



Voluntary Report - Voluntary - Public Distribution

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Report Name: Sri Lanka Import Control Regulations Suspend the Import of 26 Food and Agricultural Products

Country: Sri Lanka

Post: Colombo

Report Category: FAIRS Subject Report

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Report Highlights:

On August 23, 2022, the Sri Lankan government temporary suspended the import of 26 agricultural products. The Imports and Exports (Control) Regulations No. 13 (2022) is a quantitative import restrictive measure. The Sri Lankan government is ordering the temporary suspension of the import of 300 non-essential items, 26 items of which are food and agricultural products. Agricultural commodities subject to import suspension include condensed milk, yoghurt, chocolate, and other food preparations containing cocoa, oats, liquid coconut milk, beverages made of vegetables, milk, cereal, and tree nuts, and coconut-base arrack (distilled spirit). The new regulation should have limited impact on the trade of U.S.-origin agricultural commodities in terms of trade value.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY **DISCLAIMER:** The information contained in this report was retrieved from the Sri Lanka Standards Institution (SLSI) website <u>http://www.slsi.lk/index.php?lang=en</u>. The U.S. Embassy in Colombo – Foreign Agricultural Service (FAS) Office of Agricultural Affairs (OAA), USDA and/or the U.S. government make no claim of accuracy or authenticity. The Government of the Democratic Socialist Republic of Sri Lanka India has not officially endorsed this report. Import approval for any product is subject to local rules and regulations as interpreted by Sri Lankan officials at the time of product entry. [Note: Use Google Chrome to access the links that do not open in Microsoft Edge].

GENERAL INFORMATION

The Sri Lankan government is revising its import control regulations in stages since March 19, 2020. These revisions began as a means of managing the impact of the COVID-19 pandemic and intended to limit the outflow of foreign exchange reserves. Sri Lanka introduced quantitative and price restrictions on imports to discourage the import of non-essential commodities.

The <u>Imports and Exports (Control) Regulations No. 13 (2022)</u> is a quantitative import restrictive measure. The Sri Lankan government is ordering the temporary suspension of the import of 300 non-essential items, 26 items of which are food and agricultural products. This import suspension is effective August 23, 2022. However, goods shipped with the date of bill of lading/airway bill issued on or before August 23, 2022, and with an arrival at any of Sri Lanka's seaports or airports on or before September 14, 2022, have been allowed to clear Sri Lanka Customs and entry into the country.

Sri Lanka's revised regulations seek to maintain the uninterrupted supply of raw materials for export processing. They are not applicable to enterprises/operators, approved under the Temporary Importation for Export Purposes (TIEP) Scheme of the Sri Lanka Customs or any enterprises, approved under Section 17 of the Board of Investment of Sri Lanka (BOI) Act, No. 4 of 1978 for processing and re-export purposes including on "No Foreign Exchange (NFE)" basis. The import of any goods, specified in Table 1 (Appendix I) of these regulations, by any approved enterprises for processing and re-export purposes may be allowed by the Controller General of Imports and Exports Control premised on the recommendation of the Secretary, Ministry of Industries or the Director General, Export Development Board of Sri Lanka, on a case-by-case basis.

As per the notification, any other requests for the import of any goods specified in Table 1 for direct use, may be allowed by the Controller General of Imports and Exports Control and subject to the Ministry of Finance's recommendation to the Secretary to the Treasury on a case-by-case basis. As such, the Controller General of Imports and Exports shall charge a documentation fee of Sri Lankan rupees (LKR) 2,000 (~\$5.54) per invoice.

Agricultural Commodities Affected: Agricultural commodities subject to import suspension include condensed milk, yoghurt, chocolate, and other food preparations containing cocoa, oats, liquid coconut milk, beverages made of vegetables, milk, cereal, and tree nuts, and coconut-base arrack (distilled spirit).¹ The new regulation should have limited impact on the trade of U.S.-origin agricultural commodities in terms of trade value.

¹ Sri Lankan coconut-based arrack is distilled from the sap of the coconut flower. This arrack type is best described as a fragrant dark coconut rum.

HS	HS	Description
Heading	Code	
04.02		Milk and cream, concentrated or containing addedsugar or other sweetening matter.
		Other:
	0402.99.00	Other:
	0402.99.90	Condensed Milk (other)
04.03		Buttermilk, curdled milk and cream, yogurt, kefirand other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavored or containing added fruit, nuts, or cocoa.
	0403.10.00	Yogurt
	0403.90.00	Other
08.01		Coconuts, Brazil nuts and cashew nuts, fresh ordried, whether or not shelled or peeled (+).
		Coconuts:
	0801.11.00	Desiccated:
	0801.11.90	Other
	0801.19.00	Other:
	0801.19.90	Other
10.04		Oats (+).
	1004.90.00	Other
18.06		Chocolate and other food preparations containing cocoa (+).
		Other, in blocks, slabs or bars:
	1806.31.00	Filled
	1806.32.00	Not filled
	1806.90.00	Other
20.08		Fruit, nuts, and other edible parts of plants, otherwiseprepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, notelsewhere specified or included.
		Nuts, ground-nuts and other seeds, whether or not mixed:
	2008.19.00	Other, including mixtures:
	2008.19.20	Liquid coconut milk
22.02		Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored, and other nonalcoholic beverages, not including fruit or vegetable juices of heading 20.09.
	2202.10.00	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavored
	2202.01.00	Other:
	2202.91.00	Non-alcoholic beer
	2202.99.00	Other:
	2202.99.10	Tea in beverage form
	2202.99.40	Herbs based beverages

APPENDIX I – TABLE 1. SRI LANKA, LIST OF SUSPENDED AGRICULTURAL PRODUCTS

		Beverages based on fruit or vegetable juices:
	2202.99.51	Sugar contents of which is more than 6g per 100ml
	2202.99.59	Other
		Beverages based on milk:
	2202.99.61	Sugar contents of which is more than 6g per 100ml
	2202.99.69	Other
	2202.99.70	Beverages based on cereal, grain, or tree nuts
		Other:
	2202.99.91	Sugar contents of which is more than 6g per 100ml
	2202.99.99	Other
22.08		Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs, andother spirituous beverages.
		Other:
	2208.90.10	Coconut base arrack

Source: Sri Lanka, Imports and Exports (Control) Regulations No. 13 of 2022.

Attachments:

No Attachments.