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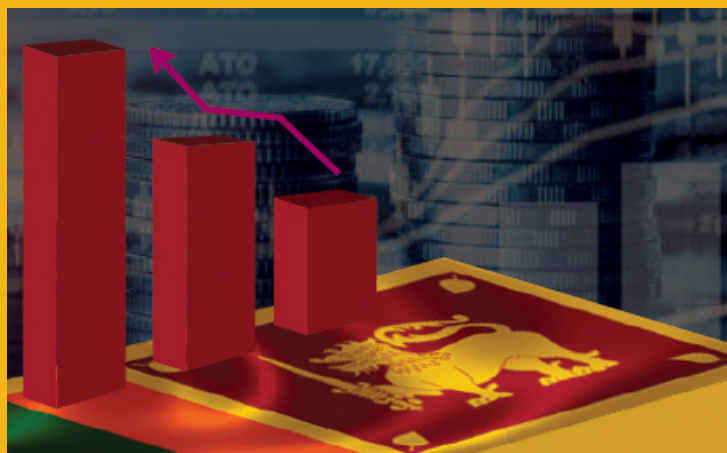
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LOG ON TO **EXPORTES' FORUM** TO REPORT YOUR TRADE ISSUE

The screenshot displays the EDB Exporters' Forum website. At the top left is the EDB logo. To the right, it says "Online Alert for Trade Obstacle (OATO)" with social media icons for Twitter, Facebook, LinkedIn, Google+, YouTube, and Pinterest. Below this is a navigation bar with a green tab labeled "Previous Exporters' Forum Recap" and a video player showing a forum session. Below the video are two buttons: "Report Trade Issues" and "View the Reports". On the right side, there is a "Members log in" section with a login form (User Name, Password) and a "Sign up" button. At the bottom right, there is a "Latest Trade Issues" section with a "Read more" button.

www.forum.edb.gov.lk

Online Alert for Trade Obstacle (OATO)

SRI LANKA RECORDS 2.5% GROWTH IN EXPORTS EARNINGS IN FEBRUARY 2021 DESPITE CHALLENGES



Sri Lanka's export earnings registered a growth of 2.52% with US\$ 993.73 million in February, compared to the previous year, maintaining the growth momentum recorded during the last five months as per the provisional statistics released by Sri Lanka Customs.

This is the highest export figure recorded for the month of February during the last five-year period, the Export Development Board (EDB) said in a report.

The growth of exports was supported by increase in global demand notably for products such as Electrical and Electronic components (EEC) and Rubber Gloves. Notable increases in exports were observed to Netherlands, China, Canada and Spain.

EDB Chairman Suresh De Mel said Sri Lankans are strong in facing challenges, and the exporters have shouldered the task of placing the economy of the country on the right track with immense difficulties paying tribute to exporters for their "commendable performance during unstable circumstances".

Export Performance of Major Sectors

Exports of Electrical and Electronic components (EEC) and, showed resilient performance, registering triple-digit growth for the period of January to February 2021 compared to the corresponding period of previous year. This growth was resulted by increased exports of transformers to Spain.

Earnings from export of Spices and Essential Oils, Coconut based Products, Rubber based Products, Tea and Food & Beverages were increased in first two months of 2021 compared to first two months of 2020.

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Exports of rubber products especially industrial and surgical rubber gloves, showed strong performance, registering double-digit growth (54.27%) for the period of January to February 2021 compared to the corresponding period of 2020.

Despite the decline in the export of Apparel, earnings from exports of other textiles and made-up textile articles increased by 27.43% and 5.69% during the period under review.

