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EXPO NEWS

MONTHLY BULLETIN

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SRI LANKA EXPORT FIRMS TO RUN DURING CURFEW

EDB HELP DESK

The Sri Lanka Export Development Board (EDB) is currently facilitating to ensure that the operations of export industries remain uninterrupted during the curfew period in the country.

Please contact the EDB Help Desk,

071 440 6119

Mr. Indrakeerthi SRP - Director / Trade Facilitation & Trade Information

071 822 0953

Ms. N. Gajanayaka - Export Promotion Officer

077 249 4807

Ms. P. Hewawasam - Export Promotion Officer

helpdesk@edb.gov.lk

Export firms are to follow health guidelines issued in April 02, 2020.

EDB SUPPORTS EXPORTERS TO CONTINUE EXPORT OPERATIONS DURING CURFEW

Sri Lanka's Export Development Board said it has set up hotlines to help non-Board of Investment companies move staff through Coronavirus lockdown curfews and companies are to test 01 percent of workforce for Covid-19 each day.

In the Gampaha district, 19 police areas have come under Coronavirus lockdown curfews. EDB said it was ready to support firms which are not Board of Investment approved.

"Sri Lanka Export Development Board (EDB) is providing facilitation to ensure that the operations of non-BOI, export industries located in curfew areas function without interruptions subject to the guidelines issued by the Ministry of Health," the agency said.

"The EDB is providing recommendations to enable export companies, which are located in curfew-imposed areas, to obtain curfew passes from respective police stations so that employees who reside outside curfew areas can engage in work in their factories."

But staff living in Gampaha, Minuwangoda, Veyangoda, Divulapitiya and Meerigama curfew areas will not be permitted to come to work and the factories could continue operations only with employees residing in non-curfew areas.

"Employees outside the quarantine curfew areas can be transported to the factories with necessary permissions to ensure the continuity of essential export-related activities," the EDB said.

"Companies should take all precautions not to expose employees outside the quarantine curfew areas to the residents of the areas mentioned above.

"Export companies not coming under the Board of Investment have to operate under 'Guidelines on COVID-19, Preparedness for Workplaces' issued by the Ministry of Health and carryout random PCR and test 1 percent of the workforce for Coronavirus.

The results of such tests should be reported to the relevant authorities regularly.

Exporters in relevant sectors should contact the following persons to apply for curfew passes and support.

For Agriculture and Fisheries Sector:

Ms. Malani Baddegamage, Director – Export Agriculture, Email: malani@edb.gov.lk

For Industrial Products Sector:

Mr. HarshaPathberiya, Actg. Director – Industrial Products, Email: hdp@edb.gov.lk

For Export Services & Electronic Products Sectors:

Ms. Manoja Dissanayake, Actg. Director – Export Services, Email: manojad@edb.gov.lk

SRI LANKA'S MERCHANDISE EXPORT EARNINGS SURPASS \$1BN MARK IN SEPTEMBER



Exports a billion dollars for the 3rd time in 2020

Sri Lanka's merchandise exports have surpassed the \$ 1 billion mark in September after July during this year, the Export Development Board (EDB) said.

Export Development Board (EDB) Chairman Prabhash Subhasinghe mentioned; "I am extremely pleased to see \$1 Billion of exports in September. I salute the entire export community, our resilient businesses and all employees in the export sector for this remarkable performance. It is the 3rd time this year we have seen a year on year increase of merchandise exports. However, we are concerned about the recent escalation of COVID-19 in Sri Lanka but hopeful of a swift recovery and a stable level of business continuity. Our businesses must continue to be resilient whilst facing the unknown and must have strong COVID-19 preventive measures in order to bring in the much-needed foreign currency for Sri Lanka."

As per the Customs statistics, earnings from merchandise exports recorded a positive growth of 5.16% in September 2020 to US\$ 1,001.27 Mn as compared to the value of US\$ 952.1 Mn recorded in September 2019. This strong performance is consistent with the gradual lifting of restrictions due to Covid 19 pandemic within the country and globally. Increases in exports were recorded as; Europe Region (20.19%), CIS Countries (19.59%) and African Region (56.4%) in September 2020 compared to September 2019. Moreover, earnings from merchandise exports in September 2020 increased by 5.65 % compared with the value recorded in August 2020.

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Graph 1: Monthly Merchandise Export Performance 2019, January-September 2020



Sources: Central Bank of Sri Lanka, Sri Lanka Customs & Sri Lanka Export Development Board

Export Performance of Major Sectors in September 2020

Export earnings from Apparel & Textiles declined by 3.75 % to US\$ 431.87 Mn during the month of September 2020 compared with US\$ 448.68 Mn recorded in September 2019. In parallel, 1.48 % decline recorded in September 2020 in comparison to August 2020. Despite the decline in the sector, earnings from exports of made-up textiles & other textiles increased by 88.86% and 49.24% respectively in September 2020 in comparison to September 2019.

