

Sri Lanka port project to be built by India, Japan

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In news : Recently, Sri Lanka has decided to offer the West Container Terminal (WCT) to Indian and Japanese companies.

Key updates

- The Government of Sri Lanka said that the proposal by Adani Ports and SEZ consortium has been “approved by the Indian High Commission (in Colombo)”. Indian government sources, however, disputed this.
- The WCT is strategically located next to a \$500-million Chinese-run container jetty within Colombo’s sprawling port.
- As per the department of information of the Sri Lankan government, its cabinet “has approved the proposal to develop the West Container Terminal on Build, Operate and Transfer basis for a period of 35 years as a public-private partnership with Adani Ports and Special Economic Zone Limited and its local representative John Keels Holding PLC, and the Sri Lanka Ports Authority.”
- Accordingly, the Build, Operate and Transfer Plan approved by the negotiating committee had been forwarded to the High Commission of India and the Embassy of Japan, requesting them to nominate investors.
- The proposal presented by the Adani Ports and Special Economic Zone Limited (APSEZ consortium) has been approved by the Indian High Commission.
- It was also announced that the Sri Lankan Cabinet has decided to allow India and Japan to have an 85 per cent stake in the WCT. This is similar to the terms set for the Colombo International Container Terminal (CICT), where China Merchants Port Holdings Company Limited holds 85 per cent stake

- The present terms proposed by the Sri Lankan government are better than the earlier deal on the ECT – where the Sri Lanka Ports Authority would have 51 per cent stake.



About West Container Terminal (WCT)

It is adjacent to the China-run CICT and just a couple of kilometres away from the China-backed Port City being built on reclaimed land, making it a strategically desirable spot for India

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