



REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE, INDUSTRY, INVESTMENT AND COMMUNICATIONS
NATIONAL POLICY ON IMPORTED USED GOODS

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1. Introduction

Background

International trade in goods is often focused on the buying and selling of new goods. However, a significant and growing portion of global trade comprises a wide variety of used or refurbished consumer and capital goods. These include vehicles, turbines, farming machinery, spare auto parts, clothing, mobiles phones, airplanes, and many durable goods. In spite of information from dated studies, one can still appreciate the extent of cross-border trade in used goods. For example, the market for remanufactured and used motor vehicle parts and components is estimated at US\$ 60-70 billion¹ in sales worldwide; used machinery and equipment valued at more than US\$ 100 billion are sold every year,² while the trade in used clothing is worth more than US\$ 1 billion each year³. This growth is driven primarily by the consumer demand from developing countries and emerging markets.

For importing countries of used goods, however, there exists a conflict of interests between economic development and the negative consequences on both human and the environment. As a result, there is a multiplicity of different laws and policies that exist to guide the

import (and export) of used goods, which include both tariff and non-tariff barriers, across countries and regions, which can be attributed to the prevailing uncertainty concerning the effects and the significance of second-hand imports. Although countries may not have explicit policy documents to guide the importation of used goods, several countries have import restrictions. A review by the Organisation for Economic Cooperation and Development (OECD) on trade data on 85 member countries revealed that almost one third of them impose some kind of prohibition on the importation of one or more categories of used goods such as motor vehicles, tyres and clothing.⁴

The reasons for import restrictions can be categorized as either non-economic or economic. Non-economic reasons are mainly as a result of concerns and the impact of the storage, consumption or disposal of used goods on the environment and public health. From an economic/commercial perspective, countries impose restrictions on the import of used goods to avoid becoming flooded with outdated technology or damaging the national economy with unfair competition.

¹ Czaga, P. and Fliess, B., December 2004-January 2005, 'Used Goods Trade: A growth opportunity' OECD Observer, No. 246/247.

² Janischweski J, et al., May 2013, 'The export of Second-hand Goods and the Transfer of Technology: An Obstacle to Sustainable Development in Developing Countries and Emerging Markets?' German Council for Sustainable Development.

³ Baden, S & Barber, C. September 2005, 'The impact of the second-hand clothing trade on developing countries', Oxfam.

⁴ Czaga, P. and Fliess, B., December 2004-January 2005, 'Used Goods Trade: A growth opportunity' OECD Observer, No. 246/247.

Import Prohibitions

Import prohibitions play an especially important role in the trade of certain used consumer and capital goods, such as automobiles, auto parts, apparel and machinery. When applied for non-economic reasons, import prohibitions are policy solutions used to ensure that different societal regulatory objectives are met. While the use of prohibitions and quotas for economic reasons has declined, it is much more common for governments to state health, safety, environmental and other concerns as reasons for applying these restrictions. Given this, governments must give consideration on whether import bans are the best regulatory solutions or whether more trade-friendly alternative tools for achieving primary regulatory objectives exist. Table 1 below summarizes the incidence of import prohibitions on specific used goods:⁵

One important case with the trade and prohibition of used goods included the European Commission (EC) and Brazil and the trade in used tyres.⁶ Since 1993 the EC has adopted several directives regulating tyre disposal. The *Landfill Directive* prohibits the disposal of used tyres in EC landfills, the *End of Life Vehicle Directive* requires EC Member countries to have raised the rate for reusing waste tyres to 85 percent in 2006 and to 95 percent by 2015 respectively, and the *Waste Incineration Directive* encourages six EC Member States to explore alternative ways of dealing with tyre disposal.

⁵ Czaga, P. and Fliess, B., December 2004-January 2005, 'Used Goods Trade: A growth opportunity' OECD Observer, No. 246/247.

⁶ "Litigating Environmental Protection and Public Health at the WTO: The Brazil-Retreaded Tyres Case." International Centre for Trade and Sustainable Development Information Note No. 1, September 2010.

