

# INVESTMENT INCENTIVES

## Fiscal Incentives

- Tax exemption for Export of Services including ICT
- 5-10 year tax holiday for Pharmaceutical and Textile manufacturing inside dedicated zones

### Corporate Income Tax (CIT)

### Customs Duty Exemptions

- Exempted for Capital Goods (Plant, Machinery, Equipment and Construction items) during project implementation period.
- Lifetime exemption for capital goods (Plant, Machinery & Equipment) and raw materials, if export oriented

- Exemption from PAL on importation of project related capital goods by a BOI enterprise with Investment over USD 50 Mn during the project Implementation/ construction period but prior to the commencement of commercial operations.
- Lifetime exemption for raw materials, if export oriented

### Port and Airport Levy (PAL) Exemptions

### CESS Exemptions

- Exemption from CESS on importation of any goods by a BOI enterprise with Investment over USD 50 Mn during the project implementation/construction period but prior to the commencement of commercial operations, if invested on or after 6<sup>th</sup> March 2019.
- Lifetime exemption for raw materials, if export oriented

- Deferred for Capital Goods (Plant, Machinery, Equipment and Construction items) during project implementation period
- Lifetime exemption/deferment for capital goods (Plant, Machinery & Equipment) and raw materials, if export oriented

### Value Added Tax (VAT) Exemptions/ Deferments

### Enhanced Capital Allowance (ECA) for new projects & project expansions

- An enhanced capital allowance of 100% - 150%, in addition to normal depreciation, is offered for expenses over USD 3 Mn incurred on depreciable assets, with an extended period of 10 - 25 years to deduct unrelieved losses.
- An enhanced capital allowance of 200%, in addition to normal depreciation, is offered for enterprises located in the Northern Province, with expenses over USD 3 Mn incurred on depreciable assets, with an extended period of 10-25 years to deduct unrelieved losses.

## Other Incentives

### Foreign Equity

100% foreign ownership permissible.

All income, proceeds on sale of the investments can be repatriated through an Inward Investment Account (IIA) of the Investor

### Repatriation of Earnings

### Visa Recommendation for Investors

5 years Long term Residence Visa for Investor, Spouse & Dependents

## BOI FACILITATION



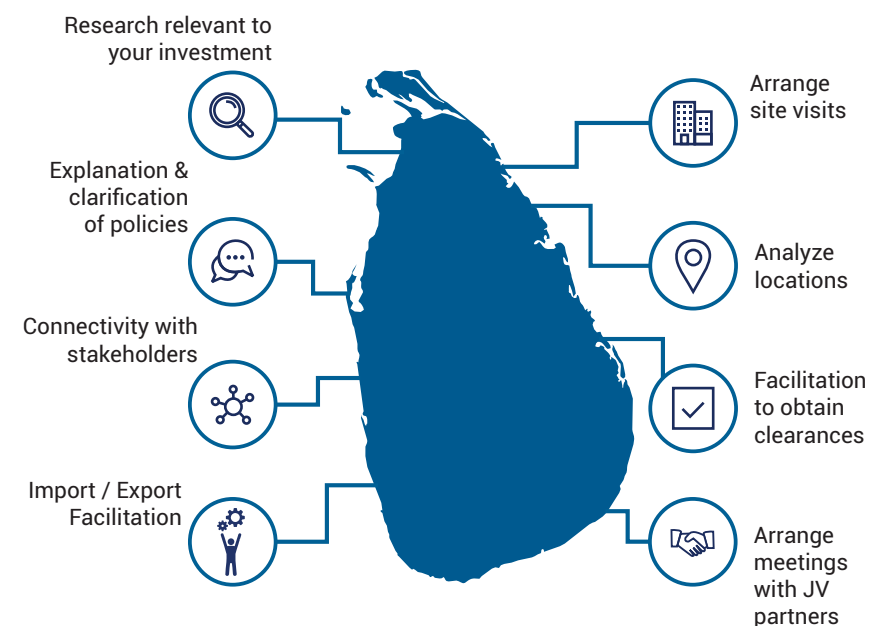
Investor Matchmaking



Investor Facilitation Centre



Digitized Systems



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*THE BEST DESTINATION IN ASIA  
TO GROW YOUR BUSINESS*

INVEST  
IN  
*Sri Lanka*



BOARD OF INVESTMENT OF SRI LANKA

The Board of Investment (BOI) of Sri Lanka is the apex agency established to promote and attract Foreign Direct Investment in Sri Lanka. BOI handholds investors with specialized facilitation and aftercare throughout the investment life cycle of the enterprise.

