PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

CONVENTION ON THE SUPPRESSION OF TERRORIST FINANCING (AMENDMENT) ACT, No. 18 OF 2026

[Certified on 04th of August, 2026]

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Convention on the Suppression of Terrorist Financing (Amendment) Act, No. 18 of 2026

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L.D. - O. 42/2021

AN ACT TO AMEND THE CONVENTION ON THE SUPPRESSION OF TERRORIST FINANCING ACT, NO. 25 OF 2005

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows: -

Short title

1. This Act may be cited as the Convention on the Suppression of Terrorist Financing (Amendment) Act, No. 18 of 2026.

General amendment to Act, No. 25 of 2005

2. The Convention on the Suppression of Terrorist Financing Act, No. 25 of 2005 (hereinafter referred to as the "principal enactment") is hereby amended in the sections specified in *Column I* of the Schedule to this Act, by the substitution for the words specified in the corresponding entry in *Column II* of that Schedule, of the words specified in the corresponding entry in *Column III* of that Schedule.

Amendment of section 2A of the principal enactment

3. Section 2A of the principal enactment is hereby amended by the repeal of subsection (2) of that section and the substitution therefor, of the following subsection: -

"(2) Notwithstanding anything to the contrary in the provisions of paragraph (*b*) of subsection (1), the provisions of this Act shall apply to or in relation to a person who commits any act which constitutes an offence under this Act wholly or partly outside Sri Lanka, which is directed towards, or which results in, one or more terrorist acts being carried out-

(*a*) in Sri Lanka;
(*b*) against a Sri Lankan citizen;
(*c*) against a government facility of Sri Lanka; or

PL 15735 - 868 (04/2026)

(*d*) in an attempt to compel the Government of Sri Lanka to do or abstain from doing any act.”.

Amendment of section 3 of the principal enactment

4. Section 3 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the repeal of the proviso to that subsection and the substitution therefor, of the following proviso: -

“Provided that, for an act to constitute the offence set out above, it shall not be necessary to show that the funds, property or other assets, material support or resources provided or collected were actually used in the commission of an offence or linked to a specific terrorist act.”;

(2) in subsection (2) of that section –

(*a*) by the repeal of paragraph (*b*) and the substitution therefor, of the following paragraph: -

“(*b*) aids or abets the commission of;”; and

(*b*) by the insertion immediately after paragraph (*b*), of the following new paragraphs: -

“(*ba*) organizes and directs others to commit or attempt to commit;

(*bb*) participates as an accomplice in;

(*bc*) contributes to the commission or attempted commission of; or”;

(3) by the insertion immediately after subsection (2A) of that section, of the following new subsection: -

"(2B) Any person who unlawfully and willfully, by direct or indirect means, collects or conspires to collect from another person funds, property or other assets, material support or resources, or provides or conspires to provide another person funds, property or other assets, material support or resources, knowing or having reasons to believe that such funds, property or other assets, material support or resources will be used or are to be used to finance persons -

(*a*) for the purpose of perpetration, planning or preparation of, or participation in, or providing or receiving terrorist training in Sri Lanka to commit a terrorist act in or outside Sri Lanka;

(*b*) for travelling or attempting to travel to another State or territory to commit a terrorist act in or outside Sri Lanka;

(*c*) for travelling or attempting to travel to another State or territory to become a foreign terrorist fighter;

(*d*) for travelling or attempting to travel to another State or territory for the purpose of -

(i) perpetration, planning or preparation of, or participation in, a terrorist act in or outside Sri Lanka;

(ii) perpetration, planning or preparation of, or participation in, or providing or receiving terrorist training in one State or territory and to serve or fight for any terrorist organization in that State or territory or in another State or territory;

(iii) providing or receiving terrorist training including and in connection with armed conflicts or in connection with any resolution to address the threat associated with such armed conflict;

(iv) willfully recruiting, organizing, transporting or equipping persons who travel or attempt to travel to a State other than his State of residence or nationality for the purpose of perpetration, planning or preparation of, or participation in, a terrorist act or providing or receiving terrorist training; or

(v) willful organization or other facilitation including acts of recruitment, of persons, who travel or attempt to travel to a State other than his State of residence or nationality for the purpose of perpetration, planning or preparation of, or participation in, a terrorist act or providing or receiving terrorist training; or

(*e*) for engaging in trafficking of persons for terrorist training,

commits an offence under this Act.";

(4) in subsection (3) of that section, by the substitution for the words and figures "specified in subsection (1), subsection (2) or subsection (2A) of this section", of the words and figures "specified in subsection (1), subsection (2), subsection (2A) or subsection (2B) of this section"; and

(5) in subsection (4) of that section, by the substitution for the words and figures "under subsection (1), subsection (2) or subsection (2A) of this section", of the words and figures "under subsection (1), subsection (2), subsection (2A) or subsection (2B) of this section" and by the substitution for the words "and also be liable to a fine.", of the words "or with a fine not exceeding one hundred million rupees, or with both such imprisonment and fine.".

