



EDB

EXPO NEWS

MONTHLY BULLETIN

VOLUME 23 | ISSUE NO. 09

SEPTEMBER 2023

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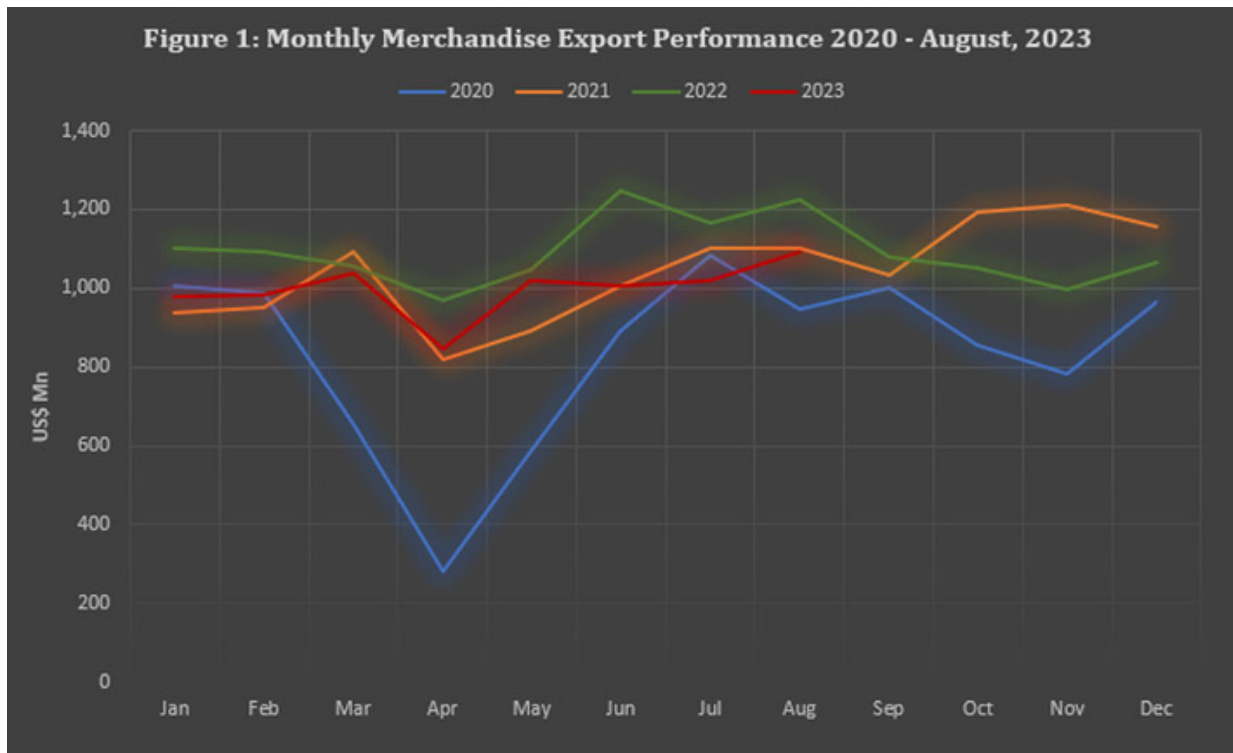


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SRI LANKA'S MERCHANDISE EXPORTS SURPASSES USD 1 BN MARK IN AUGUST



Sri Lanka's merchandise exports increased by 6.98 % to US\$ 1,091.6 million in August 2023 compared to July 2023 as per the provisional data released by the Sri Lanka Customs. However, it is a 10.91 % decrease when compared to the value recorded in August 2022.

The decline in merchandise exports is due to decreased demand for export products, particularly in sectors such as Apparel & Textiles, Rubber & Rubber-based products, and Coconut & Coconut-based products. Export earnings from Spices and Essential Oils increased by 19.52 % to US\$ 47.94 Mn in the month of August 2023 compared to the month of August 2022. This increase was primarily driven by a remarkable increase in the export of Pepper 176.83%.

Furthermore, the estimated value of ICT exports is expected to increase by 45.5% to US\$ 132.25 Mn in August 2023 when compared to August 2022. Additionally, the value of Transport & Logistics services exports is projected to increase by 26.45% in August 2023. compared to the same month in the previous year.