Table 1. Incidence of import prohibitions on specific used goods

| | Used Goods | | |
|----------------|----------------|-------|---------|
| | Motor Vehicles | Tyres | Clothes |
| Argentina | | X | X |
| Bolivia | X | | |
| Brazil | X | | X |
| Brunei | X | | |
| Canada | X | | |
| Chile | X | | |
| Dominican Rep. | X | | X |
| Ecuador | X | X | X |
| Egypt | X | | |
| Ghana | X | | |
| India | X | | |
| Israel | | | X |
| Maldives | X | | |
| Mozambique | | X | X |
| Nicaragua | X | | |
| Nigeria | X | | |
| Pakistan | | | |
| Peru | X | X | X |
| Salvador | X | | |
| Tanzania | | | X |
| Thailand | X | | |
| Venezuela | X | X | X |

Case: European and Brazil - retreaded tyres

Brazil, on the other hand, reacted to the increasing problem of waste tyres disposal with measures including an import ban for used tyres; an import ban on retreaded tyres; a prohibition on dumping used tyres or disposing of them in landfills; a set of responsibilities concerning the collection and disposal of tyres for producers and importers; and various measures directed at the use of best technologies for controlling emissions in the process of tyre disposal. Presidential Decree 3.919, as amended, furthermore established specific sanctions on the importation, marketing, transportation, storage, and keeping or warehousing of imported used tyres.

As a result of this, the EC challenged several of the measures taken above both at the federal and state levels that affect the importation and internal sale of used and retreaded tyres. Subsequently, Brazil lost a WTO challenge against its import restrictions on retreaded tyres. The WTO Appellate Body requested Brazil to apply the import ban to all imports, including those from Mercosur countries, which was based primarily on Brazil's application of Article XX of the General Agreement on Tariffs and Trade (GATT).

Domestic Restrictions

The administration of fees for the import of used goods into Trinidad and Tobago is regulated via the Import Negative List. This list outlines all goods which can only be imported with an import license and is governed by the Customs and Excise Division of the Ministry of Finance and the Economy.

Currently, there are complete bans on the importation of the following used goods in Trinidad and Tobago: a) Lead starter acid batteries, and b) Vehicular seatbelts, which emanated from the negative impact of these goods on the environment and their risk to consumers. Additionally, the necessary risk and quality tests for these items by the TTBS are destructive in nature, therefore compromising the quality of the product. While import prohibitions are in some way beneficial to ensuring the public good, there is an urgent need for a policy document that would allow policy-makers to take a more proactive approach in applying or removing limitations on the importation of used goods for the benefit of both the public and business community.

2. Key Concepts and Definitions

- **Durable Goods** - category of consumer products that do not need to be purchased frequently because they are made to last for a long time (usually lasting for three years or more). They include vehicles, refrigerators, computers, heaters, washer, dryers, stove, etc.
- **Import Licensing** - administrative procedures requiring the submission of an application or other documentation (other than those required for customs purposes) to the relevant administrative body as a prior condition for importation of goods. In the case of Trinidad and Tobago, the relevant authority is the Trade License Unit of the Ministry of Trade, Industry, Investment and Communications.
- **Import Negative List** - list of items which are not permitted to be freely imported or exported, without an approved license granted by the relevant authority.
- **Quantitative Restrictions** - specific limits on the quantity or value of goods that can be imported (or exported) during a specific time period.
- **Used Goods** - those goods that have been in service and are re-entering a market for sale or use by a second or later end user; also referred to as second-hand goods.
- **Wastes** - substances or objects which are disposed of or are intended to be disposed of or are required to be disposed of by the provisions of national law.

3. Situational Analysis

Imports of Used Goods

A wide range of used goods are imported into Trinidad and Tobago, including vehicles, tyres, machinery, clothing, and several other goods. Because importers of most goods are not required by a 'quality' field to label their imports as either new or used, an accurate reflection of the quantities and types of used goods imported is not available. Two goods, however, that are imported in significant quantities are used vehicles and used tyres.

