Volume 07 AHKSL/2019/02 February 2019

AHK Sri Lanka newsletter



FIND MORE.....

Page 2

German Pavilion at Build SL

Page 4

Hambantota International Port

Page 6

Bilateral Trade

YOUR TRUSTED PARTNER IN SRI LANKAN – GERMAN BUSINESS RELATIONS







Dear readers,

The Delegation of German Industry and Commerce in Sri Lanka (AHK Sri Lanka) will be organizing the first German Country Pavilion (Exhibition Hall E) at Build SL 2019-Housing & Construction Expo from 22nd to 24th March 2019 at BMICH, Colombo, Sri Lanka. The German Pavilion will be showcasing 18 companies which represent Top German brands from building technologies, building materials and chemicals, construction materials and power tools to state of the art civil engineering. The German Pavilion will be the largest country pavilion at Build SL 2019.

In parallel with the trade fair, a conference will be held to discuss "The Future of the Construction of Buildings" focusing on sustainable planning, smart building technologies and innovative construction materials.

On 6th of March the first AHK-VET-Council has been set up in presence of the German Ambassador to enable AHK Sri Lanka to certify vocational training in Sri Lanka according to German standards.

Finally, I would like to invite you to the solar conference that AHK Sri Lanka organizes in the frame of the program "Energy Solutions Made in Germany" and a German Delegation to Colombo under the title "Solar Energy as Energy Source for Building" on 26th of March at the Hilton Residences in Colombo. Experts and company representatives from Germany will discuss latest innovations in different fields of solar energy such as energy storage, system integration etc. (with Sri Lankan representatives of business institutions.)

Yours sincerely,

Andreas Hergenröther Chief Delegate Delegation of German Industry and Commerce in Sri Lanka (AHK Sri Lanka)

Table of Content

AHK SRI LANKA NEWS	2-3
THE FIRST GERMAN PAVILION AT BUILD SL 2019	2
AUNCH OF THE FIRST AHK SRI LANKA	3
BUSINESS NEWS	4-6
HUB FOR PORT RELATED INDUSTRIES	4
BILATERAL TRADE BETWEEN SRI LANKA AND GERMANY	6
CORPORATE NEWS	7-9
PERFECT TIRE-CONTACT TO CONTROL THE VEHICLE	7
FIRST CHOICE FOGGING EQUIPMENT	8
FEATURED ARTICLE	10-1
"SO SRI LANKA"	10
NATIONAL BUDGET 2019- HIGHLIGHTS	12
TRADE FAIRS IN GERMANY	13-14
TRADE FAIRS IN SRI LANKA	15
AHK SRI LANKA UPCOMING EVENTS	16

Our Premier Platinum Partners





The First German Pavilion at Build SL 2019

The Delegation of German Industry and Commerce in Sri Lanka (AHK Sri Lanka) will be organizing the German Country Pavilion (Exhibition Hall E) at the Build SL 2019-Housing & Construction Expo from 22nd to 24th March 2019 at BMICH, Colombo, Sri Lanka. The German Pavilion will be presenting "the Best from Germany" in joining with 18 companies which represent Top German brands in Sri Lanka. The German Pavilion will be the largest country pavilion at the Build SL 2019, and this marks the country's first appearance at any kind of exhibitions in Sri Lanka.

Parallel tο the trade fair. conference will be held to discuss "The Future of the Construction of Buildings" that will focus on the main topics in the construction industry. on Sustainable Planning and Architecture, Building Technology including Smart Building and Building Materials of the future. To each topic, a panel discussion will be held and Industry experts from Germany and Sri Lanka will share their views at the conference.

As the official trade and investment promotion organization of Germany, AHK Sri Lanka is committed to support both Sri Lankan and German companies to expand their businesses and increase their market potentials. The German Pavilion one of is the greatest opportunities for companies representing German brands in Sri Lanka showcase guality products and services for their target market. Further, it will be a strategic movement in the industry to increase know-how share future and topics which potentially affect construction and construction related industries.

Siemens (building technologies), BASF (construction chemicals), Knauf AMF (gypsum boards, ceiling tiles), Wurth (tools, roofers, plasterers, stucco mason) Aluplast (windows and doors), IGEBA (fogging equipment), (windows), Fischer (fixing systems), Ludwig Pfeiffer Hoch-Und Tiefbau GmbH & Co. KG (civil engineering), Stihl (power equipment) OWA (noise insulating fiber ceilings), Parkett Freund (flooring), Continental (tires construction vehicles), Linde (industrial gases for the construction industry),

Luctra (lighting systems, intelligent (kitchen). lamps). SEA Bauformat **BOMAG** Thyssen Krupp (elevators). (construction machinery), Hellmann. Allianz (insurance) DHL Global Forwarding (freight forwarder with specialized solution) and DHL Express. Build SL 2019

Build SL 2019 - Housing & Construction Expo is organized by the Chamber of Construction Industry Sri Lanka (CCI), with the objective of providing a platform to construction industry stakeholders to display their products, technologies services, new and capabilities to the potential customers and general public. In addition, this highlight Expo will the recent development projects undertaken in the country with an insight towards the plans for building a new Sri Lanka.