Export earnings from Apparel & Textile have decreased by 23.06 % y-o-y to US\$ 434.98 million in August 2023 compared to August 2022. In addition, Export earnings from tea, which made up 12% of merchandise exports, decreased by 3.83 % y-o-y to US\$ 119.64 Mn in August 2023. Export earnings from Rubber and Rubber Finished products have decreased by 19.70 % y-o-y to US\$ 80.16 Million in August 2023, with negative performance in exports of Pneumatic & Retreated Rubber Tyres& Tubes (-17.40%) and Industrial & Surgical Gloves of Rubber (-29.92 %).

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In addition, export earnings from the Electrical & Electronics Components decreased by 1.60 % y-o-y to US\$ 41.22 Mn in August 2023 with poor performance in exports of Electrical Transformers (-44.48 %). On monthly analysis, export earnings of Coconut based products decreased by 10.30% in August 2023. Export earnings from Coconut Oil, Desiccated Coconut and Liquid Coconut Milk which are categorized under the Coconut kernel products decreased by 10.15 %, 14.32 % and 9.97 % respectively in August 2023.

For the period of January to August 2023, overall merchandise exports decreased by 10.42 % to US\$ 7,983.13 Million compared to the corresponding period of 2022. Earnings from export of Tea, Spices and Concentrates, Gems & Jewellery and Electronics & Electronic Components increased by 6.23%, 12.91 % 13.52% and 8.45% respectively. Earnings from export of Tea increased by 6.23 % to US\$ 870.37 Mn was due to the increase of all the sub categories of tea sector except Bulk Tea and Tea Bags. In addition, export earnings from Spices and Essential Oils increased y-o-y by 12.91 % to US\$ 264.65 Mn.

Meanwhile, earnings from export of Electrical and Electronic Components (EEC) increased by 8.45 % to US\$ 337.85 Mn in the period of January to August 2023 compared to the corresponding period of 2022.

The value of ICT exports is estimated to increase by 20.88 % to US\$ 926.05 Mn in the first eight months of 2023 compared to the corresponding period of 2022. In addition, Construction and Financial services exports are estimated to increase by 75.43 % and 15.78% respectively in the period of January to August 2023.

Earnings from export of Apparel & Textile decreased by 18.79% to US\$ 3,315.56 Mn during the period of January to August 2023 compared to the same period of 2022. Export of Apparel declined by 19.95% and export of Textiles declined by 4.66% in January to August 2023. In addition, export earnings from Rubber & Rubber finished products decreased by 13.67 % to US\$ 609.26 Mn in January August 2023.

For the period of January to August 2023, export earnings from Coconut & Coconut based products decreased by 18.51% to US\$ 466.67 Mn from the same period last year. Further, export earnings from Seafood decreased by 11.18 % to US\$ 167.30Mn during the period of January to August 2023. Out of top 10 export markets, India, Italy, UAE and France have shown strong performance during the month of August 2023 and the period of January to August 2023.

Exports to the United States of America, Sri Lanka's single largest export destination, decreased 21.29 % to US\$ 252.13 Mn in August 2023. Exports to Free Trade Agreement (FTA) partners accounted for 6.5 % of total merchandise exports and increased by 23.02% to US\$ 93.2 Mn in August 2023 compared to August 2022.

Export of Services

The estimated value of services exports for the period of January to August 2023 was US\$ 1,409.08 Mn, increasing 12.96 % over the corresponding period of 2022. The services exports estimated by EDB consists of ICT/BPM, Construction, Financial services and Transport & Logistics.

WEBSITE OF SRI LANKA'S CONTROL BODY FOR ORGANIC AGRICULTURE UNVEILED



Sri Lanka's control body for organic agriculture - the National Organic Control Unit (NOCU), operating under the aegis of the Sri Lanka Export Development Board (EDB), has taken a significant step towards promoting and regulating Sri Lanka's organic agriculture sector with the launch of its official website - www.nocu.lk. This website development was done through the project support to Small and Medium Enterprises in the Organic Agriculture Sector in Sri Lanka which was jointly co-financed by the EU and BMZ implemented by GIZ Sri Lanka. The inauguration ceremony was held at the EDB headquarters with the presence of dignitaries.