Over the years, the used car industry has grown into a significant one despite a quota system being implemented in 2007. Data on the importation of used cars is limited but it is estimated that just over three thousand (3,018) cars were imported for personal use in 2014.⁷ The MTIIC recently developed a *Policy to Regulate the Used Car Industry* to assist in setting the parameters for the importation of used right-hand vehicles and regulating it in such a way that it creates an equitable and fair system for importers, and also ensures that the number of used vehicles imported is controlled to ensure, within reasonable means, consumer safety, and human and environmental health. Currently, right-hand vehicles are the only used good on the Import Negative List.

The used tyre industry has grown into a significant one, with a small number of wholesale importers⁸ and a wide network of tyre shops and dealers across the country to meet the high demand for tyres by private consumers and also commercial users (maxi-taxi owners, truckers, etc.). The number of used tyres imported in 2011, 2012 and 2013, for immediate sale, retreading, recapping, fluctuated from TT\$25.6 million to TT\$43.9 million to TT\$37.6 million respectively indicating a consistently high demand for this good.⁹ There is a 30 percent import duty on both used and new tyres; used tyres that are imported for retreading and remoulding, however, have no duties.¹⁰

The used or worn clothing industry is not as large as it is in other developing countries, with some of it being resold locally as clothing, and the majority being used by those in the energy sector to create mops for oils and other chemicals. The total values of imported used clothing in 2008, 2009 and 2010 were US\$575,000, US\$850,000 and US\$618,000 respectively.¹¹ The current duty on imports of used clothing (or "worn clothing and other worn articles") is 20 percent; the import duties on all new clothing, with a few exceptions, are also 20 percent.¹²

⁷ Trade License Unit, Ministry of Trade, Industry, Investment and Communications

⁸ The Used Tyre Association of Trinidad and Tobago indicated that it is the largest importer (80-90%) of used tyres into Trinidad and Tobago, with a membership of approximately 14 members.

⁹ Central Statistical Office (CSO).

¹⁰ Customs (Common External Tariff) Order, 2012.

¹¹ Trade Map, International Trade Centre (ITC).

¹² Customs (Common External Tariff) Order, 2012.

Domestic Policies and Laws

The MTIIC, in February 2015, approved a policy document to regulate the used car industry which over several years has grown to be a major employer and driver of the local economy. In order to control the quantities of certain goods being imported into Trinidad and Tobago for economic reasons or to maintain human and environment health, there is an Import Negative List, of which all listed goods require an import license before being imported.

Legislation which covers the development and enforcement of standards of used goods, as well as the potential effects of these used goods (during storage, consumption and/or disposal) includes the following:

- Standards Act, 1997
- Environmental Management Act, 2000
- Pesticides and Toxic Chemicals Act, 1979
- Waste Management (Hazardous Waste) Rules, 2014 (Draft)
- Integrated Solid Waste/Resource Management Policy
- National Environmental Policy
- Trade Ordinance, 1958
- Import and Export Regulations, 1941

International Laws and Conventions

World Trade Organization (WTO)

As a fundamental rule, the General Agreement on Tariffs and Trade (GATT), through Article XI, prohibits quantitative restrictions on the importation or exportation of any product, by stating that “no

prohibition or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained” by any member. There are however a number of exceptions to this general rule that permit the imposition of quantitative measures for specified objectives, given that such measures are not applied in a manner which would result in arbitrary or unjustifiable discrimination among countries or would represent a disguised restriction on international trade.

Exceptions provided for Non-Economic Reasons:

- Article XI permits import and export prohibitions or restrictions necessary to the application of standards or regulations for the classification, grading or marketing of commodities in international trade.
- Article XX authorises measures necessary for achieving certain public objectives such as protection of public morals and protection of human, animal or plant life or health.
- Article XXI allows a general deviation from World Trade Organization (WTO) obligations in cases where the security interests of a country are concerned. Thus, quantitative restrictions are permissible in respect of trade in products that would negatively affect a country’s security interests, e.g. arms and ammunition.

