

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

### **INTRODUCTION**

This is the 17th brief in a series that analyzes the amendments to the Imports and Exports (Control) Act regulations. These briefs have been prepared and published since April 2020<sup>1</sup> to provide clarity and awareness of the changes to the Import and Export Regulations. This brief analyses the Gazette dated August 14<sup>th</sup>, 2023:

- [Imports and Exports \(Control\) Regulations No. 12 of 2023 published in the Gazette Extraordinary No. 2345/03 dated 14 August 2023](#)

Previously published briefs can be accessed through [Trade Watch](#). This brief 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 removed the Temporary Suspension (TS) of 25 HS codes. These restrictions were removed from the Transportation sector, particularly for commercial vehicles. This is the first time vehicles were removed since the item came under TS in July 2020.
- A total of 2,182 items from August 14<sup>th</sup>, 2023, are under TS, Import Control License (ICL), Suspended ICL (SL), and Banned (B) restrictions. This is about 28% of the total tariff lines in Sri Lanka. Most restrictions are in the Transportation sector (32%), Chemical and Allied industries (21%), and Textile (18%).

### **KEY CHANGES OBSERVED**

The Gazette amended Gazette Extraordinary No. 2312/78 dated January 01, 2023, removing 19 HS codes from List A and 6 HS codes from List B<sup>2</sup> (as shown in Table 01).

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

<sup>2</sup> 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 01: Summary of Gazette Items

HS Chapter Range	Product Description	Temporary Suspension (TS) List A	Temporary Suspension (TS) List B
86-89	Transportation	19	6
Total		19	6

The Gazette allowed Customs to release cargo/consignment of goods related to the above HS codes that arrived at the Port/Airport of Sri Lanka on or before August 13<sup>th</sup>, 2023, violating the imports and exports control rules. However, they are subject to payment of an Additional Fee of 30% of the CIF Value of such consignment to the Controller General of Import and Export Control.

## 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 (32%), Chemical and Allied industries (21%), and Textile (18%).

Table 02: 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	0	75	0	1	77	4%
06-15	Vegetable Products	29	2	39	52	3	125	6%
16-24	Food Stuff	1	3	42	0	0	46	2%
25-27	Mineral Products	0	0	56	0	2	58	3%
28-38	Chemical and Allied industries	7	4	421	1	36	469	21%
39-40	Plastics/Rubbers	12	0	10	0	5	27	1%
41-43	Raw Hides, Skins, Leather, and Furs	0	0	1	0	0	1	0%
44-49	Wood and Wood Products	0	10	4	0	0	14	1%
50-63	Textiles	0	149	242	6	0	397	18%
64-67	Footwear/Headgear	0	0	4	0	0	4	0%
68-71	Stone/Glass	8	4	15	4	0	31	1%
72-83	Metals	0	4	34	0	0	38	2%
84-85	Machinery/Electrical	0	55	36	38	1	130	6%
86-89	Transportation	271	18	50	364	0	703	32%

90-97	Miscellaneous	0	0	23	39	0	62	3%
Total		329	249	1052	504	48	218 2	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 6 \(Control\) 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](#)
49. [Imports and Exports \(Control\) Regulations No. 11 of 2023 published in the Gazette Extraordinary No. 2341/38 dated 20 July 2023](#)
50. [Imports and Exports \(Control\) Regulations No. 12 of 2023 published in the Gazette Extraordinary No. 2345/03 dated 14 August 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
<b>No. 2171/05 of 16 April 2020</b>	749	633	N/A	N/A	N/A
<b>No. 2176/19 of 22 May 2020</b>	1076	734	Given under broad classifications - IT equipment, communication equipment, cement, sugar, and palm oil	Added - 1 Removed - 5 Suspended <sup>3</sup> - 418	6
<b>No. 2182/10 of 30 June 2020</b>	1079 <sup>4</sup>	767 <sup>5</sup>	117	Added <sup>6</sup> - 33 Removed -10 Suspended <sup>7</sup> - 27	Removed - 4 Added - 2