The conference will be held on 22nd March 2019 at BMICH from 12.30pm to 5.30pm.

For registration please contact Dilshan on 011 2314364, email dilshan@srilanka.ahk.de.



EXHIBITING BRANDS



























































AHK SRI LANKA NEWS

Launch of the first AHK Sri Lanka Vocational Education and Training (VET) Council

On the 6th March of 2019 the Delegation of German Industry and Commerce in Sri Lanka (AHK Sri Lanka) launched the first AHK-VET Council with representatives of different business sectors and VET authorities in presence of the German Ambassador H.E. Jörn Rohde. The VET Council is an essential instrument to certify vocational training according to German standards and is an initiative to contribute to the strengthening of demand- and industry-driven **Vocational Education and Training** (VET) in Sri Lanka.

Chief Delegate of German Industry and Commerce in Sri Lanka (AHK Sri Lanka), Andreas Hergenröther, highlighted that the high standards of vocational training in Germany contributed essentially to the high competitiveness of German companies. VET Councils as central platforms for the industry are of utmost importance because they ensure a continuously demand-oriented development of the dual vocational training.

Evidently, figures from Germany show that dual vocational education has been a key factor of success for the economic development. The country has the largest national economy in Europe and the fourth-largest by nominal GDP in the world. Demand-driven dual vocational training in Germany has conducted to the lowest youth unemployment rate in Europe. Yet, the German economy invests annually € 27 billion in vocational training and the German government € 3 billion. Approximately 500,000 companies provide training in Germany for 1,5 million trainees, which represent 60% of the school graduates. Most of the trainees take up a position at that same company afterwards, where they benefit from being trained in the exact field of their work. The apprenticeships in Germany consist of two-third incompany training and one-third at public VET schools.



Training contracts are concluded between the trainee and the training company. Dual vocational training gives apprentices a chance to learn practically what is demanded by the industry and provides the training company with the chance to train the apprentices exactly according to their needs.

As a platform for the Sri Lankan industry and with vocational education affiliated institutions, the VET Council discusses Vocational Education and Training (VET) and develops suitable approaches in order to improve its quality by formulating needs, adopting resolutions, and recommending a suitable course of action to the official governmental VET representatives. It also plays a crucial role to ensure the quality standards as well as the transparency for certifying vocational training programmes according German standards. Its members are companies engaged in VET, vocational education school trainers and company trainers. well representatives from official authorities. The German Ambassador H.E. Jörn Rohde emphasized the need of cooperation in the field of dual education instead vocational competing with each other. Work has to be done from the industry for the industry by joining hands with all relevant actors involved.

Founding members of the VET Council are DIMO, Würth Lanka, Mercmarine, CINEC, Chamber of Construction Industry, Fairway Waste Management, Leema Creations Pvt Ltd Interiors, Tudawe Brothers as well as TVEC and VTA. For the future, VET Council sessions are planned on a regular basis. The Council counts on the active involvement and engagement of its members, since it is an industry-driven approach as Ms. Lucy Schulze, Manager Public Projects & Vocational Training pointed out.

Currently, AHK Sri Lanka certifies the Automobile Mechatronics 3-years course offered by DIMO Academy for Technical Skills (DATS). For the future it is planned to extend these certifying activities which guarantee that German standards are kept in regard to quality assurance, transparency and competitiveness.



BUSINESS NEWS- ARTICLES

Hambantota International Port - Hub for Port Related Industries

Just a year into Sri Lanka Ports Authority partnering with CMPort to manage the Hambantota International Port (HIP), and the once lethargic southern Harbour of the island has now turned into a hive of activity. The new partnership resulted in the formation of two companies, Hambantota International Port Group (HIPG) and Hambantota International Port Services (HIPS), which together have diversified this international seaport into multipurpose enterprise, with the potential to handle a variety of port related services.

One of the deepest multipurpose ports in South Asia with the capacity to berth 12 vessels concurrently, HIP sits adjacent to the main shipping route between the Malacca Straits and the Suez Canal, which links Asia and Europe. The port is well positioned to cater to the Indian subcontinent, East Africa, Europe and the rest of the world; and it is the proximity to this vital route, used by approximately 60,000 ships each year, that first prompted the Sri Lankan government build Hambantota Port.

Now, as one of the region's top multipurpose ports, HIP handles a number of different activities including RORO, bulk, break-bulk, container, cruise, ship-to-ship transfers (STS), ship layups and naval vessels. The port is also geared to offer services such as crew changes, provision supplies, ship spares, ship stores, minor repairs and similar ship supply services compulsory for vessels while steaming. As the distance from the port to the main sea route is approx. 10 nautical miles, any of the above services can be delivered to a travelling vessel using a service boat, with no deviation at all. There is no similar facility from the Red Sea to the Far East.



