



The
**Ceylon
Chamber of
Commerce**

2017 ACTIVITIES

BEST CORPORATE CITIZEN AWARDS NOVEMBER 2017



MESSAGE FROM THE SECRETARY GENERAL/CEO

Dear Members,

With our wishes for a new year of peace, unity and prosperity to all of you, we present herewith an overview of the services provided and activities engaged in, during the course of 2017.

In our effort to identify how we can provide more meaningful services to our membership, we carried out a survey to assess member views. Based on the responses we have confirmation that the seminars and other activities were relevant and we will therefore continue these.

The Chamber has often had to intervene on behalf of members on issues that are relevant to the private sector. It is important to note the process that we follow in such situations. At the outset, all stakeholders are provided with adequate opportunity to express their views after which the final position is assumed based on those views as well as the opinions of independent experts in the field. The Chamber recognizes the principle that it accords the highest priority above all else to the national interest, followed by industry, the sector and finally the individual company. Accordingly, any intervention that the Chamber makes with regard to policy issues that impact on the private sector will continue to comply with the above process and respect the above priorities.

The Chamber appreciates the ready response of those Government authorities to whom we sought to make representations on behalf of members on matters that affected industry. It is not our expectation that our view should always prevail but it is certainly our expectation that we will be consulted because industry perspectives do matter. Sustainable decisions that contribute to the greater good, are those that take into account all stakeholder views.

The national focus on Investment, Trade and Tourism required us to strengthen our activities relating to these sectors. The role played by this Chamber in the discussions and negotiations relating to Trade Agreements as well as the capacity building programmes were also significant. We look forward to continuing to work with Government on these initiatives. We also worked with the Business Councils of the Chamber to ensure an alignment with that focus and a more solid governance structure. This was achieved with eighteen (18) of the nineteen (19) Business Councils adopting new Constitutions this year based on a model formulated by the Chamber.

We are excited to talk to you about *economy.lk*, a digital platform which was introduced in July this year to provide our membership with the most current updates on news relating to the economy. *economy.lk* can be accessed through Facebook, Twitter, LinkedIn and Youtube. We will continue to provide valuable content to keep you updated real time.

In our quest to utilize the best of the digital world in conducting the business of the Chamber, we've introduced the BoardPAC from January 2018 to the Chamber Committee and hope thereby to ensure a paperless environment at Committee meetings.

We look forward to hearing from you and to receiving your suggestions as to how we can provide services that will have meaning to your Company. We wish you a happy and productive 2018!

Dhara Wijayatilake

THE 178TH ANNUAL GENERAL MEETING

JUNE 2017



CHAMBER LEADERSHIP

Mr. Samantha Ranatunge who had led the Chamber as its Chairman for the 2015/16 year and who was re-elected for the 2016/17 year completed his term in June 2017. At the Annual General Meeting held on 29th June 2017, Mr. Rajendra Theagaraja who had functioned as the Vice Chairman assumed office as the new Chairman of the Chamber.

The other office bearers for the year 2017/18 are -

Vice Chairman - Dr. Hans Wijayasuriya who had functioned as the Deputy Vice Chairman; and
Deputy Vice Chairman - Mr. Vish Govindaswamy

Apart from the above three office bearers and the CEO, the following five members were elected to serve on the Board at the 2017 AGM -

1. Mr. Hiran Cooray
2. Mr. Duminda Hulangamuwa
3. Mr. Krishan Balendra
4. Mr. Husein Esufally
5. Mr. Pravir Samarasinghe



Mr. Samantha Ranatunge
Chairman 2015/16 and 2016/17
Managing Director/CEO, CIC Holdings PLC



