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The advancements propelling innovations in the electronics industry are transforming automation, elevating machine learning capabilities, and refining intelligent decision-making processes.

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Ayubowan!

The Electronic and Electrical Sector is an emerging powerhouse with ambitious aspirations to revolutionize the country's economic landscape.

This edition of Business Lanka Magazine explores Sri Lanka's electronic and electrical sector, an emerging powerhouse contributing significantly to the nation's export economy. Sri Lanka's electronic and electrical industry leverages its strategic location, skilled workforce, and supportive government policies, resulting in remarkable innovation, production, and export growth, driving economic development and diversification.

The sector's contribution to Sri Lanka's export portfolio is substantial, with a diverse range of products reaching global markets. The country's emphasis on quality and adherence to international standards has earned it a reputation for reliability and excellence, making Sri Lankan electronic and electrical goods highly sought after worldwide. Key export destinations include the United States, Europe, and Asia, underscoring the sector's global reach and influence.

One of the primary strengths of Sri Lanka's electronic and electrical sector is its well-established manufacturing infrastructure. The presence of advanced production facilities, coupled with a focus on research and development, enables the industry to innovate continuously.

This edition of the BLM features an interview with His Excellency David Pine, High Commissioner for New Zealand in Sri Lanka, who spoke on the growing ties between the two countries in many spheres. This edition also features the Department of Electrical Engineering at the University of Moratuwa (UoM), a leading electrical engineering education and research institution in Sri Lanka. The country's E&E sector makes an impactful contribution to employment generation in the country. Additionally, several standout companies exemplify Sri Lanka's prowess in technology and manufacturing: Zone24x7, a global leader in technology innovation, delivering comprehensive end-to-end solutions. Lanka Harness, a key player in the automotive industry, producing impact sensor switches for seat belts and airbags used by top global automobile brands. Kelani Cables is a homegrown manufacturer renowned for its high-quality electrical and communication cables. HITEC Sensors is an industrial sensor manufacturer known for its precision and reliability. Variosystems, offering a wide array of contract manufacturing products, provides versatile solutions for various industries. Noratel manufactures custom transformers and wound components, with a significant production facility in Sri Lanka. These companies drive innovation and contribute significantly to Sri Lanka's industrial and export sectors.

Sri Lanka Export Development Board

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Interview

Kiwi-Lankan Integration to Prosper



His Excellency David Pine, New Zealand High Commissioner to Sri Lanka.

The diplomatic relations between Sri Lanka and New Zealand reached a landmark in 2021 when the Government of New Zealand established a High Commission in Colombo. The two nations have a shared Commonwealth legacy of upholding the principles of democracy, human rights, and the rule of law.

Although a country with a small population, the island state in the Southwestern Pacific Ocean has the 53rd largest economy in the world. The country also enjoys a high ranking in international measures of quality of life. New Zealand's High Commissioner to Sri Lanka, His Excellency David Pine, assumed duties last June. In a wide-ranging interview with the BLM, the Envoy elaborates on the growing ties between the two States in many spheres apart from enlightening readers about his motherland's history, economy, and how the Kiwi Society is prepared to navigate future challenges.

Photography by Sanath Jayawardana.

New Zealand and Sri Lanka are members of the Commonwealth. Can you provide an overview of the ties between the two States, encompassing their history, present status, as well as the trajectory of the relationship going forward?

The relationship is indeed a warm one. When Sri Lankans and Kiwis meet, they get on well. As you pointed out, we have links through the Commonwealth and New Zealand's vibrant Sri Lankan diaspora, apart from excellent sporting connections. But the physical distance between our countries is not insignificant. Perhaps we have been getting to know each other slower than we might have been. We want to strengthen our people-to-people ties and expand our links through tourism and education.

New Zealand has a large indigenous population; Māori have strong connections through Oceania, Southeast Asia, and North Asia. However, they have not yet been as engaged in South Asia as they are with other Asian regions. We are encouraging more Māori leaders from cultural and business fields to come here and get to know the place. Those who have come, have been struck by similarities in culture and values and some interesting parallels in our histories. That is the word that is starting to spread in New Zealand.

The diplomatic relations between Sri Lanka and New Zealand reached a milestone when the Government of New Zealand established a High Commission in Colombo in 2021. Could you talk us through that?

