



EDUCATION

Sector



The Board of Investment of Sri Lanka

Overview

The Sri Lankan government has recognized the importance of creating a dynamic education sector which can meet the requirement of the changing needs of labour market. In this process, strengthening the capacity and the improvement of the quality of higher education sector have been identified as key aspects.

The higher education sector has been opened for private investments and world renowned higher education institutions are invited to set up their entities in Sri Lanka not only to cater to the local market, but also to open avenues for "Export Education" sector.

The strategic geographical location of the country to attract students from all over the world and the intellectual capacity of local academia will enhance the viability of the investments.

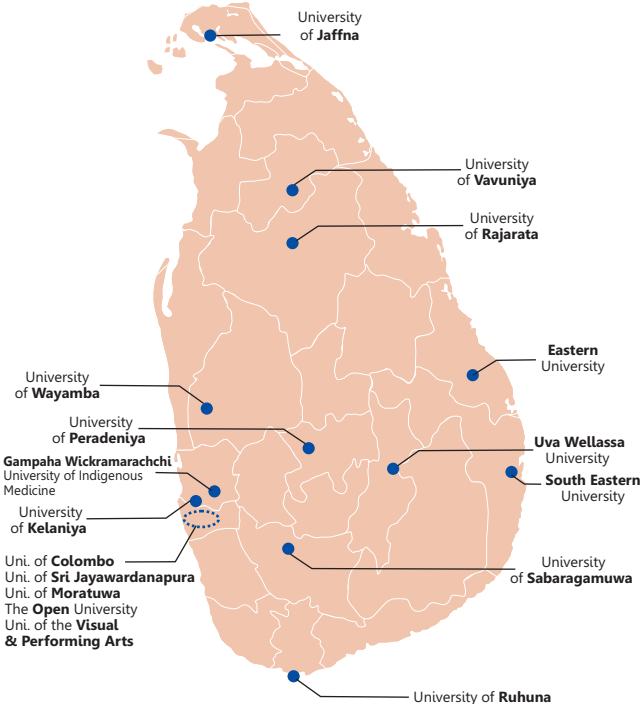
Key Facts

- Number of Universities: 17
- Number of Higher Education Institutes: 20
- Graduate output
 - First Degree : 25,000/year
 - Post Graduate : 7,500/Year

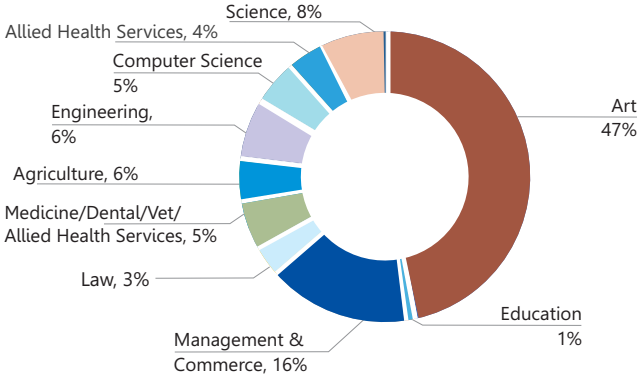
- A/L students eligible for university education : 62%
- University admission as a percentage of eligible students : 23%
- The public university system of Sri Lanka faces a severe capacity constraint to accommodate all those who are eligible for university education.



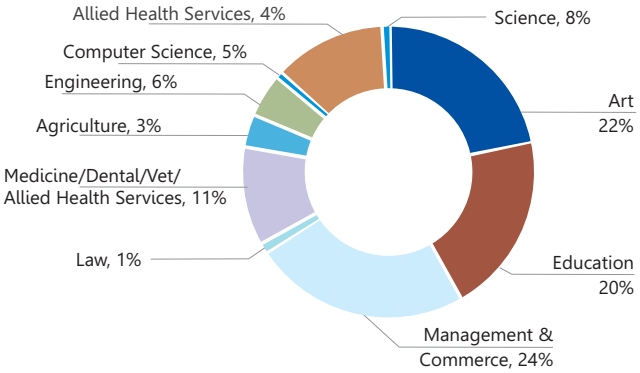
Current University network of Sri Lanka



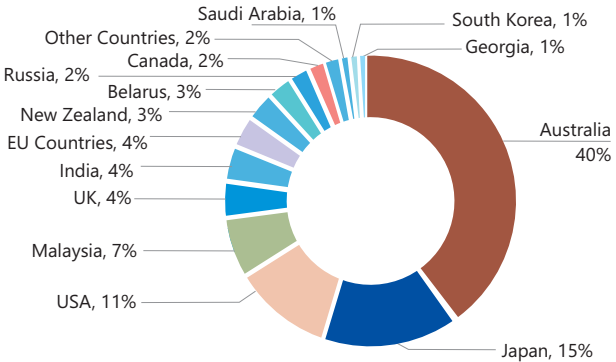
Graduate Output of Sri Lanka (2020)



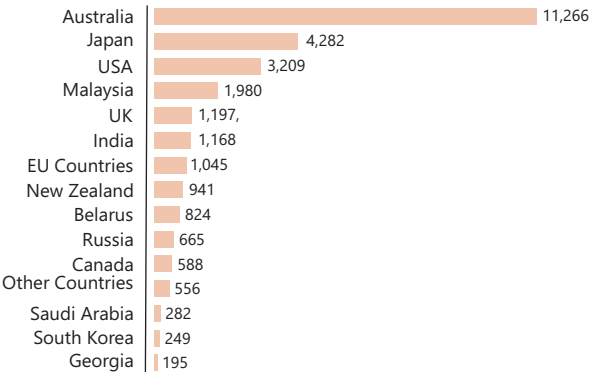
Post-Graduate Output of Sri Lanka (2020)



Sri Lankan students studying abroad (2020)



No. of students





Priority Areas for Investment

- Higher Education
- Establish branches/campuses of the world renowned universities to offer graduate and post graduate degrees in the disciplines of Medical Sciences, Engineering, Information Technology, Hospitality Management & Business Management.
- Skill Development
- Adult Education
- Vocational Training
- Develop "Knowledge Cities"

Investment Potentials

- Out of the domestic market of 120,000 students who qualifies for university education annually, nearly 28,000 students seek admissions in foreign universities in Australia, Japan and USA ranked among the top destinations, followed by the UK, Malaysia, India and Canada.
- Emerging opportunities for "export education" to price elastic markets such as Africa, Pakistan, Bangladesh and other south Asian countries.

Benefits to Investors

Tax Incentives

Enhanced Capital Allowance (ECA) (In addition to normal depreciation allowance)

- An ECA of 100% to 150% is offered for expenses over US\$ 3 Mn. incurred on depreciable assets, with an extended period of 10 years to deduct unrelieved losses.
- An ECA of 200% is offered for enterprises located in the Northern Province, with expenses over US\$ 3 Mn. incurred on depreciable assets, with an extended period of 10 years to deduct unrelieved losses.

If the said expenses for depreciable assets is over US\$ 1000 Mn., an extended period up to 25 years will be given to deduct unrelieved losses.

Exemption from Import Taxes & Levies

Exemption	Non-Export oriented			
	Customs Duty	VAT	PAL	CESS
Importation of capital and construction related items (during project implementation (PI) period)	✓	Deferred	During PI (For Inv > US\$ 50 Mn)	During PI (For Inv > US\$ 50 Mn)

Foreign Equity

100% foreign ownership permissible.

Repatriation of Earnings

All income, proceeds on sale of the investments can be repatriated through an Inward Investment Account opened by the Investor.



Major Investments in Sri Lanka



KAATSU



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