



Project Implementation Grant

# Advance Rulings in Saint Vincent & the Grenadines

Saint Vincent & the  
Grenadines

TFAF/PG/SVG/4\*

## Summary

<b>WTO TFA linkage</b>	<b>Article 3 Advance Ruling - Saint Vincent &amp; the Grenadines Notification category C.</b>
<b>Title</b>	Advanced Rulings in Saint Vincent & the Grenadines
<b>Objective</b>	To establish a legally and operationally sound advance ruling system in SVG that meets WTO TFA Article 3 requirements, focusing on origin, valuation, and classification while providing support to the private sector to understand the new approach.
<b>Outputs</b>	<ol style="list-style-type: none"> <li>1. The customs authority in SVG have the legal and operational framework for an advance ruling mechanism on classification and origin.</li> <li>2. The private sector in SVG can engage with trained customs officials to benefit from an advanced ruling mechanism.</li> </ol>
<b>Beneficiaries</b>	Traders in Saint Vincent & the Grenadines The Customs Authority is the intermediary
<b>Political Partner(s)</b>	Customs authority in SVG
<b>Contact Point</b>	
<b>Technical Partner</b>	
<b>Full name and contact details of responsible official in Member for follow up</b>	<p>Kathy John Trade facilitation Officer Ministry of Foreign Affairs, Foreign Trade and Consumer Affairs 3rd Floor Administrative Building Bay Street, Kingstown St. Vincent and the Grenadines Tel: 784 485 6260/ 456 1111 ext 3819 <a href="mailto:kathy.john@gov.vc">kathy.john@gov.vc</a></p>
<b>Duration</b>	12 months
<b>Amount</b>	The total amount is 95'120 USD and the TFAF Grant amount is 61'120 USD
<b>Implementing Partner</b>	TBC

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## I. CONTEXT

### 1) The implementation of the WTO TFA

The WTO Trade Facilitation Agreement (TFA) entered into force on 22 February 2017. The Agreement sets out measures for expediting the movement, release and clearance of goods, including goods in transit and cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building (hereafter "TACB") in this area. The Agreement broke away from the traditional practice on Special and differential treatment in WTO Agreements. The S&D mechanism adopted in the Agreement *"called for an individual, country-by-country and measure-by-measure approach. It explicitly eschewed a one-size-fits-all model"*<sup>1</sup>.

Developing and least-developed country (LDCs) Members can designate provisions of the Agreement for implementation on a date after a transition period and requiring the acquisition of implementation capacity through the provision and assistance of capacity building. These provisions are commonly referred to as category C measures. In total, 98 Members notified 1160 category C Members by 2022. Donor Members committed to providing targeted assistance and support to address the capacity gaps underpinning the category C measures.

Saint Vincent and the Grenadines (hereafter "SVG") ratified the WTO TFA on November 22, 2016. It submitted the notifications of implementation categories and definitive implementation dates on time (see TFA database for the notifications) in August 2019. It has notified 16 measures in the category C including Article 3 with the definitive implementation time for 31 December 2026.

The National Trade Facilitation Task Force was established by Cabinet Memo N°20 in February 2011. This Committee is co-chaired by the Ministry of Foreign Affairs, Commerce and Trade and the Customs and Excise Department. It meets on a quarterly basis and is made of representatives from Trade, Customs, Finance, Telecommunications/IT, Plant Quarantine, Animal Health, Public Health, Agriculture, Bureau of Standards, Port Authority, Invest SVG, Economic Planning, Chamber of Industry and Commerce and the Customs Brokers Association. There is no permanent technical secretariat. The NTFC is currently overseeing the implementation of the 2020-2025 SVG Trade Facilitation Roadmap.

### 2) Alignment with TFAF strategic objectives

The TFAF has the objective to assist the WTO Committee on Trade Facilitation in Implementing the TFA. Its role is to support developing and least developed country Members identifying development partners for the technical assistance and capacity building for the so-called category C measures. With the grant programme TFAF supports projects whose aim is to address capacity gaps for the implementation of the TFA leading to compliance with the Agreement.

