

SRI LANKA EXPORT DEVELOPMENT BOARD



*Market & Country
Brief on Japan*

PREPARED BY:

**MARKET DEVELOPMENT
DIVISION -EDB**

September 2020

Contents

1. Trade between Sri Lanka & Japan
2. Bilateral Trade between Sri Lanka and Japan
3. Sri Lanka's Major Export Products to Japan – (2015-2019)
4. Sri Lanka's Major Import Products from Japan – (2015-2019)
5. Potential Products to be exported from Sri Lanka
6. Sri Lanka's Leading Exporters to Japan -2019
7. Facts about Japan

1. Trade between Sri Lanka & Japan

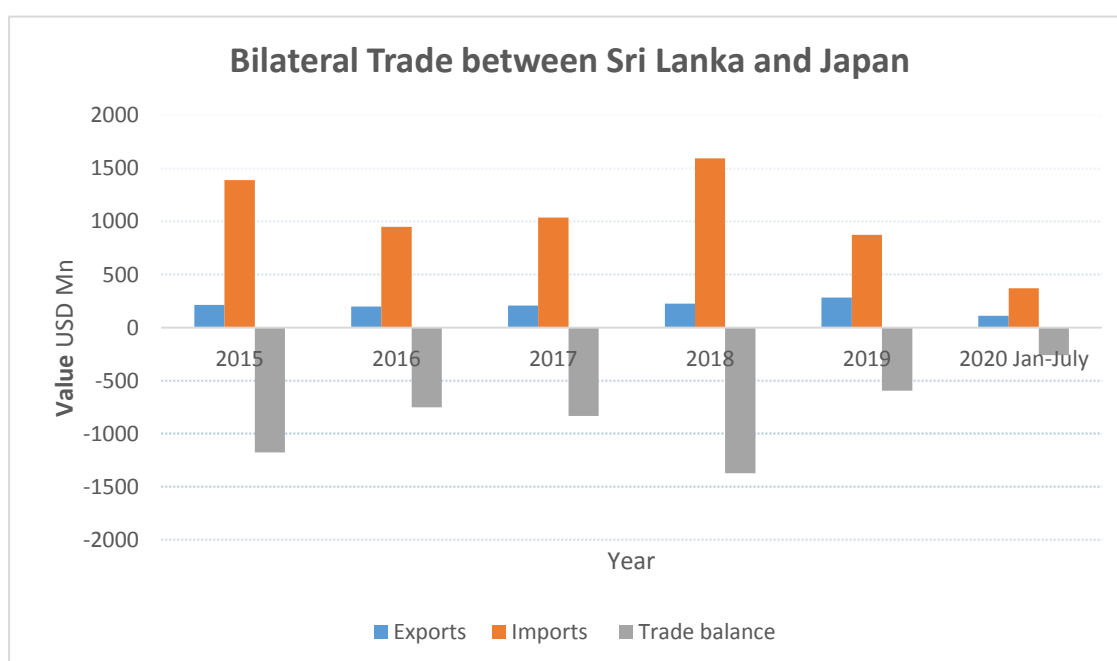
Japan is the 8th largest export destination for Sri Lanka in 2019 by exporting 2.4% from the total exports. Sri Lanka Exports to Japan has been increased over the past few years and recorded USD 282 Mn in 2019. Japan was the Sri Lanka's 5th largest import destination in 2019 with the value of USD 876 Mn.

Sri Lanka's main export products to Japan in 2019 were Apparel, Boat Building, Tea, Coconut fiber products, Shrimps & Prawns, Animal Feed, Rubber Gloves and Tableware & Kitchenware etc. The main import products from Japan were Transport Equipment & Parts, Electrical & Electronic Products, Chemical Products, Plastic Products, Synthetic Rubber, Mineral Products, Woven Fabrics, and Base Metal etc.

