

BCCI

Recommendations from Retail and Distribution sector at National Consultation on June 17, 2008

Energy

1. Arrange a consultation between BL&P, government and Private Sector to explore ways to reduce electricity usage and a method for selling electricity generated by solar and wind back to the grid.
2. Provide tax incentives to encourage adoption of “green technology” and more efficient air conditioners, freezers and other appliances.
3. Reduce excise tax on electricity used for commercial activities.
4. Provide a clear energy savings policy and identify a source to advise businesses /consumers on energy saving.

Shipping/Freight

1. Stimulate exports so that import freight rates do not have to cover the full cost of importing full containers and exporting empty ones.
2. Arrange a discussion at the regional level between other private sector agencies and shipping companies to explore what can be done to reduce freight costs to the region.

Duties and Taxes

1. Review bound rates and surtax (ex Part 1, Schedule B Customs Tariff) and reduce them where there is no local production (diabetic jams) and consider whether (in the case where there is local production) the current rate is still at the correct level. This must be done in conjunction with the Barbados Manufacturing Association.
2. Charge duty only on the FOB price – ie. Do not compute duty on inland or ocean freight. This would minimize the escalating cost of freight charges and also encourage importers to source goods from countries which may be more distant but whose prices are lower

Duty Free scheme

1. Make the qualifying criteria more conducive to encouraging small and medium sized enterprises to be part of this scheme to promote sustainable entrepreneurial culture, destination competitiveness and increasing visitor spend.

2. Allow nationals to purchase at duty free prices if payment is made with foreign currency in the context of an previously enunciated national policy resulting in retaining foreign exchange and mitigating abuse concerns of existing system.

Creating a more enabling environment

1. Make the IADB study on “Logistics and Trade Facilitation” widely available so that there can be meaningful debate and agreement on how to implement agreed recommendations within agreed time frames.
2. Simplify the customs import process by eliminating the yellow lane except for transactions where certification by customs is essential. (As it currently stands, this is a major impediment to the import process. A red lane entry will be processed much more efficiently even though it includes not only the documentary inspection called for by a yellow lane but also a physical inspection.)
3. Since most yellow lanes are routed to red lanes after documentary inspection, it is suggested that any goods not given a green lane be given a red lane from the outset.
4. In addition, green lane entries are co-mingled with red lane entries by the Entry Processing Unit *negating* the objective of expediting the processing of documents.
5. Green lane shipments, *ipso facto* should be exempt from having customs seals placed on exiting the Port and the Customs legislation should be modified appropriately.
6. Standardize the goods release procedure so that container releases have the same, more efficient procedure given to less than container load cargo. (This recommendation was submitted in more *detail* to the Ministry of Economic Affairs).
7. Eliminate the requirement to secure import licences on a wide range of items based on critical analysis. This process adds to the time and cost of imports and, since this information is already available from Customs. This licensing process is not useful or necessary. The Barbados Chamber of Commerce will submit more detail in relation to this recommendation.

Build more trust between the Private Sector, government and consumer agencies

1. Have more regular dialogue and information sharing between all sectors in a structured format
2. invite the private sector agencies to be represented on the sub-committee established to address the cost of living for meaningful dialogue and development of constructive solutions for private sector and government
3. Devise a confidential but voluntary mechanism so that identified persons in the Ministry of Commerce can see the books of participating retailers and distributors
Include consumer groups in national discussions on prices

General

1. have dialogue on how to cultivate an entrepreneurial spirit in Barbados and the challenges and successes of running a successful business. Consider short term attachments incentives, e.g. from 'training levy' funds accrued
2. more dialogue needed on a tri-partite basis on how to enhance the national productivity and efficiency
3. Reduce or waive duties on re-usable shopping bags to encourage more use and to reduce waste and instill a culture of environmental appreciation and care.at all levels
4. develop a robust environmental policy to support the need for recycling and better management of resources