Sri Lanka is strategically located at the crossroads of major shipping routes to South Asia, the Far East, and the continents of Europe and America. Home to one of the Top 25 Container Ports in the World, the country offers access to global value chains through market access to large trade blocs ranging from the European Union to the many economic powerhouses in Asia.

# WHY SRI LANKA

## STRATEGIC LOCATION

- Colombo Port #40 best connected port 2023 (UNCTAD)
- Best performing port globally for the first quarter of 2024 by Alphaliner
- #27 TEU throughput - Lloyds List Top 100 Ports
- 4 Terminals with 15 berths (12-18m depth)
- Cargo handling 250,000 MT+ per annum

## MARKET ACCESS

- Indo - Sri Lanka Free Trade Agreement
- Pakistan - Sri Lanka Free Trade Agreement
- EU GSP+
- Developing Countries Trading Scheme (UK)
- South Asian Free Trade Agreement
- Asia Pacific Trade Agreements
- Singapore Sri Lanka Free Trade Agreement
- Sri Lanka Thailand Free Trade Agreement

## AGILE TALENT

- 1<sup>st</sup> in South Asia literacy rate
- 2<sup>nd</sup> largest CIMA pool in the world
- 1PPM manufacturing standard
- 30,000 graduates annually

## QUALITY OF LIFE

- 1<sup>st</sup> in South Asia-Human Development Index 2023
- High-standard healthcare facilities
- World-class domestic & commercial, real estate, high-end leisure facilities

## INVESTMENT CLIMATE

- 100% Foreign Ownership
- 100% Repatriation Permitted
- Investment Protection Agreement with 26 countries
- Double Taxation Relief Agreement with 45 countries

#1

Port in South Asia & ranked 28<sup>th</sup> in Container Port Performance Index (WB, S&P Mkt. Intelligence 2022)

BEST

Trans-shipment Hub in South Asia

#1

In South Asia to trial 5G SA (2022)

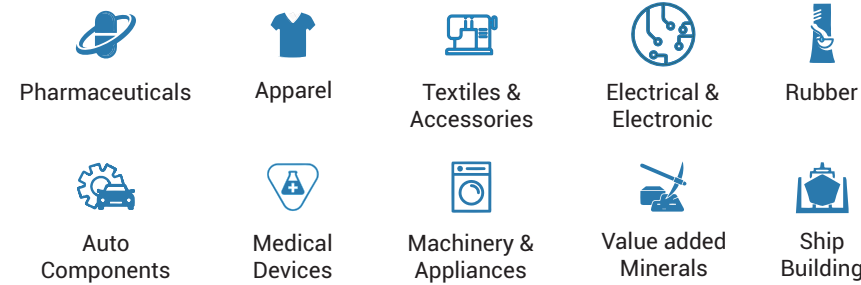
World's first purpose-built green factory powered by carbon-neutral sources

Sri Lanka Ranked as 9<sup>th</sup> most friendly country in the World by Conde Nast Traveler - 2022)

One of the fifteen ports in the world equipped to handle 24,000 TEU vessels

# THRUST SECTORS FOR INVESTMENT

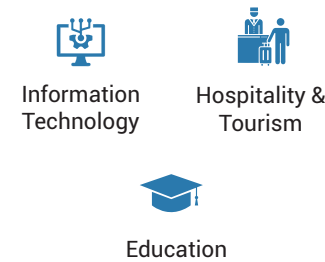
## MANUFACTURING



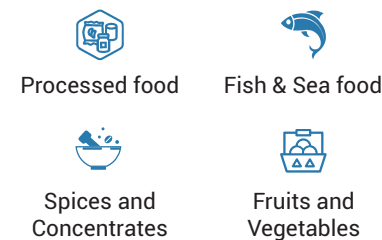
## INFRASTRUCTURE



## SERVICES



## AGRICULTURE



# READY TO INVEST INVESTMENT OPPORTUNITIES



- Tourism & Leisure
- Manufacturing
- Entertainment
- Mixed Development
- Patents - SLINTEC
- SDG Investor Platform
- Urban Development Authority
- Port City Colombo

# APPROVAL THRESHOLDS