Table 1: Export Performance of Major Sectors

Exports of Goods	Jan-Feb 2020 (US\$ Mn)	Jan-Feb 2021 (US\$ Mn)	% Growth	% Share to Total Merchandise Exports 2021
Apparel	938.76	862.91	-8.08	45.37
Tea	207.54	213.52	2.88	11.23
Rubber-based Products	147.54	167.84	13.76	8.83
Electronics & Electronic Components	61.26	131.63	114.87	6.92
Coconut-based Products	98.68	114.58	16.11	6.02
Diamond, Gems & Jewelry	46.36	45.05	-2.83	2.37
Spices and Essential Oils	38.35	75.59	97.11	3.97
Food & Beverages	57.51	60.66	5.48	3.19
Seafood	44.22	30.97	-29.96	1.63
Other Export Crops	16.82	6.59	-60.82	0.35
Fruits	6.93	5.50	-20.63	0.29
Vegetables	4.91	3.27	-33.40	0.17
Flowers & Foliage	2.53	2.15	-15.02	0.11
Ornamental Fish	2.71	1.91	-29.52	0.10
Petroleum Products	77.53	1.16	-98.50	0.06
Boat Building	0.53	0.31	-41.51	0.02
Others	178.33	178.15	-0.10	9.37
Total Merchandise Exports	1,930.51	1,901.79	-1.49	100.00

Source: Sri Lanka Customs

Sri Lanka's Export Performance of Major Sectors

The United Kingdom left the European Union on 31st January 2020 and the transition period which applied the import tariff similar to EU, ended on 31st December 2020. Following BREXIT the UK introduced a new tariff regime, namely, UK Global Tariff (UKGT) with effect from 01st of January 2021.

The exports to EU region which accounted for 28 % of total merchandise exports of Sri Lanka increased by 29.32% to US\$ 532.10 million in the first two months of 2021 compared to the corresponding period of 2020.

Meanwhile, exports to United Kingdom as the second largest trading partner recorded a decrease of 21.39 % to US\$ 141.37 million during January to February 2021 compared to the period of January to February 2020.

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Being the largest single export destination, exports to United States of America recorded US\$ 471.79 million which is a decline of 10.63 % in comparison to US\$ 527.9 million recorded in January to February 2020.

As shown in the following table, increases in exports were recorded in Germany, Italy, Netherlands, China, Canada and Turkey during the period of January to February 2021 with the corresponding period of 2020.

Table 2: Sri Lanka's Top 10 Export Destinations

Values in US\$ Mns				
	Country	Jan - Feb 2020	Jan - Feb 2021	% Growth
1	United States	527.90	471.79	-10.63
2	United Kingdom	179.83	141.37	-21.39
3	India	136.61	116.23	-14.92
4	Germany	102.79	112.70	9.64
5	Italy	85.67	97.44	13.74
6	Belgium	53.26	52.71	-1.03
7	Netherlands	46.33	65.05	40.41
8	China	35.84	47.71	33.12
9	Canada	38.27	47.84	25.01
10	Turkey	32.76	38.02	16.06
	Other Markets	691.25	710.93	2.85
	Total	1,930.51	1,901.79	-1.49

Table 3: Sri Lanka's Export Regions

Values in US\$ Mns			
Region	Jan - Feb 2020	Jan - Feb 2021	% Growth
European Union (excl. UK)	411.45	532.10	29.32
United States	527.90	471.79	-10.63
South Asia	205.94	167.81	-18.52
ASEAN Countries	68.55	37.44	-45.38
CIS Countries	47.17	44.39	-5.89
African Countries	43.22	42.91	-0.72
Middle East Countries (Excl. Cyprus & Egypt)	137.47	120.13	-12.61
Others	488.81	485.22	-0.73
Total Merchandise Exports	1,930.51	1,901.79	-1.49

Sources: Sri Lanka Customs / Sri Lanka Export Development Board

Export of Services

The services exports estimated by EDB which includes ICT/BPM, Construction, Financial services and Transport & Logistics show exports of US \$ 707.96 million for the first two months of 2021 compared to US\$ 661.98 million recorded in the corresponding period of 2020. Estimated service exports increased by 6.95% in the period of January to February 2021 compared to the corresponding period of 2020.

SRI LANKA'S EXPORTS TO CHINA UP 33 PCT FROM JANUARY TO FEBRUARY



Sri Lanka's exports to China grew 33 percent from January to February this year compared to the same period last year, according to provisional statistics released by the Export Development Board (EDB) on Tuesday.

Revenue from exports to China in the first two months of the year grew from 35.84 million U.S. dollars in 2020 to 47.71 million dollars in 2021.

Total export earnings for the month of February stood at 993.73 million U.S. dollars in February, up 2.53 percent year on year. The figure is the highest export revenue for February in the last five years, the EDB said.

"Sri Lankans are strong in facing challenges, and the exporters have shouldered the task of placing the economy of the country on the right track with immense difficulties," EDB Chairman Suresh De Mel said in a statement.

