



**USAID** | **JAMAICA**  
FROM THE AMERICAN PEOPLE

# JAMAICA IMPORT AND EXPORT PROCESSES

'AS IS' PROCESS MAPS AND PROCESS AUTOMATION  
REPORT

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## Acronyms

AEO	Authorized Economic Operator
ARL	Assessment Recovery Limited
BOS	Bureau of Standards
CFFB	Caribbean Freight Forwarders and Customs Brokers Ltd
CASE	Computer Automated Services
CHK#	Customs House Kingston Number
CIF	Cost, Insurance, Freight
CSME	Caribbean Single Market Economy
DGPS	Differential Global Positioning System
FSL	Fiscal Services Ltd
GCT	General Consumption Tax
GOJ	Government of Jamaica
IRD	Internal Revenue Department
ICT	Information and Communication Technology
IT	Information Technology
JIEIC	Jamaica Import/Export Inspection Centre
KCT	Kingston Container Terminal
KFZ	Kingston Free Zone
KWL	Kingston Wharves Limited
FSPID	Food Storage and Prevention of Infestation Division
HACCP	Hazard Analysis and Critical Control Point
JAMPRO	Jamaica Promotions Corporation
JEA	Jamaica Exporters' Association
JIEIC	Jamaica Import Export Inspection Center
JMA	Jamaica Manufacturers Association
MoA	Ministry of Agriculture
MIC	Ministry of Industry and Commerce
MoFPS	Ministry of Finance and the Public Service
MoH	Ministry of Health
MTSL	Maritime Transport Services Ltd
NEPA	National Environment and Planning Agency
PAJL	Port Authority of Jamaica
PCA	Pesticide Control Authority
SAJ	Shipping Association of Jamaica
SIA	Sugar Industry Authority
TCC	Tax Compliance Certificate
TCSP	Trade Community System Partnership
TOSS	Terminal Operations Support System
TRN	Taxpayer Registration Number
UNECE	United Nations Economic Commission for Europe
US	United States

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## EXECUTIVE SUMMARY

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As part of its modernization drive, the Government of Jamaica (GOJ) has expressed its commitment towards improving the efficiency of the trade facilitation process in Jamaica. In response to this effort, PRIDE Jamaica, working alongside the public-private Trade Community System Partnership (TCSP), commissioned an 'AS IS' Process Mapping Study as the first step toward process improvement and assisting the Government of Jamaica with establishing a 'national trade facilitation portal' or E-Trade platform. The USAID funded PRIDE Jamaica program is likely to support activities of the government and the trading community that will assist the process to procure an integrated automated solution to improve trade processes in Jamaica. Trade processes in the context of this document include import and export processes for containerized general cargo/consumer durables as a full container load or consolidated load.

The goal is to improve the trade facilitation process by streamlining and automating the procedural regime thereby increasing the trading communities' operational efficiency, revenue collection and reducing the transaction costs of doing business in Jamaica.

One critical element of this project is to support Jamaica's trading community's ability to network, communicate and share relevant information among government entities, the port community, customs brokers, importers and exporters. It is widely recognized that automation is an important tool as it enhances transparency, encourages consistency and supports the simplification of trade processes thereby speeding up the clearance process, all of which will ultimately result in a reduction of the transaction costs of doing business in Jamaica. An appropriate integrated automated solution can be utilized to improve the operations of all structures.

ICT facilitates the posting of data in advance of a ship's arrival; allows for processing of forms online to reduce the number of trips to customs locations and time spent clearing a shipment; reduces the discretionary powers of Customs officers and allows for standardization of procedures and interpretations of regulations. It also enhances efficiency through the improvement in the connectivity between various customs offices, port offices, regulatory agencies and users and reduces the number of physical interactions between the parties. In addition, ICT allows for the simplification of documentary requirements including the number of times the same information is physically processed. It is important that the requisite legal and administrative

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framework is in place to ensure the success of any automation program. Getting the processes right before automation should be a priority.

This assessment was conducted through interviews with at least thirty (30) trading community professionals and the processes were mapped according to their respective experiences.

This report aims to identify the import and export business processes across relevant agencies and customers, using process maps and flow diagrams to demonstrate interactions between the stakeholders within the Jamaican trading community. It also provides a snapshot of the current situation as it relates to information systems within the port community and regulatory agencies. Some recommendations for an automated, integrated business process solution are also provided.

The scope of work included a gap analysis of the processes between what is stipulated by the agencies and the actual experiences of the users (brokers, importers and exporters). A comparative analysis was conducted so that a gap analysis of the current 'AS IS' processes and the 'TO BE' processes once established, may also to be carried out. Additional interviews and analysis, along with close involvement with key stakeholders are essential requirements for the conduct of the 'TO BE' analysis.

It is important that stakeholders are aware of the current situation in order to define a sound information system and related responsibilities and procedures for an effective system that builds on the coordination and integration of the various public agencies' e-systems and ICT infrastructure. Further analysis would specifically address the key issues to provide relevant information aimed at developing the automated solution. An action plan containing a series of design actions is required.

## Summary of Process Issues

A comparative analysis was conducted between the port community's (Kingston Container Terminal Limited, Kingston Wharves Limited and Jamaica Customs in Kingston and Montego Bay) business processes and the customer's experience (importer, exporter, broker and haulier). Arising from the analysis, some major issues to be addressed include:

1. Private companies manage the ports in Kingston. There is no standardization in port clearance procedures as the port management companies operate using different procedures that utilize varying levels of information technology. The

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- management companies have different approaches to trade facilitation processes. Even the branches of Jamaica Customs operate differently at each port.
2. Delays occur due to the paper-based system which sometimes runs parallel to the electronic system, layers of approvals and verification checks, and the need for the broker to physically take the entry form and supporting forms to different officers and locations at Customs and the port.
  3. There is poor exchange of information including advance information between the key stakeholders such as Customs, port administration, port security etc.
  4. The level of automation at the ports in Montego Bay is much lower than that of Kingston. This is important as brokers in Montego Bay must send physical documents to agencies located in Kingston several times in the process. If there are errors, the number of trips increases.
  5. The broker/importer/exporter is confronted with silos within the pre-importation, exportation, customs and port clearance processes. Each agency acts as an independent silo in what should be a seamless and transparent process for clearing imported goods or goods for exports. It is important that the trading partners appreciate that their various internal processes form part of a supply chain which relates to the end-to-end trade process experienced by the customer - importer, exporter or broker. One simple interface with an organization is preferable to ensure that goods procured are delivered, or goods sold are shipped as quickly and hassle-free as possible.
  6. The current import and export processes involved six main stages prior to release and clearance of goods. The average processing time for import and export is more than 20 days, compared with Singapore's of less than 4 days.
  7. The process of release and clearance within the import procedure is a largely manual system and paper-based. The back and forth flow of customs clearance procedures and documents that must be passed from one person to another increases processing time particularly with numerous verification checks, sending or taking documents to different locations, the need to stamp and sign documents and pay duties and fees at different locations (Customs, port and regulatory agencies.) Quite often the verification checks and certification do not add value to the process.
  8. The end-to-end import and export process is inefficient. Although some of these agencies are efficient, when put together the whole trade process is neither effective nor efficient due to the lack of integration and data sharing among agencies and departments. There is a need for greater integration among the trade agencies regarding procedures, processes and data sharing.

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9. While there have been considerable improvements at each “node” in the import process (shipping agent, port, Customs etc), the whole end-to-end import and export process is unwieldy and inefficient. This is reflected in Jamaica’s low ranking in the World Bank Doing Business indicator ‘Trading across Borders.’ Jamaica is currently ranked at 106 out of 184 countries.
10. There is a lack of modern information systems in some of the agencies involved in the trade process, and there is a need to visit multiple offices or the same office several times. Some of the systems that have been developed have not been upgraded or have not been completed due to lack of resources.
11. The importer/exporter/broker must complete a number of application forms requiring duplicate information, by different government ministries and departments.

Another issue identified is the underlying turf wars between various agencies with similar objectives. To improve the trade facilitation process, these turf wars have to be quelled. Given the synergies, an appropriate governance model lead by the public-private Trade Community System Partnership (TCSP) group and comprising relevant agencies, committees etc. with a clear mandate, could move the process forward. There is a strong need to identify an owner or champion with clearly stated scope, authority and responsibilities and stipulated schedules to overcome each agency’s competing priorities and agendas. In addition, it is important to have the resources readily available with a practical and realistic plan of action.

### Recommended Next Steps

Some business process re-engineering and standardization is necessary to ensure that efficient and streamlined business processes are automated. Given the number and diversity of the trading partners which all have varying levels of business process automation, IT development and priorities, it is essential that national consensus for integration is achieved by the championing agency to obtain buy-in to a mutually beneficial solution. The design of a national program would aid the process.

This document is intended to be a useful tool to guide the Government of Jamaica and its trading community partners toward process improvement through technology and process re-engineering. However, while the need to develop a RPF for an automated solution is acknowledged, technology should not be the main focus of any business process implementation. It is hoped that this report will be used to review the current processes

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with the goal being to increase efficiency and effectiveness. New, improved processes could provide suggestions for automation; however it is important to note that significant process improvements can be achieved without the use of technology. Process improvement is about, linking existing applications, streamlining processes and procedures to create an efficient structure and automating the processes in the right circumstances.

Summary of immediate suggested key next steps:

1. Finalize the diagnostic study
2. Hold a validation workshop
3. Conduct Detailed Process Mapping of Selected Agencies
4. Determine the 'To Be' Processes
5. Process Gap Analysis
6. Prioritize process improvements
7. Establish process improvement acceptance
8. Re-engineer business processes
9. Develop initial business requirements for new ICT system
10. Conduct a more detailed technical assessment of the ICT infrastructure
11. RFP development and vendor selection process for new ICT system
12. Automation of improvements, implementation of e-system and integration of existing systems

Concurrent with the aforementioned process improvement activities the following steps may be undertaken to ensure stakeholder involvement and buy-in throughout the reform process.

1. Mobilize stakeholder engagement and commitment
2. Establish Governance Structure for implementation of program
3. Develop and implement a practical and realistic Trade Facilitation Reform Agenda
4. Develop National governance structure for development and implementation of program

A structured Communications program should be incorporated as an important element of the reform effort to ensure that stakeholders are involved and informed during the process. Recommended for inclusion in this program are workshops, consultations, preparation of a stakeholder database for ongoing contact on the project, Government lobby and other meetings.

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## **SECTION I: INTRODUCTION AND BACKGROUND**

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Trade facilitation includes a number of steps that aid the flow of trade. According to the World Trade Organization (WTO), trade facilitation is ‘the simplification and harmonization of international trade procedures’ which specifically refers to ‘activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade’. Improvement in trade facilitation will have a positive effect on port efficiency and the customs and regulatory environments. It is expected that an improvement in the way cargo is cleared and handled will promote trade. Increase in predictability, transparency, standardization, as well as simplification in trade processes and use of ICT among cooperating partners will have a positive impact on the customs and regulatory environment of Jamaica. The importer must deal with the regulatory authorities when obtaining import and/or export permits, licenses, inspections, and during the customs clearance process.

Work flow in the import and export process in Jamaica is predominantly manual and partly computerized. Historically, Jamaican government entities held the view that the automation of business processes will solve operational problems and issues. Several stand-alone automated systems were developed by the government-owned IT-company, Fiscal Services Limited, or otherwise purchased, customized and implemented. This resulted in inefficient manual processes being automated which created greater inefficiencies, frustration and duplication of processes and delays. This view is changing and the shift is now toward improvement of business processes before automation. Business process automation can potentially contribute to achieving success if the processes are first improved and all other aspects of a business process management project are addressed.

Jamaica Customs and the port community currently practice continuous improvement of their processes. Monthly quality assurance meetings are held between port and customs authorities, shipping agents, brokers etc. Each authority interviewed during this assessment referred to those meetings and their efforts to implement recommendations made by the users of their systems, their clients, etc. The private sector confirmed the implementation of several recommendations made. The communication process seems to have improved and it is apparent that there is continuous dialogue between the public and private sector entities as the private sector play an active role in process improvement.

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Continuous improvement does not necessarily mean that the organizations are ready to automate. There are clear indications that the authorities have allowed their managers the alacrity to be in control of their business in terms of recommending and implementing changes. However, it was noted that most of their time was spent on dealing with symptoms of problems and not on dealing with the causes and prevention of those problems. This requires timely, easy sharing and control of information on critical business processes which could be facilitated by providing the appropriate supporting tools for the processes and people. Solutions could include an appropriate integrated e-resolution which focuses on automating import/export processes across the supply chain rather than in functional silos. This approach would provide a seamless, efficient and effective importer/export experience for the trading communities' customers and would present an experience that will translate into the reduction of transaction costs and increased benefits to consumer and country at large. However, in the short term, it is understood that improvements could be achieved without automation.

Jamaica Customs and the port operators, Kingston Container Terminal Ltd. and Kingston Wharves Ltd., are integrally linked in the import and export supply chain core process with supporting processes from the ministries, departments and agencies as it relates to inspections, permits, licenses and approvals for goods entering and leaving Jamaica. There is a high volume of similar and repetitive transactions and a clear flow of high-volume transactions that need to be passed from one organization to another (each adding value along the way). The need to monitor the status of those transactions by various parties at all times (real-time monitoring) and of course, processing time, is of critical importance. Many calculations are completed and payments to various entities are required at various stages of the import/export process, in addition to transactions/files that need to be accessible by many parties at the same time.

There is a clear need for a true end-to-end perspective of the import and export process to provide visibility and integration to importers and exporters. Process standardization could be achieved, gaps in the end-to-end process filled and a greater understanding of the process demonstrated by parties who perform parts of the process. With the appropriate strategy, process-centric public authorities within the trading community will emerge with an understanding of the impact of their processes on traders and partners.

To achieve this, a process mapping study was commissioned to assess the existing trade procedures from the public and private sectors' viewpoints. Based on findings, this study is intended to highlight some concerns of the users of the systems, the issues and constraints to trade facilitation, and suggest solutions and next steps.

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## 1.1. Methodology and Approach

This assessment was undertaken within the scope of the USAID funded PRIDE Jamaica program to support the Government of Jamaica and the trading community in their effort to improve trade facilitation in Jamaica. The major objectives of this exercise include:

- To provide the Government of Jamaica and the port community with a situation analysis of the current import and export processes and the related issues and constraints.
- To highlight the aspects of the supply chain which require further study and reform.
- To provide information on the existing processes for input into a Request for Proposal for an integrated e-trade platform solution which would improve information exchange, reduce the need for paper documents and improve document flow where paper is needed.
- To provide recommendations and an insight into the next steps required to achieve the goal of automating re-engineered import and export processes in order to improve efficiency.

One of the specific objectives of this study is to document the process flow for the import and export procedures in Jamaica to provide input for the preparation of a Request for Proposal to procure an integrated automated solution to improve the processes and the exchange and flow of information and documents between the agencies. As the Jamaica Customs Department indicated, the ultimate goal is to move into a paperless environment, where paper is eliminated or greatly reduced. Observations indicate that there are significant opportunities to reduce the amount of paper which flows between agencies despite legislative requirements. For example, the need to physically lodge seven (7) copies of the customs entry form with supporting documents could be eliminated with the appropriate electronic system.

Another objective is to provide information to initiate the design and implementation of a streamlined service to the trading community, to reduce the transaction costs of trading across borders and improve Jamaica's ranking in the World Bank Doing Business Survey. This would be achieved by removing the bottlenecks in the process of importing and exporting goods, improving customer service, and cutting the costs of doing business in Jamaica.

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This report is primarily based on a series of interviews with key stakeholders, which were conducted over a three-week period during a field visit in November 2010. The import and export processes mapped reflect the procedures highlighted by officials at the two ports in Kingston, namely, Kingston Container Terminal Limited and Kingston Wharves Limited; Jamaica Customs, government regulatory agencies responsible for issuing import and export permits and inspections, customs brokers, shipping agents/freight-forwarders and hauliers. A review was conducted on documents provided by various stakeholders. Process flow diagrams have been prepared for some trading activities from the port and customs standpoint and that of the users of the system - the importer/exporter, shipping agents, brokers and hauliers - in order to identify possible bottlenecks and to enable the application of process reengineering and an integrated automated solution.

The time and scope did not allow for verification of information obtained during meetings or the definition of detailed process reengineering solutions. This could be incorporated into a subsequent consultancy where process maps are validated, process options are reviewed and detailed process maps for priority agencies are prepared as well as the 'TO BE' process design and process gap analysis.

## 1.2. Definition of Importer and Exporter For The Purposes Of This Report

### **Importer**

The importer in this report is one who imports commercial containerized cargo and is required to hire the services of a broker as the value of the imports is over US\$5,000. Import permits might be required and the customs entry declaration forms are prepared by a broker. A haulier is hired to move the container from the port to the importer's premises.

Upon application and approval by Customs, a compliant importer might be granted Authorized Economic Operator status. This importer benefits from an expedited clearance process and less inspections. There are no pre-clearance checks and the stipulated time frame for clearing documents is twenty-four hours. In return, the importer is expected to accurately declare the value of goods, comply with payments and government regulations and make books available for post-audit by customs personnel.

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The imported goods of an Authorized Economic Operator (AEO)<sup>1</sup> are not subject to inspections albeit on a selective basis. A container might be subject to inspections by Customs and other regulatory agencies at the port, warehouse or the importer's premises. The importer is responsible for ensuring that the container is returned to the port by the haulier when offloaded.

## **Exporter**

An exporter, for the purposes of this report is a company, which regularly ships containers of commercial goods overseas, and is registered as an exporter with JAMPRO. These goods include finished products and commodities which require an export permit or approval from one or more regulatory agency. The exporter is responsible for getting the empty container from the port, loading, ensuring that all the relevant regulatory agencies are present during loading or sign off on the documents, and that the loaded container returns to the port containing the goods as stipulated on the customs declaration. The exporter might use the services of a broker during the export process.

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<sup>1</sup> An AEO is defined as: "a party involved in the international movement of goods in whatever function that has been approved by or on behalf of a national Customs administration as complying with WCO or equivalent supply chain security standards. Authorized Economic Operators include inter alia manufacturers, importers, exporters, brokers, carriers, consolidators, intermediaries, ports, airports, terminal operators, integrated operators, warehouses and distributors"

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## SECTION II: STAKEHOLDERS

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The major stakeholders in the trading community are broadly divided into the following categories:

- Public Sector
- Port Operators
- Private Sector Organizations – Trade Related
- Private Sector

### **Public Sector and Public Sector Related Agencies**

- Ministry of Finance and the Public Service (MoFPS)
  - Jamaica Customs Department
  - Inland Revenue Department
- Ministry of Industry, Investment and Commerce
  - Trade Board
  - Bureau of Standards
- Ministry of Agriculture
  - Plant Quarantine/Produce Inspection Unit
  - Veterinary Services Division
  - Food Storage and Prevention of Infestation Unit
- Ministry of Health
  - Pesticide Control Authority
  - Pharmaceutical Division
  - Public Health Division
- Jamaica Promotions Corporation (JAMPRO)
- Fiscal Services Limited

### **Port Operators**

- Port Authority of Jamaica (PAJ)
  - Port of Montego Bay
  - Port of Ocho Rios
  - Kingston Logistics Center
- Airports Authority of Jamaica
  - Norman Manley International Airport, Kingston
  - Sangster International Airport, Montego Bay
- Kingston Container Limited (KCT) - (port owned by PAJ)
- Kingston Wharves Limited (KWL)

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### **Private Sector Organizations – Trade-related**

- The Shipping Association of Jamaica (SAJ)
- The Port Authority of Jamaica Ltd (PAJ)
- Freight Forwarders Association of Jamaica
- Jamaica Exporters Association (JEA)
- Jamaica Manufacturers Association (JMA)
- Jamaica Chamber of Commerce
- Private Sector Organisation of Jamaica

### **Private Sector**

- Importer
- Exporter
- Port Agent/NVOCC Representative
- Customs Broker
- Haulier
- Assessment Recovery Limited (collects refundable deposit on containers)
- Port Computer Services Limited

## **2.1 ROLE OF SOME PUBLIC AGENCIES IN THE TRADE PROCESS**

### **Ministry of Finance**

#### Jamaica Customs Department

The Jamaica Customs Department is governed by the Customs Act and its regulations. It is responsible for collecting and protecting the revenue of the Government of Jamaica (GOJ) as it relates to the importation and exportation of goods. Apart from its fiscal responsibilities, Jamaica Customs is responsible for trade facilitation and border control to guard against illicit imports and to protect the people of Jamaica from the illegal entry of prohibited goods.

Jamaican Customs handles approximately 12,000 import declarations per month and there are approximately 300 authorized brokers.

Customs operates a recently introduced Authorized Economic Operator system which rewards low risk importers with less container inspections and faster processing time. An importer must register with Customs. A similar system is currently being introduced for exporters.

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Jamaica Customs currently uses the following information technology systems to facilitate the customs clearance process:

- a. CASE
- b. ICASE
- c. E-manifest
- d. Revenue accounting system
- e. Cashiering system (CMCRS)
- f. Gate release system
- g. Airport Customs system
- h. Valuation Integration Risk Management Module (VERMS) - developed by Crown Agents and which is attached to CASE

#### Inland Revenue Department

Before submitting a Customs Entry Form, an importer must obtain a taxpayer registration number (TRN) and a tax compliance certificate (TCC) from the Inland Revenue Department (IRD).

#### **Ministry of Agriculture and Fisheries**

##### Plant Quarantine/Produce Inspection Branch

Plant Quarantine/Produce Inspection Unit is responsible for protecting Jamaica against the introduction and establishment of harmful pests and diseases. Its functions are governed by the Plant Quarantine Act 1993 and the Agriculture Produce Act 1926 and their Regulations. The Branch issues import permits for all fresh fruits, vegetables, plant parts and seeds. The Import Permit must be obtained prior to importation into Jamaica and all imported shipments must be inspected and certified upon arrival. The terms, conditions and additional declaration for imports are usually included on the permit. A Phytosanitary Certificate issued by a competent authority from the exporting country must accompany the shipment. This certifies that the shipment has been inspected and found to be free of harmful pests and diseases. The Branch also inspects and certifies all exports of agricultural produce.

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## Veterinary Services Division

The Veterinary Services Division regulates and inspects all imports with animal by products and live animals. It is responsible for issuing import permits for goods containing animal by-products prior to the purchase and shipment of the goods. Import permits usually include terms and conditions for the product's arrival into Jamaica. The permit is attached to the shipping documents as evidence that there is compliance with the terms and conditions. A health certificate from the country of origin is also required by the Division. Prior to inspections, these documents are reviewed and if not available or if goods are shipped prior to the date of issue of permit, the goods are rejected.

## Food Storage and Prevention of Infestation Division (FSPID)

Under the Food Storage and Prevention of Infestation Act 1958, the FSPID is responsible for ensuring the 'safety and wholesomeness of all food and feed entering commerce in Jamaica'. The unit is responsible for reducing food loss due to insect and rodent infestation and contamination from bacteria etc. The unit conducts inspection and sampling of food and feed at the port. If food is not infected, certified with a Hazard Analysis and Critical Control Point (HACCP) inspectors stamp and sign the customs entry form. If infested, the cargo is treated for infestation. The unit conducts fumigation at the port or at the exporter's premises. Cargo can also be seized for dumping/destruction.

## **Ministry of Industry, Investment and Commerce**

### Trade Board

The Trade Board administers the Trade Act and is responsible for issuing import and export permits for listed items. An import license is required for items such as firearms and ammunition, some chemicals and chemical products, milk powder, refined sugar, motor vehicles, among others. An export license is required for exporting motor vehicles, oils, petroleum, brown sugar, pimento, coffee, chemicals etc.

Approval might be required from another agency prior to issuing the export certificate. For example, some agencies involved include:

- Commissioner of Police - Approval Letter for firearms and ammunition
- Ministry of Agriculture (MoA) – Approval letter for pimento
- Veterinary Division - Veterinary Health Certificate for animals

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- National Environmental Planning Agency (NEPA) - Approval letter for live animals (endangered species)
- Sugar Industry Authority (SIA)– Approval letter for sugar
- Ministry of Industry and Commerce (MIC) – Approval letter for petroleum

The Trade Board issues Certificates of Origins to exporters under various trade schemes or trade agreements. The Trade Board is the certifying authority for exports to the Caribbean Single Market Economy (CSME), Caribbean, Caricom-Venezuelan agreement, Caricom-Colombian Trade Agreement, Caricom-Dominican Republic Trade Agreement. The Trade Board endorses self-certification under the Caribbean Basin Initiative.

### Bureau of Standards

The Bureau of Standards is responsible for administering the Standards Act 1968, the Processed Food Act 1959 and Weights and Measures Act 1976. It enforces ‘compliance with technical regulations for commodities and practices affecting health and safety’.

The Bureau of Standards is responsible for:

- Conformance testing on some products
- Approving factory for exporter registration by JAMPRO
- Issuing a Certificate of Analysis for hygiene
- Conducting labeling assessments of consumer goods prior to importation
- Conducting routine compliance inspections of containers to ensure conformity with mandatory standards, particularly labeling standards and regulations, under its Certification of Labeling Facility program
- Inspecting, analyzing and issuing a Certificate of Approval for imported prescribed foods offered for sale on the domestic market
- Issuing an export certificate for prescribed foods and an exemption letter to a registered manufacturer for non-prescribed foods
- Issues a Certificate of Free Sale and Certificate of Hygiene if required by the exporter

If an establishment is engaged in the processing of a prescribed food, it must register under the Processed Food Act and the Standards Act. If a non-prescribed food is processed, the establishment is registered under the Standards Act only. The establishment is registered upon application and successful assessment by an inspector.

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## **Ministry of Health**

The Ministry of Health (MoH), in accordance with its mandate under the Public Health Act and the Food and Drugs Act, ensures that all food and food related items intended for human consumption and usage are safe, sound and wholesome and as such has the authority to inspect all foods at ports.

The MoH regulates the trade in pharmaceuticals, chemicals, pesticides, cosmetics and devices.

The Pesticide Control Authority (PCA) regulates the importation, local manufacture, distribution and use of pesticides in Jamaica. The importer must obtain a license from PCA for the importation of pesticides. Upon approval, the importer must submit an invoice for final approval. The Public Health Division (PHD) inspects containers containing food or food-related items at the port or on-site.

The Ministry of Health issues the following:

- PSD (Pharmaceutical Service Division) Certificate for pharmaceuticals, chemicals and herbal teas
- Phyto-sanitary certificate for fruits and vegetables, plants, plant products and ground provisions
- Permit for live animals

## **Jamaica Import Export Inspection Center (JIEIC)**

The JIEIC, located at Kingston Container Limited, was established as a “One Stop Shop for Regulatory Agencies’ inspections of imported goods in November 2009. The Regulatory Agencies housed within the center include:

- Plant Quarantine/Produce Inspection
- Veterinary Services
- Environmental Health
- Pesticide Control Authority
- Bureau of Standards
- Food Storage and Prevention of Infestation Division
- Pharmaceutical Division

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## **Jamaica Promotions Corporation (JAMPRO)**

All individuals or entities wishing to export goods commercially or for trade must register with JAMPRO before exporting goods from Jamaica. JAMPRO also provides advice to exporters.

Some exporters must first obtain approval or certification from various agencies before registration with JAMPRO. For example:

- Meats and Aqua-cultural products exported to the United States, Canada and some European states require a Hazard Analysis and Critical Control Point (HACCP) Certification which is granted through the Veterinary Services Division
- A factory producing seafood must be certified by the Veterinary Services Division
- A packing house for fresh produce must be certified by the Plant Quarantine/Produce Inspection Unit before registration
- A factory engaged in processing foods must register with the Bureau of Standards before registration

## **The Port Authority of Jamaica Limited (PAJ)**

The Port Authority of Jamaica is a statutory corporation established by the Port Authority Act of 1972. It is responsible for the safety and security of public and private ports in Jamaica. It is a port developer and operator as well as an operator of free zones, mariners and cruise ship terminals. It engaged a management company, Kingston Container Services Limited, to operate the Kingston port - Kingston Container Terminal.

In Kingston, PAJ owns the Kingston Container Terminal (KCT), which is operated by Kingston Container Services Limited and operates the following:

- North Terminal
- South Terminal (Gordon Cay)
- West Terminal
- Fifth Terminal

The PAJ is also responsible for:

- Lucea
- Montego Bay
- Ocho Rios
- Port Antonio

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- Port Esquivel
- Port Kaiser
- Port Rhoades
- Rio Bueno
- Rocky Point

PAJ provides guidance to the shipping industry and collects statistical information. The exporter purchases one out of two container seals from PAJ.

### **Kingston Container Terminal Services Limited (KCT)**

PAJ owns the Kingston Container Terminal (KCT), which is operated by Kingston Container Terminal Services Ltd, a company currently owned by ZIM, Jamaica Producers Limited and the PAJ.

KCT is a major trans-shipment port in the Caribbean and handles mainly containerized shipments. It consists of three terminals – North, South and West Terminals. The North Terminal is reserved for domestic shipments but a vessel may dock at any of the berths. KCT handles about 450 to 600 gate moves per day or 3,000 per week and 900,000 trans-shipments per annum. KCT has developed rapidly regarding equipment and space but still suffers from physical space constraints and equipment availability and reliability.

The customs clearance process varies at KCT depending on whether the importer is an Authorized Economic Operator, or whether a site or port examination is required or a trans-shipment. For example, fully loaded containerized cargo to be examined at the port is moved to the Container Examination Station. A container requiring a site inspection is referred to the Site Inspection Unit. Containers landed at Berth 11 are usually for export trans-shipment and distribution to other locations such as the Container Examination Station, Free zone, site inspections, warehouses etc. An authorized economic operator's container is released at Berth 11.

### **Kingston Wharves Limited (KWL)**

Kingston Wharves Limited is one of the Caribbean's leading multi-purpose terminal operators with the capacity to handle RO-RO or LO-LO vessels; containerized, bulk and break-bulk cargoes. The terminal which is located in Port Bustamante is also involved in the transshipment of motor units as well as providing container stuffing/stripping, reconsolidation and stevedoring services.

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Its subsidiaries include Harbour Cold Stores Ltd., a public cold storage facility; and Security Administrators Ltd., providing security services at the port of Kingston, Montego Bay and Port Antonio.

### **Security Administrators Limited (SAL)**

Security Administrators Limited is jointly owned by KWL and PAJ. It provides maritime security services at Port Bustamante for KWL.

### **Assessment Recovery Limited (ARL)**

Assessment Recovery Limited collects demurrage, detention and refundable deposits on containers on behalf of shipping agents.

### **Fiscal Services Limited (FSL)**

Fiscal Services Limited (FSL) is an information technology company wholly owned by the Government of Jamaica. FSL developed the Computer Automated System (CASE) for processing customs entries for imports which replaced ASYCUDA in 2004. Since then FSL has developed and implemented the ICASE system for exports; an E-manifest system and C87 Broker system which facilitates the electronic submission of the C87 Customs Entry form. It also developed Jamaica Trade Point for JAMPRO which was intended to be a one-stop shop for exporters. FSL has developed trade-related applications for various regulatory ministries and agencies such as Ministry of Agriculture, Ministry of Health, Trade Board, Bureau of Standards, using donor-funding from IDB-ICT loan (2003 – 2010). Although, FSL has encouraged natural linkages between the systems of the agencies, it does not have the funding to implement this integration.

### **Port Computer Services Limited (PCS)**

Port Computer Services is owned by the Shipping Association of Jamaica. PCS is the computing arm of the shipping agents.

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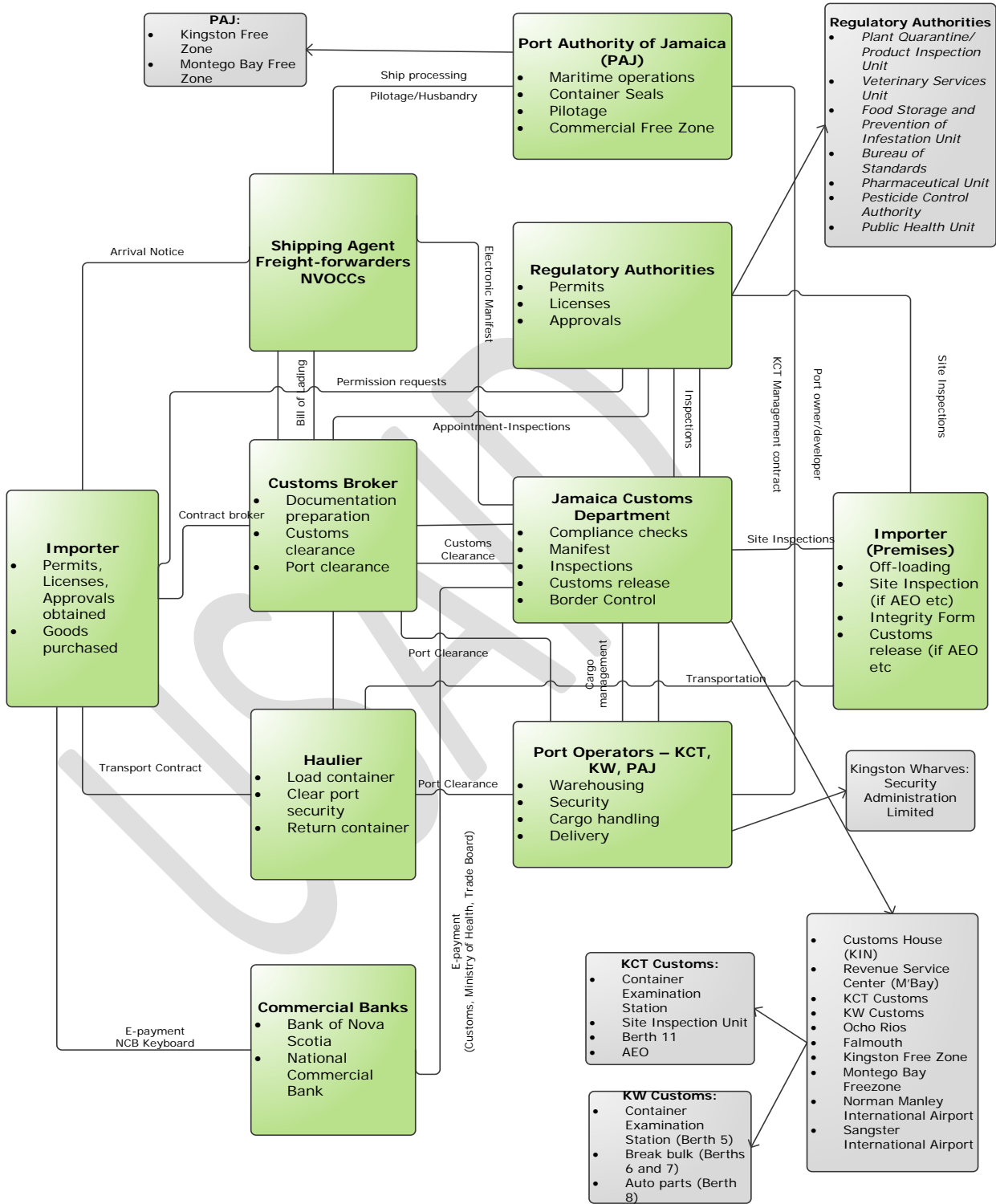
## **Customs Enforcement Team (CET)**

This Customs Enforcement Team ensures that no illegal contraband enters or leaves Jamaica. An exporter is required to inform CET that a container will be loaded at least twenty four hours before it is loaded. CET will monitor vessel information and may go to the port to peruse the books to check the manifests.

## **2.2 TRADING COMMUNITY INTERACTIONS**

The following interaction maps show the importer and other trade agencies within the context of partners, customers, vendors and third-parties. They provide the context and perspective within which the trading community can view their processes.

