



SINO-LANKA PLAN TO BOOST DEEP SOUTH

**ECONOMIC ZONE
ENCOMPASSING
INT'L PORT,
AIRPORT**

**CHINESE AMBASSADOR
BRIEFS UNP MPs
CONFERENCE IN
HAMBANTOTA**

ROEL RAYMOND

The government is to enter into a comprehensive Southern Development revival programme, with the help of China.

Under the programme, Sri Lanka will enter into a public-private partnership (PPP) with China Merchant

group, Deputy Minister for Foreign Affairs Harsha de Silva said.

The USD 1 billion-debt equity will get the Southern Development project off the ground, the Deputy Minister said, easing the massive debt burden accumulated as a result of unused infrastructure. **TO PAGE 06**

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At a conference for UNP MPs at the Shangri-La Hotel in Hambantota last week, Chinese Ambassador Yi Xianliang briefed members of the Chinese government's plans to revitalize development in the Southern province.

A UNP MP who attended the conference told the *Daily News* that the Chinese Ambassador's briefing made it clear that the Chinese government was committed to supporting the development initiatives of the national unity government.

The first phase of the project will begin in January 2017, and China will invest in an LNG Power plant, a refinery, a cement factory and dockyard, at a total investment of approximately USD 8 billion, Deputy Minister Harsha de Silva said.

The Deputy Minister said an initial area of 15 sq km around the currently empty port would be utilised for the project, and the empty Mattala airport and the Mahinda Rajapaksa port will be revived.

The Southern Development Project that is expected to cover 50 sq km will be completed in 3 phases, the Deputy Minister further said.

Several important government ministries, including the Ministry of Development Strategies and International Trade, the Ministry of Southern Development and the Ministry of Foreign Affairs, will work with the Chinese authorities to implement the programme, highly placed government sources said.