<sup>3</sup> Suspension was valid till 17th August

<sup>4</sup> Removed -19 from May and added -22 to May Gazette

<sup>5</sup> Removed -18 from May and added -51 to May Gazette

<sup>6</sup> 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

<sup>7</sup> Suspension was valid till 17th August 2020

<b>No. 2184/21 of 16 July 2020</b>	829	796	132	N/A	N/A
<b>No. 2189/04 of 18 August 2020</b>	N/A	N/A	N/A	Added - 40 <sup>8</sup> Suspended indefinitely- 451	Removed - 2 Added - 7
<b>No. 2193/9 of 15 September 2020</b>	594 <sup>9</sup>	1013 <sup>10</sup>	131 <sup>11</sup>	N/A	N/A
<b>No. 2198/2 of 19 October 2020</b>	524 <sup>12</sup>	1087 <sup>13</sup>	130 <sup>14</sup>	N/A	N/A
<b>No. 2199/20 of 29 October 2020</b>	N/A	N/A	N/A	Added - 9 <sup>15</sup>	N/A
<b>No. 2206/05 of 14 December 2020</b>	N/A	N/A	N/A	Added - 251 <sup>16</sup> Removed - 1	N/A
<b>No. 2207/15 of 24 December 2020</b>	503 <sup>17</sup>	1036 <sup>18</sup>	125 <sup>19</sup>	N/A	N/A
<b>No. 2209/18 of 05 January 2021</b>	508 <sup>20</sup>	1031 <sup>21</sup>	125	N/A	N/A

<sup>8</sup> The Import Control License Fee introduced in June continued

<sup>9</sup> Removed – 16 from the July Gazette and 219 Transfers to C-90 days

<sup>10</sup> Added – 219 (this was a transfer from the TS schedule of July to C-90 days). Removed -2 from the July Gazette

<sup>11</sup> Removed -1 from the July Gazette

<sup>12</sup> 70 transferred to C-90 days

<sup>13</sup> 70 transferred to C-90 days and 4 more items added with description changes

<sup>14</sup> Removed one HS code

<sup>15</sup> An Import Control License Fee was also imposed on Sugar items of 0.4% of CIF value

<sup>16</sup> 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

<sup>17</sup> 4 deleted from TS, 18 transferred from TS to C-90 and 1 transferred from C to TS

<sup>18</sup> 18 transferred from TS to C, 95 new additions, 1 transfer from C to TS and 163 removals

<sup>19</sup> 6 new additions and 1 removal

<sup>20</sup> 5 transferred from C-90 days to TS,

<sup>21</sup> 5 transferred from C-90 days to TS

<b>No. 2214/56 of 11 February 2021</b>	505 <sup>22</sup>	1034 <sup>23</sup>	130 <sup>24</sup>	Removed - 3	N/A
<b>No. 2222/31 of 06 April</b>	N/A	N/A	128 <sup>25</sup>	Added - 3 <sup>26</sup>	Added - 3
<b>No. 2224/43 of 23 April 2021</b>	N/A	N/A	N/A	Added - 8	N/A
<b>No. 2224/44 of 23 April 2021</b>	512 <sup>27</sup>	N/A	N/A	N/A	N/A
<b>No. 2226/48 of 06 May 2021</b>	N/A	N/A	N/A	Added - 21	Added - 16
<b>No. 2231/16 of 11 June 2021</b>	N/A	N/A	N/A	Added - 5 Removed - 1	N/A
<b>No. 2231/17 of 11 June 2021<sup>28</sup></b>	N/A	N/A	N/A	N/A	N/A
<b>No. 2231/18 of 11 June 2021</b>	442 <sup>29</sup>	N/A	N/A	N/A	N/A
<b>No. 2247/12 of 30 September 2021</b>	N/A	N/A	N/A	Removed - 2	N/A
<b>No. 2252/30 of 03</b>	439 <sup>30</sup>	N/A	N/A	N/A	N/A

