

GUIDELINES FOR IMPORTATION OF FROZEN COCONUT KERNELS, UHT COCONUT MILK, COCONUT MILK POWDER AND DESICCATED COCONUT

Abbreviations

CDA -Coconut Development Authority

CRI - Coconut Research Institute

STC - Sri Lanka State Trading Corporation

UHT Coconut Milk - Ultra Heated Treated Coconut Milk

NO - No Objection

NPQS - National Plant Quarantine Services

IECD - Import Export Control Department

Introduction

Due to low production of coconuts, Sri Lanka faces raw material shortages during some years. In 2025, the Coconut Research Institute (CRI) has predicted a coconut production of 1,407 ± 37 million nuts for the first half of the year, reflecting a 1% reduction compared to 2024. The export of coconut products increased by 21% in 2024 compared to 2023. Due to this limited supply and high industrial demand, coconut prices have surged, impacting both consumers and manufacturers.

To mitigate this issue and support the coconut industry, the Government of Sri Lanka has permitted the importation of frozen coconut kernels, dehydrated coconut chips (excluding copra), UHT coconut milk, coconut milk powder, and desiccated coconut under the regulation of the CDA, CRI, Line Ministry, and Ministry of Industries (Cabinet Decision of My No: 25/0215/813/002-1, on the 03-02-2025) This initiative aims to ensure an adequate supply of raw materials for the industry while protecting Sri Lanka's coconut, areca nut, and oil palm cultivations from foreign pests and diseases. The CDA, along with the CRI and relevant authorities, will oversee the importation process to maintain industry standards and compliance with national regulations.

Permission has been granted to import raw materials equivalent to 200 million coconuts, valid for a period of six months.

Eligibility for Importation

- Only manufacturers registered with the CDA are permitted to import.
- All importers shall register under the TIEP scheme to import the specified raw materials.
- The importation of frozen coconut kernels, UHT coconut milk, coconut milk powder, and desiccated coconut shall be carried out directly by manufacturers engaged in value addition.
- Manufacturers are solely responsible for ensuring the quality and financial stability of these imports.
- Imported coconut-based raw materials must undergo significant value addition before export.
- Finished products must achieve HS Code transformation at the four-digit level.
- Imported products shall not be sold in the local market for direct consumption, nor shall the finished products be sold local consumption.

1. Application Process

CDA

1. Based on the requirements of the importers, CDA shall propose exporting countries/ destinations to the CRI. (Approved exporting countries/ destinations shall be recommended by CRI to the line Ministry.)
2. Importers intending to import the aforementioned products shall complete Form 01/E/CDA/2025, Form 02/E/CDA/2025 and submit it to the CDA.
3. The CDA recommendation will be forwarded to the Coconut Research Institute (CRI) for further processing.

CRI

Based on the information in the applications received, CRI will be granted the No Objection Certificate to the importer.

NPQS

NPQS will be granted the Import Permit to the importer prior to importation of each consignment.

**** The CDA will serve as the primary coordinator with CRI and NPQS to ensure a smooth process and prevent delays.

1. Importation Conditions & Documentation (NPQS requirements)

- Imports shall originate from pre-approved countries subject to pest risk assessment.
- Importation shall be regulated and controlled by licensing under IECD.
- Each consignment shall be accompanied by:
 - Original Phytosanitary Certificate
 - Customs and Quarantine Clearance Documents
 - Certificate of No Objection, Import Permit, etc.....

2. Transportation & Handling Requirements

- Frozen coconut kernels shall be transported at -18°C
- Only food-grade, hermetically sealed, pest-proof polythene packaging is allowed. Wooden, paper packaging and gunny bags are not allowed.
- Shipping Containers shall be clean and free of pests and contaminants.
- Imported materials must be transported to the manufacturing facility in sealed containers with GPS tracking. (This lock shall not be opened during transportation between Port of entry and the manufacturing facility)

3. Importation & Inspection Procedures

- Upon arrival, all shipments shall be inspected by NPQS, CDA, and Sri Lanka Standards Institution (SLSI).
- Random samples will be collected (by CDA and NPQS) and tested for pathogens, pests, and food safety compliance (by CRI and NPQS).
- Any deviation from cold storage requirements may result in shipment rejection.
- If contamination is detected, necessary quarantine treatments will be imposed before clearance.

4. Treatment upon arrival. (NPQS requirements)

- Any pest or diseases are detected during inspection, the shipment shall be subjected to quarantine requirements.

5. Release of the consignment

- NPQS shall release the consignment from the ports of entry after receiving the “No objection for clearance” from the CRI (Frozen kernel, Desiccated coconut).
- NPQS shall release the consignment from the ports of entry if no phytosanitary risk is observed (UHT coconut milk, coconut milk powder).

6. Rejection of Contaminated Shipments

- Any deviation from the cold storage requirements shall lead to rejection or further scrutiny.
- Contaminated shipments shall be subject to re-export, destruction, or further treatment at the importer’s cost.
- If a consignment exceeds the allowable aflatoxin limits, it shall be rejected and returned.

7. Processing, Post-Importation Monitoring & Reporting

- The GPS lock shall be unlocked in the presence of a CDA officer.
- Waste and by-products must be properly managed through incineration or re-export.
- The manufacturer shall submit the production data to the CDA on time.
- Importers shall allow CDA, CRI, and NPQS officials to inspect their processing premises at any time.
- Waste management shall comply with regulations to prevent environmental contamination.
- The CDA shall submit monthly reports to the Ministry of Plantation, CRI, and NPQS detailing import quantities, country of origin, rejections, and compliance with value addition requirements.

Conclusion

These guidelines ensure a controlled and transparent importation process for coconut-based raw materials, protecting Sri Lanka's coconut industry from biosecurity threats while supporting its export-oriented production. Compliance with all regulatory requirements is mandatory to maintain the quality, safety, and sustainability of the coconut sector.