

**CONVENTION AGAINST ILLICIT TRAFFIC IN NARCOTICS DRUGS
AND PSYCHOTROPIC SUBSTANCES ACT, NO. 1 OF 2008**

Regulations made by the president under section 31 read with Section 19 of the Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, Act No. 1 of 2008 read with paragraph (2) of Article 44 of the Constitution.

Mahinda Rajapakse
President

Regulations

1. These regulations may be cited as the "Precursor Chemicals (Regulatory Measures) Regulations No. 1 of 2010" and shall come into operation on (hereinafter referred as "the date of operation")

**PART I
ISSUING OF LICENCES**

2. Every person who intends to import or export any of the substances specified in Table I and Table II of the First Schedule to the conventions Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, No. 1 of 2008 (hereinafter referred as "the Act"), shall be required to obtain a licence and shall make an application in that behalf of the Precursor Chemical Authority (hereinafter referred as "the Authority") in Form 1 set out in Schedule A hereto, two months prior to being engaged in such business.
3. Every application for obtaining the Licence from the Authority shall accompany the relevant fee stipulated in Schedule B to these regulations

4. (a) Upon receipt of the application together with the relevant fee, the Authority shall ascertain the accuracy of the information provided in the application and the manner in which the activities are carried out by importers and exporters and shall issue the Licence within one month from the date of receipt of the application
- (b) Every Licence issued shall be valid for a period of one year, from the date of issue of such Licence

(c) Where the Authority is not satisfied -

(i) of the accuracy of the information provided in the application ; or

(ii) with the manner of carrying out the activities,

by the importers and exporters, the Authority shall not issue a licence to that applicant:

Provided however, the Authority shall afford the person who applied for the Licence an opportunity to be heard

5. (a) In the case of a licensed importer or exporter who intends to import or export the substances other than that covered by the Licence out of the substances in Table I and Table II of the First Schedule to the Act, he shall make an application to the authority to amend the Licence in Form 2 set out in Schedule A to these regulations, not less than one month prior to dealing with the new substances.

(b) Every application for an amendment of licence shall be accompanied by relevant fee stipulated in Schedule B to these regulations.

(c) Upon receipt of the application for amendment together with the relevant fee, the Authority shall ascertain the accuracy of the information provided in the

application and shall amend the Licence within two weeks from the date of the receipt of the application

6. (a) Every licence issued to an importer or exporter shall be renewed annually. Every such importer or exporter shall make an application in that behalf to the Authority in Form 3 set out in Schedule A to these regulations, one month before the expiry of one year from the date of issue or any renewal thereof.

(b) Every application for the renewal of Licence shall be accompanied by a fee stipulated in Schedule B to these regulations.

(c) Upon receipt of the application for renewal together with the relevant fee, the authority shall ascertain the accuracy of the information provided in the application and shall renew the Licence for a further period of one year, within two weeks from the date of the receipt of application

7. The Licence may be cancelled by the Authority where -

- (i) any provision of the Act or any regulation made there under or any condition subject to which the licence is issued is contravened or any direction issued by the Authority is not complied with; or
- (ii) any particular furnished to the Authority is false or inaccurate or any relevant data is suppressed.

Provided however prior to such cancellation the Authority shall afford the person to whom it was issued an opportunity to be heard.

8. A person whose licence was cancelled under regulation 7, shall be eligible to apply for a new licence only after the completion of a period of two years from the date of the cancellation of such licence.

PART II
REGISTRATION OF PREMISES

9. Every Licensee shall register the premises where the activities relating to the import or export of the substances specified in the Table I and Table II of the First Schedule to the Act, are carried on with the Authority within one month from the date of the issue of licence.
10. Every application for the registration of the premises referred to in regulation 9, shall be made to the Authority in Form 4 set out in Schedule A to these regulations, within two weeks from the date of issue of the licence.
11. Every application for registration of premises under the Authority shall be accompanied by the relevant fee stipulated in Schedule B to these regulations.
12. (a) Upon receipt of the application for renewal together with the relevant fee, the authority shall ascertain the accuracy of the information provided in the application and the manner in which the activities are carried out by the importers and exporters and shall register such premises within two weeks from the date of receipt of such application.
- (b) The Authority shall not register any premises in the event that the Authority is not satisfied -
- (i) of the accuracy of the information provided in the application by the importer or exporter; or
 - (ii) with the manner in which the related activities, are being carried out, by such importers or exporters,

Provided however, the authority shall afford the person who applied for registration of premises an opportunity to be heard.

PART III
MONITORING AND EXAMINATION

13. Members of the Authority shall visit the registered premises of the licensee at least once in three months and monitor the activities carried on by using the substances specified in Table I and Table II of the First Schedule to the Act, and shall examine the manner of storage of the specified substances and the use of all relevant equipment, books, documents, registers and records maintained by the Licensee.
14. The Authority shall inquire into the activities of licensee, request details of activities and inspect the activities where necessary.

PART IV
QUARTERLY RETURNS

15. Every Licensed importer or exporter of any substance specified in Table I and Table II of the First Schedule to the Act, shall submit the quarterly returns reflecting the Import, Export, Use, Manufacture and Distribution of such substances, to the Authority, in Form 5 set out in Schedule A hereto.
16. The first of such return shall be submitted within three months from the date of the issue of the Licence to the Authority.
17. The Authority shall cancel a licence where it is apparent to the Authority that the licensee -
- (a) has failed to submit the quarterly returns referred to in regulation 15;
 - (b) has furnished information to the Authority which is false or inaccurate; or
 - (c) has withheld relevant information.

