

Based on information collected up to October 2005

1. TARIFF MEASURES

Structure of the tariff schedule

The Maldives applies an eight-digit tariff nomenclature based on the harmonized system. The tariff schedule contains on column showing the MFN applied rate.

Tariff publications

Maldives, Import Tariff 2003 obtainable from
Maldives Customs Service,
Boduthakurufaanu Magu,
Male
Tel: (960) 322 001
Fax: (960) 322 633

12 MFN Duties

Import duties are levied on the CIF value of the goods with rates starting from 5% to 20% on basic basket goods, 10% to 25% on goods essential for the development of domestic industries and higher rates are set with respect to environmental health and religious concerns .i.e. plastic packaging are levied at 200%, passenger motor vehicles, buses, motorcycles and their components at 100%, tobacco and tobacco products with the exception of cigarettes are subject to a tariff of 50%; live pigs and pigmeat, alcoholic beverages, food preparations containing pork or alcohol are subject to a levy of 35% as are explosives, film projectors, firearms and ammunition.

13 Bound rates

As a result of the Uruguay Round negotiations, the Maldives bound almost its entire tariff at a rate of 30% except for goods causing environmental damages, alcoholic beverages and goods offending moral and religion.

16 Temporary reduced duties

Duty-free entry of goods is granted to the following items: imported inputs used in export-oriented industries as fabric and accessories for garment production; goods for use in the tourism sector as cement, corrugated metal sheets, glass, plywood, formed timber and wood, machinery including commercial kitchen appliances such as ranges and freezers and engines valued at US \$1,000 or above. Outboard engines and sea vessels up to US \$5,000 and over receive a duty reduction of 50%. In addition duty exemption is set also on plumbing and toilet, tub, sink fittings, electrical equipment such as air conditioners, refrigerators and fans, electrical wiring and cables, desalinization plants, incinerators and compactors.

Additionally, duty exemption is allowed to staple goods as rice, wheat, flour and sugar; essential medicines determined by the Ministry of Health and Welfare, and textbooks and other learning materials designated by the

Ministry of Education.

Goods imported temporarily for trade fair, scientific research or other professional use, enjoy duty suspension for 14 days.



Preferential duties under trade agreements

19.2 Regional and sub-regional agreements

The Maldives together with Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka are members of the South Asian Association for Regional Cooperation (SAARC) established on 8 of December 1985 with the aim to promote an accelerated economic growth, and complement bilateral and multilateral relations among member states.

Later on, the contracting states established in 1993 the SAARC Preferential Trading Arrangement (SAPTA) to promote and sustain mutual trade and the economic cooperation among its members, through exchanging concessions in accordance with the terms of this Agreement by calling for reduced tariff on certain goods, such as raw materials, agricultural products, livestock, marine products, and scrap metal, on the condition that goods contain at least 40% value-added if produced in a single SAPTA country, 30% in a lesser developed SAPTA country or 50% if more than one SAPTA member provides input.

In line with the plans, member countries signed in January 2004, the South Asian Free Trade Area (SAFTA) laying down a tariff reduction programme with different timeframe according to the country level of development; SAFTA will enter into force on 1 January 2006.



2. PARA-TARIFF MEASURES

Internal taxes and charges levied on imports

23.2 Excise taxes

Imports of cigarettes are subject to a specific duty of Rf0.30 per stick.



6. QUANTITY CONTROL MEASURES

61 Non-automatic licensing

An open General Licence (OGL) issued by the Ministry of Trade and Industries, is required for importation of all goods; it is used for customs clearance and monitoring purposes.



Quotas

62.9 Quotas n.e.s.

Rice, flour and sugar are subject to import quotas.



Prohibitions

63 Prohibitions

Import prohibition is maintained for health, safety, security, environmental

and religious reasons.



63.7 Prohibition for sensitive product categories

Import prohibition is set on explosives, weapons, ammunition, narcotics and psychotropic substances, pornographic material, idols of worship, pork products and its by-products, dogs and dangerous animals.

Are included in the import prohibition list the following goods: perishable biological substances, poisons, nitrites and radioactive materials.



63.74 To protect environment

For environmental reasons, it is prohibited to import used motor vehicles and cycles over 3 years old.



7. MONOPOLISTIC MEASURES

Single channel for imports

71.1 State trading administration

State trading organization is the main importer of rice, sugar and wheat flour. It also controls the import of jet fuel.



8. TECHNICAL MEASURES

81.12 To protect animal health and life

Imports of live animals and birds must be accompanied by an appropriate sanitary certificate.



81.13 To protect plant health

A phyto-sanitary certificate is required for the importation of plants.



81.3 Labelling requirements

The Consumer Protection Act of 1996, subjects packaged goods to the following labelling requirements: the name of the product, ingredients or composition, weight in metric units, quantity, production and expiration dates, and instructions for use.