



ANNUAL PERFORMANCE REPORT - 2017

SRI LANKA CUSTOMS

Compiled by: Policy, Planning and Research Directorate

Message from the Director General of Customs

It is with great pleasure I present the Annual Performance Report of Sri Lanka Customs (SLC) for the year 2017. During the year under review SLC has been able to secure a tax revenue of Rs.918.59 billion. This contributes to 55% of the total government tax revenue of Rs.1, 670.17 billion. Despite the slowdown in International Trade in 2017, the revenue collection by SLC in 2017, is 10.2% more than the revenue collected in 2016.

SLC was able to accomplish such an achievement due to the adoption of international best practices and effective control initiatives recommended by the World Customs Organization (WCO) in both enforcement and facilitation domains. These encompass automation of customs processes and the introduction of Risk Based Examination criteria. Thereby, SLC was able to achieve twin aims of securing due state revenue and providing effective trade facilitation measures, reducing throughput times and increasing predictability which induced an increase of compliance ratios.

I thank the Honorable Minister of Finance and Mass Media, the State Minister of Finance and Mass Media, the Secretary of Ministry of Finance and Mass Media and all officials in the Treasury, SLC and the Trading Community for their unstinted cooperation extended to me in achieving such an endeavor.

P.S.M. Charles

Director General of Customs

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SRI LANKA CUSTOMS – INTRODUCTION

Vision

To be recognized as the “best practice’ Customs Administration in Asia that enhances the security and prosperity of Sri Lanka.

Mission

We are committed to enforce and enhance compliance of the Customs Law and related Laws Concerning revenue, social and environmental protection, whilst facilitating legitimate trade, travel and industry with due recognition to National and International Customs Standards.

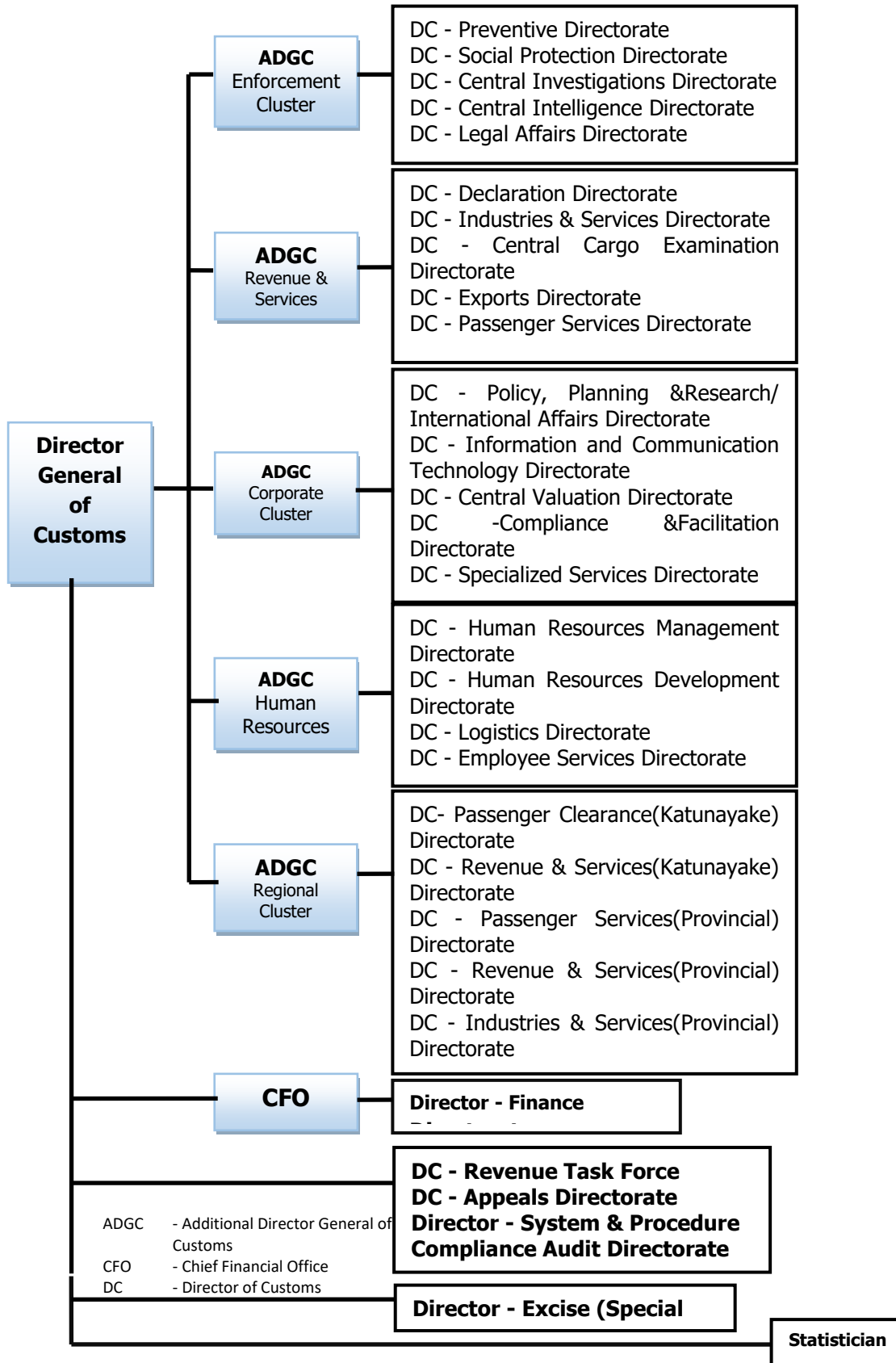
- To ensure proper enforcement of tariff, trade and social protection laws of the State, at the frontiers.
- To ensure uninterrupted revenue generation for the State, collection of due revenue and timely and proper accounting thereof.
- To co-operate with world counter-terrorism security measures in order to protect the State at the frontiers and strengthen internal security.
- To ensure revenue and social safety by combating drug trafficking and money laundering without disrupting legal trade.
- Ensuring the uniform interpretation and application of the World Trade Organization’s Trade Facilitation Agreement in the Trade.
- To be an advisory body to policy makers in determining the revenue and trade policies of the State, to be implemented at the frontiers.
- Facilitate flow of passengers, goods and related means of transport at the frontiers, while ensuring compliance of Customs and other related laws.
- To enhance Customs operations at frontiers using tools and instruments, and programmes and initiatives developed and introduced by World Customs Organization.
- To comply with all international obligations with regards to the flows of passengers, goods and related means of transport; exchange of information and other related matters.
- To disseminate information and provide trade statistics to the State and public.

- To be a “Partner in Progress” in all State endeavors; a client friendly, specialized and professional services.
- To work towards the progress of Customs Service through the better administration, based on audit methodologies and affirming transparency.

Main functions

- Implementation of Government Policies relating to tariff, trade and social protection laws.
- Assessment and collection of import and export Customs duties.
- Assessment and collection of duties / taxes and other levies on behalf of other acts and State agencies.
- Implementation (granting) of duty (tax) waivers, exemptions and concessions.
- Securing of duties and other levies and accounting of the same.
- Refunds, drawbacks and rebates of Customs duty.
- Prevention and detection of smuggling, commercial frauds and trafficking of narcotic drugs.
- Enforcement of laws relating to prohibited and restricted goods.
- Investigating and inquiring into offences committed under the Customs Law and other related Laws.
- Penalizing offenders / seizure of forfeited goods.
- Disposal of goods forfeited.
- Clearance of import and export cargo.
- Clearance of passengers and passengers’ baggage.
- Computerization of cargo and passenger clearance procedures.
- Implementing fiscal measures for the protection of local industries and agricultural products.
- Management of Export Facilitation Schemes.
- Management of Warehousing of Goods (Bonds Scheme).
- Monitoring of export oriented industrial schemes.
- Compilation and issue of Trade Statistics.
- Providing information / classification rulings etc.
- Regular dialogue with Trade Chambers – Forwarding Agents – CHAA
- Conducting training / awareness programmes.
- Regular communication with the World Customs Organization on matters relating to Nomenclature, Classification, Valuation and Enforcement Techniques.
- Coordination of work with line agencies and government Departments for exchange of information: Ministry of Finance and Planning, Inland Revenue Department, Export Development Board, Excise Department etc.

ORGANIZATION STRUCTURE OF SRI LANKA CUSTOMS



PRINCIPAL OFFICIALS

Mrs. P.S.M.Charles
Director General of Customs

Mr. H.P.Jayananda
Additional Director General of Customs (Human Resources)

Mr. S. Rajendran
Additional Director General of Customs (Corporate)

Mr. U. Liyanage
Additional Director General of Customs (Revenue & Services)

Mr. T.A.L.Weerasinghe
Additional Director General of Customs (Enforcement)

Mr. R. Lamaheewa
Additional Director General of Customs (Regional)

Mr. D.U.S.Wickramaarachchi
Chief Financial Officer

Mr. L.Gajadeera
Director of Customs (Compliance and Facilitation)

Mr. W.K.Randeniya
Director of Customs (Cargo Examinations)

Mr. H.K.J.Fernanado
Director of Customs (Preventive)

Mr. K.H.Dharmakeerthi
Director of Customs (Central Intelligence)

Mr. R.M.S.D.Ranawana
Director of Customs (Specialized Services)

Mr. B.J.L. Rodrigo
Director of Customs (Central Valuation)

Mr. S.M. Piyathissa
Director of Customs (Logistics)

Mrs. W.A.M. Malkanthi
Director of Customs (Employee Services)

Mr. H.S.N.K. De Silva
Director of Customs (Special Tasks and Vigilance)

Mr. K.H.U.J.Keerthi
Director of Customs (Passenger Services - Colombo)

Mr. Naleen Osen
Director (Internal Audit)

Mr. G. Sarath Kumara
Chief Accountant

Mr. P.S. Senarathna
Director of Customs (Central Investigation)

Mr. H.K.M.S.Jayarathna
Director of Customs (Policy, Planning and Research)

Mr. S.R. W.R. P. Sathkumara
Director of Customs (Passenger Services - Katunayake)

Mr. N.U.N. Mendis
Director of Customs (Revenue & Services -Katunayake)

Mr. R.D.A.M.G.Niyarepola
Director of Customs (Industrial Services)

Mr. S.D.Sunil
Director of Customs (Declarations)

Mr L.P. Ariyaratne
Director of Customs (Social Protection)

Mr. S. Maheshan
Director of Customs (Export)

Mr. A.M.M.Rauf
Director of Customs (ICT)

Mr. S.K. De Silva
Director of Customs (Legal Affairs)

Mr. K.R. Uduwawala
Director of Customs (Human Resource Management)

Mrs. O.M. Jabeer
Director of Customs (Human Resource Development)

Mr. U.Lokusooriya
Director of Customs (Passenger Services - Provincial)


Mr. M.K.S. Jayasena
Director (Excise)

Mr. I.A.M.Arthanayake
Director of Customs (Appeals)

Mr. R.A.J.Buddhadasa
Director of Customs (Revenue & Services - Provincial)

Mr. R.D.N.Premawansa
Deputy Director (Statistics)

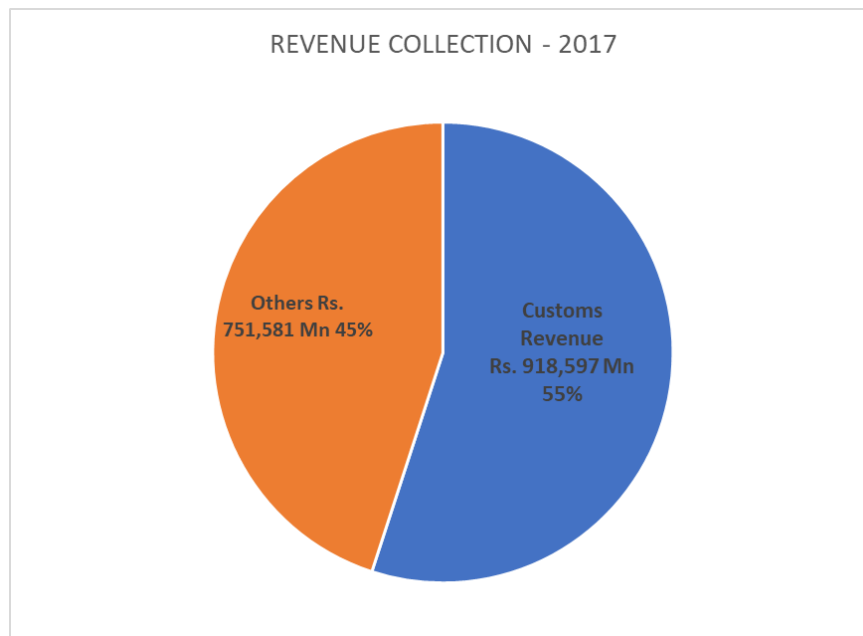
Mr. D.G. Senanayake
Director of Customs (Industries & Services-Provincial)



OVERALL
PERFORMANCE

REVENUE COLLECTION -2017

As a Percentage of national Tax Revenue*



*Provisional Data

IMPORT REVENUE COLLECTION – 2017: TAX COMPOSITION

Category	Revenue - SLR Mn.	As a % of Total Revenue
Taxes on International Trade	369,848	40.26%
Excise (Special Provisions) Duty	356,240	38.78%
Taxes on Domestic Goods and Services	187,715	20.43%
Non-Tax Revenue	2,634	0.29%
Taxes on Income & Profits	2,160	0.24%
Total Revenue Collection	918,597	100.00%

Sri Lanka Customs Revenue Collection – 2017

Revenue Code	Description	Performance from 01st January - 31st December 2017 (SLR Mn.)					
		Estimates	Revised Estimates	Actual	% of Performance	Deviation	% of Deviation
Taxes on International Trade							
1001.01.00	Import Duty	165,500	158,000	136,501	86%	(21,499)	-14%
1001.02.00	Export Duty	40	30	30	101%	0	1%
1001.04.00	Port & Airport Dev. Levy	106,000	100,000	102,360	102%	2,360	2%
1001.05.01	Import Cess Levy	57,500	57,000	56,574	99%	(426)	-1%
1001.05.02	Export Cess Levy	2,500	3,000	2,980	99%	(20)	-1%
1001.08.00	Special Commodity Levy	65,000	70,000	71,402	102%	1,402	2%
Excise (Special Provisions) Duty							
1002.05.01	Excise Duty on Cigaretts	105,000	86,000	85,956	100%	(44)	0%
1002.05.02	Excise Duty on Liquor	500	430	470	109%	40	9%
1002.05.03	Excise Duty on Petroleum	55,000	75,000	73,983	99%	(1,017)	-1%
1002.05.04	Excise Duty on Motor Vehicles	230,000	200,000	189,740	95%	(10,260)	-5%
1002.05.99	Other Excise Duty	5,000	6,500	6,091	94%	(409)	-6%
Taxes on Domestic Goods and Services							
1002.01.04	Value Added Tax (VAT)	148,000	165,000	168,393	102%	3,393	2%
1002.12.03	National Building Tax (NBT)	24,000	20,000	19,320	97%	(680)	-3%
1002.10.00	Social Responsibility Levy (SRL)	-	-	2		2	
Taxes on Income & Profits							
1004.04.02	Economic Service Charge (ESC)	1,000	1,000	2,160	216%	1,160	116%
Non-Tax Revenue							
2003.02.17	Fees on Local Sale on Garments	140	140	218	156%	78	56%
2003.02.99	Sundries	310	310	326	105%	16	5%
2003.03.01	Fines and Forfeits	1,600	1,700	1,964	116%	264	16%
2003.99.00	Other Receipt	73	73	126	173%	53	73%

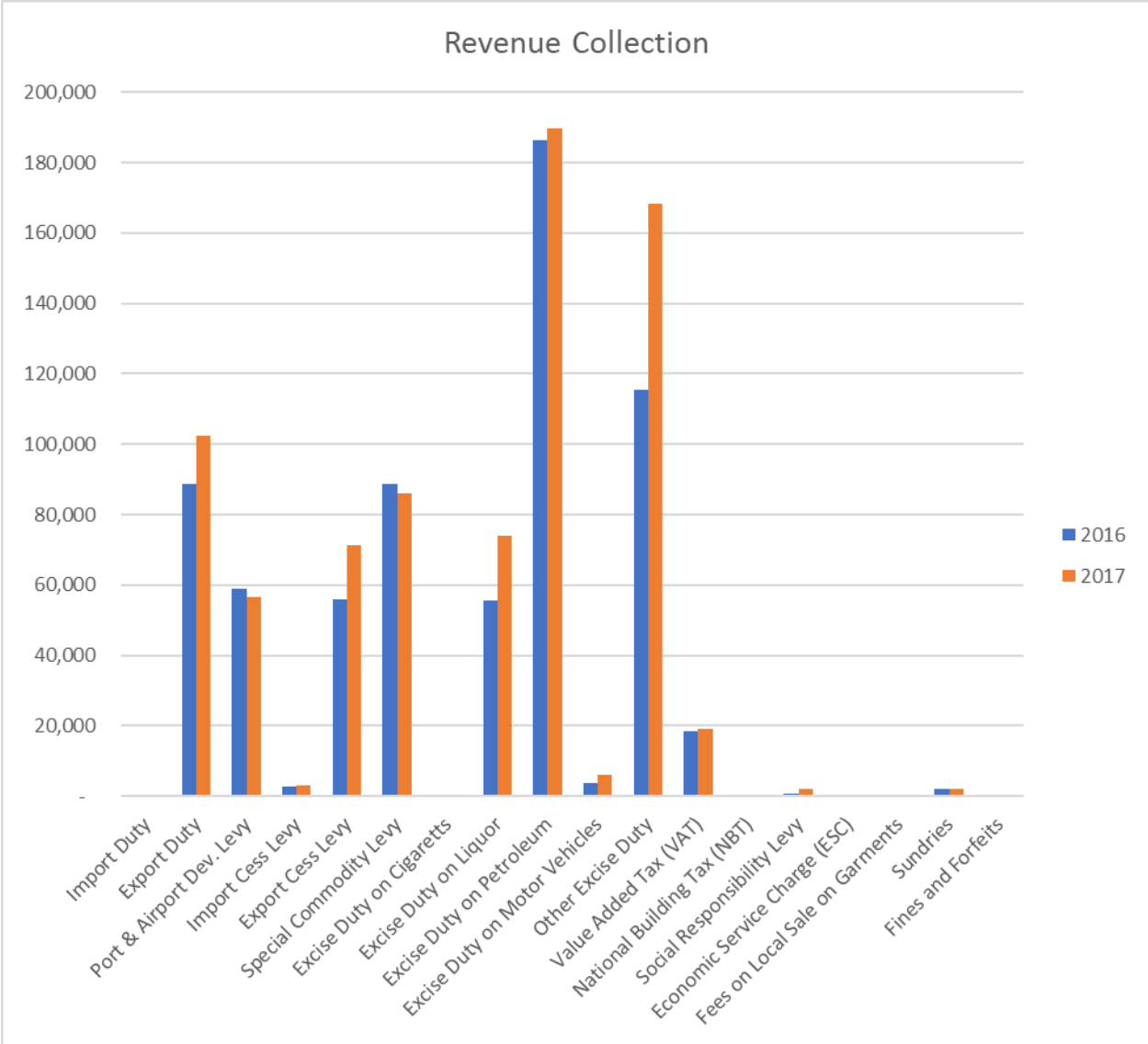
TOP FIFTY REVENUE EARNING COMMODITIES (HS - WISE)

Rank	HS	HS DESCRIPTION	Sum of TOTAL TAX
1	27101220	Petrol	39,803,772,869
2	87112010	Motor cycle, >55 cc & =< 200 cc, not more than 3 years old, reciprocating internal comb	33,688,655,303
3	27101940	Gas oil including Diesel	26,664,580,673
4	87032251	Hybrid Electric Vehicles Engine CC >1000 and =<1500, not more than 1 year	20,899,905,944
5	22071000	Undenatured ethyl alcohol, of alcoholic strength >=80%	14,189,266,003
6	87032169	Other Motor cars including station wagons and racing cars <1 yr	12,819,885,820
7	87032161	Hybrid Electric Vehicles	8,462,078,594
8	87043193	Other, Not more than four years old	8,114,693,464
9	69089090	Other tiles, cubes etc (glazed), which is a of being enclosed in a square size >=7 cm	6,432,597,667
10	07031020	B' Onions	6,322,920,373
11	15119030	Crude Palm Olein	6,117,124,652
12	72071110	Billets	5,791,088,514
13	87042261	Not more than five years old	5,739,386,798
14	25232930	Other Portland cement imported in packing of over 50 kg or in bulk	5,712,391,872
15	87032154	Other Three Wheelers less than 1 yr	5,266,665,155
16	25232920	Other Portland cement imported in packing of 50kg and below	4,970,603,089
17	87032356	Other hybrid electric vehicles	4,803,246,910
18	87042193	Other Not more than four years old	4,391,526,570
19	87032359	Motor cars/ station wagons/ racing cars, cylinder capacity =< 2000 cc, other, =< 1 ye	4,371,400,915
20	17019910	White crystalline cane sugar	4,335,799,902
21	87032259	Other vehicles engine CC >1000 and =<1500, not more than 1 year	4,255,136,777
22	07019000	Potatoes, fresh or chilled excl. seed potatoes.	4,051,771,167
23	87042191	Other, not more than 3.5 years old	3,804,411,106
24	27011200	Bituminous coal, not agglomerated	3,544,287,656
25	25231000	Cement clinkers	

			3,148,506,684
26	27101980	Lubricants	3,092,198,098
27	14049010	Beedi leaves	2,745,067,441
28	15119090	Palm oil, not chemically modified, excl crude oil, palm sterin, pack of =<210 l	2,619,521,594
29	40111000	Of a kind used on motor cars (including station wagons and racing cars)	2,423,028,966
30	87034035	Motor cars including station wagons and racing cars, not more than three years old	2,313,202,403
31	17019920	White crystalline beet sugar	2,149,167,517
32	27111910	Liquified Petroleum Gas	2,031,418,626
33	39041000	Polyvinyl chloride, not mixed with other substances, in primary forms	1,935,160,641
34	72107000	Rolled iron/steel, width \geq 600mm, painted, varnished, or coated with plastics	1,896,997,163
35	40112019	Other	1,834,772,458
36	72279000	Bars and rods, hot-rolled, in coils, of alloy steel, nes	1,780,300,497
37	27090010	petroleum oils	1,746,758,735
38	27101970	Lubricating oils (Base-oils) for the preparation of lubricants	1,740,317,142
39	85171220	Other cellular mobile telephones	1,622,785,834
40	16041500	Mackerel (prepared or preserved)	1,585,569,636
41	85176210	Transmission apparatus with or without reception apparatus	1,536,947,263
42	55121900	Printed, dyed or colored woven fabrics, \geq 85% polyester staple fibres	1,527,895,173
43	87034028	Other , not more than three years old	1,469,269,766
44	87032379	Other motor cars more than 2000cc, not more than 1 year old	1,434,309,957
45	39012000	Polyethylene having a specific gravity \geq 0.94, in primary forms	1,428,350,948
46	39021000	Polypropylene, in primary forms	1,425,213,521
47	73063000	Other, welded, of circular cross-section, of iron or non-alloy steel	1,423,994,887
48	38231990	Industrial monocarboic fatty acids; acid oil from refining, nes	1,409,291,852
49	39011000	Polyethylene having a specific gravity $<$ 0.94, in primary forms	1,408,152,073
50	87021039	Other	1,398,100,229

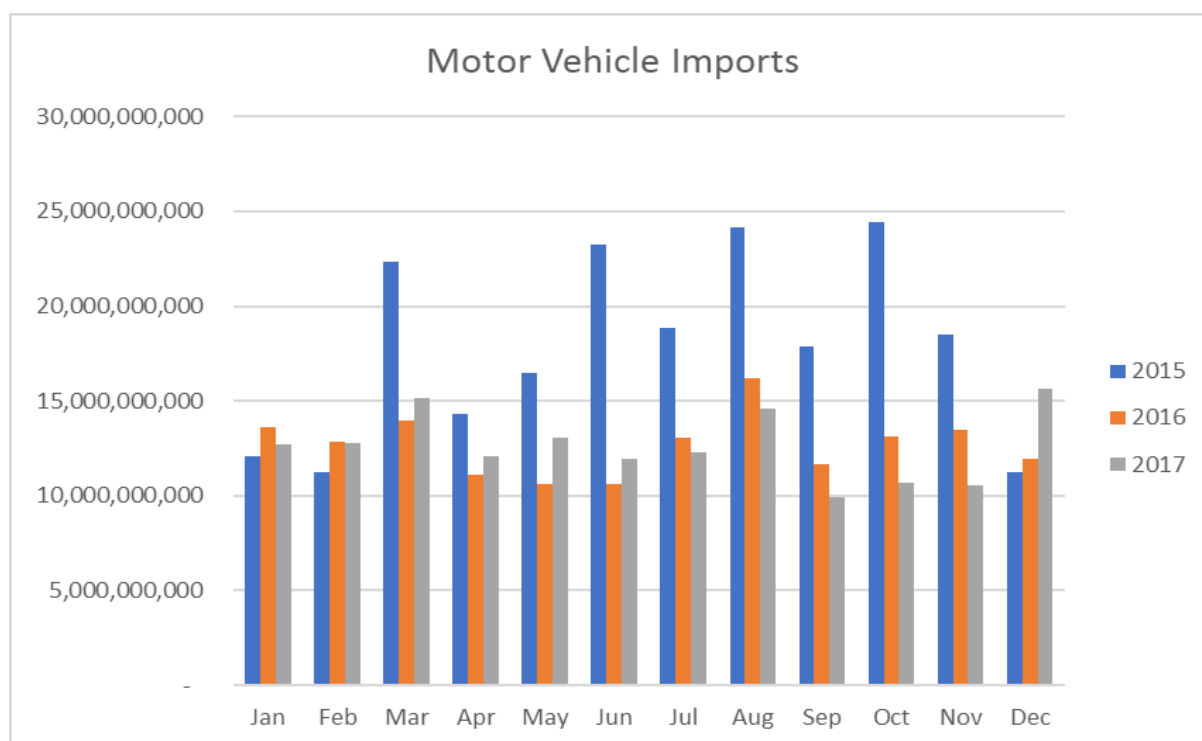
COMPARISON OF REVENUE COLLECTION - 2016 AND 2017 (Rs.Mn)

Revenue Code	Description	2016	2017	Deviation	%
Taxes on International Trade					
1001.01.00	Import Duty	156,487	136,501	(19,986)	-13%
1001.02.00	Export Duty	31	30	(1)	-3%
1001.04.00	Port & Airport Dev. Levy	88,823	102,360	13,537	15%
1001.05.01	Import Cess Levy	59,058	56,574	(2,484)	-4%
1001.05.02	Export Cess Levy	2,672	2,980	308	12%
1001.08.00	Special Commodity Levy	55,825	71,402	15,577	28%
Excise (Special Provisions) Duty					
1002.05.01	Excise Duty on Cigaretts	88,752	85,956	(2,796)	-3%
1002.05.02	Excise Duty on Liquor	-	470	470	
1002.05.03	Excise Duty on Petroleum	55,719	73,983	18,264	33%
1002.05.04	Excise Duty on Motor Vehicles	186,499	189,740	3,241	2%
1002.05.99	Other Excise Duty	3,704	6,091	2,388	64%
Taxes on Domestic Goods and Services					
1002.01.04	Value Added Tax (VAT)	115,336	168,393	53,057	46%
1002.12.03	National Building Tax (NBT)	18,395	19,320	924	5%
1002.10.00	Social Responsibility Levy	7	2	(5)	-71%
Taxes on Income & Profits					
1004.04.02	Economic Service Charge (ESC)	618	2,160	1,542	249%
Non Tax Revenue					
2003.02.17	Fees on Local Sale on Garments	167	218	51	31%
2003.02.99	Sundries	310	326	16	5%
2003.03.01	Fines and Forfeits	2,134	1,964	(170)	-8%
2003.99.00	Other Receipt	81	126	45	56%



MOTOR VEHICLES IMPORTS -Tax Revenue (Rs. Mn)

	2015	2016	2017
Jan	12,074,943,928	13,634,029,976	12,682,231,779
Feb	11,246,509,572	12,863,883,996	12,808,420,571
Mar	22,364,622,560	13,966,268,380	15,121,313,580
Apr	14,294,431,652	11,107,925,279	12,048,357,344
May	16,453,231,476	10,598,090,580	13,062,439,117
Jun	23,258,009,845	10,619,249,854	11,958,357,546
Jul	18,855,481,221	13,028,036,544	12,302,810,157
Aug	24,140,763,261	16,201,985,688	14,620,100,717
Sep	17,886,741,832	11,668,675,323	9,944,171,353
Oct	24,458,791,377	13,100,131,141	10,656,310,109
Nov	18,472,629,368	13,460,480,461	10,580,261,837
Dec	11,236,067,348	11,920,520,701	15,606,104,585
Total	214,742,225,455	152,169,279,939	151,390,880,712





ENFORCEMENT
CLUSTER

Preventive Directorate

Introduction

Preventive Directorate is the main law enforcement arm of Sri Lanka Customs, having surveillance over all operational areas of Customs, particularly the seaports, waterfronts, waterways and territorial-waters, international airports, Free Trade Zones, Export Processing Zones, Goods Examination Yards and inland clearance depots.

It consists of several branches, namely, Administration, “P” Branch, Operations, Investigations, Marine, Mega-port Surveillance, Sales, Central Disposal Unit and several sub preventive offices established around the Island at strategically located coastal cities.

Major Functions

1. Preventing smuggling, commercial frauds, and drug trafficking.
2. Receiving information on Customs Offences, and acting on such information.
3. Detecting Customs Offences on its own initiative, seizure of impugned goods, conducting investigations and inquires and prosecution of offenders.
4. Ensuring collection of due revenue.
5. Safeguarding socio economic, cultural and ecological/environmental interests of the country and enforcement of related laws and regulations.
6. Surveillance of Colombo seaport and other seaports, Bandaranaike International Airport and Mattala Mahinda Rajapaksha International Airport.
7. Control of vessel movements and border operations.
8. Disposal of goods forfeited by Sri Lanka Customs.

1. Preventing smuggling, commercial frauds, and drug offences.

The Location of the Fort Preventive office has been changed and the Branches situated in the main office were shifted to 03 places inside and outside of the Colombo port. Currently the Preventive

Administration Branch and the Director of Preventive office are located in the Customs Head Quarters. The Central Disposal Unit (CDU) which was in the Times Building has also been transferred to the Headquarters. In addition to that, there are several “Sub-preventive Offices” located in major coastal cities, namely, Trincomalee, Galle, Koggala, Negombo and Sinnapadu.

Preventive Officers stationed in those offices have actively and effectively taken steps to prevent smuggling of goods, commercial frauds and drug offences, inwards and outwards. Further to that, preventive officers stationed in Free Trade Zones also have carried out operations to prevent leakage of dutiable goods from those zones.

After restoration of peace, the Department has taken steps to re-open the sub preventive offices at Jaffna and Mannar. Nevertheless, the Department was unable to re-commence marine enforcement activities due to the lack of seaworthy Customs Patrol crafts and trained officers. However, a committee has been appointed to look into this matter and a comprehensive report has already been submitted.

Preventive operations are being carried out at Hambantota seaport and the Mahinda Rajapaksha International Airport as well.

2. Detections, seizures, investigations and prosecutions.

Preventive Directorate receives information about various Customs-offences (smuggling, commercial frauds, and drug offences) mainly from the following two sources:

- a) Private informants of the officers attached to the Preventive Directorate.
- b) Public informants

In addition to those, the Preventive Officers were able to detect on their own initiative several frauds by perusing the cargo manifests and imports clearance documents. The use of online facility to detect the fraudulent consignees has reached a higher level compared to the perusal of hard copies of manifests as well as the CusDecs.

Acting on intelligence gathered the Preventive Directorate has conducted raids and seizures and was able to detect un-customed goods which have been smuggled or imported without declaring to Customs. Investigations and prosecution of cases were conducted by the preventive officers.

The request to obtain technical assistance for developing a proper Risk Management Program enabling Customs Enforcement Units to enhance the effectiveness of the scarce human resources still needs to be implemented. Further, it is necessary to conduct capacity building programs for the Preventive Officers with a special emphasis on the tasks and duties related to the Enforcement.

3. Ensuring the collection of due State revenue

One of the main objectives of Customs is collecting State revenue from imports and exports. Far reaching trade facilitation measures introduced by the Customs Department to facilitate genuine traders have given unscrupulous elements a slight opening to creep through Customs, defrauding State revenue. While the majority of traders are law abiding and prefer voluntary compliance, an unscrupulous minority resort to incorrectly describe (misdescribed), undervalue or non-declare their imported goods.

The details of the cases conducted by the preventive division during the year 2016 are as follows.

01. DETECTIONS		
1.1 NEW CASES		
1.1.1	Cases initiated/ detected by the staff	834
1.1.2	Cases produced by other agencies	19
1.1.3	Total No. of Cases Registered (1.1 + 1.2)	853
1.1.4	No. of Cases finalized	
1.1.4.1	<i>Cases finalized with no customs offences</i>	108
1.1.4.2	<i>Cases handed over to other units/branches</i>	14
1.1.4.3	<i>Cases released to proceed under normal channel</i>	9
1.1.4.4	<i>Taken delivery prior to detain</i>	5
1.1.4.5	Cases finalized successfully	
	1.1.4.5.1 <i>Cases finalized with penalties/ forfeitures/ AE</i>	496
	1.1.4.5.2 <i>Cases finalized with A/E only (by Valuation)</i>	73
	1.1.4.5.3 <i>Cases finalized with A/E only (by Preventive)</i>	29
(A)	Total No. of Cases finalized (sum 1.1.4.1 to 1.1.4.5.3)	734
1.1.5	Cases pending finalization	
1.1.5.1	<i>Cases where customs inquiry not finalized</i>	36
1.1.5.2	<i>Cases where investigation not finalized</i>	60
1.1.5.3	<i>Cases where appeals are pending for mitigation</i>	
1.1.5.4	<i>Cases where notices of action are submitted</i>	
(B)	Total No. of Cases pending finalization (sum 1.1.5.1 to 1.1.5.4)	96
03. RECOVERIES (in rupees)		
3.1	Value of goods forfeited	188175036.00
3.2	Penalties/ forfeitures to be recovered at the beginning of the YEAR	59862866.00
3.3	Penalties/ forfeitures imposed during the YEAR	715962769.00
3.4	Duty & Other Levies recovered during the YEAR	
3.4.1	Customs Duty	34355105.00
3.4.2	Surcharges	
3.4.3	VAT	60227152.00
3.4.4	PAL	26063684.00
3.4.5	NBT	9335401.00
3.4.6	Ex. Duty	
3.4.7	Import Cess	
3.4.8	EDB Cess	
3.4.9	Excise	
3.4.10	Consolidated Levy	20519525.00
3.4.11	Yacht Charges	
3.4.12	SR Charges	
3.4.13	Overtime	
3.4.14	Computer fees	459250.00
3.4.15	Special Deposits	
3.4.16	Other recoveries	8089567.00
	Total	159049684.00
3.5	Penalties forfeitures recovered during the YEAR	725437281.00
3.6	Penalties/ forfeitures to be recovered at the end of the YEAR	46553572.00
3.7	A/E recovered at the Valuation Division	62908804.00

4. Safeguarding socio economic, cultural, ecological and environmental interests of the country, and enforcement of related laws and regulations.

Preventive Directorate has been able to safeguard socio economic, cultural, ecological and environmental interests of the country through its operations.

In addition to the regulations under the Customs Ordinance, officers of the Preventive Directorate ensure the compliance with other laws and regulations such as–

1. Arms & Ammunitions Act
2. Flora & Fauna Act
3. Import & Export Control Act
4. Cosmetic, Devices & Drugs Act
5. Telecommunication Regulatory Commission Act
6. Food and Drug Act
7. Exchange Control Act
8. Intellectual Property Act

5. Surveillance of Colombo seaport, other seaports, Free Trade Zones and Bandaranaike International Airport

Surveillance of Colombo seaport is done by two of the divisions of the Directorate, namely, the Fort Preventive Office and the Kochchikade Preventive Office, which are in charge of the surveillance of Fort area and Kochchikade area respectively. In the port of Colombo, the Land Duty Officer stationed in the Fort Preventive Office, and the Kochchikade Duty Officer stationed in the Kochchikade Preventive Office man those offices round the clock daily, so much so that those offices are never closed. These Officers visit the gates of the respective areas to ensure that those are properly manned and functioning well.

Bandaranaike International Airport and the Katunayaka Free Trade Zone are supervised by the Sub-preventive Office at Naikanda, while the Biyagama Sub-preventive Office supervises the Biyagama Free Trade Zone.

However, export processing zones located at Pallekale, Horana, Meerigama etc, are not under the surveillance of the Preventive Directorate. Hence it is necessary to establish Sub-preventive Offices at those zones, or deploy officers from other Sub-preventive Offices to look after the Customs related interests.

Although requests have been made to make avail the office and accommodation facilities at Dikovita Fisheries harbor which has commenced its operations recently, such facilities have not been provided so far. Hence the Preventive operations have not been commenced in the Dikovita Fisheries Harbor.

6. Control of vessel movements and border operations

Supervising the movement of vessels at the four main harbors (including Hambantota port) is one of the responsibilities of the Preventive Directorate. While those activities in Colombo Harbor are supervised by the Fort Preventive Office, such activities in Galle, Trincomalee and Hambantota are supervised by the sub preventive offices established at those respective ports.

Harbor Duty Officer is deployed at the Fort Preventive Office round the clock to carry out the functions of controlling the vessel movements. He boards the vessels that calls over at the Colombo port and makes sure that those vessels have obtained the clearance from the “last port of call” to enter the Colombo port. Further, he checks the IMO crew declaration etc. It is one of the responsibilities of the vessel’s local agent (acting as the representative of the captain of the respective vessel) to declare and submit the inward cargo manifest, transshipment cargo manifest and the details of transit cargo contained in each vessel calling over at port of Colombo.

Each departing vessel is granted “Outward Clearance” by the Harbor Duty Officer, having satisfied that all the related requirements are fulfilled by the vessel’s local agent who is acting as the representative of the captain of the respective vessel.

As at present, ships’ agents do not submit the export cargo manifest to the preventive office. Therefore, the officer giving the Outward Clearance is not aware of the details of export cargo loaded on the outgoing vessel.

7. Disposal of goods forfeited by Sri Lanka Customs

Central Disposal Unit is entrusted with the disposal of seized and forfeited goods of various Directorates and Units of the whole Department. The provisions of the Customs Ordinance authorize the disposal of forfeited goods by public auction, and the Tender Sales Procedure established under the Financial Regulations is followed at such auctions.

Social Protection Directorate

Introduction

A separate Directorate was established for Social Protection activities amalgamating allied units hitherto operated under different Directorates in the Customs for the same purpose. The areas, namely Narcotic Control Division, Port Control Division, Consumer and Environment Protection Division and Biodiversity, Cultural & National Heritage Protection Division have been identified for the purposes of stringent enforcement of the Customs Law and other related laws.

Major Functions

The functions of the directorate is prevention / interdiction of smuggling of narcotic drugs and psychotropic substances, protection of Environment, Biodiversity, Cultural, National Heritage and Consumer rights while ensuring due revenue by enforcement of relevant laws to facilitate the trade at Customs Points.

Narcotic Control Division

Narcotic Control Division is established to enforce the Customs law and the related laws to prevent smuggling of Narcotic Drugs and psychotropic substances on imports, exports, gifts at parcel post, Courier Services, passengers and passenger baggage while safeguarding socio economic, health and cultural interests.

Major Functions

- 1 24 hours surveillances at Air Port.
- 2 Random Surveillances at Air Cargo, Sea Cargo, Mail and Courier etc.
- 3 Identification and prevention of smuggling narcotic drugs and psychotropic substance through the commercial imports and exports by air and sea.
- 4 Investigating on reliable information.
- 5 Conducting awareness and training programs.
- 6 Monitoring precursor chemical imports, transshipments and exports.
- 7 Carrying out joint operation with PNB.

