

**55<sup>th</sup> Joint Advisory Group (JAG) Meeting of the International Trade Center (ITC)**  
**On 02<sup>nd</sup> November 2021**  
**Statement by the Delegation of Sri Lanka**

Thank you, Mr. Chair for giving me the floor to deliver a statement at the 55<sup>th</sup> Joint Advisory GROUP (JAG) Meeting of the International Trade Center (ITC).

My delegation wishes to extend the Sri Lanka's gratitude to International Trade Center and the donors, especially the European Union, for their continued and increased funding for trade-related technical assistance to Sri Lanka. ITC is closely working with key partners of the affiliated agencies of the Ministry of Trade of Sri Lanka such as Export Development Board and Department of Commerce as well with Business support organizations and Chambers of Commerce.

ITC's willingness to work with Sri Lanka for supporting sustainable and green trade development and recovery is much appreciated. In this point, ITC Executive Director met Hon. Minister of Trade of Sri Lanka in January 2021 and reaffirmed its commitment to work together.

Mr. Chair,

My delegation wishes to announce today that ITC has successfully completed the 4-year EU-funded project 'EU-Sri Lanka Trade-Related Assistance Project' in February 2021. As in the case of many developing countries, SME sector is the live wire of the Sri Lankan economy. The overall objective of the project was to contribute to enhancing competitiveness of SMEs and intervention strategies were designed and implemented through a wider stakeholder consultation process. Over the full implementation period, ITC has worked with nearly 40-50 stakeholders including the regional level trade chambers. Delivering the project work in a demand driven manner was a key feature that yielded positive impact in terms of overall trade related capacity building, across both public and private sectors.

Since early 2020, the COVID-19 outbreak that spread across the world impacted the Sri Lankan economy. Accordingly, project implementation was adjusted to meet the challenges posed by COVID-19 and related restrictions to ensure project continuity, limit negative impact on project activities and maximize benefits for project beneficiaries, stakeholders, and partners.

With the Covid 19 pandemic, usual distribution channel was disrupted, and online trading became much more popular in Sri Lanka. However, there was no proper established mechanism like in many other countries for conducting online trading. At the request of the Consumer Affairs Authority, project assisted in developing a guide on regulating online trading for the Consumer Affairs Authority, holding a virtual Business Networking event for Sri Lankan ITO/BPO SMEs and Finnish businesses. Another example is, the strengthening of the tourism sector in Sri Lanka, which was severely impacted by the pandemic, through studies to support legislative reforms. Those swift actions, provided by the ITC to overcome the obstacles faced by beneficiaries of the projects, especially during the pandemic period, is commendable.

In addition, there are few more initiatives implemented by the ITC in Sri Lanka. One of them is assistance to design the 5-year National Export Strategy (NES), which has already been launched.

Second, the project assisted in establishing Trade Remedy Unit (TRU), which was a key expected result from the very inception of the of the Project designing. The work delivered includes 3 draft legislations, 5 technical documents and 12 capacity building events on Trade Remedies.

Third, in order to increase the utilisation of tariff concessions of GSP+ scheme of EU, the project embarked on developing a number of tools including GSP+ business guide for Sri Lankan SMEs, GSP+ brochure for EU investors and Information Note on GSP+ regime developments.

Fourth, in the area of training, nearly 1000+ representatives were trained including public and private sector representatives in Colombo and regions to increase the knowledge and awareness covering range of issues and topics. Trade Policy and development of trade negotiation skills, Free Trade Agreements, investment, trade remedies, trade facilitation reform and benefits of implementation of TFA, business advocacy skills, to name a few. In order to ensure sustainability, a number of Training of Trainers was also provided. The mode of Round table discussion was the key tool, inter alia, to generate interactive debate and stakeholder consultation. The project has effectively organised a number of such dialogues focusing on a number of subjects E-commerce, Maritime, Logistics and Transport reforms.

Besides the training provided, the project team proactively engaged with the National Trade Facilitation Committee (NTFC). Some of the work done include:, 5-year roadmap for the implementation of the WTO Trade Facilitation Agreement (TFA) endorsed by the Sri Lanka National Trade Facilitation Committee, 10 sets of recommendations towards the implementation of the TFA, Public-private consensus reached on key decisions pertaining to the implementation of the Sri Lanka National Single Window, Step-by-step trade procedures functionality developed to enhance the user-friendliness of the Sri Lanka Trade Information Portal for Sri Lankan SMEs.

In addition, the project provided assistance to:

- Improve the competitiveness of Sri Lankan ITO/BPO companies;
- Develop E-Commerce Roadmap and 3 technical reports on Data Protection, Cybersecurity, and International Trade Aspects; and
- Prepare Investment Law Gap Analysis and Investment Profile on the Agro-Processing Sector in coordination with the Board of Investment of Sri Lanka.

Mr. Chair,

My delegation believes that trade-related technical assistance provided by the ITC in Sri Lanka through various projects had been beneficial for stakeholders in Sri Lanka in particular SMEs to explore the market opportunities and establish business linkages. Further, project's engagement with the NTFC has also facilitated to implement the Trade Facilitation Agreement in efficient manner within the scheduled time periods.

Mr Chair,

ITC's involvement in Sri Lanka in present context, my delegation wishes to brief about the project titled, '*Trade Facilitation for SMEs in Sri Lanka*' which is a GIZ-funded trade-related technical assistance programme, launched in 2020. It aims at improving Sri Lanka's business environment for international trade, and consists of the following components, aligned with a number of WTO Trade Facilitation Agreement provisions:

- (i) simplification and automation of the formalities related to the issuance of Certificates of Origin (e-CoO) by the Department of Commerce (DoC)
- (ii) increase the user-friendliness of the Sri Lanka Trade Information Portal (SLTIP) for the business community
- (iii) providing technical support of simplification of export procedures in selected trade-related agencies in Sri Lanka and mapping of additional agricultural product procedures in the step-by-step functionality in the Sri Lanka TIP

(iv) Strengthening the SMEs representation in the National Trade Facilitation Committee (NTFC).

The project implementation period spans from October 2020 to October 2022.

In conclusion Mr. Chair, Sri Lanka thankful to the International Trade Center and the donors for their valuable financial contributions and the technical assistance extended towards Sri Lanka during past few years and look forward to having similar assistance in the future that would facilitate Sri Lanka for better integration in the multilateral trading system in effective manner.

I thank you Chair.