

2022 SRI LANKA CUSTOMS REGULATORY CHANGES

Last Update:
May 24th, 2022



DHL Business Unit – Excellence. Simply delivered.





Disclaimer

- While we have made every attempt to ensure that the information contained herein has been obtained, produced and processed from sources believed to be reliable, no warranty, express or implied, is made regarding the accuracy, adequacy, completeness, legality, reliability or usefulness of such information.
- All information contained herein is provided on an "as is" basis.
- In no event will DHL Express, its related partnerships or corporations under the Deutsche Post DHL Group, or the partners, agents or employees thereof be liable to you or anyone else for any decision made or action taken in reliance on the information contained herein or for any consequential, special or similar damages, even if advised of the possibility of such damages.

Sri Lanka Customs Regulatory Changes Agenda



Overview

Additional Document

Impact for Shippers & Receivers

Key Takeaways

FAQs

External Links

Sri Lanka Customs Regulatory Changes Overview



Overview

As of **April 18th 2022**, the Sri Lankan Customs Authorities have implemented **Import License** requirements for many commercial goods.

- Only applies to **Business to Business (B2B) shipments**.
 - Import Licenses are to be issued by the Controller General of Import and Export Control of Sri Lanka, prior to arrival.
 - **The Import License requirements cover commercial** goods such as food items, beverages, beauty products, apparel, clothing accessories, footwear, electric appliances, watches and musical instruments.
 - The full list of affected products (and respective HS Codes) can be downloaded at the Sri Lanka Authorities website [LINK](#)
 - **Exemptions**
 - **Business-to-Consumer (B2C)** shipments are released on arrival with applicable duty / taxes applied however no Import license required based on Customs assessment of non commercial shipment purpose.
 - **Business-to-Business (B2B)** shipments that have no foreign exchange values such as **samples and warranty replacements** will be detained until the receiver/consignee can validate no foreign exchange involved; these will be allowed to clear as a formal clearance, without the Import License, once the duties and taxes are paid.
 - **Document** Shipments.
-
- Shipments arriving without Import License will be **held under customs control for 90 days** pending application and approval of the Import License.
 - If the Import License is not obtained within 90 days, **goods will be Confiscated or Returned to Origin (RTO)** on application and will incur a **penalty of 10% (by the Authorities)** of full duty amount prior to approval to re export.

Sri Lanka Customs Regulatory Changes Overview

Overview | About The New Regulation

- In response to balance of payment pressures currently Sri Lanka is facing , the authorities have introduced **Import License restrictions on many commercial goods** deemed non essential to economy.
 - **Law Name/Article:** *Import and export control act, No1 of 1969.*
 - **Timeline:** the new standard is effective as of **April 18th 2022.**
- Therefore, in order to avoid potential delays: **take action now.**
 - **Sri Lanka Receivers/Consignees** shall obtain the Import License before the arrival to avoid potential delays.
 - **Shippers (from Rest of World to Sri Lanka):** pro-actively inform your Sri Lanka Receivers/Consignees of this new regulation, and request to obtain the Import License prior to arrival.



