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விஞ்ஞானம் , தொழிநுட்பம் மற்றும் புத்தாக்கத்திற்கான இணைப்புச் செயலகம்

Coordinating Secretariat for Science Technology and Innovation

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මගේ අංකය My No 03 JUL 2014 Professor Atula Senaratne Vice Chancellor University of Peradeniya Peradeniya 20400.

University of Peradeniya Peradeniva

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Mullersty of Per Peradenly 20.06.2014

Dear Sir/Madam,

Customs Import Duty on Apparatus, Drugs and Chemicals Used for Education and Research

The Coordinating Secretariat for Science Technology and Innovation (COSTI) was established on February 1, 2013 as mandated by the cabinet decision of September 9, 2011 with the specific aim of coordination and monitoring of science technology and innovation activities in the country. It will also work towards promoting value addition and commercialization in line with the National Science, Technology and Innovation Strategy for Sri Lanka.

During many discussions at various fora, it was noted that researchers had faced difficulties in clearing imported chemicals, reagents and consumables. It was felt that this is largely due to the absence or lack of clarity of procedures. Considering the importance of the issues faced by both public and private sectors, especially engaged in high end technologies, it is important that all are facilitated in order to promote hi-tech value addition and exports in the country. A round table discussion on "Issues Related to Imports and Exports" was organized by COSTI with active participation by Sri Lanka Customs and Cosmetics, Drugs and Devices Regulatory Authority (CDDA). The meeting report is available at <a href="http://costi.gov.lk/index.php/en/downloads/publications">http://costi.gov.lk/index.php/en/downloads/publications</a>. During this meeting it was made aware by the Sri Lanka Customs, according to the Gazette of the Democratic Socialist Republic of Sri Lanka No 1845/27 Friday January 17 2014, any chemical, consumable or equipment imported to the country will be exempted from Custom Import Duty provided that the Director General of Customs is satisfied, provided the necessary recommendation of the secretary to the line Ministry. Further in relation to the Universities, the relevant recommendation could be obtained from the Registrar or the Bursar of the relevant

We are pleased to share a copy of the relevant section of the Gazette notification for your information and distribution among the research community at your institution in order to provide a conducive environment for the researchers in the count

Thank you

Yours faithfully,

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**Project Director** 

**Project Director** 

Coordinating Secretariat for Science Technology & Innovation

3 Floor, Standard Chartered Building, Janadhipathi Mawatha, Colombo 01.

Acting Vice - Chancellor University of Peradeniya Peradeniya. - Sri Lanka.







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# The Gazette of the Democratic Socialist Republic of Sri Lanka

අංක 1845/27 - 2014 ජනවාරි මස 17 වැනි සිකුරාදා - 2014.01.17 No. 1845/27 - FRIDAY, JANUARY 17, 2014

(Published by Authority)

### PART I: SECTION (I) — GENERAL

#### **Government Notifications**

#### NOTIFICATION UNDER THE CUSTOMS ORDINANCE

(Revenue Protection Order No. 03/2013)

IT is hereby notified that following resolution under Section 10 of the Customs Ordinance (Chapter 235) was passed by Parliament at its Public Session on 20th December 2013.

P. B. JAYASUNDERA, Secretary, Ministry of Finance and Planning.

16th January 2014, Ministry of Finance and Planning, Colombo 01.

#### RESOLUTION

This Parliament resolves, under Section 10 of the Customs Ordinance (Chapter 235) that, with effect from the date on which this resolution is notified in the Gazette:

- (a) Import duties under the Customs Ordinance (Chapter 235), shall be levied and paid on the articles specified in Column 3 of the Schedule hereto at the general rate set out in the corresponding entries in Column 5 of that Schedule, or where preferential rates are leviable and payable under the provisions of Schedule "A" to the Customs Ordinance (Chapter 235) at the preferential rates set out in the corresponding entries in Column 4 of that Schedule;
- (b) The List of Concessions under the provisions of Schedule "A" to the Customs Ordinance (Chapter 235) shall be deleted and the provisions in the Annex I to the Schedule hereto be substituted therefor and import duties at the rates set out in corresponding entries in Column 3 thereof shall be levied and paid on the articles specified in Column 2 of the Annex I to the Schedule hereto; and
- (c) The List of Exemptions under the provisions of Schedule "A" to the Customs Ordinance (Chapter 235) shall be deleted and the provisions in the Annex II to the Schedule hereto shall be substituted therefor and the articles specified in the Annex II to the Schedule hereto shall be exempted from import duties.

