



# INVESTING IN SRI LANKA

*The Best Destination In Asia To Grow Your Business*

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# INTRODUCTION

## Establishment

- **1978 - Greater Colombo Economic Commission (GCEC) No. 04 of 1978**
  - Purpose
    - To attract FDI to the country and facilitate those investments with the introduction of Open Economic Policy in 1978
- **Open Economic Policy**
  - Re-orientation of the agriculture based economy into an industrial production based economy
  - Generation of employment opportunities
- **1992 – Board of Investment of Sri Lanka (BOI)**
  - Decentralization and expansion of foreign investment projects to rural areas

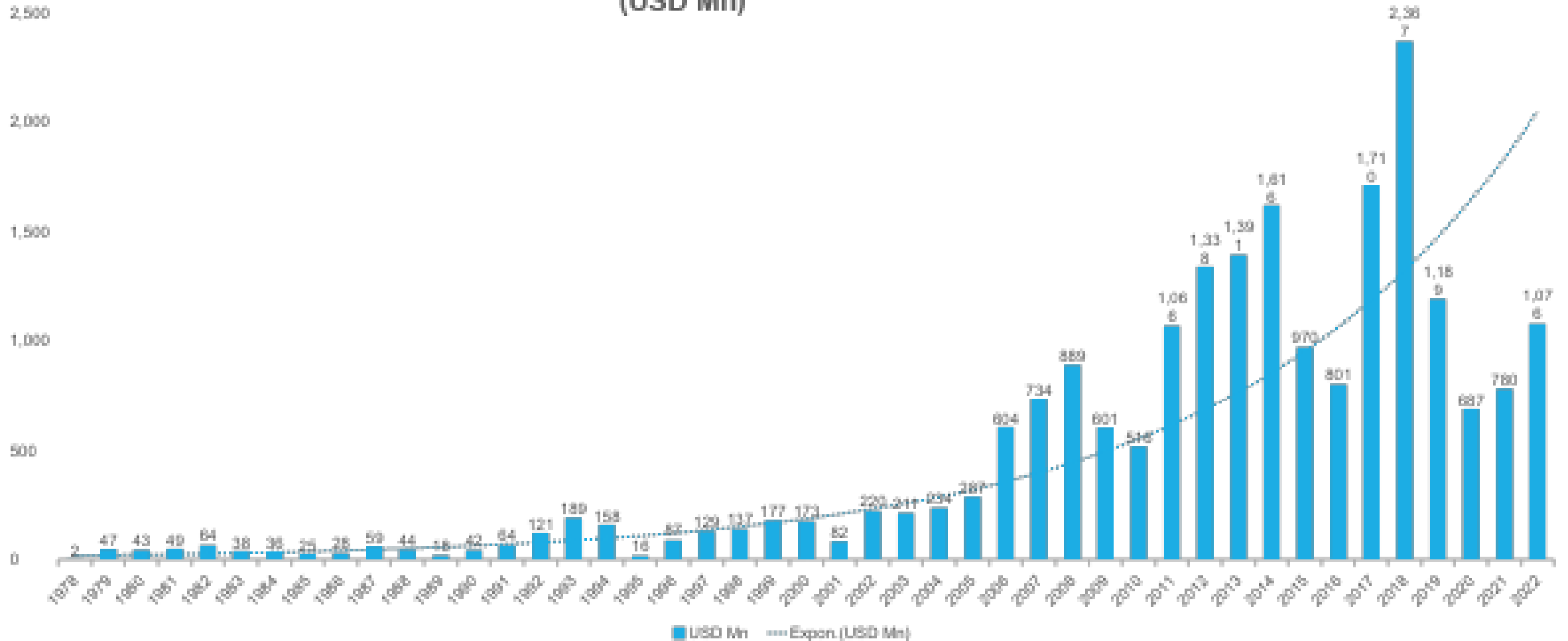


# MAIN SERVICES

- 
- **Investment promotion**
    - National Investment Promotion Agency (IPA)
  - **Investment approvals**
    - Under Section 17 and Section 16 of BOI law
  - **Import/Export facilitation**
    - (Companies under Section 17 of BOI law)
  - **Industrial labour relations facilitation**
  - **Legal services**
  - **Engineering approvals**
    - (Site & building plans approvals, Quantity certification, Certificate of Conformity)
  - **Environmental Clearances & Management**
  - **Visa facilitation**
  - **Development & Management of EPZs**