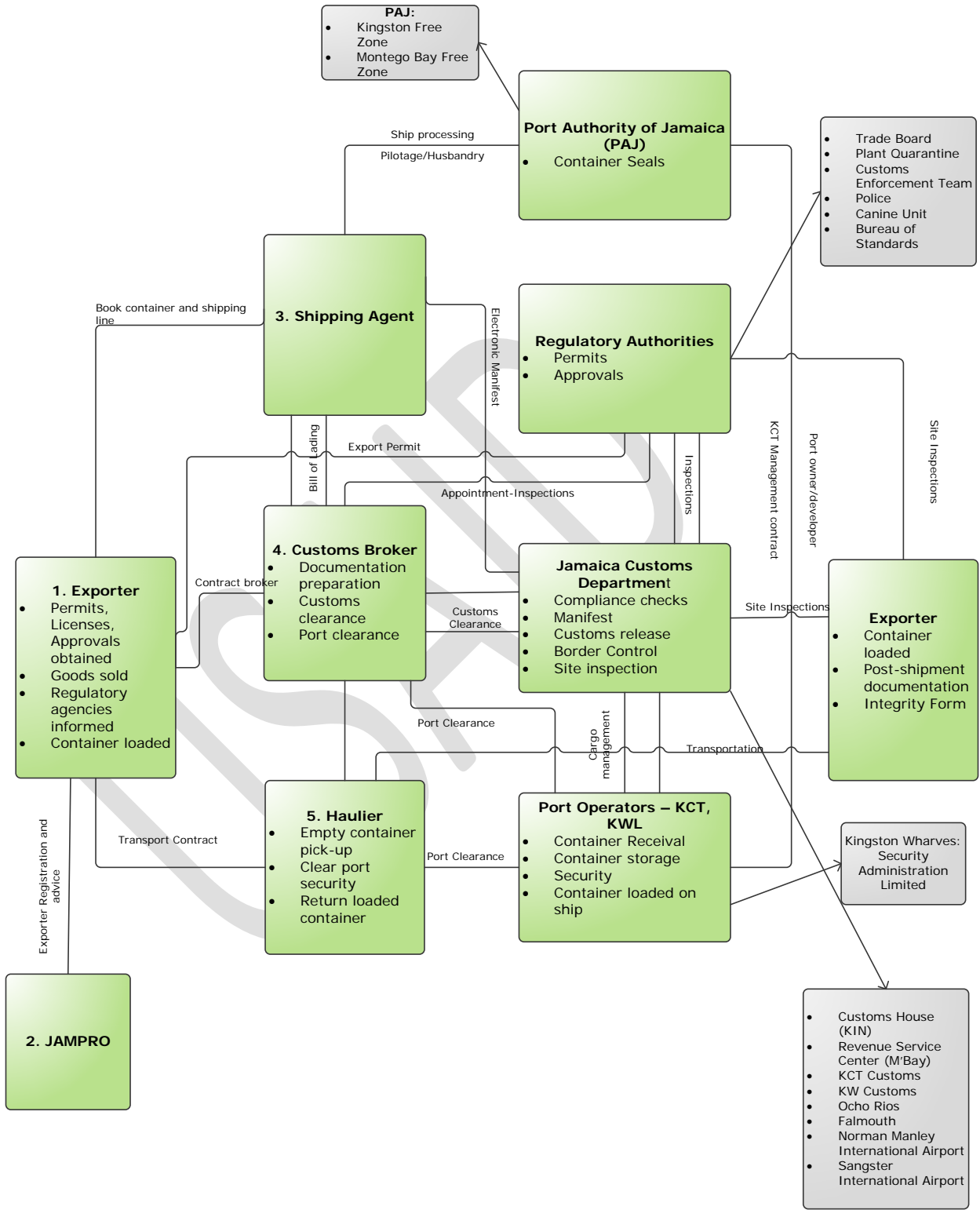
- Import Interaction Map
- Export Interaction Map
- Jamaica Customs Department
- Kingston Container Terminal Limited
- Kingston Wharves Limited
- Government Regulatory Agencies
- Customs Broker
- Shipping Agent/Freight forwarders
- Haulier



**IMPORT INTERACTION MAP - FULL CONTAINER LOADS/  
AUTHORIZED ECONOMIC OPERATORS**

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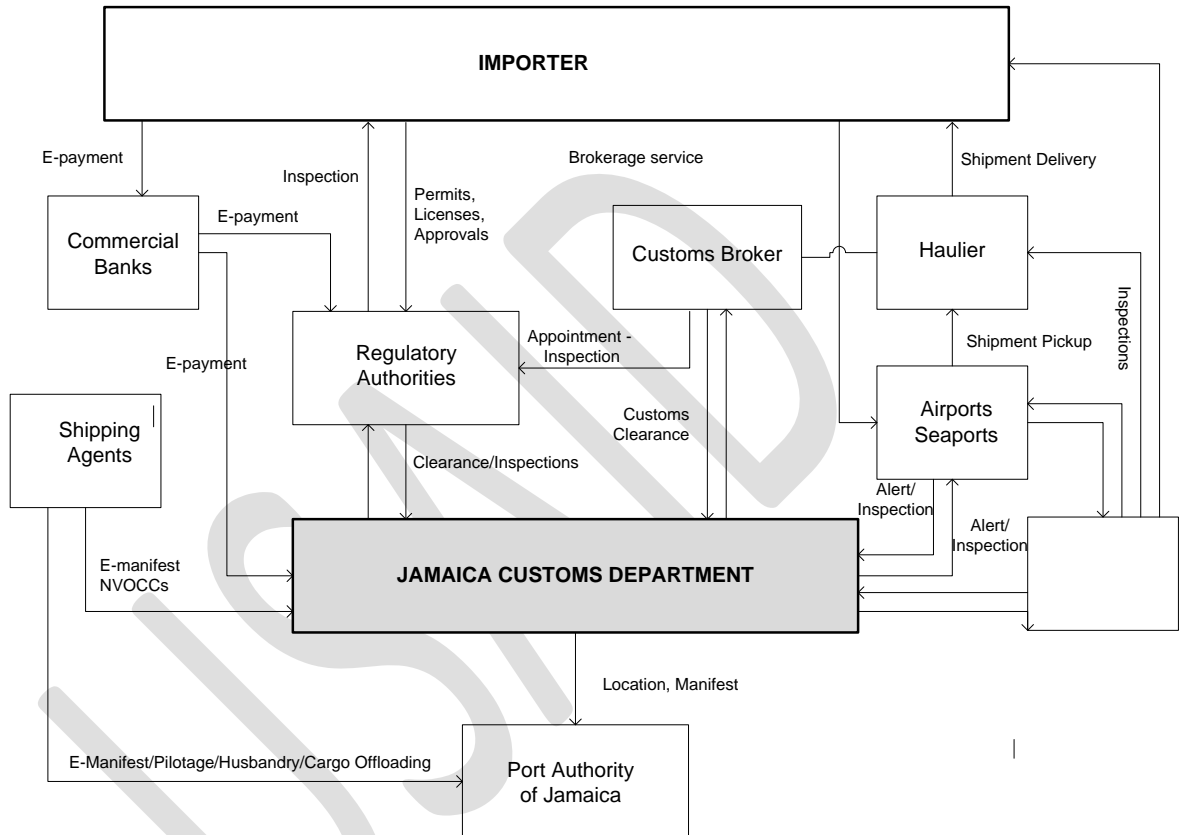




**EXPORT INTERACTION MAP - FULL CONTAINER LOAD**

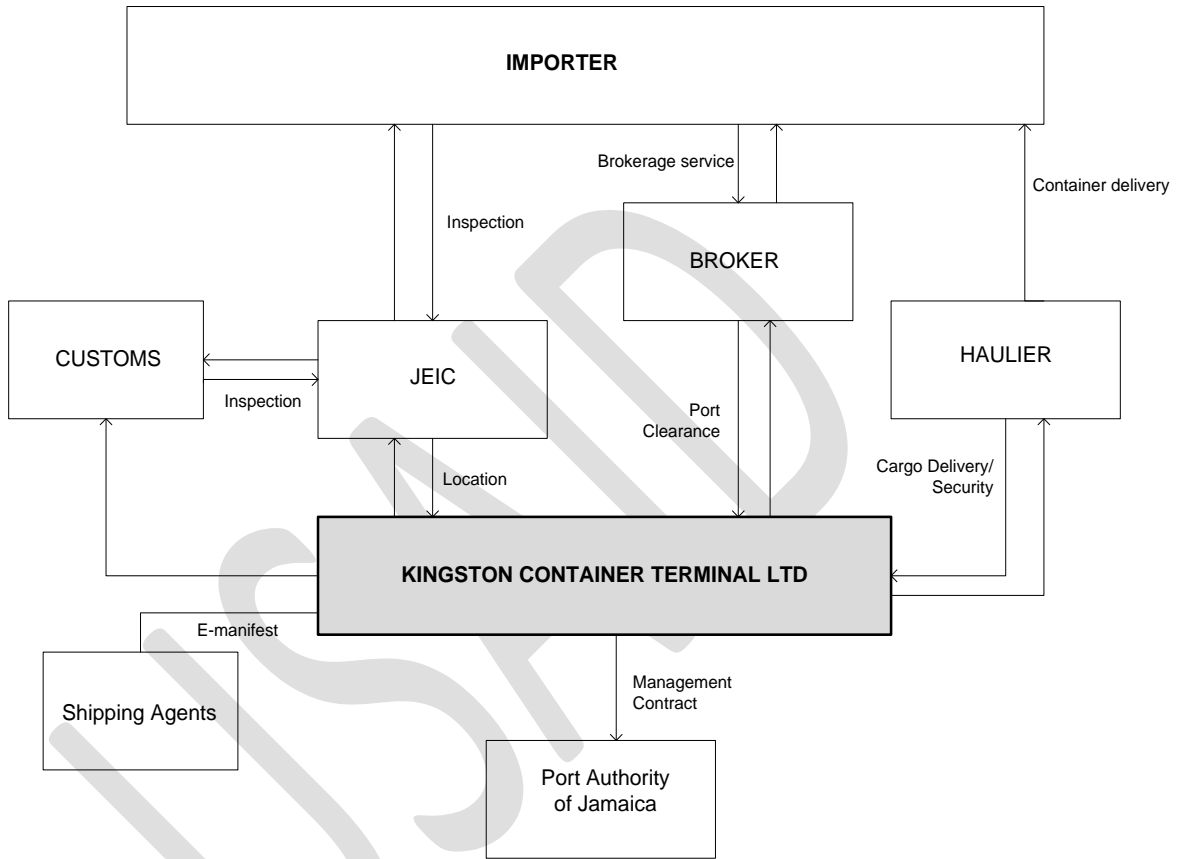
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## JAMAICA CUSTOMS DEPARTMENT Interaction Map



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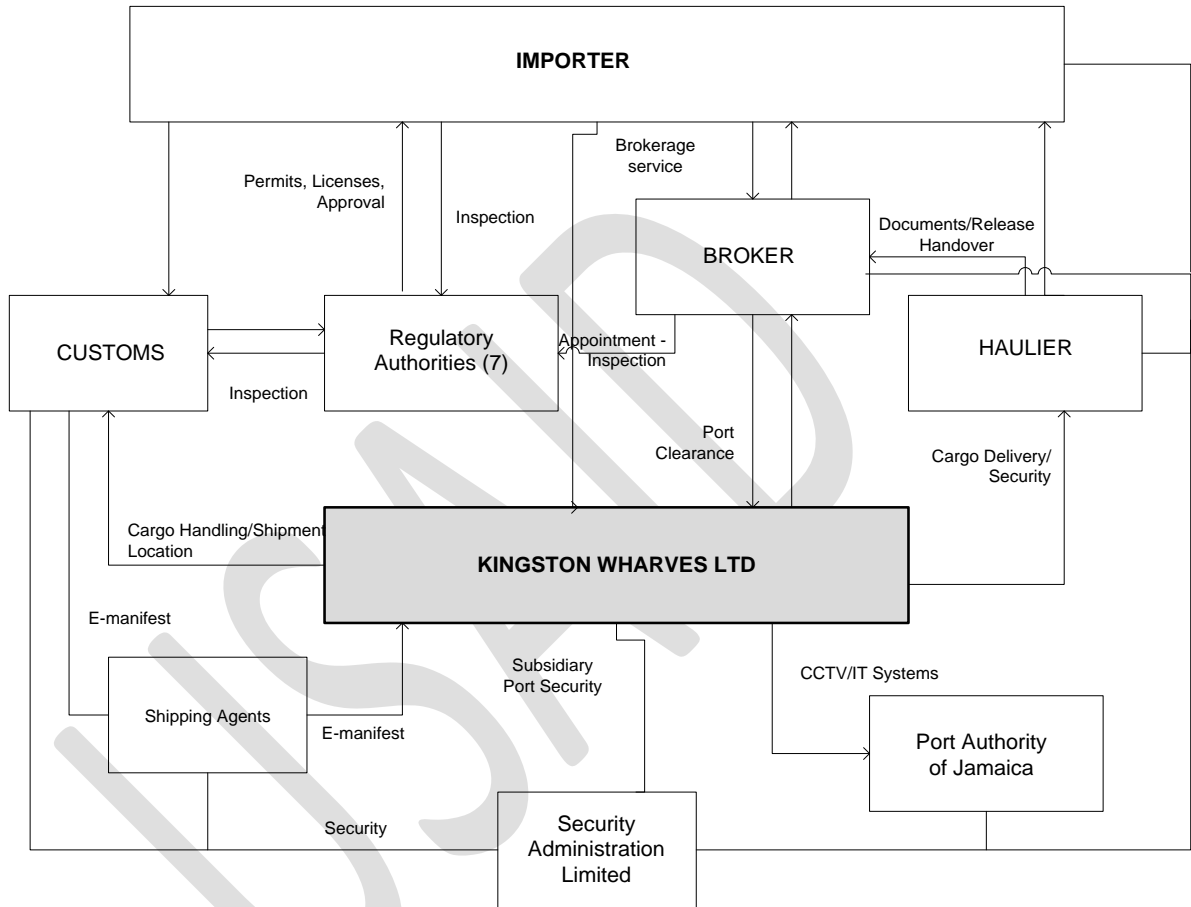
# KINGSTON CONTAINER TERMINAL LIMITED Interaction Map



LEGEND:  
JEIC – Jamaica Export & Import Center

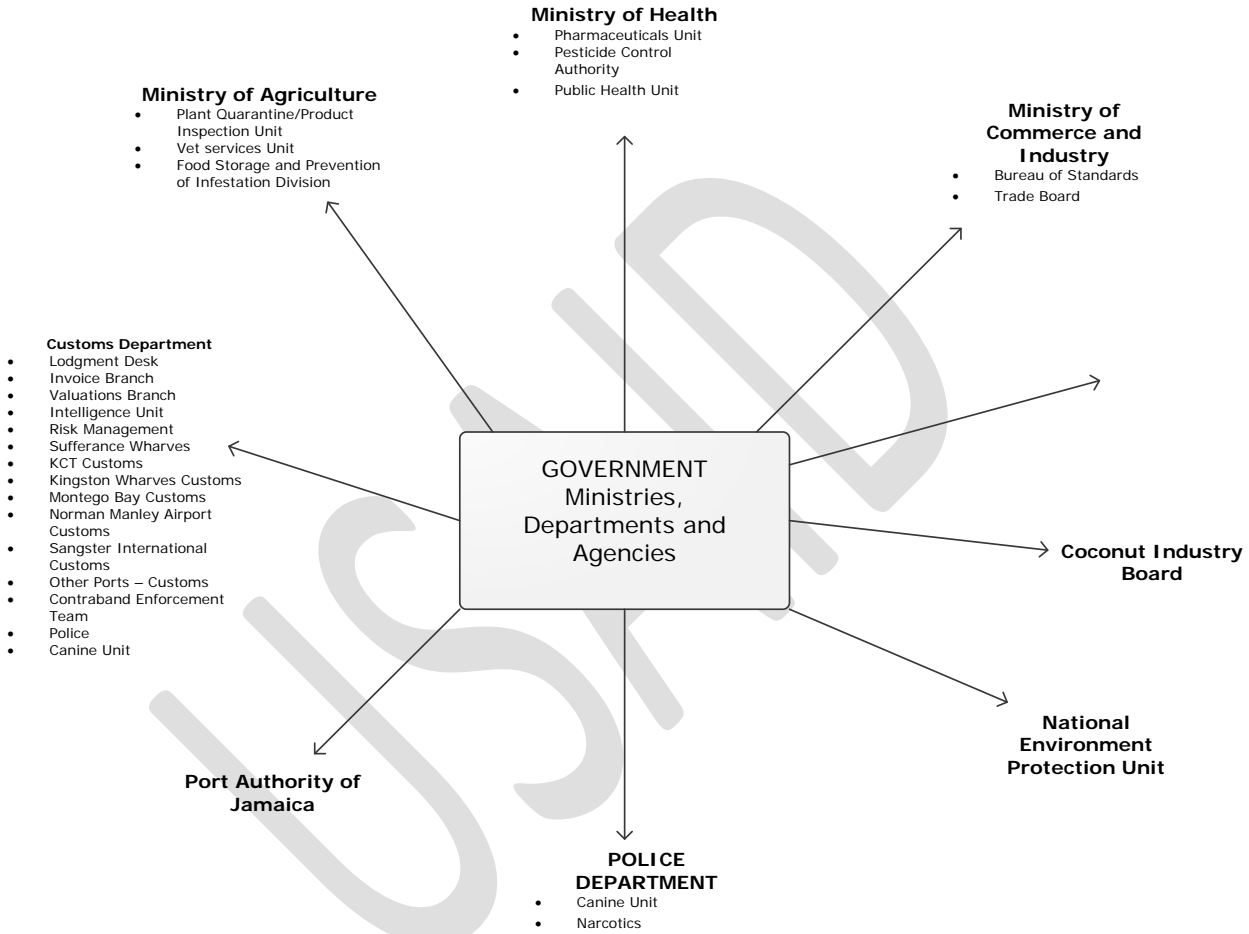
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# KINGSTON WHARVES LIMITED Interaction Map



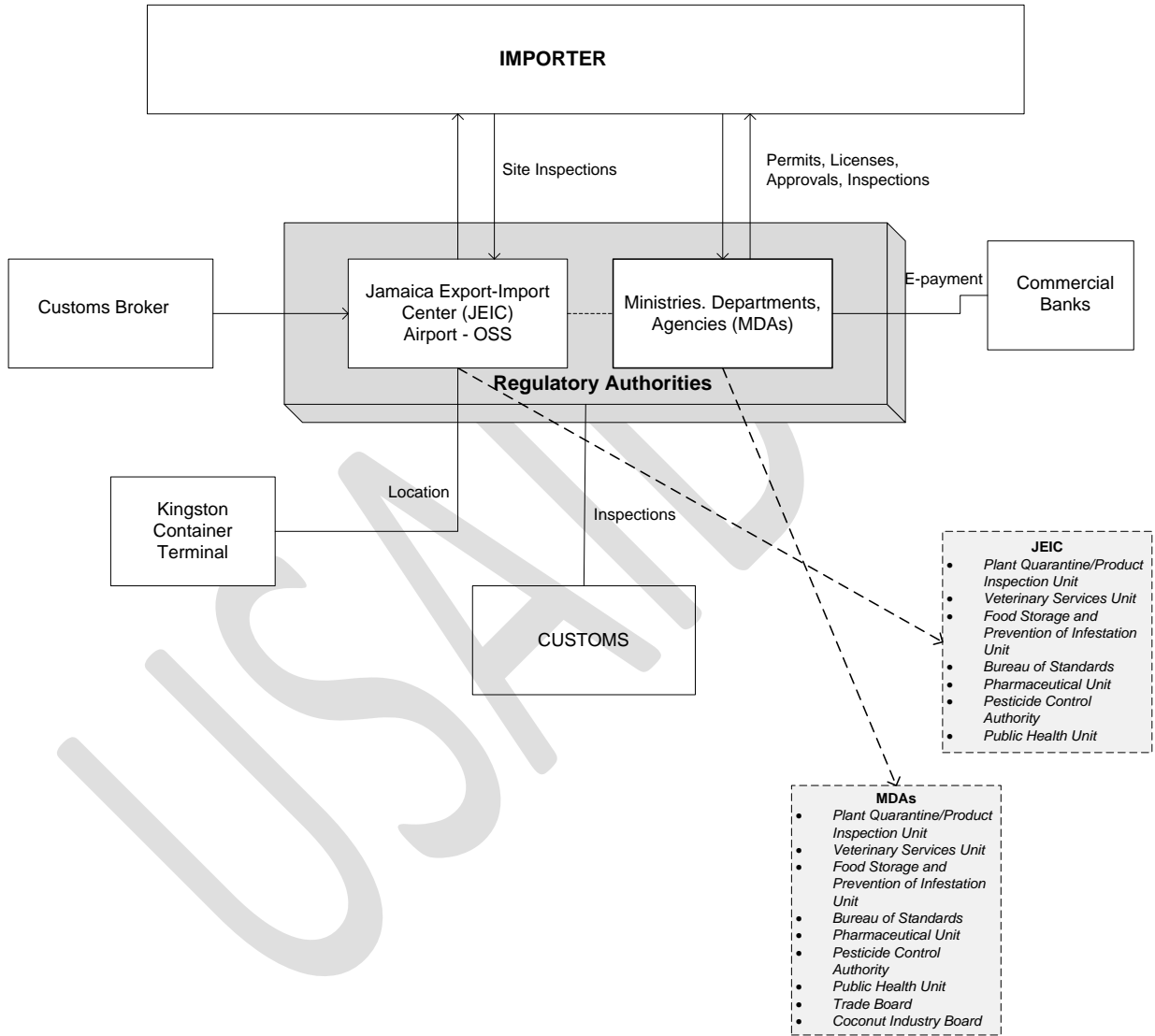
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# GOVERNMENT IMPORT-EXPORT REGULATORY NETWORK



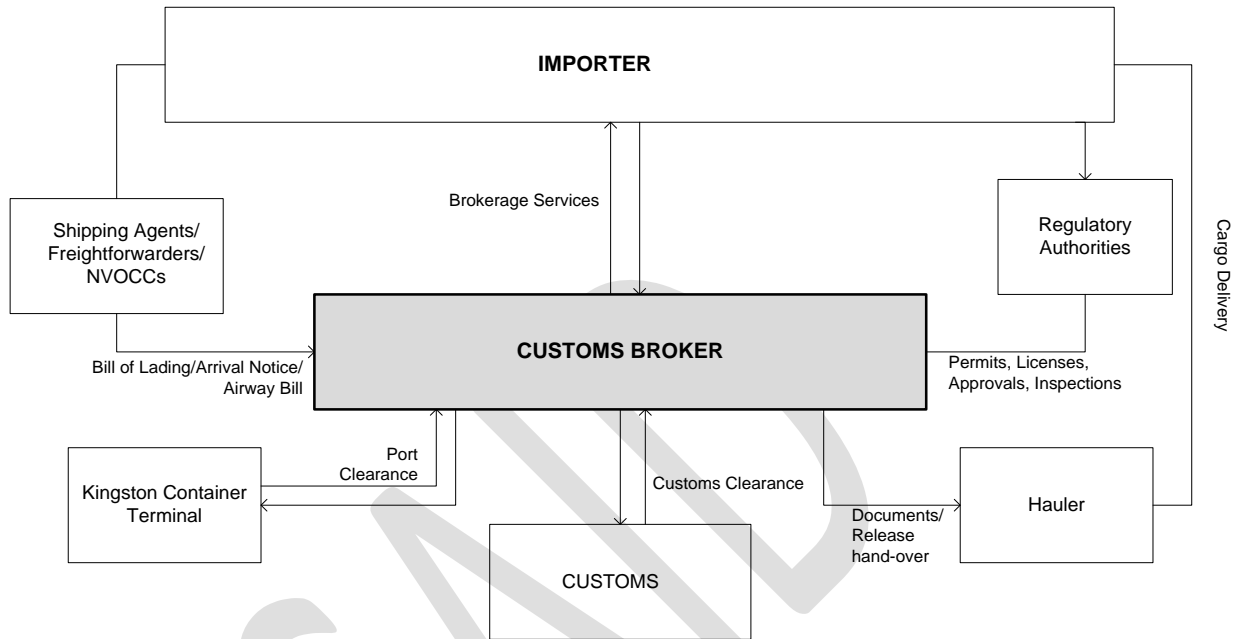
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# REGULATORY AUTHORITIES Interaction Map



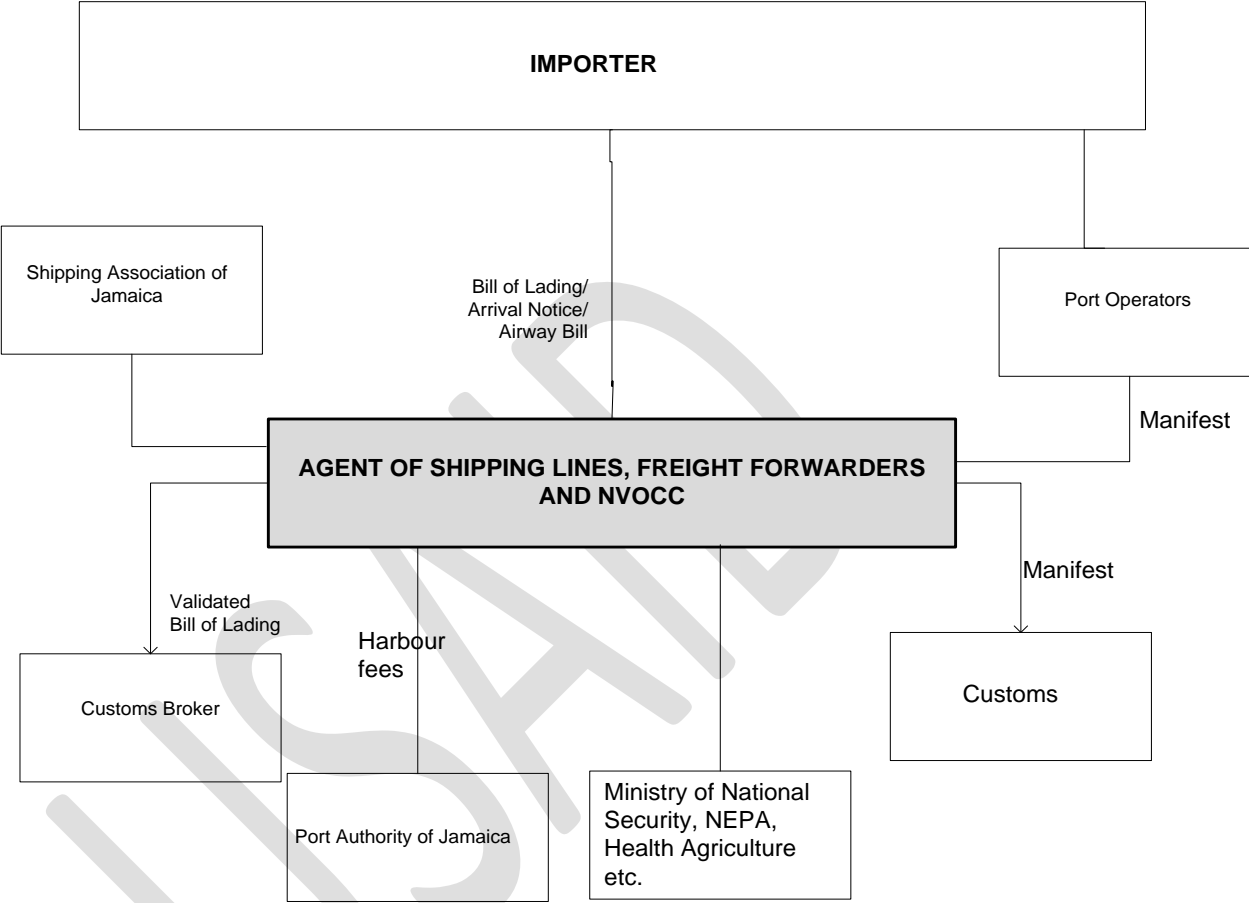
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# CUSTOMS BROKER Interaction Map



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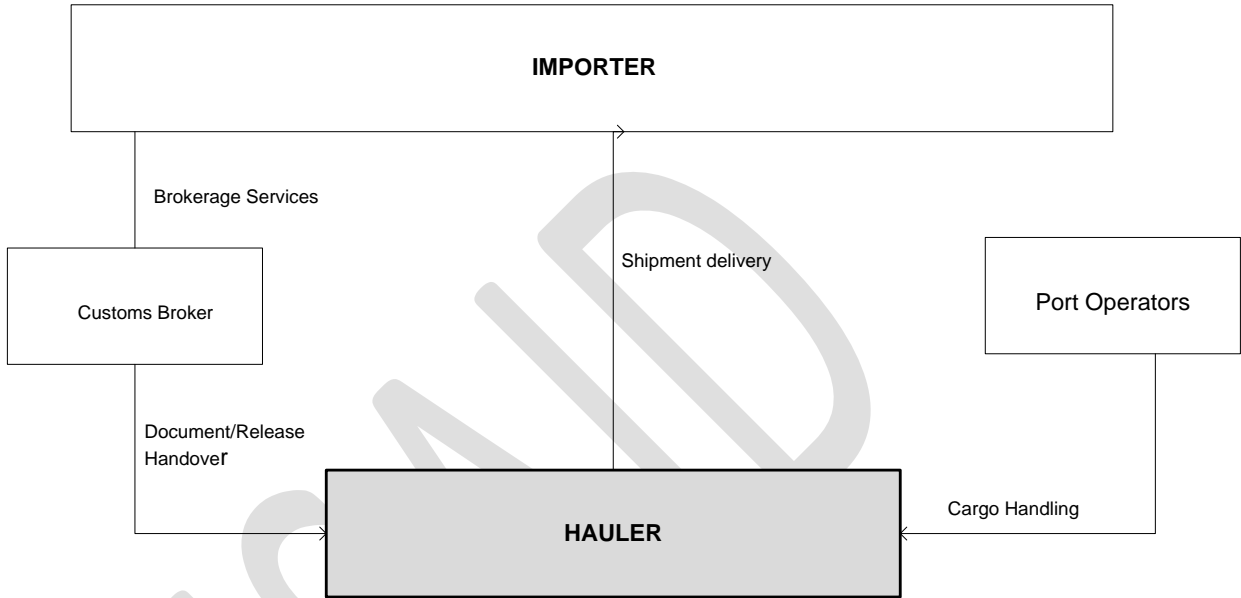
# SHIPPING AGENT/FREIGHT FORWARDER/NVOCC Interaction Map



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# HAULIER Interaction Map



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## SECTION III: SCOPE OF CURRENT SYSTEM OF IMPORT PROCESSES

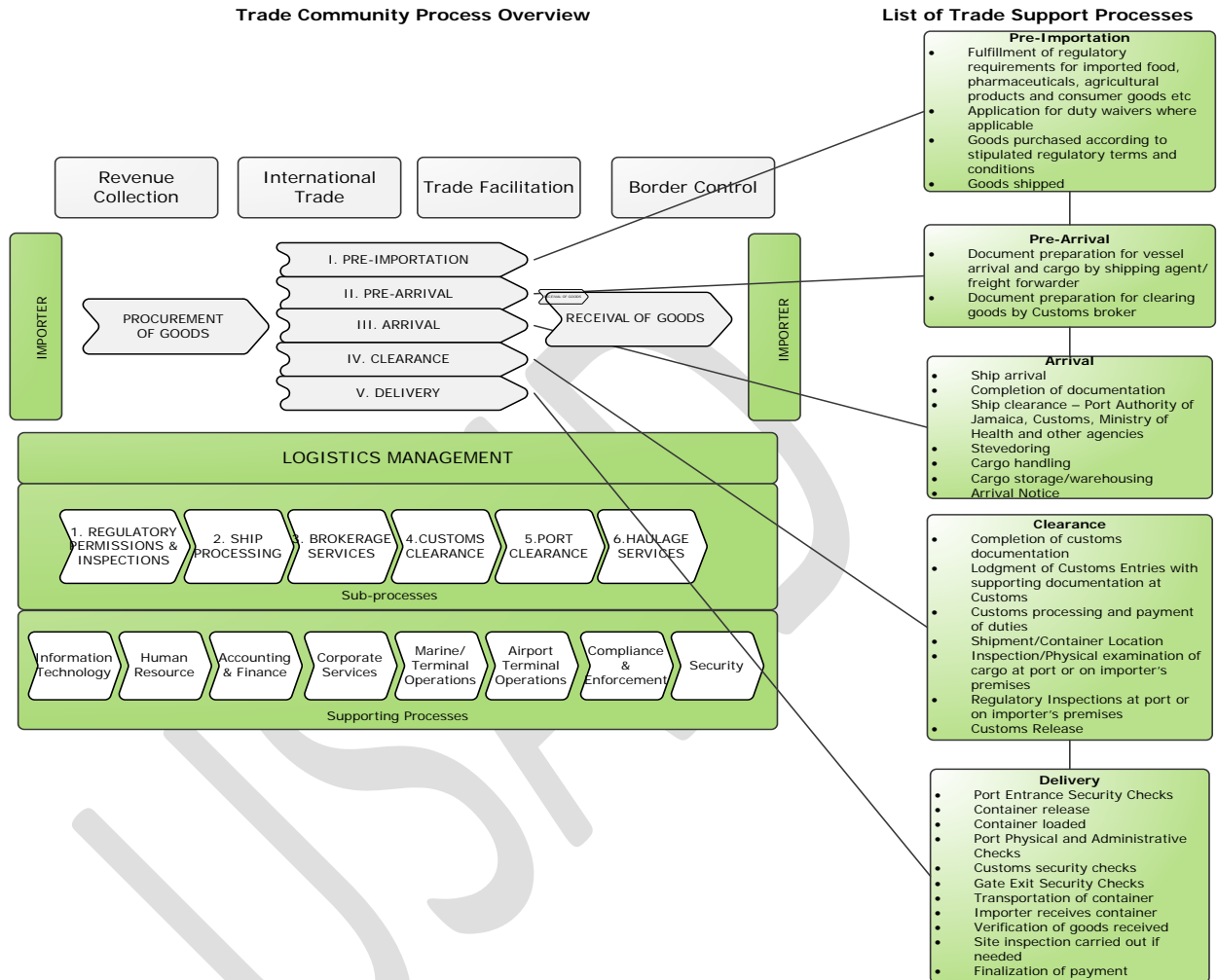
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This report focused on mapping out the process for clearing containerized and non-containerized cargo valued at over US\$5,000 which requires the services of a broker at Kingston Container Terminal and Kingston Wharves in Kingston. Less emphasis was placed on imports valued below US\$5,000 and the clearance processes at Sangster International Airport, Montego Bay, Port of Montego Bay, and Norman Manley International Airport. The processes at the out ports are not part of the analysis in this report.

### 3.1 OVERVIEW OF 'AS IS' IMPORT PROCESS

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**JAMAICA IMPORT PROCESS OVERVIEW MAP**  
Shipment of goods valued over US\$5000 – FCL and LCL



The map provides a high-level view of clearing a containerized shipment valued over US\$5,000, procured overseas, from the perspective of the end-to-end processes involved. The strategic processes include revenue collection, international trade, trade facilitation and border control. The import process experienced by importers/brokers between the procurement of goods overseas and receipt of those goods can be divided into the following processes:

- 1. Pre-importation** - This includes obtaining regulatory permissions – permits, licenses and approvals – to import specified goods as well as obtaining approvals for duty waivers etc.

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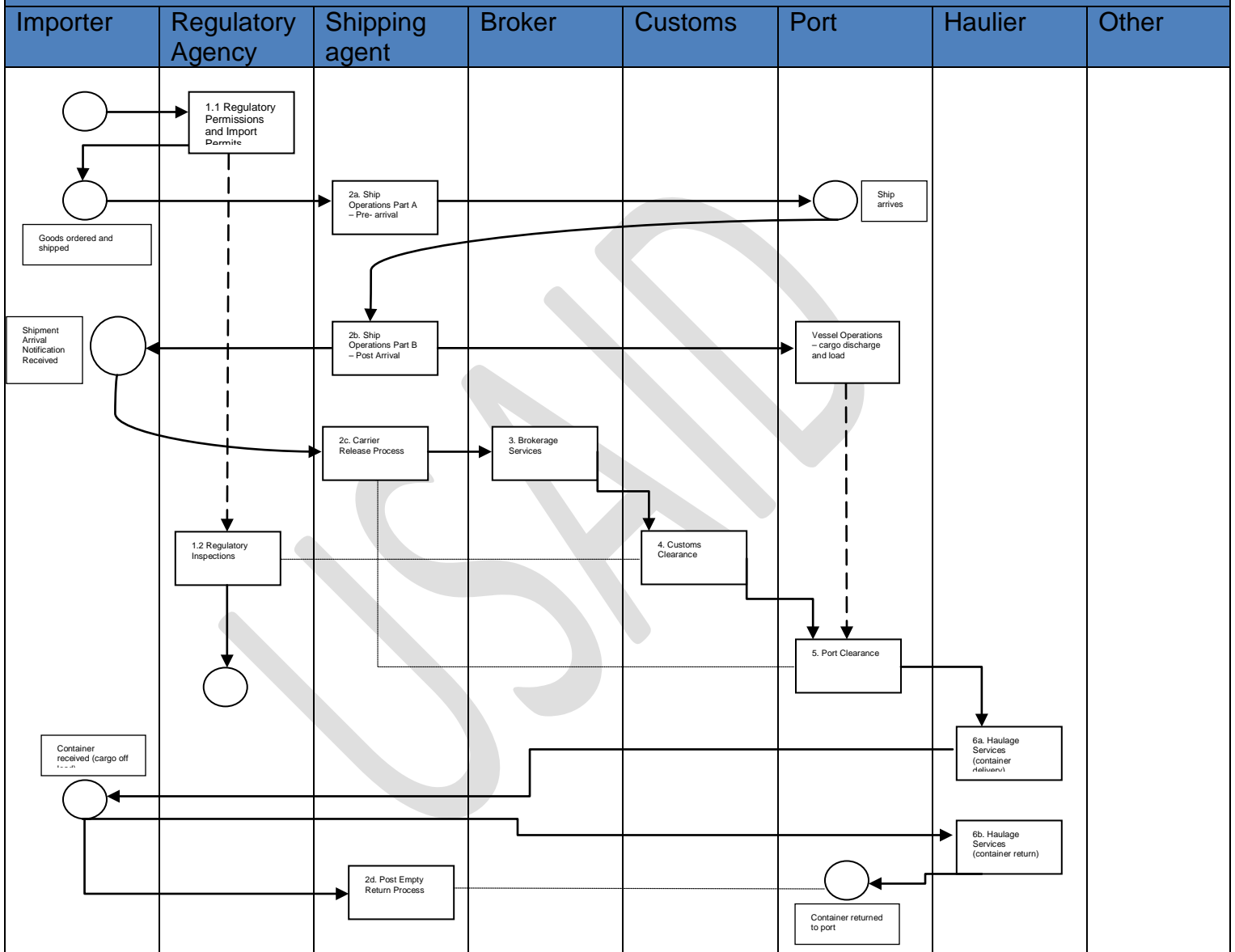
2. **Pre-arrival** – Brokerage services are contracted. At this stage, the preparation of necessary documentation by the shipping agent and the broker begins for the ship’s arrival and cargo clearance process.
3. **Arrival** – This process commences upon arrival of the vessel and cargo. Shipping documents are submitted to Customs and PAJ and preparations are made for a marine pilot to pilot the ship to the port berths (in accordance with the Pilotage Act), and for stevedoring services for offloading of the cargo.
4. **Clearance** – The cargo arrival report is submitted and customs entry and supporting documents are submitted electronically using the C87 Broker system, and are also physically lodged with Customs. The customs declaration is processed using the CASE system; assessment and payment of duties is completed and the examination and release of cargo from Container Examination Station or port or warehouse is also completed.
5. **Haulage** – After the customs release process is completed, the haulier collects the container from the port and transports it to the importer’s premises. After the container is off-loaded, the haulier picks up the container from the importer’s premises and returns it to the port.

These processes may be further sub-divided into the following core processes:

- |                           |                      |
|---------------------------|----------------------|
| 1. Regulatory Permissions | 4. Customs Clearance |
| 2. Ship Processing        | 5. Port Clearance    |
| 3. Brokerage Services     | 6. Haulier Services  |

These sub-processes form the basis for preparing the process flowcharts for trading partners interviewed. Each partner’s internal processes, interactions and customer experience were documented with the view to provide an end-to-end snapshot of the import process in Jamaica.

