



CNCI NEWS BULLETIN

ISSUE 104

September 2023

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CNCI WEBINAR

Be an Effective Supervisor
to Level Up Your Leadership & Supervisory Skills

24th October 2023
9.00 am - 12.30 pm
ZOOM

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CNCI Achiever Awards 2023



We are counting days for the most awaited and the most glamorous day for the driving force of the Sri Lankan economy; the industrialists of Sri Lanka. The CNCI Achiever Awards 2023 is organized solely to encourage and uplift the local industrialists and to highlight their business excellence while appreciating the worthwhile effort they give towards the economy.

Moving closer towards this grandiose day, the CNCI hosted the external judging process on the 19th of September 2023, with the aid of a wide range of expertise from several state institutions of the country. Accepting our humble invitations the external judging stage was led by Senior Professor Pathmalal Manage; Vice Chancellor of the University of Sri Jayewardenepura along with several other distinguished appointment holders in the field such as, the Additional Secretary of the Ministry of Industries; Mr. Chaminda Pathiraja, the Acting Deputy Director General of the Sri Lanka Standards Institution; Ms. Samanthi Narangoda, the Assistant General Manager of Bank of Ceylon Metropolitan Branch; Ms. N.R.D.N Perera, Professor Ranjith Dissanayake; President of the Institute of Engineers Sri Lanka, Ms. Lasitha Dewage; Deputy Director of the National Productivity Secretariat, The Director of Pricing and Management of the Consumer Affairs Authority; Ms. Niranjala Jeganathan, Mr. Lasantha Wickramasinghe; a Partner of B.R De Silva and Co, and Mr. P.B Hemantha Jayasinghe; the Director General of the Central Environmental Authority.

Economy Contracts by 3.1% YoY in 2Q23



Sri Lanka's GDP growth rate for Q2 2023 contracted by 3.1%, with the GDP at constant price (2015) declining to Rs. 2,597,441 million from Rs. 2,680,074 million in 2022. However, the current price increased to Rs. 6,145,451 million, registering a 12.9% positive change in the current price GDP.

The three major economic activities, agriculture, industry, and services, contributed 10.4%, 27.0%, and 56.8% to the GDP at current prices. The 'Taxes less subsidies on products' component contributed 5.8% to the GDP in Q2. Agriculture activities expanded by 3.6%, while industrial and services activities contracted by 11.5% and 0.8%, respectively. High economic interest rates have remained in force, affecting short-term and long-term investments. High input costs have led to a decline in international competitiveness in exports, resulting in declines in manufacturing, construction, mining, quarrying, financial services, IT programming consultancy, and professional services.

Source: Daily Mirror – 18 September 2023



Sri Lanka Drew Over 950,000 Tourists So Far in 2023

Sri Lanka's tourism industry is experiencing a resurgence, with the country welcoming over 950,000 visitors year-to-date, marking a significant milestone after a three-year hiatus. In September, the country received 46,308 tourists, bringing the total to 950,626. For 2023, Sri Lanka Tourism aims to reach over 1.55 million visitors, with authorities anticipating 73,893 more arrivals to meet the monthly target of 120,201. India remains the strongest source market for Sri Lanka, with 12,252 tourists arriving in September. The resurgence is a testament to Sri Lanka's enduring appeal as a tourist destination and its successful efforts in revitalizing the sector after multiple setbacks since 2019. Tourism earnings in the first eight months of 2023 were over \$1.3 billion, a 56.7% increase from the previous year. The Sri Lanka Tourism Promotion Bureau (SLTPB) recently launched its most comprehensive global campaign in over a decade, aiming to transform the country's perception and position it as a premier travel destination.



Source: DailyFT – 14th September 2023

Colombo District Inflation Decelerates to 1.3% in September

Headline inflation in the Colombo economy decreased to 1.3% in September 2023, according to the Census and Statistics Department. This is in line with July projections. Food deflation continued for the third consecutive month, with 5.2% recorded in September. Non-food inflation also decreased to 4.7%. The monthly change in the CCPI was 0.88 percent, due to price increases in food and non-food items. Core inflation decreased to 1.9% in September, reflecting underlying economic inflation. The Central Bank expects inflation

to stabilize around a mid-single-digit level over the medium term.



Source: Daily Mirror – 28 September 2023

Sri Lanka Aims for \$ 15 b GDP Boost by 2030 Through Digital Economy Expansion

The Federation of Information Technology Sri Lanka (FITIS) Chairman Indika De Soysa has projected a \$15 billion boost to Sri Lanka's GDP by 2030 through the expansion of the digital economy. The aim is to elevate the digital economy's contribution to 20%, aligning with global trends where developed countries derive approximately 40% of their GDP from the digital economy. The 41st National Information Technology Conference, titled "Towards a Sustainable Digital Society," is set to take place from 11 to 13 October in Colombo. The conference will also include a digital investment component, aiming to attract potential investors for established IT companies and target \$3 billion in IT exports. Key figures attending the conference include Sri Lanka Computer

Association President Dr. Ajantha Athukorala, National Information Technology Conference Co-Chairman Dr. Nirosha Vedasinghe, Sri Lanka Computer Association Secretary Heshan Karunaratne, DIGIECON 2023-2030 Project Director Prasad Samarawickrama, and Sri Lanka Computer Association Member Dr. Amal Ilesingha.



