



November 2021 | Issue 03

NEWSLETTER



Janaka Gunasekera

Deputy Managing Director / Director Agriculture - A. Baur & Co. (Pvt.) Ltd.
and Vice President - SLSBC

I represent A. Baur & Co. (Pvt.) Ltd., at the Sri Lanka-Singapore Business Council, which we have been a member since its inception. In addition to that, we are one of the pioneering members of the Ceylon Chamber of Commerce as well. A. Baur & Co. (Pvt.) Ltd. is a 124-year-old company established in 1897 in Colombo, by the Swiss National; Alfred Baur. Baur's is a very diversified company operate in Agriculture, Healthcare, Consumer, Industrial Raw Material, Textile Machinery, Airlines and Education sectors in Sri Lanka. Being a part of SLSBC has allowed us to expand our businesses in different horizons. Singapore offers a plethora of options. The annual trade delegation to Singapore has been beneficial for us which gave us the opportunity to meet Singaporean entrepreneurs and investors as well as the members of Singapore's

various trade chambers who are interested in investing in Sri Lanka. There have been numerous prospective discussions that have resulted in fruitful investments in Sri Lanka. In my experience, Singaporean investors are well conversant and interested in Sri Lankan culture and business methods which has led to smooth and easy collaborations than many other investors we deal with. I would recommend any company searching for capital or business investment and opportunities in Singapore to become a member of the Council.

Market Updates

3
KEY INSIGHTS

CBSL unveils
6-month
Roadmap to
stabilize the
economy and
rebuild reserves

PMI rebounds in
September; World
Bank puts growth
at 3.3% for Sri
Lanka in 2021

Soaring
Commodity
Prices poses
Global Inflation
Risks

• Sri Lanka Economy

CBSL unveils 6-month Roadmap: The roadmap expects USD 3.9 billion in net forex inflows in the October-December 2021 period. This urgency for inflows is in the backdrop of Reserves dropping to USD 2.6 billion at the end of September and expected outflows in the next 12 months. 41% of the inflows are expected to come in as loans to Government (G 2 G, multilateral and syndicated loans) and 38% of the inflows are expected to come in as SWAPs (USD 1.5 Bn).

Notable Improvement in Exports: Export earnings marked a notable improvement and registered over USD 1 Bn for the third consecutive month in August 2021. Import expenditure continued to rise, partly reflecting the surge in global commodity prices causing the trade deficit to widen further.

World Bank Projects 3.3% growth in 2021: Sri Lanka is projected to grow by 3.3% in 2021. The medium-term outlook is clouded by pre-existing macroeconomic weaknesses and the economic scarring from the COVID-19 pandemic.

Price Controls on Certain Items Removed: The Government of Sri Lanka ended price controls on certain essential items given the shortage of these products in the market amidst a foreign currency shortage.

PMI Rebounds in September: Both the Manufacturing and Services activities expanded in September 2021 recovering from the dip in August.

• Global Economy

The Economic Recovery in South Asia Continues-World Bank: The economic recovery in South Asia is expected to continue despite the resurgence of COVID-19 earlier this year. The region is expected to increase by 7.1% in both 2021 and 2022 with Bangladesh and India expected to drive this recovery.

Soaring Energy Prices Pose Inflation Risks as Supply Constraints Persist: Energy prices soared in the Q3-2021 and are expected to remain elevated in 2022, adding to global inflationary pressure on energy-importing countries and potentially shifting economic growth to energy-exporting countries from energy-importing ones.

MACROECONOMIC SNAPSHOT

Y-O-Y CHANGES




Data Sources: Central Bank, Sri Lanka
Department of Census and Statistics, Sri Lanka
Tourism Development Authority, Sri Lanka

• Sri Lanka Projected to Grow by 3.3%, amidst uncertainty: World Bank

Issuing the latest update of the South Asia Economic Focus report, the World Bank says Sri Lanka is projected to grow by 3.3% in 2021. But the medium-term outlook is clouded by pre-existing macroeconomic weaknesses and the economic scarring from the COVID-19 pandemic, the report states.

Continued macroeconomic challenges, particularly the high debt burden, large refinancing needs, and weak external buffers will adversely affect growth and poverty reduction over the medium term. Despite increased policy rates and price controls imposed by the government, inflationary pressure is expected to remain strong amid partial monetization of the fiscal deficit, currency depreciation, and rising global commodity prices. Food insecurity could worsen and slow poverty reduction if food prices remain elevated and shortages continue, as per the report.

Digital technologies could become an important engine for job growth in Sri Lanka in the medium and long term. However, despite wide-scale ownership of mobile phones in Sri Lanka, the digital revolution will fall short of expectations without expansion of high-speed networks and accessible data in the whole island. Sri Lanka could provide new opportunities for economic mobility through policies that expand or universalize access to digital infrastructure, and investments in digital literacy are a prerequisite for widely shared benefits from these new opportunities, the report highlighted.

Latest Growth Projections for Sri Lanka	2021	2022
 THE WORLD BANK	3.3%	2.1%
	5.3%	4.8%
	5%	6%
	3.4%	3.4%

Sources: World Bank, IMF, ADB, CBSL

• The Government ends Price Controls on Essential foods

The Government of Sri Lanka ends price controls on essential foods in a bid to end black market trading as food shortages worsen amidst a foreign currency crisis. The cabinet decided to deregulate prices for milk powder, wheat flour, sugar, cement and liquefied petroleum gas (LPG) hoping it would increase supplies. A shortage of foreign currency caused by a pandemic recession has unleashed the shortages of food, medicines, and other essential items for Sri Lanka.

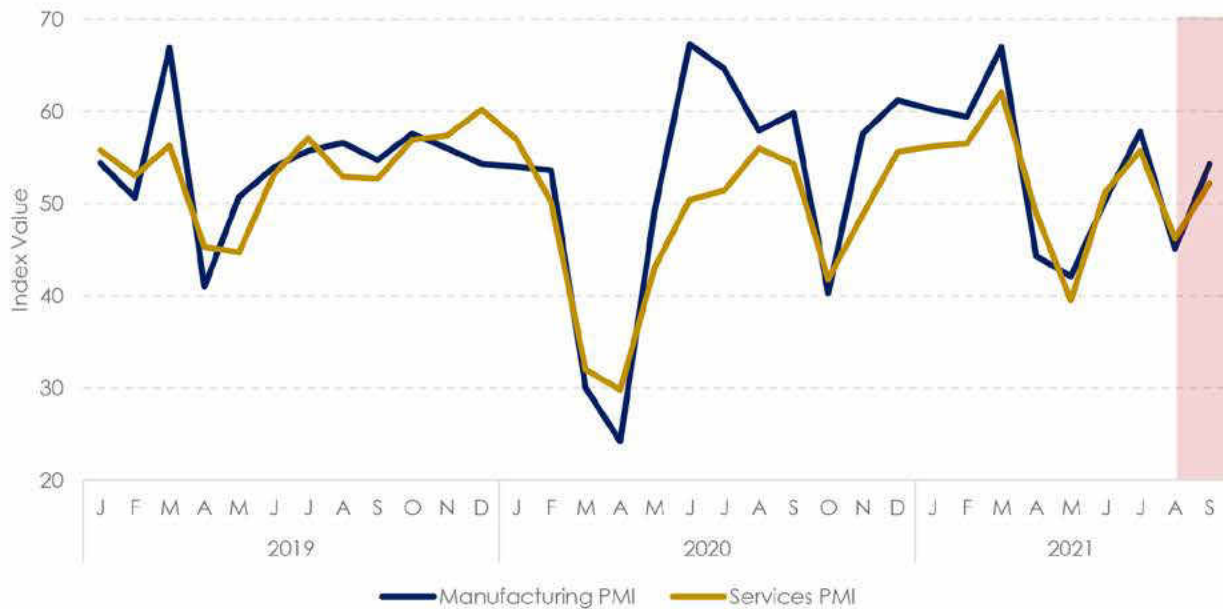
The government declared a state of emergency over the food shortages on August 31st and imposed rationing. It forced farmers to sell their rice to a state agency and seized some from private warehouses. But the shortages worsened and last week authorities lifted controls on rice hoping to get supplies into markets.

• Purchasing Managers' Index (PMI) Expanded in September

Both the Manufacturing and Services activities expanded in September 2021. Manufacturing PMI bounced back to 54.3, increasing by 9.2 index points compared to August 2021. This increase was mainly attributed to the significant improvements observed in New Orders and Employment sub-indices.

Services PMI entered the growth territory reporting an index value of 52.2 in September 2021, following the dip observed in August 2021. This was underpinned by the increases in New Businesses, Backlogs of Work and Expectations of Activity sub-indices.

Purchasing Managers' Index



Sources: CBSL

• The Economic Recovery in South Asia continues: World Bank

The economic recovery in South Asia continues, despite the ferocious resurgence of COVID-19 earlier this year, the World Bank says in its bi-annual update of South Asia Economic Focus which was titled 'Shifting Gears: Digitalisation and Services-led Development'. The South Asian region has not undone all the harm caused by the pandemic, and targeted relief efforts are still needed. However, it is also timely to shift gears and create conditions for sustained growth going forward the report says. The World Bank highlighted that, a key element of the new economic reality is the breakthrough of the new services sectors, which got a boost during the crisis. Services-led development has now become a possibility, which is a good news for South Asia, as it has comparative advantage in services and has struggled to compete in manufacturing. To exploit this opportunity, rethinking of institutions and regulations is needed, the report explained.

Accordingly, South Asia is expected to increase by 7.1% in both 2021 and 2022. This growth is driven in partly by a very low base number in 2020. Country-wise recovery remains uneven as many challenges and uncertainties persist.

The outlook will depend on the spread of COVID-19 variants, as well as any major slowdown in global growth momentum. Vaccine rollouts have accelerated but most countries still have some way to go to vaccinating majority of the population, as constraints on the supply of vaccines remain. The report stated that, global recovery momentum is showing a slowdown under the impact of the COVID Delta variant. Any major disruptions to the global recovery can have adverse impacts on South Asia, through trade, tourism, and migrant workers.