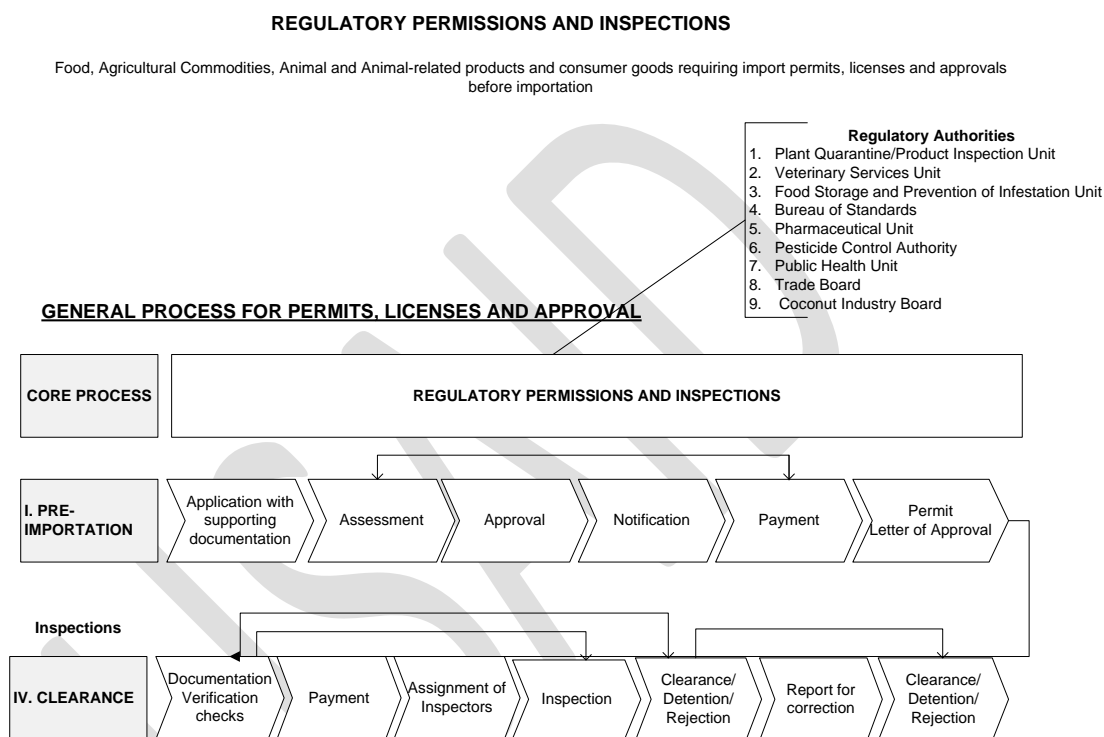
## JAMAICA IMPORT PROCESS – UNIT LEVEL



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## 3.2 Regulatory Permissions

The pre-importation process involves obtaining the relevant permits, approvals and licenses from government regulatory agencies, while the importation process begins with the arrival of the vessel carrying the cargo and the release of the imported cargo. The import process includes the ship processing, customs clearance and port clearance procedures.



### Pre-Importation:

<b>STEPS IN THE PROCESS</b>	
1	Applicant wishing to import goods requiring an import permit submits the application online or physically to the respective agencies.
2	The agency assesses the application.
3	If approval is granted, the importer is notified in writing, by phone or online (Trade Board).
4	Importer goes to the office to pay fees and pick up import permit or letter of approval
5	If importer pays online, a receipt is printed and importer goes to the office pick up the import permit. If it is an application to the Trade Board, importer prints receipt and import permit online.
6	Goods are ordered.
7	Upon arrival, the agency may inspect goods.

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### 3.2.1 Regulatory Agencies – Import Permits

The process for approval of import permits is still predominantly manual with a few agencies available online. For example, an application for an import permit to the Trade Board can be made online. The importer receives electronic notification of the approval and s/he can pay the fees electronically. The importer is able to print the receipt and import permit and does not have to visit the Trade Board Office during the process.

#### Trade Board

An import license is required for thirty-four (34) items in accordance with the Trade Board List.

#### Fresh Produce, Rice and Cornmeal

An importer of fresh produce, rice and cornmeal must obtain a Phyto-sanitary certificate from the Ministry of Agriculture. The required documents include a letter stating the items, quantity, country of origin, Phyto-sanitary certificate from country of origin, and import permit. On arrival, the shipment is inspected by the Bureau of Standards and the Prevention of Infestation Unit along with Customs during the customs clearance process.

#### Meats, Fish, Poultry, etc.

An importer requires an import certificate from the Veterinary Services Division, Ministry of Agriculture to import meats, poultry, fish, etc. The required documents include a letter which includes the details of country of origin, a completed application form and the payment of a fee of \$J800.<sup>2</sup>

#### Pesticides

An importer must apply to the Pesticide Control Authority to import pesticides and similar products. The product to be imported must be registered under general safety provisions. An application for an import permit for pesticides must be approved prior to the date of ordering the goods. An Import permit will be issued stipulating terms and conditions that must be met. The importer must present the invoice, bill of lading and import permit during the clearance process. A fee of 2% of the C.I.F value of the import is paid.

An import permit is required from the Pharmaceutical Regulatory Affairs Division of Ministry of Health to import fertilizer. An application is submitted to the division along with a product information package for review.

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<sup>2</sup> For purposes of this report, US\$1=J\$84.

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## Pharmaceuticals

An application for a permit to import pharmaceuticals into Jamaica is submitted to the Pharmaceutical Regulatory Affairs Division along with an application for the registration of the product, product information and sample.

## Tax Compliance Certificate

A tax compliance certificate is required to clear goods in Jamaica. This is obtained from the Inland Revenue Department. The importer may update or apply for a tax compliance certificate.

### 3.3 Ship Processing

This process involves the arrival and receipt of vessels and cargo entering Jamaica. Shipping agents for cargo and cruise ships provide the following services to shipping lines:

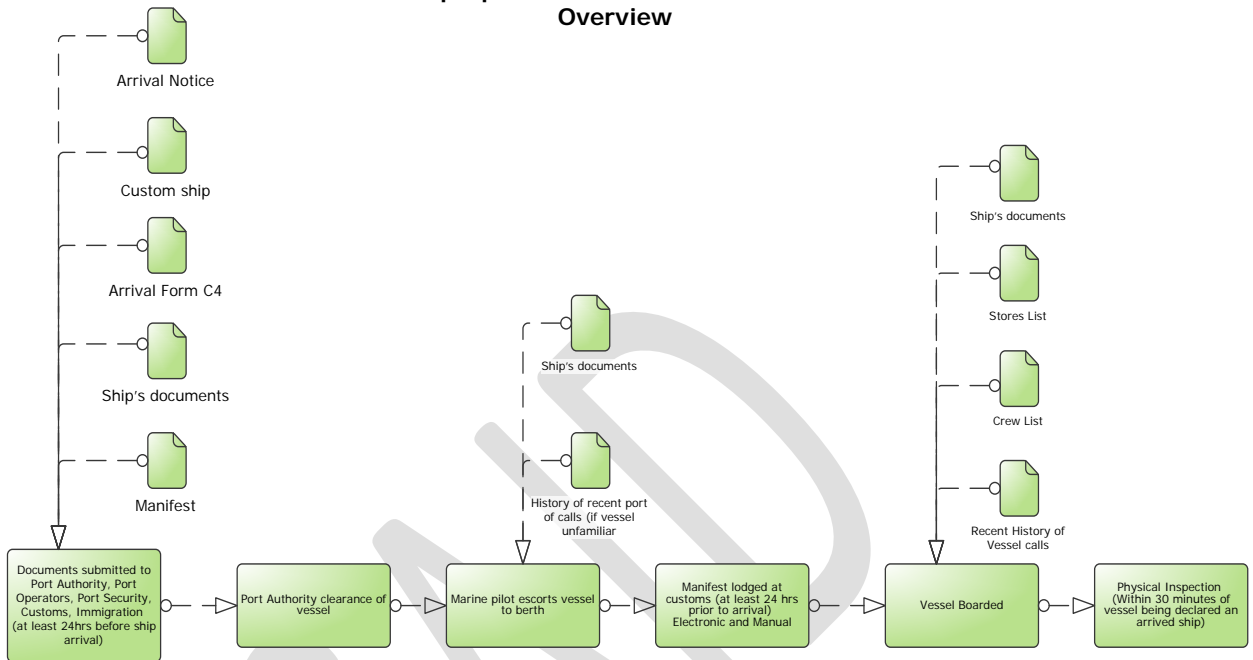
- Prepare the necessary documentation for acceptance by the relevant authorities such as, cargo manifests, bills of lading, etc. Ship husbandry services – garbage disposal, obtaining D-rat certificate, tonnage
- Make payments on behalf of shipping lines
- Ship processing services for arrival and departure of ships including ensuring pilot is on board the ship, advising on documentation
- Contracting stevedoring services
- Liaising with cargo handlers, port, Customs, Immigration, Ministry of Health, etc.

Cargo Arrival			
Organise ship arrival	E-manifest of cargo	Organise stevedoring services	Arrival Notice to Importer

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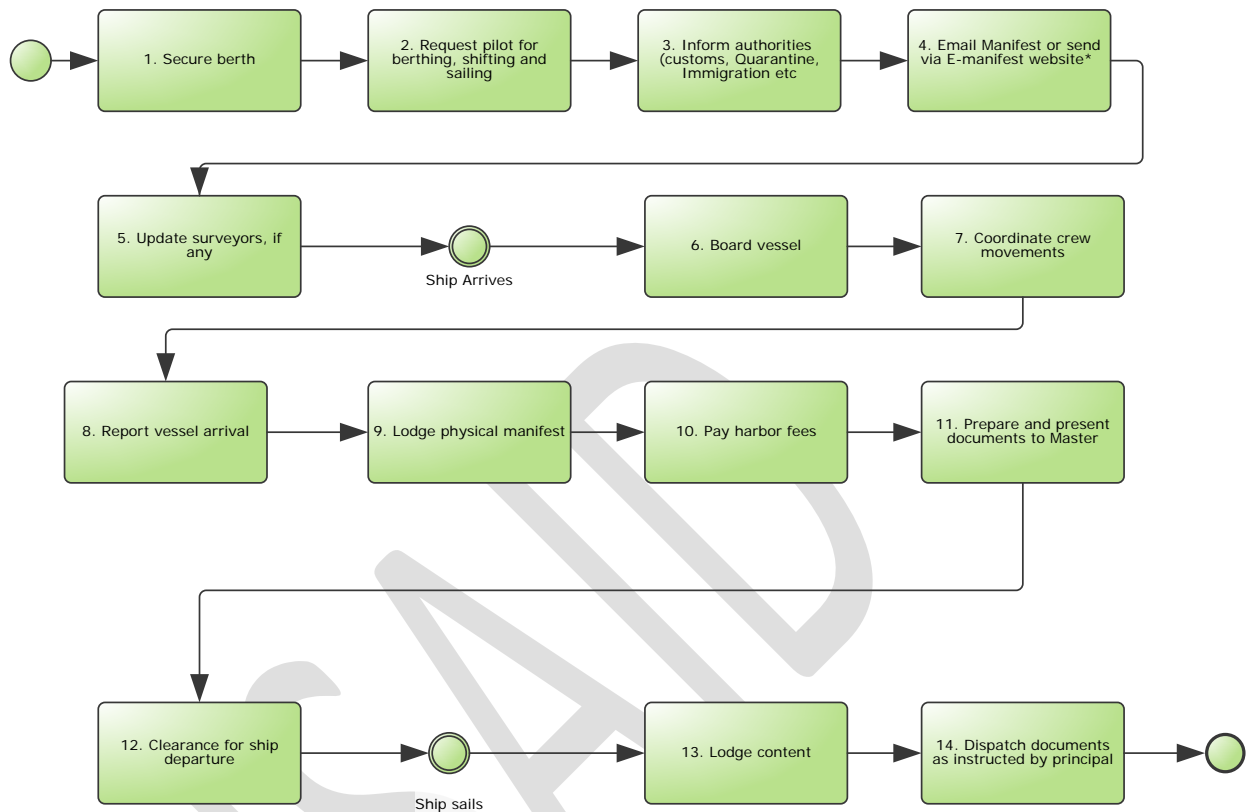


## Ship Operations – Public Terminals Overview



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### Ship Arrival and Departure Process - Detailed



\*E-manifest website – Prepare and submit following documents online:

- Vessel Declaration
- Amendments to Manifest – C15
- Goods Movement – C26
- Trans-shipment Bill – C36
- Manifest

### Pilotage

Under the Pilotage Act, all vessels entering Jamaican waters must use pilotage service. The process is as follows:

1. Shipping agent informs the Pilotage Department of PAJ of the date of ship's arrival.
2. Booking is made in the Berthing System.
3. Services are inputted into system.
4. Pilotage Dispatching System (PDS) is used to process requests for pilotage service as received from vessel Agents.

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5. Pilotage invoice for services is generated by the Post Authority of Jamaica's (PAJ's) Accounts Department,
6. Invoice is sent to the pilot.
7. Pilotage invoices are sent by the PAJ to the vessels agent.
8. Shipping agents pays harbor fees to Customs.
9. Customs sends revenue to PAJ at later date.

## **Cargo Moves**

### Cargo moving to Storage Area at port

<b>STEPS IN THE PROCESS</b>	
1	Cargo discharged from vessel
2	Verification checks by Port Operator (e.g. KCT, KWL), Port Security and Customs. Information verified include: container number, seal number, package number, etc.
3	Cargo moved to storage area - to warehouse or container area at port
4	Cargo inspected by relevant regulatory authority.

### **Cargo move under bond**

Consignments may be moved under bond subject to stipulated conditions. Conditions may be based on the commodities and entities involved, for example:

Example 1: Motor vehicles moved to consignees' bonded facilities for storage until sold and duty paid and customs' release.

Example 2: Consolidated consignments moved for stripping to container freight station (CFS off dock), are transferred under bond application process (C-26).

Example 3: Movement of transshipment cargo from one bonded facility such as a port to another bonded facility such as the airport, for connection for export.

Example 4: Cargo arriving being bonded for local use (trade show use etc.) until re-exported based on stipulated guidelines.

## **3.4 Brokerage Services**

See Section 4.1

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### 3.5 Cargo Clearance Process

The cargo clearance process includes:

1. Carrier's release process by their agents
  - Satisfy release conditions
  - Surrender original bills of lading or express release guidelines
  - Proper identification of release to party
  - Settlement of all applicable carrier's and agent's charges
2. Customs clearance
3. Port Clearance

#### **Carrier's Release Process – this involves**

1. Satisfy release conditions
2. Surrender original bills of lading or express release guidelines
3. Proper identification of release to party
4. Settlement of all applicable carrier's and agent's charges

**Customs Clearance Process** – This process begins when the shipment arrives in Jamaica and can be broken down as follows:

1. Cargo Arrival Report
2. Customs Entry Declaration Processing
3. Revenue Collection
4. Inspections (if required)
5. Customs Release

Port Clearance process – this involves:

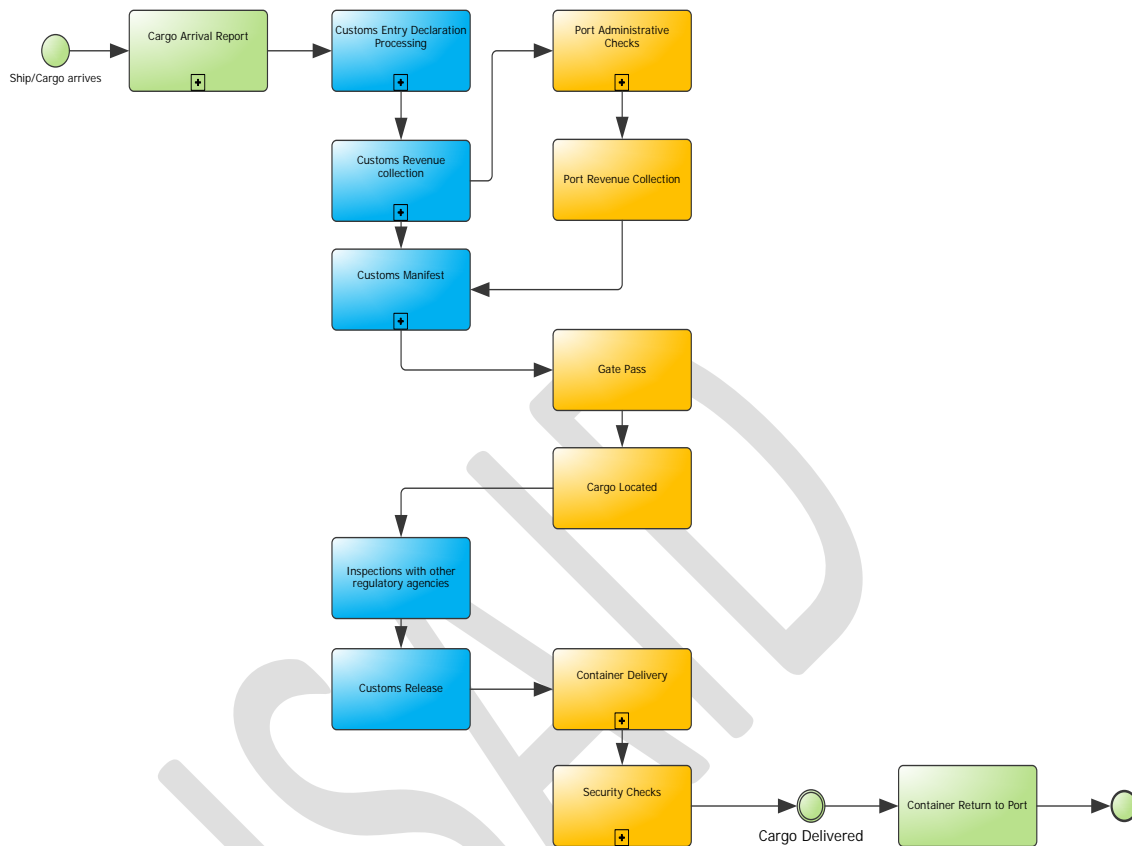
1. Document administrative checks
2. Revenue collection
3. Cargo handling – cargo location
4. Physical security checks

At this stage, port charges and customs duties are paid unless the shipment is entitled to duty waivers. Customs duties include:

1. Import duty
2. Consumption Tax
3. Customs Service Charge
4. Environmental Levy

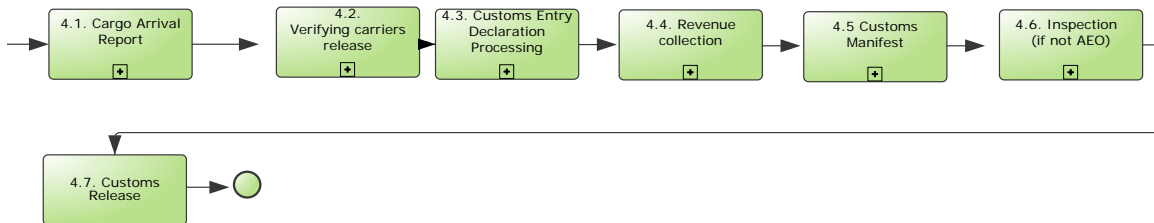
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### CLEARANCE PROCESS OVERVIEW



### Customs Clearance Process

#### JAMAICA CUSTOMS DEPARTMENT - CUSTOMS CLEARANCE PROCESS OVERVIEW

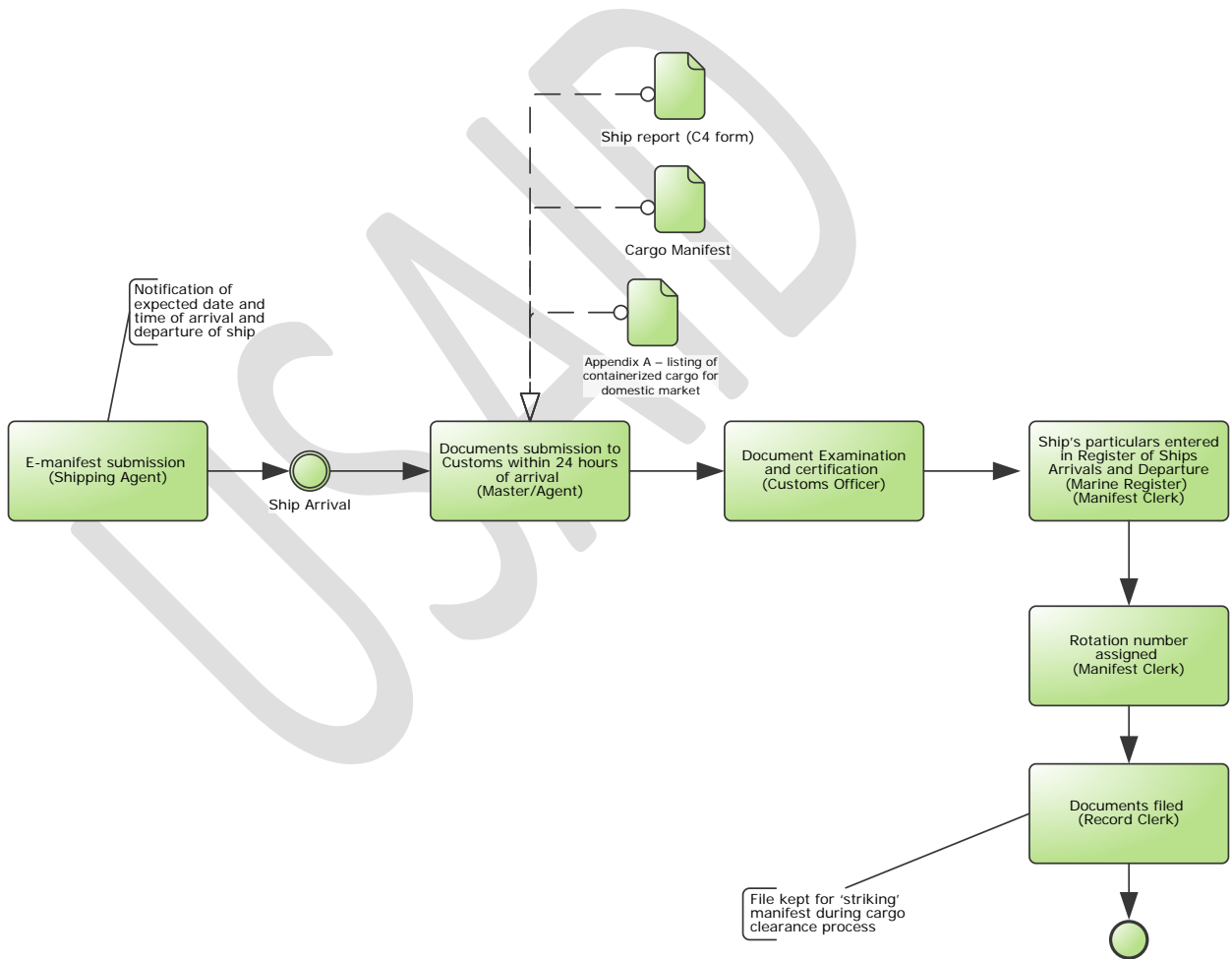


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## 1. Cargo Arrival Report

In accordance with the Customs Act, the master or agent of all ships or aircraft entering Jamaica must report cargo and stores to Jamaica Customs within 24 hours of arrival. A form must be completed and sent to the Commissioner of Customs.

### Cargo Arrival Report



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## Cargo Arrival Report Process

STEPS IN THE PROCESS	
1	<b>Agents of shipping lines transmit manifest electronically to customs and relevant terminal.</b>
2	Within 24 hours of ship's arrival, shipping agent submits documents to <b>Customs</b> (Ship report – C4 form; Cargo Manifest; Appendix A – listing of carrier's containers for domestic market.)
3	<b>Submission of manifest</b> by agents of NVOCC's, Freight Forwarders and/or Consolidators within 48 hours.
4	<b>Customs (Customs Officer)</b> examines documents and certifies documents if all in order
5	Customs Officer sends documents to Customs Manifest Branch
6	<b>Customs (Manifest Clerk)</b> enters ship's particulars in the Register of Ships Arrivals and Departure (Marine Register)
7	<b>Customs (Manifest Clerk)</b> assigns a rotation number to the cargo
8	<b>Customs (Manifest Clerk)</b> sends documents to Customs Records Clerk
9	<b>Customs Records Clerk</b> files documents Documents filed for 'striking off' manifest during cargo customs clearance process

## 2. Customs Entry Declaration Processing

### Customs Entry Declaration Processing

STEPS IN THE PROCESS	
1	<b>Broker</b> completes C87 Customs Entry Form online
2	Broker submits entry electronically via C87 Broker System
3	When accepted by the system, broker prints information on seven copies of purchased pre-printed form
4	Broker physically takes C87 form and supporting documents to the Lodgment Desk at Customs House. Supporting documents include: <ul style="list-style-type: none"> <li>• Invoice</li> <li>• Airway bill or Bill of Lading</li> <li>• Declaration of value (Forms C84 or 85)</li> <li>• Permits (if applicable)</li> <li>• Import license</li> <li>• Bill of Sight</li> <li>• Title</li> <li>• Tax Compliance Certificate</li> </ul>
5	<b>Customs (Lodgment Clerk)</b> conducts a rapid document review and if any inconsistency is detected the form is returned to the broker
6	If accepted, it is registered manually in a log book (NB: the system generates reports which could eliminate this task), entry is stamped and the seventh copy returned to the broker
7	If the customs declaration meets risk management criteria, a special mark appears on the screen indicating that this declaration must be submitted to the <b>Risk Management Department</b> for further review and inspection
8	System conducts analysis and will generate a report if there are errors. If no errors, the system generates a Customs House Kingston number (CHK#)

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9	Lodgment Clerk attaches report and submits it to the supervisor
10	<b>Supervisor</b> reviews and approves or rejects entry and returns it Lodgment Clerk
11	<b>Broker</b> picks up the approved entry from 'Broker Box' at Customs and proceeds to the cashier

### 3. Revenue Collection

#### Customs Revenue Collection Process

12	<b>Broker</b> pays duties at cashier or online. If duties paid online, document and printed receipt are taken to cashier for certification
13	<b>Cashier</b> conducts another document review to ensure completeness and that nothing has been changed, accepts money and issues receipt
14	Upon payment, the shipment may be marked for inspection on system
15	<b>Broker</b> proceeds to the port with entry, documents and receipt for port clearance, after proof of carrier's release and customs' release of cargo
	Average time: 5 hours to 1 day

The port operators, Kingston Container Terminal Limited (KCT) and Kingston Wharves Limited (KWL), operate under separate management and different modus operandi. The procedures and processes are not standardized and are specific to each port operator. As previously referred, the majority of KCT's business is commercial containerized cargo (over US\$5,000) for the domestic market or trans-shipment, while KWL's cargo is primarily break bulk cargo destined for individual domestic importers.

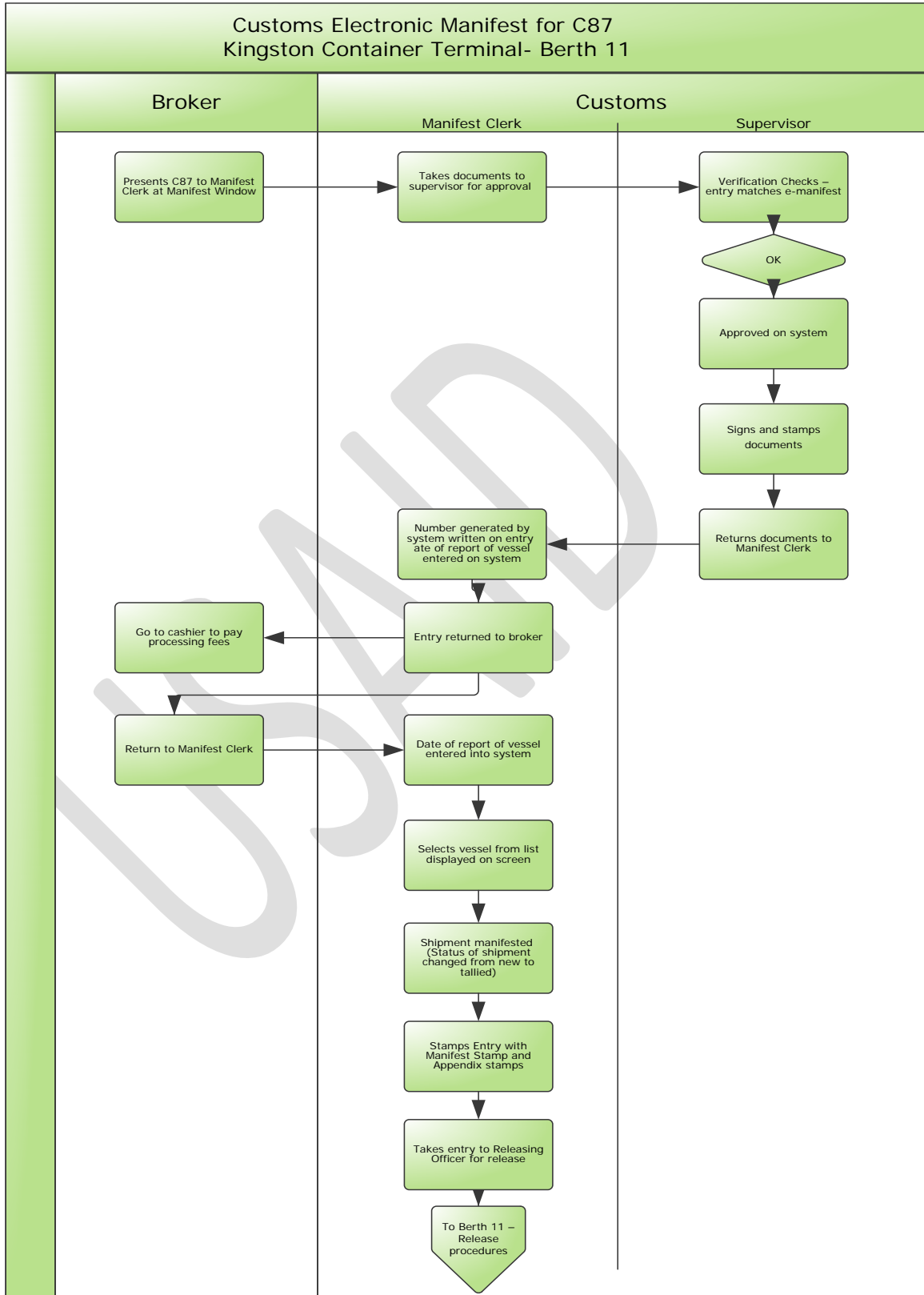
The following highlights the processes specific to each port operator:

#### Kingston Container Terminal

#### 4. Customs Manifest

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<b>STEPS IN THE PROCESS</b>	
17	Broker takes C87 Entry form and supporting documents to the Customs Manifest Clerk at the Manifest Window at KCT
18	Manifest Clerk takes documents to the Supervisor, Manifest Branch for approval
19	Supervisor vets physical documents and cross-checks information on entry matches information on e-manifest submitted by shipping agent
20	If ok, Supervisor approves the entry on the system, signs, stamps and returns the documents to the Manifest Clerk
21	Manifest Clerk checks the system and writes the number generated by the system on the entry
22	Manifest Clerk returns entry to broker who proceeds to cashier
23	Broker pays processing fee to Cashier
24	Cashier processes payment and issues receipt
25	Broker returns to Manifest Clerk
26	Manifest Clerk enters date of report of vessel in the system; selects vessel from the list displayed on screen
27	Manifest Clerk manifests shipment – status on system is changed from ‘new’ to ‘tallied’
28	Manifest Clerk stamps entry with ‘Manifest’ stamp and ‘Appendix’ stamp and returns documents to broker
29	Broker takes documents to Releasing Officer for release if no inspections required.

### **Customs Electronic Manifest – KCT, Berth 11**

#### **5. Customs Release Process**

Containers are either inspected at the port, on the importer’s premises, at a public or private warehouse or at the port. If the importer is an approved Authorized Economic Operator, the container is not usually inspected. However, the Risk Management Unit may at any time earmark a container for inspection at the port or on site. For low risk importers and containers containing perishable goods, site inspections are usually authorized by the Site Inspection Unit at KCT. Reefer containers are inspected at the warehouse. Containers flagged for port inspection are taken to the Container Examination Station at KCT for inspection. During physical inspections, some containers are processed through non-intrusive scanning equipment. Inspections by regulatory agencies are conducted in conjunction with Customs Officers.

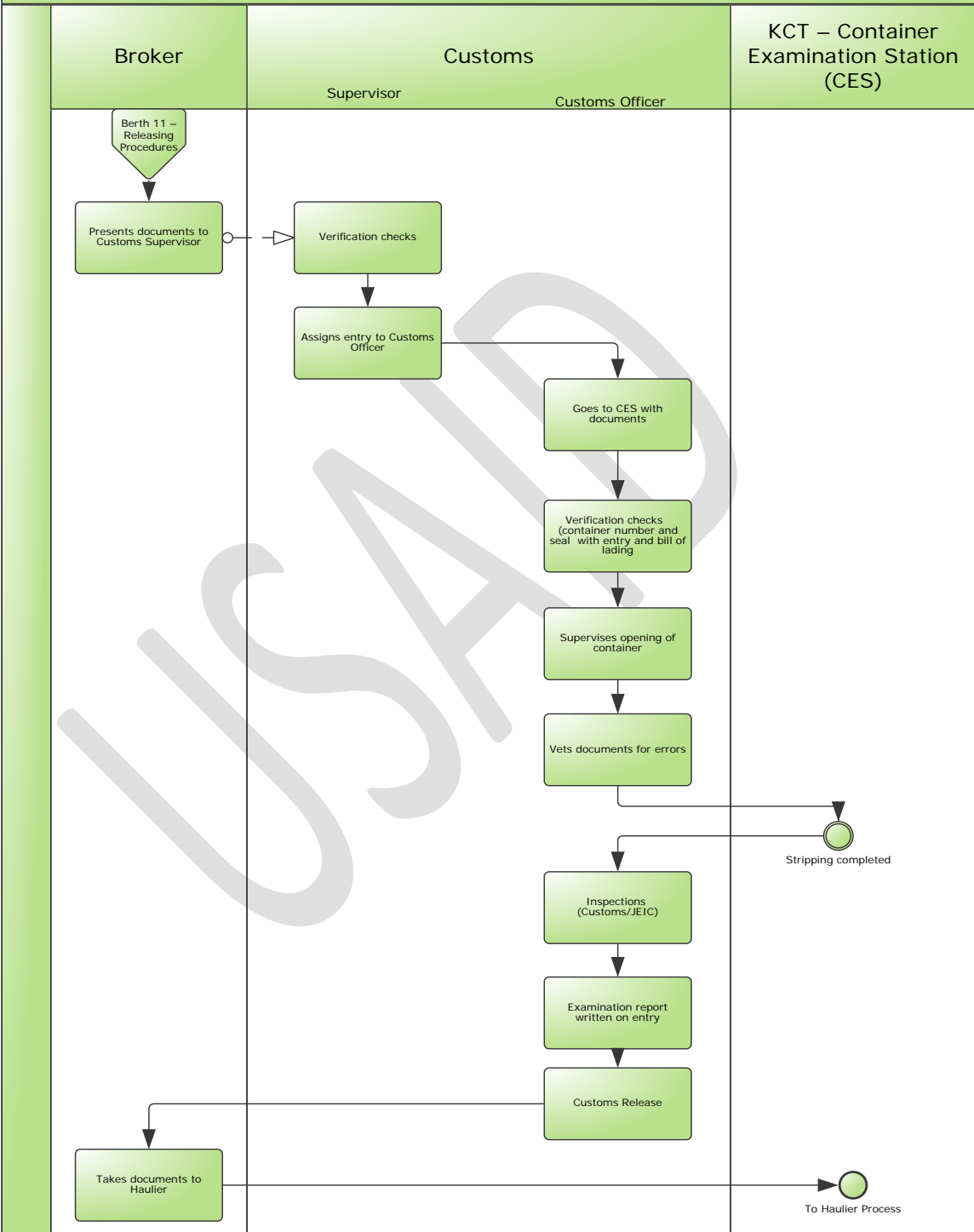
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## Container Examination Station - Inspections

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**Customs Release (Inspections Required)  
Container Examination Station (CES)  
Kingston Container Limited**



Commercial Containers – Average time: 15 minutes to 1 hour  
Personal Containers – ½ hour to 2 hours

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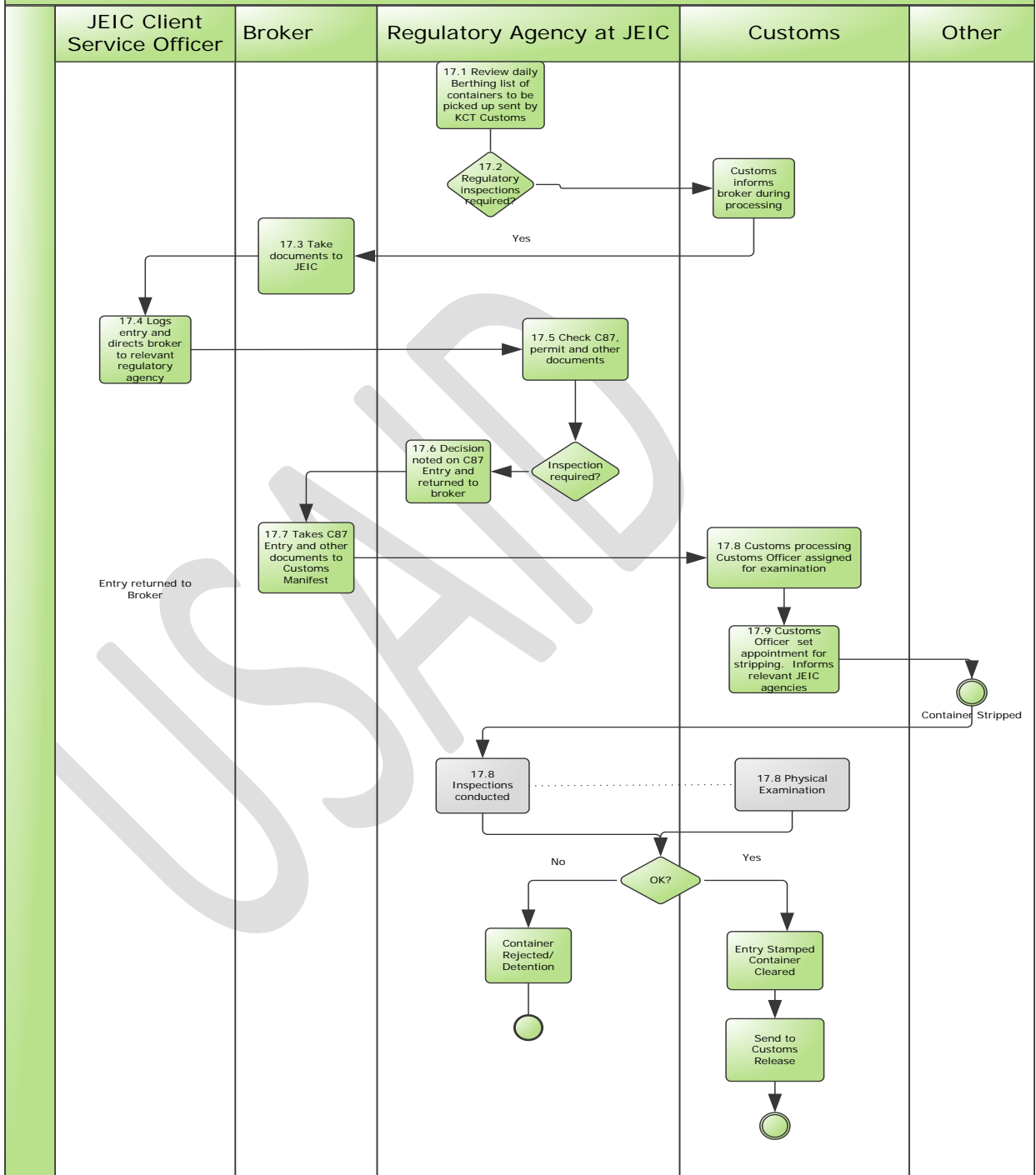
Jamaica Import/Export Inspection Center

After the customs manifest process, in an effort to save time, brokers sometimes will go to the JIEIC with the entry and documents to find out whether the relevant agencies have any interest in the shipment before proceeding.

