

BRIEF ON THE CHANGES TO THE IMPORTS AND EXPORTS (CONTROL) ACT NO. I OF 1969 IN JUNE 2023

INTRODUCTION

This is the 15th brief in a series that presents an analysis of the amendments to the Imports and Exports (Control) Act regulations. These briefs have been prepared and published since April 2020¹ with an aim to provide clarity and awareness of the changes to the Import and Export Regulations.

This brief analyses the following 3 Gazettes issued:

- [Imports and Exports \(Control\) Regulations No. 8 of 2023 published in the Gazette Extraordinary No. 2326/41 dated 06 April 2023](#) – Gazette 1
- [Imports and Exports \(Control\) Regulations No. 9 of 2023 published in the Gazette Extraordinary No. 2335/26 dated 09 June 2023](#) – Gazette 2
- [Imports and Exports \(Control\) Regulations No. 10 of 2023 published in the Gazette Extraordinary No. 2336/45 dated 14 June 2023](#) – Gazette 3

Previously published briefs can be accessed through [Trade Watch](#). This is compiled by the Ceylon Chamber of Commerce (CCC) with the support of the United States Agency for International Development (USAID) Partnership for Accelerating Results in Trade, National Expenditure, and Revenue (PARTNER) Activity.

KEY TAKEAWAYS

- Gazette 1 and 3 looked at Banning (B) single-use plastic items and inserting Import Control license (ICL) into wheat flour, respectively.
- Gazette 2 removed the Temporary Suspension of 286 HS codes. Most of these restrictions were removed from wood and wooden products, metal, machinery, and equipment.
- Despite the removal of HS codes from Gazette 2, a total of 2534 items as of June 14th, 2023, are under TS, Import Control License (ICL), Suspended ICL (SL), and Banned (B) restrictions. This is about 32% of the total tariff lines. Most restrictions are in the Transportation sector (30%), Chemical and Allied industries (19%), and, Textile (17%).

¹ Summary of these regulations can be accessed in Annexure 2 and past briefs can be accessed through [Trade Watch](#).

KEY CHANGES OBSERVED

Gazette 1

This Gazette amended Gazette Extraordinary No. 2312/77 dated January 01st, 2023. This was Banning (B) single-use plastics. The following items have been banned in the Gazette effective June 01st, 2023.

Table 01: Summary of Gazette 1 items

Hs Code	Description	Import Restriction
3917.32	Other, not reinforced or otherwise combined with other materials, without fittings (Single-use Drinking Straws only)	B
3924.10.90	Of other plastic (Single-use Stirrers, Single-use Plates, Single-use Cups (except Yoghurt cups), Single-use Spoons, Single-use Forks, Single-use Knives, and String Hopper Trays only)	B
6702.10	Of plastics (Garlands only)	B

Above goods arriving at any Sri Lankan Sea/Air ports on or after June 01st, 2023, will be mandated for re-exportation to the exporting country within 30 days of arrival.

Gazette 2

The Gazette amended Gazette Extraordinary No. 2312/78 dated January 01st, 2023, which segregated Temporary Suspension (TS) into two; A and B. This Gazette removed 17 HS codes from list A and 269 HS codes from list B (as shown in Table 02). List A provided exemptions to the import control if the final product had a local value addition of at least 20%, while list B provided exemptions for local value addition of at least 35%.

Table 02: Summary of Products that saw TS Removals

HS Chapter Range	Product Description	Temporary Suspension (TS) - A	Temporary Suspension (TS) - B
01-05	Animal and Animal Products	6	2
06-15	Vegetable Products	0	1
16-24	Food Stuff	0	1
25-27	Mineral Products	0	0
28-38	Chemical and Allied industries	0	0
39-40	Plastics/Rubbers	1	0
41-43	Raw Hides, Skins, Leather, and Furs	0	2
44-49	Wood and Wood Products	8	75
50-63	Textiles	0	3

64-67	Footwear/Headgear	0	0
68-71	Stone/Glass	0	20
72-83	Metals	0	53
84-85	Machinery/Electrical	0	50
86-89	Transportation	0	16
90-97	Miscellaneous	2	46
Total		17	269

The Gazette allowed Customs to release cargo related to the above products that arrived at the Port/Airport of Sri Lanka from April 16th, 2020 to June 08th, 2023 violating the import control rules subject to payment of an Additional Fee of 15% of the CIF Value of such goods.

