

BRIDGE

APRIL 2022 | 14TH EDITION

LOGISTICS MANAGEMENT IN THE COMMERCIAL WORLD 06

THE MILITARY PERSPECTIVES



44

PROGRESSING TOWARDS SRI LANKA'S MARITIME HUB STATUS

An interview with

Dr. Prasantha Jayamanna

Chairman Sri Lanka Ports Authority

SHAPE SHIFTING
THE LOGISTICS
PERSPECTIVE

WE MAKE THINGS HAPPEN !

Interview with

SIDDARTH IYER

of Maersk Lanka

17



38

CASA In conversation with

THE SOUTH KOREAN AMBASSADOR TO SRI LANKA



CEYLON
ASSOCIATION OF
SHIPPING AGENTS

No 56, Ward Place, Colombo 7, Sri Lanka

Rs.600/-

ISSN 265 1-026X



9 772651 026005



Total Commitment –
**Setting a Course
for Net Zero**

*Carbon
Neutral*
by 2050 for Every
Container



Evergreen Line is fully committed to protect the planet. Our Environmental, Social and Governance principles, strongly support the Ocean Conservancy's Arctic Shipping Corporate Pledge to preserve the arctic environment and to achieve net zero carbon emissions.



Dedicated to Enriching Your Life

EVERGREEN LINE

www.evergreen-line.com

INTERNATIONAL WOMEN'S DAY

8 MARCH



Compiled by Publicity & Public Relations Committee

- Dhashma Karunaratne
- Shane De Alwis
- Hamza Alibhoy
- Sachini Perera
- Dhamitha Pathirana
- Surangi Gunasekara
- ChamindhriWimaladharm
- Kirk Baldsing
- Danushka Goonesekara
- Oshadie Manoja
- Asitha Martis
- Enoka Wickremasinghe
- Asanka Basnayake
- Y.T. Praboditha
- Lsuru Alagiyawanna
- Tharaka Nanayakkara
- Sajuna Weerasooriya

Assisted by :
Rochelle Palipane Gunaratne -
Freelance Journalist
Designed by: Duminda Karunanayaka
Printed by : RMR Advertising

Ceylon Association of Shipping Agents,
No 56, Ward Place, Colombo 7, Sri Lanka

(T) +94 112 696 227
(F) +94 112 698 648
(E) info@casa.lk
(W) www.casa.lk

CASA reserves the right to alter or edit material submitted for publication in consultation with the writer/s and the decision of the Editorial Board would be final in the case of any differences of opinion.

LOGISTICS MANAGEMENT IN THE COMMERCIAL WORLD

06

THE MILITARY PERSPECTIVES

Logistics makes a major impact on economic activity in any country as it is the strategic link between two stages of the supply chain. The paradigm of interconnectedness continues to hold command in today's global community irrespective whether your origin is from East, West, North or South.

ROLE OF DIVESTMENTS IN OVERCOMING PRESENT ECONOMIC CHALLENGES 23

Partially divesting Government ownership in SOEs does not correspond to a decrease in the Government's ability to influence or control the enterprises concerned.

M.T.NAGASAKI SPIRIT

THE MYSTERY COLLISION UNSOLVED!

12

It was yet another evening on board tanker Nagasaki Spirit post entering Malacca Strait from Indian Ocean, everyone on board apart from the watch keepers relaxing after a day's hard work...

BREAKING THE BIAS: INCREASING WOMEN'S POLITICAL PARTICIPATION IN SRI LANKA

27

Written for International Women's Day on 08 March 2022

Democracy, by its very definition, calls for the representation of all citizens. Hence women in politics are essential for representative governance.

SHAPE SHIFTING THE LOGISTICS PERSPECTIVE

WE MAKE THINGS HAPPEN !

17

SIDDARTH IYER
of Maersk Lanka

It's no secret that shipping is the backbone of global transport with ships carrying over 80% of global cargo around the world consequently a significant percentage (over 8%) of global oil production ...

RUSSIA- UKRAINE CONFLICT: ECONOMIC IMPLICATIONS FOR SRI LANKA 30

The Russian invasion of Ukraine deepens the existing global economic woes – persistent supply chain bottlenecks and associated rising inflation – clouding the prospects of a smooth global economic recovery from the pandemic.

CASA In conversation with

THE SOUTH KOREAN AMBASSADOR TO SRI LANKA

38

I am the Ambassador of the Republic of Korea to Sri Lanka, Santhush Woonjin JEONG. First of all, I would like to thank the 'Bridge Magazine' for extending an invitation to be featured in the interview series.

PROGRESSING TOWARDS SRI LANKA'S MARITIME HUB STATUS

An interview with

Dr. Prasantha Jayamanna

44

Chairman Sri Lanka Ports Authority

which includes good connectivity for transshipment containers, speedy transitions within the port, efficient service and less formalities in the process.

A tête-à-tête with Expolanka's effervescent, charismatic and forward thinking Chief Digital Officer –

Irfan Ahmed,

gave us an escapade to a renaissance of the digital age and Sri Lanka's potential to make its mark as a technology hub of Asia.

50

Personally and professionally it has been an interesting journey as I was in the advertising and marketing field in the early 2000s and we were at the forefront of the transformation in its fledgling stages and saw what digitization can do.

LOGISTICS MANAGEMENT IN THE COMMERCIAL WORLD

THE **MILITARY** PERSPECTIVES



ADMIRAL THISARA SAMARASINGHE
RSP, VSV, USP, NDC, PSC, DBA
SENIOR CONSULTANT, CINEC CAMPUS

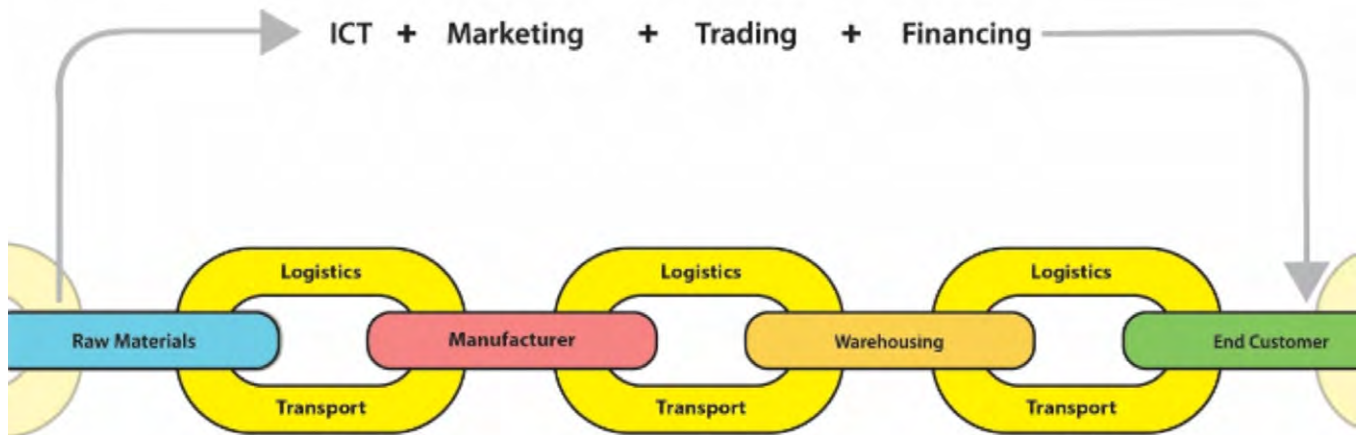


PROFESSOR (DR) LALITH DIRISINGHE
DEAN FMSS, CINEC CAMPUS



ABSTRACT

Logistics makes a major impact on economic activity in any country as it is the strategic link between two stages of the supply chain. The paradigm of interconnectedness continues to hold command in today's global community irrespective whether your origin is from East, West, North or South. The risk of breaking the supply links was much evident in the post covid new normal scenario. For example, even the domestic supply chains in Sri Lanka (SL) are seems vulnerable to frequent breakdowns and price volatility. Sri Lanka wishes to convert the country to a naval, aviation, commercial, energy and knowledge hub in Asia. Therefore, improving logistics performance is a priority policy objective. This paper discusses how the learnings from military could help to improve performance of commercial logistics in Sri Lanka.



Source: Logistics Sinhalese. [3]

INTRODUCTION

The pandemic has spread all over the world, leading to lockdowns and border closures that restricts the movement of people, goods, and services. Additional protocols (such as social distancing at warehouses) introduced to ensure the safety of workers contributed to bottlenecks for freight [1]. Even in the new normal scenario every country continues to experience many logistics issues due to consequences of Covid 19. The Logistics Performance Index (LPI) was used as a tool to analyse the cross-border logistics performance in SL. Sri Lanka was ranked at 94 out of 160 countries in the logistics performance indicators (LPI) published by the World Bank in 2018. It is clear from this record that the logistics was not in good shape even before the Covid pandemic. Accordingly, Sri Lanka was not resilient enough to face such vulnerabilities despite the locational advantage of the country. However, the country is very keen to make itself a logistics hub and technically it is naturally endowed with basic features needed for effective and efficient logistics. The demand for logistics services is derived from the international trading activities. In the context of economics this phenomenon is termed as a “derived demand.” Therefore, it is timely to explore how the learnings of military logistics could help improve commercial logistics

performance of a country.

International trade and international logistics involve activities related to the global exchange of goods and services to satisfy needs. These activities include acquiring, developing, and managing physical, financial, and human resources. International trade refers to the exchange of capital, goods, and services across international borders or territories. It is a crucial factor because, in most countries, such trade represents a significant share of gross domestic product (GDP). International trade has existed throughout history as evident in concepts such as Uttarapatha, Silk Road, Amber Road, Scramble for Africa, Atlantic Slave Trade, and Salt Roads. With globalization the interdependence among nations grew due to increased trading between countries. Accordingly, the logistics that connects two stages in the supply chain became a very crucial phenomenon.

Logistics commonly refers to a series of services and activities, such as transportation, warehousing, which help to move goods and establish supply chains across and within borders. The word “logistics” was originated in military. A nation’s ability to perform logistics related functions impact directly to its military power. Military

logistics consists of the processes of generating, allocating, transporting, sustaining, and reorganizing or reallocating materiel and personnel. The term “logistics” was not commonly used until shortly before World War II. Even nowadays we do not realize the contribution of logistics unless the shelves in supermarket are empty which has been a frequent occurrence after Covid 19 pandemic hit the global supply chain. Many case studies reveal that effective and efficient military logistics is the key to winning a war. Similarly, logistics competence became one of primary key performance indicator (KPI) in international trade. This combination today has a high economic, social, and political importance. Logistics make a major impact on economic activity in any country [3]. Logistics performance both in international trade is central to the economic growth and competitiveness of countries. The quality of logistics services, trucking, forwarding, and customs brokerage is also central to trade efficiency [4].

LOGISTICS IN COMMERCIAL WORLD

Competence in logistics plays a significant role in international trade thus satisfying customers in any



Fig. 02: Interconnection of key logistics activities Source: Logistics Sinhaleen [3]

industry globally. A trade supply chain is only as strong as its weakest link. Progress in one area cannot always offset a lack of progress elsewhere. Fig. 02 illustrates multiple links that interconnects many activities in an international supply network.

The Logistics environment is primarily influenced by the international trading patterns. In most countries, regulatory measures for trade in goods and services raise new and pressing challenges for efficient cross border movement of goods and services in the 21st century. The policymakers must strengthen the weakest links with targeted development interventions. The container shipping, led to reduced transport costs, and supported a vast increase in international trade. The container shipping paved the way for hub and spoke mechanism. With major shipping traffic flowing through the Indian Ocean region and growing by up to 10 percent a year, it is paramount that ports can manage cargo efficiently and effectively to ensure minimal turnaround times. Sri Lanka's

geographic location is an unmatched advantage although it is not the only factor that future maritime stakeholders will be interested on. There are many lessons that could be learnt from neighbouring countries particularly, Singapore. The container help reduces the global supply chain cost [5] and carbon footprint [6].

MILITARY LOGISTICS

Since the existence of human race, trade and logistics have evolved in varying dimensions and proportion through the passage of history exerting a direct impact characteristically on survival and quality of life fulfilling inherent requirements of the mankind that lives today. Logistics in this context cannot be over emphasized as it is linked to trade and commerce that ensures manufacture and production using required raw materials and technology that pave the way to have the correct quality items, in right quantity at the required location in a timely schedule. The above cycle of

logistics heavily depends on production transportation and movement of goods in which ever the form by land, air or sea. Given the wide dispersion of land mass of the planet connected by the ocean area covering 70% make maritime transport the most economical and used today linking shipping to logistics, as the critical inseparable combination.

Naval and maritime philosophy entails that control of seas will influence and determine decisions and sustenance ashore. It does not necessarily focus on destruction of, but on the strangling of trade, commerce, maneuverability, maintenance or naval operations, especially those directed against trade and logistics supply which could be crucial to nations waging wars or saddled with challenges on land. It is well agreed that stoppage of commerce, trade and logistics compels adversary submissions and that conflicts are won by economic and logistics strangulation from seas or closing boarders.

The global maritime supply chain

MILITARY LOGISTICS ENTAILS EVERY ASPECT OF MANUFACTURING INDUSTRY STARTING FROM RAW MATERIAL TO THE FINAL PRODUCT UNDER STRICT CONTROL OF QUALITY AND SECURITY.

(Logistics) is a soft and an easy target. It can be struck anywhere on its route, and it can have disastrous downstream effects. Few people realize how vital the maritime supply chain is for the world economy. Trade is the lifeblood of the world economy and over 80% of the world's traded cargo and almost 100% oil imports/exports move along this supply chain. World trade continues to grow at around 6% per annum. If trade grows, so must the shipping that carries it and the maritime logistics supply chain that uses the shipping. Importantly the lives of human beings either in the military or civilian population are always at heavy risk in such vulnerable circumstances and their precious lives too directly depend on the logistics and transport specially when considering medical supplies and evacuations. The role of logistics and transport supply chain in post conflict refugee sheltering, rehabilitation and reconstruction often fall on to the hands of the military given their professional and discipline approach with adequate resources and infrastructure. This phase of the operation too plays a vital role in outcome in any military campaign.

EVALUATING COMMERCIAL LOGISTICS FROM THE PERSPECTIVES OF MILITARY LOGISTICS

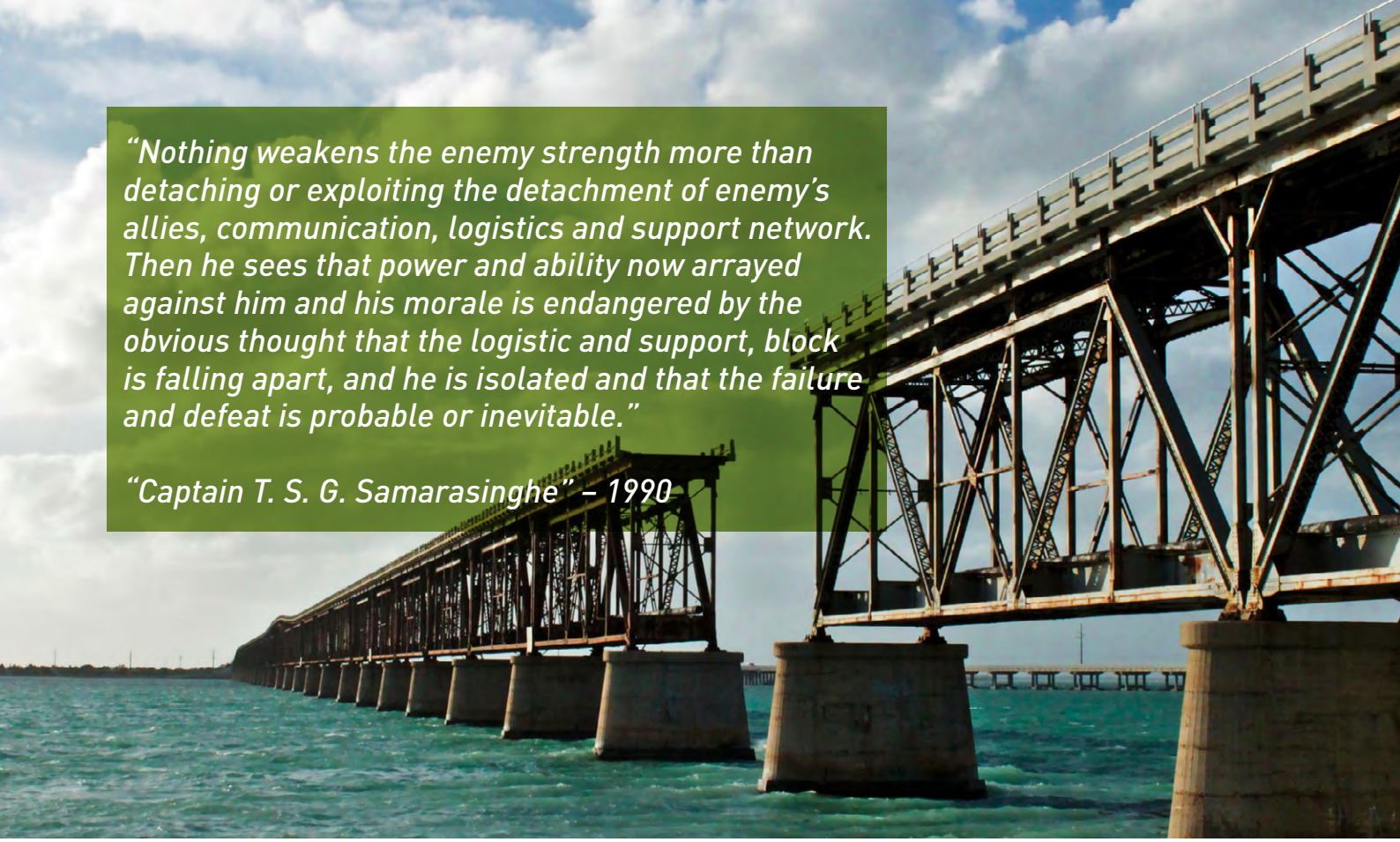
Military logistics entails every aspect of manufacturing industry starting from raw material to the final product under strict control of quality and security. Getting such items identified correctly at accessible location in right quantity with sufficient reserves, to the right location on time is the requirement

of the on-scene military commander to lead his military campaign in the battle front successfully. The flexibility and maneuverability that the battle front commander deserves to enjoy in fulfilling his task primarily depends on how well his logistics supply chain functions as planned without any breakdowns or delays. Moment this chain is interrupted it will start effecting the front line and the backup options that could bring disastrous consequences unless alternative logistics were planned and made available. Unlike in civilian logistics environment, military logistics supply lines are always vulnerable to disruption by the adversary. Sustaining military outfits engaged in confrontation on land and sea requires critical items of ammunition, food, medicine, clothing, fuel, water, lubricants, equipment and machinery including spare parts repairing items. Therefore, the transportation of these items safely and timely to the desired location is of paramount importance to achieve the military mission objectives.