Key Action	Target	Actual	If not achieved, the reason
(01) : Detection of Narcotics and Psychotropic Substances concealed in passenger baggage			
1. Targeting of Suspected air routes & Passengers	100%	100%	
2. Installation of Body Scanner to detect concealed narcotics in passengers at BIA.	100%	%0	At the stage of drafting legal framework.
3. In addition to roster ASCC(Narcotics) at BIA frequent visits by other officers attached to NCU and furnish reports on group visits.	100%	100%	
4. Purchase a suitable scanning machine to detect concealed Narcotics in passenger baggage.	100%	0%	Scanner still in discussion stage.
(02) : Detection of Narcotics & Psychotropic substances smuggling through Courier services & parcel post.			
1. Frequent visits to examine inward parcels and furnish reports on the outcome of such examinations.	100%	100%	
2. Special operation carryout at parcel post, courier services under the guidance of WCO and RILO.	100%	100%	
(03) : Set up Container Control Programme with the guidance of UNODC and WCO			*** Now this function is handled by the Port Control Unit
1. Implement Container Tracking System	100%	0%	
2. Purchase equipments for detection of concealed Narcotics in commercial cargo.	100%	0%	
3. Targeting of suspected sea routes and importers.	100%	0%	
4. Detain suspected containers for examination.	100%	0%	
(04) : Surveillance and take steps to prevent Narcotics smuggling along the coastal belt.			

1. Understanding new trends in smuggling narcotics by transborder criminals.	100%	100%	
2. Studying the impact of inflow narcotics through open sea routs.	100%	100%	
(05) : Awareness & training programs			
1. Conduct awareness programs in demand reduction	100%	100%	
2. Training customs staff with assistance of NDDCB & HRD.	100%	100%	
3. Conducting awareness programs regarding prevention of drugs in selected schools in Colombo.	100%	100%	
(06) : Build up Co-operation with other agencies.			
1. Hold meetings and discussions with NDDCB, PNB, Costal Guard and any other agencies on developing situations about the drugs smuggling.	100%	100%	
2. Getting the service of canine unit of the Police kennel division to trace drugs traffickers at BIA.	100%	0%	In a process of utilizing.

Biodiversity, Cultural and National Heritage Protection Division

BIODIVERSITY PROTECTION

One of the goals of the Sri Lanka Customs Department is protection of the society and its Heritage. Protection of the environment is an important activity of this exercise. Many international as well as national agencies are involved and has good rapport with Sri Lanka Customs in this endeavour. Sri Lanka Customs is bound to enforce various statutes relating to biodiversity at the point of importation and exportation.

Being a tropical island, Sri Lanka is very rich in Flora & Fauna, and is considered as one of the richest countries in Biodiversity and also among one of the eight “Hottest Hot Spots of Biodiversity”. As a result, a very high demand has been generated the world over for our species which have attracted big time animal and plant hunters. High percentage of endemism, rare species, ornamental value, texture and quality of our species also enhanced this over exploitation. In the meantime, introduction of modern technology and sophisticated method in smuggling activities has posed serious challenges to Sri Lanka Customs in monitoring and containing the illegal disposal of bio diversity related items.

Having regard to the need of achieving this goal a **Biodiversity Protection Unit** has been established. According to the information, this is the world’s first **Customs Biodiversity Protection Unit**.

CULTURAL AND NATIONAL HERITAGE PROTECTION

Sri Lanka is inherited with a rich culture and national heritage over two thousand five hundred years of written history and another two thousand five hundred years of prehistoric evidence together which continues over hundred thousand years.

One of the goals of Customs Department is to protect invaluable cultural heritage of the country and prevent the illegal disposal of movable artefacts of that heritage.

During the process of customs reformation, in the year 2010 **Biodiversity, Cultural and National Heritage Protection** (BCNP) branch was created and placed within Social Protection Directorate. Hence the scope of the bio diversity unit was enhanced in order to accommodate Cultural and national heritage activities also.

Biodiversity, Cultural and National Heritage Protection Division

OUR VISION

To be the best Customs division in south Asia on biodiversity and cultural heritage protection

OUR MISSION

Enforce the law in order to protect Biodiversity, Cultural & National heritage and ensure due revenue while facilitating the trade.

OUR FUNCTIONS

- ✓ Enforce National and International laws relating to the movement of biodiversity related products.
- ✓ Check on description, classification and valuation of all biodiversity related imports and exports.
- ✓ Check on licensing requirements governing the import and export of fauna and flora and related products and any other irregularities affecting the functioning of Customs operations.
- ✓ Promote the development programs of the country through sustainable imports and exports of fauna and flora in a manner which not harm biological heritage of the country.

SIGNIFICANT DETECTIONS

Detection of Live Tortoise

On 18th of June 2017, 2089 Numbers of star tortoises (*Geochelons elegans*) smuggled in to Sri Lanka by a Sri Lankan National were detected at Kalpitiya lagoon area. The case was detected by the Sri Lankan Navy and handed over to the preventive office at Sinnapadu. At the time of detection, 2083 number of star tortoises were alive and 6 were dead. These tortoises were smuggled from India. Tortoises were handed over to the BCNP branch by the Preventive Office and were transported to Colombo. With the active coordination and guidance of the BCNP branch, forfeited tortoises were handed over to the Department of National Zoological Gardens, Quarantine facility, Gonapola.

This is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection Ordinance.



Detections of Precious endemic wood -Wallapatta (*Gyrinops walla*)

The largest amount in the history, 116.3 Kgs of Wallapatta (*Gyrinops walla*) were detected at BIA Departure Passenger terminal on 04th of August 2017 while being attempted to smuggle out to Mumbai by a Sri Lankan National.

60.15 Kgs of Wallapatta (*Gyrinops walla*) wooden pieces were detected at BIA Departure Passenger terminal on 26th of July 2017 while attempted to smuggle out to Mumbai by Sri Lankan National.

58.8 Kgs of Wallapatta (*Gyrinops walla*) wooden pieces were detected at BIA Departure Passenger terminal on 21st of September 2017 while attempted to smuggle out to Dubai by Sri Lankan National.

On 07th of December 2017, 3 cases were detected. All together 69.2 Kgs (15.7 Kg, 23.3 Kg, 30.2 Kg respectively) of Wallapatta (*Gyrinops walla*) wooden pieces were detected at BIA Departure Passenger terminal while attempted to smuggle out to Dubai by three Sri Lankan National.

Wallapatta (*Gyrinops walla*) is an endemic plant and its perfumery value was identified very recently. It produces a resinous substance which fetches high price in other countries as it is used in the production of perfumes. Wallapatta is considered as a forest produce, hence exportation is restricted. Exportation without a valid forest permit is violation of Customs Ordinance (Chapter 235) read with Forest Conservation Ordinance.



Detections Sandalwood (*Santalum album*)

117.95Kg of Sandalwood (*Santalum album*) timber logs & pieces were detected at BIA Departure Passenger terminal on 02nd April 2017 while attempted to smuggle out to Pakistan by a Pakistani National.

Sandalwood (*Santalum album*) powder bottles and oil bottles (each 2 Number) were detected at BIA Departure Passenger terminal on 06th of September 2017 while attempted to smuggle out to China by Chinese National.

Exportation of Any part of Sandalwood (*Santalum album*) is prohibited, since the Sandalwood (*Santalum album*) is a protected tree in Fauna and Flora Protection Ordinance. Exportation of any product of sandalwood a violation of Forest Conservation Ordinance and Customs Ordinance (Chapter 235).



Detection of Ring made of Ivory

A ring made out of Ivory was detected and forfeited at BIA Departure Passenger terminal on 11th of June 2017 while attempted to smuggle out to China by Chinese National.

The ring was found along with 1 number of Sea Urchins and 1 number of Chank, where the ring was concealed in cloths. For the expert opinion on identification of the ivory ring, Mr. Samantha Gunasekara (Retired DDC - BCNP) was contacted and with the conformation of ivory, the ring was forfeited at the Bandaranayake International Airport.

Attempt to export ivory is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection ordinance.



Detection of Edible Bird Nests and Dried Sea Horses

0.9 Kgs of edible bird nests along with 0.1 Kgs of dried sea horses were detected at BIA Departure Passenger terminal on 29th of October 2017 while attempted to smuggle out to China by Chinese National.

0.6 Kgs of edible bird nests detected at BIA Departure Passenger terminal on 9th of June 2017 while attempted to smuggle out to China by Chinese National.

0.5 Kgs of edible bird nests detected at BIA Departure Passenger terminal on 19th of September 2017 while attempted to smuggle out to China by Chinese National.

The edible bird nests of the trade come from the nests of five species of Swifts that inhabit Asia, and are thus collectively called Edible-nest Swifts. Sri Lanka has the Indian Swiftlet/Indian Edible-nest Swift (*Collocalia unicolor*) that makes a nest mainly from its saliva and is considered as one of these five whose nests are collected for the trade. Mostly these are smuggled out to China by Chinese passengers through the Airport.

Exportation of Edible bird nests is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection ordinance.

Exportation of Dried Sea horse without valid CITES permit is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection ordinance.



Detections of Pangolin Scales (*Manis crassicaudata*)

11 Kgs of Pangolin Scales (*Manis crassicaudata*) were detected at BIA Departure Passenger terminal on 12th of February 2017 while attempted to smuggle out to Chennai, India by Sri Lankan National.

3.80 Kgs of Pangolin Scales (*Manis crassicaudata*) were detected at BIA Departure Passenger terminal on 14th of May 2017 while attempted to smuggle out to Chennai, India by the same Sri Lankan National.

The pangolin trade is the illegal poaching, trafficking, and sale of pangolins, parts of pangolins, or pangolin-derived products. Pangolins are believed to be the world's most trafficked mammal. The animals are trafficked mainly for their scales, which are believed to treat a variety of health conditions in traditional Chinese medicine, and as a luxury food in Vietnam and China, where there is a known demand for pangolin meat.

The Convention on International Trade in Endangered Species (CITES), has placed restrictions on the pangolin market since 1975, and in 2016, it added all eight pangolin species to its Appendix I, reserved for the strictest prohibitions on animals threatened with extinction. Pangolins are also listed on the IUCN Red List, all with decreasing populations and designations ranging from Vulnerable to Critically Endangered.

Exportation of Pangolin Scales (*Manis crassicaudata*) is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection Ordinance.



Detection of Prohibited Fish Thambuwa (*Cephalopholis sonnerati*)

240.6 Kg of Prohibited Fish Thambuwa (*Cephalopholis sonnerati*) were detected at Air Cargo Export Verification Terminal on 10th of November 2017 while attempted to smuggle out to Taiwan by declaring edible grouper fish.

Thambuwa (*Cephalopholis sonnerati*) cited as a prohibited fish species for catching by the Extraordinary Gazette Notification no 2014/4. No person shall catch, possess, transport, purchase, exhibit for sale, sell or export the fish species Thambuwa (*Cephalopholis sonnerati*) within Sri Lanka or Sri Lankan Waters.

Exportation of prohibited Fish Thambuwa (*Cephalopholis sonnerati*) is a violation of Customs Ordinance (Chapter 235) read with Fisheries and Aquatic Resource Act. Forfeited fishes were handed over to National Aquatic Resources Agency (NARA) for the disposal.



Detections of Kothala Himbutu (*Salacia reticulata*)

65 number of *Salacia reticulata* mugs along with 40.4Kgs of *Salacia reticulata* chips were forfeited at BIA Departure Passenger terminal on 28th of August 2017 while being attempted to smuggle out to China by a Chinese National.

12 number of *Salacia reticulata* mugs were forfeited at BIA Departure Passenger terminal on 05th of September 2017 while being attempted to smuggle out to China by a Chinese National.

16.8Kg of *Salacia reticulata* chips were forfeited at BIA Departure Passenger terminal on 24th of December 2017 while being attempted to smuggle out to Chengdu, China by a Chinese National.

5Kg of *Salacia reticulata* chips 7 powder were forfeited at BIA Departure Passenger terminal on 18th of September 2017 while being attempted to smuggle out to China by a Chinese National.

Salacia reticulata (Kothala Himbutu) is an indigenous plant to Sri Lanka that contains high specific medicinal value in healing diabetes, hepatitis, digestion, etc. This plant has around 150 patents and pending patent applications. Majority is obtained by Japanese. Japan is the one of the foremost producer of drugs using this plant. Due to the growing demand for this in the international trade, many attempts are being made to smuggle it. *Salacia reticulata* is considered as a forest produce and protected under Fauna and Flora Protection Ordinance.

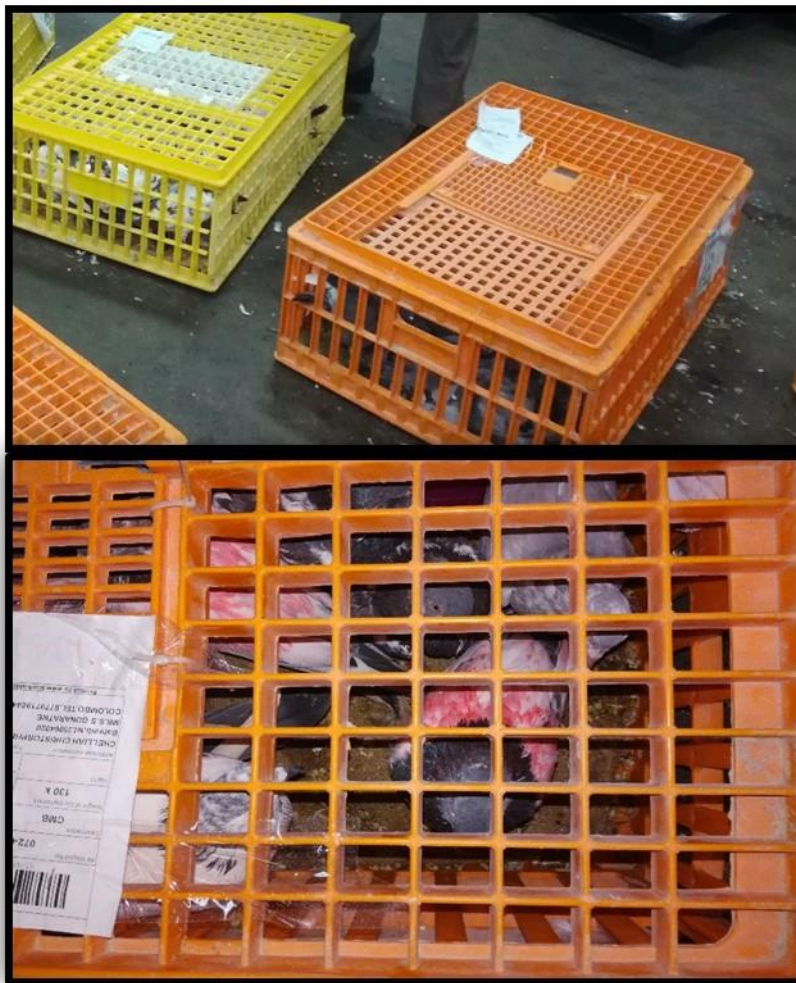
Exportation any product of *Salacia reticulata* is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection Ordinance and Forest Conservation Ordinance.



Detection of Live Birds

On 11th August 2017, 36 Numbers of pigeons were detected by the officers at Air Cargo Import Verification Terminal while attempted to smuggle in to Sri Lanka without valid permit. At the detection, it was found that one pigeon was dead and 35 no of live pigeons were inside the box.

This is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection Ordinance.



Detections of Seashells, Corals and Chanks

250 Nos of Chanks were detected at BIA Arrival Passenger terminal on 06th May 2017 while being attempted to smuggle in to Sri Lanka by a Sri Lankan National. And the passenger was unable to produce a permit to Import Chanks too.

20Kg of Chanks were detected at BIA Departure Passenger terminal on 15th of January 2017 while being attempted to smuggle out to United Kingdom by a British National.

14.6 Kg of Corals along with 2 numbers of Spider conch shells were detected at BIA Departure Passenger terminal on 10th of September 2017 while being attempted to smuggle out to Dubai by a Canadian National.

10.5Kg of Corals were detected at BIA Departure Passenger terminal on 05th of August 2017 while being attempted to smuggle out to China by a Chinese National.

Exportation of sea shells is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection ordinance and Exportation of Chanks without valid license/ permit issued by the Department of Fisheries and Aquatic Resources is a violation of Customs Ordinance (Chapter 235) read with Fisheries and Aquatic Resources Act.



Detection of an Antique Coin Collection

A rare antique coin collection was detected at BIA Departure Passenger terminal on 22nd of January 2017 while attempted to smuggle out to United States of America by an American National. This coin collection was concealed in the checked in baggage.

Exportation of Antiques without the valid license/ permit issued by the Director General of Archaeology is an offence in terms of provisions of Customs Ordinance (Chapter 235) read with Antiquities Ordinance.



Detection of Ola leaf manuscript

One number of rare Ola leaf manuscript was detected at BIA Departure Passenger terminal on 28th of April 2017 while being attempted to smuggle out to China by a Chinese National.

This Ola leaf manuscript was sent to the Department of Archaeology for the further identification. Department of Archaeology reported that there were four numbers of historically and literary important books identified as “Sathara Bawana Atuwawa”, “Soorya Shathakaya”, “Ummagga Jathakaya and one of “Mantra” book.

Two manuscripts namely “Sathara Bawana Atuwawa”, “Soorya Shathakaya” were completed books while other two were incomplete as first few leaves were missing. Furthermore Department of Archaeology reported that the absence of above missing book covers indicated that they were carelessly handled and less commercially valued.

Ola-leaf manuscripts has been the principal career of knowledge in Sri Lanka from early Anuradhapura period to 20th century, for more than 2300 years. These manuscripts published in Sinhala, Pali and Sanskrit languages on Buddhism, Buddhist Sutras, Ayurvedic medicine, Sinhala language and Literature, History, Astrology, Jathaka Stories, Charm Occultism etc. Literary works published for over several decades as well as national importance included in these Ola manuscripts. Considerable number of Sri Lankan Ola leaf manuscripts are smuggled out and preserved in foreign soils.

Exportation of Antiques without the valid license/ permit issued by the Director General of Archaeology is an offence in terms of provisions of Customs Ordinance (Chapter 235) read with Antiquities Ordinance.



Detections of Deer Antlers

One pair of deer antlers was detected at BIA Departure Passenger terminal on 15th of January 2017 while attempted to smuggle out to United Kingdom by the British National.

19 pieces of deer antlers were detected at BIA Departure Passenger terminal on 12th of April 2017 while attempted to smuggle out to China by the Chinese National.

One pair of deer antlers was detected at BIA Departure Passenger terminal on 13th of May 2017 while attempted to smuggle out to Russia by the Russian National.

One pair of deer antlers was detected at BIA Departure Passenger terminal on 11th of August 2017 while attempted to smuggle out to Canada by the Canadian National.

0.75Kg of deer antler pieces was detected at BIA Departure Passenger terminal on 11th of August 2017 while attempted to smuggle out to Chengdu, China by the Chinese National.

Antlers are extensions of an animal's skull found in members of the deer family. They are true bone and are a single structure. They are generally found only on males. Antlers are shed and regrown each year and function primarily as objects of sexual attraction and as weapons in fights. In early times Sri Lankan people used deer antlers as a decorative item for their homes and as a hanger to hang coats and hats.

Deer is a protected species under the Fauna and Flora Protection Ordinance hence exportation of Deer Antler is a violation of Customs Ordinance (Chapter 235) read with Fauna and Flora Protection Ordinance.



Investigations done by BCNP division in the year of 2017

<i>Date</i>	<i>Description</i>	<i>Value Rs.</i>	<i>Case No</i>	<i>Status</i>
06.01.2017	Dried Sea Cucumber-3Kg; <i>Salacia reticulata</i> - 2 mugs		ENSP/BPU/01/2017	Forfeited the goods
06.01.2017	Dried Sea Cucumber-3Kg		ENSP/BPU/02/2017	Forfeited the goods
15.01.2017	Chunks (20Kg)		ENSP/BPU/03/2017	Forfeited the goods
15.01.2017	Deer Antlers - 01 Pair		ENSP/BPU/04/2017	Forfeited the goods
20.01.2017	Dried Sea Cucumber - 8.75Kg		ENSP/BPU/05/2017	Forfeited the goods
22.01.2017	Antique coin collection		ENSP/BPU/06/2017	Detained goods
24.01.2017	Corals (3 Nos), Small Sea shells (8 Nos), Small Sea shells (5.6 Kg)		ENSP/BPU/07/2017	Forfeited the goods
26.01.2017	<i>Salacia reticulata</i> -2 mugs		ENSP/BPU/08/2017	Forfeited the goods
04.02.2017	Wallapatta chips - 13.5Kgs	1,080,000	ENSP/BPU/09/2017	Forfeited the goods; Penalty imposed Rs. 40,000/=
17.02.2017	Pangolin Scales - 11Kg		ENSP/BPU/10/2017	Forfeited the goods
06.02.2017	One no of brass statue (Suspected to be an antique)		ENSP/BPU/11/2017	Detained goods
11.02.2017	One no of sea shell (Horned Helmet)		ENSP/BPU/12/2017	Forfeited the goods
21.02.2017	Wallapatta timber logs & pieces - 25.9Kg	1,185,250	ENSP/BPU/13/2017	Forfeited the goods; Penalty imposed Rs. 100,000/=
24.02.2017	Sea shells (26 Nos.), Fish jaws (22 Nos.), Shark fins		ENSP/BPU/14/2017	Forfeited the goods
01.03.2017	Dried Sea Cucumber - 11.3Kg		ENSP/BPU/15/2017	Forfeited the goods
02.03.2017	<i>Salacia reticulata</i> -2 mugs, Dried Sea Cucumber - 3.45Kg		ENSP/BPU/16/2017	Forfeited the goods
02.03.2017	Dried Sea Cucumber - 1.45Kg		ENSP/BPU/17/2017	Forfeited the goods
02.03.2017	Dried Sea Cucumber - 1.25Kg		ENSP/BPU/18/2017	Forfeited the goods
03.03.2017	HCFC(R-22) Refrigerator		ENSP/BPU/19/2017	Detained goods
07.03.2017	Shark fins - 14Kg		ENSP/BPU/20/2017	Forfeited the goods
07.03.2017	Dried Sea Cucumber - 7Kg, Edible birds' nest - 0.5Kg		ENSP/BPU/21/2017	Forfeited the goods

16.03.2017	Wallapatta - 25Kg	1,500,000	ENSP/BPU/22/2017	Forfeited the goods; Penalty imposed Rs. 25,000/=
25.03.2017	Corals - 2.15Kg, Sea shells - 1.05Kg		ENSP/BPU/23/2017	Forfeited the goods
02.04.2017	Sandalwood timber logs & pieces - 117.95Kg	1,769,250	ENSP/BPU/24/2017	Forfeited the goods; Penalty imposed Rs. 100,000/=
05.04.2017	Wallapatta Timber Pieces - 15.25Kg	762,500	ENSP/BPU/25/2017	Forfeited the goods
06.04.2017	Wallapatta Timber Pieces - 25.6Kg	1,536,000	ENSP/BPU/26/2017	Forfeited the goods; Penalty imposed Rs. 100,000/=
06.04.2017	Dried sea horses - 30g	4,000	ENSP/BPU/27/2017	Forfeited the goods
12.04.2017	Deer Antlers - 19 Pieces		ENSP/BPU/28/2017	Forfeited the goods
28.04.2017	Wallapatta - 50.2Kg	2,052,500	ENSP/BPU/29/2017	Forfeited the goods; Penalty imposed Rs. 200,000/=
28.04.2017	Ola Leaf manuscript – 01No		ENSP/BPU/30/2017	Forfeited the goods
28.04.2017	Frozen Lobster - 9Kg, Frozen Crabs - 3Kg		ENSP/BPU/31/2017	Forfeited the goods
05.05.2017	Dried Sea Cucumber - 7.25Kg		ENSP/BPU/32/2017	Forfeited the goods
06.05.2017	250 Nos of Chunks		ENSP/BPU/33/2017	Forfeited the goods
09.05.2017	Dried Sea Cucumber - 1.2Kg		ENSP/BPU/34/2017	Forfeited the goods
12.05.2017	<i>Salacia reticulata</i> - 2 mugs		ENSP/BPU/35/2017	Forfeited the goods
13.05.2017	Deer Antlers - 1 Nos		ENSP/BPU/36/2017	Forfeited the goods
14.05.2017	Pangolin - <i>Manis crassicaudata</i> Scales -3.80 Kgs	1,758,214	ENSP/BPU/37/2017	Forfeited the goods; Penalty imposed Rs. 100,000/=
18.05.2017	Dried Sea Cucumber - 1.4Kg, Dried Sea Horses - 45g		ENSP/BPU/38/2017	Forfeited the goods
18.05.2017	Sea Shells - 5 Nos		ENSP/BPU/39/2017	Forfeited the goods
20.05.2017	Dried Sea Cucumber - 8 Kg		ENSP/BPU/40/2017	Forfeited the goods
23.05.2017	Wallapatta logs and Chips - 15.6Kg	1,203,650	ENSP/BPU/41/2017	Forfeited the goods
24.05.2017	Aquatic Plants		ENSP/BPU/42/2017	Forfeited the goods. Handed over to Plant Quarantine

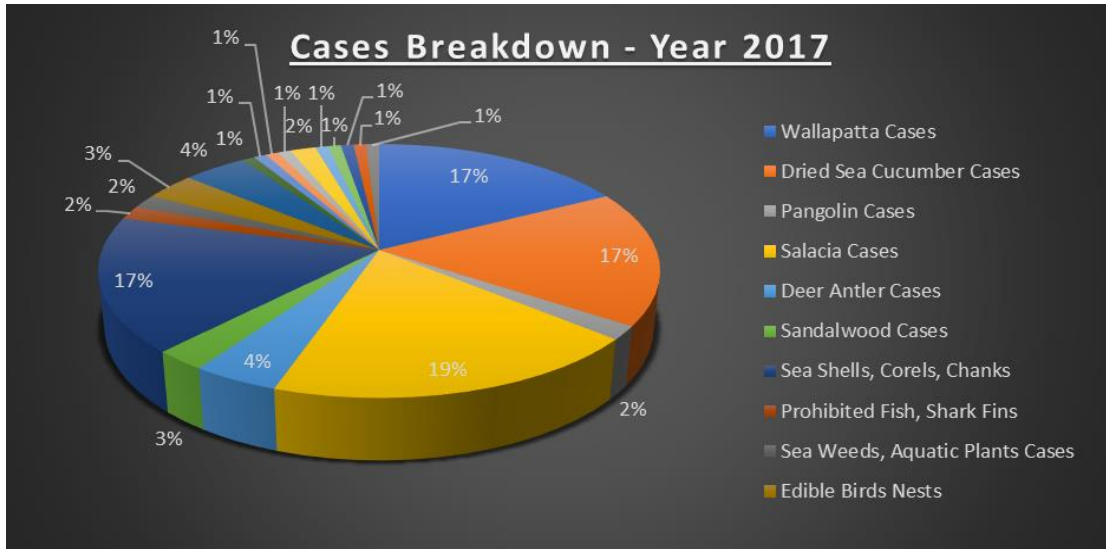
				Office at BIA for disposal
25.05.2017	Wallapatta Chips - 16Kg	800,000	ENSP/BPU/43/2017	Forfeited the goods; Penalty imposed Rs. 30,000/=
26.05.2017	<i>Salacia reticulata</i> - 5 mugs		ENSP/BPU/44/2017	Forfeited the goods
26.05.2017	<i>Salacia reticulata</i> - 3 mugs		ENSP/BPU/45/2017	Forfeited the goods
07.06.2017	<i>Salacia reticulata</i> - 3 mugs, <i>Salacia reticulata</i> chips - 400g		ENSP/BPU/46/2017	Forfeited the goods
08.06.2017	Dried Sea Cucumber - 2 Kg		ENSP/BPU/47/2017	Forfeited the goods
09.06.2017	Edible Birds Nest - 0.6Kg, <i>Salacia reticulata</i> - 1 mug		ENSP/BPU/48/2017	Forfeited the goods
11.06.2017	Sea Urchins - 1 Nos, Chanks - 1 Nos, Ring suspected to be made out of ivory		ENSP/BPU/49/2017	Forfeited the goods
16.06.2017	Sea Cucumber - 2Kg, <i>Salacia reticulata</i> - 1 mug, <i>Salacia reticulata</i> chips - 1.95Kg		ENSP/BPU/50/2017	Forfeited the goods
28.06.2017	<i>Salacia reticulata</i> - 01 mug		ENSP/BPU/51/2017	Forfeited the goods
03.07.2017	<i>Salacia reticulata</i> - 04 mugs		ENSP/BPU/52/2017	Forfeited the goods
06.07.2017	Corals - 1Kg		ENSP/BPU/53/2017	Forfeited the goods
06.07.2017	<i>Salacia reticulata</i> - 1 mug, Raw Quartz - 1.75Kg		ENSP/BPU/54/2017	Forfeited the goods
16.07.2017	Corals - 5Nos		ENSP/BPU/55/2017	Forfeited the goods
26.07.2017	Wallapatta - 60.15 Kg	6,015,000	ENSP/BPU/56/2017	Forfeited the goods; Total Penalty imposed Rs. 600,000/=
29.07.2017	Dried Sea Cucumber - 6 Kg		ENSP/BPU/57/2017	Forfeited the goods; Penalty imposed Rs. 10,000/=
01.08.2017	Wallapatta - 8.4 Kg	546,000	ENSP/BPU/58/2017	Forfeited the goods; Total Penalty imposed Rs. 50,000/=
02.08.2017	<i>Salacia reticulata</i> - 3 mugs		ENSP/BPU/59/2017	Forfeited the goods
04.08.2017	Wallapatta - 116.3 Kg	10,155,000	ENSP/BPU/60/2017	Forfeited the goods; Total Penalty imposed Rs.

				2,800,000/=
05.08.2017	<i>Salacia reticulata</i> - 03 mugs, <i>Salacia reticulata</i> chips - 3Kg (30 Packets each containing 100g)		ENSP/BPU/61/2017	Forfeited the goods
05.08.2017	Horned Helmet Shells - 02 Nos		ENSP/BPU/62/2017	Forfeited the goods
05.08.2017	Chank Shell - 01 No		ENSP/BPU/63/2017	Forfeited the goods
05.08.2017	Corals - 10.5Kg		ENSP/BPU/64/2017	Forfeited the goods
07.08.2017	Dried Sea Cucumber - 1.3 Kg		ENSP/BPU/65/2017	Forfeited the goods
08.08.2017	Dried Sea Cucumber - 5.5 Kg		ENSP/BPU/66/2017	Forfeited the goods
10.08.2017	<i>Salacia reticulata</i> - 03 mugs, <i>Salacia reticulata</i> chips - 0.5Kg, 33 Nos of Porcupine quills		ENSP/BPU/67/2017	Forfeited the goods
11.08.2017	Deer Antlers - 1 Nos		ENSP/BPU/68/2017	Forfeited the goods
17.08.2017	<i>Salacia reticulata</i> - 06 mugs		ENSP/BPU/69/2017	Forfeited the goods
19.08.2017	Peacock Feathers - 09 Nos		ENSP/BPU/70/2017	Forfeited the goods
21.08.2017	Buffalo Skull - 01 No, Pair of Horns - 01 No		ENSP/BPU/71/2017	Forfeited the goods
21.08.2017	Importing Vegetable fat under wrong HS		ENSP/BPU/72/2017	Pending investigation
25.08.2017	<i>Salacia reticulata</i> - 12 mugs		ENSP/BPU/73/2017	Forfeited the goods
11.08.2017	Live Pigeons - 36 Nos		ENSP/BPU/74/2017	Released the goods; Penalty imposed 50,000/=
28.08.2017	<i>Salacia reticulata</i> - 65 mugs, <i>Salacia reticulata</i> chips - 40.4Kg	729,000	ENSP/BPU/75/2017	Forfeited the goods; Total Penalty imposed Rs. 50,000/=(25,000/=each)
05.09.2017	<i>Salacia reticulata</i> - 12 mugs		ENSP/BPU/76/2017	Forfeited the goods
06.09.2017	Sandalwood power bottles - 2 Nos, Sandalwood Oil - 2 Nos, <i>Salacia reticulata</i> - 03 mugs, Lotus leaves - 7 Nos		ENSP/BPU/77/2017	Forfeited the goods
06.09.2017	Dried Sea Cucumber - 1 Kg, Wallapatta Chips - 100g		ENSP/BPU/78/2017	Forfeited the goods

07.09.2017	<i>Salacia reticulata</i> - 1 mug		ENSP/BPU/79/2017	Forfeited the goods
10.09.2017	Whisky bottle stuffed with a snake		ENSP/BPU/80/2017	Forfeited the goods
10.09.2017	Corals - 14.6 Kg, Spider conch shells - 2 Nos		ENSP/BPU/81/2017	Forfeited the goods
10.09.2017	Sea Shells - 2 Nos (Horned Helmet & Spider Conch Shell)		ENSP/BPU/82/2017	Forfeited the goods
18.09.2017	<i>Salacia</i> Chips & Powder - 5Kg		ENSP/BPU/83/2017	Forfeited the goods
21.09.2017	Wallapatta - 58.8 Kg	3,127,000	ENSP/BPU/84/2017	Forfeited the goods; Penalty imposed 1,50,000/=
22.09.2017	Wallapatta - 28Kg (Waste Pieces)	56,400	ENSP/BPU/85/2017	Forfeited the goods
22.09.2017	Sandalwood Timber Pieces - 300g	3,750	ENSP/BPU/86/2017	Forfeited the goods
30.09.2017	Chunks - 24 Nos		ENSP/BPU/87/2017	Forfeited the goods
30.09.2017	Dagger (Suspected to be Antique)		ENSP/BPU/88/2017	Detained the item
06.10.2017	Chunks - 2 Nos		ENSP/BPU/89/2017	Forfeited the goods
11.10.2017	Wallapatta - 4.5Kg	154,000	ENSP/BPU/90/2017	Forfeited the goods
12.10.2017	Wallapatta - 15Kg, Mobial Phones - 157Nos	900,000	ENSP/BPU/91/2017	Forfeited the goods; Penalty imposed 25,000/=
12.10.2017	<i>Salacia reticulata</i> - 5 mugs		ENSP/BPU/92/2017	Forfeited the goods
14.10.2017	Chunks - 3Nos, Buddha Statue		ENSP/BPU/93/2017	Forfeited the goods
18.10.2017	Dried Sea Cucumber - 7.6Kg		ENSP/BPU/94/2017	Forfeited the goods
19.10.2017	Dried Sea Cucumber - 2Kg, <i>Salacia reticulata</i> - 1 mug		ENSP/BPU/95/2017	Forfeited the goods
22.10.2017	Wallapatta - 2Kg (Waste Pieces)	5,400	ENSP/BPU/96/2017	Forfeited the goods; Penalty imposed 16,200/=
24.10.2017	Dried Sea Cucumber - 2Kg, <i>Salacia reticulata</i> Chips -2 Kg		ENSP/BPU/97/2017	Forfeited the goods
29.10.2017	Dried Sea Cucumber - 1Kg, <i>Salacia reticulata</i> - 1 mug		ENSP/BPU/98/2017	Forfeited the goods
04.09.2017	<i>Salacia reticulata</i> - 8 mugs		ENSP/BPU/99/2017	Forfeited the goods
19.09.2017	Edible Birds Nests - 0.5Kg		ENSP/BPU/100/2017	Forfeited the goods

29.10.2017	Edible Birds Nests - 0.9Kg, Dried Sea Cucumber - 1Kg, Dried Sea Horses - 0.1Kg, <i>Salacia reticulata</i> - 3 mugs		ENSP/BPU/101/2017	Forfeited the goods; Penalty imposed 25,000/=
02.11.2017	Sea Weeds -30Nos		ENSP/BPU/102/2017	Forfeited the goods and destroyed under the Customs supervision
10.11.2017	Thambuwa (<i>Cephalopholis sonnerati</i>) - 240.6 Kg	228,570	ENSP/BPU/103/2017	Forfeited the goods and handed over to the National Aquatic Resources Agency (NARA) for the disposal
14.11.2017	<i>Salacia reticulata</i> - 10 mugs, <i>Salacia reticulata powder</i> - 500g		ENSP/BPU/104/2017	Forfeited the goods
18.11.2017	<i>Salacia reticulata</i> - 04 mugs		ENSP/BPU/105/2017	Forfeited the goods
18.11.2017	Corals - 1.4Kg		ENSP/BPU/106/2017	Forfeited the goods
25.11.2017	Dried Sea Cucumber - 1Kg	5,000	ENSP/BPU/107/2017	Forfeited the goods
07.12.2017	Wallapatta chips - 15.7Kg	592,500	ENSP/BPU/108/2017	Forfeited the goods; Penalty imposed 100,000/=
07.12.2017	Wallapatta chips & logs - 23.3Kg	1,473,500	ENSP/BPU/109/2017	Forfeited the goods; Penalty imposed 100,000/=
07.12.2017	Wallapatta chips - 30.2 Kg	1,286,500	ENSP/BPU/110/2017	Forfeited the goods; Penalty imposed 300,000/=
10.12.2017	Chanks - 02Nos		ENSP/BPU/111/2017	Forfeited the goods
17.12.2017	Dried Sea Cucumber - 1Kg		ENSP/BPU/112/2017	Forfeited the goods
24.12.2017	Deer Antler Pieces - 0.75Kg		ENSP/BPU/113/2017	Forfeited the goods
24.12.2017	<i>Salacia reticulata</i> pieces - 16.8 Kg		ENSP/BPU/114/2017	Forfeited the goods
31.12.2017	Sea Shells - 04Nos, Chanks - 01 Nos		ENSP/BPU/115/2017	Forfeited the goods
13.11.2017	Wallapatta Chips - 11.5Kg	575,000	ENSP/BPU/116/2017	Forfeited the goods; Penalty imposed 30,000/=
TOTAL		Rs. 39,503,984.00		Rs. 5,001,200.00

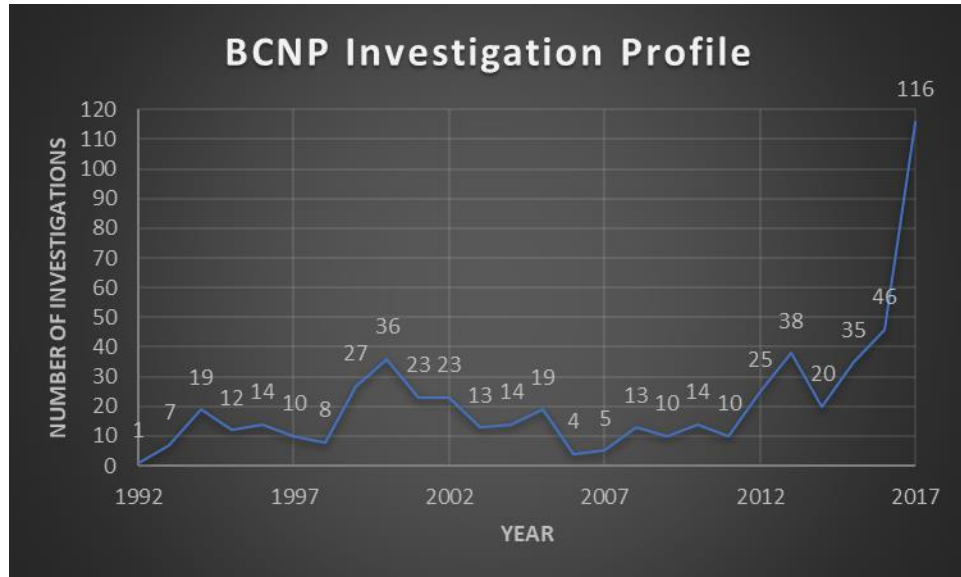
Cases Analysis of the year 2017



Cases summary in 2017

1	Number of Cases Registered	116
2	Number of Cases Completed	110
3	Number of Cases where offence established and forfeitures/penalties imposed	115
4	Total amount of penalties forfeitures collected	Rs. 5,001,200.00
5	Total value of goods forfeited	Rs.39,503,984.00
6	Total number of incomplete investigations in progress	06

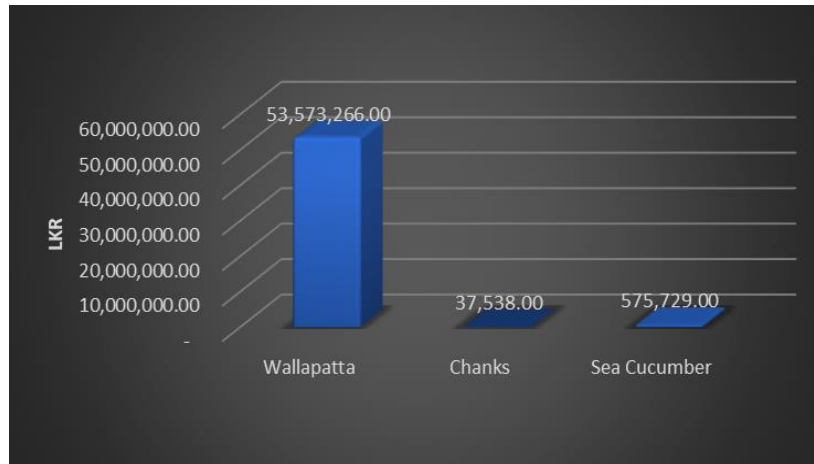
BCNP Investigation Profile (Cases from 1992 to 2017)



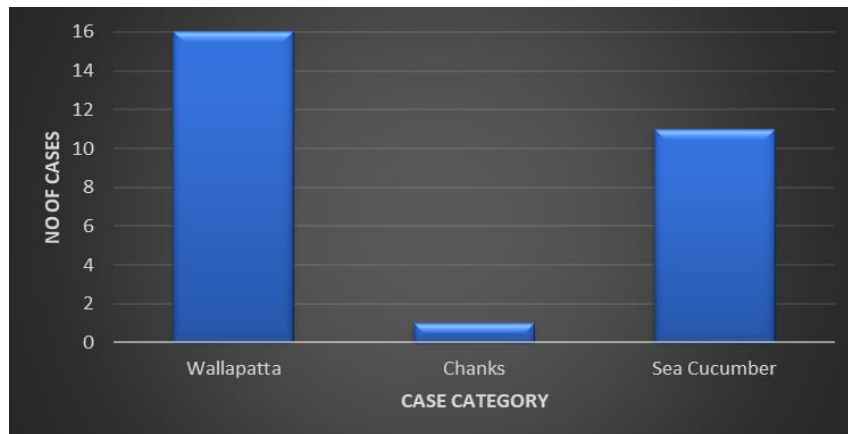
Analysis of Tender Sales Recoveries in the year of 2017

Case Category	No of Cases	Production Quantity	Total Amount (With VAT, PAL Included)
Wallapatta	16	284.39 Kg	53,573,266.00
Chanks	1	250 Nos	37,538.00
Sea Cucumber	11	82.30 Kg	575,729.00
Total	28		54,186,533.00

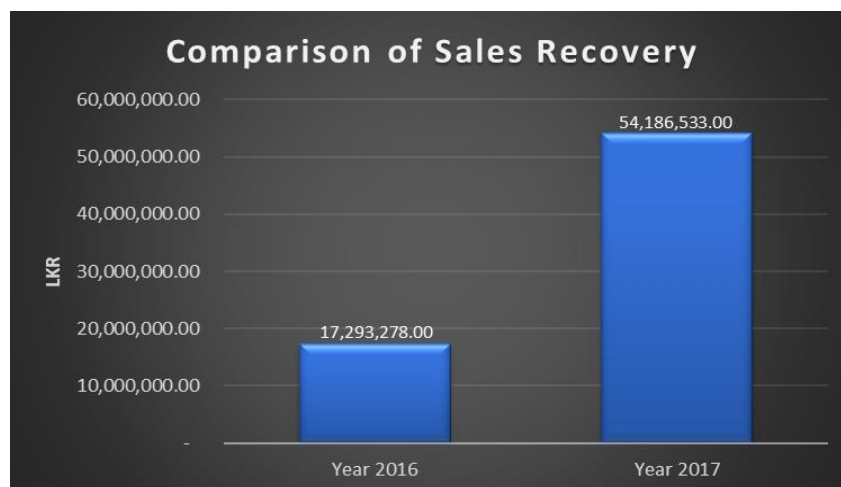
Tender Sales Recovery 2017 (With VAT, Pal Included)



Contribution to the Tender Sales by Case Category – 2017



Comparison of Sales Recovery with Pervious Year



Organized and Participated Activities in 2017

Participated meetings / Active Collaboration

Month of January

✓ 18/01/2017

Donations of forfeited sea shells, corals and other biodiversity articles to University of Colombo and University of Uva wellassa was held at DGC Conference room - Customs head Office organized by Biodiversity, Cultural & National Heritage Protection Branch of Sri Lanka Customs.