Above products except vehicles, auto parts, plastic goods, and agricultural products for the purpose of Colombo Port City are allowed on the recommendation of the Colombo Port City Economic Commission on a consignment basis including a No Foreign Exchange (NFE) basis.

Gazette 3

This Gazette amended Gazette Extraordinary No. 2312/77 dated January 01st, 2023, adding wheat flour (HS 1101.00.10) into the Import Control License (ICL) schedule. An Import Control License fee was also levied of 0.1% of CIF Value.

The Gazette allowed for Customs clearance under the following situations, provided that an ICL is issued.

- Goods which have shipped on the Bill of Lading date on or before June 14th, 2023, and arrived on or before June 30th, 2023
- Goods, which have been imported based on the Letter of Credit established on or before June 14th, 2023, and arrived within 60 days from the day of these regulations
- Goods that have been imported based on an Advance Payment effected on or before June 14th, 2023, and arrived within 60 days from the date of these Regulations.

OVERVIEW OF THE SECTOR IMPLICATIONS

Observing the overall restrictions (TS, ICL, SL and Banned) in sectors placed by Gazettes on import controls, most restrictions are in the Transportation sector (30%), Chemical and Allied industries (19%), and Textile (17%).

Table 03: Summary of Products under Import Restrictions

HS Chapter Range	Product Description	Temporary Suspension (TS) - A	Temporary Suspension (TS) - B	Import Control License (ICL)	Suspended ICL (SL)	Banned (B)	Total	Share
01-05	Animal and Animal Products	1	1	75	0	1	78	3%

06-15	Vegetable Products	74	4	39	52	3	172	7%
16-24	Food Stuff	8	15	42	0	0	65	3%
25-27	Mineral Products	6	4	56	0	2	68	3%
28-38	Chemical and Allied industries	7	19	421	1	36	484	19%
39-40	Plastics/Rubbers	18	0	10	0	5	33	1%
41-43	Raw Hides, Skins, Leather, and Furs	0	7	1	0	0	8	0%
44-49	Wood and Wood Products	0	14	4	0	0	18	1%
50-63	Textiles	0	195	242	6	0	443	17%
64-67	Footwear/Head gear	3	16	4	0	0	23	1%
68-71	Stone/Glass	32	25	15	4	0	76	3%
72-83	Metals	0	13	34	0	0	47	2%
84-85	Machinery/Electrical	0	68	36	38	1	143	6%
86-89	Transportation	292	50	50	364	0	756	30%
90-97	Miscellaneous	31	27	23	39	0	120	5%
Total		472	458	1052	504	48	2534	100%

Source: EIU calculations based on Imports and Exports Control Department Data

Annexure I

List of the Extraordinary Gazettes implemented since April 2020 to curtail imports.

1. [Imports and Exports \(Control\) Regulations No. 01 of 2020 published in the Gazette Extraordinary No. 2171/5 dated 16 April 2020](#)
2. [Imports and Exports \(Control\) Regulations No. 02 of 2020 published in the Gazette Extraordinary No. 2176/19 dated 22 May 2020](#)
3. [Imports and Exports \(Control\) Regulations No. 03 of 2020 published in the Gazette Extraordinary No. 2182/10 dated 30 June 2020](#)
4. [Imports and Exports \(Control\) Regulations No. 04 of 2020 published in the Gazette Extraordinary No. 2184/21 dated 16 July 2020](#)
5. [Imports and Exports \(Control\) Regulations No. 05 of 2020 published in the Gazette Extraordinary No. 2189/04 dated 18 August 2020](#)
6. [Imports and Exports \(Control\) Regulations No. 06 of 2020 published in the Gazette Extraordinary No. 2189/05 dated 18 August 2020](#)
7. [Imports and Exports \(Control\) Regulations No. 07 of 2020 published in the Gazette Extraordinary No. 2193/9 dated 15 September 2020](#)
8. [Imports and Exports \(Control\) Regulations No. 08 of 2020 published in the Gazette Extraordinary No. 2198/2 dated 19 October 2020](#)
9. [Imports and Exports \(Control\) Regulations No. 09 of 2020 published in the Gazette Extraordinary No. 2199/20 dated 29 October 2020](#)
10. [Imports and Exports \(Control\) Regulations No. 10 of 2020 published in the Gazette Extraordinary No. 2206/05 dated 14 December 2020](#)