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#### Annex 1

#### To Schedule under the Revenue Protection Order List of Concessions (Imports)

| Item<br>1 | Description 2   | Rate of Duty |
|-----------|---|--------------|
| 01        | Containers for the packing of gem and jewellery, on the recommendation of the Secretary to the Ministry of Industry and Commerce, imported subject to approval by the Director General of Customs.                              | 7.5%         |
| 02        | Containers for the packing of cosmetics, on the recommendation of the Secretary to the Ministry of Industry and Commerce, imported subject to approval by the Director General of Customs.                                      | 7.5%         |
| 03        | Enameled copper wire used for automated winding of induction electric motors, on the recommendation of the Secretary to the Ministry of Industry and Commerce, imported subject to approval by the Director General of Customs. | 7.5%         |
| 04        | Thermosetting paints for mirror backing to be used for mirror industry, on the recommendation of the Secretary to the Ministry of Industry and Commerce, imported subject to approval by the Director General of Customs.       | 15.0 %       |

#### Annex II

#### To Schedule under the Revenue Protection Order List of Exemptions (Imports)

The following categories of goods are exempted from Customs Import Duty, provided that the Director General of Customs is satisfied that those goods have been imported for the very purpose/proposes approved under the respective category and that the approval had been obtained from the Secretary to the Treasury, or from such other authority as delegated by the Secretary to the Treasury:

- Passengers' buggage as defined by regulations made by the Minister of Finance under Section 107A of the Customs Ordinance (Chapter 235).
- 62 Films of educational, scientific or cultural character produced by the United Nations Organization or any of its specialized agencies imported, on the recommendation of the Secretary of the respective line Ministry, subject to approval of the Director General of Customs.
- 63 Temporary import of professional and scientific equipment and pedagogic material, imported subject to a gurantee prescribed by the Director General of Customs.
- O4 Articles awarded abroad to any person for distinction in art, literature, science or sport, or for public service or otherwise as a record of meritorious achievement and conduct, imported by or on behalf of that person, on the recommendation of the Secretary to the respective line Ministry, subject to submission of the relevant document to the Director General of Customs.
- Raw materials and packing materials for the manufacture of pharmaceuticals, imported by the pharmaceutical manufacturers, on the recommendation of the Secretary to the Ministry of Health, subject to approval of the Director General of Customs.