South Asia-Expected Growth by Country

Near Term Growth will be supported by,

Basis	Country	Expected Growth (%)		Near Term Growth Support
		2021	2022	
Calendar Year Basis	Maldives	22.3	11	Strongly bounced back tourism
	Sri Lanka	3.3	2.1	With import restrictions, elevated food prices and shortages casting a shadow on the outlook
	India	8.5	7.3	Increase in public investment to boost domestic demand and incentives schemes to boost manufacturing.
Fiscal Year Basis	Bangladesh	5	6.4	Exports and private consumption continue to recover.
	Bhutan	-1.2	3.6	Return of migrant labor and large infrastructure project
	Nepal	1.8	3.9	Vaccination picks up and, tourism and migrant worker flow recover in the country.
	Pakistan	3.5	3.4	Fiscal and monetary measures are expected to unwind
			2021	2022

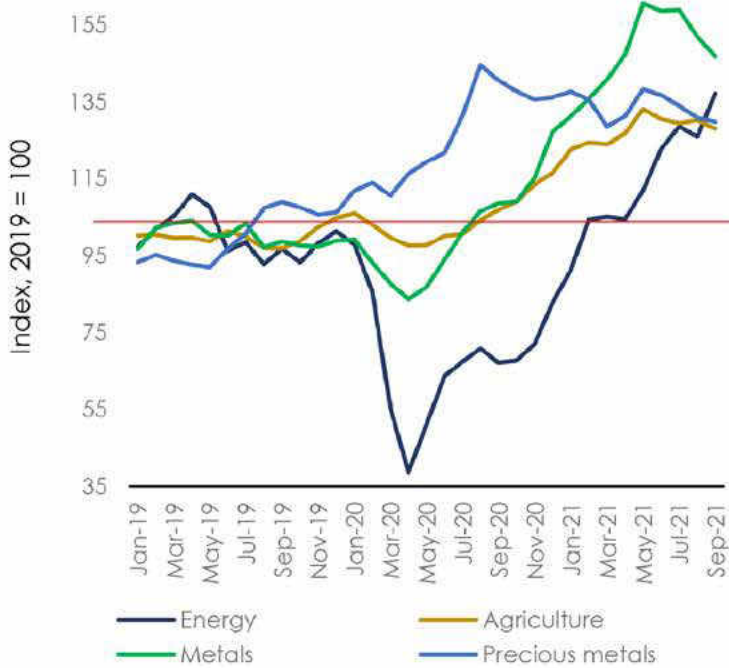
• **Soaring Energy Prices Pose Inflation Risks as Supply Constraints Persist: World Bank**

Energy prices soared in the Q3-2021 and are expected to remain elevated in 2022, adding to global inflationary pressure on energy-importing countries and potentially shifting economic growth to energy-exporting countries from energy-importing ones. The latest Commodity Markets Outlook update of the World Bank forecasts that energy prices are expected to average more than 80% higher in 2021 compared to 2020, and will remain at high levels in 2022 but will start to decline in the second half of 2022 as supply constraints ease. Non-energy prices, including agriculture and metals, are projected to decrease in 2022, following strong gains this year.

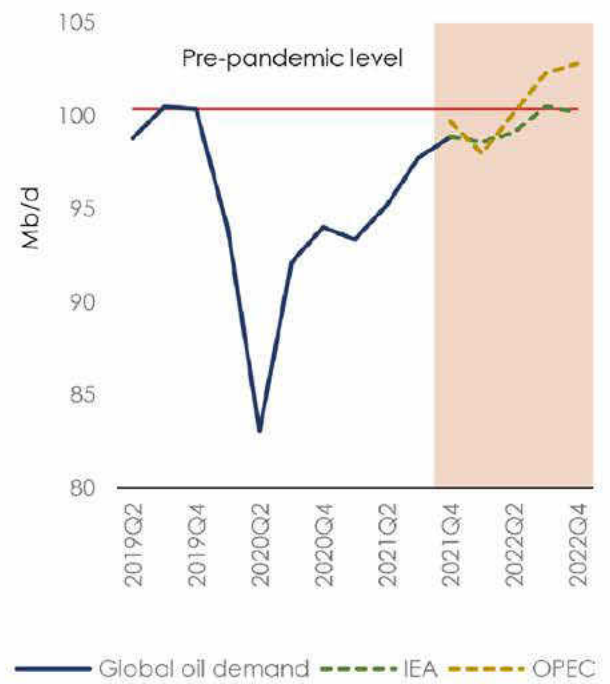
Crude oil prices are expected to average USD 70 in 2021, an increase of 70%. They are projected to be USD 74/barrel in 2022 as oil demand strengthens and reaches pre-pandemic levels. The use of crude oil as a substitute for natural gas presents a major upside risk to the demand outlook, although higher energy prices may start to weigh on global growth.

The report notes that forecasts are subject to substantial risks- including adverse weather, the uneven COVID-19 recovery, and the threat of more outbreaks, supply chain disruptions, and environmental policies. In addition, higher food prices, along with the recent spike in energy costs, are pushing food-price inflation up and raising food-security concerns in several developing countries.

Commodity Prices Indices, monthly



Global Oil consumption Forecasts



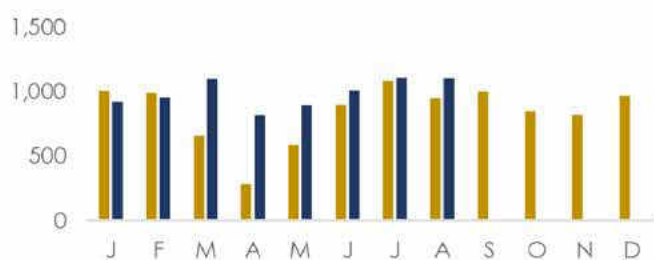
Note: IEA- International Energy Agency
 OPEC-The Organisation of Petroleum
 Exporting Countries
 Source: The World Bank

Legend: 2020 2021

All the numbers are in USD Mn unless otherwise specified.

EXPORTS

EXPORTS INCREASED BY 16% Y-O-Y



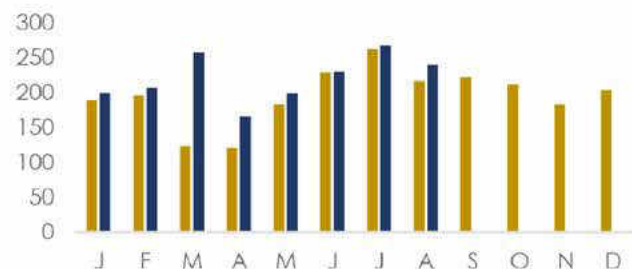
YoY % CHANGE IN EXPORTS



INDUSTRIAL EXPORTS PICKED UP BY 18% Y-O-Y



AGRICULTURAL EXPORTS GREW BY 11% Y-O-Y



IMPORTS

IMPORTS INCREASED BY 31% Y-O-Y



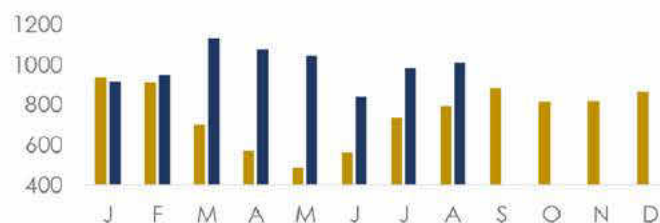
Y-o-Y CHANGE IN IMPORTS



CONSUMER GOODS IMPORTS INCREASED BY 42% Y-O-Y



INTERMEDIATE GOODS PICKED UP BY 28% Y-O-Y



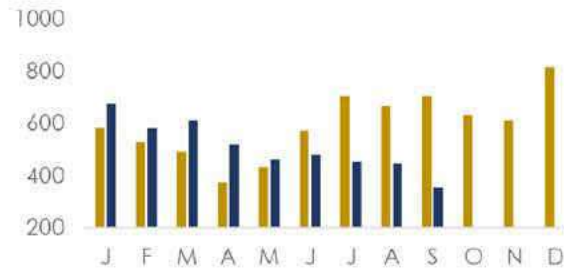
INVESTMENT GOODS IMPORTS INCREASED BY 31% Y-O-Y



TRADE BALANCE WIDENED BY 71% Y-o-Y

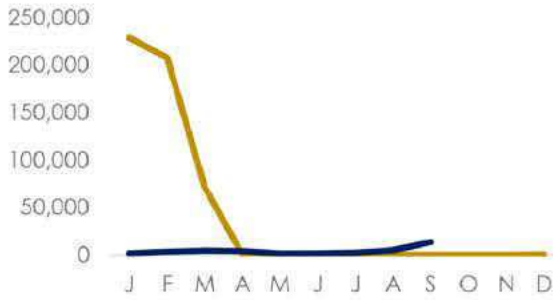


WORKERS' REMITTANCES DECLINED BY 50% Y-o-Y (SEP)

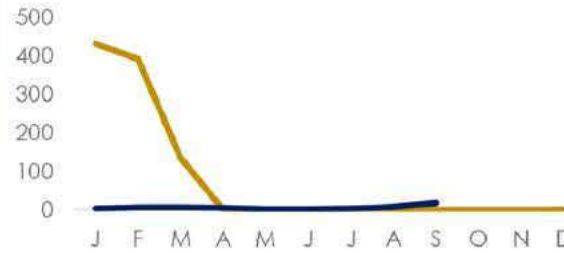


21%
of the total import bill covered by Remittances (Aug 2021)