✓ 20/01/2017

National Symposium on Invasive Alien Species (IAS) – 2017 was held at Waters Edge, Battaramulla Organized by Ministry of Mahaweli Development and Environment.

Month of February

✓ 08/02/2017

2nd International ornamental fish trade conference in Sri Lanka held at Kingsbury Hotel, organized by Export Development Board & Ministry of Fisheries and Aquatic Resource Development.

✓ 20/02/2017

Technical Advisory Committee for the management of Industrial Chemicals (TACMIC) in Sri Lanka for Implementation of Rotterdam convention held at Central Environmental Authority.

✓ 22/02/2017

Working group meeting on fisheries and fishery products held at board room of SLSI, organized by Sri Lanka Standards Institution.

✓ 23/02/2017

Meeting on Environment sound management and disposal of PCB waste and PCB contaminated equipment in Sri Lanka - Minamata Convention Initial Assessment held at Sapha Parisara Mandapaya organized by Ministry of Mahaweli Development and Environment.

Month of March

✓ 07/03/2017

Meeting on Waste reception facility for ship generated waste held at board room of MEPA organized by Marine Environment Protection Authority.

✓ 08/03/2017

Meeting on Strengthening capacity to control the introduction and spread of IAS in Sri Lanka (Consultation) - Mr. Sayaka Sadio and Mr. Herath Bandarathilake, organized by Ministry of Mahaweli Development and Environment.

✓ 13/03/2017

Coordinating Committee Meeting for the Implementation of the Montreal Protocol project in Sri Lanka held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

✓ 20/03/2017

Meeting on Terminal evaluation of GEF/UNDP project on strengthening capacity to control the Introduction and spread of Invasive Alien species (IAS) in Sri Lanka held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

Month of April

✓ 06/04/2017

6th project steering committee meeting on management of hazardous waste and chemicals emitted to the environment of Sri Lanka (PCB and Minamata Project) held at Saptha Parisara Mandapaya organized by Ministry of Mahaweli Development and Environment.

✓ 11/04/2017

11th Investment Approval facilitation committee meeting held at Ministry of development strategies and international trade, organized by Board of Investment(BOI).

Month of May

✓ 19/05/2017

National Coordination Committee meeting on Basel, Rotterdam, Stockholm and Minamata Convention held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

Month of June

✓ 01/06/2017

Technical Advisory Committee meeting for the management of Industrial Chemicals (TACMIC) in Sri Lanka for Implementation of Rotterdam convention, organized by Central Environmental Authority.

✓ 12/06/2017

7th project steering committee (PSC) on Environment sound management and disposal of Polychlorinated Biphenyl (PCB) waste and PCB contaminated equipment in Sri Lanka - Minamata Convention Initial Assessment held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

✓ 20/06/2017

1st committee meeting on preparing a value adding system on exporting timber held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

Month of July

✓ 26/07/2017

Meeting on Importation of Gabbro Boulders, Aggregate, Constructed sand and river sand held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

Month of August

✓ 16/08/2017

National Coordination Committee meeting on Basel, Rotterdam, Stockholm and Minamata Convention held at Saptha Parisara Mandapaya, organized by Ministry of Mahaweli Development and Environment.

✓ 25/08/2017

Meeting on Introduction of Agreement for the transfer of Biological resources (Material transfer Agreement) held at Sobadam Piyasa, organized by Ministry of Mahaweli Development and Environment.

Month of September

✓ 25/09/2017

Subcommittee meeting to make recommendations on exporting biological materials for research and commercial purposes held at Sobadam Piyasa, organized by Ministry of Mahaweli Development and Environment.

Month of October

✓ 03/10/2017

32nd Investment Approval facilitation committee meeting held at Ministry of development strategies and international trade, organized by Board of Investment (BOI).

✓ 24/10/2017

BIOFIN Working group meeting held at Waters Edge, Battaramulla, organized by Ministry of Mahaweli Development and Environment.

✓ 24/10/2017

Meeting on Implementation of Genetic e-Phyto National System in Sri Lanka organized by National Plant Quarantine Service, Department of Agriculture.

Month of November

✓ 08/11/2017

Meeting on Upgrading star tortoise (*Geochelone elegans*) to Appendix 1 of CITES held at Sethsiripaya, organized by Ministry of sustainable development and wildlife.

✓ 13/11/2017

Technical Advisory Committee meeting organized by Central Environmental Authority.

✓ 13/11/2017

Meeting to discuss draft biodiversity act organized at held by Ministry of Mahaweli Development and Environment.

✓ 14/11/2017

Steering committee meeting of Minamata Convention organized by Ministry of Mahaweli Development and Environment.

Month of December

✓ 29/12/2017

9th project steering committee meeting (PSC) on environment sound management and disposal of Polychlorinated Biphenyl's (PCBS) waste and PCB contaminated/contained equipment in Sri Lanka organized by Ministry of Mahaweli Development and Environment.

Trainings, Workshops and Awareness Programs

✓ 20/01/2017

Sri Lanka - Japan Technical Cooperation workshop for effective Mercury Management in relation to the Minamata Convention on Mercury held at Salon Orchid - Galadari Hotel organized by Ministry of Mahaweli Development and Environment.

✓ 27/01/2017

Training on identification of freshwater fisheries for customs officers held at HRD Auditorium, organized by Biodiversity, Cultural & National Heritage Protection Branch of Sri Lanka Customs.

✓ 31/01/2017

Awareness programme on Invasive Alien Species (IAS) held at HRD Auditorium organized by Biodiversity, Cultural & National Heritage Protection Branch of Sri Lanka Customs.

✓ 01/02/2017

Field visit to Ruvini Aqua Plants and Aquamarines International (Pvt) Ltd for the newly appointed ASC to gain hands on experience on fisheries, organized by Biodiversity, Cultural & National Heritage Protection Branch of Sri Lanka Customs.

✓ 06/02/2017 to 07/02/2017

Two days residential workshop to prepare action plan for IAS in 2017 by the stakeholder institutions and a training for IAS web hosting to stakeholder and provincial IAS sell managers held at Kotmale Holiday Resort, Gampola organized by Ministry of Mahaweli Development and Environment.

✓ 06/02/2017

Training Programme on joint enforcement action against counterfeiting and piracy/ IPR 2017 held at HRD Auditorium, organized by the HRD of Sri Lanka Customs.

✓ 20/02/2017 to 21/02/2017

National workshop on World Trade Organization agreement on sanitary and phytosanitary measures and technical barriers to trade held at Taj Samudra Hotel, organized by Department of Commerce.

✓ 22/02/2017

Lecture on 'Illegal trading on Flora and Fauna' by Mr. Samantha Gunasekara (former DDC) for the BCNP Staff held at CDU Auditorium.

✓ 23/03/2017

Awareness programme on "Environment Laws" lecture by Mr. Jagath Gunawardena for the customs staff held at CDU Auditorium, organized by Biodiversity, Cultural & National Heritage Protection Branch of Sri Lanka Customs.

✓ 05/04/2017

Workshop to prepare a strategic approach for the floricultural industry held at Ministry of Primary Industries organized by Ministry of sustainable development and wildlife.

✓ 30/06/2017

Workshop on drafting a national policy for the use of oil spill dispersant in Sri Lanka held at Center for Banking studies – Rajagiriya, organized by Marine Environment Protection Authority.

✓ 29/08/2017

Inception workshop for implementation of the National Biosafety framework in accordance with the Cartagena Protocol on Biosafety held at BMICH organized by Ministry of Mahaweli Development and Environment.

✓ 08/09/2017

Training on Regulations related to biodiversity protection for the customs officers held at HRD Auditorium organized by the Human Resources Development Directorate of Sri Lanka Customs.

✓ 18/09/2017

Workshop on progress review and proposed actions for 2018 to control and management of Invasive Alien Species held at “Udawatta Kele” Forest Department Conference room in Kandy organized by Ministry of Mahaweli Development and Environment.

✓ 06/11/2017 to 07/11/2017

Two days programme for workshop on Financial needs assessment for meeting the bio diversity targets of Sri Lanka held at Citrus Hotel, Waskaduwa organized by Ministry of Mahaweli Development and Environment.

✓ 20/11/2017

Updating mission 2 of the National Environmental Act Plan, Final stakeholder consultation workshop held at Sobadam Piyasa, organized by Ministry of Mahaweli Development and Environment.

✓ 27/11/2017

Stakeholders consultation workshop to update research priorities on fisheries and aquatic resources sector held at NARA Auditorium, organized by National Aquatic Resources Research and Development Agency.

Special Activities

Field workshop for Customs Officials at Ekgaloya Forest camp – Ampara

BCNP branch conducted a three (03) day residential field training programme at Ekgaloya forest camp and Nilgala forest reserve from 23rd to 26th June, 2017. Theme of the training program was “An overview into Intermediate Zone Biodiversity”. This residential field training program focused on to familiarize Customs officials on the plants, insects, reptiles, amphibians & other animal species and invasive fauna and flora limited to the intermediate zone of Sri Lanka. This training was conducted by individuals who are experts in their relevant fields. Resource persons including Mr. R.S. Gunasekara (Former DDC-BCNP), Mr. Mendis Wickramasinghe (Specialist on Reptiles), Dr. Suranjan Fernando (Specialists on plants) & Dr. Piyal Marasinghe (Specialists on medicinal plants) provided their valuable service. Some of the sessions conducted in the program are Bird watching, Nature trails, Mammal parts identification, Identification of Plants, Enforcement & practical actions and Identification/Handling of reptiles etc. With the successful completion of this training program officers enhanced their abilities to identify restricted and prohibited plants and animals promptly and make decisions in regard to actions that need to be taken at the relevant points.



Design and printing of new leaflet

Ministry of Education had requested 10,000 no of leaflets regarding illegal trade on archeology from Biodiversity, Cultural and National Heritage Protection Branch of Sri Lanka Customs on 31.01.2017 to educate school children. Considering their request Biodiversity Cultural National Heritage Protection Branch designed and printed 20,000 no of new leaflets and handed over the requested amount of leaflets to Ministry of Education on 05.05.2017.



Participation to the exhibition “40 years for the transformation in 77”

Biodiversity, Cultural and National Heritage Protection Division of Sri Lanka Customs attended to the “40 years for the Transformation in 77” exhibition to celebrate the completion of 40 years since opening up of the Sri Lanka’s economy held from 27.06.2017 – 30.06.2017 at National Youth Services Council in Maharagama. There, Sri Lanka Customs held a stall exhibiting samples of forfeited bio diversity related articles in order to aware general public and travellers that the smuggling of these natural resources out of the country is an unpardonable offence and to prevent the commission of such environment crimes before it is occurred.



Prepared by



BIODIVERSITY, CULTURAL & NATIONAL HERITAGE PROTECTION DIVISION

SRI LANKA CUSTOMS

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Consumer and Environmental Protection Division

The Consumer and Environmental Protection Unit (CPU) was established in 2011 with a view of controlling and monitoring of the quality of imported cargo to be compliance with the existing regulations and standards of the country. Consumer and Environmental Protection Unit is the focal point of Sri Lanka Customs for enforcing Intellectual Property Rights (IPR) related issues on imported and exported cargo. It also contributes to protect the environment through the enforcement of obligations arising out of international Conventions through collaboration with other related agencies.

Major Functions

1. Implementing Control of requirements such as Intellectual Property Act (IPR), Sri Lanka Standard Institute Act (SLSI), National Medicines Regulatory Authority Act, Consumer Affairs Authority Act (CAA), Health Department and Defense Ministry stipulated with regard to Customs related laws in order to combat any violations or frauds, it becomes necessary that all the imports covered by above authorities should be referred to CPU prior to release of the consignments out the Customs premises.
2. For this purpose, maintain registers of guarantees furnished in respect of above authorities by individual consignee.
3. Update Customs procedures in keeping with regulations of respective authorities.
4. Deploy staff from CPU at examination points whenever if necessary.
5. Review regulations made under the Ordinances and Acts of Customs related laws which have been so far identified.
6. Enforce the law in terms of Customs Ordinance read with other related Acts and Ordinances related to above activities.

Key Action	Target	Actual	If not achieved, the reason
Key Activity 01 : Increase the effectiveness in enforcing regulations relating to imports of ozone layer depleting substances covered by Montreal Protocol			
1. Obtain an Official list of commodities requiring prior registration with the National Ozone Unit, Ministry of Environment, and requiring an Import Control License before importation, and disseminate that data to all CusDec processing Officials and Enforcement Officials.	100%	100%	
2. Initiate an awareness programme to educate Cusdec processing and Enforcement Official on the Ozone Depleting Substances and the ICL requirements in (2) above for better compliance/enforcement.	100%	100%	
3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.	100%	100%	
4. Provide importation data of Ozone Depleting Substance to National Ozone Unit as per the Requests made.	100%	100%	
Key Activity - 02: Increase the effectiveness in enforcing regulations relating to trans-boundary movement of hazardous wastes covered by the Basel Convention.			
1. Obtain official lists of commodities •Included in Annexes I and III to the Basel Convention; •The importation of which is prohibited in Sri Lanka ; •Requiring an Import Control License before importation and disseminate that data to all Cusdec processing Officials and Enforcement Officials ;	10%	50%	Imports are at a very minimal level
2. Initiate an awareness programme to educate Cusdec processing and Enforcement Officials on the •Hazardous Wastes coming under the Basel Convention; •Other hazardous goods the importation of which is prohibited in Sri Lanka; •Other environmentally sensitive commodities the importation of which requires obtaining an Import Control License before importation; •Safety measures and permitted action that should be taken in the event of detecting a hazardous goods consignment; for better compliance / enforcement.	100%	100%	

<p>3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.</p>	100%	100%	
<p>Key Activity - 03: Increase the effectiveness in enforcing regulations relating to importation of persistent organic pollutants covered by the Stockholm Convention.</p>			
<p>1. Obtain official lists of persistent organic pollutants –</p> <ul style="list-style-type: none"> • Listed in Annexes A, B and C of the Stockholm Convention; • The importation of which is prohibited in Sri Lanka ; • Requiring an Import Control License before importation (Annex B: restricted usage); <p>and disseminate that data to all Cusdec processing Officials and Enforcement Officials.</p>	100%	50%	
<p>2. Initiate an awareness programme to educate Cusdec processing and Enforcement Officials on persistent organic pollutants –</p> <ul style="list-style-type: none"> • Listed in Annexes A, B and C of the Stockholm Convention; • The Importation of which is prohibited in Sri Lanka; • Requiring an Import Control License before importation (Annex - B; restricted usage); <p>for better compliance / enforcement</p>	100%	100%	
<p>3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.</p>	100%	100%	
<p>Key Activity - 04: Increase the effectiveness in enforcing PIC (Prior - Informed Consent) covered by Rotterdam Convention.</p>			
<p>1. Obtain official lists of hazardous chemicals and pesticides -</p> <ul style="list-style-type: none"> • Covered in the Rotterdam Convention; • The importation of which is prohibited in Sri Lanka ; • Requiring prior registration with the Registrar of Pesticides (ROP) • Requiring an Import Control License issued on the recommendation of ROP before importation ; <p>and disseminate that data to all Cusdec processing Officials and Enforcement Officials</p>	100%	50%	Imports are at a very minimal level

Key Activity - 05: Increase the effectiveness in enforcing regulations relating to the Commodities falling under the Chemical Weapons Convention (CWC) (Convention on the Prohibition of the Development, Production, Stockpiling and use of Chemical Weapons and on their Destruction).			
1. Obtain official lists of chemicals – <ul style="list-style-type: none"> • Chemical Weapons Convention ; • The importation of which is prohibited in Sri Lanka ; • Requiring an Import Control License before importation; and disseminate that data to all Cusdec processing Officials and Enforcement Officials	100%	50%	Imports are at a very minimal level
2. Initiate an awareness programme to educate Cusdec processing and Enforcement Officials regarding regulations and requirements relating to the importation of harmful chemicals.	100%	50%	Imports are at a very minimal level
3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.	100%	50%	Imports are at a very minimal level
Key Activity - 06: Increase the effectiveness in enforcing regulations relating to commodities falling under the Intellectual Property Rights (IPR)			
1. Obtain official list of Right holders – <ul style="list-style-type: none"> • Obtaining Registered Trademarks; • The importation of which is prohibited in Sri Lanka ; and disseminate that data to all Cusdec processing Officials and Enforcement Officials	100%	100%	
2. Initiate an awareness programme to educate Cusdec processing and Enforcement Officials regarding regulations and requirements relating to the importation of IPR related goods.	100%	100%	
3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.	100%	100%	
4. Increase the knowledge of Right owners of Customs Officers by giving access to WCO IPM tool.	100%	100%	
Key Activity - 07: Increase the effectiveness in enforcing regulations relating to the commodities falling under the Sri Lanka Standards (SLS)			
1. Obtain official list of goods – <ul style="list-style-type: none"> • Sri Lanka Standard Institution; • Requiring an SLSI certification for importation; • Requiring an Import Control License before importation; and disseminate that data to all Cusdec processing Officials and Enforcement Officials.	100%	100%	

2. Initiate an awareness programme to educate CusDec processing and Enforcement Officials regarding regulations and requirements relating to the importation of SLS related goods.	100%	100%	
3. Improve the Wharf Clearing Agent's training curriculum by adding the requirements in (2) above for better voluntary compliance.	100%	100%	
Key Activity - 08: Joint operation against Counterfeiting & Piracy "Action IPR A/P-2"			
1. Awareness programmes for Customs staff on IPR Law Enforcement.	100%	100%	
2. Interception of suspected import consignments of IPR infringed goods.	100%	100%	
3. Report of seizures of IPR infringed goods.	100%	100%	
4. Reporting the time of results to WCO and RILO office.	100%	100%	
5. To follow up actions on the results of "Action IPR".	100%	100%	
Key Activity - 09: Increase the coordination with other state holders and Government Agencies			
1. Arrange meetings with SLSI, NIPO, Health Ministry and Agriculture Department.	100%	100%	
2. Arrange awareness programmes for State Holders.	100%	100%	
3. Organize joint operations with other Agencies in consumer protection activities.	100%	-	Was unable to co-ordinate
4. Public awareness programmes on consumer protection activities through mass media	100%	100%	

Port Control Unit

Introduction

The Port Control Unit of Sri Lanka Customs was established under the Container Control Programme (CCP) of United Nations Office for Drugs and Crime (UNODC)/World Customs Organization (WCO) in view of Combating trans-border crimes. Presently this unit comes under the purview of Central Investigation Directorate. Further, this unit receives advance cargo information from the vessel operators/ cargo reporters and is expected to receive passenger information from the Aircraft operators and initiate investigations based on the risk analysis performed and suitable measures are taken accordingly. Also, PCU is in the progress of receiving advanced information from the aircraft operators for the air cargo consignments.

Functions

1. Receive and streamline advance electronic cargo manifests for Air & Sea and also control and monitor port activities.
2. Obtain Advanced Passenger Information (API) from relevant aircraft operators.
3. Identify containers, other consignments using electronic manifests and analyze the same and with the tools available to the PCU and examine those deemed high risk for further investigation and physical examination.
4. Identify the passengers with Customs risk using API data, check such passengers and the baggage and cause further investigations where necessary.
5. Monitor and maintain Cargo Targeting System (CTS) provided by the World Customs Organization (WCO).
6. Build up cooperation with other agencies.

Progress Report

1. Monitor the Electronic Manifesting in Advance for Sea Cargo.

Monitor the Shipping Agents / NVOCC Operators / Freight Forwarders on Advance Cargo electronic manifesting.

2. Enforce the legislation in regard to Sea Cargo Reporting.

Gazette (Extraordinary) Notification No. 1886/55 dated 31.10.2014 was published to regulate the electronic manifest submission to ASYCUDA. Sea cargo reporters were instructed to submit the e-manifest to Sri Lanka Customs as stipulated in the said gazette notification. With effect from 27.10.2016, amendment of e-manifests were empowered to 'D' Branch. Total amount of imposed penalty for manifests amendments was Rs. 345,000.00

4. Monitor the Electronic Manifesting in Advance for Air Cargo.

Monitor the Air Lines / Freight Forwarders on Advance Air Cargo electronic manifesting.

5. Investigate into suspicious cargo.

The details are as follows:

No. of cases registered	-	38
No. of cases completed	-	27
No. of cases not completed	-	11
Total amount of imposed penalty/mitigated forfeiture	-	Rs. 65,660,000.00

6. Awareness and training programs.

1. UNODC-WCO Container Control Programme, CCP- Air Theoretical Training, from 28th February to 9th March 2017, Colombo
2. International Dual-Use Investigations, from 8th to 12th May 2017, Colombo
3. Mentor Training Program organized by UNODC/WCO, from 19th- 23rd June, 2017, In-house training programme.
4. Countering the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction, from 22nd to 23rd June 2017, Colombo
5. International Seaport Interdiction Training, from 31st July to 4th August, Colombo
6. Air Cargo Control Practical Training Programme by the UNODC with the Collaboration of WCO, from 28th August to 7th September 2017, Katunayake.
7. Regional Fisheries Crime Training Program, from 25th to 29th September 2017, Colombo.
8. ICAO Cargo and Mail Security Training Programme, from 23rd to 27th October 2017, Colombo
9. STECT Training Programme organized by UNODC/WCO, from 06th to 10th November 2017, Colombo
10. Fisheries Crime Regional Meeting, from 11th to 15th December 2017, Colombo

Central Investigations Directorate

Progress Report – January to December 2017

Central Investigation Bureau

A. Investigations of CIB from 01/01/2017 to 31/12/2017

1. No. of cases registered - 420
2. No. of cases finalized - 213
 - a. Amount of penalty/ mitigated forfeiture/ further forfeiture - Rs. 371,629,914.00
 - b. A/E recovered - Rs. 11,606,265.00
 - c. Sales Proceeds - Rs. 12,029,531.00
3. Progress of the Central Case Register
 - a. No. of cases registered in CCR - 5,464
 - b. No. of files updated in CCR - 3,055

B. Investigations of other divisions

1. No. of files sent to CIB for investigation from other branches - 01
2. No. of files sent to other branches from CIB for investigation - 00

C. Maintenance of Central Case Register (CCR)

1. No. of files produced to be registered in CCR - 5,464
2. No. of cases updated in CCR - 3,055
3. No. of reward lists recommended - 296

Progress Report – January to December 2016

Central Investigation Bureau

D. Investigations of CIB from 01/01/2016 to 31/12/2016

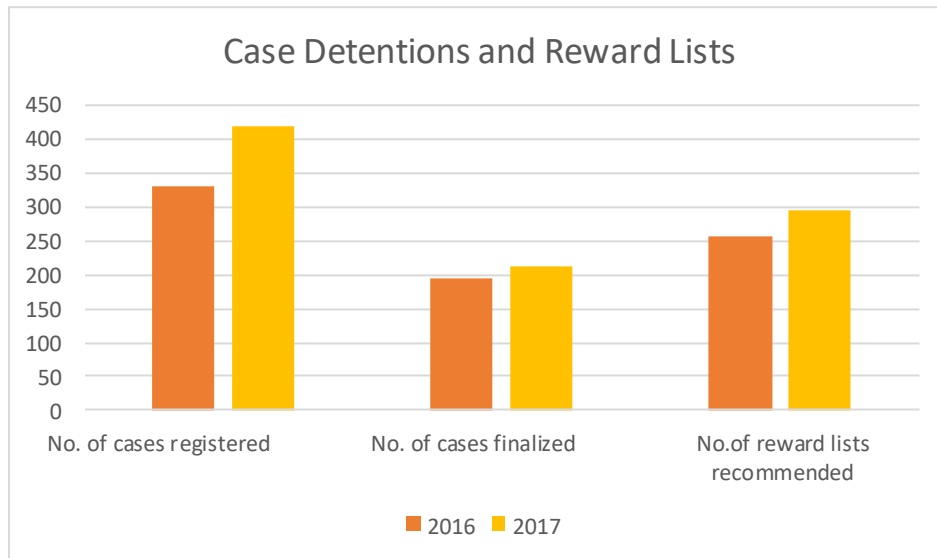
4. No. of cases registered - 329
5. No. of cases finalized - 166
 - d. Amount of penalty/ mitigated forfeiture/ further forfeiture - Rs. 374,711,206.06
 - e. A/E recovered - Rs. 4,772,958.00
 - f. Sales Proceeds - Rs. 24,437,265.00
6. Progress of the Central Case Register
 - c. No. of cases registered in CCR - 4682
 - d. No. of files updated in CCR - 1269

E. Investigations of other divisions

3. No. of files sent to CIB for investigation from other branches - 00
4. No. of files sent to other branches from CIB for investigation - 01

F. Maintenance of Central Case Register (CCR)

4. No. of files produced to be registered in CCR - 4682
5. No. of cases updated in CCR - 1269
6. No. of reward lists recommended - 258

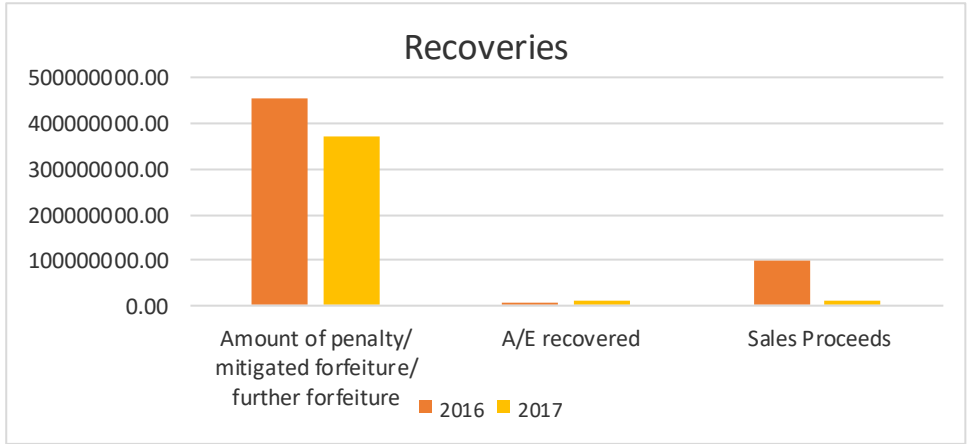


Significant Cases

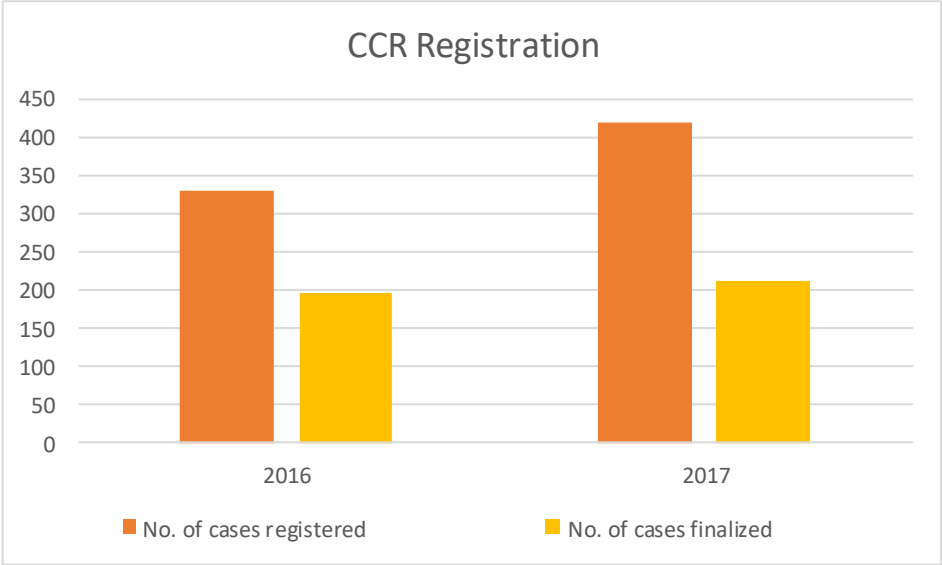
CIB/INV/207/2017 - CIB officers detected the misclassification of imported Vegetable Fat in order to evade government taxes and levies due to the state. An amount of Rs. 85,000,000.00 was recovered as a penalty.

CIB/INV/263/2017 – undervaluation of medicine manufacturing equipment was detected by CIB officers. An amount of Rs.40, 200,000.00 was recovered as mitigated forfeiture.

CIB/INV/212/2017 - CIB officers' detected a consignment of Non-Alloy Steel coils declared as alloy steel coils with the intention of evading taxes and levies due to the state. An amount of Rs.20, 000,000.00 was recovered as mitigated forfeiture.



Comparison of 2017 with 2016



HR Development

Training and Workshops

A. Overseas

Field	Place	No. of Days	No. of Officers
1.English Language and document examination training program by department of immigration and border protection of Australia	Australia University of Adelaide	3 months	1

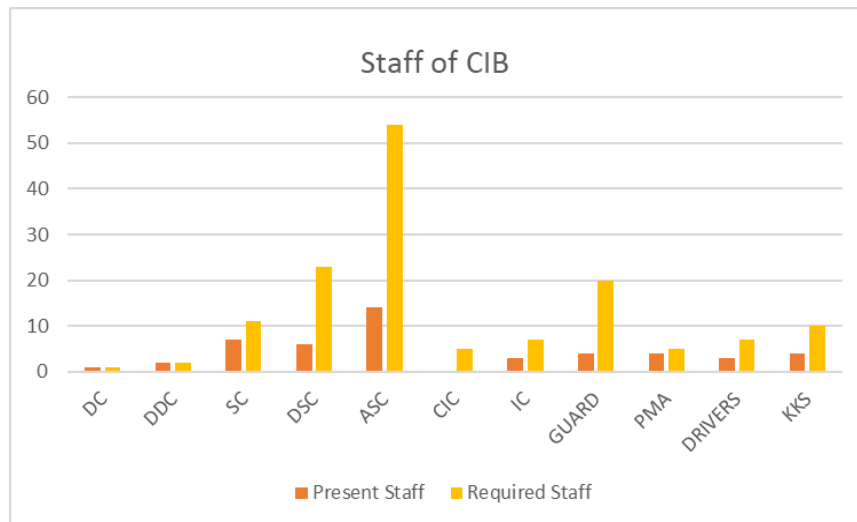
B. Local

Field	Place	No. of Days	No. of Officers
1.Ethical Hacking and Cyber Security	Sri Lanka Institute of Information Technology	6 Days	8
2.nCEN Application and Data Analysis	ICT division, Customs Head Office,Cinnamon Lakeside Colombo	11 days	6
3.Workshop of Advance Ruling and Origin Determination	Move n Pick,Colombo	2 Days	1
4. Joint Enforcement Action against Counterfeiting and Piracy 2017	HRD auditorium	1 Days	10

Human Resources

Present Total Staff Strength, required staff and shortage

Post	Present Staff	Required Staff	Shortage
DC	1	1	0
DDC	2	2	0
SC	7	11	6
DSC	6	23	17
ASC	14	54	40
CIC	0	5	5
IC	3	7	4
Guard	4	20	16
PMA	4	5	1
Drivers	3	7	4
KKS	4	10	6



***This report is prepared based on the data maintained electronically**

Legal Affairs Directorate

Introduction

Legal Affairs Directorate is responsible for the administration and supervision of the prosecution of Court cases and correspondence with Attorney General's Department. This Directorate is headed by a Director who is assisted by one Deputy Director, one Superintendent, two Deputy Superintendents and two Assistant Superintendents.

Major Functions

- 1) Ensure required Legal opinions provided to other divisions
- 2) Ensure all legal matters and Litigation matters of the department are attended.

Supreme Court & Court of Appeal Applications 2017

Number of Cases Registered in 2017	30
Supreme Court Applications	11
Court of Appeal Applications	19

Running cases from year 2016	120
-------------------------------------	------------

Finalized Applications in the Year 2017	25
Supreme Court Applications	11
Court of Appeal Applications	14

Other Legal Matters

Number of Internal Legal Opinion Provided	1
Number of International Agreements Assisted	6
Number of Domestic Agreements Assisted	3
Number of Legal Opinions Obtained from the Attorney General's Department	5
Number of High Court/ District Court/ Magistrate Court Applications Assisted	70
Number of Consultations Attended with the Attorney General's Department	50

Central Intelligence Directorate

INTRODUCTION

The Central Intelligence Directorate is responsible to provide more effective, timely, accurate and relevant intelligence to operational units and to senior management to achieve the Department goal of facilitating genuine trade without sacrificing revenue or the “Social Protection” obligations.

In general, the major objectives of the directorate can be listed out as follows:

- Assisting in the highest-level decision making by furnishing necessary intelligence.
- Emphasizing the operation of intelligence led control system in cargo and passenger clearance.
- Ensuring national security in cross border cargo movement.
- Be the National Contact Point (NCP) and the focal point for sharing of intelligence locally and internationally, and for providing enforcement assistance.

Major Functions of the directorate can be listed as follows:

1. Gathering information.
2. Maintaining and managing a 24-hour Public Information Receiving Desk (*PIRD*).
3. Analyzing and developing intelligence.
4. Dissemination of Intelligence, locally among the Directorates, and internationally with the approved designated agencies.
5. Coordinate with International Customs Information Systems.
6. Acting as the NCP for Regional Liaison Office of the Asia and Pacific (*RILO A/P*) and as the “focal point” for international enforcement coordination.
7. Operating Container Security Initiative (*CSI*) project at the Colombo Port.
8. Participating as a member of the Department’s Risk Management Committee (*RMC*)
9. Intercepting high risk cargo consignment based on intelligence, by reviewing cargo manifests and cause investigations.
10. Conducting Customs inquiries and prosecuting offenders.
11. Maintaining Previous Offence Database (*POD*).
12. Maintaining nCEN Database.

PERFORMANCE IN YEAR 2017

Table 1: Information received and distributed

	2015	2016	2017
No. of information received through the PIRD	26	32	42
From other sources (fax, e-mails, letters, news)	02	03	02
Total	28	35	44
No. of intelligence disseminated to other branches for action.	13	28	43

Table 2: No. of Intelligence Alerts Distributed:

	2015	2016	2017
Operational Intelligence Alerts	-	-	06
Intelligence Reports	-	-	05
WCO CEN Alerts	39	16	14

Table 3: No. of Previous Offence Details disseminated to other branches:

	2015	2016	2017
Number of POD records	55	62	124

Table 4: No. of CHA & VAT Registrations:

	2015	2016	2017
Custom House Agent Permit Renewal	3700	5825	6611
SLPA wharf license (A Pass)	2570	1942	1424
Importers VAT registration screening documents	1460	nil	1777

Table 5: Number of containers scanned under Container Security initiative

(CSI) Program

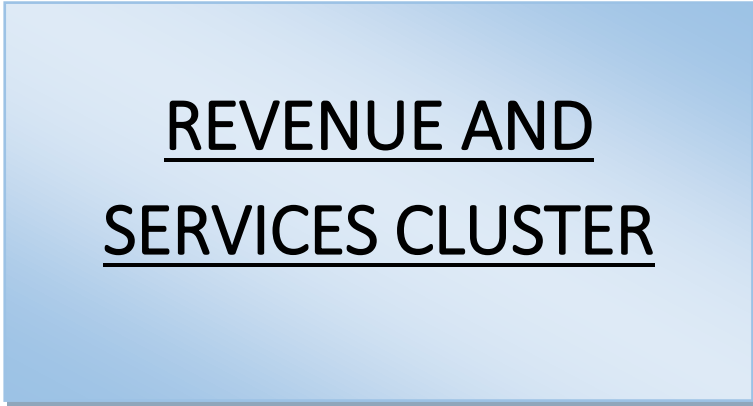
			2017
No. of Transshipment Containers			455
No. Local Export containers			07
Total number of containers			462

Table 6: Liaisons with Local & Foreign Investigation and Intelligence Agencies:

Agency	No. of requests			No. of Replies Received		
	2015	2016	2017	2015	2016	2017
DRI-India	08	09	13	02	04	12
Sri Lanka Embassy in Japan	35	15	03	32	11	4
Sri Lanka Embassy in UK	05			05		
HM Customs UK				01		
Sri Lanka Embassy In Singapore						
Dubai Embassy		01				
UK Embassy		01			01	
Thailand Customs	03			03		
Malaysia Customs		01			01	
Vietnam Customs						
Thailand Embassy						
RILO Korea		05	02	01	01	

Table 7: Performance in Law Enforcement

	2017
No. of cases initiated/detected by the staff during the year	28
No. of cases finalized during the year	13
No. of cases in the inquiry stage	4
No. of cases which needs to collect sales proceeds	2
No. of cases in the pending investigation stage	9
Total amount recovered (Rs.)	45,361,593/=



REVENUE AND
SERVICES CLUSTER

Declaration Directorate

Introduction

The Declarations Directorate is the place where the Customs Declarations (known as CusDecs) are submitted by the representatives of importers (known as declarant) in respect of all sea cargo. Processing CusDecs in respect of motor vehicles is now exclusively entrusted to the motor vehicle unit which comes under this directorate. The declarations Directorate consisting the following units.

