



# PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

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## LICENSING OF CONTAINER DEPOT OPERATORS

### A BILL

to provide for the regulation and control of the carrying on the business  
of Container Depot Operators; and for matters connected therewith or  
incidental thereto

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*Presented by the Minister of Ports and Civil Aviation on  
20th of January, 2026*

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**[Bill No. 49]**

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*Licensing of Container Depot Operators*

L.D. - O 58/2023

AN ACT TO PROVIDE FOR THE REGULATION AND CONTROL OF  
THE CARRYING ON THE BUSINESS OF CONTAINER DEPOT  
OPERATORS; AND FOR MATTERS CONNECTED THEREWITH  
OR INCIDENTAL THERETO.

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

**1.** This Act may be cited as the Licensing of Container Depot Operators Act, No. 2026. Short title

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PART I

LICENSING OF CONTAINER DEPOT OPERATORS

**2.** (1) A person shall not operate, engage in or carry on a business of a container depot operator except under the authority of a valid licence issued by the Director -General Licensing of container depot operators  
10 of Merchant Shipping appointed under section 3 of the Merchant Shipping Act, No. 52 of 1971 (in this Act referred to as the “Director-General”) for that purpose.

(2) The Director-General shall have the power to delegate in writing to any officer, his authority under subsection (1) to  
15 issue a licence in respect of the business of container depot operator.

**3.** (1) A person who intends to carry on the business of a container depot operator under the provisions of this Act shall be a company incorporated under the Companies Act, Issuance of licence to carry on the business of a container depot operator  
20 No. 07 of 2007.

(2) A company referred to under subsection (1) shall make an application for the issue of a licence to the Director-General in such Form as may be prescribed.

(3) Every application submitted under subsection (2) shall contain complete and accurate information of all required particulars and be accompanied by the prescribed fee.

5           (4) The Director-General shall, having considered the information and particulars contained in an application submitted under subsection (2), and where the applicant has fulfilled the qualifications as may be prescribed to be issued with a licence, issue such licence to the applicant.

10           (5) An application found to contain false, misleading or incorrect information or particulars shall be rejected.

4. (1) A licence issued under section 3, shall-

Form and duration of a licence

(a) be in such form as the Director-General may determine;

15           (b) be subject to such terms and conditions as specified in the licence;

(c) become operative from such date as shall be specified in the licence; and

(d) unless earlier revoked, be in force for the period as specified in the licence.

20           (2) It shall be lawful for the Director-General to modify the terms and conditions of a licence without compensating the licensee concerned.

25           (3) No modification under subsection (2) shall be made except after notice to the licensee in writing to show cause within such period as may be specified in the notice, why such modification should not be made, and except on the licensee failing to show cause within such period, or on the licensee not showing sufficient cause.

5. A licence issued under the provisions of this Act, and any rights, benefits or privileges under such licence, shall not be transferable or assignable to any other person and shall not be used for the benefit of any other person. Restriction on transfer of licence

5      6. (1) A licence issued under section 3 may be renewed upon an application being submitted to the Director-General for that purpose in the Form as may be prescribed accompanied by the prescribed renewal fee, not less than thirty days prior to the date of expiration of the licence previously issued. Renewal of a licence

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15      (2) The Director-General shall renew a licence on receipt of an application under subsection (1), where-

(a) the licensee has not violated or done anything in contravention of the terms and conditions of the licence issued;

(b) the licensee has not contravened any provisions of this Act or any regulations made thereunder; or

(c) the continuation of the container depot operation concerned will not have any adverse impact on the public.

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25      (3) The provisions of section 3 of this Act shall apply in respect of a licence issued on renewal under this section.

7. (1) A licence issued under section 3 of this Act may be suspended by the Director-General, where- Suspension of a licence

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(a) it becomes necessary in order to implement any protective measures adopted in consequence of a determination made by the Director-General;

(b) the licensee has been charged for the commission of an offence under the provisions of this Act or any regulations made thereunder; or

(c) the licensee has contravened any provisions of this Act or regulations made thereunder and the severity of such contravention does not warrant a cancellation of the licence.

5 (2) Where a licence is suspended under paragraph (a) of subsection (1), the licensee shall be entitled to a *pro rata* refund of the fee paid by him for the issue of the licence.

