

No. ⁴⁰ of 2002.

Customs Tariff (2003 Budget Provisions) Act 2002.

Certified on: 16.01.03



INDEPENDENT STATE OF PAPUA NEW GUINEA

No. of 2002.

Customs Tariff (2003 Budget Provisions) Act 2002.

ARRANGEMENT OF SECTIONS.

1. Interpretation (Amendment of Section 1).
2. Rate of import duty (Amendment of Section 3).
3. Rates of import duty (Amendment of Schedule 1).
4. Rates of export duty (Amendment of Schedule 2).



INDEPENDENT STATE OF PAPUA NEW GUINEA

AN ACT

entitled

Customs Tariff (2003 Budget Provisions) Act 2002,

Being an Act to amend the *Customs Tariff Act 1990*,

MADE by the National Parliament to come into operation on 28 November 2002.

1. INTERPRETATION (AMENDMENT OF SECTION 1).

Section 1 of the Principal Act is amended by inserting after the definition of "dash" the following new definitions:-

"gas project" means the gas project as defined in Clause 1 of the *Gas Agreement* between the State, the Bank of Papua New Guinea and the Project Developers signed in Port Moresby on the 6th of June 2002;

"gas project imports" means imports by any of the companies defined as Gas Project Companies in Clause 1 of the *Gas Agreement*, or imports for the gas project pursuant to a written agreement between a Gas Project Company and a person engaged by a Gas Project Company for the purpose of importing or supplying goods to the project."

2. RATE OF IMPORT DUTY (AMENDMENT OF SECTION 3).

Section 3 of the Principal Act is amended –

(a) in Subsection (1) by inserting immediately before the words "The import duty in respect of imported goods is" the following:-

"Subject to Subsection (3)"; and

Customs Tariff (2003 Budget Provisions)

(b) by inserting after Subsection (2) the following new Subsection:-

- “(3) Notwithstanding anything else in this Act, for –
- (a) gas project imports of any prefabricated production or processing equipment used or required solely or substantially in or for the gas project, including in particular such items falling under tariff items set out in the table below, the rate of import duty applicable from 1 January 2002 shall be ‘free’:-

Tariff Item	Description of Goods
6810.91.00	Prefabricated structural components for building or civil engineering
7301.2	Angles, shapes and sections
7308.10.00	Bridges and bridge sections
7308.90.10	Angles, profiles perforated, prepared for use in the assembly of metal structures
7308.90.90	Other (structures)
7309.00.00	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 L, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment.

; and

- (b) all other gas project imports, the rate of import duty applicable from 1 January 2002 shall be the rate shown under the heading “Duty Rate On and From 1st Jan 2006.”.

3. RATES OF IMPORT DUTY (AMENDMENT OF SCHEDULE 1).

Schedule 1 of the Principal Act is amended by repealing the tariff rates of import duty shown for the following tariff items and replacing them with the tariff rates of import duty shown below:-

TARIFF ITEM	DESCRIPTION OF GOODS	Duty Rate Until 31 Dec 2003	Duty Rate From 1st Jan 2004 until 31 December 2005	Duty Rate from 1 st January 2006	Unit	Remarks
2501.00.10	Salt (cooking and table salts) imported ready for retail sale, packed in containers less than 25 kg,	40%	20%	15%	kg	-
2501.00.20	Salt (cooking and table salts) imported in bulk, in containers of 25 kg or more	Free	Free	Free	Kg	-
2501.00.90	Other	40%	20%	15%	Kg	-

Customs Tariff (2003 Budget Provisions)

TARIFF ITEM	DESCRIPTION OF GOODS	Duty Rate Until 31Dec 2002	Duty Rate From 1st Jan 2003 Until 31Dec 2005	Duty Rate on and From 1st Jan 2006	Unit	Remarks
3402.20.10	Synthetic detergents in powder form, imported ready for retail sale, or in containers of less than 50 kg	25%	20%	15%	Kg	-
3402.20.20	Synthetic detergents in powder form, imported for packaging for retail sale in PNG, in bulk containers of 50 kg or greater,	Free	Free	Free	Kg	-

4. RATES OF EXPORT DUTY (AMENDMENT OF SCHEDULE 2).

Schedule 2 of the Principal Act is amended by repealing item 44.03 and replacing it with the following items and table:-

EXPORT ITEM	CLASS OF GOODS	RATE	REMARKS
44.03	Timber logs and poles in the rough (other than off plantation logs or sandalwood), whether or not stripped of bark or sapwood, or roughly squared (ie. Not downstream processed eg. Sawn timber), of all species (other than balsa, blackbean, cordia, ebony, rosewood, teak and all conifers, see remarks)	As per the table below	The export of balsa, blackbean, cordia, ebony, rosewood, teak and all conifers is banned
	When f.o.b. price/m3 exceeds	And when f.o.b. price/m3 does not exceed	Export tax/m3 equals
	<u>United States Dollars</u>	<u>United States Dollars</u>	
	0	\$22.60	P x 0.10
	\$22.60	\$27.60	P x 0.25 – US\$3.39
	\$27.60	\$32.63	P x 0.45 – US\$8.91
	\$32.63	\$37.65	P x 0.50 – US\$10.54
	\$37.65	\$50.20	P x 0.55 – US\$12.42
	\$50.20		P x 0.65 – US\$17.44
			P= f.o.b. log price in United States Dollars
EXPORT ITEM	CLASS OF GOODS	RATE	REMARKS
44.03	Plantation Logs	Free	
44.03	Sandal wood	15%	

Customs Tariff (2003 Budget Provisions)

I hereby certify that the above is a fair print of the *Customs Tariff (2003 Budget Provisions) Act 2002* which has been made by the National Parliament.

Acting Clerk of the National Parliament.

I hereby certify that the *Customs Tariff (2003 Budget Provisions) Act 2002* was made by the National Parliament on 10 December 2002.

Acting Speaker of the National Parliament.