- ❖ “D” Branch,
- ❖ Long Room,
- ❖ Motor Vehicle Unit
- ❖ Industries and Services Documents Processing Unit
- ❖ Document Centre (DOC Centre)

All these units operate within the cluster of Revenue and Services. The Brief hierarchy of the directorate is shown on the Organization Structure of the Declaration Directorate is as at Annex (A)

Scope of the Directorate

The main scope of the directorate is, providing facilities to process declarations for import Cargo and Cargo to be bonded. To fulfill this scope, the Directorate has specially made the arrangements to

- i. Receive the CusDec through DTI
- ii. Confirmation of updated manifest and payment of duties and other levies of CusDecs
- iii. Provide Fast Track facilities for Selected Importers
- iv Process the CusDec by SC/Appraiser
- v. Issuing internal passes for removal of FCL containers from the SLPA, SAGT, CICT yards
- vi. Clearance of Cargo FCL at container yards and LCI at ware houses.

- vii. The Automation of processing has been now fully implemented through; “Asycuda World” to facilitate the importers to process the CusDec without delay. All details of the CusDec are now being captured in the “Asycuda” System at Long Room (2nd Floor) which permits users to lodge their CusDecs directly from their officers using DTI facilities.

- viii. Only the commodity classifications aspects are handled manual by knowledgeable Staff consisting SCC/Appraisers.

Objectives of the Directorates

- i. Facilitation of clearance of imported cargo.
- ii. Facilitation of Cargo to be bonded.
- iii. Minimize the revenue leakages / foreign exchange losses through classification aspects of the goods.
- iv. Conduct enforcement activities in terms of Customs Ordinance and related laws through “D” Branch.
- v. Assess and collect the due revenue to the state on imported Cargo.
- vi. Facilitate for project cargo clearance by waiving off the Levies approved by the M/Finance.
- vii. Facilitate to permit holders/legitimate importers to speedy clearance of their vehicles/cargo.
- viii. Facilitate for various Government Department/other organizations /General Public to clear the goods against provisional CusDecs. Duty waivers/exemption and suspend of duty and taxes as per the state policy are granted.
- ix. Effect enforcement of prohibition and restriction.

Responsibilities of the Staff of the Declaration

The long room staff ensures the speedy CusDec processing and clearance of imported cargo without undue delay while collecting the due revenue to the state. These officials are vigilant on the commodities which requires permits and/or/special authorization for inward clearance from local Authorities such as Import and Export Controller, Food and Drugs Authority, Sugar cane research Institute, Cosmetics Devices and Drugs Authority, Sri Lanka Standards, Atomic Energy Authority, Telecommunications and also the certificates issued by the exporting country such as phytosanitary certificate, fumigation certificate, spice board certificate and Load Port survey report, Special attention to be carried out by the importer for the following aspects.

- The authorization from the carrier (the ship) to claim clearance of the consignment;
- Full description of the consignment using the appropriate codes used in the system;
- Classification of the goods correctly in the Harmonized System Nomenclature based on which the Customs Imports Tariff based;
- Declaration of the true transaction value of the consignment;
- Declaration of the values using the applicable kind of currency; at the applicable rate (exchange rate);
- Transmit the payment (foreign exchange) for the consignment through the accepted/permitted banking channels;
- Attach the necessary authorization documents, licenses, permits, certificate etc as applicable.

If all above Aspects are in order the Officers concerned may process the CusDec for clearance of goods.

As mentioned above this Directorate consists of 05 major Branches/Units. Those are branches/unite divided according the functions they perform.

“D” Branch

“D” Branch can be considered as the Secretariat of the Directorate. Historically, when the Controller General of Customs was appointed 200 years ago, Reportedly there had been four (4) clerks working under him, handling four subjects known as the ‘A’ subject. ‘B’ subject, ‘C’ subject, ‘D’ subject and so on. In time to come, ‘A’ subjects grew up to become the current Human Resource Management Directorate, formerly known as the “Admin Branch” “c” subject

clerk was handling “Port Dues” and later it grew up to be the entire Sri Lanka Ports Authority, now a separate organization in itself. The old “d” Branch, which was historically coordinating between the Treasury and the Customs, granting duty waivers and exemptions, receiving cargo manifests etc, still continue to do more or less the same job, and continues to be known by its original name.

“D” branch has various units to facilitate the importers/general public. Those are

- DRA Unit
- Bank Guarantee Unit
- Duty Waiver Unit
- Bulk Cargo Monitoring Unit
- Carnet Unit
- Manifest Unit
- Investigation Unit
- Motor Vehicle permit screening writing off unit/headed by DDC(D)

Some of the important and prominent functions handled by the “D” Branch

1. Register Duty waivers granted by the Ministry of Finance and facilitate the clearance of those goods on Duty Free basis.
2. Grant duty exemptions and Concessions as per Revenue protection order approved by the parliament.
3. Permit the clearance of Diplomatic cargo and Personal Baggage of Diplomatic staff based on the Clearance Certificate issued by the Ministry of External Affairs.
4. Grant Duty free or preferential rates of Duty for the Goods imported under various Trade Agreements.
5. Facilitate the clearance of Goods consigned to Government Institutions under Deferred Payment Terms in accordance with the instructions of Ministry of Finance and Media.
6. Facilitate the clearance of Goods on Provisional Basis where CusDecs cannot be finalized immediately due to various reasons or require re-export of goods after the completion of event for which they are imported.
7. Register and Monitor Project cargo requiring re-export, as decided by the Ministry of Finance and Planning.
8. Receive Cargo Manifests and also amendments to them as submitted by shipping Agents.
9. Secure Bank Guarantees/Corporate Guarantees where necessary in respect of Provisional

CusDecs and other matters as decided by the Director of Customs (Declarations).

10. Register vehicles and equipments temporary imported under CPD Carnet or ATA Carnet for monitoring purposes.
11. Monitoring Bulk Cargo Imports and make additional recoveries where necessary.
12. Prepare Reports Cargo Imports and make additional recoveries where necessary.
13. Detection of possible violations of Import Control/Regulations/Customs Regulations and act accordingly in terms of the provisions of Customs Ordinance such as detection of ethanol and motor vehicle cut portions.
14. Attend to correspondence with other government and non-government Agencies.

Long Room

Historically “Long Room” was virtually a long room in Customs administration and even in this modern day it is seen as a long room. This is a feature common in most Asian colonies of the Great Britain, and some of very old Customs Organization is Europe – for example – Denmark and Netherlands. Customs being primarily a revenue collector government organization, the importance of the long room cannot be under scored. Even though the overall macro level of objectives has gradually evolved to encompass social protection obligations, the priority to collect due revenue has not diminished.

Section 10 of the Customs Ordinance empowers Customs to charge Customs duties, and other levies Section 47 requires consignees of imported goods to make a true and correct declaration of goods received or imported by them and pay all levies (duties etc) payable on such goods.

Customs has facilitated to collect not **only Customs duties but also several other taxes and levies, namely**

- Value Added Tax (VAT)
- Port and Airport Development Levy (PAL)
- Nation Building Tax (NBT)
- Special Commodity Levy (SCL)
- Excise (special Provisions) Duty (XID)
- CESS on behalf of other government institutions

CusDec process officers are divided into 05 units in Long room for the processing of CusDecs

according to the HS Code for the easiness of monitoring and handling. Those are mentioned below.

- Unit A - HS Code 01-44
- Unit B - HS Code 45-73
- Unit C - HS Code 74-84
- Unit D - HS Code 85-97 (except for Motor Vehicles)
- Unit E - Perishable items, Food Items, Medicine, Bulk Cargo etc.

Submission of CusDecs

CusDecs is an acronym of Customs Declaration. The importer is supposed to submit four copies of the CusDecs (ie: Warrant copy, Delivery copy, Exchange copy and Parties copy) as stipulated in the Gazette Notification published under Section 47 of the Customs Ordinance and CusDec should be submitted along with the following supportive documents.

- Bill of Lading
- Delivery Order
- Invoice (manually signed and endorsed by the Bank other than in instances where goods has been imported on NFE basis)
- Packing list
- Any technical information required to clarify the HS
- Documents to prove the Country Origin
- If the goods imported are restricted, necessary Licenses/permits such as ICL, SLSI, CDDA etc
- Duly filled value declaration form in two copies
- Proof for the mode of remittance such as Letter of Credit, Telegraphic transfer etc
- Any special certificate (DPL, Duty Waiver, Phytosanitary certificate, Fumigation certificate, spice board certificate, Load Port Survey Report, Sugar cane research institute)

When there are number of items entered in a single CusDec and classified under various HS codes, the relevant unit should be decided on the basis of the item on which highest amount of duty and the other levies are payable.

Section 12, 43 and the Schedule “B” of the Customs Ordinance require the Customs to enforce the power on all the restrictions and prohibitions in force in terms of other law empowered to

the Customs, at the time of importation of the goods. As a result of these very wide provisions, Customs has to enforce over 33 Acts, Enactments and Ordinance currently in force. The first and foremost out of these is, “the Import and Export Control Act No. 01 of 1969”

Motor Vehicle Unit

The “ASYCUDA World” software now Employed in the ACCESS network enable Customs to link with individual banks to check the foreign exchange remitted on importing goods. The imported vehicle details are sent through the links with the Department of Motor Traffic to facilitate the registration of vehicles so imported, thereby preventing registration of non-customs motor vehicles. The officials make special attention to the following aspects: When CusDecs are processed.

- ✓ ICL (Import Control License) for gift vehicles and over age vehicles
- ✓ Concessionary and conditional import permits for the Government Servant, members of Parliament and BOI
- ✓ Duty free certificates issued by the Ministry of External Affairs to the DPL and NGO
- ✓ Provisional CusDecs for the vehicles imported for projects.

While processing the CusDecs for vehicles the officers at the unit should ensure the correctness of the under mentioned facts whether the,

- Goods have been properly described as per the
 - ◆ Certificate or Registration
 - ◆ Inspection certificate
 - ◆ Invoice
 - ◆ Examination report of the Appraiser who examines the vehicle at the yard
- Age of the vehicle has been correctly calculated
- Customs valuation is correctly given for the subject vehicle
- Currency has been correctly entered as per the invoice
- Country of Origin is correctly declared
- Freight chargers are correctly declared
- Options declared tally with the inspection certificate
- Due Permit is granted for the concessionary imports; the clearance of the vehicle shall be

allowed by the DDC (M/V)

Industries and Services document Processing Unit

The processing of To-Bond CusDecs is the main function of this unit which was a part of the Bonds Division prior to the reforms being implemented. Though there is a separate Directorate for the Industries and Services, the processing of related CusDecs is done by the Declaration Directorate.

Doc Center

This center is located in the Charms quay and it is proposed to amalgamate with long room at 2nd floor of new headquarters in near future. The Main Functions of this center is as follows:

- ✓ Issuing Customs Gate Passes (Internal) for all FCL consignments. (Imports, BOI, INFAC, Bonds, PUB, Containers detained by various investigation branches including RTF).
- ✓ Issuing of instructions to issue SLPA/SAGT/CICT gate passes for removing containers from their terminals.
- ✓ Documents receiving to the Doc Centre.
 - Screened CusDecs from the Screening Units in Long Room and Bonds Division are forwarded to DOC Centre to enable him to issue Customs Internal Gate Passes.
 - Pink Copy of the Delivery Order along with copies of Invoice and B/L are submitted to SC-DOC Centre to enable him to authorize SLPA/SAGT/CICT to issue gate passes for removal of containers from the respect container terminals. Above mentioned Pink Copy of the Delivery Order is submitted to the Customs for the first time at the Doc Center (The same is not attached to the set of documents processed at the Declaration Directorate/Long Room and it does not carry any of endorsements made by the Customs)
- ✓ Procedure followed at the Doc Centre.
 - Delivery Copy of the screened CusDec and Pink Copy of Delivery Order registered at the Doc Centre (attended by ICC I)
 - Registered Documents are submitted to SC (Doc Centre)
 - Once the documents are authenticated by SC (Doc Centre, Pink copy of the DO is submitted to SLPA/SAGT/CICT to be entered into the system and to get a Gate Pass to remove the container from the container terminal
 - Delivery Copy of the CusDec is forwarded to the ASC (Doc Centre) along with

the SLPA/SAGAT/CICT gate pass to be entered to the system and Customs Internal Gate Pass are issued by ASC (Doc Centre)

- ✓ After issuing the Customs Gate Pass Photo copies of the Delivery Copy of the related CusDec and the CHA pass of Wharf Assistant along with the Green Copy of the Customs Internal Gate Pass are filed and registered by CICC (Doc Centre)
- ✓ After obtaining those two gate passes [SLPA/SAGT/CICT) and Customs Internal Gate Pass] containers are allowed to remove from the container terminals and moved up to the New Container Gate where Customs Out Pass is issued and allowed to remove the container from the port premises.
- ✓ At the New Container Gate container is sealed with customs container seal and the seal number is printed in the Customs Gate Pass.

Carnet

1. There are two types of Carnet, namely ATA and CPD
2. Carnet – “ATA” is an acronym of the French and the English words “Admission Temporary / Temporary Admission.
3. The ATA Carnet covers, temporary imports of commercial samples, exhibition goods and professional equipment into a country.
4. CPD Carnet – “Carnet De Passages EN Douane” for motor vehicles & trailers.
5. Triptique – for motor cycles
6. This Carnet, which has been drawn up in accordance with the provisions of the Customs Conventions on the Temporary Importation of Private Road Vehicles (1954) and Commercial Road Vehicles (1956), both amended in 1992, may be used in the listed countries/Customs territories.
7. The A.T.A. procedure can be applied to any temporary operations involving goods to be re-exported in the same state as that in which they were imported.
8. It is issued on condition that the holder re-exports the vehicle with in the specified period of validity and complies with the Customs laws and regulations relating to the temporary admission of motor vehicles.
9. Where an A.T.A. Carnet is accepted it does not replace any other export documents) exchange Control Permit or an Export License) that maybe required. Such requirements must be accomplished I independently.
10. The Carnet to be correctly discharged, the exportation voucher corresponding to the importation voucher which was stamped by the Customs on entry must be stamped by

the Customs when the vehicle leaves the country.

11. When make application for the Carnet, the Carnet holder should sign a declaration & agreement with the respective issuing authority as per the directions given for the use of Carnet.
12. Any breach of provisions of the convention, any substitutions, false declaration or act may render the offender liable in the country, where the offence was committed subject to the penalties prescribed by the laws of that country.
13. The A.T.A. Carnet can be used for the following operations provided the Customs authorities are Contracting Parties to these Conventions in addition to the A.T.A. Carnet Convention.

13.1 Professional Equipment Convention

13.2 Exhibitions and fairs Convention

13.3 Commercial Samples Convention

13.4 Packing Convention

13.5 Sea fares Convention

13.6 Scientific Equipment Convention

13.7 Pedagogic Material Convention

13.8 Private Road and Commercial Road Vehicles Convention

13.9 Aircraft and Pleasure Boat Convention

Procedure of Carnet De Passage

1. The Carnet consists of a cover and sheets for each movement of the goods covered by the Carnet.
 - 1.1 Issuing Association
 - 1.2 Internal Guarantee Chain
 - 1.3 Name of Holder
 - 1.4 Period of Validity
 - 1.5 Countries in which it will be valid and corresponding Guaranteeing Associations in those countries: and
 - 1.6 Where the Carnet is to be used by a representative of the holder, the Name of that representative

2. The intended use of the goods is also stated on the front cover (e.g. samples for exhibition, etc.) The full details of all the goods to be covered by the Carnet are inserted in the general list on the reverse of the cover. Continuation sheets may be inserted if the space provided on the cover and the sheets are insufficient to accommodate particulars of all the goods to be covered by the Carnet. The required of issue of the Carnet and Country of Origin. Where the items do not bear distinct identifying numbers, the Customs will affix identification marks.
3. DC approves the processing of Carnet and decides the validity period.
4. DDC instructs SC “D” to register the Carnet.
5. SC instructs ASC to register the carnet and to retain copy documents.
6. ASC registers the Carnet and allow the consignee to process the CusDec at motor vehicle Division.
7. SC places his signature and stamp on the filed up import slip and instruct the importers to sign an agreement in the presence of DC (Declaration) assuring that the said vehicle imported under carnet should be re-exported within 03 months.
8. Maintains the master register and keeps a tab on the date of validity.
9. Carnet is then sent to Motor Vehicle Unit along with the CusDec to enable the DDC to grant delivery of the said vehicle.
10. The Carnet will not cover exhibitions organized for private purposes in shops or business premises with a view to the sale of foreign goods.
 - 10.1 Goods granted temporary admission should be re-exported within three (3) months from date of importation unless the period of validity is for a lesser period.
 - 10.2 When Carnets are presented to the Customs as points of Entry, the Customs officer should examine the goods against the General list of items given in the Carnet, place identification marks on the goods if possible, note identification marks on the counterfoil of the carnet and retain that portion of the Importation Voucher meant for Customs. The Customs will endorse the necessary particulars on the counterfoil. The voucher should be sent to the

‘D’ Branch to be filed and kept safety for re-checking when goods are being re-exported.

11. When goods imported on a Carnet are re-exported, the Customs will examine the goods with the importation particulars and detach the Custom portion of the re-exportation voucher and make necessary endorsements on the counterfoil. The detached portion of the re-exportation voucher will be sent to “D” Branch.
12. The use of the Carnet for the import and / or export of goods is subject to the National Laws of the country.
13. The Customs has the right to take action against any carnet-holders for any fraud, contravention or abuse of the provisions of the Carnet or the National Laws of the country and to impose penalties for such contraventions.

Performance of the Declaration Directorate during the year 2017

01. **Facilitation** to the trade through Automation System called “Asycuda World” so far has been successfully received by the imports for the purpose of speedy clearance of their cargo specially DTI direct Trader input increased the speed of key in by traders and eventually it added value for trade facilitation.
02. **DTI** has now reduced the workload of the Customs officials as well, while their effectiveness and efficiency have been raised.
03. **Manual record keeping function has been eliminated** in this directorate through new arrangements while quality and timeliness gathering of information has now been an easier task for the officials as well for the public.
04. **Total revenue** collected by this directorate in 2017 is Rs.579,393,178,767 while a sum of Rs. 579,340,307,880 has been collected as total Customs duty to the state. Other than the said recoveries of duty & other levies sum of Rs. 52,870,887 have been collected by the “D” Branch as penalty /forfeiture/recoveries respectively in 2017.
05. **Green Channel facility** for the selected Golden card holding Traders were introduced in the past years. In 2014 Customs introduced “**Fast track clearance systems**” for the Golden card holding traders and some more traders. Now the number of traders fall in this category is 218. Two DDCc specially posted to handle these special traders.

06. **“Electronic Manifesting”** system has now been introduced. The shipping agents submit their manifest online to Customs without providing hard copy ship-wise. This system is now being successfully supporting the department users.
07. **The vehicle permits** are now being written off electronically by the DDC attached to “D” Branch.
08. **Introducing electronic DTI System** and the E-manifest, successfully effected to improve the efficiency & the effectiveness of the Long Room.
- 09 **Figure wise summary** of performance during the year 2017
- | | | |
|------|--|---------|
| i. | Organization Chart – Declaration Directorate | Annex A |
| ii. | Monthly Progress Report 2017 – Motor Vehicle Branch | Annex B |
| iii. | Total Revenue 2017 – Declaration Directorate | Annex C |
| iv. | Revenue Compression - Long room & Motor Vehicle Unit | Annex D |
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Industries & Services Directorate

Introduction

The Industries & Services Directorate performs the Customs functions related with importation of cargo for temporary storage on security/bonds to facilitate clearance for the needs of trade and industry under specified procedures, and promote manufacturing/export industry aiming to explore the avenue for diversification of the traditional trend of exports in Sri Lanka with proper coordination between the relevant line authorities, especially with the Board of Investment of Sri Lanka.

Main Branches and their Units

- Administration & Bank Guarantee Branch
- Bank Guarantee Unit
- Export Facilitation & Project Branch
- Export Facilitation Unit
- Project Unit
- Warehouse Keeping Unit
- Feeder Bond Unit
- Investigation & Verification Branch
- Bonding Investigating Unit
- Customs BOI Coordinating Unit
- Investor Facilitation Centre (INFAC)
- Monitoring & System Audit Branch
- Monitoring & Refund Unit
- Postal Appraising Branch

Major Functions

This Directorate is entrusted with the implementation/administration of trade facilitation policies of the Government. The main functions of the Directorate are given below.

1. Manage Customs Bonded Warehouses.
2. Manage Export Facilitation Schemes, namely, Temporary Imports for Export Processing (TIEP) and Duty Rebate Scheme.
3. Manage activities related to Duty Free Shops.
4. Coordinate with the BOI in clearance of goods imported/exported by BOI Enterprises.
5. Liaise with the ICT Directorate in maintaining IT systems for warehousing, stock control, cargo control and BOI imports/exports.
6. Liaise with the Declarations Directorate in processing “Suspense Regime” CusDecs.

Annual Performance Report for the Year 2017 at PA Branch

1. Total Number of POD’S (Consignments):

Air	-	20044
Sea	-	6689
CD	-	6660
BULK	-	1127
EMS	-	13902
Total	=	48422

2. Total Value of the goods released: 243,976,089 LKR

3. Total Taxes recovered:

CID	-	9,321,835
PAL	-	17,147,636
EIC	-	11,795,142
VAT	-	15,458,505
NBT	-	3,456,419
XID	-	2,780,431
Total	=	59,959,968 LKR

4. Total Penalties Recovered: - 85,025

5. Total taxes recovered from Out-port – P/A Branches:

Trincomalee	:	5,060,248
Galle	:	3,946,545
Jaffna	:	4,704,011
Kandy	:	6,389,137
Total	=	20,099,941

ANNUAL PROGRESS REPORT 2017

	PA					Trinco	Kandy	Galle	Jaffna	TOTAL
	AIR	SEA	CD	BULK	EMS					
No. of POD	20044	6689	6660	1127	13902		6495	5543	7986	
No. of Parcels Examined & Delivered	NIL	NIL	6786	1154	15596	3437	6888	5838	9205	
No. of Parcels Detained	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
No. of POD Pending at the end of the month	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Value	70,716,296	18,226,386	18,454,795	1,086,935	135,491,677	0	0	0	0	243,976,089
CID	2,524,466	736,805	430,805	334,894	5,294,865	81,248	562,498	216,205	121,318	10,303,104
PAL	4,573,571	1,123,872	1,101,345	813,837	9,535,011	1,537,307	1,769,803	1,342,062	1,431,613	23,228,421
EIC	3,376,255	749,318	725,604	302,126	6,641,839	1,572,297	1,501,662	988,416	1,116,547	16,974,064
VAT	3,411,197	1,087,456	795,727	573,261	9,590,864	1,112,354	1,694,767	870,018	1,171,673	20,307,317
NBT	871,362	211,825	143,569	282,565	1,947,098	398,482	369,888	237,221	407,008	4,869,018
XID	815,569	197,046	291,273	1,606	1,474,937	307,948	327,312	269,373	350,258	4,035,322
Exam. Fees	37,140	3,300	0	3,000	103,250	12	600	850	100,274	248,426
Com.fees	19,300	3,300	0	2,500	94,950	0	0	2,450	0	122,500
Extra/Excess	121	0	0	0	1,511	1,200	33,883	0	0	36,715
Penalties	17,694	8,360	0	0	58,971	0	104,124	0	5,320	194,469
SR charges	0	0	0	0	0	49,400	24,600	19,950	0	93,950
TOTAL TAXES	15,646,675	4,121,282	3,488,323	2,313,789	34,743,296	5,060,248	6,389,137	3,946,545	4,704,011	80,413,306

Bank Guarantee Division

Summary Report-2017

Description	Number of Guarantees
BG-Accepted	2069
BG-Demanded	1925
BG-Released	1940

Summary of cases registered by the Bonds Investigation Unit for year 2016 and 2017

	2016	2017
Number of Cases initiated during the year	69	70
Number of cases finalized	29	10
Number of cases pending	40	60
Forfeitures/Penalties (Rs)	80,172,111	158,876,428

Cargo Examinations Directorate

Progress Report (CE) - January to December 2017

Description	Gr.Line I	Gr. Line II	HRC	RCT	JCT	BQ	NNR	CVT	PVQ	Guide Pier	Total	
No. of Cusdecs Regd	20,034	29,089	2,906	94,651	30,241	43,407	34,721	8,894	81	4,351	268,375	
Type of Examinations	Amber	13,690	19,929	-	89,108	19,324	28,317	19,522	-	75	251	190,216
	Detail	878	1,499	-	1,098	94	264	1,499	-	-	3,930	9,262
	HRC	-	-	1,899	-	-	1,437	-	-	-	-	3,336
	Red	5,434	7,661	1,007	4,356	11	4	56	-	-	160	18,689
	BOI	-	-	-	-	9,850	13,383	12,467	8,894	-	10	44,604
	Other	32	-	-	89	962	2	1,177	-	6	-	2,268
No. of containers Regd (FCL)	22,906	32,893	3,648	205,280	-	-	-	5,633	-	-	270,360	
No. of cont. released under G/C	-	-	-	-	-	-	-	-	-	-	-	
No. of A/E processed	2,110	3,319	1,027	198	172	108	662	9	-	-	7,605	
A/E Recoveries (Val) (Rs.)	275,177,805	396,266,601	40,317,028	66,570,618	3,013,523	10,151,468	34,532,926	241,190	-	-	826,271,159	
A/E Recoveries (Other) (Rs.)	83,851,895	73,645,982	84,053,243	105,351,728	31,520,479	22,082,436	25,738,885	5,185,198	-	-	431,429,846	
No. of Cases detected	3	-	3	11	1	-	1	2	-	-	21	
Penalty Recoveries (Rs.)	2,864,319	-	4,290,067	9,235,815	108,634	163,902	174,625	437,070	-	-	17,274,432	
Value of the Goods Forfeited	-	-	-	-	-	-	-	-	-	-	-	
Overtime Recoveries	-	-	-	-	1,659,600	5,149,205	5,641,200	-	4,758,695	8,107,688	25,316,388	
SR Charges Recovered (Rs)	-	-	-	-	-	-	1,400	-	-	-	1,400	
Seal Charges	-	-	-	-	-	-	-	-	-	-	-	

<u>CVT & INFAC</u>				
	CVT		INFAC	
	Import	Export	Import	Export
No. of CusDecs	21,181	43,910		
No. of Containers	32,609	17,256		
No. of LCL cleared	1,201	14,852		
A/E Recoveries (Rs.)	12,829,874	-		
Penalties and forfeitures (Rs.)	1,782,141	-		
Value of goods forfeited	-	-		
No of cases detected	4	-		

Passenger Services (Colombo) Directorate

Objectives:

To provide courteous and satisfactory service efficiently and effectively to passenger and other stakeholders in their baggage clearance at the port of Colombo and Unaccompanied Personal baggage Warehouses in Colombo while giving special consideration to expatriates and professionals, who work abroad.

Major Functions

1. Facilitation of passenger and baggage clearance, both inward and outward
2. Safeguarding revenue, prevention of importation and exportation of restricted and prohibited items.
3. Safeguarding socio-economic, cultural and ecological interests of the society.
4. Controlling and monitoring UPB warehouses.

Comparable Baggage Movements for year 2016/2017

	No of Packages 2016	No of Packages 2017
BO(PANEL)		
BO(COUNTER)		
BO(SALES)		
BO(NNR)	78,607	91,781
LAKSIRISEVA	104,832	106,971
TRANSCO	64,318	71,756
MIDCO	67,061	62,130
TRICO(COLOMBO)	85,066	80,734
CSL(COLOMBO)	89,642	85,703
TOTAL(RS)	489,526	499,075

Comparable Penalty Recoveries for year 2016/2017

	2016	2017
BO(PANEL)	112,000	269,999
BO(COUNTER)		
BO(SALES)		
BO(NNR)	3,851,111	6,646,372
LAKSIRISEVA	1,151,646	3,284,339
TRANSCO	1,520,502	2,157,466
MIDCO	822,895	1,033,235
TRICO(COLOMBO)	1,051,160	1,787,238
CSL(COLOMBO)	3,979,625	2,388,536
TOTAL(RS)	12,488,939	17,567,185

Comparable Overtime Recoveries for year 2016/2017

	2016	2017
BO(PANEL)		
BO(COUNTER)		
BO(SALES)		
BO(NNR)		
LAKSIRISEVA	4,570,083	7,834,686
TRANSCO	3,637,952	2,157,466
MIDCO	3,317,034	4,916,581
TRICO(COLOMBO)	3,663,159	5,855,746
CSL(COLOMBO)	3,511,314	2,388,536
TOTAL(RS)	18,699,542	23,153,015

Comparable Taxes Recoveries for year 2016/2017

	2016	2017

BO(PANEL)	12,879,469	6,230,368
BO(COUNTER)		
BO(SALES)	959,731	49,703,647
BO(NNR)	46,385,528	51,201,175
LAKSIRISEVA	30,287,546	41,288,349
TRANSCO	24,836,890	42,061,139
MIDCO	16,647,701	27,846,524
TRICO(COLOMBO)	47,671,085	56,591,639
CSL(COLOMBO)	42,322,954	48,569,538
TOTAL(RS)	221,990,904	323,492,379

Final performance of the year 2017 (Rs)

	No of Packages	Penalty	Over Time	Taxes	Total
BO(PANEL)		269,999		6,230,368	6,500,367
BO(COUNTER)				49,703,647	49,703,647
BO(SALES)	91,781	6,646,372		51,201,175	57,847,547
BO(NNR)	106,971	3,284,339	7,834,686	41,288,349	52,407,374
LAKSIRISEVA	71,756	2,157,466	5,578,244	42,061,139	49,796,849
TRANSCO	62,130	1,033,235	4,916,581	27,846,524	33,796,340
MIDCO	80,734	1,787,238	5,855,746	56,591,639	64,234,623
TRICO(COLOMBO)	85,703	2,388,536	6,187,600	48,569,538	57,145,674
CSL(COLOMBO)	499,075	17,567,185	30,372,857	323,492,379	371,432,421
TOTAL(RS)	489,526	12,488,939	29,956,040	221,984,904	264,919,409

Total Recoveries for the Baggage Division for the year 2017

	2017(RS)
BO(PANEL)	6,500,367
BO(COUNTER)	3,366,150
BO(SALES)	347,264,521
BO(NNR)	57,847,547
LAKSIRISEVA	52,407,374
TRANSCO	49,796,849
MIDCO	33,796,340
TRICO(COLOMBO)	64,234,623
CSL(COLOMBO)	57,145,674
TOTAL(RS)	672,359,445

Directorate Provincial

	2017(RS)
TRICO(GALLE)	26,386,766
TRICO(KURUNEGALA)	27,793,721
CSL(KANDY)	18,824,571
MATTALA AIR PORT	8,668,365
TOTAL(Rs)	81,673,423

Directorate Airport

BIA KATUNAYAKE	RS.357,867,805
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GRAND TOTAL	RS.1,111,900,673
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Exports Directorate

Introduction

Exports Directorate facilitates the clearance of the outright exports and re-exports by simplifying its procedures and introducing e-processing of Export Cusdecs, promoting the international legitimate cargo movement through transshipment. The Directorate is also responsible to safeguard cultural, ecological and social interests of the country.

Main Functions

1. This Directorate attends to all matters related to exports from the country through the Seaports and Airports as well.
2. Dealing with all matters related to exports of all commodities from the country.
3. Examination of export cargo for Customs purposes and for security reasons.
4. Collection of Export duty, Cess, Royalty on commodities exported.
5. Management of Container Freight Station located in Colombo and suburbs.
6. Maintaining MCC warehouses.
7. Facilitation of temporary importation through Carnet.
8. Approving the refund claims.
9. Issuing shipment certificates.
10. Certification of duty rebate documents.
11. Registration of Free Re-Importation Certificates.
12. Certification of shipments to Department of Commerce in respect in respect of Rules of Origin.
13. Facilitation of Transshipment operations.
14. Providing National Trade statistics.
15. Safeguarding socio-economic, cultural and ecological interests of the nation.
16. Develop co-operative relationships with all stakeholders including other Government agencies and private sector.
17. Implementing systems and procedures which strive to continually improve the Efficiency and effectiveness of business processes.
18. Making maximum use of information and communication technology to facilitate the exports trade.

Exports Revenue Figures – 2017

	Revenue of Exports Office, EFC and CFS yards (CBEX1) (Rs.)	Air Cargo Export Office (KTEX1) (Rs.)	Total (Rs.)
Export Duties	25,891,583/-	-	25,891,583/-
Export Development Board Cess	2,252,668,808/-	-	2,252,668,808/-
Cess-Rubber	332,438/-	-	332,438/-
Cess-Tea	579,821,877/-	9,415/-	579,831,292/-
Tea Medical Aid Cess	725,380/-	-	725,380/-
Cess-Coconut	85,511,976/-	-	85,511,976/-
Examination Fees	43,469,670/-	20,149,541/-	63,619,211/-
Outside Examination Fee	7,081,380/-	2,223,811/-	9,305,191/-
Royalty	490,831/-	-	490,831/-
• Import Duty (1/10)*	115,249,912/-	-	115,249,912/-
• PAL (1/10)*	19,450,044/-	-	19,450,044/-
Other	28,790/-	-	28,790/-
Amendment Chargers, Amendment Penalties and Cancellation Chargers	4,376,529/-	4,258,426/-	8,634,955/-
Penalties and Further Forfeitures	5,100,000/-	-	5,100,000/-
Overtime Fee	32,937,803/-	36,711,338/-	69,649,141/-
Shipment Certificate Charges	114,250/-	-	114,250/-
Computer Fee	21,456,000/-	20,693,768/-	42,149,768/-
Total	3,164,542,184/-	84,046,181	3,248,588,365/-

* Recovered at the time of Re-exportation.

Performance Report for the year of 2017

01. No of Cusdecs Submitted and Finalized.

I. Export Office

a.	Cash	- 70,519
b.	Current Account	- 15,305
	Sub Total	- 85,824

II. Air Cargo

a.	Cash	- 78,034
b.	Current Account	- 4,942
	Sub Total	- 82,976

III. Sri Lankan Cargo - 2,228

Total - 168,800

02. Panel Applications

No. of Examination - 9,064

03. Examination Fees collected

Export Office	- Rs. 43,469,670/-
Air Cargo Export Office	- Rs. 18,791,141/-
Sri Lankan Cargo Office	- Rs. 1,358,400/-
Total	- Rs. 63,619,211/-

04. Computer Fees Collected

Export Office	- Rs. 21,456,000/-
Air Cargo Export Office	- Rs. 19,517,767/-
Sri Lankan Cargo Office	- Rs. 1,176,001/-
Total	- Rs. 42,149,768/-

05. Export Levies Collected

Export Duty	- Rs. 25,891,583/-
Royalty	- Rs. 490,831/-
Cess	
a) EEC - Export Development Board Cess	- Rs. 2,252,668,808/-
b) CC1 - Coconut Deve, Authority Cess	- Rs. 85,511,976/-
c) TC1 - Tea Board Cess	- Rs. 579,831,292/-
d) TC2 - Tea Medical Aid Cess	- Rs. 725,380/-
e) RC1 - Rubber Cess	- Rs. 332,438/-
f) RC4 - Rubber Medical Aid Cess	- Rs. -
g) Import Duty (1/10)	- Rs. 115,249,912/-
h) PAL	- Rs. 19,450,044/-
i) Other	- Rs. 28,790/-
Total	- Rs. 3,080,181,054/-

06. Over Time Payment

Export Office	- Rs. 26,788/-
Air Cargo	- Rs. 35,552,688/-
CFS Yards	- Rs. 16,076,935/-
Sri Lankan Cargo	- Rs. 1,158,650/-
Export Facilitation Centre (EFC)	- Rs. 16,834,080/-
Total	- Rs. 69,649,141/-

07. Current Accounts

i. No. of Current Account holders	- 47
ii. No. of Current Account operated	- 47
iii. Deposit during the period	- Rs. 1,338,091,343/-
iv. Total amount debited during the period	- Rs. 1,485,485,635/-

08. No. of FRIC issued to request - 1042

09.	No. of Shipment certificates issued	- 457
10.	Shipment Certificate fees collected	- Rs. 114,250/-
11.	Ships/Flights amendment penalties, amendment charges and cancellation chargers recovered	
	Export Office	- Rs. 894,250/-
	Air Cargo Office	- Rs. 4,256,426/-
	Sri Lankan Cargo Office	- Rs. 2,000/-
	Exports Facilitation Center	- Rs. 3,482,279/-
	Total	- Rs. 8,634,955/-
12.	Transshipments	
	Total No. of Deposit (Containers)	- 1,210,237
	Total No. of Containers Re-Shipped	- 1,414,795
13.	Penalty Recovered for Customs offences	- 5,100,000/-
14.	Total No. of Containers Exported	- 172,181



CORPORATE CLUSTER

Policy, Planning and Research Directorate

Introduction

Policy, Planning and Research Directorate is mainly responsible for policy issues, tariff issues and international affairs. Its broad objectives can be summarized as follows:

- 1 Assisting the Director General of Customs in developing the Departmental Policies and converting same to procedures to be implemented by respective Directorates; conveying such decisions to the officers for information and compliance.
- 2 When requested, assisting the line Ministries and Departments in;
 - (i) Developing economic / trade policies
 - (ii) Converting such policies to tariff measures;
- 3 Conveying Tariff Measures to the officers and the public as relevant for information and Implementation.
- 4 Ensuring that the National Customs Tariff is maintained in the most updated status; attending to all Tariffs related inquiries.
- 5 Ensuring that the information required by public for promoting self-compliance is available through the Customs information center.
- 6 Representing the Sri Lanka Customs Department at WCO, its Regional Bodies, and other International Organizations (WTO and Secretariats for MEAs) and at Bi-lateral and Multi-lateral Trade Negotiations.
- 7 Adopting the WCO's recommendations and best practices by converting to policies and procedures in order for the Department to achieve its vision.

Major Functions

1. Implementation of Tariff policy decisions, formulated by the Treasury through departmental orders (DOPLs).
2. Formulation and implementation of Customs policy decisions through departmental orders (DOPLs).
3. Update and maintain the Import Tariff Guide.
4. Publish National Import Tariff Guide in both book form and CD form for the benefit of public and staff.
5. Assist Treasury in creating national subdivisions in the Harmonized System as and when necessary in formulating the tariff policy.
6. Preparation of the Annual Action Plan of the Department.
7. Preparation of Annual Performance Report of the Department by reviewing the progress of the respective Directorates.
8. Act as the contact point for the World Customs Organization (WCO), WCO Asia-Pacific Office, World Trade Organization (WTO), other International organizations and Customs Administrations by attending to correspondence and related matters
9. Attend to matters relating to Customs Corporation and Mutual Administrative Assistance Agreements with other Customs Administrations.
10. Attend to matters related to Preferential Trade Agreements (PTAs) and Free Trade Agreements (FTAs).
11. Attend to Secretarial functions of the Nomenclature Committee, Trade Facilitation Committee and Risk Management Committee and coordinate activities of other technical committees.
12. Conduct research on matters related to tariff, trade and clearance procedures etc.
13. Preparation and updating of Manual of Procedure.
14. Preparation and publishing of Rates of Exchange notifications.
15. Attend to Public Relations and Customs Information Centre.
16. Organizing and coordinating the World Customs Day which falls annually.

Customs Tariff Guide

Sri Lanka Customs is entrusted with the collection of all the taxes imposed on the international trade. During the year 2017, the Customs Department collected the following on the imported commodities: Import Duty, Excise (Special Provisions) Duty, Import Cess, Port and Airport Development Levy (PAL), Special Commodity Levy (SCL), Value Added Tax (VAT) and Nation Building Tax (NBT). Export Duty and Export Cess are payable on some of exported goods. In addition, certain selected commodities are assigned with Preferential Duty Rates, applicable for commodities originating from countries which Sri Lanka has entered into bi-lateral or multi-lateral trade agreements. Sri Lanka Customs had been publishing an annual Tariff Guide, incorporating in one book, all the taxes and tax rates payable on commodities. Furthermore, the latest edition of Explanatory notes for year 2017 are published by the same directorate.

