

**Sector 3:  
Textiles**

# From Concept to reality

Sri Lanka offers leading R&D in fabric technology  
through global centres of excellence

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## Textiles Project 3.1

### Textile Zone in Eravur, Batticaloa

<b>Project Name:</b>	<b>Textile Zone in Eravur, Batticaloa</b>
<b>Brief Description</b>	<p>A dedicated textile manufacturing zone to:</p> <ul style="list-style-type: none"> <li>• Provide opportunities for local and foreign textile manufacturers to establish manufacturing plants in a dedicated area with a sea outfall and central BOI wastewater treatment plant.</li> <li>• Boost resilience of the local raw material supply chain</li> <li>• Substitute USD 500Mn worth of imports of fabric while creating 5,000+ direct and 3,000 indirect employment opportunities.</li> <li>• Reduces material lead time with the availability of locally sourced fabric to reduce input costs</li> <li>• Creates potential to increase the utilization rate of EU GSP+ and UK GSP+ with higher local value creation through locally sourced fabrics</li> </ul>
<b>Location:</b>	Punnakudah in Eravur Pattu (Eastern Province)
<b>Land Extent:</b>	Phase I - 200 Acres, Phase II - 62 Acres
<b>Pre-approved for Multiple Product Opportunities:</b>	<ul style="list-style-type: none"> <li>• Textile Dying</li> <li>• Textile Washing</li> <li>• Textile Knitting</li> <li>• Textile Weaving</li> <li>• Other Associated activities</li> </ul>
<b>Project Timeline:</b>	From 2021 to 20xxx (From inception to conclusion)
<b>Total Investment:</b>	<b>USD</b>

#### Incentive-offers for the project:

- Corporate Income Tax 5-10 year tax holiday on income generated through exports and import substitution
- Zero Import Taxes For importation of capital & construction related items, raw materials and production/process related consumables
- Foreign Employment Foreign employment permitted for specialized skill categories
- Tax Exempted for Expats Income Tax on employment exempted for a period of 5 years for a maximum number of 10 expats
- 100% Foreign Ownership 100% foreign ownership, repatriation for earnings, dividend, fees, capital & forex permitted

