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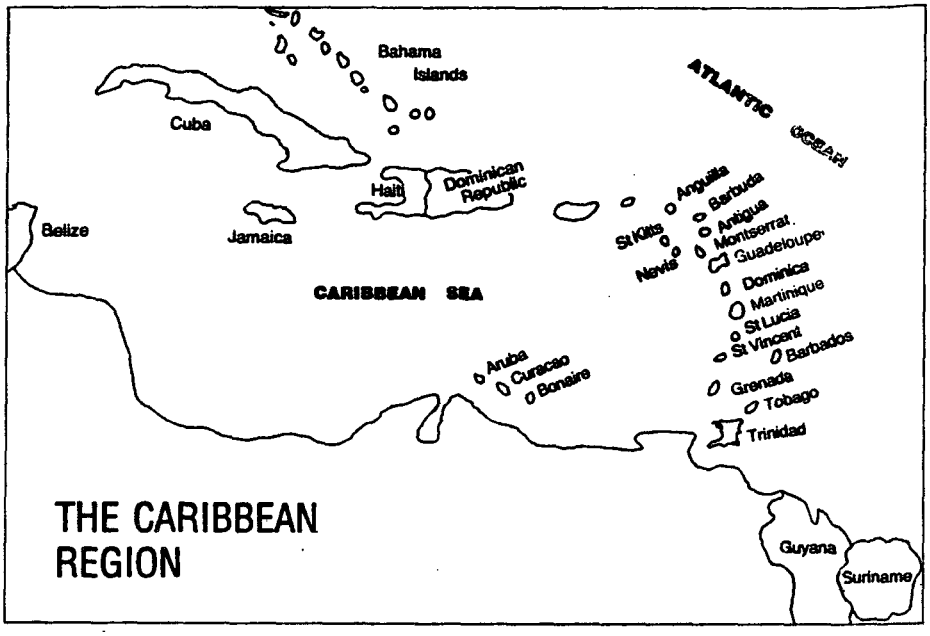
CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE



THE CARIBBEAN REGION

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CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE

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COMISION ECONOMICA PARA AMERICA LATINA
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PRELIMINARY DRAFT

NATIONAL TRADE OPERATIONS AND PROCEDURE GUIDE

(NETHERLANDS ANTILLES)

UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA Office for the Caribbean

NETHERLANDS ANTILLES

1. IMPORT REGIME

1.1 Customs Duty Policy

The Netherlands Antilles, comprising the islands of Aruba, Bonaire, Curacao, Saba, St. Eustatius and the Southern half of the island of St. Maarten, are a semi-autonomous part of the kingdom of the Netherlands.

The Netherlands Antilles maintains their own tariff system, which applies only to Aruba, Bonaire and Curacao. The other islands have no customs duties and in effect operate as free ports. There is a single schedule of duties which applies to goods from all countries. There have been no tariff preferences since 1976.

Dependent territories of countries in the European Community (EC) are now free to subject EC goods to customs duties and quantitative restrictions. As compensation for higher duties on certain European goods, (since the elimination of tariff preferences), the Antilles Governments has introduced duty free concessions on a number of tourist articles.

Import and excise duties are levied in respect of any importation of goods and are assessed ad valorem, based on c.i.f. value.

1.1.1. Import Tariffs

Most goods are subject to ad valorem duties, based on the c.i.f. value. The general rate is 4.5% of the c.i.f. value. The c.i.f. value is the import value of goods to be declared when goods are entered. There is a list of miscellaneous items carrying varying rates from 4.5% to 55% of the value.

Under the Investment Incentives Program (1962), the Netherlands permits duty-free entry of broad categories of imports including raw materials, equipment, and machinery for agriculture (including dairying), petroleum refining, mining,

well drilling, port construction, commercial development and new hotels. Vehicles to be used in public transportation are free of duty, also telegraphic equipment and materials and machinery for exporting industries.

Duties are payable in Netherlands Antilles or U.S. currency at the time goods are cleared for entry by the customs authorities.

Ad valorem duties are based on the c.i.f. value at the custom house. The true value for duty purposes is the competitive sales price and includes the cost of packing, insurance and shipment.