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- 66 Ayurveda, Siddha and Unani, raw and prepared drugs (other than cosmetics preparations) and medicinal plants, specified by notification published in Gazette by the Director General of Customs in consultation with the Secretary to the Ministry of Indigenous Medicines, and raw material and packing material imported, on the recommendation of the Secretary to the Ministry of Indigenous Medicines, subject to approval by Director General of Customs.
- Parts and accessories of motor vehicles and focomotives imported by the Sri Lanka Transport Board and Department of Sri Lanka Railway, on the recommendation of the Secretary to the Ministry of Transport, subject to approval by the Director General of Customs.
- Prefabricated poultry houses, plant, machinery and equipment including parts and accessories for poultry industry, on the recommendation of the Secretary to the Ministry of Livestock Development, imported subject to approval by the Director General of Customs.
- Machinery including medical, surgical and dental equipment, instruments, apparatus, accessories and parts thereof, ambulances, required for the provision of health services, imported on the recommendation of the Secretary to Ministry of Health, subject to approval by the Director General of Customs.
- 10 Articles of foreign production upon which import duty had previously been paid, re-imported subject to approval by the Director General of Customs.
- Goods being gifts from persons or organizations overseas for the relief of distress caused by natural or other disasters, imported on the recommendation of the Secretary to the respective line Ministry, subject to approval of the Director General of Customs.
- Goods for display or use at exhibitions, fairs, meetings or similar events, imported subject to a gurantee prescribed by the Director General of Customs.
- Materials and parts for the fabrication of plant, machinery & equipments; capital and intermediate goods, and transport equipment, imported for the exclusive use of an industry which exports and/or supplies to direct exporters, 50% or more of its output, under such terms and conditions approved by the Secretary to the Treasury.
- Inputs (raw materials, components and parts) imported under inward processing scheme for export, under such terms and conditions approved by the Minister of Finance.
- 15 Ornamental fish for re-export under such terms and conditions approved by the Director General of Customs.
- Fish caught by a fishing vessel operating from a Sri Lankan port and which has been duly registered at a Port of Registry in Sri Lanka or issued with a landing permit by the Secretary to the Ministry of Fisheries.
- 17 Equipment and materials for use within the limits of an airport in Sri Lanka and parts and accessories for repair and maintanence of aircrafts in connection with the establishment and maintenance of an international air service, imported on the recommendation of the Secretary to the respective line Ministry, subject to approval of the Director General of Customs.
- Apparatus, drugs and chemicals imported for educational purposes or for research work, imported on the recommendation of the Secretary to the respective line Ministry/authorized officers of respective Universities, subject to approval by the Director General of Customs.
  - 19 Containers and accessories thereof, including container seals used for the safe carriage and security of goods, imported subject to approval by the Director General of Customs.
  - 20 Products and preparations certified by the Ministry of Health as having been registered as drugs under the Cosmetics Devices and Drugs Act, imported subject to approval by the Director General of Customs.
  - Import of personal items (including gifts) worth not more than Rs. 15,000/= subject to approval by the Director General of Customs.
  - 22 Import of samples in relations to business worth not more than Rs. 50,000/= subject to such terms and conditions as prescribed by the Director General of Customs.
  - Multi-layered packing materials consisting of laminates of paper, polyethylene film and aluminum foil, or of polyethylene and ethylene vinyl alcohol polymer used for packing of liquid milk, vegetable juices and fruit juices, imported on the recommendation of the secretary to the Ministry of Industry and Commerce, subject to approval by the Director General of Customs.

- 24 Long grain Pakistani rice (Basmati) and potatoes up to the limits of quota determined under the Pakistan Sri Lanka Free Trade Agreement, on the recommendation of the Director General of Commerce, imported subject to approval by the Director General of Customs.
- Any machinery, equipment, materials and utility vehicles required for the purpose of providing electricity including distribution of electricity, by the Ceylon Electricity Board and its subsidiary companies, and such items for the use of any project for the generation of power including solar and wind power, under any agreement entered into between Government of Sri Lanka and its development partners, as recommended by the Secretary to the Ministry of Power and Energy, subject to approval by the Director General of Customs.
- 26 Cinematographic goods and any film which is produced in Sri Lanka and sent abroad for further processing or printing/copying, with the recommendation of the National Film Corporation, imported subject to approval of the Director General of Customs.
- 27 Finished leather to be used for the shoe and bags manufacturing industry, imported on the recommendation of the Secretary to the line Ministry, subject to approval by the Director General of Customs.
- 28 Ingredients other than mai/e, lentils and rice, for the manufacture of animal and poultry feed, imported on the recommendation of the Secretary to the Ministry of Livestock Development, subject to approval by the Director General of Customs.
- 29 Weapons, armaments, ancillary equipment, ammunition, explosives, communication equipment, military vehicles, air crafts, vessels, equipment and spare parts thereof capable of being used by the armed forces and imported by the Service Commanders and the Inspector General of Police for the purpose of national security as recommended by the Secretary to the Ministry of Defence, subject to approval by the Secretary to the Treasury.
- 30 Raw materials, components, parts and accessories for the manufacture of fishing boats by manufacturers, imported on the recommendation of the Secretary to the Ministry of Fisheries subject to approval by the Director General of Customs.
- 31 Weather stations, green houses, poly tunnels, sprinklers, drip irrigation systems and materials for the construction of green houses, poly tunnels, drip irrigation systems and netting for agriculture and related activities, imported on the recommendation of the Secretary to the Ministry of Agriculture, subject to approval by the Director General of Customs.
- 32 Lacquers, contings and varnishes used exclusively for coating of metal cans and closures which are used for packaging of food, imported on the recommendation of the Secretary to the Ministry of Industry and Commerce, subject to approval by the Director General of Customs.