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Optimism among Swedish companies operating in or with Sri Lanka

Growth in the last five years, growth in 2022 and optimism for 2023. These are some of the main results from the Sweden-Sri Lanka Business Council's (SSLBC) member survey for 2023. The three most important issues for members are access to skilled labor, clear and predictable rules for import/export and good air connections.

– The results of the survey are encouraging. The last four years have been challenging for Sri Lanka, from terrorist attacks to a pandemic and a difficult financial situation from 2022. Despite this, our members manage to both maintain and develop their business relations with the country. At the same time, the visa issue is raised by many. To get a work visa to Sweden, the applicant currently has to go twice to the Swedish Embassy in New Delhi. The processing time for ordinary business visas to Sweden has also become longer. This is unsustainable and makes it difficult for member companies, says Jan Campbell, Chairman of SSLBC.

The member survey was conducted in February 2023 and was answered by 51% of the members. The respondents include companies active in IT, manufacturing, trade, food and tourism. Eight out of ten have been operating in or with Sri Lanka for at least three years.

Nearly six in ten (56%) say that their business in or with Sri Lanka has grown in the last five years. The political and financial turmoil in 2022 has affected members in different ways. Despite the unrest, six out of ten (60%) say that 2022 has been a positive development, while just under two out of ten (17) say that it has been negative. Optimism is also evident among members for 2023, with more than six in ten (64%) expecting their activities in or with Sri Lanka to develop positively during the year.

Members were also asked to rank which issues are most important to them in 2023. In total, seven areas were ranked (the reported figure is the combined result of 'most important', 'second most important' and 'third most important'):

1. Availability of skilled labor (67.8%)
2. Clear and predictable import/export rules (42.8%)
3. Air connections (39.3%)
4. Stable payment flows (35.6%)
5. Positive image of Sri Lanka in Swedish media (32.1%)
6. Financing (28.6%)
7. Transportation (28.55%)

– The results on skilled labor are worrying. Sri Lanka has a highly skilled workforce, not least in the IT sector. The political and financial turmoil in 2022, combined with the fact that normal migration stopped when the pandemic had the greatest impact, has had the effect of increasing the emigration of young and skilled workers. This trend needs to be reversed and Swedish companies are contributing with a good working climate and solutions, says Jan Campbell.

Sweden-Sri Lanka Business Council (www.sslbc.se) was founded in 2006 and has 75 members. The members are active in IT, manufacturing, consumer goods and food as well as tourism. In total, members create 3,100 jobs in Sri Lanka, directly and indirectly.

SSLBC's purpose is to promote trade, friendship, goodwill and understanding between Sweden and Sri Lanka through personal networks and contacts. SSLBC strives to facilitate relations between relevant trade organizations, business intermediaries and companies in both countries to stimulate business and trade between Sweden and Sri Lanka.

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