
Sri Lanka creates economic zone for Chinese investors

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LBO reported that Sri Lanka's investment promotion agency, the Board of Investment signed a deal with China's Huichen Investment to manage a special economic zone dedicated to Chinese investors.

Mr Anura Yapa investment promotion minister said Huichen will invest USD 28 million in the zone in Mirigama, north of the capital Colombo, to improve infrastructure in the first phase over 3 years.

Mr Yapa said it was the first time the BOI was handing over part of its land for development by a foreign company. He said the arrangement will give Chinese investors the confidence of working in a zone meant for them and managed by Chinese while reducing the BOI's burden.

Mr Yapa said the advantage of the zone was that it is 40 kilometers from the island's international airport at Katunayake and 55 kilometer from the main port in Colombo.

The company, a conglomerate that specializes in infrastructure development and does coal and iron ore mining will also market the zone and attract Chinese investors.

Mr Huang Yu Ping president of Huichen said they had identified 29 Chinese firms, mostly in machinery manufacture, keen on investing in the zone.

The BOI said the zone of 161 acres, meant mainly for light manufacturing, IT and business process outsourcing will provide employment for skilled youth in the region. Industries earmarked for the zone include manufacture of machinery and equipment, electric motorcycles, buses, ambulances and agricultural machinery and light vehicle assembly.

(Sourced from Lanka Business Online)

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