

From supportive government policies to incentives for investments, the much imperative laws, regulations and procedures of the Board of Investment (BOI) came under focus at a recent seminar organized by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

Two well-versed specialists, Ms. Champika Malalgoda, Director - Research & Policy Advocacy Department of BOI and Mr. Mahinda Ramanayake, Director - Investor Services & Zones of BOI gave an overview on the regulatory framework and the import and export procedures for BOI projects to a large number of participants including chartered accountants and professionals from non-accounting field at the seminar.

During a detailed presentation, Ms. Malalgoda emphasize that the supportive government policies such as permitting 100 percent foreign ownership, no restrictions on repatriation earnings and attractive incentives encouraged more investments to the country.

She also noted that the BOI is a one stop shop facility providing project establishment as well as after care services to these projects.

Detailing the incentives for investment, Ms. Malalgoda noted that the incentives included the granting of a tax holiday period from 4 to 12 years depending on the investment category; while duty free imports such as capital goods and raw materials for export oriented activities were also permitted.

“Incentive for investment also includes exemption on Value Added Tax (VAT), Custom Duty and Port & Airport Development Levy (PAL) on imports of all project related capital goods during the project implementation period for large scale projects,” she noted, while adding that exemptions were also provided for exchange control restrictions and special concessions of upto 25 years were given under the Strategic Development Projects Act.

Detailing the new strategies to promote, Foreign Direct Investment to the country, Ms. Malalgoda noted that steps have already been taken to train an adequate number of staff to ensure investors enjoy a hassle free experience, while ensuring a proper system was in place to swiftly respond to inquiries made via telephone or emails by investors, and to demonstrate professionalism and dynamism through the website with frequent news updates of importance to investors and potential investors.

Mr. Ramanayake in his presentation disclosed that at present a total of 12 export processing zones are currently under the purview of the BOI, located in Katunayaka, Biyagama, Koggala, Kandy, Mirigama, Malwatte, Wathupitiwala, Seethawake, Mawathagama, Polgahawela, Mirijjawela and Horana.