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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

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PART I : SECTION (I) — GENERAL

Government Notifications

THE COLOMBO PORT CITY ECONOMIC COMMISSION ACT, No. 11 OF 2021

Order under Section 53

BY VIRTUE of the powers vested in me by Section 53 of the Colombo Port City Economic Commission Act, No. 11 of 2021, I, Ranil Wickremesinghe, Minister of Investment Promotion, having considered the recommendations of the Colombo Port City Economic Commission and upon the approval of the Cabinet of Ministers, do by this Order specify that-

- (a) the Cabinet of Ministers, by its decision No. 24/1596/631/042 dated, 12.08.2024 has approved the designation of the business of the authorised person specified in Schedule I hereto as a Primary Business of Strategic Importance;
- (b) the rationale for considering such business as a Primary Business of Strategic Importance is as specified in Schedule II hereto;
- (c) the exemptions or incentives granted under the enactments shall be as specified in Schedule III hereto; and
- (d) the exemptions or incentives granted under the enactments specified shall commence and cease to be operative on the dates specified in Schedule IV hereto.

RANIL WICKREMESINGHE,
Minister of Investment Promotion.

Colombo,
August 15, 2024.



SCHEDULE I	
Details of the business designated as a Primary Business of Strategic Importance	
1 . Name of the Authorised Person	COLOMBO MARINA DEVELOPMENT (PRIVATE) LIMITED
2 . Licence No.	2403200055
3 . Licence Issued Date	May 03, 2024 Business commencement date shall be within 6 months from the issuance of License (vide Regulation 27 of the Regulations for Registration, Licensing, Authorisation and other Approvals of Authorised Persons No. 01 of 2022)
4 . Offshore Company Registration No.	PCC00297629
5 . Classification of Business of Strategic Importance	Primary Business of Strategic Importance
6 . Entitlement to the Exemptions or Incentives	COLOMBO MARINA DEVELOPMENT (PRIVATE) LIMITED is designated only as a Primary Business of Strategic Importance and not eligible to be designated as a Secondary Business of Strategic Importance
7 . Eligibility Criteria	Criteria specified in Regulations 2(b) of the Colombo Port City (Guidelines on the Grant of Exemptions or Incentives to Businesses of Strategic Importance) Regulations, No. 2 of 2023, published in the <i>Gazette Extraordinary</i> No. 2343/60 of August 04, 2023
8 . Exemption or Incentive Scheme Applicable	Scheme specified in Regulation 3(1)(a) of the Colombo Port City (Guidelines on the Grant of Exemptions or Incentives to Businesses of Strategic Importance) Regulations, No. 2 of 2023

SCHEDULE II

Rationale for the consideration of the Primary Business of Strategic Importance

The objectives of the Colombo Port City Economic Commission, as stipulated in Section 5 of the Colombo Port City Economic Commission Act, No. 11 of 2021, have been considered in designating the business as a Primary Business of Strategic Importance, in order to ensure the success of establishing the Colombo Port City, having regard to the national interest or the advancement of the national economy as provided for in Section 53(5) of the said Act.

COLOMBO MARINA DEVELOPMENT (PRIVATE) LIMITED, a company incorporated in Sri Lanka and wholly owned by Browns Investment PLC, has leased 4 land plots 1-02-07, 1- 02-08, 1-02-09 and 1-02-10 for the Marina development project within the Area of Authority of the Colombo Port City . As per the disclosures made in December 2021, investment made for the said land plots amounted to LKR 11,129 million (USD 36 million) and a further USD 75 million in FDI for the development would be made by the company. This resulted in a total investment of approximately USD 111 million.

Thus, COLOMBO MARINA DEVELOPMENT (PRIVATE) LIMITED satisfies the criteria set out in Regulation 2 (b) of the Colombo Port City (Guidelines on the Grant of Exemptions or Incentives to Businesses of Strategic Importance) Regulations, No. 2 of 2023 which states that an Authorised Person who makes an investment of a minimum of USD twenty-five million in the plots of land for the Marina infrastructure shall be designated as a Primary Business of Strategic Importance.

The Marina facilities is designed to accommodate 243 vessels and full capacity a Capitainerie (Marina Administration and Control Center), club house including club rooms for guests, retail outlets including food and beverage and entertainment venues, events spaces and car parking spaces. The spaces will offer a comprehensive suite of amenities and services specifically designed to cater to the needs of affluent visitors. The development across the four plots of land would include a gross floor area of the built up spaces would be approximately 20,000 square meters. It will offer a diverse range of entertainment, shopping, and urban amenities, significantly enhancing Sri Lanka's overall tourism experience. This strategic approach is expected to lead to increased tourist spending, further contributing to the country's foreign exchange earnings.