Exceptions for Economic Reasons:

- Articles XII and XVIII:B of the GATT 1994 permit the use of quantitative restrictions on imports by a member with the purpose of safeguarding its external financial position and its balance of payments. In order to reduce the potential for abuse, the GATT clarifies the conditions for invoking these provisions. Restrictive import measures may only be imposed to control the general level of imports and may not exceed the extent necessary to address the balance of payments difficulty.
- Article XVIII:C permits developing countries to deviate from the provisions when governmental assistance is required for the establishment of a particular industry. Under such conditions, quantitative restrictions are also permitted.
- Article XIX allows for measures that are necessary to prevent sudden increases in imports from causing serious injury to domestic producers or to relieve producers who have suffered an injury.

The WTO Agreement on Import Licensing Procedures (Import Licensing Agreement) sets out rules for all Members on the use of import licensing systems to regulate their trade. Import Licensing systems are administrative procedures requiring the submission of an application or other documentation (other than that typically required for customs purposes) to a designated administrative body as a prior condition for importation.

In addition to import licensing itself, the Agreement also covers procedures associated with a range of practices meeting that definition, including import approvals, import permissions or permits, and activity licenses required for importation.

Trinidad and Tobago is a member of the WTO and therefore is subject to complaints from other members who may consider certain policies obstructive to trade.

Environmental Agreements

Trinidad and Tobago is a signatory to the following Conventions:

- *Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal* – the Basel Convention was adopted in Basel, Switzerland on 22 March 1989, in response to numerous international scandals regarding hazardous waste trafficking that began to occur in the late 1980s. The Convention entered into force on 5 May 1992. The primary objective of the Basel Convention is to protect human health and the environment against the adverse effects of hazardous wastes. In order to achieve this, the Convention has two pillars. Firstly, it regulates the transboundary movements of hazardous and other wastes. Secondly, it obliges its Parties to ensure that these wastes are managed and disposed of in an environmentally sound manner (ESM).

- *Stockholm Convention* - the Stockholm Convention is a global treaty to protect human health and the environment from persistent organic pollutants (POPs). Over 150 countries signed the Convention and it entered into force, on 17 May 2004, 90 days after the ratification by the fiftieth country. The Stockholm Convention focuses on eliminating or reducing releases of 12 POPs.
- *Montreal Protocol on Substances that Deplete the Ozone Layer* - the Montreal Protocol is a landmark international agreement designed to protect the stratospheric ozone layer. The treaty was originally signed in 1987 and substantially amended in 1990 and 1992. The Montreal Protocol stipulates that the production and consumption of compounds that deplete ozone in the stratosphere—chlorofluorocarbons (CFCs), halons, carbon tetrachloride, and methyl chloroform—are to be phased out by 2000 (2005 for methyl chloroform).

4. Literature Review

The literature on the trade in used goods is generally focused on cost-benefit analyses of the liberalization of specific used goods at the national, regional and/or international levels. Although the trade data of used goods is limited for Trinidad and Tobago, inferences can be drawn from secondary research. Some countries have opted to restrict the trade in goods through quantitative restrictions (QRs) or bans.

Article XI of the General Agreement on Tariffs and Trade (GATT) prohibits quantitative restrictions on the importation or exportation of any product, by stating that no prohibition or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any member. However, there are exceptions to this general rule. Prohibitions on the import of used clothing are common and mostly applied in African, low-income Asian and Latin American countries justified by health and sanitary reasons (one of the exceptions to Article XI). While others, such as South Africa permit entry only in the form of humanitarian donations. It is notable, however, that the justification for prohibitions or bans on used goods may deserve greater scrutiny as products with a longer life cycle appear to be in the interest of sound environmental policy.

Davis & Kahn (2008) evaluate the effects of the trade in used goods under the North American Free Trade Agreement (NAFTA) and the environmental consequences of the agreement using the effect of the trade in used cars a proxy. The authors find that the direct effect of trade is to increase the number of used goods in the low income country and decrease the number of used goods in high income countries. However, they find no discernible decrease in the number of vehicles in circulation in the U.S., but rather a large increase in the number of vehicles in Mexico due to the high demand for high quality durable goods by US consumers. Clerides (2008), on the other hand, evaluates the relaxation of restrictions in the automobile market in

Cyprus. The author concludes that the liberalization of the used car market (relaxing the restriction on the age of imported used cars -- from two to five years old) resulted in new car dealers lowering their prices and including additional features in response to increased competition, to the benefit of consumers.

