

All Freight Forwarders and NVOCC Operators,

**RENEWAL OF FREIGHT FORWARDER AND NVOCC OPERATOR LICENSE 2020**

This is to inform that all licenses should be renewed for the year 2020 to continue to function as Freight Forwarder/ NVOCC Operator and applications should be complied with the 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 - Letter of undertaking from the company Secretary and a director (For joint venture companies)

Annexure 8 - Checklist for submission of documents for Category "A" FF/NVOCCs

Annexure 9 - Checklist for submission of documents for Category "B" License

Application for the renewal of Freight Forwarders and NVOCC Operators license along with relevant documents should be forwarded on or before 30.11.2019.

Thank You.

Yours Sincerely,

**A.W. Seneviratne**  
**Director General of Merchant Shipping**

Copy: SLFFA & CEYFA

**List of Requirements**

**Category A**

01. Duly filled application as per the schedule (Annexure 2)
02. Receipt of Licensing Fee  
The annual fee payable for a license is LKR 10,000/-  
The stamp fee payable for a license is LKR1,000/-
03. Written statement stating that the applicant company shall make arrangements within 14days to inform the Director General of Merchant Shipping regarding any change of Directors of the company.
04. Copy of Form 15 certified by company secretary.
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 bearing a minimum of five years experience in the field of international transportation services.
07. Following documents should be submitted to fulfill the requirements of Exchange Control regulations.
  - a) Details of shareholders of company (annexure 4)
  - b) Details of all bank account(s) maintained by company (annexure 5)
  - c) 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. For joint venture companies - Letter of undertaking of company secretary and a director (Annexure 7)

**(3) Category B**

01. Duly filled application as per the schedule ( annexure 2 )
02. Receipt of Licensing Fee  
The annual fee payable for a license is LKR 10,000/-  
The stamp fee payable for a license is LKR 1,000/-

03. Written statement stating that the applicant company shall make arrangements within 14 days to inform the Director General of Merchant Shipping regarding 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. Following documents should be submitted to fulfill the requirements of Exchange Control regulations,
  - a) Details of shareholders of the company (annexure 4)
  - b) Details of the all bank account(s) maintained by the company (annexure 5)
  - c) Audited Statement of Accounts with Audit Report for the latest year
  - d) Certificate of Conformity (annexure 6)
07. Joint venture companies should submit a letter of undertaking signed by the company secretary and a director of the company (Annexure 7)

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.

Names and signatures of the directors:

Date:

**SPECIMEN OF BANK GUARANTEE**

Whereas Company .....herein 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/-** (Rupees FIVE HUNDRED THOUSAND)

We the .....Bank, a banking company duly incorporated in the Republic of Sri Lanka under the companies Act No. 07 of 2007 and having its registered office at .....and 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/- (Rupees 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 pro tanto to our liability.

This guarantee shall be valid from ..... to .....

**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 a NVOCC Operator:** .....**Registered Address:** .....**Company Registration No. :** .....**(A) Details of the Shareholding Structure<sup>#</sup> as at 30th September 2019  
(Please use separate sheet if the space provided here is not sufficient.)**

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

<sup>#</sup>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 Freight Forwarder/NVOCC Operator**

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  
Approved limit of shares held by persons resident outside Sri Lanka

Director General of Merchant Shipping  
Merchant shipping Secretariat,

**Letter of Undertaking**

We confirm that .....has been incorporated on .....under the Companies Act of Sri Lanka and having its registration No. .... and presently carrying on the business of a Freight forwarder / and a Non vessel Operating Common Carrier.

Further, we confirm that the Majority of Directors of the company are citizens of Sri Lanka and not less than sixty per centum of the issued shares carrying voting rights are held by citizens of Sri Lanka.

.....  
Company Secretary

.....  
Director

## Checklist for submission of documents for Renewal of Freight Forwarder / NVOCC Operator License (Category A) -2020

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	Form 15		
6	Bank Guarantee (Original)		
7	Insurance Liability Cover (Original)		
8	A letter to confirm availability of staff officer who has experience in the shipping field		
9	A letter to confirm availability of 2 officers who have completed professional training		
10	Details of Shareholders		
11	Details of Bank ACs		
12	Audited Accounts		
13	Certificate of Conformity		
15	Undertaking Letter (For Joint venture company)		

## Checklist for submission of documents for Renewal of Freight Forwarder / NVOCC Operator License (Category A) -2020

I hereby acknowledge the receipt of the below documents submitted to renew FF License for the year 2020.

	Document	Mark a (√) for documents being submitted	Remarks
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	Form 15		
6	Bank Guarantee (Original)		
7	Insurance Liability Cover (Original)		
8	A letter to confirm availability of staff officer who has experience in the shipping field		
9	A letter to confirm availability of 2 officers who have completed professional training		
10	Details of Shareholders		
11	Details of Bank ACs		
12	Audited Accounts		
13	Certificate of Conformity		
15	Undertaking Letter (For Joint venture company)		

.....  
Signature

**Annexure 9**

**Checklist for submission of documents for Renewal of Freight Forwarder License (Category B) -2020**

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	Form 15		
6	Bank Guarantee (Original)		
7	Details of Shareholders		
8	Details of Bank ACs		
9	Audited Accounts		
10	Certificate of Conformity		
11	Undertaking Letter (For Joint venture company)		

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**Checklist for submission of documents for Renewal of Freight Forwarder License (Category B) -2020**

I hereby acknowledge the receipt of the below documents submitted to renew FF License for the year 2020.

	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	Form 15		
6	Bank Guarantee (Original)		
7	Details of Shareholders		
8	Details of Bank ACs		
9	Audited Accounts		
10	Certificate of Conformity		
11	Undertaking Letter (For Joint venture company)		

.....  
 Signature



**MERCHANT SHIPPING SECRETARIAT**  
**Ministry of Ports & Shipping**

**EVALUATION 2019- The Process of Renewal of Freight Forwarders/ NVOCC 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 &amp; Staff</i>		

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

**Comments or suggestions**

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**Thank You for your feedback.**

DOI:2017-09-13	Rev. No	00	Forms & Checklist		Prepared By : MR
Page 01 of 01	DOR:		DOC. NO.	LI/FO/FF/001	Reviewed and Approved By: DGMS
Issue No. 01			SEC. NO.	Annex- 13	<b>LICENSING UNIT</b>