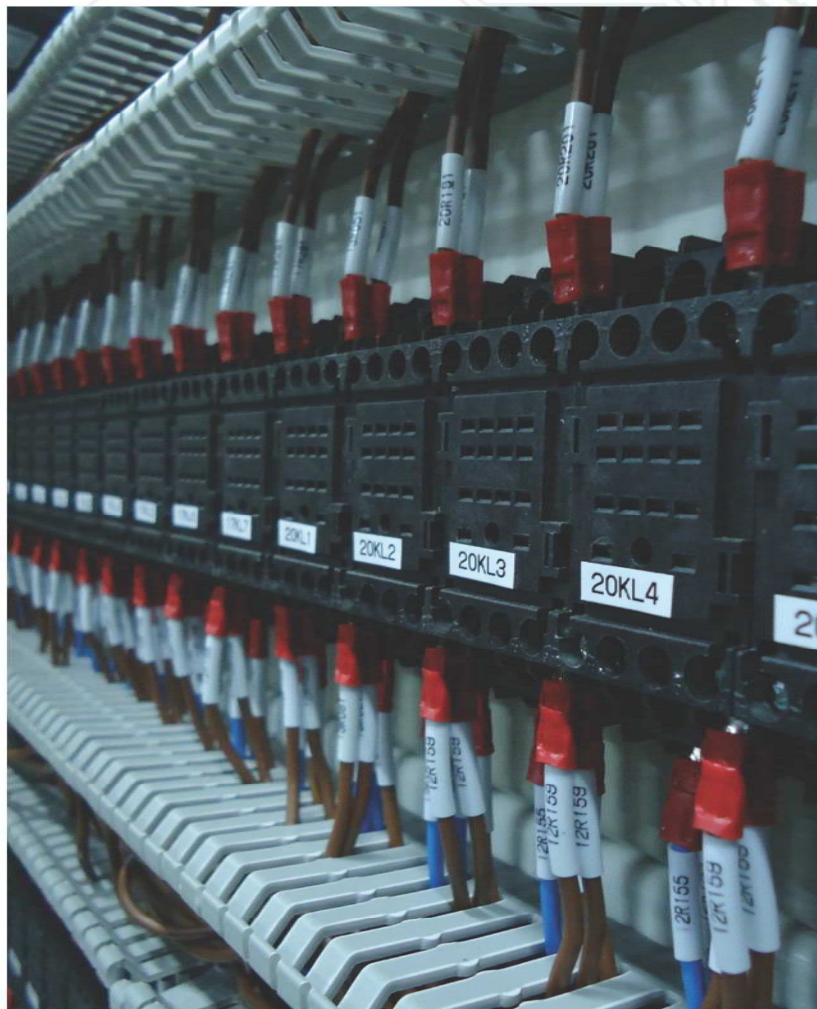


ELECTRICAL AND ELECTRONICS INDUSTRY OF SRI LANKA



The Electrical and Electronics Industry in Sri Lanka has grown over the past 40 years into a key industrial manufacturing sector contributing towards the country's economic growth and more specifically export-led growth within the philosophy of the government. The Industry contributes to over US dollar 300 million towards the country's value added export revenues and absorbs over 40,000 skilled workers in its multi-faceted activities. The workforce is drawn from a pool of skilled young men and women with basic academic and technical knowledge.

The key players of the sector perform their operations within the country's Export Processing Zones under the purview of the Board of Investment (BOI) of Sri Lanka. FDK, Okaya Denki, Lanka Hiqu and Kramski are located within the BOI EPZ Katunayake, Tos Lanka and Lanka Harness at Biyagama and Nippon Maruchi Lanka at Homagama. I.E. Techniques which is a pioneer in Electronics manufacturing as well as CCS Lanka and Vario Systems operate from outside the Zone enjoying BOI status.



The Industry, which started off as a basic assembler of consumer electronics and products in the early 70s, migrated towards electronic components and assemblies in the post 1977 period covering a range of products such as printed circuit boards, magnetic heads, ferrite cores, coil assemblies, transformers, harness assemblies and energy saving lamps. Automobile safety components such as air bag impact sensor harnesses and seat belt switches which require a quality level of 1PPM (only one defect would be tolerated for a million produced which is the highest quality standard anywhere in the world).