With respect to the trade in used or second-hand clothing, a paper by Oxfam points to the creation of employment in receiving countries as a result of the need for added transport, cleaning, repairing and restyling. Studies on the trade in used clothing in countries with low purchasing power suggest that there are consumer benefits for low-income developing countries and for poorer consumers such as those in Sub-Saharan Africa.

Balas, Kucinska-Lipka & Sienkiewicz (2012) examine the many innovative organizational approaches in the management of used tyres in the European Union member countries and the possible uses of waste tyres as a source of raw materials or alternative fossil fuels. The authors summarize literature on the three systems used predominantly in the EU to manage used tyres: the producer responsibility system, the tax system and the free market system. The authors conclude that the grinding of waste tyres can become a valuable source of raw materials such as valuable polymer composites.

5. Scope

This policy document encompasses all used goods imported into Trinidad and Tobago. These goods may contain substances or chemicals which are harmful to human health or the environment before, during and/or after consumption or use. This policy document does not cover goods which are not used such as pesticides, toxic chemicals, ozone depleting substances or any other potentially harmful substance or chemicals that are imported into Trinidad and Tobago.

6. Policy Goals

The primary goals of the National Policy on Imported Used Goods are:

- i) to develop and adhere to new and higher standards for imported used goods;
- ii) to increase awareness of the impact of used goods on the economy, public health and environment; and
- iii) to improve the effectiveness of policies and procedures to detect, assess and manage the effect of used goods on the economy, public health and environment.

7. Policy Objectives

The primary objectives of the National Policy on Imported Used Goods are:

- to increase the quantity and quality of data on imported used goods;
- to ensure that imported used goods are of an acceptable quality ;
- to reduce the quantity of low-quality imported used goods;
- to develop a mechanism to monitor and evaluate the effect(s) of used goods on the economy, public health and environment.

8. Expected Policy Outcomes

The expected policy outcomes of the National Policy on Imported Used Goods are:

- a central data base of relevant data on imported used goods;
- a greater proportion of used goods of an acceptable quality available to consumers in Trinidad and Tobago;
- a reduction in the quantity of used goods which are disposed of illegally and improperly; and
- a reduction in the incidence of the harmful effects to human and environmental health as a result of the storage, consumption and/or disposal of used goods in Trinidad and Tobago.
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9. Methodology

The methodology utilized by the Ministry of Trade, Industry, Investment and Communications to formulate the Policy comprised of the following steps:

- 1) a review of comments received through focus group sessions and consultations with relevant public, private and non-governmental stakeholders;
- 2) research and analysis of policies and laws of used goods in other jurisdictions such as India, Ghana, Nigeria, Brazil and the European Union; and
- 3) an assessment of previous proposals, studies and/or papers by relevant public and private institutions such as the Trinidad and Tobago Bureau of Standards and Environmental Management Authority.

Information obtained from these sources served to inform the Policy.

10. Policy Framework and Recommendations

1. Mandatory Information on Imported Goods

In an effort to enhance the trade facilitation environment in Trinidad and Tobago by reducing the steps in the Customs Clearance process, the MTIIC has introduced the online submission and processing of import and export licenses (for goods valued over TTD20,000.00) . As a result, an importer must obtain license approvals for regulated goods (see Appendix I) before he/she can import these goods. Although the customs clearance system is online, it is not compulsorily for an importer to mandatorily fill the 'quality' field on the required import documents (i.e. Customs e-C82 Declaration) which would assist the authorities, and in particular, the TTBS and the Ministry of Health, in determining which goods are used in order to apply the pertinent testing and risk assessments. For example, the Chemistry, Food and Drugs Division of the Ministry of Health is responsible for inspecting tests on medical devices; however, there is no requirement by importers to indicate whether or not the devices are "new" or "used".

