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# The Gazette of the Democratic Socialist Republic of Sri Lanka

## EXTRAORDINARY

අංක 2383/34 - 2024 මැයි මස 09 වැනි බ්‍රහස්පතින්දා - 2024.05.09

No. 2383/34 - THURSDAY, MAY 09, 2024

(Published by Authority)

## 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, (The Act), 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-

- the Cabinet of Ministers, by its decision No. 24/0781/631/020 dated, 29.04.2024 has approved the designation of the business of the authorised person specified in Schedule I hereto as a Secondary Business of Strategic Importance;
- the rationale for considering such business as a Secondary Business of Strategic Importance is as specified in Schedule II hereto;
- the exemptions or incentives granted under the enactments shall be as specified in Schedule III hereto; and
- 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,  
May 07, 2024.



### SCHEDULE I

#### Details of the business designated as a Secondary Business of Strategic Importance

|                                                       |                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Name of the Authorised Person                      | CHINA HARBOUR ENGINEERING COMPANY (LANKA) LIMITED                                                                                                                                                                                                                                                 |
| 2. Licence No.                                        | 2311240032                                                                                                                                                                                                                                                                                        |
| 3. Offshore Company Registration No.                  | PCC 00290488                                                                                                                                                                                                                                                                                      |
| 4. Classification of Business of Strategic Importance | Secondary Business of Strategic Importance                                                                                                                                                                                                                                                        |
| 5. Entitlement to the Exemptions or Incentives        | CHINA HARBOUR ENGINEERING COMPANY (LANKA) LIMITED is designated only as a Secondary Business of Strategic Importance and not eligible to be designated as a Primary Business of Strategic Importance                                                                                              |
| 6. Eligibility Criteria                               | Criteria specified in regulations 4(2)(I), (m) and (n), and 4(3)(a) 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 |
| 7. Exemption or Incentive Scheme Applicable           | Scheme specified in regulation 5 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 Secondary 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 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.

CHINA HARBOUR ENGINEERING COMPANY (LANKA) LIMITED ('CHEC Lanka'), is a wholly owned subsidiary of China Harbour Engineering Company Limited, incorporated in China, whose parent is China Communications Construction Company Limited (CCCC). CCCC is a globally renowned entity listed on the Hong Kong and Shanghai Stock Exchanges, operating in 145 countries with a turnover of Hong Kong Dollars 771 Billion (USD 91 Billion) for the year end December 31, 2022. CCCC has a market valuation of Hong Kong Dollars 124.62 Billion (USD 15.91 Billion) and ranks 63<sup>rd</sup> among the Fortune 500 companies as at March, 06, 2024. CCCC has been on the Fortune 500 list for 16 years.

CHEC Lanka by investing USD 210 million, will sustainably develop, as per the Sustainability related Legislation and Policies listed in the Colombo Port City (Development Control) Regulations No. 1 of 2023 (Development Control Regulations), two projects within the Colombo Port City. Namely the "Colombo Port City Luxury Villas" (plot number 02-01-01) and "Colombo Port City Business Center" (plot numbers 01-01-04, 01-01-05 and 01-01-11). CHEC Lanka has initiated the process of obtaining a green rating system recognition from the World Green Building Council for the aforementioned two projects.

These sustainable developments are expected to create approximately 1000 employment opportunities for both local and foreign individuals, making a significant contribution to the economic development and overall growth of the country. Following the successful development of these plots, CHEC Lanka would consider developing other plots to further enhance and contribute to the economic development of the Sri Lanka and specifically the Colombo Port City project. As per the Development Control Regulations, all development activities adhere to several sustainability measures including the Energy Efficient Building Designs such as the Code of Practice for Energy Efficient Buildings in Sri Lanka 2008 and the Sri Lanka Energy Efficient Building Code 2016, published under section 36 of the Sri Lanka Sustainable Energy Authority Act, No. 35 of 2007.

The sustainable development of the Luxury Villas which includes urban amenities such as walking paths, waters ways, green spaces and common areas for residents, aim to re-define the sustainable urban living standards in South Asia and position Colombo Port City as a hub for luxurious living. Thereby attracting high-net-worth individuals and contributing to the city's global appeal. It integrates cutting-edge technologies to introduce smart home solutions and promote sustainable living practices.

The sustainable development of the Business Center which includes urban amenities such as common areas for those working in the business center, car parks and green spaces are sustainably designed to include 20,000 square meters of office space. This development is expected to enable Authorised Persons, engaging in businesses such as IT, banking, financial services, professional services, trade, logistics, and various industries from around the world to establish their operations. Attracting such businesses to this development will bring advance technology to Sri Lanka and create opportunities for employment, fostering talent development in the region, which will contribute significantly to the technological and economic progress of the Colombo Port City.

The establishment of a residential community and office space, alongside the development of various service sectors within the Colombo Port City, not only meets housing needs but also spurs increased demand for local goods and services, thereby fostering further economic growth in Sri Lanka. The flourishing residential community and the business center will act as a catalyst for further developments within the Colombo Port City.

### 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;<br><br>(b) all payments made shall be exempted from the Withholding Tax specified under this Act;         |
| 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 exempt from taxes specified under this Act.                                                            |
| 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 exempt from all taxes, duties and levies specified under this Act                                                   |
| 6. Customs Ordinance (Chapter 235)                                                | all imports of business-related goods as approved by the Commission, shall be exempt 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 exempt 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 exempt 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.                                                                                                                                                                  |
| 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. 1 of 2022, published in the <i>Gazette Extraordinary</i> No. 2282/59 of June 03, 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                                             | April 20, 2024              | April 19, 2049        |
| 2. Value Added Tax Act, No. 14 of 2002                                            | April 20, 2024              | April 19, 2049        |
| 3. Finance Act, No. 11 of 2002                                                    | April 20, 2024              | April 19, 2049        |
| 4. Finance Act, No. 5 of 2005                                                     | April 20, 2024              | April 19, 2049        |
| 5. Excise (Special Provisions) Act, No. 13 of 1989                                | April 20, 2024              | April 19, 2049        |
| 6. Customs Ordinance (Chapter 235)                                                | April 20, 2024              | April 19, 2049        |
| 7. Ports and Airports Development Levy Act, No. 18 of 2011                        | April 20, 2024              | April 19, 2049        |
| 8. Sri Lanka Export Development Act, No. 40 of 1979                               | April 20, 2024              | April 19, 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 | April 20, 2024              | April 19, 2049        |
| 11. Entertainment Tax Ordinance (Chapter 267)                                     | Not applicable              | Not applicable        |
| 12. Foreign Exchange Act, No. 12 of 2017                                          | April 20, 2024              | April 19, 2049        |
| 13. Casino Business (Regulation) Act, No. 17 of 2010                              | Not applicable              | Not applicable        |

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