2. Bilateral Trade between Sri Lanka and Japan (2015-2020 Jan-July) Value in USD Mn

Year	Export to Japan	Import from Japan	Trade balance
2015	214	1,392	-1,178
2016	200	951	-751
2017	207	1,039	-832
2018	225	1,597	-1,372
2019	282	876	-594
2020 Jan-July	110	371	-261

Source: Trade map



3. Sri Lanka's Major Export Products to Japan (2015-2019) - Value in USD Mn

Code	Description	2015	2016	2017	2018	2019
S.1001	Apparel	40	45	42	54	59
S.190301	Boat Building					58
S.0103	Tea in Bulk	31	28	35	32	30
S.030205	Coco Peat, Fiber Pith & Moulded products	11	13	12	11	13
S.080103	Shrimps and Prawns	10	12	14	14	11
S.1107	Animal Feed	...	1	2	3	11
S.0101	Tea Packets	11	14	10	9	10
S.020303	Industrial & Surgical Gloves of Rubber	2	1	2	4	7
S.170302	Tableware & Kitchenware	6	5	6	5	5
S.2299	Other Manufactures	5	4	4	5	5
S.190107	Insulated Wires and Cables	7	7	6	5	5
S.170101	Silica & Quarts	4	4	6	6	5
S.020302	Pneumatic & Retreated Rubber Tyres & Tubes	6	6	6	5	4
S.030301	Activated Carbon	6	4	4	6	4
S.020304	Gaskets, Washers, Seals etc. of Hard Rubber	5	4	5	4	4
S.030206	Brooms & Brushes	4	4	4	3	4
S.1101	Processed Vegetables, Fruits & Juices	4	3	4	3	4
S.020104	Crepe Rubber	4	4	4	4	3
S.0602	Foliage	3	2	3	3	3
S.190199	Other Electrical & Electronic Products	1	1	2	3	3
S.080199	Other Edible Fish	0	1	3	4	2
S.1103	Processed Food	1	1	2	2	2
S.030102	Desiccated Coconut	2	3	1	3	2
S.170103	Graphite	2	2	2	2	2
S.2203	Brooms & Brusher of Other Fibers	1	1	1	1	2
	Other Products	48	30	29	34	25
	Total :	214	200	207	225	282

Source: Sri Lanka Customs

4. Sri Lanka's Major Import Products from Japan (2015-2019) - Value in USD Mn

Code	Description	2015	2016	2017	2018	2019
S.1902	Transport Equipment & Parts	1,085	590	669	1,244	571
S.1901	Electrical & Electronic Products	148	178	174	144	112
S.2299	Other Manufactures	21	25	19	20	28
S.1601	Chemical Products	32	28	25	28	27
S.1602	Plastic Products	17	20	19	18	18
S.0202	Synthetic Rubber	11	14	21	18	17
S.1704	Other Mineral Products	4	13	18	14	16
S.1002	Woven Fabrics	13	15	18	17	15
S.1899	Other Products of Base Metal	16	14	23	24	12
S.1801	Structures of Iron & Aluminum	5	1	2	4	10
S.0203	Rubber Finished Products	8	18	10	8	8
S.1804	Refined Copper & Lead Alloys	2	4	11	8	7
S.1099	Other Textile Articles	8	10	7	7	7
S.1903	Other Engineering Products	3	1	4	23	7
S.2101	Petroleum Oils	3	2	3	3	3
S.1805	Tools, Implements, Cutlery & Parts	1	1	2	1	2
S.1803	Nails, Screws, Bolts & Nuts of Metal	1	1	1	2	2
S.1301	Raw Hides & Skins	1	1	1	1	1
S.2204	Buttons, Studs, Fasteners & Similar Products	1	2	1	1	1
S.1702	Articles of Stones	1	1	1	1	1
S.1503	Other Paper & Paper Products	4	3	2	2	1
S.0799	Other Export Crops	1	1	1	1	1
S.2199	Other Petroleum Products	1	1	1	1	1
S.1703	Ceramics & Porcelain Products	1	1	0	1	1
S.2201	Toys, Games & Sport Requisites	1	1	1	1	1
	Other Products	5	6	5	6	3
	Total :	1,392	951	1,039	1,597	876

Source: Sri Lanka Customs

5. Potential Products Categories to Export from Sri Lanka

- Apparel
- Boat Building
- Tea
- Solid or cushion tyres
- Spices
- Industrial & Surgical Gloves of Rubber
- Gems & Jewellery
- Auto parts including tyres, insulated wires and cables

6. Japan Generalized System of Preferences (GSP) Scheme

Japan grants preferential tariff treatment under its GSP (Generalized System of Preferences) scheme to 128 developing countries (including Sri Lanka) and 5 territories.

Under its GSP scheme, Japan applies reduced tariffs to designated import products originating from developing countries/territories, aiming to help them increase export income, advance industrialization and promote economic development. 337 agricultural & fishery products and 3,216 industrial products at HS nine-digit level were granted preferential tariffs. The GSP scheme excludes many agricultural products and certain industrial products.