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**JAMAICA EXPORT AND IMPORT CENTRE – ONE STOP SHOP - INSPECTIONS  
KINGSTON CONTAINER LIMITED**



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<b>STEPS IN THE PROCESS</b>	
1	Broker presents entry and documents to Client Service Officer
2	Client Service Officer enters entry details in a log book
3	Client Service Officer directs the broker to the relevant agencies
4	Agency officer reviews the documents and makes determination as to whether there is an interest in the shipment. If there is interest, this is noted on the entry.
5	Broker returns to Customs for further processing
6	If container is assigned for inspection, broker returns to JIEIC to contact relevant agency officers
7	Broker returns to Container Examination Station for inspections with Customs and relevant regulatory agency or agencies

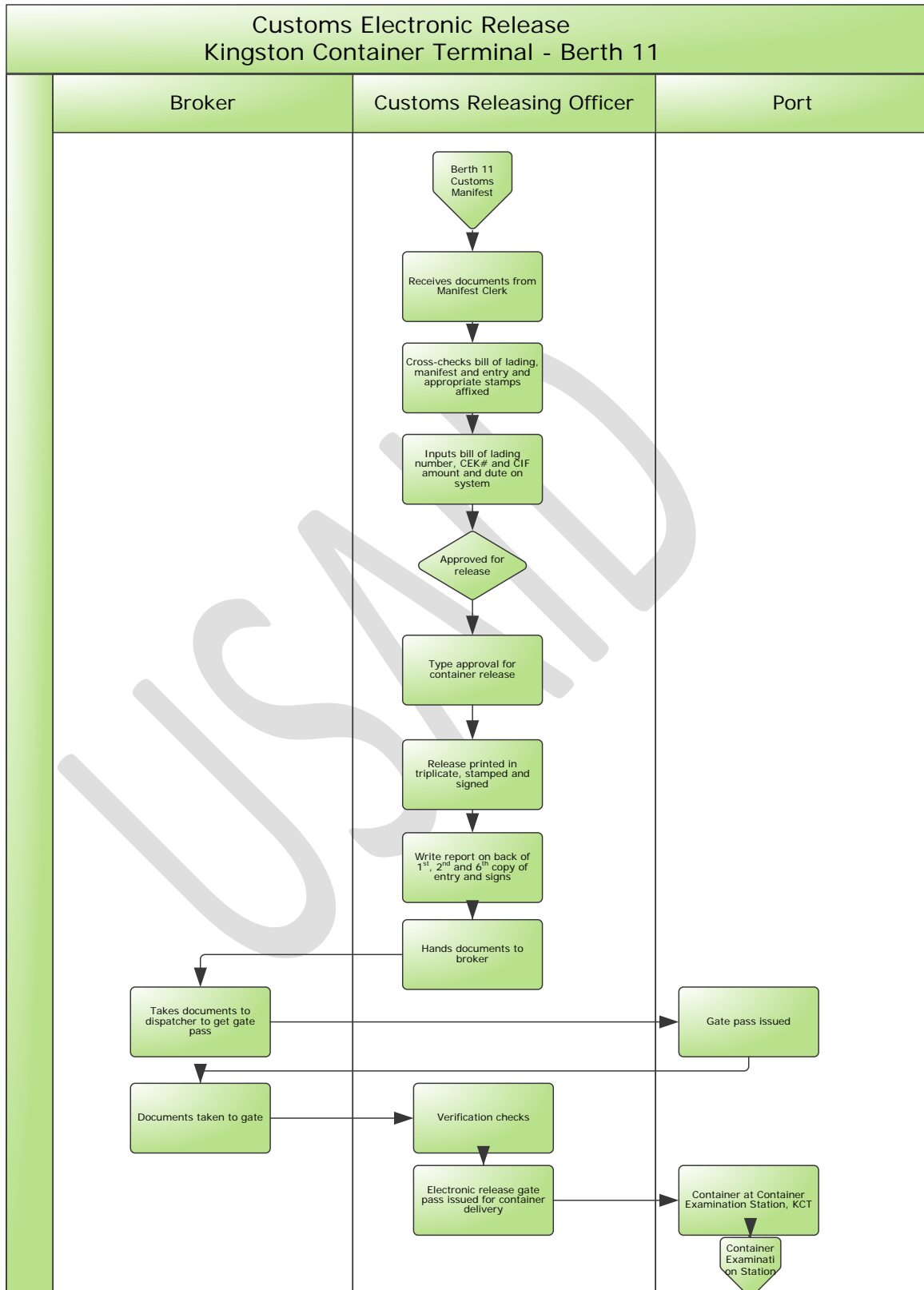
Each regulatory agency carries out inspections using its own processes and procedures. See Appendix A for details.

#### 6. Customs Release

After inspection and examination report is made on the entry, the documents are passed to the Releasing Window.

<b>STEPS IN THE PROCESS</b>	
1	Releasing Officer receives documents and cross-checks information on bill of lading, manifest and also checks for appropriate stamps and signatures from agencies etc.
2	Inputs bill of lading number, CHK number and C.I.F. amount and duties paid on system
3	If approved, Release Form capturing the same information on the Customs declaration is completed
4	Releasing Officer writes a report on first, second and sixth copy of entry and returns them to broker
5	Broker takes documents to dispatcher at the Gate Pass Office
6	Gate pass issued by Gate Pass Office
7	Broker/Haulier takes gate pass and documents to the gate
8	Gate security conducts verification checks on documents
9	An electronic gate pass is issued for container delivery
10	Container is taken to Container Examination Station for inspections or to importer's premises for site inspection.

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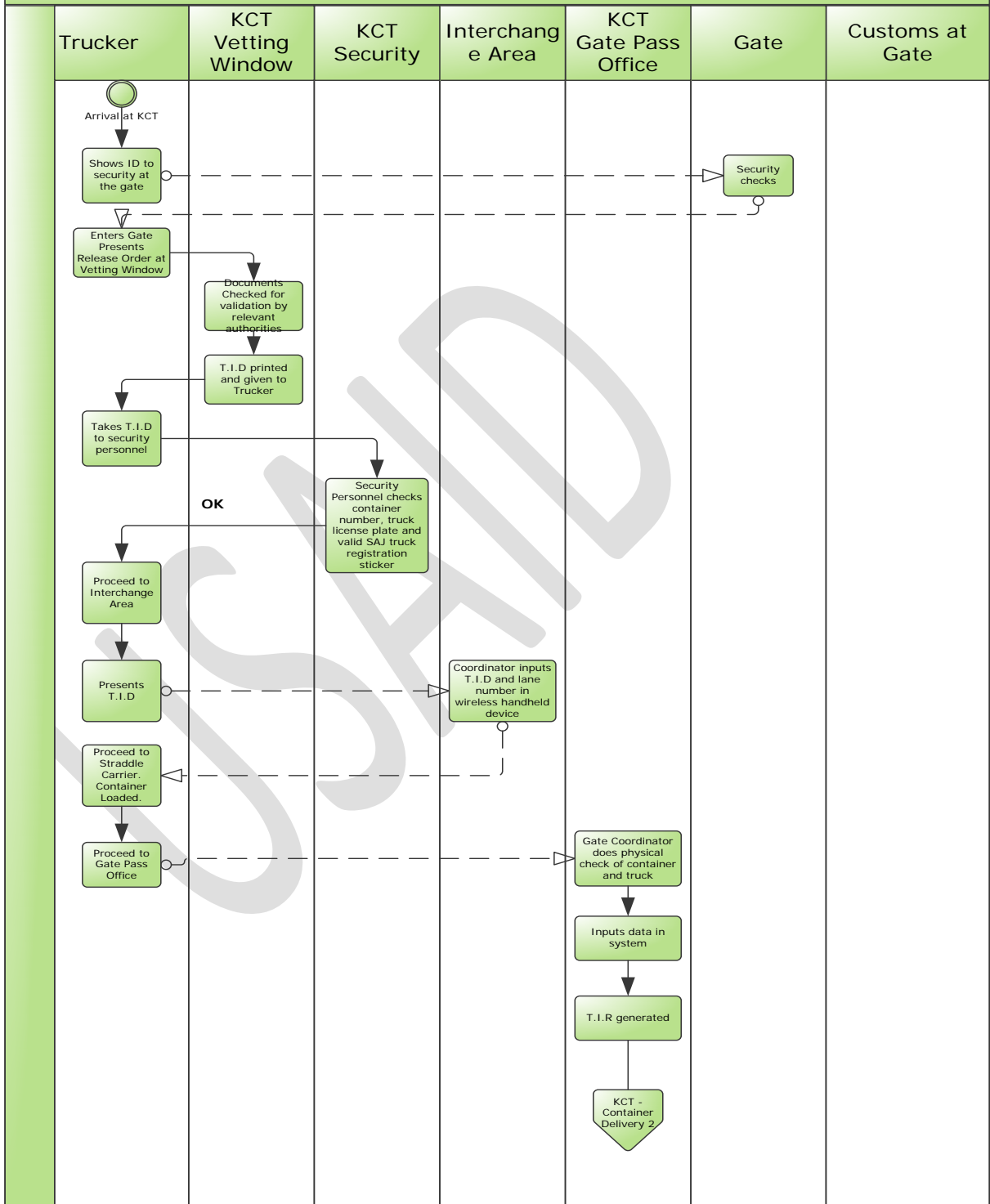


## **7. Container Delivery and Receival**

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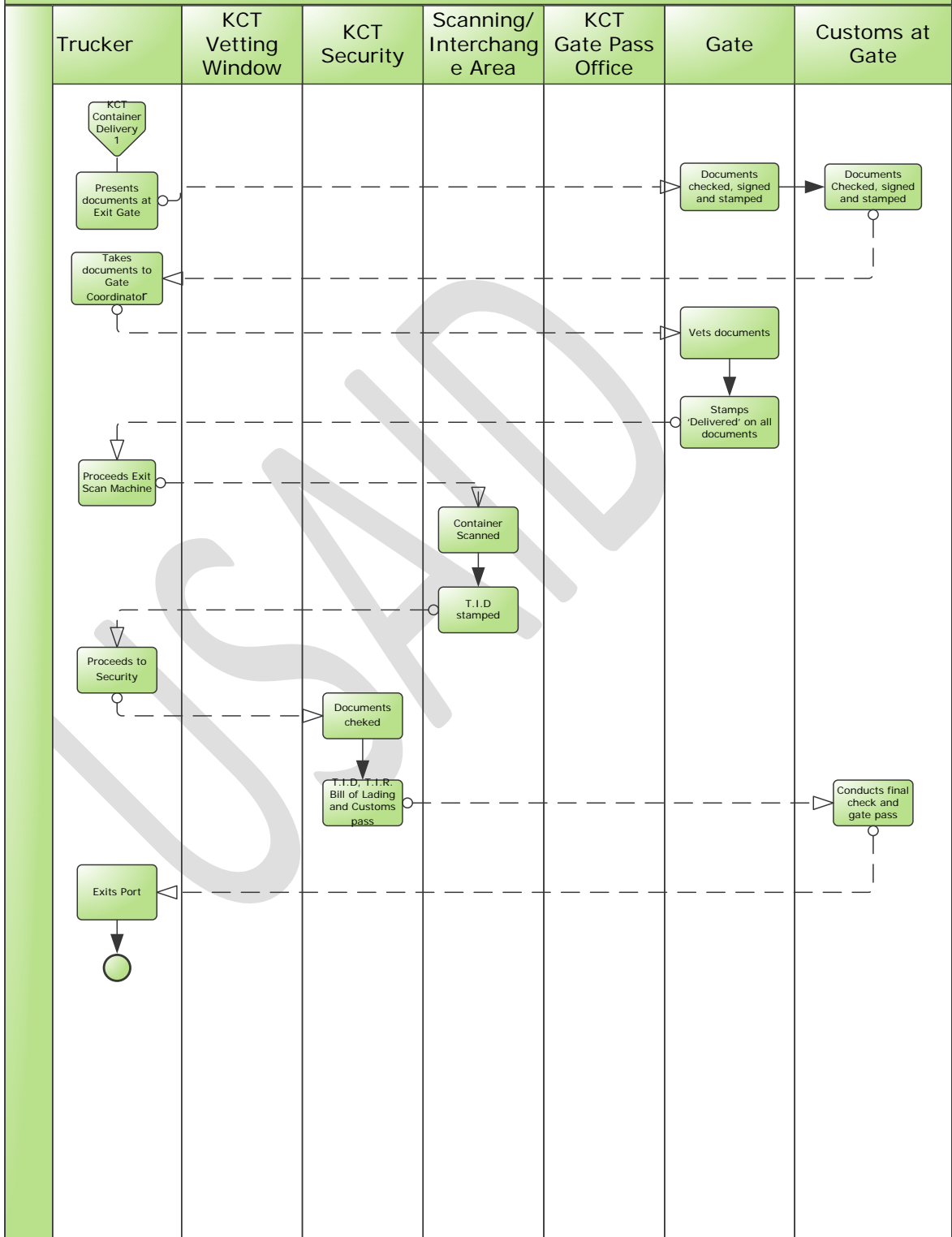
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Port Clearance – Container Delivery and Receiveal - Haulage  
Kingston Container Terminal Ltd



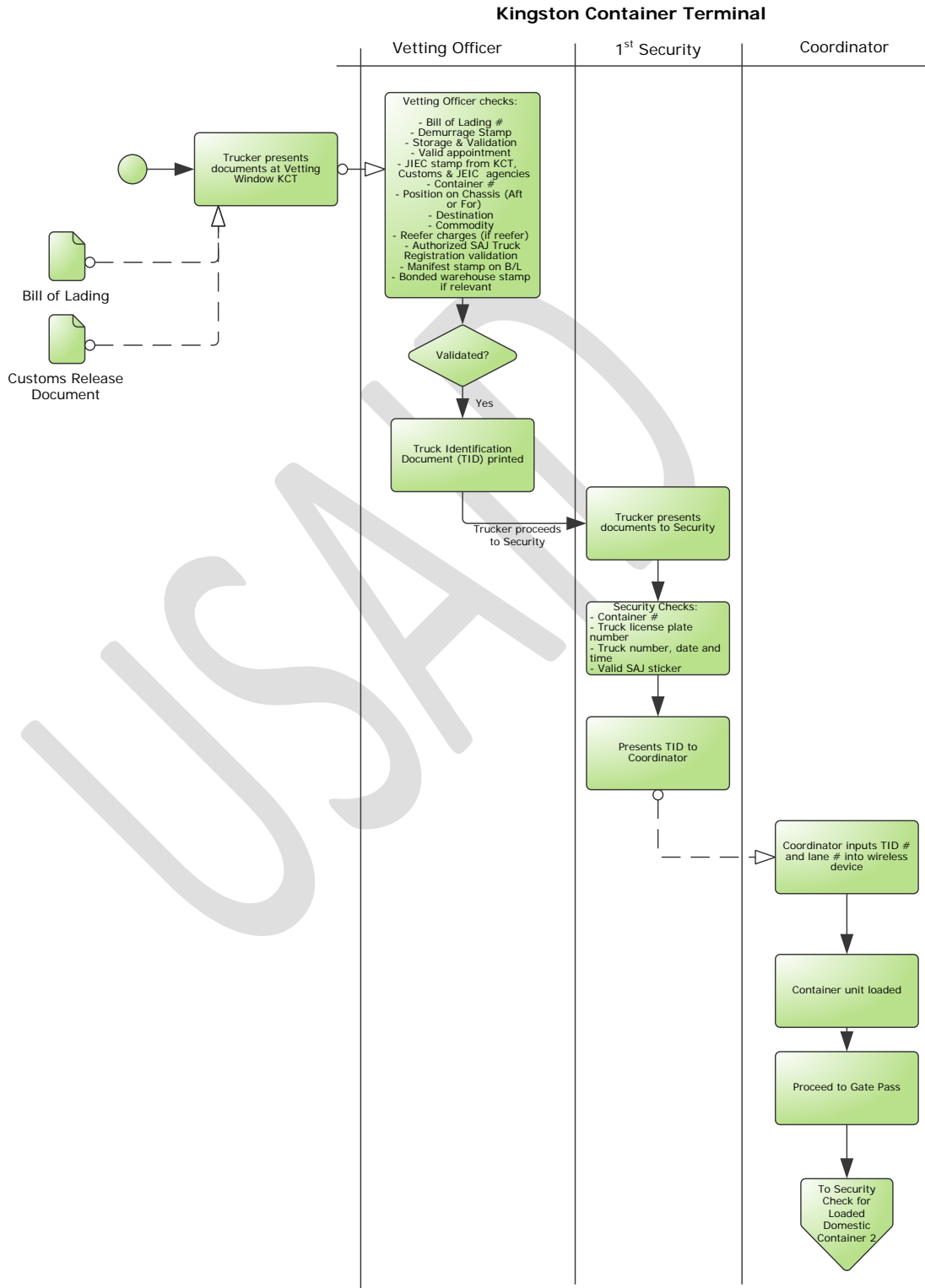
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Port Clearance – Container Delivery and Reveal  
Kingston Container Terminal Ltd



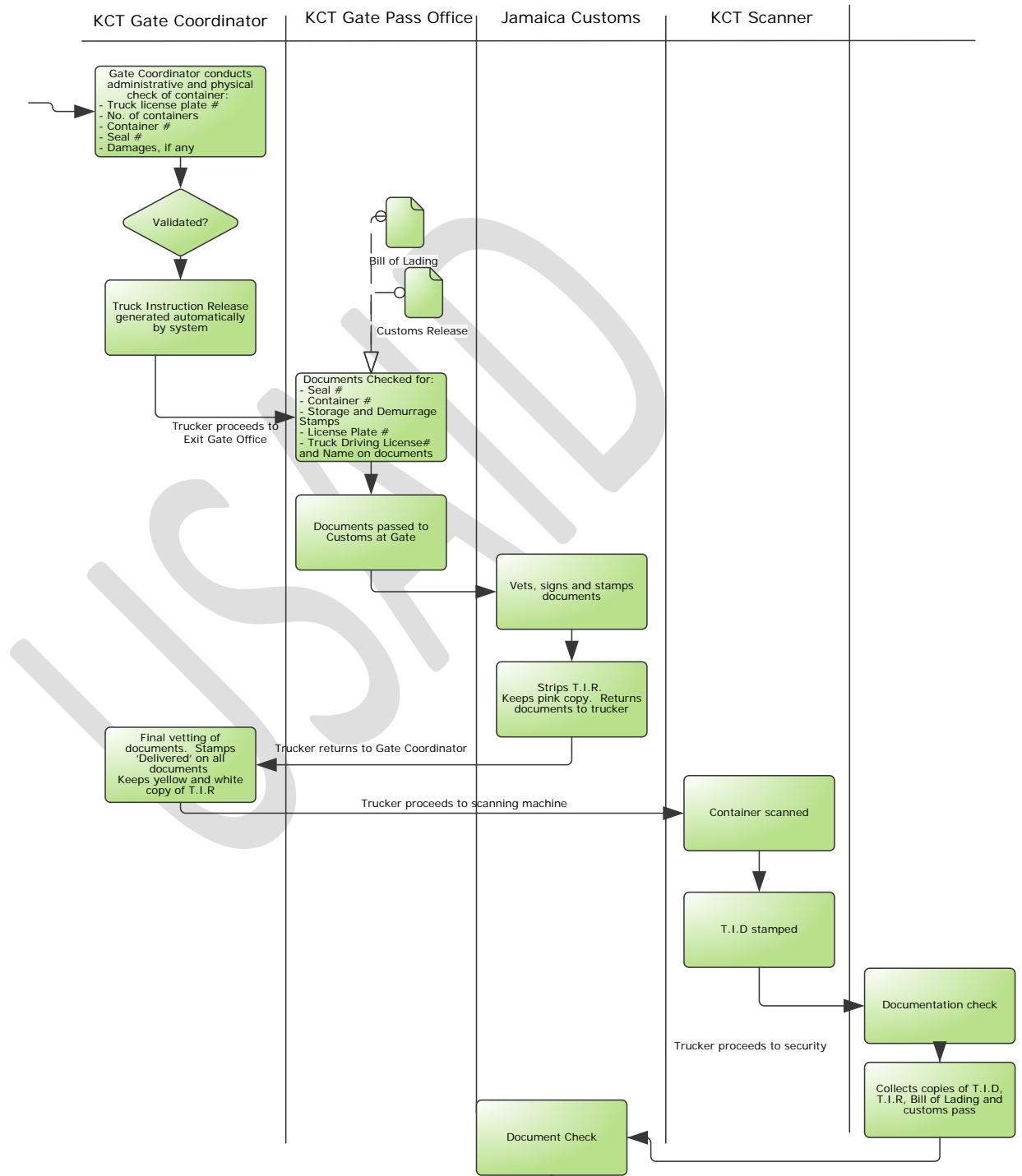
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## Kingston Container Terminal Limited – Security Checks for Loaded Domestic Container Leaving Port



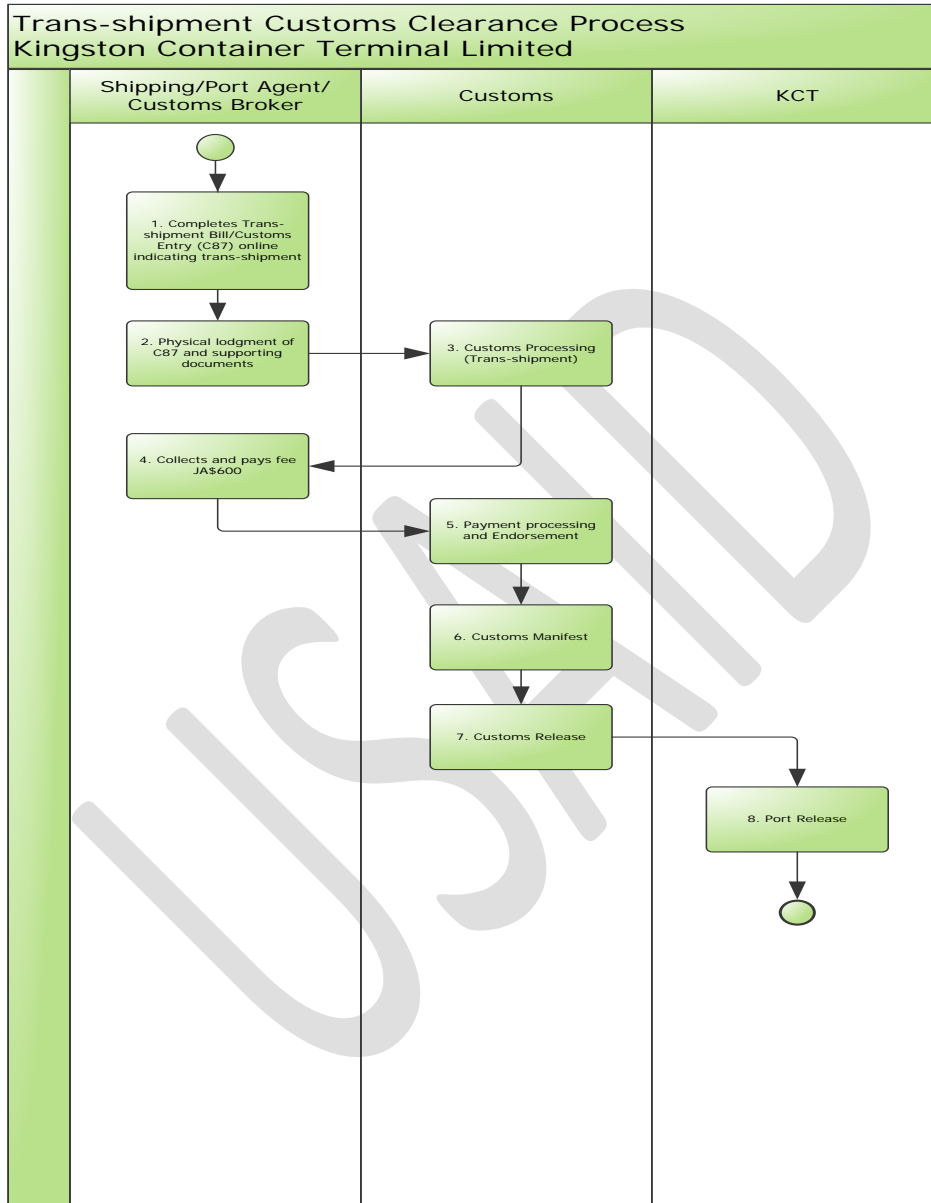
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## Kingston Container Terminal Limited Security Checks for Loaded Domestic Container Leaving Port



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### 3.6 Trans-shipment



### KINGSTON WHARVES LIMITED (KWL)

At KWL, the main business is clearing break bulk or deconsolidated cargo. The shipping agent clears the containerized shipment. After clearance, stripping, and inspections, the shipping agent prepares an arrival notice for the consignee who may hire the services of a

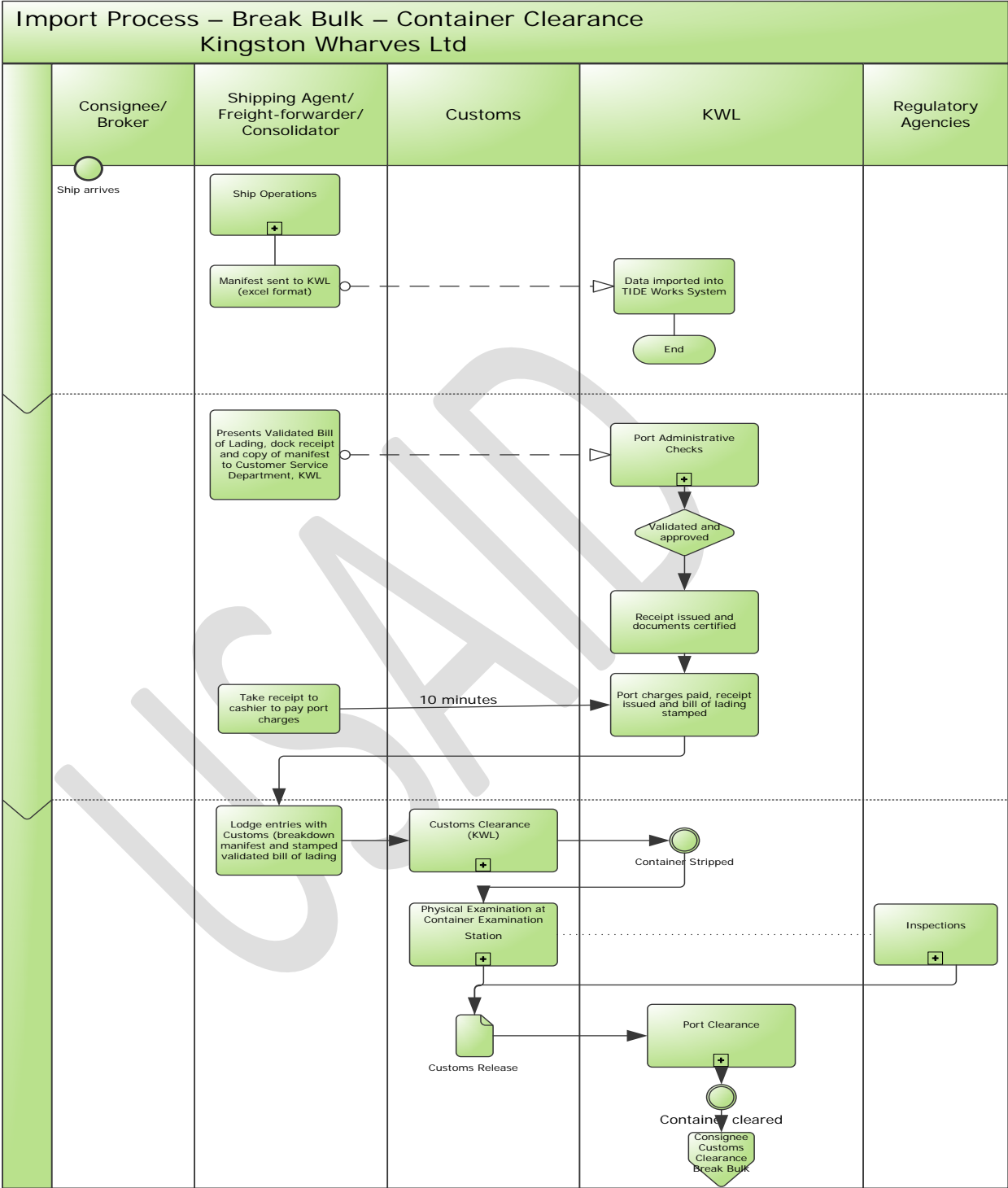
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broker or may otherwise clear the goods his or herself. The break bulk process is broken down as follows:

1. Break bulk container clearance
2. Consignee clearance
3. Consignee haulage process

Further drill-down map demonstrates the customs manifest process at KWL; clearance process at the port, container and receipt process and empty container return.

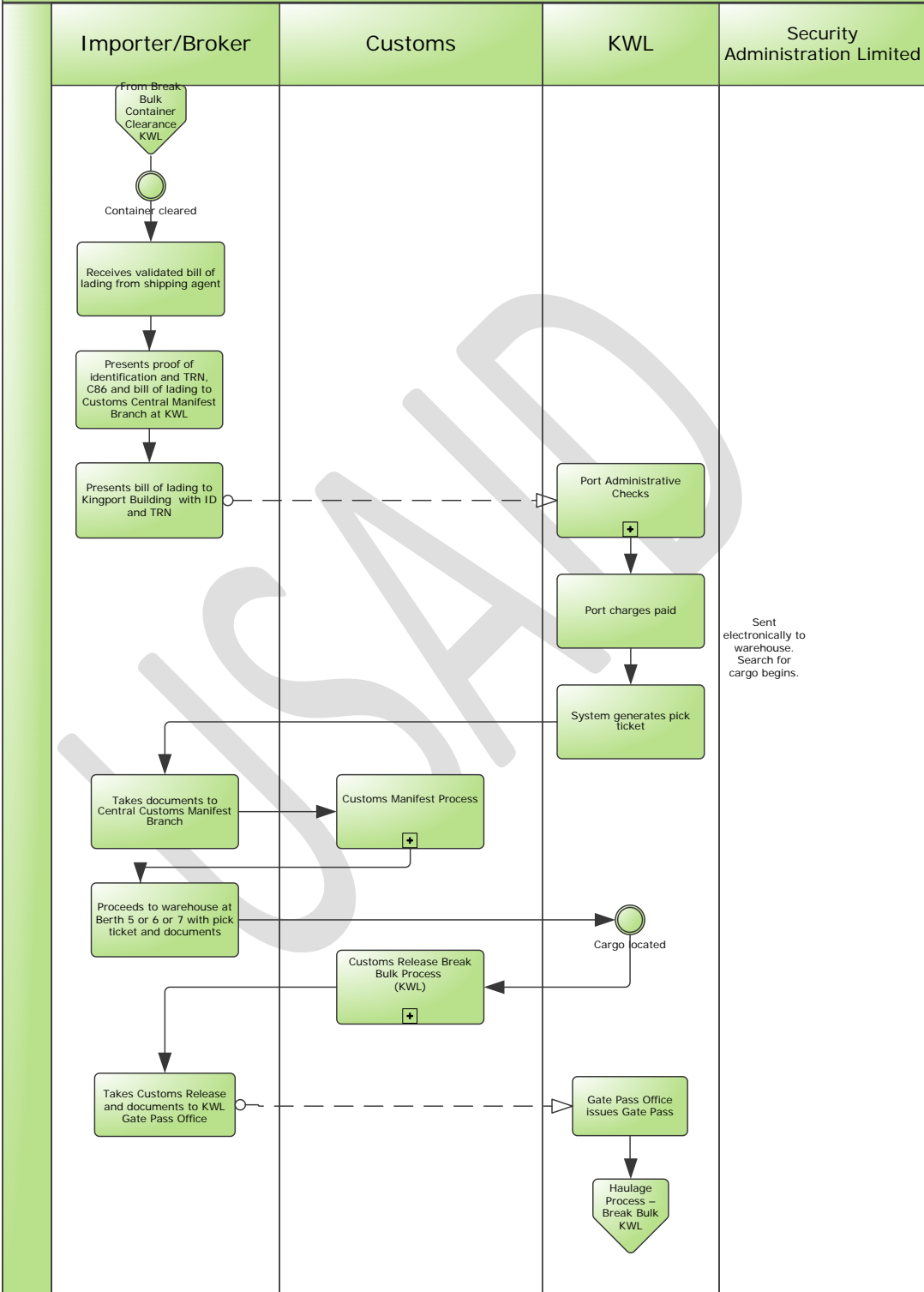
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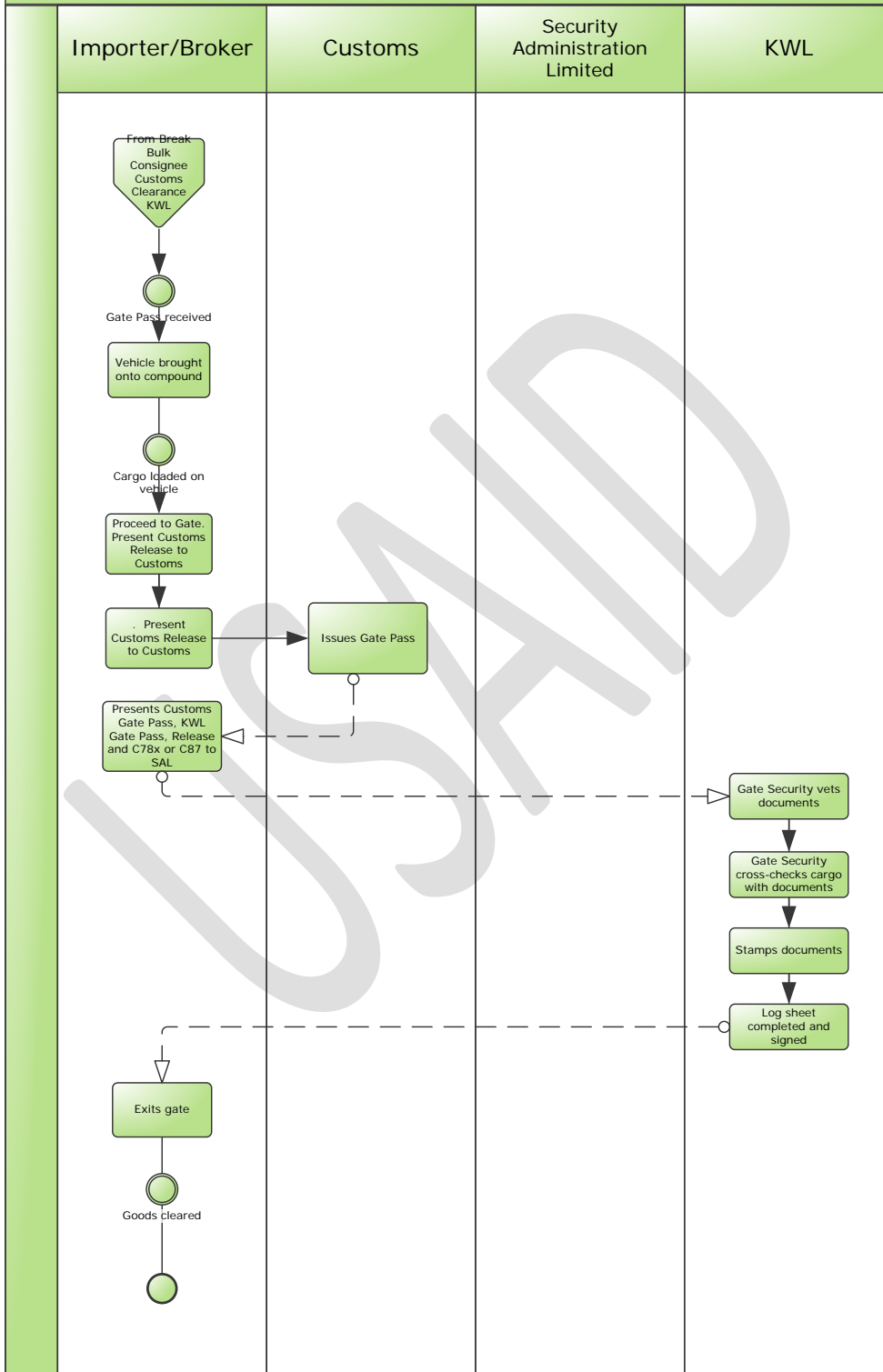
# Import Process - Break Bulk – Consignee Customs Clearance Process – Kingston Wharves Ltd



\* Manifests cargo on system – Changes status from "New" to "Tallied"

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Import Process - Break Bulk – Consignee Haulage Process – Kingston Wharves Ltd

