

FREQUENTLY ASKED QUESTIONS ON CUSTOMS-EXPORTS



Disclaimer

This guide is intended to provide information to the general public to facilitate trade from Sri Lanka. Every effort has been made to ensure that the information provided is accurate and up to date. However, Sri Lanka Customs (SLC) does not guarantee that it is a comprehensive guide on all exports related aspects. SLC does not hold itself liable for any consequences, legal or otherwise arising out of use of any information in this guide.

Registration of Exporters

1. Q: Do I have to register with the Customs if I want to export any Commodities?

A: Yes, no goods shall be exported for a commercial purpose out of Sri Lanka except by a registered exporter.

2. Q: Where can I get the application form to register with Customs?

A: The application form to register importers and exporters could be downloaded from our website www.customs.gov.lk

3. Q: What are other documents required for the registration?

A:

(1) Business Registration Certificate (BRC) issued by the Department of registrar of Companies.

(11) Form 1 or 48 in case of Private Limited Company issued by the Department of Registrar of Companies.

(111) Tax Payers Identification (TIN) certificate and VAT certificate issued by the Inland Revenue Department.

4. Q: Where do I register?

A: Completed application form together with the original and copies of documents mentioned above should be submitted to the Automated Data Processing (ADP) Directorate currently at the 3rd floor of the Times Building Colombo 01, for registration, between 8.30 am and 3 pm. on any working days.

5. Q: How long will it take to register?

A: Only a day, once documents are accepted for registration. However other than the registration of Private Limited Company, a clearance has to be obtained from Central Intelligence Unit (CIU) of the Customs.

6. Q: Are there any payments involved for registration?

A: No; the service is free of any charges.

7. Q: Do I have to register even if I want to send gifts, non commercial items and trade samples?

A: No; gifts, items of non commercial values, trade samples could be dispatched with out the registration.

Sri Lanka Customs offers an exclusive service at the following centers.

- 1 Sri Lankan Air Lines Cargo office at Kollupitiya.
- 2 Parcel Post of the Sri Lanka Postal Department at D.R.Wijewardene Mawatha.
- 3 DHL courier service at Ja-Ela.
- 4 The Postal Department accepts similar parcels at the post offices island wide on specific conditions.

Items dispatched under this scheme are subject to laws and regulations governing exports.

Registration with other agencies

8. Q: Do I have to register with any other agencies?

A: Exporters of specific items are required to register with respective agencies.

Ex; Exporters of coconut and allied product have to register with
Coconut Development Authority.

Exporters of rubber and allied products have to register with
Rubber Development Department.

Exports of tea with Sri Lanka Tea Board.

Declarations of the Exporters.

9. Q: Do I have to deliver a customs declaration (CusDec) of the goods to be exported?

A: Yes, a person exporting any goods whether liable to the payment of duty or not is required to deliver Cus Dec to the Customs in the form specified by the Director General of Customs.

10. Q: How do I deliver?

A: Declarations could be submitted either manually or electronically. Submission could be electronically transferred through Direct Traders Input (DTI), a service provided by the Customs free of charge. It can also be transferred through Electronic Data Interchange (EDI), a service provided by E' Services Pvt Ltd.

11.Q: What about the exportation of perishables such as vegetable, fresh food?

A: Declarations of these items could be delivered at the Air Cargo Village Terminal at katunayake.

Special arrangements are in place for exporters of these items to Republic of Maldives permitting them to ship prior to the presentation of CusDec.

12. Q: What is the role of Customs House Agents?

A: The Customs House Agents who have been granted license by the Customs can deliver the CusDec and engage themselves in clearance of goods for exports on behalf of exporter under the authority given by such exporter.

Exports of precious stones, jewelry etc

13. Q: Is there any special arrangement for the exports of precious stones and jewelry?

A: Yes, Exports of these items are accepted at the “One Stop Shop” (OSS) at National Gems and Jewelry Exchange, Galle Face Terrace Colombo.03. Customs Gem Unit, B.O.I, National Gem and Jewelry Authority, Banks, and Courier services are located at this OSS.

Exchange Control Regulations on Merchandise Exports

14. Q. Do I have to obtain exchange control approval for merchandise exports? Should I bring all the foreign exchange to Sri Lanka of such exports?

A. Exchange Control permission is not required for exports. Exporters

are also free either to repatriate export proceeds and have such proceeds credited to a rupee account or to an Exporters Foreign Currency Account in a domestic banking unit of a commercial bank in Sri Lanka or to retain proceeds abroad in any commercial bank, provided such monies are not used for acquisition of capital assets abroad.

Requirement of Imports and Exports Control Department.

15. Q. Are there any commodities placed under license of Exports Controller?

A. Coral chunks and shells, ivory, ebony (handicraft form), timber (logs and plank form) and vintage motor vehicles (first registered in Sri Lanka prior to 1945) require license from the Controller of Imports and Exports.

Other permits / License

16. Q. What are the other items that require license / permits?

A.

