



# Grain Trade Policy

August 23, 2004

## Jamaica

### Summary

Jamaica is an importer of grains, the majority of which is imported from the United States. According to official U.S. export data, Jamaican grain imports from the United States were valued at more than \$64 million in 2003, a 9 percent increase over the previous year. Wheat accounts for 40 percent of U.S. grain exports to Jamaica, where it competes against Canada for market share. U.S. exports of rice to Jamaica grew 65 percent in 2003. Like the rest of the Caribbean Community, the Jamaican rice market is highly influenced by regional politics. Under the CARICOM Agreement, bulk/unpackaged rice from Guyana is allowed to dominate the Jamaican market. Paddy rice from the United States is imported into Jamaica under a quota system. However, US rice competes favorably in the more liberalized packaged rice segment of the market.

### Market Access

#### Tariff Regime

A decade ago, the government of Jamaica (GOJ) began implementing the CARICOM Common External Tariff (CET). Under the CET, "non-sensitive" goods that are produced within CARICOM that meet Rules of Origin requirements are exempted from import duties. Grains originating outside of CARICOM face the CET, and in some cases, an Additional Stamp Duty. A Standard Compliance Fee (SCF) and a Customs User Fee are charged on almost all grains.

**Jamaican Grain Tariffs**

H.S. #	Description	CET <sup>1</sup>	ASD <sup>2</sup>	GCT <sup>3</sup>	SCF <sup>4</sup>	CUF <sup>5</sup>
1001	Wheat	17.3%	N/A	15%	0.03%	2%
1003	Barley	Free	70%	15%	0.03%	2%
1005	Maize	Free	70%	15%	0.03%	2%
1007.0010	Grain Sorghum, seed	17.3%	N/A	15%	0.03%	2%
1007.0090	Grain Sorghum, other	57.3%	N/A	15%	0.03%	2%
1006.2010	Rice, white for retail	25%	N/A	15%	0.03%	2%

<sup>1</sup> Common External Tariff

<sup>2</sup> Additional Stamp Duty

<sup>3</sup> General Consumption Tax (applied to imports & domestic production)

<sup>4</sup> Standard Compliance Fee (collected on behalf of the Bureau of Standards)

<sup>5</sup> Customs User Fee

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## **Bilateral Agreements with the United States**

Jamaica enjoys preferential arrangements with the United States under the Caribbean Trade Partnership Act and Caribbean Basin Economic Recovery Act.

## **U.S. Non-Party Agreements**

Jamaica also enjoys preferential arrangements with the European Union under the Cotonou Agreements, with Canada under CARIBCAN and with other Caribbean states under the CARICOM Agreement. Independent of CARICOM, Jamaica has entered bilateral trade agreement with Turkey, Mexico, Colombia and Indonesia.

Jamaica's priorities in trade agreements are in finalizing the CARICOM Single Market and Economy by 2005, expanding regional trade relations in the Association of Caribbean States (ACS), strengthening bilateral agreements with Caribbean Basin Countries (Colombia, Venezuela, Cuba, Dominican Republic) and Participating in the FTAA process. The recent signing of a CARICOM - Costa Rica Free Trade Agreement is hailed as the genesis of a CARICOM-Central America Free Trade Agreement. It is generally felt that a CARICOM-Central America Free Trade Agreement could establish a collective platform for negotiations in multilateral agreements.

In order to facilitate access to cheaper imports and to encourage foreign direct investment, Jamaica is actively pursuing bilateral trade and development cooperation with Asian countries, particularly Japan, China, Malaysia and Indonesia.

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