Export growth for February was backed by increased demand for electrical and electronic components, and rubber gloves, with markets in China, Canada, the Netherlands, and Spain performing well.



SRI LANKA EXPORT DEVELOPMENT BOARD

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MINISTRY OF TRADE

SRI LANKA PAVILION AT ANUGA 2021

9th to 14th October 2021 – Cologne, Germany

The EDB proposes to organize a Sri Lanka pavilion at the above fair to be held in Cologne, Germany from 9th to 14th October 2021.

Anuga fair held once in two years is considered as one of the world's leading trade shows suitable to promote Food & Beverage (F & B) products. EDB has organized Sri Lanka pavilions at this event continuously since 1997. It was recorded that 7,590 companies from around the world have exhibited at Anuga 2019 and around 170,000 trade visitors from 201 countries have attended the fair.

Anuga fair will provide a platform for the participants to promote F & B products to Europe and other markets, meet the leading decision makers from food industry, and study the new market trends, new / innovative products in demand and new technologies applied in the sector.

EXHIBITORS

Applications are invited from processors/ exporters of the following product categories adhering to international food standards and having capacity to cater to the international market to exhibit at the Sri Lanka pavilion at Anuga 2021.

- Fresh / processed fruits and vegetables (frozen, dehydrated, canned/ bottled, fruit juices etc.)
- Coconut based food products (desiccated coconut, coconut milk, cream, powder etc.)
- Confectionary & bakery products, dairy products, specialty & convenient food products
- Spice & spice mixtures, gift packs, essential oils etc.
- Tea (value added – flavoured tea bags, gift packs etc.)
- Beverages
- Wellness products
- Food ingredients
- Organic food products
- Cereals & cereal based products
- Other relevant food products

EDB ASSISTANCE

The cost of space & construction together with the cost of exhibits, airfare, hotel accommodation and internal travel will have to be borne by the participants. EDB may consider providing financial assistance towards part cost of space/construction for selected SME companies subject to availability of funds.

APPLICATION & SELECTION

Applications should be made on the prescribed form available at the Export Agriculture Division, EDB or could be downloaded from the web site: www.srilankabusiness.com (under the section "announcements"). Duly completed application forms should reach the Director - Export Agriculture, EDB by registered post on or before 03rd April, 2021. Shortlisted applicants will be interviewed by a panel to select suitable participants for the programme.

For further details please contact Ms. Gayani Wijayathilake, Assistant Director: 011-2300732, 2300705-11. Fax: 011-2304879 E-mail: gayani@edb.gov.lk.

CHAIRMAN & CHIEF EXECUTIVE
SRI LANKA EXPORT DEVELOPMENT BOARD
No. 42, Nawam Mawatha
Colombo 02.

Web site: www.srilankabusiness.com

SRI LANKA PROMOTED AS DESTINATION FOR BUDDHIST STUDIES



Participants at the webinar

Sri Lanka is being promoted as an international hub for Buddhist education by the Export Development Board.

Facilities currently exist for foreign students to be boarded in Sri Lanka during their studies.

Export Development Board (EDB) Chairman Suresh de Mel noted that Sri Lanka was the leading English proficient country amongst Buddhist nations. De Mel said addressing a webinar on March 24 organised jointly by the EDB and the Sri Lankan embassy in Vietnam to promote Sri Lankan Buddhist education.

The EDB is working to bring down Japanese students to Sri Lanka with conversations in Tokyo being at a very advanced stage. Sri Lankan ambassador to Vietnam Prasanna Gamage said that Sri Lanka has a high-quality Buddhist education infrastructure. Currently, an estimated 80 monks from Vietnam are studying in Sri Lanka.

Gamage in his conversations with past students in Vietnam notes that they were all greatly appreciative of their time in Sri Lanka. To be eligible to study in Sri Lanka most courses require a grasp of the English language. Gamage noted that institutions were not willing to lower the standard of English so as to maintain standards for local students.

Gamage added that there was a comprehensive compilation of the educational offering of Sri Lanka as an education destination that could be communicated to interested foreign parties.

EDB AND SRI LANKA EMBASSY COLLABORATE TO PROMOTE TARGETED PRODUCTS IN JAPAN



The Sri Lanka Export Development Board (EDB) in collaboration with the Sri Lanka Embassy in Japan has taken steps to promote identified Sri Lankan export products with high potential in the Japanese market for the next three years.

