

- the Hon. Ryan Straughn M.P. **Minister in the Ministry of Finance**
- **Other Speakers/Presenters:**
  - Mr. Owen Holder, **Comptroller, Customs and Excise Department**
  - Mrs. Sonea Jordan Clarke and Ms. Cheryl Cumberbatch **Deputy Comptrollers, Customs and Excise Department**
  - Ms. Beverley Collins, **President, Barbados Customs Brokers and Clerks Association**
  - Mrs. Katrina Bradshaw, **Chief Economist, Ministry of Energy, Small Business and Entrepreneurship**
  - Dr. Jan Yves Remy, **Deputy Director, Shridath Ramphal Centre, U.W.I Cave Hill**
  - Mr. Bernard Black, **Senior Project Officer, CARICOM Secretariat**
- **Esteemed sponsors**
- **Moderator** – Mr. Lalu Vaswani
- **Participants online from the Business sector, the Trade Community, Customs, and the key sectors who will be impacted by the changes to the new Bill.**
- **Members of the BCCI/CED Planning Committee who spearheaded the planning of the consultation series on the new Customs Bill**
- **BCCI Executive Director, Misha Lobban Clarke and Members of the BCCI Secretariat team**
- **Members of the Media present online**

- Ladies and gentlemen today I am honoured to deliver very brief remarks to launch the webinar series, 'The Modernization of Customs with the new Customs Bill'. This series was the brainchild of the BCCI Customs and Trade Facilitation Committee chaired by Mr. Lalu Vaswani and I applaud his efforts and those of his committee in organizing this series which will provide opportunities to engage directly with all relevant stakeholders. I especially thank the Comptroller of Customs and his team for being ever ready to cooperate, enlighten and respond to his publics as it relates to the operations of this critical hub of our economy.

This webinar series is aimed at satisfying a range of objectives, which are:

- Inform the Barbados Trade Community of the country's obligations under the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and CARICOM, and the way these obligations translate into customs requirements as they relate to import and export processes;
- Highlight proposed changes in the Barbados Customs Bill;

- Consider implications from the private sector and respond to their questions and to
- Gather comments on the Bill from the Business Community.

As we know the existing Customs legislation was proclaimed in 1962 and is a long outdated predecessor to the 2019 Customs Bill, although it has been subject to several modifications. As noted by the Hon. Ryan Straughn, Minister in the Ministry of Finance and Economic Affairs, the Customs legislation has not kept pace with the changing needs of a rapidly evolving international trading environment and the legislative tools necessary to enable the Customs and Excise Department to operate with increasing relevance, not only internationally as it relates to best in class operations, but locally with the implementation of Asycuda World. The latter implementation as well as the implementation of the Harmonised System 2017 now demands a more robust and relevant framework within which to operate.

The BCCI is honoured to have signed an MOU with the UWI and equally honoured to have Dr. Jan Remy the Deputy Director of UWI Shirdath Ramphal Centre as a member of the BCCI Customs and Trade Facilitation committee. You will be hearing from her in due course but she highlights the fact that the new 2019 Customs Bill assists Barbados in fulfilling certain obligations as a member of the World Trade Organization as well as a CARICOM member. Under the Revised Treaty of Chaguramas (in particular, Articles 82-95), Barbados, along with CARICOM Members, agree to

harmonize and modernize customs administration and laws. AS it relates to its obligations to the WTO under the Trade Facilitation Agreement Barbados has significantly lagged in its rate of implementation standing at only 33.19%. We will need to move significantly and more aggressively on the various outstanding, 13 remaining commitments if we are to move the needle on the modernization that is truly required.

We indeed look forward to an in depth comparison of the two pieces of the legislation and a frontal examination of the consequential impacts on the relevant stakeholders. We are aware that the Automated Control Provisions will likely generate robust discussion as well as the fines and penalties attached to non-compliance as well as a realistic discourse as to the state of readiness of the Customs and Excise Department to implement and enforce such provisions.

The Barbados Chamber of Commerce and Industry has seen it appropriate to host this series of consultations inter alia to identify what might be the positive and negative implications for the private sector. We sincerely trust that, whilst this collaborative series will significantly contribute to the ability of the private sector to study and assess the new Bill, that adequate time will be afforded by the Customs and Excise Department for further study and assessment by those likely to be impacted and to offer comprehensive feedback on material concerns to the Ministry of Finance.

If we are to learn anything from the recent implementation of Asycuda World, stakeholder training and exhaustive consultation will be key to the

success of the modernization that the new legislation seeks to introduce. It would be beneficial therefore to obtain an undertaking from the Government to ensure adequate training needs are provided to the service providers to business as well as businesses themselves.

We also wish to highlight our extreme discomfort with the significant level of fines and penalties that are currently drafted and which we sincerely hope are still open to consultation. Whilst we clearly appreciate the requirement to be penal in the circumstances of a breach of the relevant provisions, we are of the view that an enormous one size fit all penalty which does not graduate according to the grievance, and upon which the courts of law have no maneuverability as far as the quantum of the penalty, is excessively punitive.

However, as we step back as it were, notwithstanding some initial concerns with the drafted legislation the private sector recognizes the advantages to be gained from the spirit and intent of the new Bill including:

- a) Greater overall efficiency of trade facilitation
- b) Reduction of Red tape and duplication of processes
- c) More efficient and trained customs staffing
- d) Greater use of Risk Management tools to align with or even exceed international benchmarks for primary inspections

We of course encourage greater use of technology to encourage Barbadian developers to create programmes for Management of companies to fulfill their customs obligations so as to avoid some of the

user related pitfalls associated with blending manual processing with digitized environments as we witnessed with the implementation of Asycuda World. We therefore make an appeal for the business community to modernize their internal customs processes and to take full advantage of the emerging entrepreneurship sectors that are provided a much needed value added service in the area of internal customs processing and brokering.

Finally, I end as I began, that is, with the highest admiration and appreciation of the current Customs administration. The high and consistent level of engagement is unprecedented in our more recent history and is worthy of emulation by other public sector agencies.

We wish all present a pleasant, informative and stimulating experience and the BCCI sincerely thanks you for your time and participation over the course of this series. Ladies and gentlemen, I thank you.