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EXPO NEWS

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EDB HELP DESK

The Sri Lanka Export Development Board (EDB) is currently facilitating to ensure that the operations of export industries remain uninterrupted during this current pandemic situation around the world.

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HELP DESK

NEW EDB CHAIRMAN ASSUMES DUTIES



Suresh de Mel, a well-known entrepreneur, assumed duties as the new Chairman of the Sri Lanka Export Development Board (EDB).

He succeeds the outgoing EDB Chairman, Prabhash Subasinghe, who ended his one-year tenure earlier this month.

Speaking at the occasion, Suresh remarked that he was honored and privileged to be appointed as EDB Chairman and noted that he was committed to growing the country's exports at a time when the world was going through a pandemic by making use of his experience as a small and medium exporter for over 40 years by giving priority to product and market diversification.

Suresh has a Bachelor of Science degree in Agricultural Engineering from California Polytechnic State University – USA, and worked in the US as an Agricultural and Environmental Engineer for 10 years before returning home in 1990 and investing in Tangalle, a post-conflict area at the time, to employ unemployed young women and earn foreign exchange for the country by manufacturing designer fishing flies (artificial sport fishing bait) for export to the US. The company employs 200 women in Tangalle, Ratnapura and Nugegoda, producing the world's best quality fishing flies for export.

He is also the Chairman of EcoWave EcoWave Guarantee Ltd. and EcoWave Travels, which are social enterprises working with 200 spice farmers in Moneragala and Ampara Districts, promoting sustainable organic agriculture and responsible eco/agro tourism.

Suresh actively serves on several boards and committees, Government and non-government, for the development of regional SMEs, entrepreneurship, vocational training, labour relations, responsible tourism, sustainable agriculture, and exports.

88.5% OF REVISED EXPORT TARGET MET SO FAR, SAYS EDB CHIEF

Export Development Board (EDB) Chairman Suresh de Mel said the country has achieved 88.5% of the revised target of merchandised and services exports within the first 11 months of this year.



EDB Chairman Suresh De Mel

He said during the period of January to November, earnings from exports recorded \$ 11.84 billion including the estimated services data for July to November. This is 88.47% achievement from the revised export target of \$ 13.39 billion set for 2020.

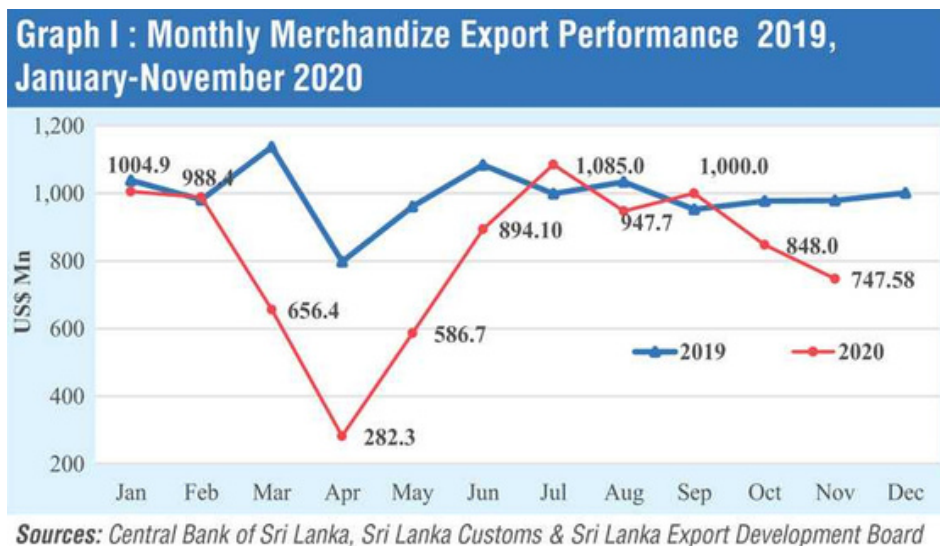
“Our resilient export community and all employees in the export sector should be admired for this remarkable performance in the prevailing crisis situation in the country and globally,” said de Mel, who was appointed recently.

According to him, the services exports estimated by EDB, which includes ICT/BPM, construction, financial services, and transport and logistics, amounted to \$ 2.88 billion during January to November, down 16.85% from \$ 3.44 billion in the corresponding period of last year.

