

Promotion of Foreign Direct Investments (FDIs) through Sri Lanka Missions/Posts

Information on PORT CITY Colombo

(For Sri Lanka Missions/Posts usage ONLY)

The country is in the process of revitalizing the economy and the successful achievement with IMF has endorsed that the economy is moving in a progressive direction. The Government is energizing all its economic pivotal and accelerating domestic reforms and resolving obstacles to create a much conducive environment especially for investments and trade.

Among other investment promotions, the promotion of Port City Colombo is one of the key projects.

The Port City Colombo is developed in collaboration with CHEC PORT CITY COLOMBO (PVT) LTD and the Government of Sri Lanka as a Public-Private partnership. The COLOMBO PORT CITY ECONOMIC COMMISSION has been established under the Colombo Port City Economic Commission Act No. 11 of 2021 as the single window investment facilitator for the promotion of ease of doing business within the Colombo Port City Special Economic Zone.

The project presents a number of opportunities for investors to be stakeholders of a world-class city in South Asia.

Introduction

Port City Colombo is an exclusive master planned city development envisioned around a world-class, service-oriented Special Economic Zone (SEZ), financial center and business hub strategically located in Sri Lanka, at the heart of South Asia. The project is developed in collaboration with the Government of Sri Lanka and CHEC Port City Colombo (Pvt) Ltd.

Port City Colombo will feature top-quality infrastructure, showcasing urban sustainability while linking regional markets through a Special Economic Zone (SEZ) and a well-governed financial district with progressive, business-friendly policies and processes. This distinctive project will also feature luxury residences, premium office and retail spaces and serviced apartments with state of the art communications and security, surrounded by a meticulously landscaped green environment.

The Port City Colombo regulatory framework is benchmarked to international standards and will be governed by the Colombo Port City Economic Commission (CPCEC), the single window investment facilitator, which comprises a modern legal framework and attractive, progressive policies designed towards ease of doing business.

Sri Lanka's first multi-services special economic zone (SEZ) - Special Advantages

The primary objective of the SEZ is to augment the ease of doing business to promote export of services and FDIs:

- **Single Window Facilitation** by the Colombo Port City Economic Commission
- Exemptions granted under The Foreign Exchange Act, No. 12 of 2017, to enhance **mobility of capital**
- **100% foreign ownership** is granted for businesses
- Employees to be **remunerated in foreign currency** and **0% tax on employment income**
- **Visas of 5-10 years** for investors, businesses, employees, and residents, **including eligibility for spouses and dependents**
- **Investment protection mechanisms** through law and contracts
- A dedicated **International Alternate Dispute Resolution Center**
- **25+ year tax incentives and exemptions** available for Businesses of Strategic Importance
- **Freely transact** in 16 designated foreign currencies
- **No cap** on foreign employment

Enacted in May 2021, the Colombo Port City Economic Commission Act established a single window investment facilitator, referred to as the Colombo Port City Economic Commission, to promote, administer and regulate business activities within the Colombo Port City.

Interim provisions of the Act permit registered and approved Authorized Persons' can operate from outside the area of authority of Colombo Port City for a period of up to 5 years from the date of the enactment of the Colombo Port City Economic Commission Act, No. 11 of 2021 in designated locations and enjoy the benefits granted until the commercial office spaces are ready for occupancy.

Promotional Materials

COLOMBO PORT CITY ECONOMIC COMMISSION and CHEC PORT CITY COLOMBO (PVT) LTD being the regulatory authority and primary developer respectively are actively promoting Port City Colombo. Both institutions are focused on aggressively promoting and facilitating investment from a number of countries.

The enclosed Masterplan and Factsheet prepared by CHEC Port City Colombo CHEC PORT CITY COLOMBO (PVT) LTD (**Annex I and Annex II**), details the marketable land parcels and key facts that support attracting FDIs.

Promotion of Foreign Direct Investments – 2024

The enclosed Port City Colombo Brief Overview prepared by the CHEC PORT CITY COLOMBO (PVT) LTD, (**Annex III**), is an ideal document to work with. It is an overview of Port City Colombo and details the 5-year strategic roll out plan for the real estate developments.

The enclosed Doing Business Set Up Guide (**Annex IV**), offers useful information for foreign investors to invest in real estate development and/or set up their business operations at Port City Colombo.

The enclosed document prepared by CHEC Port City Colombo CHEC PORT CITY COLOMBO (PVT) LTD (**Annex V**), details some key real estate investment opportunities available.

Whom to be contacted: Senior Officials and Sector Contact Points

Please see below the details of the Senior Officials of the CHEC PORT CITY COLOMBO (PVT) LTD for you to contact.

1. **Mr. Shane Amadoru**
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Promotional Materials

The enclosed documents (Annex I, II and III) prepared by the CHEC PORT CITY COLOMBO (PVT) LTD offers useful information for pitching Sri Lanka's case to the foreign investors. The soft copies will be sent by email.

Promotion of Foreign Direct Investments – 2024

Expected outcome

- i. IMF 2nd tranche of the EFF was disbursed in December 2023 and 2nd review was successfully completed in June 2024, greater awareness of the improving investment climate in Sri Lanka and especially at Port City Colombo
- ii. Carry out initial Due Diligence to ensure that the interests received are from credible parties
- iii. Greater awareness of Port City Colombo as a destination for potential investments
- iv. Develop a leads data base to be shared with officials of the CHEC PORT CITY COLOMBO (PVT) LTD for future networks of the SL Missions/Posts
- v. Assist in arranging meetings with potential target investors as identified by CHEC PORT CITY COLOMBO (PVT) LTD
- vi. Lobbying and registering for future Investment Forums and Events.
- vii. Approach CHEC PORT CITY COLOMBO (PVT) LTD for any investment related clarifications directly and arrange follow up meetings (physically and/or virtually) with the interested party

Suggested as appropriate Key Performance Indicators (KPI)

1. How many publicity material/means used to give publicity
2. The number of persons approached for lobbying for investments along with bi weekly updates
3. How many attended to meetings, if any for promoting investments
4. Number of persons inquired about the investment opportunities in Sri Lanka
5. Number of articles published in media, blogs etc., about investment opportunities available in Sri Lanka.
6. Number of follow up meetings/leads took place.

This document was prepared in consultations with CHEC PORT CITY COLOMBO (PVT) LTD and COLOMBO PORT CITY ECONOMIC COMMISSION.

**Economic Affairs Division
Ministry of Foreign Affairs
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