National Sub Divisions (NSD)

Sri Lanka Customs make Proposals on National Sub Divisions (NSD) in the Harmonized Commodity Description and Coding System (HS) to Trade and Investment Policy Department to be included in the Budget Proposals.

Departmental Circulars

Departmental circulars are frequently issued, as and when it becomes necessary to convey a policy decision, and the resulting changes occurring in the existing procedures, or to convey new procedures, or changes in the manuals of procedure. As a result, Departmental Circulars represent an important official news channel. Policy concepts originate in respective Directorates and are channeled to the Policy, Planning and Research Directorate where at the content is vetted for inconsistencies with existing procedures and circulars, and the final text is prepared and the circular takes the official shape and format. Once it is approved by the Director General, it is printed and circulated among the staff. Revenue Protection Orders (RPOs) are another kind of a circular, published to convey changes in the taxes and levies, enabling the officers to collect revenue applicable under the new rates from the effective date and time. Those changes originate from the General Treasury, and the circulars play an essential part in taxation.

Rates of Exchange Circulars

Unlike the ever-changing (floating) parity rates used by the banks and money changers, Sri Lanka Customs apply a parity rate applicable for one working week as instructed by the Central Bank. The "Exchange Rates" as determined by the Director General of Customs is applicable for the payment of all duties of Customs as well as other charges, penalties and forfeitures incurred under the Customs Ordinance (chapter 235) are published on Friday each week, and circulated by the Policy, Planning and Research Directorate to all CusDec processing units & the ICT Directorate to publish in the Customs Website. That circular is an essential guide for all the officers as well as the traders.

International Affairs

Policy, Planning and Research Directorate is also entrusted with Customs related international affairs. With a view to strengthen and better manage the international affairs of Customs, Customs International Affairs Division (CIAD) has been established. Its functions include coordinating and communicating matters related to Customs international affairs with the World Customs Organization and its Regional Office for Asia and Pacific, foreign Customs

Administrations and other relevant international bodies and act as the Customs contact point. WCO sends frequent communiqués and the Directorate responds to those suitably. When Sri Lanka Customs finds it impossible to resolve classification disputes, such disputes are referred to the WCO. The changes in the Harmonized System Nomenclature are conveyed by the WCO and adopted by the Directorate. In addition, the Policy, Planning and Research Directorate is responsible for attending the matters related to the Bi-lateral and Multi-lateral Trade Agreements and Memorandum of Understandings on Customs Co-operation Agreements. Sri Lanka has made three bilateral agreements with Thailand, Vietnam and Nepal.

Departmental Orders issued during the year 2017

DOP L No.	Date	Related to	Subject
1110D	03.01.2017	Excise	Gazet Notification Published under the Excise (Special Provisions) Act no. 13 of 1989
1131	09.01.2017	RPO	Revenue Protection Order 01/2017
1132	09.01.2017	SCL	Special Commodity Levy
1115C	13.01.2017	VAT/PAL/NBT	Exemption on VAT - 8801.00
1133	18.01.2017	SCL	Special Commodity Levy on certain goods
1115D	18.01.2017	VAT	Revision of VAT on several Goods
1110E	25.01.2017	Excise	Gazet Notification Published under the Excise (Special Provisions) Act no. 13 of 1989
1134	27.01.2017	SCL	Special Commodity Levy - Waiver
1135	01.02.2017	Waiver	General Waiver of Customs Import Duty -Petrol, Diesel
1136	16.02.2017	SCL	SCL on Potatoes,Lentils,Onions
1137	16.02.2017	RPO	Revenue Protection Order 02/2017
804 B	23.02.2017	ICL	ICL Regulations Amendments
1130 A	23.02.2017	Restoration	Restoration of Customs facilities of M/s. Tharanga Enterprises
1138	23.02.2017	Suspension	Suspension of Customs Facilities for M/s Rich Life Exports (Pvt) Ltd.
1139	23.02.2017	SCL	Special Commodity Levy
1140	27.02.2017	RCT Roster	Deployment of Additional Staff beyond Normal Working Hours at RCT, Orugodawatta
1141	27.02.2017	SCL	Duty Waiver on Rice
749D	03.03.2017	Valuation	Valuation Committee
1142	07.03.2017	SCL	SCL on Sugar, Kurakkan Etc
1143	10.03.2017	PP&R	Customs Web Site and the Intranet Facility to the Customs Staff
1138A	13.03.2017	Restoration	Restoration of Customs facilities of M/s Rich Life Exports (Pvt) Ltd.

1144	16.03.2017	Customs Regulations	Regulations under Section 101 (1) (h) of the Customs Ordinance (Chapter 235) - Disposal of Machinery and Equipment Imported under Exemption of Customs Import Duty Basis by Enterprises in the Business of Manufacturing and Exporting Apparel
1145	17.03.2017	Tax Concession	Tax concession for ADB Assisted Dry Zone Urban Water and Sanitation Project
1146	21.03.2017	Duty Waiver	Removal of Customs Import Duty on Scaffolding System
1116B	21.03.2017	CESS (Import)	Gazette notification published the export development act No-40 of 1979
1147	28.03.2017	SCL	SCL on Rice
1148	31.03.2017	ASYCUDA	ASYCUDA world Bank Guarantee Management System
1149	31.03.2017	SCL	SCL on Rice / Cancellation of Previous SCL on Rice
1150	31.03.2017	SCL	SCL on Various Goods - Dried Fish/Yougurt/Butter Etc.
1151	11.04.2017	Suspension	Suspension of Customs Facilities for M/s Sinha Cements (Pvt) Ltd.
1152	28.04.2017	Prohibitions of Fisheries & Aquatic Resources	Prohibition of use of Spears in Fishing Operations Regulations No.01 of 2017
1151A	28.04.2017	Restoration	Restoration of Customs facilities of M/s Sinha Cements (Pvt) Ltd.
1153	02.05.2017	Suspension	Suspension of Customs Facilities for M/s Serendib Medicals(Pvt) Ltd.
1154	08.05.2017	SCL	SCL on Fish/Green gram/Oranges
1155	15.05.2017	SLSI	SLSI regulations - Float Operated Valves and Spare Parts
883 A	17.05.2017	PCAD	Establishment of Risk Management Unit under PCAD Directorate
1156	22.05.2017	SCL	SCL on Red Onions
1157	30.05.2017	SCL	SCL on Rice
1158	06.06.2017	SCL	SCL on Sugar & Magarine
1159	06.06.2017	SCL	Order made under Section 5 of the SC L Act, No.48 of 2007- Waive off SCL on fish by Rs.25/= per kg
1160	09.06.2017	Excise	Excise duty for Permit Vehicles- Amendment to DOPL 1110
1161	12.06.2017	Anti- Doping	Anti- Doping(Prohibited List) Regulations No.02 of 2016

1162	13.06.2017	Prohibition of Catching Fish Species Thambuwa	The Fisheries and Aquatic Resources Act, No. 2 of 1996- Prohibitions of Catching fish species Thambuwa (cephalopholis sonnerati) Regulations 2017
1163	13.06.2017	Tax Concession	Tax Concession for Clean Energy Access and Improvement Project
1160A	13.06.2017	Excise	Implementation of Trade and Investment Policy Circular No.01/2016(II) dated 01.06.2017
1164	14.06.2017	VAT	Value Added Tax (VAT) on BOI garments sold in the local market
1164A	15.06.2017	Errata	Errata to DOPL 1164
1165	15.06.2017	ESC	Economic Service Charge (ESC) on Import of Motor Vehicles
1110F	19.06.2017	Excise	Errata to DOPL 1160- Gazzet Notification Published under the Excise (Special Provisions) Act no. 13 of 1989
1110G	19.06.2017	Excise	Amendment to DOPL 1110- Gazzet Notification Published under the Excise (Special Provisions) Act no. 13 of 1989
1166	20.06.2017	Duty Waiver	Clothing to be donated by the Joint Apparel Association Forum (JAAF) to the Flood Victims
1168	03.07.2017	SCL	SCL on Broken Rice
1169	07.07.2017	Duty Waiver	Duty Waiver on Milk Powder
1170	11.07.2017	Tax Concession	Greater Colombo Water & Waste Water Management Improvement Investment Programme Project
1110H	11.07.2018	Excise	Excise duty for Permit Vehicles
1171	20.07.2017	SCL	SCL on Maldives fish, Chillies, Turmeric & Other
1172	26.07.2018	SCL	SCL on Rice
1006A	27.07.2017	SLSI Regulations	Resuming the Compulsory Import Inspection Scheme in respect of Brown Sugar, White Sugar and Red Lentils under by Sri Lanka Standards Institution
572D	28.07.2017	PP&R	Risk Management Committee (Amendment)
1173	28.07.2017	Cargo Examination	Automation of Import Cargo Examination Procedure – LCL Consignments
1174	31.07.2017	SCL	SCL on Fish and Maize
1174A	31.07.2017	SCL	Errata to 1174
1175	01.08.2017	SCL	SCL on Broken Rice
1116C	01.08.2017	CESS (Import)	Cess on Wheat
1176	01.08.2017	Duty Waiver	Import Duty Waiver on Wheat Grain
1177	11.08.2017	RPO	Revenue Protection Order 03/2017
1178	14.08.2017	Motor Vehicle	Determination of Customs Value for Disposal of Motor Vehicles Imported under an Approved Scheme of Exemption of Duty on Conditional Basis

1179	16.08.2017	SCL	SCL on Sugara
1180	16.08.2017	SCL	SCL
1181	17.08.2017	Excise	Gazet Notification Published under the Excise (Special Provisions) Act no. 13 of 1989
1153A	22.08.2017	Restoration	Restoration of Customs facilities of M/s Serendib Medicals(Pvt) Ltd.
1182	23.08.2017	Refund	Procedure for Processing Refund and Drawback Claims
1183	23.08.2017	SCL	SCL on Palm Oil
1167A	24.08.2017	Cargo Examination	How to use Container Control Document of "Inspection Act" of the ASYCUDA System
1148A	24.08.2017	ASYCUDA	Capturing Guarantee details to the ASYCUDA World System
1184	08.09.2017	SCL	SCL
1178A	26.09.2017	Motor Vehicle	Determination of Customs Value for Disposal of Motor Vehicles Imported under an Approved Scheme of Exemption of Duty on Conditional Basis
790A	27.09.2017	Baggage	Clearance of passenger's baggage and gift parcels containing goods in commercial quantities or goods of commercial nature
1185	03.10.2017	SCL	SCL on Several Goods
1186	06.10.2017	Duty Waiver	Duty Waiver on Cashe Nuts
928A	13.10.2017	Enforcement Committee	Amendment to DOPL 928
1187	16.10.2017	OT	Payment of OT based on the current basic salary of the staff
1188	26.10.2017	NMRA	Details of the List of Rejected Borderline Products at the level of classification
804C	01.11.2017	ICL	Regulation on imposition of Import control License Requirement and Standard for Plugs and Socket outlets
1018E	02.11.2017	NMRA	Regulation of Cosmetics by National Medicines Regulatory Authority (NMRA)
118T	02.11.2017	PP&R	Inclusion of the staff of Commodity Classification Branch to the Policy Planning and Research Directorate Pool
1189	02.11.2017	SCL	SCL on Fish
118U	07.11.2017	PP&R	Increasing the Number of Shares allocated to the PP&R Pool
1190	07.11.2017	SCL	SCL
1191	08.11.2017	SCL	SCL

1192	09.11.2017	Excise	Budget 2018 - Excise Duty
1193	09.11.2017	RPO	RPO Budget 2018 - 2017/04
1193A	11.11.2017	RPO	Errata to Dopl 1193
1193B	14.11.2017	RPO	Errata to Dopl 1193
1194	16.11.2017	VAT ,PAL , NBT , CESS	Applicability of VAT, PAL, NBT, and Cess levy on the newly created HS Codes as a result of conversion of Harmonized Commodity Description and Cording System 2012 to 2017
1192A	16.11.2017	Excise	Errata to Dopl 1192
1192B	16.11.2017	Excise	Amendment to Dopl 1192
1193C	20.11.2017	RPO	Errata to Dopl 1193
1195	20.11.2017	SCL	SCL
1193D	21.11.2017	RPO	Errata to Dopl 1193
1192C	22.11.2017	Excise	Amendment to Dopl 1192
1193E	27.11.2017	RPO	Errata to Dopl 1193
1196	27.11.2017	CESS (Import)	Budget 2018 Cess
1197	04.11.2017	Admin	Releasing thes weapons imported to Sri Lanka from customs premises
1192D	07.12.2017	Excise	Amendment to Dopl 1192
1198	08.12.2017	ICL	Import Control License
1199	08.12.2017	ECL	Export Control License
1200	13.12.2017	SCL	SCL
1201	14.12.2017	PAL	PAL Budget 2018
1202	14.12.2017	Duty Waiver	Duty Waiver on Petrol and Diesel
1203	14.12.2017	SCL	SCL - Oil
1201A	19.12.2017	PAL	Errata PAL Budget 2018
1204	22.12.2017	Duty Waiver	Duty Waiver on Petrol and Diesel
1205	22.12.2017	Excise	Excise Notification No. 999, Excise Duty on Import of Non- Portable Spirits
1205A	22.12.2017	Excise	Amendment to DOPL 1205,Excise Notification No. 1005: Excise Duty on Import of Non- Portable Spirits
1091B	22.12.2017	Excise	EXCISE ORDINANCE (CHAPTER 52) Excise Notification No. 996
1206	31.12.2017	SCL	SCL on Rice

Departmental subject files opened

Date	PL No.	Remarks
13.03.2017	PL 768	Correspondence with Embassies
24.03.2017	PL 769	Committee on Public Accounts - Correspondence
27.03.2017	PL 770	Customs Website Information Requests
31.03.2017	PL 771	Automation of Bank Guarantee System
07.04.2017	PL 772	Annual Action Plan
08.05.2017	PL 773	Working Group on Trade & Economic Relations Cooperation between Sri Lanka & EU
29.05.2017	PL 774	National Civil Aviation Policy for Sri Lanka
20.06.2017	PL 775	ADB Funded Port Access Elevated Highway Project - Progress Review Meeting
13.07.2017	PL 776	Steering Committee Meeting for Megapolis Projects
17.07.2017	PL 777	Establishing Three Inland Clearance Depots
04.08.2017	PL 778	Performance Report 2016
08.08.2017	PL 779	Central Bank Correspondence
11.08.2017	PL 780	Visit of Chinese Delegation to Sri Lanka Customs
18.08.2017	PL 781	Introduction of Taxation for Sugar Sweetened Beverages
30.08.2017	PL 782	Increasing of Ceiling Value Limit of Export Trade Samples
04.09.2017	PL 783	Parliament Questions
04.09.2017	PL 784	Court Cases
05.09.2017	PL 785	International Affairs email Correspondence

Events organized by Policy, Planning & Research Directorate

1. International Customs day Celebration
2. Awareness Programs for the WTO Trade Facilitation Agreement
3. Initiatives for the WCO Time Release Study

International Affairs

Departmental subject files opened

PP&R/CIAD/24/2017	Agreement between Vietnam and Sri Lanka on CO-operation and Mutual Assistance in Customs Matters
PP&R/CIAD/25/2017	Customs Contact Point Officials Registration
PP&R/CIAD/26/2017	MOU for Development Cooperation Partnership between the Government of Sri Lanka and the Government of Australia
PP&R/CIAD/27/2017	UN Security Council Resolution on North Korea: Obligations of Member States
PP&R/CIAD/28/2017	Free Trade Agreement between Thailand and Sri Lanka
PP&R/CIAD/29/2017	Trade Agreement between the government of Sri Lanka and the Government of Nepal
PP&R/CIAD/30/2017	Agreement between Customs of Jordan and Sri Lanka on Co-operation on the customs related matters
PP&R/CIAD/32/2017	UNESCAP Framework Agreement on Facilitation of Paperless Cross-border Trade in Asia Pacific Region

Compliance and Facilitation Directorate

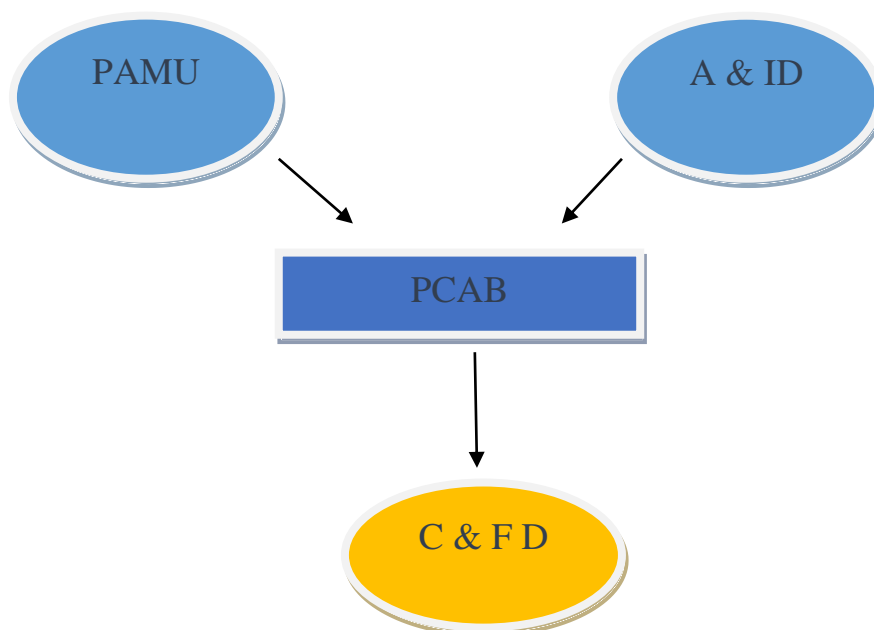
Introduction

Post clearance audit means audit-based Customs control performed subsequent to the release of the cargo from Customs' custody.

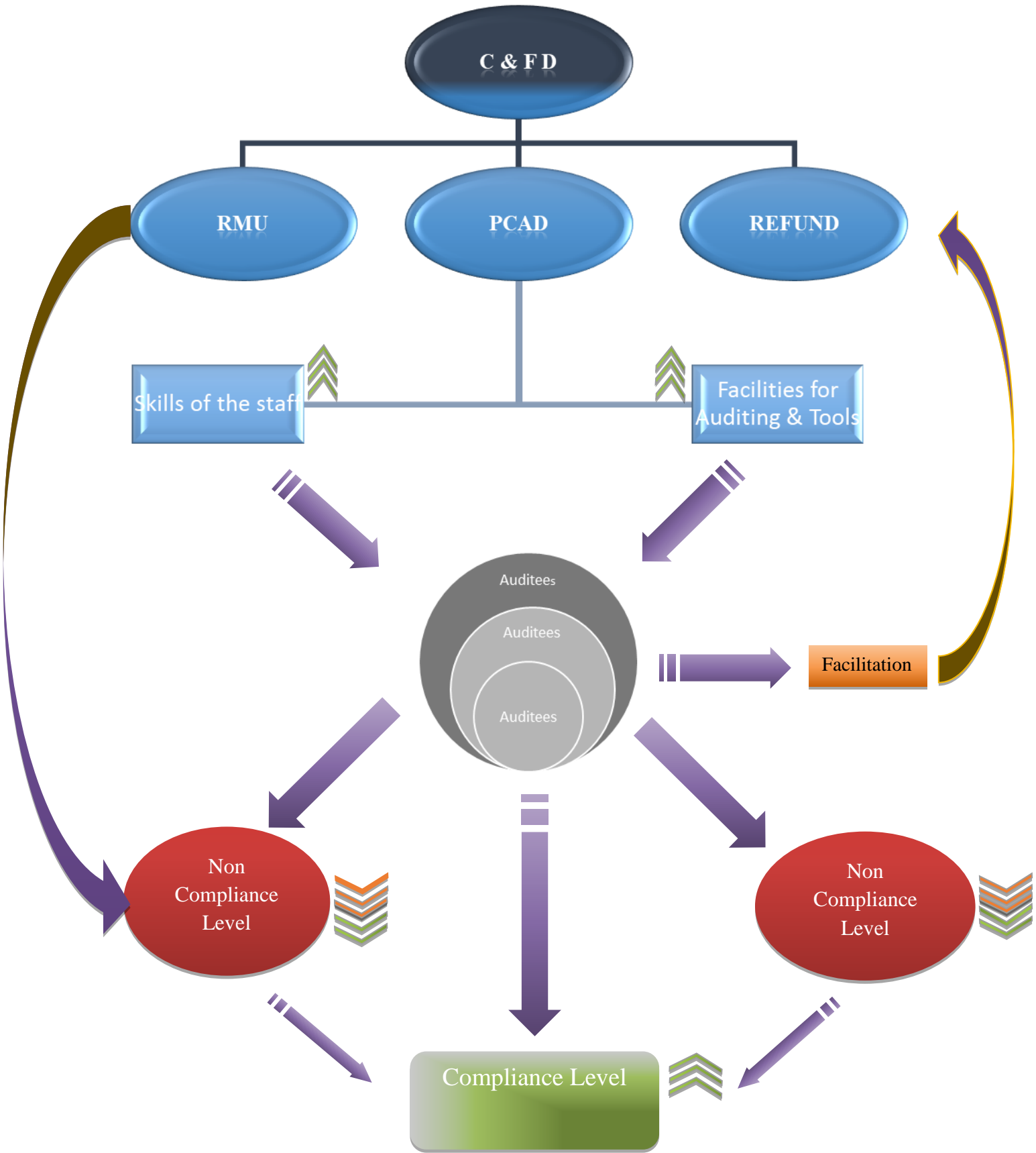
In view of the vision Post Clearance & Audit Branch (PCAB) was first established in year 2000, under the Directorate of Valuation in order to facilitate the successful implementation of WTO Valuation Agreement. This branch was established by absorbing Post Audit and Manifest Unit (PAMU) and Audit & Inspection Branch (A&ID).

With the implementation of the new organizational structure under the customs reforms and modernization program in the latter part of 2010, PCAB functioned under the Directorate of Valuation was upgraded to a Directorate under a Director of Customs within the Enforcement Cluster and known as Directorate of Post Clearance Audit (PCA). Considering the need to facilitate the complaint traders and to control lapses and fraud in customs clearance process, it has been decided to improve the existing systems by establishing a Risk Management Unit (RMU) in Customs. Recognizing that the implementation of the principles of risk-management and compliance measurement and introduction of procedures for facilitation programmes in Customs clearance process are important factors that would contribute to enhance the level of compliance among the trading community, it has been decided to bring the functions of the Post Clearance Audit and Risk Management under one Directorate within the Corporate Cluster.

Henceforth Post Clearance Audit and Risk-management are functioning as two branches under the directorate which is names as "Compliance and Facilitation Directorate" with effect from 26th September 2013 in terms of DOPL883. With the inclusion of Refund Branch presently C&FD has three branches. Namely, Post Clearance & Audit, Risk Management and Refund.



C & F D & Compliance level of Auditees



Post Clearance Audit

Post clearance audit (PCA) or audit-based controls are defined by the Revised Kyoto Convention as measures by which the Customs satisfy themselves as to the accuracy and authenticity of declarations through the examination of the relevant books, records, business systems and commercial data held by persons concerned. Post-clearance audit is a critical control methodology for Customs and other border regulatory authorities as it enables them to apply a multi-layered risk-based control approach by moving from a strictly transaction-based control environment to a stronger audit-based administration. Transaction-based controls are those controls applied to each individual shipment at the time of crossing the border, such as physical examination, verification of value, origin and classification of goods, sampling, verification of certificates, licenses and permits, etc.

Source: World Customs Organization (WCO)

Post-clearance audits can be conducted on a case-by-case basis, focusing on targeted operators, selected on the grounds of risk analysis of the commodity and the trader or in a planned, regular way, set out in an annual audit programme. Furthermore, the audit could also be used as criteria to offer special treatment to certain economic operators.

Main Objectives of PCA

- (a) To verify accuracy and authenticity of Customs declarations over the past certain period;
- (b) To recommend auditees to take necessary measures for amendment of their incorrect declarations.
- (c) To encourage auditees to enhance their compliance with Customs laws and regulations;
- (d) To provide input for the risk management process.

Items to be verified in PCA

Every particular required for an important declaration outlined in the following table can be verified in PCA:

Duty Base Related Items	Date Rate Related Items	Duty Amount Related Items	Others
<ul style="list-style-type: none"> • Value • Quantity • Currency • Exchange Rate 	<ul style="list-style-type: none"> • Classification • Application of General Rates • Preferential Rates 	<ul style="list-style-type: none"> • Exemptions Justifications Amount • Accuracy of duty calculation 	<ul style="list-style-type: none"> • Restrictions • Prohibitions • Import License • IPR • CITES • Royalty • Exchange Control

It should be noted that the above items can be examined in customs clearance and / or pre-clearance verification stages before PCA. The approach in PCA should be different from one in customs clearance (pre-clearance verification) to avoid unnecessary duplication between them and to maximize the merits and minimize the demerits of PCA. As one of the merits, PCA enables PCA officers to examine not only documents attached to customs declarations but also relevant books and records, such as account books, retained by auditees over the past certain period at the auditee's premises.

Post Clearance Audit Division

Performance during the year 2017

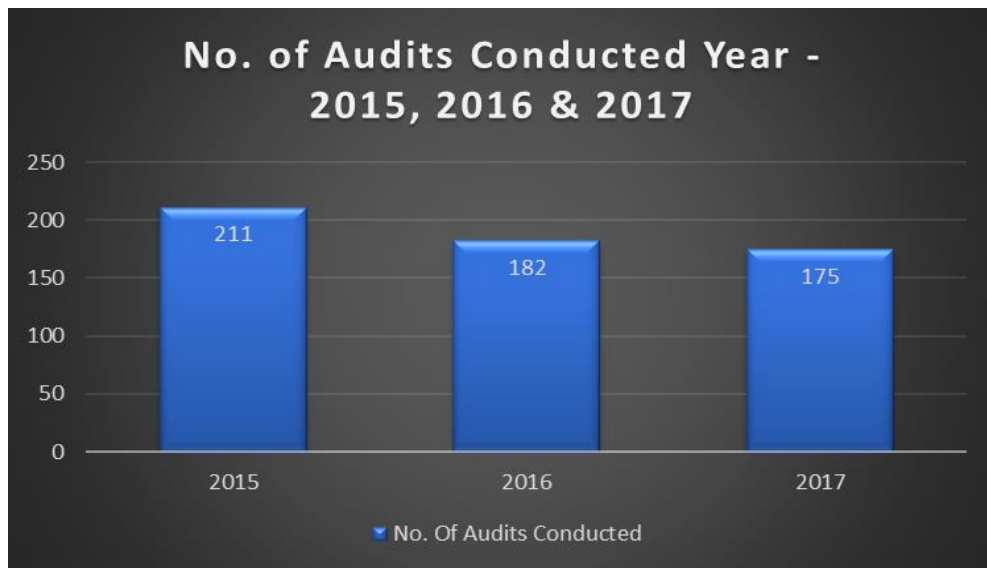
	2017
Number of audits registered during the year	175
Number of post audit cases registered during the year	112
Number of post audit cases concluded (including previously registered)	54
Number of post audit cases established offences and imposed forfeiture/penalties	48
Total amount of forfeiture/penalties recovered (Rs.)	1,115,246,416
Total amount of sales proceeds collected (Rs.)	5,361,833
Total amount collected as A/E (Rs.)	894,548
Total amount recovered (Rs.)	1,121,502,797

Performance during the year 2014, 2015 & 2016

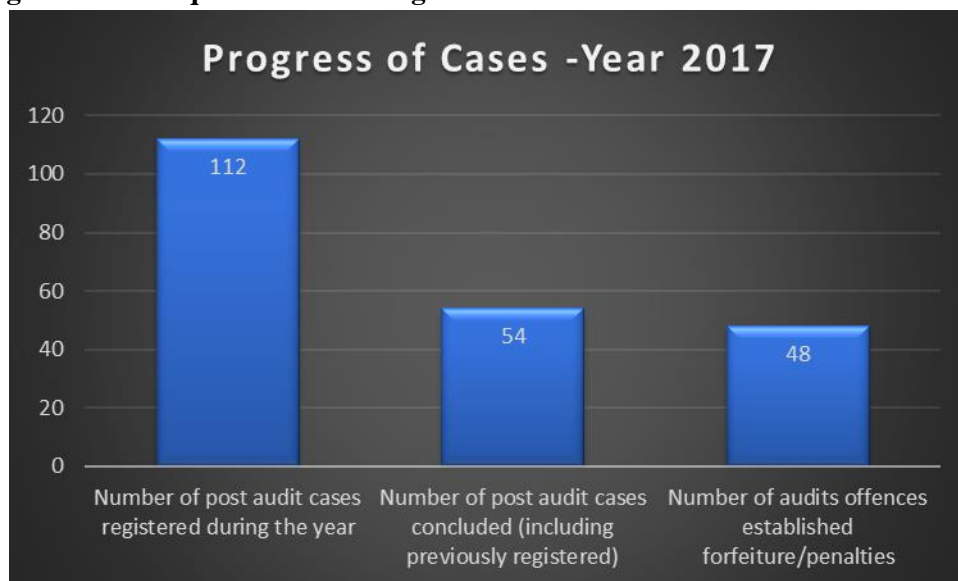
	2015	2016	2017
Number of post audit cases registered during the year	133	103	112
Number of post audit cases concluded (including previously registered)	63	77	54
Number of audits offences established forfeiture/penalties	63	69	48
Total amount of forfeiture/penalties recovered	759,460,609	938,538,574	1,120,608,249
Total value of the goods forfeited	NIL	NIL	NIL
Total amount collected as A/E	66,016,718	61,512,281	894,548
Total Recovered	825,477,327	1,000,050,855	1,121,502,797

1) Progress of Audits

Year	No. Of Audits Conducted
2015	211
2016	182
2017	175

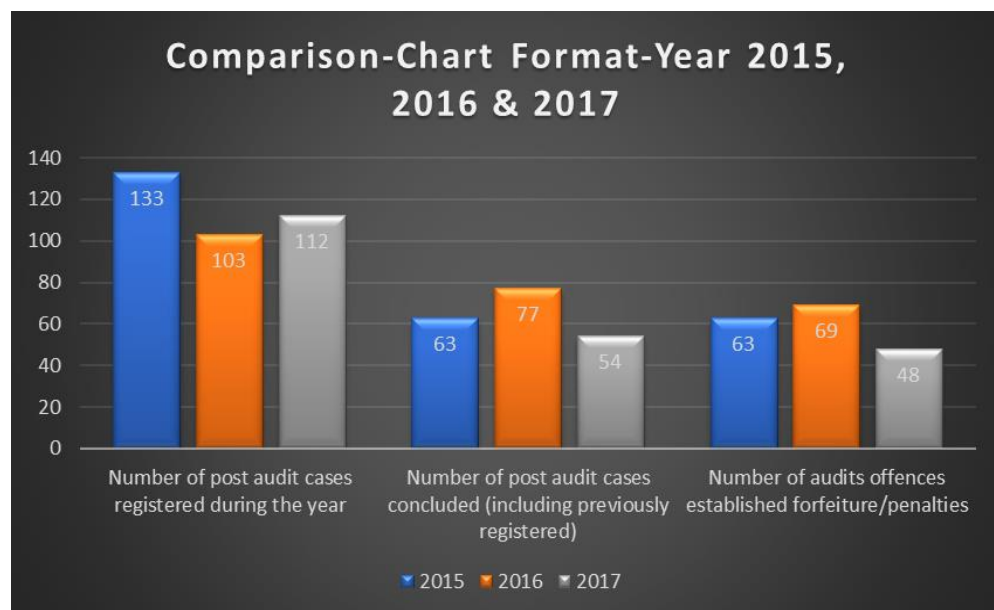
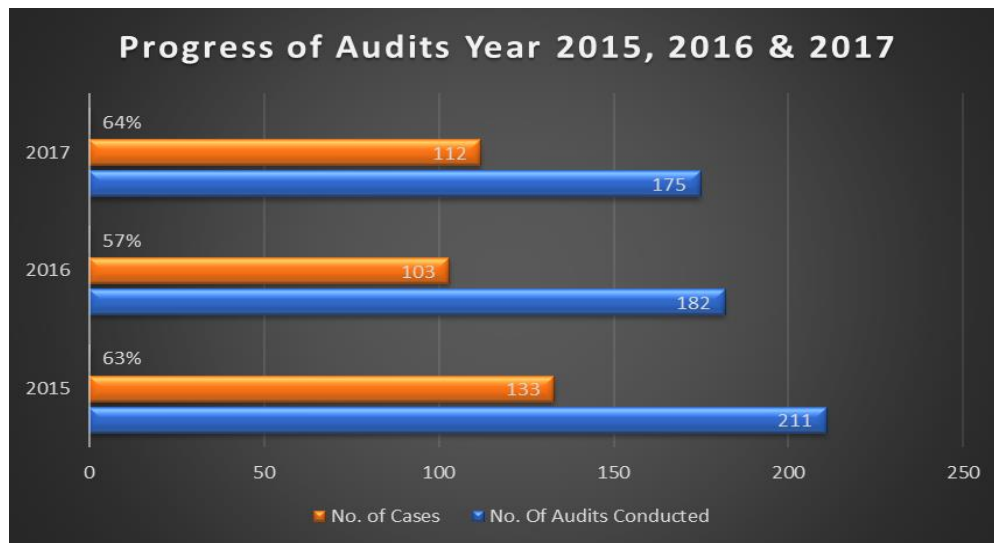


1) Progress of Subsequent Cases during the Year 2017



Comparison between Audits and Cases

Year	No. Of Audits Conducted	No. of Cases	%
2015	211	133	63%
2016	182	103	57%
2017	175	112	64%



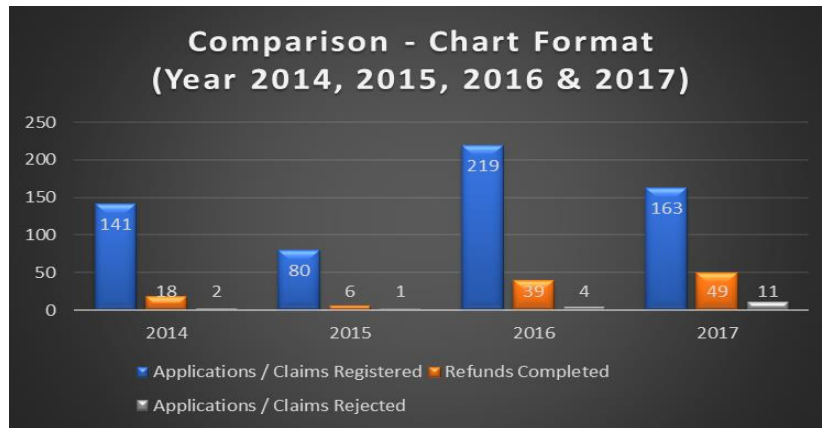
Refunds Division

1) Status of the Refund Claims - 2017

	Number
Application/Claims Registered	163
Refunds Completed	49
Applications / Claims Rejected	11

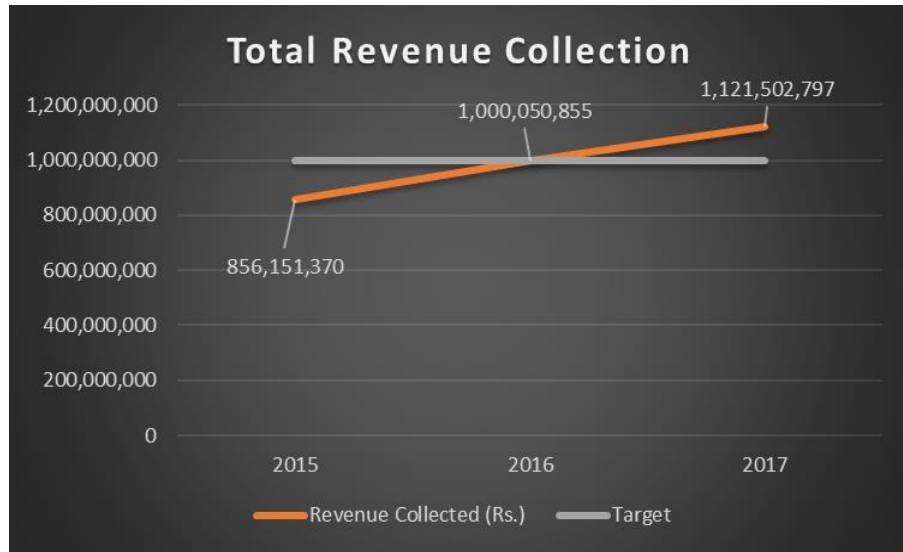
2) Status of Refund Claims - Previous Years (2014 to 2017)

Year	2014	2015	2016	2017
Applications / Claims Registered	141	80	219	163
Refunds Completed	18	06	39	49
Applications / Claims Rejected	02	01	04	11



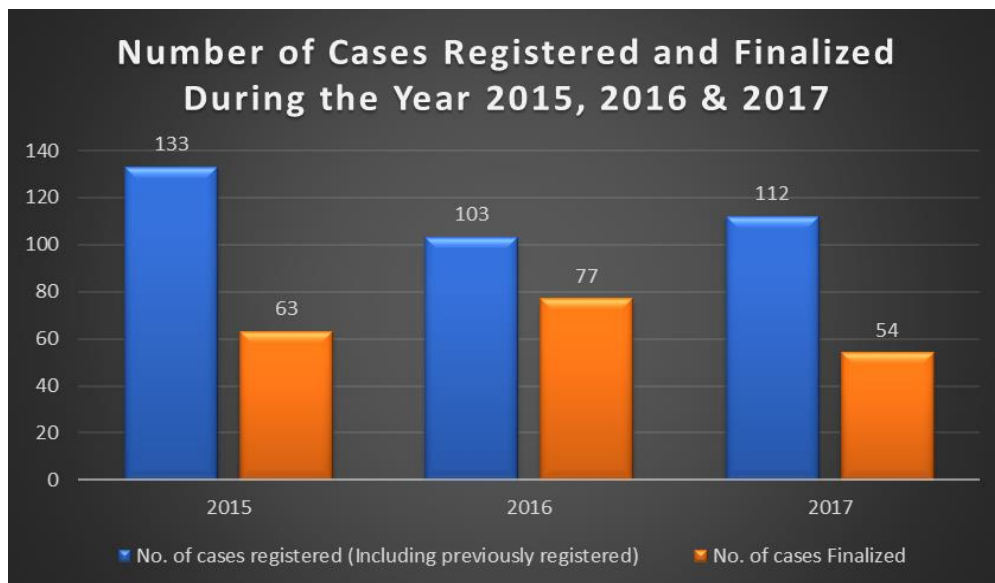
3) Total Revenue Collection

Year	Revenue Collected (Rs.)
2015	856,151,370
2016	1,000,050,855
2017	1,121,502,797



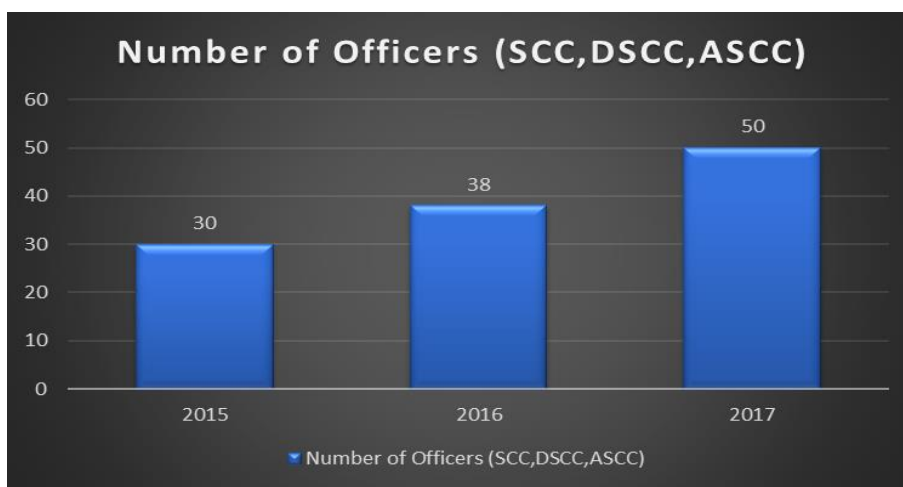
4) Number of Cases Registered and Finalized During the Year 2016

Year	No. of cases registered (Including previously registered)	No. of cases Finalized
2015	133	63
2016	103	77
2017	112	54



5) Number of Staff

Year	Number of Officers (SCC, DSCC, ASCC)
2015	30
2016	38 (Average)
2017	50 (Average)



Risk Management Unit

Risk Management is the systematic application of management procedures and practices which will provide customs with necessary information to address the risk. The potential for non-compliance with relevant statutory requirements and the potential failure to provide an appropriate level of facilitation are key risks which customs administration is faced.

