

SC

**THE IMPACT OF BOARD OF INVESTMENT INCENTIVES
ON HOUSING DEVELOPMENT IN THE
CITY OF COLOMBO**

A S K T R SIBERA
FGS/02/25/01/2005/43
MBA 62016



The dissertation submitted to the Faculty of Commerce and Management Studies, University of Kelaniya as a partial requirement of the Master of Business Administration Programme.

ප්‍රකාශ අංකය	518
විෂය අංකය	

THE FACULTY OF COMMERCE AND MANAGEMENT STUDIES
UNIVERSITY OF KELANIYA
SRI LANKA

2008 MAY

ABSTRACT

The establishment of the Board of Investment of Sri Lanka became a catalyst in promoting foreign and local investment in Sri Lanka. The introduction of incentives and concessions under the Board of Investment for the infrastructure sector was granted to encourage foreign direct investments and private domestic investments in the housing construction industry. The aim of this research was to analyze the impact of the above incentives and concessions on the development of housing construction in the city of Colombo.

A literature review analyzed factors which have increased in importance and influenced the development of the housing construction industry globally as well as the factors influencing significant changes in the built environment in the city of Colombo. A conceptual framework was established to operationalize the concept of impact into variables in order to test the co-relation between investment incentives and the development of housing construction in the city of Colombo. Interviews with professionals including developers and the data from relevant recognized government institutions were examined and analyzed for this research.

The results revealed that investment incentives granted by the Board of Investment of Sri Lanka have really influenced an increase in the number of housing units drastically in the city of Colombo. As well as, the foreign direct investments and private domestic investments in housing development in the city of Colombo have already been increased due to the impact of investment incentives granted by the Board of Investment of Sri Lanka. Hence it was found that a positive co-relation existed between incentives and concessions granted by the Board of Investment and the development of the housing construction industry in the city of Colombo.