The geographic positioning of HIP provides advantages not just for the shipping industry but for import and export business in general as the port comparatively offer shorter timelines to any destination in the region easy and fast connections to any of the major regions in the world. Competitive labour costs, door to door delivery, attractive concessions and Freeport facilities, ample space for storage, coupled with dry proper weather throughout the year are just some of the benefits that give HIP its competitive edge as a maritime and logistics hub. The port, which has the capability and structure to handle almost any type of cargo, is soon to implement bunkering facilities as well, giving customers an added advantage. The layout of the port allows freedom to handle any type of cargo such as fertilizer, cement, food products and RORO, within the port premises simultaneously. Vessels would also be able to receive ship husbandry services, especially since all ship supply services are available within the port or at off port limits (OPL).

HIP being located between two major bunkering ports, Singapore and Fujairah is a strategic advantage to vessels (especially those coming from the east coast of India or Bangladesh) that would otherwise need to travel off course to one of these ports for bunkering or bunker at a higher price. Any country with a large portfolio of ship owners and managers will benefit from having a competitive bunkering port by the cross roads to the East and West.

As well as HIPG has already entered into a partnership with a major player in Sri Lanka's energy industry who is currently expanding their footprint overseas. The port has dedicated two jetties for oil, gas and petroleum business to facilitate energy companies who plan on bringing LPG in larger vessels from international markets like the Gulf, US, Singapore etc., to Hambantota. HIP has provided the LPG operator with a pipeline connection to their facility, which is about 3 km from the jetty, so vessels can unload gas in large quantities directly. This will establish transshipment of LPG via Hambantota to other locations, especially countries like Bangladesh and Myanmar, which are currently being serviced via floating barges. Since HIP would be the only port in the region to have such a facility, the port would be in a position to provide competitive pricing to these markets.

In keeping with the Government's plans to make Sri Lanka an energy hub in the region, the port intends to commission its own dedicated LNG terminal in approximately 3 years time. This

BUSINESS NEWS- ARTICLES

would benefit vessels requiring LNG bunkering facilities, in addition to the LNG power plant which will be built soon.

Logistical activities involving RORO operations and other port related services, targeting the African and South American vehicle markets are also being further diversified, Ray Ren, CEO of HIPG says, "another important value addition by HIP, was to create a unique space within our premises to develop port related industries. Here, we are looking at partnering industrialists who want to take advantage of this unique location to manufacture and spread their reach from South Asia to the rest of the world."

With the Mattala International Airport located just 30 minutes from HIP, the fully fledged bonded area that is being developed within the premises to support port related industries such as vehicle manufacturing, value additions, packing, distribution centers and bonded storage for various type of cargo, integrated logistics, sea to air segment, cement, fertilizer and flour manufacturing and distribution, further complements this unique seaport. Once completed, the bonded area will attract an entire array of new commercial activity to the already busy port. It would be a boon to manufacturers who would the opportunity have avail themselves of the ready space coupled with competitive labour costs, high productivity, efficiency levels HIP offers and fast connections to any part of the world.

HIP's capacity to handle considerable volumes of in and out cargo flows is another plus for industries setting up operations within the port premises, especially since it is slated to become the center for distribution to South Asian / Middle Eastern, South East Asian and European markets. The Hambantota International Port Group has already put together a dedicated team to assist manufacturers seeking port related

services that would support their trade. "Since the port is being developed as a logistics hub for the entire region, it would support any sort of related operation. Our storage and processing facilities are more than sufficient and we are open for manufacturers to submit viable business proposals for our consideration," says Tissa Wickremasinghe, COO of HIPG.

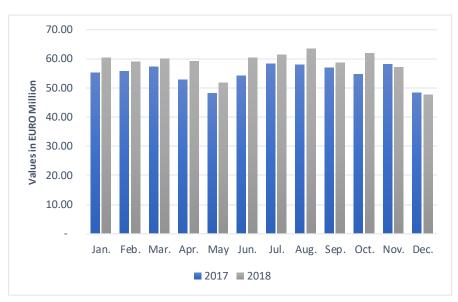




Bilateral trade between Sri Lanka and Germany

Imports from Sri Lanka to Germany Values in '000'

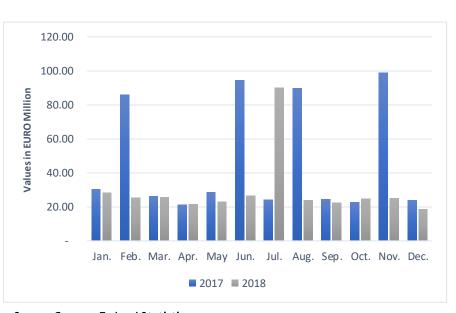
Month	2017	2018
Jan.	55,313	60,369
Feb.	55,693	59,031
Mar.	57,318	60,085
Apr.	52,863	59,270
May	48,233	51,828
Jun.	54,291	60,328
Jul.	58,261	61,489
Aug.	57,952	63,394
Sep.	56,911	58,608
Oct.	54,769	61,915
Nov.	58,139	57,140
Dec.	48,362	47,669
Total	658,105	701,126