Sri Lanka Customs Regulatory Changes Agenda



Overview



Additional Document

Impact for Shippers & Receivers

Key Takeaways

FAQs

External Links

Sri Lanka Customs Regulatory Changes


Additional Document

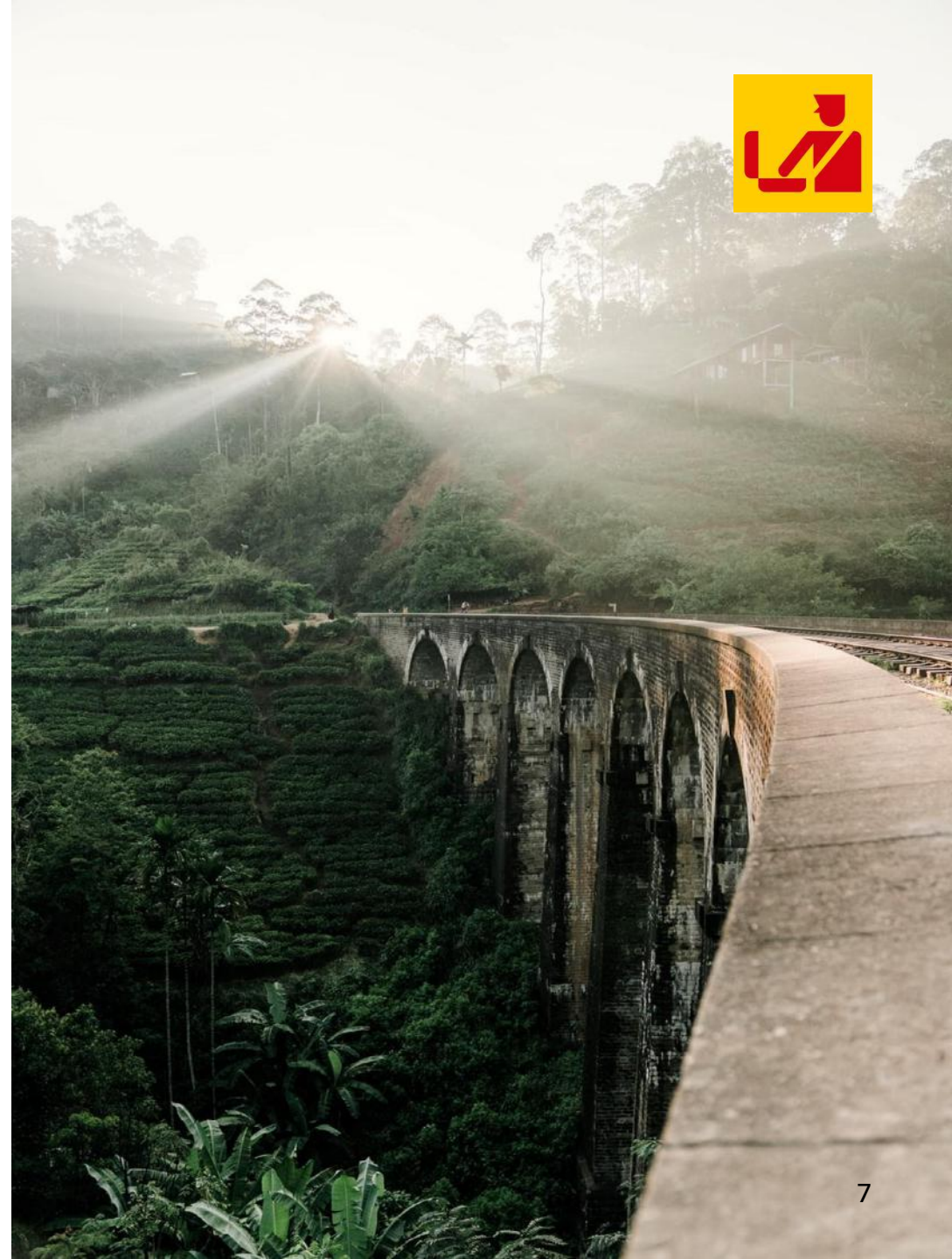


Additional Document

- As of April 18th 2022, the Sri Lankan Customs Authorities require a **mandatory Import License** issued by the *Controller General of Import and Export Control of Sri Lanka* for goods prescribe in below link:
<https://www.treasury.gov.lk/api/file/31c4c74a-4565-4244-875c-ffb1275a0b2c>
- Link for **Sri Lanka Receivers/Consignees to obtain Import License application:**
<https://www.treasury.gov.lk/news/article/93>

**Recommendation to issue Import Control License under
Gazette Extraordinary No.2274/42 dated April 09, 2022**

		
Application for Recommendation Of MOF Under Import Control Gazette No.2274/42 Dated April 09, 2022	Process of Regulation No.4 of the Imports Control Regulations No.6/2022 Published in the Gazette No.2274/42 Dated April 09, 2022	Gazette Extraordinary No.2274/42 Dated April 09, 2022
Download Attachment	Download Attachment	Download Attachment



