



REVENUE MEASURES INTRODUCED IN THE COVID-19 RESPONSE BUDGET

1. The Fiji Revenue & Customs Service – Customs measures introduced in the 2020 Budget Address are contained in Bills amending the Customs Act 1986 and the Customs Tariff Act.
2. The duty rates and other changes relating to the Customs Tariff Act shall apply to goods arriving for the first time in Fiji by ship or aircraft effective Friday 27 March 2020.
3. The duty rates shall also apply for goods removed for home consumption from Bonded Warehouses, Bonded Tanks, Inland Freight Stations (IFS) (un-cleared cargo), Consul Freight Station (CFS), Tax Free Regions, Excise factories and all un-cleared cargo effective Friday 27 March 2020.
4. Even with the most updated and planned healthcare in any country, with the outbreak of any diseases or virus which is declared as pandemic or epidemic by the World Health Organization and the Government of the country, it becomes a priority for the government of the day to ensure its citizens have the necessary medical/healthcare services that is required during outbreaks. These outbreaks of disease and virus cannot be pre-planned and sometimes requires specific items to ensure the containment and treatment of such. While the hospitals have all the necessary equipment and facilities to treat their patients, the sudden influx in numbers may become a cause of concern and the required facilities will need to be setup as quickly as possible. To ensure continuity of good medical/healthcare to all the citizens of the country, a concession is being made available to a company, entity or an individual to import listed goods that are required to curb, contain and treat the outbreak of such diseases or viruses.
5. To ensure adequate supply of these health and medical care goods, the Government is reducing the fiscal duty on items which are essential in the containment and treatment of COVID-19. In addition, for ease of doing business and reducing the red tapes to encourage companies, entities and individuals to import the required items, there is also an exemption of Import Value Added Tax (VAT) on the importation of goods related to COVID-19.
6. The duty and VAT exemption will be valid for a period as determined by the Government and until this virus is phased out.
7. It is important that items which contribute to hygiene and assists in the prevention of COVID – 19 such as masks, hand sanitizers, gloves, disinfectant wipes and anti-bacterial hand wash are available to each individual in our country at an affordable price. This reduction of duty and taxes will ensure that adequate supply is imported and available for the citizens of Fiji in this time of need. Protective equipment such as surgical/medical gowns, protective medical footwear, gas masks, disposable hair nets, medical goggles & spectacles and plastic face shields are some other items on which fiscal duty and VAT has been exempted. These items are essential goods that are required by our Health and Medical providers so that they are better able to assist the people of this country in such medical emergencies.

8. Other medical items that may be required for this purpose has also been considered for exemption of fiscal duty and VAT. Furthermore, VAT is also exempt on the importation of medicaments (Chapter 30) into the country.
9. Importers will need to ensure that the concessions granted are appropriately reflected in the price of their goods.
10. Duty concession on the importation of ethanol is specifically for companies who are involved in the production of hand sanitizers. The company is required to obtain the necessary concession approvals from FRCS before the importation of ethanol into the country.
11. Furthermore, fiscal duty on fuel (diesel & unleaded) has been increased by 20c per liter.
12. Given the current economic slowdown due to the coronavirus disease (COVID-19), importers are facing difficulties in securing potential buyers or export markets for their goods and are therefore unable to clear the goods from the bonded warehouses within the stipulated time frame. Therefore, Section 52 of the Customs Act has been amended to facilitate the period of warehousing on all goods from 6 months to 12 months. This amendment also allows the goods to be re-warehoused for a further extended period determined by the Comptroller.
13. The changes to the Customs Act and Customs Tariff Act announced in the COVID 19 Response Budget Address is reflected in the attached Bills.

Queries and Clarifications

Any queries on this public circular can be directed to the following Chief Customs Officers (Revenue) at our ports of entry.

<p>Sharmila Sharma Chief Customs Officer – Suva Ph. 324-3850 Email: ssharma001@frcs.org.fj</p>	<p>Marika Vuniyayawa Chief Customs Officer – Nadi Ph. 673-4359 Email: mvuniyayawa@frcs.org.fj</p>	<p>Mahendra Keshwan Chief Customs Officer – Lautoka Ph. 662-6662 Email: mkeshwan@frcs.org.fj</p>
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Any further clarification or queries may be referred to the:

A/Deputy Director Revenue (Customs) – Shelini Kumar
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Ms. Fane W. Vave
ACTING CHIEF EXECUTIVE OFFICER
26th March 2020