Therefore, the efficiency of logistics and transport supply chain is of absolute significance for sustainable military operations if they are to maintain the superiority and the edge over the enemy. Any failure and setbacks in this vital area of logistics will expose one's team to the inevitable submission to your adversary. Considering such an impact on the ultimate outcome, meticulous planning, attention to details, monitoring and supervision at all levels and stages, accountability and shouldering of responsibility are key areas to study and master. Study of logistics, transportation and communication is relevant to all aspects of life including the military.

CONCLUSIONS

Innovations in logistics would play a key role to improve the logistics performance. If the transport cost is brought down the price of goods and services are expected to reduce. This would help a country to bring down its inflation. Similarly, the country's exports will be more competitive in the global market due to lower transport cost. However, logistics industry (the shipping businesses in particular) is faced with serious challenges today. There are various security threats caused by sea piracy. Environmental regulations are getting tougher every day which is inevitable. Maritime transport emits around 1000m tonnes of CO2 annually and this accounts 2.5% of global greenhouse gas emissions. Therefore, it is imperative that regulators need apply pressure on green logistics. The container inventory imbalance costs USD 15 -20 Billion a year globally. It is estimated that 20% of containers transported by sea and 40% by land are empty. Container exchange is identified as an effective solution to the container inventory imbalance. It is high time shipping lines resort to innovative solutions such as virtual container yard (VCY). These concepts are backed by internet of things, machine learning, and artificial intelligence. Boarder management is another strong pillar in effective maritime logistics. Therefore, it was stressed that visibility and transparency in the regulatory system that have any impact to logistics is the key to improved logistics performance.



“Nothing weakens the enemy strength more than detaching or exploiting the detachment of enemy’s allies, communication, logistics and support network. Then he sees that power and ability now arrayed against him and his morale is endangered by the obvious thought that the logistic and support, block is falling apart, and he is isolated and that the failure and defeat is probable or inevitable.”

“Captain T. S. G. Samarasinghe” – 1990

About Authors

Admiral Thisara Samarasinghe

Admiral Thisara Samarasinghe was elevated as the 16th Commander of the Sri Lanka Navy in 2009 after 37 years of distinguished and decorated Naval career. In recognition of his exemplary service to the nation he was appointed as the Sri Lanka’s 21st High Commissioner to Australia in 2011 concurrently accredited to New Zealand, Fiji, Papua New Guinea, Solomon Island and Vanuatu where he served with distinction till 2015. Since 2015 he continues to serve as the senior Consultant of CINEC Campus the largest, most diversified and fastest growing, Higher Education Institute of Sri Lanka.

Professor (Dr) Lalith Edirisinghe

Professor Edirisinghe commenced his career in 1981 as a Cadet in Merchant Navy. He is an Expert Consultant of the ESCAP of United Nations. He is the author of two textbooks on Logistics and Shipping introducing many theoretical models and concepts. He holds a PhD, in Transportation planning and Logistics Management from the Dalian Maritime University, China affiliated to World Maritime University, Sweden. He is a Chartered Logistician, Chartered Marketer. He is a certified Competent Leader and Competent Communicator of the Toastmaster International. (Website: www.professorlalithedirisinghe.lk/)

References

- [1] I. Twinn, N. Qureshi, M. L. Conde, C. G. Guinea, D. P. Rojas, J. Luo and H. Gupta, *™The Impact of COVID-19 on Logistics*, IFC of the World Bank Group, Washington, 2020.
- [2] L. Edirisinghe, *Logistics Sinhala* (ISBN 978 ± 624 ± 5411 ± 00 ± 9), Mlabe: CINEC Campus, Sri Lanka, 2021.
- [3] L. Edirisinghe and S. Muller, *™Converting Sri Lanka into a Commercial Hub in Asia An assessment of postwar progress with insights to the way forward - A Case Study*, in General Sir John Kothelawala Defense University International Research Conference, Colombo, 2013.
- [4] L. Edirisinghe and S. Jayathilake, *™Frontier Logistics Performance in Sri Lanka-The role play of the Customs*, in KDU International Conference 2013, Ratmalana, 2014.
- [5] L. Edirisinghe, Z. Jin and A. Wijeratne, *™Container Inventory Management: Factors influencing Container Interchange*, in 13th International Conference on Business Management, Sri Jayawardanapura, 2016 b).
- [6] L. Edirisinghe and J. Zhihong, *™The Benefits of Container Exchange between Carriers: A Case Study*, Moratuwa, 2016 a).
- [7] L. Edirisinghe, *™The Shipping and logistics performance and its impact to the investments in Sri Lanka; A Contemporary appraisal*, in 14th International Conference on Business Management University of Sri Jayawardanapura, Sri Lanka, Sri Jayawardanapura, 2017.



BY CAPTAIN CHANDRA GODAKANDA ARACHCHI

Chandra, a Master Mariner, joined as a Cadet Officer with CSC in 1975 commanding ships at 28 years of age, one of the first two Mooring Masters for SPBM offshore Colombo, then a Marine Pilot for Colombo. Migrated to Australia in 1996. Worked as a Marine Surveyor / Operations Manager for Oil and Gas for Caleb Brett until 2005. Chandra joined Santos Oil and Gas producer and LNG exporter in 2005. Worked as a Marine Superintendent (on secondment) later, loading LNG tankers for a brief period at Gladstone at the beginning of LNG exports prior returning to back to Brisbane as Production Controller, Santos GLNG. Recipient of the prestigious Gold Medal for Chief Officer examination in India for the year 1982. Chandra is a Permit Authority too (oil and gas), Oil and Gas Safety Systems Auditor and Taproot incident investigator in Australia. 28 years of operational experience in Oil and Gas. 47 years of operational experience in Shipping, Oil and Gas yet counting! Hobbies reading, writing, watching sports particularly Cricket and Rugby!!

M.T.NAGASAKI SPIRIT

THE MYSTERY COLLISION UNSOLVED!



and the crude oil in that tank

It was yet another evening on board tanker Nagasaki Spirit post entering Malacca Strait from Indian Ocean, everyone on board apart from the watch keepers relaxing after a day's hard work, then well into the night, the tanker owned by Teekay Shipping and 27000 ton container ship m.v. Ocean Blessings heading the towards Indian Ocean on 19th September 1992 with all on board resting except watch keepers as usual. Nagasaki Spirit 100000 tonne crude oil tanker part loaded with 40154 tonnes of Khafji Crude oil, a very light and volatile crude oil, was South bound in North of Malacca strait. Ocean

blessing heading North in Malacca strait heading for Middle East. Both ships collided at position 04 27 N 98 42.3E at 2320 hrs with Ocean Blessing colliding head on with Nagasaki Spirit's port side abreast of No 4 port cargo tank. Ocean Blessing's bow collided at near 90 degrees on Nagasaki Spirit penetrating a third of ship's breadth on V shape penetration spilling about 12000 tonnes of crude oil.

Khafji crude oil being so volatile, would have had significant vapour pressure in tanks thus gas escaping quickly



upon collision. Flash point being below negative 35 C would have required just the catalyst of ignition source when metal to metal rubbing. Both ships engulfing in fire, crew on both ships did not survive except two on Nagasaki Spirit, 3rd Engineer and 2nd Cook. Final message of the Captain of Nagasaki Spirit " Have been fired upon and now have fire in Nos 5 and 6 and central tanks. Abandoning vessel immediately and into two 16 man life rafts and will activate EPIRB in lat 04.33N, long 98.43E at 1623 GMT Sep 19. No time to report further as abandoning vessel". Certain doubts have arisen in some quarters if that was Captains words as it says no Captain would express in that manner. It was said Starboard lifeboat was launched but never found. Investigators found only some remnants of human remains and small piles of ashes on Ocean Blessing suggesting no one had any chance to survive including two crew said to have been locked up in a hold. Some bodies were retrieved from the sea including that of Nagasaki Spirit Captain, with most bodies found with deep lacerations to wrists and buttocks. Unfortunately for Ocean Blessing crew, none survived, perhaps they were locked up with a little chance of being able to get away from imminent explosion though Ocean Blessing had the collision on it's bow.

Next day on 20th September 1992,

Semco Salvage and Marine Pte Ltd (Semco) agreed to salve Nagasaki Spirit and the cargo under Lloyds Open Form (LOF 1990) as well as to salve Ocean Blessings on the same terms, LOF 1990. Semco upon agreement mobilised a few tugs to fight the fire on Nagasaki Spirit, later successful in putting off the fire around mid-day on 26th September 1992. In the afternoon on the same day about 1700 hrs Malaysian Police expressed concerns that Nagasaki Spirit might cause pollution and ordered Semco to tow Nagasaki Spirit away from Malaysian coast. It is interesting to note even Xpress Pearl, only a container ship was asked to tow away from Sri Lanka Coast. Nagasaki Spirit was towed away later anchored off Belawan in Indonesia on 03rd October where she remained in the anchorage until 24th October 1992. Nagasaki Spirit was towed to a new suitable position on 24th October post receiving approval from Indonesian authorities on 22nd October for ship to ship transfer of her cargo. Nagasaki Spirit commenced transferring cargo to Pacific Diamond on 29th October, then salvage tugs commenced towing Nagasaki to Singapore on 25th November. The tow arrived in Singapore on 12th December was redelivered to her owners afloat alongside shipyard quay in Singapore.

There is speculation that both Nagasaki Spirit of TK Shipping and Ocean

Blessing have been taken by pirates however this is not mentioned anywhere by any responsible party. No one knows exactly what happened on that fateful night, the last moments of crew, how they breathed their last with a lot of questions than answers. Strangely no one talks about the piracy including in arbitration, no mention about piracy in the video (25th anniversary) or the owners in their annual report discussing casualties, what happened to bodies picked up, no mentioned about interviewing two survivors and no investigation reports ever published.

Quality of Khafji crude is such that it is very volatile. Nagasaki Spirit in part loaded condition with Khafji crude would have been having a lot of vapour pressure. Ocean Blessing colliding at near right angles and penetrating about one third of ships breadth could have opened up # 4 or Port tank with suddenly a lot of vapour escaping out to the atmosphere in addition to crude spilling out. It is quite likely an explosion taking place within a few minutes of collision with vapour forming a flammable mixture and Ocean Blessing metal to metal rubbing proving the catalyst, the ignition source. Port lifeboat was completely gutted in fire. It appears that there are some similarities with the collision of Tanker Sanchi and the bulk carrier CF Crystal on 06th January

2018 off Shanghai coast when all on board perished on Sanchi. It perhaps the wind strength and the direction with reference to ships heading that governed which ship was more affected by the vapour cloud and subsequent explosion. Unfortunate victim at the time was Sanchi whilst it appears that in this case it was Ocean Blessings was affected more by explosion and fire though Nagasaki Spirit's #4 Port cargo tank was on fire. Nagasaki Spirit had some communications pre abandoning the ship and no reports of burns on bodies later found. Starboard lifeboat or rafts were never found. "Have been fired upon and now have fire in Nos 5 and 6 and central tanks. Abandoning vessel immediately and into two 16 man life rafts and will activate EPIRB in lat 04.33N, long 98.43E at 1623 GMT Sep 19. No time to report further as abandoning vessel" said to be the last message of captain. If that was captain's last message, why did he mention "Have been fired upon" when in fact it was the collision that caused the fire and why did captain mention #4 / 5 central tanks when the collision clearly happened on the Port side! Was

the captain under duress by pirates to transmit the message differently to what occurred (collision). Doubts arise about launching life rafts not the lifeboats! Or was it simply the captain nerve on collision combined with pirate situation which made him to express the message the way he did. Interesting to note that no one including the owners do not mention about piracy!

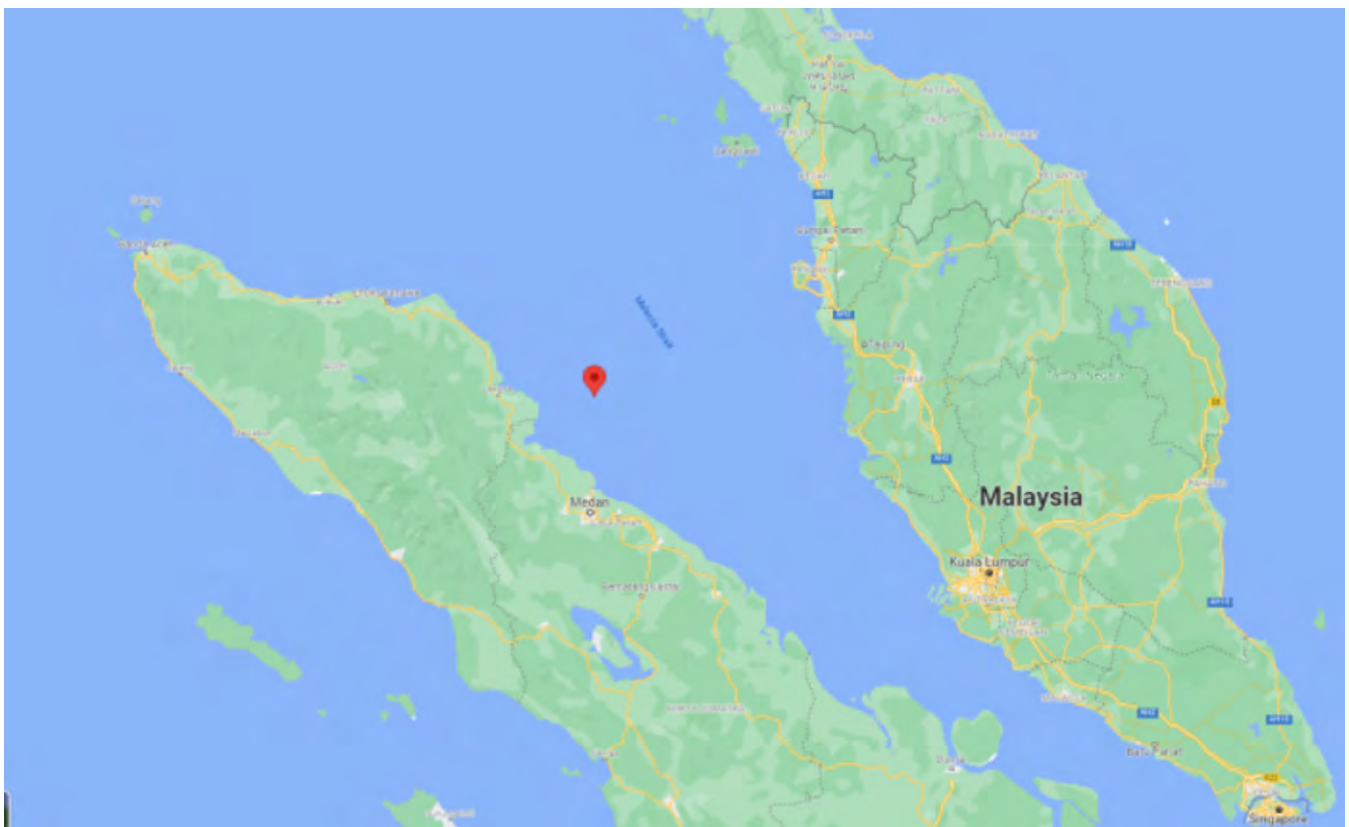
Semco's salvage claim dispute ended up in arbitrations with House of Lords, their judgement not mentioning anything about piracy quite rightly so as Semco salvage claim dispute was a separate issue altogether to the likelihood of piracy encountered. The dispute is about Salvors arguing an element of profit should be included in the reward whereas the ship owner is arguing not to include. Collision occurred on 19th September 1992 whilst the dispute was resolved by the judgement of Lords on 06th February 1997, it is interesting to note this about the time 1989 International Salvage Convention (LOF 95) was in the process of coming into effect then entering into force on 14th July 1996. As an additional note, the main feature of this

LOF 95 is move beyond "No cure No pay" concept and to be awarded special compensation (Article 14 ward – LOF95) in case the salvaged fund is not sufficient to reward the salvor for their effort in saving the environment from being damaged or polluted. These particular provisions were already included in LOF 90 pending introduction of the convention. Final judgement of House of Lords was Fair rate means "a rate of expense, which is to be comprehensive of indirect or overhead expenses and takes into account the additional cost of having resources instantly available", but not any element of profit"

It is the thirtieth (30) year since the collision occurred in calm waters North of Malacca Strait, families of crew including Jane Mackereth, the daughter of the Master, Nagasaki Spirit, on ill-fated ship yet waiting for answers as to what exactly happened to their loved ones and how they breath their last !

