

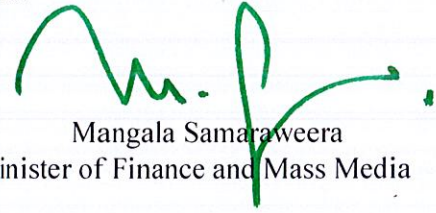
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PART I: SECTION (I) — GENERAL

Notifications

Customs Ordinance Act, No. 83 of 1988

BY virtue of the powers vested in me by Section 103B (1) of the Customs Ordinance (Chapter 235), as amended, I, Mangala Samaraweera, Minister of Finance and Mass Media of Democratic Socialist Republic of Sri Lanka, do by this Order promulgate regulations for the purpose of appointing Inland Clearance Depots for Less than Container Loads (LCL). These regulations shall come to effective from October 2018.



Mangala Samaraweera
Minister of Finance and Mass Media

Ministry of Finance and Mass Media,
Colombo 01,
28. September 2018.

Regulations

1. These regulations may be cited as Regulations for Appointment of Inland Clearance Depots (ICD) for Less than Container Loads (LCL).
2. Purpose of these regulations is to facilitate increasing international trade flow and to reduce congestions in the Ports / Airports and also to allow the Less than Container Loads (hereinafter called and referred to as "LCL") clearance operation in Sri Lanka by establishing Inland Clearance Depots (hereinafter called and referred to as "ICD") to handle the import, export and transshipment including Multi Country Consolidation (MCC) involving LCL.
3. Appointing of the ICD shall be done by the Director General, Sri Lanka Customs under his hand in accordance with section 103A of the Custom Ordinance and operating instructions and guidelines to be issued by the Director General of Customs (DGC) in terms of the Customs Ordinance.
4. Approval for establishment of such ICD shall be granted by the Minister in charge of subject of Finance and to be published in the Gazette by Sri Lanka Customs.

5. In order to establish an ICD, the following eligibility criteria shall be fulfilled.

5.1. The ICD facility shall have the economic viability for the management and attractive to users. The prospective ICD operators shall comply with the TEU traffic availability of 500 TEUs per month (Two Way) business to be proven to the satisfaction of the Director General of Customs

5.2. Minimum of investment shall be a sum of Rs. 500 Mn.

5.3. Land Requirements

The minimum area requirement for establishment of an ICD, including land and warehouse area shall be 125,000 Square Feet.

5.4. Design and Lay-Out of an ICD

- a) The design and layout should be the most modern state-of-art equipped with mechanical/ electrical facilities of international standards. Key to a good lay-out is the smooth flow of containers, cargo and vehicles through the ICD. The design and layout should take into account initial volume of business, estimated volume in next 10 years' and the type of facilities exporters would require. The initial lay out should be capable of adaptation to changing circumstances. The design broadly should encompass features like (rail) siding, container yard, gate house and security features, boundary wall (fencing), roads, pavements, office building and public amenities. The track length and number of tracks should be adequate to handle rakes and for stabling where relevant.
- b) The perimeter fencing and lighting must meet the standards required by Customs authorities. The gate being the focal point of site security should be properly planned.
- c) The administration building is the focal point of production and processing of all documentation relating to handling of cargo and containers and its size will be determined by the needs of potential occupants. Fixed provisions should be made for sanitation facilities and possibly a food service facility.
- d) The entire premises including the warehouse and all entry and exit points should installed with Closed-Circuit Television (CCTV) surveillance systems and it should be connected to the Sri Lanka Customs headquarters.
- e) Availability of proper record keeping system on accepted accounting standards acceptable to Director General of Customs/Director of Customs (Industries and Services Directorate).

- f) Gate Complex with separate entry and exit.
- g) Adequate parking space for vehicles awaiting entry to the premises.
- h) Boundary wall according to standards specified by Customs.
- i) Computerized processing of documents with capability of being linked to ASYCUDA World system of Sri Lanka Customs.
- j) Computerized Cargo Inventory Control System accepted by Sri Lanka Customs/ Ministry of Finance, should be used.

5.5. Equipping the ICD

The ICD would select most modern handling equipment for loading, unloading of containers from rail flats, chassis, their stacking, movement, cargo handling, stuffing/de-stuffing, etc.

5.6. Location of ICD

ICD should be located within a reasonable of an international port or an airport and proximity to the users to facilitate the movement and handling of cargo on 24 hours in all seven (07) days of the week. Further, access roads from Port / airport to the ICD should be suitable for heavy container moment. Reduction in total transport cost shall be a prime criterion for location of the ICD,

5.7. Application Processing Fee

An application processing fee of Rs.100,000/- shall be charged. This shall be credited to the consolidated fund of Government of Sri Lanka.

5.8. Annual License Fee for ICD

A license fee of Rs.500,000/- shall be charged. This shall be credited to the consolidated fund of the Government of Sri Lanka.