## INVESTMENT INCENTIVES

#### **Fiscal Incentives**

Preferential taxes for export of services

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 an Investment of 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 an Investment of over USD 50 Mn during the project implementation/construction period but prior to the commencement of commercial operations, if invested on or after 6th 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**



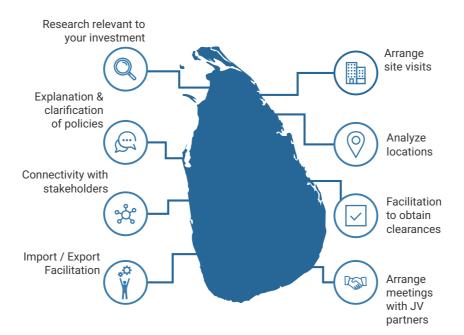
Investor Matchmaking



Investor Facilitation Centre



Digitized Systems



### Contact us for more details :

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BOI

# THE BEST DESTINATION IN ASIA TO GROW YOUR BUSINESS





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

## WHY SRI LANKA



#### (•) STRATEGIC LOCATION

- · Best performing port globally for the first quarter of 2024
- by Alphaliner
- #28 TEU throughput Lloyds List Top 100 Ports (2024)
- 4 Terminals with 15 berths (12-18m depth)
- Cargo handling 250,000 MT+ per annum
- #25 container hub 2025, ranked by TEU throughput
- #21 Liner shipping connectivity index for Q3, 2025 (LSCT)



#### ( MARKET ACCESS

- Free Trade Agreements (FTAs) with India Pakistan, Singapore and Thailand
- EU GSP+
- · South Asian Free Trade Agreement
- Asia Pacific Trade Agreements
- UK Developing Countries Trading Scheme (DCTS)



#### ( AGILE TALENT

- 1<sup>st</sup> in South Asia literacy rate (2023 92%)
- 2<sup>nd</sup> largest CIMA pool in the world
- 1PPM manufacturing standard
- 47000+ state university graduates (UGC)



#### ( QUALITY OF LIFE

- 1st 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

Port of Colombo Best performing port in the world Alphaline

Best Transshipment Hub in South Asia

5G live nationwide

Best Island for Travel by Big 7 travel (2025)

9th best destination to travel in 2025 - BBC Travel

Sri Lanka leads the world in Solid Tyre exports Volza's Global Export data

Gold Award for Most desrible Island (world) 2024

## THRUST SECTORS FOR INVESTMENT

#### **MANUFACTURING**



Pharmaceuticals

Auto

Components



Apparel

Medical

Devices



Textiles &

Accessories

<u>:=</u>

Machinery &

**Appliances** 





Value added

Minerals

**SERVICES** 



Electronic





Ship Building

#### **INFRASTRUCTURE**



Energy

**Logistic Centres** 









Information

Technology

**\$** 



Hospitality &



Education

#### **AGRICULTURE**





Processed food Fish & Sea food







Fruits and Vegetables

## **READY TO INVEST INVESTMENT OPPORTUNITIES**



## APPROVAL THRESHOLDS



Agriculture

USD 150,000







**Tourism** USD 500,000

**Utilities** 

USD 500,000

Services

USD 500,000





Minimum foreign investment entry requirement: USD 250,000



Under **Sec. 16** of BOI Law



Ware house & Logistic USD 500,000

**Apparel** 

Housing

USD 3 Mn

USD 500,000



Minimum foreign investment entry requirement for trading: USD 5 Mn







Large Scale Manufacturing Service (Local Market) USD 5 Mn



**Large Scale Infrastructure Projects** USD 12.5 Mn