<https://www.youtube.com/watch?v=ql9TY7OZ00I>

May their souls rest in peace!



Note:

Marked is the collision position as per the information available, appears to be far from Malaysian coast. It is likely the vessel had drifted closer to Malaysian coast prior being ordered to move away from Malaysian coast.

Smooth operations

Versatile solutions to keep your projects moving

Tugs are the workhorse of the offshore and marine world.

From general towage to serving as monitoring or guard vessels, you can trust GAC with professional support you need for your offshore development projects.

gac.com/srilanka

GAC Shipping Ltd

No. 284 Vauxhall Street

Colombo, 2, Sri Lanka

E: srilanka@gac.com | T: +94 114 79 79 00



SHAPE SHIFTING THE LOGISTICS PERSPECTIVE



**WE MAKE
THINGS
HAPPEN !**

Interview with

SIDDARTH IYER

of Maersk Lanka

Shipping and logistics are quite complex but what our customers require is to get their items from one place to another on strong tech platforms with multiple options. This led to the diversification from a geographical oriented outlook to a more vertical orientation of the business.

Picture a few saree-clad Bangladeshi ladies sitting on their mats and weaving, similarly let your mind skirt through Oxford Street, synonymous with London's éclat for its high fashion and we at Maersk and the shipping faculty in its entirety can proudly say that, "We make things happen!" by ensuring that the items produced in one part of the world are taken to every corner of this vast globe, we call earth. The imagery was so vivid as it takes us to the core of how supply chain providers are perceived. Its appeal has spanned millennia and those like Siddharth Iyer, Managing Director of Maersk Lanka, who joined the industry with no prior inclination of it but has grown into a stalwart within it and beyond, embraces the ever-changing facets of being in a dynamic industry that continues to grow from strength to strength/ stealthily.

We, at CASA were blessed to have caught up with him days before he bid adieu to Sri Lanka, a land and her people, the food and ofcourse the dancing and songs he was endeared to for a span of over many years. Heading off on his new appointment to Singapore, Sid as he is called by his contemporaries and colleagues alike is all about facing life with aplomb and adapting to not merely stay in the game but succeed in all aspects of it.

Q.As 2020's most dominant player in the global Shipping industry, what are the trends and strategic directions of Maersk for

the foreseeable future?

Our transformation journey commenced in 2017 when we saw the need to move away from our traditional thinking of merely being an asset based company, owning ocean and shipping assets viz. vessels and containers and a strong network, to move towards a customer-centric organization built on an integrated vision with solutions for the customer's needs.

While this initiative was initiated pre-Covid, it was accelerated during the onset of the pandemic. What this integrated strategy means is the democratizing of the global logistics; similar to what Google or Youtube did with content and what Amazon does with the market place. Shipping and logistics are quite complex but what our customers require is to get their items from one place to another on strong tech platforms with multiple options. This led to the diversification from a geographical oriented outlook to a more vertical orientation of the business. It was no more about a one-size -fits all but a customized package which is more attractive to our existing clientele spanning the world.

Q. In terms of sustainability, what are the trends in the ocean freight industry?

Maersk's has made a bold and brave decision to reach the goal of being

carbon neutral by 2040. Eventhough the targeted year was 2050 initially, it was duly revised to 2040. Furthermore, it is not limited to a self-fulfilling policy as everyone has to share the same vision. Everyone realizes that the planet is in dire straits and Maersk too wishes to adapt accordingly by strictly adhering to the policies under the Environment Sustainability Governance (ESG) which is an environment centered vertical. This endeavour is bound to pave the way to a more ethical and responsible shipping fraternity, reaching everyone in the supply chain. It is a paradigm shift in all operations from ordering ships with zero to minimal emanation of harmful pollutants, landslide products, logistics and services and more.

Q. Women Empowerment and your findings during your leadership journey at Maersk Lanka?

I am fortunate to have and inherited a leadership team which was mostly women oriented. The gender parity has increased to almost 50%, which I believe is a significant diversity ratio and it is vital to me personally that we make our work places inclusive. I am proud to say that, I am surround by strong women in leadership roles from the Commercial Head, Customer Service Head, Financial Head among others.

These are considered as eye openers to all from the veterans to the rookies irrespective that gender should not be considered a hurdle, instead embraced impartially for the furtherance of the industry, it is only then that we can

thrive. I have always been awed by the extreme levels of strength displayed by women, especially those who are constantly multi-tasking the roles of being a women in leadership, caregivers and carers of parents, children, husbands, partners and more. After all, they ease into these avatars of themselves and succeed in each level. Maersk has identified the potential of women and systemized its policies, environment and the organization accordingly; making it easy for women to thrive above and beyond its folds.

Q. In your view, what are the Critical Success Factors for Sri Lanka's Maritime Hub Aspirations?

It is key that Sri Lanka develops in terms of capabilities with reference to hubs covering all levels from vessels to containers, docks and others. It has to contain a full-fledged and strategic approach, shifting its perceptions to a 'tail that wags the dog,' by enabling the transshipment capacity to fuel its growth potential and reach mercurial heights in all areas in the process. It is imperative that Sri Lanka positions itself as a strong contender or important node in an international supply chain network.

In order to do so, we need to take the story of our hub capabilities, which is one of the best guarded secrets in the world as what the general public are aware of are merely the transshipment capabilities. We need to improvise and offer exemplary services, world class infrastructure, ease of doing business in





order to attract the investors.

Surmise it say, it is pivotal and timely to extricate ourselves from the bubble mentality and geographical precedence, after all in a rapidly advancing world in which a click of button is all we need to obtain our requirements from any part of the universe, we need to think beyond the proverbial box and approach the industry with a fresh outlook which will inevitably ensure resounding success and carve an invaluable niche among the global shipping fraternity.

Q. In a footloose transshipment business, what should be the Strategic Priorities for the Port of Colombo to retain its position as a transshipment hub of the region?

Colombo needs to stay ahead of capacity as it is saturated with capacity, probably due to slow decision making. Hopefully that issue has been dealt with and new capacity is being added.

Today, in order to ensure reliability within the supply chains; we need to change the perspective of the customer in relation to ocean freight as most often than not a customer pays a king's ransom for a paltry service and that requires a watershed. Ocean reliability is the lowest. For that perception to change, transshipment hubs play an important role as much criticism is directed towards them. My personal advice is to increase capacity and brand this as the Port of Colombo.

For instance, when networks are planned globally, each moment is crucial and taken into consideration and they expect it to work. Therefore, Sri Lanka needs to project itself in totality in the trade as the Port of Colombo and develop all aspects of being a hub. Sri Lanka. The region per se has sufficient growth in terms of volumes, thus a change in outlook is fundamental for growth.

Q. Capacity trap? Can it be a reality?

I wish to reiterate that capacity is merely one cog in the wheel and not the main pre-requisite for success or failure. Sri Lanka should run the gauntlet of

policy, framework, regularization, ease-of-doing-business, vessel clearance and customize manual, digitize and capitalize on our location in a broader sense. All these should be consolidated to making it easy for customers.

Furthermore, Sri Lanka needs to create the infrastructure and attract international supply chain companies, more so due to their role as decision makers in the networking sphere. These companies are the ones who are networking with customers on a global level and that's a great channel to tap in order to elevate Sri Lanka into hub status. Stop using capacity as a scapegoat and see it as merely a minor solution which has to be addressed in a bigger game.

Q. How was the experience of working in Sri Lanka and with Sri Lankans (talent pool etc)? Did you find it enjoyable or tough?

I love Sri Lanka – its hospitality and the camaraderie that exists among my Sri Lankan friends and colleagues. When I

I believe that folks have realized this error, which has made the climb hard for the industry and the country as a whole but it is still never too late nor impossible.

relocate to various parts of the world, I generally try and amalgamate and I like to think that I am 'Sri Lankanized' to a great extent since the commencement of my stint here; after all, I can sing the local songs, do the 'old man dance by balancing the glass on the forehead and more. (added he with jest). Professionally and personally, my wife and I were blessed to be surrounded by an amazing team.

With reference to talent, it is exceptional among all strata of society and especially among the youth of Sri Lanka but it is essential that the youngsters are encouraged to be resilient, especially in the face of adversity, and not be tempted to seek temporary solutions. Challenge the status quo and move forward and upward.

Another important element I perceived during my tenure is Sri Lanka and what we at Maersk emphasized on is the importance of physical and mental health and the need to inculcate the benefits of financial health by promulgating a saving and investing culture. These aspects aside, Sri Lanka and her people have a special place in our hearts.

Q. What can Sri Lanka do to improve and promote

more foreign businesses to invest/operate in Sri Lanka.

It requires the need or the profound or even desperate desire to adapt to the times by enabling international companies and potential investors an opportunity to exercise their expertise without marring their capabilities in trying to profit unscrupulously. Maersk per se is keen on investment opportunities that target but are not limited to building warehouses, logistics hub developments, coal chain establishment and expansion and more. Yet, making the vision a reality requires leniency in investor rules and consistent policy making.

Using the illustration of fishes in a pond, I would say, that it is better to be a small fish in a big pond as there is plenty for everyone to do, instead of being a big fish in a small pond as this will not flourish and while it may be beneficial for few big fish temporarily it is not sustainable. I believe that folks have realized this error, which has made the climb hard for the industry and the country as a whole but it is still never too late nor impossible. It requires widening the pond by changing the transshipment regulation

framework; attracting international companies and an unbiased perspective and an undiminished hope that it will eventually get better.

Q. Why would Maritime be a blue ocean of opportunities for young and aspiring professionals?

First and foremost, we should have a sense of focus in what we do; while in Bangladesh, I saw an image of Bangladeshi women working on a factory floor, similarly an image of a Burberry's store in London .. and it created a profound and powerful impact as I realized our role in this structure was significant as 'we make things happen!' We are the fulcrum in the totem pole enabling our clientele to obtain their requirements from all parts of the world. That perception offered clarity about the importance of what we do and the term supply chain enablers stuck a chord as it covers a plethora of avenues. We emphasize too much in the term maritime which is relegated to shipping lines, agents and terminals etc., but when we address it



as supply chain enablers, it refers to the manufacturers, customers, eco systems and more. Amazon, for instance has broadened its reach beyond a mere front end portal by including planes and more modes of transport within their logistics framework. When I joined Maersk 18 years ago, I was unaware of its in-depth nature but it has been beneficial and I believe that Sri Lanka being an island will always have plenty of opportunities in the field of maritime or better yet supply chain professionals in the maritime or seafaring industry, therefore it is essential that the youngsters are groomed and most importantly drawn to the sense of adventure and excitement that is part and parcel of this lucrative career path.

Q. What will bring you back to SL, again?

The food (without hesitation), the easy access to pristine beaches, fauna and flora, cool climates and majestic mountains and the phenomenal nineties party consisting of songs of my favourite era in music and finally and most importantly the people.

Q. How did you foray into the field?

It was through a friend who was following a management Training program at Maersk in 2004. He recounted his experience, especially the fact that he was sent for training at Copenhagen and that sparked an interest which persuaded me to apply for the job and within a week I was an employee of the prestigious shipping magnate and have never looked back. It has been almost 18 years of fulfilment since my foray into the industry.

Q. What is Maersk's role in Sri Lanka?

The Danish company with a history spanning a century, commenced operations as a steamer container company and it has developed rapidly into the largest container shipping line offering innovative solutions to its ever-expanding global clientele. Maersk established itself in Sri Lanka 28 years ago and continues to grow stealthily and retain its number one

position as a colossal supply chain enabler. While our focus is global, we continue to encourage customers to utilize Sri Lanka and offer a host of comprehensive albeit integrated services in Sri Lanka.

Q. What are some of countries you've been to during your professional postings and where would you consider your favourite?

I have been to Bangladesh, Belgium, India and more on work. While Belgium was my first posting as a twenty four old and I consider it a thrilling experience, I consider my stint in Sri Lanka to be the very best, mostly due to the professional and personal rapport built. It is also where the business, I spearheaded with the unstinted support of my team reached unprecedented heights in terms of profit, creating a sense of undiminished pride in our achievements which was a result of dedication and commitment to reaching our goals and for that reason among others, I consider Sri Lanka as my most favoured destination by far.

ROLE OF DIVESTMENTS IN OVERCOMING PRESENT ECONOMIC CHALLENGES

By Imesha Dissanayake



Partially divesting Government ownership in SOEs does not correspond to a decrease in the Government's ability to influence or control the enterprises concerned. A 50% stake or more will provide control of the enterprise and absolute control can be retained with a 75% stake. Therefore, given the political milieu of the country and to avoid public resistance, options such as selling significant stakes with management for non-strategic entities and releasing smaller stakes for strategic entities can be considered rather than following a full-scale privatisation program. In a few non-strategic sectors such as hospitality, even the divestiture of majority stake can be considered



The Government of Sri Lanka (GoSL) has very ambitious plans for the country's economic transformation including an economic growth expectation of more than 6% during the five-year period of 2022-2027. The national budget announced in 2022, forecasts public investments to be at 5.1% of GDP. A similar figure was announced during the last budget as well where it was targeted at 5.4% of GDP but currently the estimate for 2021 is at 3.5%.

The total tax revenue estimated in the national budget was an optimistic expectation as well with a growth projection of 50% (Rs. 662 billion) in 2022. This is far more than what past budgets had also projected. This increase in revenue is expected to reduce the budget deficit as a percentage of GDP to 8.8% in 2022 from 11.1% in both 2020 (actual) and 2021 (forecast).

Therefore, the Government needs substantial funding in order to invest in relevant sectors of the country to accelerate economic growth. If this is to be raised through borrowings, it will crowd out the private sector while also put pressure on interest rates given Government's policy of utilising domestic financing.

Observing the 52 State-Owned Enterprises (SOEs) monitored by the

Ministry of Finance (MoF), an aggregate profit of Rs. 103 billion was generated during the first seven months of 2021, but was eroded by loss-making entities with a total loss of LKR 96 billion. 94% of this loss was contributed by three entities, namely; Ceylon Petroleum Corporation, SriLankan Airlines Ltd. and Sri Lanka Transport Board, while, 85% of profits were contributed by five entities.

In this regard, letting go of significant stakes in nonstrategic assets and minority stakes in strategic assets could be the best course of action that can be followed given the political milieu of the country. This will enable strategic assets to be sustained for a long period of time while enabling growth in the economy. A clear distinction between strategic and non-strategic assets should be drawn for this purpose. This can avoid divesting controlling stakes of strategic assets, which could undermine the long-term growth potential of the country.

History of divestments in Sri Lanka

Sri Lanka is no stranger to divesting SOEs. Divestment of public enterprises were incorporated into the state policy in 1987 with an aim of reducing the fiscal burden, and improving the

efficiency and profitability of entities. This led to extensive SOE reforms being carried out between 1989 and 2002 with partial and full divestiture of 84 enterprises.

SOE divestments has been a key channel of Foreign Direct Investment (FDI) into Sri Lanka. During 1990 and 2000, the 11 largest SOE divestment transactions that occurred in the country amounted to \$ 609 million of the \$ 1,791 million received as FDI during the same period (Central Bank, 2002). Therefore, divesting SOEs can bring in the much-needed FDI into the country and aid the Government in their efforts of economic revival post the pandemic. A list of few key divestments that occurred during the period of 1990-2001 is given in Table 01.

Benefits of divesting non-strategic assets

Improve the current account

In line with the savings and investment model, current account of the Balance of Payment (BOP) is identical to Government savings and private savings minus investments. In 2020, private savings accounted for Rs. 4,007 billion while government savings stood at a negative Rs. 1,180 billion. Therefore, by increasing government income or by

cutting down government expenditure, the current account deficit can be reduced.

Barring five years, Sri Lanka has been recording primary balance deficits (non-interest government expenditure greater than Government revenue) since 1950. Hence, selective divestment of assets will allow the Government to generate a one-off income, reduce the fiscal burden, and improve this persistent Government dissaving, which thereby can translate into a favourable current account balance.

Reduce the financial and administrative burden on the Government

The total turnover of the 52 SOEs monitored by the MoF was significant in 2020, amounting to Rs. 1,804 billion, which was close to 1.5 times the total Government revenue collected in 2020. However, the cumulative bank credit that was pumped into SOEs as at November 2021 was Rs. 1,185 billion and treasury grants provided to the 52 SOEs in 2020 was at Rs. 75 billion. Therefore, the financial burden of SOEs on the Government is substantial and in return detrimental for the economy. The increase in bank credit also increases money supply, which then exerts pressure on inflation. Hence, selective divestments can help the government alleviate the financial and administrative burden of SOEs on the Government and thereby the economy.