Sri Lanka Customs Regulatory Changes Agenda



Overview

Additional Document



Impact for Shippers & Receivers

Key Takeaways

FAQs

External Links

Sri Lanka Customs Regulatory Changes

Impact for Shippers (from Rest of World to Sri Lanka) & Receivers



Impact for Shippers (from Rest of World to Sri Lanka) & Receivers/Consignees (in Sri Lanka)



Without a valid Import License issued by the Controller General of Import and Export Control of Sri Lanka, your shipment will be:

- **Rejected** for Customs Clearance on arrival.
- **Held** at the DHL Sri Lanka Gateway Customs Bond.
- **Confiscated by Customs** after 90 days of arrival if import license not obtained, or
- **Returned** to shipper if the Import License is not obtained, plus a penalty of 10% (by the Authorities) of full duty amount prior to approval to re export.
- **Subjected** to Bond Storage charges (for the period that the shipment is held).

→ This is **mandatory** for **Business to Business (B2B)** shipments of commercial goods to Sri Lanka as per referred list.

(1) SHIPPERS FROM REST OF WORLD TO SRI LANKA



- Shippers (from Rest of World to Sri Lanka) shall:
 - ✓ **Pro-actively inform all their Sri Lankan** Receivers/Consignees of this new regulation.
 - ✓ **Provide the Sri Lanka business mobile phone number & e-mail address of receiver/consignee** when creating the shipment with DHL (in case DHL needs to contact the receiver/consignee).
 - ✓ Provide a copy of the Import License along with all other shipping documents when creating your shipment with DHL.
 - ✓ Provide **complete and accurate Commercial/Proforma Invoice data electronically** via the **DHL Electronic Shipping Solutions**, such as: goods descriptions, itemized values, country of origin, etc.

(2) RECEIVERS/CONSIGNEES IN SRI LANKA



- **Sri Lanka Business** Receivers/Consignees must:
 - ✓ **Download the Sri Lankan Import License** application and apply accordingly prior to import.
 - ✓ **Provide the shipper (at origin) with a copy of the Import License**, so it can be attached/uploaded when creating a shipment with DHL.
 - ✓ An Import License **must be available for each import shipment** to allow the Customs Clearance of the goods, however a bulk Import License may be available on application to Sri Lanka authorities.
 - ✓ If the shipment already arrived in Sri Lanka, **DHL Express will contact the receiver/consignee** to ensure they are aware on Import License requirements.

Sri Lanka Customs Regulatory Changes Agenda



Overview

Additional Document

Impact for Shippers & Receivers

 **Key Takeaways**

FAQs

External Links

Sri Lanka Customs Regulatory Changes

Key Takeaways

Key Takeaways

- ✓ As of **April 18th 2022**, the Sri Lankan Customs Authorities require a **mandatory Import License** to be issued by the *Controller General of Import and Export Control of Sri Lanka* for **specific commercial goods**, including food items, beverages, beauty preparations, apparel, clothing accessories, footwear, electric appliances, watches, musical instruments
- ✓ The full list of affected products (and respective HS Codes) can be downloaded at the Sri Lanka Authorities website [LINK](#)
- ✓ **Without a valid Import License** issued by the Controller General of Import and Export Control of Sri Lanka, the shipment will be: **Rejected** for Customs clearance on arrival; **Held** at the Sri Lanka DHL Gateway; **Confiscated** by Customs after 90 days of arrival or allowed to be **returned to origin** with penalty of 10% of full duty amount.

→ In order to avoid delays, Shippers (from Rest of World to Sri Lanka) shall:

- ✓ **Pro-actively inform all their Sri Lankan commercial customers** (receivers/consignees in Sri Lanka) of this new regulation.
- ✓ When creating a shipment (at origin), **attach/upload an electronic copy of the Import License** (if available) together with the Commercial/Proforma Invoice.
- ✓ **For shipments arriving without having a Import License attached, the DHL Sri Lanka clearance support team will contact the receiver/consignee and request the Import License.**
- ✓ Provide **complete and accurate Commercial/Proforma Invoice data electronically** via DHL Electronic Shipping Solutions, such as: goods descriptions, itemized values, country of origin.