FITIS Chairman Indika De Soysa

Source: -Daily FT – 23 September 2023

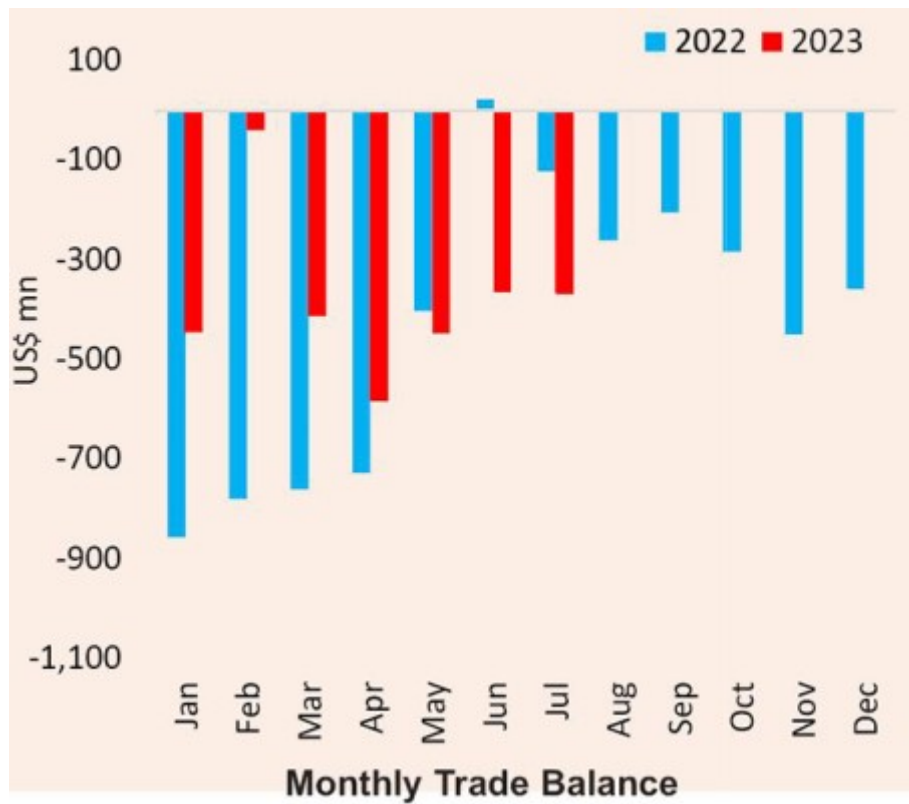
Cumulative Trade Deficit from January – July 2023 ‘Significantly Low’

In July 2023, the merchandise trade account deficit increased to \$367 million, compared to 122 million in July 2022. However, the cumulative deficit narrowed to \$2,657 million from \$3,628 million in January to July 2023 due to lower imports. Export earnings declined by 12.4% to \$1,020 million, primarily due to a decline in earnings from industrial exports, including garments, due to slowing external demand. However, earnings from exports increased compared to June 2023.

Industrial exports declined, with garments being a significant contributor. Other exports, such as rubber products, transport equipment, gems, diamonds, and jewelry, also declined. Petroleum product earnings increased due to increased prices and volumes of bunker and aviation fuel exports.

Agricultural exports improved, with earnings from minor agricultural products and spices, unmanufactured tobacco and vegetables, tea exports, seafood, coconut-related products, and natural rubber declining. Mineral exports increased, mainly due to an increase in earnings from earth and stone. Overall, expenditure on merchandise imports increased by 7.8% to \$1,388 million in July 2023.

Source: - The Island – 02nd September 2023



Source: - The Island – 02nd September 2023



From Field to Export Markets: Rubber Growers See Their Latex Transformed at CEAT Kelani

CEAT Kelani Holdings, a major user of natural rubber in Sri Lanka, has started hosting rubber cultivators for tours of its extensive manufacturing complex in Kelaniya. The first group of 45 rubber growers and dealers from various areas visited the CEAT Kelani factory to learn about the procurement processes, stringent quality tests, storage of the precious raw material, the first-in-first-out (FIFO) method used in inventory management, and the entire manufacturing process from inception to completion. The



company highlighted the importance of maintaining consistently superior quality in the supply of natural rubber and the impact of a small omission in the tapping of rubber on product quality. CEAT Kelani Holdings Managing Director Ravi Dadlani said that the company's success is important to the cultivators, and the company was encouraged by the level of interest shown by the growers and dealers. The company's manufacturing operations in Sri Lanka encompass tyres in the radial, commercial, motorcycle, three-wheeler, and agricultural vehicle segments. The cumulative investment of CEAT Kelani Holdings in Sri Lanka exceeds Rs 8 billion.