Another dimension of the fiscal burden is the relationship between Sri Lanka's rating and the performance of SOEs. For example, Moody's changed the country's rating outlook from stable to negative in June 2016 owing to weak financial performance of SOEs.

Improve efficiency and effectiveness of operations

The private sector operating under a competitive environment is generally deemed to be profit oriented and is expected to strive towards minimising costs through improvements in its

effectiveness of services offered. Therefore, divestiture can bring in the much-needed efficiency and effectiveness to SOE operations. It can also provide the SOEs the freedom to operate outside of political and bureaucratic constraints, and separate the state's operational activities, from its policy making and regulatory functions.

Investors with the capacity to invest in expansions

Divestiture can bring in investors with the capacity to invest in expansions. For example, Hilton has much potential for further development but owing to financial constraints, the government is unable to pursue such developments. The Hyatt project is also another example that requires significant investments to reach completion, which the Government is not in a position to undertake.

Divestiture process

1. Identifying strategic and non-strategic assets

It is important to first differentiate state assets as strategic and non-strategic. Strategic assets can be identified as assets that should remain under state ownerships for non-commercial reasons such as national security, managing price, provision of essential public goods or services, etc. A case for divestment of significant stakes can be made for SOEs if it is no longer deemed to be aligning with these state-ownership objectives.

Examples of a few non-strategic assets in Sri Lanka can be identified in sectors such as real estate, finance, insurance, investment funds, shipping, oil and gas, handicraft, fisheries, etc. Some of these, may be considered as strategic by the government for various reasons. However, the divestment process allows one to divest minority stakes without losing control of an enterprise. Even a single share in excess of a 50% stake will provide control of the enterprise. Absolute control can also be enjoyed with a 75% stake as that permits the Government to pass extraordinary resolutions. Hence, reducing the

ownership of an enterprise down to 75% will not result in any dilution of control.

2. Selecting method of divestment

Ideal method that can be followed is to offer significant stake through a competitive tender process or a bidding process conducted on a special board of the Colombo Stock Exchange (CSE) among shortlisted parties. Balance can be offered through an Initial Public Offering (IPO) allowing members of the general public to become part owners of a SOE.

Offering a part of shares to employees can help overcome resistance, and builds their commitment to remain and support the new management after the sale. A similar approach was followed in Sri Lanka during the first wave of divestments in 1988. For example, when United Motors was incorporated as a public limited liability company, each employee received 500 shares as a gift. The divestments that took place in this period were also termed as "peoplisation" to limit resistance from the public.

3. Specifying how the proceeds of the sale would be used

A weakness that was observed in divestments carried out by Sri Lanka in the past was that the proceeds were not allocated to an ear-marked account and instead went into miscellaneous expenditure. Therefore, carefully planning on how these will be used for Sri Lanka's economic development is imperative and following a transparent process in this regard is essential. Much of the recent criticism is due to the lack of a transparent process, both in terms of selecting investors and the use of divestiture proceeds.

4. Detailed implementation plan

The complexity of these transactions will mean that it requires a carefully crafted implementation plan. Therefore, it is vital to have a detailed plan specifying the entities that will be divested, method of divestiture, modality of divestments and earmarking the proceeds of these divestments. Much attention is also required to perform stakeholder consultations and obtain their support to ensure a smooth

implementation process. The divestiture of significant stake in Sri Lanka Telecom can be cited as a successful case study that followed a due process including conducting stakeholder consultations.

Other country experiences

Vietnam

In Vietnam, divestments have been a major focus for the government since it increases the efficiency of loss-making SOEs. Divestments are also a significant source of revenue for the government, which helps the government in managing the fiscal deficit and fund economic development plans. In 2016, earnings from SOE divestments in Vietnam reached VND 30 trillion (\$ 1.3 billion), while in 2017 it was about 5 times the figure in 2016 (VND 140 trillion – \$ 6 billion).

India

In 1991, with the liberalisation of the Indian economy, the government opted for SOE reforms with divestments in order to improve SOE viability as well as to raise revenue for the annual budget cycles. Last year, too, the country set an ambitious disinvestment target of INR 1.75 trillion (about \$ 24 billion) during its budget announcement. However, a lot needs to be done by the government to achieve this divestment target in 2022.

Conclusion

Partially divesting Government ownership in SOEs does not correspond to a decrease in the Government's ability to influence or control the enterprises concerned. A 50% stake or more will provide control of the enterprise and absolute control can be retained with a 75% stake. Therefore, given the political milieu of the country

and to avoid public resistance, options such as selling significant stakes with management for non-strategic entities and releasing smaller stakes for strategic entities can be considered rather than following a full-scale privatisation program. In a few non-strategic sectors such as hospitality, even the divestiture of majority stake can be considered.

To list on the stock market even with minority stakes can provide the SOEs with the much-needed transparency and efficiency in business operations through adherence to stringent regulations. It should also be noted that the three main loss-making entities aforementioned are high foreign currency intensive businesses as well and hence, require extensive financial discipline. Therefore, in the present scenario where Sri Lanka is facing significant funding constraints, SOE divestment should be seriously considered for inclusion in the economic recovery plan of the country.

Table 1 - Profiles of a few Key Divestments with Foreign Investment

Enterprise	Date of Divestment	Amount realised (USD million)			Percentage Divested
		Local	Foreign	Total	
Puttalam Cement (Holcim Cement)	December 1993	18.9	23.1	42.0	100
National Development Bank	March 1993	10.4	91.8	102.2	55.3
Trans Asia Hotel (Ramada/Cinnamon Lakeside)	May 1993	11.6	11.6	23.3	86.9
Asian Hotels Corporation (subsidiary of John Keells Holdings PLC)	Jan 1992	8.1	13.6	21.8	91.4
Orient Lanka	May 1996	-	31.5	31.5	100
Lanka Lubricants	July 1994	11.1	14.1	25.2	100
Sri Lanka Telecom	August 1997	-	226.9	226.9	38.5
Air Lanka (Sri Lankan Airlines)	March 1998	-	77.1	77.1	40
Prima Ceylon Ltd.	June 2001	-	65.7	65.7	100

Source: Central Bank of Sri Lanka, 2003

(The full article can be accessed at: [The Role of Divestments in Overcoming Present Economic Challenges.](#))

(The writer is a Research Associate attached to the Economic Intelligence Unit of the Ceylon Chamber of Commerce. This article was developed as a follow-up to the Strategic Insight piece on 'SOE Reform: The Impetus for Post Pandemic Economic Revival'. The Strategic Insight Series are a series of briefs that focuses on key contemporary topics that matter to the private sector.)



BREAKING THE BIAS: INCREASING WOMEN'S POLITICAL PARTICIPATION IN SRI LANKA

Written for International Women's Day on 08 March 2022

Lakshila Wanigasinghe

Lakshila Wanigasinghe is a Research Officer at IPS with research interests in poverty, social welfare, development, education, and health. She holds an MSc in Economics with a concentration in Development Economics and a BA in Economics with concentrations in International, Financial and Law and Economics from Southern Illinois University Carbondale (SIUC), US.

(Talk with Lakshila - lakshila@ips.lk)



'Talking Economics', the blog of the Institute of Policy Studies of Sri Lanka (IPS)

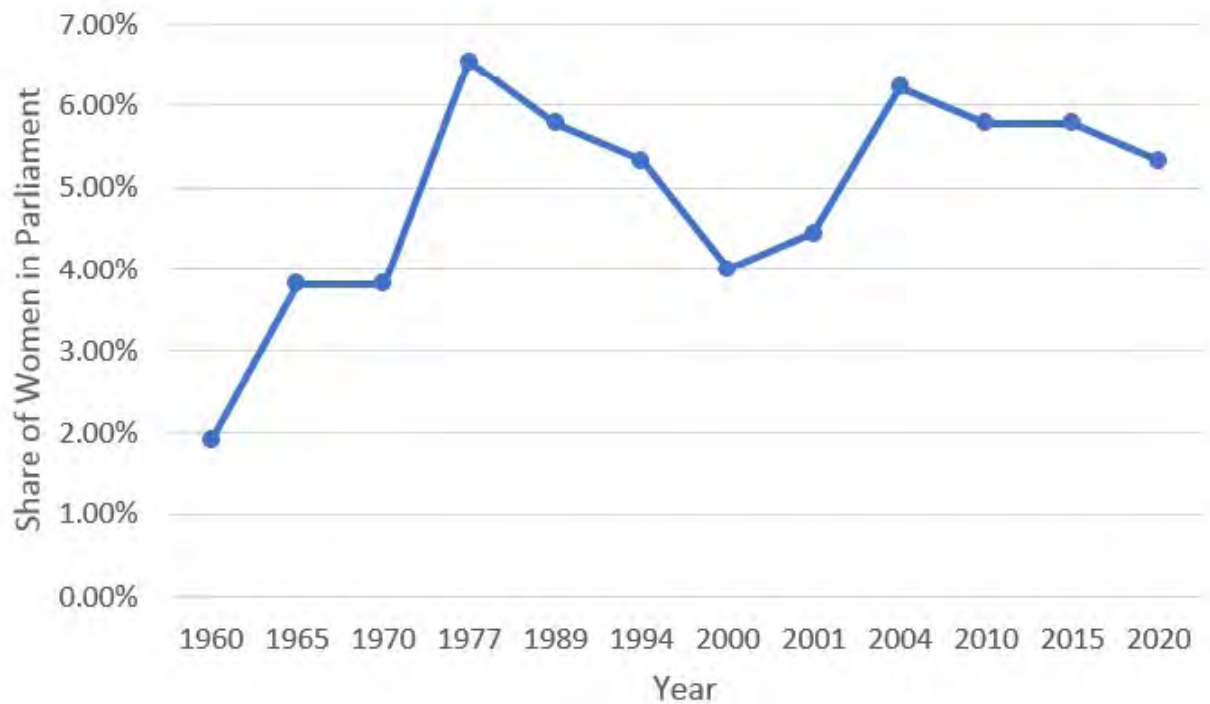


Figure 1 ± Share of Women in Parliament by Year

Source ± Author's illustrations based on data from the Parliament of Sri Lanka (<https://www.parliament.lk/>) and <http://www.statistics.gov.lk/GenderStatistics/StaticallInformation/WomenEmpowerment/Membersofparliamentbyyearandsex>

Democracy, by its very definition, calls for the representation of all citizens. Hence women in politics are essential for representative governance. However, while global statistics for female representation in governments continue to improve, equal political participation is still a far-fetched goal. The Inter-Parliamentary Union reports the global share of women in national parliaments to be only 26.1% as of February 2022. This share is still lower at a mere 17.8% for South Asia at the regional level.

Gender equality in politics is vital to achieving the 2030 Sustainable Agenda. This is outlined by SDG Target 5.5 – “ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.” Research shows that women in power contribute to reduced gender gaps and lower levels of gender-based violence since female leaders are more likely to tackle such issues with a greater sense of priority. In addition, the implementation of legislation that contributes to a safer environment for women and children leads to better educational outcomes and employment opportunities, which contribute to overall socio-economic improvements

in the long term.

Although Sri Lanka elected the world’s first female Prime Minister in 1960, over six decades later, the country’s political arena continues to be male-dominated. This blog explores the gender disparities in Sri Lankan policymaking and outlines actionable steps to increase the share of women in politics.

Persistent Gender Disparity

Sri Lanka currently ranks at 179 out of 189 countries for the percentage of women in national parliaments. This is far below its South Asian counterparts. Women represent over 52% of the country’s population, yet men continue to play a dominant role in the national legislature. Insufficient female representation is a prominent weakness in Sri Lanka’s political landscape.

As shown in Figure 1, the share of women in Sri Lanka’s Parliament has gradually increased since Sirimavo Bandaranaike was sworn in as Prime Minister in 1960. However, this share has never crossed 6.5% since 1977. The 2019 Presidential Election recorded

the highest number of contestants in a Sri Lankan presidential election. Of the 35 presidential candidates, only one was female. With an overwhelming majority of the current administration being male, the current share of female members of parliament stands as low as 5.33%.

Barriers to Entry

Female candidates entering the Sri Lankan political arena tend to face more obstacles than their male counterparts. They often have insufficient financial resources to run the large-scale political campaigns that many leading Sri Lankan male politicians undertake. While the lack of funds can be due to various reasons, prevailing gender-wage gaps also play a significant role in hindering employed women, which often has adverse impacts throughout their life. In addition, social and cultural biases that tend to undermine the capability of women as governing authorities also contribute to the lack of external financial backing for women.

Higher expectations placed on the role of females as caregivers and the notion of politics as ‘dirty’ or corrupt tend to discourage women from engaging



in politics. Further, the tedious work, travel, and long hours involved are barriers to maintaining a good work-life balance. Finally, having their lives often subject to public scrutiny, especially as women are judged more critically for partaking in a male-dominated field, is an added deterrent.

Increasing Women's Political Participation

Overcoming the financial barriers

– Development of skills like public speaking and training on fund-raising should be provided for youth as these are skills anyone can benefit from, irrespective of their chosen field. Allocating a certain minimum amount of funds within a political party solely for women representing the party is one option to overcome this obstacle to some extent. However, this is not a complete solution to the problem. Introducing regulations on campaign financing such as controls on how much can be spent per campaign is an added measure to ensure that financial limitations do not discourage participation.

Overcoming the social/cultural barriers

– Measures must be taken to educate

men and women on the importance of breaking free from traditional gender roles, stereotypes, and discrimination that prevent women from entering politics. Females should be empowered and encouraged to take up leadership roles from a young age. Existing women in government can also mentor others to follow in their footsteps. Providing the necessary tools and guidance is crucial for new candidates interested in public service with no prior knowledge or political affiliations.

Recognising women's contributions and potential

– Misconceptions undermining the value of female contributions in politics should be broken down by advocating for equal representation. The public must be made aware of the importance and necessity of diversity in government to make educated choices as voters. Existing women – and men – in government can formulate legislation to ensure diversity and equity in governance. The introduction of a reserved seat quota of 25% during the 2016 local elections increased the number of women elected from 89 to 2,300. The introduction of a gender quota at the national level can encourage more women to run for office and improve female representation

in the Sri Lankan Parliament. Men alone cannot make laws for society at large. Women should have an equal say in politics since a gender-balanced Parliament contributes to more effective and informed decision-making.

For example, in 2021, the Moroccan government introduced gender quotas for women to hold positions on the board of publicly traded companies. This promoted balanced representation in business and encouraged female leadership, as evident from the 2021 Moroccan elections resulting in the country electing its first female Minister of Finance and three female leaders in major cities. As such, continued visibility of female leadership contributes to uplifting women to aim for inclusivity in historically male-dominated sectors.

The global population continues to promote female legislators and encourage diversity in politics. Sri Lanka, too, needs to welcome more women in leadership and political spaces to break the bias in politics. Doing so is the only way to ensure inclusivity, equality, and genuine democracy.

Image Credit: IPS News



RUSSIA- UKRAINE CONFLICT: ECONOMIC IMPLICATIONS FOR SRI LANKA

By Asanka Wijesinghe

Asanka Wijesinghe is a Research Economist at IPS with research interests in macroeconomic policy, international trade, labour and health economics. He holds a BSc in Agricultural Technology and Management from the University of Peradeniya, an MS in Agribusiness and Applied Economics from North Dakota State University, and an MS and PhD in Agricultural, Environmental and Development Economics from The Ohio State University.