PART V
DUTIES OF THE LICENCED IMPORTERS AND EXPORTERS

18. No Licensed importer of any substance specified in Table I and Table II of the First Schedule to the Act, shall sell or give the aforesaid substances to any person unless that person is a registered person with the importer.
19. Every Licensed importer of any substance specified in Table I and Table II of the First Schedule to the Act, shall maintain a register for the purpose of regulation 18, and include the following particulars -
- (a) the names of the persons who bought or obtained the aforesaid substances from the importer;
 - (b) names of the substances;
 - (c) quantities sold, given or obtained;
 - (d) particulars of the activities for which the aforesaid substances are bought, given or obtained.
20. Every Licensed importer or exporter of any substance specified in Table I and Table II of the First Schedule to the Act, shall obtain clearance from the Central Environmental Authority for the purpose of storage and disposal, other than by sale to retail end users.
21. Every Licensed importer or exporter shall ensure that the substances specified in Table I and Table II of the First Schedule to the Act are stored and protected at the registered premises referred to in regulation 9 and shall forthwith inform the authority or any other appropriate authority of any theft, unexplained loss or suspicious activities relating to the aforesaid substances.

22. In the case of a Licence contravening the regulations 18, 19, 20 and 21, the Authority shall cancel the licence of such person in addition to other legal consequences imposed under the Act:

Provided however, prior to such cancellation the authority shall afford the person to whom applied it was issued an opportunity to be heard.

PART VI DEALERS AND END USERS

23. Every person who -

(a) intends to deal with any substance specified in Table I and Table II of the First Schedule to the Act (hereinafter referred to as a "Dealer");
or,

(b) intends to use any substance specified in Table I and Table II of the First Schedule to the Act (hereinafter referred to as a "End User),

shall make an application for registration to the Authority, within three months from the date of operation of these regulations, in Forms 6 and 9 respectively set out in Schedule A hereto.

24. Every application for registration to the Authority shall be accompanied by the relevant fee stipulated in Schedule B to these regulations.

25. Upon receipt of the application together with the relevant fee, the authority shall ascertain the accuracy of the information provided in the application and the manner in which the activities are carried out by the dealer or end user as the case may be, and shall issue a certificate of registration for a period of one year, commencing from the date of issue of such certificate.

26. Where the Authority is not satisfied -

(a) of the accuracy of the information provided in the application; or

(b) with the manner in which the activities are being carried out

by the dealers and end users, the Authority shall not register the applicant.

Provided however, the authority shall afford the person who applied for the registration an opportunity to be heard.

27. (a) In the case of a registered dealer who intends to deal with or in the case of end user who intends to use the substances other than that covered by the registration out of the substances specified in Table I and Table II of the First Schedule to the Act, he shall make an application to amend the registration in Form 7 and 10 respectively, set out in Schedule A hereto.

(b) Every application for an amendment to the registration shall be accompanied by the relevant fee stipulated in Schedule B to these regulations

(c) Upon receipt of the application together with the relevant fee, the authority shall ascertain the accuracy of the information provided in the application and shall amend the registration within two weeks from the date of receipt of such application.

28. (a) Every registered dealer or end user shall renew their registration annually, and he shall make an application in that behalf to the Authority in Form 8 and 11 respectively, set out in Schedule A to these regulations, one month prior to the date of expiry of such registration.

(b) Every application for the renewal of registration shall be accompanied by a fee stipulated in Schedule B to these regulations.

(c) Upon receipt of the application for renewal together with the relevant fee, the authority shall ascertain the accuracy of the information provided in the application and shall renew the registration for a further period of one year, within two weeks from the date of the receipt of application.

29. The Authority may cancel the registration of the dealer or end user where -

- (a) any provision of the Act or any regulation made thereunder or any condition in the certificate of registration is contravened or any direction issued by the Authority is not complied with; or
- (b) any particulars furnished to the Authority is false or inaccurate or any relevant data is suppressed:

Provided however, prior to such cancellation, the authority shall afford the person who applied for the registration an opportunity to be heard.

30. Every dealer or end user whose registration was cancelled under regulation 29 shall apply for registration only after the expiry of one year and two years respectively from the date of cancellation of such registration.

31. Every registered dealer of any substance specified in Table I and Table II of the First Schedule to the Act, shall maintain records of the following -

- (a) name and address of the persons and end users who purchased or obtained the aforesaid substances specified in Table I and Table II of the First Schedule to the Act;
- (b) activities carried out in relation to the aforesaid substances;
- (c) the particulars relating to the places where the activities are carried on;

(d) quantities of the substances involved in such activities,

which shall be submitted to the Authority as and when required by the Authority.

32. No registered dealer shall sell out or give any substance specified in Table I and Table II of the First Schedule to the Act, to any person other than a registered end user.

33. In the case of a registered dealer contravening the regulations 30 the Authority shall cancel the registration of such person in addition to other legal consequences imposed under the Act:

Provided however, prior to such cancellation, the authority shall afford the person an opportunity to be heard.

34. In these regulations unless the context otherwise requires -

"Dealer" includes wholesale and retail dealer.

SCHEDULE A

1. Form 1
2. Form 2
3. Form 3
4. Form 4
5. Form 5
6. Form 6
7. Form 7
8. Form 7
9. Form 9
10. Form 10
11. Form 11

SCHEDULE B

- a. Licensing fee, for scheduled substances Rs.5,000/-
- b. Amendment to the Licence Rs.2,000/-
- c. Fee for renewal of the Licence Rs.4,500/-
- d. Fee for registration of premises Rs.5,000/-
- e. Fee for registration of dealers Rs.4,000/-
- f. Fee for amendment to the registration of dealers Rs.1,500/-
- g. Fee for renewal of registration of dealers Rs.3,500/-
- h. Fee for registration of end users Rs.1,500/-
- i. Fee for amendment of the registration of end users Rs.500/-
- j. Fee for renewal of registration of end users Rs.1,000/-