Sri Lanka enters agreement with China Merchants Holdings for Colombo SouthContainer Terminal upgrade

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Sri Lanka entered in to a BOT agreement with China Merchants Holdings (International) Co., Ltd, a listed flagship company of China Merchants Group on 12th August 2011. The total investment in the project is expected to exceed US$ 500 million and is Sri Lanka’s single largest private-sector foreign investment project. The terminal comprises a total quay length of 1,200 m and a depot land area of 58 hectares, with water depth of 18m. The project is expected to take two phases, with Phase I to be ready for operation by early 2013. Pursuant to the BOT Agreement, China International Container Terminal (CICT), the operating company, is a joint venture established between China Merchants Holdings International, Aitken Spence Plc and Sri Lanka Ports Authority for the design, construction and management of the Colombo South Terminal. China Merchant holds 55% of CICT while Aitken Spence Plc holds 30% and SLPA, 15%. Dr. Priyath Bandu Wickrama, Chairman of Sri Lanka Ports Authority and Dr. Fu Yu Ning, Chairman of China Merchants Group were signatories to the agreement which took place in Shenzhen. Representing the two countries, China’s Ambassador to Sri Lanka Mme. Yang Xiu Ping and Sri Lanka’s Ambassador to China Mr. Ranjith Uyangoda witnessed the signing of the agreement. Representatives from Sri Lanka Port Authority, China Development Bank, China Export & Credit Insurance Corporation and China Harbor Engineering Company Ltd., were also present at the signing ceremony. The signing ceremony was organized on the sidelines of the visit to China by President Mahinda Rajapaksa from 9th to 12th August 2011. Embassy of Sri LankaBeijing