Based on the statistical analysis and desk research carried out by EDB, a strategy paper has been done for the Japanese market. Four specific products viz. value-added black tea, Solid tyres, T-shirts- singlets and pepper (piper – not crushed/ground) were identified as focused products that have high potential in the Japanese market and strategies were formulated accordingly to promote these products in Japan during the period 2021-2023 on short, medium and long-term basis.

To move forward with the findings of the Strategy Paper, a meeting was held with the participation of relevant institutions, the EDB, Sri Lanka Embassy in Japan, Foreign Ministry, and the Department of Commerce last month.

As part of this initiative, the first sectoral meeting for solid tyres was conducted on 3 March with all stakeholders including private sector companies who are currently exporting solid tyres to the international market. During the discussion, private sector participants shared their product/company portfolios and specific assistance required from the Sri Lanka Embassy to penetrate/increase the market share in the Japanese market. Based on the discussion, the Embassy and the EDB will develop a proper mechanism to increase Sri Lanka's solid tyre exports to the Japanese market and implement the plan of Action during 2021-2023.

Japan was the 12th largest export destination for Sri Lankan products, generating \$ 188 m export income in the year 2020 (approx. 2% of total exports). The key export products are apparel, tea, cocopeat, shrimps and prawns, industrial and surgical rubber gloves, pneumatic and retreaded rubber tyres and tubes, crepe rubber, silica and quarts, tableware and kitchenware, processed food, and foliage.

EDB has set \$ 230 m export target in 2021 for the Japanese market, and a Plan of Actions has been developed accordingly to achieve this target. The Plan of Actions include Sri Lanka's participation at trade fairs/exhibitions in Japan (virtual/physical), business-to-business meetings (B2Bs) with targeted buyers, inward/outward trade delegations sector-specific promotion programs for spices, Ayurveda cosmetics, coconut oil, food and beverages, gift and handicrafts, etc. and webinars/seminars to make Sri Lankan exporters aware on market condition/trends and other important information on the Japanese market.

EDB ORGANISES WEBINAR ON MARKET OPPORTUNITIES IN INDIA FOR LANKAN ELECTRICAL SECTOR EXPORTERS



The Sri Lanka Export Development Board (EDB) in association with the Sri Lanka High Commission in India organised a webinar to promote matchmaking and market-entry opportunities between the Indian and Sri Lankan electronic and electrical manufactures, with the assistance of the All India Electronics Association (AIEA), recently.

The online event was focused on achieving synergies between the electronic and electrical industries of both countries.

The AIEA was established in 1935 and it is one of the leading industry associations representing the Indian electronic industry, having offices in Chennai, Mumbai, Delhi and Kolkata, with a membership of around 2500 companies across India.

Speaking on behalf of the association, President Mitesh Mody remarked that India is now on the path of becoming a major international manufacturing hub for electronic and electrical products and systems and soon they intend to become entirely export-driven from production of electronic and electrical components to finished good.

He pointed out that the Indian electronic and electrical industry would soon explore opportunities to establish additional manufacturing units in neighbouring countries.

Cont. >>>

Sharing his insights on the dynamics of the electronic and electrical sectors in the two nations, AIEA Vice President Nayan Parekh also explained the potential for partnerships and joint ventures between India and Sri Lanka, on low-volume, high-precision electronic products such as Internet of things (IOT) devices, airbag safety connectors and industrial automation projects.

Parekh lamented that the benefits offered by the Indo-Sri Lanka FTA have not been satisfactorily exploited by the industries of the two countries.

Sri Lanka Electronic Manufacturers and Exporters Association President Manjula Waas, who spoke on behalf of Sri Lankan electronic and electrical sector at the occasion, said they are looking for collaborations in niche areas with their Indian counterparts to satisfy the demand of India.

He also said that Sri Lanka can be used as a transshipment hub for further value addition activities by using the facilities available in the country.

EDB Assistant Director Export Services Akila Zoysa provided an overview of the Sri Lankan electronic and electrical sector to the participants of the online seminar.