# BOI PERFORMANCE

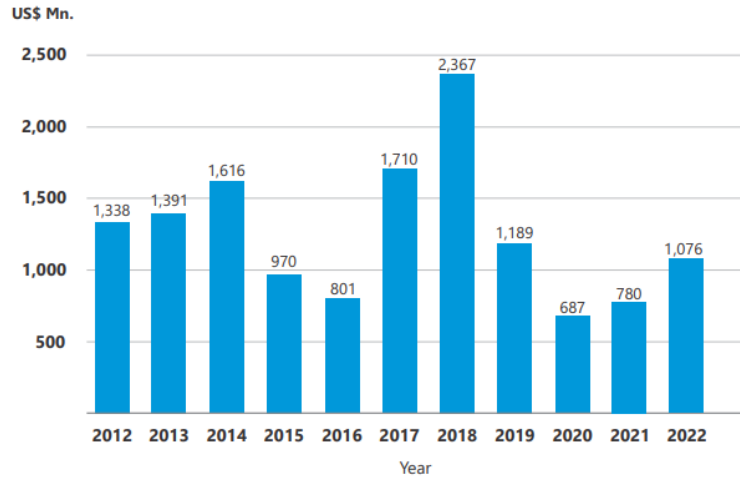
FDI Inflow 1978 - 2022  
(USD Mn)



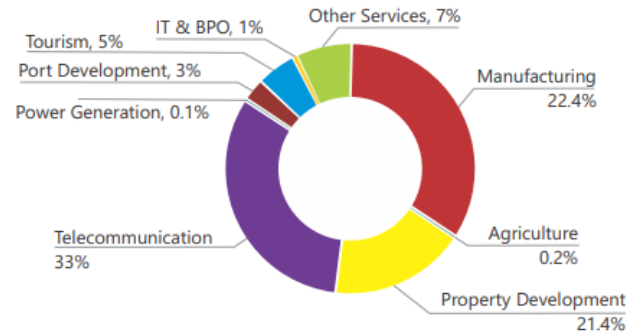
# BOI PERFORMANCE

## Investments performance

### Investment Highlights



### Cumulative FDI by Sector

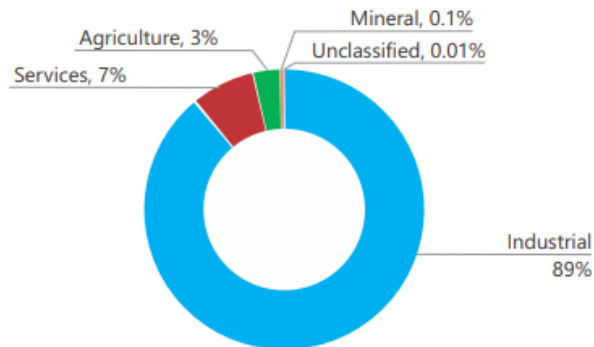
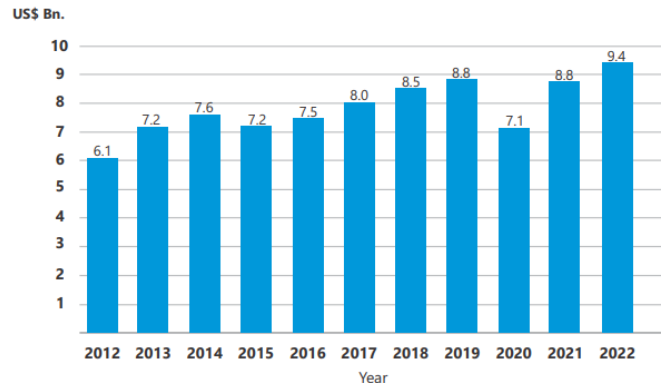


### Major Countries of FDI Inflow - 2022



## Exports performance

### Exports by BOI Companies



### Sector wise Industrial Exports of BOI Companies (2022)

Textiles and garments	69.9%
Rubber products	10.6%
Machinery and mechanical appliances	5.8%
Gem diamonds and jewellery	1.8%
Food beverages & tobacco	1.7%
Animal fodder	1.4%
Transport equipment	1.3%
Base metals and articles	1.0%
Leather, travel goods and footwear	1.0%
Other industrial exports*	5.6%