The Marina development project is expected to create significant employment opportunities throughout its various phases. The company intends to employ approximately 50 individuals within the first year of commencing operations. Upon completion, Marina's retail businesses and other ventures are expected to create many permanent jobs, contributing to long-term economic growth.

SCHEDULE III

Exemptions or Incentives Granted under the Enactments

<i>Enactments listed under Schedule II of the Act</i>	<i>Exemptions or incentives granted</i>
1. Inland Revenue Act, No. 24 of 2017	(a) all income, profits, and dividends distributed shall be exempt from all taxes specified under this Act for the first twenty-five years; (b) all payments made shall be exempted from the Withholding Tax specified under this Act for the first twenty-five years; (c) After the end of the aforesaid twenty-five year period, 50% incentive from the prevailing corporate tax rate specified under this Act shall be given for a period of ten years
2. Value Added Tax Act, No. 14 of 2002	All imports and local purchases of business-related goods and services as approved by the Commission shall be exempted from taxes specified under this
3. Finance Act, No. 11 of 2002	Exemption from all the provisions of this Act.
4. Finance Act, No. 5 of 2005	Exemption from all the provisions of this Act.
5. Excise (Special Provisions) Act, No. 13 of 1989	All imports and local purchases of business-related goods as approved by the Commission shall be exempted from all taxes, duties and levies specified under this Act.
6. Customs Ordinance (Chapter 235)	All imports of business-related goods and services as approved by the Commission shall be exempted from all taxes, duties and levies specified under this Act.
7. Ports and Airports Development Levy Act, No. 18 of 2011	All imports of business-related goods as approved by the Commission shall be exempted from all taxes, duties and levies specified under this Act.
8. Sri Lanka Export Development Act, No. 40 of 1979	All imports of business-related goods as approved by the Commission shall be exempted from all taxes, duties and levies specified under this Act.
9. Betting and Gaming Levy Act, No. 40 of 1988	No exemption or incentive is granted under this Act.
10. Termination of Employment of Workmen (Special Provisions) Act, No. 45 of 1971	Exemption from all the provisions of this Act.
11. Entertainment Tax Ordinance (Chapter 267)	No exemption or incentive is granted under this Act.

SCHEDULE III (Contd.)	
Exemptions or Incentives Granted under the Enactments	
<i>Enactments listed under Schedule II of the Act</i>	<i>Exemptions or incentives granted</i>
12. Foreign Exchange Act, No. 12 of 2017	Exemption from all the provisions of this Act excluding the Foreign Exchange (Investments in Colombo Port City) Regulations No. 01 of 2022, published in the Gazette Extraordinary No. 2282/59 of June 3, 2022.
13. Casino Business (Regulation) Act, No. 17 of 2010	No exemption or incentive is granted under this Act.

SCHEDULE IV		
Period of Validity of Exemptions or Incentives Granted		
<i>Enactments listed under Schedule II of the Act</i>	<i>Date of commencement</i>	<i>Date of expiry</i>
1. Inland Revenue Act, No. 24 of 2017	September 01, 2024	August 31, 2059
2. Value Added Tax Act, No. 14 of 2002	September 01, 2024	August 31, 2049
3. Finance Act, No. 11 of 2002	September 01, 2024	August 31, 2049
4. Finance Act, No. 5 of 2005	September 01, 2024	August 31, 2049
5. Excise (Special Provisions) Act, No. 13 of 1989	September 01, 2024	August 31, 2049
6. Customs Ordinance (Chapter 235)	September 01, 2024	August 31, 2049
7. Ports and Airports Development Levy Act, No. 18 of 2011	September 01, 2024	August 31, 2049
8. Sri Lanka Export Development Act, No. 40 of 1979	September 01, 2024	August 31, 2049
9. Betting and Gaming Levy Act, No. 40 of 1988	Not Applicable	Not Applicable
10. Termination of Employment of Workmen (Special Provisions) Act, No. 45 of 1971	September 01, 2024	August 31, 2049
11. Entertainment Tax Ordinance (Chapter 267)	Not Applicable	Not applicable
12. Foreign Exchange Act, No. 12 of 2017	September 01, 2024	August 31, 2049
13. Casino Business (Regulation) Act, No. 17 of 2010	Not Applicable	Not Applicable

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