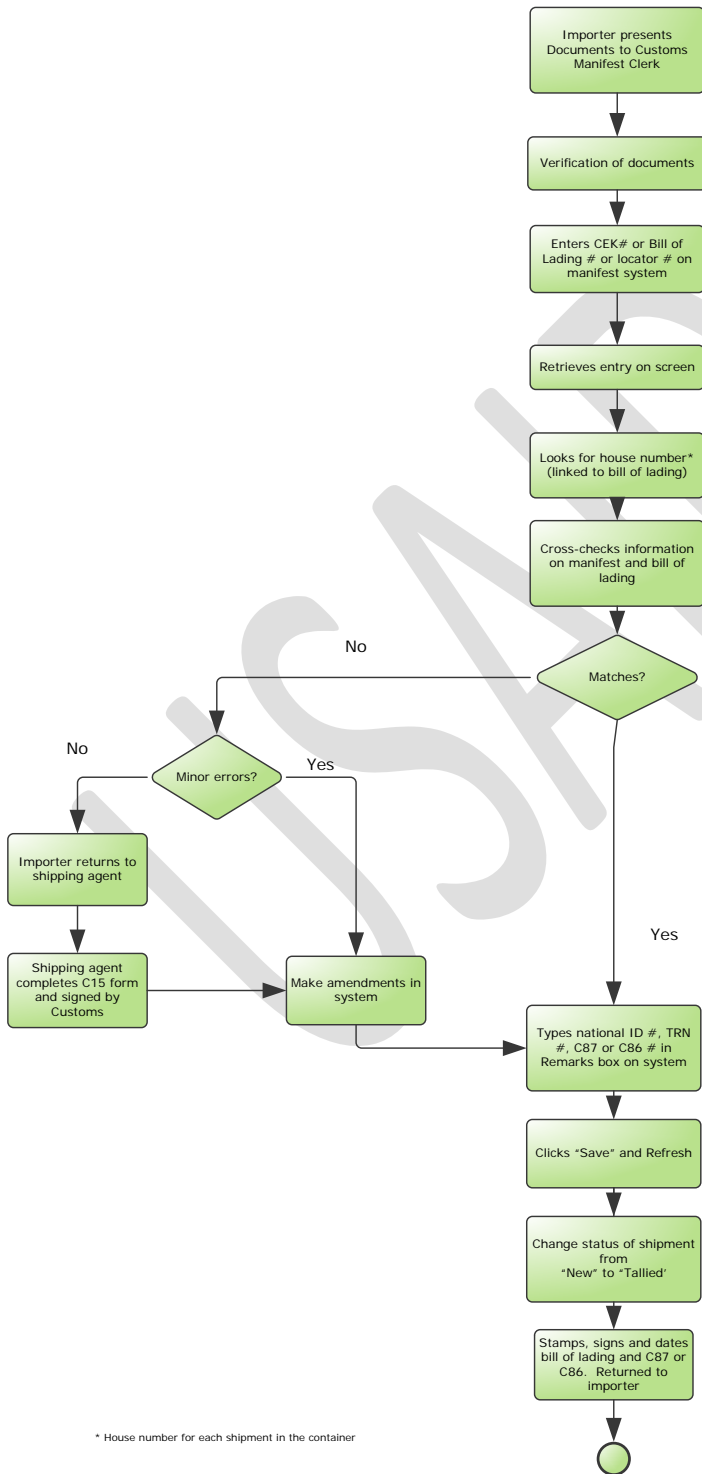


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# Customs Manifest Process Kingston Wharves Limited

Time taken – Minimum 5 minutes

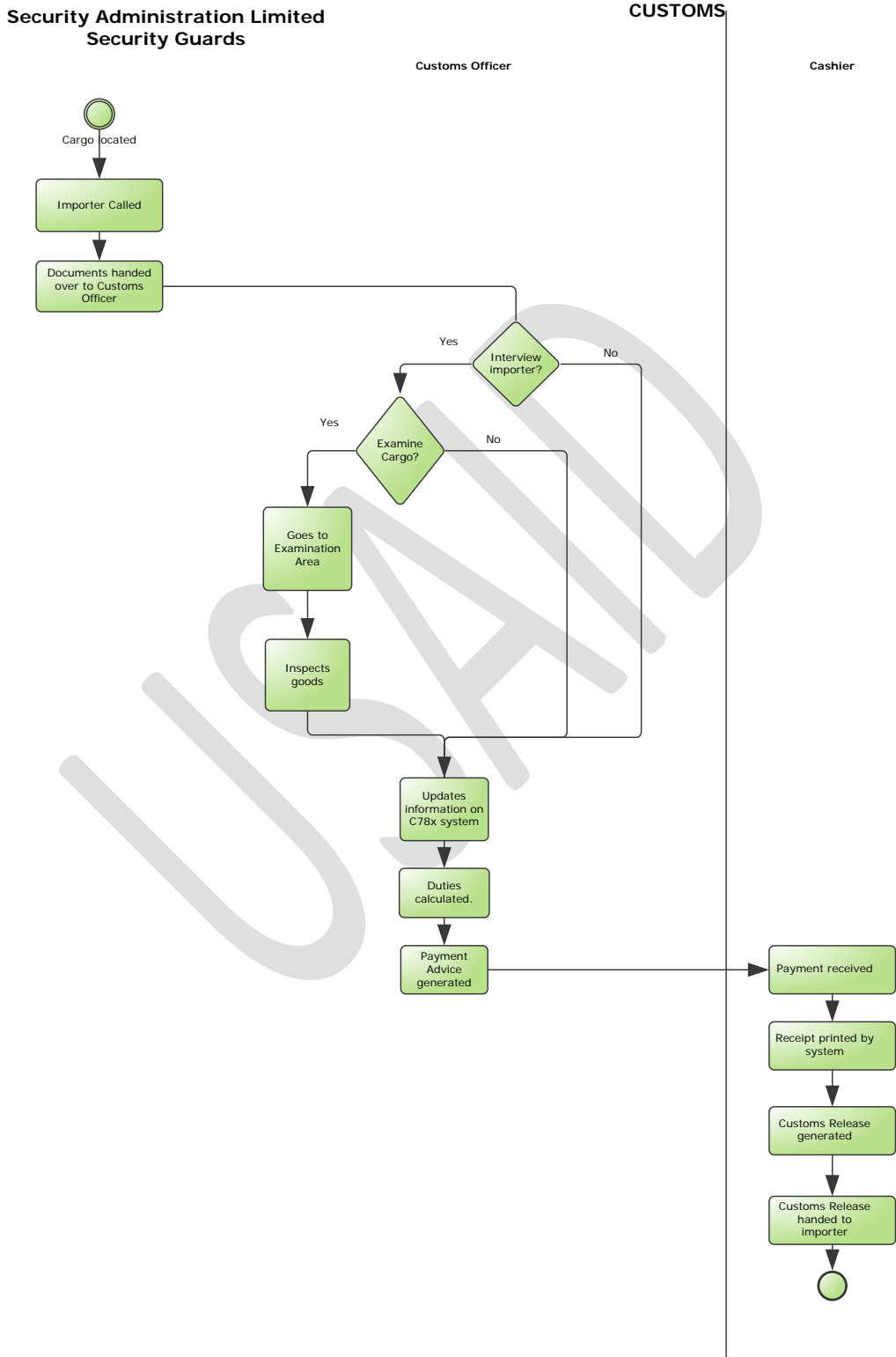
## CUSTOMS MANIFEST BRANCH Manifest Clerk



\* House number for each shipment in the container

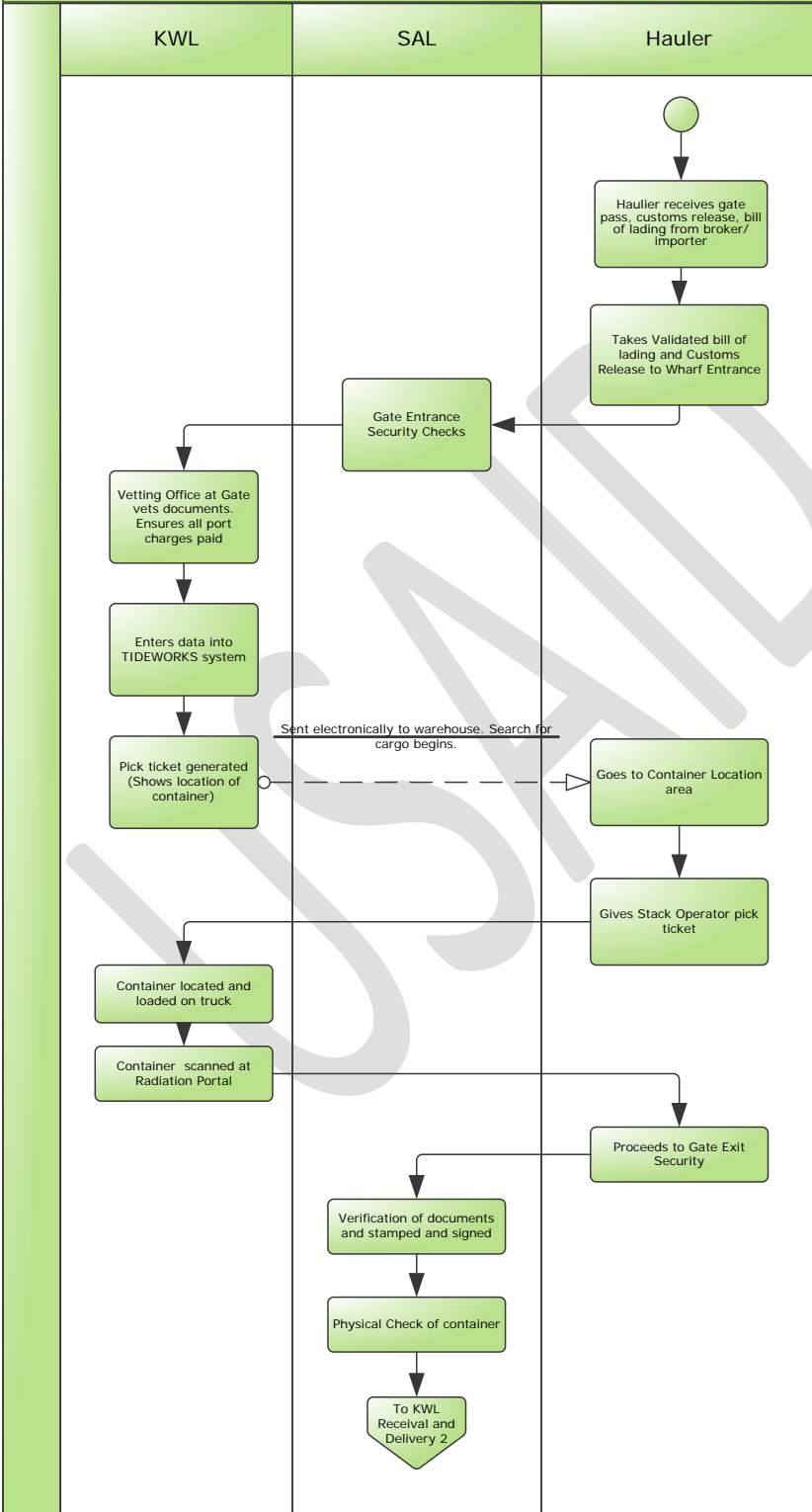
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# Customs Clearance Process Kingston Wharves Limited

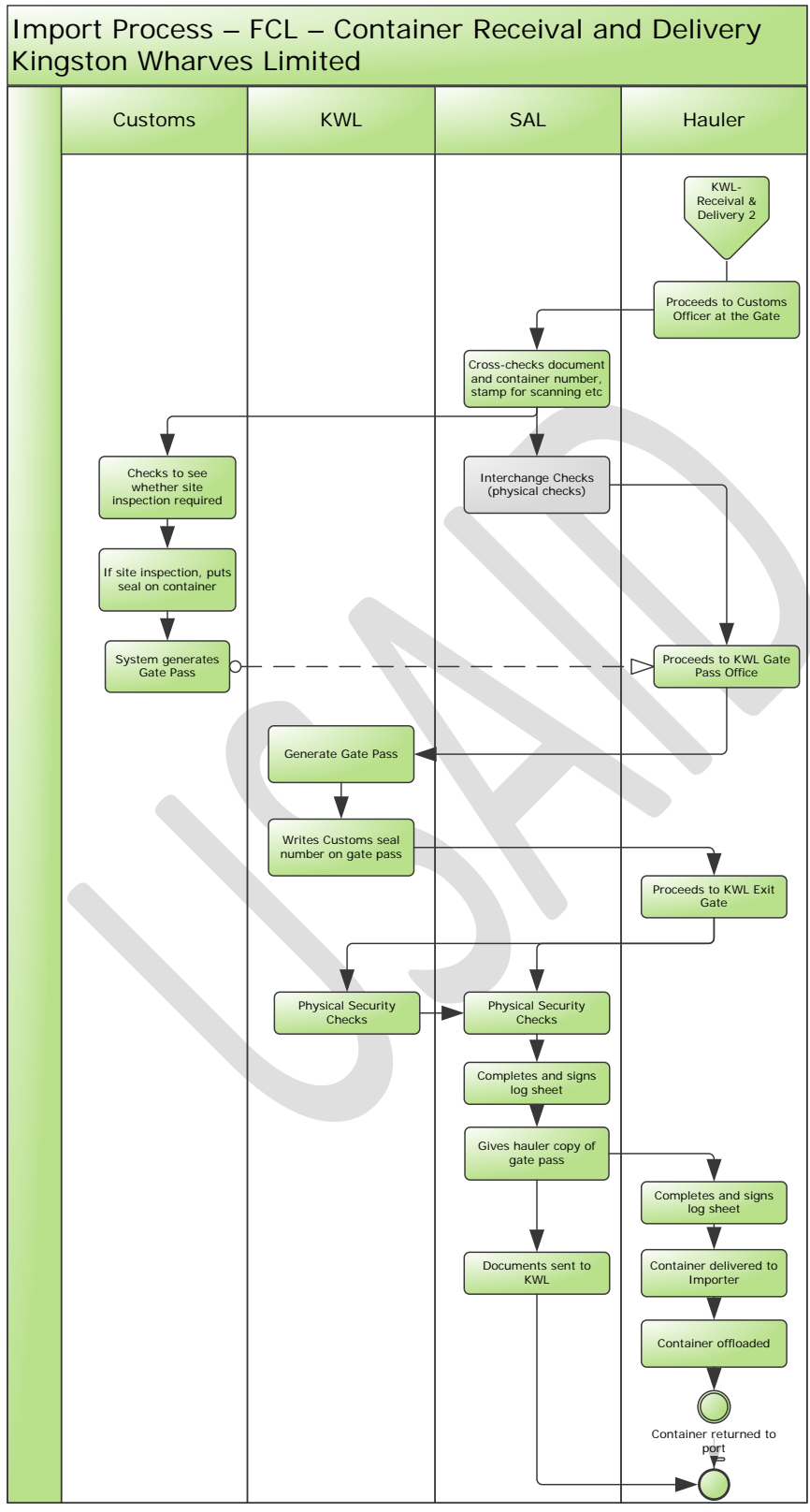


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# Import Process – FCL – Container Receival and Delivery Kingston Wharves Limited

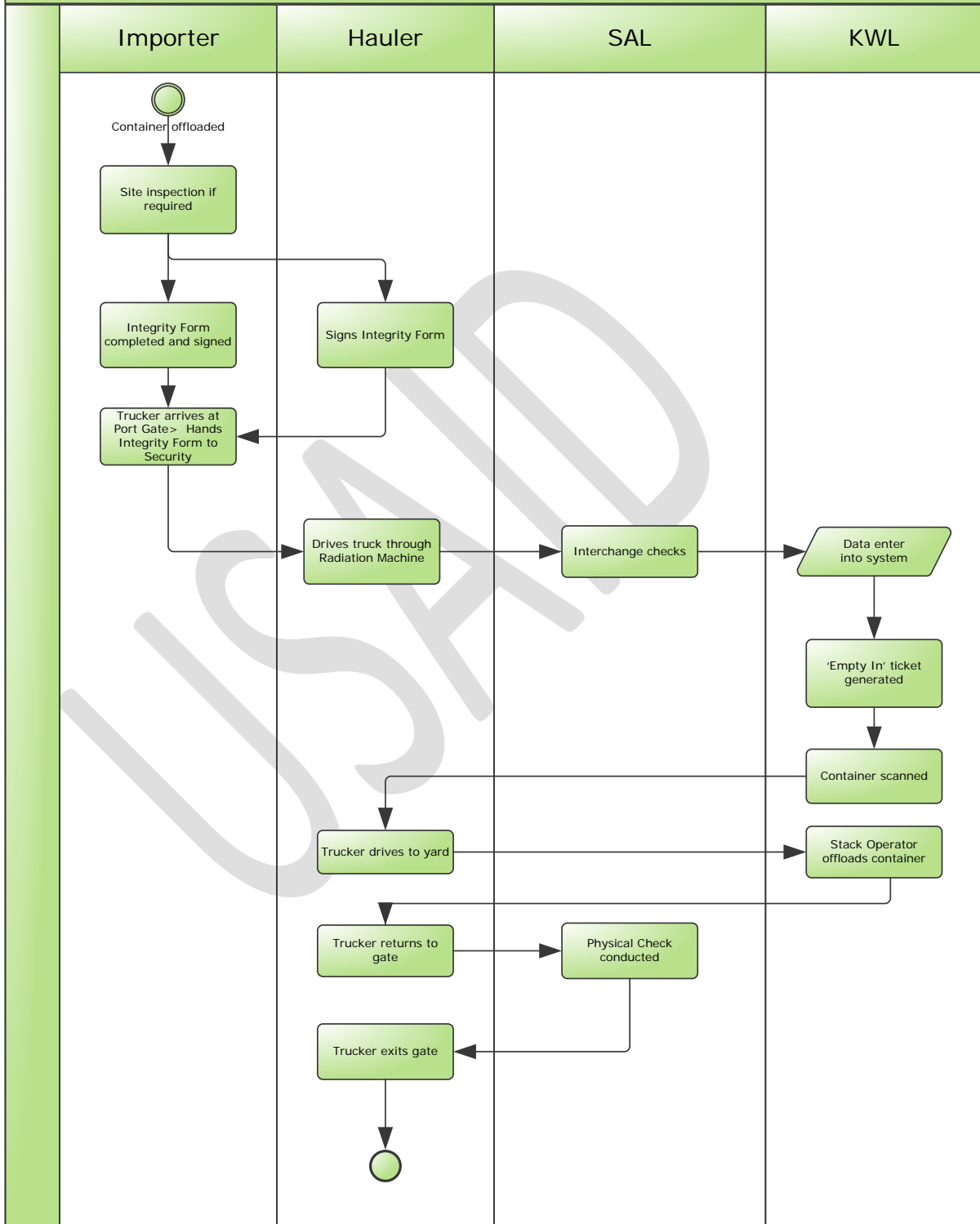


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## Empty Container Return Process Kingston Wharves Limited



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## SECTION IV: CUSTOMER EXPERIENCE OF IMPORT PROCESSES

Guided by the scope of work, the consultant interviewed several companies in the import process supply chain in order to gain an understanding as to their experiences and views of the current import process in order to identify bottlenecks in the system which cause delays, waste, rework, unnecessary ‘pushing of paper’, manual processes operating parallel to automated processes that do not add value, and other redundant or inefficient procedures.

It must be noted that the following assessment was based on one-to-one, and generally one-hour interviews where an overview of the respective process was presented. The timeframe provided within the scope of work did not provide insufficient time to identify the reasons for some of the delays.

It is noteworthy based on the interviews that the users of the system did not have many complaints and that their experiences were similar. This is an indication that the processes are fairly transparent and that stakeholders are aware of the procedures.

The customer’s experience was based on that of the broker and not that of the importer for Kingston Container Limited, given the average value of the containerized shipment. For Kingston Wharves Limited the importer or consignee interfaces directly with Customs and the port, as do imports entering Jamaica through the airports – Norman Manley International Airport and Sangster International Airport.

### 4.1 Customers

The customers, the users of the system of import processes, for the purpose of this section of the report are listed as:

- Importer
- Customs broker
- Haulier



## Importer Process Overview

RECEIVAL OF IMPORTED GOODS					
Obtain Import Permits, Licenses and Approvals	Order Goods	Contract Broker	Contract Haulier	Pay port fees, customs duties etc	Accept Container Delivered

The importer's experience varies depending on the port of entry of the shipment and whether the shipment requires port or site inspections. If the importer is an approved Authorized Economic Operator, the shipment is not inspected unless selected for site inspection by the Risk Management Unit. The AEO is subject to post-audits by Customs and is required to keep records for up to six years.

The importer obtains the import licenses (if this has not been designated to the customs broker), orders the goods, contracts or contacts the broker and haulier, pays the customs duties and fees or provides funds to the broker for payment, and waits for the container to be delivered to the premises. The importer arranges for off-loading of the container using internal company procedures. If a site inspection is required, Customs and the other regulatory agencies will conduct the necessary physical examinations at the importer's premises. In such cases, it is a legal requirement that the container is opened in the presence of a Customs Officer or the importer is subject to penalties and fines.

After physical examination, if all is in order, the goods are released for use or sale on the domestic market. If an assessment for additional duties is made, the importer/broker will go to Customs to make the necessary payments. If any of the regulatory agencies such as Plant Quarantine or Bureau of Standards determine that the goods are not fit or ready for the domestic market, the importer will be required to rehabilitate or dispose of the goods as stipulated by the agency. For example, if Bureau of Standards requires that the labels are of a particular standard and the importer is asked to make necessary amendments or adjustments to meet the required standards, a provisional release might be granted. When the rehabilitation process is completed to the satisfaction of the Bureau, a full release is given. It is only at that time that the goods can be marketed or consumed in the domestic market. If cleared, the container is then scanned and the haulier takes the container to the designated storage area where it is offloaded and stored for further use by an exporter or returned to the shipping line. At this stage the import process has ended.

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## Customs Broker Import Process Overview

Provision of Brokerage Services				
Collect documents	Customs Document Preparation	Pay port fees, customs duties on behalf of importer	Port Clearance	Customs Clearance

In Jamaica, an importer is required to hire a broker to clear cargo valued over US\$5,000. Importers, particularly large importers, usually engage the services of a broker on a long-term basis either as an employee or as a contractor, the latter being the more popular option. When goods are shipped the importer will call or email the broker providing information on the shipment and will make the necessary shipping documents available to the broker. It is the broker who interfaces with Customs and the port. However, the importer will contact customs or the port directly when necessary, particularly if there are discrepancies or difficulties. The broker is primarily responsible for preparing the customs entry declaration form, submission of the forms electronically and physically (depending on the importer), and obtaining the customs release form.

The broker normally pays the customs duties, port fees, etc., unless the importer pays electronically. However, even if paid electronically the broker is still required to physically take the receipt to the cashier for verification and certification of the entry (stamp and signature).

## Haulier Process Overview

Transportation Services				
Collect documents from Broker	Port Clearance	Collect Container	Security Clearance	Deliver container to importer

The haulier or trucker is usually contracted by the importer to receive and deliver the container to the warehouse. The haulier is the last one in the supply chain. Upon receipt of the customs release form and other documents from the broker, s/he takes the documents to the security gate at the port entrance where they are vetted and a gate pass issued. The haulier then takes the truck to the entrance gate where the documents including the gate pass is vetted and physical security checks are conducted. When *This publication was prepared by PRIDE Jamaica for review by the United States Agency for International Development. The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government. January 2011.*

cleared, the haulier will proceed to the container loading area. If there is a container on the chassis, it is offloaded and the other container is loaded. This is called a 'double move'. The haulier then proceeds to the scanning machine where the container is scanned. If the container was not physically examined before the customs release was issued, the relevant agencies will be contacted to oversee a physical check of the container. These agencies include Canine Unit, Customs Enforcement Team, etc. If the container is cleared, further physical and administrative security checks are conducted at the gate by the port security personnel as well as Customs. When cleared, the haulier exits the gates and transports the container to the importer's premises where the container is handed over along with the documents, and an integrity form is completed by the port and the trucker. When the container is offloaded and the container is fully released, the importer will contact the haulier to pick up the empty container to return it to the port. Containers may be kept by the importer for seven (7) to thirty (30) days depending on the shipping line/agent and the importer, without paying additional fees. The haulier collects the container and the integrity form which is completed by the importer, and takes the container to the port where the truck and container undergo further security checks at the gate entrance. If cleared, the container is then scanned and the haulier takes the container to the designated storage area where it is offloaded and stored for further use by an exporter or returned to the shipping line. At this stage the import process has ended.

### **Import Process – Customer Experience**

The following process flow maps provide a more detailed view of the process (from start to finish) that the importer, broker and haulier experiences in Jamaica. This ranges from obtaining the import permits, ordering goods, processing the ship and its cargo on arrival, customs entry processing, validation of the bill of lading to customs and port clearance which includes port administrative checks and payments, customs manifesting, physical examinations by customs and other regulatory agencies and customs release to container delivery and receipt by the haulier/importer to container return to the port. The process is differentiated according to the port of entry (KCT, KWL, Port of Montego Bay or the airports) and whether the shipment is subjected to inspections and if so, whether it is a port inspection or site inspection. The JIEIC (One Stop Shop) exists only at KCT and so the process is different for port inspections.

For further view of processes experienced by the customer, please refer to Appendix B attached. The processes of six companies are highlighted, three from Kingston and three from Montego Bay. In Kingston, one company was involved in shipping, brokerage and haulage which provided a complete overview of the process. The primary business of the

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other companies was customs brokerage. In Montego Bay the process for a shipping agent was mapped, as well as for a customs broker and a haulier.

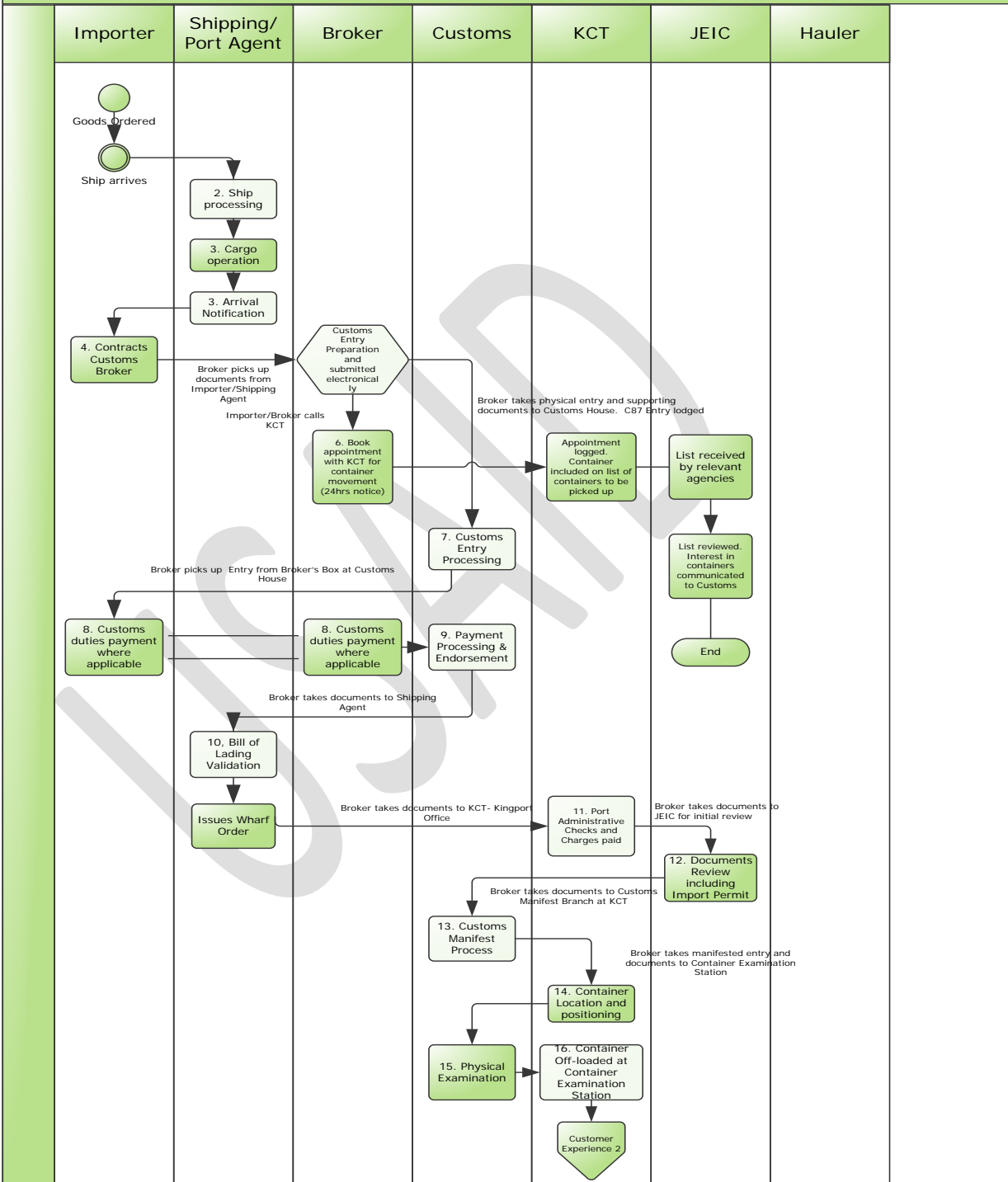
### Kingston Container Terminal – Customer Experience

The following process map provides an overview of the import process experienced by a broker when a container is examined at the Container Examination Station at the Kingston Container Terminal.

### Customer Experience – Port Inspections Procedures

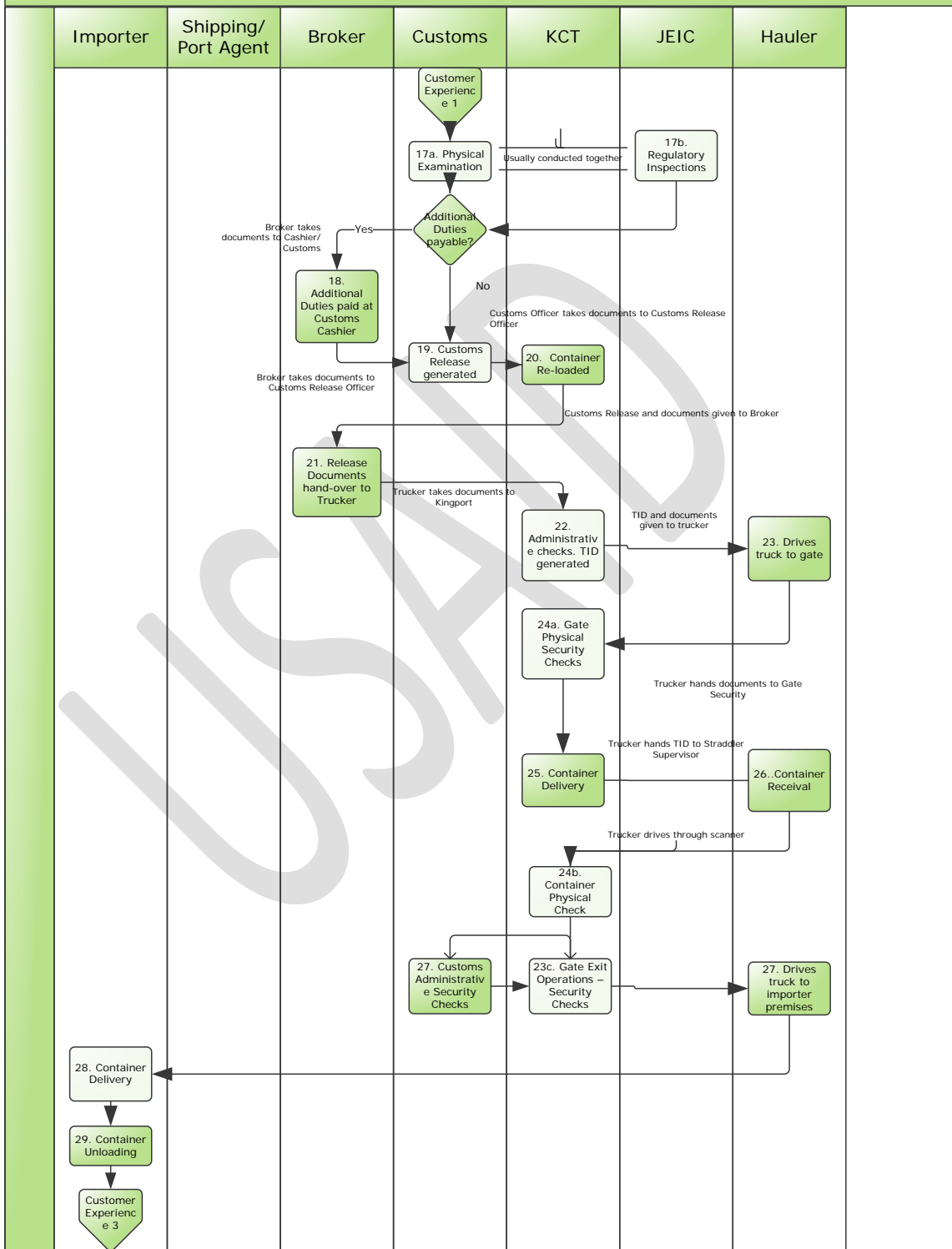
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## Customer Experience Import Process Container Examination Station Kingston Container Terminal Limited 1



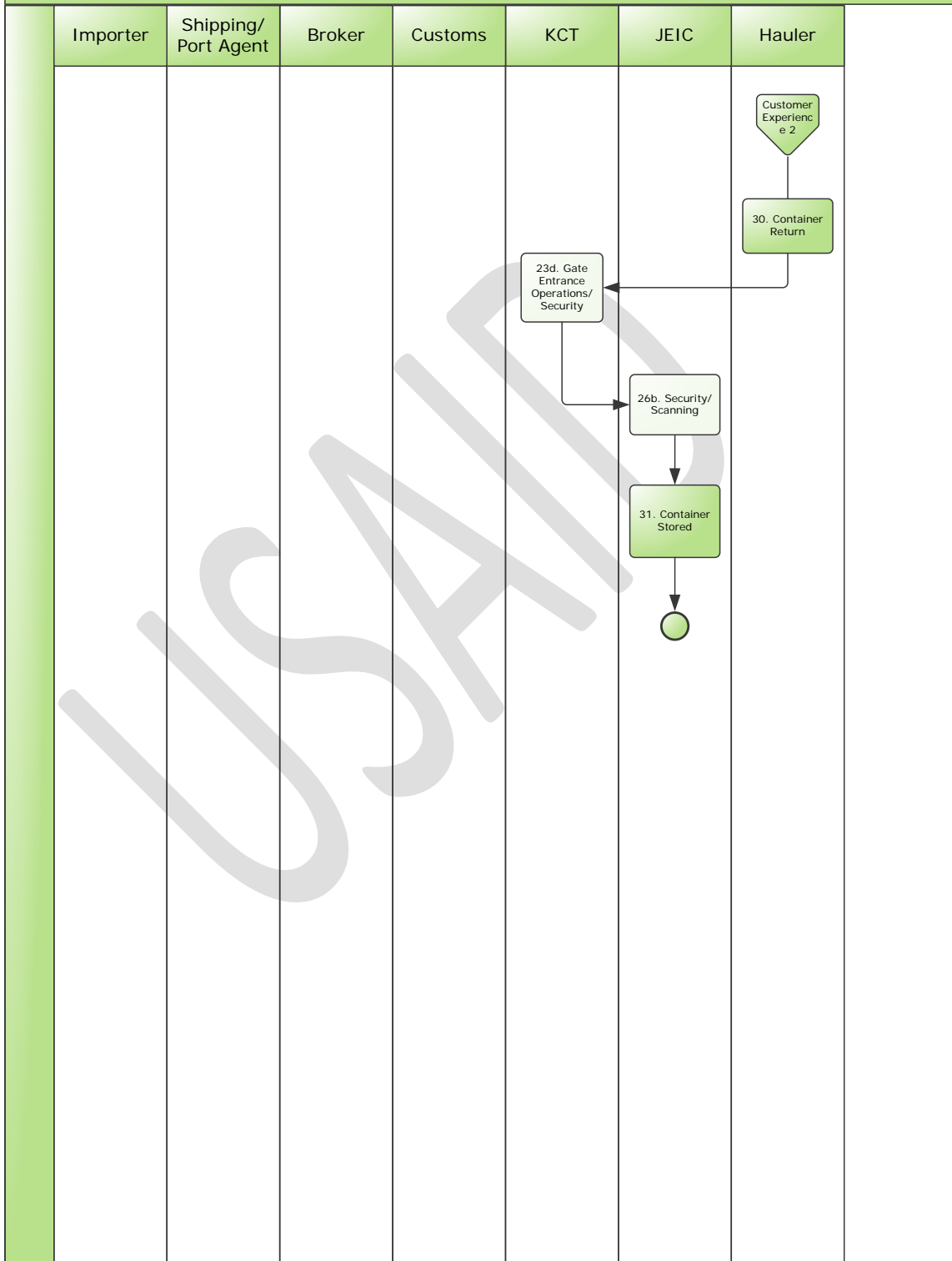
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Customer Experience Import Process  
 Container Examination Station  
 Kingston Container Terminal Limited 2



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Customer Experience Import Process  
 Container Examination Station  
 Kingston Container Terminal Limited 3



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The following process map refers to containers which are released by Customs and transported to the importer's premises and subjected to inspections by Customs and the other regulatory agencies. The container's seals are broken by Customs and opened in the presence of the importer.

