

New Initiative Sees Imports From OECS, Haiti and Belize Attracting Zero Percent Tariff Rate

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ST. LUCIA — A decision by CARICOM is set to benefit less developed countries (LDCs) of CARICOM, including St. Lucia, the government of St. Lucia has made known.

Under Article 164, manufacturers among the LDCs now have the advantage of producing certain products at a cheaper rate, as compared to those from More Developed Countries (MDCs). The Article came into effect on January 1, after the Ministry of Commerce, International Trade, Investment, Enterprise Development and Consumer Affairs officially implemented the CARICOM-wide initiative. The initiative seeks to enable the growth and development of the Less Developed Countries of CARICOM by promoting industrial development.

The regime covers 14 product groups across 39 tariff lines and provides tariff protection to most of the products on the list for a period of 10 years. The tariff rates on selected items from More Developed Countries coming to Less Developed Countries will be adjusted upwards. St. Lucia, which is currently producing 17 out of the 39 product groups, is amongst the benefitting LDCs that are required to suspend the original treaty agreement and apply the approved rates on classified goods from CARICOM MDCs and goods from outside the region, until December 2028 (Tariff rates on curry powder and pasta expire on December 2023). Imports of the selected items from CARICOM LDCs which include countries of the OECS, Haiti and Belize, benefit from community origin treatment and attract a tariff rate of zero percent.

Dr. Thomas Samuel, director of International Trade at the Ministry of Commerce, said during this period, various interventions will be undertaken to enhance capacity and develop the skillset and standards of the businesses in LDC's to increase their competitiveness. He added that the current regime being implemented across the Organization of Eastern Caribbean States (OECS) creates employment, promotes foreign exchange and makes the Saint Lucian economy more resilient.

Executive Director of the St. Lucia Manufacturers Association, Paula James, has welcomed the move. She said these interventions will make it even easier for local manufacturers to compete internationally.