Mr. Rajendra Theagaraja
Chairman 2017/18
Deputy Chairman, Cargills Bank

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1. MEMBERSHIP SERVICES

1.1 SEMINARS AND WORKSHOPS

- “Triumph Through Turbulence in 2017 - The Economic Outlook and Implications for Business” | January 2017
- “Capital Structure Management for Better Financing” | February 2017
- “WTO Trade Facilitation Agreement - What Business Needs To Know” | February 2017
- “Mediation as a Dispute Resolution Mechanism for Commercial Disputes” | May 2017
- Capacity Building workshops relevant to Trade facilitation and Logistics | April 2017
- “Export & Import Procedures” | August 2017
- “Investment Opportunities in the Hambantota Port and Logistics and Industrial Zone” | September 2017
- “The New Inland Revenue Act” | September 2017
- “The National Budget 2018” | November 2017
- “The Impact of Industry 4.0 On Manufacturing Industry - An Adopter’s View” - Session with Dr. Lutz Seidenfaden | November 2017
- “Winning In a Sustainable Future: What Companies Need To Do Today” | November 2017
- “Greater Potential for Sri Lanka-India Economic Relations” with Dr. S. Narayan, Former Economic Adviser to the Prime Minister of India | November 2017
- “The Way Forward For Sri Lanka Preparedness Partnership (SLPP)” | November 2017
- “The New Forex Act And Regulations - What Does It Mean For Business?” | December 2017

1.2 FLAGSHIP EVENTS

- “Future of Business - Innovation Strategy and Learning Event 2017”- Inaugural Innovation Summit
- Sri Lanka Investment and Business Conclave 2017
- Sri Lanka Economic Summit 2017
- Best Corporate Citizen Awards 2017

1.3 COMMUNICATION

- The Chamber continued to communicate with its members via Circulars.
- Press communiqués were also released on issues of national importance.
- CCC website - currently being improved to provide more comprehensive information.
- In an effort to communicate more effectively with our membership and other stakeholders and disseminate valuable information timely, a new digital platform *economy.lk* in July 2017 was launched at the inauguration of Sri Lanka Economic Summit 2017 (SLES2017). Coverage was provided via this platform for the following-

July:

- All (8) sessions of the SLES2017 were live streamed on Facebook and YouTube.
- SLES2017 key insights were updated live.

August - September:

- 40 videos from the SLES2017 including full speech of each speaker, Q&A sessions and highlights were uploaded on Facebook & YouTube
- Live updates on the Colombo International Tea Convention, Sri Lanka Retail Forum, the Seminar on ‘South Asia’s Emerging Gateway City’ - Hambantota Port’, and the seminar on the US GSP program.

October

- Live updates & short interviews at the EU-Sri Lanka TFA workshop
- Commenced “Front Row”, a series of exclusive interviews with leading Sri Lankan and international industry leaders and policymakers to be uploaded every Wednesday at 4.00 pm.
- Live updated key insights from the seminar on Online Payments, e-documents with e-signatures for better Trade Facilitation.
- The video format of the *Monthly Economic Update* was made available. This will continue to be available in the final week of each month.

November

- Five Pre Budget interviews and six Post Budget interviews were aired during National Budget 2018.
- Live updates on Nation Budget 2018 speech were shared using infographics.
- #QuestionYourBudget campaign was initiated providing followers an opportunity to post questions to the panelists at the seminar on National Budget 2018.

- Seminar on National Budget 2018 - key insights were updated live.
- Interviews with Prof. Razeen Sally (“Sri Lanka Economy & Budget 2018”) and with Dr. S Narayan (“India-Sri Lanka Policy Outlook”) were aired.

December

- Key insights of the seminar on New Foreign Exchange Act were updated live
- Two interviews on the new Foreign Exchange Act were aired.

- Follow Count as at 29th December 2017:

ECONOMY.LK PLATFORMS:

FACEBOOK: 12,211

TWITTER: 446

YOUTUBE: 243

LINKEDIN: 97

CCC PLATFORMS:

FACEBOOK: 3,006

TWITTER: 1,011

LINKEDIN: 217

1.4 EVENTS MANAGED FOR EXTERNAL PARTNERS

- 150 Years anniversary of Ceylon Tea - for Ceylon Tea Traders’ Association
- Sri Lanka Retail Forum - for the Sri Lanka Retailers’ Association
- Quarterly Cinnamon Life Forum - for Cinnamon Life
- Roadshow for EXCON 2017 - Confederation of Indian Industry

2. TRADE AND INVESTMENT PROMOTION

2.1 BUSINESS PROMOTION MISSIONS

Outward Missions-

- Mission to the Kingdom of Saudi Arabia - 28th October to 1st November 2017

Inward Missions-

- Delegation from Germany - 22nd February 2017
- Delegation from Oman - 22nd March 2017
- Delegation from China - 27th April 2017
- Student Delegation from Maldives - 5th May 2017
- Delegation from the Kingdom of Saudi Arabia - 15th May 2017
- Delegation from China - 2nd June 2017
- Delegation from China - 4th August 2017
- Delegation from China - 18th August 2017
- Delegation from Vietnam - 11th August 2017
- Delegation from Lahore Chamber of Commerce, Pakistan - 21st August 2017
- Delegation from the Kingdom of Saudi Arabia - 11th October 2017
- Delegation from Shanghai, China - 18th October 2017
- Delegation from the Kingdom of Saudi Arabia - 8th December 2017