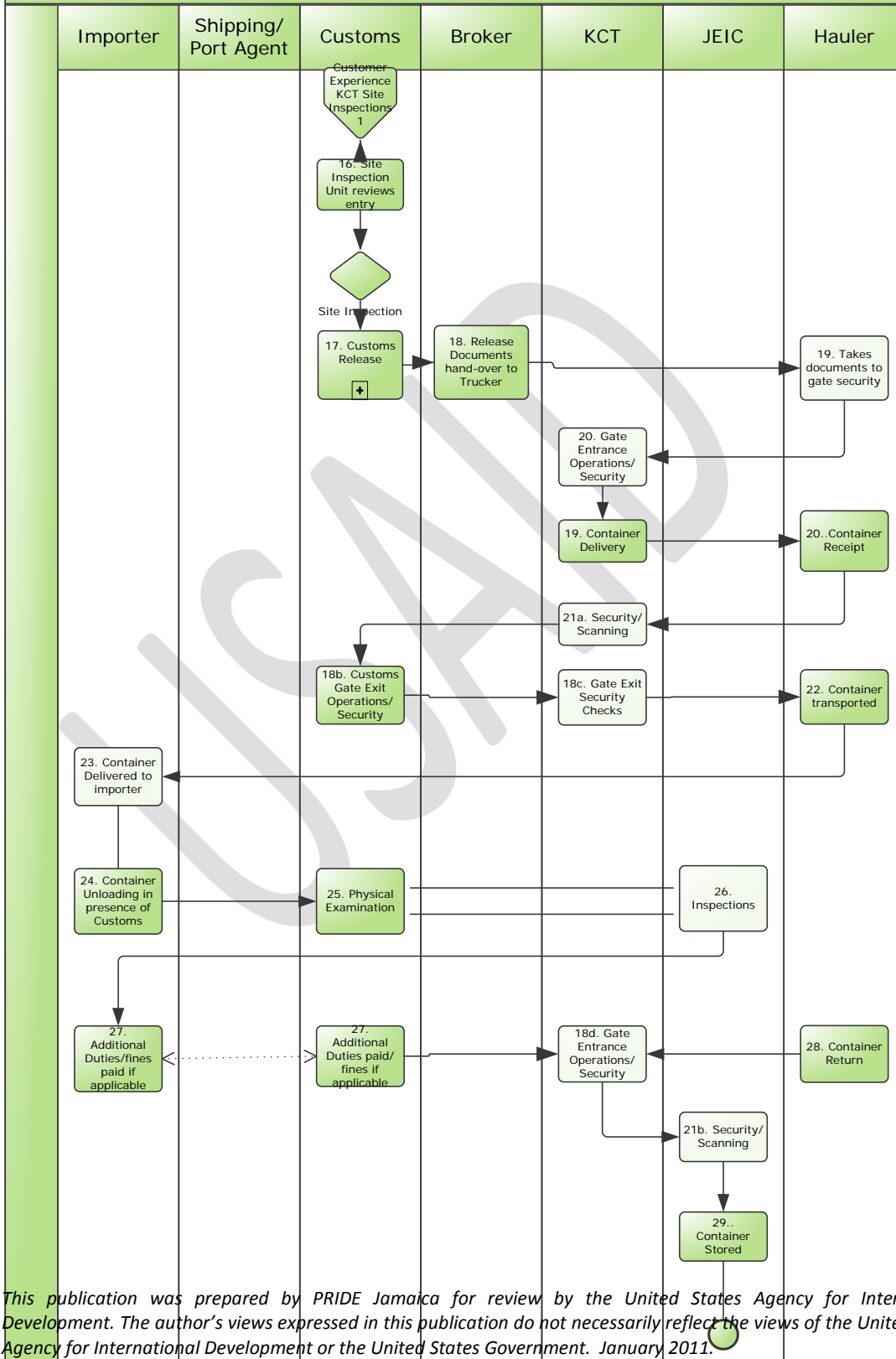
Although all agency inspectors must be present at the time of inspection, it is customary for Customs to proceed with its physical examination and to leave the site before the arrival of other agency officials who might be delayed due to logistical difficulties. Notwithstanding Customs completing its process in a time sensitive fashion, there are further delays experienced as the other agencies are unable to certify the entry until they go to Customs which maintains possession of the documents. The goods are not fully released until all agencies stamp and certify the customs entry form.

#### Customer Experience – Site Inspections Procedures





**2 Customs Clearance Process – Site Inspections  
Kingston Container Terminals Limited**



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## Customer Experience – Authorized Economic Operator

1. Prior to release of goods, a warehouse entry is submitted to Warehouse Branch by customs broker for processing (NB Private Bonded Warehouse, warehouse entries are prepared for the storing of goods in private bonded warehouses while ex-warehouse entries for the removal from the private bonded warehouse. For every shipment that has been made, a warehouse entry has to be prepared. To every warehouse entry, there is at least one corresponding ex-warehouse entry. There can be several ex-warehouse entries and not on warehouse entries. Duties are collected on ex-warehouse entries and not on warehouse entries. C87 warehouse and ex-warehouse entries are recorded in the Warehouse Branch in the warehouse ledger. A ledger is maintained for each warehouse.
2. Goods that are destined for a bonded warehouse are escorted by a Customs Assistant and their storage supervised by them. These goods are checked at the point of clearance for the said quantity, quality etc. If there are any shortages, they are in recorded at the back of the C87 warehouse entry. If the goods are in excess, the importer has to file another warehouse entry in order to remove the goods from the port to the bonded warehouse. The good are re-checked just before actually storing them in the private bonded warehouse.

### **Goods released on bond**

#### Arrival of Goods at Bonded Warehouse

	<b>Steps in the Process</b>
1	Customs issues stripping letter
2	Container is released
3	Port security checks
4	Cargo is escorted by port security personnel to the bonded warehouse
5	Customs officer who is stationed at the bonded facility receives the container
6	J Wray and Nephew calls Site Inspection Unit which sends Customs Officer
7	Container is stripped and inspected
8	Customs Officer checks items against C87 and discrepancies are noted.
9	C87 signed off and sent to Warehouse Branch at Customs House by Customs Officer
10	Given folio and rotation number for tracking of goods in shipment
11	J Wray and Nephew records all shipments received in bonded store

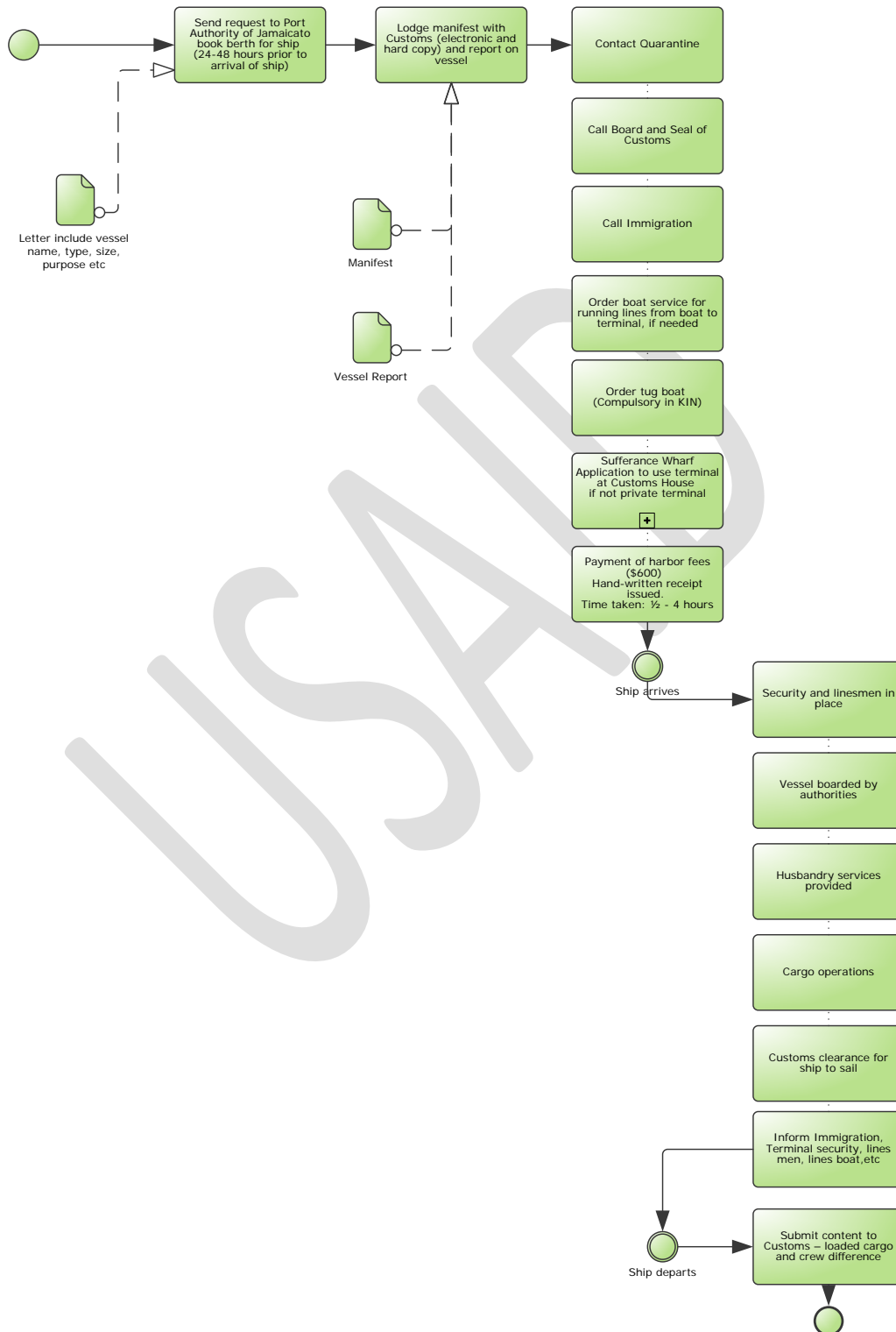
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## Removal of Goods from Bonded Warehouse

1	J Wray and Nephew Customer Service writes request and sends it to warehouse
2	Warehouse personnel go to ledger to find shipment and number is assigned by Warehouse Branch
3	Warehouse prepares ex-Warehouse entry used to track movement of goods.
4	Another C87 is completed online (and becomes part of original C87) for goods to be removed from bonded warehouses. Duties calculated by system
5	C87 is sent electronically to Customs If OK, Customs issues a CHK number and updates the original entry
6	In-house broker prints and signs C87 entry form
7	Entry physically lodged at Customs
8	Warehouse Branch conducts secondary examination of entry
9	If OK, broker collects entry from Customs House
10	When check is generated, broker returns to Customs House to pay duties
11	Receipt is generated and entry is stripped and copies returned to broker. At this point the goods are considered duty paid.

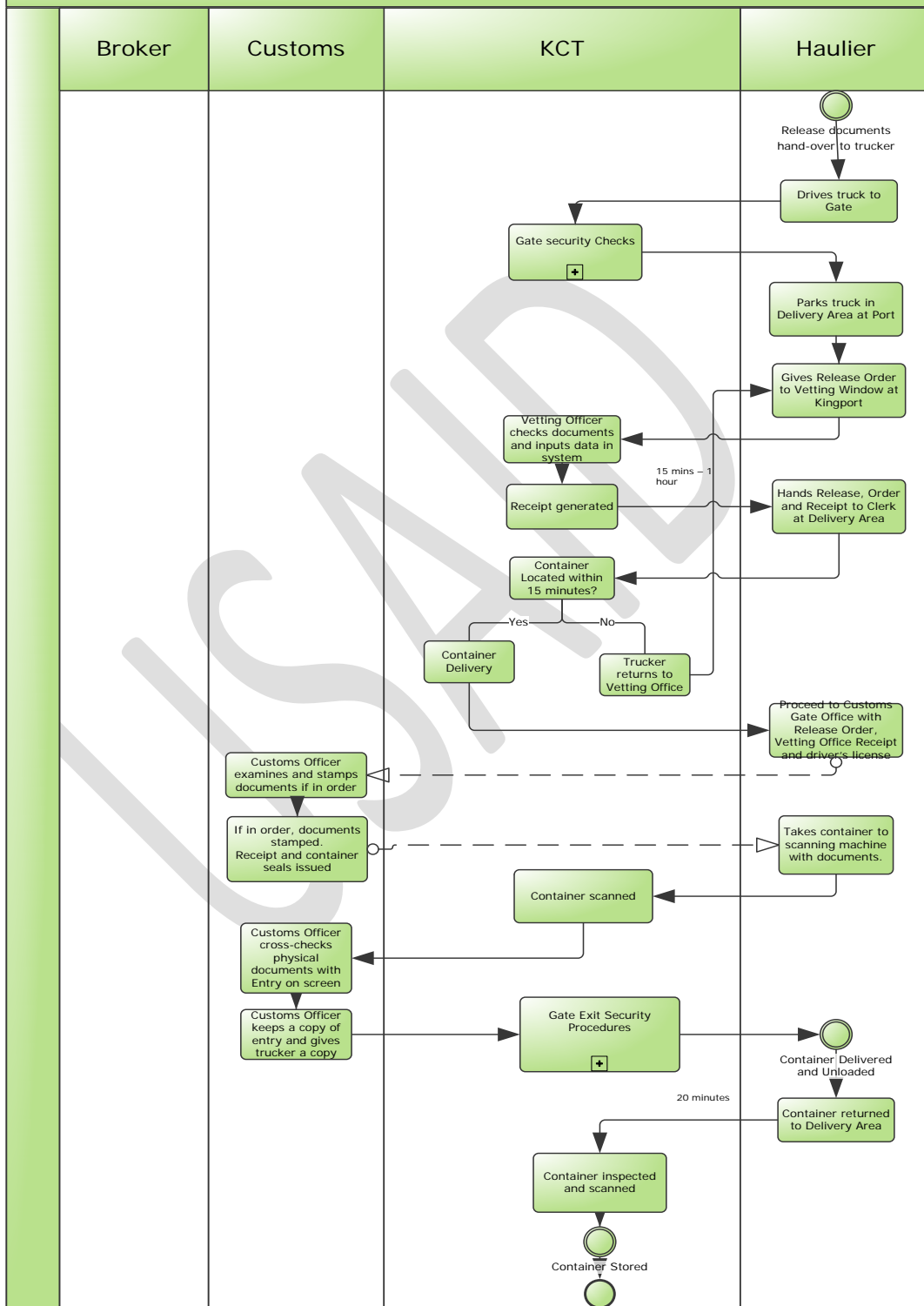
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## Maritime & Transport Services Limited – Ship Operations



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**Haulier – Maritime Transport and Shipping Services Limited  
Kingston Container Terminal Limited *Total Time: 3+ hours***

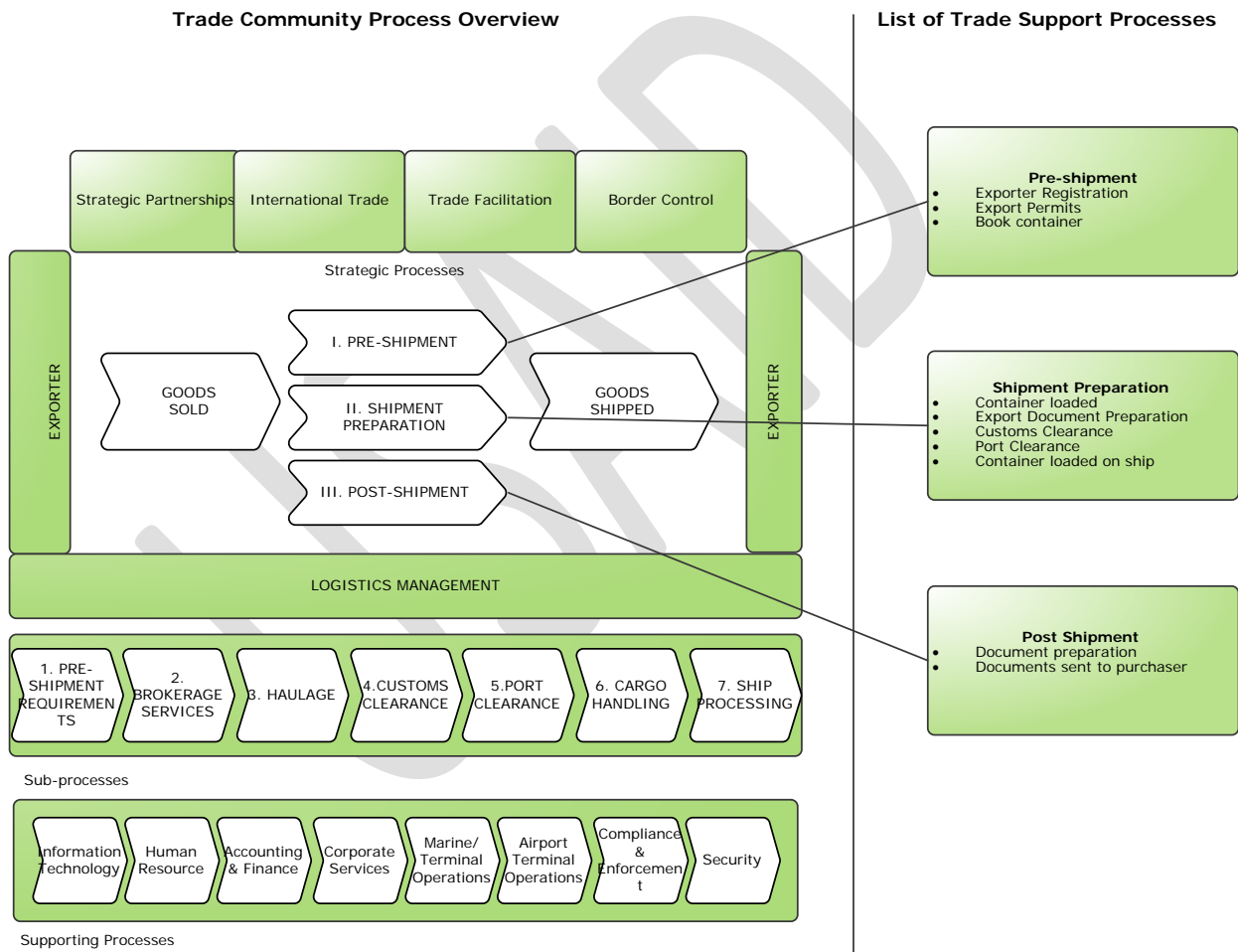


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# SECTION V: SCOPE OF CURRENT EXPORT PROCESSES IN JAMAICA

## 5.1 OVERVIEW OF 'AS IS' IMPORT PROCESS

JAMAICA EXPORT PROCESS OVERVIEW MAP  
Containerized Shipment



The map provides a high-level view of clearing a containerized shipment for export from the perspective of the end-to-end processes involved. The process experienced by the exporter between the sale of goods/commodities and shipment of goods can be divided

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into pre-shipment, shipment preparation and post-shipment processes which can be further broken down into the following processes:

1. **Pre-shipment Requirements** - This includes exporter registration with JAMPRO and the exporter obtaining regulatory permissions such as export permits, certificate of origin, etc. Arrangements for finalizing the shipment are made including obtaining insurance. *See below for pre-shipment requirement documents.*
2. **Brokerage Services** – Brokerage services may be contracted. At this stage, the necessary documentation for customs clearance at the port is prepared. The documents include bill of lading or airway bill, ‘Instruction for Dispatch of Goods’ form, ‘Authority for Shipment (Tally Sheet)’ if exporting by air. The broker pays the necessary port and custom export fees.
3. **Haulage** – The goods are transported by a haulier to the air or sea port. The exporter might arrange to have the container escorted to the port for security reasons and to ensure that no detours are made. The haulier submits the documentation to port personnel, clears security, and delivers the container.
4. **Customs Clearance** – The broker submits the documents to the Customs Exporting Officer for verification. The officer reviews the entry form and ensures that the necessary permits and certificates and exporter registration are attached. Goods are examined by Customs and the release form issued.
5. **Port Clearance** – The broker pays the wharfage fees and ensures that documentation is in order.
6. **Cargo Handling** – Goods may be warehoused and upon release, storage fees are paid.
7. **Ship processing** – Upon arrival of the ship the port collects port charges. Goods are loaded on board the ship and the Customs Officer completes the form and releases the goods for shipment.

The exporter sends the bill of lading and commercial invoice to the customer overseas.



These processes form the basis for preparing the process flowcharts for trading partners interviewed. Each partner's internal processes, interactions and customer experience were documented with the view to provide an end-to-end snapshot of the export process in Jamaica.

## 5.2 PRE-EXPORT PROCEDURES

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## PRE-SHIPMENT REQUIREMENTS

### 1.1.1. Exporter Registration - JAMPRO

Shipment Letter

Fresh Produce – Plant Quarantine/Produce Inspection Unit

Phyto-sanitary certificate

Prescribed Process foods – Bureau of Standards

Inspection and approval of processing plant

Export Certificate for each shipment

Meat and Seafood – Veterinary Services Division

Export Permit

Conch and Lobster – Fisheries Division

Export Permit

Catch quota

Aggregate and Ores – Ministry of Lands and Environment

Export Permit

Coffee – Coffee Industry Board

Export Permit

Coconut – Coconut Industry Board

Export Permit

Pimento – Export Division, Ministry of Agriculture

Export Permit

Export Certification – Trade Board

Product Analysis

Certificate of Origin

Packing house certification – Plant Quarantine/Produce Inspection Unit

Packinghouse Certification letter

### Trade Board

Ammunition ( Firearms & Explosives)

- Crocodiles
- Eggs
- Antique Furniture
- Gold Bullion & fully or semi- manufactured gold including jewelry
- Jewelry (excluding those from earth metals)
- Ores—Minerals & metals including bauxite, alumina & gypsum
- Paintings (antique)
- Plasma in any form
- Sugar
- Wood—Lignum Vitae and logwood only.
- Petroleum products
- Motor vehicles
- Shells (subject to the Convention Of International Trade in Endangered Species administered by NEPA)
- Live Animals( subject to the Convention Of International Trade in Endangered Species administered by NEPA).
- Pimento

### MINISTRY OF AGRICULTURE

Veterinary Division — Animals and animal products

Plant Quarantine Division — Plants and plant products including spice and pimento greater than 2 lbs.

Mines & Geology Unit — Rocks, stones, soil, alumina, cement

### COFFEE INDUSTRY BOARD — Permit

- Green coffee beans
- Roasted coffee over 10lbs / 5 kgs.

### COCONUT INDUSTRY BOARD

- Commercial coconut products (with the intention of generating revenue) including samples.

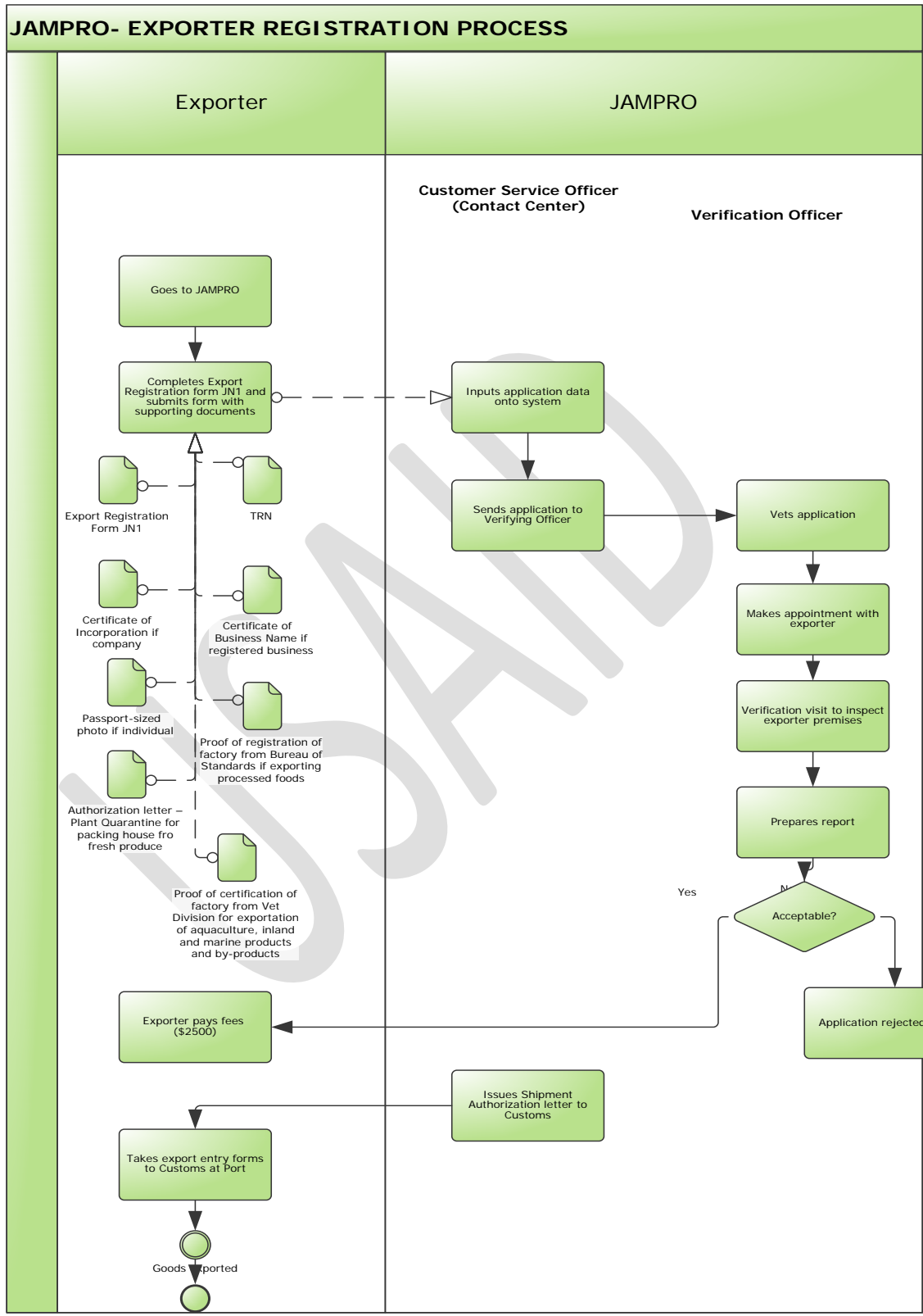
### NATIONAL ENVIRONMENTAL & PLANNING AGENCY (NEPA) Export Permit

- Conch
- Coral

**BUREAU OF STANDARDS** - Certificate For processed food (such as ackee)

## 5.3 EXPORTER REGISTRATION

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<b>Steps in the Process</b>	
1	Applicant goes to JAMPRO Contact Center Officer
2	Applicant completes Exporter Registration Application Form JN1. If Plant Quarantine Certificate needed, this should be submitted with application. (See below for additional requirements.) If individual - need TRN or passport-sized photo. If company, certificate of incorporation or certificate of business name and TRN
3	Information Officer vets application for completion and provides exporting advice to exporter if required
4	Information Officer inputs data from application form into the system and collects a registration fee of J\$2500 from new exporter
5	Information Officer send application to Verifying Officer
6	Verifying Officer contacts the applicant and makes appointment to view premises
7	Officer inspects premises to verify information on form, ensures that establishment exists and verifies address, security and capacity to export
8	Verifying Officer completes formal report
9	If all okay, exporter is informed that approval is granted. If it is not okay, Vetting Officer will inform exporter of corrections to be made. When corrections are made, Vetting Officer will return to the premises for verification. If false information on form or establishment does not exist or is not producing what is to be exported, the application is rejected.
10	Upon approval of application the new exporter returns to JAMPRO and receives a shipment authorization letter.
11	When shipment exported, exporter takes proof of each shipment to JAMPRO until six shipments completed
12	After completion of six shipments, JAMPRO issues letter for multiple shipments for the remaining period of the year from date of registration

\*\* The shipment authorization letter grants permission to export six shipments within the first year. Letter is valid from date of registration. This letter is taken to Customs at the port with each shipment.

Exporter registration is renewed annually from registration date at a fee of J\$2000. The time taken for exporter registration to be completed is between three to five working days. However, it can be expedited within twenty-four hours if necessary.

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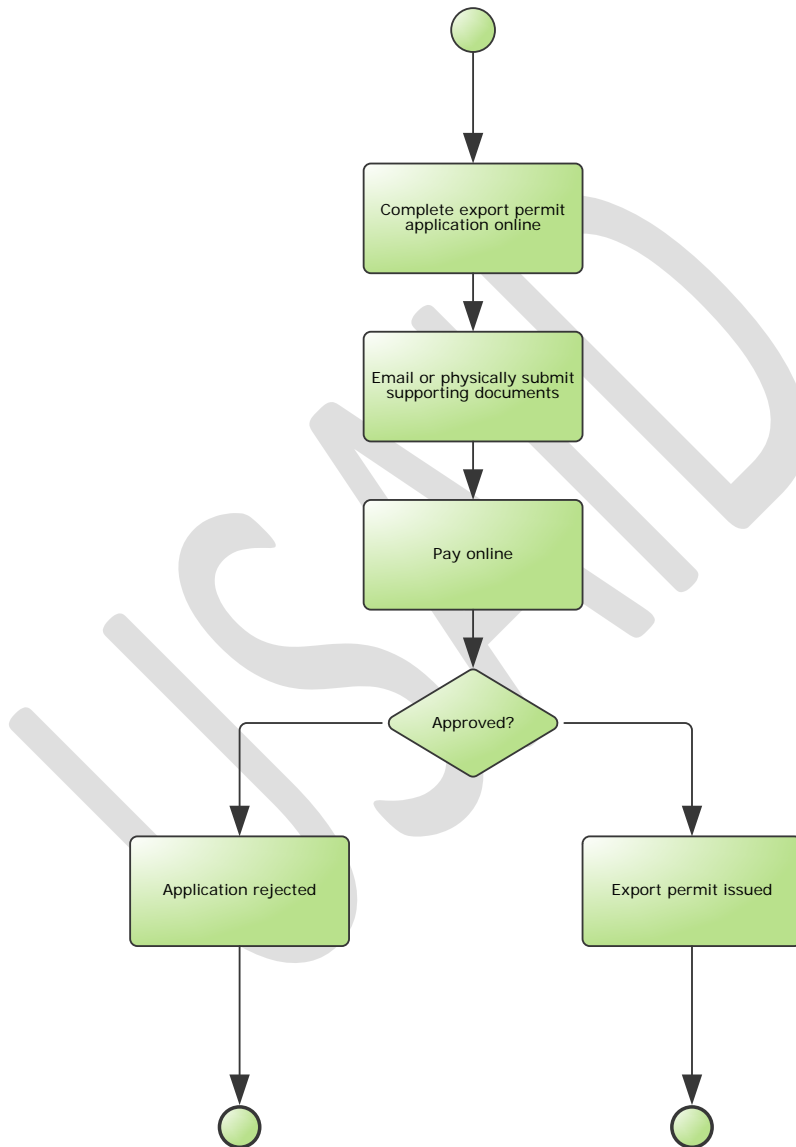
The following is required to complete the registration process:

1. Authorization letter from Plant Quarantine Division stating that the packing house for fresh produce has been inspected and certified
2. Registration letter from the Bureau of Standards if exporter is exporting processed foods
3. Proof of certification from the Veterinary Services Division of the Ministry of Agriculture if exporter is exporting aquaculture, inland and marine products
4. List of machinery and equipment, categories of employees and monthly production exporter plans to export textile products
5. Labeling and product standards certification from Bureau of Standards

The initial Registration Fee for New Company is JA\$2500 and an annual re-registration fee is J\$2000. The fee for companies located in the free zones is US\$275.

## 5.4 EXPORT PERMITS

### TRADE BOARD – EXPORT PERMIT APPLICATION PROCESS

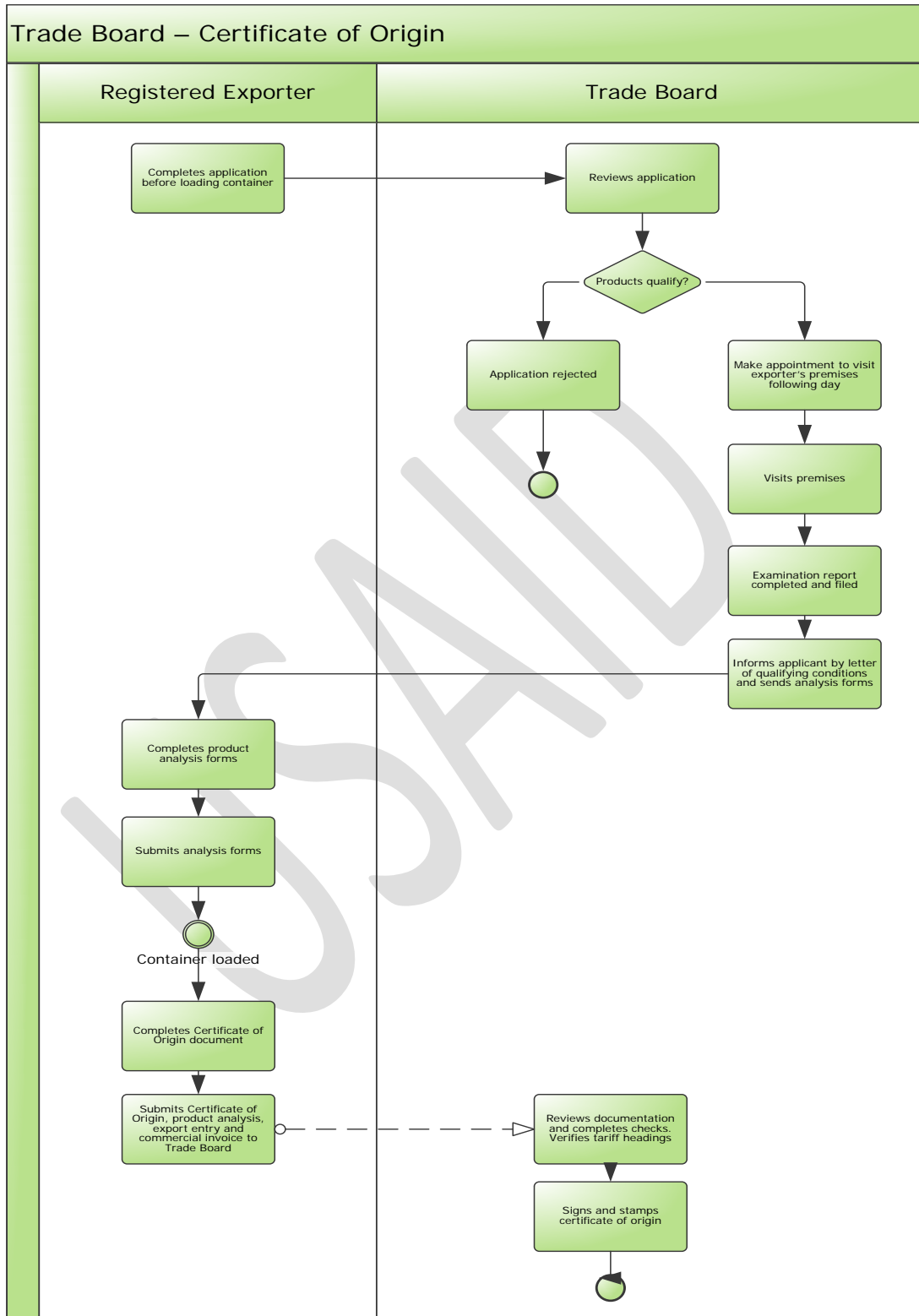


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## Certificate of Origin – Trade Board

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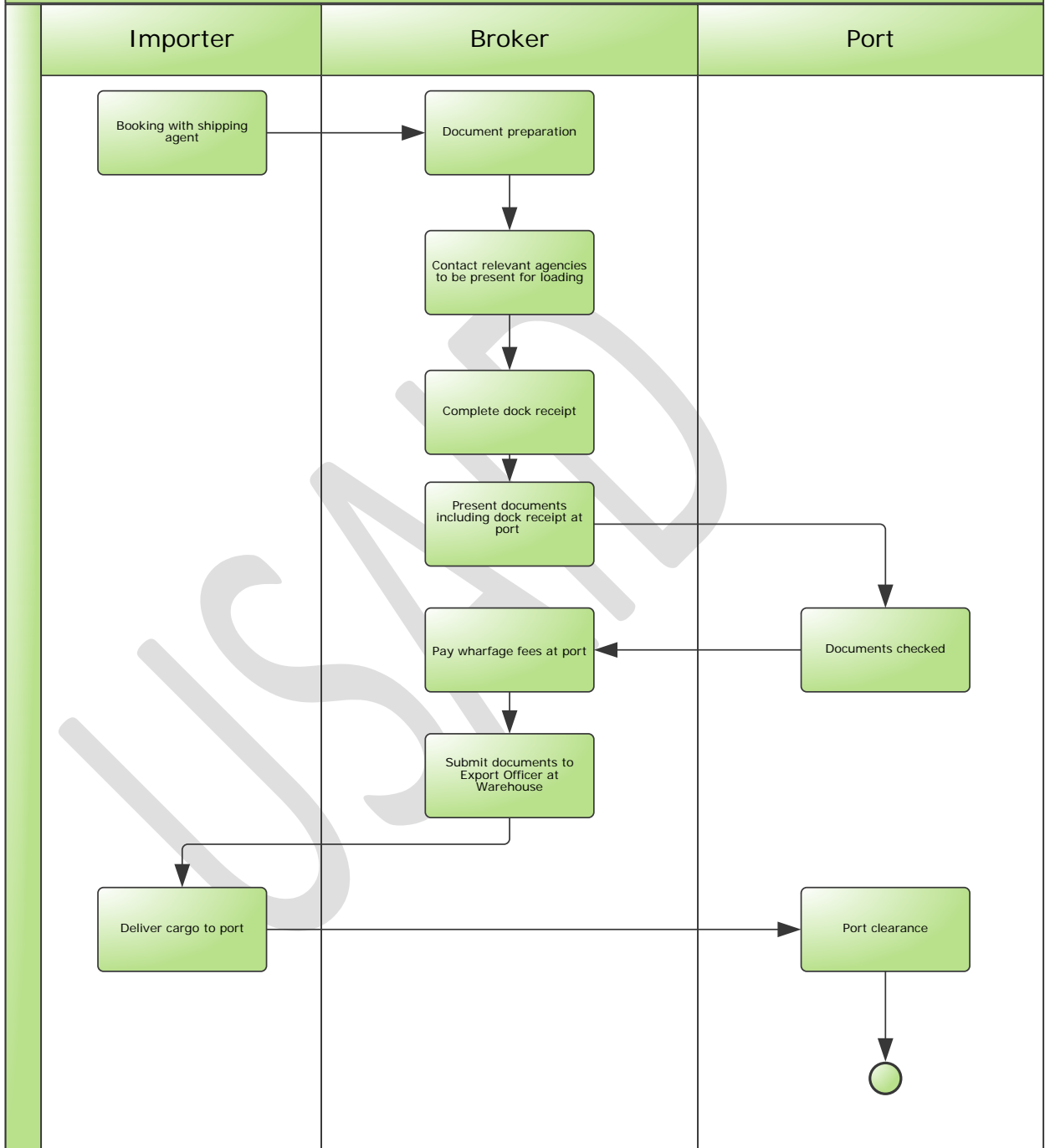
## 5.5 CUSTOMS CLEARANCE PROCESS

### Export Process by Sea

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## Export by Sea Process Overview



