



## **NEWS RELEASE**

**MINISTRY OF FINANCE, PLANNING, ECONOMY, ENERGY & COOPERATIVES**

**Email: [financegrenada@gmail.com](mailto:financegrenada@gmail.com)**

**Website: [www.gov.gd](http://www.gov.gd) Phone: 1-473-435-0057 or 1-473-440-2731/4**

**Fax: 1- 473-440-4115**

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### **2012 DUTY FREE BARREL PROGRAMME TO BEGIN IN NOVEMBER**

**ST. GEORGE'S GRENADA, Wednesday, October 24, 2012:**For the fifth (5<sup>th</sup>) consecutive year, the Government of Grenada will roll out its *Duty Free Barrel Programme* for the Christmas Season. This year's programme will run from November 1<sup>st</sup> to December 31<sup>st</sup>, 2012.

As in previous years, under this initiative, each household in Grenada has the opportunity to bring in a maximum of two (2) barrels, including boxes, crates and cartons of equivalent size to a regular barrel, containing foodstuff, clothing, toiletries and toys, without having to pay customs duties and taxes, customs service charge and stamp duty to clear the barrels.

In speaking of this initiative, the Minister of Finance said: *"This programme is a 'Christmas gift' to our people. As we have said in the past, the intention of the programme is to ease the burden on all households, especially the poor and vulnerable. Notwithstanding the adverse impact of this initiative on Government's revenue, the Government feels this programme is still necessary at this time, given the relatively high cost of food and slow economic recovery."*

Based on Customs data for the past four years, over 9,000 households have benefited from the programme each year.

The 2012 Programme will be informed by the following guidelines:

1. **Household Limit:** Each household in Grenada will be entitled to a maximum of two (2) duty-free barrels during the implementation period. Boxes, crates and cartons of equivalent size to a regular barrel will also be eligible.
2. **Definition of Household:** For this initiative, a household would be a family (nuclear or extended) living together. At the time of application, the person clearing the barrel will be required to complete a form giving information about name, number of persons in his or her household and other relevant information. A piece of photo-identification will also be required.

Furthermore, persons will have to sign a declaration that the information is correct. Persons who give false information will be subject to fine and prosecution under the Customs Act.



3. **Composition of the Barrels:** It is customary for Grenadians to import what Customs calls "foodstuff barrels". As the name suggests, these barrels primarily contain foodstuff. However, it is not unusual for them to have articles of clothing, toiletries and toys.

The Customs Department will use the same rule to process barrels under this initiative.

The exemption will not apply to appliances and electronics. If these are found in the barrels, the regular duties and taxes will be assessed.

Customs reserves the right to examine each barrel and determine if it is for household or commercial use. For example, a barrel that has more clothes than food will be assessed as a clothing barrel or even a barrel for commercial purposes depending on its composition.

4. **Exemption:** Government will exempt all customs duties and taxes, customs service charge and stamp duty on eligible barrels. In short, all government taxes and charges will be removed. However, Recipients of barrels will be required to pay charges assessed by private warehouses and the Grenada Ports Authority.
5. **Concerns from the Public:** This Government is committed to a process of ongoing consultation with the People. In this regard, we seek the support of the media to publish these guidelines. Feedback from the public can be sent to email address: [financegrenada@gmail.com](mailto:financegrenada@gmail.com). Persons may also call (473)435-0057 or send a note addressed to the Corporate Communications Officer, Ministry of Finance.
6. **Implementation Period:** The programme will commence on November 01, 2012 and will end on December 31, 2012. This means foodstuff barrels arriving in Grenada on or after November 01, 2012 and on or before December 31, 2012 will be eligible for the concession, up to a maximum of two barrels per household. **No extensions will be given beyond the December 31<sup>st</sup> deadline.**

From this initiative, Government anticipates that revenue foregone will be approximately EC\$1.0 million.

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Petra Charles - Joseph  
Corporate Communications Officer  
Ministry of Finance, Planning, Economy, Energy & Cooperatives  
The Carenage, St. George's  
Grenada  
Tel: (473) 435-0057; 440-2731/4 ext 1108  
Fax: (473) 440-4115  
[Email:financegrenada@gmail.com](mailto:financegrenada@gmail.com)