Honourable dignitaries included the Head of Cooperation at the EU delegation to Sri Lanka and the Maldives, Dr. Johann Hesse, and representatives from the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH), EDB Chairman Dr. Kingsley Bernard, and Acting Director General Ms. Malani Baddegamage. Officials graced the momentous occasion.

The objectives of NOCU are manifold, including safeguarding the credibility of organic agriculture products within the domestic and international markets, the implementation of Sri Lanka Organic Regulations, as well as the promotion of organic agriculture systems. The establishment of an official website was deemed imperative to facilitate communication with stakeholders and provide essential information, thereby fostering a sustainable organic agriculture ecosystem in Sri Lanka.

The website - www.nocu.lk - will serve as the primary interface for NOCU to directly engage with stakeholders. This digital platform will enable NOCU to implement an effective communication strategy, ensuring transparent and efficient interactions with all the relevant parties and the online registration of stakeholder.

The launch of www.nocu.lk represents a significant milestone in Sri Lanka's organic agriculture journey, solidifying its commitment to ensure the highest standards of organic practices and fostering sustainable organic agricultural systems. With this dedicated online platform, NOCU is poised to connect with stakeholders, disseminate vital information, and fortify Sri Lanka's reputation as a trusted source of organic agricultural products in the local and international marketplace.

SL LOOKING FOR A 10-15% INCREASE IN EXPORTS FROM 2022 TO 2023



Sri Lanka expects a 10-15% increase in export revenue in 2023 compared to 2022 as external market conditions hamper the export growth in the country, Chairman of the Export Development Board (EDB), Dr. Kingsley Bernard said.

Speaking to TV Derana he said that the EDB has given up on targeting export figures for 2023 due to volatile external market conditions and is looking into alternative approaches to improve the export sector numbers. “Tea, rubber and apparel exports need to be improved when taking the benchmark as of 2022 figures, we would like to get at least a 10-15% increase from last year's figures in 2023,” he said.

According to the Central Bank, Sri Lanka earned an export revenue of \$13.1 billion in 2022 while the cumulative export earnings from January to June 2023 recorded a 10% decrease year-on-year (YoY) to \$ 5.8 billion, with major exports such as apparel falling by 18.2% YoY to \$ 2.2 billion.

Dr. Bernard said that the Joint Apparel Association Forum (JAAF) is working ‘very hard’ with the EDB, the Board of Investments (BOI) and other organisations for vertical integration of industry as Sri Lanka is not self-sufficient in textiles. “The Government is going to set up a textile park in Eravur, these may be long-term solutions but still, these are very appropriate solutions for these industries,” he added.

Moreover, he said that Sri Lanka is working on several Free Trade Agreements (FTA) and Comprehensive Free Trade Agreements with countries such as India, China and Thailand to bridge the gap between the declining trend of exports.

Dr. Bernard also said that the Government is looking at certain agreements with Regional Comprehensive Economic Partnership (RCEP) countries for concessions for Sri Lanka apparel exporters to gain an advantage over the competitors.

Source : .themorning.lk

10 SRI LANKAN ORGANIC FARMING BUSINESSES SHOWCASED THEIR EXPORT POTENTIAL IN BERLIN

A high profile event held at the Embassy of Sri Lanka in Berlin on 8th September provided a unique platform for 10 Sri Lankan companies to showcase their organic agriculture products with export potential and connect them with potential buyers and investors in Europe. Implemented as part of the 'Support to Small and Medium Enterprises in the Organic Agriculture Sector' Programme, jointly co-financed by the European Union (EU) and the German Federal Ministry for Economic Cooperation and Development (BMZ), the 'Flavours of Sri Lanka' event was a collaboration between GIZ Sri Lanka, The Embassy of Sri Lanka in Berlin and the EDB.



The 10 displayed Sri Lankan organic products were: Banana blossom (Sayaladu CoCo); Coconuts (Ceylon Exports & Trading); Vanilla (D&P Ceylon Expo); Cinnamon (Savour Route); Pepper (Joint Agri Products Ceylon Pvt Ltd); Jackfruit (Worga Naturals Pvt Ltd); Mango (Ellawala Horticulture Pvt Ltd); Blooming Tea (Gralgo from Ceylon Pvt Ltd); Immunity Booster Drink (Adhitya Ayurveda); and Moringa Powder (Lanka Good Market Gte Ltd). European buyers and investors were able to discover and try the products while interacting with the respective companies and building business connections. Enhancing the atmosphere at the event, fusion dishes were prepared from the products on display to the audience, thus bringing them to life.