The project application responds to TFAF's mandate for the grant programme which provides funding for the implementation of category C measures if Members are not able to find arrangements with other partners. SVG has designated Article 3 of the TFA under category C, requiring assistance and capacity building to implement the measure. SVG approached TFAF for support accessing implementation assistance in October 2023. The TFAF circulated an expression of interest in December 2023 for four Measures of the TFA including Article 3 for SVG. Despite active outreach to implementation partners, no development partners stepped forward to match the requests.

### 3) Analysis of problem and potential

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<sup>1</sup>Neufeld, Nora (2014) "The long and winding road: How WTO Members finally reached a trade facilitation agreement", WTO Publication, ERSD-2014-06, available at: [WTO | Research and Analysis - working paper: Trade Facilitation Provisions in Regional Trade Agreements Traits and Trends](#)

Article 3 of the TFA requires Members to issue binding advance rulings (hereafter "AR) with regards to the goods tariff classification, the origin of the good, and, where possible, the application of quotas, duty exemption, as well as the appropriate method or criteria for determining the customs value. The article formulates additional requirements for the advance ruling mechanism namely with regards to the validity of the rulings, the revocation and cancelling of advance rulings.

To implement the Article 3 it is necessary to put in place the legal and administrative framework for advance rulings and its related operational process. Furthermore, customs authorities must make available appropriate technical expertise, managerial controls, and adopt the clearance process flow.

SVG has only partially adopted an AR mechanism. It has an "advance rulings" unit in place through which traders can apply for 'advice' only on tariff classification, for at least seven types of goods. The advice by the Customs Classification Committee is issued in writing to the applicant by letter in approximately 30 days. The ruling is then published on the SVG C&E Department Website<sup>2</sup>. Customs honours the classification ruling when a declaration is made. Importers have the appeals mechanism where they can submit in writing to the Comptroller before the expiration of 3 months from the date of payment. There is also the Customs Appeal Commissioners for which can consider disputes concerning duty charged. The determination of the origin, and valuation are only carried out when the customs declaration is submitted, and goods presented to the Customs authorities.

Developing the technical capacity to operate an AR mechanism is a high priority for SVG. The CARICOM TFA strategy adopted in 2017 includes Advance Ruling as a priority area. Initially, AR was identified for a regional approach leading to the establishment of a central body for the issuance, revocation etc. of rulings which are then binding on all Members. CARICOM Member States later changed the approach to regional activities, aiming only to develop common guidance on procedural matters for issuance, revocation, amendment and appeal of rulings.

**Problem Statement:** Full implementation of TFA Article 3 in SVG has not yet been possible due to a combination of institutional and resource constraints. While a basic mechanism exists for issuing tariff classification advice, SVG lacks the comprehensive legal, procedural, and technical framework required to meet the full scope of Article 3 obligations, including rulings on origin and customs valuation, as well as mechanisms for revocation, amendment, and appeal. The experience of other Members shows that without support, private sector traders are unlikely to take up the advantages of Advanced Rulings, leading to missed efficiency opportunities.

**The project objective is:** To establish a legally and operationally sound advance ruling system in SVG that meets WTO TFA Article 3 requirements, focusing on origin, valuation, and classification while providing support to the private sector to understand the new approach.

#### 4) Causes and potential for change

Advance rulings are still a recent trade facilitation measure among customs authorities in the region and in SVG specifically. The lack of historical experience limits the operational effectiveness of existing AR mechanisms and reduce their potential to facilitate trade. Regional good practices do not yet exist leaving Member States dependent on external technical expertise to design and improve the operations of their AR mechanism. This capacity gap can be addressed by the project. The lack of a technical competence with regards to classification and determination of origin in the customs authorities cannot be addressed by this project and is a risk for the long-term performance of the mechanisms. However, another development partner (see below) is currently supporting skills development in this area. Finally, the lack of adequate integration of the AR mechanism in the IT services provided by the customs authority, is also not directly addressed by this project, despite outputs 1 and 2 covering this aspect at conceptual level.