Amendment of section 4 of the principal enactment

5. Section 4 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words and the figure "in contravention of the provisions of section 3,", of the words and the

figure "by the commission of an act under section 3,"; and

(2) in subsection (3) of that section, by the substitution for the words "seven days", of the words "fourteen working days".

Amendment of section 4A of the principal enactment

6. Section 4A of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words "seven days", wherever such words occur in that subsection, of the words "fourteen working days"; and

(2) in the first proviso to subsection (2) of that section, by the substitution for the words "three months", of the words "six months".

Replacement of section 4C of the principal enactment

7. Section 4C of the principal enactment is hereby repealed and the following section is substituted therefor: -

"High Court to sanction essential and legitimate transactions.

4C. (1) Where any legitimate business or other interests of any person affected by the Freezing Order could be damaged by the prohibition imposed thereby, such person may make an application to the High Court stating such facts in support thereof.

(2) Every such application shall be made by petition in writing addressed to such High Court and shall be heard and determined in accordance with the procedure laid down in section 127 of the Proceeds of Crime Act, No. 5 of 2025.

(3) The High Court may, upon consideration of such application, if it is of the opinion that such Freezing Order could damage legitimate business or other interests of such person and that any essential transaction relating to the funds, property or other assets, income, profits or instrumentalities which are subject to prohibition by such Freezing Order may be legitimately carried out, confirm the Freezing Order made under section 4 and make further order, sanctioning the carrying out of such transaction-

(*a*) subject to the supervision of the High Court; and

(*b*) in the case where a Receiver or Special Manager has been appointed or the Proceeds of Crime Management Authority has been directed, to take possession of such funds, property or other assets, income, profits or instrumentalities under section 4D, subject to the supervision of such Receiver, Special Manager or the Proceeds of Crime Management Authority, as the case may be.”.

Replacement of section 4D of the principal enactment

8. Section 4D of the principal enactment is hereby repealed and the following section is substituted therefor: -

“Appointment of a Receiver etc., upon freezing.

4D. The High Court may, upon an application made in that behalf by a police officer not below the rank of an Assistant Superintendent of Police, or on its own motion –

(*a*) appoint a Receiver or Special Manager; or

(*b*) direct the Proceeds of Crime Management Authority,

in terms of Part IV of the Proceeds of Crime Act, No. 5 of 2025, to take possession of and otherwise deal with the funds, property or other assets, income, profits or instrumentalities which have been subjected to the Freezing Order.”.

Amendment of section 4E of the principal enactment

9. Section 4E of the principal enactment is hereby amended in subsection (1) of that section as follows: -

(1) by the repeal of sub-paragraph (i) of paragraph (*a*) of that subsection, and the substitution therefor, of the following sub-paragraph: -

“(i) tracing, tracking, identifying, locating, or quantifying such funds, property or other assets, income, profit or instrumentalities;”; and

(2) by the repeal of paragraph (*b*) of that subsection and the substitution therefor, of the following paragraph: -

“(*b*) that any institution named in such order furnish to such police officer all documents and information obtained by such institution relating to such funds, property or other assets, income, profits or instrumentalities or any business transaction conducted by such institution in connection with such funds, property or other assets, income, profits or instrumentalities during the period before or after the date of the Freezing Order, as the Court may direct.”.

Amendment of section 4F of the principal enactment

10. Section 4F of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and the figure “in contravention of the provisions of section 3,”, of the words and the figure “by the commission of an act under section 3,”.

Replacement of section 4H of the principal enactment

11. Section 4H of the principal enactment is hereby repealed and the following section is substituted therefor: -

“Appointment of a Receiver etc., upon forfeiture.

4H. Where any funds, property or other assets, income, profits or instrumentalities have been forfeited to the State under section 4F of this Act, the Court making the Order of Forfeiture may appoint a Receiver or Special Manager or direct the Proceeds of Crime Management Authority as the case may be, as provided for in section 4D for the disposal of such funds, property or other assets, income, profits or instrumentalities so forfeited.”.

Insertion of new sections 4J and 4K in the principal enactment

12. The following new sections are hereby inserted immediately after section 4I of the principal enactment and shall have effect as sections 4J and 4K of that enactment: -

“Special investigation techniques to be used when conducting an investigation.

