

3.4. COMMERCIAL PRACTICES.

3.4.1. IMPORT REGULATIONS AND DUTIES.

Since Venezuela's accession to GATT at the end of 1991, the Government introduced a new policy of gradually lowering import duties and eliminating import restrictions for all kind of food goods and other products.

The current applicable customs tariff schedule is as follows:

- a) Legal classification of products is based on the "NANDINA" system tariff code number for each product according to its category.
- b) There is an Ad-Valorem Duty that goes from 5.0% up to 40.0%. Import tax paid by product entering the country under the General Treatment policy, as a percentage of its cost. There is an additional 5.0% customs service tax.
- c) Since end of 1993 a Value Added Tax (VAT) of 10.0 percent was introduced to all kind of goods and services involved on the production and distribution chain.
- d) A new tax is supposed to be implemented on deluxe deli goods.

3.4.2. QUALITY STANDARDS.

Imported food goods should be accompanied by a certificate of health, issued by a recognized authority, and must comply with local phytosanitary regulations on quality standards (similar to those in Canada).

Food goods arriving in Venezuela are detained (a maximum of 24 hours), until passed by the Department of Health and Customs inspectors, with the assurance that the product is of acceptable quality for human consumption.

3.4.3. PACKAGING.

Packaging materials must be safe and hygienic to preserve the quality of the imported food goods in a container and on shelf space. Traders dislike to handle heavy packages in outlets (12 to 15 kilograms).

There are no specifications or regulations on label design, as long as they