He said the revised export target of the EDB for 2020 is \$ 13.39 billion, comprising \$ 9.57 billion from merchandise exports and \$ 3.82 billion from services exports.

Further, earnings from merchandise exports and services exports achieved 93.83% and 74.87% of the target, respectively, during the period of January to October.

EXPORTS DIP EXTENDS



- **11-month merchandise exports down 17% Y-o-Y to \$8.98b; higher dip compared with 15% negative growth Y-o-Y in Oct.**
- **Performance in Nov. down 21% Y-o-Y to \$747.58 m but slower dip month-on-month against Oct.**
- **EDB says lower performance in Nov. due to adverse impact of second wave of COVID-19 locally and globally**
- **Coconut and rubber-based products, spices perform stronger than expected**
- **Exports to top 10 export markets down Y-o-Y in Nov. but shipments to CIS region up**

Decline in exports has intensified as per latest monthly data, reinforcing global and local challenges faced by the sector due to COVID-19 pandemic.

The Export Development Board (EDB) yesterday announced that merchandise exports in November amounted to \$747.58 million, down 21% from a year earlier (Y-o-Y), whilst in October the Y-o-Y dip was 15%.

However, month-on-month (M-o-M) the decline is lesser with November reflecting a 12% dip as against 15% in October from the previous month.

The cumulative merchandise export performance for the 11 months was \$8.98 billion down 17% from the corresponding period of last year.

The EDB said poor performance in November was due to the adverse impact of the second wave of COVID-19 in the country and globally. The decline recorded in October exports due to the second wave COVID outbreak in the country had a direct impact on the export products manufacturing facilities and it continued in November as well.

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“The resurgence of the second wave of COVID-19 was unexpected, and it affected our key markets, as well as private sector operations,” newly appointed EDB Chairman Suresh de Mel told the Daily FT.

“Our businesses must continue to be resilient whilst facing the volatile and unprecedented COVID-19 pandemic by taking all preventive measures. The export community has been the major contributor to economic stability post-COVID by bringing in much-needed foreign exchange, and the Government has given top priority to support all export industries during these challenging times,” de Mel added.

He also said that the EDB, together with top officials of the Sri Lanka Ports Authority, Sri Lanka Customs, shipping lines along with export sector stakeholders, held a virtual meeting recently to streamline procedures and share contingency plans to overcome any future challenges.

De Mel also called for greater product and market diversification to enhance Sri Lanka’s foreign exchange earnings amidst COVID-19 challenges.

“Agriculture-based exports, such as coconut, rubber, spices as well as fruits and vegetables have performed well throughout the year. Exporters should give importance to boosting productivity and availability of crops whilst also looking at opportunities in creating new brands for organic agricultural products,” the EDB Chief emphasised.

Decreases in exports were recorded across all top 10 export markets in November compared to the same period of last year. Although, exports to CIS Region recorded a marginal increase in November Y-o-Y, exports to other regions were declined.

In terms of export earnings sector-wise, apparel and textiles declined by 32.75% to \$324.92 million compared to \$483.17 million recorded in the same period last year. Despite the decline in the sector, earnings from exports of made-up textile articles and other textiles increased by 71.04% and 29.86%, respectively, in November 2020 Y-o-Y, while month-on-month increase is 221.45% and 5.37%, respectively.

Export earnings from tea which comprises 12% of total merchandise exports decreased by 5.17% to \$96.21 million Y-o-Y. Similarly, export earnings from tea recorded 14.21% decrease in November 2020 in comparison to October 2020.

Rubber and rubber finished products increased by 12.66% to \$69.57 million Y-o-Y due to the better performance in exports of pneumatic and retreated rubber tyres and tubes (8.11%) as well as industrial and surgical gloves of rubber (39.32%). However, exports of rubber plates, sheets rods of vulcanised or unhardened rubber and baskets, sashers, seals, etc., of hard rubber decreased by 11.52% and 40.51%, respectively, in November from the corresponding period last year.

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Earnings from all the major categories of coconut-based products increased in November from a year earlier. Earnings from coconut oil, coconut fresh nuts, coconut milk powder, coconut cream, liquid coconut milk and coconut flour categorised under the coconut kernel products increased Y-o-Y by 50.2%, 14.29%, 25.54%, 37.62%, 61.73% and 171.43%, respectively. Being the largest contributor to coconut-based sector, coco peat, fibre pith and moulded products, which are categorised under the coconut fibre products, increased by 43.68% to \$11.71 million in November Y-o-Y, whilst earnings from activated carbon, which categorised under the coconut shell products increased by 11.76% in November compared to the same period last year.