Sri Lanka High Commission in India Minister Commercial Upekkha Samarasinghe pledged the fullest support and assistance of the High Commission to the members of the AIEA to forge business ties and partnerships with their Sri Lankan counterparts.

The members of the AIEA were briefed on investment opportunities in Sri Lanka and incentives available for foreign investors by BOI Deputy Director Investment Promotion Mohamed Hafeel Casseer.

“Sri Lanka has a highly skilled, versatile and cost-competitive workforce supported by a robust education system with 15 state universities producing 30,000 graduates per year,” he noted.

He also described the lucrative tax benefits and facilities in the BOI Free Trade Zones to the representatives of Indian electronic companies.

The webinar was well-attended by around 70 participants representing the electronic and electrical manufacturers in India and Sri Lanka. The EDB is hoping to organise a series of B2B sessions for Sri Lankan electronic and electrical sector companies with interested Indian companies in the near future for the betterment of the Sri Lankan electronics and electrical sector.

SRI LANKA-OMAN

ICT/BPM SECTOR COLLABORATION MOOTED



The Sri Lanka Embassy in the Sultanate of Oman jointly with the Export Development Board of Sri Lanka (EDB) organised an introductory webinar on the ICT/BPM sector, in collaboration with Knowledge Oasis Muscat (KOM) with the view to connecting Sri Lankan and Omani ICT/BPM sector companies.

Export Development Board of Sri Lanka Director General Chitranjali Dissanayake opened the webinar followed by the introductory remarks made by Sri Lanka's Ambassador to the Sultanate of Oman Ameer Ajwad.

During his remarks Ambassador Ajwad stated that the information and Communications Technology (ICT) has emerged today as the most vital means of both resolving challenges and responding to the new reality. The COVID-19 crisis has triggered the need to further enhance international collaboration in this sector.

He also pointed out that since Sri Lanka and Oman have identified the ICT sector as the key priority in their national policy frameworks, ICT/BPM companies in both countries could find synergies for collaboration. To this end, the Ambassador informed that the Embassy would organise B2B webinar meetings between the ICT/BPM companies of both countries in the near future.

Welcoming this initiative, Director of Business Development of KOM Saif Hamdan Al Riyami, provided a briefing on the ICT/BPM industry at the Knowledge Oasis Muscat (KOM) of Madayin which is Oman's first and most successful tech park and hosts over 190 future-focused domestic, regional and global companies, institutions and organisations. Assistant Director of Export Services of the EDB Vajira Kularathne introduced the ICT/BPM industry in Sri Lanka followed by presentations from industry experts. While BPM/KPM sector opportunities in Sri Lanka were introduced by SLASSCOM Director Shiraz Lye, IT sector opportunities in Sri Lanka were introduced by FITIS Director Theekshana Kumara.

Sri Lankan ICT/BPM companies, namely TIQRI Corporation, Metatechno Lanka Company Ltd., Inexis Consulting Ltd, Informate Ltd., ZILLIONE Business Solutions Ltd., Master Minds Technologies Ltd., Arimac Lanka Ltd., Design Box Ltd., and ERP Lanka Ltd. presented their profiles during the webinar.

Winding up the webinar meeting, Director Market Development of the EDB Anoma Premathilake extended her appreciation to all the participants. EDB Deputy Director of Market Development Prasanna Jayasinghe and the First Secretary of the Embassy of Sri Lanka in Muscat W.D.N.M. Abeyesekera also participated during the webinar. EDB Assistant Director Ravindi Ranaraja moderated the meeting.

IT/BPO SECTOR DEFIES PANDEMIC TO DELIVER BEST EARNINGS ON RECORD IN 2020

- SL receives US\$ 971 mn from IT/BPO sector compared to US\$ 899mn in 2019



The broader Information Technology services exports sector emerged better than ever in 2020 as it recorded its highest-ever earnings reflecting that the sector stood remarkably shock-proof when almost everything else had to take a break due to COVID-19 pandemic.

According to services exports data for 2020, which were finalised recently, Sri Lanka is estimated to have received US\$ 971 million from Information Technology services such as business and knowledge process outsourcing carried out for off-shore clients, mainly in the West. This is an 8 percent increase from US\$ 899 million in 2019.

Emboldened by the recent performance and the climate favouring the technology industry, authorities have set an ambitious target of US\$ 1.75 billion for 2021.