Electrical products have acquired a high reputation for Low Voltage Cables, Aerial Bundled Conductors, Electrical Panel Board, Metal Enclosures, Cable Management Systems, Data Racks, Low Voltage Power Distribution boards in terms of quality design and manufacturing capabilities.



Research & Development

The Research and Development (R&D) sector in Sri Lankan electrical and electronics industry has produced many innovations which have led to the successful manufacturing of products and cost effective supplementary equipments that have facilitated to the progress of current production processes. There are seven universities in Sri Lanka producing graduates in the fields of electronics, engineering and computer studies. In addition, there are of Engineers and Managers trained and having experience in foreign universities also contributing positively to the expansion of this industry. The strategic planning and right managerial decisions have immensely contributed towards the growth of the industry as well. The Research and Development



sector is strengthened by the state-of-the-art testing equipments and designing equipments which lead to the rapid development in the electronics industry in the South Asian region.

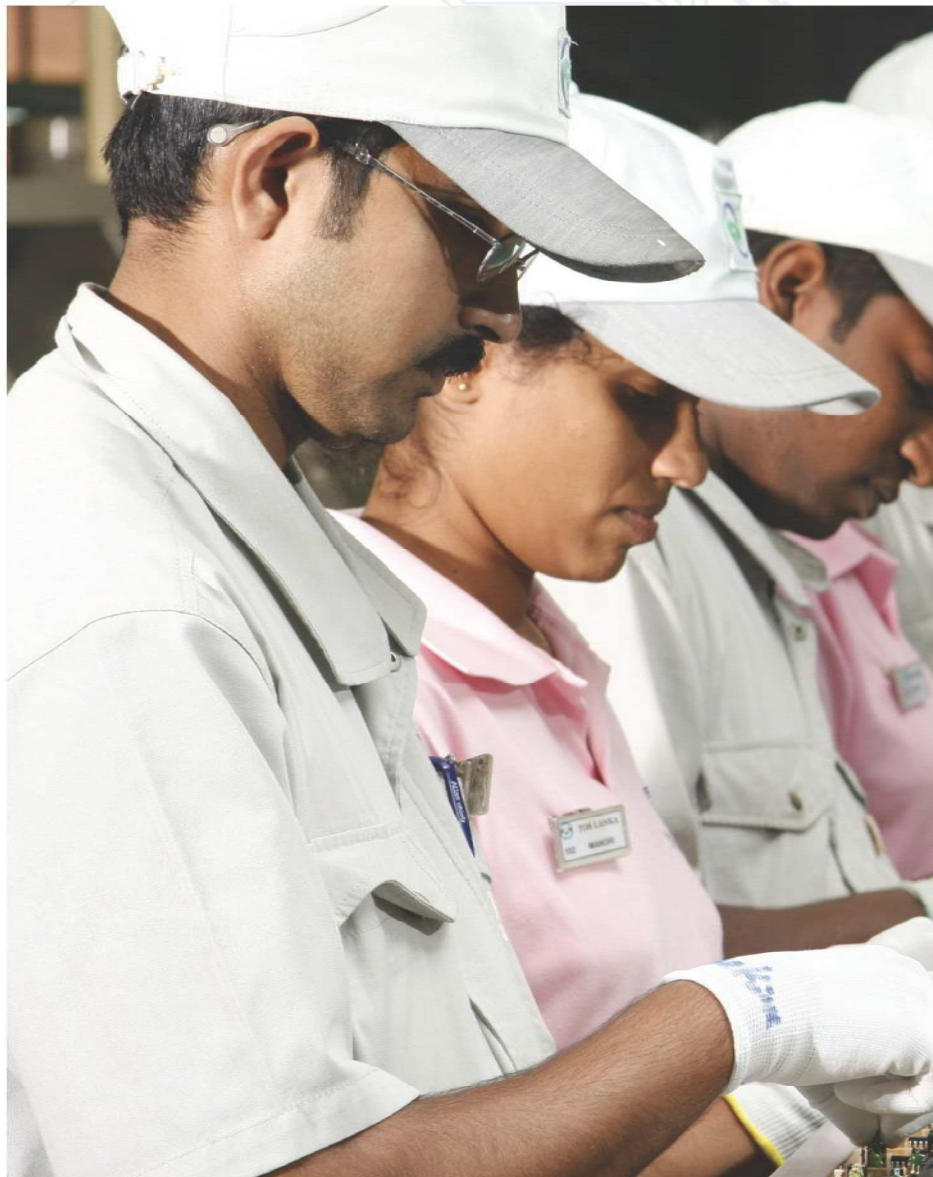
The vision of the electronics industry is to move forward towards the assembly of electronic products and focus on knowledge based electronics related to embedded software. Major initiatives are being geared towards a rapid revolution within the sector supported by global R & D partners with the focus on developing medical services equipment including IVF workstations aimed at capturing a significant share in the global market for such products. Energy Saving Lamps and TV transmission related products are also being increasingly produced for global markets in Japan, Europe, North America and India.