Link: <https://www.mofa.go.jp/policy/economy/gsp/index.html>

7. Sri Lanka's Leading Exporters to Japan-2019

No.	Company Details	Products Exported within this Period
1	COLOMBO DOCKYARD PLC	Boat Building
2	BRANDIX APPAREL LTD	Apparel
3	PRIMA CEYLON PVT LTD	Animal Feed
4	EAM MALIBAN TEXTILES PVT LTD	Apparel
5	HERITAGE TEAS PVT LTD	Tea in Bulk, Other Tea, Tea Packets
6	ANSELL LANKA PVT LTD	Industrial & Surgical Gloves of Rubber, Apparel, Cartons, Boxes & Bags
7	MAS ACTIVE TRADING PVT LTD	Apparel
8	HIRDARAMANI INTERNATIONAL EXPORTS PVT LTD	Apparel, Made-Up Textile Articles, Travel Goods, Bags etc.
9	UNILEVER LIPTON CEYLON LTD	Tea in Bulk, Tea Packets
10	NORITAKE LANKA PORCELAIN PVT LTD	Tableware & Kitchenware, Other Paper & Paper Products, Paints, Varnishes and Dyeing Extracts, Labels Printed or Not, Cartons, Boxes & Bags, Other Mineral Products

Source: Sri Lanka Custom

7. Facts about Japan

Japan – Map



GEOGRAPHICAL LOCATION

Japan is located in Eastern Asia, island chain between the North Pacific Ocean and the Sea of Japan, east of the Korean Peninsula

Total Area: 377,915 sq km

Climate: Varies from tropical in south to cool temperate in north

DEMOGRAPHY

Population: 125,507,472 (July 2020 est.)

Population growth rate: -0.27% (2020 est.)

ECONOMY

Scarce in critical natural resources, Japan has long been dependent on imported energy and raw materials. After the complete shutdown of Japan's nuclear reactors following the earthquake and tsunami disaster in 2011, Japan's industrial sector has become even more dependent than before on imported fossil fuels. However, ABE's government is seeking to restart nuclear power plants that meet strict new safety standards and is emphasizing nuclear energy's importance as a base-load electricity source.

Under the Abe Administration, Japan's government sought to open the country's economy to greater foreign competition and create new export opportunities for Japanese businesses, including by joining 11 trading partners in the Trans-Pacific Partnership (TPP). Japan also reached agreement with the European Union on an Economic Partnership Agreement in July 2017.

GDP - per capita (PPP)	: \$42,900 (2017 est.) \$42,100 (2016 est.) \$41,700 (2015 est.)
Exports	: \$688.9 billion (2017 est.) \$634.9 billion (2016 est.)
Exports – commodities	: Motor vehicles, iron and steel products, semiconductors, auto parts, power generating machinery, plastic materials
Exports – partners	: US 19.4%, China 19%, South Korea 7.6%, Hong Kong 5.1%, Thailand 4.2% (2017)
Imports	: \$644.7 billion (2017 est.) \$584.7 billion (2016 est.)
Imports – commodities	: petroleum, liquid natural gas, clothing, semiconductors, coal, audio and visual apparatus
Imports - partners	: China 24.5%, US 11%, Australia 5.8%, South Korea 4.2%, Saudi Arabia 4.1% (2017)

Source: CIA -The World Factbook

8. Bilateral and Multilateral Trade Agreements between Japan and other Countries

1. Japan-Singapore Economic Partnership Agreement
2. Japan-Mexico Economic Partnership Agreement
3. Japan-Malaysia Economic Partnership Agreement
4. Japan-Chile Economic Partnership Agreement
5. Japan-Thailand Economic Partnership Agreement
6. Japan-Indonesia Economic Partnership Agreement
7. Japan - Brunei Economic Partnership Agreement
8. ASEAN-Japan Comprehensive Economic Partnership Agreement
9. Japan-Philippines Economic Partnership Agreement
10. Japan-Switzerland Economic Partnership Agreement
11. Japan-Viet Nam Economic Partnership Agreement
12. Japan-India Economic Partnership Agreement
13. Japan-Peru Economic Partnership Agreement
14. Japan-Australia Economic Partnership Agreement
15. Japan-Mongolia Economic Partnership Agreement
16. Trans-Pacific Partnership Agreement (TPP12)
17. Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP11)
18. Japan-EU Economic Partnership Agreement