Source: German Federal Statistics

Exports of Germany to Sri Lanka Values in '000'

Month	2017	2018
Jan.	30,447	28,178
Feb.	86,003	25,260
Mar.	26,294	25,717
Apr.	21,117	21,461
May	28,588	22,895
Jun.	94,357	26,550
Jul.	24,253	89,926
Aug.	89,740	24,003
Sep.	24,477	22,296
Oct.	22,579	24,713
Nov.	98,742	25,130
Dec.	23,793	18,500
Total	570,390	354,629



Source: German Federal Statistics

CORPORATE NEWS

Continental Tires has invested heavily in R&D to develop the Generation 6 products by conducting extensive tests to deliver the premium product quality that the brand represents. UltraContact UC6 have been designed based on an in-depth understanding of the needs and driving habits of car drivers in the APAC region.

The UC6 provides an enhanced driving experience balanced across all performance features with advanced German technology and innovative tread design. It also provides a superior ride and a perfect all-round performance. Beyond that, the re-invented tread design of Aqua Drainage and Diamond Edge Pattern of the UC6 also helps in ensuring high safety levels maintained even on wet roads.

The Adaptive Diamond Blend Compound of UC6 enables the tyres with high grip level for braking and cornering, combined with provision of a long mileage. The Noise Brakers 2.0 of UC6 also decrease the noise levels of tyres rolling on roads. The UC6 covers a wide range of passenger car vehicle models for rims with diameters from 15-19 inches.

Douglas & Sons (Pvt) Ltd is the sole distributor for world renowned Continental brand of tyers in Sri Lanka.

Continental tyers available with Dealers Island wide.

Perfect tirecontact to control the vehicle

The Continental UltraContact™ UC6



Perfect as a Diamond! UltraContact™ UC6

- > Full control on wet roads
- Extreme short braking distances in dry and wet road conditions
- > High grip level combined with long durability
- > Low noise level



UltraContact™ UC6





First Choice Fogging Equipment

Germania Colombo (Pvt) Ltd is a company within the IWS group of companies founded in 1979. Germania Colombo established in 1982, specializes in trading activities with some of the world's top manufactures and trading houses. The core business of the company is importing and distributing specialized environmental machinery for prevention and control of dengue, malaria and other mosquito related diseases. Our dedicated technical staff also provide after sakes service and training to every corner of the country. We have been proud sole representative of IGEBA products in Sri Lanka over 25 years.

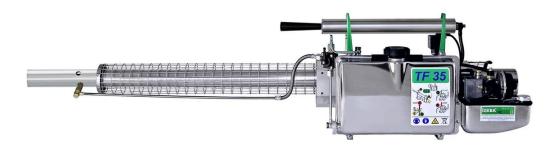
IGEBA has been supporting the preservation of our habitat from vectors for more than 30 years - from vector control to plant protection to disinfection. Meeting the individual demands of our customers is our main goal.

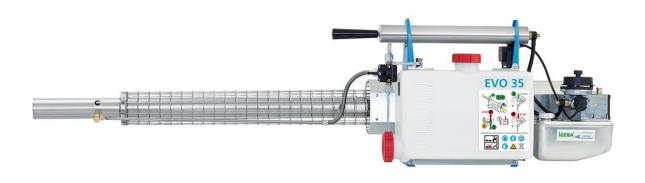
Since the early 1980s IGEBA Thermal Fog Generators have proven reliability in many fields. Designs and technical development are under constant improvement. From Vector and pest control to agriculture and hygiene management, operators all over the world trust IGEBA Thermal Fog Generators.

If you need more information please visit www.iwsholdings.com / www.igeba.de









Germania Colombo (Pvt) Ltd, IWS Centre No: 451, Kandy Road, Kelaniya, Sri Lanka IGEBA Geraetebau GmbH Boschensaege 2 D-87480 Weitnau / Germany

Contact

Mr. Shasanka Abeysinghe Tel: +94 115 394360 Mobile: +94 766 781701 Fax: +94 112 910469 E-mail: <u>germania@dynanet.lk</u> Website: www.iwsholdings.com Contact

Mr. Jorge Heckel - Director Tel : +49-(0)8375-92000 E-mail : info@igeba.de Website: www.igeba.de



Table lamps by LUCTRA® deliver the best possible lighting conditions. Work light, as flexible as the day, packed into excellent design. Innovative. Individual. Sustainable.

