

# **CNCI NEWS BULLETIN**

**ISSUE 60** August 2019



**Hon Speaker** Graced the **CNCI** Achiever **Awards Ceremony** as Chief Guest

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'Sustainability vital in the construction process'

'Policy consistency

vital for

entrepreneur

confidence'

THE CNCI

ACHIEVER

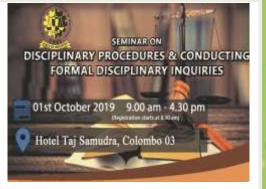
AWARDS 2019

AWARD

HIGHLIGHTS



**Chemicals: Single** window regulatory system in the offing



## **Upcoming Seminars** organized by CNCI



Economic Indicators & Exchange Rates as at 31st August 2019



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#### CNCI Achiever Awards 2019

## Hon Speaker Graced the Ceremony as Chief Guest

The colourful & ever popular Awards Ceremony - the "**CNCI ACHIEVER AWARDS 2019**" was held on 29<sup>th</sup> August 2019 at Hotel Galadari, with a distinguished gathering of more than 500 participants. The Chief Guest on the occasion was Hon. Karu Jayasuriya, Speaker of Parliament of the Democratic Socialist Republic of Sri Lanka.

"Achiever Awards" is a mega event, which is annually organized by the Ceylon National Chamber of Industries (CNCI). This time they held the Awards Night for the 18<sup>th</sup> consecutive year. The Achiever Awards project has been designed by the CNCI, the premier industrial chamber in the country, to promote the industrial growth in the country by recognizing and rewarding those industrialists who have excelled in their business processes which include quality standards, productivity, employee benefits, labour relations, environmental and social obligations etc. The ultimate purpose of recognizing those industries is to encourage them to reach further heights in their respective industries.

Hon. Karu Jayasuriya admired the invaluable services rendered by the CNCI in developing the Sri Lankan industries and appreciated their remarkable contribution to the growth of the national economy. Addressing the gathering he stated that the ruling parties of any state take measures to develop infra-structural facilities and may extend various subsidies, provisions and other facilities under its economic and political policies to uplift the economic standards of the private sector organizations; specially the SME sector.

"As a Government, we always strive in bringing business entities to the village. The Government is in the process of implementing various projects like GAMPERALIYA and ENTERPRISE SRI LANKA to uplift the rural economy and the standards of the entrepreneurs in the rural areas", he added.

Speaking further, the Chief Guest pointed out that the entrepreneurs can change the way we live and work. They regularly nurture entrepreneurial ventures by other like-minded individuals. They also invest in community projects and provide financial support to local charities which enables further development beyond their own ventures. Some famous entrepreneurs, like Bill Gates, have used their money to finance good causes, from education to public health. The qualities that make one an entrepreneur are the same qualities that motivate entrepreneurs to take it forward.

Addressing the Ceremony, Mr.Raja Hewabowala, Chairman of the CNCI stated that the entrepreneurs have a critical role to play in shaping the future of our economy and the nation. By creating value through starting businesses and ventures, they ensure that the wealth of the nation increases. Similarly, by exporting goods and services, they ensure that the economy earns valuable foreign exchange that is vital for the country to import the necessary goods and services. In addition, by creating jobs, they ensure that the people in the country are gainfully employed. Moreover, through their social causes and championing of public good endeavors, they actualize sustainability, social justice, and environmental responsibility. Perhaps the biggest contribution or the underlying theme that runs through all these contributions is their innate ability to innovate that ensures speedy and efficient development of the nation and our economy.

The photograph depicts the moment of Crystal Award being presented to SAW Engineering (Pvt) Ltd who won the Gold Award for three consecutive years under the Extra-large Category –National Level





# 'Policy consistency vital for entrepreneur confidence'



The top 10 CNCI award winners.

The important and vital policies on national interest, taken by respective governments should not be changed under any circumstances by governments which come into power on the grounds that it badly affects the country's entrepreneurs, Speaker Karu Jayasuriya said.