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Notable speakers at the event included the Chair of the Parliamentary Friendship Group for Relations with the States of South Asia of Deutsche Bundestag and Former Federal Minister of Consumer Protection, Food and Agriculture of Germany Renate Kuenast; Her Excellency Ambassador of Sri Lanka to Germany Varuni Muthukumaran; International Officer responsible for Sri Lanka from the European Commission Tomasz May; and the Head of GIZ Berlin Randa Kourieh. Also in attendance were senior Sri Lankan government officials representing the Sri Lanka Export Development Board, The Sri Lanka Standards Institute, The Sri Lanka Accreditation Board and the Department of Agriculture, as part of an International Study Tour that was funded through the 'Support to Small and Medium Enterprises in the Organic Agriculture Sector' Programme co-financed by the EU and BMZ.

The event highlighted the EU and GIZ work done in the field of Organic Agriculture in Sri Lanka, which included supporting over 1000 farmers and over 100 private sector companies. GIZ Sri Lanka and EU have been leveraging Sri Lanka's organic agriculture industry, by providing technical inputs and knowledge to uplift the industry's export potential.



Image Captions :

Participants including Embassy of Sri Lanka In Germany ,GIZ Sri Lanka Team,10 SME's and the policy Study group posing for a picture

Ms. Renate Künast, Chair, Parliamentary Friendship Group for Relations with the States of South Asia of Deutsche Bundestag and Former Federal Minister of Consumer Protection, Food and Agriculture of Germany, **H.E Varuni Muthukumarana** Ambassador of Sri Lanka to Germany with **Ms. Randa Kourieh**, Head of GIZ Berlin Office

SRI LANKA AND AUSTRALIA TO FORGE DEEPER TRADE LINKS THROUGH 'A JOURNEY OF EXPLORATION'

The Sri Lanka and Australia Chamber of Commerce is set to unveil an unprecedented initiative that promises to further strengthen the long-standing friendship between Sri Lanka and Australia. Accordingly, under the banner of 'A Journey of Exploration', an exhilarating series of events is set to unfold, as the chamber expects to host the high-profile Australian Trade Delegation 2023.

This series of events is expected to be a captivating blend of exploration, cultural immersion and economic collaboration, designed to forge stronger bonds between the two nations. Scheduled to run from September 04-10, 2023, this landmark event is being orchestrated by the Sri Lanka and Australia Chamber of Commerce, in close partnership with the Victoria State Government, alongside other notable stakeholders, including the Export Development Board (EDB), National Chamber of Commerce, SLASSCOM, Port City, Hatch and Orion City. The culmination of tireless efforts, this initiative is poised to usher in a new era of prosperity for both nations.



**Sri Lanka and Australia
Chamber of Commerce
President Kalum De Silva**

Australian Trade Delegation 2023 will include a distinguished roster of 11 representatives, including notable figures from the Aboriginal Economic Development Group (AEDG), Victoria State Government and other prominent business entities.

The delegation is led by AEDG Director Sara Stewart. With avenues of exploration spanning food, textile and IT, the delegates are poised to engage in transformative interactions that have the potential to reshape economic landscapes.

Commenting on the significance of this initiative, Sri Lanka and Australia Chamber of Commerce President Kalum De Silva said, "Our chamber is committed to linking the business communities of the two countries to encourage economic development, further fortifying and diversifying the strong cultural and diplomatic relationships that already exist. Through this event, we envision not only economic growth but also the cultivation of stronger bonds of friendship and understanding between our nations."

This is the union of Australia's First Nations people with the indigenous community of Sri Lanka and is a powerful testament to the enduring significance of indigenous cultures worldwide. As these two distinct yet spiritually connected communities converge, they weave a tapestry of shared wisdom, resilience and a deep reverence for the land. We look forward to hosting Australian Trade Delegation 2023 and giving them unique insights into what Sri Lanka has to offer Australia and the world."

The week-long event will feature a series of exciting events. Exploring growth opportunities, the delegation will participate in discussions on mutual expansion prospects during sessions at the EDB.