13,547 TOURISTS ARRIVED IN SEPTEMBER 2021



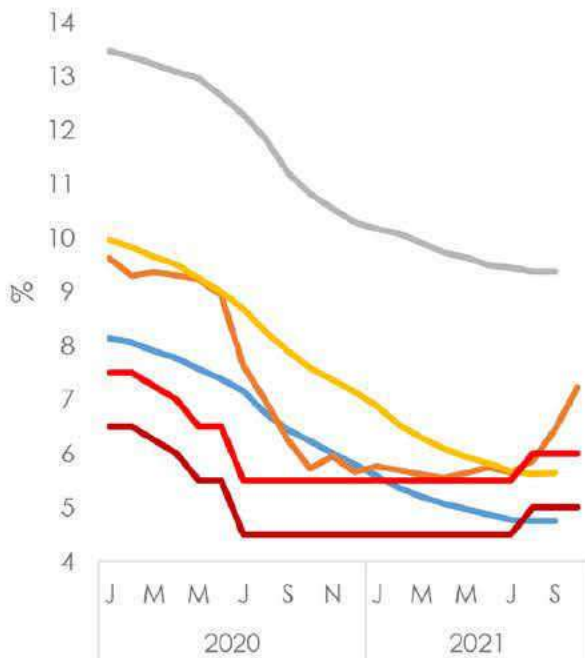
USD 18.2 MN EARNED IN SEPTEMBER 2021 FROM TOURISM INDUSTRY



KEY INTEREST RATE INDICATORS

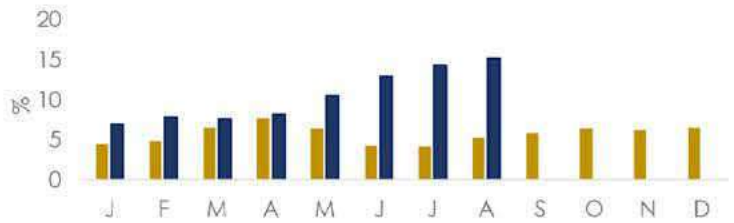
INTEREST RATES

Standing Deposit Facility Rate (SDFR): 5.0%
Standing Lending Facility Rate (SLFR): 6.0%



- AWDR
- AWLR
- SDFR (Repo)
- AWPR
- AWFDR
- SLFR (Rev.Repo)

PRIVATE SECTOR CREDIT GROWTH



INFLATION: CCPI (BASE 2013) Y-o-Y

	Sep '21	Aug '21
CCPI:	5.7	6.0
CCPI Core:	5.0	4.1



INFLATION: NCPI (BASE 2013) Y-o-Y

	Sep '21	Aug '21
NCPI:	6.2	6.7
NCPI Core:	4.8	4.7

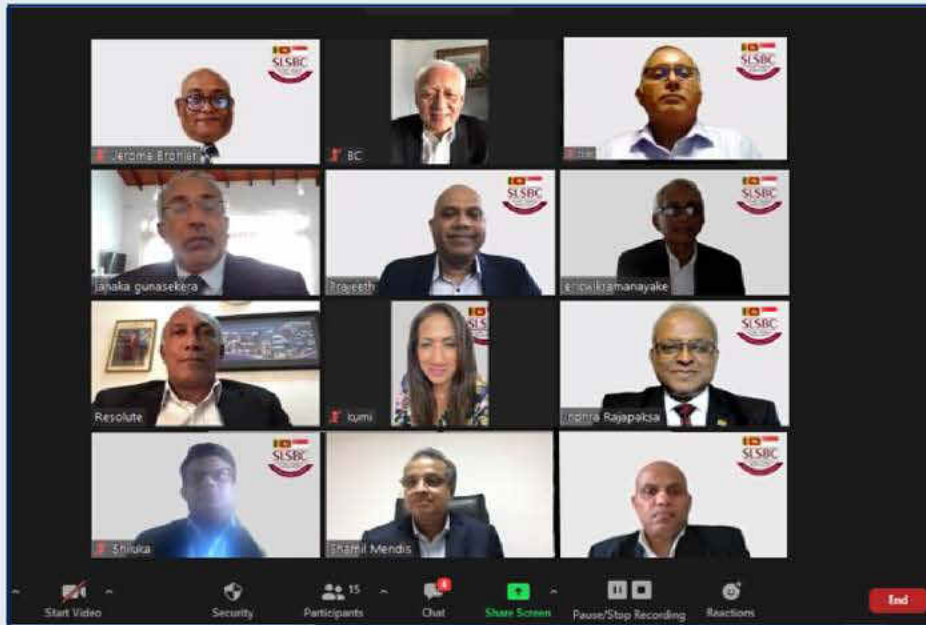


DISCLAIMER:

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Mr. Prajeeth Balasubramaniam re-elected as the President of SLSBC

08 potential subcommittees are in place to promote trade between Sri Lanka and Singapore



(L to R): Mr. Jerome Brohier, Vice President, Aitken Spence Cargo (Pvt) Ltd; Mr. Tan Beng Chuan – Vice President SLSBC; Mr. Tilak Gunawardana, Chief Financial Officer, MAC Holdings (Pvt) Ltd; Mr. Janaka Gunasekera - Vice President SLSBC; Mr. Prajeeth Balasubramaniam – President SLSBC; Mr. Eric Wikramanayake, Chairman, Tengri Aero Industries (Pvt) Ltd; Mr. Rohitha Mendis – Immediate Past President SLSBC; Ms. Kumi Miranda, Head of Leasing, Overseas Realty (Ceylon) PLC; Mr. Indhira Kaushal Rajapaksa, Chairman/Group Managing Director, Kalhari Enterprises; Mr. Shiluka Gunawardana – Vice President SLSBC; Mr. Shamil Mendis, Chairman/Managing Director, Spear International (Pvt) Ltd; Mr. Sharhan Muhseen, Star Promotions.

The 24th Annual General Meeting of the Sri Lanka – Singapore Business Council (SLSBC) of The Ceylon Chamber of Commerce was held on 16th June 2021 via Zoom. The SLSBC was inaugurated in 1997 under the aegis of the Ceylon Chamber of Commerce with the objective of promoting trade, investments, tourism and services between Sri Lanka and Singapore.

Mr. Prajeeth Balasubramaniam, Managing Partner, BOVCapital Ltd was re-elected as the President of the Council for the year 2021-2022. Mr. Janaka Gunasekera - Deputy Managing Director, Agri Inputs, A Baur & Company Limited, Mr. Tan Beng Chuan - Corporate Manager, Prima Singapore and Mr. Shiluka Gunawardana, Partner KPMG were elected as Vice Presidents of the Council.

The Honorary Consul General of the Republic of Singapore in Colombo, Dr. Jayantha Dharmadasa remarked that the Council has moved forward despite of all obstacles to enhance trade between the two countries and he further mentioned that he is willing to extend his support towards the development of the council activities.

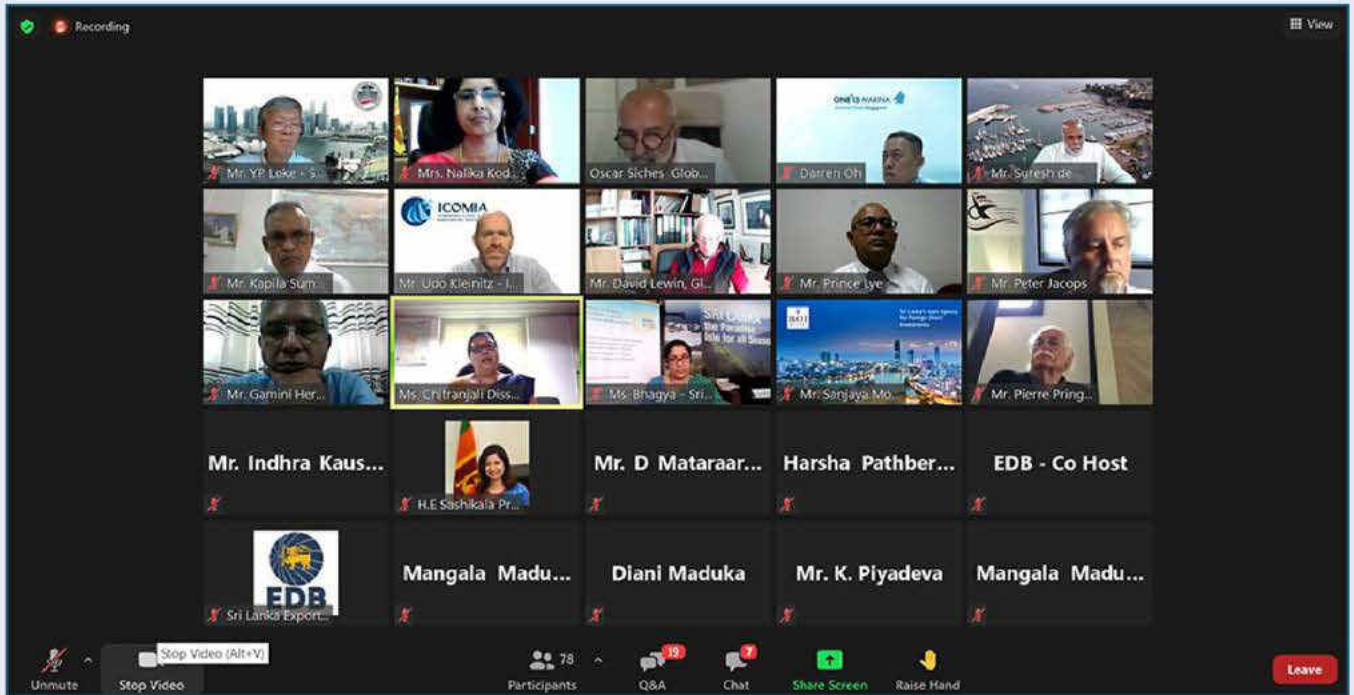
The President of SLSBC mentioned that "as promised at the last AGM the council took the initiative to formulate 08 subcommittees under the below sectors Gem and Jewellery, Real Estate, Healthcare/Pharma, Education, Agriculture/ Food Processing/ Security Ag-Tech, Rubber, (Tyre, Auto parts), Boat Manufacturing, Logistics, Supply Chain and last mile and Fintech. All sectors have made progress under each subcommittee with the help of relevant authorities and specially with the assistance of the Sri Lankan High Commissioner in Singapore, Commercial Counselor of the Sri Lankan Embassy in Singapore, Enterprise Singapore, Singapore Business Federation and many other institutions in Singapore".

