

SC directs BOI to continue with facilities to industries outside EPZ

THE ISLANDS
10/6/99

By V. Varathasuntharam

Supreme Court yesterday directed the Board of Investment to continue to effect facilities of import or export clearance and customs procedure under the relevant agreement to all approved industries.

The Bench comprised Justices Amarasinghe, Dheeraratne and Gunasekera.

In this case Union Apparels Ltd. filed a suit against Director General of Customs and the BOI challenging the decision of the Director General of Customs to withdraw the facilities without notice to all BOI approved industries located outside the export processing zone (EPZ).

This order of court was sequel to an application by the plaintiff company through its counsel G. G. Arulpragasam.

The petition stated that no notice whatsoever has been given to the petitioner of the decision of Sri Lanka Customs regarding the transfer of functions presently conducted by BOI to the Sri Lanka Customs.

The petitioner and the other companies enjoyed several benefits granted by BOI. The petition stated that BOI was one stop shop which facilitates all documentation at one place.

If the facilities are withdrawn the petitioner will be subject to controls of Customs and Customs Ordinance. It will be a violation of BOI agreement and be detrimental to speedy export orders and to the entire export trade. There will be no flexibility in negotiations.

In any event no reason whatsoever has been given for the decision to shift facilities from the BOI to Customs, the petition concluded.

President's Counsel Romesh de Silva with W. M. M. Illiyas and Hiran de Alwis instructed by G. G. Arulpragasam appeared for the petitioner.

Assistant Solicitor General K. C. Kamalabayson with Mrs. M. M. B. Fernando appeared for the 3rd respondent Attorney General.