It is therefore recommended that the Customs and Excise Division (CED) require that the documents for all imported goods require the importer to mandatorily define the imported goods as either "new" or "used". This could be facilitated through the CED's Automated System for Customs Data (ASYCUDA) and the MTIIC's TTBizLink Platform.

This additional field, if required, would also allow for the capture of important data on the quality and quantity of used imported goods, which would inform this and other policies in the short-, medium- and long-term. One such measure could also include the Trade License Unit so that it requires information on the quality (new, used, new & unused) of all used imported goods, similar to what is currently done for used right-hand drive vehicles. While this would not quantify the number of imports, it would give the authorities an idea of how many licenses are being issued and the estimated number of importers. Also important is information on the intended end use of imported used goods which would allow the authorities to set and enforce relevant quality standards.

2. Conformance to International Standards

It is critical that that the bodies responsible for setting and enforcing standards of imports into Trinidad and Tobago, namely the TTBS and the Ministry of Health, maintain the highest possible standards. They should ensure that imported used goods, within reasonable measure, pose no health, safety or environmental risks beyond those risks generally permitted for new goods, and that their quality, durability, and usability should meet the expectations of a reasonable consumer.

It is recommended therefore that the TTBS and the MOH adhere to Technical Specification for the “Cross-border trade of second-hand goods” which was published by the International Standards Organization (ISO) in 2014. While there are national standards, laws and guidelines designed to protect consumers, until this Technical Specification was published, there were no universally applicable guidelines for used or second-hand goods. Not only should the most up-to-date and modern standards be adhered to (within national limits and laws), but also other measures such as rejection rates, risk assessments, required safety marks and test certificates should also be in line with international norms and best practices. Further to this, standards for imported goods should be flexible and directly related to the end use of those specific goods. For example, used or worn clothing imported to create oil mops and those imported to re-sell on the domestic market should be subject to differing standards.

3. Improved Inter-Institutional Communication

The Customs and Excise Division is responsible for imposing, revising, increasing or decreasing or altering duties upon any goods imported or exported into Trinidad and Tobago, while the TTBS is responsible for setting and enforcing standards for the quality of all goods and services in Trinidad and Tobago, with the exception of food, drugs cosmetics and medical equipment, which falls under mandate of the Chemistry, Food and Drugs Division (CFDD) of the Ministry of Health. With respect to the effect of used goods during and after consumption or use on human and environmental health and well-being, that responsibility

falls under the Ministry of Health and the Ministry of the Environment and Water Resources (MEWR). The Environmental Management Authority is the regulatory and enforcement arm of the MEWR, while the Solid Waste Management Co. Ltd. is responsible for the management of all waste, with the exception of e-waste. The Ministry of Science and Technology (MST), together with the EMA both have an important role in the area of electronic waste (e-waste). Also important are importers in the private sector, many of which are members of the Trinidad and Tobago Manufacturers’ Association.

For example, the EMA does not have in place any Memoranda of Understanding with SWMCOL, the Ministry of Health or Consumer Affairs Division, but admitted that there is an exchange of information whenever such is required. There exists a Committee which comprises the TTBS and the MEWR that deals with the labeling of appliances. Therefore, while each institution and importer has its specific role and communication occurs on a need-to-know basis, there is no system or mechanism whereby data/information covering used goods is periodically exchanged across all relevant institutions in both the public and private sectors.

It is therefore recommended that a Committee be set up and chaired by the MTIIC with the responsibility to monitor the import, consumption and disposal of used goods, their impact on human health, the environment, and the economy, and recommend the requisite action to enhance the positive effects and diminish any negative repercussions. The Committee will meet on a quarterly basis.

4. Database of Used Goods

Although the trade in used goods globally is increasing at a rapid rate, there is little reliable data at both the international and national levels. In the case of Trinidad and Tobago, the import of used tyres and used vehicles has not only had an impact on consumers due to the availability of more affordable products, but they have also created significant domestic industries locally.