11. [Imports and Exports \(Control\) Regulations No. 11 of 2020 published in the Gazette Extraordinary No. 2207/15 dated 24 December 2020](#)
12. [Imports and Exports \(Control\) Regulations No. 1 of 2021 published in the Gazette Extraordinary No. 2209/18 dated 05 January 2021](#)
13. [Imports and Exports \(Control\) Regulations No. 3 of 2021 published in the Gazette Extraordinary No. 2214/56 dated 11 February 2021](#)
14. [Imports and Exports \(Control\) Regulations No. 04 of 2021 published in the Gazette Extraordinary No. 2222/31 dated 06 April 2021](#)
15. [Imports and Exports \(Control\) Regulations No. 05 of 2021 published in the Gazette Extraordinary No. 2224/43 dated 23 April 2021](#)
16. [Imports and Exports \(Control\) Regulations No. 06 of 2021 published in the Gazette Extraordinary No. 2224/44 dated 23 April 2021](#)
17. [Imports and Exports \(Control\) Regulations No. 07 of 2021 published in the Gazette Extraordinary No. 2226/48 dated 06 May 2021](#)
18. [Imports and Exports \(Control\) Regulations No. 08 of 2021 published in the Gazette Extraordinary No. 2231/16 dated 11 June 2021](#)
19. [Imports and Exports \(Control\) Regulations No. 09 of 2021 published in the Gazette Extraordinary No. 2231/17 dated 11 June 2021](#)
20. [Imports and Exports \(Control\) Regulations No. 10 of 2021 published in the Gazette Extraordinary No. 2231/18 dated 11 June 2021](#)
21. [Imports and Exports \(Control\) Regulations No. 12 of 2021 published in the Gazette Extraordinary No. 2247/12 dated 29 September 2021](#)
22. [Imports and Exports \(Control\) Regulations No. 13 of 2021 published in the Gazette Extraordinary No. 2249/10 dated 11 October 2021](#)
23. [Imports and Exports \(Control\) Regulations No. 14 of 2021 published in the Gazette Extraordinary No. 2252/30 dated 03 November 2021](#)
24. [Imports and Exports \(Control\) Regulations No. 15 of 2021 published in the Gazette Extraordinary No. 2256/23 dated 30 November 2021](#)
25. [Imports and Exports \(Control\) Regulations No. 01 of 2022 published in the Gazette Extraordinary No. 2262/16 dated 11 January 2022](#)
26. [Imports and Exports \(Control\) Regulations No. 02 of 2022 published in the Gazette Extraordinary No. 2262/17 dated 11 January 2022](#)
27. [Imports and Exports \(Control\) Regulations No. 03 of 2022 published in the Gazette Extraordinary No. 2262/18 dated 11 January 2022](#)
28. [Imports and Exports \(Control\) Regulations No. 4 of 2022 published in the Gazette Extraordinary No. 2262/34 dated 13 January 2022](#)
29. [Imports and Exports \(Control\) Regulations No. 5 of 2022 published in the Gazette Extraordinary No. 2270/18 dated 09 March 2022](#)
30. [Imports and Exports \(Control\) Regulations No. 7 of 2022 published in the Gazette Extraordinary No. 2278/21 dated 06 May 2022](#)
31. [Imports and Exports \(Control\) Regulations No. 8 of 2022 published in the Gazette Extraordinary No. 2282/21 dated 31 May 2022](#)
32. [Imports and Exports \(Control\) Regulations No. 9 of 2022 published in the Gazette Extraordinary No. 2282/22 dated 31 May 2022](#)
33. [Imports and Exports \(Control\) Regulations No. 10 of 2022 published in the Gazette Extraordinary No. 2285/19 dated 24 June 2022](#)
34. [Imports and Exports \(Control\) Regulations No. 11 of 2022 published in the Gazette Extraordinary No. 2291/44 dated 05 August 2022](#)