Export earnings from tea in September 2020 which made up 12% of merchandise exports increased by 3.3 % y-o-y to US\$ 113.99 Mn but the export volume was decreased by 2.82 % in September 2020 compared to September 2019. In addition, export earnings from tea recorded 10.7% increase in September 2020 in comparison to August 2020. The expansion was mainly due to higher demand for tea from Turkey, Russia and Chile.

In addition, Export earnings from Rubber & Rubber finished products have increased by 10.54 % y-o-y to US\$ 80.01 Mn in September 2020 due to the better performance in exports of Pneumatic & Retreated Rubber Tyres & Tubes (5.19%), Industrial & Surgical Gloves of Rubber (22.7%) and Gaskets, Washers, Seals etc. of Hard Rubber (11.74%). However, exports of Rubber Plates, Sheets Rods of Vulcanized or Unhardened Rubber and Hygienic or Pharmaceutical Articles have decreased by 12.56 % & 30.77 respectively in September 2020 in comparison to September 2019.

Earnings from all the major categories of Coconut based products increased in September 2020 compared with September 2019. Earnings from Coconut Oil, Coconut Milk Powder, Coconut Cream and Liquid Coconut Milk categorized under the Coconut Kernel Products increased by 122.94%, 3.64%, 87.57% and 130.48% respectively in September 2020 compared with September 2019. Being the largest contributor to Coconut based sector, Coco Peat, Fiber Pith & Moulded products which categorized under the Coconut fibre products increased by 28.23 % to US\$ 13.4 Mn in September 2020 in comparison to September 2019. Earnings from Activated Carbon, which categorised under the Coconut shell products increased by 19.22 % in September 2020 compared to September 2019.

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Export earnings from Spices and Essential Oils have increased significantly by 24.14% to US\$ 38.93 Mn in September 2020 compared with the value of US\$ 31.36 Mn recorded in September 2019 with significant increase in export of cinnamon (50.06%).

Meanwhile, earnings from export of Electrical and Electronic Components (EEC) increased by 13.42% to US\$ 37.01 Mn in September 2020 in comparison to September 2019. Also, earnings from export of EEC increased by 12.39% to US\$ 37.01 Mn in September 2020 compared with August 2020. Export of Switches, Boards & Panels increased by 38.06% in y-o-y to US\$ 4.97 Mn in September 2020 and export of other EEC products increased by 16.61 % in y-o-y to US\$ 19.24 Mn in September 2020.

Table 1: Merchandise Export Performance

Values in US\$ Mns

Exports of Goods	Jan.- Sept 2019	Jan.- Sept 2020	% Growth	Sept 2019	Sept 2020	% Growth
Apparel	4,172.84	3,273.9	-21.54	448.68	431.87	-3.75
Tea	1,025.35	919.56	-10.32	110.35	113.99	3.30
Rubber-based	682.16	586.58	-14.01	72.38	80.01	10.54
Coconut-based	472.85	490.24	3.68	49.34	68.53	38.89
Spices and Essential Oils	235.34	234.41	-0.40	31.36	38.93	24.14
Electricals & Electronic Components	291.03	246.23	-15.39	32.63	37.01	13.42
Food & Beverages	269.88	275.82	2.20	24.02	29.64	23.40
Diamond, Gems & Jewelry	238.51	119.01	-50.10	41.11	20.32	-50.57
Seafood	200.39	149.38	-25.46	15.94	16.22	1.76
Ornamental Fish	11.36	9.75	-14.17	1.22	1.29	5.74
Vegetables	23.82	19.68	-17.38	2.77	2.32	-16.25
Fruits	31.66	27.72	-12.44	3.61	3.20	-11.36
Other Export Crops	24.48	60.77	148.24	4.10	4.49	9.51
Flowers & Foliage	14.36	9.81	-31.69	1.42	1.16	-18.31
Boat Building	64.44	2.01	-96.88	0.69	0.09	-86.96
Petroleum Products	242.55	257.14	6.02	21.58	29.86	38.37
Others	871.55	719.47	-17.45	90.9	122.34	34.59
Total Merchandize Exports	8,872.57	7,401.48	-16.58	952.10	1,001.27	5.16

Sources: Sri Lanka Customs / Sri Lanka Export Development Board

Export Performance during the period of January – September 2020Total merchandize export earnings for January to September 2020 was US\$ 7,401.48 Mn compared to US \$ 8,872.57 Mn recorded in a similar period of the previous year – a decline of 16.58 %. However this shows an improved performance compared with the decline of 19.2 % recorded in January to August 2020.

