

NEWS ROUND UP

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Gota fires back against lawsuits

Former Defence Secretary Gotabaya Rajapaksa has dismissed the two lawsuits filed against him as baseless and insisted that they would only motivate him and his supporters to push for political change in Sri Lanka.

“These lawsuits have been filed to delay the process and discourage me. I have handed the matter to my lawyers [in Los Angeles] to take care of and I’m looking ahead to what needs to be done for our country,” said Rajapaksa, commenting on the two civil lawsuits filed against him in the Central District of California.

He met with his attorneys in Los Angeles on Tuesday.

One of the cases has been filed by the International Truth and Justice Project (ITJP) based in South Africa and the US law firm Hausfeld on behalf of Sri Lankan-Canadian Roy Samathanam who claims he was tortured while in custody in 2007-2010 by a terrorism investigation unit reporting to the Defence Secretary.

The second case has been separately filed by another organisation on behalf of Ahimsa Wickrematunge, daughter of journalist Lasantha Wickrematunge, assassinated in January 2009.

Rajapaksa, widely expected to run at the presidential elections later this year, told Daily FT the lawsuits were a tactic to distract him and his supporters and that the charges against him would not stand up in a court of law.

“These are baseless allegations made by people outside our country to delay the process because I’m a strong candidate,” he said. “Let them attack, I’m prepared.”

He added that far from being discouraged, he and his supporters would be more motivated by these tactics of foreign-based agencies.

“People in Sri Lanka are disgruntled and want a change. When we were in power, we achieved great things. We were able to deliver, not just talk. We want to solve common problems people in the north and the south are facing. These type of attempts by outsiders will get our people more motivated to bring our country back under proper leadership.”

Rajapaksa was on a short visit to attend a wedding and spend time with his son who lives in the area. Process servers presented him with papers for the two lawsuits last on 7 April at a Trader Joe’s in Pasadena, about 10 miles northeast of Los Angeles. The city, at the foot of the San Gabriel Mountains, is home to a large number of Sri Lankan expats and houses the oldest Sri Lankan Buddhist temple on the west coast.

The first step Rajapaksa’s attorneys will take is to determine if the lawsuits are within the statute of limitations. Depending on the type of case, California’s statutes of limitations range from one year to 10 years. The clock starts to tick on the date of the incident or the date of discovery of the harmful action.

Initially, they may also file a “demurrer,” which is essentially a pleading in state court to have the case dismissed, challenging the sufficiency of the complaint. While not disputing the facts of the case, a demurrer argues on the grounds that there is no legal claim even if the facts presented by the plaintiff are true.

Thousands of civil cases are filed in the California’s sprawling court system which serves a population of more than 39 million people—about 12% of the total US population. In 2016, a total of 610,627 cases

asking for damages over \$ 10,000 were filed. State Government statistics show 95% to 96% of personal injury cases being settled pre-trial.

Finding a jury or even a judge knowledgeable enough in Sri Lankan matters to rule on the cases against Rajapaksa will be particularly challenging, say experts.

In its press release, ITJP calls on other “survivors of torture” to come forward, expressing to possibly turn the ITJP’s lawsuit into “a class action”.

“Mr. Rajapaksa has to give up his US citizenship to be able to stand in presidential elections so this is probably the last chance for a long time to begin to hold him accountable. We hope other survivors of torture will join the suit and make this a class action.”

A class is also a civil lawsuit, but brought by a group of people who are “similarly situated,” usually a group of people harmed in a similar way by a business entity. Class actions are very complex and must first be certified by a judge before they can proceed. (Daily ft)

Ecuador’s president accused of betraying Assange

BRUSSELS, AFP: Former Ecuadoran leader Rafael Correa on Thursday accused President Lenin Moreno of allowing the arrest of WikiLeaks founder Julian Assange as an act of “personal vengeance.”

In an interview with AFP, the exile accused his successor of having betrayed Assange to British authorities after WikiLeaks published documents alleging corruption in his family.

“It’s something incredible, without precedent,” Correa said, alleging that WikiLeaks’ allegations had triggered the arrest but that Moreno had also been acting under US influence.

In April, Moreno’s office had denounced the corruption claims as “baseless and insulting rumours” and alleged his predecessor’s camp was behind a campaign of vilification.

“The greatest traitor in Ecuadorian and Latin American history, Lenin Moreno, allowed British police to enter our embassy in London to arrest Assange,” Correa wrote.

“Moreno is a corrupt man, but what he has done is a crime that humanity will never forget,” added Correa, who granted Assange asylum when he was president in 2012.