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<sup>2</sup>[Customs & Excise Department - St. Vincent and the Grenadines](#)

## 5) Synergies with other TACB projects of other development partners

The TFAF project works in complementarity with a US-funded USAID-implemented training project, one component of the project covers technical skills training for customs officials with regards to classification and valuation in the AR context. The training will be delivered online and in-person in the USA. The TFAF does not addresses capacity gaps at that personal level in the Member State where it directly supports national implementation. The professional skills training is directly complementary at output level in SVG.

Synergies also exist with the World Bank implemented activities in St Lucia in support of the implementation of the AR mechanism. The outputs from this intervention will be used in the development of the regional guidance and St Lucia will share its implementation experience in the project.

Table 1: Other partner's projects

TACB Project	Description	Synergies
<b>USAID Trade Facilitation Training 2024</b>	One component of this project covers online capacity building for classification and valuation in the AR context.  One component in-person training in Miami	Synergy at output level in SVG
<b>TFSP St Lucia</b>	The project is supporting the preparation of the legal and administrative rules for AR in St Lucia	Synergy at outcome level TFSP will support Saint Lucia's sharing of experience on Advance Ruling

## II. DESCRIPTION OF PROJECT INTERVENTION

### 1) Project objectives and results

The project contributes to furthering the implementation of the TFA in accordance with the notifications submitted by SVG to the WTO. More specifically the project aims to address the capacity gaps for the implementation of Article 3 in SVG.

#### Impact

The successful implementation of the project will contribute to facilitating trade by reducing the clearance times and enhance predictability for traders with regards to the treatment of goods at import. It will reduce the disputes arising over goods classification and determination of origin and increase customs compliance. An OECD Study from 2011 found that Advance Rulings are one of the TFA measures with the greatest impact on impact on trade volumes and trade costs<sup>3</sup>.

#### Specific objective (Outcome)

The specific objective is to establish a legally and operationally sound advance ruling system in SVG that meets WTO TFA Article 3 requirements, focusing on origin, valuation, and classification while providing support to the private sector to understand the new approach.

The indicators are:

- Extent to which the legal and operational foundations for a WTO-compliant AR mechanism have been

<sup>3</sup>OECD (2011). TRADE FACILITATION INDICATORS: THE IMPACT ON TRADE COSTS (TAD/TC/WP(2010)5/FINAL), available online Microsoft Word - TAD-TC-WP\_2010\_5-final\_checked for OLIS.doc (oecd.org)

established by the project – as validated by NTFC

(Baseline 0; Target 1, Q4 2026)

- Percentage of trained private sector stakeholders reporting improved understanding and readiness to use the AR mechanism.

(Baseline 0, Target 70%, Q4 2026)

### Outputs

The indicators at output level are:

1) The Customs Authority in SVG has the legal and operational framework for an AR mechanism on classification and origin.

- Draft legal provision submitted to competent authorities for adoption and / or publication

(Baseline: 1, Target: 2 (secondary regulation in SVG), Q3 2026)

- Standard Operating Procedures prepared and disseminated in trainings

(Baseline: 0, Target 2 (administrative document by Q2 2026, and user guidelines by Q3 2026)

2) Private sector traders including freight forwarders in SVG understand and can take advantage of the updated AR mechanism

- SOPs adapted as training materials for private sector audience, validated by NTFC

(Baseline: 0, Target: 1, Q3 2026).

- Number of traders successfully trained on new mechanism

(Baseline: 0; Target: 60 by Q4 2026)

### 2) Target beneficiaries

The target beneficiaries that will be reached by the outcome of the project are businesses, as well as individual importers (approximately 100) that import and export goods in SVG. The traders benefit from an advance ruling mechanism as it allows them to reduce unpredictability and delays in the clearing process, when they import goods. The customs authorities are the beneficiaries at output level, as the project enables them to run their AR mechanism more effectively and to deliver value for the business.