(Talk with Asanka - asanka@ips.lk)



'Talking Economics', the blog of the Institute of Policy Studies of Sri Lanka (IPS)

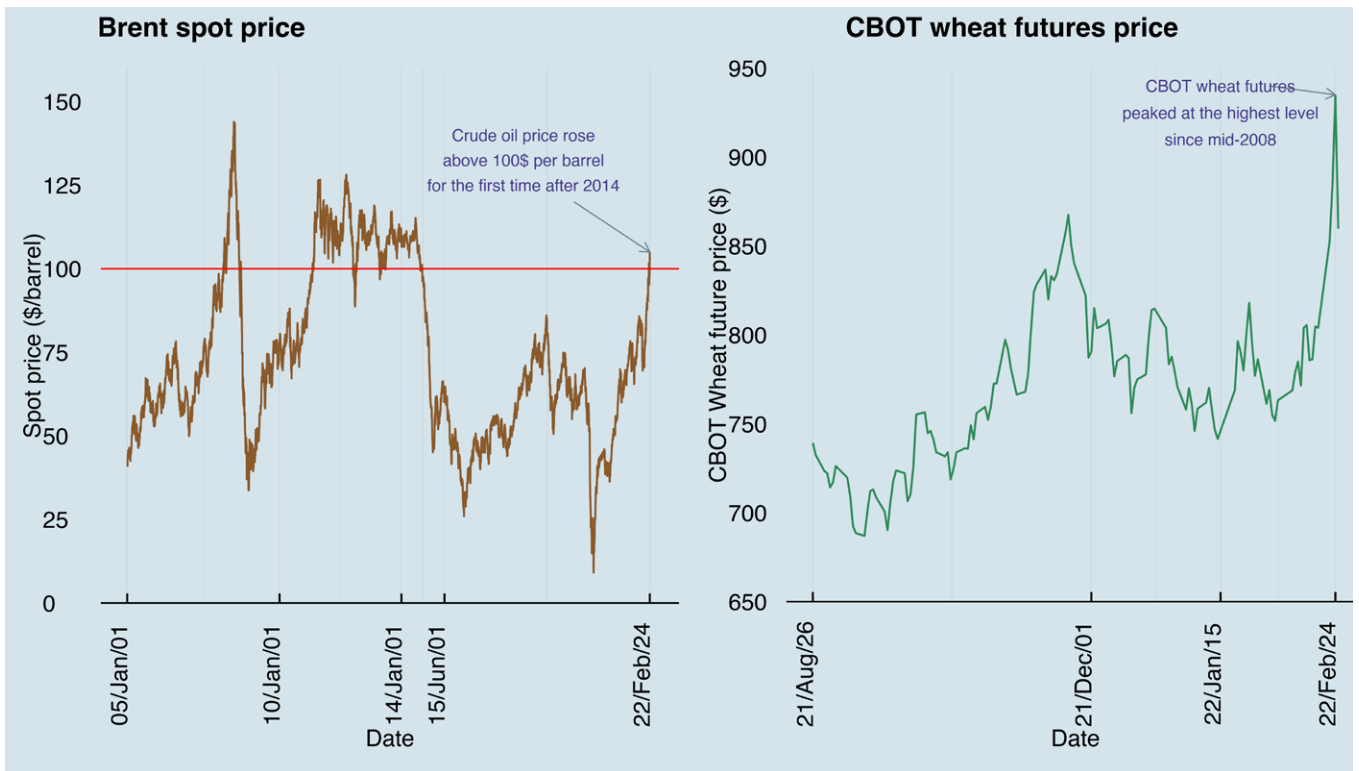


Figure 1: The Brent Crude Oil Price and CBOT Wheat Futures Price Movements

Source: Author's illustration using NASDAQ data

The Russian invasion of Ukraine deepens the existing global economic woes – persistent supply chain bottlenecks and associated rising inflation – clouding the prospects of a smooth global economic recovery from the pandemic. The West, led by the US and the EU, swiftly imposed strict economic sanctions, targetting Russian banks, oligarchs, political leaders, and state-owned and private entities, generating additional uncertainty over the global economic outlook.

The initial disunity in the West on cutting off Russia from SWIFT—a global financial telecommunication system that allows the smooth and rapid cross-border transaction of money—was resolved over the weekend. Such a move will inevitably make payments for Russian exports and imports hard. The ongoing military conflict in Europe could not have come at a worse time for Sri Lanka given its own prevailing high inflation, rising energy costs, and scarcity of foreign exchange.

Against this backdrop, this article discusses the economic impact of the European conflict on Sri Lanka, the sectors that will be hit hard, and ways to mitigate the negative impact.

Global Economic Impact

Immediately after the Russian invasion on 24 February, commodity markets rallied up. The Brent spot price of a crude oil barrel reached USD 105 for the first time after 2014. Similarly, the cost of wheat futures for March 2022 in the Chicago Board of Trade (CBOT) exchange peaked, at its highest since mid-2008 (Figure 1). The Russian Federation and Ukraine—known as Europe's breadbasket—are major cereal, fertiliser, critical minerals, and iron and steel exporters. Meanwhile, the Western powers were busy over the weekend in negotiations to tighten sanctions on Russia.

While the fate of Ukraine hangs in the balance, the consensus among analysts is that the Ukrainians were mounting a fierce and unexpected resistance, effectively increasing the costs for Russia. The US, EU and their allies are contributing to the military conflict by providing financial and military assistance to Ukraine while imposing sanctions on Russia to make dollar transactions difficult. Thus, the severity

of the global economic impact will be determined by the scope and duration of the conflict and the effectiveness of Western sanctions.

Western countries will be keen to minimise the spillover effects of sanctions on their economies. Like Germany, the major European economies heavily depend on Russian energy, making it necessary to exempt the energy sector from sanctions. Indeed, the sanctions package unveiled by the Biden administration did not target the energy sector. As long as payments for energy-related transactions go through non-sanctioned and non-US financial institutions, an unconstrained flow of money is guaranteed. Thus, oil prices dropped with futures closing below USD 93 a barrel in New York. However, that optimism was largely fading in early trade on 28 February. The Brent price rallied over 100 dollars again while wheat, soybean, and corn futures were up. Cutting off Russia from SWIFT and imposing sanctions on the Russian Central Bank can deal a severe blow to the Russian economy in the long run. The collapsing rouble can be a harbinger of Russia's economic



collapse. A possible economic fallout will reduce Russian demand for foreign products, and if Russia cuts off natural gas to the European market, a likely outcome will be a recession.

Implications for Sri Lanka

Overall, Russia and Ukraine account for 2% of Sri Lanka's imports and 2.2% of exports in 2020. However, both countries are vital import sources for wheat and export destinations for Sri Lanka's black tea (Figure 2 and 3). Russia and Ukraine purchase about 18% of fermented black tea (>3kg) exported by Sri Lanka. Similarly, 45% of Sri Lanka's wheat imports are sourced from Russia and Ukraine. In addition, more than half of Sri Lanka's imported soybeans, sunflower oil and seeds, and peas are from Ukraine. Moreover, Russia and Ukraine are significant import sources for asbestos, semi-finished products of iron and steel, copper (cathodes), and potassium chloride for fertiliser.

Unless the Ukraine crisis is not solved immediately, the fuel and commodity prices can rally further. The inflationary pressure in the Western markets,

especially in Europe due to high energy prices and supply chain bottlenecks, may reduce consumers purchasing power, lowering the demand for goods exported by Sri Lanka. Europe is a significant export destination for readymade garments, tea and spices, and seafood. There is also a growing tendency for increased military expenditure in the long run, which might reduce the "peace dividends" for European households.

For example, the German Chancellor committed 2% of GDP for defence expenditure, addressing an extraordinary session of Bundestag. Replacing consumerism with militarism will adversely affect countries like Sri Lanka that depend on the European export market. In addition, a prolonged crisis may impede Sri Lanka's ability to purchase necessary raw materials like fertiliser. Importantly, Sri Lanka's exposure to the situation is mainly through linkages to the commodity and European export markets rather than direct exposure to the two countries involved in the conflict.

Mitigation

Sri Lanka should focus on safeguarding

access to vital raw materials and food commodities. Globally, responding to the crisis, countries are stockpiling grain and exploring alternative ways to do business with Russia in purchasing raw materials. Sri Lanka has limited options to mitigate the impact on already deteriorating food security conditions and access to raw materials. As wheat and rice are substitutes, high wheat prices may increase the demand for rice.

Thus, it is necessary to remove input shortages like fertiliser to ensure domestic production is adequate. Due to the current foreign exchange crisis, Sri Lanka's ability to effectively face such shocks is constrained. Thus, the urgent priority is to resolve the current foreign exchange crisis to regain the ability to trade swiftly. Achieving debt sustainability and securing dollar inflows from multilateral institutes might be the options at Sri Lanka's disposal. Then, entering forward contracts for raw materials and fuel and negotiations with friendly countries for food on predetermined prices are possibilities.

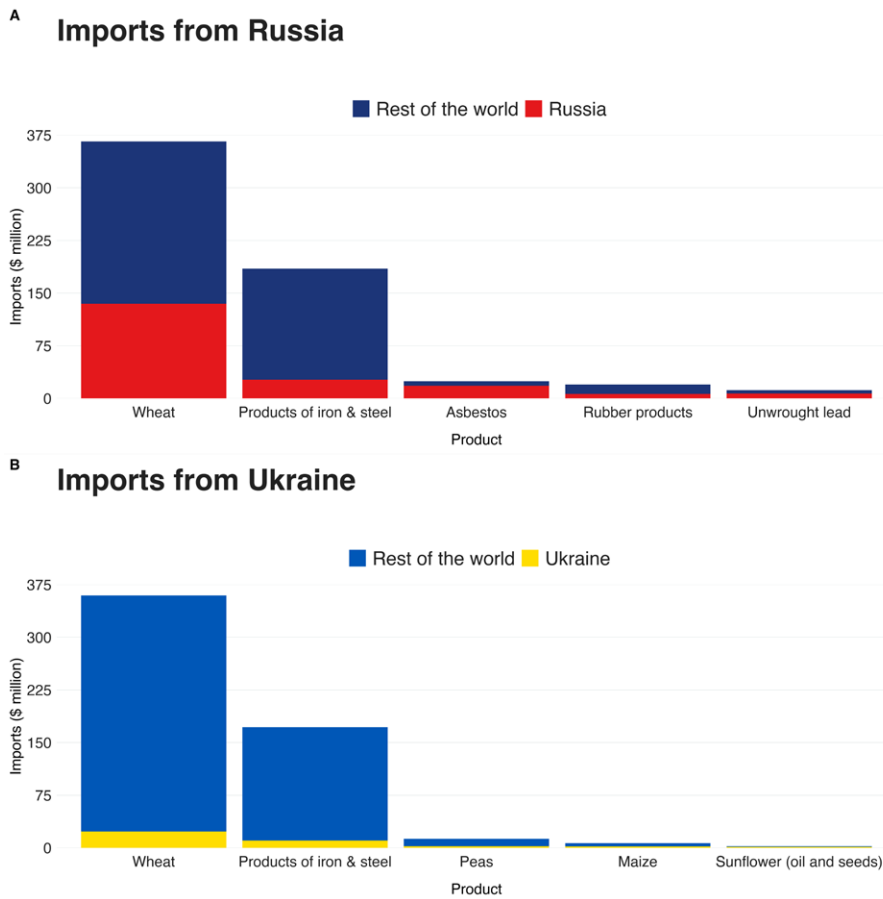


Figure 2: Sri Lanka's Imports from Russia and Ukraine

Source: Author's illustration using Trademap data

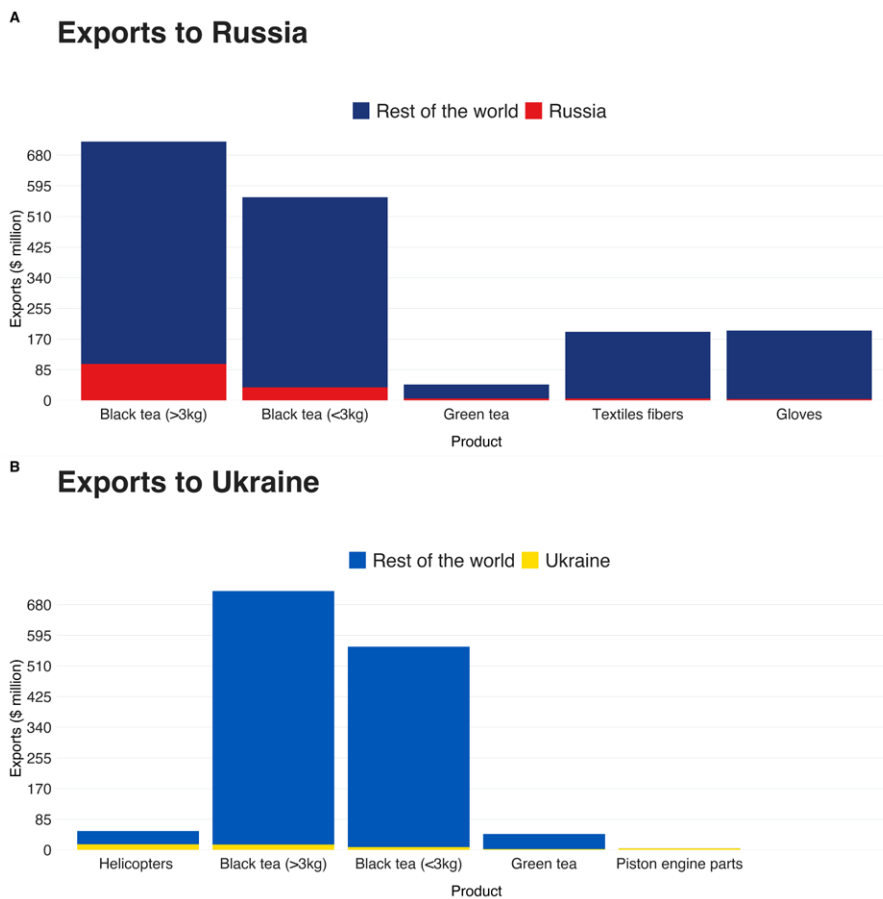


Figure 3: Sri Lanka's Exports to Russia and Ukraine

Source: Author's illustration using Trademap data



“Women -the most graceful creatures for men!”



“There is no limit to what women can do”



“Both women and men have their own individual qualities which are unique. When equal rights are practiced without gender bias, they will fulfil all responsibilities together.”



Thushara Perera

Director

McLarens Group of Companies

“Feminism has advocated against gender bias for ages, but the world is finally at a place where women get an equal opportunity and have a seat at the table with their voices heard. In an organization, rewards ,merits and position of an individual must base on talent and not gender to “Break the Bias”. It’s not a new policy in our group, but each year we’re reminded on why it matters.

Gender-based discrimination or bias should be a thing of the past , instead of “Empowered Women”.

“Empower Women” should be our new motto to break the bias.”



Bevin Mack

Vice President

Shipping & Cargo Logistics



Shehara De Silva
Chairperson
Ceylon Association of Shipping Agents

“Never generalize and have preconceived notions of what a woman or man can or cannot do. Let’s look at every person as a unique human being and afford the opportunities to all as per their skills and expertise. Let not gender decide the dreams of humans.”



Nirmalee Pereira
Co-Chairperson
Pership Group

The gender bias begins from the early years of a child’s life. It is the duty of both parents to be responsible for educating and leading by example to children from their formative years.

It is us parents, that set the blueprint for a child’s outlook in life and the fundamental values of equality, morality & respect.

Therefore, it is up to parents to choose our words and actions wisely.



“The strength of a Team is in it’s diversity, when equal opportunity is given without any bias you harness the full potential of the team”



#BreakTheBias
International Women's Day 2022



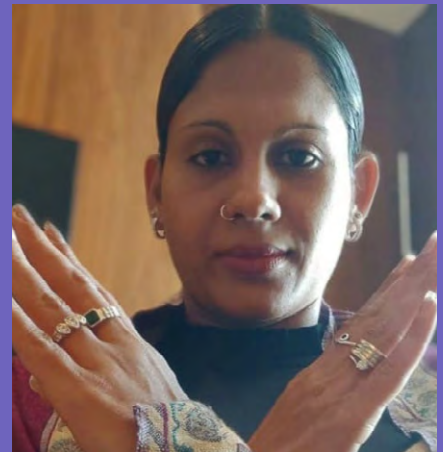
“Everyone enjoys equal opportunities to achieve their full potential despite their Gender. Let us all work towards a gender-equal tomorrow. Together we can achieve it.”

#BreakTheBias



“Creating an organizational culture that respects gender diversity and promotes equal opportunity regardless of gender has been critical in breaking the gender bias. This has helped us achieve a relatively gender balanced work force with 48% of our workforce being female.”

Women are reservoir of talent in the world Protect & Preserve the women



Deepika Wijesuriya
Director
Penguin Shipping Services

“Gender bias can only exist if allowed to exist. When we focus on what we want to do and work towards it

without getting caught up in other peoples assumptions, there is no room for gender bias. We reflect what we are.”



“Women have the unique ability to nurture something and take it to unfathomable heights”



Lalith Witanachchi
Assistant Vice President
Hapag Lloyd Lanka (Pvt) Ltd.



“We at Mercmarine believe that women are equal to men in Strength, Thoughts and Views. As per Maya Angelou quote “Each Time a woman stands up for herself, she stands up for all women” Mercmarine look beyond the horizon to help our women to stand up and stand beyond on achieving their personal goals”



Ruwan Waidyaratne
Managing Director
Hayleys Advantis Limited

organization should strive to create a safe environment for women at work. Creating an environment free from bias and discrimination is the responsibility of all corporates. Diversity, Equity and Inclusion makes the world a beautiful place where differences are valued and celebrated. Let me thank all the women in the shipping and logistics industry for creating a lasting impact.”



INTERNATIONAL
**WOMEN'S
DAY**

8 MARCH



CASA In conversation with

THE SOUTH KOREAN AMBASSADOR TO SRI LANKA

Ayubowan, Vanakkam, Annyonghasimnikka (Korean Greeting)

I am the Ambassador of the Republic of Korea to Sri Lanka, Santhush Woonjin JEONG. First of all, I would like to thank the 'Bridge Magazine' for extending an invitation to be featured in the interview series. My Korean name 'Woonjin' means happiness and when I was seeking an equivalent in Sinhala, I learned that 'Santhush' is used to describe happiness. Following which, I had the opportunity to meet the Sri Lankan popular pop duo Bathiya and Santhush. I decided that Santhush is the most apt name I can call myself because Sri Lanka brings me happiness.

I am not only the Korean Ambassador but also Ambassador to Sri Lanka, the pearl of the Indian Ocean and abode to eight UNESCO world heritage sites with incredible landscapes. I came here to Sri Lanka to carry happiness (Santhush) to Sri Lanka and Sri Lankan people. This year marks a special milestone in our bilateral ties as we celebrate 45 years of diplomatic relations. Driven by this momentum, the Korean government is making strong efforts to strengthen future-oriented bilateral ties with Sri Lanka.