The imports of sugar, grains, beverages and live animals are charged specific duties. Duties are based on gross or net weight or other unit of measure as indicated in the tariff. Gross weight of the merchandise includes the containers, receptacles, wrappings, bales, or packing of any kind. Net weight includes only the immediate or internal packaging.

Excise duties are levied on spirits, cigarettes, and a special import duty is applied on petroleum imports. Various luxury goods bear rates of duty of 20% of value. A turnover tax is levied on transactions at the point of sale.

Certain items are levied an additional import surcharge based on the c.i.f. value. These items are: lemonade syrup, bread, fine Bakers, wares, illustrations on paper or paperboard, air conditioners, refrigerators and similar items, domestic dishwashers, colour television sets and tubes, passenger cars, (valued at Ant.F. 10,000)- excluding ambulances and buses, pleasure crafts and kitchen furniture.

A specific surcharge is levied on non-alcoholic beverage imports based on a per-hectoliter basis.

Perferential rates may be granted on some goods of European Community origin under terms of the Netherlands Antilles' association with the Community.

1.2. Trade Requirements

Import licence is required for some imports. Goods should arrive before the expiration of the licence. However, most goods may be imported without licence by importers registered with a local chamber of commerce.

For public policy reasons, items such as narcotics and explosives are subject to licensing controls and quantitative restrictions.

The Board of Health must register pharmaceuticals before they enter either the Netherlands Antilles market or the free ports and free zones.

Exchange licences, are issued (when required) by the Foreign Exchange Department of the Bank Van de Nederlandse Antillen (the Central Bank). Payments for permitted imports are made freely.

Commercial banks are permitted to provide foreign exchange for most current transactions without prior approval. However, all payments by residents must be reported to the Central Bank. An exchange rate tax of 0.8% is charged on the sales of exchange.

Companies with non-resident status normally finance imports with their own foreign exchange. Commercial banks require Central Bank approval to invest or to hold foreign currency balances.

1.2.1. Import Licences

Licences are required for a number of goods, this licensing program was introduced to protect the local industry and to save foreign exchange. Licences are either general or prohibited and restricted licensing for Aruba, Bonaire and Curacao only. Imports restricted under this program include non-vacum packed cereals (excluding rice), certain wheat meal and wheat flour, certain fodder and concentrates, citrus fruit, tea, instant coffee, baby food, powdered milk, vegetable oils, margarine, certain vegetables, meat and fish in certain forms, alcoholic

beverages, cigarettes, pharmaceuticals, cement, floor street and terrace tiles, new and used automobiles, various automotive accessories, furniture and certain other consumer items.

Licensing of various goods at the time of customs clearance has been imposed on certain goods for price control purposes. Imports of bona fide gifts and other non-commercial items do not require a licence.

Such licences are issued by the Department of Economy and are valid for five months. The Central Bank issues licences for the import of gold in any form other than jewellery.

1.2.2 Invoices

Documents should be forwarded separately to reach the Netherlands Antilles before arrival of the goods.

i) Commercial Invoice: "There is no special form of commercial invoice necessary for shipment from the U.S.A." Commercial invoices are to be completed in triplicate on all drafts for collection in the Netherlands Antilles. If an import licence is required then the licence number must be shown on the invoice. The Shipper's invoice may be used, however, clear documentation of the shipment must be provided for customs processing. Normal commercial information should be provided on this invoice e.g. marks, numbers, consignee's name etc. Value of goods should be stated indicating whether f.o.b. or c.i.f. The Netherlands Antilles tariff number should be shown and for easy facilitation at customs both the unit and total value with cost of packing shipping and insurance should be included. Commissions should be shown separately.

ii) Consular Invoice: Not required.

iii) Proforma Invoice: May be requested by the importer.

iv) Invoice of goods shipped (or packing list)

Not a compulsory document. However, if provided will facilitate customs clearance of goods. Data should correspond with that provided in other documents.

1.2.3. Bill of Lading

Four copies of the bill of lading are required with no regulations as to form for any particular shipment. Normal practices are followed when completing this bill. It shows the name of the shipper, name and address of consignee, port of destination, description of goods, listing of freight and other charges, number of bills of lading in the full set, and date and signature of the carrier's official acknowledging receipt on board of the goods for shipment.