Thef: Ilstop

L8 - Cr escat Boule vard, 89 Galle R oad, Colombo 3. Tel: 0112320611 | E-mail: inf o@the fullstop .lk www.the fullstop .lk







www.luctra.eu

"So Sri Lanka"; unfolding the tale of regional relevance

Sri Lanka has consistently been able to garner a controversial yet pivotal role in relation to its presence as a regional, budding economic actor. The sensitivity the government has portrayed with regards to its outlook on tourism and multilateral engagements has increased substantially.

The sequence of activities center around the appointment of marketing mogul, Mr. Kishu Gomes as the Chairman of both the Sri Lanka Tourism Promotion Bureau (SLTPB) the Sri Lanka **Tourism** Development Authority (SLTDA). Kishu Gomes last served as the Managing Director/CEO of Chevron Lubricants Lanka PLC. introduction of an unorthodox managerial post to the public sector has been received with a wave of hope and tangible opportunity. This iconic move has been fostered by a contemporary ideology introduced to govern the immediate future of the Sri Lankan Tourism, encompassed under the wording of "So Sri Lanka". A simple yet, focused view of a comprehensive and organic experience of the rudiments of Sri Lankan culture. The slogan was launched at the international travel fair ITB, held this March in Berlin, Germany.

The advancements made on the front tourism therefore are quite remarkable. In addition to these revolutionary changes within the tourism industry the government has placed special emphasis on the empowerment of FDIs. This comes with a structured plan of allowing foreigners to invest in local brands and companies in order to get the economic stimulus that attracts further investment. Let us firstly provide some context as to the status quo in Sri Lanka.



The BBC "Good Food" team has rated the Sri Lankan cuisine as the No.1 trending culinary experience for the year 2019. For the year 2017 Sri Lanka recorded staggering 2,116,407 tourists visiting the country, which was a number never seen before. The ministry has extended this goal by making this value a prospective 3 million at the end of this year. The central bank reports that more than 60,000 of these visits are for purposes of business. This is important given the fact that a sharp rise was witnessed in comparison to the year 2016 (37,121 business visits). The numbers speak for themselves with regard to the change in the business atmosphere within the country. This is also fostered by the fact that the United Nations World Tourism Organization recognized Sri Lanka as the 3rd highest recipient of international tourist arrivals in the South Asian region (out of 9 potential countries). This is reserved to be a phenomenal result as the 1st and 2nd in the list were geographical giants, Republic of India and the Islamic Republic of Iran.

In the last year,32% of the net total of tourists hailed from Western European countries for, which has witnessed a constant increase in comparison to all other sectors. The United Kingdom and Germany have established themselves as 2 leading countries that have citizens visiting this country annually in values over 100,000. This brings us to the strong attachment this island has built bilaterally with Germany over the

course of its illustrious history. Before we make a deeper dive into this relationship, we ought to spend some time accessing the business landscape in Sri Lanka.

The Central Bank reports a 7% increase in the direct investments of foreigners in Sri Lanka for the year 2017 (in comparison to 2016). The Global Economic Report by the World Bank recognizes a 3.9% growth of the Sri Lankan economy within the year 2018.

How Sri Lankan are the Germans?

In assessing the unequivocal display of performance in fact and figure, the caliber and sheer grit of what Sri Lankan Tourism and international enterprise (domestic investments) have achieved is remarkable. One may easily identify that tourism is close to becoming Sri Lanka's strongest locally engineered product. In that context we take a look at one of Sri Lanka's strongest allies, the Federal Republic of Germany.

The former Chairman of the Sri Lanka Tourism Promotions Bureau Dr Rohantha Athukorala, has gone on record to mention that the initial plan set was to push the figure of German tourists to a value of 150,000 per year. This comes with the revelation that citizens of Germany produce a market value of 92 billion US dollars in expenditure overseas in tourism, making it the most

attractive source market for outbound travelers (source UNWTO report 2018).

The ground reality of development in Sri Lanka could be experienced once we assess the ongoing massive infrastructure and development taking place within developed cities of the country, specifically Colombo.

One cannot ignore the prodigious 269hectare construction project congregated on reclaimed land, the Colombo Port City. It would (essentially) become a quintessential piece of architecture found only in Sri Lanka, in relation to the South Asian region. The significant avenues created for international investment and mutualistic growth has constantly been the vigour of this island nation. The Ministry of Megapolis & Western Development elaborates in detail with regards to which avenues are for foreign development, investment and purchase, making the Port City project one of the biggest revenue generators in the history of the country. It is important to note that the biggest investors are multinational giants, almost all of whom are from Europe and USA, such as KPMG, Atkins, PWC and Gaining Edge.

The iconic 650 million dollar project, erecting South Asia's largest skyscraper "The One" tower by Ritz Carlton another featured iς development project within the heart of Colombo which is complemented by other multinational giants coming up with apartment complexes, malls and leisure areas such as the One Galle Face by Shangri La, the Destiny Mall and Residencies, the beautiful leaning skyscraper Altair are few iconic locations amongst monumental growth strategy already operational.