Speaker Jayasuriya expressed these views at the CNCI Annual Achiever Awards 2019

ceremony, conducted by Ceylon National Chamber of Industries (CNCI). The Guest of Honour was Lakshman Silva, State Minister Buddhika Pathrana was also present. Over 500 local industrialist and service providers represented their respective organizations.

The Speaking said entrepreneurs were the key players in the country's economy because the economy depended on them to a greater extent. He highlighted the invaluable role played by the CNCI in the promotion of industries in Sri Lanka and said their contribution to the growth of the national economy is commendable.

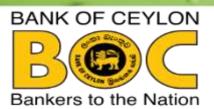
Speaker Jayasuriya said the CNCI should also help the industrialists to their growth, innovations and expansions and encourage them to enter the new markets since the entrepreneurs responsibility is to spur the country's economy further.

" In addition the prime objective of the Chamber is to expand the country's small and medium sectors as too contribute immensely to develop the village economy and also to provide employment to our rural youth.

"He also said that the Government's aim was to bring business entities to villages and uplift economic standards of entrepreneurs in rural and remote areas under the `Gamperaliya' and `Enterprise Sri Lanka' development programmes.

Referring to Bill Gates, Speaker Jayasuriya said the responsibility of our entrepreneurs is to uplift the living standards of rural youth like Bill Gates used his money to finance good causes for education and public health of people.

CNCI, Chairman Raja Hewabowala highlighted that this achievers awards ceremony encourages and upgrade not only the industrialists and service sector personnel in the country, but also helps to swell the country's economy to a greater extent. The Crystal Award was won by Saw Engineering (PVT) Ltd, while 10 companies received top awards





#### The Ceylon National Chamber of Industries - CNCI

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#### THE CNCI ACHIEVER AWARDS 2019 For Industrial Excellence HIGHLIGHTS OF THE AWARD WINNERS



SAW Engineering (Pvt) Ltd bagged the Crystal Award at the CNCI Achiever Awards 2019 at the Extra Large Category– National Level, Service Sector



Manisha Auto Engineers bagged the Crystal Award at the CNCI Achiever Awards 2019 at the Small Category– National Level, Manufacturing Sector



HOUSE Daily Acws

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#### THE CNCI ACHIEVER AWARDS 2019 For Industrial Excellence <u>HIGHLIGHTS OF THE AWARD WINNERS</u>























## 'Sustainability vital in the construction process'

The construction industry plays a significant role in the infrastructure development of the country and is often considered as a barometer of economic development. It is necessary to emphasize the importance of ensuring sustainability in the construction process as smart construction has become the way forward for the industry, Chairman, National Construction Association of Sri Lanka, Susantha Liyanarachchi said.

"Smart construction is building design, construction and operation which through collaborative partnerships to make full use of digital technologies and industrialized manufacturing techniques to improve productivity, minimize cost, improve sustainability and maximize user benefits, he said at the inauguration of the 19th edition of the Construct 2019 exhibition under the theme 'Build Smart Live Smart' in Colombo last week.

"Smart living is a trend encompassing advancement that gives people the opportunity to benefit from new ways of living across the globe.

As cities become smarter and more intelligent, so do its infrastructure and buildings.

Smart living as a current trend in the world evolves with improved standards in several aspects of day-to-day life, ranging from residence, workplaces, leisure places, shopping malls and the way people are transported within the country. Within the context of construction of buildings, the trend can be identified through the growing existence of innovative, quicker, affordable and more efficient and effective construction concepts, technologies, material and processes, he said.

The construction industry worldwide is forecast to be worth US \$ 12 trillion by 2020, according to the Global Construction Perspectives and Oxford Economics. The global growth of residential construction is expected to be 4.4 percent during the period 2015 to 2020. According to trading economic data, GDP from construction in Sri Lanka increased to Rs. 177,851 million in the first quarter of 2019 from Rs. 171,094 million in the fourth quarter of 2018. In the long term the Sri Lanka GDP from construction is projected to reach around Rs. 190,794 million in 2020 according to the country's econometric models.

New technologies provide several benefits such as reduced costs, lower carbon emission during construction, multiple functions and added value on materials used in buildings with qualities of better attributes and durability of buildings, lower manufacturing cost and improved quality of life for users.