He stated that the Real Estate subcommittee is organizing a webinar in the month July 2021 on the trending developments of Real estate sector in Sri Lanka which will be followed by a panel discussion. As a follow up action from the webinar on the Pharma Manufacturing Opportunities in Sri Lanka, the subcommittee is preparing a sectoral FDI note covering the pharmaceutical and healthcare industry landscape in Sri Lanka and intend to publish the same by Q3 or Q4 of 2021.

He also added that the Agri subcommittee is currently working with the Sri Lankan High Commission in Singapore to identify potential Venture capitalist and private investors to promote the selected Agri tech startups for potential investment and market opportunities. The Fintech subcommittee is working with the Sri Lankan High Commission in Singapore, Central Bank of Sri Lanka and Monetary Authority of Singapore on the Sandbox with the objective of increasing participation by domestic players as well as exploring possibilities for Singapore Fintech players to use the CBSL Sandbox.

Aitken Spence Cargo (Pvt) Ltd, Kalhari Enterprises, MAC Holdings (Pvt) Ltd, Overseas Realty (Ceylon) PLC, Spear International (Pvt) Ltd, Star Promotions (Pvt) Ltd, Tengri Aero Industries (Pvt) Ltd were elected from the membership to serve on the Executive Committee of the Council.

Online workshop on the Development of Recreational Boating in Sri Lanka



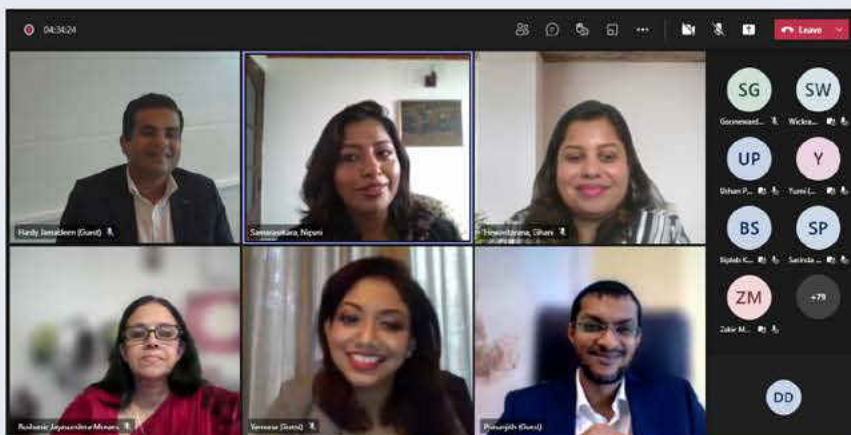
An online workshop was organized to promote the development of recreational boating in Sri Lanka 11-May 2021.

Recreational marine industry has been identified as a sector worthy of Sri Lankan Government support. Although their boat builders produce mainly for the commercial market, there is some recreational boat manufacturing, and an increasing interest to cater to this segment. In consonant with the drive to promote recreational boat building, the Country also plans to development the domestic market. As a tropical island state, it has all the natural ingredients for boating activity and nautical tourism to flourish. The workshop comprises two main panels. Panel 1 was focused on the potential for recreational boat manufacturing and export, while Panel 2 was focused on the development of the domestic sector (infrastructure and

nautical tourism). A group of subject matter experts were present in each panel for a discussion on the strategic plan outlined to promote the development of recreational boating in the Country. The Workshop ended in a roundtable discussion with selected members of both panels coming together to take questions from the virtual audience, and to sum up the challenges and opportunities for the development of the recreational marine industry in Sri Lanka.

The event was organized by the High Commission of Sri Lanka in Singapore, together with the Export Development Board, Sri Lanka - Singapore Business Council, Sri Lanka Boat Building Technology Improvement Institute and Singapore Boating Industry Association.

The Sri Lanka - Singapore Business Council of The Ceylon Chamber of Commerce and KPMG Sri Lanka conducts a webinar on Real Estate



The Sri Lanka - Singapore Business Council of The Ceylon Chamber of Commerce, in association with KPMG Sri Lanka as the Knowledge Partner, successfully concluded a webinar recently on Real Estate Investment Opportunities in Sri Lanka with over 200 participants. The session comprised of an insightful presentation on "Why Invest in Sri Lankan Real Estate" and a sector outlook by Gihani Hewavitarana, Senior Manager, Real Estate Advisory, KPMG Sri Lanka and a detailed presentation by Yamuna Jayaratne,

Director Sales & Marketing, CHEC Port City Colombo (Pvt) Ltd., to present a comprehensive overview of the Port City Colombo Project. The session concluded with a panel discussion with Roshanie Jayasundara Moraes Executive Vice President/ CMO, John Keells Holdings, Hardy Jamaldeen, Executive Director, Lanka Realty Investment PLC, Prasanjith Wijayatilake, Executive Director of Investment Promotion, BOI Sri Lanka and was moderated by Nipuni Samarasekara, Partner, SW Legal Associates. Some interesting points were discussed through the session, providing an eye opener towards the opportunities in real estate investment.

Gihani Hewavitarana, Senior Manager, Real Estate Advisory, KPMG Sri Lanka presented insights on the market. She mentioned that the Sri Lankan Real Estate market has generated high returns for investors and is recognized as an investment destination in the Asian region, with Port City Colombo being the key focal point of the present real estate landscape. Regionally, Sri Lanka remains attractive as an emerging market, when considering ROI on Real Estate. The KPMG presentation highlighted the following analysis.

• Compelling Reasons to Invest in Sri Lankan Real Estate

From an investor's point of view, Sri Lanka's strategic importance, linked with its location with major shipping routes connecting South Asia, Europe and America with nearly two thirds of the world's oil being transported, close proximity to emerging South Asian economies and Middle Eastern Countries and also its strong air connectivity, which holds a great position as a tourism hotspot in the world, gives the country an advantage.

On the other hand, Sri Lanka has a conducive business environment. Sri Lanka is ranked 99th by the World Bank in the Ease of Business Index. This index is a measure to help investors to get a better understanding about the business environment of a country. The Economic Freedom Index has also increased over time and it ranks countries based on trade freedom, judicial effectiveness and tax burdens. The Human Development Index indicates an improvement and it is a summary composite measure of a country's average achievements in 3 basic aspects namely, health, knowledge and standard of living.

Further, double taxation avoidance agreements with 38 countries, bilateral investment agreements with 28 countries, secured foreign investment policies, a transparent legal and regulatory framework, COVID-19 loan schemes to support industries, permission for condominium ownership on freehold for foreign nationals, are some of the other key aspects that rank Sri Lanka at a high level.

The Sri Lankan Government has placed immense investments in infrastructure, with developing the international airport, highways, seaports and has completed other huge and ongoing projects, major power projects, Western Region Megapolis, BIA expansion etc.

Port City Colombo project is the next game changer in the sector, comprising world class business commercial, ultra-luxury residential, entertainment and lifestyle hubs being developed adjoining Colombo CBD, targeting High Net Worth Individuals in the Asian region. The project is anticipated to add a total of 179 Ha. of marketable land and a total GFA of 6.3 Mn sq. ft. The project will create a positive impact on economic growth with the increase in FDIs and attract high spending tourists to the country. It will also create over 83,000 job opportunities. The land and development supply will be added in a phased-out manner into the market, avoiding any risk of oversupply. Further, it will positively impact land prices and rental values of residential and commercial property in the CBD area.

It is very important to understand demand drivers, to perceive what has been fueling the sector's growth over the years. The main factor for domestic demand, is the growth in the population. According to statistics Sri Lanka has a total population of around 21 million, which is expected to increase to 24 Million by 2030 at a 1.1% of expected annual population growth rate (p. a.). Sri Lanka is into fast urbanization, by recording 18.6% in 2019 which will lead to 30% by 2030.

In terms of housing demand, 100,000 units per annum is needed to fill the housing gap, considering the new requirements and replacements in the country. Since land is a scarce resource for Sri Lanka, there is only 11% land available for development and the remaining land has been utilized for other purposes like agriculture, forest reserves or can be unsuitable for productive use. Hence, it is pivotal for proper effective utilization of land for meeting the rising demand for housing. Moreover, Sri Lanka has a reducing household size, which recorded 5 individuals per household in 1980 and has gradually dropped to 4 individuals per household, which compounds the requirement for housing along with all the factors mentioned above.

Sri Lanka has a growing middle income segment which is represented by middle income professionals, self-employed individuals and public sector employees. With more than one income earner in the family, the monthly household income of the middle-income family is rising. In a family where both partners are working, condominium living may be preferred due to convenience, and it has led to the demand for semi luxury apartments in the country.

The Luxury apartment market demand is mainly driven by foreigners, high net worth individuals in the country/ region and Sri Lankan expatriates. The worker remittance has escalated from USD 3.3 BN in 2019 to USD 7.1 BN in 2020. This is broadly coming from countries like Australia, UK, and the Middle East countries. Sri Lanka is seen to have the second fastest growth in HNWI's after Vietnam, according to the 2016 Wealth report by Knight Frank and this has potentially attracted foreigners to buy second homes/ holiday homes in Sri Lanka, due to the fact that foreigners can buy

condominiums freehold. And on the flip side, tourism also plays a major role in the Real Estate sector, due to COVID-19 tourist arrivals dropping to 507,000 in 2020 but with post COVID-19 strategies by the Government of Sri Lanka and the Sri Lanka Tourism Board having managed to re-ignite the entire tourism sector. Sri Lanka had a strong tourism drive and was on track to achieve a tourist arrival target of 4.5 MN before the advent of COVID-19.

Gihani also went on to discuss about the market outlook of different asset classes in a pandemic environment, while identifying opportunities for investments, challenges and risks in the changing investment climate.

