



## **STANDARD INTERPRETATION GUIDELINE 2020-41**

### **CUSTOMS CONCESSION- CODE 257 - HYDROPONIC AND GREENHOUSE FARMING**

This Standard Interpretation Guideline ('SIG') sets out Fiji Revenue and Customs Service's ('FRCS') policy and operational practice in relation to the Customs Concession code 257 granted to approved Companies or entities involved in the importation of hydroponic and greenhouse goods and accessories specifically used for hydroponic and greenhouse farming.

It is issued with the authority of the Comptroller of Customs, who is also 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 18 July 2020 and may need to be reviewed in the event of any relevant legislative amendments.

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**PURPOSE**

1. The purpose of this SIG is to provide clarity and certainty on the application of the Concession Code 257 of Part 3 of the Customs Tariff Act 1986.

**INTRODUCTION**

2. Concession code 257 is available to approved companies and entities on the importation of goods and accessories specifically used for hydroponic and greenhouse farming. An approved company or entity is approved by the Comptroller of Customs under the Customs Act.
3. This SIG will discuss in detail the governing conditions which must be satisfied in order to qualify for this code.
4. This SIG may also serve as a checklist to the applicant to self-assess their eligibility.
5. Furthermore, this SIG is binding on all FRCS Customs Officers to ensure that there is a uniformed approach to the processing of applications under this concession code

**LEGISLATIVE ANALYSIS**

6. Concession Code 257 provides the legislative basis for concession granted to the approved Companies or entities involved in the importation of goods and accessories specifically used for hydroponic and greenhouse farming
7. The concession is applicable on the importation goods and accessories specifically used for hydroponic and greenhouse farming.
8. Below is an extract of the concession code table relating to Code 257

Code No.	Persons or Bodies	Goods Eligible for Duty Concession	Import Duty			Conditions	Certificate
			Fiscal	Excise	VAT		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
257	Companies or entities involved in the importation of hydroponic and greenhouse goods	Goods and accessories specifically used for hydroponic and greenhouse farming	Free	Free	9%	That the concession is reflected in the price of the goods when imported for retail sale.	The person approved by the Comptroller

**GOVERNING CONDITIONS**

9. In addition to the above, the Comptroller provides that the application of the concessionary rates of import duty under Concession Code 257 is governed by the following:
  - a. that the concession is claimed *at the time of importation or at the time of clearance from bonded warehouses* by the approved companies or entities involved in the importation of hydroponic and greenhouse goods;
  - b. that, where applicable, the goods are of a kind answering to a name or description specified in Column (3), goods and accessories specifically used for hydroponic and greenhouse farming.

- c. that any condition in Column (7) specifying the use of the goods, shall be taken, inter alia, to limit such goods to the type, kind or quantity suitable for such uses;
- d. that all conditions specified in Column (7) and any additional conditions that may be specified by the Comptroller are fulfilled, provided that:
  - i. when any condition affecting the goods is not fulfilled after the goods leave Customs control, the Comptroller may disallow the concession and collect the rate of duty applicable under Part 1; and
  - ii. such collection shall not affect the powers under any other law for the time being in force.

#### **QUALIFYING CRITERIA AND CONDITIONS**

- 10. The applicant is required to submit a written application to the CEO providing details such as the Company Registration, Foreign Investment Registration Certificate (if foreign shareholders), location of the business.
- 11. Details and specifications, list of the goods that are required and will be directly used in the hydroponic and greenhouse farming need to be provided with the application.
- 12. Once the assessment process is finalized, the applicant will be formally advised of the decision from the Comptroller.
- 13. The disposal or use of approved goods in column (3) for the purposes other than that for which the concession is granted are subject to the conditions as provided for in Section 17 of the Customs Tariff Act 1986. Under Section 17, goods are liable for duty at any time within five years from the date of importation if the goods under concession are disposed of or used for any purpose other than that for which the concession is granted
- 14. For any other clarifications you may contact the FRCS TIPU team on [tipu.techs@frcs.org.fj](mailto:tipu.techs@frcs.org.fj)