The companies driving the smart trend provide solutions related to the aspects of construction such as innovative concepts, advanced materials, improved processes and energy efficiency.

This can be reflected through the technologies used such as wireless monitoring of infrastructure, replacement of traditional construction materials, designer mobile homes, a waste to energy technology and the market's most strict green concepts of buildings. A number of drivers have been facilitating the end users and constructors to adapt to this new trend. The market demand for better, stronger smarter and cheaper solutions as well as the environmental agenda, driving possibly the largest share of innovation in the industry, he said. The theme 'build smart live smart' is expected to have a long journey in the future in the construction industry with the changes in the life style of people.

Source : Daily ft dated 22nd August 2019







## **Chemicals: Single window regulatory system in the offing**

The draft national policy on chemical management, a much needed legislation to minimize the use of chemicals for health safety and environmental protection, will be presented to the public for views and thereafter, to the Cabinet for approval, a government official said at a forum on 'Sustainable Chemical Management: Economic and Environmental Benefits' organized by the United Nations Industrial Development Organization (UNIDO) under the EU-Sri Lanka trade-related assistance project last week.

According to the official, if the draft policy is approved by the Cabinet, it will be presented in Parliament for enactment. The policy focuses on the use and import of chemicals and its sustainable management to minimize health and environmental hazards.

"Sri Lanka is not a big manufacturer of chemicals but large quantities are being imported for various sectors which makes it all the more important to manage the usage sustainably to minimize health and ecological risks," Mahaweli Development and Environment Ministry Director, Dhammika Wijesinghe said.

The draft policy will also comprise regulations on imported chemical inspection, labeling, transportation, storage and hazardous facilities management. The national policy on chemical management initiated by the Ministry of Mahaweli Development and Environment is supported by the United Nations and the International Council of Chemical Association.

"There has been interest shown on sustainable chemical management in Sri Lanka with commitment from various sectors which is an incentive to get the draft legislation enacted expeditiously," Wijesinghe said.

"The single window regulatory system is a good thing but still gaps exist in coordination among regulatory authorities," Wijesinghe said, adding that Sri Lanka's the Joint Declaration with other countries will help create a framework for various countries to partner in the effort to manage chemical usage sustainably.

Sri Lanka joined the global chemical leasing (ChL) declaration in 2018 with Austria, Germany, Switzerland, Colombia and Serbia. Chemical leasing is an innovative service-oriented business model for the sound and efficient use of chemicals. The business model is centred around a unit of payment which is no longer related to the chemical itself but to the benefit of the chemical. The payment is made not for the tons of cleaning agent used but for the number of products or area cleaned.

UNIDO plays a leading role for the implementation and continuous development of chemical leasing around the world.

National Cleaner Production Centre (NCPC) CEO Samantha Kumarasena said the chemical leasing approach incentivizes the producer to sell the functions performed by the chemical while the customer pays for the benefits and not the substance itself. Thereby the customer avoids buying more than what he requires.

"We have learnt that since 2002, chemical usage issues have become acute than resource efficiency in factories. We have witnessed poor chemical safety performance during field assessments and have learnt that chemical consumption and the number of safety related incidents have increased," Kumarasena said.

However, research shows that traditional business models are fuelling the unnecessary consumption of chemicals and the generation of hazardous waste. Traditional business models have contradictory motivations with suppliers focusing on 'more is better' and consumer 'less is more'. The chemical leasing models bundle motivations with suppliers and customers both being convinced that 'less is more'. In the ChL model, the producer does not only provide the chemical but also the know-how on how to reduce consumption. The responsibility of the producer does not end with selling the chemical. He remains responsible for the chemical during the entire product life cycle, its use and disposal. Traditionally, the customer is responsible for the disposal and recycling of chemicals. This responsibility is passed on to the supplier.

Agriculture, wastewater treatment, printing and paint are some of the leading sectors the ChL model could be applied. ChL is vital for agriculture due to the high agro-chemical usage and its cost. Local farmers use more than the recommended levels of fertilizer due to lack of knowledge. Large quantities of inorganic fertiliser is applied to soil without testing. Lack of proper equipment for application has resulted in hap hazard use of chemicals to fields.