**Inclusivity:** The project does not have a negative impact for women in their role as owner of trade business. By strengthening uniformity of customs treatment and by offering a rules-based process to customs decisions, the project directly strengthen the equal treatment of businesses independent of the size and ownership. It may therefore have a positive contribute to enhance SMEs participation and women economic empowerment. It is not measured as a separate indicator but both outputs (particularly output 2) must demonstrate that they consider SME inclusion as part of their guidance.

### 3) Impact hypothesis

The formulation of the outputs is based on the following impact hypothesis. Customs authorities of the CARICOM members States are responsible for the design and operations of an effective AR mechanism. **Output 1** targets the development of legal and operational framework for advance ruling mechanism in SVG. By adopting a solid legal basis and clear operational process, the custom authorities in SVG have improved their capacity to manage advance rulings in compliance with the WTO TFA. This impact can be achieved under the assumption that the draft documents are formally adopted through the respective administrative and legislative processes.

Complementary to these efforts, **Output 2** targets the capacity building and outreach to private sector traders, including freight forwarders, to ensure they understand and can take advantage of the advance ruling mechanism in SVG. By adapting the Standard Operating Procedures into accessible training materials and delivering targeted training sessions, the project enhances the private sector's ability to engage with the new system confidently and effectively. This impact can be achieved under the assumption that the training materials are validated by the NTFC and that sufficient outreach ensures participation from a representative group of traders.

#### 4) Project strategy, activities and instruments

**Duration:** The duration of the project is 12 months starting from January 2026 to December 2026.

**Strategy:** The capacity development strategy of this project aims at the strengthening the organisational capacity of the customs authority and the private sector for the implementation and operation of advance rulings in SVG. The project advises the customs authority in SVG in the design of the operational processes and legal framework for advance rulings that are compliant with the WTO rules and trains private sector traders in the new procedures.

**Output 1** supports the development of the enabling framework to introduce an AR mechanism for classification and origin in SVG. The authorities will have to introduce changes to their processes and administrative organisation to ensure the well-functioning of the AR mechanism. The project makes available technical expertise to advise the custom authority to make informed decision on all aspects of an AR mechanism, to prepare drafts of legal and administrative documents necessary for its introduction. It will conclude with the adoption of the administrative documents by the authorities, and where possible, the publication of user-friendly information on the AR mechanism for traders on online sources.

**Output 2** supports the engagement and capacity building of private sector traders, including freight forwarders, to ensure they are prepared to use the advance ruling mechanism once operational. The project will adapt the Standard Operating Procedures into training materials tailored to the needs of the private sector and validated by the National Trade Facilitation Committee (NTFC). These materials will be used in targeted training sessions aimed at increasing awareness and understanding of the mechanism. Through this approach, the project ensures that traders are equipped with the practical knowledge required to benefit from the system and contribute to its effective uptake.

**Inputs:** One international short-term expert will be hired to provide technical and legal advice to the SVG partners for the output 1 and to prepare and deliver the training sessions to the private sector. The expert is expected to travel to SVG four times during the mission to conduct interviews with relevant stakeholders and a strategy workshop to define jointly with the partners the features of the AR mechanism to be designed, and to present the draft documents to the authorities. A national short-term stakeholder supports the international expert during the missions, collects background document and information as requested by the international expert and prepares the training sessions and carries out a survey of private sector companies.

Table 2: List of Activities and timeframe

Output	Activity and timeframe	Instruments
<b>Output 1</b> <b>Customs Authorities in SVG have the legal and operational framework for an advance ruling mechanism on classification and origin</b>	1. Strategy development workshop (Q1 2026) 2. Draft legal and administrative instruments to support Advanced Rulings (Q2 2026) 3. Prepare and conduct skills training customs officials on the operational rules for the AR (Q3 2026)	Technical (legal) advice for legal review and identification of recommendations Expert Advice for preparation of operational guidance Funding for training workshops