<sup>22</sup> 5 transferred from TS to C-180days and 2 new additions

<sup>23</sup> 3 transfers from ICL to C-90 days

<sup>24</sup> 5 transferred from TS to C-180days

<sup>25</sup> Removed - 2

<sup>26</sup> Palm oil - 0.4% of CIF value

<sup>27</sup> Added 7

<sup>28</sup> This Gazette did not relate to import controls but rather required the recommendation of the NMRA to export Oxygen and respiratory apparatuses

<sup>29</sup> Repealed July 2020 schedules and added 8 and removed 78 to TS (when compared to July 2020)

<sup>30</sup> Removed - 3

<b>November 2021</b>					
<b>No. 2256/23 of 29 November 2021</b>	N/A	N/A	N/A	Added - 1	Added - 1
<b>No. 2262/17 of 11 January 2022</b>	N/A	N/A	N/A	Added - 7 Removed - 5	N/A
<b>No. 2262/18 of 11 January 2022</b>	438 <sup>31</sup>	N/A	N/A	N/A	N/A
<b>No. 2262/34 of 13 January 2022</b>	N/A	N/A	N/A	Removed - 3	N/A
<b>No. 2270/18 of 10 March 2022</b>	N/A	N/A	N/A	Added - 367	N/A
<b>No. 2282/21 of 31 May 2022</b>	N/A	N/A	N/A	Removed- 367 <sup>32</sup>	N/A
<b>No. 2291/44 of 05 August 2022</b>	N/A	N/A	N/A	Added - 1	Removed - 1
<b>No. 2294/29 of 23 August 2022</b>	Removed - 2	N/A	N/A	Added - 2	N/A
<b>No. 2294/30 of 23 August 2022</b>	Added – 1472	N/A	N/A	N/A	N/A
<b>No. 2296/30 of 09 September 2022</b>	Removed – 708 and Added - 4	N/A	N/A	Suspended - 1	N/A
<b>No. 2304/05 of 31 October 2022</b>	N/A	N/A	N/A	Removed - 4	N/A

<sup>31</sup> Removed – 3 and added - 2

<sup>32</sup> Rescinded Gazette No. 2270/18 of 10 March 2022



<b>No. 2307/12 of 23 November 2022</b>	Removed – 65 and a further 15 under prior approval	N/A	N/A	N/A	N/A
<b>No. 2309/40 of 09 December 2022</b>	N/A	N/A	N/A	Suspended - 2	N/A
<b>No. 2311/08 of 19 December 2022</b>	Removed - 9	N/A	N/A	Removed - 1	N/A
<b>No. 2312/77 of 01 January 2023</b>	N/A	N/A	N/A	Added – 537 and suspended - 48	No change
<b>No. 2312/78 of 01 January 2023</b>	Added - 109 <sup>33</sup>	N/A	N/A	N/A	N/A
<b>No. 2320/47 of 22 February 2023</b>	Removed - 2	N/A	N/A	N/A	N/A
<b>No. 2326/41 of 06 April 2023</b>	N/A	N/A	N/A	N/A	Added - 3
<b>No. 2335/26 of 09 June 2023</b>	Added - 286	N/A	N/A	N/A	N/A
<b>No. 2336/45 of 14 June 2023</b>	N/A	N/A	N/A	Added - 1	N/A
<b>No. 2341/38 of 20 July 2023</b>	Removed - 327	N/A	N/A	N/A	N/A
<b>No. 2345/03 of 14 August 2023</b>	Removed - 25	N/A	N/A	N/A	N/A

<sup>33</sup> In addition to the Gazette that was repealed

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

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For further details /clarifications



[ei@chamber.lk](mailto:ei@chamber.lk)



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