2.2 PUBLICATIONS

- An Index to Legislative Enactments of Sri Lanka - Addendum - as at end September 2017
- Country External Trade Statistics on Exports & Imports of 65 countries
- Directory of Members - Flash Drive version 2017
- Business Contacts Sri Lanka Bulletin - 12 issues
- Business Opportunities Bulletin - 34 issues
- Registry of 125 SMEs in Northern Province

2.3 SERVICES RELATED TO EXPORTS

- Issuing of International Bar codes for Sri Lankan products to be marketed in the domestic and overseas markets (GS1 Lanka).
- Registration of Certificates of Origin and related export documents.

2.4 MOU

- Signed with the Council of Saudi Chambers of Commerce, Kingdom of Saudi Arabia on 8th December, 2017

2.5 OTHER ACTIVITIES

- Promoted Chamber services (Bar coding, Registration of export related documents, publications etc.), at the Jaffna International Trade Fair - 26th to 28th January 2017
- Meeting with Ambassador-designate to Afghanistan - 8th February 2017
- Meeting with Saudi Fund for Development - 1st June 2017
- Meeting with Minister Counsellor (Commerce) designate to Malaysia, Singapore and Sweden - 21st July 2017
- Catalogue Show of Sri Lankan products (50 companies) in Jordan in association with the Embassy of Sri Lanka - 20th to 24th August 2017
- Meeting with Minister Counsellor (Commerce) designate to Brussels - 12th September 2017
- Organized a SME Pavilion in collaboration with GIZ for Organic Food Sector at ProFood ProPack 2017.
- The Dairy Association was established in February 2017.

3. INFLUENCING POLICY

Policy issues were discussed and required interventions determined through the Chamber Steering Committees and the National Agenda Committees (NACs).

3.1 STEERING COMMITTEES

- **The Economic Policy Steering Committee**

Deliberated on aspects on the following - New Extended Fund Facility of the IMF for Sri Lanka in consultation with the review team of the IMF; the National Budget 2018 and Economic Outlook for 2017.

- **The Taxation Steering Committee**

Reviewed all tax related submissions sent by members on the Budget 2017; Prepared the Chamber's pre and post budget submissions and conveyed same to the Ministry of Finance; Provided technical expertise for the formulation of a technical report on the SVAT issue that was sent as a joint chamber submission to the Hon. Prime Minister requesting to reverse the proposed abolition; Actively participated in meetings with the Cabinet Committee on Economic Management on the SVAT issue; Actively contributed to the review of the Inland Revenue Bill (since enacted as Act, No. 24 of 2017).

- **The Trade Liberalisation Steering Committee**

Reviewed all key trade related submissions made by the Chamber to the Government including on the National Trade Policy. Two members of this committee served as private sector observers to the ongoing trade negotiation processes with China and India.

- **Legislation Steering Committee**

Examined the Foreign Exchange Bill, Securities Exchange Commission Bill, Land (Restriction on Alienation) Act, Sustainable Development Bill and formulated submissions on same. Proposals on Constitutional reforms were also formulated and submitted.

- **Cosmetics and Pharmaceuticals Steering Committee**

Submitted proposals to Government on regulatory reforms introduced in respect of pharmaceuticals and engaged with the Ministry of Health and the National Medicines Regulatory Authority (NMRA) to discuss industry concerns.

SRI LANKA ECONOMIC SUMMIT JULY 2017



FUTURE OF BUSINESS - INNOVATION STRATEGY AND LEARNING EVENT

MAY 2017



- **Food & Beverage Steering Committee**

Submitted observations on several draft regulations affecting the food and beverage sector.

- **Arbitration and Mediation Steering Committee**

Examined the regime offering alternative dispute resolution (ADR) mechanisms for dispute resolution and formulated proposals to provide for mediation for commercial dispute resolution.