4J. (1) Any police officer conducting an investigation under this Act may, in addition to the powers vested in such police officer by any other written law, use any investigation technique including the following when conducting the investigation: -

(*a*) surveillance and observation;
(*b*) undercover operations;
(*c*) video recording;
(*d*) using listening devices;
(*e*) controlled deliveries; or
(*f*) accessing computer data and computer systems.

(2) A police officer not below the rank of an Assistant Superintendent of Police may make an *ex parte* application *in camera* along with sufficient material to the Magistrate's Court for an order for the purposes of paragraphs (*c*), (*d*), (*e*) and (*f*) of subsection (1).

(3) A police officer not below the rank of an Assistant Superintendent of Police may make an application in writing to the Magistrate for a warrant authorizing the covert monitoring of any conduct and recording of any communication if an officer conducting investigations under this Act has reasonable grounds to suspect or believe that a person has committed, or is committing or is about to commit an offence under this Act.

(4) It shall be the duty of the officer making the application under subsection (2) to ensure the protection and preservation of information received or collected by the officer conducting the investigation.

Establishment of a joint investigation team.

4K. (1) If the circumstances of the case so justify, a joint investigation team may be established for a specific period by an agreement between the Sri Lanka Police and any other authority empowered to conduct investigations, in Sri Lanka or in any other jurisdiction, as may be determined by the Sri Lanka Police for the purpose of conducting an investigation into -

(*a*) an offence under section 3; or

(*b*) an act alleged to have been committed in any jurisdiction outside Sri Lanka which would either constitute an offence corresponding to an offence referred to in section 3 in that jurisdiction or which would, if committed in Sri Lanka, amount to an offence referred to in section 3.

(2) Any evidence or material obtained during a joint investigation may be used by the court, when the persons who were investigated are tried before such court.".

Amendment of section 5 of the principal enactment

13. Section 5 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and the figure "in contravention of the provisions of section 3," of the words and the figure "by the commission of an act under section 3,".

Amendment of section 8 of the principal enactment

14. Section 8 of the principal enactment is hereby amended by the substitution for the word "Minister", of the words and the figures "Minister assigned the subject of Foreign Affairs in terms of Article 44 or 45 of the Constitution".

Replacement of section 9 of the principal enactment

15. Section 9 of the principal enactment is hereby repealed and the following section is substituted therefor: -

"Assistance to countries or inter-governmental organizations.

9. The provisions of the Mutual Assistance in Criminal Matters Act, No. 25 of 2002 shall be applicable in respect of providing of assistance as between the Government of Sri Lanka and any specified country or specified organization in the investigation, prosecution, forfeiture or enforcement of orders, or in any other legal proceedings in relation to the offences under this Act.".

Amendment of section 16A of the principal enactment

16. Section 16A of the principal enactment is hereby amended as follows: -

(1) by the repeal of the definition of the expression "finance business";

(2) by the insertion immediately before the definition of the expression "funds or property", of the following new definitions: -

""armed conflict" means the existence of an armed confrontation between the armed forces of States (international armed conflict), or between governmental authorities and organized armed groups or between such groups within a State (non-international armed conflict);

"computer data" means any representation of facts, information or concepts in a form suitable for processing in a computer system including a program suitable to cause a computer system to perform a function;

"computer system" shall have the same meaning assigned to it in the Computer Crime Act, No. 24 of 2007;

"foreign terrorist fighter" means an individual who –

(*a*) travels or attempts to travel from the State or territory of such individual's residence or nationality to another State or territory; or

(*b*) travels or attempts to travel from one State or territory to another State or territory, other than the State or territory of such individual's residence or nationality,

for the purpose of perpetration, planning or preparation of, or participation in a terrorist act or providing or receiving terrorist training;";

(3) by the repeal of the definition of the expression "funds or property" and the substitution therefor, of the following definition: -

"“funds, property or other assets" means-

(*a*) any currency lawfully or unlawfully acquired including, but not limited to, bank credits, travellers' cheques, bank cheques, money orders, shares, securities, bonds, drafts, letters of credit and virtual assets;

(*b*) any property lawfully or unlawfully acquired, whether -

(i) corporeal or incorporeal, movable or immovable, tangible or intangible;

(ii) kept or situated within or outside Sri Lanka; or

(*c*) any other assets lawfully or unlawfully acquired, including any economic resource or other asset which may be used to collect funds, goods or services,

and includes any legal document or instrument in any form, including electronic or digital, evidencing title to, or interest in, such funds, property or other assets and any interest, dividend or other income on, or value accruing from, or generated by such funds, property or other assets or investments made using such funds, property or other assets;";

