Administration

- 8.1 The Comptroller would assign a committee comprising of senior managers to administer this Agreement.
- 8.2 Eligible persons who are interested in becoming a Gold Card Holder should apply to the Comptroller in writing giving a brief background of the entity including its qualifications to be a Gold Card Holder and agreeing to allow the Customs to conduct a preliminary systems review of the entity. The Customs Department will review the application, conduct the systems review and inform the applicant of the result within twenty eight (28) days of the review.
- 8.3 Where disputes arise between the parties regarding the interpretation or implementation of this agreement, the parties shall endeavor to resolve these differences by mutual agreement.

Comptroller
Customs and Excise Department

Importer/Exporter

Witness

Witness

Date

Date

Appendix 1

Interpretation of Definition

Agent: Any person eighteen years and older or any entity duly authorized by the master or commander of a vessel or aircraft and approved by the Comptroller of Customs to perform any act required by any Customs enactment to be performed by a master or the commander, as stipulated under section 17 of the Customs Control and Management Act 14/1999 (CAP 422).

Airway Bill (AWB): The receipt issued for an air consignment by an airline for goods and evidence of the contract of carriage.

ASYCUDA ++: The third major version of the Automated System for Customs Data (ASYCUDA) developed by the United Nations Conference on Trade and Development (UNCTAD).

Breach: An act of breaking or failing to observe a law, agreement or code of conduct.

Clearance of Goods: The accomplishment of the Customs formalities necessary to allow goods to enter for home use, to be exported or to be placed under another Customs procedure.

Commercial shipment: Goods imported into a country for sale or for any commercial, industrial, occupational, institutional or other like use.

Commission: A fee or percentage allowed to a sales representative or an agent for Services rendered.

Comptroller: The Comptroller of Customs referred to under section 4 of the Customs Control and Management Act No. 14/1999

Consignment: Goods that are shipped from one (1) consignor to one (1) consignee as a single consignment but which may not be packed in a single package or arrive in St. Vincent and the Grenadines at the same time.

Customs Brokers: Trained professionals, registered under ASYCUDA ++ to prepare and submit Customs declarations for goods imported or exported.

Declaration: The provision of any information to Customs whether verbally, in document, or in electronic form by a person or their agent relating to a

particular importation or exportation.

Duties: Duties laid down in the Customs tariff to which goods are liable on entering or leaving St. Vincent and the Grenadines.

Duty receipt: Formal written acknowledgement that Customs charges have been paid.

Entry: Means in relation to the importation or exportation of goods, any document delivered to the proper officer in accordance with section 23, 24 (1) or section 31 respectively of the Customs and Control and Management Act 14/1999 and in relation to vessels or aircraft, any document delivered to the proper officer in accordance with section 32 of the Customs Control and Management Act 14/1999

Examination: The physical inspection of goods by a Customs official to satisfy themselves that the nature, origin, condition, quantity and value of the goods are in accordance with the particulars furnished in the goods declaration.

Exempt: Released without little or no documentary and physical inspection of consignment.

Exporter: In relation to goods for exportation or for use as stores, includes the shipper of the goods and any person performing in relation to an aircraft, functions corresponding with those of a shipper.

Freight: The amount paid for carriage or transportation of goods by air, land or sea.

Goods: Items imported or exported into or out of St. Vincent and the Grenadines and include stores, baggage and livestock.

Gold Card Holder: A person who has agreed with the provisions of this Agreement and has duly executed the Agreement with the approval of the Comptroller and has been issued a Gold Card by the Comptroller of Customs.

Green Lane: Declarations placed in the "Green Lane" have been automatically authorized to be released.

Importer: Includes in relation to any goods at anytime between their importation and the time when they are delivered out of Customs charge, any owner or other person for the time being possessed of or beneficially interested in the goods and also any person who signs any document relating to any imported goods

required by the Customs laws to be signed by an importer.

Import/export permit: Written authorization to regulate the importation and exportation of restricted trade goods.

Legal Entity: An association, corporation, partnership, proprietorship, trust, or individual that has legal standing in the eyes of law. A legal entity has legal capacity to enter into agreements or contracts, assume obligations, incur and pay debts, sue and be sued in its own right, and to be held responsible for its actions.

Manifest: A listing of the goods comprising the cargo (freight) carried in a means of transport or in a transport unit which gives the commercial particulars of the goods, such as, transport document numbers, consignors, consignees, marks and numbers, number and kind of packages, description and quantities of the goods.

Officer: Subject to section 5 (2) of the Customs Control and Management Act No. 14/1999, the Comptroller and Deputy Comptroller and any Customs Officer employed in the Customs Division of the Ministry of Finance.

Partial Examination: Physical examination done only on a determined percentage of the goods/consignment.

Person means: a natural person and or a legal person.

Post Clearance Audit: Measures by which the Customs satisfy themselves as to the accuracy and authenticity of declarations through the examination of relevant books, records, business systems and commercial data held by persons concerned.

Proforma invoice: An invoice that is issued, before an order is placed or before the goods are delivered, giving all the details of the cost of the goods.

Random Examination: Physical examination done on randomly selected portions of the goods/consignment.

Royalty: Payment to the holder of a patent or copyright or resource for the right to use their property.

Seizure: The taking possession of property by legal process

Vessel: Includes any ship, aircraft or boat.