



REAL - ESTATE NEWS FEED



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- Expert says US\$ 12bn Megapolis transport system a mega 'folly' - [Read more](#)
- Land for Sri Lanka Volkswagen assembly plant secured: BOI - [Read more](#)
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- Three member committee to streamline Chinese projects in Sri Lanka - [Read more](#)
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1. REAL-ESTATE

- **Decisions under Sri Lanka's Megapolis are ad-hoc: Prof Kumarage**

Decisions and actions under Sri Lanka's Megapolis have been ad-hoc and have not received sufficient debate and evaluation, a transport sector expert charged.

Professor Amal Kumarage, a senior professor at Moratuwa University, speaking at a Verité Research seminar said the Megapolis initiative is based on unsustainable high-cost and long-term solutions.

Kumarage addressed the gathering on the topic "Economics of shooting without aiming: The case of transport in the Megapolis."

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- **Expert says US\$ 12bn Megapolis transport system a mega 'folly'**

The critical transport element of the much hyped US \$ 40 billion Megapolis development project is likely to end up as a major burden on the economy, which is already saddled with massive debt piles, a leading transport expert in the country said. According to the Professor Amal Kumarage, the mega project is suffering from ad-hoc planning, insufficient studies and massive cost overruns, which are not justified based on proper technical, procedural, economical and social parameters.

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- **Land for Sri Lanka Volkswagen assembly plant secured: BOI**

Sri Lanka's Board of Investment has helped to secure land for the setting up of a Volkswagen assembly plant, the investment promotion agency said.

"Through the successful facilitation by Upul Jayasuriya, chairman of the Board of Investment of Sri Lanka and his officials, working closely with the Ministry of Lands, land in the Kuliypitiya area was secured for setting up the Volkswagen assembly plant in Sri Lanka," the BOI said.

"This land will be taken over by the BOI and would be formally handed over by the investment promotion agency to M/s Senok Automobile (Pvt) Ltd., for the assembly of cars manufactured by Volkswagen AG, the renowned German Company."

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- **Colombo, a megacity in the making**

Colombo is a city well known for its modern infrastructure and real estate development. Being the commercial capital of Sri Lanka, the city has the potential to become even more popular with investors and property developers than other cities in the South Asian region. Lamudi explores the potential improvements the city will experience in the upcoming years.

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- **Three member committee to streamline Chinese projects in Sri Lanka**

Sri Lanka's Prime Minister Ranil Wickremesinghe has pledged to China to appoint a three-member high powered committee to streamline and expedite Chinese projects and investments in Sri Lanka.

Special Assignments Minister Dr. Sarath Amunugama, Development Strategies and International Trade Minister Malik Samarawickra

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- **Volkswagen gets Kuliypitiya land**

A land in the Kuliypitiya area was secured for setting up the Volkswagen assembly plant in Sri Lanka. The total value of this project is an investment of US\$ 26.5 million of which 21.5 million will be invested in fixed assets within a period of 24 months.

This was subsequent by the successful facilitation of the Board of Investment of Sri Lanka working with the Lands Ministry.

This land will be taken over by the BOI and would be formally handed over by the investment promotion agency to Senok Automobile (Pvt) Ltd, for the assembly of cars manufactured by Volkswagen AG, the renowned German Company.

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- **Port City project to commence in May**

Work on the Colombo Port City Project will begin in May this year, State Minister of National Policies and Economic Affairs Niroshan Perera said. The Minister said that all agreements had been finalized. “Prime Minister Ranil Wickremesinghe who handles the subject of National Polices and Economic Affairs had finalized all agreements during his recent State visit to China and therefore it would be possible to begin the project in May this year. All efforts are being made to commence work on the project next month,” he said.

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- **Former CEB Chairman steps down from Megapolis**

Megapolis and Western Development Ministry Advisor Vidya Amarapala, who has been allegedly named in the Panama Papers, has stepped down from his post pending an investigation, the Ministry said in a statement yesterday.

Megapolis and Western Development Minister Champika Ranawaka was notified by Amarapala in an email of his decision to temporarily step down from his post as an Advisor to the Ministry following his name being linked to the Panama Papers.

[Read more](#)

2. ECONOMY

- **Ceylon Dollar Bond Fund records 8.82 percent dollar return**

The Ceylon Dollar Bond Fund (CDBF) that invests in Sri Lanka Dollar Sovereign Bonds and Bank Bonds has recorded an 8.82 percent per annum annualized return (10.60 percent in Rupee terms) during the first quarter of 2016, its managers said.

The dollar denominated fund in Sri Lanka is managed by Ceylon Asset Management, while Deutsche Bank is Trustee and Custodian of the fund. The fund has been awarded a B+ rating by Fitch Ratings that mirrors Sri Lanka's country dollar rating.

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- **Economic reforms would be put forward in a way public could accept: FinMin**

The much-awaited economic reforms would be introduced to the country at a rate that the public would be able to accept them, the country's Finance Minister said at The Asian Investor Conference in Hong Kong recently. "It is not easy to bring in reforms. Reform options have to be presented in a manner to be accepted by the people and it is a process," Minister Ravi Karunanayake said. Karunanayake added that the government would focus on cultivating the capital market, public-private partnerships, foreign direct investments, entrepreneurship, elderly care, Colombo financial hub and Megapolis project.

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- **World Bank says managing external balances a challenge for Sri Lanka**

The World Bank projects Sri Lanka's economic growth, driven by increased public investment and postponed FDI in 2015, to increase to 5.3% in 2016 and beyond, amid challenges managing external balances and implementing the proposed revenue measures to reduce the budget deficit.

However, the reduced drag from imports thanks to continued low commodity prices and the recent policy measures to curb import growth would also contribute to the increase in growth, the World Bank said in a report.

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- **5-day rupee forwards end weaker**

Reuters: Five-day rupee forwards edged down on Tuesday due to importer dollar demand ahead of holidays later this week, dealers said, even as the Central Bank Chief said the currency was settling down after a period of high volatility.

The forwards, known as spot next and which act as a proxy for the spot currency, ended at 145.35/60 per dollar, weaker from Monday's close of 145.05/145.20.

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- **Sri Lanka economy adjusting, may receive USD1-1.25 bln from IMF: CB**

Sri Lanka's Central Bank said the economy grew at 4.8 percent in 2015 versus 4.9 percent in 2014, with growth this year expected in the range of 5-5.5 percent.

Governor Arjuna Mahendran said monetary adjustments to the economy last year were having a positive impact. He was speaking at a press conference on the state of the economy.

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