



# STANDARD INTERPRETATION GUIDELINE 2018 - 21

## CUSTOMS CONCESSION- CODE 268

### COMPANIES OR ENTITIES INVOLVED IN BEEKEEPING INDUSTRY

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This Standard Interpretation Guideline ('SIG') sets out Fiji Revenue and Customs Service's ("FRCS") policy and operational practice in relation to the Customs Concessions granted for Companies and Entities involved in the Beekeeping Industry under Concession Code 268.

It is issued with the authority of the Chief Executive Officer ("CEO") of FRCS.

All legislative references in this SIG are to the *Customs Tariff Act ("CTA") 1986* (unless otherwise stated).

This SIG is in effect from 13<sup>TH</sup> June, 2018 and may need to be reviewed in the event of any relevant legislative amendments.

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## EXECUTIVE SUMMARY

1. Even though small businesses do not catch the limelight frequently, they do collectively make up a large portion of the Fijian Business Economy. The government realizes that and continues to offer attractive incentives to the Small and Micro Sector.
2. Under this initiative, the Bee Keeping Industry is accorded customs duty through Concession Code 268 of the Customs Tariff. The bee keeping in Fiji has thrived in the recent years and currently exporting honey to overseas while sufficiently fulfilling the domestic demand.
3. While the legislative provisions are set out in the CTA, the players in the industry need to be very clear in terms of the administration and the application of the law.
4. This SIG therefore, sets out the CEO's official position on the application of Customs Concession, Code 268.
5. The SIG relates to the list of goods, persons and bodies that can qualify for duty concession under Code 268 to Part III of the Customs Tariff.

## INTRODUCTION

6. The purpose of this SIG is to provide clarity and certainty to the application of the provisions under Code 268. The pre-requisites to qualify test rules and the entitlements under the code are discussed.
7. This SIG will also serve as a checklist to the applicants to self-assess their eligibility.
8. Furthermore, it will ensure that there is a uniformed approach to the processing of applications under this provision.

## LEGISLATIVE PROVISION

Code	Owner	Goods Eligible	Fiscal	Import Excise	Vat	Condition	Authority
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
268	Companies or entities involved in Beekeeping Industry.	(i) Bee-keeping machines. (ii) Bee suits. (iii) Hot water baths for re-melting honey combs including those with pressing screws. (iv) Bee hives. (v) Centrifugal honey extractors. (vi) Bee wax. (vii) Bee smoker.	Free	Free	9%	(a) That the goods are solely to be used in the beekeeping industry. (b) That the goods are not for sale and are to be used exclusively for purposes for which the concession is granted. (c) That the disposal or use of the goods for the purpose other than that	The person approved by the CEO
		(xi) Queen bee grafting kits. (xii) Queen cell cups. (xiii) Honey gates and plastic leather hand gloves. (xiv) Honey refractometer. (xv) Frame wires. (xvi) Sticky boards. (xvii) Queen extruders.					

	(viii) Hive tool.	xviii) Bees	escape				for which the concession is granted be subject to the conditions laid down in Section 17 of the CTA.
	(ix) Uncapping standard capping scratches.	knife- electrical	boards.	(xix) Bee full depth frames.			
	(x) Bee brush.						

**GOVERNING CONDITIONS**

- 9. The concession is to be claimed on the imported goods and goods cleared from ex-bond warehouses by the person or body specified in column (2).
- 10. The goods are of a kind relating to a name or description specified in column (3).
- 11. All conditions specified in column (7) and any other conditions that may be specified by the CEO are to be fulfilled.
- 12. When any conditions affecting the goods is not fulfilled after the goods leave Customs Control, the CEO may disallow the concession and collect the duty applicable under Part 1. Further action may also be taken such as penalties and/or compounding.

**QUALIFYING CRITERIA AND CONDITIONS**

- 13. For the purpose of Code 268, “Companies or entities involved in Beekeeping Industry” shall mean businesses or entities that are registered to operate as beekeepers or bee farmers.
- 14. The registration documents and support letter from the Ministry of Agriculture may be required for verification purposes.
- 15. Beekeeping (apiculture) is the process of maintaining bee colonies in artificial hives for purposes such as ensuring the large and healthy honeybee population that leads to maximum extraction of nectar (honey).
- 16. Some entities may engage in beekeeping for the purpose of raising honeybee livestock and producing other honeybee substances. The output of this sector is not necessarily honey.
- 17. The goods eligible for this concession are listed in column (3) and have been identified as essential for beekeeping.
- 18. The formal clearance of goods shall be undertaken at the port of arrival as per the conditions of Code 268.
- 19. Specialised machinery, equipment and inputs used for beekeeping that are not included under Code 268 may be considered for duty concession under Item 4 of Standing Section 10 provided that the applicant meets all the criteria specified in this provision.
- 20. To apply for concession under Item 4 of the Standing Section 10, the following documents are to be submitted:

- Application letter;
- Company Registration;
- Support letter from the Ministry of Agriculture (MOA);
- Invoice of items imported.

21. Upon receipt of the applications, FRCS in accordance with the conditions of Item 4 of Standing Section 10 will assess the request and may seek further information or documentation during the process.
22. The Single Administrative Document (SAD) has to be lodged along with other mandatory documentations such as the Invoice, Bill of Lading/Air Way Bill, C45 Form (Declaration of Sale Document), Packing List (where required) and other documents relevant to the consignment (concession declaration, import licence, concession approval letters etc.) for clearance of the goods.
23. If the goods cleared under this provision are used for purposes other than for which the duty concession was granted, the company shall be investigated and penalized accordingly.
24. If there is any element of doubt or suspicion, the Investigation, Compliance, Intelligence Division (ICI) or the Enforcement & Monitoring Unit can be consulted.
25. Furthermore, import data is to be obtained from the ASYCUDA system for verification or confirmation.
26. For any other clarifications you may contact the Tariff and Trade team on [FICS-SuvaTariff&Trade@frcs.org.fj](mailto:FICS-SuvaTariff&Trade@frcs.org.fj).