I. Tea (more than 10 kgs),

II. Earth minerals,

- III. Books, Literature and other printed matters (more than 50 years old)
- IV. Items made out of clay, wood, stones, brass, bronze and paintings of archeological value.
- V. Registered motor vehicles.
- VI. Mammals, birds, reptiles, fish, amphibian and others restricted under Fauna and Flora Ordinance.
- VII. Fish gazette under Fisheries and Aquatic Resources.
- VIII. Timber, articles, Aquatic and Ornamental plants, any other forest products
- IX. Fire arms
- X. Liquor
- XI. Apparels (more than 36 pieces)
- XII. Domestic animals, raw hides leather and related products.

Customs Duty and other Levies on exported goods.

17. Q. Is there any Customs duty to be paid on exported goods?

A. Only the following two items are liable for Customs duty.

I. Quartz having a FOB value of less than US \$ 300 per M.T

II. Flat rolled products of iron and non –alloy steel.

18. Q. What are the items subject to other levies?

A. *Cess payable on the following selected items for development of particular sectors.*

- i. Sri Lankan origin tea
- ii. Cashew nut in shell
- iii. Raw hides, Tanned or crust hides in wet state.
- iv. Natural and compounded rubber.
- v. Coconut, coir products, coconut arrack, brooms and brushes.

Royalty payable on;

- i. Chanks
- ii. Conch shells
- iii. Elephants
- iv. Tuskers.

Time of exports

19. Q. When are these duties and other levies become payable?

A. The Customs duty and other levies become payable at the time of submission of the declarations at the rate prevailing at the time of submission.

20. Q. What is the time of export for customs purposes, other than recovery purposes?

A. The time at which the goods had been shipped on board.

Temporary exports

21. Q. Can I export my goods for repair or use aboard? Do I have to pay duty and other levies on these item at the time of re-importation?

A. Articles of foreign production re-imported upon which duty has been previously paid are admitted duty free upon re-importation on an instrument known as Free Re-Importation Certificate (FRIC). The article is one which can be readily and unmistakably identifiable is one of the conditions.

22. Q. How can I obtain a “FRIC”?

A. FRIC is issued at the Exports Directorate of the customs at the time of re-exporting, subject to the conditions referred to in answer 21 above

23. Q. What is a CARNET?

A. It is a “Merchandise Passport”. It is an international Customs document that simplifies customs procedure for temporary importation of various types, allowed free of duty on the condition of re-export. Certain goods could be exported on a temporary basis to any country which has acceded to CARNET principle.

24. Q. How can I obtain a CARNET to temporarily exports an item?

- A. CARNET is issued by the relevant institutions; Automobile Association of Sri Lanka issues for motor vehicles and Chamber of Commerce for other commodities.

Rejected exports order

25. Q. My consignment of exports is rejected by the buyer. When the goods arrive in Sri Lanka, will it be treated as imports and duty and other levies payable?

- A. No, Sri Lankan produce could enter Sri Lanka with out payment of Customs duty on an instrument known as Bill of Stores, subject to certain conditions.

Items under special treatment.

26. Q. Can I export rice?

- A. Rice can be exported. However the minimum FOB value of any kind should be Rs 100, 000/= per M.T

27. Q. Is there any ban imposed for the exportation of metal scrap and waste?

- A. Yes, there is a ban imposed on exports of ferrous and non-ferrous scrap and ingots/ billets casted from ferrous and non-ferrous scrap till November 11, 2009.However this is subject to certain exemptions.

28. Q. I am a scientist, I want to take out some plants, plant extract or animal extracts for my analysis as a part of my research. Do I still need a permit?

A. Yes, the approval of Forest Department and Wildlife Department respectively should be obtained for the scientific and research purposes.

29. Q. I have some biological materials and some souvenirs to be taken out. I am in doubt whether these items are subject to license and permits. What am I to do?

A. You are welcome to contact Bio-Diversity Protection Unit of Sri Lanka Customs to clarify these issues when in doubt.

30. Q. What is the procedure to take out my personal belonging as unaccompanied passengers' baggage?

A. On an application made to the Baggage Directorate of the Customs, officers will examine and seal the packages. The examination should be done before the passenger leave Sri Lanka. Exports Directors will process the CusDec as personal effect. In the regard there is no pre-requisite that exporter (passenger) should have registered with the Customs. If the passenger has already left Sri Lanka without meeting these formalities, this will be treated as non commercial exports, subject to the normal formalities.

Items re-exported

31. Q. If I re-export an item upon which Customs duty has been paid, am I entitled for a refund?

A. Where any goods capable of being easily identified which have been imported and upon which Customs duties have been paid, are re-exported, a sum not exceeding nine tenth of such duties may be repaid as drawback subject to certain conditions.

32. Q. Can I re-export an imported item on a commercial basis?

A. Yes, it is treated as re-export. Customs will be looking for the terms of payment and the documents should be channeled through any commercial bank.