Quite recently the world witnessed the international retail 4th largest corporate, Kaufland. initiate investments in opening stores within Australia, under a gross project value of \$335 million. The liquidity portrayed by the willingness of German conglomerates to invest in budding markets makes Sri Lanka a number one destination for a sensible businessman.

The environmental policies also make a beautiful alignment as Germany has pledged to abolish its coal reliance by the year 2038. This comes at a time where the UNDP has projected Sri Lanka's inherent capacity to power electricity completely on renewable energy sources by year 2050. The SLTDA

has partnered with the UNDP in order to establish a National Sustainable Tourism Certification Scheme, which will inturn establish a pilot project of sustainable tourism certification. It is easy to note the absolutely revolutionary changes that are making Sri Lanka one of the most attractive location in terms of a atmosphere that caters to the real issues affecting the world today.

In consideration of these factors it is quite evident that Sri Lanka has decided to catch the bus and not fall under its wheels during a time all economies are competing. The policy of Sri Lanka is to empower its integral elements by "outbreeding" its unique entrepreneurial tools.



NATIONAL BUDGET SRI LANKA

National Budget 2019 Highlights

In this year's budget there is no significant change proposed for corporate and individual income tax, VAT and NBT as the fiscal consolidation process has already taken place in the last two years. The significant revenue source is the additional tax imposed on the importation of motor vehicles which amounts to approximately Rs 48 billion. On the expenditure side, the thrust of the Government appears to be the creation of sustainable development through the 'Gamperaliya' and 'Enterprise Sri Lanka' projects.



In the everchanging economic and social dynamics, there is no doubt that both the public and the private sector are facing challenging times. The continuous challenge will be to stay relevant and competitive always.

Some highlights from the national budget which is related to the business worldas follows;

Economic Service Charge (ESC)

• The present ESC rate of 0.5% on the turnover arising from the export of goods or services will be revised to 0.25%.

Changes to Ports and Airports Development Levy

- With regards reducing the upfront cost of investments for certain industries, the following reductions in the PAL rates have been proposed:
- PAL on the import of items classified under HS Codes 0712.20.00, 0712.90.10 and 7801.10.00 will be reduced to 2.5%.
- For the lapidary sector, it is proposed to remove PAL on the items classified under HS Codes 8464.10.00, 8464.20.00 and 8464.90.00. Further, the PAL on the un-cut gems imported will be reduced from 7.5% to 2.5%.
- PAL on the high-tech machinery and equipment items will be reduced to 2.5%.
- PAL on the sale of pleasure or excursion vessels and yachts manufactured by any BOI company to another BOI company which charter such vessels and yachts for its business, will be removed.

Integration to Global Markets - Exports

- FTAs
 - In this light the Government is committed towards a strategy of building a network of trade agreements to link regional and global value chains. Starting with Singapore FTA, the intention is to continue with the FTA negotiations with India, China and Thailand.
- Trading houses in key markets
 - Another proposal to further the above network is to establish trading houses for priority sectors in collaboration with the private sector in key markets. The intention being to support Sri Lankan companies in accessing distribution networks, linking buyers and other support on the ground.
- Encouraging Innovation
 - There is also a proposal to introduce the Enterprise Innovation Program in order to support the development of innovative new products and technology by Sri Lankan companies. This program would be implemented over a time period of 3 years by providing matching grants for proof of concept, prototyping, R&D and technology adoption.
- Startups
 - From the perspective of encouraging startups it has been proposed to introduce Limited Liability Partnerships from this year.
- Capital Market Development
 - In order to develop the capital markets beyond bank financing there is a proposal to introduce script-less Sri Lanka development bonds and to enable coupon stripping of Treasury bonds.
 - o Script-less Sri Lanka Development Bonds bonds where no physical certificate will be issued or exchanged.
 - Coupon stripping This is the separation of a bond's periodic interest payments from its principal repayment obligation to create a series of individual securities. The underlying bond will become a zero coupon bond and each interest payment will become a separate zero -coupon bond which can be traded in the secondary market. This will enable price transparency and greater flexibility and promote investments in the capital market.

Other Taxes

- Livestock Industry
 - With a view of promoting livestock industry, it was proposed to remove PAL (7.5%) and NBT (2%) on the importation of Lucerne (Alfalfa) meal and pellets.
- Go-Kart
 - With a view of promote Sri Lanka as a preferred destination in International Go-Kart Racing, it was proposed to remove Customs Import Duty and CESS on Go-Kart (CID 30%) and Go-Cart Tires (CID 30% and CESS 15%).
- International Telecommunication Operators Levy International Telecommunication Operators Levy will be removed.

