

Cancellation of Liability

- Producing export Cusdec by direct exporters.
- Producing following documents by indirect exporters.
 - Goods Received Note [GRN] for supplies to another TIEP holder and BOI enterprise located within zones.
 - GRN together with VAT invoice for supplies to BOI enterprises located outside zones and INFAC operators.
- ★ *Special permission should be obtained from the Director General of Customs for disposal of unutilized inputs or finished products to the local market on payment of applicable duties and taxes.*

ABOUT THE SCHEME

The Scheme for Temporary Importation for Exports is governed by the Gazette Notification No. 1053/11 of 11.11.1998 published under Section 22A of the Customs Ordinance.

We encourage and support importers manufacturers and exporters to make maximum use of facilitation schemes managed by the Bonds Division.

Separate brochures are available on

- Customs Bonded Warehouses
- Entrepot Trade
- Duty Rebate Scheme
- **Temporary Import for Export Processing [TIEP - 1]**
- Temporary Import for Export Processing [TIEP - IV]
- Import and Export of Gems and Jewellery

For assistance and more information :

	Tel. No.
Deputy Director of Customs [EF]	2327747
Superintendent of Customs [EFU]	2437071
Duty Rebate Unit [BG]	2446627

Export Facilitation Unit
Bonds Division
1st Floor
Customs House
Bristol Street
Colombo 1.

Sri Lanka Customs Website :

www.customs.gov.lk

Published in March 2008.

Facility Towards Industry

Inward Processing Scheme

for

Temporary Importation for Export Processing [TIEP - I]



Sri Lanka Customs

Inward Processing

Goods can be imported conditionally relieved from payment of import duties and taxes, on the basis that such goods are intended for manufacturing, processing or assembling and subsequent exportation.

TIEP [Temporary Importation for Export Processing - I]

- A major Scheme to facilitate exporters / manufacturers to produce goods at lower cost and compete in global market.
- We encourage small and medium entrepreneurs to make use of this facility to enhance productivity.
- The Scheme facilitates manufacturers to obtain their requirements of imported inputs without placing those in a Customs bonded warehouse.

Who are permitted to operate

Direct Exporters

Manufacturers who manufacture goods for exports

Indirect Exporters

Manufacturers who produce goods as inputs for other industries manufacturing goods for export.

- ★ *An operator utilizing the Scheme to manufacture any product for export shall not be entitled to operate under Duty Rebate Scheme, Manufacture-in-Bond Scheme or any other Scheme for the Temporary Importation of Inputs for manufacture and export of an identical product.*

Indirect exporter can supply goods to following direct exporters

- Customs approved Bondsman.
- TIEP Certificate holder
- BOI enterprise approved under section 17 of the BOI Act [within zones / outside zones]
- Customs approved industries who are operating under Infac [Investor Facilitation Centre] procedure.

Inputs permitted to import

- Raw materials, components and parts which will be incorporated in the export product.
- Parts for assembly of the product to be exported.
- Consumable such as catalysts, acceleration and chemicals.
- Packaging materials in finished form such as labels, stickers, tags etc....
- Raw materials for the manufacture of such packaging materials.
- Export catalogues and brochures.

Documents needed for registration

- Duly completed prescribed form [TIEP I] **in triplicate.**
- Project report.
- Certificate of VAT Registration.
- Business Registration [form 65]
- Memorandum of Article [Form 48].
- Data required for evaluating the conversion ratio and wastage factor [They should be recommended by the Ministry of Industries or other relevant line authority]
- Other necessary approvals [Tea Board, Coconut Development Board etc..] wherever applicable.

- ★ *All TIEP approvals are required to be renewed annually.*

Security for the liabilities [duties and taxes]

In the case of an exporter with a good track record, a personal / corporate guarantee may be accepted to cover the full value of duties and taxes leviable on the imported goods that may be in stock at any given time.

However, the Director General of Customs reserves the right to call for a Bank Guarantee up to 100% as security limit in the case of any default / unsatisfactory performance etc....