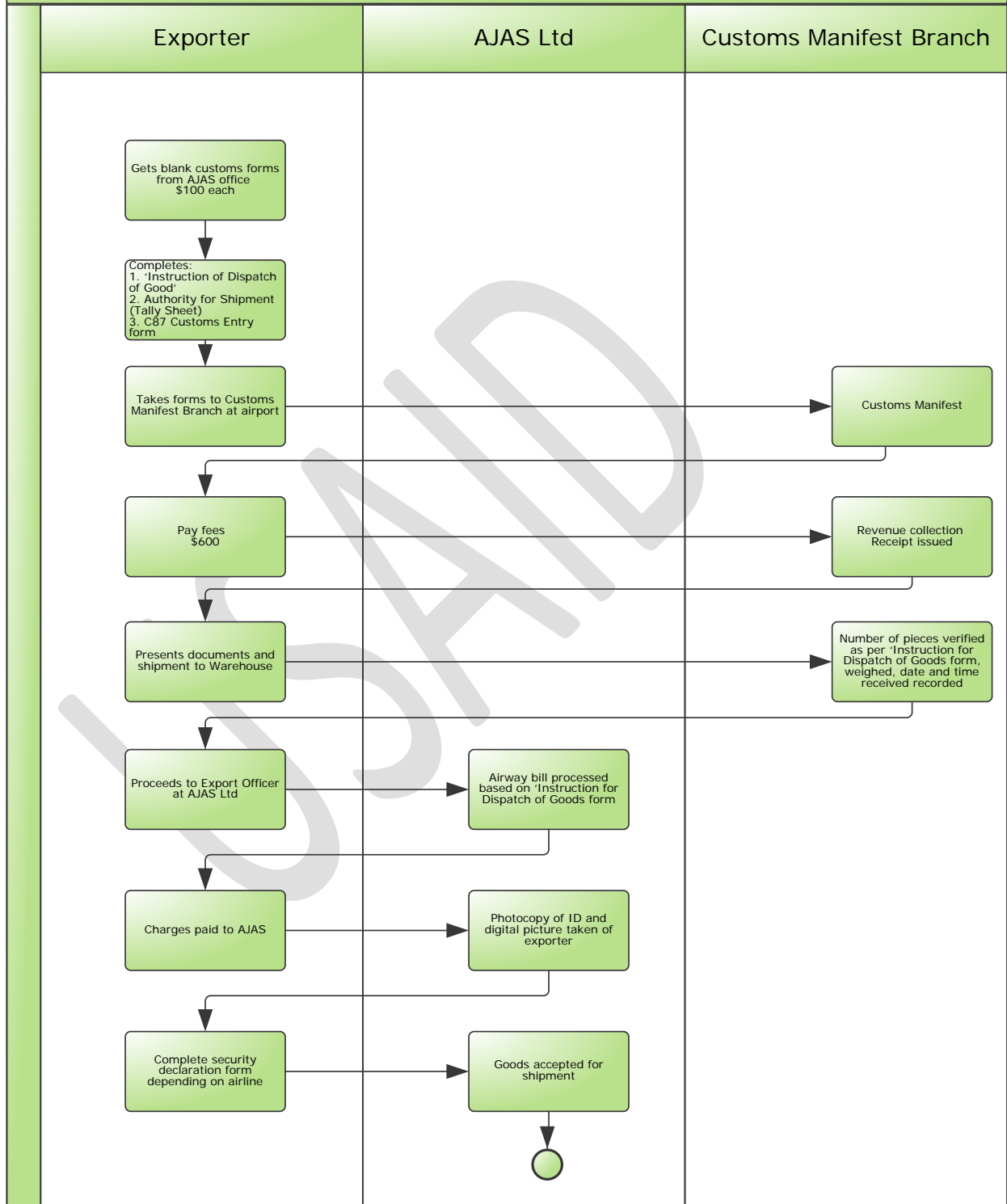
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## Export Process by Air

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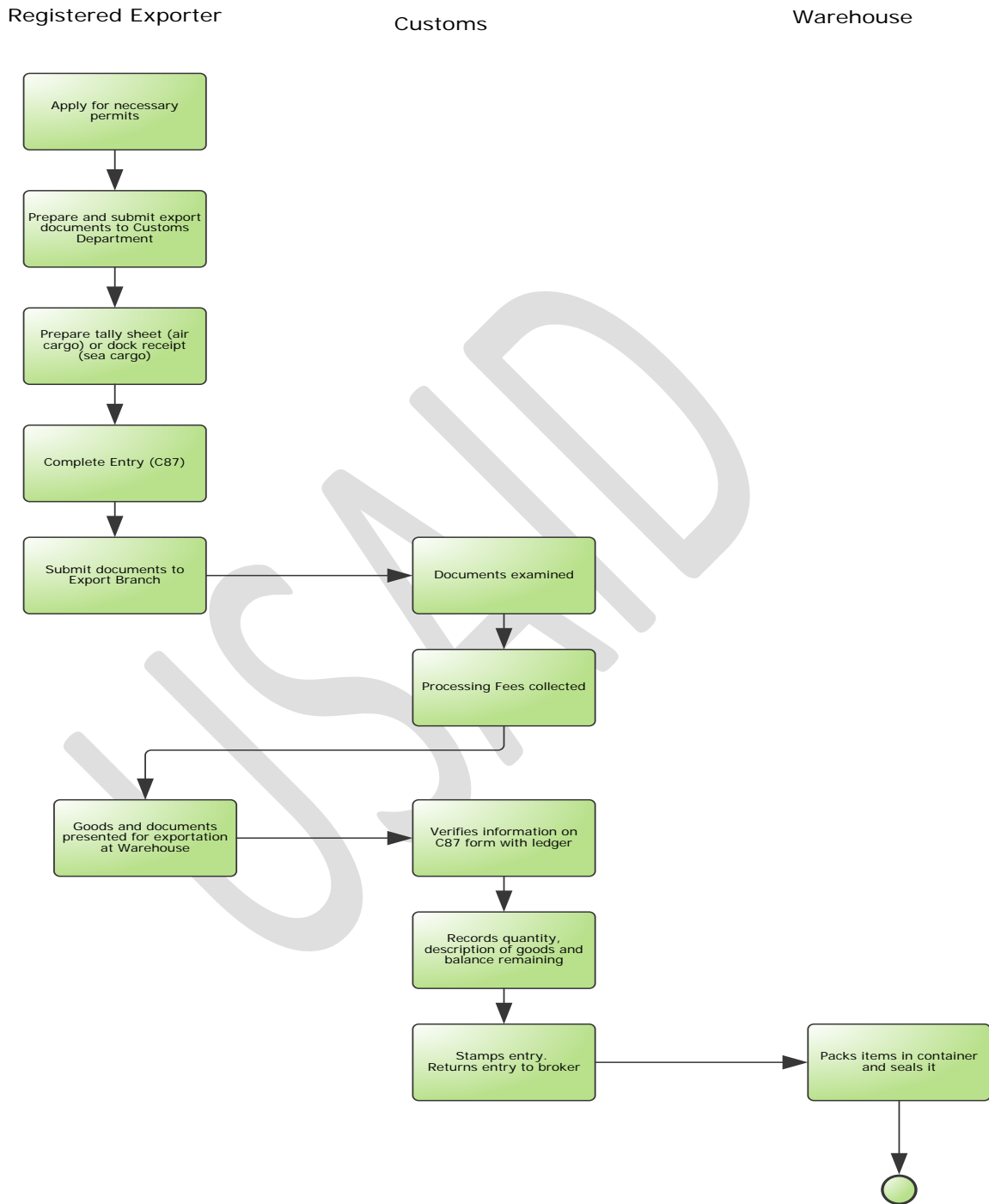
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## Export by Air – AJAS Ltd – Cargo Handlers



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## Export – Customs process



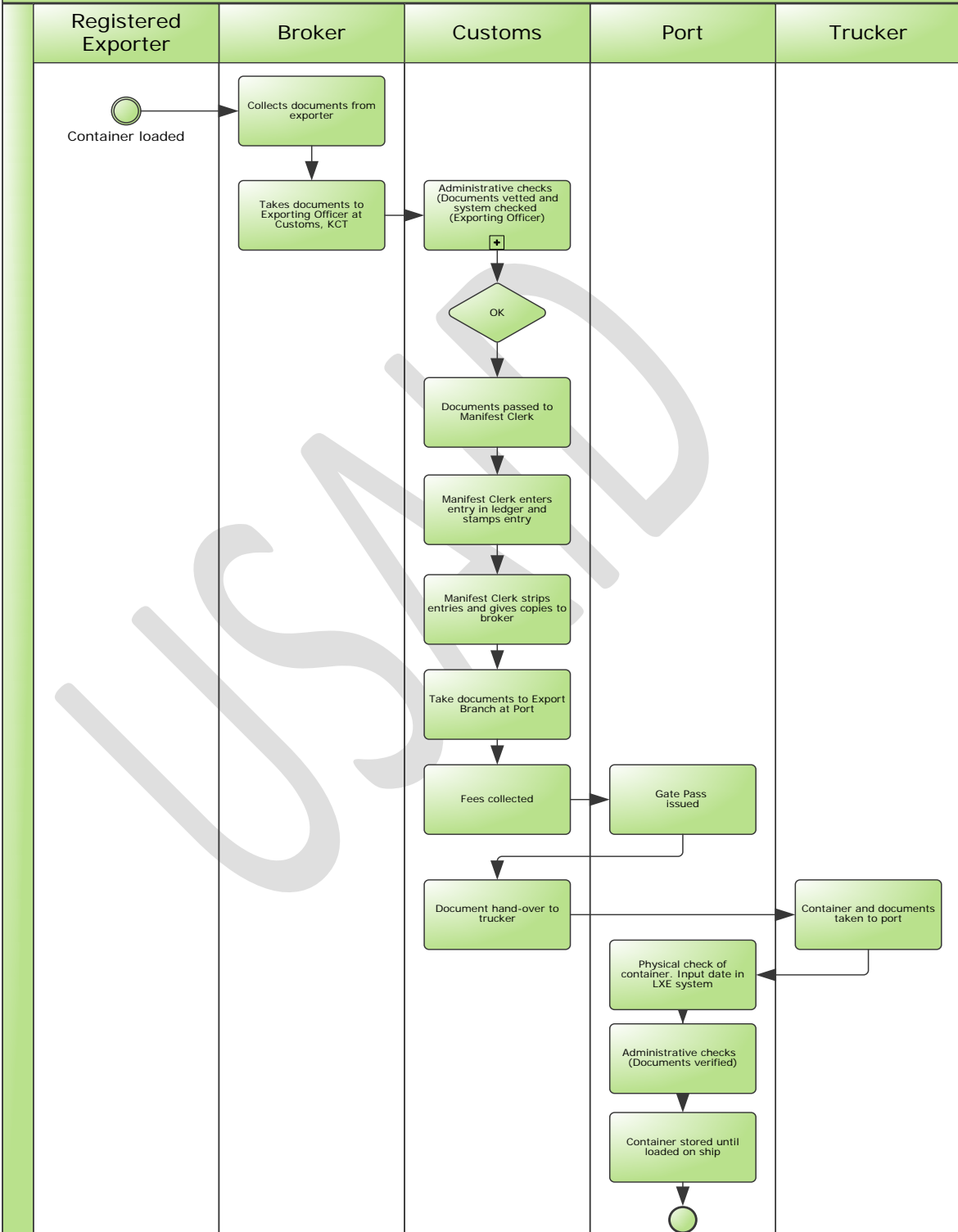
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## 5.6 PORT CLEARANCE

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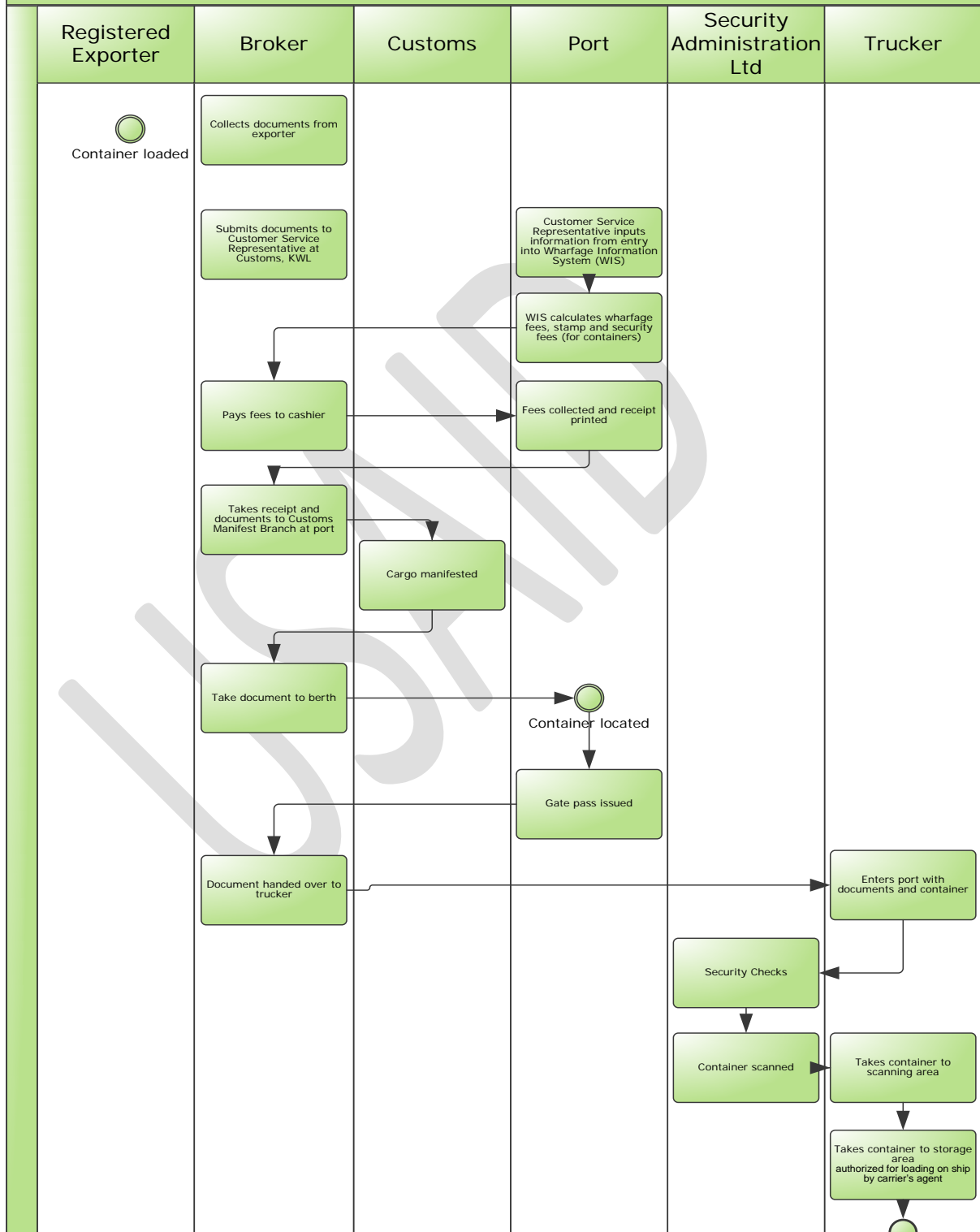
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5.1 Port Clearance – Loaded Container  
Kingston Container Limited



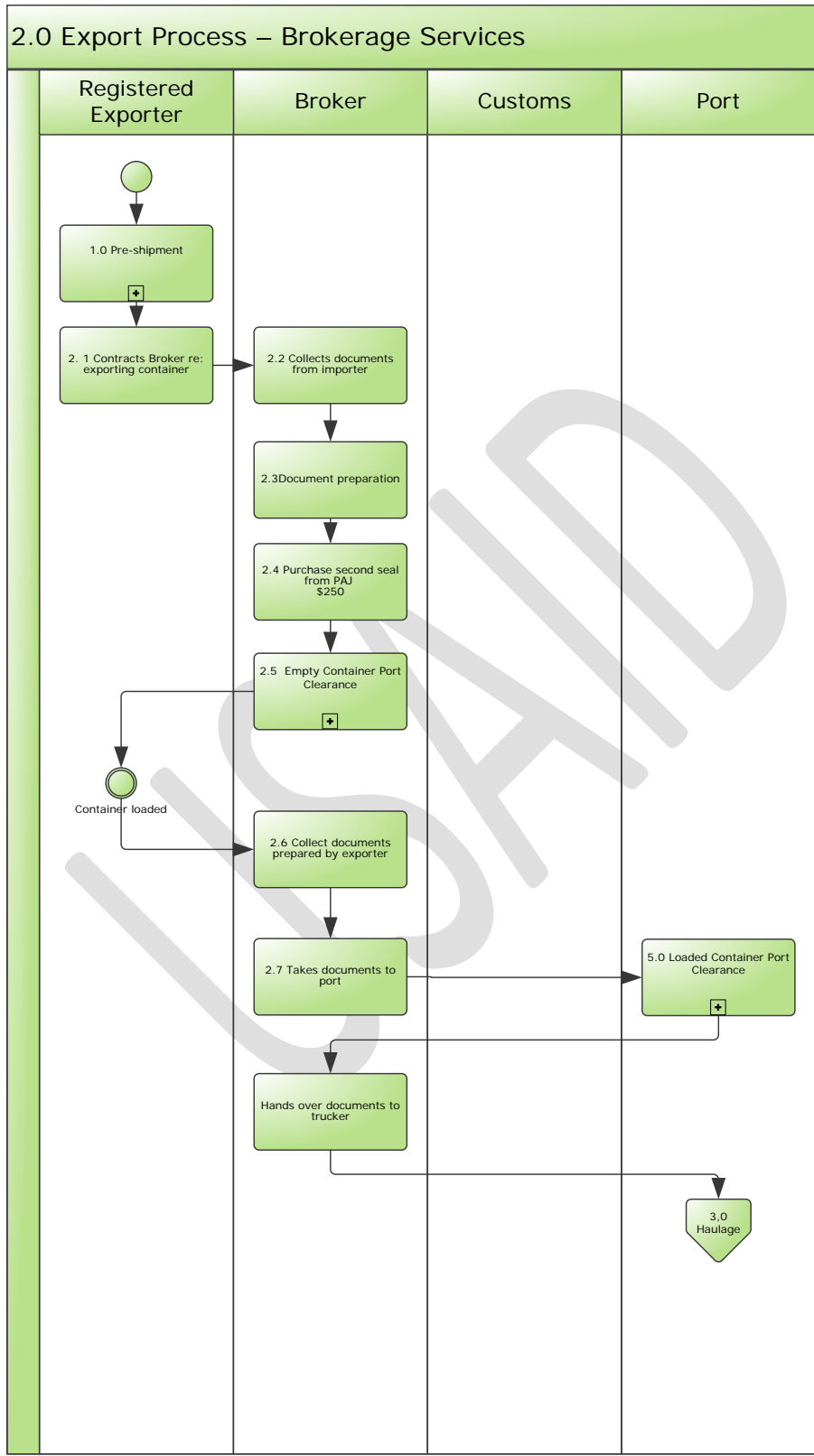
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## 5.1 Port Clearance – Loaded Container Kingston Wharves Limited

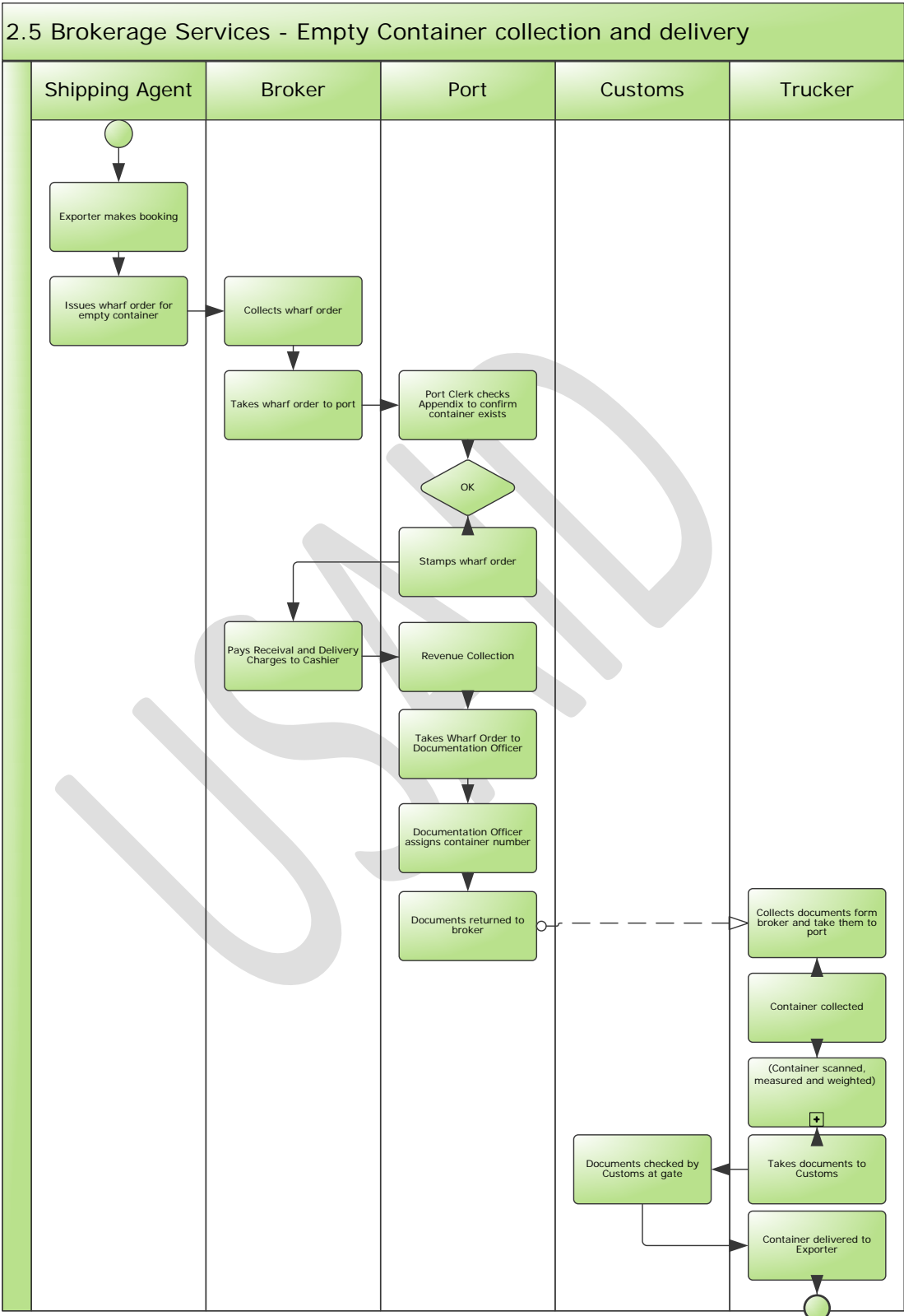


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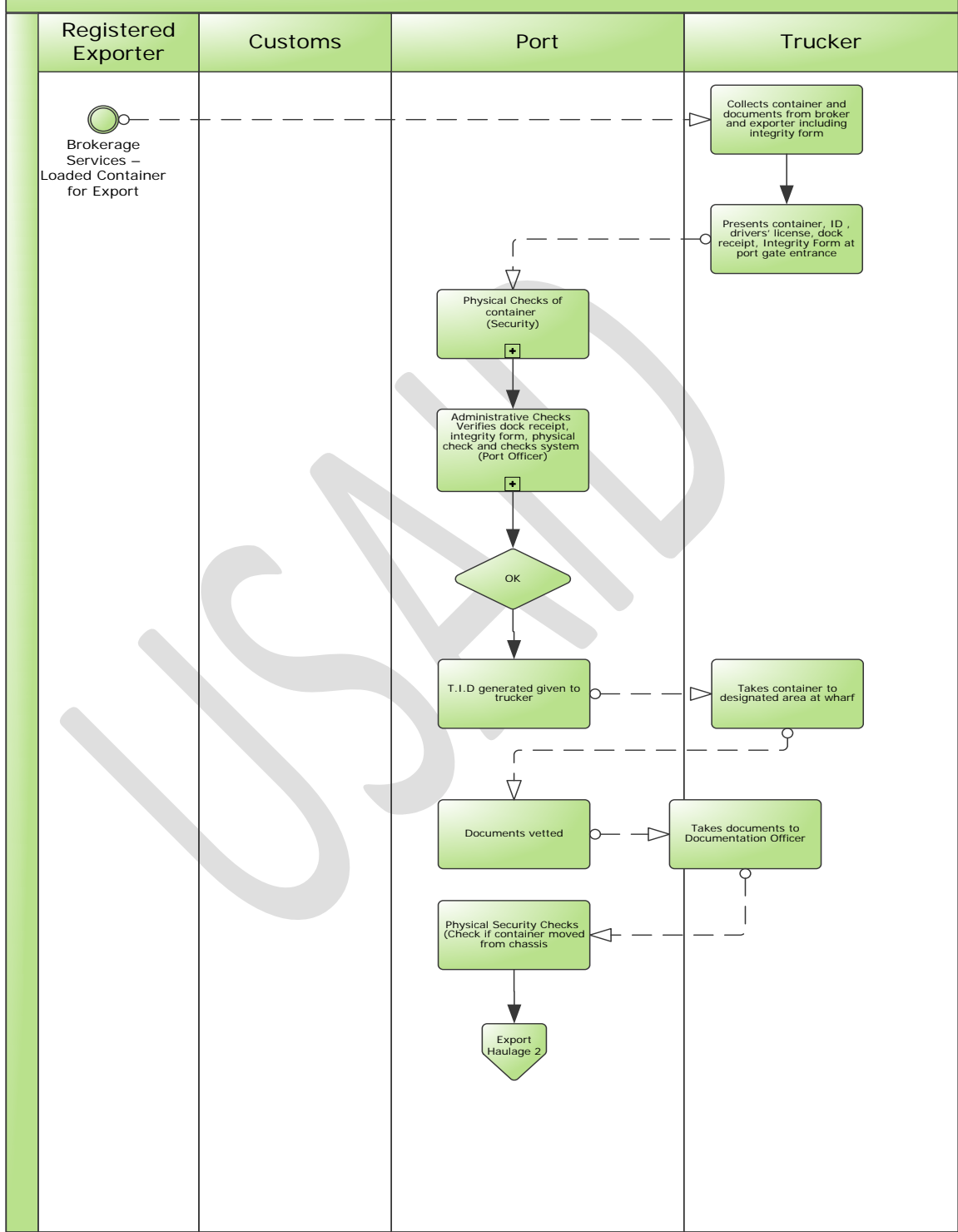


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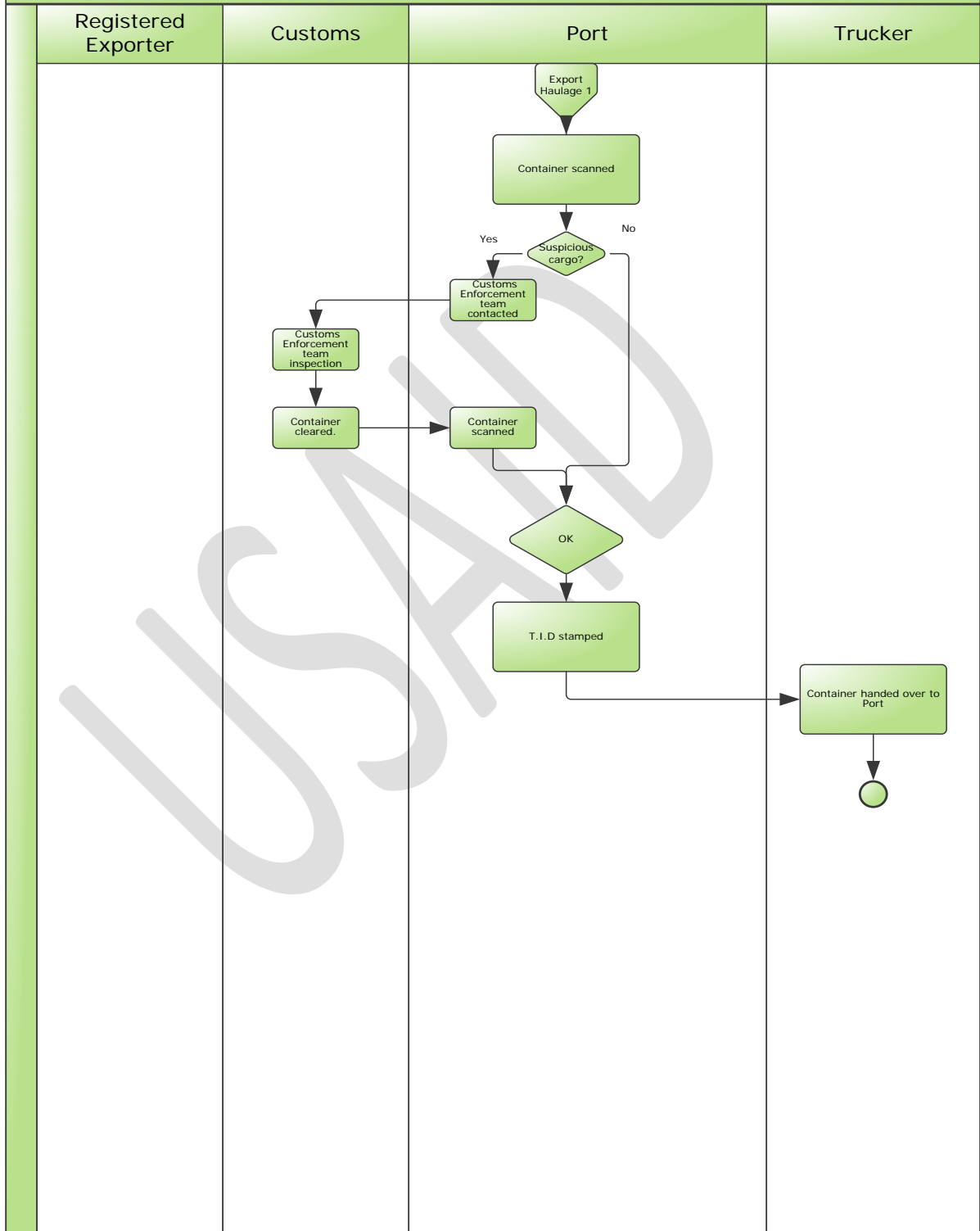
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### 3.0 Export Haulage Services – Loaded Container Kingston Container Terminal



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### 3.0 Export Haulage Services – Loaded Container Kingston Container Terminal



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## SECTION VI: DOCUMENTS

### 6.1 IMPORTS

#### Regulatory Permissions to Import – Permits and Clearance

	REQUIREMENTS
Import Permit – Trade Board (39 items as per Trade Board List)	<ol style="list-style-type: none"> <li>1. Proof of identity – passport/driver’s license</li> <li>2. Taxpayer registration number</li> <li>3. Bill of sale/title if a vehicle</li> <li>4. Application form (electronic or paper)</li> </ol>
Import Permit - Fresh Produce, Cornmeal and Rice	<ol style="list-style-type: none"> <li>1. Letter stating items, quantity and country of origin of goods to be imported</li> <li>2. For customs clearance, the Phyto sanitary certificate from country of origin and import permit issued by the Ministry of Agriculture must be attached to Customs entry form, approval letter from Bureau of Standards or Certificate issued by Food Infestation during clearance process</li> </ol> <p>NB: the import permit must be dated before goods are shipped from country of origin as proof that the supplier followed terms and conditions stipulated on the import permit.</p>
Import Permit - Fish, Meats, Poultry and Animal Products	<ol style="list-style-type: none"> <li>1. Import Permit – Letter requesting permission to import items with details of country of origin; payment of fee of \$J800</li> <li>2. Clearance – Import Certificate from Ministry of Agriculture</li> </ol>

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Pesticides	<ol style="list-style-type: none"> <li>1. Import Permit: <ol style="list-style-type: none"> <li>a) Application for registration under general safety condition</li> <li>b) Application for import permit (color coded according to the product) to Pesticide Control Authority</li> </ol> </li> <li>2. Clearance: <ol style="list-style-type: none"> <li>a) Import permit (must be approved prior to goods shipped)</li> <li>b) Invoice</li> <li>c) Bill of Lading</li> <li>d) Fee – 2½% of C.I.F value of import</li> </ol> </li> </ol>
Pharmaceuticals	<ol style="list-style-type: none"> <li>1. Application for registration of the product to Regulatory Affairs of Ministry of Health along with product information and a sample of product</li> <li>2. Application for import permit</li> </ol>
Tax Compliance Certificate	<p>Application for the tax compliance certificate</p> <ol style="list-style-type: none"> <li>1. National Housing Trust (NHT) compliance certificate</li> <li>2. National Insurance Scheme (NIS) compliance certificate</li> <li>3. National Training Institution (HEART) compliance certificate.</li> </ol>

### Customs Clearance

Documents required by Shipping Agent	<ol style="list-style-type: none"> <li>1. Original bill of lading or Airway bill</li> <li>2. Express Release (if applicable)</li> <li>3. Broker's identification (if individual)</li> </ol>
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Customs Entry Preparation:	<ol style="list-style-type: none"> <li>1. Bill of lading</li> <li>2. Commercial Invoice</li> <li>3. Customs Entry form</li> </ol>
Customs Entry Processing:	<ol style="list-style-type: none"> <li>1. C87 Import Entry Forms</li> <li>2. C78x Import Entry Forms</li> <li>3. C84 or C85 Declaration of Value forms</li> <li>4. Commercial Invoice from Supplier</li> <li>5. Import permits from relevant regulatory agencies depending on the goods or commodities imported - Ministry of Health, Trade Board, Bureau of Standards, Ministry of Industry and Commerce</li> <li>6. Bill of lading/airway bill</li> <li>7. Bill of Sight</li> <li>8. Tax Compliance Certificate from the Inland Revenue Department</li> <li>9. Validated bill of lading (See below)</li> <li>10. Duty waiver application if applicable</li> <li>11. C15 form to make amendments to the bill of lading if it does not correspond to the manifest. This is completed by the shipper.</li> </ol>
Payment of Customs Duties	<ol style="list-style-type: none"> <li>1. Approved Customs Entry form</li> <li>2. Statement of applicable duties</li> <li>3. If paid electronically, printed receipt taken to cashier to stamp and sign entry form</li> </ol>
Customs Manifest	<ol style="list-style-type: none"> <li>1. Original Manifest</li> </ol>

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	<ol style="list-style-type: none"> <li>2. Customs form C15 if amendment on manifest is required</li> <li>3. Amended manifest if necessary</li> <li>4. Validated Bill of Lading</li> </ol>
Bill of Lading Validation:	<ol style="list-style-type: none"> <li>1. Original bill of lading or Airway Bill</li> <li>2. Express Release (if applicable)</li> <li>3. Receipt of customs duties payment</li> <li>4. Receipt of payment of port charges</li> </ol>

Signatures and/or stamps required on C87 form during customs clearance process:

1. Lodgment Clerk
2. Risk Management Unit, if interested in shipment
3. Invoice Inspector
4. Supervisor
5. Cashier
6. Customs Manifest Clerk
7. Customs Manifest Supervisor
8. Customs Officer conducting inspections
9. Regulatory agencies when inspection conducted. If container is being cleared at KCT, the regulatory agencies at the JIEIC will stamp the entry indicating interest in the shipment before it is manifested.

Seven (7) copies of C87:

1. 1st copy - Customs copy
2. 2nd copy - importer's receipt
3. 1st, 3rd, 4th and 5th copy - Customs copies, if duty paid
4. 2nd, 6th and 7th copy is returned to broker for further processing

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## Port Clearance

Port Clearance	<ol style="list-style-type: none"> <li>1. If clearing goods from KCT, an Appointment Form is completed to book appointment to clear the container from the port</li> <li>2. Gate pass form from KCT and KWL</li> <li>3. Customs Release from Customs</li> <li>4. Bill of Lading</li> <li>5. Security release</li> </ol>
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By the time the goods are cleared the importer is in possession of approximately twelve pieces of paper documentation which include the entry forms, receipts and gate passes.