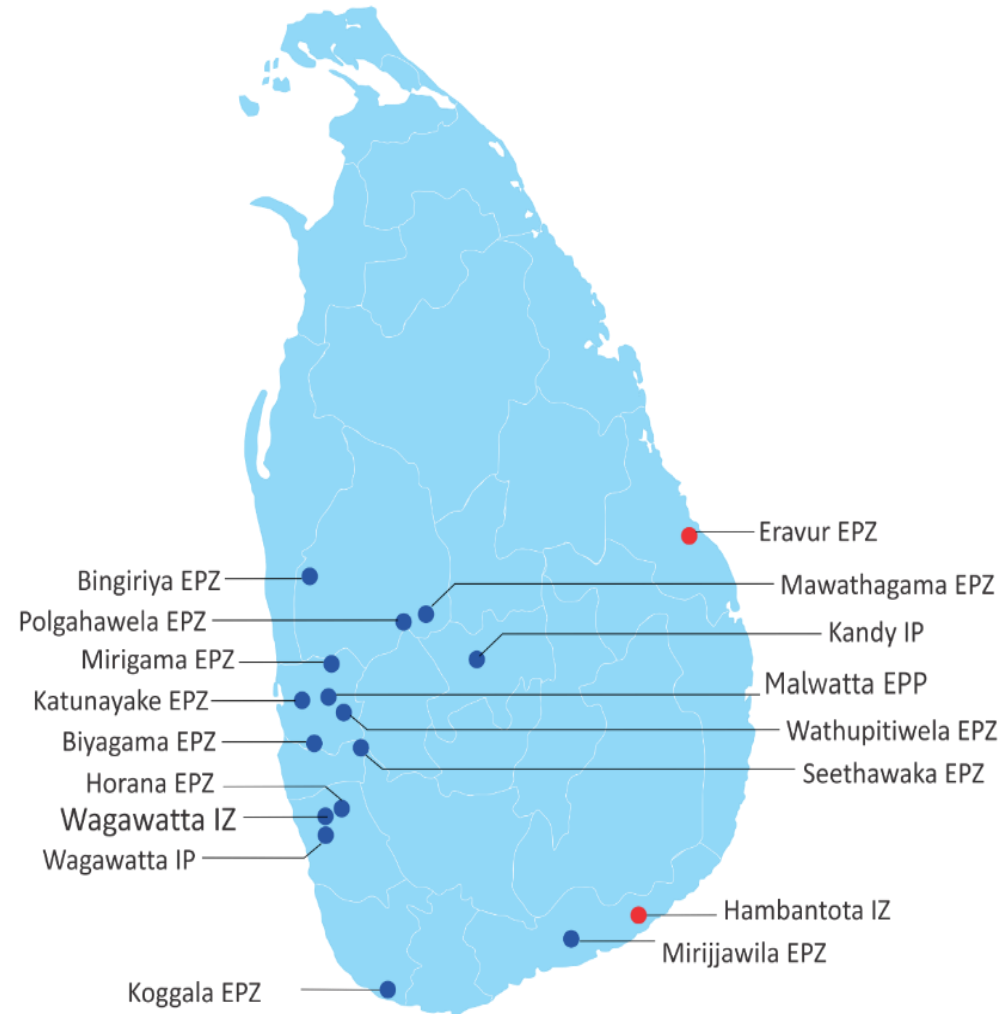
\* Including chemical products, Printing industry products, Plastics and articles thereof, Wood and paper products, Ceramics products

# BOI ZONES

■ Zones in Operation : 15

■ Upcoming Zones : 02

- Hambantota IZ - Pharmaceutical Zone
- Eravur EPZ - Textile Manufacturing Zone



285

*Companies in operation*

> 135,500

*Employment*

US\$ 3 Bn

*Annual export revenue*



# PRIORITY SECTORS TO DRIVE FDI



## Manufacturing

- Pharmaceuticals
- Apparel
- Textiles & Accessories
- Electrical & Electronic
- Rubber
- Auto Components
- Medical Devices
- Machinery & Appliances
- Value added Minerals



## Infrastructure

- Logistics
- Mixed Development
- Transport Infrastructure



## Services

- Information Technology
- Hospitality & Tourism
- Logistic Services



## Agriculture

- Processed food
- Fisheries
- Aquaculture

# NEW INITIATIVES

## Establishment of “Investment Facilitation Centre (IFC)”



- Operational since 2022
- The central facilitation unit to grant all necessary approvals in an expeditious manner
- Strong coordination with relevant Line Agencies