Pay Back Scheme

33. Q. What is a duty rebate scheme?

A. It is a key facilitation scheme designed to help exporters to sell products at competitive prices. Exporters who incur fiscal levies on imported inputs and utilize such items to manufacture products and export directly or indirectly are eligible to claim duty rebate. The list of items, their classification numbers and the rates of rebate are notified in the gazette notification. The current gazette notification is 1536 /21 of 14.02.2008. Exporters could apply, if any new items are to be included in the list.

34. Q. How can I claim VAT refunds?

A. The Inland Revenue Department (IRD) will process VAT claims on the application made by an exporter. IRD will rely on the data disseminated electronically by the Sri Lanka Customs on the actual exports effected by that particular exporter.

Specialized Schemes for Exporters.

35. Q. Is there any bonded warehouse facility for supplying to exporters?

A. Yes; the importer is permitted to store his goods in an approved bonded warehouse or place of security with out payment of Customs duty and other dues, if it is to be supplied to a 100% export oriented manufacturer. (Condition apply)

36. Q. What is T.I.E.P scheme?

A. The TIEP (Temporary Imports for Exports Process) scheme is a major scheme to encourage small and medium scale manufacturers and exporters to produce at lower cost to compete in the global market.

Direct and indirect exporters could import raw materials, packing materials, capital and intermediate goods for export process on a guarantee under this scheme. (Conditions apply)

37. Q. What is an Entrepot trade?

A. This is a scheme to help expand the potential of the country in global market by trading products of the other countries in order to generate more revenue. This facility permits importation of goods, relieved from the payment of Customs duty and other levies and re-export same to a third party with or without changing of its original form.

Auxiliary Institutions.

38. Q. Where and how do I get preferential certificate of origin for the products exported?

A. Preferential certificate of origin is issued by the Department of Commerce on the strength of data disseminated electronically by the Customs on the exports. This certificate will enable the importer at the other end to enjoy preference rate of Customs duty in terms of free trade agreements.

39. Q. Who issues non –preferential certificate of origin?

A. It is Ceylon Chamber of Commerce. In addition to this, it serves as a focal point for business contacts locally and abroad, making representations on behalf of its members on business matters and acts as arbitrator in commercial disputes.

40. Q. What is role played by Exports Development Board?

A. The Board assists exporters to achieve trade efficiency by simplification of procedures and the resolving of problems related to export trade and investments. The Board provides know-how, assistance and facilitates the effective coordination of all state and private sector organizations.

41. Q. Can I get my exports goods covered by an insurance?

A. The services of Sri Lanka Exports Credit Insurance Corporation include insurance policies, export credit guarantees and business information credit reports.

Useful Contacts.

For additional information, please visit our website; www.customs.gov.lk

Telephone Nos:- Customs Information Centre: 2342012.

Bio-Diversity Protection Unit 2472179.

Contact Numbers of Exports Directorate.

Designation	Telephone Numbers
Director- Exports	2437069
Deputy Director- Exports	2437070
Assistant Director Officer	2478616
Chief Exports Officer	2478616
Officer in Charge - Exports	232409

Contacts of other stakeholders.

Department /Institutions	Address	Telephone Numbers
Department of Agriculture	25,Old Galaha Road, Peradeniya	081-2388331
Department of Animal Production and Health	Morgan Road, Colombo 02	2448685 / 2252430
Department of Archeology	Sri Marcus Fernando Mawatha, Colombo 07	2692840 / 1
Coconut Development Authority	54, Nawala road, Narahenpita, Colombo 02.	2502502 / 4
Department of Commerce	21, Vauxhall Street, Colombo 02.	2329733 / 2382490
Department of Exchange Control	30, Janadhipathi Mawatha, Colombo 01.	2477244 / 2477255

Department of Excise	28, Staples Street, Colombo 02.	2300166 / 2326606
Department of Forest	82, Sampathpaya, Rajamalwatta Road, Battaramulla.	2866631 / 2875540
Geological Survey and Mines Bureau	04, Senanayake Building, Galle Road, DL	2725751 / 2725746 2725664 2739307/8
Department of Import and Export Control	Hemas Building, York Street, Colombo 02.	2326774 / 2328486
Department of Motor traffic	533, Elvitigala Mawatha, Colombo 10.	2694331/6
Ministry of Textile Industries and Development	27, Vauxhall Street, Colombo 02	2393533
National Gem and Jewelry Authority	25, Galle Face Terrance, Colombo. 03	2325364 / 2329295 / 2390646.
Department of Rubber Development	Janawasama Building, 55/75, Vauxhall Lane, Colombo 02	2393533
Sri Lanka Tea Board	574, Galle Road, Colombo 03.	287773 / 2582121
Department of wild Life Conservation	382, New Kandy Road, Malambe	2560380
Ceylon Chamber of Commerce	50, Navam Mawatha, Colombo 02.	2326096 / 2380156
Sri Lanka Export Development Board	42, Navam Mawatha, Colombo 02.	2300705 /11
Sri Lanka Export Credit Insurance Corporation	Level 04 Export Guarantee House, 42, Navam Mawatha, Colombo 02.	4883561/4 5378161/5