<b>Output 2</b>  <b>Private sector traders including freight forwarders in SVG understand and can take advantage of the updated AR mechanism</b>	1. Survey of private sector readiness (Q1 2026) 2. Funding for the preparation of training materials on the AR process. (Q3 2026) 3. Prepare and conduct skills training private sector on the operational rules for the AR (Q4 2026)	Expert Advice for preparation of draft report and best practice guidance  Funding for 2 training sessions of 30 participants each
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## 5) Sustainability of results

The project strengthens the capacity of the Customs Authority of Saint Vincent and the Grenadines to carry out its technical and managerial functions related to the advance ruling mechanism in a sustainable and independent manner. This includes support for performance evaluation, outreach to users, change management, and process design. With SVG's ratification of the WTO Trade Facilitation Agreement, the country has committed to providing advance rulings in line with Article 3.

The project contributes to this commitment by developing the legal and operational framework for the mechanism (Output 1) and by equipping private sector stakeholders, including freight forwarders, with the knowledge and tools needed to engage with it effectively (Output 2). Sustainability is anchored in the institutional ownership of the reforms, the integration of advance rulings into core customs functions, and the strengthened capacity of both public and private actors to maintain and use the system beyond the project's duration.

## 6) Budget

The costs of the project are covered by the TFAF grant and the in-kind contribution by the beneficiary. The total amount is 95'120 USD.

Table 3: Total project budget

Type	Description	Amount (USD)
<b>Personal and travel</b>		
	Short term international Expert (60 working days)	48'000
International travel	4 international return flights Per diem and other transport costs	13'120
<b>Total TFAF Grant</b>		<b>61'120</b>
	Beneficiary contribution	34'000
<b>Total</b>		<b>95'120</b>

Contribution by Beneficiaries: The TFAF grant rules specifies that for projects with Members categorised by the World Bank as Upper Middle-Income Countries such as SVG, an in-kind contribution of minimum 50% to the TFAF grant must be provided. The grant amount is 61'120 USD, the contribution is 34'000 USD, the total project cost is 95'120 USD.

Table 4: Financial contribution by beneficiary

	Description	Estimated value
<b>SVG Customs and Excise Division</b>	1 expert Customs Authority for domestic coordination (60 days)	24'000
	Meeting rooms and logistics for training officials and private sector (4 days)	10'000
<b>Total</b>		<b>34'000</b>

### III. PROJECT ORGANISATION

- 1) Political partner
- 2) Implementing partners

There can be different implementation scenario as outlined in the table. They need to be finalised.

- 3) Project Management

The total duration of the project is 12 months, starting in January 2026 – December 2026

- 4) Risk analysis

The project faces middle to high risks that can have a low to medium impact on its delivery. Mitigation measures will be adopted that manage the risk to the engagement in output 2 and risk of lack of anchoring of the results in SVG.

Table 6: Risks, impact and mitigation measures

List of Risks	Probability	Impact	Risk treatment/response(s)
Delays due to natural disasters (Hurricanes) or competing activities and projects.	Middle	Low	Work programme and KPIs will be shared with all stakeholders at the beginning of the project.  Dates for missions and training sessions will be defined at the beginning of the project.
<b>Delay in the legislative process in SVG.</b> Legislative and administrative documents that are prepared by the project risk not being formally adopted through the respective processes.	High	Low	The projects capacity development strategy rest on building the competence of technical experts in SVG customs authority so that, so that they are sufficiently empowered to independently support the legislative process and make amendments when necessary.
<b>Limited engagement from the private sector.</b> Traders may not be sufficiently convinced by the benefits of an advanced rulings mechanism to the extent that they do not engage with the available training sessions	Middle	High	The project includes engagement with the private sector stakeholders throughout the process, starting with a survey to understand sentiment and then adjusting the engagement strategy accordingly and to mitigate this risk. The local coordinator will play an important role in communicating and engaging with the private sector.