35. [Imports and Exports \(Control\) Regulations No. 12 of 2022 published in the Gazette Extraordinary No. 2294/29 dated 23 August 2022](#)
36. [Imports and Exports \(Control\) Regulations No. 13 of 2022 published in the Gazette Extraordinary No. 2294/30 dated 23 August 2022](#)
37. [Imports and Exports \(Control\) Regulations No. 14 of 2022 published in the Gazette Extraordinary No. 2296/30 dated 09 September 2022](#)
38. [Imports and Exports \(Control\) Regulations No. 18 of 2022 published in the Gazette Extraordinary No. 2302/31 dated 21 October 2022](#)
39. [Imports and Exports \(Control\) Regulations No. 20 of 2022 published in the Gazette Extraordinary No. 2304/05 dated 31 October 2022](#)
40. [Imports and Exports \(Control\) Regulations No. 21 of 2022 published in the Gazette Extraordinary No. 2307/12 dated 23 November 2022](#)
41. [Imports and Exports \(Control\) Regulations No. 23 of 2022 published in the Gazette Extraordinary No. 2309/40 dated 09 December 2022](#)
42. [Imports and Exports \(Control\) Regulations No. 24 of 2022 published in the Gazette Extraordinary No. 2311/08 dated 19 December 2022](#)
43. [Imports and Exports \(Control\) Regulations No. 1 of 2023 published in the Gazette Extraordinary No. 2312/77 dated 01 January 2023](#)
44. [Imports and Exports \(Control\) Regulations No. 2 of 2023 published in the Gazette Extraordinary No. 2312/78 dated 01 January 2023](#)
45. [Imports and Exports \(Control\) Regulations No. 5 of 2023 published in the Gazette Extraordinary No. 2320/47 dated 22 February 2023](#)
46. [Imports and Exports \(Control\) Regulations No. 8 of 2023 published in the Gazette Extraordinary No. 2326/41 dated 06 April 2023](#)
47. [Imports and Exports \(Control\) Regulations No. 9 of 2023 published in the Gazette Extraordinary No. 2335/26 dated 09 June 2023](#)
48. [Imports and Exports \(Control\) Regulations No. 10 of 2023 published in the Gazette Extraordinary No. 2336/45 dated 14 June 2023](#)

Annexure 2

The table below provides an overview of Import Restrictions seen across regulations imposed since April 2020:

Table 03: Summary of Import Restrictions at HS 8-digit level

Gazette Number and Date	Number of HS Codes in TS	Number of HS Codes in C - 90 days	Number of HS Codes in C - 180 days	Changes in HS Codes in ICL	Changes in HS Codes in B
No. 2171/05 of 16 April 2020	749	633	N/A	N/A	N/A
No. 2176/19 of 22 May 2020	1076	734	Given under broad classifications - IT equipment, communication	Added - 1 Removed - 5	6

			equipment, cement, sugar, and palm oil	Suspended ² - 418	
No. 2182/10 of 30 June 2020	1079 ³	767 ⁴	117	Added ⁵ - 33 Removed -10 Suspended ⁶ - 27	Removed - 4 Added - 2
No. 2184/21 of 16 July 2020	829	796	132	N/A	N/A
No. 2189/04 of 18 August 2020	N/A	N/A	N/A	Added - 40 ⁷ Suspended indefinitely- 451	Removed - 2 Added - 7
No. 2193/9 of 15 September 2020	594 ⁸	1013 ⁹	131 ¹⁰	N/A	N/A
No. 2198/2 of 19 October 2020	524 ¹¹	1087 ¹²	130 ¹³	N/A	N/A
No. 2199/20 of 29 October 2020	N/A	N/A	N/A	Added - 9 ¹⁴	N/A
No. 2206/05 of 14 December 2020	N/A	N/A	N/A	Added - 251 ¹⁵ Removed -1	N/A

² Suspension was valid till 17th August

³ Removed -19 from May and added -22 to May Gazette

⁴ Removed -18 from May and added -51 to May Gazette

⁵ 4 items out of 33 were imposed with an Import Control License Fee as given below

1. Salt- 0.2% of CIF value
2. Face mask- 0.2% of CIF value
3. Grain sorghum- 0.3% of CIF value
4. Saws- 0.4% of CIF value

⁶ Suspension was valid till 17th August 2020

⁷ The Import Control License Fee introduced in June continued

⁸ Removed – 16 from the July Gazette and 219 Transfers to C-90 days

⁹ Added – 219 (this was a transfer from the TS schedule of July to C-90 days). Removed -2 from the July Gazette

¹⁰ Removed -1 from the July Gazette

¹¹ 70 transferred to C-90 days

¹² 70 transferred to C-90 days and 4 more items added with description changes

¹³ Removed one HS code

¹⁴ An Import Control License Fee was also imposed on Sugar items of 0.4% of CIF value