The Sri Lanka government policy is to promote legitimate international trade in Sri Lanka and there is an increasing emphasis on facilitation of the movement of cargo into and out of the country. Therefore, Customs has to minimize human intervention in its clearance process and procedures and introduce system-based controls.

For the fulfillment of above objectives, Sri Lanka Customs has established a Risk Management Unit to use risk management tools to maintain the balance between control and facilitation. Automated selectivity program uses risk management tools which also includes risk indicators to analyze and assess the potential risk. Risk assessment tools drive through automated selectivity program in the ASYCUDA system through which import data declared will be analyzed on the basis of identified risk parameters.

Depending on the selected risk levels, consignments will be routed through different channels for Customs examination.

Valuation database is another important risk assessment tool which is used by the Customs administration along with other risk tools to assess potential risk regarding truth or accuracy of the declared value of imported goods. It enables Customs to compare the declared value to the Customs reference value in the database. This task can be achieved by establishment of reference valuation database using ASYCUDA system with use of intelligence software to retrieve and analyze the data in the system.

Application of principles of risk management in order to achieve the balance between control and facilitation is the key task of the risk management unit and its functions are enumerated below.

1. Selection of High Risk Cargo

Risk Management Unit guided by the Risk Management Committee classifies consignees based following criteria.

- Newly registered companies with minimum compliance history.
- Irregular import patterns, incomplete/insufficient declarant details, nature of goods and country of origin.
- Intelligence alerts released by CIU.

In pursuance of the above criteria 1470 consignees have been categorized under HRC.

2. Fast Track Documentation Program at Long Room and Monitoring the companies

In fulfillment of WTO trade facilitation program RMU has initiated a fast track documentation program at the Long Room.

Salient features of this program are as follows.

- The Fast Track Documentation Processing facility as of end of 2017 has been provided for 186 companies.
- Import data of Fast Track companies were analyzed for irregularities.

3. Selectivity Criteria Development

Development of selectivity criteria is also a major responsibility entrusted to the RMU and the prominent features are,

- Imports from Pakistan, UAE, Bangladesh, Malaysia and Vietnam were analyzed to develop criteria to target uncommon imports from these countries.
- Commonly imported commodities were identified through analysis of quantities, frequency and value of imports.
- Analysis for developing selectivity criteria was carried out to automatically target occasional and first-time importers.

4. Selection of Green Channel Companies and Monitoring the Companies

Sri Lanka Customs has implemented a bold facilitation initiative to grant Green Channel facilities and 47 companies are categorized as Green Channel companies based on the following criteria.

- Total value of imports
- Total tax paid for the government
- Total volume of the imports.
- Previous offence history against CCR.

Selected companies are facilitated with examination free release of goods. Although consignments are subject to random examination.

Action Plan for 2017 Risk Management Unit

Function	Activity	1 st QTR	2 nd QTR	3 rd QTR	4 th QTR
Fast Track Documentation program at Long Room and Monitoring the companies	Identification of compliant traders	X	X	X	
	Office visits	X	X	X	X
	Maintain & Monitor the Fast Track Consignment list	X	X	X	X
	Conduct PCA	X	X	X	X
Selection of High risk Cargo	Identification of High risk Cargo	X	X	X	X
	M&E of HRC list	X	X	X	X
	Update HRC list frequently	X	X	X	X
Automated Selectivity Program	Conducting Feasibility studies	X	X		
	Identification of risk parameters	X	X		
	Setting risk levels	X	X	X	X
	Collating appropriate test data	X	X		
	Perform test runs	X	X	X	
Selection of Green Channel Companies and Monitoring the companies	Development of criteria	X			
	Identification of companies		X	X	
	Analyzing of the companies (Green Channel Questionnaire)		X	X	
	Office Visits/ Feasibility studies			X	X
	Conduct PCA	X	X	X	X

Progress of the Plan for 2017 (Risk Management Unit)

Function	Activity	Results
Fast Track Documentation program at Long Room and Monitoring the companies	Identification of compliant traders	186 consignees have been identified for the fast track documentation program. Import data has been analyzed in the program on a regular basis. Monitoring of all companies not carried out due to lack of staff.
	Office visits	
	Maintain & Monitor the Fast Track Consignment list	
Selection of High risk Cargo	Identification of High risk Cargo	Additions to the list have been done regularly from data analysis/ CIU reports and newly registered companies.
	M&E of HRC list	
	Update HRC list frequently	
Automated Selectivity Program	Conducting Feasibility studies	Risk factors as uncommon imports, country of import etc. were considered. Five automated selectivity criteria were implemented.
	Identification of risk parameters	
	Setting risk levels	
	Collating appropriate test data	
	Perform test runs	
Selection of Green Channel Companies and Monitoring the companies	Development of criteria	Continuous monitoring of Green channel companies on their import patterns and offences which makes them eligible for the facility throughout the year.
	Identification of companies	
	Analyzing of the companies (Green Channel Questionnaire)	
	Office Visits/ Feasibility studies	
	Update company risk profiles	

Information & Communication Technology

Directorate

Introduction

Objectives of the ICT Directorate are to provide technology, services and facilitations to the Department in commissioning the CusDecs processing and furnishing web services around the clock constantly. Total automation of CusDecs processing ensures speedy quality and reliable information systems for effective and efficient Customs administration. ICT Directorate is instituting new more efficient and fail-safe computer-based systems and processes to keep up the submission of all the Customs Declarations and supportive documents, electronically.

Major Functions

1. Support to achieve organizational goals through Automation.
2. Maintain the systems network, computer peripherals and databases successfully
3. Provide timely and accurate information system and reports to Customs Management, other Customs Divisions, other government agencies and stakeholders
4. Conduct evaluations and effect upgrades to existing systems: 'ASyCuDa', 'Cargo Control system', Motor Control System', and Thineth System', with global advancements.
5. Enhance professional quality with the ICT Skills of the staff of the ICT directorate to achieve the desired operational goals.
6. Expand trainings in ICT literacy and operations of the ICT modules to the Department.

Key Activity

Key Activity:	
Main Steps	Achieved % on 31/12/2017
1. Automating the write off of the Sea Manifest at the CBHQ1 office.	ICT division is 100% ready. However, there is a ambiguity between the Sec 28 of the Customs Ordinance and the gazette notification No.1889/55-31/10/2014. ICT division is awaiting management decision to go ahead.
2. Automating the exchange of RMV/Customs data.	ICT division is 100% ready. RMV is still in the development stage of their webservice.
3. Connecting SLSI to the ASYCUDA World System.	Finance Ministry has developed a system. ICT division is 100% ready to accept the approvals
4. Automating the examination yards.	Completed.
5. Registering Directors details to the ASYCUDA system.	Part assigned to the ICT division is 100% completed.
6. Migration of the current THINETH System to the ASYCUDA World system.	System development completed. Testing commenced.
7. Sending the details of the CDN electronically to the terminal handlers.	Completed.
8. Renovating the Customs web site.	100% Completed
9. Implementation of the electronic Value Declaration Form	100% Completed
10. Connecting other commercial banks	ICT division part is 100% completed. However, only 5 banks have taken the initiative to connect to online payment system.

Central Valuation Directorate

Introduction

Central Valuation Directorate accomplishes the functions related to the verification and determination of declared values of the imported goods as per the Articles of Schedule E of the Customs Ordinance.

Overall decisions associated with the Valuation processes are carried out under the provisions of sections 51 and 52 of the Customs Ordinance, that contribute for achieving the expected objectives of the department.

Objectives

- Enhance efficiency and effectiveness through valuation tools and techniques and capacity building formalities thereby contributes to departmental goals.
- Contribute for proper facilitation of legitimate trade.
- Enhance the level of compliance of stakeholders and the staff using best practice approaches in line with WCO, WTO and other International Instruments and Tools.

Major Functions

- Ensure proper application of the provisions of article VII of WTO GATT 1994 empowered by Section 51 of the Customs Ordinance;
- Developing valuation tools (i.e. Updating valuation data base, issuing periodical alerts) and best practices for the effective and uniform application of valuation law;
- Verification of declared values and determination of Customs Values of the imported commodities in line with the Articles of schedule E;
- Assisting the Valuation Committee in Policy matters concerning Customs Valuation;
- Foster public-private partnership in solving valuation issues and invite public participation in carrying out value Research;
- Monitoring valuation trends of sensitive commodities, carrying out valuation inspections, research and investigations for taking necessary actions as far as revenue is concerned;
- Coordinating Customs valuation matters with relevant international organizations/sources through ADGC(C) and DC (CIAD);

Key Action	Target	Actual	If not achieved the reasons
Key activity 1; Ensure efficient and effective value verification mechanism			
1.1 Identify Valuation sensitive commodities	Identify and report HS numbers of Valuation sensitive commodities to the RMU for selectivity purposes (In order to maintain proper valuation control)	Not Achieved	In the absence of fully automated cargo selectivity system
1.2 Develop partnership with private sector and State Institutions for the purpose of getting technical information (Usage of material in finished product, production processes etc.)	To maintain a uniform and acceptable system for determination of minimum values for some specific items	Uniformity achieved in some commodities (i.e. Imports made by Used Vehicle parts Association, Flexible Packaging Association, Timber Importers Association etc.)	
1.3 Refer to VRIU for necessary research when the valuation decisions are in disputes	In order to take effective decisions on values that are in disputes and to maintain effective control mechanism.	Achieved successfully	
Key Activity 2: Develop and maintain the Customs Valuation Database (CVDB)			
2.1 Identify the proper sources in order to gather required value information	Develop the CVDB as a Risk Management tool and to maintain a uniformity when exercising the provisions of the Agreement on Customs Valuation	Developed the CVDB in the Microsoft Excel database format which will be amalgamated with the proposed fully automated Customs Valuation Database	
2.2 Sub Committees appointed to review the errors and for the periodic maintenance of the CVDB	Ensure the periodic maintenance in view of the guidelines stipulated in the Agreement on Implementation of Article VII of the WTO GATT 1994, WTO Technical Committee Decision 6.1 and clarified in chapter 6 of the guidelines on the general annex to the revised Kyoto	Achieved successfully	

	convention		
Key Activity 3: Developing of other tools related to Customs Valuation			
3.1 To implement the newly designed electronic Value verification form (i.e. electronic VDF)	In order to get the accurate data for the Customs Database purposes	Not achieved	Implementing was unsuccessful due to delays in fully automation
3.2 Issuance of periodic Valuation Alerts	Maintain proper valuation control and facilitation of legitimate imports	Not achieved	Non-compliance of the staff and the traders
4. Taking steps for the facilitation of legitimate trade			
4.1 Taking valuation decisions after proper communication with the importer	Application of the provisions of Section 51 of the Customs Ordinance	Achieved through the implementation of new Valuation Verification Form (VVF)	
4.2 Appeal mechanism	Address the importers' grievances	Achieved successfully	
4.3 Actions as per the WCO Time Release Study	Expedited the clearance process.	Progressing smoothly	Could be measured in next TRS Survey
4.4 Frontline valuation approval. (At Long Room)	To facilitate the transaction values that are acceptable under Article I of Schedule 'E' of the C.O.	Achieved successfully	
4.5 e-payment facility for the instance where Transaction Value has been rejected and A/E is due	Expedite the valuation process	Achieved successfully	

4.6 Acceptance of securities under Section 51(A) (7)	Expedite valuation clearance pending finalization of valuation matter.	Achieved successfully	
4.7 Release the cargo on guarantees as far as valuation formalities are concerned until the final decision is taken	Address the importers' grievances	Achieved successfully	

(Under section 51A CTZ)

Monthly Statistics of Central Valuation Directorate 2017

Month	No. of Entries Received	No. of Entries Value Revised	Percentage of Adjustments	Amount Recovered
January	1,500	827	55.13%	96,976,771.01
February	1,249	603	48.28%	92,588,732.00
March	2,877	1,885	65.52%	124,223,659.00
April	2,567	1,631	63.54%	115,021,167.83
May	2,703	1,656	61.27%	133,249,396.00
June	2,426	1,047	43.16%	137,691,728.00
July	2,486	959	38.58%	124,688,097.00
August	2,626	1,220	46.46%	156,586,925.58
September	2,637	1,091	41.37%	144,727,507.37
October	2,408	1,176	48.84%	156,768,427.00
November	1,911	1,303	68.18%	169,522,592.00
December	2,965	1,416	47.76%	181,737,644.26
Total	28355	14814	52.24%	1,633,782,647.05

Performance Report for the Years 2015, 2016 & 2017

Month	Total No of Cusdecs Referred		Total No of Cusdecs Values Revised		Total No of Cusdecs Value has been Accepted		Percentage of Value Adjustments		Amount Recovered through A/E	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
January	1150	1500	556	827	594	673	48%	55%	84,498,414.00	96,976,771.01
February	1277	1249	616	603	661	646	48%	48%	103,263,972.00	92,588,732.00
March	1162	2877	506	1885	656	992	44%	66%	90,903,711.00	124,223,659.00
April	1103	2567	527	1631	576	936	48%	64%	85,868,619.00	115,021,167.83

May	1300	2703	565	1656	735	1047	43%	61%	99,738,181.00	133,249,396.00
June	1644	2426	725	1047	919	1379	44%	43%	132,070,090.00	137,691,728.00
July	1252	2486	497	959	755	1527	40%	39%	84,129,484.00	124,688,097.00
August	1774	2626	726	1220	1048	1406	41%	46%	123,306,222.00	156,586,925.58
September	1655	2637	628	1091	1027	1546	38%	41%	82,950,641.00	144,727,507.37
October	1876	2408	889	1176	987	1232	47%	49%	127,316,886.00	156,768,427.00
November	1912	1911	915	1303	997	608	48%	68%	138,543,377.00	169,522,592.00
December	1974	2965	977	1416	997	1549	49%	48%	166,120,790.85	181,737,644.26
	18079	28355	8127	14814	9952	13541	45%	52%	1,318,710,387.85	1,633,782,647.05

Performance of Valuation Research and Investigation Unit (VRIU) in 2017

Number of cases registered from 1st January 2017 to 31st December 2017	134
Number of cases completed	126
Number of cases where offences established and forfeitures/penalties imposed	62
Percentage of effective cases	41.5%
Total amount of penalties, forfeitures collected from 1st January to 31st December 2017(LKR)	211,954,782.00
Total value of goods forfeited	Nil
Total number of incomplete case files (from 1st January 2017 to 31st of December 2017)	8

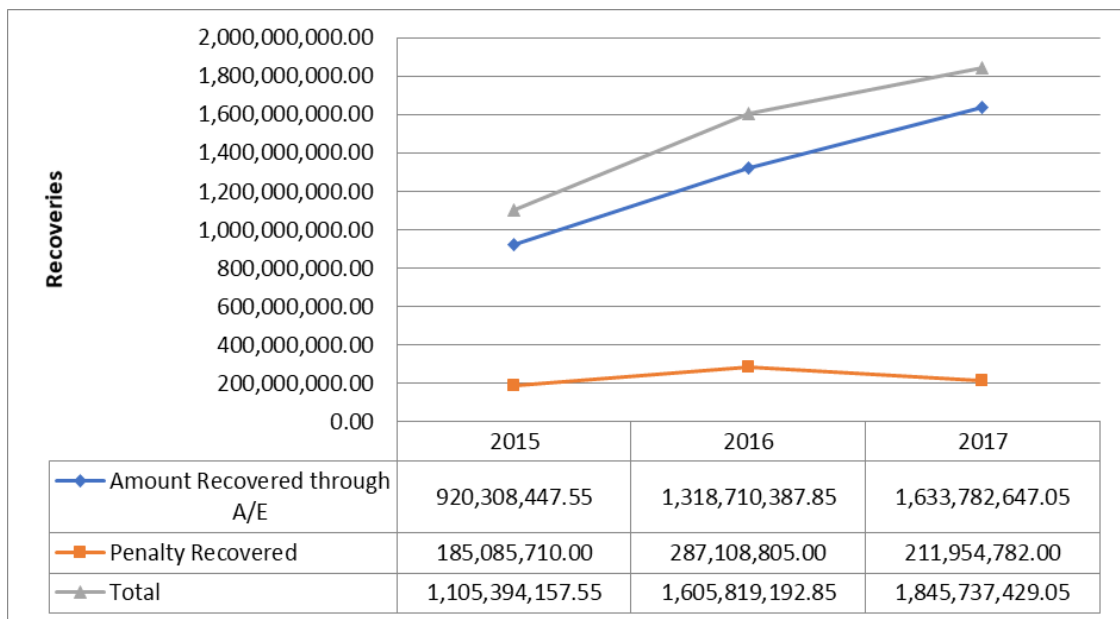
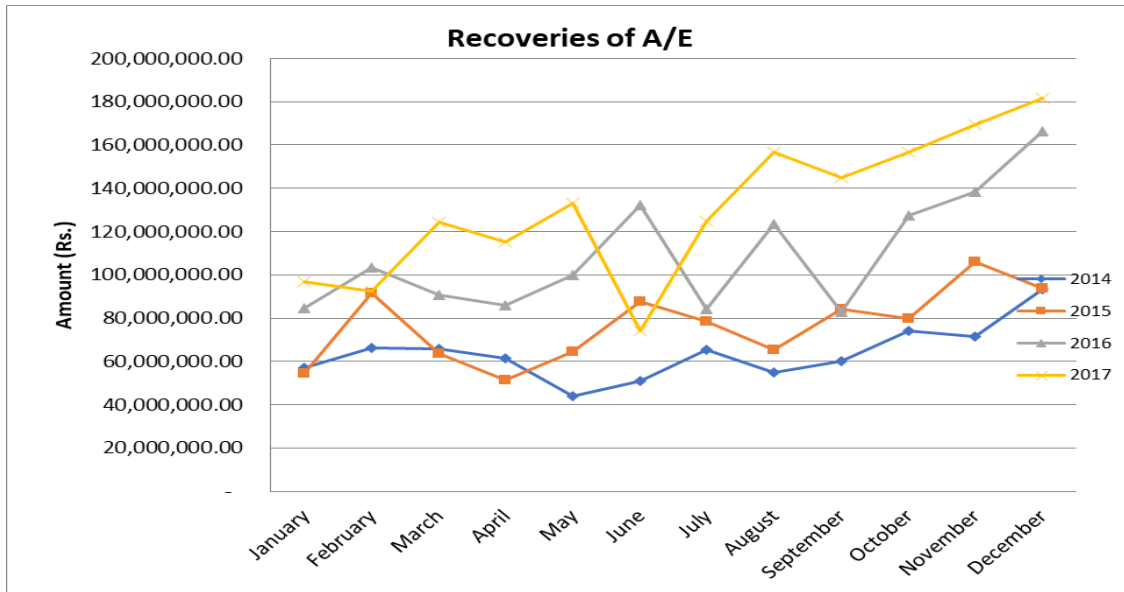
Comparison of performance of VRIU with the performance of year 2016 & 2017

	2016	2017
Number of cases registered	217	134
Number of cases completed	228	126
Number of cases where offences established and forfeitures/penalties imposed	82	62
Total amount of forfeitures/penalties collected (LKR)	287,108,805.00	211,954,782.00

Total number of incomplete case files

3

8



Abbreviations:

RMU : Risk Management Unit

VRIU : Valuation Research & Investigation Unit

CVD : Central Valuation Directorate

CVDB : Central Valuation Database

Specialized Services Directorate

Introduction

The objective of the Specialized Services Directorate is providing services to the department and its stakeholders. The services are in respect of determining the appropriate harmonized system codes of the commodities Imported/Exported, analyzing of chemicals Imported/Exported, valuing of gems, precious metals and jewellery for Import or Export, issuing of licenses to the Customs House Agents and registering Importers and Exporters in the ASYCUDA system in order to facilitate processing of Import/Export Customs declaration.

Major Functions

1. Commodity / Goods classification
2. Identification & Classification of chemicals and allied products
3. Identification, Classification and Valuation of gems, precious metals and jewellery
4. Issue of licenses to the Customs House Agents and Registration of importers and exporters.

The specialized services directorate functions under the Corporate Cluster of the Customs department and comprising of four branches.

Commodity Classification Branch

Performance for 2017

This unit is responsible for determining the most appropriate Harmonized System Codes for the products Imported/Exported. When there are disputes in respect of H.S. Code of a particular product in the CusDec, from CusDec Processing units or Cargo Examination units, CusDecs are referred to this unit for the clarification of the classification dispute. In such a situation this unit issues an Internal Advice proposing the most appropriate HS code for the disputed item having gone through the MSDS and other relevant literature.

Apart from that as a measure of facilitation to the trade, this branch issues advance tariff classification ruling for the commodities to be Imported or Exported. Importers/Exporters could obtain this ruling by submitting duly filled application form available in the Customs website. Once this ruling is issued it is valid for a period of one year from the date of its issuance for the same item imported from the same manufacturer.

Anyway, if the officers who refer the CusDecs from any of the entry points or the importers / exporters who are not satisfied with the issued rulings can refer their items to the Nomenclature Committee or even to the WCO Harmonized System Committee for further clarifications through the Department of Customs.

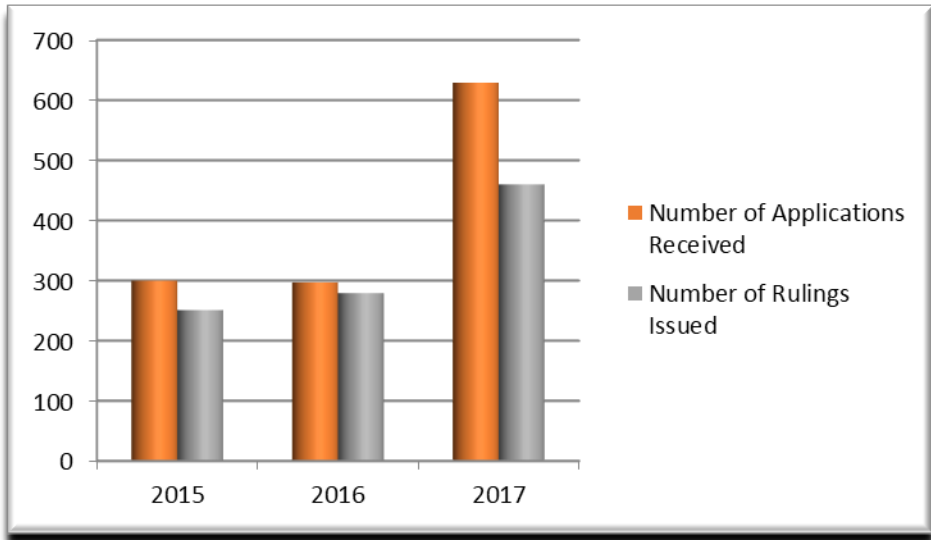
Advanced Classification Rulings

Number of Applications Received	629
Number of Rulings Issued	460
Pending Applications	85

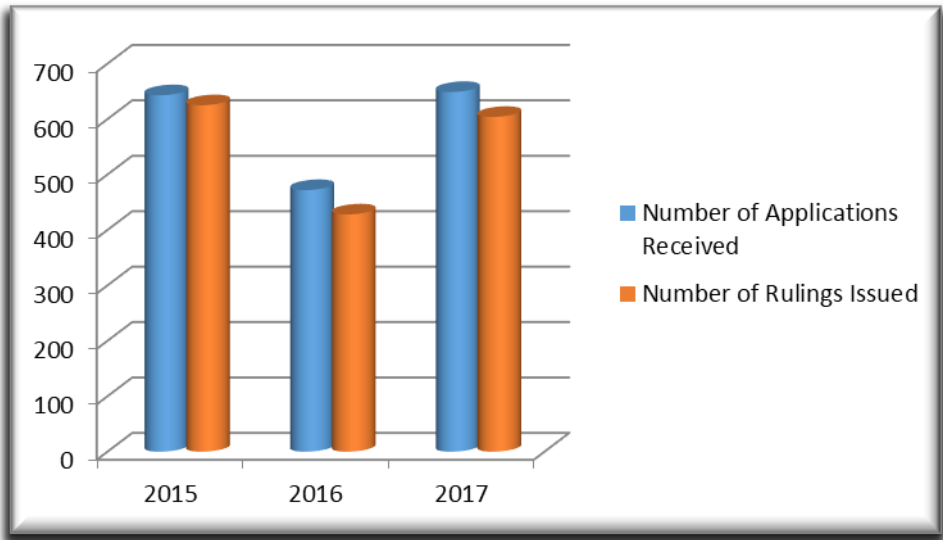
Internal Classification Advices

Number of Applications Received	649
Number of Rulings Issued	604
Pending Applications	80

In comparison to previous years			
1. Advanced Classification Rulings - 2017			
Year	Number of Applications Received	Number of Rulings Issued	Rate of Completion
2015	300	251	84%
2016	297	279	94%
2017	629	460	73%



In comparison to previous years			
2. Internal Classification Advices - 2017			
Year	Number of Applications Received	Number of Rulings Issued	Rate of Completion
2015	643	625	97%
2016	472	428	91%
2017	649	604	93%



Customs Laboratory Branch

The Customs Laboratory is established in order to assist the department and the stakeholders in identifying chemicals and allied products Imported/Exported. When there are doubts on identifying chemicals and allied products Imported/Exported, the samples of them are referred to this laboratory for analyzing and when there are disputes with regard to the classification of chemicals and allied products the documents relevant to the products are referred to this branch for their opinion.

As a technical unit, it would coordinate with other relevant stakeholders in implementing various conventions and existing regulations.

<u>Progress Report for the year 2017</u>		
1	Total Number of CUSDECs received	201
	Total Number of ruling files received	93
	Total Number of other files received	31
	No. of samples received with the entries	201
2	No. of declarations referred to Lab	
	A. CUSDECs analysis for identification only	64
	B. CUSDECs analysis & classification only	69
	C. CUSDECs for classification only	68
	D. Ruling files referred from 'CC' Branch	93
	E. Ruling files referred from other Branches	0
	F. Others	31
3	No. of declarations finalized	
	A. CUSDECs analysis for identification only	62
	B. CUSDECs analysis & classification only	67
	C. CUSDECs for classification only	63
	D. Ruling files referred from 'CC' Branch	91
	E. Ruling files referred from other Branches	0
	F. Others	31
4	No. of CUSDECs finalized	192
	No. of Ruling files finalized	91
	No. of other files finalized	31
5	No. of declarations pending	11
6	No. of declarations referred to other institutions	0

7	No. of discrepancies detected	
	Incorrect classification	53
8	The amount recovered as analysis fee (Rs.)	77,500.00
9	The amount of duty to be recovered as A/E (Rs.)	37,084,599.00

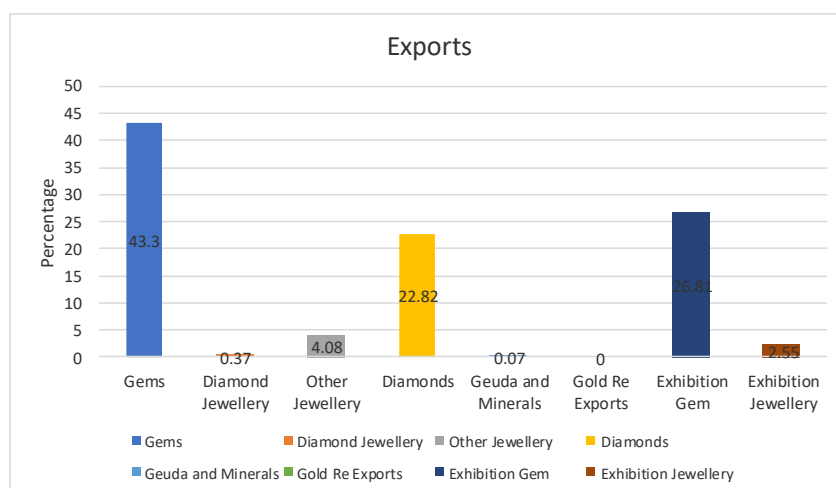
Gem Branch

Officers who are specialized in gem and jewellery field do processing of documents for import and export of gems, precious metals and jewellery in this branch. The officers with the coordination of the national gem and Jewellery Authority officers do the valuation.

- The Summary for all the Imports and Exports for the Calendar year 2017 is as follows
- All Values are mentioned in LKR

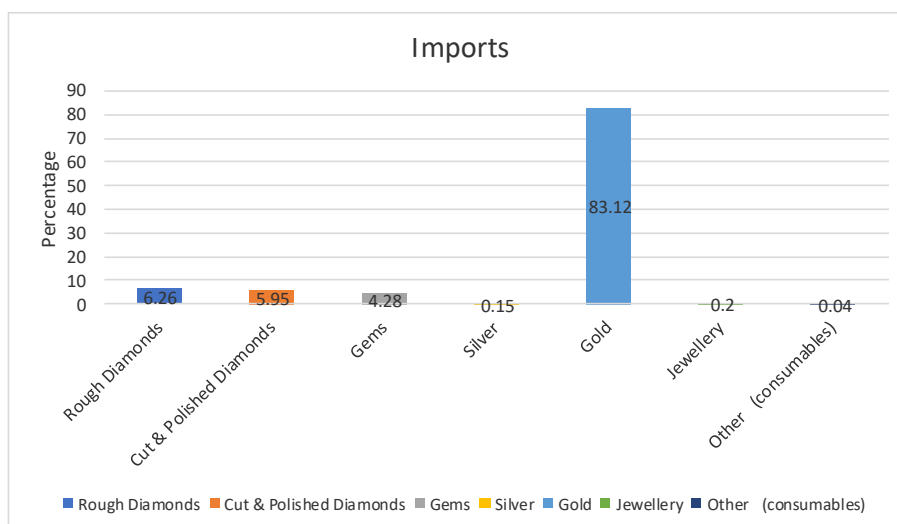
Exports

Exports	Total Value	Percentage
Gems	25,315,599,604	43.3%
Diamond Jewellery	219,097,969	0.37%
Other Jewellery	2,385,566,365	4.08%
Diamonds	13,341,641,914	22.82%
Geuda and Minerals	42,170,092	0.07%
Gold Re Exports	-	-
Exhibition Gem	15,679,993,442	26.81%
Exhibition Jewellery	1,492,293,357	2.55%
Total	58,476,362,743	



Imports

Imports	Total Value	Percentage
Rough Diamonds	7,706,708,530	6.26%
C&P diamonds	7,327,368,129	5.95%
Gems	5,271,997,467	4.28%
Silver	182,927,868	0.15%
Gold	102,409,727,683	83.12%
Jewellery	253,281,180	0.2%
Other (Consumables)	50,326,849	0.04%
Total	123,202,337,706	

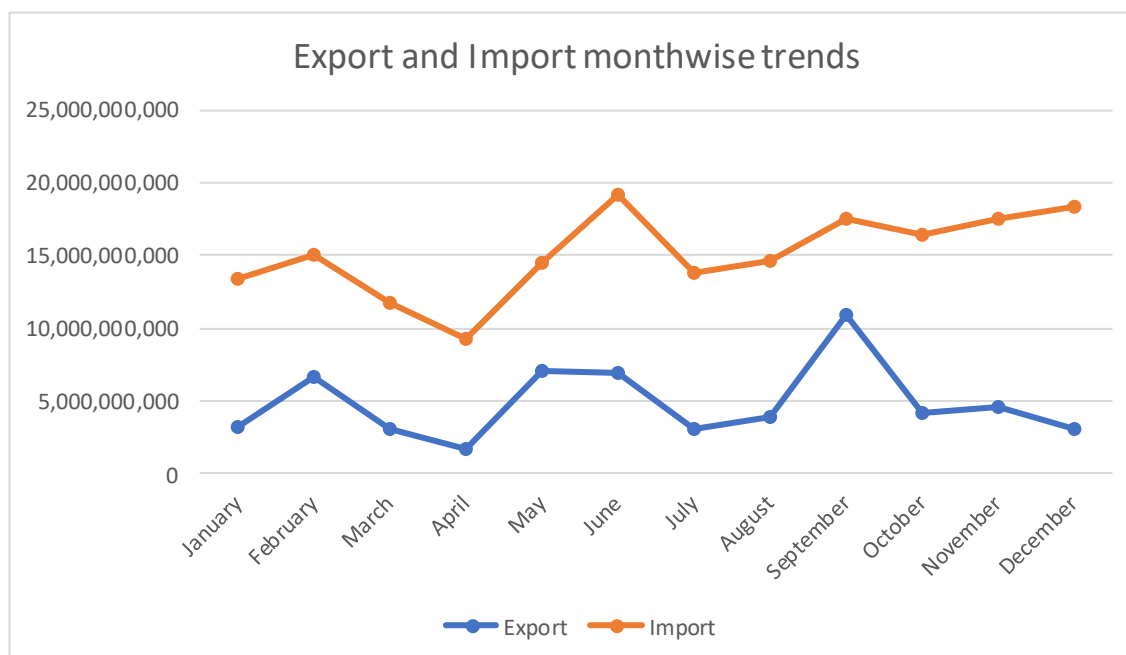


➤ **Reimports Total – Rs. 26,854,028,465**

➤ **Reimports Percentage – 21.8%**

Number of Exports & Imports

	Number of Declarations
Export	8374
Import	4784

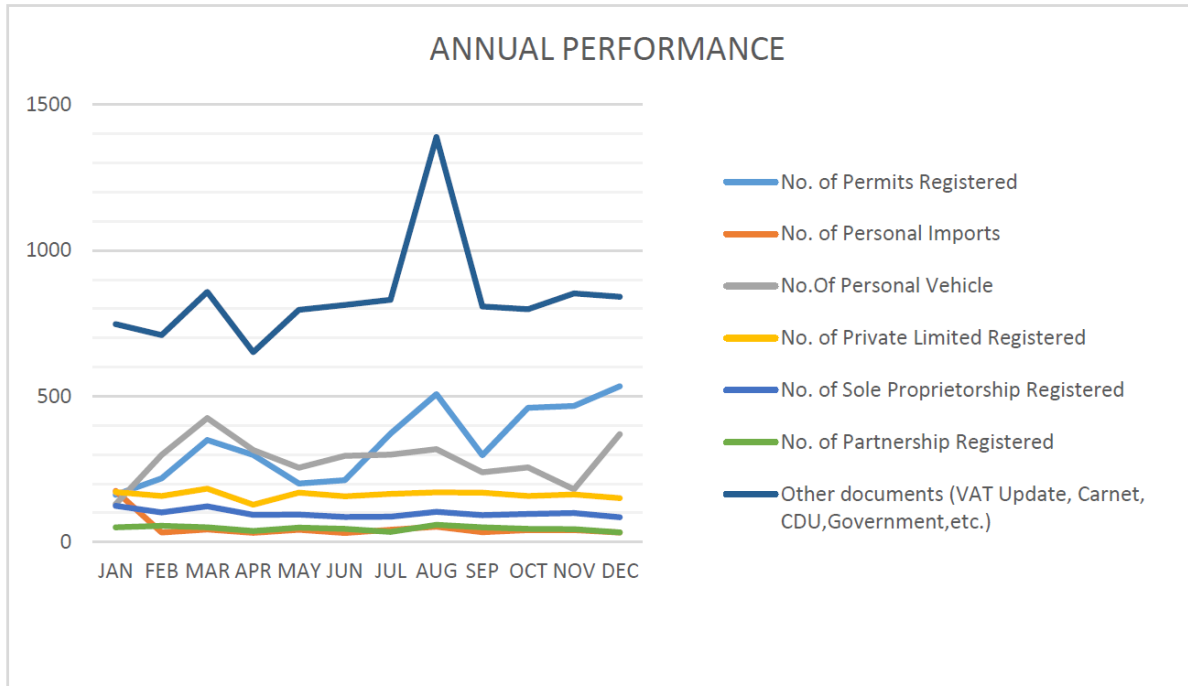


TIN/VAT Registration Unit

In terms of section 115A of the Customs Ordinance no goods shall be imported into or exported out of Sri Lanka except by a registered Importer or Exporter. Importer or Exporter should submit duly filled application form along with the required documents at this unit in order to register them. The application form and the instructions are available in the Customs website. TIN/VAT Performance for the year 2017

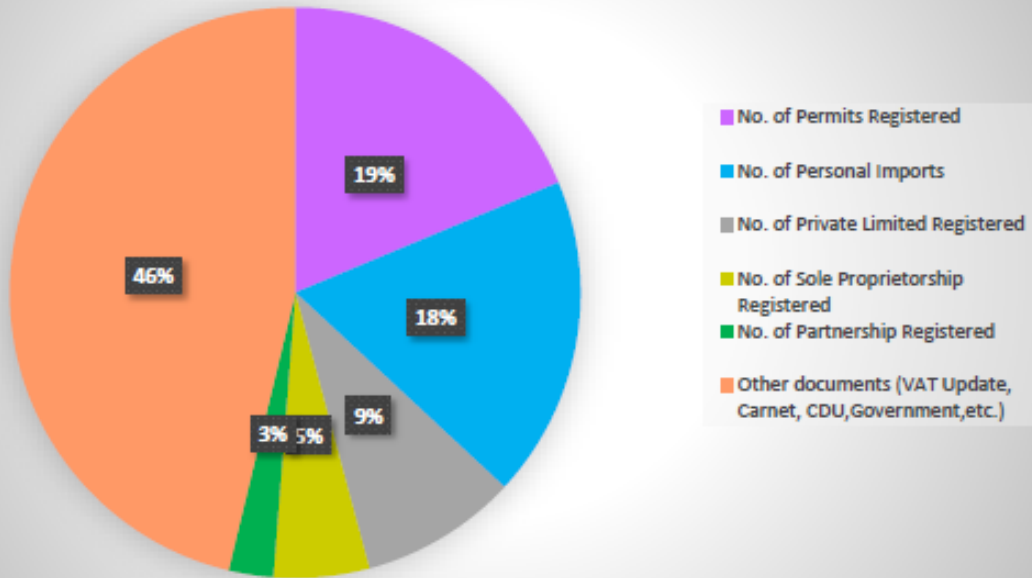
- TIN/VAT Performance for the year 2017**

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1	No. of Permits Registered	162	218	350	299	201	212	372	507	298	460	467	534	4080
2	No. of Personal Imports	175	33	43	32	42	31	42	52	34	41	41	33	599
3	No. Of Personal Vehicle	130	299	425	315	255	296	300	318	239	256	181	370	3384
4	No. of Private Limited Registered	171	158	183	128	169	157	165	170	169	158	163	151	1942
5	No. of Sole Proprietorship Registered	124	101	122	93	94	86	87	104	92	96	99	85	1183
6	No. of Partnership Registered	50	56	50	38	49	45	35	59	50	45	44	33	554
7	Other documents (VAT Update, Carnet, CDU, Government, etc.)	747	710	858	651	796	813	831	1389	808	798	853	841	10095
	Total No. of Documents Received	1559	1575	2031	1556	1606	1640	1832	2599	1690	1854	1848	2047	21837



		TOTAL
1	No. of Permits Registered	4,080
2	No. of Personal Imports	3,983
3	No. of Private Limited Registered	1,942
4	No. of Sole Proprietorship Registered	1183
5	No. of Partnership Registered	554
6	Other documents (VAT Update, Carnet, CDU, Government, etc.)	10,095
Total No. of Documents Received		21,837

Composition of Documents Received in 2017





HUMAN RESOURCES
CLUSTER

Human Resource Management Directorate

Introduction

HRM directorate strives to maximize return on investment in the department's human capital and minimize financial risk. This directorate seeks to achieve this by aligning the supply of skilled and qualified individuals and the capabilities of the current workforce, with the department's strategic plan and requirements to maximize return on investment and secure future survival and success.

In ensuring such objectives are achieved, HRM directorate implements department's human resources requirements effectively, considering government labor laws and regulations; ethical business practices; and net cost; in a manner that maximizes, as far as possible, employee motivation, commitment and productivity.

Public Service Commission (PSC) is the ultimate authority for all aspects of HRM for staff and non-staff officers below the rank of Director General of Customs (DGC). The HRM directorate therefore conforms to the rules to be notified by PSC from time to time on recruitment, promotion, performance management, etc., as well as the relevant provisions of the Establishment Code, the Customs Ordinance, and Financial Regulations.

