

Sri Lanka opens EOI for 'white elephant' airport

- A Monitor Desk Report

Date: 27 April, 2026



Dhaka: The Airport and Aviation Services (Sri Lanka) (Private) Limited (AASL) has opened Expressions of Interest (EOI) for the development and operation of the Mattala Rajapaksa International Airport (MRIA), welcoming both local and international investors.

The move follows a cabinet decision to scrap a previous bidding process initiated by the former administration, which had been limited to passenger operations.

The new EOI outlines several proposed areas for investment, including airport operations, cargo and logistics, maintenance, repair and overhaul (MRO) activities, and aircraft spare parts manufacturing. It also highlights potential for development in industrial parks, renewable energy, tourism, and hospitality.

Located in the southern Sri Lankan city of Hambantota, MRIA spans approximately 600 hectares. Despite a design capacity of handling around one million passengers annually, it recorded a peak of only 150,000 travelers in 2025, leaving the facility drastically underutilized.

The airport is currently bleeding approximately LKR 3 billion annually, roughly equivalent to its yearly operating costs.

Speaking to local media on April 23, Deputy Aviation Minister Janitha Ruwan Kodithuwakku said the facility had practically turned into a jungle when the current government took office. The government has since restored it to an operationally safe condition and is now focused on making it financially viable.

Earlier, the government had allowed airlines to operate at Mattala free of charge, particularly during the fuel crisis linked to tensions in the Middle East. However, the deputy minister acknowledged the efforts could not draw major global carriers, and it remains a significant challenge.

The government now aims to identify a joint venture partner through the EOI process, with a target to complete it within the year and make MRIA profitable for the first time in its history.

Built with expectations of easing congestion at Katunayake and promoting regional development, the airport has long been criticized for its low utilization and high maintenance costs. The facility has struggled to attract regular airline traffic since its inception.

V