Bills made out "to order" are accepted.

Air cargo shipments require airway bills (in lieu of bill of lading) with the number of copies issued based on requirements of the importer and of the airline used. IATA or ICAO rules may also require documents covering shipments of dangerous and/or restricted goods. Mail and parcel post shipments require postal documentation (Customs declaration, Form 2966-A) inside the package in place of bill of lading or airway bill for shipments exceeding US$ 120.- In other cases a green customs label C1, Form 2976, "Authority for Customs to Open International Mail" must be completed and placed by the sender on the address side of each letter or package containing dutiable merchandise; each package of dutiable prints; and each small packet. Dutiable merchandise is permitted in the letter mails, subject to the maximum weight and size permitted.[1/] Insured parcels must and ordinary parcels may be sealed.

1/ Maximum Weight is 44 lbs. dimensions: greater length is 3 ft. 6in.; length and girth combined is 6 ft.

1.2.4. Certificate of Origin

Usually not required. However, if one is requested by the importer, or letter of credit, then two copies are necessary. Data should conform with data in other documents. This certificate should be certified by a recognised chamber of commerce.

Certificate of Insurance

Normal commercial practices obtain. For Curacao, the insurance coverage should extend, to at least, fifteen (15) days past arrival in the warehouse.

1.2.5. Technical Specifications

Weights and measures are expressed in the Metric System.

Electric current in the islands are as follows:

Aruba: A.C. 60 cycles, 115.230 volts (lago Coloney)
127/220 volts (Oranjestad, San Nicolas)
1,3 phases; 2,3,4 wires.

Bonaire: A.C. 50 cycles 127/220 volts
1,3 phases: 2,3,4, wires.

Curacao: A.C. 50 cycles, 127/220 volts (Willemstad)
223/380 volts (Emmastad).
1,3, phases, 2,3,4, wires.

St. Maarten: A.C. 60 cycles 120/208 volts.

1.2.6. Advertising Material

Printed advertising matter of no commercial value including photographs, engravings, catalogues, price lists, and pamphlets may be entered duty free.

1.2.7. Labelling and Marking

No special requirements. However, incorrect or misleading origin markings are prohibited.

Lables on pharmaceutical items must contain the exact formula of the product. Weights and volumes should usually, be given in metric units.

Exporters to the Netherlands Antilles should ascertain whether or not this country is currently adhering to the U.N. recommendations for the labelling and packing of hazardous and/or restricted goods in a standardized manner and style.[2/]

1.2.8. Brands or Trademarks

There are no regulations covering the use of brands or trademarks.

1.2.9. Packing

Except in the case of hazardous and/or restricted materials, (See footnote 2 of 1.2.8.). There are no specific regulations.

According to sound shipping practices, the packages should bear the consignee's mark, including Port mark, and they should be numbered unless the shipment is such that the contents can be readily identified without numbers. Net weight of contents may be specified, for customs purposes, when relevant.

1.3. Fines and Penalties

Goods entering Curacao by air are stored free for the first two days and charged a set fee per day thereafter. Goods arriving by sea is stored for the first 5 days at one rate, and at higher rates for two additional periods of 14 days.

After 30 days can be taken away and stored in a private or public warehouse for up to a period of one year, thereafter can be sold at a public auction.

2/ In 1965 the Inter-Govermental Maritime Consulting Organization (IMCO, now IMO) adopted the International Dangerous Goods Code, which includes the U.N. labelling system. It is now adhered partially by more than 30 countries, With respect to packing, labelling and documentation, if goods are going by air IATA and/or ICAO regulations must be met. For goods going by boat, the latest IMO requirements are usually made by the shipper.

1.4. Specimens and Samples

Samples are free if of no commercial value. Valuable samples may be brought in and entered under bond upon payment of a deposit, which will approximate 10% of the value as assessed by the administrator of customs.

1.5. Shipping Restrictions

There are no restrictions as to the imports of absinthe, wheat, flour, fresh and frozen meats, live animals and birds, all foodstuffs, copyrighted books, certain base metal coins, parathion and certain explosives. Some items require special certificates from the country of origin.

