Import Duties

Most imports entering the country are subject to import duties. Since 1993, these duties have been gradually reduced to between 5% and 35%, and by 1998 will be reduced to between 5% and 20%, and eventually phased out completely. With the adoption of more liberal trade policies since 1993, restrictions on most imports (with the exception of firearms, ammunition, and drugs) have been removed. The various duties imposed on imported goods are:

1. *Customs Duties:* As a member of CARICOM (Caribbean Common Market), Trinidad and Tobago is a signatory to the Common External Tariff (CET), which provides a regional tariff structure on imports originating outside the Caricom member region.

1. *Excise Tax:* Excise tax applies to petroleum products, tobacco, and alcoholic beverages.

1. *Import Surcharge:* A surcharge ranging from 35% to 50% is applied to imports which previously qualified for the government's now defunct negative list. It was intended as a temporary measure to protect local industry, and has been removed from most goods except certain agricultural commodities.

1. *Value-added Tax:* A 15% value-added tax is added to standard-rated imports; however, many basic commodities are zero-rated (0%).

Documentation Procedures

The required documents to import goods into the country are a supplier invoice, a certificate of origin, a bill of lading, shipping documents, a declaration of value, and, if required, an import license. All duties must be paid before the goods are released.

Terms of Payment

Terms of payment should be by confirmed letter of credit, sight draft against payment on arrival of shipment, or 90-120 day credit terms. The Commercial Division of the Canadian High Commission can assist exporters in determining a buyer's ability to honour their commitments.

Distribution and Sales Channels

When marketing products in Trinidad and Tobago, Canadian exporters are advised to use the services of a local agent, distributor or trading house. Establishing a local agent can be favourable to a foreign supplier because he or she facilitates rapid contact with the buyer. State agencies also prefer to deal with local firms that represent foreign exporters. Canadian firms wishing to enter into agency agreements with local firms are reminded that they should seek advice from the Canadian Trade Commissioner service about prospective local agents and distributors.