## Ship Operations

	Requirements
Ship Arrival	<ol style="list-style-type: none"> <li>1. Arrival notice sent to Port Authority of Jamaica, Port Operator, Port Security, Jamaica Customs Department and Immigration at least twenty-four hours before ship's arrival in Jamaica</li> <li>2. Customs Ship Arrival Form (C4)</li> <li>3. Ship's documents</li> <li>4. Manifest (electronic and paper)</li> </ol>
Port Clearance of Vessel	<ol style="list-style-type: none"> <li>1. Ship's documents</li> <li>2. History of recent ports of call if ship is new to Jamaica</li> </ol>
Lodging of Manifest	<ol style="list-style-type: none"> <li>1. Manifest submitted electronically via e-manifest website – completed by shipping agent at least twenty-four hours prior to ship's arrival</li> </ol>

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	2. Paper-copy of manifest
Boarding of Vessel	<ol style="list-style-type: none"> <li>1. Ship documents</li> <li>2. Stores List</li> <li>3. Crew List</li> <li>4. Recent history of port calls</li> </ol>

### Cargo Arrival and Cargo Moves

	Requirements
Cargo Arrival	<ol style="list-style-type: none"> <li>1. C4 Form – Ship report</li> <li>2. Cargo Manifest</li> <li>3. Appendix A – Listing of containerized cargo destined for the domestic market</li> </ol> <p>Documents sent to Jamaica Customs clearance</p>
Cargo Moves to Storage Area	<ol style="list-style-type: none"> <li>1. C26 Form - Goods movement</li> </ol>
Cargo Moves to Bonded facility	<ol style="list-style-type: none"> <li>1. Application for Removal Under Bond</li> <li>2. Validated bill of lading</li> <li>3. Stripping letter from Customs</li> </ol>

### Haulier

Haulier Security Clearance	<ol style="list-style-type: none"> <li>1. Proof of identification</li> </ol>

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	<ol style="list-style-type: none"> <li>2. Request to haul cargo chit</li> <li>3. Customs Release form</li> </ol>
<b>Cargo Delivery to Importer</b>	<ol style="list-style-type: none"> <li>1. Copy of C87 form</li> <li>2. Integrity Form</li> <li>3. Customs Release</li> </ol>

### **Trans-shipment Clearance**

Trans-shipment	<ol style="list-style-type: none"> <li>1. C36 Form – Trans-shipment Bill</li> <li>2. Manifest</li> </ol>
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## **6.2 EXPORTS**

Documents required include:

1. Export Registration letter/certificate issued by JAMPRO. Documents required for registration include:
  - a. Exporter Registration Form JN1
  - b. Taxpayer Registration Number
  - c. Certificate of Incorporation if a company
  - d. Authorization or approval letters from:
    - i. Plant Quarantine
    - ii. Bureau of Standards
2. Commercial invoice prepared by the Exporter
3. C87 Customs Form
4. Bill of lading from shipper
5. Dock receipt prepared by the shipper
6. Certificate of Origin if required, prepared by Trade Board
7. European Union forms for exports to the European Union
8. Export permits where required
9. Phyto-sanitary certificate for plants and animals

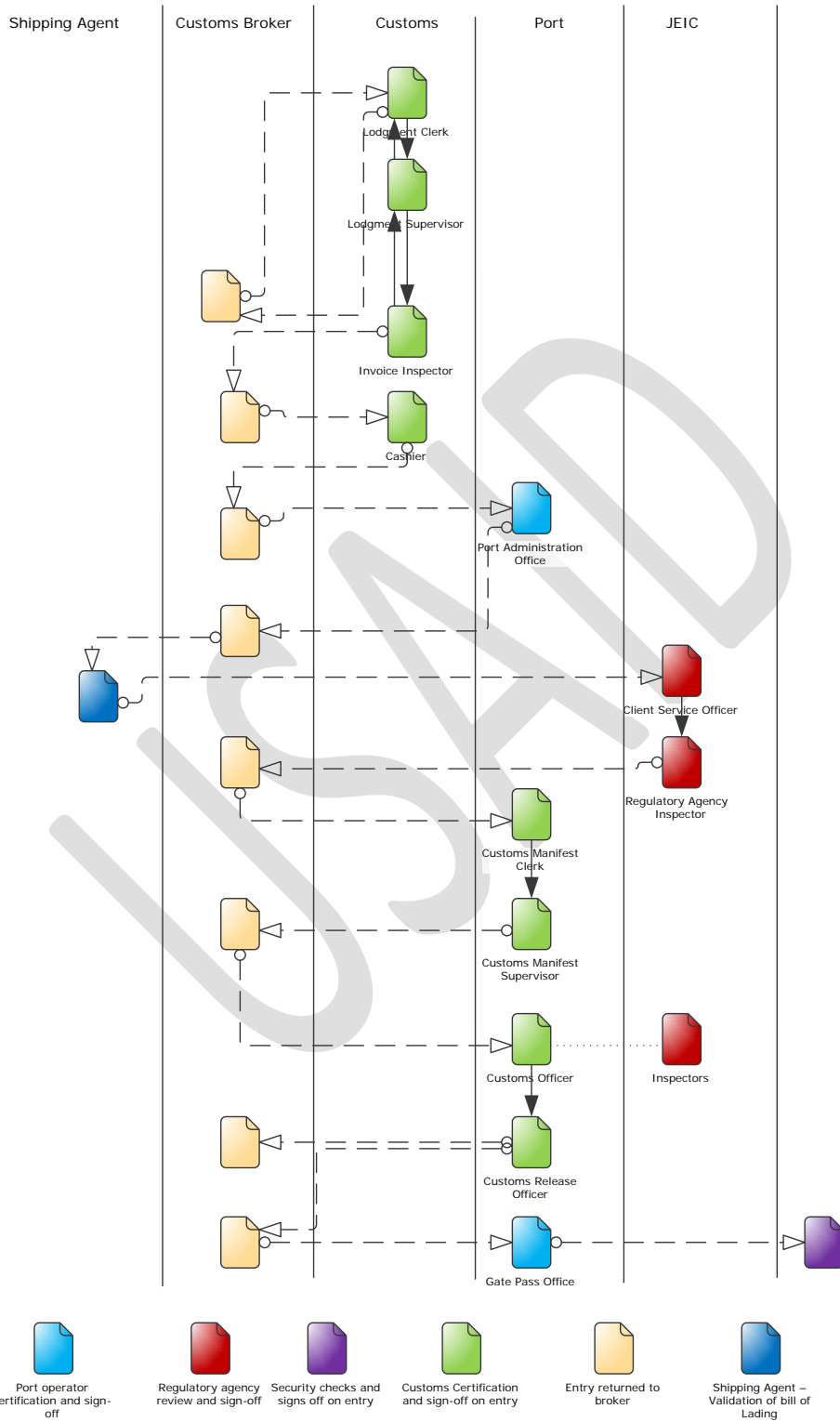
See the various process maps for documents required in each process.

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## **DOCUMENT FLOW: AN EXAMPLE - CUSTOMS ENTRY DECLARATION FORM**

The following map demonstrates the flow of the C87 Customs Entry declaration form and the number of persons/agencies/offices that must review this document throughout the cargo clearance process. The physical document is returned at least seven (7) times to the Customs broker who must take it to the next window/office to be vetted, verified and signed and stamped. The map has been subdivided according to the location of the tasks, for example the port and customs functions are under the 'Port' column. It should be noted that as the broker walks through the process physically handing documents to officers, he or she is also collecting additional documents such as receipts and gate pass. It is estimated that by the end of the process the broker has at least twelve pieces of paper documents which will include permits, customs entry, bill of lading, receipts, gate pass, etc.

**Document Flow  
Customs Entry Declaration Form during the Clearance Process**



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## SECTION VII: INFORMATION TECHNOLOGY

At the heart of the trade facilitation system is the Jamaica Customs' Department CASE system.

### Current E-systems

Statistics Systems	<ul style="list-style-type: none"> <li>- Managed by Port Computer Services</li> </ul>
CHANCE	<ul style="list-style-type: none"> <li>- Used by the Harbor Department at PAJ</li> <li>- Integrates inventory and procurement</li> <li>- Maintenance Management System</li> </ul>
Pilotage Dispatching System	<ul style="list-style-type: none"> <li>- Developed in-house by the Pilotage Department</li> <li>- Used by the Pilotage Department at PAJ</li> <li>- Track ship movement</li> <li>- Used to determine efficiency of the pilot</li> <li>- Information from system is used for invoicing.</li> </ul>
AS400 system	<ul style="list-style-type: none"> <li>- Used by Port Computer Services for invoicing</li> </ul>
Oracle Financial System	<ul style="list-style-type: none"> <li>- Used by PAJ, KCT and free zones</li> </ul>
CHAMPS	<ul style="list-style-type: none"> <li>- Used by KCT</li> <li>- Enterprise Management System</li> </ul>
COSMOS	<ul style="list-style-type: none"> <li>- Terminal Management System at the ports</li> <li>- Suggest area that container is located. It does not provide information on the precise location</li> </ul>
Berthing System	
Computer Automated System (CASE)	<ul style="list-style-type: none"> <li>- Designed for processing customs declarations for imports</li> <li>- Facilitates the processing of trans-shipment</li> </ul>

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	<p>bills</p>
I-CASE	<ul style="list-style-type: none"> <li>- Designed for processing customs declarations for exports</li> </ul>
C87 Broker System	<ul style="list-style-type: none"> <li>- Facilitates the electronic submission of C87 Customs Entry Form</li> </ul>
E-manifest System	<ul style="list-style-type: none"> <li>- Installed at KCT, Kingston only.</li> <li>- Used by shipping agents and freight-forwarders</li> <li>- Port operators have found that information input into the e-manifest system by the shipping agents is not accurate. The Ship Store information is used to supplement the e-manifest</li> </ul> <p>Outstanding:</p> <ul style="list-style-type: none"> <li>- Full integration with CASE</li> </ul>
VERMS -	<p>Valuation Integration Risk Management Module developed by Crown Agents is attached to CASE</p>
Ministry of Agriculture Trade System (MOATS)	<ul style="list-style-type: none"> <li>- Used by the Veterinary Services Division and Plant Quarantine Division of Ministry of Agriculture</li> <li>- Online submission of applications for import permits</li> <li>- Online processing of applications</li> <li>- Online payment for permits using credit or debit cards</li> <li>- Generates import permit certificates</li> </ul> <p>Outstanding/To be developed:</p> <ul style="list-style-type: none"> <li>- Integration with Customs Department for exchange of information on import and export permits issued</li> <li>- Online submission of applications for export permits</li> <li>- Online processing and payment for export</li> </ul>

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	permits
Ministry of Health Trade System (MOHTS)	<ul style="list-style-type: none"> <li>- Used by Pharmaceutical and Regulatory Affairs Division (PRAD) of Ministry of Health</li> <li>- Online submission of application for permits</li> <li>- Online processing of applications for permits</li> <li>- Online payment for import permits using a credit or debit card</li> </ul> <p>Outstanding:</p> <ul style="list-style-type: none"> <li>- Integration with Customs Department to facilitate access to import permits issued and terms and conditions attached.</li> </ul>
Pesticides Control Authority Trade System (PCATS)	<ul style="list-style-type: none"> <li>- Developed and waiting for sign-off on service agreement</li> <li>- To be installed at the Pesticide Control Authority of Ministry of Health</li> <li>- Online submission of applications for import permits</li> <li>- Online processing of applications</li> <li>- Online payment for permits using credit or debit cards when electronic bank account is established by PCA</li> </ul> <p>Outstanding:</p> <ul style="list-style-type: none"> <li>- Integration with Customs Department for exchange of information on import and export permits issued</li> </ul>
Trade Board Information System (TBIS)	<ul style="list-style-type: none"> <li>- Used by the Trade Board of Ministry of Industry, Investment and Commerce</li> </ul>

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	<ul style="list-style-type: none"> <li>- Facilitate online submission of applications for import and export permits</li> <li>- Online processing of applications</li> <li>- Online payment for import and export permits via credit or debit card</li> <li>- Integration with Customs Department</li> <li>- Information on import and export permits exchanged with Customs Department</li> </ul>
Jamaica Promotions Exporter Registration System (J-Exporter)	<ul style="list-style-type: none"> <li>- Managed by JAMPRO</li> <li>- Online submission of applications for exporter registration</li> <li>- Online processing of applications</li> <li>- Online approval when prerequisites met and approvals from relevant agencies received</li> <li>- Online payment for registration via credit or debit card</li> <li>- Direct interface with all applications to other agencies needed to validate registration of individual as an exporter</li> </ul> <p><i>Issue: Individuals prefer to go to JAMPRO to use the system</i></p>
Bureau of Standards Trade System (BSTS)	<ul style="list-style-type: none"> <li>- Used by the Bureau of Standards of Ministry of Industry, Investment and Commerce.</li> <li>- Online notification of imported lines to facilitate inspection of specific items of interest as defined by BOS during importation</li> </ul> <p>Outstanding:</p> <ul style="list-style-type: none"> <li>- Online submission of applications for licenses</li> <li>- Online processing and payment of applications</li> <li>- Online submission of applications for export</li> </ul>

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	<p>licenses</p> <ul style="list-style-type: none"> <li>- Online processing and payment of export licenses</li> </ul> <p><i>Issue: System is not user-friendly as there is no facility to filter the line items on entries. It is therefore time-consuming and no longer used by BOS</i></p>
Trade Registration System (TRS)	<ul style="list-style-type: none"> <li>- Provides a single 'sign-on' for users who interface with any of the implemented trade systems – MOATS, MOHTS, PCATS and TBIS.</li> </ul>
Inspection Center Logging System (ICLS)	<ul style="list-style-type: none"> <li>- Provides facility to track processing times of entries by agencies at JIEIC</li> </ul> <p><i>Issue: Developed but not implemented</i></p>

Other systems include Revenue Accounting System, Cashiering System (CMCRS), Gate Release System and the Airport Customs System.

### **Trade Point**

JAMPRO is the coordinating agency for developing, installing and managing the information system, TRADEPOINT. Tradepoint would facilitate importers and exporters within the trade network to speed up the application and approval processes for permits and clearance of goods. The intention was to develop a single window electronic platform that would integrate all trade-related government ministries, departments and agencies. This process is only partially completed due to the lack of funds and perhaps, the approach to implementing the program.

All PAJ offices in Kingston are connected by fiber optic Metropolitan network, that is, KCT, PCS, Pilotage Department, Harbors Department and KWL. Metronet is used to connect remote locations in Montego Bay, Kingston Free Zone, Ocho Rios and Portland.

The trade facilitation systems were developed and installed by Fiscal Services Limited (FSL). Though some functionalities have been completed, a few remain outstanding. Donor funding for this project ended in December 2010 and to date there is no facility in place to ensure project continuity nor is there evidence of a sustainability plan for maintaining the systems.

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## E-PAYMENT FACILITIES

Some government agencies including Jamaica Customs and the Trade Board utilize e-payment to facilitate the receipt and processing of fees and customs duties. Some of the banks have also come on board offering their facility to process payments online and the benefit of increasing efficiencies for importers and exporters and reducing operating costs to Customs and the agencies have been acknowledged. The anticipated use of this facility has not materialized as was expected as the importers maintain concerns about security and complain that the cost of using their credit cards is quite expensive due to the high fees. In addition, some importers prefer to pay by check or cash as this e-payment facility does not eliminate the trip to the cashier at Customs for the endorsement of the entry.

## PROPOSED E-SYSTEMS

The Port Authority of Jamaica proposes to implement the following systems:

1. I-Receiveable: – To post receivables online so all shipping agents and shipping lines can view and make payments online. This will also facilitate dispute resolution. PAJ is currently waiting for approval from the port operators to install the system. This project has been stalled due to human resource issues.
2. Upgrading of COSMOS system. It is hoped that this will be done before installing the I-Receiveable system. DGPS (Differential Global Positioning System): – to ensure the exact location of containers. With the DGPS, each straddle carrier has a device attached so that the movement of the container can be tracked while in the port. The container information will be automatically loaded in the TOSS (Terminal Operations Support System).
3. A single ship window for the industry.
4. System to improve statistical information on shipping industry.
5. An interface between Pilotage System, Berthing System and AS400 invoicing system.

Fiscal Services Limited has indicated that the following systems have been approved for development when funds become available:

1. Ministry of Health Food Importation Notification System (MOHFINS)
2. Food Safety and Prevention of Infestation Notification System

In addition, the existing trade facilitation systems are not complete and require upgrading. Donor funding for this project ended in December 2010. FSL has indicated that, unless

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additional funds are secured, it is unlikely that these systems will be built in the near future.

## Options for ICT systems in the trading community

### **Marine Terminal Systems**

Upgrade the current marine terminal system, TIDEWORKS. For example:

Container Tracking Module - The container tracking module should be upgraded so that port operators know the precise location of the containers in real time at all times.

Consignee/Agents Module – This will allow consignees and agents to track containers from the port of origin and port of final destination using the bill of lading or booking note. This is a web-based system provided by shipping lines and provides real time information which enables the consignee or shipping agent to improve its planning and the receivable process relating to the consignment.

Port Authority/Port Operator Module – This provides real-time inventory management capabilities for container tracking for vessel planning, and container tracking for container yard planning.

Vessel Planning Module – This facilitates better turnaround time of the vessel. It will facilitate active inventory control and complete management of all types of cargo; gate and yard management, efficient receipt and release of cargo, receipt and validation of booking, and tracking of the location of cargo at the port; provides connection between shipping lines, customs brokers and truckers, and updates vessel schedules to improve communications between the parties.

Yard planning Module – This module would allow the port to plan for the arrival of the ship prior to its arrival. It would allow the port operator to receive a stowage plan allowing the port to ensure that equipment needs are met for respective containers. It further enables the port to maximize limited port space by automating container location assignment, as well as manage exception and correction of container location. The yard planning module also allows for traffic control equipment pooling for assignment of cargo moves, real time inventory, clearing docks and berths, vessel location and preparing for berth reports. In addition, this module has a Yard Editor which is a graphic

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model of the container yard defining the layout of storage of all the containers. It also has an advance reporting functionality.

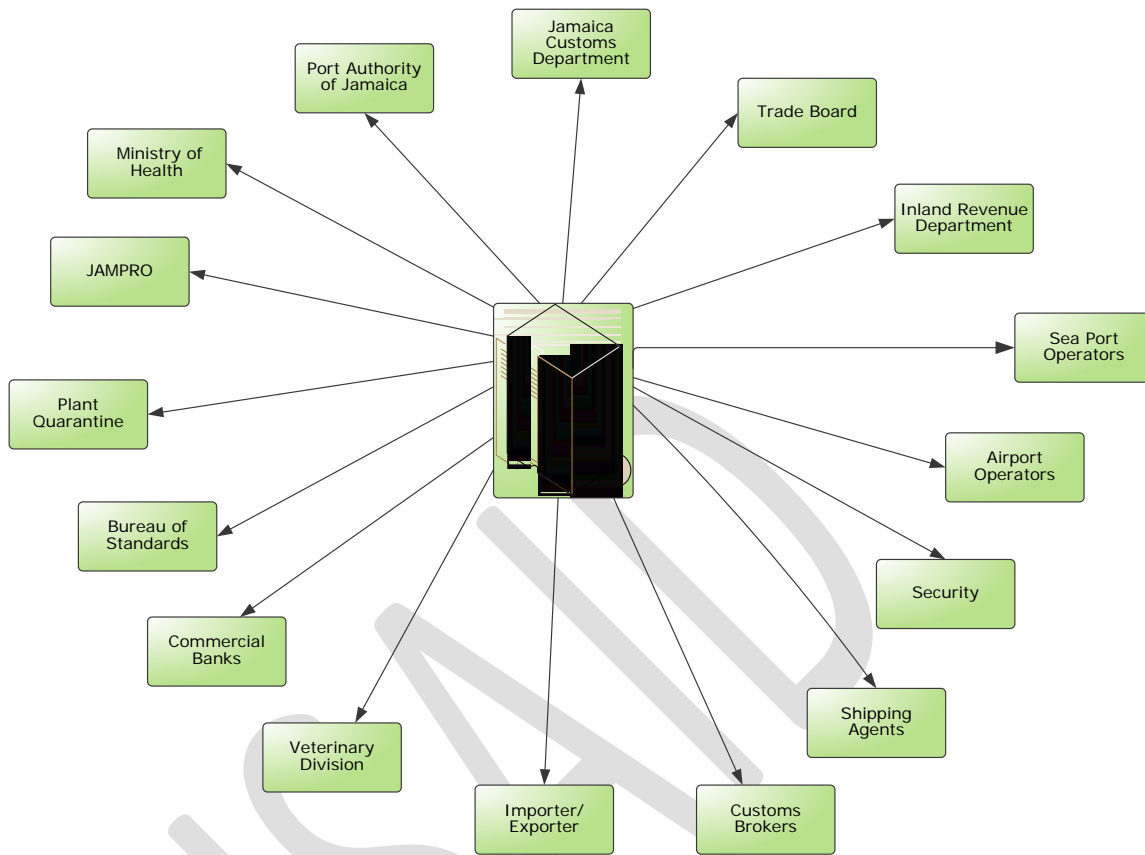
### **Electronic Single Window for Trade**

International trade takes place in a complex environment where scores of stakeholders from both the private and the public sectors collaborate and exchange information in order to ensure that goods are transferred from the point of manufacture to the point of consumption as quickly and reliably as possible.

Efficient exchange of information is critical to ensure an effective and secure supply chain. The challenge therefore is to create an environment where the exchange of information is electronic and seamless, and where intervention by the state – although necessary - is minimized in order not to constitute a barrier to trade.

Although substantial efforts have been undertaken in Jamaica to facilitate trade and to improve the investment climate,, further progress can be achieved with automation. Current trade processes still require a substantial amount of manual exchange of documents such as permits, licenses, release authorizations, etc. Due to the manual transfer of all these documents, the circulation of goods slows down and costs increase.

An electronic system which enables the exchange and integration of data electronically in a secure environment, interconnecting all stakeholders onto a common electronic platform is needed.



The *Single Electronic Window* is a fully comprehensive, e-government solution that provides for an IT community-based system designed to interface with all stakeholders in the trade facilitation domains. It would interconnect existing IT systems so that information entered once does not have to be re-entered nor manually duplicated.

This common platform will electronically interconnect both public and private stakeholders and eliminate administrative bottlenecks in both investment and trade processes thereby reducing the time and costs for establishing and operating a business in Jamaica.

All documents and information required for trade will be lodged at a single entry point. This will allow for the single electronic submission and processing of documentation and issuing of e-permits, e-licenses, e-certificates to persons and entities involved in business registration and investment approval processes, trade, transport, storage and financial

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services. It will also eliminate duplication, reduce the number of documents and document processing time, and streamline the administrative processes.

The United Nations Economic Commission for Europe (UNECE), and the World Customs Organization (WCO) have established recommendations on best practices for the implementation of a single electronic window for trade. It is now generally recognized that the benefits brought from a single electronic window are huge in terms of facilitating trade and improving the business climate.

### Suggestions for Request for Proposal for integrated ICT solution

An assessment of current import and export processes in Jamaica has provided an insight into the trading community's consideration for an integrated automated solution.

It is important and necessary to improve business processes before automating them. This should therefore be contemplated as part of a larger program. Consideration must be given to whether the country prefers an automated business process solution or rather a 'standard' automated solution. Any new system developed should provide the flexibility to meet business needs, both in the near future and over its lifetime, as well as cater to changes in business processes. A methodology should be developed to take into account those business process changes during system development. The system should be developed with business rules and process components that can be extracted into their own 'layers'.

The goal is to build trade capacity in Jamaica by simplifying and standardizing trade procedures. The objectives include:

- Remove bottlenecks in the system
- Eliminate processes that do not add value
- Remove duplicated processes and forms
- Standardize processes in line with international best practices
- Reduce the processing time with automation
- Improve customer service
- Improve revenue collection

The solution is expected to achieve the following:

- Reduce the need to present paper documents to officers at different stages in the customs clearance process

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- Reduce the number of visits made by importers and customs brokers to Customs, port and regulatory agencies, through automation and automatic verification and certification of documents
- Facilitate better coordination and timely scheduling of inspections and examination of cargo by regulatory agencies and Customs
- Facilitate real-time exchange of information between port operators, Customs, shipping agents, brokers, importers and exporters

The proposed integrated solution should incorporate the following three broad areas:

1. Integration of the internal systems and systems across the various trade-related ministries, departments and agencies
2. Automation of processes (business rules and process repositories)
3. Collaboration with external entities such as importers, exporters, brokers, shipping agents, hubs, partners ,etc., for the exchange of information

The solution should be a process-oriented, integrated system rather than a data centric system where the workflows are automated and not merely functional silos that operate in isolation as currently exists. The system should be developed using a case management approach.

More specifically, the solution should include the following functionalities:

1. Full air and sea manifest management
2. Customs declaration distribution
3. Interfacing and management of regulatory agencies issuing import and export licenses and permits and inspections.
4. Interfacing with JAMPRO in relation to exporter registration, etc.
5. Payments of import duties and other taxes through commercial banks with extension to e-payment capability
6. Integrated consignment release process
7. Unique Reference Number management
8. Single Window centralized portal for provision of real-time information, procedures and news bulletins.
9. Real-time tracking and tracing of consignments and movement of vessels and aircraft
10. Interfacing with Tax Department for tax identification number and tax compliance
11. Centralized statistics

The deliverables could include:

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1. High-level overview of e-solution
2. Feasibility study for the integration of various systems and implementing electronic data exchange
3. Detailed business requirements
4. Software selection documentation
5. Hardware and Software specification/design
6. Software development/configuration
7. Software test scripts and results
8. Hardware test scripts and results
9. Integration test scripts and results

Benefits expected:

1. Productivity will be increased at a lower cost
2. Improved business process transparency and compliance thereby reducing corruption
3. Customer service is improved

The new system should link independent applications together so that earlier investment in IT applications will not be wasted.

## SECTION VIII: GENERAL FINDINGS

The following outlines the issues, problems and bottlenecks in the import and export process systems:

1. The customs entry clearance process requires that the broker lodges physical C87 Entry and supporting documents. Seven (7) copies of the C87 entry declaration forms are printed on pre-printed forms which are purchased from a private stationer. This is regarded as a waste of time and paper.

A more detailed document flow analysis is required to determine the number of copies of forms required and then tracking those copies through the system determine time taken, signatures, stamps, cycle and holding times. During this exercise, the need for forms, number of copies and reports should be assessed. Consideration should be given to eliminating forms, particularly those that cost money and that can be filed electronically, as well as to reducing instances of multiple forms going to different persons by perhaps combining forms for all import permits required for a shipment. An exporter could complete one form which is distributed to all agencies involved in the exporter registration process. The information on the form could be transferred electronically to various agencies. Reducing the number of copies of an application or customs entry form should be explored.

2. The Customs clearance process is mired in layers of approvals. The Customs entry form and supporting documents go through many hands, at least twenty-four (24) times. This document is returned to the broker at least eight (8) times. It passes through Customs Officers for vetting or approvals at least ten (10) times and goes to JIEIC at least three (3) times. The port security handles the documents at least three (3) times. At each stage in the process, a stamp or signature is required. The approvals are time consuming and costly, particularly when they take up the time of the broker whose time is valuable. It takes five hours or more as paper documents must be passed from one Customs Officer to another for verification and approval. Integration would eliminate the need for physical documents and stamps and would allow regulatory agencies to better schedule officers to conduct inspections as they would have access to customs declaration.

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3. If there are errors at any stage in the process, the broker may have to go through the time consuming process all over again. For example, for exports, if an entry is lodged and there is an error, the exporter/broker must write a letter stating errors and changes to be made. The broker cannot make changes to the actual documents. The gate will not accept a document with different container numbers and so the broker will have to return to Customs with the entry and letter outlining the corrections to get approval. The broker then returns to port security with the documents.
  
4. It should be noted that the process maps in this report do not focus on cycle times and holding times due to the time that was available to conduct the assessment and the absence of some pertinent details from the initial meetings. Additional work should include looking closely at hold-files and determine what goes in them, how they are used, why they exist and the time frames established for them, if any. During this exercise consideration should be given to reducing cycle times by identifying bottlenecks and actions causing delays to the process.

For example, the manifest must be sent to Customs electronically before the shipment can be manifested. In addition, Customs must find all containers destined for the importer on the manifest before any can be released. If not, the containers found will be released and designated as a short shipment. This process is sometimes delayed when the shipping line has not sent the manifest electronically. The problem noted here is that the shipping line must manually enter all the data on e-manifest system.

Also, during the manifest process for imports, if the container number on the manifest does not correspond to that on the bill of lading, the broker must return to the shipping agent who will complete a C15 Customs form which must be taken back to the Customs to make the amendment on the manifest. The Customs Manifest Officer will however correct minor errors on manifest without the C15 form. When this occurs, the broker must complete another entry form and start the process again.

5. The maps show that information is passed back and forth between departments and the customer at an alarming rate. These hand-offs are hidden in the process but this is quite apparent from the number of times actions cross from department to department or agency to agency in the process. There is

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definitely an opportunity to streamline the physical transfer of the entry and supporting documents.

There are instances when the paperwork transfers from one person to another multiple times, such as from the clerk to the supervisor and back again, or from one department to another such as from Lodgment Section to Risk Management Unit to Invoice Inspector Sections. Verification checks of the same information are conducted by different departments and sometimes by different persons within the departments. When different persons and different departments handle a single piece of paper this causes delays.

6. There are instances where memos or taking physical documents to the head office to facilitate the next stage in the process (as in the case of Bureau of Standards at JIEIC, and at the BOS head office) can be replaced with emails if the officer has access to the necessary equipment (computer, scanner, etc).
7. During the assessment, each department or person involved in the process believed that they were handling their role and function quite efficiently and would refer to receiving documents and handling the processing functions to bring the process to conclusion within a short time. This might be the case but they often completed their task in isolation and passed it on, usually via the broker, who had to physically take the documents to the next stage. The various agencies did not readily identify the connection that some of the work was being handled two or three times. The agencies involved in the import and export process need to recognize the connection with the full process. Further in-depth study is required in this regard.
8. The processes at the various ports are not standardized and so processing times vary at the various ports.
9. Customs brokers indicated varying customs declaration processing times. Some mentioned that the process typically would take two hours while others said that it took about four to five hours or even one day.
10. Some ports such as Montego Bay and other out ports are predominantly manual and paper-based.
11. The export process could take approximately five days.

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- Pre-exportation – 1 to 3 days if certifications from other agencies are not required for exporter registration
  - Entry preparation – 1 day
  - Customs Clearance – 1 day
  - Port Clearance – 1 day
  - Permits and approvals – up to two days for obtaining relevant permits, preparation of entry of entry forms
12. The exporter registration process administered by JAMPRO involves at least six (6) steps. Registration includes inspections and certifications by various regulatory agencies:
- a. JAMPRO - verification
  - b. Bureau of Standards - manufacturing and packaging
  - c. Plant Quarantine - fresh produce
  - d. Fisheries – seafood

This process could be streamlined and JAMPRO is currently implementing a one stop shop for registration; however this still requires the completion of separate applications and approvals by agencies.

13. Tax compliance certificate is required. This could be eliminated if the agencies have access to this information on the tax department's database.
14. Bureau of Standards has access to ICASE as part of the Tradepoint system. This system is not currently used as ICASE runs on tariff codes and there is no filter system based on stipulated parameters. The process is consuming as the Bureau is unable to filter entries that are of interest to them only.

### **Process Issues based on Customer's Experience**

#### **Imports**

- Total time taken is two (2) to three (3) days from the date of notification of shipment by one importer. This time includes container return. However other importers indicated that it could take longer.
- Customs Manifest takes about fifteen minutes at KCT but could take longer at KWL.

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- Biggest delay in the process occurs when the trucker goes to pick up the container for imports. It could take two or more hours. Sometimes there is no one at the Kingston Wharves to load the container on the chassis. At Kingston Wharves, scanning and checking the container could take up to two hours.
- Declarations that contain certain items such as shoes, clothes, etc. must be sent to the Valuation Branch to verify price even if price on the invoice is correct.
- Although Customs promised a turnaround time of 24 hours, the process normally takes one to two days and could take longer (3 days or more) depending on which Invoice Inspector has the entry and who is at work, or whether the entry is sent to the Risk Management Unit or Valuation Unit. If these units are involved, the process could take three to five days or longer. This creates a problem for the importer who has only seven (7) free days at the port. If clearance is delayed by any of the units, the importer must pay the port charges. Sometimes Customs loses the entry and there is a lot of back and forth trying to find the entry. Customs has a disclaimer which states processing time depending on accuracy of documentation.
- Broker makes two trips to Customs if entry is correct. In the case of AEO shipping it usually takes one trip and the broker has 48 hours to make corrections. If there are corrections to be made, the process could involve four trips.
- KCT has a One Stop Shop for inspections (JIEIC) but the challenge is that the entire approval process is not located at JIEIC. At the JIEIC, there is no cashier to collect fees and so the broker has to leave the port to go to the various ministries and departments to pay inspection fees and return to the port. In one instance, the broker had to travel one and a half hours to and from the payment office at Hope Road.
- The Veterinary Division does not conduct inspections after 12 noon as the vets go to other jobs. A lot of time is spent waiting for vets to be available.
- The broker is not usually informed of a site inspection until the time that they arrive at the port. If advance notice is given, the number of visits to the port would be reduced and less time wasted. When informed of a site visit, the broker must return to his office to complete a special form and return to the port.

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## Exports

- For exports, the length of time depends on stuffing times. For example, if the process starts at 11.30a.m., the documents will be processed by 2.30p.m. and the trucker could arrive at the wharf at 4.30p.m. to pick up container.
- If picked up early in the morning, the container could be returned on the same day.
- Document preparation takes about half an hour to one and half hours depending on the clerk at the broker.
- The shipping line normally requires 24-hours notice. The order could then be picked up on the next day.
- The time taken at the port depends on the length of the queue. It could take from a few hours to one day. One problem here is that there is one queue for both large and small exporters and so everyone is in the same queue to pay charges. The large exporter normally takes a longer time than the smaller one.

## **Several drivers or triggers for automation and system integration include:**

- The lack of communication between agencies and understanding of the end-to-end processes by the various agencies performing various parts of import or export processes;
- The current information technology systems are not delivering on expectations and some of the systems need to be completed and integrated. There is a high level of computer usage but it is limited to local or in-house systems;
- Manual processes were automated without consideration for process improvements. The new systems sometimes exacerbate inefficiencies which existed;
- The need for real-time monitoring of transactions by various agencies linked in the trade process;
- The need to reduce processing time;

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- The need for documents/approvals/‘files’ to be accessible by many parties, perhaps, at the same time or within a short space of time;
- The ports, customs, brokers, importers, shipping agents and hauliers all have their own processes which are linked and the output of one provides the input of another;
- The need for timely exchange of information which could be achieved electronically, thereby reducing the need for a number of official stamps and signatures on one document (for example, the Customs Entry form) by various agencies involved in the clearance process;
- The need to increase the visibility of processes across agencies from an end-to-end perspective;
- The need for process standardization at the ports;
- Process efficiency within one agency or department dictates speed of other processes as one agency’s output (signature, stamp, receipt etc.) provides the input to initiate the process of the other;
- There is little electronic transfer of information across users apart from those with access to the CASE system. Only four (4) agencies are integrated with CASE and two others have the capability to integrate. The regulatory agencies are not integrated with each other;
- Risk assessment methodologies are practiced by the Customs Department but the exchange of information with stakeholders is not necessarily conveyed on a timely basis;
- Lack of timely information on containers to be stripped or scheduled for site inspection causes problems with scheduling of inspectors from the regulatory agencies which often causes additional delays for port and site inspections and clearance;
- The import process is still predominantly paper-based. Paper documents are required for processing. The customs declaration form, trans-shipment bill and e-

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manifests are submitted electronically. However the process does not begin until physical documents with the same information are lodged at Customs. In addition, although applications for import permits are submitted online, permits must be collected physically from the agencies.

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## SECTION IX: SUGGESTED NEXT STEPS

	ACTIVITY	DETAILS	TIMEFRAME (TBD)
1	<b>Finalize Report</b>	Follow-up meetings with stakeholders/process owners to review maps to ensure that understanding of the processes is correct Validation Workshop	
2	<b>Trade Process Improvements</b>	<ol style="list-style-type: none"> <li>1. Detail Process Mapping of each agency to be integrated and which form part of the program. This would include detailed workflow procedures as they relate to the forms and determination of business rules for developing an IT system</li> <li>2. Process gap analysis</li> <li>3. List priority areas for process improvements</li> <li>4. Develop initial process requirements for new models and systems</li> <li>5. Develop Project Plan for Process Improvement Phase</li> </ol> <p>Develop new process models and documentation</p>	
3	<b>Automation/E-system</b>	Develop RFP for new ICT system Select vendor Contract developer/purchase solution Development/Customization of E-system Implementation	
4	<b>Develop and implement a practical and realistic Trade Facilitation Reform Agenda.</b>	Plan of action for implementing process improvements, automated solutions and necessary legislative and policy changes.	
5	<b>Establish governance structure for development and implementation of program</b>	Trade Facilitation Public Private Partnership (TCSP - Advisory Council); Trade Facilitation Taskforce; GOJ	

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		agencies	
6	<b>Develop National Program for Automation and Integration of Trade Processes</b>	Diagnostic Studies; Reform Proposal and Implementation	

## 1. Finalize Report

The report provides an assessment of the procedural steps with some general recommendations. A specific recommendation for simplification and elimination of steps that do not add value or are redundant is needed. This requires working with each agency on a one-to-one basis to apply a guillotine approach to process streamlining. Once the new procedures are identified, a gap analysis should be conducted and new procedures implemented with the understanding that the new system will be automated. Additional areas of research should be identified.

In the immediate future, the following is recommended:

- Follow-up meetings with stakeholders/process owners to review maps to ensure that understanding of the processes is correct
- Validation Workshop

## 2. Trade Process Improvements:

- a. Detail Process Mapping of each agency to be integrated and which form part of the program. This would include detailed workflow procedures as they relate to the forms and determination of business rules for developing an IT system
- b. Process gap analysis
- c. List priority areas for process improvements
- d. Develop initial process requirements for new models and systems
- e. Develop Project Plan for Process Improvement Phase
- f. Develop new process models and documentation

## 3. Automation/E-system

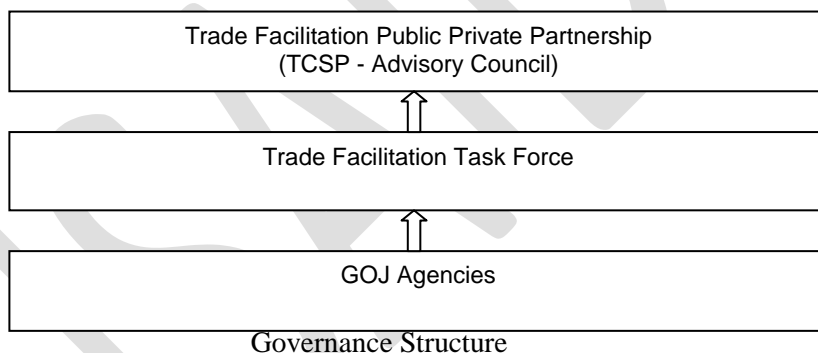
- a. Develop RFP for new ICT system
- b. Select vendor
- c. Contract developer/purchase solution
- d. Development/Customization of E-system
- e. Implementation

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**4. Develop and implement a practical and realistic Trade Facilitation Reform Agenda.**

This should form part of the National Program and based on recent diagnostic assessments and recommendations and an established budget if possible. This should be evolving and synchronized with the priority areas for reform. The program would develop a plan of action for implementing business process improvements, automated solutions and necessary legislative and policy changes. It should include the reduction in fees, application forms, steps and duplication of information and documentation. A cross-agency understanding of the entire trade facilitation process and improved process flow can be worked into the system.

**5. Establish governance structure for development and implementation of program**



The Trade Community System Partnership (TCSP) may form a high-level Steering Committee, to include critical participation by Government of Jamaica (GOJ) partner Ministries and agencies, to oversee the implementation of this Program. Government of Jamaica agencies and other committees to include Jamaica Trade Point Steering Committee, a public-private sector partnership which was established to implement a system to integrate the various trade-related agencies, can assist the reform process by ensuring that the technical partners are fully involved in the implementation of this Program. High level technical officers of partner ministries should comprise a Trade Facilitation Taskforce which would comprise a working team. Each member would be given specific tasks to perform and would therefore need to devote some time to the program, particularly in the initial design stage. Detailed terms of reference should be drafted.

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**6. Develop National Program for Process Improvement and Automation and Integration of Trade Processes**

This program should include Diagnostic Studies; Reform Proposal and Implementation.

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## SECTION X: CONTRIBUTORS

1. The Shipping Association of Jamaica
2. JAMPRO
3. Maritime & Transport Services
4. Kingston Wharves Limited
5. Port Authority of Jamaica
6. KCT Services Limited – Terminal Operations
7. Kingston Wharves Limited – Terminal Operations
8. Jamaica Customs- Customs House
9. Jamaica Customs – Kingston Container Terminal
10. Jamaica Customs – Kingston Wharves Limited
11. Jamaica Customs, Montego Bay
12. Turnel Shipping Services – Montego Bay
13. Paulette Watt Customs Broker – Montego Bay
14. Caribbean Freight Forwarders Limited
15. AJAS Cargo Handlers, Norman Manley Airport
16. J B Waugh Customs Broker
17. Boss Furniture
18. J. Wray & Nephew
19. Plant Quarantine Division, Ministry of Agriculture
20. Trade Board, Ministry of Industry, Investment and Commerce
21. Veterinary Services Division, Ministry of Health
22. Bureau of Standards, Ministry of Industry, Investment and Commerce
23. Food Storage and Prevention of Food Infestation Unit
24. Fiscal Services Limited

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