Export earnings from spices and essential oils increased by 40.64% to \$34.02 million compared to \$24.19 million recorded in November 2019. This was mainly due to the increased exports of cinnamon (10.16%) and pepper (88.10%).

Electrical and electronic components (EEC) exports earnings declined by 11.71% to \$25.42 million Y-o-Y. However, earnings from export of EEC increased by 24.06% in November compared to the previous month.

Revenue from export of personal protective equipment (PPE) related products increased by 47.42% to \$807.63 million in the first 11 months compared to \$547.85 million recorded in the same period last year. The strong performance was mainly due to the increased exports of other made-up articles (HS 630790) and articles of apparel and clothing accessories of plastics (HS 392620). As a result of increased export of articles of apparel and clothing accessories of plastics, export of plastic products increased by 151.48% to \$170.35 million in the first 11 months compared to \$67.74 million recorded in the corresponding period of last year.

The top five export destinations in the first 11 months were the US (\$ 2,267.48 million), the United Kingdom (\$842.8 million), India (\$546.49 million), Germany (\$519.07 million) and Italy (\$406.81 million) has absorbed over 50% of exports recorded in the period.

Being the largest single export destination, the US has absorbed \$178.27 million worth of exports in November, down by 33.21% compared to \$266.91 million in the corresponding period of last year. The cumulative exports to the US also declined by 20.62% in the first 11 months compared to the same period of previous year.

Exports to the UK – the largest trading partner in the European Union (EU) region – recorded marginal dip by 1.45% \$76.07 million Y-o-Y.

Further, exports to top 10 markets have also shown poor performance during the month of November as well as throughout the first 11 months.

The Y-o-Y exports to regions, except for the CIS region (1.19%), exports to regions such as EU, South Asia, ASEAN, African and Middle East countries declined by 12.71%, 23.85%, 43.11%, 3.58% and 29.35%, respectively. (Daily FT)

A COLLABORATIVE VIRTUAL WORKSHOP ON ADVANCED TECHNOLOGY AND SMART MANUFACTURING FOR RUBBER PRODUCT INDUSTRY



The Sri Lanka Export Development Board (EDB) in collaboration with the Sri Lanka Association of Manufacturers and Exporters of Rubber Products (SLAMERP) and Plastic and Rubber Institute of Sri Lanka (PRISL) organized a two (2)-day virtual workshop on advanced technology and smart manufacturing to upgrade the knowledge of the industry on technological advancements in the global rubber industry by obtaining the services of local and international technical experts on 18th & 19th December, 2020. This was the third such workshop organized as a follow up to the past workshops in 2018 and 2019 on product Innovation, technology and R&D for the Sri Lankan tyre manufacturing industry.

Rubber product industry is known to be a technology-intensive industry which changes rapidly. This requires trained skilled personnel who have the knowledge and experience on modern machinery and equipment, mature processing technology and high level of product development to keep in line with the global market trends.

In order to sustain and grow in the international market, the tyre industry has to constantly upgrade their production processes, adapt and improve their products, invest in R & D, innovations, comply with standards and required certifications, new technology and laboratory testing available in the world.

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Therefore, it has become very important that the industry is updated on state-of-art technology, smart manufacturing, IOT automation, etc. in order to improve operational efficiency. This revolution is moving manufacturers from mass production to mass customization through a digital supply network.

The EDB works very closely with the industry and is constantly in dialogue with them to identify and address the sector needs to keep in line with global requirements.

Although the other sectors are affected badly due to the covid pandemic, Rubber Gloves sector has shown increase in demand in the international as well as in local market.

Given the importance of the above, The EDB implemented several programmes for the rubber industry in the recent past, including a system development programme to obtain ISO-14001 and 50001 certifications, a technical training and exposure programme at Tun Abdul Razake Research Centre (TARRC)-UK, and Hevea Academy of Malaysia, The Malaysian Rubber Board, and market exposure programmes in the EU countries.

In addition, the EDB in collaboration with SLAMERP and PRISL organized a two-day second workshop from 25th to 26th July, 2019, on tyre Compounding and tyre technology to upgrade the knowledge of the tyre manufacturers/exporters by obtaining the services of international technical experts from India. The first and second collaborative tyre workshops were conducted successfully with the participation of over 100 technical personnel of leading tyre manufacturing and exporting companies in Sri Lanka.

