

21.11.2017

All Freight Forwarders and NVOCC Operators,

RENEWAL OF FREIGHT FORWARDER AND NVOCC OPERATOR LICENSE - 2018

In order to continue to function as a Freight Forwarder/ NVOCC Operator License has to be renewed/obtained for the year 2018. All applications should be complied in terms of provisions as specified in the regulation bearing government gazette notification extraordinary No. 1877/26 dated 28th August 2014 promulgated under the Licensing of Shipping Agents, freight forwarders, NVOCC Operators and Container Operators Act No 10 of 1972 as amended.

Please note that this Renewal Notice consists of following annexures.

- Annexure 1 - List of Requirements
- Annexure 2 - Specimen Application Form
- Annexure 3 - Specimen Bank Guarantee
- Annexure 4 - Details of Shareholders
- Annexure 5 - Details of Bank Accounts
- Annexure 6 - Specimen of Certificate of Conformity
- Annexure 7 - Checklist for submission of documents for Category "A" FF/NVOCCs
- Annexure 8 - Checklist for submission of documents for category "B" License

Application for the renewal of Freight Forwarders and NVOCC Operators license, along with the relevant documents should be forwarded on or before 30.11.2017.

Thank You.

Yours Sincerely,

A.W. Seneviratne
Director General of Merchant Shipping

Copy: SLFFA & CEYFA

List of Requirements

(1)Application for Category A, Freight Forwarder & NVOCC operator

01. Application as per the schedule (annexure 2)
02. Receipt of Licensing Fee
The annual fee payable for a license is SLRs.10, 000/-
The stamp fee payable for a license is SLRs.1,000/-
03. Written statement stating that the applicant company shall make arrangements within 14days to inform the Director General of Merchant Shipping of any change of Directors of the company.
04. Form 15
05. Bank Guarantee for Rs.500, 000/- obtained from a bank approved by Central Bank of Sri Lanka(Annexure 3)
06. A letter to confirm the availability of the staff officer who has a minimum of five years experience in the field of international transportation services.
07. In order to fulfill the requirements of Exchange Control regulations, the following documents should be submitted.
 - a) Details of shareholders of the company (annexure 4)
 - b) Details of the all bank account(s) maintained by the company (annexure 5)
 - c) Submission of Audited Statement of Accounts and Audit Report for the latest financial year
 - d) Certificate of conformity (Annexure 6).
08. The Insurance Liability Cover obtained from an Insurance Company registered under the Insurance Board of Sri Lanka.
 - US\$100,000 for All Risk Liability
 - US\$50,000 for Errors and Omission
09. A letter to confirm the availability of two employees who have completed professional training as per the section 8 (e) of the said regulation.
10. Certified copy of B/L(s)

(2)Application for separate NVOCC Operator License

Merchant Shipping Secretariat will issue a separate NVOCC Operator License for the applicants who fulfill above all requirements mentioned in the above (1).

Licensing Fee should be as follows.

The annual fee payable for a license is SLRs.10, 000/-

The stamp fee payable for a license is SLRs.1,000/-

(3)Application for Category B Freight Forwarder

01. Application as per the schedule (annexure 2)
02. Receipt of Licensing Fee
The annual fee payable for a license is SLRs.10, 000/-
The stamp fee payable for a license is SLRs.1000/-
03. Written statement stating that the applicant company shall make arrangements within 14 days to inform the Director General of Merchant Shipping of any change of Directors of the company.
04. Form 15
05. Bank Guarantee for Rs.250, 000/- obtained from a bank approved by the Central Bank of Sri Lanka(Annexure 3)
06. In order to fulfill the requirements of Exchange Control regulations, the following documents should be submitted.
 - a) Details of shareholders of the company (annexure 4)
 - b) Details of the all bank account(s) maintained by the company (annexure 5)
 - c) Submission of Audited Statement of Accounts with Audit Report for the latest year
 - d) Certificate of conformity (annexure 6)

(Please note that all documents submitted should be certified and dated by an authorized person page by page.)

SPECIMEN APPLICATION FORM

(TO BE TYPED ON THE COMPANY LETTER HEAD)

APPLICATION FOR A LICENCE OR FOR RENEWAL OF A LICENCE TO CARRY ON BUSINESS AS A FREIGHT FORWARDER/ NVOCC OPERATOR

Category: Class A **NVOCC operator**
Class B

1. Name of the Applicant:
2. Registered Address:
4. Number and the Date of Incorporation under Companies Act, No. 7 of 2007.
 - (i) Company Registration No. :
 - (ii) Date of Incorporation:
5. Address of Principal Place of business:
Contact No. : Fax No. : E mail Address:
6. State whether Private or Public Company:
7. Paid-up Capital of the Company:
8. Particulars of Foreign shareholding if any:
9. Particulars of bank guarantee:
10. Name(s) of, Addresses and nationality of Directors:
11. Name of the staff officer referred to in paragraph (b) of regulation 5 and his experience in the field of international transportation service.
12. Particulars of previous License No. (If applicable) : Year:
13. The volume of cargo handled in Sri Lanka by applicant Freight Forwarder/NVOCC Operator in the last three years (Include a separate break down in respect of each year)

We hereby undertake to notify the Director-General of Merchant Shipping, of any changes to the Board of Directors and contact details of the company.