• Residential Development Market

Residential demand picked up amidst COVID-19. Demand for Luxury Condominiums was dull during 2018-2019, due to a relative slowdown in the economy and political uncertainty. However, the announcement of new projects has slowed down recently and off-plan sales have picked up from 2020, despite COVID. The supply pipeline from 2020 - 2025 is approximately 6,900 units, with approximately 4,400 units under delayed projects and pre-sales have improved to 65%. Several developers were offering special pricing and easy payment plans since 2020, to push the remaining stock into the market, which has improved pre-sales.

Demand for semi luxury apartments was driven by housing demand in urban areas by middle income earners. Trends of urbanization and land scarcity compounds the housing requirements. Price appreciation of land values in urban areas and increase in construction costs, have pushed pricing of semi luxury condominiums. Certain developers in recent times have penetrated the market with affordable products, which have sold at a faster pace, compared to that of other residential segments. Housing loans have been capped at 7% and therefore, more people are encouraged to consider a semi-luxury unit through available borrowing options.

• Commercial Office Space Developments

Since 2010, we have witnessed a complete and remarkable turn-around in fortunes for the commercial property market segment in the Colombo city. This is reflected in the high occupancy levels and increase in rents in the market. However, the pandemic poses a challenge in maintaining the same momentum in the short run. According to KPMG findings, with the COVID-19 effects, the market average vacancy rates increased from 9% to 12%. Companies engaged in the business of renting or leasing out office spaces, have used multiple forms of strategy to retain tenants, by extending or providing grace periods on rent, providing discounts on rents and being flexible on lease/rent contract negotiations. The CoSL has plans to vaccinate most of the population, which will lead to people moving back to normalcy in their day to day work. Work from home will continue as a practice, to resort to in an emergency.

However, it is unlikely that demand for physical office space may reduce drastically. According to existing data, there is ~5.4 Mn sq. ft. of office space available within Colombo 1 - 15 areas. A new supply of ~1.7 Mn sq. ft. is anticipated to enter the market between 2020 - 2025. Recently completed office towers of large mixed developments are One Galle Face, Cinnamon Life, while Havelock City, Mireka towers and Ekroma, are expected to be completed in the coming quarters of 2021. It is expected that demand for co-working options will increase, as the sector adjusts to operating under social distancing norms and the health guidelines imposed.

• Commercial Retail Space Developments

According to KPMG Research, there is ~1.8 Mn sq. ft. of retail mall space available between Colombo 1 - 15 areas, while shopping precincts cover an area of ~255,000 sq. ft. This is a relatively low mark, compared with the population within the city limits and the country's original tourism targets. An addition of 907,072 sq.ft. is expected to add to the supply by 2023, with projects such as Altair, Havelock, Cinnamon Life, ITC, One Square, Marina Square and Destiny. The sector reported steady rental growth. However, occupancy of the retail mall spaces were greatly affected by COVID-19. The drop in tourism, health restrictions imposed and limited footfall, placed tenants in a difficult position to pay rents. According to KPMG findings, the market average vacancy rates increased from 5% to 14% with the effects of COVID-19. Many retailers shifted towards e- platforms to market their products. Major supermarkets were the first to initiate this shift and it has greatly assisted their operations.

• Warehousing Market

There is approximately 7.41 Mn square feet of warehousing area in Sri Lanka and from that, 86% is B grade warehousing spaces and 14% is A grade warehousing spaces. There are 4 main warehousing corridors in Sri Lanka namely the Colombo Port, Wattala - Peliyagoda, Ja Ela - Katunayake and Ratmalana. Demand drivers for warehousing market includes, a huge contribution from the logistics and warehousing sector amounting to USD 2 Bn and the growth in Apparel and Textiles, Tea, FMCG and Pharma sectors and Improvement in internal and external connectivity of Sri Lanka. COVID-19 had a minimal impact on the sector and relatively longer periods of lease contracts, created less pressure on rental rates. In the wake of COVID-19, Logistic companies reassessed inventory volumes in line with business continuity plans. Diversification of manufacturing and warehousing across the globe amidst COVID, will create future demand for warehousing. Investments in warehousing allows investors to earn a passive income stream through rental and enjoy capital appreciation through increase in land prices. Sri Lanka has a high demand for logistical spaces.

Yamuna Jayaratne, Director Sales & Marketing, CHEC Port City Colombo (Pvt) Ltd. presented a comprehensive overview of the Port City Colombo Project.

• A World Class City for South Asia

Port City Colombo is a master planned, modern metropolis reclaimed from the sea, extending Colombo's Central Business District. Being a planned integrated urban development and the first of its kind in Sri Lanka, the Master Plan was developed in consultation with SWECO of Sweden, Atkins of UK and Suburna Jurong of Singapore. A Master Plan and Development Control Regulations (DCR) has been set out for all of the 269 Ha of reclaimed land, to provide development regulations on urban design, utilities, landscaping and sustainability.

• A destination for business to thrive

Strategic location in the "Belt and Road Initiative" provides access to over 60% of the World's population and 30% of global GDP and it connects major global financial markets i.e. Dubai and Singapore, within 5 hours by air. Sri Lanka is the second most connected nation in South Asia. Further, Port City Colombo will benefit from multiple free trade agreements with key markets in the region.

The salient features of the Colombo Port City Economic Commission law that would benefit investors and businesses are a Single window Facilitator - Port City Commission to facilitate all approvals, licenses, registrations, visas, work permits and authorizations, dedicated international dispute resolution center in relation to any legal proceedings instituted on civil and commercial matters, a modern regulatory framework to facilitate offshore banking, capital markets etc., whilst minimizing red tape. Robust investment protection, supportive immigration policy & labour laws, and the use of foreign currency is permitted without any restriction for all business transactions within the Port City Colombo and outside Sri Lanka, eliminating currency risks for foreign investors, fiscal incentives etc.

According to Yamuna, the location had been the most important sales point for realtors and developers across the world previously. Currently, there is a change in focus on three new elements; connectivity, amenities and place. She noted that the pandemic would have a significant effect on strengthening the desire for quality real estate and that Port City Colombo will fit in perfectly with the trends seen in setting demand for prime residential properties in future. She concluded by mentioning the placement of Port City Colombo and its ability to attract regional demand into Sri Lanka, since Port City Colombo offers scale and opportunities in hospitality, residential and commercial asset classes. The growth slated for High Net Worth Individuals in the region, would also drive the demand for residential properties in the region.

Roshanie Jayasundera Moraes, Executive Vice President and Chief Marketing Officer of John Keells Holdings – Property Group initially outlined on the ongoing projects, identifying

Cinnamon Life as the crown jewel in their portfolio, whilst mentioning TRI-ZEN, which is an 89unit condominium development in Colombo 2. She noted that the golf resort residential project in Digana and few other projects in the pipeline of different asset classes, have not been impacted by the pandemic. Roshanie acknowledged that sales have done well during the pandemic period prevailing, due to the low interest rates, probably the lowest that she has seen being offered. Many investors have started pouring their money into real estate, which is a safe asset class in the current context. She mentioned the expectation of tourism taking off in the post-pandemic era and how countries such as Sri Lanka would be able to maximize the benefits. The real estate projects currently in Sri Lanka, including what JKH has on offer, have very attractive prices compared to its regional peers and the value appreciation of real estate assets in Sri Lanka would affirm that it is time to get into the real estate market in Sri Lanka.

She observed that Sri Lanka is a hotspot for real estate with its geographical placement, which would provide a launchpad to the region, giving us the potential to be the Hong Kong of this region. An island with a limited quantity of land parcels such as Singapore, has created a robust real estate industry. This is the time to enter into the real estate market in Sri Lanka.

According to Roshanie, the depreciation of the Sri Lankan Rupee is unfortunate. However, when the real estate prices in Sri Lanka are compared with that of the region, we are quite attractively priced she said. She pointed out the opportunity for overseas investors to purchase units in dollars and the availability of a secondary market, if foreign investors seek to divest purchased condominiums in dollars. Dollar investors can repatriate their initial investment and capital appreciation i.e. in simpler terms, the profit made through the same channels they used to bring in the investment into the Sri Lankan financial system.

She also noted that the majority who have invested in their projects were locals and pointed out that mortgages were at a low. Many Sri Lankans who are based overseas are showing interest and are currently investing in projects. Around 65-60% are local buyers, whilst the balance a 25-30% split between foreign investors and Sri Lankans based overseas who are buying units, shows potential in the local market.

Roshanie also touched upon REITs, mentioning that the formulation of regulations was at the final stages and that REITs could be expected in the market very soon and also noted that projects needed to be identified for REITs to be listed in the Stock Exchange. She concluded by touching on the modes of financing available for international companies and foreign individuals, noting the availability of credit lines through the international banks and the financial system for companies and institutional investors.

Mr. Prasanjith Wijayatilake, Executive Director - Investment Promotion from the Board of Investment of Sri Lanka, on being asked about the legal and policy aspects in place to

facilitate investments and specific laws that the investors need to be aware of, was quick to mention that the BOI considers itself more as a facilitator than a regulator. He noted that during the last 18 months or so there have been many regulatory changes that have taken place positively impacting the overall dynamics of the real estate sector.

He elaborated this point citing the construction industry as an example which goes hand in hand with the real estate sector. Incentives such as a concessionary corporate income tax rate of 14% for the construction services industry and tax holidays for companies involved in construction material recycling are expected to strengthen the construction sector, which would in turn have a cascading effect on the real estate sector. There is also a focus on addressing the construction related labour shortages by introducing specific vocational training courses that will create the type of labour in demand, which would ideally phase out the labor component that is presently supplemented from overseas. This too would have a positive impact on the cost factors affecting the construction sector. Prasanjith mentioned the BOI anticipates that new avenues for real estate sector growth will be seen in commercial real estate, specifically data centers and logistics facilities. He went on to speak of how the prevailing global pandemic has increased the demand on both sectors. For instance, Work from Home cycles have increased demand on the services sector and thereby data and knowledge processing centers have been seeking to diversify locations in order to provide business continuity across multiple destinations. He noted that Sri Lanka is a prime location, both in terms of deep-sea cable connectivity and a relevant talent pool that makes it attractive to investors.