1. How do you see the trade relationship between South Korea and Sri Lanka growing, What Key sectors could be targeted?

As the Korean Ambassador to Sri Lanka, my salient goals include strengthening Korea-Sri Lanka relations in all areas including economic cooperation. There is a natural complementarity to our economies, and our trade relations have been an important pillar of bilateral ties. Since the establishment of diplomatic relations between Korea and Sri Lanka in 1977, the bilateral trade volume has increased exponentially by 30-fold. At present the trade volume stands at approximately USD 400 million. In terms of trade, there is a lot more potential for improvement. Sri Lanka is rich in mineral resources, high quality apparel products, tea and gemstones.

Earlier this year, Hon. Peiris successfully paid an official visit to Korea and he held constructive dialogues with Korean dignitaries including the Prime Minister, Speaker of the National Assembly, Deputy Prime Minister, Foreign Minister of Korea and etc. The Korean government has positively reviewed Foreign Minister's requests to increase the quota for Sri Lankan migrant employees and expand ODA assistance. Moreover, the visit of the Speaker of National Assembly of Korea Hon. Park Byeong-Seung to Sri

Lanka illustrated the close relations between Korea and Sri Lanka. He met with President H.E. Gotabaya Rajapaksa, Prime Minister Hon. Mahinda Rajapaksa and discussed a wide range of issues including bolstering trade relations and rejuvenating ODA cooperation.

2. In what key sectors do you think South Korean Investors would be more likely to invest in Sri Lanka and what could Sri Lanka do to draw in more investment?

In the 1980-1990s, Korea was the largest distributor of FDI in Sri Lanka. I see numerous opportunities for Korean Investors to make direct investments in Sri Lanka. Sri Lanka has hardworking and highly educated human resources in South Asia and favourable economic policies to draw in investments. The Korean Embassy has been working hard to facilitate two-way trade and investment by encouraging more frequent and diverse interaction between Korean and Sri Lankan businesses. I have closely worked with the Chairman of the Board of Investment, Mr. Raja Edirisuriya and discussed ways to attract more Korean investors to Sri Lanka. My role is to facilitate chances for successful economic cooperation between the right partners and I try my best to elevate our investment and

trade relations in a sustainable way. Sri Lanka is keen to attract investors in the key sectors of computer technology, electronics, water management and pharmaceutical products. The Government of Sri Lanka is introducing a pharmaceutical zone in Hambanthota which offers attractive incentives for foreign investors including Korean investors. The electronics and computer technology is another industry with infinite potential for collaborations between Korea and Sri Lanka. With the high level of experience and expertise Korea has in the electronics field, there are many untapped areas of investment between our two countries. Korea will closely work with Sri Lanka to harness such opportunities for more intensified avenues of trade and investments.

3. Currently there is large pool of Sri Lankan Workers in South Korea, What are your thoughts and plans on how it could be grown in manner beneficial for both countries

Engagement in labour cooperation has also been impressive in recent years with around 23,000 Sri Lankan employees presently working in Korea. Before the COVID-19 pandemic, they remitted 520 million dollars to Sri Lanka in one year. While the return of Sri Lankan workers to Korea had been suspended due to COVID-19, In

November 2021 the Korean Government decided to resume their return in stages, initially returning workers and, thereafter, new entrants. Now that the intake of migrant employees has resumed, I am confident that more Sri Lankans in Korea will assist to increase much needed foreign remittances to Sri Lanka. On his official visit to Korea, Foreign Minister, Hon. G.L. Peiris requested to expand opportunities for Sri Lankan workers via of the EPS scheme. I am sure the quota for Sri Lankan workers will be expanded this year.

4. South Korea possesses one of the largest entertainment industries in the world, in your view how could the Sri Lankan entertainment industry learn from this and do you envision any partnerships which could form in the upcoming years.

The 'Hallyu' wave has received a lot of love from all corners of the world including Sri Lanka. Taking into consideration the positive response of Sri Lankans towards Korean Culture, the Korean Embassy gives special attention to improving cultural and public diplomacy. I believe that people-to-people exchanges truly define the friendship between our two countries. Sri Lankan people love K-pop such as BTS songs and K-dramas like 'Sujatha Diyani' (Dae Jang geum) and Boys over Flowers. Recently aired Squid game ranked No.1 TV show on Netflix in Sri Lanka. The Korean Embassy is organising various events including the K-pop world Festival, Taekwondo competitions, Quiz on Korea and Korea week. Embassy SNS supporters is a new programme to recruit Sri Lankan youth to increase engagement on social media platforms. It is heartening to know that even if many fans do not speak Korean they make an effort to learn the lyrics and enjoy the melodies.

In the same vein, I hope that there will be more collaboration between the Sri Lankan and Korean entertainment industry. I maintain a close relationship with Sri Lankan artists such as Bathiya and Santhush, Veteran Actor Ravindra Randeniya, Channa Wijewardena, Yohani De Silva Michelle Dilhara. Music and





drama transcend national boundaries to reach a global fan base.

5. Sri Lanka is undergoing a major economic crisis at the moment; South Korea too went through a period of economic downturn in the 1990s with the Asian financial crisis, what lessons Sri Lanka could learn on how S. Korea overcame this difficult period.

Korea's development trajectory which is known as the 'Miracle on Han River' is a unique experience which is not only limited to rapid economic growth but also alleviation of poverty and transition to democracy. Like all other countries, Korea also experienced adverse impacts from the Asian Economic crisis in 1997 and Global Economic Crisis in 2008. However, coherent and timely economic policy responses to counter the economic adversities steered the Korean economy into success. Today it is the 9th largest GDP in the world and it is ranked among the top ten economies of the world. The diligence, hard work and determination of Korean people together with the assistance of international partners helped Korea to become what it is today. I hope Sri Lanka will also face

its economic challenges with strength and resilience. The COVID-19 pandemic made all countries in the world face economic difficulties and Sri Lanka is no exception. Sri Lanka is a beautiful country rich with many resources and huge potentials. There are many opportunities for us to work together and we have to explore and capitalize on those to achieve our fullest potentials. We should resolve to work towards realizing the dream of building back better for our future generations. I am confident that Sri Lanka's economic difficulties will be short.

6. Could you elaborate on how South Korea supports the UN Sustainable Development Goals?

The Korean Government's commitment to sustainable development commenced with the Earth Summit in 1992. Since then policies and laws have been introduced to implement Sustainable Development Goals with a special focus on maintaining a balance among economy, society and the environment. This integrative approach adopted by Korea resonates with its commitment to align with the 2030 Agenda to sustainable development. Korea is also actively involved in sharing of knowledge and technical expertise through

international development cooperation. Through knowledge sharing, research, training and partnership building, Korea continues to assist UN member states including Sri Lanka achieve Sustainable Development Goals. The Korean Government has chosen Sri Lanka as one of Korea's priority ODA cooperation partner countries and we have been promoting various projects in the education, transportation, water resources, sanitation, and regional development fields in Sri Lanka. For instance, in 2021, KOICA partnered with the UN World Food Program (WFP) to support the Sri Lankan Government with a funding worth USD 600,000 to procure maize for the production of Thripasha amid COVID-19.

7. Would like to hear your thoughts and comments on any matters you would like to draw focus on or advise the Sri Lankan Companies.

Given the geopolitical strategic location, abundant natural and human resources, Sri Lanka can be a big market as it can expand to global markets. In addition, an environment conducive to promote investment is essential to attract more bilateral investment and businesses. The resolution of existing bottlenecks will boost incumbent businesses and attract foreign investment. Vocational training will also assist to develop human resources and produce a skilled labour force to meet the international demand.

The longstanding friendship between Korea and Sri Lanka span across diverse sectors including the political, social, economic, development cooperation and cultural fields. The Embassy of the Republic of Korea is committed to supporting the next brighter chapter in Korea-Sri Lanka relations. We shall also do our utmost to promote the safety and interests of Korean nationals residing in or visiting Sri Lanka.

As the Ambassador of the Republic of Korea like the meaning of my Sri Lankan name "Santhush," I would really like to share happiness with Sri Lanka. I love Sri Lanka. I love Sri Lankan people. I will closely work with all of you to achieve our common goals.

Let's stay strong together! Korea and Sri Lanka Live Together!

HMM

Smart Shipping



Shipping & Cargo Logistics (Pvt) Ltd
6th Floor, Aitken Spence Tower I, No. 305,
Vauxhall Street, Colombo 02. Sri Lanka

T: +94 11 230 81 50
snclog@aitkenspence.lk
www.hmm21.com



PROGRESSING TOWARDS SRI LANKA'S MARITIME HUB STATUS

An interview with

Dr. Prasantha Jayamanna

Chairman Sri Lanka Ports Authority

by Rochelle Palipane Gunaratne

Q: Sri Lanka Port Authority always had a vision of making Sri Lanka a maritime hub. What are the initial steps which needs to be taken to make this vision a reality?

A hub is a conglomerate of activities which includes good connectivity for transshipment containers, speedy transitions within the port, efficient service and less formalities in the process. The Port of Colombo has been growing at a rate while simultaneously

excelling in a number of areas but if we are intent on reaching the goal, we need to increase the capacity. At present, we only do .3% of multi country consolidation (MCC) LCL which is less than 29000 containers, proving the necessity for creating capacity as it is vital for functionality of a hub port. In order to supplement this requirement we are modernizing our existing warehouses which are BQ and CFS, providing civil construction and enhancement and making the logistic sector facilities uplifting and digitally sound. Furthermore, we are on

the verge of finalizing the Battenburg Logistics Center and initiating a Request for Proposal (RFP) for the Bloemendhal Logistics Centre as well.

The above proves that we are stealthily forging ahead in our quest to achieve maritime hub status in the near future. The establishment of ECT as a semi-automatic terminal will enhance the efficiency spoken of earlier and the CWIT Consortium with its advanced terminal will follow suit. As well, the next phase is gradually being implemented with the establishment of the West Container Terminal two and the North Port development with its ongoing feasibility studies being conducted at present, along with the consultation work. Our immediate concern is to improve the ease of doing business index and to do so, we have engaged in the Port Community System related development with digitization gaining ground in various levels and wherever possible. As of now there is stakeholder involvement taking place and by August 2022, we are expecting the consultants to facilitate the final RFPs which can be released subsequently.

Moreover, the manner we plan to build on this initiative is by inviting private parties also to invest, with SLPA acting as a stakeholder. The vision is being reached through a step by step process within a stipulated framework. We see the initial infrastructure being laid and we have all the vital components in place to enhance the vision of becoming Asia's foremost maritime hub.

Q: What are the challenges you face in achieving this vision?

Port related matters are frequently protracted as the decision made cannot be implemented immediately. However, there are certain exceptions to the rule, similar to the modernization of the BQ Warehouse which was a rapid fire decision set in motion from the onset as our engineers drew the designs, built the initial platform and validated it. Thereafter, we commenced full scale construction which will be completed within a short time span of merely six months. Yet we encountered a race against time in areas of terminal development and infrastructure replacements. We do not consider bureaucratic red tape as a challenge as the SLPA Act encompasses numerous

elements which are extremely comprehensive and power packed. Furthermore, we have a competent workforce comprising of forward thinkers and a professional corporate savvy privately owned terminal force who are part of the broader network which has minimized the challenges we face.

Q: What are the new investments expected in Port of Colombo?

The Shareholder Agreement pertaining to CWIT has already been signed, amounting to 650 million. In addition to the USD 600 million dollar investment pertaining to ECT. Further, the establishing of Battenburg is at an advanced level and we are expecting more investments for Bloemendhal among our real estate investments as we plan to use the real estate owned by SLPA in a financially viable manner. Major shipping lines have also shown an interest to utilize our space to operationalize multi-country consolidation with advance talks taking place at this juncture as the initial validations were satisfactory.

Incidentally, JCT investment expansions are in the process of creating three additional berths which are due to be completed soon. The formation of three new berths for the oil/ fuel ships to anchor and pump their fuel averts congestion and delays to a great degree. This will result in the reduction of cost for importing in the oil bunkering business. There is also a plan underway to increase the capacity at JCT by 24000 tons with the implementation of a Private Public Partnership.

Q: Port of Colombo will have to compete with large deep water terminals in the region. What strategies do we have to remain competitive in the region?

In any business there are core – competitive advantages. One of our most strategic competitive advantages is the location, yet the improvement in efficiency, ease of doing business and connectivity is pivotal to securing a larger scope of global shipping. I perceive Asia as an engine of growth and there are certain shipments

which inevitably cross our shipping route, therefore we should be on par with international requirements and enhance our performance in order to attract the customers while being open to new investments, partnerships and alliances in multi-faceted areas. Even at this stage we are competing with the likes of Malaysia and Singapore and I believe that we should scale up on areas such as efficiency and earning the loyalty of our customers which we tend to lag behind in as it will be an added advantage in attracting more vessels to port.

Q: Being the second largest natural Harbour in the world, the Trincomalee Port is often overlooked. What plans do you have to develop this port?

Trinco is in our radar. Apart from minor navigation aids that we have installed, we need a colossal clincher for Trincomalee port. During the last two decades the port was embroiled in regulation related prohibitions with a limited number from the industry zone monopolizing the maritime traffic. This led to Hon. Rohitha Abeygunawardena, Minister of Ports and Shipping granting access to the business community to invest through the removal of the inhibition clause.

The Port will inadvertently get more coverage during the end or beginning of May at the symposium which calls for the Expression of Interest (Eoi) to develop Trincomalee port as an Industrial Port. I envision Trinco Port as a break-bulk port, while Colombo can be a more greener, container handling port. Let Trinco be transformed into an iconic, industrially, vibrant port which can utilize all the natural resources and the expanse of lands over there. Since it's a natural port we need not build breakwaters, instead we have plans to build a 20m deep terminal. We want the big ships to utilize the facilities with economies of scale for any party involved in expanding industries.

Q: What do you think is the role played by Port of Hambantota in the journey to become a Maritime Hub?

It is indeed an advantage to have international players especially a strong contender like China Merchant Company which has a global presence and experienced in the business to operate the Port in Hambanthota but personally, I would have been glad if SLPA was given the management as a SL facility. Nevertheless, Hambanthota and Sri Lanka receives recognition in the global maritime sphere through this intervention as this renowned group utilizes their business saviness, connections and deep pockets to develop these ports. I have always been impressed by the multi-faceted business platform I encounter upon my visits to the HIPG as SLPA is a shareholder. The business approach is versatile and includes roll on/roll off shipping (RORO) which is not handled in Colombo. Surmise it to say, it is beneficial to have partners who are value creators to the country as they will inevitably contribute towards our goal to be a maritime hub by adding the required synergies.

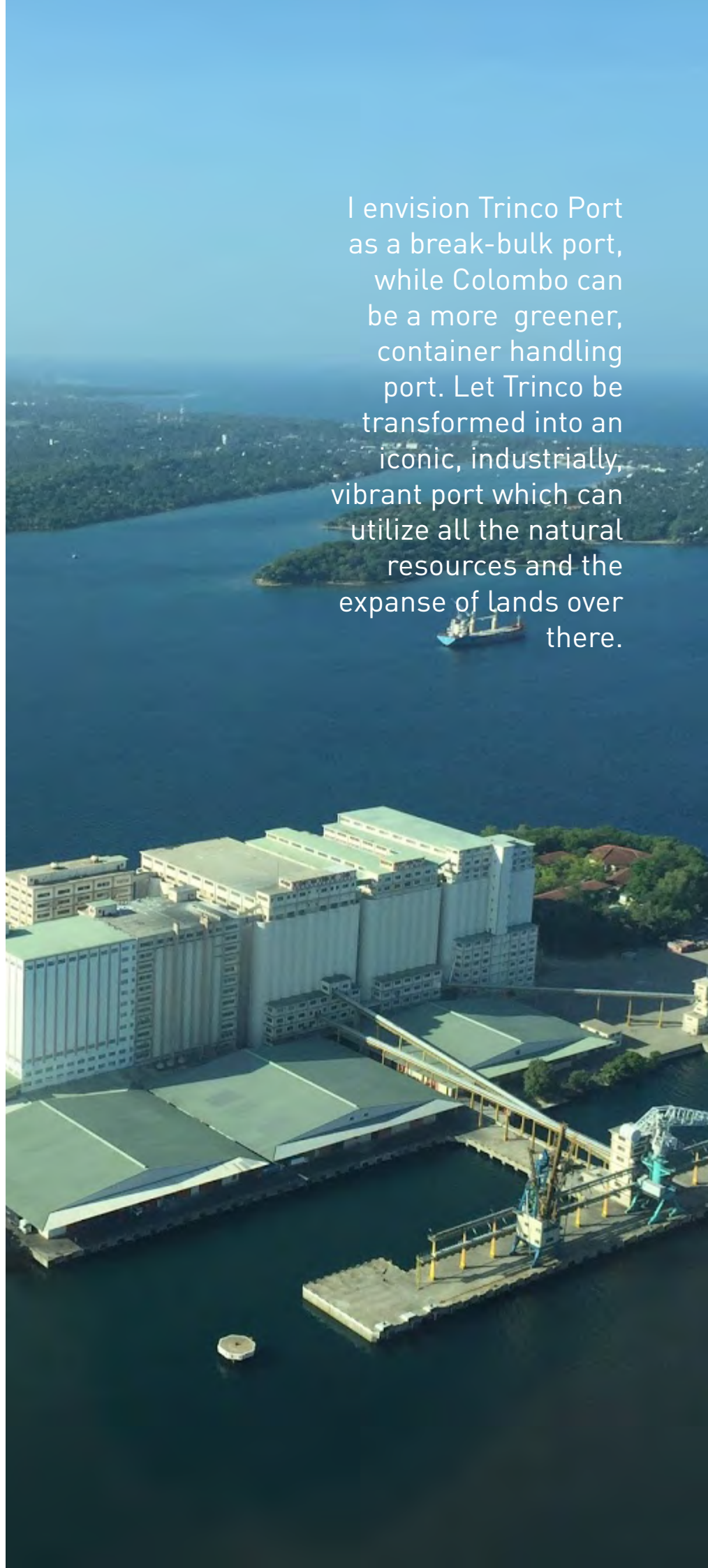
Q: Vessels are becoming larger in size. Therefore investing on deep water terminals is crucial. What progress have we made in operationalizing the East Container Terminal and West Container Terminal?

