



SAINT LUCIA

**GOVERNMENT OF SAINT LUCIA**  
**Ministry of Commerce, Manufacturing, Business Development,**  
**Cooperatives and Consumer Affairs**

*Communications on this subject  
Should be addressed to:*

*Fourth Floor, Heraldine Rock Building  
Waterfront, Castries  
Saint Lucia*

**THE MINISTER**

May 03, 2022

Mr. Brian Louisy,  
Executive Director,  
Saint Lucia Chamber of Commerce, Industry and Agriculture  
PO Box 482  
The Orange Park commercial Centre,  
Bois D' Orange,  
Gros Islet

Dear Mr. Louisy,

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**Price Escalation**

I wish to acknowledge receipt of your letter dated April 11, 2022 in which you addressed the issue of Price Escalation and proceeded to make recommendations to address same. In this regard, let me first thank the Saint Lucia Chamber of Commerce, Industry and Agriculture for its initiative in providing possible options that the Ministry of Commerce can consider, and for its continued commitment to working collaboratively towards developing Saint Lucia's private sector.

For our part, the Ministry of Commerce has also taken a proactive approach towards managing the ongoing disruptions in international trade as precipitated by the COVID-19 pandemic and further exacerbated by the Ukraine-Russia conflict and other global events. We continue to closely monitor each situation and their compounded impact on all facets of Commerce and Industry in Saint Lucia and remain in close dialogue with all stakeholders including our Public and private Sector Partners, our allies in International trade, and the various elements of Saint Lucian civil society. We are further guided by our regional and international trade commitments including the CARICOM treaty and the multi-lateral trading system under the World Trade Organization.

In considering the recommendations contained within your letter, we have engaged the respective authorities with responsibility for Agriculture, Finance and International Trade and can now provide you with updates as follows:

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May 03, 2022

Mr. Brian Louisy,  
Executive Director,

**Item 1: Explore access to critical food supplies from a variety of source markets with particular emphasis on the supply of poultry products from the UK and Brazil.**

With regards to the UK market, we are pleased to report that, in February, 2022, the Veterinary Authority reached out to UK competent authority, DEFRA, to make amendments to current importation requirements to widen the areas from which chicken can now be sourced. The Veterinary Authority finalized all outstanding matters with the UK for the new importation requirements on April 21, 2022. Consignments of UK poultry destined for Saint Lucia will be certified using the new updated certificate as of April 30, 2022.

In the case of Brazil, it must be noted that, as a member of CARICOM Saint Lucia has specific obligations, including following the principles established in the CARICOM Single Market and Economy for the free movement of goods and trade facilitation in the region. The Caribbean Agricultural Health and Food Safety Agency (CAHFSA) has the mandate to assess the risk of the importation of any animal or animal products entering the CARICOM region. Under the current protocol a risk assessment must first be performed on the country of origin or export. In this regard, the Veterinary Authority has undertaken with immediacy, to carry out a preliminary investigation into the possibilities of facilitating poultry imports from Brazil.

**Item 2: Review of freight charges in CIF calculations**

The Ministry of Commerce recalls forwarding excerpts from a draft Cabinet Memo on April 17<sup>th</sup>, 2022 for your feedback. In that Cabinet Memo, the computation of the customs duties on the pre Covid freight cost was being considered.

Subsequent to that submission, the Ministry, recognizing some inherent administrative impediments in that proposed measure, invited you to a meeting on Wednesday April 20<sup>th</sup>, 2022 in which we proposed alternative interim measures to provide immediate relief to importers and consumers. These measures included:

1. Waiver of 6% Customs Service charge on imports of select Food, Pharmaceuticals and Building Material and
2. Temporary expansion of Section A of the Price Control Order No. 54 of 2008 and its amendments.

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May 03, 2022

Mr. Brian Louisy,  
Executive Director

Our assessments to date indicate that the removal of the 6% Customs Service charge will have a similar effect to the proposed reduction in freight charges while introducing fewer administrative impediments in its implementation. Additionally, we anticipate that the proposed expansion of the Price Control Order will make provision for these cost savings to be passed on to the final consumer. Implementation is proposed over a seven (7) month period from June 1<sup>st</sup>, 2022. In this regard, the Ministry of Commerce requested your urgent feedback on the proposed measures as we sought to balance the best interests of our private sector partners against the urgent need to provide relief to consumers. To-date, we are yet to receive feedback.

**Item 3: Review of current Free Trade Agreements to allow for Duty free entry of certain goods into the Saint Lucia Market. Particular emphasis on Colombia, Dominican Republic and Costa Rica.**

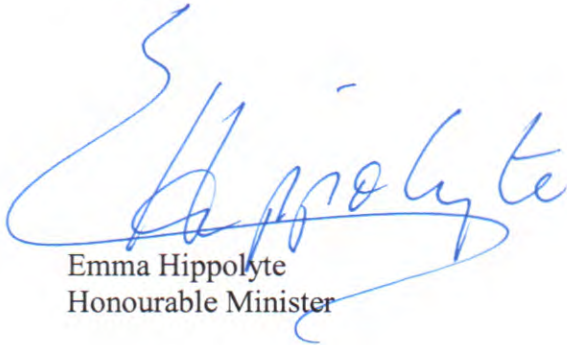
Saint Lucia, as a member of CARICOM is signatory to bilateral preferential trade agreements with Colombia, the Dominican Republic and Costa Rica, albeit these are yet to be ratified. In the case of Colombia, an analysis of the current agreement is underway with the goal of making recommendation to the Cabinet of Ministers for possible ratification. Additionally, negotiations are currently underway at the regional level for the expansion of preferential market access between the two parties.

Similar analyses will be undertaken for the other trade agreements in due course, with the principle of non-reciprocity being noted as a sensitive issue for Saint Lucia and other CARICOM LDCs. For this reason, we anticipate great difficulty in Saint Lucia being able to unilaterally grant duty free market access to goods from these respective jurisdictions. As you indicated, this is a long-term strategy; the consultation and dialogue will continue at the national and regional level.

Given the above updates, the Ministry of Commerce extends an open invitation to the Saint Lucia Chamber of Commerce to continue dialogue on these items and are available to provide further details as may be needed.

As the events contributing to the current issue of escalating global prices remain fluid, so too, do we take a more flexible approach towards policy formulation in the short term while maintaining strategic focus on private sector development over the long term. We look forward to your continued support and collaboration.

Sincerely,



Emma Hippolyte  
Honourable Minister

Cc Hon. Prime Minister  
Hon. Minister of Agriculture  
President, Saint Lucia Chamber of Commerce