Role in the Global Market

The Sri Lankan Electronics Industry is progressively developing into the status of a hub for global electronics value added supply chain with products and services finding acceptance among the most discerning buyers in Japan, Europe and North America and India.

The key stakeholders of the Electronic Industry are all ISO certified, committed towards protecting the environment, observe ROHS and WEEE regulations, decent labour in conformity with the ILO requirements. The Industry has therefore found wide acceptance and is increasingly attracting sophisticated buyers from Electronics Manufacturing Services partners operating in Japan, Europe, North America and India.



As part of its market development vision, the industry is currently focusing on the opportunities for electronic components and assembly in the neighbouring market of India and specially Tamilnadu in areas such as automotive electronics, telecommunications, bio-medical engineering and consumer electronics. The industry is targeting to grasp at least a small percentage of the opportunities available in the lucrative Indian Market for Electronics, which stands at US dollar 60 billion turnover per year.

Sri Lankan exporters are privileged to receive several added advantages and preferential market accesses under several bilateral and other agreements, including the Indo-Lanka Free Trade Agreement, Pakistan-Sri Lanka Free Trade Agreement and South Asian Free Trade Area (SAFTA).

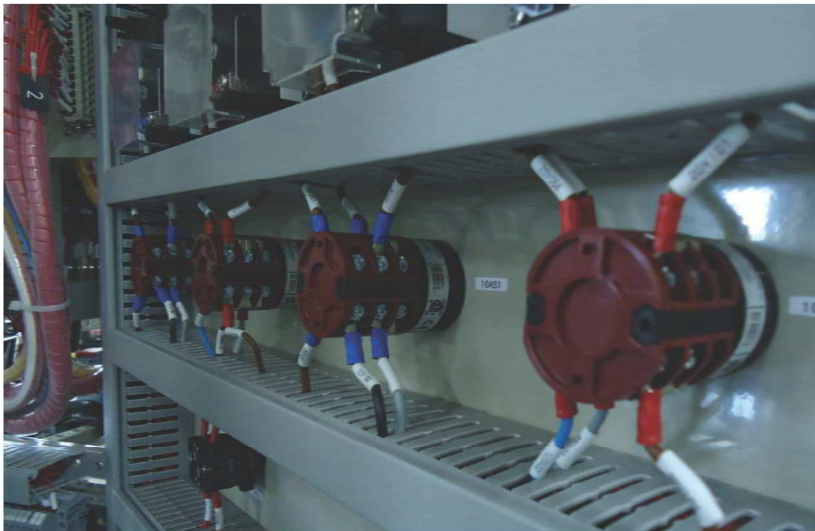
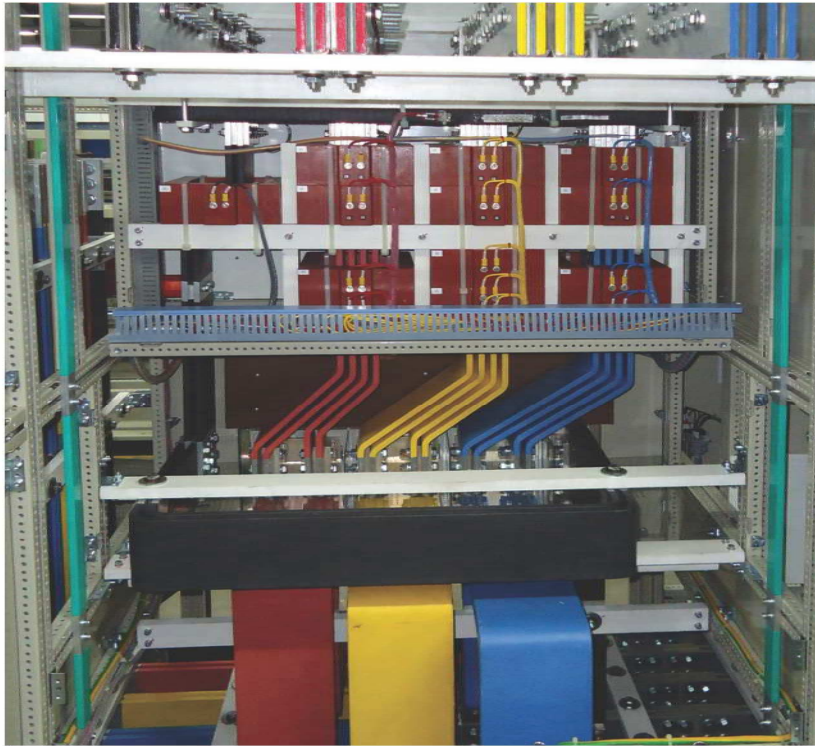




