

# OPERATING FREE ZONES IN SRI LANKA

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**ADVANTIS**  
FREE ZONE

## INTRODUCTION



## What is a Free zone?

Free zone in Sri Lanka allows international clients to import various raw material or finished goods excluding restricted items through green channel without customs intervention, enabling numerous operations ranging from simple storage to value additions and re-export.

## INTRODUCTION



## Why Free zones in Sri Lanka?

- ❖ Strategically location- Center of east/west shipping route.
- ❖ Central to Indian Sub continent, Middle East, East Africa, Asia.
- ❖ Ability to connect India better than Indian can do on their own.
- ❖ Transshipment hub with deep water terminals that can accommodate large vessels.
- ❖ Many economic treaties with regional countries.

## INTRODUCTION



## Regulation

- ❖ The Finance Act No. 12 of 2012/2013 – Gazette No. 1818/30.
- ❖ Permitted Activities;
  - ❖ Entrepot trade
  - ❖ Off-shore business
  - ❖ front end services
  - ❖ Operations of the Headquarters
  - ❖ Logistic services

## BENEFITS



- ❖ Absolute convenience/No red tape.
- ❖ Multi-commodity capability- Over 20 verticals
- ❖ No limitation on storage time frames (subject to expiry dates of the commodities).
- ❖ Highly skills and agile workforce.
- ❖ Significant cost advantage compared to regional free zones
- ❖ Free Zones are not customs bonds similar to FTWZ in India, off shore location as per legal system.
- ❖ Ideal for international distribution

## SERVICES



## Main services offered

- ❖ Regional/Global distribution center operations.
- ❖ Import, value addition and export to various countries
- ❖ Multi Country Consolidation (MCC) and Groupage services
- ❖ Full range of value additions for variety of industries
- ❖ Regional, global quality assurance centers
- ❖ Controlled atmosphere, cold storage
- ❖ Canning and packing operations
- ❖ Even assembly, manufacturing in specified location.

## METHODOLOGY



Arrival of consignments to sea or air port.  
(Cargo Bound for re export, consigned to Free Zone)

Free Zone cargo to be cleared green channel without customs intervention (Unless needed under special permission) using a secured method

Storage, Value Additions or assembling or manufacturing in specified locations

Export out of Free zone to different countries

A photograph of a business meeting. In the center, two people are shaking hands. The background shows other people in business attire, some holding pens, and a table with documents. One document prominently displays the word 'CONTRACT' in bold capital letters. There is also a bar chart visible on the table. The entire image has a dark, semi-transparent overlay.

**Thank you!**