Considering the knowledge gained by the previous workshops and on the request made by the technical personnel of rubber products manufacturing companies in Sri Lanka, the EDB organized this third workshop to upgrade the knowledge of the rubber industry on technological advancements and smart manufacturing in the rubber industry in collaboration with SLAMERP and the PRISL.

The content of the workshop was focused on smart energy monitoring, IOT-built industry automation, big-data processing systems and applications (visual interpretation of large-scale data), condition-base monitoring for maintenance, 3D/4D-printing, finite element analysis and modelling, virtual product designs and testing, and product failure prediction.

These public-private collaborative efforts are very well targeted and benefit the rubber industry immensely. This will also contribute towards increasing export revenue to achieve the national export target of US\$ 28Bn in 2022.

SRI LANKA CUSTOMS - RATES OF EXCHANGE

EFFECTIVE FROM 28.12.2020 TO 03.01.2021

	Country	Country Code	Currency	Currency Code	Rate of Exchange (Rs.)
1	Australia	AU	Dollar	AUD	147.7859
2	Bahrain	BH	Dinar	BHD	516.2642
3	Bangladesh	BD	Taka	BDT	2.2962
4	Brazil	BR	Brazil Real	BRL	37.3141
5	Brunei	BN	Brunei Dollar	BND	146.2784
6	Canada	CA	Canadian Dollar	CAD	151.6989
7	China	CN	Renminbi	CNY	29.7905
8	China	CN	Offshore	CNH	29.8398
9	Czechoslovakia	CZ	Koruna	CZK	9.0371
10	Denmark	DK	Kroner	DKK	31.9592
11	Egypt	EG	Pound	EGP	12.3987
12	Euro Zone		Euro	EUR	237.7383
13	Ghana	GH	Cedi	GHS	33.0773
14	Hongkong	HK	Dollar	HKD	25.1088
15	Hungary	HU	Forint	HUF	0.6565
16	India	IN	Rupee	INR	2.6362
17	Indonesia	ID	Rupiah	IDR	0.0137
18	Iran	IR	Riyal	IRR	0.0046
19	Japan	JP	Yen	JPY	1.8799
20	Jordan	JO	Dinar	JOD	274.5557
21	Korea	KR	Won	KRW	0.1765
22	Kuwait	KW	Dinar	KWD	637.3936
23	Macau	MO	Pataca	MOP	24.3599
24	Malaysia	MY	Ringgit	MYR	47.9694
25	Maldives	MV	Rufiya	MVR	12.5912
26	Mauritius	MU	Rupee	MUR	4.9281
27	Myanmar	MM	Kyat	MMK	0.1458
28	Nepal	NP	Rupee	NPR	1.6492
29	New Zealand	NZ	Dollar	NZD	138.2962
30	Nigeria	NG	Naira	NGN	0.5107
31	Norway	NO	Kroner	NOK	22.6044
32	Oman	OM	Riyal	OMR	505.5973
33	Pakistan	PK	Rupee	PKR	1.2117
34	Papua New Guinea	PG	Kina	PGK	55.4781
35	Philippines	PH	Peso	PHP	4.0512
36	Poland	PL	Zloty	PLN	52.8056
37	Qatar	QA	Riyal	QAR	53.4523
38	Russia	RU	Rouble	RUB	2.5917
39	Saudi Arabia	SA	Riyal	SAR	51.9017
40	Seychelles	SC	Rupee	SCR	9.1799
41	Singapore	SG	Dollar	SGD	146.2784
42	South Africa	ZA	Rand	ZAR	13.3482
43	Sweden	SE	Krona	SEK	23.5350
44	Switzerland	CH	Francs	CHF	219.3847
45	Taiwan	TW	Dollar	TWD	6.9203
46	Thailand	TH	Baht	THB	6.4393
47	U.A.E.	AE	Dirham	AED	52.9954
48	United Kingdom	GB	Sterling Pound	GBP	263.8908
49	United States of America	US	Dollar	USD	194.6600
50	Zambia (Old)	ZM	Kwacha	ZMK	0.0375
51	Zambia (New)	ZM	Kwacha	ZMW	9.2038
52	Zimbabwe	ZW	Dollar	ZWD	0.5129

EMBASSY OF SRI LANKA IN ANKARA ORGANISES INTERACTIVE WEBINAR AND BUSINESS MATCHMAKING ON LANKAN SPICE SECTOR



The Embassy of Sri Lanka in Ankara organized an information-sharing webinar and business networking session on the spice sector in collaboration with the Sri Lanka Export Development Board and 'Turkey-Sri Lanka Business Council' on 16 December.