The former leader, who now lives in Belgium, underlined that Assange is “not only an asylum holder, but also an Ecuadorian citizen.” With the arrest, Moreno “has shown the world he is a miserable reprobate,” Correa leader said of his former vice president.

A left-wing former economist, Correa was president of his Andean nation between 2007 and 2017, during which Moreno served as his deputy.

Correa has lived near Brussels with his family since 2017 and has requested asylum in Belgium.

He is wanted in his homeland on suspicion of kidnapping in charges that Correa has said are politically motivated. (Daily ft)

Julian Assange arrested by British police at Ecuadorean embassy

WikiLeaks founder Julian Assange was arrested by British police on Thursday after they were invited into the Ecuadorean embassy where he has been holed up since 2012.

Julian Assange

“Julian Assange, 47, has today, Thursday 11 April, been arrested by officers from the Metropolitan Police Service (MPS) at the Embassy of Ecuador,” police said.

Police said they arrested Assange after being “invited into the embassy by the Ambassador, following the Ecuadorean government’s withdrawal of asylum.”

Assange took refuge in Ecuador’s London embassy in 2012 to avoid being extradited to Sweden, where authorities wanted to question him as part of a sexual assault investigation. That probe was later dropped, but Assange fears he could be extradited to face charges in the United States, where federal prosecutors are investigating WikiLeaks.

Assange was taken into custody at a central London police station and he will be brought before Westminster Magistrates’ Court, police said.

Assange’s relationship with his hosts collapsed after Ecuador accused him of leaking information about President Lenin Moreno’s personal life. Moreno had previously said Assange has violated the terms of his asylum.

Moreno said that he had asked Britain to guarantee that Assange would not be extradited to a country where he could face torture or the death penalty.

“The British government has confirmed it in writing, in accordance with its own rules,” Moreno said.

WikiLeaks said Ecuador had illegally terminated Assange’s political asylum in violation of international law.

To some, Assange is a hero for exposing what supporters cast as abuse of power by modern states and for championing free speech. But to others, he is a dangerous rebel who has undermined the security of the United States. (Daily ft)

Colombo Port launches accelerated expansion

Ports, Shipping and Southern Development Minister Sagala Ratnayaka announced that the Sri Lanka Ports Authority (SLPA) was in the process of purchasing three Ship to Shore (STS) cranes in view of the Jaya Container Terminal (JCT) 5 expansion.

“I am glad to announce that the Sri Lanka Ports Authority (SLPA), upon Cabinet approval, is now in the process of purchasing three STS cranes for the JCT 5 expansion. The \$ 25 million investment has been approved by a Cabinet-appointed procurement committee,” Minister Ratnayaka tweeted yesterday.

“This is the first step in a rapid, accelerated expansion program to cater to the growing demand from our customers. We will continue to listen and improve as required by market conditions,” the Minister added.

The Government last year decided to expand JCT 5 with a wider quay and modern equipment, at an investment of \$ 70 million.

“This will allow two 360 metre vessels to berth at the Colombo Port at the same time. The Cabinet approval for the purchase was given last week that the SLPA will buy the cranes from a Chinese supplier, selected according to the Cabinet-approved procurement process,” the Minister explained.

Ratnayaka said the new infrastructure development drive would project Colombo as a more competitive port in the region and support its global ranking.

“The Port must attract greater transshipment cargo traffic volume – thus directly increasing foreign exchange earnings. To achieve this, we must be more attractive than all neighbouring ports – financially, efficiency-wise, and in terms of ease of doing business,” he said. (Daily ft)

Central Bank launches Roadmap for Sustainable Finance in Sri Lanka

The Central Bank launched a Roadmap for Sustainable Finance in Sri Lanka on 10 April at the Sustainable Banking Network Global Meeting of the International Finance Corporation (IFC) in Washington, D.C, USA.

This Roadmap provides a broad direction to financial regulators and financial institutions to effectively manage environmental, social and governance (ESG) risks associated with projects they finance and help increase assistance to businesses that are greener, climate-friendly and socially inclusive.

By providing policy guidelines and recommendations for responding to ESG risks and sustainable finance opportunities, the Roadmap attempts to scale up the contribution of the financial sector – including banking and finance, capital markets, and insurance industry – and help building a more resilient, sustainable green economy.

IFC, a part of the World Bank Group, served as the secretariat and technical advisor and United Nations Development Program provided financial support through its Biodiversity Finance Initiative to the Central Bank in designing the Sustainable Finance Roadmap.