The sector's agile nature and the faster adaptability to remote working enabled it to operate seamlessly no sooner the restrictions were imposed on travel and in-person interactions, on fear of catching the virus.

A large majority of the sector staff is still operating from homes in what turned out to be a successful experiment for the sector to either consider remote working as their default way of working, or at minimum to provide the staff with the flexibility between in-office working and remote working during the work week.

In 2012, Sri Lanka earmarked IT/BPO as an industry capable of becoming a billion dollar income industry in five years, doubling the US\$ 564 million it then earned. But the earnings still teeter below the target after 8 years, as the sector is reeling from a huge skill gap, which prevents it from reaching full potential.

SRI LANKA CUSTOMS - RATES OF EXCHANGE

EFFECTIVE FROM 29.03.2021 TO 04.04.2021

	Country	Country Code	Currency	Currency Code	Rate of Exchange (Rs.)
1	Australia	AU	Dollar	AUD	153.3067
2	Bahrain	BH	Dinar	BHD	534.7480
3	Bangladesh	BD	Taka	BDT	2.3810
4	Brazil	BR	Brazil Real	BRL	35.6849
5	Brunei	BN	Brunei Dollar	BND	149.5272
6	Canada	CA	Canadian Dollar	CAD	160.0889
7	China	CN	Renminbi	CNY	30.8010
8	China	CN	Offshore	CNH	30.7984
9	Czechoslovakia	CZ	Koruna	CZK	9.0733
10	Denmark	DK	Kroner	DKK	31.9349
11	Egypt	EG	Pound	EGP	12.8367
12	Euro Zone		Euro	EUR	237.4949
13	Ghana	GH	Cedi	GHS	34.9696
14	Hongkong	HK	Dollar	HKD	25.9495
15	Hungary	HU	Forint	HUF	0.6518
16	India	IN	Rupee	INR	2.7761
17	Indonesia	ID	Rupiah	IDR	0.0140
18	Iran	IR	Riyal	IRR	0.0048
19	Japan	JP	Yen	JPY	1.8459
20	Jordan	JO	Dinar	JOD	284.3441
21	Korea	KR	Won	KRW	0.1779
22	Kuwait	KW	Dinar	KWD	667.5497
23	Macau	MO	Pataca	MOP	25.1748
24	Malaysia	MY	Ringgit	MYR	48.5666
25	Maldives	MV	Rufiya	MVR	13.0191
26	Mauritius	MU	Rupee	MUR	5.0087
27	Myanmar	MM	Kyat	MMK	0.1430
28	Nepal	NP	Rupee	NPR	1.7349
29	New Zealand	NZ	Dollar	NZD	140.5354
30	Nigeria	NG	Naira	NGN	0.5291
31	Norway	NO	Kroner	NOK	23.4073
32	Oman	OM	Riyal	OMR	523.6500
33	Pakistan	PK	Rupee	PKR	1.3019
34	Papua New Guinea	PG	Kina	PGK	57.4560
35	Philippines	PH	Peso	PHP	4.1494
36	Poland	PL	Zloty	PLN	51.2410
37	Qatar	QA	Riyal	QAR	55.0369
38	Russia	RU	Rouble	RUB	2.6504
39	Saudi Arabia	SA	Riyal	SAR	53.7442
40	Seychelles	SC	Rupee	SCR	9.9108
41	Singapore	SG	Dollar	SGD	149.5272
42	South Africa	ZA	Rand	ZAR	13.4599
43	Sweden	SE	Krona	SEK	23.3266
44	Switzerland	CH	Francs	CHF	214.5137
45	Taiwan	TW	Dollar	TWD	7.0391
46	Thailand	TH	Baht	THB	6.4615
47	U.A.E.	AE	Dirham	AED	54.8878
48	United Kingdom	GB	Sterling Pound	GBP	277.3310
49	United States of America	US	Dollar	USD	201.6000
50	Zambia (Old)	ZM	Kwacha	ZMK	0.0388
51	Zambia (New)	ZM	Kwacha	ZMW	9.1397
52	Zimbabwe	ZW	Dollar	ZWD	0.5312



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Compiled By :

TRADE FACILITATION & TRADE INFORMATION DIVISION

Chandima Wanniarachchi

Tel : 011 2300705-11 (Ext. 317)