



Trading under the CARIFORUM-UK Economic Partnership Agreement after the Transition Period:

What business should know as we approach the end of the Transition Period

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This document is for information only. Continue checking our gov.uk page for updates. You should consult your legal advisers if you wish to ensure you understand the legal implications of trading from 1 January 2021 for your business.

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# 1. Continuity Agreement

Following the UK's departure from the European Union, the UK Government has sought to deliver the maximum possible certainty to businesses and consumers by ensuring continuity in the UK's existing trade relationships. Recognising CARIFORUM Member States as important partners with potential to increase and diversify our trade relationship, the UK and 13 CARIFORUM States<sup>1</sup> signed in 2019 the <u>CARIFORUM-UK Economic Partnership Agreement</u>, (hereafter referred to as the CARIFORUM-UK EPA) to secure continuity for trade and preservation of market access.

The CARIFORUM-UK EPA is intended to take effect from 1st January 2021, when the existing EU agreement ceases to apply to the UK. This is subject to certain ratification processes having been completed locally and in the UK. Should these processes not be completed, we will seek to apply alternative arrangements which ensure continuity. We will update our gov.uk webpage as the situation evolves. For more information, please contact our Regional Trade Adviser, Dan Hart.

# 2. Forms and Paperwork: Origin Certificates and Declarations

Unless you are permitted to provide an invoice declaration, you will need to fill in a certificate of origin to claim preferential treatment. See details on invoice declaration in Protocol 1 page 522, Articles 16, 21 (1) and 22 in the CARIFORUM-UK EPA.

- Only for UK exporters: Certificates of Origin will look very similar to those currently being used under the CARIFORUM EU EPA but will show the UK as the place of origin rather than the European Community.
- Only for UK exporters: Updated certificates of origin forms will be available as soon as the agreement takes
  effect from usual providers such as chambers of commerce.
- Only for UK exporters: If you expect goods to be in transit when the CARIFORUM-EU EPA ceases to apply
  to the UK, you can obtain a retrospective certificate of origin. This will show that the goods originated in the UK
  and are eligible for preferential terms if your goods arrive on, or within four months after, the CARIFORUM-UK
  EPA starts to apply. You can source retrospective certificates of origin from your usual provider as soon as the
  agreement takes effect.

## 3. Preferential Tariff Rates on Goods

Preferential tariff rates are conceded by the importing country when exported products comply with the rules of origin specified in the Trade Agreement.

In the CARIFORUM-UK EPA, commitments on tariffs for both the UK and CARIFORUM States have been transitioned without changes. This means that tariff preferences applied by the UK to goods from CARIFORUM States will remain the same as those applied by the EU under the existing EPA, and likewise, those countries will continue to apply the same preferences to goods from the UK that they are currently applying to goods from the EU. See tables 1 and 2 at the end of the document for more information on top exports and imports between the UK and CARIFORUM.

Preferential tariff rates for bilateral trade in goods between the UK and the CARIFORUM States will continue to apply as soon as the agreement takes effect.

You can also check what duties and customs procedures (per product and per country) for exporting goods to and from the UK. The UK will be using two different gov.uk tools which are regularly updated:

<sup>&</sup>lt;sup>1</sup> Antigua and Barbuda, Barbados, Belize, The Commonwealth of the Bahamas, The Commonwealth of Dominica, The Dominican Republic, Grenada, The Republic of Guyana, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, The Republic of Trinidad and Tobago.

- Check how to export goods (CHEG) helps UK businesses prepare their goods for export to another country;
- Trade with the UK (TWUK) provides overseas businesses with information on UK tariffs, regulations and other key processes to help them trade with the UK effectively.

## 4. Sanitary and phyto-sanitary certification

UK Imports: To import animals, animal products and high-risk food and feed not of animal origin, businesses will need to register for the UK's new Import of Products, Animals, Food and Feed System (IPAFFS). Businesses will not be able to import into Great Britain using the EU's TRACES system from 1 January 2021, but businesses must continue to use TRACES to be notified of any imports arriving into Northern Ireland. Further guidance can be found below:

- Importing animals, animal products and high-risk food and feed not of animal origin;
- Importing and exporting fresh fruit and vegetables with the UK;
- Trading in drug precursors;

# 5. Origin cumulation

The ability to consider materials from, or processing carried out in another country, as originating when incorporated into your product is called cumulation.