A visit to Port City Colombo promises a glimpse into the burgeoning dynamism of Sri Lanka's evolving infrastructure, as the Gateway to South Asia edges closer to completion. The immersive IT sector tour is set to unfold at Hatch Incubator and Orion City IT Park, giving Australians a first-hand look into the thriving tech landscape of Sri Lanka and the expansive opportunities it presents.

Exploring collaborative opportunities, the delegation will partake in productive B2B meetings with key stakeholders across the food, textile and IT sectors. A number of exciting cultural encounters have also been woven in, with highlights ranging from a sensory Kandy spice plantation visit to an exploration of a quaint handloom textile village. An indigenous village visit is also planned, forging a profound connection between the delegates and the local communities, underscoring the essence of unity.

SRI LANKA EXPLORE MORE OPPORTUNITIES AT BANGKOK GEM & JEWELLERY FAIR IN THAILAND



Sri Lanka's Gem & Jewellery sector has a vast potential to increase foreign exchange earnings to achieve the export targets and the sector is identified as one of the key foreign exchange earners in the country.

Considering the importance of strengthening the Gem & Jewellery industry and increasing the sector's contribution to the economy, EDB in collaboration with the Sri Lanka Embassy in Thailand organized a Sri Lanka pavilion at the 68th Bangkok Gems and Jewellery Fair (BGJF) 2023 held from 06th to 10th September 2023 in Bangkok, Thailand. Thailand is considered as the Gems & Jewellery Hub in Asia as most of the world's major Gems & Jewellery buyers source their requirements from Thailand and it is the 2nd largest market for Sri Lankan Gems in 2022 with a high potential to further expansion of exports.

A delegation from Sri Lanka participated at the 68th BGJF 2023, the Asia's leading trade show for the Gems & Jewellery industry that provides an outstanding platform for Thailand and international Jewellery manufacturers to display their latest creations.

This annual trade fair provides a platform for importers, buyers, sellers, manufacturers to expand their businesses in many dimensions from material sourcing, trading, and network-building.

This year, more than 15,000 buyers and visitors from the global gems and jewellery industry including 1,000 Thailand and international companies in 2,400 booths participated. EDB has entered into a promotional agreement with the Thai Trade Centre Chennai (TTCC) since 2017 and organized Sri Lanka's participation at the BGJF. Based on this long-term mutual understanding, EDB could be able to receive a prominent location at a better rate to construct the Sri Lanka pavilion in this year.

Sri Lanka's business delegation to 68th BGJF 2023, comprising seven (07) Sri Lankan companies; A R Gems (Pvt) Ltd, Gemex Lanka, Global Gems (Pvt) Ltd, Gem Paradise, Natural Sapphires Ceylon (Pvt) Ltd and Ceylon Beauty Gems. Part cost of SMEs were reimbursed by the Sri Lanka Export Development Board. The country pavilion of Sri Lanka showcased precious & semi-precious gem stones and gem studded jewellerys.

The companies participated at the 68th BGJF 2023 stated that this show has provided an excellent platform for Sri Lankan Gem exporters to receive more orders from various foreign buyers and to explore the new trends available at international market.

EDB looks forward to continue the organizing of Sri Lanka pavilion at Bangkok Gem & Jewellery Fair and bring much needed foreign exchange to the country at this crucial juncture.

STRENGTHENING ECONOMIC BONDS: ISRAEL-ASIA CHAMBER OF COMMERCE EXPLORES TRADE EXPANSION WITH SRI LANKA



Ms. Anat Bernstein-Reich, President of Israel - Asia Chamber of Commerce cum Chairperson / Israel - Sri Lanka Chamber of Commerce met Dr. Kingsley Bernard, Chairman of the Sri Lanka Export Development Board (EDB) on 28th August, 2023. This official meeting was initiated by His Excellency. M.H.M. Nimal Bandara, The Ambassador of Sri Lanka in Israel. The Sri Lankan delegation was represented by Additional Secretary of Foreign Ministry of Sri Lanka, Mrs. Shanika Dissanayake, Senior EDB officials as well as representatives of private sector companies from Sri Lanka's export community. The participants had a fruitful discussion to explore avenues to promote trade and economic cooperation between Israel and Sri Lanka.

The deliberations were aligned with the efforts of the Sri Lankan Embassy in Israel to maximize opportunities for Sri Lanka's dynamic private sector and create a fertile ground for export businesses.

