

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

SRI LANKA

Revision

Information on import licensing procedures of Sri Lanka submitted in response to the questionnaire annexed to document L/5106/Rev.2 has been made available to contracting parties in document L/5203. The following notification, describing the present import licensing system, replaces the data previously submitted by Sri Lanka.

Outline of systems

1. There are two aspects to the licensing system in Sri Lanka: automatic licensing procedure and licensing to administer import restrictions.

Purposes and coverage of the licensing

2. (a) Automatic licensing procedure:

Since it is the policy of the Government to liberalize imports and exports, requirements and procedures, like allocation of quotas and licensing, were removed in respect of a large number of items.

(b) Licensing to administer import restrictions:

This applies only to items appearing in Column 3 Schedule 1 of Gazette Extraordinary No. 291/7 of 15 November 1977 (see Annex).

3. Trade with Israel and public sector trade with Taiwan are not allowed. However, private traders in Taiwan and Sri Lanka are allowed to trade with each other.

4. Both

5. The present legal basis for the control of imports and exports is the Imports and Exports (Control) Act No. 1 of 1969. Under the Act, the Government has the power to prohibit or restrict the importation of any goods and prescribe any condition relating to imports and exports. The

import and export control policy is formulated by the Ministry of Trade and Shipping in consultation with the Ministry of Finance and Planning subject to the approval of the Cabinet. The Minister of Trade and Shipping is empowered under the Act to issue regulations, in conformity with the objects and purposes of the Act. The responsibility of administering the regulations rests with the Department of Import and Export Control.

Procedures

6. (a) Information regarding trade quotas is published periodically in government gazettes but it is not possible to publish this information in advance due to practical difficulties. Applications are not required for licences for trade quotas, as they are given to registered importers who are eligible to receive quotas on an historical basis. However, due consideration is given to applications made for direct-user licences for imports outside trade quotas. Information regarding distribution of licences among supplying countries is not available in the Department of Import and Export Control.

(b) Licences are issued to quota holders on the basis of fixed annual quotas.

(c) Documents are submitted for debiting before the release of goods.

(d) Immediate

(e) No delay

(f) Within six months

(g) Single administrative organ, i.e. Import and Export Administration, subject to the following:

(i) In the case of import of insecticides, approval from the Director of Agronomy of the Department of Agriculture in Sri Lanka is also necessary. Items under B.T.N. headings 38.11 A(ii), B(ii), C(ii) and D(ii) are subject to this procedure;

(ii) In the case of import of petroleum products, the approval of the Sri Lanka Petroleum Corporation, which holds a monopoly, is also necessary;

(iii) In the case of import of chemicals (restricted), approval from the Sri Lanka State Trading (General) Corporation, which holds a monopoly, is also necessary;

(iv) The import of all new drugs, which are not already approved by the Drugs Sub-Committee of the National Formulary Committee of Sri Lanka, should have its approval;

- (v) The import of new brands of milk food requires the approval of the Director of Health Services and the Ministry of Trade & Shipping;
- (vi) For the import of radioactive material and irradiating apparatus, the approval of the Atomic Energy Authority of Sri Lanka is also necessary; and
- (vii) The import of cinematographic films, exposed and developed, whether or not incorporating sound track, negative or positive, also requires the approval of the Sri Lanka Film Corporation.
- (h) On a yearly quota basis
- (i) In the case of bilateral trade agreements, import licences are issued in accordance with the conditions laid down in the agreements.

(j) No

(k) No

7. (a) Within six months. No

(b) No

(c) No

(d) Yes

8. According to Section 10(i) of the Imports and Exports (Control) Act No. 1 of 1969, where the Controller decides to refuse to issue a licence, he should cause notice of the decision to be given to the applicant for the licence. Although the Controller is not required to give reasons for the refusal, they are in fact given where possible. The Imports and Exports Control Act provides for an appeal to the Minister against the decision of the Controller.

Eligibility of importers to apply for licence

9. (a) Only registered quota holders under each quota item.

(b) (i) A citizen of Sri Lanka trading in his own name or under a business name;

(ii) a firm, partnership or private company with 100 per cent effective share capital held by Sri Lankans;

(iii) a public company in which 51 per cent of effective share capital is held by bona fide citizens of Sri Lanka;

- (iv) any individual, partnership or limited liability company or other concern registered on or after 5 May 1968 by the Department of Imports and Exports Control or the Minister of Industries or Minister of Textile Industries.

Documentational and other requirements for application of licence

10. Proforma invoices and indent forms should accompany the application for licence.
11. Invoices proper, Bill of Lading and customs entries.
12. The fee of 15 per cent (15%) of the value of the goods will be charged for the issue of a licence to import for the importer's use a bona fide gift not involving any remittance abroad of foreign exchange.
13. No

Conditions of licensing

14. Six months, yes on application.
15. No
16. No
17. No

Other procedural requirements

18. No
19. Yes, for items which can be imported under Special Import Licence No. 1 of 1977. Licences should be obtained for restricted items before Letters of Credit are established.

ANNEX

Items Appearing in Column 3 Schedule 1
of Gazette Extraordinary No. 291/7
of 15 November 1977

03.02	28.17	30.02	53.13	71.11
03.03	28.18	30.03	54.05	71.12
04.02	28.25	31.01	55.05	71.13
07.01	28.28	31.02	55.06	71.14
07.04	28.32	31.03	55.07	71.15
08.01	28.33	31.04	55.08	71.16
09.04	28.34	36.01	55.09	72.01
09.09	28.35	36.02	56.07	73.10
10.01	28.39	36.03	57.09	73.14
10.06	28.44	36.04	57.10	76.05
11.01	28.45	36.05	57.11	82.01
11.02	28.49	36.06	57.12	83.10
14.05	28.50	36.07	58.04	84.59
17.03	28.51	36.08	60.01	85.15
21.07	28.52	37.07	60.06	87.02
22.08	28.57	38.11	63.01	87.04
24.01	29.03	39.01	63.02	87.05
25.29	29.04	39.02	70.19	87.08
26.01	29.07	39.03	71.01	93.01
27.10	29.08	39.04	71.02	93.02
27.11	29.18	39.05	71.03	93.03
27.14	29.21	39.06	71.04	93.04
28.04	29.22	50.09	71.05	93.05
28.06	29.25	50.10	71.06	93.06
28.08	29.26	51.04	71.07	93.07
28.10	29.30	52.02	71.08	
28.13	29.31	53.11	71.09	
28.15	30.01	53.12	71.10	