We hereby confirm that we are fully conversant with the provisions of the Licensing of Shipping Agents, Freight Forwarders, NVOCC Operators and Container Operators Act No 10 of 1972 as amended, the regulations promulgated under the said Act and the law relating to the activities covered by this license

We hereby declare that we will not provide any service to any company, partnership, individual or corporation purporting to act as Shipping Agent or Container Operator other than under the authority of a license issued under the Licensing of Shipping Agents, Freight Forwarders, Non Vessel operating Common Carriers and Container Operators Act, No 10 of 1972.

We declare that, to the best of our knowledge and belief, all the statements contained in this application are true and correct.

.....
Date

.....
Name/Names and Signature/ Signatures of the Director/ Directors



SPECIMEN OF BANK GUARANTEE

Whereas Companyherein after called “The Principal” has agreed to enter in to contract with the Director General, Merchant Shipping Secretariat , Ministry of Ports and Shipping, No.43-89, York Street, Colombo 01, herein after called “The Beneficiary” for “**due performance**” to the value of **Rs.500,000/-** (Rupee FIVE HUNDRED THOUSAND)

We theBank, a banking company duly incorporated in the Republic of Sri Lanka under the companies Act No. 07 of 2007 and having its registered office atand the Branch Herein after called “The Bank” hereby guarantee and undertake to pay on first written demand the Beneficiary a sum not exceeding Rs. 500,000/-(Rupee FIVE HUNDRED THOUAND ONLY) in the event the Principal fails or neglects to perform the business of Freight Forwarder/NVOCC Operator as required by the beneficiary.

A demand addressed to us under the hand of the Beneficiary (so far as we the Guarantor are concerned) be conclusive evidence that we are liable to pay the sum demanded but not exceeding the amount aforesaid and accordingly, we the Guarantor shall not be entitled to dispute in any manner any demand made on us under the hand of the Beneficiary. Every payment made by us in response to such demand, which shall be paid in Colombo, shall be deemed to be in discharge protanto to our liability.

Details of the shareholders of the company carrying out business as a Freight Forwarder or a NVOCC Operator

Submitted by:

Name of the Freight Forwarder or NVOCC Operator :

.....

Registered Address :

.....

Company Registration No. :

(A) Details of the Shareholding Structure# as at 30th September 2017 (Please use separate sheet if the space provided here is not sufficient.)

	<u>Name of the Shareholder</u>	<u>NIC/</u> <u>Comp.Reg.No.</u>	<u>R*/</u> <u>NR</u>	<u>R**/ NR</u>	<u>No of Shares</u> <u>held</u>	<u>% held</u>
1						
2						

#R refers to "Resident in Sri Lanka" and NR refers to "Resident outside Sri Lanka" within the meaning of the Gazette (extraordinary) No. 15,007 dated 21.04.1972 under the Exchange Control Act. No. 24 of 1953

(B) Shareholding Summary

	<u>No of Shares held**</u>	<u>% held**</u>
No of shares held by persons residents in Sri Lanka
No of shares held by persons residents outside Sri Lanka
Total	100.00%

*Individual resident in Sri Lanka or any business entity registered/incorporated in Sri Lanka

**If the shareholder listed above is a company registered in Sri Lanka, please indicate the residential status of the ultimate shareholder.

(C) Please provide details if you have obtained any approval from Board of Investment Sri Lanka in respect of foreign shareholding of your company. (please attach copy of such approvals, if any)

.....

I/We, as registered Secretaries / Auditors / Chartered Accountants of			
hereby confirm that the details given above is true and correct.			
.....
Name	Signature	Date	Rubber Stamp

Details of the all bank account/s maintained by company as a shipping agent, on behalf of principal/(s)

Name of the Freight Forwarder/NVOCC Operator :

.....

Registered Address :

.....

Details of the all bank account/s maintained by our company as a Freight Forwarder/NVOCC Operator, on behalf of our principal/(s) are given below. (Please use additional sheet/s if necessary)

##	Name of the Bank Account (as appeared in the Bank statements)	Type of Account	Bank	Branch	Account No.	Type of Currency (i.e. LKR, USD)	On behalf of: (Name of the principal & country)
1							
2							
3							
4							
5							

Please provide below the details of the bank account/s, your company credits "Agency Commission" which are transferred from the bank accounts maintained On behalf of the Principal/s

We here by confirm you that we have declared details of all bank account/s maintained by our company as a freight forwarder/NVOCC Operator, on behalf of the principal/s and also confirmed the accuracy of the details given above.