We can confidently proclaim that it's all on track as work is in progress, while the civil construction is being monitored every three weeks and the equipment has been ordered. We are also enabling the viewing of the construction through a pictorial update which is merely a click away as a sub-heading in the SLPA website, so stay tuned! I twittered an image upon commencement of the dredging which took place on a memorable day – 22/2/22, known widely as 'Twosday.' Coincidentally, it was one the grandest palindromes in the world, thus the day holds a great significance in the local maritime sphere as well.

Q: What is the progress made on the marine yacht facility at the Galle Port? Do you see this as an opportunity?

On January 26 we held a symposium

I envision Trinco Port as a break-bulk port, while Colombo can be a more greener, container handling port. Let Trinco be transformed into an iconic, industrially, vibrant port which can utilize all the natural resources and the expanse of lands over there.



at the Galle Port and on February 09 an EoI was released calling for investors. Based upon the interest, we will either decide on an individual or a consortium based investment as Galle is a jewel and is the only port that can be developed into a tourist port.

Q: Cruise tourism is a highly potential sector for tourism in Sri Lanka. A fully fledged passenger terminal is very important to develop this sector. Please brief us on the initiatives taken to develop a fully-fledged passenger terminal.

This is the sole reason for developing the Galle Port as a tourist port for cruise ships as it will inevitably enable the development of a passenger terminal at the picturesque location, considered a global heritage site. Yes, as per our blue print we should have one in Colombo but I am focusing on Galle as it's an authentic tourist destination which can also accommodate larger vessels. Subsequently, we can divert our attention to the development of a passenger terminal in Colombo.

Q: How do you see Digitalization affecting shipping and Ports? Are we ready for digitalization?

We are already on track with the Port Community System and we have upgraded our Terminal Operation System to N4 without any hiccups which is the highest level system for planning. During our meeting with the Ceylon Association for Shipping Agents (CASA), they mentioned that except for Port Health office related matters, all other areas are on the path to digitalization of the processes – unlike in the past an email per se would suffice at present.

After the completion of BQ Civil Construction the warehouses are to be digitalized with modernization being completed within the next six months, enabling customers to track cargo, further to the incorporation of coding and tracking mechanisms. According to the scheduled timelines there will be a remarkable progress with a futuristic approach towards digital transformation.

Q: What role do you expect the logistics and shipping industry to play in order to achieve the objective of maritime hub status?

We urge the logistics and shipping industry to bring more investments without requesting more rebates. Port of Colombo and other related ports are being developed holistically and simultaneously. SLPA has left no stone unturned since the plans were laid. I believe that skeptics were a plenty but we have seen the results as the promises made are gradually coming into fruition on our part. Therefore we invite you to reinvent your strategies and regulate what we have commenced through an innovative approach to development. It is imperative to invest in the burgeoning demand in front of us as it's a watershed moment for Sri Lanka maritime.

While the veterans in the industry and forefathers were instrumental in building the industry, it is time for the future generation to take the mantle and run the gauntlet with gusto and new vigour – think beyond the proverbial box in moving the industry to greater heights.

CASA's involvement is crucial and timely in reinventing our processes in progressing to the next level and it is important to join hands with associations such as this in order to achieve our ultimate goal.

Q: Has the current Forex crisis led to a backlog in the port, if yes what action is currently being taken on this matter.

We have granted a waiver therefore we have no backlog and no major crisis with numbers related to containers as the standard momentum continues without disruptions.

Q: How do you plan on implementing the green port concept at the Port of Colombo?

I believe that change should start within us, therefore this initiative will be a

pioneer effort – the first ever concept to be manifested in a SL port in which our target is to reduce emissions through a 'zero emission policy'. Commuters within the port are given bicycles with one hundred bicycles which were donated by Ceylon Association of Shipping Agents (CASA) being launched as an introductory measure towards the maintenance of health and vitality among our staff. Simultaneously, our Directors will be entrusted with maintaining demarcated areas identified as zones by planting more trees, vegetation and flora and creating a lush eye-catching and healthier environment for the present and future generations.

Q: How do you envisage the port of Colombo in 15 years?

At present we are ranked as the 22nd port in the world. As per H.E, the President's vision, within the next few years, by the end of 2024 we will be within the first 15 ports globally. Therefore, we are intentionally and purposefully driving towards the target by creating a major logistics hub, enabling the Port of Colombo to be the preferred destination for transshipment. While we can pin our hopes on being an ideal location geographically, it is imperative that we go beyond this capacity and lay our groundwork from efficiency and professionalism in all areas on par with international standards. We have also seen a YoY growth momentum within the past 1 ½ years, having achieved 7.2million TEUs which needs to be doubled consistently and it is a viable target with the additional developments of Trinco as an industrial port and Galle as a tourist port. However, our propensity for growth is boundless as by 2035 if we could complete north port development and all other projects we are expecting to reach a goal of 35million TEUs and a ranking among the top five ports of the world. With the growth of e-commerce, Asia is set to be the largest consumer of digital consumptions through internet engines, therefore Sri Lanka is an ideal location for storage of goods and dispersion through air, land and water providing a plethora of opportunities and multi-dimensional growth spurts to be a developed nation. Thus the Port sector is seen as a catalyst, taking Sri Lanka towards this goal if we continue this momentum we have started as of now.

INSPIRED SOLUTIONS

FOR ALL YOUR
LOGISTICS NEEDS



HAYLEYS

ADVANTIS

GOING BEYOND

INTEGRATED LOGISTICS SERVICES | INTERNATIONAL FREIGHT MANAGEMENT | MARINE & ENERGY
PROJECTS & ENGINEERING | AVIATION

400, Deans Road, Colombo 10, Sri Lanka
+94 11 2167000

info@hayleysadvantis.com | www.hayleysadvantis.com



Hapag-Lloyd



We wish you a happy & prosperous new year
from
Team Hapag-Lloyd Lanka



**Best Shipping Agent
Customer Service
Colombo / Europe Trade
ICS Awards 2021**



**Ocean Carriers (Main Liner Operators)
GOLD Award
National Logistics Awards 2022**



**Best Shipping Agent
Customer Service
Colombo / Mediterranean Trade
ICS Awards 2021**

Hapag-Lloyd Lanka (Pvt) Ltd - A joint venture between Hapag-Lloyd AG & Aitken Spence Maritime



INDUSTRY 4.0 – THE GLOBAL DIGITAL TRANSFORMATION THAT IS BOUND TO INITIATE A LOCAL RENAISSANCE

by Rochelle Palipane Gunaratne



A tête-à-tête with Expolanka's effervescent, charismatic and forward thinking Chief Digital Officer –

Irfan Ahmed,

gave us an escapade to a renaissance of the digital age and Sri Lanka's potential to make its mark as a technology hub of Asia.

1) As an exponent and a veteran in the field of Marketing, Branding and Innovation, how long ago did you perceive the world heading towards this accelerated era of digitalization and what measures did you take personally and professionally?

Personally and professionally it has been an interesting journey as I was in the advertising and marketing field in the early 2000s and we were at the forefront of the transformation in its fledging stages and saw what digitization can do. The advent of social media in early 2000 started slowly but surely, thereby changing the consumer landscape. Inadvertently, we witnessed the rapid change in consumer context and consumer content, which was an early preview of what would take place in the ensuing years globally and locally and this sparked my interest to explore the space of digital technology.

I also think that no one really understood the depth of interplay between technology, strategy and business and the fact that it can go beyond marketing as marketing is merely one cog in a much bigger wheel.

I have worked across industries from advertising to telecommunication, e-commerce and manufacturing. I consider it a blessing to have worked with companies that were experimenting with what digital business models and platforms could look like and the scope of knowledge gained through trial and error were immense. I consider it a heightened learning curve as the exposure and experience gained is immeasurable and paved the way to today's innovative stance I have taken in my career pathway in the field of logistics as it always interested me for it's the sole industry that connects all industries – the fulcrum!

As we are in the age of the 4th industrial revolution- we see physical systems merging with cyber systems and that is certain to happen the most in logistics. Currently, there are some startups

that are raising the bar- and there are companies like DHL who are doing controlled experiments but the isolated projects and far reaching impact is still pending. As an industry we are still far behind compared to other industries such as banking, media, telecommunication but I am certain that logistics will leap frog all others in due course.

2. What are the current trends pertaining to digitalization on a global scale?

The trends per se are vast and varied with an umpteenth amount of frameworks. Initially its best to understand the terms of digitalization, digitization and digital transformation as these are three different degrees.

Digitization is the basic step involving the transformation of analogue to digital which is bound to create more efficiency.

Usually when companies say we are digitally transformed, what they

Digitalization too is a common aspect today within our industry – instead of raising manual airway bills, we are integrated end to end with airlines albeit enabling a digital handshake between freight forwarders and airlines.

actually mean is the automation of processes which is a really good start but it doesn't mean you are digitally transformed. You are on the pathway. After all you are digitizing your business by focusing on transforming your core areas. This is inevitably followed by digitalization where the human aspect of the organization comes into effect.

Creating efficiency through digitalization- also creates efficiency in people, as you need to understand what the overlapping processes are, how technology is enabling them to work better and how it combines to create a sustainable impact?

Digitalization too is a common aspect today within our industry – instead of raising manual airway bills, we are integrated end to end with airlines albeit enabling a digital handshake between freight forwarders and airlines. All other events that lead upto the movement of a cargo are digitally traceable – that's digitalization – it's a series of digitization projects combined to form over-all value.

Meanwhile, Digital Transformation is the culmination of digitization and digitalization –it is holistic and is the change your organization goes through from a people, process and technology point of view.

Some of the focus areas of people which need to be addressed is how does your structure change, what are the skills and capabilities, how is it improving your product mix and is it creating value. From a process point of view

– is it shortening, is it enhancing the efficiency and how is technology making everything reliable and scaleable. I personally feel that no one really is at this zenith, atleast in the Sri Lankan context. When you are holistic about it, is when you achieve the transformation.

Ofcourse, a major aspect of it is change management. Like every company we are facing that challenge. We have achieved a reasonable degree of digitalization but the transformation barrier right now is business adaptation. Currently our business teams are only focused on operations.

As well, the resistance to change causes challenges in adapting to technology. A recent survey conducted by Accenture, proves that 90% of digital transformation failed not because of technology or processes but issues pertaining to people.

While the pandemic made change an imperative i.e. if your business was not on the cloud and the inability to work remotely, then it was difficult to survive but beyond that flashpoint it's still stuck. From a change perspective we do what is barely necessary but we need to progress further to be on par with the rest of the world.

Companies also need to understand how to ground the trends which are automation- analytics, predictive analytics, IoT (Internet of Things) – big data , block chains without merely focusing on them in order to make it workable for your company.

What is more fundamental is to understand where your business is going? How should we transform now? What should we do with our people, process and technology and then therefore what's relevant? What generally happens is that companies try to keep up with the proverbial Jones' by trying to emulate the competition and that is a recipe for failure. It is imperative to personalize these concepts in order to achieve success.

3.What are your thoughts on how companies in Sri Lanka use branding, do you think there is more we can do?

The concept of branding should mean something to someone albeit be meaningfully identified in a certain way. We too are guilty of viewing branding in a superficial context which is an archaic view of it as it's not about making the loudest noise instead it is about creating the most impact and meaning. What is the point in merely having flags at an event, instead it's imperative to connect and retain a sustainable relationship with the customers It should be an ingrained ethos within companies as we transition from making the most noise to most meaning.

4. How can we enhance the local growth trajectory in this race of Digitalization? Is it a

race against time per se and will Sri Lanka be able to be on par with global digital hubs or will we be left behind?

I think Sri Lanka has a couple of ways out of this crisis, one is to establish ourselves as a hub for digitization. We have the potential to be competitive considering the current global crisis- for instance, where was the world going to for technology- Nordics and the former Russian states but the war has impeded these channels and established opportunities in Israel, South Asian countries and the Far East. EFL alone has its footprint in 34 countries with 65 offices and after having met technology vendors, partners and experts, from the tech graduates to tech professionals – I admit that our Sri Lankan talent could be categorized as amongst the best in the world. In terms of our language, our technology capability, ability to understand, communicate much higher than most, our engineering capability to deliver, our expertise in systems data analytics and our ability to understand complex situations using technology. It sets up the opportunity to supersede the rest in terms of the quality of people as we have a number of technology game changers in this market. In order to create the necessary impact we need to gain knowledge from experienced folk and promulgate the digitization drive imposed by the government.

In addition to these steps, it is pivotal that the education system receives a facelift in order to produce more digitally savvy graduates by creating a better education curriculum by enabling it. What's missing right now is an efficient enablement, from identifying resources – training, mentoring among others. Despite these gaps, I am aware of the many programs hosted by the University of Moratuwa en gratis basis – from teaching yourself to be a software developer and numerous mentorship programs. Overall I see that this formal education is spiralling towards redundancy as it is immaterial where you're coming from, if it's an Ivy League institution or not, what matters is the impact of your contribution. From days of yore our ancestors have been ingenious; from building the most complex agricultural marvels which have been designated as world heritage sites, thus we need to tap into

that ingenuity. We have the opportunity to achieve a significant place for it's a race against opportunity as the world is transforming at a rapid pace.

What can we do in our quest to achieve this goal?

a) We need to create more IT related job opportunities in SL as we become the world's technology outsourcing hub, we need the demand, to create a pull into the industry. Today with the dawn of the GiG economy, the need for many overheads is gradually depleting as a basic set up is required to service a client – for instance, we have one hundred engineers in our employment working remotely as our management style has become more flexible within the past two years. It's how we open up opportunities through the GiG economy. There are organizations who could drive this change but they are insular in their thinking as they compete for talent – one needs to stop competing for talent and start promoting talent which will inevitably result in the growth of the industry.

b) The government has a large role to play. There are plans for five IT parks in the country and the foundation for the IT Park in Galle was laid recently with a 500 seating facility.

Surmise it to say, Sri Lanka needs to think differently.

We need to urge the government to create a proper enabling strategy instead of lip service which includes the development of infrastructure and cost of internet, introduction of a grassroots IT program for children and eventhough there are a few sporadic initiatives it has to be done methodically. Statistically we have approximately 400,000 students sitting for the Advance level examination annually and in all probability a number a low percentage of merely ten percent may end up as valuable citizens contributing towards the economic development of society. - which is why IT has to be incorporated into the curriculum at a tender age – thereby kindling their thirst for knowledge in the related field.

5. As a company expanding rapidly overseas with operations in many countries, how has digitalization helped

and how has the experience of doing business overseas been?

Many are of the notion that EFL is an overnight success, in actuality the results we are enjoying today are due to the seeds being planted over a decade ago. EFL was founded by Haniff Yusuf forty years ago and from that day to today, it runs on complete entrepreneurial energy. 'If it works it works, if it fails fail fast' – is an empowering mantra incorporated into the culture of the company and religiously followed by him and all employees. When an entrepreneur like that is constantly forward thinking, success comes stealthily. It was he who suggested that we need to follow our customers and did so with all the top notch brands which he won over by earning the right to partner with all the famous apparel brands. This is due to diligently pursuing a vision of following customers which inevitably paved the way for growth. Thereafter these companies moved their operation to various parts of the world and we had to keep following the business. One of the intimate – core values of the business is its approachability at any given time.

Haniff Yusuf's advise to me is to ensure that our customers grow as we are bound to grow when they do. Incidentally, within the last decade this strategy started paying off.

Following your customers, listening to them and empathising with them are prerequisites for the growth of the customer. Moreover, it is necessary to understand their business and give them solutions that are invaluable. With that comes the ability to be proactive.

The road to digital transformation began five years ago and when the pandemic hit we were completely ready for it – we were on the cloud, our cyber security was in place and overall culture ready. Today we've grown, because the North American market has grown. I personally feel as if I am immersed in a master class on how a vision drives a business and if you believe in it, its bound to happen. Haniff and Senthilour CEO operate on the same

The '90% literacy rate,' is the biggest trap as it includes those who can read and write and that skill is apparent even in a five year old.

philosophy. To grow is a natural flow and uncomplicated – it is about getting the basics right.