## Digitization of Investor Experience



### Introduction of

- Online Visa recommendation
- Paperless Customs document handling (Import Export)
- Online Job Bank

### Projects in progress

- Digitization of Investment Approval Process



# NEW INITIATIVES

## Introduction of Partnership Finder Database



- Launched in 2022 for ;
  - Investors seeking business partnerships
  - Research institutes and start-ups
  - Line Agency partnerships for identified investment opportunities

## Initiative to attract Re- Investments



- 3 Dedicated teams appointed for Manufacturing, Tourism & Agriculture sectors
- Identification and facilitation of existing companies with potential for project expansions

# COLOMBO PORT CITY ECONOMIC COMMISSION



The Commission is the sole Government of Sri Lanka entity, which is entrusted and authorized, by way of the Colombo Port City Economic Commission Act, with the administration, regulation and control of all matters connected with businesses and other operations, in and from the Area of Authority of Port City Colombo.

**Single Window Investment facilitator for the promotion of ease of doing business within Port City Colombo.**

## Port City Colombo

**International, service-oriented Special Economic Zone/SEZ**

- **International Trade**
- **Shipping Logistic Operations**
- **Banking & Financial Services**
- **IT/BPO**
- **Corporate Headquarters Operations**
- **Regional Distribution Operations**
- **Tourism**
- **Ancillary Services**

# COLOMBO PORT CITY

## INTERNATIONAL ISLAND

*Medium Density*

Integrated Resort  
Convention & Exhibition  
International School  
Healthcare Facility  
Entertainment Hub



## CENTRAL PARK LIVING

*Medium High Density*

The Channel  
Central Park  
Pavilions  
Green Heart  
Open Blocks



## ISLAND LIVING

*Medium Density*

City Beach  
Pagoda Park  
Cinnamon Park  
Lotus Boulevard  
Villa Living



INTERNATIONAL ISLAND

CENTRAL PARK LIVING

ISLAND LIVING

FINANCIAL DISTRICT

THE MARINA

## FINANCIAL DISTRICT

*High Density*

Grade-A Office Buildings  
Commercial Boulevard  
Linear Park  
CBD Plaza  
Retail Destination