The aim of the webinar was to share information on the uniqueness of the Ceylon spices especially 'Ceylon Cinnamon' and increase the exports from Sri Lanka to Turkish markets and also to connect potential Turkish importers and traders with the Sri Lankan exporters.

Ambassador M. Rizvi Hassen, Turkey-Sri Lanka Business Council Member Mahmut Uluer, and Sri Lanka Export Development Board Director Malani Baddegamage made remarks and informative presentation highlighting the strengths of Sri Lanka in this sector.

More than 17 Turkish importers including Turkish Spice Packagers Association (Ambalajlı Baharat Üreticileri Derneği) Chairman Mustafa Aydın Acun, Deputy Chairman Anibal Atilla Rua, Deputy Chairman Emin Demirci and General Secretary Ayşegül Keskin Aydın joined the session.

During the virtual meeting Ambassador Rizvi Hassen, while giving a brief overview of the available untouched potentials, invited Turkish importers to explore the varieties of Sri Lankan spice products especially 'Ceylon Cinnamon'.

Member of Turkey-Sri Lanka Business Council, Consul of Sri Lanka to Nevsehir and the Chairman of Lanka Balloning Ltd. Mahmut Uluer joining the session, shared his experience with Sri Lanka and briefed on the uniqueness of the Ceylon spices.

Chairman of Turkish Spice Packagers Association (Ambalajlı Baharat Üreticileri Derneği) Mustafa Aydın Acun spoke during the session and shown their keen interest to work together with Sri Lankan companies and also Sri Lankan associations to expand trade between the two countries.

Detailed presentations on Ceylon spices were made by the Sri Lanka Export Development Board and the Sri Lankan industry representatives, Directors, International Commodity Traders/Silvermills Group Ltd., namely Nanada Kohona Director, HDDES Extracts Ltd. GehanDe Silva, Director Business Development, Imperial Spices Ltd. Rumesh Jayasuriya during the virtual meeting.

The Embassy and Sri Lanka Export Development Board are currently coordinating individual B2B meeting between Sri Lankan and Turkish companies starting from next week.

EDB SUCCESSFULLY COMPLETES CAPACITY-DEVELOPMENT WEBINAR SERIES FOR EXPORTERS AND SMES IN 2020



The Sri Lanka Export Development Board (EDB) last week successfully completed its 30th capacity-development webinar session to the exporter community and SMEs. Due to the current COVID-19 pandemic situation of the country, the EDB could not carry out its conventional capacity development programmes such as workshops and seminars, due to the health regulations imposed on people-gathering activities. As an alternative method, online sessions were conducted to enhance the capacity and knowledge of exporters and SMEs in Sri Lanka.

During this programme, the EDB organized weekly webinars to continuously educate the Sri Lankan exporters and potential exporters on selected topics. Well-known resource persons and experts on export-related topics conducted these online sessions, sharing their expertise and experience with the participants.

Considering the importance of updating Sri Lanka's export community on the latest trends in business and commerce, webinars were conducted on several topics such as Global brand dominance-leveraging branding for longstanding growth, The sport of business- lessons from the world of sports that can be applied to organizations, Profits or values - a discussion on inculcating the right culture and enhancing the spirit of doing business, The Importance of adhering to the principles in organic agriculture for reaching Millennium Goals, Ports facilitation for exporters and importers, Globalization of Sri Lanka's IT services, Financial literacy for exporters during an economic recession, Japan GSP Scheme – opportunities and prospects, Developing an export business plan, Finding overseas buyers, Creating a brand to go International -a practical approach, Thinking out of the box : the definite way to add value to your product, Workplace preparedness and response to reduce the spread of Covid-19, How to sell online and e-commerce tips, etc.

Around 60,000 participants took part in the webinar sessions organized by the EDB. Furthermore, participants joined these online sessions via Facebook and Youtube channels as well. All the webinars of this programme can be viewed from the EDB Youtube channel from the following link,

<https://bit.ly/EDBWebinar>

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