It is therefore recommended that data such as i) the import and export of used goods, ii) the types of used goods imported and exported, iii) the rejection rates of imported used goods¹³, and iv) other regional and international legislative and administrative trends in used goods, be part of a larger database of used goods. This database will be owned by the MTIIC and will be developed in collaboration with the TTBS, the Customs and Excise Division, the Consumer Affairs Division, and the Chemistry, Food and Drugs Division of the Ministry of Health, will allow the authorities to notice trends in specific used goods, such as used refrigerants, for use both in domestic and industrial refrigerators and coolers.

5. Logical System for Managing Used Goods

The Import Negative List includes a narrow list of goods which are either prohibited from being imported into Trinidad and Tobago, or require the importer to first acquire a license before importing that good.

¹³ The TTBS indicated a rejection rate of approximately 1% for imported appliances (microwaves, televisions, refrigerators, etc.).

While the List serves to shelter sensitive domestic industries and also protect human health and safety and the environment, there is no clear system which clearly outlines the process for which goods are included or excluded from the List and also changes to the associated duties and fees. This management system is also important for goods that are not on the List, for example used tyres and clothing.

It is recommended that a transparent and logical system be developed by the Trade License Unit of the MTIIC to allow for adjusted management of specific used goods as a result of international norms, or specific requests and concerns made by Ministries or other public agencies, private sector institutions, academics and/or individuals. In other words, there should be a clear and logical way that the Negative Import List is revised periodically to meet the objectives of the Policy. Further to this, there should be a screening process to determine the acceptability and usability of such harmful goods or substances contained in imported used goods. One key criterion should be a comparison of the value of the goods to the intended users with the cost to treatment and proper disposal of the waste generated from such goods. Such a system would be very helpful to an agency such as SWMCOL which manages the disposal of waste, and in particular used tyres.

6. Management of the Importation of Used Tyres and Clothing

As outlined in Table I above, in addition to used vehicles, many countries have restrictions on the import of used tyres and clothing. The rationale for these restrictions are often non-economic, namely health and safety, and environmental concerns. As a result of the significant quantities of used tyres imported and the use of used clothing in commercial activities, it is important that these two goods be managed more closely to ensure sufficient data collection, analysis and the development of relevant policies and programmes. The precedent set by the MTIIC with respect to the import of used vehicles, namely the inclusion of used vehicles on the Import Negative List in 1999 and later a *Revised Policy and Procedures to Regulate the Fully Assembled Right-Hand Drive Foreign-Used Car Industry in Trinidad and Tobago* in February 2015, serves as a good model for managing the import of used tyres and clothing.

Used Tyres

Although SWMCOL has in place two shredders (one mobile and one stationary) for shredding tyres for further commercial use, it is woefully inadequate. This, coupled with a weak system of monitoring and enforcement, and a system with little incentive to dispose of unwanted tyres properly¹⁴, leads to indiscriminate dumping and the proliferation of diseases such as dengue, yellow fever, malaria, chikungunya, and other water-borne diseases.

¹⁴ SWMCOL charges different fees for shredding of car tyres (1-99 tyres: \$10.00 per tyre; 100-250 tyres: \$7.50 per tyre; >250 tyres: \$5.00 per tyre). These fees are subject to 15% Value Added Tax (VAT).

By utilizing the licensing regime for the importation of used tyres, the health, trade and licensing authorities would better be able to manage (monitor and evaluate) the used tyre industry and create a system which takes into consideration both the benefit to importers and tyre shops, and also the safety and health of consumers and the wider public. Importers of used tyres already pay inspection fees¹⁵ so there would be no increase in real costs to importers of used tyres.

Used Clothing

Although used clothing may be considered by many an appropriate alternative for costlier new clothing, it is critical that the MTIIC better manage this industry to ensure that information on importers, the country of origin, as well as description of used clothing imports are available, and also to ensure that such clothing, if sold to consumers, are labelled accurately and clearly. In this regard, it is recommended that the used clothing (“worn clothing and other worn articles”) be included in the Import Negative List to better manage this product for the benefit of importers and retailers, but also consumers as well.

¹⁵ Inspection fees for used i) pneumatic tyres: \$10.00 per tyre; ii) light truck tyres: \$15.00 per tyre; and iii) truck tyres: \$20.00 per tyre. These fees are subject to 15% VAT.