Prof. Ajith de Alwis of the Department of Chemical and Process Engineering, University of Moratuwa said Sri Lanka uses excessive chemicals due to fertiliser subsidies offered to farmers and this has resulted in ecological issues. "The North Central Province has been plagued with the chronic kidney disease for decades with no exact reason found for it yet. Sri Lanka has been traditionally an agricultural economy and it is not easy to make changes to old practices. The ChL model focuses on using less chemicals but still achieving one's target," Prof. de Alwis said.

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# SEMINAR ON DISCIPLINARY PROCEDURES & CONDUCTING FORMAL DISCIPLINARY INQUIRIES

# 01st October 2019 9.00 am - 4.30 pm

(Registration starts at 8.30 am)

# Hotel Taj Samudra, Colombo 03

CONTENTS • What is misconduct ? • VOP notice • Investigating Complaints on Misconducts • The Show Cause Letter • Explanation by the Employee • Suspension / Interdiction • The Charge Sheet • Holding a Disciplinary Inquiry	INVESTMENT         For Members       Rs.8,500/-         For Non Members       Rs.9,000/-         (Inclusive of Lunch, Refreshments & Handouts)         DISCOUNT         5% for 3 to 5 Participants.         10% for 6 or more participants		
<ul> <li>Final Report of the Inquiring Officer</li> <li>Punishments; warning, imposing fines, demoting, Termination of Services etc.</li> <li>Forums available to review the punishments on disciplinary grounds; <ul> <li>Labour Tribunal</li> <li>Department of Labour; Conciliation, Arbitration, Industrial Courts</li> <li>Other</li> <li>Labour Tribunal Orders / Arbitration Awards/Industrial Court Orders</li> <li>Implementation of Orders / Awards &amp; Role of the Department of Labour</li> <li>Final Outcome of Labour Disputes</li> </ul> </li> </ul>			

FOR

Directors, Managers, Executives, Supervisors (Specially in HR / Admin fields) and all others interested in Labour Laws

\*Valid certificate will be awarded

-FOR REGISTRATION-

#### Please email your duly filled registration forms to: po@cnci.lk, cnci@slt.lk, thecnci@gmail.com



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### For More Details

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Contact: Madhushika/ Nilanthi 011 2339200, 2452181, 2331444 Fax: 0112331443 www.facebook.com/THECNCI

# Exchange Rates as at 31st August 2019

		200
Date	Buy Rate (LKR)	Sell Rate (LKR)
Australian Dollar	118.5793	123.4764
Canadian Dollar	133.3027	137.9786
Swiss Franc	179.6052	185.6495
Renminbi	24.6611	25.7895
Euro	195.8683	202.4444
British Pound	216.3432	223.0065
Yen	1.6654	1.7245
Singapore Dollar	127.8687	131.9662
United States Dollar	178.4366	182.1028

## Economic Indicators as at 31st August 2019

Overview	Last	Reference	Previous	Range	Frequency
GDP Annual Growth Rate (%)	3.7	19-Mar	1.8	0.5 : 16.12	Quarterly
Unemployment Rate (%)	4.7	19-Mar	4.6	3.7:16.6	Quarterly
Inflation Rate (%)	3.4	19-Aug	3.3	-0.9:28.3	Monthly
Interest Rate (%)	7	19-Aug	7.5	06; 10.0	Daily
Balance of Trade (USD Million)	-316	19-Jun	-823	-1101:-50.1	Monthly
Current Account (USD Million)	423	19-Mar	-815	-1695 : 423	Quarterly
Current Account to GDP (%)	-3	18-Dec	-2.6	-19.3:-0.4	Yearly
Government Debt to GDP (%)	83	18-Dec	76.9	16.3 : 109	Yearly
Government Budget (% of GDP)	-5.3	18-Dec	-5.5	-10.2:-5.3	Yearly
Corporate Tax Rate (%)	28	18-Dec	28	15;42	Yearly
Personal Income Tax Rate (%)	16	18-Dec	16	15;35	Yearly