PSC delegates DGC the power to transfer, and hold disciplinary proceedings, set out in the second schedule of Vol. 11 of the Establishment Code, of the staff officers, and for others the all stages (Subject to right of appeal to the PSC).

At the same time, while complying with the substantive provisions of public service regulations, the Customs has the flexibility in devising the HRM Plan appropriate to the HR needs of the department, including the format for Performance Appraisal and Promotion criteria.

Major Functions

1. Recruitment, Selection, and Resourcing
2. Employee record-keeping and confidentiality
3. Organizational design and development
4. Restructure and change management
5. Performance, conduct and behavior management
6. Customer and employee relations
7. Human Resources (workforce) analysis and workforce personnel data management
8. Compensation and employee benefit management
9. Employee motivation and morale-building

Human Resources Management – Performance Report 2017

Activity 1.1				
Completion of the recruitment of 123 officers to the rank of Inspector of Customs (IC)				
Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Conducting structured interviews for open stream selection	1 st Quarter	2 nd Quarter	
2	Completion of the IC recruitments	1 st Quarter	3 rd Quarter	
Activity 1.2				
Completion of the recruitment of 66 officers to the rank of Customs Guard				
Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Call application for selection by a Gazette Notification	1 st Quarter	1 st Quarter	
2	Holding the examination	2 nd Quarter	3 rd Quarter	
3	Conducting structured interviews for selection	3 rd Quarter		Paper making was not completed & therefore, the results were not released by Dept. of Examination. Will be able to complete the target in the 1 st quarter of the next year
Activity 1.3				
Completion of the recruitment to the rank of Assistant Superintendent of Customs				
Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Call application for open stream selection by a Gazette Notification (Intake – 2018)	1 st Quarter	2 nd Quarter	
2	Call application for Limited stream & Merit stream selection (Intake – 2018)	2 nd Quarter	3 rd Quarter	
3	Holding the open stream examination (Intake -2017)	2 nd Quarter	3 rd Quarter	
4	Holding the limited stream & Merit stream examinations (intake – 2017)	2 nd Quarter	4 th Quarter	
5	Conducting structured	3 rd		Paper making was not

	interviews for open stream selection	Quarter		completed & therefore, the results were not released by Dept. of Examination. Will be able to complete the target in the 1 st quarter of the next year
6	Completion of the ASC recruitment	3 rd Quarter		

Activity 1.4

Completion of the recruitment of 82 officers to the rank of Inspector of Customs (IC)

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Call application for open stream selection by a Gazette Notification	1 st Quarter	2 nd Quarter	
2	Holding the open stream examination	2 nd Quarter		Due to practical issues, the examination has been postponed by the Department of Examinations to the next year.
4	Conducting structured interviews for open stream selection	3 rd Quarter		
5	Completion of the IC recruitments	3 rd Quarter		

Activity 1.5

Completion of the promotion process of officers to the rank of Director of Customs/Deputy Director of Customs/Superintendent of Customs/ Deputy Superintendent of Customs.

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Conducting structured interviews for the eligible candidates	1 st Quarter to 4 th Quarter		The officers were promoted to the relevant ranks subject to the covering approval of the Appointing Authority (PSC). The PSC has granted the consent to the above action and the proper approval will be granted in due course by the PSC.
2	Granting Promotions	1 st Quarter to 4 th Quarter		

Activity 1.6

Completion of the promotion process of officers to the rank of Chief Inspector of Customs

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Conducting structured interviews for the eligible candidates	Throughout the Year		Applications were called from the eligible candidates but no candidates were appeared before the interview. However, decisions were made to rectify the matter in future.
2	Granting Promotions	Throughout the Year		

Activity 1.7**Completion of the process of retirement of the eligible officers**

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Issuance of retirement notices	Throughout the Year	Throughout the Year	
2	Completion of retirement process	Throughout the Year	Throughout the Year	

Activity 1.8**Completion of the process of granting annual increments based on performance appraisal**

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Receiving the performance appraisals and recommended increment request forms	Throughout the Year	Throughout the Year	
2	Granting approvals for annual increments	Throughout the Year	Throughout the Year	

Activity 1.9**Completion of the process of internal transfers of the officers**

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Appointment of transfer Boards	2 nd & 4 th Quarters	2 nd & 4 th Quarters	
2	Call applications for transfers	2 nd & 4 th Quarters	2 nd & 4 th Quarters	
3	Acceptance of appeals	2 nd & 4 th Quarters	2 nd & 4 th Quarters	
4	Completion of process of transfers	2 nd & 4 th Quarters	2 nd & 4 th Quarters	
5	Interim transfers based on service requirements	Throughout the Year	Throughout the Year	

Activity 1.10**Completion of the process of Salary conversion for 2018 as per the 03/2016 Salary Circular**

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Completion of Salary conversion	4 th Quarter	4 th Quarter	

Activity 1.11**Improvement of Service Delivery standards of the Human Resources Management Directorate**

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
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1	Conducting a performance evaluation on personal file management	1 st Quarter	1 st Quarter & 2 nd Quarter	Initial steps were taken & the relevant program was monitored by the PP&R Directorate, but this matter was not taken as a prominent objective due to various other important issues.
2	Completion lapses of personal files	2 nd Quarter		
3	Preparation of Manuals of procedures of HRM	1 st Quarter		
4	Improve IT facilities of e-pension process	1 st Quarter	4 th Quarter	

Activity 1.12

Completion of routine functions of the Human Resources management Directorate

Main Steps		Target Due on	Completion Date	If Not Completed Reasons
1	Allocation of officers in the roster duties (B Subject)	Throughout the Year	Throughout the Year	
2	Distribution of daily post of the Department	Throughout the Year	Throughout the Year	
3	Issuance of Car passes	Throughout the Year	Throughout the Year	
4	Granting approval for loan requests	Throughout the Year	Throughout the Year	
5	Conducting disciplinary actions	Throughout the Year	Throughout the Year	
6	Completion of approval granting process for private and official foreign leaves	Throughout the Year	Throughout the Year	
7	Completion of approving process of nominees for official training programs	Throughout the Year	Throughout the Year	
8	Approving official claims of the officers for payments	Throughout the Year	Throughout the Year	
9	Attend on other administrative matters	Throughout the Year	Throughout the Year	

Human Resource Development Directorate

Vision: -

Acquire, train and retain quality, accountable, professional and diverse workforce to meet the future demands of the department.

Objectives: -

- To prepare a dynamic forward-looking group of officers to enhance the quality and productivity of the Department.
- To improve officers' skills, knowledge to meet the future challenges according to the Departmental requirements.
- Collaborates with local and international bodies including WCO and WTO providing most up to date training for the employees.
- Facilitate officials to identify appropriate training opportunities.
- To provide facilitation including financial assistance for the Customs Staff to pursue their higher studies.
- To provide training for outside institutions & stakeholders on their requirements.
- Formulation and deliverance of specific training programs to meet the Departmental aspirations.
- Conduct Customs House Agents training Program to introduce skilful, disciplined Customs House Agents

Comparison of performance with the Action Plan for - 2017

Key Action					
1. HRD Related Activities					
TASK	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Target achieved/ or not
1.1 Carry out a survey to identify training needs under each Directorate	X				Target not achieved Due to very poor response for the training need questionnaire distributed amongst all directorates, the activity is rescheduled to conduct using intranet during the year 2018
1.2 Prioritize training needs based on the survey	X				Target achieved
1.3 Link training needs with appropriate training institution and Resource Persons	X	X	X	X	Target achieved
1.4 Develop Annual Training Calendar aligning with Customs strategic objectives.	X				Target achieved
1.5 Coordinate with various local & expert overseas organizations to have their assistance to support training of officers.	X	X	X	X	Target achieved
1.6 Select the participants for local training programs in consultation with the DGC/ADGCc.	X	X	X	X	Target achieved
1.7 Identification and selection of resources persons with training capabilities and preparation of Data Base.	X	X	X	X	Target achieved
1.8 Carry out regular training programs as per training calendar.	X	X	X	X	Through 36 internal training programs and 40 external training programs, altogether 2243 officers and employees were given opportunities to improve their skills & knowledge on best Customs practices & other operation work.
1.9 One to one interactive sessions with each Directorate to identify specific HR needs toward strategic HR Development.	X	X			Target achieved

1.10 Provide logistic support for local and foreign trainings	X	X	X	X	Target achieved
1.11 Facilitate & encourage officers for higher education	X	X	X	X	Target achieved Total course fee up to Rs.400,000/- reimbursed for 70 officers who are following Master's Degree programs.
1.12 Identification of specific training needs for mental and physical well-being of the Customs Officers and develop appropriate training modules.	X	X	X	X	Target not achieved As per the reason given in 1.1
2. Customs House Agent Related Activities					
2.1 Educate Customs House Agents in transacting professionally with Customs.	X		X	X	Target achieved
2.2 Holding of CHA Exam and awarding certificates.	X	X	X	X	Target achieved Although target was to conduct only 3 programs for the year 2017, HRD was able to conduct 4 programs during the year. Out of the 438 candidates, 274 applicants were qualified as Customs House Agents
2.3 Attending to matters relating CHA pass holders.	X	X	X	X	Target achieved
3. Library Related Activities					
3.1 Encourage serving and retired officers to donate books and reference materials.	X		X		43 books have been donated to the library by officers in service & retired.
3.2 Purchase of lending materials based on the demand of the subscribers.	X	X	X	X	361Nos of books on various subject were purchased during the year.
3.3 Finding sources of reference materials and subscribe to such materials.	X	X	X	X	Target not achieved as the requirements were intended to identify through training need analysis survey.
3.4 Subscribe to periodicals based on the requests.	X	X	X	X	Target not achieved as the requirements were intended to identify through training need analysis survey.

Employee Services Directorate

Objectives

To provide an enabling environment for the employees to contribute creatively and participate in the process of achieving the goals of the Department.

Major Functions

- I. **Answering Government Audit queries:**
Coordinate with all the directorates and reply for the queries raised by the Auditor General
- II. **Welfare management:**
Identify all welfare amenities currently being provided and their current standards to take steps to render a quality welfare service. Devise and implement welfare plans in consultation with employees at all levels.
- III. **Disciplinary Management:**
Conduct preliminary investigation and Disciplinary inquiries if charges available against the officers concerned and implementation of Code of Ethics incorporating the disciplinary procedure of the Customs. Monitor that employees follow the Code of Ethics and make the implementation of Code of Ethics effectively by using disciplinary procedure as far as possible against those who breach the Code of Ethics.
- IV. **Grievance management:**
Handling grievances to foster satisfaction and minimize dissatisfaction among employees over the management. Hold regular discussions with recognized Trade Unions to build up a rapport. Establish Negotiation Committees to take decisions on disputed matters and identify employee issues and hold negotiation for settlement.
- V. **Implementation of Productivity Improvement Program:**
Conduct awareness programs for the staff at each level in the Customs and implementation of required procedures and techniques in consultation with National Productivity Secretariat towards achieving productivity improvement standards.

Performance

- **Disciplinary Management**

Preliminary Investigations:

No. of preliminary investigations held	No. of preliminary investigations completed	No. of preliminary investigations pending
06	02	04*

* Preliminary investigations are completed on 02 files and disciplinary order is pending

Disciplinary Inquiries:

No. of Disciplinary inquiries held	No. of Disciplinary inquiries completed	No. of Disciplinary inquiries remaining
03	01	02

- **Answering audit queries**

Number of Audit queries received	Number of Audit queries answered	Number of Audit queries pending
53	52	1**

**reply is pending since there is a court case regarding the matters in the audit query

- **Welfare**

In order to ensure that quality service is provided by the canteen, two meetings of the committee were held and the management of the canteen was informed to follow the instructions given by the committee base on the identified issues.

- **Productivity**

The productivity improvement program launched in line with the government policy to improve productivity in the public sector by introducing a systematic approach to enhance efficiency and effectiveness of the services provided by Sri Lanka Customs. Since most of the officers were transferred out to other directorates or retired from the department a decision was taken to appoint a fresh steering committee. At the same time fresh nominations were called for auditing, training and implementing committees as well.

Logistics Directorate

Introduction

The objectives of the Logistics Directorate are to supply all the requisites including the maintenance and services, productivity and transparently to every directorate of the department.

Major Functions

1. Provision of supply and services to the required Directorate on time while assuring the quality in order to ensure the uninterrupted functions of the Department.
2. Procurement of goods and services in a transparent manner, adhering to treasury circulars and the National procurement guidelines.
3. Proper storage and inventorying of purchases procured in order to ensure their security and optimum utilizations while ensuring proper stock control and efficient stores management system.
4. Assets Management to all movable and immovable assets of the Department.
5. Satisfactory completion of the construction work in the new Customs Headquarters Building as per the schedule and ensuring the implementation of the proper premises Management plan.
6. Ensuring the appropriate steps in maintaining the motor fleets of the Department with optimum running condition.

key action of the directorate in the year 2017.

Key Action	Target	Actual	If not achieved, The reasons
Purchase of required goods, works and services	Purchase of goods works and services	95% completed	-
Maintenance activities of the Headquarters Building	Clean and clear environment for staff of the department	100% completed	-
Develop the proper stores control and assets management system	Monitoring and maintaining all inventory items through the system	90% completed	Ongoing
Annual verification of goods for the year, 2016 2017	Maintain proper assets management	100% completed 25% Completed	Ongoing
Procurement of container scanning system	Scan all import and export containers properly	Contract awarded	Project is ongoing
Maintaining the motor vehicle fleet of the Department	Monitoring all the vehicles in good running condition by servicing regularly, dispose all uneconomical and outdated vehicles and requested new vehicles from Minister of Finance	95% completed	-



REGIONAL CLUSTER

Passenger Services (Katunayake) Directorate

The Passenger Services (Katunayake) Directorate is based at the Bandaranaike International Airport, Katunayake and bears the control /surveillance over the Airport. Customs at the Airport is the country's first line of defense against smuggling activities. The Directorate is responsible for,

- ❖ Facilitating the free movement of bona-fide passengers.
- ❖ Ensure protection of government revenue and safeguarding socio-economic, cultural and ecological interest of the society.
- ❖ Conduct enforcement activities entrusted under a Customs Ordinance and other related laws.
- ❖ Regulate and monitor the border control operations in relation to the air travelling.
- ❖ Implementing the powers vested into Customs by other Acts and Regulations of other authorities and institutions such as Ministry of Defense, TRC, SLSI, NMRA, Department of Import & Export Control, Department of Exchange Control, National Gem and Jewelry Authority etc.

Major functions

- Facilitate the movement of inward and outward bona-fide passengers and their baggage without difficulties.
- Collection of due government revenue and prevention of importation and exportation of restricted and prohibited goods.
- Facilitation of VIP and VVIP movements at BIA.
- The processing of crew and aircraft arriving and departing Sri Lanka.
- Granting duty free baggage allowance on passenger baggage while monitoring and take measures on misusing of such facility.
- Release goods on ATA Carnet, Guarantees and special deposits, when required.
- Handling Gem/Jewelry and parcels approved by Customs/National Gem and Jewelry Authority.
- Examine and approve foreign currency declarations made by inward/ outward passengers.
- Endorsing remaining baggage allowance on the Power of Attorney enabling as authorized persons to clear the unaccompanied baggage after the departure of the passenger.
- Examination of accompanied baggage on suspicion or when required.
- Conduct personal searches when necessary. Detect offences and conduct investigations and inquiries into the detected Customs cases. Issue clearance to the outgoing Air Crafts. Collecting duty and other levies from the passengers who bring the goods in commercial nature.

Revenue Collection													
Duty and other levies:													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
-Duty	2,586,393	1,888,833	1,985,381	1,264,319	1,400,249	1,308,627	1,492,492	1,342,736	1,091,409	1,259,516	1,145,460	1,309,568	18,074,983
-VAT	8,257,867	7,763,138	11,267,358	6,744,415	8,028,361	8,081,666	6,893,814	7,076,056	5,825,669	6,264,475	6,791,890	6,103,116	89,097,825
-PAL	1,768,176	1,643,940	1,853,172	1,095,320	1,533,211	1,142,524	1,557,443	1,318,778	1,124,208	1,190,196	1,157,359	1,035,353	16,419,680
-XID	4,425	0			2,850	750		13,500	0	30,400	0	0	51,925
-Im. Cess	10,329,514	11,296,745	19,019,154	11,137,977	12,055,572	13,760,021	10,205,467	12,120,241	9,642,558	10,990,662	10,522,780	8,405,516	139,486,207
-Penalty	4,510,712	5,486,502	6,568,603	3,963,589	5,885,111	6,836,415	5,938,262	6,350,093	5,730,446	10,858,076	10,619,455	7,604,343	80,351,607
-SCL	71,360	52,888	24,821	14,400	30,695	13,020	13,000	19,015	32,440	31,264	24,860	43,620	371,383
-NBT	1,263,114	1,293,456	1,724,086	1,026,989	1,269,768	1,218,322	1,151,305	1,135,310	930,806	980,560	1,036,743	956,594	13,987,053
-Others	0	0	1,432		300	600	0	440	210	0	450	325	3,757
-ESC	3,620	2,203	922	518	1,398	8,391	650	805	985	1,247	1,158	1,488	23,385
Total	28,795,181	29,427,705	42,444,929	25,247,527	30,207,515	32,370,336	27,252,433	29,376,974	24,378,731	31,606,396	31,300,155	25,459,923	357,867,805
Other charges:													
-SR Charges	52,100	55,300	48,200	36,900	80,950	45,500	51,550	69,070	47,900	49,850	36,900	38,800	613,020
-Overtime	783,175	673,182	982,175	745,050	677,950	760,050	671,975	630,225	629,850	549,800	649,100	823,025	8,575,557
-DFS Customs Charges	73,000	74,000	132,000	100,000	91,000	68,000	60,000	56,300	48,000	43,850	57,000	88,000	891,150
- Computer Fees	370,750	427,250	583,250	393,500	479,000	497,000	427,000	459,000	397,250	515,209	433,250	353,250	5,335,709
Total	1,279,025	1,229,732	1,745,625	1,275,450	1,328,900	1,370,550	1,210,525	1,214,595	1,123,000	1,158,709	1,176,250	1,303,075	15,415,436
TOTAL	30,074,206	30,657,437	44,190,554	26,522,977	31,536,415	33,740,886	28,462,958	30,591,569	25,501,731	32,765,105	32,476,405	26,762,998	373,283,241

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Detections:													
No. of cases detected	15	19	19	25	20	17	21	25	28	32	21	23	265
Value of goods forfeited -Rs.	909,000	572,000	1,500,000	6,244,875	3,761,964	Nil	6,150,000	11,430,000	5,022,344	3,265,400	Nil	3,430,000	42,285,583
Value of Currency forfeited- Rs.	143,411,474	Nil	NIL	125,873,039	17,683,985	13,833,114	25,013,396	Nil	114,436,119	20,951,983	42,239,995	17,262,223	520,705,328
Value of cases forwarded to CIB Rs.	Nil	Nil	NIL	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
Value of duty free items forfeited	92,512	91,000	359,362	224,667	Nil	Nil	Nil	84,432	Nil	Nil	Nil	161,788	1,013,761
Value of gems forfeited - Rs.	Nil	4,755,000	NIL	Nil	Nil	10,000,000	23,292,708	5,438,171	3,072,800	1,852,750	55,506,150	Nil	103,917,579
Value of gold forfeited - Rs.	5,490,106	6,936,040	1,074,345	55,335,380	32,382,700	38,515,228	4,804,760	16,162,065	55,180,253	36,445,702	6,155,970	31,643,266	290,125,815
Value of silver forfeited - Rs.	Nil	Nil	NIL	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0
Value of Tobacco products forfeited Rs.	3,890,000	3,990,000	8,120,000	7,184,000	9,459,118	2,899,740	6,452,650	4,538,000	Nil	8,781,500	2,719,000	6,815,000	64,849,008
Quantity of drugs detected(grms)	Nil	Nil	2,656	3,120	1,999.00	Nil	Nil	376	Nil	500	Nil	212	8,863
Value of other goods forfeited - Rs	Nil	2,470,850	26,400,000	31,200,000	19,990,000	Nil	Nil	6,230,903	Nil	5,000,000	Nil	2,120,000	93,411,753
No of Inquiries held	15	19	19	25	20	17	21	25	28	32	21	23	265
No of restricted items detained	25	39	19	5	Nil	Nil	Nil	Nil	Nil	Nil	1	2	91
No. of Cigarette cartons forfeited	389	521	812	718	910	393	724	196	Nil	922	269	672	6,526
No. of other packages detained (Liquor etc.)	8	6	Nil	12	22	4	15	Nil	Nil	4	Nil	50	121

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Services provided (At Arrival Terminal):													
No. of flights arrived	2,219	1,906	2,132	2,369	2,381	2,343	2,547	2,712	2,585	2,614	2,625	2,817	29,250
No. of passengers arrived	411,862	339,490	374,665	415,514	386,805	380,956	474,605	469,256	389,931	392,443	404,365	519,253	4,959,145
No. of passengers cleared through Red Cha.	10,461	8,152	10,523	10,914	10,372	11,333	12,533	12,438	8,996	9,007	9,448	12,185	126,362
After payment of duty & O/L	1,480	1,720	2,343	1,644	1,852	1,997	1,721	1,863	1,609	1,860	1,690	1,417	21,196
Under Duty Free Allowance	8,981	6,432	8,180	9,270	8,520	9,336	10,812	10,575	7,387	7,147	7,758	10,768	105,166
No. of VIP movements - Arrival	221	293	237	357	282	232	262	309	209	457	312	280	3,451
No. of VIP movements - Departure	236	263	252	307	330	231	228	285	282	389	331	262	3,396
No. of mishandled baggage cleared	3,755	1,705	2,292	2,630	2,595	3,281	4,499	4,066	2,560	2,417	2,403	4,081	36,284
No. of Gem & Jewellery parcels received	39	39	79	55	42	76	46	45	92	37	43	61	654
No. of Carnet registered	10	13	22	16	11	17	42	16	16	13	18	8	202
No. of ships spares consignment cleared	10	12	13	7	13	30	68	15	15	11	17	11	222
No. of Currency Decla. Certificates issued	73	75	78	99	60	80	96	92	58	77	75	100	963

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Services provided (At Departure Terminal):													
No. of flights departed	2,263	1,985	2,191	2,385	2,425	2,339	2,593	2,729	2,702	2,788	2,663	2,904	29,967
No. of passengers departed	417,639	362,055	376,307	411,960	382,900	337,230	414,638	484,244	432,235	419,174	386,302	463,466	4,888,150
No. of Gem parcels handled	213	217	226	207	262	232	250	247	287	245	254	162	2,802
No. of Declaration received	18	10	8	35	30	13	18	31	12	25	29	39	268
No. of Power of Attorneys endorsed	98	50	76	97	128	102	138	201	145	81	68	73	1,257
No. of FRIC endorsed	3	3	7	8	5	8	3	6	4	6	7	7	67
No. of Carnet registered	17	24	33	35	33	43	29	25	45	57	44	7	392

Revenue & Services Directorate (Katunayake)

Introduction:

The Directorate of Revenue & Service Katunayake is based at the Air Cargo Terminal of Bandaranaike International Airport, Katunayake. The Directorate is responsible for collection of due revenue and facilitate clearance of import Air Cargo ensuring the border control regulations are enforced under the provisions of the Customs Ordinance and other related laws and regulations.

Sri Lankan Air Lines Ltd functions as the major cargo handling agent at the Air Cargo Terminal. SLFFA Cargo Service Ltd and Expo Aviation Ltd operate as other cargo handling agents and self-handling service provider at Cargo Terminal II to provide service under the control of Silence Customs. Speedy clearance of courier cargo is attended on priority basis at the bonded warehouses operated by M/S DHL (Pvt) Ltd and M/S Colombo Cargo Express (Pvt) Ltd.

Major Function

1. Assessing and collecting Custom Duty, Cess and other charges on goods imported by air
2. Processing of goods declarations and permit clearance
3. Grant approvals for clearance of goods imported under various export-oriented facilitation schemes operated under Industries and Services Directorate
4. Grant approvals for clearance of goods import cargo consigned to enterprises registered under Board of Investment Sri Lanka
5. Effect round the clock speedy clearance of urgent air cargo imported by air including perishable, Courier Cargo, Diplomatic Cargo and mails etc.
6. Facilitate transfer of unaccompanied passenger baggage of returning passengers to various unaccompanied passenger baggage warehouses.
7. Processing Import CusDecs and grant clearance for Import shipments related to BOI, Non BOI, Courier and perishable Cargo.

DESCRIPTION	CODE	AIR CARGO	DHL	CO. CARGO	TOTAL
Customs Imports duty	CID	2,147,342,941	218,702,436	99,344,529	2,465,389,906
Value Added Tax	VAT	6,395,861,352	688,724,760	293,866,555	7,378,452,667
Ports & Airport development Levy	PAL	5,288,405,806	448,923,454	196,788,520	5,934,117,780
Social Responsibility Levy	SRL				-
Special commodity Levy	SCL	293,468,673	486,221	46,612	294,001,506
Consolidated Levy	CON	16,807,032			16,807,032
Customs Imports Surcharge	SUR		1,377		1,377
Excise Duty	XDO	8,733,582	725,171	86,347	9,545,100
Economic Service Charge	ESC	5,931		6,569	12,500
Nation Building Tax	NBT	2,388,406,358	155,390,902	66,437,651	2,610,234,911
Import Cess (EDB)	EIC	1,594,186,564	131,434,559	50,205,498	1,775,826,621
Computer fees	COM	18,009,200	7,516,500	5,189,000	30,714,700
Examination fees	EXM	21,616,900	9,019,800	6,391,800	37,028,500
Over Payment	OVP	693,361		160,200	853,561
Overtime Charges	OTC	69,514,342	6,565,200	2,189,400	78,268,942
Seal Chargers	SEL	506,266			506,266
Penalty	PTY	45,087,444	31,026,441	8,340,920	84,454,805
Verification fees	VCS	-	7,777,500	938,594	8,716,094
Miscellaneous	MISC	6,857,960	6,150		6,864,110
Special Deposit	SPD				-
Other (Amendment Charges)	AMD		10,750	20,250	31,000
TOTAL (Rs.)		18,295,497,781	1,706,317,152	730,012,445	20,731,827,378
No of Cusdecs Received		65,163	30,066	20,756	115,985
No of Cusdecs passed at Bonding, Infac& TIEP		2,841	-	232	3,073
No of Cusdecs Passed at BOI		24,406	25,704	7,960	58,070
No of Cusdecs Passed at Entreport		220	-	-	220
No of S.R.Applications (DRA)		-	-	7	7
No of Cusdecs Passed under Provisional		43	-	97	140
No. Cusdec Passed under exceptions/19 A		1,143	-	-	1,143
No of Applications Passed under Transshipments		4,858	-	1,400	6,258
No of Dip/DPL Cargo Consignments		462	-	-	462
No of Cusdecs Passed under Carnet		103	-	-	103
No of Cusdecs Passed under B.G(ACT/DHL/CC)		148	-	-	148
No of Cusdecs Passed under ISAF TA/SAFTA		190	-	-	190
No of Cusdecs Passed under P.G(ACT/DHL/CC)		50	-	-	50
Gem Register		907	-	-	907
TOTAL		100,534	55,770	30,452	186,756

Revenue and Services (Provincial) Directorate

Introduction

Revenue and Services (Provincial) Directorate is responsible for managing all Customs related functions of out-ports namely Galle, Jaffna Trincomalee and Magampura in providing services for the clearance of Cargo, Unaccompanied Personal baggage and mail parcels and ensuring the collection of due revenue.

Major Functions

1. Collect due revenue on imports and exports.
2. Maintain border controls to ensure the protection of socio-economic safety of the country.
3. Examine and release import and export cargo
4. Facilitate clearance of unaccompanied personal baggage and mail parcels at the regional level

Revenue Collection							
Duty and Other Levies	Galle	Trinco Postal	Trinco Port	Hambantota	Jaffna Postal	Jaffna Port	Total
Import Duty (CID)	51,105	81,248	72,359	739,742	121,318	-	1,065,772
Value Added Tax (VAT)	649,219	1,009,658	91,084	6,571,335	253,715	-	8,575,012
Ports & Airport Develop. Levy	131,045	1,537,307	34,410	2,734,419	1,431,613	-	5,868,794
Excise Duty (EXD)	-	12	416,000	-	-	-	416,012
Nation Building Tax (NBT)	89,600	706,430	16,152	864,088	857,540	-	2,533,811
Import Cess (EDB) (EIC)	1,674,266	1,674,993	-	96,451	2,034,505	-	5,480,215
Special Commodity Levy	-	1,200	-	-	-	-	1,200
Total (Duty & other Levies)	2,595,236	5,010,848	630,006	11,006,035	4,698,691	-	23,940,816
Other Charges							
Computer Fees (COM)	200	-	-	-	-	-	200
Examination Fees (EXM)	7,100	-	1,080,000	23,100	-	-	1,110,200
SR Chargers (SRC)	1,296,300	55,800	230,049	15,650	-	-	1,597,799
Over time Chargers (OTC)	17,428,710	-	17,643,694	487,708	-	1,078,002	36,638,113
Documentation Chargers	-	-	-	-	-	-	-
Photocopy Chargers/Others	-	-	-	-	-	8,550	8,550

Penalty	200,000	-	-	-	5,320	375,000	580,320
Special Deposit	-	-	-	-	-	2,443,691	2,443,691
Discharging & loading Charges	-	-	-	5,223,429	-	-	5,223,429
Port clearance charges	-	-	-	276,333	-	-	276,333
Other Chargers	417,400	-	3,058,489	36,450	-	-	3,512,339
Total (Other Charges)	19,349,710	55,800	22,012,232	6,062,669	5,320	3,905,243	51,390,974
Grand Total for the Year	21,944,946	5,066,648	22,642,239	17,068,704	4,704,011	3,905,243	75,331,791

Passenger Service (Provincial) Directorate

Major Functions

- Facilitate the movement of inward outward passengers and their baggage.
- Facilitate the clearance of unaccompanied personal baggage (UPB).
- Conduct enforcement activities entrusted under the Customs Ordinance and other related laws.
- Regulate and monitor the border operations in relation to passengers.
- Perform a significant role in flight movement control.
- Minimize revenue leakage/foreign exchange losses and take prompt action on such detection.
- Implement powers vested in to Customs by other Acts and regulations of other authorities and institutions such as Ministry of Defense, TRC, SLSI, CDDA, Import Control Department, National Gem and Jewelry Authority etc.,
- Maintain an effective communication with other government institutions within the airport premises such as Department of Immigration and Emigration, Airport and Aviation Services, Quarantine Department, CID, Police Narcotic Bureau etc.,
- Collect duty and other levies from passengers who bring goods in commercial quantities and impose penalties wherever necessary.

Passenger Services - Provincial Directorate

PERFORMANCE REPORT

	January	February	March	April	May	June	July	August	September	October	November	December
				UPB - TRICO								
				KURUNEGALA								
Revenue collected during the month	2,393,608.00	1,564,394.00	255,892.70	-	-	1,839,905.00	1,577,124.00	2,965,277.00	3,447,504.00	3,267,507.00	4,052,863.00	3,927,531.00
Other Recoveries	32,450.00	52,050.00	813,617.00	-	-	768,810.00	775,310.00	813,730.00	44,150.00	70,900.00	167,345.00	108,250.00
				UPB - TRICO								
				GALLE								
Revenue collected during the month	292,890.00	1,243,748.00	1,469,146.00	1,528,925.00	1,514,415.00	2,364,352.00	962,717.00	1,048,607.00	912,583.00	467,048.00	606,079.00	620,186.00
Other Recoveries	449,000.00	427,700.00	1,107,670.00	790,560.00	788,930.00	756,960.00	803,840.00	776,630.00	764,600.00	784,100.00	767,430.00	762,650.00
Value of Tobacco Products Forfeited		30,000.00										
Quantity of Narcotic Drugs detected		1000 sticks										
Penalty	12,000.00											
Forfeited		30,000.00										

	January	February	March	April	May	June	July	August	September	October	November	December	
				MRIA									
				MATTALA									
Detections													
Value of goods forfeited (Rs.)		150,000.00											
Value of Tobacco products forfeited (Rs.)		150,000.00											
No. of restricted items detained			3 pcs (Mobile Phones)										
No. of Cigarette packages detained											9	11	
No. of other packages detained						2		2					
No. of flights arrived	39	38	38	40	39	36	39	41	32	33	35	36	
No. of passengers arrived	54	77	104	192	197	181	360	262	310	140	333	259	
No. of passengers cleared through Red (Channel)											3	2	
After payment of duty & O/L											1		

Under Duty Free Allowance											2	
No. of mishandled baggages cleared		2				3	9	13				
No. of Currency Decla. Certificates issued		2										
No. of flights departed	39	38	38	40	39	36	39	41	32	33	35	35
No. of passengers departed	142	158	162	189	127	146	229	478	416	204	189	316
No. of power of Attorneys endorsed		1										

DIRECTORATES
DIRECTLY UNDER
DIRECTOR GENERAL
OF CUSTOMS

System and Procedure Compliance Audit

Directorate

Objectives

Systems and Procedure Compliance Audit Directorate is functioning directly under the Director General of Customs. It is headed by a class I Accountant of the Sri Lanka Accountant's Service. The expectations of creating this new Directorate were to assist the operational management in systematic improvement to prevent recurrence of irregularities and lapses in integrity and maintain and improve internal controls in accordance with risks involved.

The scope is to conduct audits assessing the effectiveness and economy of resource initialization in all core processes and supporting processes which including in all divisions throughout the Department.

Major Functions

1. Effectively manage the internal audit activity to ensure it adds value to the organization by promoting audit service wherever possible.
2. Evaluate the adequacy and effectiveness of controls encompassing the organizations governance, operations and information system including;
 - A. Reliability and integrity of financial & operational information
 - B. Effectiveness & efficiency of operations
 - C. Safeguarding of Assets
 - D. Compliance with laws, regulations and contracts
3. Establish audit plans based on risk assessment to improve management of risk, and improve the organization operations.
4. Reporting significant risk exposures and control issues and other matters needed or requested by the senior management.
5. Review operations & programs to ascertain the extent to which results are consistent with established goals and objectives to determine whether operations and programmers are being implemented or performed as intended.
6. Assess and make appropriate recommendations for improving the governance process in its accomplishment of the following objectives
 - Promoting appropriate ethics and values within the organization.
 - Ensuring effective organizational performance management and accountability

Comparison of Performance with the Action Plan 2017

Key Action	Target	Actual	If not achieved, the reasons
1. Collection of maximum revenue in line with government expectations	34	34	<p>Overall Performance is 97%</p>
2. Ensure proper enforcement of the customs law and other related laws and rules concerning revenue, social and environmental protection whilst facilitating trade	10	08	
3. Enhance performance/productivity of the staff and change of attitudes to create positive working environment	02	02	
4. Timely provision of required assistance including technical support and guidance in order to smooth functioning of total customs processes with technological solution	03	03	
5. Control over the expenditure in line with Annual Budget Estimates and effective management of various funds	11	11	
Total	60	58	

Finance Directorate

1. Introduction

Department of Sri Lanka Customs is the main bread winner of the Government that contributes more than 53% of the total Tax Revenue of the Government. The Finance Directorate has a major role in this regard and they are responsible for the following key areas in respect of the financial operations for the achieving of objectives of the department.

Major Functions

- a. Preparing of Annual Budget Estimates for Expenditure and Tax Revenue.
- b. Collecting, Recording and Reporting of tax revenue and expenditure
- c. Manage the expenditure within the approved Budget.
- d. Furnish financial information to the General Treasury, the Auditor General and other interested parties as per the time frames given.
- e. Administration of the Customs Deposit Accounts, Customs Reward Fund, Customs Overtime Fund, External Examinations Fees Fund, Information and Communication Fees Fund, Custom Officers Compensation and Management Fund, Seized & Forfeited Goods Advance Account and the Public Officers Advance Account.
- f. Preparation and rendering of the Annual Appropriation Account, Revenue Account, the Customs Deposit Accounts, Customs Reward Fund Account, Customs Overtime Fund Account, External Examinations Fees Fund Account, Information and Communication Fees Fund Account, Custom Officers Compensation and Management Fund Account, Seized & Forfeited Goods Advance Account and the Public Officers Advance Account.

The Finance Directorate is responsible for the issuing and monitoring of guarantees and administration of PAYE Tax Data Base for the Employees of the Department.

Finance Directorate is under purview of the Chief Financial Officer (CFO) who is a Special Grade Officer of Sri Lanka Accountants Service. CFO is assigned the responsibility of strategic financial management of the department while the Director of Finance has been entrusted the supervision, coordination and administration of financial management functions of the department. For his assistance four Deputy Directors and one Administrative Officer being assigned. In addition, supportive staff amounting to 115 being assigned to the Finance Directorate.

With the view of performing of above functions, the finance directorate of the Department of Sri Lanka Customs has been organized under following sub Divisions.

- Revenue Division
- Payments Division
- Salaries and Overtime Division
- Shroff Division
- Fund Management Division
- Tax Division

2. **Performance**

2.1 **Revenue Division**

Revenue Division is responsible for the collection of revenue through 41 collection centers by operating of 11 sub collection Bank Accounts of which linked with main revenue account maintained at the Taprobane Branch of the Bank of Ceylon. Furthermore, the revenue collections are remitted electronically to the Account of Deputy Secretary to the Treasury on daily basis to enable the Treasury to meet the commitments of the Government.

The actual revenue collected by the Department in comparison with the budgeted revenue for the year as 2017 and 2016 are mentioned below.

Performance of Customs Revenue – SLR Mn.					
Revenue Code	Description	2017		2016	
		Budgeted	Actual	Budgeted	Actual
1001-01-00	Import Duty	158,000	136,501	160,000	156,487
1001-02-00	Export Duty	30	30	300	31
1001-04-00	Port & Airport Dev. Levy	100,000	102,360	90,000	88,823
1001-05-01	CESS Levy - Import	57,000	56,574	55,000	59,058
1001-05-02	CESS Levy - Export	3,000	2,980	2,000	2,672
1001-07-00	Regional Infrastructure Dev. Levy	-	-	-	-
1001-08-00	Special Commodity levy	70,000	71,402	58,000	55,825
	Total Customs Tax Revenue	388,030	369,848	365,300	362,897
1002-05-01	Excise Tax – Cigarettes	86,000	85,956	90,000	88,752
1002-05-02	Excise Tax-Liquor	430	470	50	-
1002-05-03	Excise Tax-Petroleum	75,000	73,983	50,000	55,719
	Excise Tax-Petroleum - Imports		66,943		47,920
	Excise Tax-Petroleum-Local		7,040		7,799
1002-05-04	Excise Tax – Motor Vehicles	200,000	189,740	190,000	186,499
1002-05-99	Excise Tax Others	6,500	6,091	4,000	3,704
	Excise Tax Others - Import		-		-
	Excise Tax Others - local		6,091	4,000	3,704
	Total Excise Tax Revenue	367,930	356,240	334,050	334,674
1002-01-04	VAT on Imports	165,000	168,393	115,000	115,336
1002-10-00	Social Responsibility Levy	-	2	-	7
1002-12-03	Nation Building Tax	20,000	19,320	20,000	18,395
1004-04-02	Economic Service Charge	1,000	2,160	-	618
	Total Tax Revenue	186,000	189,875	135,000	134,357
2003-02-17	Sale of Garments	140	218	130	167
2003-03-01	Fine & Forfeits - Customs	1,700	1,964	1,500	2,134
2003-02-99	Sundries	310	326	220	310
2003-99-00	Other Receipt	73	126	70	81
	Total Other Tax Revenue	2,223	2,634	1,920	2,692
Total Revenue		944,183	918,597	836,270	834,620

2.2 Payment Division

Payment division is responsible for making all payments under the financial provisions made in the annual estimates as sanctioned by the Parliament. In addition, payments are made under provision in the Custom Officers Compensation and Management Fund, Seized & Forfeited Goods Advance Account and Public Officers Advance Account and payment of rewards under Customs Reward Fund and Deposit Accounts. Payments made under annual estimates during year 2017 and 2016 as compared with that of the respective Budgets are described below.