Major exports such as Apparel & Textiles (US\$ 3,273.9 Mn), Tea (US\$ 919.56 Mn), Rubber & Rubber based products (US\$ 586.58 Mn) and Spices and Essential Oils recorded decrease of 21.54%, 10.32%, 14.01% and 0.4% respectively during January - September 2020 compared to the similar period of previous year.

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However, export of Coconut & Coconut Based Products (US\$ 490.24 Mn), Food & Beverages (US\$ 275.82 Mn), Petroleum Products (US\$ 257.14 Mn), Other Export crops (US\$ 60.77 Mn) recorded positive growth rates during the period.

The export sectors that shows a positive growth at disaggregate level includes export of Industrial & Surgical Gloves of Rubber, Coconut Oil, Coconut cream, Liquid Coconut Milk, Coconut Flour, Coconut Vinegar, Mattress Fiber, Coco Peat, Fiber Pith & Moulded products, Brooms & Brushes, Carpets, Mats, Floor Coverings, Coconut Shell Charcoal, Cinnamon, Essential oils, Tamarind, Beatle leaves, Arecanuts, Made-up textile articles, Processed Vegetables, Fruits & Juices, Sugars, Sugar Confectionery & Bakery Products, Rice, Black Gram, Lentils, Inorganic Chemicals, Gloves, Mitts & Mittens (Plastic Products), Natural Salt and Petroleum Gases.

Earnings from export of PPE (Personal Protective Equipment) related products increased by 42.91% to US\$ 636.67 Mn in January to September 2020 compared with the value of US\$ 445.51 Mn recorded in the corresponding period of previous 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).

Sri Lanka's Trade Performance in Major Markets

The top five export destinations during the period Jan-September 2020 were United States of America (US\$ 1,892.14 Mn), United Kingdom (US\$ 664.21 Mn) India (US\$ 453.67 Mn), Germany (US\$ 430.0 Mn) and Italy (US\$ 330.24 Mn) absorbed over 50% of exports recorded in the period.

Being the largest single export destination, United States of America has absorbed US\$ 239.98 Mn worth of exports in September 2020 recording a decline of 5.53 % in comparison to US\$ 254.04 Mn absorbed in September 2019. Also, exports to United States of America decreased by 19.05 % in January-September 2020 in comparison to September 2019.

Exports to United Kingdom as the largest trading partner in the EU Region recorded an increase of 38.77 % to US\$ 114.74 Mn in September 2020 compared with September 2019.

Further, exports to Germany, Italy, Belgium, Netherlands, Canada, China, Japan and Turkey have also shown better performance during the month of September 2020.

Exports to EU Region recorded 20.19% in September 2020 in comparison to September 2019. Also exports to CIS, African and Middle East Countries have recorded 19.59%, 56.4% and 0.83% respectively in September 2020 compared with September 2019.

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Table 2: Sri Lanka's Top Export Destinations

Values in US\$ Mns

Country	Jan.- Sept 2019	Jan.- Sept 2020	% Growth	Sept 2019	Sept 2020	% Growth
United States of America	2,337.29	1,892.14	-19.05	254.04	239.98	-5.53
United Kingdom	774.69	664.21	-14.26	80.52	111.74	38.77
India	576.35	453.67	-21.29	58.63	56.71	-3.27
Germany	492.13	430.00	-12.62	51.20	58.95	15.14
Italy	398.26	330.24	-17.08	45.18	49.74	10.09
Belgium	260.26	212.87	-18.21	26.35	29.60	12.33
Netherlands	217.40	202.48	-6.86	24.19	30.02	24.10
United Arab Emirates	204.31	146.23	-28.43	19.61	18.35	-6.43
Canada	183.46	156.62	-14.63	20.90	23.68	13.30
China	170.45	159.28	-6.55	15.57	20.54	31.92
Japan	229.59	143.48	-37.51	15.32	15.96	4.18
Turkey	157.39	153.93	-2.20	15.46	22.31	44.31
Other Markets	2870.99	2456.33	-14.44	325.13	323.69	-0.44
Total	8872.57	7401.48	-16.58	952.10	1001.27	5.16