## THE MARINA

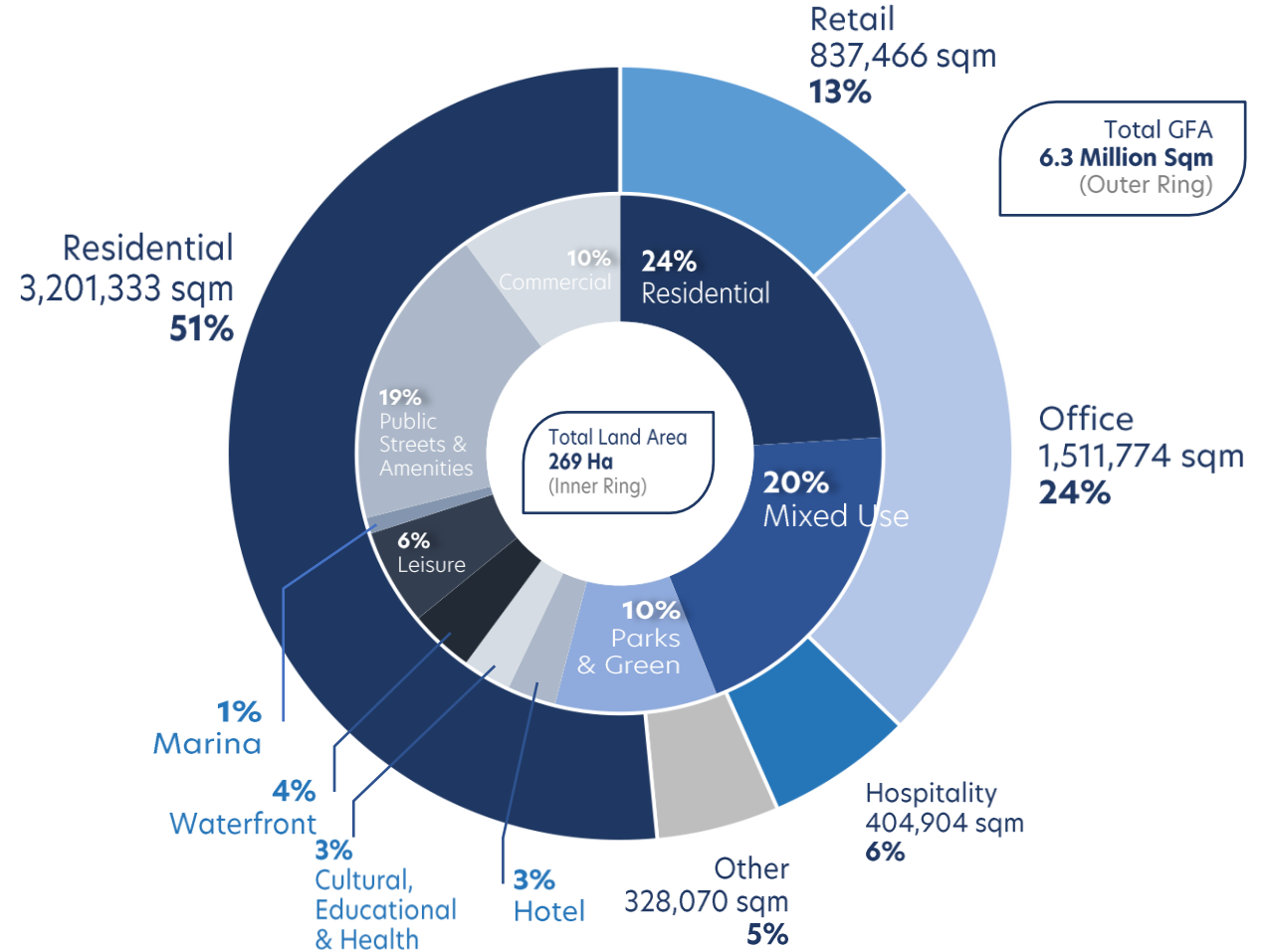
*Low Density*

Marina Promontory  
Marina Park  
Marina Village  
Sunset Bar



# OVERVIEW OF PORT CITY

-  **269 HA** Owned by the **Government of SL**
-  **179 HA** Of land extent for **City development**
-  **91 HA** Of public space
-  **109 HA** Of Swimming Lagoon
-  **5** Distinct Precincts
-  Total **6.3 Million** SQM Gross Floor Area (GFA)
-  Creating **143,000** New Jobs
-  Expected City Population **273,000**
-  USD **20 Billion** Investment on completion
-  **45 Ha** of **Green Spaces** will be available