Ms. Anat Bernstein highlighted the substantial potential that lies within various sectors. She underscored the surging demand for high-tech, medical, pharmaceutical, and electronic products, noting that these segments present ample investment prospects while stressing that Israel's renowned expertise and advanced solutions in these fields could be harnessed to create fruitful partnerships in the future. Furthermore, Ms. Bernstein identified sustainable agriculture, electronic products, and IT services as high-potential areas where Sri Lanka and Israel can forge new partnerships.

The delegates also discussed about organizing business delegations and mutual visits, highlighting the importance of face-to-face interactions in building strong business relationships. To provide a platform for comprehensive discussions, a joint business forum will be convened during 2024, bringing together stakeholders from both nations.

The officials of private sector companies Nelna Agri Development, Orel IT, Galgo from Ceylon and M/S Zahir Raheem took part in the discussion. An understanding was reached to strengthen connections with the Israeli business community with the support of Ms. Bernstein, and it was proposed to organize sector-wise activities such as B2Bs, outward/ inward delegations, participation in each other's' events, startup mentoring programs, technology transfers, export-led investments, etc. Both nations look forward to a future of expanded cooperation, and these efforts are poised to create enduring partnerships in addition to capitalizing on the abundant opportunities that lie ahead.

A COLLABORATIVE VISION TO REVITALIZE SRI LANKA'S MINERAL-BASED INDUSTRY



Export Development Board (EDB) has identified value added Mineral products sector as a potential sector to be developed and promoted in the international market. Sri Lanka possesses a wealth of industrial minerals that can be processed and transformed into value-added products. This value addition can create higher-value exports, generate more employment opportunities, and contribute to the country's economic growth.

In this regard, a meeting was held with the members of Chamber of Mineral Exporters (CME) and EDB recently to fostering unprecedented growth in Sri Lanka's mineral sector. Chaired by Dr. Kingsley Bernard, the Chairman & CEO of EDB, the meeting witnessed the participation of stalwarts from both the organizations coming together to carve out a path to prosperity for the mineral-based industry in Sri Lanka. The CME was represented by its Chairman, Mr. Amila Jayasinghe of Bogala Graphite Lanka PLC, Mr. A F M Farook, Vice Chairman CME, from COO of Ceyquartz MBI (Pvt) Ltd., Ruhunu Lanka Minerals, Dr. Sandun Dalpatadu, the Secretary of CME from Damsila Resources (Pvt) Ltd. & Krishna Mining Company (Ceylon) (Pvt) Ltd., Mr. Mohammed Yaasir, Treasurer CME from Mirama Quartz Industries (Pvt) Ltd., and Mr. Jaliya Gunasena, ExCo Member CME, representing Lanka Minerals and Chemicals (Pvt) Ltd. & LANMIC Exports (Pvt) Ltd.

During the meeting, the members of the Chamber of Mineral Exporters insisted on the governmental support in research and development to revising royalty systems grounded in pithead value, in line with international norms.

A significant proposal brought forth was a request for a 300% tax rebate for research and development activities in collaboration with Sri Lankan educational institutions. Additionally, the members of the CME emphasized the necessity for a fair and equitable approach to royalty calculations to ease the financial burden on mining entities.

The stakeholders advised the government to foster foreign investments and proposed the state to conduct a comprehensive ore reserves study to maintain transparency and informed decision-making within the industry. They also proposed the importance of securing international accreditation for the Geological Survey & Mines Bureau laboratory in collaboration with the Sri Lanka Standards Institution to enhance global credibility.

Furthermore, the members emphasized on the untapped potential of numerous pocket mines in Sri Lanka, advocating for the development of support industries equipped with state-of-the-art technology. The members of CME urged the government to consider duty waivers for the import of new technology and pertinent spare parts to foster innovation and elevate the sector to international standards.

A recurring theme was the call for a continuous forum involving policy makers and industry stakeholders, to facilitate practical discussions and foster innovative solutions to on-ground challenges.

The request of the members of the Chamber of Mineral Exporters is the government intervention to bring these groundbreaking proposals to fruition, laying the foundation for a collaborative and prosperous future for Sri Lanka's mineral export industry.

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ISSN 2579-1688

EXPO NEWS

MONTHLY INFORMATION BULLETIN FOR SRI LANKAN EXPORTERS

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