He next spoke of the pandemic's impact on global supply chain disruption, and the resultant demand for different types of logistic spaces and warehousing to support the growth in the logistics sector. Here again, the geographical advantage of Sri Lanka with close proximity to marine superhighways provides a strategic benefit to companies expanding their global footprint through centralized logistics, as they move away from models based on single points of operation.

From a policy perspective he mentioned that a favorable fiscal environment had been created with the necessary push factors to appeal to investors in data centers, knowledge centers and even offshore business headquarter operations, where growth would create demand for high quality real estate solutions, thereby driving growth in the real estate sector.

In terms of future developments in the policy landscape, he mentioned the importance of looking beyond the fiscal background alone, and the value of acknowledging soft factors such as long term permanent resident visa, facilitating long term stays for foreigners investing in the local real estate market, while exemptions on capital gains made from REIT's investments was also a matter of focus in proposals made on REIT's in the previous budget. With such improvements afoot in terms of policy, coupled with the anticipated demand from emerging sectors, Prasanjith

rounded off with a positive sentiment on the real estate sector in the near term.

Mr. Hardy Jamaldeen, Executive Director – Lanka Realty Investments PLC further substantiated the vast investment opportunities that will emerge for larger institutions due to the Port City Project. He added that the Port City offers immense opportunities in terms of scale and will facilitate groups of investors and businesses that have previously not considered Sri Lanka as an investment destination.

In the recent past, investors have been hampered by ever-changing policies, legal framework, regionally uncompetitive tax structures and the lack of educated & skilled workforce. Due to the Port City and the emergence of the pandemic these aspects are on the verge of changing. The current Port City law that has been passed in parliament sets the platform for best in class regulations to be implemented which will address the above mentioned issues.

COVID has transformed our education and the university student conversion figures greatly to study their curriculum online. As an example, the student population in Sri Lanka is 4.2 million and 500,000 students are studying online on the renowned DP Education platform daily. This is a first of its kind in the world where the entire curriculum is available for students to study online for free.

Additionally, for students above 18 years of age a Maths, English and IT bundled diploma is being developed in collaboration with the University of Moratuwa and DP Education. This diploma will make fit 20,000 students annually above the age of 18 to be ready to take on jobs in the IT sector. This diploma will be made available free of charge to the students by DP Education. Such structural changes in our Educational system will definitely lead to a more Educated and skilled workforce.

Hardy noted that the Government of Sri Lanka has spent significantly to develop infrastructure in Sri Lanka. "Within the next 3 to 5 years these projects will come to fruition. The road connectivity will be vastly enhanced. Ports and industrial parks around the ports will be fully developed. Integrated facilities and large scale projects such as Cinnamon Life that come into operation within the next 12 to 18 months which will facilitate a quantum shift in the overall tourism product given the 'First of its kind' holistic offering" he said.

Hardy also stated that many lessons can be learnt from the development that took place in the like for like Marina Bay area in Singapore and the exponential development that subsequently took place in the old town. He was confident that similar development and economic growth in the immediate and extended periphery of the Port City geography could be expected and that all infrastructure and other facilities need to be in place to capitalise on the envisaged growth.

Hardy concluded by stating that Sri Lanka is at the cusp of entering a new phase of growth and despite the challenging macro fundamentals, the opportunity has never been greater for global investors to partner Sri Lanka to leverage on its planned growth. "Sri Lanka will be a rising force in South Asia. Now is the time." he added.

HatchX: Sri Lanka's most disruptive fintech accelerator is back bigger and better for 2021



From left: Lanka Angel Network Board Member Chandni Dharmaratne, SLSBC Member Sharhan Muhseen, FASL President Rajkumar Kanagasigam, The Ceylon Chamber of Commerce Council of Startups Chairman Prajeeth Balasubramaniam, and Hatch Founder Jeevan Gnanam

Despite being in its infancy, Sri Lanka's fintech industry has made great strides over the years, and one of the biggest came last year with the launch of the country's first-ever fintech accelerator program.

Having launched amidst the pandemic last year, HatchX completed a highly successful first round, empowering seven fintech startups. Following this success, the program is now returning for another run in 2021.

Launched by Hatch in partnership with Lankan Angel Network (LAN), and funded by the Ford Foundation, this enables local fintech startups to reach out and collaborate with fintech ecosystems across both Sri Lanka and South Asia. Due to this, the initiative also received endorsements from both the Central Bank of Sri Lanka (CBSL) and the Fintech Association of Sri Lanka (FASL).

The main goal of the program was to help solve some of the challenges Sri Lanka faces due to the local fintech industry still being in its early stages. Some of these challenges include the lack of a customer identification mechanism such as e-KYC and Digital ID, impediments in a regulatory and legal environment, lack of coordination and communication among various stakeholders, low levels of financial literacy in the population, and the lack of digital inclusion.

After a call for applications, HatchX shortlisted seven fintech start-ups out of 20 total applicants. These seven Sri Lankan start-ups successfully went through an intensive curriculum of four months and were the recipients of tailored advice from the mentors of the industry.

The seven start-ups include Digital Insurance Lanka Brokers, Direct Pay, Flipbox.com Helios P2P, iLoan, MintPay, and OGO Pay. The founders of these companies also gained access to banks, financial institutions, and networks that have allowed them to develop their businesses whereas traditionally it would have taken many years to access such opportunities.

At the end of the program, HatchX collaborated with 19 outreach partners locally and internationally to highlight these seven start-ups by hosting HatchX Demo Day. The event shed light on these start-ups, while also spreading awareness of the initiative among the Sri Lankan community.

This year, in order to further strengthen the fintech ecosystem through HatchX, Hatch led an industrywide partnership between the Fintech Association of Sri Lanka, Council for Startups of The Ceylon Chamber of Commerce, Sri Lanka-Singapore Business Council (SLSBC), and Lanka Angel Network. The partnership was cemented on 27 July, with the signing of an MoU, held at Hatch.

The 2021 cohort of HatchX is set to expand on last year by graduating 10 fintech start-ups, exploring InsureTech based start-ups, enabling financial inclusion, enabling wider use of online payments, strengthening capabilities and utilisation of the CBSL Sandbox, curated program curriculum, mentoring and coaching start-ups to compete with international start-ups using a phased approach.

Moreover, the program will work towards further digitising Sri Lanka, by enabling economic access and participation to both rural businesses and consumers and offering a choice to consumers.

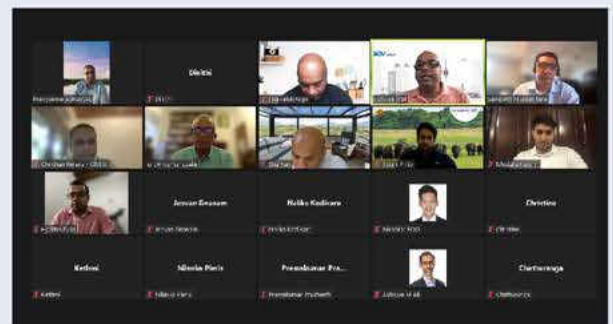
Webinar on Forging closer ties between Singapore and Sri Lanka for Gem Sourcing Opportunities



In collaboration with Jewellery Design and Management International School (JDMIS) and Arnil Sammoon from the Gem Art Academy & Sapphire Capital Group, Singapore Jewellers Association and Sri Lanka - Singapore Business Council proudly supported a webinar titled Forging Closer Ties Between Singapore and Sri Lanka for Gem Sourcing Opportunities on 28th October 2021.

The session was followed by a panel discussion to discover how to leverage on the strong bilateral relations between Singapore and Sri Lanka for the reliable sourcing of high-value gemstones.

Meeting with Temasek - The global investment company in Singapore



The Sri Lanka High Commission in Singapore facilitated a meeting between the Sri Lanka - Singapore Business Council and the Temasek, Singapore on 01st October 2021. It was discussed how Sri Lanka can facilitate Temasek functions and to explore the areas of possible synergies, partnerships and joint ventures. It was also discussed how to facilitate Singaporean start-ups to set up in Sri Lanka so that it can be an ideal test market /POCs and become a launch pad to South Asia.

Sub-Committee Updates



01 | Gem & Jewellery Sub-Committee

CHAIR - MR. ARMIL SAMMON

TARGET:

Enable ease of purchasing and increased supply and manufacturing from Sri Lanka via Singapore.

ACTION:

The Sub-committee successfully concluded a webinar on Forging closer ties between Singapore and Sri Lanka for Gem Sourcing Opportunities organized by the Singapore Jewellery in association with the Sri Lanka – Singapore Business Council of the Ceylon Chamber of Commerce on 28th October 2021.



02 | Real Estate Sub-Committee

CHAIR - MR. SHILUKA GOONAWARDENA

TARGET:

To promote Sri Lanka as a destination for both FDI into the real estate sector as well as promoting real estate in SL as an individual investment opportunity in Singapore.

ACTION:

The Sub-committee successfully conducted a webinar on Real Estate Investment Opportunities in Sri Lanka will be held on 31st August 2021. The speakers and the panelists includes: Gihani Hewavitarana - Senior Manager Real Estate Advisory, KPMG Sri Lanka, Yamuna Jayaratne - Director Sales & Marketing, CHEC Port City Colombo (Pvt) Ltd, Hardy Jamaldeen – Executive Director - Lanka Really Investments PLC, Prasanjith Wijayatilake – Executive Director of Investment Promotion BOI Sri Lanka, Roshanie Jayasundara Moraes – Executive Vice President/CMO of John Keells Holdings and the session will be moderated by Nipuni Samarasekara – Partner, SW Legal Associates.



