

Report on Virtual Discussion

India- Sri Lanka Trade Connect

To promote and to enable the Indian and Srilankan MSMEs to know each other, understand the business opportunities and promote bilateral trade and investment and to encourage trade links and helping SME's on both sides of the countries, Indian Industries Association {IIA} and Embassy of Sri Lanka in India jointly organized "India -Sri Lanka Trade and Investment Connect", a virtual Interaction with, India and Srilanka SMEs and all concerned stakeholders on 16th Oct 20. Around 60 Participants made their presence in a virtual meet.

Prominent Speakers from Sri Lanka were there in a meeting who graced the sessions are Ms. Uppekha Samartunga, Minister Commercial, High Commission of Sri Lanka, New Delhi; Mr. Sanjay Mohottala, Director General Sri Lanka Board of Investment; Mrs. Shirley Jayawardena, President Federation of the Chamber of Commerce & Industry, Sri Lanka (FCCISL); Mr. Keerthi Gunawardane and Mr. Anuradha Jayasinghe.

From the counterpart of Indian Industries Association President IIA Mr. Pankaj Kumar chaired the meeting and address the participants. Senior Vice President Mr. Manmohan Agarwal talked about the FCCISL –IIA future expectation and cooperation and General Secretary IIA Shri Ashwani Khandelwal moderated the sessions.

The session was started with the opening remark of IIA National President Shri Pankaj Kumar. In his address, he said that *"the investments are available in Sri Lanka in the areas of Petroleum, Retail, IT, Financial Services, Real Estate, Telecommunication, Hospitality & Tourism, Banking and Food Processing (tea & fruit juices), Metal industries, Tyre, Cement, Glass manufacturing, Infrastructure development (railway, power, water supply), etc. According to the figures of BOI (Board of Investment), for the year 2019 Indian investment amounted to USD 139.015 million. Apart from the growth in trade and investment, India continued to be the largest source of market tourists coming to Sri Lanka.*

Such a strong trade relationship already we have, we want to move forward to a new partnership with a new initiative and we are confident that this association will be highly beneficial for entrepreneurs of both the countries.

In the coming time, we will organize many such programs which will increase the competitiveness of entrepreneurs of both the countries. An epidemic like COVID must have impacted the economies of countries around the world today, but if all the countries work together in the event of this epidemic, then this situation can also be dealt with. We believe Sri Lanka is giving full cooperation to tackle the trade-related hurdles along with India and will do ahead."

Minister Commercial, High Commission of Sri Lanka Ms. Uppekha Samartunga said that *“to explore more opportunities for collaboration economic recovery is the top priority for both the countries in the epidemic like COVID. First, we focus on domestic trading and work on strategies to increase foreign trading. India is the top trading partner of Sri Lanka since long. We have to adopt new and innovative approaches to do business and allow businesses to explore their boundaries. India and Sri Lanka both should work collaboratively for the mutual benefits of industries to grow. Existing relations we are sharing have to take on a higher level and enabling the environment for trade and investment. We all know both countries are first who came for the Bilateral Trade Agreement. We have to create a win-win situation and Sri Lanka may offer various products at a competitive price to be imported from Sri Lanka to India. We seek support from IIA to connect Indian suppliers to Sri Lankan to strengthen the trade between both”*.

Shirley Jayawardane President of FCCISL said that *“FCCSIL having 67 member chamber 50000 business houses who are already into trade between India and Sri Lanka. About trade, we have to cover the deficit which Sri Lanka is bearing with the help of India and also from other sources of the trade from other countries. India also requires to look for imposing various duties. Both countries are sharing mutual interests and some area are there where Mutual Corporation is required. We need to do more actions like negotiation in tariffs and reliability for a smooth trade. This is a very proud moment for all of us that India is one of the top 5 FDI countries in Sri Lanka.”*

Mr. Manmohan Agarwal, Senior Vice President IIA shared his views on FCCISL –IIA's future expectation and cooperation and said that *“According to Sri Lankan Customs, bilateral trade in 2018 amounted to the 4.93 billion US \$. Exports from India to Sri Lanka in 2018 were 4.16billion US\$, while exports from Sri Lanka to India are 767 million US\$. According to the latest Free Trade Agreement signed between the two countries, over 4,000 items can be exported to Sri Lanka duty-free. There is extreme export potential in Sri Lanka from India in commodities such as machinery, mechanical appliances, electrical equipment and parts, textiles, vehicles, aircraft, vessels and base metals and articles thereof. These are growing demand in Sri Lanka where India can boost its export capabilities.*

IIA-FCCISL jointly may also create some kind of strong project/agreement for the development of MSMEs in both the countries by collaborating with each

other. We may develop strong institutional trade and business to establish a sustainable mechanism of dialogue and platform for discussions for the sake of MSMEs. Also, we can start opening a help desk of FCCISL in India at IIA Office and vice a versa. Collaboration in some areas which we are expecting:-

- 1. We expect the exchange of information on the rules and practices pertaining to trade and investment in both countries.*
- 2. Trade and investment-related promotional activities in India and Sri Lanka jointly.*
- 3. Regional and Intra-regional strategies and programmes for the competitive development and internationalization of MSMEs and business creation for MSMEs.*
- 4. Jointly provide business development services for MSMEs, especially those relating to export marketing (including e-commerce), technology upgradation, joint venture and other business financing and networking.*
- 5. Assisting each other in organizing business delegations facilitating business interest.*
- 6. Assisting each other in developing pilot projects for the MSME sector.*
- 7. Cooperation on all programmes of Trade Promotion and commercialization.*
- 8. To assist each other by means of exchanging the visit of Member Companies and representations.”*

In this virtual session Mr. Sanjay Mohottala, Director General Sri Lanka Board of Investment gave a presentation on Investment Opportunities in Sri Lanka; by Mr. Keerthi Gunawardane described Business and investment opportunities in the Printing industry in Sri Lanka and Mr. Anuradha Jayasinghe described about Business and investment opportunities in the packaging industry in Sri Lanka.

The virtual meet was successfully ended with the Vote of Thanks given by Shri Sumnesh Agarwal, Chairman International Affairs, Export & Import Committee of IIA and appreciated the efforts of Uganda delegates for extending their support and interest to work mutually for the benefit of MSMEs in both the countries.