Expenditure Management (SLR Mn.)				
Description	2017		2016	
	Budgeted	Actual	Budgeted	Actual
Recurrent Expenditure	2,116	2,083	1,956	1,893
Capital Expenditure	566	219	100	87
TOTAL	2,682	2,302	2,056	1,980

2.3 Salaries and Overtime Division

This Division has been assigned with the responsibilities of paying salaries and overtime for approximately 2200 employees of the department. Therefore, they have to recover and account of overtime charges from the importers and exporters who wish to obtain the services of the customs after normal office hours to get their import and export activities expedited. The amounts so recovered are distributed among the Customs Overtime Fund and Cargo Examinations Fees Fund Account and officers as per the approved payment schemes.

Accordingly, the overall financial performance of Customs Over Time Fund and Other Funds for the last two years are tabulated below.

(a) Customs Overtime Fund

	2017	2016
	Rs	
Receipt of Overtime Income	1,004,229,364	879,767,399
Government Contribution	(100,422,936)	(87,976,740)
Overtime Expenditure	(592,337,707)	(562,901,079)
Surplus	311,468,721	228,889,580
Accumulated Fund	1,995,823,686	1,699,388,192

(b) **Other Funds**

	External Examination Fees Fund		Information and Communication Fund	
	2017	2016	2017	2016
Income	326,695,183	313,057,523	14,976	14,976
Payments	280,629,641	246,689,005	14,976	14,976

2.4 Fund Management Division

This division is responsible for the receiving, recording and accounting of all receipts received by way of deposits except the customs duties. These receipts include the penalties, sales proceeds, and other various deposits. The receipt of penalties and sale proceeds, in the first instance, are credited to the main deposit account and once inquiry and appealing process is finalized, such, receipts are transferred to the Customs Reward Fund, Custom Officers Compensation Fund and the Pool Funds in terms of the schemes approved under Section 152 of the Customs Ordinance.

Accordingly, following financial statements are prepared in accordance with the Public Sector Accounting Standards and render such statements to the Auditor General for auditing.

- Custom Reward Fund
- Custom Officers Compensation and Management Fund

Further, an Advance Account namely “Seized & Forfeited Goods Advance Account” is also maintained by this division to meet the expenses in respect of disposing the goods and articles imported or exported illegally and forfeited by the Customs. These expenses are recovered from their sales proceeds of the respective forfeited goods.

	Customs Reward Fund Rs.Mn		Custom Officers Managements & Compensation Fund Rs.Mn	
	2017	2016	2017	2016
Income	2,316	2,366	919	937
Expenditure	2,116	2,202	190	209
Surplus	200	164	729	728
Fixed Assets	-	-	153	144
Fund Balance	816	773	6,149	5,421
Rewards Payable	28	33	-	-

2.5 Tax Division

The employees of the department of Sri Lanka Customs are principal taxpayers among public service since they are privileged to receive various financial benefits such as Overtime, incentives, rewards, panel and pool payments in addition to the normal salaries. The Tax division computes PAYE Taxes for every employee and remit such recoveries to the Department of Inland Revenue regularly.

Revenue Task Force

Introduction

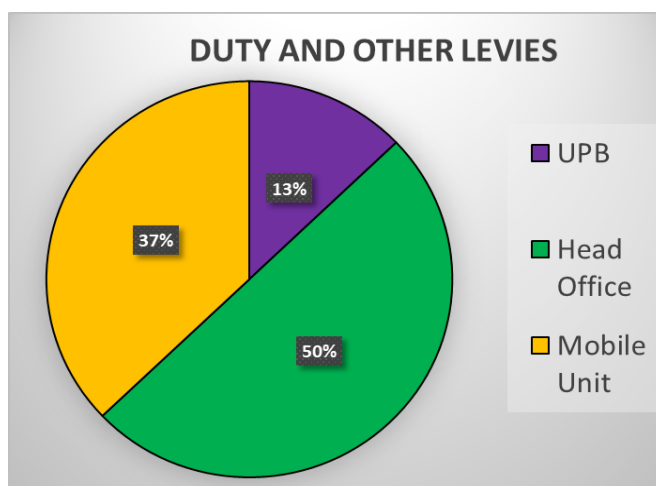
Main objective of this directorate is to provide DGC with an arm of control and to be vigilant over all activities of the department. RTF performs various enforcement activities of upon intelligence gathered by the staff as information received from the public.

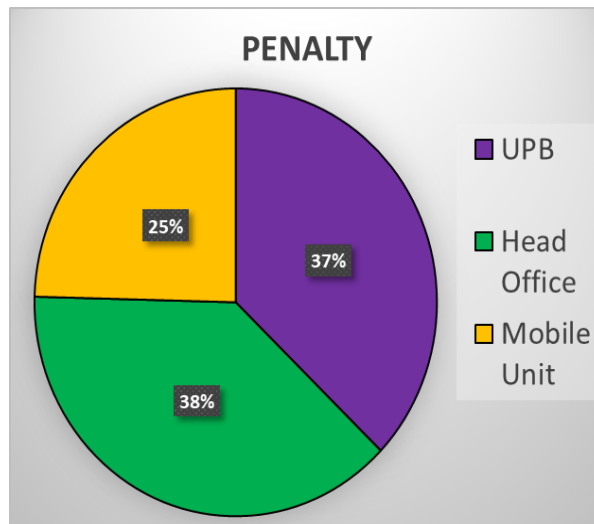
Maintain vigilance over the clearance of goods in the long room, warehouses, air cargo, parcel post, courier services and other special procedures for clearance of goods.

Main functions

1. Promoting integrity and eliminating irregular practice within the department.
2. Responding promptly in case of complaints and allegations.
3. Assisting DGC to manage crisis situations by mobilizing resources.
4. Intercept and re-examine any goods imported or exported and verification of the correctness of the procedures followed.
5. Intercept or search passengers and passenger baggage at airport or UPB warehouses.
6. Maintain vigilance over the clearance of goods in the parcel post, courier services and other special procedures for clearance of goods.

	UPB	Head Office	Mobile Unit	Total Disposals	Total
Penalty/ Forfeiture/ Mitigated Forfeiture	307,859,030	316,371,668	203,392,785		827,623,483
Duty and Other Levies	19,662,768	76,397,469	56,682,635		152,742,872
Sales Proceeds	16,464,506	16,680,905	6,060,374	39,205,785	39,205,785
Total	343,986,304	409,450,042	266,135,794	39,205,785	1,019,572,140





Head Office: Duty & Levies and Penalty - 2017			
Month	Duty and Other Levies	Penalty/ Forfeiture/ Mitigated Forfeiture	Total
January	2,717,655	23,663,000	26,380,655
February	7,427,626	25,839,000	33,266,626
March	7,454,289	36,087,000	43,541,289
April	2,877,931	9,193,000	12,070,931
May	6,771,021	40,895,000	47,666,021
June	5,756,841	16,210,000	21,966,841
July	4,745,966	23,090,000	27,835,966
August	8,214,444	46,176,000	54,390,444
September	7,579,712	16,424,000	24,003,712
October	7,064,211	16,012,668	23,076,879
November	10,508,316	31,274,000	41,782,316
December	5,279,457	31,508,000	36,787,457
Total	76,397,469	316,371,668	392,769,137

UPB: Duty & Levies and Penalty - 2017

Month	Duty and Other Levies	Penalty/ Forfeiture/ Mitigated Forfeiture	Total
January	383,438	9,265,000	9,648,438
February	621,212	5,695,000	6,316,212
March	1,558,340	36,185,772	37,744,112
April	2,011,599	32,031,000	34,042,599
May	1,648,053	41,167,362	42,815,415
June	3,229,899	75,348,000	78,577,899
July	1,423,334	11,825,606	13,248,940
August	1,707,296	5,030,606	6,737,902
September	583,113	10,926,321	11,509,434
October	3,412,790	23,594,575	27,007,365
November	2,172,083	37,628,179	39,800,262
December	911,611	19,161,609	20,073,220
Total	19,662,768	307,859,030	327,521,798

Mobile Unit: Duty & Levies and Penalty - 2017

Month	Duty and Other Levies	Penalty/ Forfeiture/ Mitigated Forfeiture	Total
January	4,013,976	20,438,941	24,452,917
February	6,023,591	29,489,000	35,512,591
March	4,266,676	41,633,000	45,899,676
April	3,099,498	19,475,000	22,574,498
May	4,277,685	8,075,000	12,352,685
June	2,523,499	15,500,000	18,023,499
July	4,275,374	6,830,000	11,105,374
August	3,667,014	15,583,846	19,250,860
September	3,953,597	16,777,335	20,730,932
October	3,471,400	12,833,881	16,305,281
November	8,324,224	5,580,715	13,904,939
December	8,786,101	11,176,067	19,962,168
Total	56,682,635	203,392,785	260,075,420

RTF Performance During the Year 2017

Month	Duty and Other Levies	Penalty/ Forfeiture	Sales Proceeds	Total Recoveries
January	7,115,069	53,366,941	5,662,444	66,144,454
February	14,072,429	61,023,000	619,369	75,714,798
March	13,279,305	113,905,772	84,710	127,269,787
April	7,989,028	60,699,000	341,617	69,029,645
May	12,696,759	90,137,362	7,248,793	110,082,914
June	11,510,239	107,058,000	4,931,805	123,500,044
July	10,444,674	41,745,606	200,000	52,390,280
August	13,588,754	66,790,452	560,307	80,939,513
September	12,116,422	44,127,656	310,806	56,554,884
October	13,948,401	52,441,124	2,118,367	68,507,892
November	21,004,623	74,482,894	93,844	95,581,361
December	14,977,169	61,845,676	17,033,723	93,856,568
Total	152,742,872	827,623,483	39,205,785	1,019,572,140

Sales Proceeds For The Year 2017

Month	Case No	UPB	Head Office	Mobile	Total Sales Proceeds
January	CRTEF/057/2016		107,231		
	CRTEF/200/2015		140,140		
	CRTEF/1663/2015		35,073		
	CRTEF/617/2016	5,380,000			5,662,444
February	CRTEF/446/2016			619,369	619,369
March	CRTEF/057/2016		84,710		84,710
April	CRTEF/446/2016			341,617	341,617
May	CRTEF/229/2017			1,328,827	
	CRTEF/099/2017	310,185			
	CRTEF/1032/2013		571,821		
	CRTEF/617/2016	5,037,960			7,248,793
June	CRTEF/617/2016	2,815,000			
	CRTEF/286/2017		1,015,880		
	CRTEF/134/2017			1,100,925	4,931,805
July	CRTEF/057/2016		200,000		200,000
August	CRTEF/110/2015		80,641		
	CRTEF/748/2017			395,345	
	CRTEF/694/2017			84,321	560,307
September	CRTEF/398/2017		310,806		310,806

October	CRTF/099/2017	304,054			
	CRTF/477/2017	1,814,313			2,118,367
November	CRTF/1073/2017	93,844			93,844
December	CRTF/158/2017			2,189,970	
	CRTF/1636/2017		3,310,415		
	CRTF/1684/2017	709,150			
	CRTF/2671/2017		10,824,188		17,033,723
		16,464,506	16,680,905	6,060,374	39,205,785

Total Recoveries at Revenue Task Force from 2014 to 2017				
	2014	2015	2016	2017
Penalty/ Mitigated Forfeiture and Duty & Other Levies	461,475,705	392,305,046	997,205,323	980,366,355
Sales Proceeds	64,908,466	15,420,636	24,394,455	39,205,785
Total	526,384,171	407,725,682	1,021,599,778	1,019,572,140

PERFORMANCE COMPARISON: 2015, 2016 AND 2017			
	2015	2016	2017
January	28,695,795	17,698,812	66,144,454
February	14,284,259	17,811,346	75,714,798
March	36,443,499	138,286,404	127,269,787
April	23,677,169	89,141,272	69,029,645
May	47,758,109	119,850,551	110,082,914
June	41,244,469	113,060,721	123,500,044
July	41,968,484	64,182,599	52,390,280
August	54,401,513	62,556,875	80,939,513
September	34,046,516	91,189,599	56,554,884
October	48,930,650	129,781,900	68,507,892
November	24,993,097	80,145,852	95,581,361
December	19,879,682	97,893,847	93,856,568
Total	416,323,242	1,021,599,778	1,019,572,140

Excise (Special Provisions) Division

Introduction

Excise (Special Provisions) Act, No: 13 of 1989 amended by Act, No: 40 of 1990 and Act, No: 08 of 1994 is the legal source of the implementation of the Excise (Special Provisions) policies of the government of Sri Lanka.

Excise (Special Provisions) Division, which is operating under the Department of Sri Lanka Customs, comes under the Ministry of Finance, performs an important national role as the government agency mandated with the responsibility of enforcement of the provisions of the Excise (Special Provisions) Act and regulations made there under for the well-being of the nation.

Major Functions:

- (1) Inspection of Company Premises and Check the Production and Issues records.
- (2) Check whether the documents submitted by the Companies with regard to Production Issues and Stocks are correct.
- (3) Compare the tax paid by the Companies with previous and current records.
- (4) Take legal action against the Companies which do not submit the relevant documents

Comparison of Performance with the Action Plan for 2017

Key Action	Target Mn.	Actual Rs.	If not achieved, the reasons
Tobacco	91500	88,885,652,025	Due to price increase as per budget proposals
Petroleum (Petrol, Diesel)	13200	111,004,023,088	Importations of purified petroleum
Local Assembled Vehicles	2000	1,215,197,343	locally assembled micro vehicles done by the bonds division
Others (Soft Drinks, Race publications, Electrical Items (local assembled) & recoveries from Court Cases	3500	4,683,199,773	-

File No.	Name of the Institute	Revenue (Rs)	Revenue (Rs)	Revenue (Rs)	Revenue (Rs)	Annual Revenue (Rs)
		1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Total
M/40	Ceylon Tobacco Co. Ltd.	19,731,769,025.00	23,259,263,480.00	23,175,789,560.00	22,718,829,960.00	88,885,652,025.00
M/56	Ceylon Petroleum Corporation	626,290,639.00	3,011,544,629.00	4,214,069,100.00	3,248,498,020.00	11,100,402,388.00
M/772	Vehicles Lanka (Pvt.) Ltd,	Legal action	239,400.00	480,000.00	1,293,200.00	2,012,600.00
M/771	Alba lanka Industries (Pvt.) Ltd,	Legal action	Legal action	Legal action	Closed	0.00
M/767	Micro Cars (Ltd.)	455,418,600.00	178,920,000.00		-	634,338,600.00
M/769	Yuni Motors	Nil	-	-	Nil	0.00
M/860	Unimo Enterprises	391,503,625.00	69,757,800.00	50,127,243.00	67,457,475.00	578,846,143.00
M/869	W.T.L Automobiles	Nil	-	Nil	Nil	
M/887	SIFANG Lanka (pvt) ltd	Nil	-	Nil	Nil	
M/884	Zerandib Motor Enterprises	Nil	-	Nil	Nil	
M/886	Lanka automobile manufacturing	Nil		Nil	Nil	
M/878	David Peiris Automobile (pvt) ltd	Nil	-	Nil	Closed	
M/888	yuan dong automobile (pvt) ltd	Nil		Nil	Nil	
	Total	846,922,225.00	248,917,200.00	50,607,243.00	68,750,675.00	1,215,197,343.00
M/757	Ceylon Cold Stores Ltd,	309,614,606.00	278,379,474.60	295,120,018.56	328,419,448.83	1,211,533,547.99
M/756	Coca Cola Beverages Sri Lanka Ltd,	314,600,945.00	332,865,260.00	320,460,660.00	494,989,738.00	1,462,916,603.00
M 642	Ole Springs Botler s (Pvt.) Ltd.	175,699,845.00	134,821,322.00	120,996,575.00	97,503,930.00	529,021,672.00
M/765	Pet Packaging (Pvt.) Ltd	32,348,150.79	35,579,010.94	30,411,498.54	33,084,717.67	131,423,377.94
M/891	Bevoco Lanka	4,744,204.20	-	Not paid	Not paid	4,744,204.20
M/866	Sanro Lanka	15,012.00	10,164.00	5,175.00	5,016.00	35,367.00
M/773	Mega Way marketing	-	Legal action	Legal action	Legal action	0.00
M/889	Max Cola	67,450.00	72,445.00	76,270.00	74,078.00	290,243.00
M/899	Mirage FoodProduct (pvt) Ltd		0.00	50,618.40	161,540.40	212,158.80
M/872	Varun Beverages Lanka	13,531,197.00	41,841,920.00	53,385,365.00	49,212,523.00	157,971,005.00
M/897	Reliauce Beverages	-	31,200.00	75,828.20	165,977.41	273,005.61
M/900	Dabare Lanka Pvt				5,272,340.00	5,272,340.00
	Total	850,621,409.99	823,600,796.54	820,582,008.70	1,008,889,309.31	3,503,693,524.54

M/761	Sporting Star	399,240.00	399,219.00	408,600.00	480,474.00	1,687,533.00
M/763	Super Sports	146,361.00	134,391.00	143,097.00	150,040.00	573,889.00
M/764	RR printers (Racing Special)	1,863,300.00	1,767,360.00	1,893,480.00	2,220,360.00	7,744,500.00
M/760	Sporting Times	699,150.00	669,450.00	685,050.00	815,400.00	2,869,050.00
M/775	New Grand Sports	156,600.00	149,400.00	160,200.00	186,000.00	652,200.00
M/890	Our Sandlers Special		49,800.00	53,400.00	62,000.00	165,200.00
M/898	Darmasiri & Sons		52,200.00	52,200.00	63,800.00	168,200.00
	Total	3,264,651.00	3,221,820.00	3,396,027.00	3,978,074.00	13,860,572.00
M/797	Abans Electricals Ltd.	39,805,976.00	22,747,912.06	26,229,487.11	23,892,937.87	112,676,313.04
M/877	Regnis Appliance (Pvt)Ltd	Nil	-	Duty wever	1,236,730.58	1,236,730.58
M/885	D.R.Home Appliance (Pvt)Ltd	Nil	-	Duty wever	Duty wever	0.00
M/15	Regnes Lanka Ltd Mr.	3187929	2,330,916.00	3,019,932.00	Free	8,538,777.00
	Total	42,993,905.00	25,078,828.06	29,249,419.11	25,129,668.45	122,451,820.62
M/893	Lion Brewery	28,250,520.00	100,427,436.00	166,939,560.00	45,719,160.00	341,336,676.00
M/894	Asia fasific	50,812,680.00	40,761,120.00	45,723,480.00	7,555,560.00	144,852,840.00
	Total	79,063,200.00	141,188,556.00	212,663,040.00	53,274,720.00	486,189,516.00
M/895	Development Lottery Board		84,269,350.00	111,942,100.00	Te. Closed	196,211,450.00
M/896	National Lottery Board		229,961,640.00	130,831,250.00	Te. Closed	360,792,890.00
	Total		314,230,990.00	242,773,350.00		557,004,340.00

Appeals Division

Introduction

Appeals Directorate is a newly formed directorate, after considering the importance of Appeal Procedure indicated in the Revised Kyoto Convention (RKC) of the World Customs Organization (WCO), and the Trade Facilitation Agreement (TFA) of the World Trade Organization (WTO).

This directorate functions directly under the Director General of Customs.

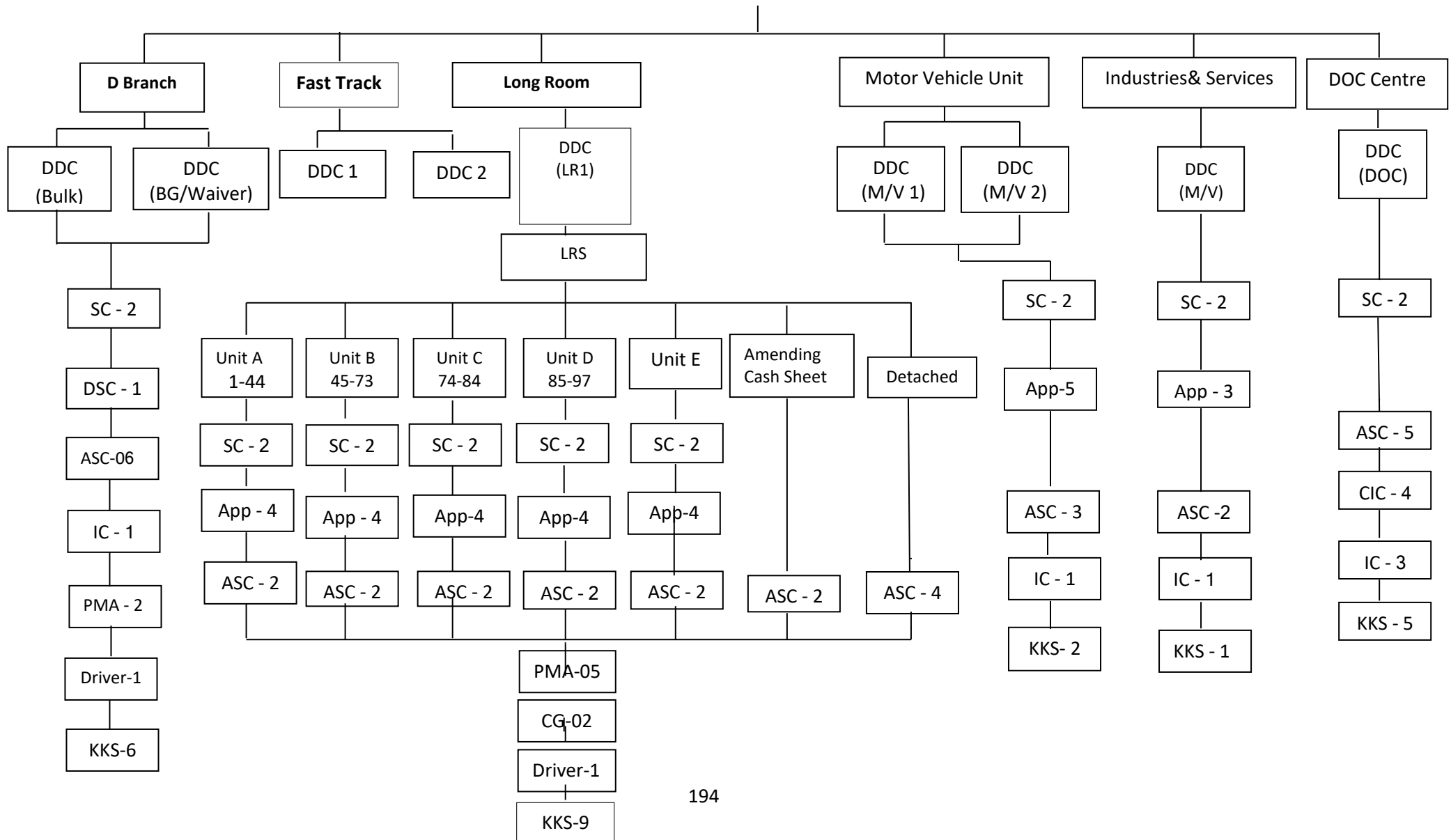
Its objective is to facilitate the trade by considering the appeals lodged in writing to the DGC, make suitable recommendations after having verified the facts, and to take follow up actions.

Appeals received	-	07	100%
Appeals registered	-	07	100%
Reports call from other branches to the relevant appeals	-	07	100%
Appeals forwarded to DGC	-	06	86%
Act according to the DG's authorization	-	06	86%
Appeals Closed	-	06	86%
Appeals pending	-	01	14%

ANNEX

Organization Structure & Cadre of the Declaration Directorate

Annex A



Annex B**MOTOR VEHICLE BRANCH– 2017**

MONTH	NO OF CUSDECS CBMV1	RECOVERY CBMV1	NO OF CUSDECS HBIM1	RECOVERY HBIM1	TOTAL RECOVERY
JANUARY	462	9,044,768,581.00	3,024	7,439,012,111.00	16,483,780,692.00
FEBRUARY	380	6,697,078,394.00	2,705	7,176,676,271.00	13,873,754,665.00
MARCH	530	9,004,645,494.00	4,108	10,258,197,558.00	19,262,843,052.00
APRIL	357	6,113,035,439.00	3,395	8,275,638,267.00	14,388,673,706.00
MAY	459	8,493,467,825.00	3,257	8,038,003,855.00	16,531,471,680.00
JUNE	415	7,178,964,655.00	2,632	7,446,883,506.00	14,625,848,161.00
JULY	441	7,249,544,197.00	2,867	7,110,660,870.00	14,360,205,067.00
AUGUST	566	8,602,738,469.00	3,620	9,138,480,679.00	17,741,219,148.00
SEPTEMBER	413	6,241,775,510.00	2,499	6,152,562,731.00	12,394,338,241.00
OCTOBER	499	7,160,044,882.00	2,459	6,059,789,614.00	13,219,834,496.00
NOVEMBER	205	7,280,510,082.00	2,690	7,356,553,080.00	14,637,063,162.00
DECEMBER	3,675	14,647,629,483.00	1,663	3,370,579,677.00	18,018,209,160.00
TOTAL	8,402	97,714,203,011.00	34,919	87,823,038,219.00	185,537,241,230.00

Annex C

Total Revenue - Declarations Directorate-2017

MONTH	CBHQ	CBHQ	CBMV	CBMV	HBIM	HBIM	MV TOTAL	TOTAL
	CusDecs		Cus Decs		Cus Decs			
JANUARY	20959	34,847,170,650.00	462	9,044,768,581.00	3024	7,439,012,111.00	16,483,780,692.00	51,330,951,342.00
FEBRUARY	18232	30,736,830,878.00	380	6,697,078,394.00	2705	7,176,676,271.00	13,873,754,665.00	44,610,585,543.00
MARCH	22435	39,702,474,194.80	530	9,004,645,494.00	4108	10,258,197,558.00	19,262,843,052.00	58,965,317,246.80
APRIL	16541	28,459,278,488.01	357	6,113,035,439.00	3395	8,275,638,267.00	14,388,673,706.00	42,847,952,194.01
MAY	20119	33,186,872,707.60	459	8,493,467,825.00	3257	8,038,003,855.00	16,531,471,680.00	49,718,344,387.60
JUNE	19149	30,138,082,174.66	415	7,178,964,655.00	2632	7,446,883,506.00	14,625,848,161.00	44,763,930,335.66
JULY	18597	31,041,295,368.00	441	7,249,544,197.00	2867	7,110,660,870.00	14,360,205,067.00	45,401,500,435.00
AUGUST	21069	33,031,888,049.00	566	8,602,738,469.00	3620	9,138,480,679.00	17,741,219,148.00	50,773,107,197.00
SEPTEMBER	19360	29,240,451,148.01	413	6,241,775,510.00	2499	6,152,562,731.00	12,394,338,241.00	41,634,789,389.01
OCTOBER	20376	32,253,379,751.01	499	7,160,044,882.00	2459	6,059,789,614.00	13,219,834,496.00	45,473,214,247.01
NOVEMBER	21511	35,181,178,132.14	205	7,280,510,082.00	2690	7,356,553,080.00	14,637,063,162.00	49,818,241,294.14
DECEMBER	19742	35,984,165,108.87	3675	14,647,629,483.00	1663	3,370,579,677.00	18,018,209,160.00	54,002,374,268.87
TOTAL	176461	393,803,066,650.10	8402	97,714,203,011.00	34919	87,823,038,219.00	185,537,241,230.00	579,340,307,880.10

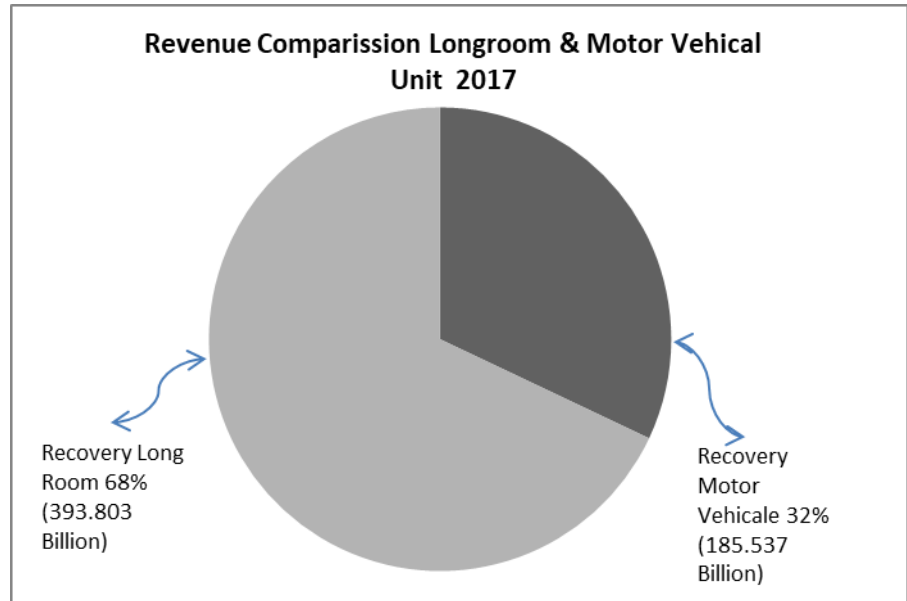
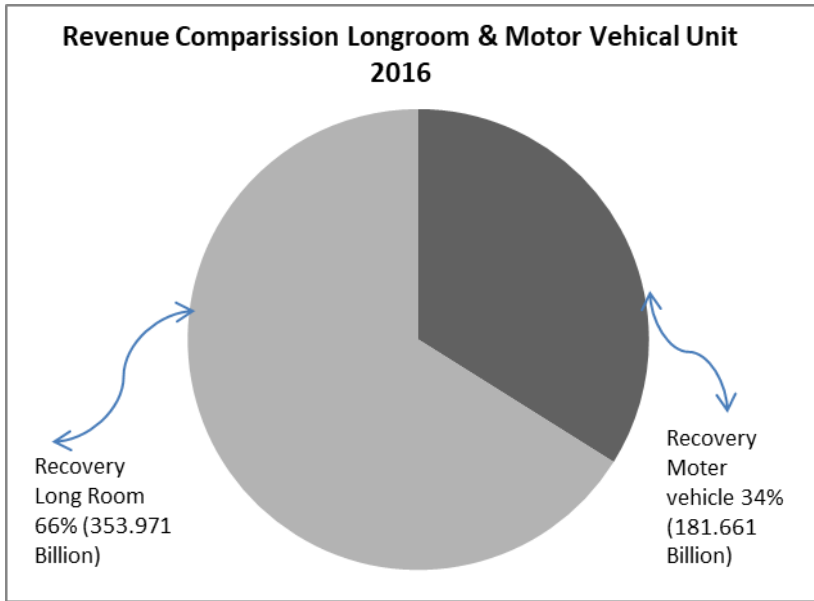
Annex D

**Revenue comparison Long room & Motor Vehicle Unit
2016**

Month	Recovery Moter Vehicle	Recovery Long Room	Total Recovery MV and LR
Jan	15,953,106,012.00	25,342,324,280.00	41,295,430,292.00
Feb	13,659,095,459.00	24,715,035,663.00	38,374,131,122.00
Mar	16,072,646,684.00	38,978,112,266.00	55,050,758,950.00
Apr	12,941,551,233.00	22,446,768,825.00	35,388,320,058.00
May	13,560,590,523.00	28,103,971,867.06	41,664,562,390.06
Jun	13,640,808,470.00	31,742,922,988.00	45,383,731,458.00
Jul	14,819,252,311.00	26,022,414,197.71	40,841,666,508.71
Aug	18,394,053,799.90	29,878,074,752.11	48,272,128,552.01
Sep	14,584,106,521.00	26,483,546,890.83	41,067,653,411.83
Oct	16,191,128,181.00	27,940,158,049.51	44,131,286,230.51
Nov	16,191,230,697.00	36,060,715,745.00	52,251,946,442.00
Dec	15,653,439,304.00	36,257,796,843.00	51,911,236,147.00
Total	181,661,009,194.90	353,971,842,367.22	535,632,851,562.12

**Revenue Comparison Long room & Motor Vehicle Unit
2017**

Month	Recovery Moter Vehicle	Recovery Long Room	Total Recovery MV and LR
Jan	16,483,780,692.00	34,847,170,650.00	51,330,951,342.00
Feb	13,873,754,665.00	30,736,830,878.00	44,610,585,543.00
Mar	19,262,843,052.00	39,702,474,194.80	58,965,317,246.80
Apr	14,388,673,706.00	28,459,278,488.01	42,847,952,194.01
May	16,531,471,680.00	33,186,872,707.60	49,718,344,387.60
Jun	14,625,848,161.00	30,138,082,174.66	44,763,930,335.66
Jul	14,360,205,067.00	31,041,295,368.00	45,401,500,435.00
Aug	17,741,219,148.00	33,031,888,049.00	50,773,107,197.00
Sep	12,394,338,241.00	29,240,451,148.01	41,634,789,389.01
Oct	13,219,834,496.00	32,253,379,751.01	45,473,214,247.01
Nov	14,637,063,162.00	35,181,178,132.14	49,818,241,294.14
Dec	18,018,209,160.00	35,984,165,108.87	54,002,374,268.87
Total	185,537,241,230.00	393,803,066,650.10	579,340,307,880.10



Annex E

MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
No of CusDecs	24949	21763	27678	20796	24407	22839	22603	26034	21907	23988	24954	25811	287729
CID	13,202,817,056	9,526,870,192	12,220,424,678	10,616,771,956	9,642,698,237	10,564,362,955	9,201,802,338	10,747,614,965	10,009,639,512	7,707,119,684	12,242,329,709	8,921,152,668	124,603,603,950
PAL	7,004,458,501	6,273,194,525	7,882,352,572	6,580,563,708	6,466,091,693	6,859,372,337	6,615,108,089	7,364,241,858	6,671,340,869	7,391,856,982	8,212,648,659	7,783,310,805	85,104,540,598
CESS(EIC)	4,750,811,295	4,129,318,239	4,956,120,168	3,351,369,126	4,126,598,937	4,003,193,089	3,893,799,533	4,221,440,973	3,657,097,550	4,366,684,182	4,616,609,111	4,408,585,631	50,481,627,834
MCL(ESC)	79,394,708	79,595,531	115,390,550	55,798,246	88,615,561	97,960,562	151,017,857	175,807,138	149,747,871	167,772,561	181,501,889	211,077,729	1,553,680,203
EEC	719,303	442,860	539,473	155,629	64,021	21,128	-	-	-				1,942,414
SCL	5,309,920,260	4,504,261,431	6,278,980,859	3,967,111,935	5,943,515,684	4,419,946,244	4,930,327,340	4,867,530,351	4,410,403,189	3,885,076,775	4,483,294,794	4,166,887,879	57,167,256,741
XID	22,524,596,177	17,937,273,286	25,531,092,369	20,585,382,229	20,489,694,256	20,328,167,751	18,390,014,127	23,685,966,413	18,804,474,397	16,195,253,851	22,268,625,457	23,484,799,054	250,225,339,367
VAT	12,352,171,719	10,898,216,431	14,318,624,881	10,560,450,442	11,098,850,723	10,505,128,431	10,716,937,161	11,829,083,763	10,604,813,545	12,300,610,104	13,489,644,329	14,195,966,571	142,870,498,100
SRL										600			600
NBT	1,817,059,776	1,613,888,319	2,085,679,970	1,546,203,629	1,724,184,155	1,647,093,000	1,691,482,299	1,834,883,226	1,649,302,859	1,882,510,642	1,993,333,783	1,960,723,207	21,446,344,865
OVP	365,850	244,736	541,547	382,975	361,448	231,898	336,175	513,850	473,430	295,920	336,490	792,577	4,876,895
SEL	3,693,700	3,188,900	3,892,400	2,479,000	3,237,900	3,033,600	3,169,800	3,535,100	2,880,500	3,434,900	3,482,200	3,537,000	39,565,000
COM	5,977,500	5,209,500	6,548,750	4,882,000	5,729,250	5,339,000	5,377,500	6,100,750	5,115,750	5,591,000	5,866,500	6,396,500	68,134,000
EXM	10,673,700	9,276,100	11,511,000	8,149,900	9,905,200	9,205,700	9,343,000	10,535,200	8,835,700	9,957,300	10,289,900	10,980,300	118,663,000
OTC	25,936,800	23,022,000	28,628,400	20,940,400	24,869,200	22,711,419	23,002,400	26,323,600	22,042,000	24,040,800	25,532,800	28,044,800	295,094,619
TOTAL	67,088,596,345	55,004,002,050	73,440,327,617	57,300,641,175	59,624,416,265	58,465,767,114	55,631,717,619	64,773,577,187	55,996,167,172	53,940,205,301	67,533,495,621	65,182,254,721	733,981,168,186

Annex F

**Manifest Amendments and Late Manifest Penalty
Progress Report for the Year 2017 - D Branch**

Month	No. of Amendments	Penalty Recovered (Rs.)
January	170.00	4,888,199.00
February	210.00	5,091,500.00
March	254.00	4,113,000.00
April	226.00	3,497,500.00
May	239.00	5,079,000.00
June	245.00	3,959,100.00
July	231.00	4,306,800.00
August	268.00	4,351,038.00
September	235.00	4,836,250.00
October	207.00	4,115,000.00
November	310.00	5,180,500.00
December	236.00	3,453,000.00
Total	2,831.00	52,870,887.00

Annex G

Data Related to other D Branch activities - 2017

Unit	Description	Amount
DRA Unit	Number of registered DAR files	1,394.00
	No of Finalized DAR file	791.00
Bank Guarantee	Number of registered Bank Guarantee files	764.00
	Number of finalized files Bank Guarantee file	738.00
	Total Value of guarantee secured	2,366,399,684.69
	Total Value of guarantee leased	1,679,586,087.29
Duty Waiver Unit	Number of CusDecs registered under ISFTA	8,574.00
	Number of CusDecs registered under PSFTA	473.00
	Number of CusDecs registered under other trades agreements	1,284.00
Bulk Cargo monitoring unit	Number of Bulk Cargo registered	588.00
	Number of Bulk Cargo DusDec finalized	555
Carnet Unit	Number of registered Carnet applications	38

Annex H

PERFORMANCE OF THE DOCUMENT CENTRE

NUMBER OF GATE PASSES ISSUED (NO.OF CONTAINERS MOVED) TO RESPECTIVE YARDS

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
BOI BEPZ	327	364	369	298	391	371	478	472	437	428	427	378	4740
BOI HREPZ	75	70	74	50	59	59	40	75	59	59	59	54	733
BOI KEPZ	507	391	548	494	538	511	588	606	571	656	607	624	6641
BOI KOEPZ	15	20	24	24	16	14	20	19	21	17	27	16	233
BOI MIRIGAMA	196	134	122	71	120	191	153	112	86	147	143	102	1577
BOI MWEPEZ	12		11	5	5	10	7	10	13	7	10	9	99
BOI ORUGODA	2509	2069	2548	2195	2590	2217	2646	2715	2089	2340	2856	2529	29303
BOI PKEPZ	1	3	4	1	3	1					1		14
BOI SEETHAWAKA	182	143	178	155	194	176	178	188	232	173	198	183	2180
BOI THUL	52	42	53	45	20	28	52	36	36	45	36	45	490
BOI WPEPZ	39	30	40	36	52	38	36	37	27	35	55	30	455
CSF 5	2					1		1	1	3	1		9
CBMV							1	1					2
CSL	108	76	116	108	126	157	169	136	69	80	97	96	1338
EXEMPTED	1294	1086	1077	1067	1588	2394	2793	2377	2335	3093	2381	2456	23941
GRAYLINE1	2028	1829	2199	2026	2216	1996	1603	2304	1745	2058	2169	2227	24400
GRAYLINE2	3196	2432	3098	2390	2756	2784	2607	2752	2671	2941	2964	3018	33609
LAKSIRI	66	56	81	71	83	96	126	83	49	62	74	69	916
ASIAN YARD							1						1
HRC						72	282	318	314	333	313	314	1946
MIDCO	39	30	48	44	41	53	64	63	27	30	37	51	527
NNR	526	408	557	439	513	428	427	484	411	440	426	494	5553
OUTPANEL	12331	10508	12953	7712	10586	9184	10285	10361	8513	11617	10798	10778	125626
RCT	19722	18519	21699	14086	16710	15276	15872	18613	14877	16432	18250	18279	208335
RELEASE	1303	952	1242	976	1406	1252	1396	1639	1480	1464	1634	1520	16264
TRANSCO	52	30	40	51	47	88	58	67	32	37	47	52	601
TRICO	101	85	158	120	90	166	177	174	61	101	131	101	1465
TRS KATUNAYAKE	32	40	56	36	49	56	154	282	158	104	154	107	1228
(blank)	77	87	82	72	70	96	96	196	87	107	157	111	1238
Total	44792	39404	47377	32572	40269	37715	40309	44121	36401	42809	44052	43643	493464

