

MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT GOVERNMENT OF THE COOK ISLANDS

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PRESS RELEASE

IMPORT ENTRY FEES EXPLAINED

From 1 July 2016 it was necessary for Customs to start charging for the import entry processing service it provides. As explained to importers and Customs agents prior to the fee introduction, an electronic import entry processing fee of \$10 plus VAT applies for all goods entered and cleared online. Manual import entry clearances will incur a \$20 plus VAT transaction fee. Obvious price differences are to encourage importers towards using the automated goods entry system as it is more cost efficient for both importers and Customs as administrators.

The fee is being used to partly cover the cost of maintenance of the goods entry processing system which has proved hugely successful for importers reducing the clearance times for their import entries. Prior to the introduction of the automated goods entry system clearance times for goods entries averaged 145 hours for sea freight and 27 hours average for air freight. According to a Time Release Study conducted here last year by New Zealand Customs after the automated goods entry system was implemented, the clearance times are down to 25 hours average for sea cargo, and 13 hours for air cargo.

In response to the recent Cook Islands News article concerning the fee, Customs would like to point out that the automated system can be used by individual importers, as well as brokers, at reduced costs. Importers still have the option to file manual entries, incurring higher fees, as well as using a Customs broker and incurring their fees, but these decisions are optional. If any importer is concerned about costs, they may wish to try using the automated system, which is proven to be quicker, and will reduce costs. If importers would like to start using the automated goods entry system or hear more about it, please feel free to contact Senior Customs Officer, Walter Tangata on telephone 29365, or via email walter.tangata@cookislands.gov.ck.

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