Associated Institutions

Towards moving the vision of achieving status as a global hub for electronics, the Industry has now formulated Research and Development initiatives through state agencies such as the Ministry of Scientific Affairs and specially the Coordination Secretariat for Science Technology and Innovation (COSTI) which comes under its purview. Industry works in close liaison with the Universities and Academic Institutions and has been maintaining sustainable relationship with the Sri Lanka Export Development Board as well as with the Board of Investment and other state agencies including the Ministry of Industry and Commerce. The Sri Lanka Electronic Manufactures and Exporters Association (SLEMEA) was formulated with the intension of empowering and meeting challenges faced by the industry.





Plans for the Future

The Sri Lankan Electronics Industry looks forward to achieving its progress through the new opportunities created in the country after eradicating terrorism in 2009 and achieving peace to the long standing ethnic conflict, strengthening political stability and national reconciliation. In this process, the Industry looks forward to the support of a dynamic pool of human resources consisting largely of young men and women with vision strengthened by academic capabilities, manufacturing and R & D oriented skills, produced in adequate numbers by the secondary schools and internationally recognized universities such as the University of Peradeniya and University of Moratuwa.

For more information on Sri Lanka Electrical and Electronics Industry visit : www.srilankaictelectronics.com



SRI LANKA EXPORT DEVELOPMENT BOARD

The Sri Lanka Export Development Board is Sri Lanka's apex organisation for the promotion and development of exports. It was established in 1979 under the Sri Lanka Export Development Act No. 40. EDB is the executive arm of the Export Development Council of Ministers, headed by H.E. the President of Sri Lanka, which is the policy-making body of the EDB.

What We Do

We assist in negotiating business with Sri Lanka, either as an importer or an investor in export production.

Functions of the EDB encompass a range of activities such as promoting exports, organising buyer-seller meets, and exhibitions, providing essential information to both local and foreign entrepreneurs and assisting in the formulation and maintenance of quality standards wherever applicable.

The EDB is manned by a team of professionals, knowledgeable in their own specialized areas, who maintain close personal links with the respective sectors and hence highly competent in providing you helpful advice.

The EDB has on its Board of Management, representatives of both state and private sector organisations involved in export activities. Dedicated to the task of promoting more exports and better exports for the benefit of exporters and importers alike, the full range of its services are provided free of charge.

SRI LANKA EXPORT DEVELOPMENT BOARD



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