# NORTHERN PROVINCE

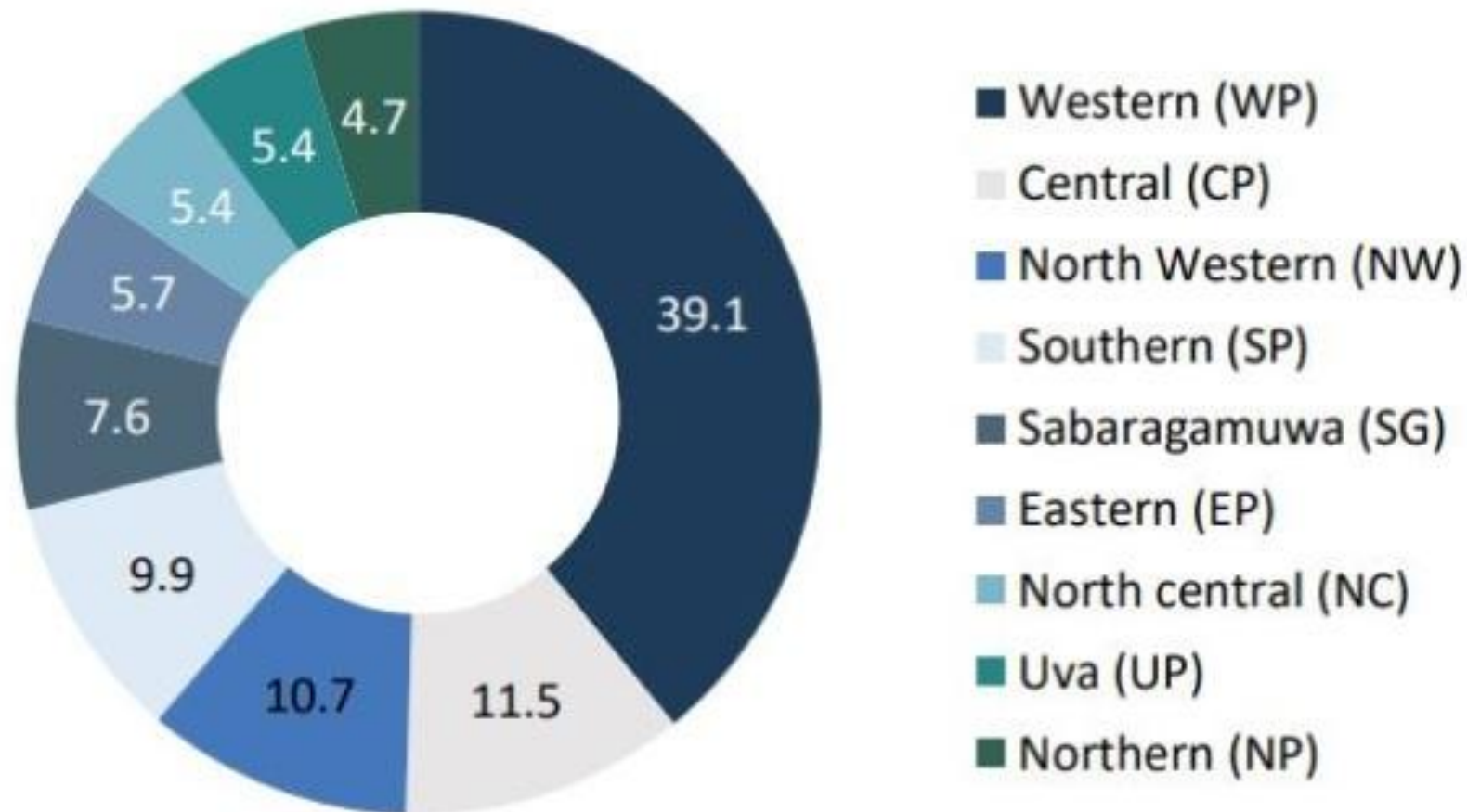
- Land Area: 8,290 sq.km
- Long Coastal Area
- Population : 1.2Mn.(2011) : 1,261,061 (2022).
- Strategically located (Close proximity to South India (18 nautical mile)
- Literacy: 97.8 (2017)
- Economy :Agriculture, Fisheries & SME
- GDP: 4.2 % (2021)
- Agriculture – 7.0%
- Industry – 3.9%
- Services- 3.9%
- Unemployment rate – 5% (SL-4.8%)
- Poverty Head Count index 7.7% (SL-4.1%)
- Women Headed families of the NP - 23.9 %





# PROVINCIAL GROSS DOMESTIC PRODUCT – 2019

PGDP Shares 2019





# INFRASTRUCTURE FACILITIES – NORTH

- Road Network - Good
  - Electricity Supply & Network - Good
  - Communication Facilities - Good
  - Transport Facilities - Good
  - Rail Transport Service - Good
  - Harbour Facility - Need to be Improved
  - Air Port Facility - Need to be Improved
  - Sea Transport Facility - Need to be Improved
  - Air Transport Facility - Jaffna to Chennai available
- Should work out new Models of investments