Sources: Sri Lanka Customs / Sri Lanka Export Development Board

Table 3: Sri Lanka's Export Regions

Values in US\$ Mns

Region	Jan.- Sept 2019	Jan.- Sept 2020	% Growth	Sept 2019	Sept 2020	% Growth
European Union	2,688.15	2,325.24	-13.50	289.07	347.42	20.19
United States	2,337.29	1,892.14	-19.05	254.04	239.98	-5.53
South Asia	839.92	693.48	-17.43	89.83	88.89	-1.05
Asean Countries	310.7	222.7	-28.32	29.49	25.91	-12.14
CIS Countries	207.56	204.35	-1.55	23.63	28.26	19.59
African Countries	200.37	189.16	-5.59	17.04	26.65	56.40
Middle East Countries (Excl. Cyprus & Egypt)	680.48	541.86	-20.37	65.35	65.89	0.83
Others	1,608.10	1,332.55	-17.14	183.65	178.27	-2.93
Total Merchandise Exports	8,872.57	7,401.48	-16.58	952.10	1,001.27	5.16

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 \$ 2,291.8 Mn for the period of January to September 2020 compared to US\$ 2,911.7 Mn recorded in the corresponding period of the previous year. However, estimated service exports declined by 21.29 % during the period of January to September 2020 compared with the corresponding period of previous year.

Revised Export Target & Achievement

The revised export target of the Export Development Board for 2020 is US\$ 13.39 billion and of that we expect US\$ 9.57 billion from merchandise exports and US\$ 3.82 billion from services exports. During the period January to September 2020, earnings from exports recorded US\$ 9.69 billion including the estimated services data for July to September and 72.4% achieved from the revised export target.

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United Arab Emirates	204.31	146.23	-28.43	19.61	18.35	-6.43
Canada	183.46	156.62	-14.63	20.90	23.68	13.30
China	170.45	159.28	-6.55	15.57	20.54	31.92
Japan	229.59	143.48	-37.51	15.32	15.96	4.18
Turkey	157.39	153.93	-2.20	15.46	22.31	44.31
Other Markets	2870.99	2456.33	-14.44	325.13	323.69	-0.44
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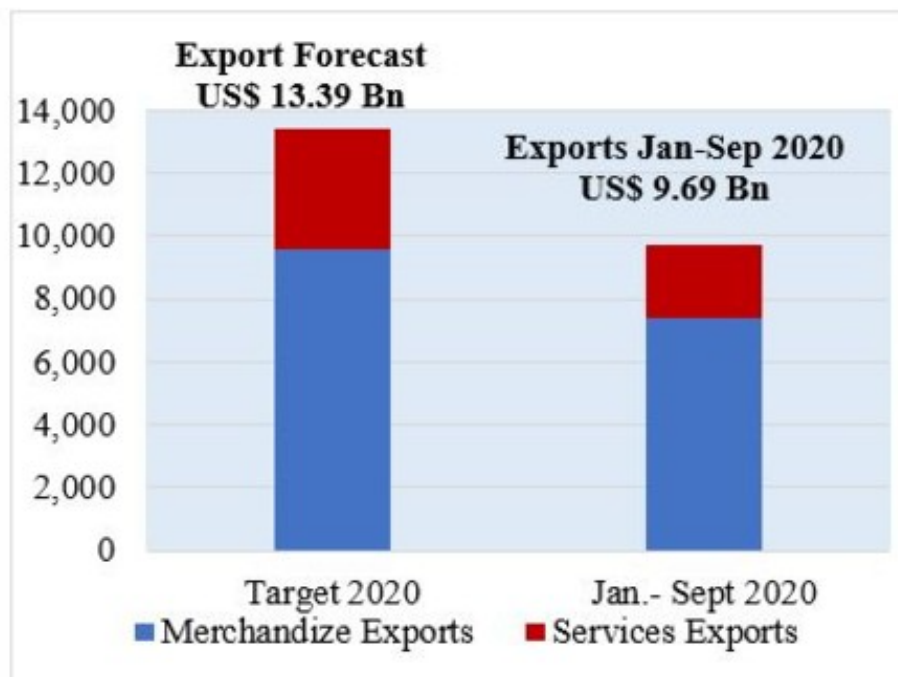
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Further, earnings from Merchandise exports and services exports achieved 77.33 % and 60.06% respectively during the period of January to September 2020.

CIIE IDEAL OPPORTUNITY FOR SRI LANKAN EXPORTERS



The third China International Import Expo (CIIE) is an ideal opportunity for Sri Lankan exporters to tap China's vast consumer market, a Sri Lankan official has said.

Anoma Premathilake, Director of Market Development of Sri Lanka's Export Development Board (EDB), told Xinhua in a recent interview that Sri Lankan exporters have been participating in the CIIE since it started in 2018 and found it an ideal venue to engage with Chinese consumers.