11. Implementation of the Policy

The implementation of the plan of action must involve all the relevant stakeholders associated with or affected by the trade in used goods (their import, consumption, disposal, and management) including the Ministry of Trade, Industry, Investment and Communications, the Trinidad and Tobago Bureau of Standards, the Customs and Excise Division, the Ministry of the Environment and Water Resources, the Environmental Management Authority, the Solid Waste Management Co. Ltd., the Ministry of Health and the Trinidad and Tobago Manufacturers' Association, the Used Tyre Association of Trinidad and Tobago, among others. The MTIIC shall have national oversight for the implementation of this Policy and will issue regular progress reports to Cabinet on its implementation.

12. Monitoring and Evaluation of the Policy

The development of an Implementation Plan for the National Policy on Used Goods shall form the basis for monitoring and evaluating the implementation of the Policy. Specifically, the MTIIC, the TTBS, the CED, the MEWR, and the EMA shall develop a monitoring and evaluation system based on agreed indicators. In view of the above, the MTIIC may from time to time make changes, modifications, additions to this Policy and may review and update it at certain intervals to meet the changing needs of the Industry. The implementation of this Policy shall be reviewed every three years (3) and a progress report with respect to any achievements will be presented to inform such review and modifications. The review will also examine progress made in achieving the indicators defined in the plan of action.

A Logical Framework Matrix for this Policy is attached at Appendix I.

Appendix I: Adjusted Logical Framework Matrix – Imported Used Goods Policy

| OUTCOME | INDICATORS | MEANS OF VERIFICATION | RESPONSIBLE MINISTRY/AGENCY |
|--|--|--|--|
| OBJECTIVE 1: Increase the quantity and quality of data on imported used goods | | | |
| Increased available, relevant data on imported used goods | Available data for: <ul style="list-style-type: none"> the quantity of used goods imported the types of used goods imported the quality of used goods imported the list of importers of used goods the countries and firms from which used goods are imported | Reports from: <ul style="list-style-type: none"> Customs and Excise Division Trinidad and Tobago Bureau of Standards | <ul style="list-style-type: none"> Ministry of Trade, Industry, Investment and Communications (MTIIC) Customs and Excise Division (CED) Trinidad and Tobago Bureau of Standards |
| OBJECTIVE 2: Ensure that used goods are of an acceptable quality | | | |
| Greater proportion of used goods of an acceptable quality available to consumers | <ul style="list-style-type: none"> rejection rates of imported used goods no. of imported used goods that conform to local and international standards no. of consumer complaints regarding the quality of used goods increased useful life of imported used goods | Reports from: <ul style="list-style-type: none"> Trinidad and Tobago Bureau of Standards (TTBS) Customs and Excise Division (CED) Consumer Affairs Division Private firms (distributors of specific used goods such as tyre shops, appliance stores, etc.) | <ul style="list-style-type: none"> MTIIC CED Consumer Affairs Division Used Tyre Association of Trinidad and Tobago Trinidad and Tobago Manufacturers' Association (TTMA) |
| OBJECTIVE 3: Reduce the quantity of low-quality imported used goods | | | |
| Reduction in the quantity of used goods which are disposed of illegally and improperly | <ul style="list-style-type: none"> quantity of imported used goods that are illegally or improperly disposed of increase utilization of recycling infrastructure | Reports from: <ul style="list-style-type: none"> Environmental Management Authority (EMA) | |
| OBJECTIVE 4: Develop a mechanism to monitor and evaluate the effects of used goods on the economy, public health and environment | | | |
| Reduction in the incidence of harmful effects to human and environmental health as a result of the storage, consumption and/or disposal of used goods | <ul style="list-style-type: none"> incidence of sickness or injuries due directly or indirectly to imported used goods incidence of issues of environmental concern | Reports from: <ul style="list-style-type: none"> the proposed Inter-Ministerial Committee the EMA | <ul style="list-style-type: none"> EMA Ministry of the Environment and Water Resources |



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