TRADE FAIRS IN GERMANY 2019

BAUMA 2019	Bauma is an international trade fair for construction	
8-14 April 2019 in Munich	machinery, building material machines, mining machinery, construction vehicles and equipment and has firmly	
https://www.bauma.de/index- 2.html	established itself as the world's leading trade fair of the industry. The exhibition is divided into four areas: construction sites, production of building materials, mining with raw material extraction and processing and component and service suppliers.	bauma
PHOTOKINA 2019	Photokina is the leading international trade fair of the entire	
8-11 May 2019 in Cologne	photographic and imaging industry. As the only event worldwide, it offers the comprehensive presentation of all visual media, all imaging techniques and all imaging markets -	
http://www.photokina.com/	for professionals and for consumers. The photokina is divided into five theme worlds: Capture your world - cameras, lenses and equipment, Light up your world - light, flashes and tripods, Share your world - store, connect and transfer, Create your world - input, treatment and processing, Show your world - finishing, printing and presentation.	photokina world of imaging
INTERSOLAR GERMANY 2019	Intersolar Europe is the world's leading exhibition for the solar	
THE SMARTER E EUROPE 2019	industry and its partners and takes place annually at the Messe München exhibition center in Munich, Germany. The event's	inter
15-17 May 2019 in Munich https://www.intersolar.de/en/h	exhi-bition and conference both focus on the areas of photovoltaics, solar thermal technologies, solar plants, as well as grid infrastructure and solutions for the integration of	solar EUROPE
ome.html	renewable energy.	
TRANSPORT LOGISTIC 2019 4-7 June 2019 in Munich	Transport Logistic is the world's leading trade fair for logistics, mobility, IT, and supply chain management, and global	
4-7 Julie 2019 III Mullicii	industry gathering in Munich. It provides visitors a complete look at the entire process chain of the transport and logistics	fi tronsport
https://www.transportlogistic.de/index-2.html	sector. At the trade fair, more and more exhibitors from Germany and all around the world present their innovative	transport logistic
	products and services. Transport Logistic Munich also features an extensive program of related events and conferences. Furthermore, the trade fair serves as ideal platform for knowledge transfer and networking.	THE LEADING EXHIBITION
GIFA 2019	GIFA is an international exhibition for foundry, foundry	
25-29 June 2019 in Düsseldorf	products and foundry technology and one of the world's largest and most competent fairs of this kind. The focus of GIFA is on the subjects foundry equipment, raw materials and supplies, die-casting technology, foundry chemicals, suppliers, loading	CIFA
https://www.gifa.com/ SPOGA+GAFA 2019	and processing technology. Spoga+gafa takes place every year in Cologne and is the leading international trade fair for the garden and leisure	
1-3 September 2019 in Cologne	industry and open to trade visitors only. The fair is characterized by the high internationality of exhibitors and	spoga
http://www.spogagafa.com/	visitors, making it the most important platform in the industry to conquer new markets, to find new contacts and to learn about the latest trends and innovations.	cologne
REHACARE 2019	Rehacare is one of the world's leading international trade fairs	
18-21 September 2019 in Düsseldorf	for rehabilitation, prevention, care and inclusion. It takes place once a year in Düsseldorf and looks back on 30 years of expertise. The fair is an information and communication	REHAÇARE®
https://www.rehacare.de/	platform for people with disabilities, need of nursing care, for the elderly and the chronically ill people. Whether mobility and daily living aids, outpatient or inpatient care aids, communication equipment, barrier-free living concepts or sports, travel and leisure ideas, visitors of the Rehacare will find everything under one roof.	
ANUGA 2019	Anuga ("General Food and Drink Trade Fair") - is a large-scale	
5-9 October 2019 in Cologne	trade show for the food catering, retail and trade industries. The event takes place every two years and its last edition in 2017 was attended by 165,000 visitors. Additionally, over	
http://www.anuga.com/anuga/i ndex-2.php	7,400 exhibitors presented top culinary delights from across the globe.	

EXPO REAL 2019	EXPO REAL is the working and networking trade fair for the	
	decision-makers of the property and investment sector. 41,775	
7-9 October 2019 in Munich	participants from 75 countries used the 2017 show to initiate	PYNO
	new projects, close new deals and make contacts on the	
https://www.exporeal.net	decision-making level—throughout the life cycle of a property:	real
	From development, financing and implementation to	· CGL
	marketing, operation and use. This is where the who's who of	
	the property industry meet. It makes EXPO REAL the	
	unmissable platform for generating new business and	
	maintaining contacts.	
K- MESSE 2019	K Düsseldorf (plastics fair Düsseldorf) is an international trade	
	fair for plastics, rubber, plastics processing and plastics	
16-23 October 2019 in Düsseldorf	manufacturing worldwide. The exhibition offers of the more	
	than 3,000 national and international exhibitors of K Messe	1 7010
https://www.k-online.com/	Düsseldorf (plastics fair Düsseldorf) including machinery and	2019
·	equipment, raw and auxiliary materials as well as semi-	Düsseldorf
	finished products, technical parts and reinforced plastic	and the same of th
	products. The leading trade fair Düsseldorf K Messe is	
	supplemented by a supporting program with a special show.	<u> </u>
A+A 2019	A-A Congress is a 4 day event being held from 5th to the 8th	
"Safety, Security and Health at	November 2019 at the Fairground Düsseldorf in Düsseldorf,	
Work International Trade Fair	Germany. This event showcases work safety, health at work,	
with Congress"	high-risk prevention, operational environmental protection,	
•	avoid damage and deterioration, metrology prevention of	
5-8 November 2019 in Düsseldorf	accidents. safety engineers and commissioned manager,	5 - 8 NOVEMBER 2019
	entrepreneur, operational, staff councils, occupational	DÜSSELDORF, GERMANY
https://www.aplusa-online.com/	physicians, occupational physicians, supervisory bodies,	DOSSELDORI, CERMANT
	governmental and BG Set.	
	3	
MEDICA 2019	MEDICA is the world's largest event for the medical sector.	
	The event is the largest medical trade fair in the world - it	
18-21 November 2018 in	attracted more than 5,100 exhibitors from 70 countries in 17	World F
Düsseldorf	halls.	World Forum for Medicine
•		www.medica.de
https://www.medica-		
tradefair.com/		