(3) No suspension under subsection (1) shall be carried out except after notice to the licensee to show cause within 10 such period as may be specified in the notice, why such suspension should not be made, and except on the licensee failing to show cause within such period, or on the licensee not showing sufficient cause.

8. (1) A licence issued under section 3 shall be cancelled 15 by the Director-General, where- Cancellation of a licence

(a) it is found that the licence had been obtained by providing false, misleading or inaccurate information;

(b) the licensee has been convicted of an offence 20 under the provisions of this Act;

(c) the licensee has contravened any provision of this Act or regulation made thereunder;

(d) the licensee has acted in contravention or in 25 violation of any terms or conditions subject to which such licence was issued; or

(e) the continuation of the container operation would have an adverse impact on the public.

(2) Where a licence issued is suspended under section 7 or cancelled under this section, as the case may be, it shall 30 be the duty of the Director-General to forthwith inform

the licensee of such suspension or cancellation, by a written communication sent under registered post to the address given by the licensee.

(3) No cancellation under subsection (1) shall be carried out except after notice to the licensee to show cause within such period as may be specified in the notice, why such cancellation should not be made, and except on the licensee failing to show cause within such period, or on the licensee not showing sufficient cause.

5 (4) Notwithstanding the suspension or cancellation of a licence under section 7 or this section, the container depot operator whose licence has been suspended or cancelled may continue to release the existing marine containers to its customers within ninety days of the date of such suspension or cancellation.

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9. Where an application for the issue of a licence or renewal thereof under section 3 or 6, as the case may be, has been refused, the reasons for such refusal shall be recorded by the Director-General. It shall be the duty of the Director-General to inform the person making such application, by a written communication sent under registered post to the address appearing in the application, of the reasons for such refusal.

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10. (1) Any person aggrieved by a decision refusing the issue or renewal, as the case may be, of a licence or the suspension or cancellation of a licence issued, may, within thirty days of the date of receipt of the written communication informing such person, of the refusal or the suspension or cancellation, as the case may be, appeal against such decision to the Secretary to the Ministry of the Minister.

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(2) The decision on any appeal submitted under subsection (1) shall be made within thirty days of the receipt of such appeal and the person making such appeal shall be informed of the decision made on it, forthwith.

(3) Where the Secretary to the Ministry of the Minister considers it appropriate, he may hold such inquiry as he deems necessary in the circumstances of the case, prior to arriving at any decision on any appeal made to him under 5 subsection (1).

## PART II

### GENERAL PROVISIONS

11. (1) A person shall not use any place for the purpose of securing storage of any kind of marine container without 10 being registered with the Director-General. Registration of container depots

(2) A person who intends to register any place for securing storage of any kind of marine container shall make an application to the Director-General in a Form as may be prescribed for that purpose.

15 (3) Upon the receipt of an application, the Director-General shall, having considered the information and particulars contained in an application submitted under subsection (2), and where the applicant has fulfilled the requirements as prescribed under paragraph (b) of subsection (2) of section 20 16 pertaining to suitability to be issued with a certificate of registration, issue such certificate of registration to the applicant.

12. (1) The Minister shall prescribe such rates and charges to be charged by a licensed container depot operator for the 25 services rendered. Rates and charges

(2) In determining such rates and charges under subsection (1), the Minister may consider the following: -

30 (a) such rates and charges may be set at a level that allows for the recovery of the costs incurred in providing the service;

5 (b) consideration may be given to the affordability of service, ensuring that rates and charges do not create undue financial hardship to the companies licenced under section 3 and the persons receiving the service;

10 (c) such rates and charges shall be fair and reflect the value of the service provided to different types of users;

(d) the process for determining such rates and charges shall be transparent, with opportunities for the companies licenced under section 3 and the persons receiving the service input and clear communication about how such rates and charges are calculated;

15 (e) such rates and charges shall encourage the efficient use of services and resources; and

(f) such rates and charges may align with the prevailing Tariff of Water Front Container Terminals at the Colombo Port and broader government policy objectives, including social, economic, and environmental goals.

20 (3) (a) Before making regulations under subsection (1), the Minister shall publish the proposed rates and charges on the official website of the Ministry for comment to be made by the companies licensed under section 3 and other interested parties.

25 (b) Upon the expiry of a period of not less than thirty days from the date of such publication on the website, the Minister shall consider all submissions made by the companies licensed under section 3 and other interested parties during such period.