6. Have you looked into incorporating blockchain in to business, if yes how exactly would it be beneficial?

Block chain is interesting. Like I mentioned there are many trends. We are careful about rushing into anything because these trends too may be interesting at first but the bubble may burst. We are interested but measured on the concept of blockchain which is a distributed ledger but its popularity is rising. What it offers are details around the transaction which is being distributed as its open, visible and linked to a safe, secure, tamper proof virtual platform. The key factor is provenance – the ability to prove. The concept of provenance that blockchain adapts is interesting as it can solve numerous problems. Even as a supply chain- company I can share the token related to a customer invoice which enables each stakeholder to view it at any given time. It's safe, secure and guaranteed. We can share openly and we can share solutions around supply chain finance, supply chain traceability and more.

The biggest application of block chain is Bitcoin which caused a frenzy among many who actually made money out of it made but predictably, the Bitcoin bubble burst but it is to be revived in its fullest form due to the crisis in Ukraine and Russia and the fact that hard currency is gradually losing its value and appeal

has given it a boost. Yet, our individual projects for a blockchain based digital transformation phase will take at least two years as the eco system has to be fitted for such a transformation.

7. What are the barriers for adaptation for Sri Lanka to go Digital. It's a fundamental aspect which may not be popularized but in rings truth,

Sri Lanka as a whole has no major barrier as it requires a correct mind set, plan and the right kind of enablement – which is easier said than done. From an organization point of view, in terms of digitization and digitalization transformation – my personal observation is that organisations see it as a threat and therefore as an imperative. Lots of organizations are led by senior members who are not digital natives and its human nature to fear what we don't necessarily understand - thus it is necessary to create a shadow board of younger people who are technologically savvy and get them to advice the senior management about technology as these are required to take away the fear factor, provide the championship which is solely about enablement.

During a discussion I had with senior members in various companies recently, I asked the questions that matters; "how much of your annual budget should you allocate for innovation and digitization? Are you willing to write it off? How many experiments are you willing to do? What level of transformation are you going to drive

and do you have a plan?" All depends on the leadership and the biggest barrier for corporate Sri Lanka in digital transformation is the leadership but the understanding is certainly taking place gradually.

However, I have the utmost respect for the veterans as we need them for their tacit knowledge and wealth of experience which is critical but they need to accept that they are not digital natives and they need to bring that skill into the business.

A few years back we invested in a multi-million dollar ERP and to date we are pushing for maximum usage and efficiency.

8. Does our claim about possessing a 90% literacy level in the region make the transition to digitization easier or are there other avenues which we should promulgate as a country?

The '90% literacy rate,' is the biggest trap as it includes those who can read and write and that skill is apparent even in a five year old. For us to evolve as a nation is the ability to apply critical thinking? So how do we do it? It's based on what you're exposed to? What you see? What you try and what you fail at? When queried as to how we are informed as a nation and organization, we refer to a literacy rate but can critical thinking be applied to it? Can they convert it into knowledge and apply that knowledge? Is it role based? The education system has created this track in which we wait for permission and are told what to do and the poster child of our education system is the '90% literacy rate,' which needs to get ripped off the wall. Change the education system. As at now we are sharing outdated information and not knowledge which is not beneficial for students and teachers.

9. In what capacity can you or your organization and other platforms specializing in this field assist our people to embrace and not resist this

trend?

We are proud to be one hundred percent Sri Lankan from our engineers to the technology used. Further, we partner local startups via local universities and other partner institutions. Even our block chain exploration is with a local startup which we identified. I don't consider how long they've been in business or what they've done before, as their passion for IT is taken into consideration as we believe in granting each person an opportunity to thrive in this field.

10. What are the key factors an organization should adhere to when making the decision to go digital?

Firstly is to have a clear knowledge of the term digitalization. Secondly you need to understand your organizations paying points, the gaps and how your organization is able to evolve towards the future. Next you need to have a plan and a commitment to follow through with it. As well, the leadership has to champion the decision as finally and most importantly it is about people and processes.

11. In what capacity can the hierarchy in governance boost the industries in the digital transformations process i.e reform policies etc?

At present, we face many challenges in trying to merely register a company, allocate funding and the effort required to find overseas partners is tremendous. There are sporadic efforts by the BOI and EDB, yet it is a dot in the ocean of progress as we need to focus on how to drive market access and various levels of expertise. It is necessary that all these initiatives should not consist of a hidden agenda. Israel is a good example of a start-up nation in which companies are given an extensive if not the fullest support to venture forth. At present, we have a plan, a minister, a relationship, good digital workforce, industry leaders and now all it requires is to connect the dots in order to make the digital progress as a nation a reality.

12. In your view, for Sri Lanka to improve its ranking in LPI, what would be the main three items the Port of Colombo and B Airport, work towards.

I am not an operations person, yet in my view if you really look at our port and airport – the technology and processes are disconnected. Our mantra at EFL is that, 'the movement of information must complement the movement of goods.' This is the customer's ultimate requirement in this connected world. Sri Lanka has a huge opportunity to be the biggest maritime hub in the world which in turn has to incorporate efficiency, service quality, capacity, correct information, timing, and we really need to focus on how we could make this more information-centric. If we can do that, the value we create and the value we command will be much better.

Right now, their processes are disjointed, involving too much bureaucracy, lack of interest in making a process work, too many delays, too many handover points and a lack of empathy between stakeholders contribute to the quality of service offered which needs a vast improvement. Fundamentally, for us to do well in the LPI, What we really need to do is get our processes right and to make the information we get from the processes available to the customers albeit to be in sync!

13. To many the word digitalization seems foreign and there is a fear of losing oneself or the ability to make conscious or conscientious choices, what with AI and other programmed thinkers laying siege to every area of life? Will there be a requirement for actual thinkers? What are the job opportunities and what may become extinct due to digital growth and transformation? How best can we overcome

these doubts and fears?

What is your answer to the sceptics?

Human beings are cognisant – our thoughts drive our feelings, and our feelings drive our actions. AI is still artificial intelligence and a machine. If the data is corrupt or the intention of the person feeding the data is corrupt it would be disastrous. AI efficiency is beneficial and in our industry we need AI to model fuel prices, cargo availability, aircraft availability and more, yet the flight is still in the hands of the pilot. While AI makes any industry more efficient it cannot emulate the human capability to think. Yet, jobs that are predictable are decreasing with the futuristic range of employment extending to bio technology, cellular engineering, tech-based jobs with the capacity for critical and creative thinkers to gain traction. As for the sceptics they have always been proven wrong.

14. Like the ages past – Stone Age, ice age among others, would the digital age too become extinct or do you think it's here to stay? How far ahead do you see it progressing?

For the next twenty years or more, Industry 4.0 – the 4th industrial revolution will make a great impact with the physical and cyber world merging in rapid succession but it will also cause plausible interference into the privacy of our humanity and many will tamper with nature's natural processes which is questionable. As the digital age races to the fore, one must draw a personal standard as to how far is too far. I personally believe that the possibilities are endless in this era but the ethical choices are upto each individual, after all, challenging a superior power with all our man-made digital processes could have repercussions and we need to proceed with caution and with human intelligence in the progress through the digital age.



CEYLINE GROUP



CEYLINE GROUP



FEEDER CONNECTIVITY



COLOMBO COCHIN GULF Service (CCG-W)			
VESSEL	COLOMBO	COCHIN	JEBEL ALI
	SAGT		
CCG WB	SAGT - TUESDAY	THURSDAY	TUESDAY

COLOMBO COCHIN GULF Service (CCG-E)					
VESSEL	COLOMBO	CHENNAI	VIZAG	KRISHNA	KATUPALLI
		FRI	SUN	TEU	WED
CCG EB	SAGT- SATURDAY	MONDAY	WEDNESDAY	FRIDAY	SATURDAY

INDIA WEST COAST Service (IWCS)					
VESSEL	COLOMBO	Mundra	Goa	Mangalore	Cochin
	SAT	THU	SUN	TEU	THU
IWCS	SAGT- SATURDAY	THURSDAY	SUNDAY	TUESDAY	THURSDAY

INDIA WEST COAST Service (IWCS)		
VESSEL	COLOMBO	TUTICORIN
	JCT	DBGT
TCT	SAGT	DBGT

CONTACT DETAILS

General Manager

Mr. Azad Rawdin
+94 76 1395225

Marketing

Mr. Danushka Goonasekara
+94 76 1395226 / +94 11 4522 047
Mr. Dilendra Peiris
+94 76 1395227 / +94 11 4522 047

Customer Service

Ms. Ridmi Grero
+94 76 1395239
Ms. Oshadie Manoja
+94 76 1395229 / +94 11 4 522 041

Operations

Mr. Graham Fernandez
+94 77 2762378 / +94 11 4522048



YOUNGSHIP SRI LANKA APPOINTS NEW EXECUTIVE COMMITTEE AT AGM

The Shipping industry has always been a resilient one, no matter what obstacles challenge the industry, it has steered its way through the trials and made the most of every situation. Being part of this resilient industry YoungShip Sri Lanka which entered its 9th year of existence this year has been able to overcome the challenges posed by the global pandemic and continued to be active during this period and provide value to its membership.

After the YoungShip's 2021 AGM, the committee were very optimistic about the Covid situation in Sri Lanka & expected the situation to improve in comparison to 2020. Enthusiasm was high for a very eventful and engaging year with the global vaccine rollout. The committee planned a very active events calendar for 2021, however the situation & country regulations made it impossible to action the physical events planned and the committee had to in a very short period of time adjust our activities to be hosted virtually.

With majority of the membership working from home and workplaces operating virtually, YoungShip took this opportunity to further grow its online presence & increase our activities on the newly launched social media pages. YoungShip was able to launch its YouTube channel with videos on International Women's Day, International Seafarers Day & the very successful panel discussion – New Normal in Shipping, Are Current Shipping Trends here to stay?. YoungShip also conducted a virtual games & networking

event for our members called The Connect in September 2021 & assisted CASA (Ceylon Association of Shipping Agents) to conduct the successful CASA YoungShip Virtual Pub Quiz in November 2021. As the situation in the country improved gradually, YoungShip was able to conduct a physical Pub Quiz adhering to all Covid guidelines issued by authorities in January 2022 that was well participated and appreciated by the membership.

The new YoungShip Executive Committee was appointed at the recent Annual General Meeting held on the 11th of February 2022. The Executive committee comprises of individuals from various segments of the maritime and shipping industry coming together, showing promise for an eventful and educational year ahead, whilst striving to empower the youth of the industry. YoungShip Sri Lanka has also taken a proactive step to be the association representing the youth of the shipping industry with the addition of the Associate Member category, allowing for individuals working in non CASA Member companies to join YoungShip (any individual currently working in a company associated to the Maritime industry) thereby greatly increasing its representation within the Shipping industry.

The Executive Committee for the year 2022 comprises a group of committed, enthusiastic young professionals. The 12-member Executive Committee is as follows:

Office bearers:

Chairman – **Mr. Rishantha Mendis (Prudential Shipping)**
 Vice Chair – **Ms. Maleena Awn (Meridian Maritime Services Ltd)**
 Secretary – **Mr. Nirmal Dissanayake (Eastern Maritime (Colombo) Ltd)**
 Treasurer – **Mr. Prashan Fernando (Panama Shipping (Pvt) Ltd)**
 Assistant Secretary – **Ms. Aruni Wijepala (Hayleys Energy Services Lanka (Pvt) Ltd)**
 Assistant Treasurer – **Mr. Sunera Wijesekara (Eastern Maritime (Colombo) Ltd)**
 Immediate Past Chair – **Mr. Jehan Rodrigo (Mackinnon Mackenzie & Co (Sh) Ltd)**

Members of the Executive Committee:

Mr. Shane De Alwis (Hapag Lloyd Lanka (Pvt) Ltd)
Mr. Shehan Perera (Sri Lanka Shipping Company Ltd)
Mr. Imaad Hameem (Evergreen Shipping Agency Lanka (Pvt) Ltd)
Ms. Patali Karunaratne (Ceyline Agencies (Pvt) Ltd)
Mr. Dineth Rajapakse (McLarens (Pvt) Ltd)

YoungShip Sri Lanka's plans for the forthcoming year include the YoungShip Open Quiz 2022, many networking nights, pub quizzes, seminars / workshops with industry speakers / panellists, CSR initiatives to name a few of the projects in the pipeline.

The Executive Committee wishes to convey its sincere thanks and appreciation to its Patrons & The Ceylon Association of Shipping Agents (CASA) for their continuous support and guidance to YoungShip.

We extend our sincere gratitude to our committed sponsors and all organizations that have supported the empowerment of Youth and the growth of YoungShip since its inception.

We welcome on board our new members and extend our felicitation to our membership for their keen participation in all of our events. We look forward to yet another great year ahead!!



CASA SEQUENCE OF IMPORTANT EVENTS SINCE 1966

- 29.6.1966 • Inaugural AGM of Ceylon Association of Steamer Agents
- 29.6.1966 • Mr. P.C.S. Fernando was elected as the Chairman of the newly formed Association
- 1.6.1988 • Publishing of Exchange Rate in the Daily Shipping List
- 1.6.1988 • Publication of Booklet by CASA – Guide to Members on Licensing of Shipping Agents and Recruitment of Seamen
- 28.3.1990 • Grant of LKR200,000 from the Shipping Development Fund to CASA to construct an office building
- 22.10.1990 • Imposition of a Container Handling Charge for exports was accepted in principle with the Controller of Exchange
- 12.10.1991 • CASA Office was shifted to 2nd Floor – AMW Building, 185 Union Place, Colombo 2
- 1.4.1994 • Formation of Sports Committee to organize sports and social activities among members consisting Messers. Ranjith Abeydeera, Nimal Ranchigoda and Rohan Perera
- 30.4.1994 • First Ever Softball Six-a-side Cricket Tournament; 39 Teams – Winners CMA – Runners-up Ceyline Agencies
- 1.3.1994 • With the amendment to the Constitution at an SGM, all members were required to declare that they undertake to comply with the Constitution and the code of conduct
- 14.1.1995 • Inauguration of the CASA Training Course for Ships Agency Personnel at CINEC
- 1.10.1995 • Charges levied from Members for listing vessels in the Daily Shipping List was fixed at LKR 60 per TEU, instead of LKR 3 per freight ton fee charged before
- 14.8.1995 • Name of Association changes to Ceylon Association of Ships' Agents from Ceylon Association of Steamer Agents
- 30.5.1995 • The first ever awards ceremony to award certificates to ships' agency personnel who participated in the first training course conducted by CASA at CINEC
- 1.6.1996 • Purchase of premises 56 Ward Place, Colombo 7
- 15.3.1997 • Implementation of FSC
- 1.5.1997 • Changing Freight Service Charge to be called as Terminal Handling Charge
- 12.12.1996 • Shifting CASA office to 56 Ward Place, Colombo 7
- 20.1.1997 • Formal opening of the CASA office
- 9.12.1997 • Presentation of National Ports & Shipping Policy
- 24.6.1998 • Conversion of CASA into a limited liability company
- 1.3.1999 • Publication of CASA Weekly begins
- 21.7.1998 • Transmitting the list of De-stuffing of LCL Containers to Members commences
- 1.8.1999 • Commenced emailing circulars and all other correspondence to Members
- 1.4.1999 • CASA Library was established
- 1.4.2001 • CASA commenced business as a limited liability company
- 17.10.2000 • CASA develops a computerized document archive - Circulars from 1990 onwards
- 26&27.5.2006 • International Marine Transport & Logistics Conference – the first-ever shipping & maritime activity related international conference – Kings Court, Trans Asia Hotel
- 15.6.2006 • www.casa.lk was launched
- 1.4.2006 • Appointment of the Advisory Council
- 17.3.2007 • First-ever CASA Dinner Dance – Colombo Hilton
- 1.6.2010 • CASA entered into an agreement with the University of Colombo to conduct a Special Degree in Transport Economics & Commercial Shipping for the first time in the history of University Education
- 7&8.5.2011 • CASA Inaugural Badminton Tournament at St. Thomas College Sports Complex
- 19.2.2013 • Formation of Young Shipping Professionals of CASA
- 6.5.2016 • CASA/WISTA Asia Conference 2016 – Emerging Trends in Shipping & Logistics – Asia Connects
- 26.6.2016 • CASA 50th Anniversary Celebrations – Multi Religious Ceremony
- 28.7.2016 • 50th AGM at the Kingsbury
- 1.1.2018 • Launch of CASA Weekly e-Ship Schedules
- 1.2.2018 • Launch of Bridge - CASA Quarterly Magazine
- 3.3.2018 • First Ever CASA Quiz
- 23.3.2018 • CASA First Ever Bowling Tournament – Excel Bowling Centre
- 19.10.2018 • Rebranding YSP as YoungShip
- 25.09.2019 • CASA-ICS Maritime and Supply Chain International Conference at the Galadari
- 19.10.2019 • First Ever Football Tournament – CR & FC
- 26.11.2020 • Signing of Agreement between CASA and MEPA - Beach Caretaker Programme
- 29.06.2021 • Establishment of CASA Consortium to facilitate crew changes
- 17.08.2021 • CASA elects Shehara De Silva as its first female Chairperson

SALOTA

Partnership. On Trust

Trendsetters in

LOGISTICS

✉ info@salotaint.com

☎ +94 11 511 5500