¹⁵ An Import Control License Fee was also imposed as given below

1. Apparels and Fabrics - 1.0% of CIF value
2. Fishing vessels and Yachts - 10.0% of CIF value

No. 2207/15 of 24 December 2020	503 ¹⁶	1036 ¹⁷	125 ¹⁸	N/A	N/A
No. 2209/18 of 05 January 2021	508 ¹⁹	1031 ²⁰	125	N/A	N/A
No. 2214/56 of 11 February 2021	505 ²¹	1034 ²²	130 ²³	Removed - 3	N/A
No. 2222/31 of 06 April	N/A	N/A	128 ²⁴	Added - 3 ²⁵	Added - 3
No. 2224/43 of 23 April 2021	N/A	N/A	N/A	Added - 8	N/A
No. 2224/44 of 23 April 2021	512 ²⁶	N/A	N/A	N/A	N/A
No. 2226/48 of 06 May 2021	N/A	N/A	N/A	Added - 21	Added - 16
No. 2231/16 of 11 June 2021	N/A	N/A	N/A	Added - 5 Removed - 1	N/A
No. 2231/17 of 11 June 2021²⁷	N/A	N/A	N/A	N/A	N/A

16 4 deleted from TS, 18 transferred from TS to C-90 and 1 transferred from C to TS

17 18 transferred from TS to C, 95 new additions, 1 transfer from C to TS and 163 removals

18 6 new additions and 1 removal

19 5 transferred from C-90 days to TS,

20 5 transferred from C-90 days to TS

21 5 transferred from TS to C-180days and 2 new additions

22 3 transfers from ICL to C-90 days

23 5 transferred from TS to C-180days

24 Removed - 2

25 Palm oil - 0.4% of CIF value

26 Added 7

27 This Gazette did not relate to import controls but rather required the recommendation of the NMRA to export Oxygen and respiratory apparatuses

No. 2231/18 of 11 June 2021	442 ²⁸	N/A	N/A	N/A	N/A
No. 2247/12 of 30 September 2021	N/A	N/A	N/A	Removed - 2	N/A
No. 2252/30 of 03 November 2021	439 ²⁹	N/A	N/A	N/A	N/A
No. 2256/23 of 29 November 2021	N/A	N/A	N/A	Added - 1	Added - 1
No. 2262/17 of 11 January 2022	N/A	N/A	N/A	Added - 7 Removed - 5	N/A
No. 2262/18 of 11 January 2022	438 ³⁰	N/A	N/A	N/A	N/A
No. 2262/34 of 13 January 2022	N/A	N/A	N/A	Removed - 3	N/A
No. 2270/18 of 10 March 2022	N/A	N/A	N/A	Added - 367	N/A
No. 2282/21 of 31 May 2022	N/A	N/A	N/A	Removed- 367 ³¹	N/A
No. 2291/44 of 05 August 2022	N/A	N/A	N/A	Added - 1	Removed - 1
No. 2294/29 of	Removed - 2	N/A	N/A	Added - 2	N/A

²⁸ Repealed July 2020 schedules and added 8 and removed 78 to TS (when compared to July 2020)

²⁹ Removed - 3

³⁰ Removed – 3 and added - 2

³¹ Rescinded Gazette No. 2270/18 of 10 March 2022

23 August 2022					
No. 2294/30 of 23 August 2022	Added – 1472	N/A	N/A	N/A	N/A
No. 2296/30 of 09 September 2022	Removed – 708 and Added - 4	N/A	N/A	Suspended - 1	N/A
No. 2304/05 of 31 October 2022	N/A	N/A	N/A	Removed - 4	N/A
No. 2307/12 of 23 November 2022	Removed – 65 and a further 15 under prior approval	N/A	N/A	N/A	N/A
No. 2309/40 of 09 December 2022	N/A	N/A	N/A	Suspended - 2	N/A
No. 2311/08 of 19 December 2022	Removed - 9	N/A	N/A	Removed - 1	N/A
No. 2312/77 of 01 January 2023	N/A	N/A	N/A	Added – 537 and suspended - 48	No change
No. 2312/78 of 01 January 2023	Added - 109 ³²	N/A	N/A	N/A	N/A
No. 2320/47 of 22 February 2023	Removed - 2	N/A	N/A	N/A	N/A
No. 2326/41 of 06 April 2023	N/A	N/A	N/A	N/A	Added - 3

³² In addition to the Gazette that was repealed

No. 2335/26 of 09 June 2023	Added - 286	N/A	N/A	N/A	N/A
No. 2336/45 of 14 June 2023	N/A	N/A	N/A	Added - 1	N/A

Note: the products mentioned above are calculated based on the products specified in each Gazette.

N/A (Not Applicable) - Gazette did not cover this schedule

For further details /clarifications



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