"We are very happy that the Chinese government has organized this type of import expo, and we look forward to continuing participating in this event as Sri Lankan companies have achieved good results there," she said.

The process for joining the CIIE has consistently been smooth and methodical due to digitization. The EDB is assisting small- and medium-sized enterprises which are faced with difficulties due to language barriers and lack of access to online platforms, the official said.

Though a total of 30 Sri Lankan exporters have registered for the CIIE this year, only seven companies will participate in the exhibition through their local agents, due to challenges posed by the COVID-19 pandemic, Premathilake said.

The EDB has previously launched successful promotion activities in China and is currently focusing on marketing products, including apparel, fresh and processed food, as well as wood and wooden products, Premathilake said.

"Sri Lanka is primarily sending commodities to China, but in the long-run we hope to export more value-added products," she said.

SCHEDULE

RATES OF EXCHANGE

EFFECTIVE FROM 02.11.2020 TO 08.11.2020

	Country	Country Code	Currency	Currency Code	Rate of Exchange (Rs.)
1	Australia	AU	Dollar	AUD	131.6430
2	Bahrain	BH	Dinar	BHD	494.5164
3	Bangladesh	BD	Taka	BDT	2.2022
4	Brazil	BR	Brazil Real	BRL	32.4453
5	Brunei	BN	Brunei Dollar	BND	136.6234
6	Canada	CA	Canadian Dollar	CAD	140.1406
7	China	CN	Renminbi	CNY	27.7474
8	China	CN	Offshore	CNH	27.7410
9	Czechoslovakia	CZ	Koruna	CZK	7.9836
10	Denmark	DK	Kroner	DKK	29.4417
11	Egypt	EG	Pound	EGP	11.8758
12	Euro Zone		Euro	EUR	219.1999
13	Ghana	GH	Cedi	GHS	31.9949
14	Hongkong	HK	Dollar	HKD	24.0560
15	Hungary	HU	Forint	HUF	0.5945
16	India	IN	Rupee	INR	2.5118
17	Indonesia	ID	Rupiah	IDR	0.0127
18	Iran	IR	Riyal	IRR	0.0044
19	Japan	JP	Yen	JPY	1.7853
20	Jordan	JO	Dinar	JOD	262.9760
21	Korea	KR	Won	KRW	0.1643
22	Kuwait	KW	Dinar	KWD	610.1113
23	Macau	MO	Pataca	MOP	23.3383
24	Malaysia	MY	Ringgit	MYR	44.8575
25	Maldives	MV	Rufiya	MVR	12.0602
26	Mauritius	MU	Rupee	MUR	4.6723
27	Myanmar	MM	Kyat	MMK	0.1449
28	Nepal	NP	Rupee	NPR	1.5773
29	New Zealand	NZ	Dollar	NZD	123.8587
30	Nigeria	NG	Naira	NGN	0.4891
31	Norway	NO	Kroner	NOK	19.9482
32	Oman	OM	Riyal	OMR	484.2920
33	Pakistan	PK	Rupee	PKR	1.1604
34	Papua New Guinea	PG	Kina	PGK	53.3247
35	Philippines	PH	Peso	PHP	3.8529
36	Poland	PL	Zloty	PLN	47.3674
37	Qatar	QA	Riyal	QAR	51.1979
38	Russia	RU	Rouble	RUB	2.3558
39	Saudi Arabia	SA	Riyal	SAR	49.7160
40	Seychelles	SC	Rupee	SCR	9.6732
41	Singapore	SG	Dollar	SGD	136.6234
42	South Africa	ZA	Rand	ZAR	11.3887
43	Sweden	SE	Krona	SEK	21.1023
44	Switzerland	CH	Francs	CHF	204.8338
45	Taiwan	TW	Dollar	TWD	6.5188
46	Thailand	TH	Baht	THB	5.9664
47	U.A.E.	AE	Dirham	AED	50.7602
48	United Kingdom	GB	Sterling Pound	GBP	242.2731
49	United States of America	US	Dollar	USD	186.4500
50	Zambia (Old)	ZM	Kwacha	ZMK	0.0359
51	Zambia (New)	ZM	Kwacha	ZMW	9.0840
52	Zimbabwe	ZW	Dollar	ZWD	0.4913

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TOWER



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SRI LANKA EXPORT DEVELOPMENT BOARD



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EXPO NEWS

MONTHLY INFORMATION BULLETIN FOR SRI LANKAN EXPORTERS

Compiled By :

TRADE FACILITATION & TRADE INFORMATION DIVISION

Chandima Wanniarachchi

Tel : 011 2300705-11 (Ext. 317)