3.2 NATIONAL AGENDA COMMITTEES

- **NAC on Energy**

Established in September 2017 in order to advocate for good quality, reliable, and cost-effective power and energy for all sectors of the economy. The Committee has engaged with relevant stakeholders including the Public Utilities Commission of Sri Lanka, The Ceylon Electricity Board, and the Public Private Partnership (PPP) Agency.

- **NAC on Logistics and Transport**

Engaged with the Ministry of Ports and Shipping in formulating the 'Sri Lanka Maritime Policy on Ports & Shipping'. This activity is ongoing. The representative of the Ceylon Chamber (co-chair of the NAC) is leading the efforts on formulating the policy on Logistics and Intermodal Infrastructure.

- **NAC on Finance and Capital**

Made submissions on the Securities and Exchange Commission (SEC) Bill (yet to be enacted) and the Foreign Exchange Bill (since enacted as Act, No 12 of 2017) in collaboration with the Steering Committee on Legislation.

- **NAC on Infrastructure**

Continued to submit recommendations on PPPs, and submitted a second set of recommendations on implementation and operationalization of the PPP Unit, to the Ministry of Finance and the Ministry of Megapolis and Western Development. A Member of the NAC was appointed Chairman of the National PPP Agency. A roundtable discussion was organised with the collaboration of USAID with renowned PPP expert Mr. David Baxter.

- **NAC on Innovation Eco System**

Currently working on organising the *Innovation Summit 2018* scheduled to be held in the first half of 2018.

3.3 SUMMARY OF SUBMISSIONS MADE

- Proposals for National Budget 2018 (September-October 2017)
- Concerns on National Budget 2018 (December 2017)
- On Inland Revenue Bill by the Taxation Steering Committee (February and March 2017)
- On the SVAT issue (joint Chambers submission) (February TO 32017)
- On the Ease of Doing Business Forums of the Ministry of Finance (The EIU collated members' submissions for the EODB forums held until June 2017 and channelled same to the Ministry of Finance for resolution)
- On the Foreign Exchange Bill (- NAC on Finance and Capital and the SC on Legislation - May 2017)
- On the Securities and Exchange Commission Bill, (- NAC on Finance and Capital - February 2017)
- On the PUCSL Activity Plan for 2018 (- NAC on Energy - September 2017)
- On the National Policy on the Shipping and Maritime Sector (- NAC on Logistics & Transport - July 2017)
- On improving investor confidence and achieving dynamic results from the implementation of the PPP Unit (- NAC on Infrastructure - June 2017)
- On key outcomes from the Economic Summit 2017 (September 2017)
- On Constitutional Reforms
- On amendments to Colombo Stock Exchange (CSE) Listing Rules
- On the Sri Lanka Sustainable Development Bill
- On the Land (Restrictions on Alienation) (Amendment) Act No.03 of 2017
- On the draft Food (Labelling & Advertising) Regulation
- On the draft Food (Milk & Milk Products) Regulation
- On the draft Food (Additives & Preservatives) Regulation
- On Direction 56 of the Consumer Affairs Authority
- On the Food Act No.26 of 1980
- On the draft Nutrient Profiling Model
- On the establishment and management of a system to deal with Polyethylene Terephthalate (PET) - compiled by a special Committee of stakeholders with the assistance of IUCN.

3.4 PUBLICATIONS OF THE ECONOMIC INTELLIGENCE UNIT (EIU)

- Special Report on Economic Outlook 2017
- Monthly Economic Update circulated to the membership and presented at the monthly Committee meetings
- Research Partner for “*The Report - Sri Lanka 2017*” - a publication of the Oxford Business Group
- Publications under the Trade Intelligence for Private Sector (TIPS) Initiative
 - ‘*Implications for Business of the WTO Trade Facilitation Agreement*’ in March 2017.
 - 13 weekly articles in a TIPS-branded newspaper column on various trade issues during January to December 2017
 - 2nd edition of the annual ‘TIPS Digest’, featuring articles on international trade, expert insights, perspectives on trade policy, and useful updates for the private sector - October 2017
- Statistical Analysis and Industry Overview of the Sri Lanka’s Vehicle Market - 2016
- Strategic Insights Series:
 - Volume 4 - Modernising Online Payments Regulations to Support e-Commerce in Sri Lanka (January 2017)
 - Volume 5 - Troubling Numbers, Can Sri Lanka’s Tourism Industry Sustain its growth (October 2017)
- Research brief on Government Revenue
 - 11 insights on 2016 government revenue performance and 2017 outlook.
- Audience Poll at the Sri Lanka Investment and Business Conclave 2017 and the Sri Lanka Economic Summit, 2017
- Infographics
 - The audience polling of the Sri Lanka Investment and Business Conclave 2017
 - The key highlights in the three Economic Policy Statements of the Hon. Prime Minister of Sri Lanka, presented in 2015, 2016 and 2017.
- Trade Research Book for the Sri Lanka-Australia-New Zealand Business Council (SLANZBC) of the Ceylon Chamber of Commerce.
- Bi-lateral Trade & Investment Report commissioned by the Ambasciata d’Italia Colombo (on going).