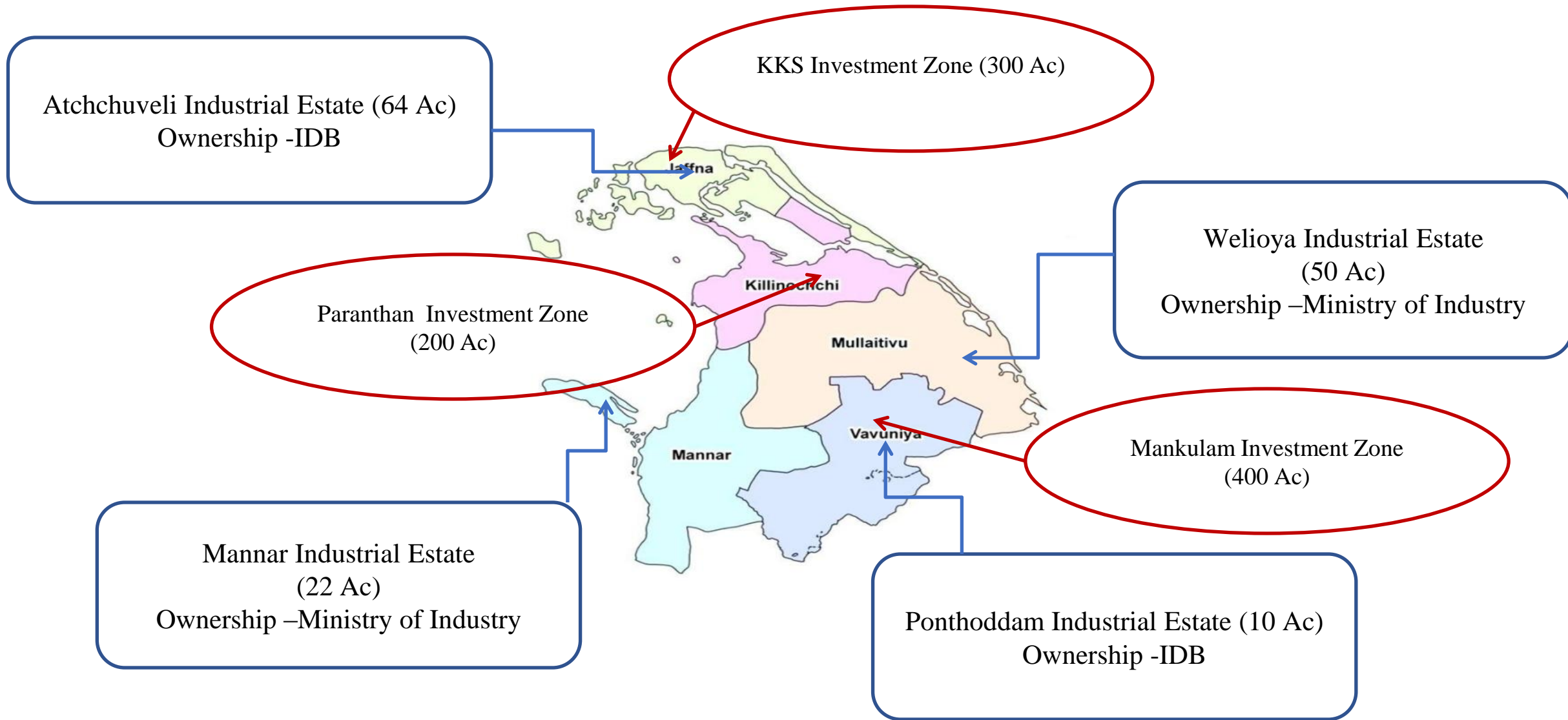
# INVESTMENT INCENTIVE

- Corporate Income Tax (CIT)
- Enhanced Capital Allowance
  - Northern Province 200%
  - Other Province 100%
- Temporary concessions
  - Investment below US\$ 3Mn are entitled ECAs:
    - Northern Province 200%
    - Other Province 100%
    - Until April 2024
- Customs Duty /Port & Airport Levy(PAL)/CESS Exemption
- Value Added Tax (VAT) Reductions/Exemption/Deferments

# BOI PROJECTS IN NORTH

#	Status of Project	No of Projects	Investment (Mn.LKR)	Employment (Nos)
1	Apparel Projects (In Commercial Operation)	07	9,650.00	10,577
2	Approved Projects (In Commercial Operation)	18	16,293.30	<b>738</b>
3	Approved Projects (Awaiting for Agreement)	03	4,498.7	382
4	Proposed Projects (Awaiting for Approval)	05	11,762.00	1,195
<b>TOTAL</b>		<b>33</b>	<b>51,018.75</b>	<b>12,892</b>


# Industrial Estate & Proposed Zone Northern Province



# WAY FORWARD

- New policies to change System of Procedures (SOP) , by Seven Secretaries Committee
- Promote projects on PPP basis
- Reviewing the land policy
- Existing Resource Maximization
- Promotion of Mega Projects ( Refinery , Vehicle Recycling Etc)
- Trincomalee Master plan & Impact to N & E
- Proposals based on the Geography ( Agriculture , Fisheries, Live stocks, Trims, Real State, Renewable Energy , IT & Education)



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