Sri Lanka Customs Regulatory Changes Agenda



Overview

Additional Document

Impact for Shippers & Receivers

Key Takeaways



FAQs

External Links

Sri Lanka Customs Regulatory Changes

Frequently Asked Questions (FAQs) - 1 of 2



Frequently Asked Questions (FAQs)

Why are the Sri Lanka Customs Authorities implementing this regulatory change?

In response to the economic issue of a negative Balance of Payments, the Sri Lankan authorities have introduced import restrictions that temporarily have suspended imports of non-priority goods and placed many goods under a licensing regime that are considered non essential to economy.

Can a bulk/blanket Import License be obtained to cover multiple shipments?

Yes, the Sri Lanka Government may provide **bulk/blanket Import Licenses** upon request (and approval by Authorities). Please write to inquiry@imexport.gov.lk for inquiries.

Where can I get support to obtain the Import License?

<https://www.treasury.gov.lk/news/article/93>

How can we contact Import and Export Control department of Sri Lanka Authorities?

Department of Imports and Exports Control

No: 75 1/3,
1st Floor,
Hemas Building,
York Street,
P.O. Box - 559,
Colombo 01.

General Information

Telephones : +94-11-2326774
Fax Nos : +94-11-2328486
Email : deptimpt@imexport.gov.lk
Website : www.imexport.gov.lk



Sri Lanka Customs Regulatory Changes

Frequently Asked Questions (FAQs) - 2 of 2



Frequently Asked Questions (FAQs)

Does the new Import License requirement influence Duty and Tax payment?

No. However, shipments arriving in Sri Lanka without the Import License may be subjected to Bond Storage charges (for the period that the shipment is held).

What if the Sri Lanka receiver/consignee does not obtain an Import License ?

Without an Import License, the shipment will be:

- **Rejected** for Customs Clearance on arrival.
- **Held** at the Sri Lanka DHL Gateway under Customs Bond.
- **Confiscated by Customs** after 90 days of arrival if import license not obtained, or
- **Returned** to shipper if Import License is not obtained, with a penalty of 10% of full duty amount.
- **Subjected** to Bond Storage charges (for the period that the shipment is held).

Where could we obtain the complete list of products (and HS codes) affected?

The full list of products (and respective HS Codes) can be downloaded at the Sri Lanka Authorities website ([LINK](#))

Is there an application fee for the Import License?

Yes, the fee depends on category of goods, generally 0.1% of CIF value of goods.
Please see page 32 of the Sri Lanka Authorities document [LINK](#)

Is this a temporary requirement ?

Yes, Government will amend the list of products with financial recommendations periodically.

Sri Lanka Customs Regulatory Changes Agenda



Overview

Additional Document

Impact for Shippers & Receivers

Key Takeaways

FAQs



External Links

Sri Lanka Customs Regulatory Changes

External Links | Sri Lanka Customs Authorities

External Links | Sri Lanka Customs Authorities

For additional information, please consult the Sri Lanka Customs websites below:

- **List of Impacted Products (and HS Codes) Affected and Import License Application Form:**
<https://www.treasury.gov.lk/api/file/31c4c74a-4565-4244-875c-ffb1275a0b2c>
- **Ministry of Finance Sri Lanka :**
<https://www.treasury.gov.lk/news/article/93>
- **Sri Lanka Customs Administration, Ministry of Finance:**
<https://www.customs.gov.lk/>
- **Department of Imports and Exports Control Sri Lanka**
www.imexport.gov.lk



Adobe Acrobat
Document



THANK YOU

Disclaimer

While we have made every attempt to ensure that the information contained herein has been obtained, produced and processed from sources believed to be reliable, no warranty, express or implied, is made regarding the accuracy, adequacy, completeness, legality, reliability or usefulness of such information. All information contained herein is provided on an "as is" basis. In no event will DHL Express, its related partnerships or corporations under the Deutsche Post DHL Group, or the partners, agents or employees thereof be liable to you or anyone else for any decision made or action taken in reliance on the information contained herein or for any consequential, special or similar damages, even if advised of the possibility of such damages.