3.5 REPRESENTATION ON GOVERNMENT RELATED COMMITTEES

Secretary General & CEO -

- Advisory Board of the PPP Agency (Ministry of Finance).
- Chairperson of the Commercial Mediation Centre of Sri Lanka. (Ministry of Justice)

Chief Economist -

- Prime Ministerial Committee on ‘Socio-Economic Benefits of Regaining GSP Plus’ scheme
- Consultant to formulate the National Export (NES) strategy of Sri Lanka (Ministry of Development Strategies and International Trade)
- Monetary Policy Advisory Committee of the Central Bank of Sri Lanka

4. CAPACITY BUILDING OF SME

The CCC has partnered in implementing the following Projects-

- **Citi-CCC Rural Economic Empowerment Programme (2nd Phase)**

Partners - Citi Bank and Hatton National Bank.

Objective - Economic empowerment of rural entrepreneurs by supporting them to commence and manage sustainable income generation activities/micro enterprises.

Outputs - Supported over 450 micro entrepreneurs from 10 pradeshiya sabha divisions in Galle and Anuradhapura Districts and facilitated loans to approximately 40 beneficiaries.

- **YouLead**

Partner - International Executive Corps Service (IESC) - a not for profit organization in the USA

Objective - to improve technical and vocational education and training and increase the employability of young people in Sri Lanka. The Project aims to achieve its' objectives under three program components:

- 1) Increase youth employability skills in targeted sectors;
- 2) Improve the quality, relevance, and delivery of technical and vocational education and training; and,
- 3) Improve prospects of successful self-employment by increasing access to finance

Duration and cost - Four-years; US\$12 million.

- **Youth Business Sri Lanka (YBSL)**

Objective - Entrepreneur development for Sri Lankan youth.

Major activities conducted -

- Global start-up Awards SAARC - to recognise strengths and achievements of Startup Entrepreneurs.
- Āth Pavura - Social Entrepreneurs - Shark Tank weekly TV show on ITN - HNB අත් පවුර (அத் பவுர | on this show Social Entrepreneurs of Sri Lanka pitch their social business ideas and plans for expansion to an elite panel of Impact Investors (Tuskers) who then make an investment decision. YBSL is the supporting partner for training, short listing and screening.
- Adisi Shakthi Udanaya (phase 2) - assisted to organised the Differently Abled Entrepreneur Awards 2017 in the Western Province
- Currently engaged with the office of the Prime Minister to develop a Training of Trainers program (ToT) for NAITA and VTA.
- Functioned as the knowledge partner for the Chartered Institute of Management Accountants (CIMA) entrepreneurship competition.
- Y Impact Hub - CCC's start-up support program supporting entrepreneurs with co-working space and accelerator support successfully completed 1 year of operations. Supporting 5 to 6 start-ups. 3 companies are expanding into new ventures.
- Y Club - A premier network of young entrepreneurs providing peer to peer networking, rapid problem solving and mentoring, continued to function.

- **Sri Lanka Norway Business Matchmaking Programme**

This programme was co-partnered by the CCC for the 21st year and provides access to Sri Lankan Companies to establish business partnerships with Norwegian counterparts.

5. CSR ACTIVITIES

With the assistance of its members and well-wishers emergency relief assistance was provided to people affected by natural disasters, as has been done in the past.

Assistance was provided to victims of the collapsed Meethotamulla garbage dump.

The Chamber also utilised donations received from its members and monies from its own Disaster Relief Fund to finance the construction of houses at a total cost of Rs 3.75 Mn. for three families in Bulathsinhala, whose homes were destroyed by the floods and landslides in May 2017.

SRI LANKA INVESTMENT AND BUSINESS CONCLAVE MAY/JUNE 2017



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