03 | Healthcare/Pharma Sub-Committee

CHAIR - DR. LAKITH PIEIRS

TARGET:

Core purpose is to get businesses to Sri Lanka and leverage businesses vice-versa. There are about 6-7 sectors which Singapore Council has identified. This sub-committee could work on Healthcare/Pharma sector which Singapore could bring down their new technologies/expertise / businesses to the sector and vice-versa.

ACTION: The Sub-committee is working on the following areas

- Consider joint ventures on pharma manufacturing through Singapore expertise.
- Strengthen Sri Lanka and Singapore exports/imports related to healthcare
- Promote Singapore universities for SL biomedical engineers for their higher education And other training needs.
- Uplift SL healthcare standards same as Singapore healthcare while using their quality accreditations and replicate their high standards, new technology, best practices etc. ex: robotic surgeries
- Explore expertise in Singapore related to e-health patient record management
- Nurture medical tourism. JVs could sign with Singapore and package out to other countries.
- Bringing the skills and manufacturing technology
- Collaborate with Singapore private hospitals association on legislations
- Study and partner to do customer profile segmentation, different pricing mechanisms, capture larger cross sections
- 2-3 impactful goals to be identified and propose to Singapore high commissioner as the initial way forward



04 | Education Sub-Committee

CHAIR - MR. YUKTHI GUNASEKERA

TARGET:

Increase bilateral trade in Education between Sri Lanka and Singapore across the entire education spectrum: preschool, primary, secondary, tertiary, vocational, educational technology, corporate training, and executive coaching. In addition, the sub-committee seeks to enhance education access, standards, and achievement for Sri Lankans through collaboration, knowledge-sharing (best practices), and joint ventures between Sri Lankan and Singaporean entities.

ACTION:

• Vocational Training

Enterprise Singapore introduced 4 vocational training institutes to the Education Subcommittee and Gateway Group in August/September 2021: Singapore University of Technology and Design (SUTD), The International Hotel & Tourism School (SHATEC), Textile and Fashion Industry Training Centre (TaF.tc), and Auston Institute of Management - School of Engineers. Unfortunately, Gateway was not able to forge ties with these 4 institutes due to their high cost of tuition and the absence of brand recognition among Sri Lankan students.

• University Education

Enterprise Singapore has undertaken to introduce NUS and NTU to the Gateway Group for possible pathway programmes or joint ventures.

• Enhancing Secondary Education in Sri Lanka

To facilitate knowledge transfers from the Singapore Ministry of Education to the Sri Lankan Ministry of Education, the Education Subcommittee will meet with the State Minister of Education Reforms in November 2021.

• Gems & Jewellery field study for students and professionals

Education Subcommittee member Arnil Sammoon promoted his gems and jewellery field study course at the webinar ("Forging Closer Ties Between Singapore and Sri Lanka for Gem Sourcing Opportunities") held on Thursday 28th October 2021 for gems and jewellery traders in Singapore.

• Ed Tech

The Education Subcommittee is ready to connect its two Ed Tech companies with companies or organisations in Singapore - to sell their respective ed tech solutions to Singapore customers.



05 | Agriculture / Food Processing / Security Ag-Tech Sub-Committee

CHAIR - MR. PRASHANTH PREMKUMAR

TARGET:

- Work with ESG/SBF to promote Agri Tech and Agriculture based companies in Sri Lanka to Singapore based investors. Connect to regional opportunities in Agri Tech.
- Create a platform for Sri Lankan Agri Exporters and aspiring exporters to connect to Singapore based buyers and trading companies.

ACTION: The objective of the sub- committee is to identify 10 new medium scale agriculture companies who may in need of financial and grant support which can be accessed through Singapore.

The sub- committee is currently working in association with the Smallholder Agribusiness Partnerships Programme (SAPP) implemented by Ministry of Agriculture and funded by IFAD (International Fund for Agricultural Development) shortlisting 10 potential agri businesses focusing more on Kithul, mushroom and aqua culture crops who can create significant value from the funding or grand support. 03 companies have been identified so far.

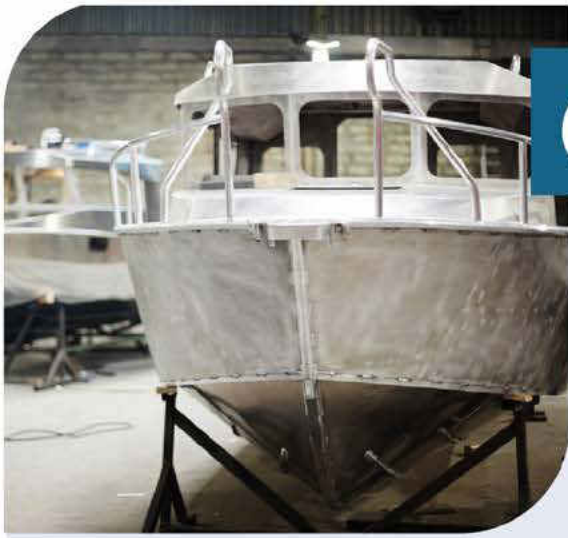


06 | Rubber, (Tyre, Auto parts) & Plastic, Boat Manufacturing Sub-Committee

CHAIR - MR. INDRA KAUSHAL

TARGET:

To increase the exports of Rubber and associated products. To help create joint ventures and promote investments into local production.



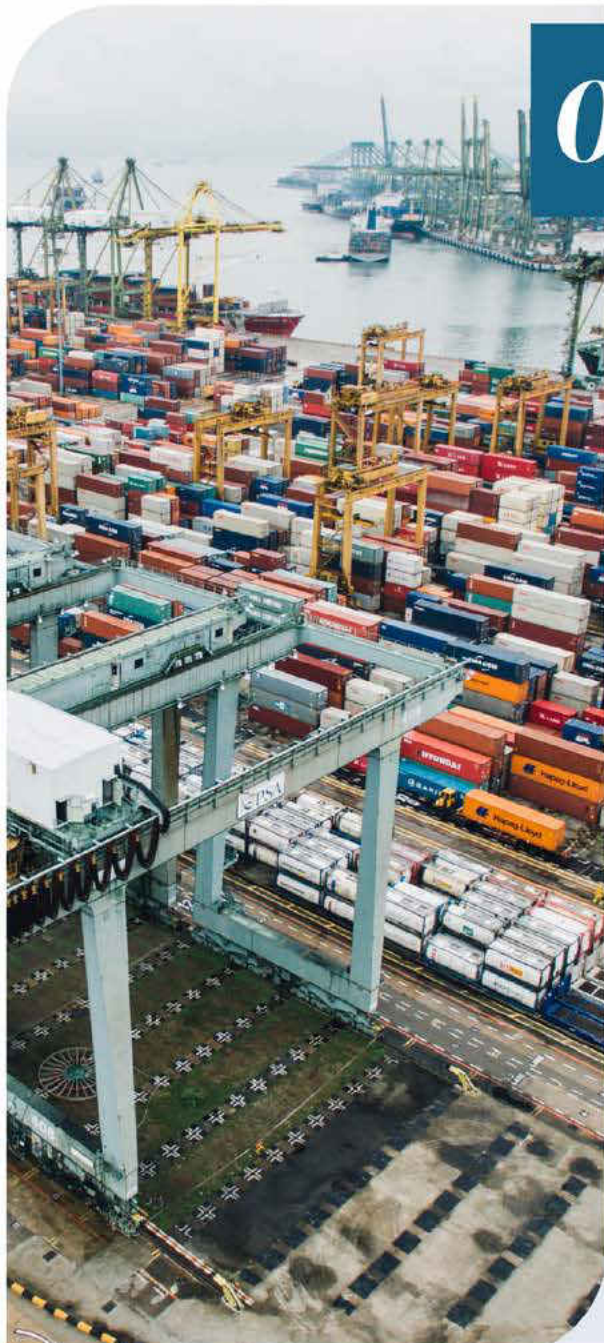
07 | Boat Manufacturing Sub-Committee

CHAIR - MR. INDRA KAUSHAL

TARGET:

To be showcasing the Sri Lanka boat manufacturers at the Singapore boat show and to highlight and give exposure to the boat show held in Sri Lanka.

ACTION: The first ever international Virtual Boat Show Sri Lanka 2021 was held from 25th -29th October 2021. The Virtual Boat Show Sri Lanka 2021 was organized by the Sri Lanka Export Development Board (EDB) in association with the Ministry of Trade and Boat Building Technology Improvement Institute Lanka – GTE Ltd. (BTI). This event was organized to showcase the country's capabilities in recreational boating and yachting, nautical tourism, chartering, marine sports, boat building, and related services and opportunities for investment, marina, infrastructure development and business for exporting, and domestic marketing.



08 | Logistics, Supply Chain and last mile Sub-Committee

CHAIR - R. JEROME BROHIER

TARGET:

The focus of this subcommittee will be initially confined to Last Mile Delivery which is an area of interest by Singapore Investors and also poised for growth. Other objectives are as follow:

- Explore opportunities for attracting investment from Singapore to this industry
- Bring in new technology to further improve the industry
- Identify and resolve any regulatory issues that hinder growth to the industry
- Explore avenues to create growth and enhance volumes

ACTION:

Subcommittee members are working on the following areas;

- The main objective is to attract Investment from Singapore (primarily) and other countries to the logistics industry in Sri Lanka and similarly explore/source potential opportunities/parties for SL companies to venture into Singapore. Also look for any new technological knowledge that can be introduced to SL.
- With the above in mind, the subcommittee will engage with BOI, Sri Lanka Ports, Port City, Hambantota Ports etc and prepare a presentation on SL current Logistical landscape and investment opportunities so that we can share with Potential investors in Singapore and overseas.
- Subcommittee is planning to engage with ESG, SBF, SCCI, SICC etc. and related industrial associations of Singapore in Shipping, Freight Forwarding, Logistics etc. and create awareness on SL and opportunities through Zoom discussions, Webinars etc. targeting their members.