The CARIFORUM-UK EPA enables the UK and CARIFORUM States to cumulate origin with the EU countries. Thus:

- If you are a UK exporter, you can continue to use EU materials or processing in your exports to CARIFORUM States.
- If you are a CARIFORUM exporter, you can use EU materials in your exports to the UK.

The UK and CARIFORUM States' businesses must have fulfilled the necessary requirements set out in the Rules of Origin Protocol. You must also ensure the working or processing you do in the UK/CARIFORUM goes beyond the minimal operations listed in the agreement and the other relevant conditions are met. See the list of minimal operations in Article 8 of the Rules of Origin Protocol page 519 in the CARIFORUM-UK EPA text.

The CARIFORUM-UK EPA provides only for trade between the UK and CARIFORUM States and does not provide for either Party's direct trade with the EU, including, for example, where UK and exporters based in CARIFORUM States use content from each other in exports to the EU.

## 6. Goods in Transit in any EU Country

Goods transited through the EU will not be subject to the same restrictions as those in transit through other third countries.

Transit through any other third country is possible provided your goods remain under customs surveillance and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.

### 7. Additional Information

- For more information on the CARIFORUM-UK EPA check <a href="https://www.gov.uk/guidance/summary-of-the-cariforum-uk-economic-partnership-agreement-epa">https://www.gov.uk/guidance/summary-of-the-cariforum-uk-economic-partnership-agreement-epa</a>
- Find further guidance on exporting to CARIFORUM States from 1 January 2021.
- For more information on what may apply to your business check <a href="https://www.gov.uk/transition">https://www.gov.uk/transition</a>
- From 1 January 2021, the Northern Ireland Protocol will come into effect. Find out how the Northern Ireland Protocol could affect your business.
- Freight forwarding may save you time and money if you're exporting large volumes of goods or high value items by sea or air freight. Find out more about <u>freight forwarders</u>.
- Find out which are the products that require an Import Licence to enter the UK

#### 8. Contact

If you have queries about trade from 1 January 2021 contact the Department for International Trade (DIT).

Should you wish to speak to someone face to face, we have local trade offices based around the UK. Within each office you can contact an international trade advisor. Find your local trade office.

For country-specific or region-specific queries, please feel free to contact our Regional Trade Adviser Dan Hart.

# 9. Top UK Goods Imported from CARIFORUM (2019)<sup>2</sup>

HS Code	Product	CARIFORUM Preferential Tariff	United Kingdom Global Tariff³	Sum of Value (US\$)
080390	Fruit, edible; bananas, other than plantains, fresh or dried	0%	95.00 GBP/1000kg (fresh) 16.0% (dried)	\$146,695,638
170114	Sugars; cane sugar, raw, in solid form, not containing added flavouring or colouring matter.	0%	28.00 GBP/100kg std qual (for refining)  NB: A New Autonomous Quota of 260,000 tons will apply to 17011410 from 1 Jan 2021, for 12 months, with an in quota rate of 0.00%.  This will be reviewed in line with the UK's suspensions policy in due course.  35.00 GBP/100kg (excl. for refining)	\$74,745,858
999999	Commodities not specified according to kind	0%	Ğ,	\$64,105,044
271111	Natural Gas, Liquefied	0%	0%	\$61,384,530
220840	Rum and other spirits obtained by distilling fermented sugar-cane products	0%	Ranges from 0%-0.50 GBP/%vol/hl + 2.60 GBP/hl	\$21,355,397

# 10. Top UK Goods Exported to CARIFORUM (2019)<sup>3</sup>

HS Code	Product	Sum of Value (US\$)
220830	Whiskies	\$48,724,780
870323	Vehicles; with only spark-ignition internal combustion reciprocating piston engine, cylinder capacity over 1500 but not over 3000cc	\$22,220,607
490700	Unused postage, revenue or similar stamps of current or new issue in the country	\$21,805,078
490199	Printed matter; books, brochures, leaflets and similar printed matter n.e.c. in item no. 4901.10 or 4901.91	\$16,686,545
040690	Dairy produce; cheese (not grated, powdered or processed), n.e.c. in heading no. 0406	\$11,842,844

<sup>&</sup>lt;sup>2</sup> Excluding Suriname and Haiti

<sup>&</sup>lt;sup>3</sup> The UK Global Tariff (UKGT) is the UK's Most Favoured Nation (MFN) Tariff Regime. This will replace the EU's Common External Tariff on 1 January 2021 at the end of the transition period.

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