

REASONS TO INVEST IN SRI LANKA

Sri Lanka - one of South Asia's most vibrant destinations, where exciting economic prospects meet unparalleled quality of life.

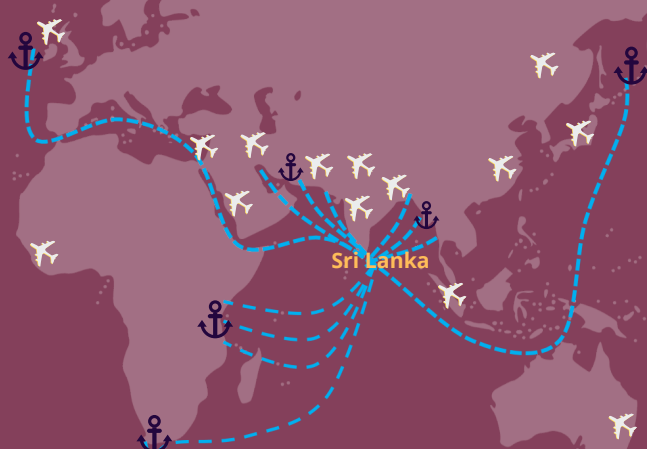
01

STRATEGIC LINK TO GLOBAL SUPPLY CHAINS

Unchallenged **strategic location** connecting East & West

A Key location in China's **Belt & Road Initiative**

Most Connected Country by Sea in South Asia (UNCTAD)



02

PREFERENTIAL MARKET ACCESS



Singapore- Sri Lanka FTA Opportunity for **trading goods & services**



Indo - Sri Lanka FTA **100%** Duty free access to World's **2nd** largest market (**1.3 Bn Population**) with over **4200 products**



100% duty free access to EU Markets (**511.8 Mn Population**) & over **6000 products** with **GSP+**



Pakistan - Sri Lanka FTA **100%** duty free access to **197 Mn Population** with over **4600 products**

GSP

GSP scheme partnership with: Australia, Canada, Japan, New Zealand, Norway, Russian Federation, Switzerland, Turkey, USA

APTA

Asia Pacific Trade Agreement: **Duty Concessions for over 10,461 products**

SAPTA

South Asian Preferential Trade Area: **Duty Concessions for over 6500 products**

SAFTA

South Asian Free Trade Agreement: **Duty Concessions for a large no of products** (other than the items in the sensitive list)

03

EDUCATED & ADOPTABLE WORKFORCE



Highest level of secondary school enrollment in South Asia **Compulsory education from age 5 - 15**



Capability to maintain **1 Part Per Million defect rate quality standard**



Over 50% of students completing higher education are trained in **technical and business disciplines**



Largest pool of UK qualified accountants outside of the UK (CIMA)

04

AFFORDABLE PRODUCTION COST



1

Lowest Commercial Electricity Cost in South Asia
JETRO: (33% cheaper than India)
(Source: JETRO Survey 2019)



2

Lowest Manufacturing Wage* in South Asia
(53% lower than India) *factory worker
(Source: JETRO Survey 2019)



3

Low Land Cost in Industrial Zones
(43% cheaper than Chennai, India)
(Source: JETRO Survey 2019)

05

CONDUCTIVE INFRASTRUCTURE

- Colombo Port ranked **19th World Best** connected port & **#1 in South Asia** (Source: UNCTAD -2019)
- Deepest port** in South Asia & the only one in the region capable of servicing the industry's largest **Triple E-Class vessels** (Source: Lloyd's List)
- More than **500 flights per week** to major cities worldwide
- 1st** in South Asia with both **5G & 4G technology**
- Best E-Government Development Index** in South Asia (Source: UN-E Government Survey 2020)
- Ranked **2nd in Network readiness index** of South Asia (Source: Portulans Institute)
- Island wide **Electricity Coverage of 99.5%** with continuous power supply
- 12 Dedicated **Export Processing Zones** & 3 new zones under construction

Total **Foreign Ownership is allowed**

No restrictions on repatriation of earnings

Safety of Foreign Investments **Guaranteed by the Constitution**

Strong **Intellectual Property laws** in line with WIPO regulations

Signatory to the **Multilateral Investment Guarantee Agency** (MIGA) of the World Bank

Investment Protection Agreement with over 25 countries

Double Taxation Relief Agreement with over 40 countries

A WIDE RANGE OF INVESTMENT OPPORTUNITIES

- **Manufacturing** : EEC, Auto Parts, Medical Devices, Pharmaceutical, Graphene related products, Smart Apparel & PPEs
- **Agriculture** : Agro Processing, Dairy Products
- ICT , BPO
- Tourism & Leisure
- Logistics
- Infrastructure
- Research & Development



ATTRACTIVE INCENTIVES

Exemption
on Dividend Tax
Dividend paid by a resident company to a member who is a resident or a non-resident person.

Zero CIT for
Agro Farming,
ICT &
Export of
Services

14% CIT on
Export oriented
manufacturing,
Tourism & Leisure,
Agro Processing
& Health

Enhanced
Capital
Allowance up
to **25 years**

Capital goods free
from
customs
duty

Duty exemptions on
Importation of
Raw materials
for Export

BEST PLACE TO LIVE & WORK

- Colombo ranks **1st in South Asia**, as the best city to live in
- **Best Quality of Life** Index in South Asia
(Colombo ranks 138th place in comparison to Chennai 151, Islamabad 194, Dhaka 217)
(Source: Xpatweb)
- The **Most Peaceful Country** in South Asia
(Sri Lanka ranks 72nd place in comparison to Bangladesh 101, India 141, Pakistan 153)
(Source: Global Peace Index -2019)
- **Low Living Cost** in South Asia
(Colombo ranks 177th place in comparison to Chennai 143, Mumbai 60, Dhaka 26)
(Source: Mercer 2020)
- South Asia's **Best HDI**
(Sri Lanka ranks 71st place in comparison to Bangladesh 129, India 135, Pakistan 152)
(Source: HDI -2019-UNDP)



PROACTIVE & AGILE

"Sri Lanka has been able to control the COVID-19 epidemic more effectively even with modest means than more resourced countries"

Dr. Razia Pendse
WHO Country Representative

- **Lowest** Covid- 19 fatality rate in South Asia **0.4%**
- **Fastest** recovery rate of **74.71%**



Export Performance from January - June 2020