1.6. Distribution Channels

Most of the goods for local consumption are handled by the private sector. There are two free trade zones catering for the tourist trade. The islands of Saba, St. Eustatius and St. Maarten do not levy customs duties on imports.

1.7. Agents or Representative

No special requirements.

2. EXPORT REGIME (Not Available)

2.1 Export procedures (Not Available)

2.2. Exports subject to special requirements.

Exports of gold in any form other than jewellery require licences issued by the Central Bank.

2.2.1. Export Permit

2.3 Export Incentives

Materials and machinery for export oriented industries are admitted duty free. Further benefits can be derived from the Investment Incentives Program (1962)

2.3.1. Direct Incentives

Market protection is given in some cases in the form of high rates of tax on specific items. There are other incentives schemes proposed under the Investment Incentives Programme.

2.3.1.1. Direct Tariff Incentives

In order to protect the local industries, a number of items have been placed on a prohibited or restricted test or imported only on a quota basis.

Under the Investment Incentives Program, the Netherlands Antilles permit duty-free entry of broad categories of imports for use in the local industry. These include raw materials, equipments and machinery for agriculture, petroleum refining, mining, well drilling, port construction, commercial development and new hotels.

- Tax Exemptions or Reductions

A tax holiday is granted on materials to be used for construction and expansion of hotels and various industries as well as the initial furnishing and equipping there

- Compensatory Taxes

(Government fixes the factory prices and maximum trade margins for locally made and imported plastic and paper bags).

2.3.1.2. Direct Credit Incentives

- pre-shipping credit
- post shipping credit

2.3.1.3. Certificates

- tax refund certificate
- tax guarantee or tax payment certificate
- export increase certificate
- tax compensation certificate

2.3.2. Indirect Incentives

- "draw-back" schemes
- preferential exchange rates
- financial incentives

2.3.3. Free Zones (trade and industrial free ports)

There are two free trade zones in the Netherlands Antilles located at Oranjested in Aruba and Willemsted in Curacao. Goods may be imported into these areas (zones) without the payment of customs duties or excise taxes. However, taxes become payable if transferred out of this zone into the customs territory of the Netherlands Antilles.

Within the free trade zone goods may be stored, packed, handle , manufactured, exhibited or taken out of bond. Regulations state that f these goods are only stored then they must be traded principally with other countries. About 25% of goods imported into the zones can be marketed locally.

A number of goods are prohibited in the zones among them are: absinthe, printed matter, copyrighted in the Netherlands, coins, certain explosives, arms and ammunition and certain species of animals. Narcotics are subject to special restrictions.

The islands of Saba, St. Eustatius and St. Maarten do not levy customs duties on imports or exports, thus they may be considered free ports.

3. MULTILATERAL AND INTEGRATION SCHEMES

3.1. Bilateral

3.2. Multilateral: Operates through the Kindgom of the Netherlands.

3.3. Integration Schemes:

4. AGENCIES AND INSTITUTIONS INVOLVED IN FOREIGN TRADE

1. Department of Social and Economic Affairs
   Fort Amsterdam
   Willemsted, Curacao

2. Department of Economic Development Oranjested,
   Aruba.

3. Department of Social and Economic Affairs
   St. Maarten.

4. Central Bank
   Curacao

5. NATIONAL AND INTERNATIONAL FAIRS

   No data is available.

6. CHAMBERS AND ASSOCIATIONS OF COMMERCE

   1. Chamber of Industry and Commerce
      Handleskade 17, Willemsted

   2. Trade and Industry Association
      Columbusstraat 19F Willemsted Curacao

   3. Chamber of Commerce and Industry
      Wilheminastraat 22, Oranjested, Aruba

   4. Aruba Trade and Industry Association
      Van Galenstraat 4, Oranjestad, Aruba.

   5. Chamber of Commerce and Industry
      St. Maarten

   6. Chamber of Commerce
      Bonaire

Sources: 1. Export Shipping Manual, INTERNATIONAL TRADE REPORTER
The Bureau of National Affairs Inc. U.S.A.

2. Exporters' Encyclopedia 77th Edition
Dun and Bradstreet International