(4) by the insertion immediately after the definition of the expression "funds, property or other assets", of the following new definition: -

""government facility of Sri Lanka" means the property of the Government, any Ministry or Department of the Government or Provincial Council, local authority, statutory body, public corporation, bank, embassy, diplomatic or consular premises or other property of the Government of Sri Lanka in any other country;";

(5) by the repeal of the definition of the expression "institution" and the substitution therefor, of the following definition: -

""institution" shall have the same meaning assigned to it in the Financial Transactions Reporting Act, No. 6 of 2006;";

(6) by the repeal of the definition of the expression "person" and the substitution therefor, of the following definition: -

""person" means any natural or legal person and includes a body of persons, whether incorporated or unincorporated in or outside Sri Lanka, and a legal arrangement, whether it has legal personality or not, and a branch of such person or body of persons incorporated or established in or outside Sri Lanka;";

(7) by the insertion immediately after the definition of the expression "person", of the following new definitions: -

""Proceeds of Crime Management Authority" means the Proceeds of Crime Management Authority established in terms of the provisions of the Proceeds of Crime Act, No. 5 of 2025;

"Special Manager" means a Special Manager appointed by the High Court in terms of the provisions of the Proceeds of Crime Act, No. 5 of 2025;";

(8) in the definition of the expression “terrorist”-

(*a*) in paragraph (*c*) of that definition, by the substitution for the words “act; or”, of the word “act;”;

(*b*) in paragraph (*d*) of that definition, by the substitution for the word “act;”, of the words “act; or”; and

(*c*) by the addition immediately after paragraph (*d*) of that definition, of the following new paragraph: -

“(*e*) is a foreign terrorist fighter;”; and

(9) by the addition, immediately after the definition of the expression “terrorist act”, of the following new definition: -

““virtual asset” means a digital representation of value that can be digitally traded or transferred, and can be used for payment or investment purposes, but does not include any digital representation of fiat currencies, securities and other financial assets.”.

Sinhala text to prevail in case of inconsistency

17. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

[Section 2]

SCHEDULE

Column I	*Column II*	*Column III*
Section of the principal enactment which is amended	Existing words	Words substituted with
3(1)	funds or property	funds, property or other assets, material support or resources,

	such funds or property	such funds, property or other assets, material support or resources,
3(2A)	material support or resources	funds, property or other assets, material support or resources
4(1)	all funds or property	all funds, property or other assets
	such funds or property	such funds, property or other assets
4(4)	fund, property,	funds, property or other assets,
	funds, property,	funds, property or other assets,
second proviso to 4A(2)	fund, property,	funds, property or other assets,
4A(3)	fund, property,	funds, property or other assets,
4B	such funds, property, income, profit	such funds, property or other assets, income, profit
4E(1)	any fund, property,	any funds, property or other assets,
	such fund, property,	such funds, property or other assets,
4E(1)(*a*)(ii)	funds, property,	funds, property or other assets,
4E(1)(*a*)(iii)	funds, property,	funds, property or other assets,
4E(3)	funds, property, income, profit or instrumentalities	funds, property or other assets, income, profit or instrumentalities
4F(1)	any funds or property	any funds, property or other assets
	such funds or property	such funds, property or other assets
4F(2)	Where such funds, property,	Where such funds, property or other assets,
	value of such funds, property,	value of such funds, property or other assets

4F(4)	funds, property, any income or profit earned on such funds or property or	funds, property or other assets, any income or profit earned on such funds, property or other assets, or
4F(6)	any funds or property	any funds, property or other assets,
	such funds or property	such funds, property or other assets,
4G(1)	any funds or property	any funds, property or other assets,
	such funds or property,	such funds, property or other assets,
	any fund, property, income,	any funds, property or other assets, income,
4G(2)	fund, property income,	such funds, property or other assets, income,
4G(2)(*a*)	such funds or property is not derived	such funds, property or other assets is not derived
	such funds or property is not an instrumen-tality	such funds, property or other assets is not an instrumentality
4G(2)(*c*)	in such funds or property	in such funds, property or other assets
	use such funds or property	use such funds, property or other assets
4G(2)(*d*)	in such funds or property	in such funds, property or other assets
	that such funds or property	that such funds, property or other assets
5(1)	any funds or property	any funds, property or other assets
	such funds or property	such funds, property or other assets
5(2)	Any funds, property,	Any funds, property or other assets,
5(3)	any funds, property,	Any funds, property or other assets,

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