Appendix 1: Logical Framework

	Indicators and targets	Sources of verifications	Assumptions
Objective  <b>Establish a legally and operationally sound advance ruling system in SVG that meets WTO TFA Article 3 requirements, focusing on origin, valuation, and classification while providing support to the private sector to understand the new approach.</b>	1. Extent to which the legal and operational foundations for a WTO-compliant AR mechanism have been established by the project – as validated by NTFC  Baseline: 0 Target: +1 by Q4 2026.	NTFC meeting minutes	
	2. Percentage of trained private sector stakeholders reporting improved understanding and readiness to use the AR mechanism.  Baseline: 0 Target: 70%, by Q6 2026	Training survey	
Output 1  <b>The customs authority in SVG has the legal and operational framework for an advance ruling mechanism on classification and origin</b>	1.1 Draft legal provision submitted to competent authorities for adoption and / or publication  Baseline: 1 Target: 2, by Q3 2026	SVG Attorney General's Office Website	SVG adopts the legal instrument through the appropriate legislative or administrative procedure
	1.2 Standard Operating Procedures adopted by customs authorities and disseminated in trainings  Baseline: 0 Target 2, by Q3 2026 (administrative document by Q2 2026, and user guidelines by Q3 2026)	Emails Websites	Customs maintains attention and engagement with the project through to completion.
Output 2  <b>Private sector traders including freight forwarders in SVG understand and can take advantage of the updated AR mechanism</b>	2.1 • SOPs adapted as training materials for private sector audience, validated by NTFC  Baseline: 0 Target: 1, by Q3 2026	NTFC Minutes .	Engagement with the private sector is successful and they buy into the AR mechanism process.
	2.2 Number of traders successfully trained on new mechanism  Baseline: 0 Target: 60 by Q4 2026	Training attendance report	

Appendix 2: Work plan

Output	Activities	Responsibility	Year 2026			
			Q1	Q2	Q3	Q4
Output 1: The customs authority in SVG has the legal and operational framework for an advance ruling mechanism on classification and origin						
	Strategy development workshop for customs officials	Int. Consultant				
	Draft legal and administrative instruments to support Advanced Rulings	Int. Consultant and domestic coordinator				
	Training customs officials on the operational rules for the AR	Int. Consultant and domestic coordinator				
Output 2: Customs Authorities share experience on advance rulings through a regional platform						
	Survey of private sector readiness for AR	Int. Consultant and domestic coordinator				
	Prepare training materials on the AR process	Int. Consultant				
	Prepare and conduct skills training private sector on the operational rules for the AR	Int. Consultant and domestic coordinator				

Appendix 3: Budget by output

Activities	Cost description	Costs / USD	Costs / USD	Total
		TFAF	In kind	
<b>TOTAL</b>		61'120	34'000	95'120
<b>Output 1: The customs authority in SVG has the legal and operational framework for an AR mechanism</b>				
	<i>Total Amount</i>	<b>39'660</b>	<b>17'000</b>	<i>56'660</i>
1.1 Strategy development workshop for customs officials	Consultancy days STE Int'l (800 per day, 40 days)	32,000		32,000
1.2 Draft legal and administrative instruments to support Advanced Rulings	2 missions, 10 days, 1 STE Int'l (Air ticket 4'000, TE 400, per diem 326x10)	7'660		7'660
1.3 Prepare and conduct skills training customs officials on the operational rules for the AR	Government expert days (400 per day, 30 days)		12'000	12'000
	Cost of strategy and training workshops, 2 days for customs authorities		5'000	5'000
<b>Output 2: Customs Authorities share experience on advance rulings through a regional platform</b>				
	<i>Total amount</i>	<i>21'460</i>	<i>17'000</i>	<i>38'460</i>
2.1 Survey of private sector readiness for AR	Consultancy days STE Int'l (800 per day, 20 days)	16'000		16'000
2.2 Funding for the preparation of training materials on the AR process.	1 mission, 10 days, 1 STE Int'l (Air ticket 2'000, TE 200, per diem 326x10)	5'460		5'460
2.3 Prepare and conduct skills training private sector on the operational rules for the AR	Government expert days (400 per day, 30 days)		12'000	12'000
	Cost of workshops, 2 days for private sector		5'000	5'000