TRADE FAIRS IN SRI LANKA 2019

BUILD SL 2019 22-24 March 2019 in Colombo http://www.buildsl.com/	Build SL 2019 - Housing & Construction Expo is organized by the Chamber of Construction Industry Sri Lanka (CCI), with the objective of providing a platform to the construction industry stakeholders to display their products, services, new technologies and capabilities to the potential customers and general public.	build SL Housing & Construction expo 2019
GENTEX 2019 25-27 July 2019 in Colombo http://www.gentexfair.com/index .html	GENTEX fair is organized with the intention of bringing all the textile manufacturers under one roof to display their products and expand into international markets. The fair is all about textiles and will focus on yarns, apparel fabrics, trims & accessories, denims, allied services and garment machinery.	GENTEX GLOBAL BUSINESS CONNECT
PROFOOD PROPACK 2019 2-4 August 2019 http://www.profoodpropack.com/	"Pro Foods/Pro Pack & Agbiz 2018" the most comprehensive Agriculture based processed food /packaging exhibition is back with a new look with a complete one stop shop solution, the theme is "From the Farm to the Kitchen". Sri Lanka's only Agriculture, Food & Packaging industry event, Pro Foods/Pro Pack & Agbiz will attract all stakeholders from the retail and wholesale Food/Beverage service sectors generating new connections and new business for everyone involved.	Propack & Ag Biz

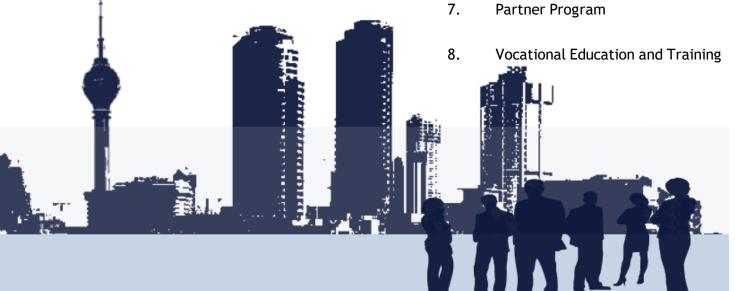
AHK SRI LANKA UPCOMING EVENTS

German Pavilion at Build SL 2019	22 nd - 24 th March 2019
Delegation visit from Germany to Colombo on the topic "Solar Energy as Energy Source for buildings"	25 th - 28 th March 2019
Informational business trip to Germany on "Renewable Energy Technologies"	6 th 10 th May 2019
Initiation of business trip from Germany to Colombo on "Sustainable Mobility, Traffic & Public Transport Solutions and Logistics"	24 th - 27 th June 2019



Services offered by AHK Sri Lanka

- 1. Market Entry Support
- 2. Legal & Investment Services
- 3. **Trade Fair Services**
- 4. **Sector Committees**
- 5. Placement Support
- 6. **Translation Services**



AHK SRI LANKA-TEAM



Mr. Andreas Hergenröther Chief Delegate of German Industry and Commerce in Sri Lanka



Mr. Dilshan Nawanjana Manager- Business Development / Market Analyst Editor



Ms. Shashi Jayakody

Administration Officer



Mr. Malintha Gajanayake

Head of Corporate Affairs

/ Export Promotions



Ms. Lucy Schulze

Manager- Public Projects &
Vocational Training



Ms. Rushanka Thejani

Accountant

Our Premier Platinum Partners







6th Floor, 161 A, Dharmapala Mawatha, Colombo 07, Sri Lanka



+94 112 314364



dilshan@srilanka.ahk.de



Visit our website for more information updates



Follow us to stay tuned for further



Tweet us

AHK Sri Lanka Newsletter subscription is available in this Link

Copyright © 2019 Delegation of German Industry and Commerce in Sri Lanka All rights reserved.