(4) The Minister shall prescribe the procedure for, the collection of such rates and charges and monitoring the implementation of such regulations made under subsection (1).

5 (5) The Director-General shall be responsible for monitoring the implementation of the regulations made under subsection (1).

10 **13.** (1) The Director-General may give to the licensee in writing, general or special directions as he may think necessary for the purposes of making such licensee to comply with the provisions of this Act or any regulations made thereunder. Power to issue directions to container depot operators

15 (2) The Director-General may in writing, direct the licensee to furnish to him in such form as he may require, returns, accounts and other information with respect to the business of the container depot operation.

(3) It shall be the duty of the licensee to comply with such directions.

**14.** The Director-General may-  
20 (a) for the purpose of ascertaining whether the provisions of this Act or any regulations made thereunder are being complied with, enter and inspect at all reasonable hours of the day or night, the premises in which the business of a container depot operator is carried on; and Powers of entry and inspection

25 (b) inspect, and take copies of, any records of a container depot operator and of any other records relating to such business.

**15.** Every licensee shall maintain such records as may be prescribed. Maintenance of records

16. (1) The Minister may make regulations in respect of all matters which are required by the provisions of this Act to be prescribed or in respect of all matters for which regulations are required or authorized to be made by the provisions of this Act.

5 (2) Without prejudice to the generality of the powers conferred by subsection (1), the Minister may make regulations in respect of or any or all of the following matters:-

10 (a) the qualifications required of any person applying for a licence under the provisions of this Act;

(b) the requirements pertaining to suitability of place of storing any kind of marine container;

15 (c) the period for which and the terms and conditions subject to which, licence may be granted;

(d) the mode and manner in which application for licence may be made and disposed of;

20 (e) the statements, declarations relating to the business of a container depot operator as may be necessary for ensuring that the provisions of this Act or any regulations made thereunder are compiled with;

(f) the standards to be observed by a container depot operator and the prohibition of acts or omissions in contravention of such standards; and

25 (g) the procedure of monitoring the proper implementation of rates and charges to be charged by the licensed container depot operators.

30 (3) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(4) Every regulation made by the Minister shall within three months after its publication in *Gazette* be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded as from the date 5 of disapproval but without prejudice to anything previously done thereunder.

(5) Notification of the date on which a regulation is deemed to be rescinded shall be published in the *Gazette*.

17. A licensee who individually or jointly monopolizes 10 in the business of container depot operation commits an offence and shall, on conviction after a summary trial before a Magistrate, be liable to a fine not exceeding ten million rupees or to imprisonment of either description for a period not exceeding two years or to both such fine and 15 imprisonment.

Monopolizing  
is an offence

18. Any person who acts in contravention of any provision of this Act or any regulations made thereunder commits an offence and shall, on conviction after a summary trial before a Magistrate, be liable to a fine not exceeding ten 20 million rupees or to imprisonment of either description for a period not exceeding two years or to both such fine and imprisonment.

Offences and  
penalties

19. Where an offence under the provisions of this Act is committed by a body of persons, then if that body of persons 25 is a body corporate, every person who at the time of the commission of the offence was a director, general manager, secretary or other similar officer of that body corporate shall be deemed to have committed that offence unless he proves that the offence was committed without his knowledge or 30 connivance and that he exercised having regard to the nature of his functions and in all the circumstances all due diligence to prevent the commission of such offence.

Liability  
of certain  
persons in  
respect of  
offences  
committed  
by bodies  
corporate

20. In this Act, unless the context otherwise requires – Interpretation

5 “container depot operators” means a company engaged in the business of container terminal, container depot and container freight station operation in Sri Lanka;

“Minister” means the Minister to whom the subject of Merchant Shipping is assigned in terms of Article 43 or 44 of the Constitution;

10 “monopolizing” means, where a person in the course of business, pursues a course of conduct which of itself or when taken together with a course of conduct pursued by persons associated with him, has or is intended to have or is likely to have the effect of restricting, distorting or preventing competition in connection with the business of container depot operators;

15 “prescribed” means prescribed by regulations made under this Act; and

20 “protective measures” includes any measure essential to maintain operational integrity of the container depot, protect the value of the stocked goods, and ensure the safety of depot personnel and the surrounding community.

25 21. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency

