

# **Sri Lanka opposition, civil society mount legal challenge to Chinese-backed Port City Bill**

Tuesday 1 June 2021, by [SRINIVASAN Meera](#) (Date first published: 15 April 2021).

## **Won't allow country to become Chinese colony, says monk**

Filing about a dozen petitions at Sri Lanka's Supreme Court on Thursday, opposition parties, civil society groups, and labour unions challenged a recently-gazetted Bill on the Chinese-backed Port City in capital Colombo, arguing it "directly affects" Sri Lanka's sovereignty. The cases are scheduled to be heard by the top court on Monday.

The ruling Rajapaksa administration tabled a Bill, titled Colombo Port City Economic Commission', in Parliament last week, outlining proposed laws for the \$1.4 billion-Port City being built on reclaimed land at Colombo's seafront.

## **Constitutional validity**

However, Sri Lanka's Opposition parties Samagi Jana Balawegaya (SJB or United People's Front), Janatha Vimukthi Peramuna (JVP), the United National Party (UNP), Colombo-based NGO Centre for Policy Alternatives, and labour organisations have challenged the constitutional validity of the proposed legislation for the Port City, touted by the government as an investment hub for foreign capital.

SJB legislator Harsha de Silva said while the party wants the Port City project to succeed, for its potential to "catalyse" the next stage of fintech and high-end knowledge services-driven growth in the country, "a solid legal framework" was key. "For this long-term project to succeed it must be consistent with the Constitution of Sri Lanka. It must not be discriminatory...we see multiple clauses that are inconsistent with the Constitution," he told *The Hindu*.

Senior lawyer and SJB Legal Secretary Thisath Wijayagunawardane said the Bill seeks to set up a Commission whose powers — in regard to registrations, licensing and authorisation — "interfered" with the provincial authority, and allowed for a team of foreigners, "accountable to none other than the President", to effectively run the Port City.

"The clauses prohibit investment in the Port City in Sri Lankan rupees, which will keep out Sri Lankans...it will be like a forbidden city within Colombo," he said, adding: "The government claims it stands for 'one country, one law', but the Bill allows for running the Port City like a foreign country with special laws."

Terming the project as one of "national importance", the UNP said the Bill was "inconsistent with Parliament's control over public finances, allows for the abuse of power and fails to ensure a transparent system of checks and balances".

## Eyeing investments

The Port City was launched by President Xi Jinping during his state visit to the island nation in September 2014, during former President Mahinda Rajapaksa's second term in office, months before his poll defeat. The successor government, led by President Maithripala Sirisena and PM Ranil Wickremesinghe, vowed to develop the site into an "Indian Ocean financial hub", despite an election promise to scrap it, and amid protests from environmentalists and fisherfolk.

Following their return to power, the Rajapaksa administration promised to expedite the project, that it says would attract \$ 15 billion in investments, and emerge a "leading business, retail, residential and tourist destination in South Asia".

## Sharp criticism

However, in addition to the legal challenge, the government also faces sharp criticism from some of its backers, including sections of Sri Lanka's influential Buddhist clergy. "We will not allow Sri Lanka to become a Chinese Colony," Chief Incumbent of the Abhayarama Temple in Colombo, Ananda Muruththettuwa Thero, said on Thursday. "It is clear the country is heading on the wrong path," he said.

Months ago, Buddhist monks, among others, fiercely opposed Indian involvement at the East Container Terminal at the Colombo Port, forcing President Gotabaya Rajapaksa to go back on his announcement that the Adani Group would invest in the project, along with the Sri Lanka Ports Authority. Subsequently, Colombo offered the West Container Terminal to the Group.

Meanwhile the Ceylon Federation of Labour voiced concerns over the Bill exempting employers operating within the Port City from compliance with Sri Lanka's labour laws. The Union had fought and won a case in the late 1970s when the J.R. Jayawardene government tried to deny labour law protection to workers at the newly established Free Trade Zone.

The country's hard-won labour protective legislation had come under threat again, Federation General Secretary T.M.R. Raseedin said in a statement, cautioning that: "Should this Bill be enacted, we will be going back to an era when 'hire and fire' ruled employer-employee relationships."

---

## Meera Srinivasan

[Click here](#) to subscribe to ESSF newsletters in English and/or French.

---

## P.S.

The Hindu

<https://www.thehindu.com/news/international/challenges-to-china-backed-colombo-port-project-land-in-sc/article34329231.ece>