09 | Fintech Sub-Committee

CHAIR - MR. SHARHAN MUSHEEN

To identify 5 Fintech start-ups to promote with the target that one of them will be Sri Lanka's Fintech 'National Champion'

TARGET:

- **Conducive Regulatory Framework**
Leverage MAS expertise and learnings to educate Central Bank of Sri Lanka
- **Training and Knowledge Enhancement**
Increase awareness and develop Sri Lankan talent. Knowledge transfer.
- **Capital Raising**
Access available pools of capital within the Singapore Fintech Ecosystem to support start ups

OBJECTIVE 1

Greater participation of SL FinTech's in the CBSL Regulatory Sandbox ("Sandbox") and entry of Singapore FinTech's into the Sandbox

CBSL Sandbox Readiness

- Chamber has done a study of the Sandbox in November 2020
- Key concerns around digital KYC, regulatory relaxations needed from the Financial Intelligence Unit (FIU), need for licensed partner for entry among the key impediments
- CBSL to update status of participation in the Sandbox
- Consolidate feedback from Fintech's about their sandbox experience

A meeting between MAS and CBSL was successfully concluded with positive feedback. As the next step a meeting with the Governor Ajith Nivard Cabraal is to be arranged.

MAS Learning Implementation

- Call being arranged between CBSL and MAS with support from the Sri Lanka Embassy in Singapore
- Develop roadmap for MAS learnings transfer post call
- Presently getting time for the call from Mr. Kumaratunge at CBSL

Sandbox Webinar for SFA

- Singapore Fintech Association (SFA) is open to having a webinar for its members to participate in the CBSL Sandbox
- Committee to decide a format once in state to proceed to the Webinar

OBJECTIVE 2

Increased collaboration / partnerships between Sri Lanka and Singapore FinTech players

Ranking of Sri Lanka FinTech's

- Identify top 5 players to try and generate a SL FinTech Unicorn
- Complete work done by Dinuke + Vipula on the FinTech ranking framework

Speed Dating Event

- Curated event for Sri Lanka and Singapore FinTechs to meet and explore collaboration opportunities
- List of Fintech players from each market to be drawn up

Singapore Fintech Festival (SFF)

- SFA to support Sri Lanka to have a pavilion or special event at the 2022 Singapore Fintech Festival

OBJECTIVE 3

Reciprocal access for Sri Lanka and Singapore FinTech players into each other respective markets

Receptiveness

- Discuss receptiveness of the local financial systems to accommodate foreign players

New Members



Areca Collection Pvt Ltd

Areca Collection Pvt Ltd is a high-end furniture manufacturer and fit-out installation specialist. We cater to clientele who require upmarket interior design works.

We have a factory in Negombo and a ready workforce for installation works. Our workers are able to undertake interior fit out works ranging from small-scale apartments, mid-sized ballrooms and restaurants, to large-scale guestrooms.

We have recently completed the Cinnamon Grand Taprobane Restaurant (now known as Plates), refurbishment of Hilton Residence Ballroom and Public Areas for Hilton Double Tree at Rajawarna Weerawila. We are currently working on Cinnamon Life Waterfront (<https://www.cinnamonlife.com/about-cinnamon-life.html>), an international luxury mixed-use development, a first of its kind in the capital city of Colombo.

Our scope of works consists of all interior fitting out works for floor, wall, ceiling including all built in furniture, interior doors for 800 Guestrooms (Standard Rooms and Suite Rooms), Lobby and Corridor areas as well as Dining Outlets.



CabbageApps



Quote by CEO:

Dulitha Wijewantha
CabbageApps Private Limited.
CEO/ Founder

"CabbageApps is a Technology Partner for Startups, ScaleUps, and Ambitious Enterprises. We Focus on building remote teams that are suited for businesses of various stages, be it an early-stage startup that needs a prototype or MVP to a growth-stage startup looking to scale with an outsourced team or a medium/large scale enterprise Project, we believe in growing together. Our 3 strategic business units include Cabbage Studio, Cabbage Teams, and Cabbage Enterprise"

" It's a privilege to be a part of the Singapore Business Council. This coalition would give us better market presence and improve our relationship with the Singaporean Market. We look forward to being a part of this Council and collaborating with it's members "



Creative eLearning (Pvt) Ltd

Layup is a product of Creative eLearning (Pvt) Ltd., part of the Creative Software group, a pioneer in Sri Lanka's software development industry.

Creative Software specializes in developing and managing dedicated teams of software engineers and provides enterprise software solutions and maintenance services to clients around the globe.

With over two decades of experience in the software industry, Creative Software has clients in various sectors including construction, logistics, manufacturing, retail, finance, healthcare, hospitality, mobile workforce, enterprise search, telecommunications, CRM, eCommerce and eLearning.

Layup is an eLearning platform designed to help organizations cater to the learning needs of the modern workforce with an emphasis on social and game-based learning. We help you automate corporate training and knowledge management for greater returns in employee engagement, overall productivity and business outcomes.

Invest in education, the new capital and create unique learning experiences that boost professional and personal development. Recognized for improving knowledge retention and increasing engagement, Layup is the trusted LMS for a diverse clientele, delivering effective learning to over 100,000 users.



Hongkong and Shanghai Banking Corporation LTD (HSBC)

HSBC is one of the world's largest banking and financial services organisations. We serve more than 40 million customers through our global businesses: Wealth and Personal Banking, Commercial Banking, and Global Banking & Markets. Our network covers 64 countries and territories in Europe, Asia, the Middle East and Africa, North America and Latin America.

Our purpose – Opening up a world of opportunity – explains why we exist. We're here to use our unique expertise, capabilities, breadth and perspectives to open up new kinds of opportunity for our customers. We're bringing together the people, ideas and capital that nurture progress and growth, helping to create a better world – for our customers, our people, our investors, our communities and the planet we all share.

Listed on the London, Hong Kong, New York and Bermuda stock exchanges, shares in HSBC Holdings plc are held by around 194,000 shareholders in 130 countries and territories.



Link Natural

Link Natural Products (Private) Ltd

The company Link Natural Products established in 1982, is driven by a challenging and inspiring corporate philosophy, namely that of providing an innovative range of herbal products for its consumers. These include, safe and effective health care products, Ayurvedic pharmaceuticals as well as personal care and wellness products. Current product range consist of over 200 products All these products are developed by effectively blending the wisdom of ancient Ayurveda with modern science and leading edge technology, measure well up to the highest international standards. Our products are meant to bring enhanced quality of life, good health and longevity to our consumers, both local and international.

Link Natural Products prides itself on its modern research and development facility. It enables and facilitates the maintenance of its high standards and total quality management across all its operations. The modern production facility of Link Natural Products is situated in the serene lush environs of Dompe. There, our many successful household brands including the super brand Link Samahan are produced. All our products are processed in accordance with ISO 9001, ISO 14001, HACCP and GMP certification.

Over the years the company has progressed to be the leading most reliable herbal healthcare company in the country and deserves the respect and admiration of consumers and all other stakeholders.

The passion for excellence which runs in the veins of every employee of Link Natural products has resulted in the company being recognized by prestigious awards. Over the years the company has progressed to be the leading most reliable herbal healthcare company in the country and deserves the respect and admiration of our consumers and all stakeholders.



Walkers Colombo Shipyard (Pvt) Ltd

Walkers Colombo Shipyard (WCS) is a fully integrated shipyard that provides turnkey ship /vessel repair, building & other marine engineering services to the ships and vessels in Indian Ocean ship route with the emphasis on quality, reliability and quick turnaround time.

As a subsidiary of MTD Walkers PLC, WCS is fully equipped with advanced facilities, technical expertise and the skilled workmanship to carry out complete ship repair & conversation for small to medium scale ships & vessels in the Indian Ocean.

Strategically positioning itself in four conveniently accessible locations in the Indian Ocean ship route, WCS has become a global point of reference for repair and conversion of all ship types.

News from Sri Lankan High Commission in Singapore



Source: Sri Lankan High Commission in Singapore

Sri Lankan exhibitors from Bio Foods (Pvt) Ltd, E-Silk Route Ventures, HDEDES Extracts and The Ceylon Spice Co participated at this event under the virtual Sri Lanka Pavilion.

The High Commission was represented by Ms Naduni Hasintha Govinnage, First Secretary and Ms Carmen Lynne Tan, Commercial Assistant.

Singapore eases travel restrictions imposed on Sri Lanka

The Government of Singapore announced that all travelers with a 14-day travel history to Bangladesh, India, Myanmar, Nepal, Pakistan and Sri Lanka prior to departure to Singapore will be allowed to enter and transit through Singapore from 26 October 2021, 2359 hours. These travelers will be subject to Category IV border measures.

The Ministry of Health of Singapore press release can be accessed from the below link.

<https://www.moh.gov.sg/.../preparing-for-safe-resumption...>

Category IV border measures are indicated in the below link

[https://www.moh.gov.sg/.../press-releases/annex-a-\(7\).pdf](https://www.moh.gov.sg/.../press-releases/annex-a-(7).pdf)

Sri Lanka participated in the virtual platform “Food and Hotel Asia (FHA) Match: Fine Food” from 27th to 28th October 2021.

The Sri Lanka High Commission, Singapore together with Sri Lanka Export Development Board coordinated the participation of Sri Lankan companies with some of the world’s top food manufacturers and suppliers showcasing natural, organic and plant-based foods at the event “Food and Hotel Asia (FHA) Match: Fine food”. FHA Match was a two-day expert business event which provided a platform to understand smart strategies to cope with the challenges in 2021 and source from leading suppliers. The event was held virtually from 27th Oct to 28th October 2021.

This virtual platform offered the suppliers an opportunity to promote their products and connect with target buyers including importers, distributors, wholesalers and retailers.

Upcoming Events and Meetings of SLSBC

- A meeting with Dialog is scheduled to be held on 04th November 2021 to discussion how the Sri Lanka – Singapore Business Council could partner with the Dialog Impact program.
- A meeting with the Governor of the Central bank to be held within the month of November 2021.
- The Annual Members Networking Evening of SLSBC is scheduled for February 2021.