Govt. to Step Up SOE Governance and Legislation

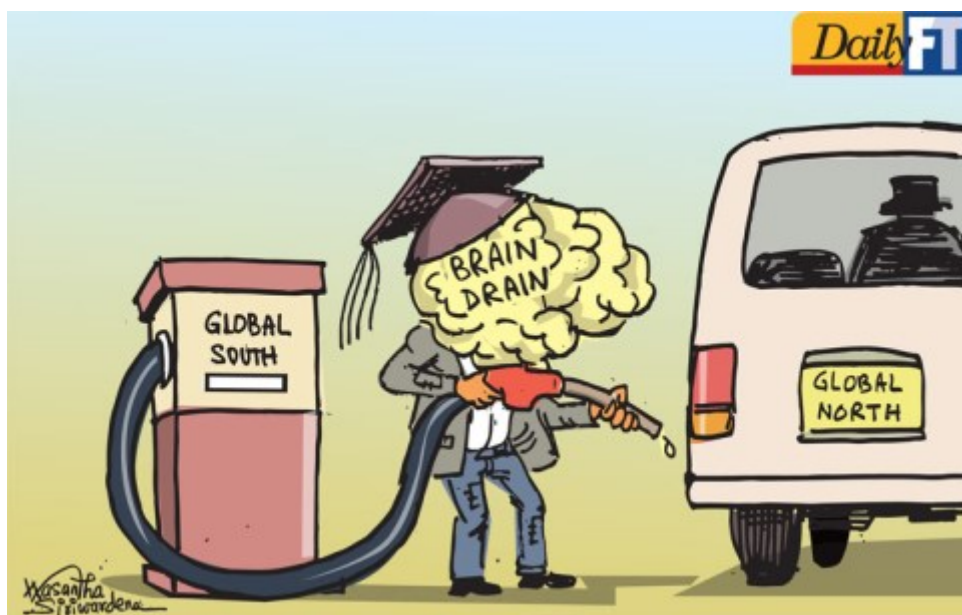
Sri Lanka is enhancing the governance and legislation of state-owned enterprises (SOEs) to improve performance and reduce the impact of loss-making SOEs on state finances. Treasury Secretary Mahinda Siriwardana plans dedicated legislation to address governance issues, including board member appointments, senior management, audited financial statements, procurement, and taxes. The government is also establishing a holding company to manage assets and maintain corporate governance standards. Siriwardana emphasizes the need for efficient services and public understanding of reform, and

reversing the business-as-usual approach to ensure long-term public interest.



Source: Daily Mirror : 7th September 2023

Cartoons



Source: Cartoon – Daily FT – 18-09-2023

EXCHANGE RATES AS AT 27TH SEPTEMBER 2023

Date	Buy Rate (LKR)	Sell Rate (LKR)
Australian Dollar	201.5142	212.1194
Canadian Dollar	233.8822	244.8230
Swiss Franc	344.3271	361.3667
Renminbi	42.7759	45.6707
Euro	334.5254	349.5066
British Pound	385.4166	401.2007
Yen	2.1285	2.2204
Singapore Dollar	230.9918	241.6335
United States Dollar	318.2642	328.9001

Source: <https://www.cbsl.gov.lk/en/rates-and-indicators/exchange-rates/daily-buy-and-sell-exchange-rates>

Sri Lanka Economy SNAPSHOT



Source : <https://www.cbsl.gov.lk/en/sri-lanka-economy-snapshot>

Upcoming Training Programmes by CNCI



Be an Effective Supervisor to Level Up Your Leadership & Supervisory Skills

CONTENT

- Role of the Supervisor
- Principles of Effective Supervision
- Effective Communication
- Leadership and Motivation
- Problem Solving and Decision Making
- Time Management
- Personality Development
- Productivity in the Organization
- Understanding Labour Law

Target Audience:

**Directors, CEOs, All Managers, Supervisors,
Team Leaders, Executives and Anyone who
Interested to Develop Leadership and
Supervisory Skills**



24th October 2023



9.00 am - 12.30 pm



ZOOM

RESOURCE PERSON

Ms. WAJIRA RATHNAYAKE, BB Mgt HRM sp, MHRM
Masters in Human Resource Management
Visiting Lecturer - ICBT and CINEC Campus
Senior Lecturer, Faculty of Management and
Social Sciences, CINEC

INVESTMENT

Members : Rs. 5,500/-
Non Members : Rs. 6,000/-

LANGUAGE

Sinhala / English (Notes in English)

For Registration

Please fill and submit the Google Form or Email your duly filled registration form to:

cncihrd.training@gmail.com | cnciprograms@gmail.com | cnci@slt.lk

Contact For More Details:

0112 339 200 / 0112 452 181 / 077 1777 115 (Sumudu/ Gagani)



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