.....
Director/CEO

.....
Date

Rubber Stamp

Specimen of Certificate of Conformity

DGMS

.....
.....

Dear Sir/Madam,

Certification from the Auditors/Chartered Accountants for the purpose of renewal the license to carry out business as a shipping agent / a freight forwarder and NVOCC operator

We, (*firm*), as the Auditors/Chartered Accountants of (*name of the company*) wish to certify that Is in full compliance / non-compliance / partially compliance with the relevant regulatory requirements*. Further, during our examinations the following deficiencies/non compliances were identified and have already brought the attention of the Board of Directors.

- 1.
- 2.
- 3.

(Auditor/Chartered Accountant)

*including minimum agency fees, receipts of all dues from the as due, shares held by persons resident outside Sri Lanka (direct and indirect),

FF

Only repatriable funds have been remitted

Within approved limit for foreign shareholders

All dues from foreign counter parts has been received within months

Checklist for submission of documents for Renewal of Freight Forwarder / NVOCC Operator License (Category A) -2018

Name of the Company:.....

Contact Details: Name of the officer:..... Contact Number :.....

	Document	Mark a (√) for documents being submitted (by Company)	For MSS Office use only
1	Dully filled Application		
2	Receipt of License Fee		
3	Written Statements for change of Director		
4	Certified copies of NIC (s)/ Passport(s) of Directors		
5	Bank Guarantee (Original)		
6	Insurance Liability Cover (Original)		
7	A letter to confirm availability of staff officer who has experience in the shipping field		
8	A letter to confirm availability of 2 officers who have completed professional training		
9	Details of Shareholders		
10	Details of Bank ACs		
11	Audited Accounts		
12	Certificate of Conformity		
13	Certified copy of B/L		
14	Checklist for submission of documents		

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I hereby acknowledge the receipt of the below documents submitted to renew FF License for the year 2018.

Signature

Date:

	Document	
1	Dully filled Application	
2	Receipt of License Fee	
3	Written Statements for change of Director	
4	Certified copies of NIC (s)/ Passport(s) of Directors	
5	Bank Guarantee (Original)	
6	Insurance Liability Cover (Original)	
7	A letter to confirm availability of staff officer who has experience in the shipping field	
8	A letter to confirm availability of 2 officers who have completed professional training	
9	Details of Shareholders	
10	Details of Bank ACs	
11	Audited Accounts	
12	Certificate of Conformity	
13	Certified copy of B/L	
14	Checklist for submission of documents	

Checklist for submission of documents for Renewal of Freight Forwarder License (Category B) -2018

Name of the Company:.....

Contact Details: Name of the officer:.....
 Contact Number :

	Document	Mark a (√) for documents being submitted (by Company)	For MSS Office use only
1	Dully filled Application		
2	Receipt of License Fee		
3	Written Statements for change of Director		
4	Certified copies of NIC (s)/ Passport(s) of Directors		
5	Bank Guarantee (Original)		
6	Details of Shareholders		
7	Details of Bank ACs		
8	Audited Accounts		
9	Certificate of Conformity		
10	Checklist for submission of documents		

.....

I hereby acknowledge the receipt of the below documents submitted to renew FF License for the year 2018.

Signature

Date:

	Document	
1	Dully filled Application	
2	Receipt of License Fee	
3	Written Statements for change of Director	
4	Certified copies of NIC (s)/ Passport(s) of Directors	
5	Bank Guarantee (Original)	
6	Details of Shareholders	
7	Details of Bank ACs	
8	Audited Accounts	
9	Certificate of Conformity	
10	Checklist for submission of documents	

UNCONTROLLED COPY

MSS	Merchant Shipping Secretariat Licensing Unit Customer Feedback Form	Document no	LI/FO/FF002
		Date of 1st issue	2015-07-22
		Reviewed by	MR
		Approved by	DGMS
		Revised status	01
		Revised date	2016-09-22

**MERCHANT SHIPPING SECRETARIAT
EVALUATION 2017- The Process of Renewal of Freight Forwarder /
NVOCC Operator Licenses- Feedback Form**

Please take a few moments to provide us with some important feedback about our process of Renewal of Licenses. This information will be used to improve the existing process.

<i>Aspects</i>		<i>Grade</i>	<i>Remarks</i>
01	<i>Current services offered (Working Procedure)</i>		
02	<i>Payment System</i>		
03	<i>Clarity and Provision of relevant Information</i>		
04	<i>Ability to meet your requirement (satisfied)</i>		
05	<i>Timeliness and reliability of services provided (Time consume)</i>		
06	<i>Regularity and means of communication with our division</i>		
07	<i>Environment & Staff</i>		
08	<i>Benefit of our service to your business</i>		

Grades A- Excellent B - Good C - Average D - Below Average

Do you have any further comments or suggestions that may help us to improve our level of service?

Comments

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Suggestions

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Thank You for your feedback.