The Roadmap was developed in consultation with stakeholders including Sri Lanka Bankers’ Association (Guarantee) Ltd., Finance Houses Association of Sri Lanka, Insurance Regulatory Commission of Sri Lanka and Securities and Exchange Commission of Sri Lanka.

The Roadmap articulates a series of strategic activities to implement sustainable finance in Sri Lanka, while detailing an action plan to be implemented over short, medium and long term by respective stakeholders.

The strategic activities encompassed in the roadmap revolve around six focus areas namely: Financing VISION 2030, ESG Integration into Financial Market, Financial Inclusion, Capacity Building, International Cooperation and Measurement and Reporting.

The Road Map can be downloaded from the following link: <https://www.cbsl.gov.lk/roadmap-for-sustainable-finance-in-sri-lanka-2019>. (Daily ft)

Mangala Yapa appointed new BOI Chairman

Mangala Yapa, a respected professional with extensive private sector and public sector experience, has been appointed as the new Chairman of the Board of Investment by President Maithripala Sirisena.

Yapa assumed duties as the 22nd Chairman of the country's apex investment promotion authority, following an earlier stint as a Member of its Board.

Previously, Yapa was the Managing Director and Chief Executive Officer of Colombo Dockyard PLC, a CSE-listed company, for many years and led the company's rapid growth and international expansion.

Subsequently he headed the Ceylon Chamber of Commerce (CCC) as the Secretary General/CEO and was also President of the National Chamber of Exporters (NCE).

He has functioned as Technical Advisor to the Ministry of Development Strategies and International Trade and played a pivotal role in recent strategic and large-scale FDIs.

Yapa holds a Master of Science in Engineering (Hons.), from Astrakhan Technical University, Astrakhan, Russia and a Master of Business Administration from the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura, Sri Lanka.

He is a Fellow of the Institution of Engineers, Sri Lanka (IESL), Chartered Engineer accredited by IESL and a Member of the Institute of Marine Engineering, Science and Technology, UK, a Founder Fellow of the Chartered Professional Managers (FCPM) and a member of the PIM Alumni. He is also an alumni of the Harvard Kennedy School's 'Leading Economic Growth' Executive Education program. (Daily ft)

S'pore giant buys Nahil's Marriott Weligama Bay Resort & Spa for Rs. 4 b

Singapore-based specialist Hotel Properties Ltd. Group has announced the purchase of Lankan business tycoon Nahil Wijesuriya-owned Marriott Weligama Bay Resort & Spa for nearly Rs. 4 billion.

HPL Group subsidiary HPL Properties (West Asia) Pte Ltd., has entered into Share Purchase Agreements with East West Properties PLC, Asia 2000 Investment Inc., and The Monetary Board of The Central Bank of Sri Lanka for the proposed acquisition of the entire equity interest comprising 405,200,000 ordinary shares collectively owned by the Sellers in the capital of Weligama Hotel Properties Ltd. (WHPL).

The consideration for the proposed Share Purchase is approximately \$ 22.625 million, which is subject to net working capital adjustments to arrive at a final consideration. Listed entity HPL made this disclosure to the Singapore Stock Exchange yesterday and an announcement is expected today to the Colombo Stock Exchange.

WHPL owns a 198-key 5-Star Resort known as the Marriott Weligama Bay Resort & Spa, situated at Weligama, Sri Lanka. The issued and paid up capital of WHPL is Rs. 1.93 billion comprising 405,200,000 ordinary shares.

Following the Proposed Share Purchase, the HPL Group through HPLPWA and its nominee will collectively own 100% of the equity of WHPL.

HPL said the proposed share purchase will be funded through the Group's internal resources and/or bank financing, and is not expected to have any significant effect on the consolidated net tangible assets per share and net earnings per share of HPL Group based on the audited consolidated financial statements of the HPL Group for the year ended 31 December 2018.

HPL Group's principal business activities are those of hotel ownership, management and operation, property development and investment holding.

Linked to the famous investor Ong Beng Seng, the HPL Group has interests in 32 hotels under prestigious hospitality brands such as Four Seasons, Hilton International, Como Hotels, InterContinental Hotels Group and Six Senses Hotels. In addition, the Group also manages its own portfolio of hotels under well-established brands such as Hard Rock Hotels and Concorde Hotels & Resorts.

The Group owns hotels, resorts and shopping galleries in 13 countries, namely, Singapore, Malaysia, Thailand, Indonesia, Maldives, Seychelles, Vanuatu, the United States of America, Bhutan, Tanzania, South Africa, Vietnam and United Kingdom. (Daily ft)