Setting up a mission in Colombo was a natural next step for us. We had only one High Commission in all of South Asia. For such a significant and growing part of the world, this didn't seem the right scale of representation. When we thought about which country in South Asia we should base ourselves on, Sri Lanka stood out because of



When we thought about which country in South Asia we should base ourselves on, Sri Lanka stood out because of the scale of the existing relationship and the potential we see.

the scale of the existing relationship and the potential we see. It was a relatively easy decision, building on what had already been a solid diplomatic foundation.

The decision to establish a mission in Colombo was taken in 2016. But sometimes, things do not move as quickly as we would like. COVID complicated things. But we got here in the end! We are delighted that the Sri Lankan Government has also decided to open their mission in Wellington. We look forward to welcoming a new High Commissioner down there soon.

The most significant single driver of our relationships with the region over the last 20 years has been migration. In the previous 20 years, people from South Asia – Sri Lanka, Bangladesh, Nepal, and primarily from India - have gone from just 1.5 percent of our population to probably 6.5 percent. This is a significant change. We already have a strong

economic relationship that we would like to develop further for the benefits of the people of both countries. And, of course, geostrategic and human security reasons have made the region more central to the thinking of every capital in the world. New Zealand is no different in that respect.

The High Commission is the most visible part of our efforts to lift our engagement with the region. However, we are also scaling up the resources we apply to it in various government departments at home, most notably in the Ministry of Foreign Affairs and Trade.

With regard to bilateral trade, the trade balance is disproportionately in favour of New Zealand. For instance, in 2023, Sri Lanka's exports to New Zealand were just USD 27 million, whereas exports from New Zealand to Sri Lanka were USD 254 million. In your view,



We want to support the Sri Lankan Government’s efforts to position the Sri Lankan economy better in global value chains.

what opportunities exist for Sri Lankan businesses to increase exports to New Zealand?

Let’s start by thinking about what kind of country New Zealand is. We are a modern, developed economy that flows through to the structure of our economy. More than 70 percent of our economy is in services, around 20 percent is contributed by manufacturing, and the remaining six to eight percent is accounted for by agriculture.

To answer your question on opportunities for Sri Lankan businesses, we believe the service sector should be a primary focus. Tourism is one prominent area we are going to focus on. We had about 6,500 visitors arriving from New Zealand last year. I have been meeting tourism stakeholders who are saying we can do better. Your industry has been telling me that there is no reason we can’t raise this number

to 50,000 a year. We’re up for the challenge!

There are a few things to say about trade in goods. The first is that as a government, we don’t really focus on bilateral trade balances. This is not how we think about trade—in relation to some countries, we run surpluses, while with others, we experience deficits. We look at our overall balance of trade with the world, but not individual trade surpluses and deficits.

Having said that, we do want to see more Sri Lankan goods exported to New Zealand. Like many kiwis, I’d like to have good mangoes and pineapples to eat when I go home. We are focussed on two things to help with that.

First, we want to support the Sri Lankan Government’s efforts to position the Sri Lankan economy better in global value chains. We would love to see you in the Regional Comprehensive Economic

Partnership – a big trade agreement we are a part of – or maybe some other grouping that we could all get involved in. We want to work with your Government to get Sri Lanka more integrated into those important trading agreements. We think that if you are better integrated into global production and value systems, this will really help boost exports.

The second thing is a bit more specific. We want to work with you to help Sri Lankan exporters, particularly of fruits, vegetables, and other produce, meet the import standards in many countries, including our own. This kind of work is more technical and long-term, and it ensures that when the goods leave the country, they will go into the market seamlessly.

Our efforts will be directed at these three areas: boosting tourism into Sri Lanka, helping Sri Lanka integrate through trade agreements, and doing more technical work to support specific exports.

Regarding investments, what are the major New Zealand companies that have invested in Sri Lanka, and what does Sri Lanka need to do to attract more foreign investments from your country?

If you look at the profile of our exports to this country, it is dominated by dairy. But other companies are doing exciting things. We have got Fisher & Paykel, a healthcare company. We have got a company called Staah that sells booking software to hotels. Other tech solution companies are also very interested in this market. Meanwhile, we are starting to see early interest from New Zealand manufacturers in coming here and exporting elsewhere, possibly in industries like clothing, the food industry, and some unspecialized manufacturing areas. We think this is a great place to base investments.

We are encouraged by what we are hearing from the Sri Lankan Government. For any country trying to attract investments –

New Zealand is also trying to attract foreign investments – we know what investors want to see. They want good governance, transparency, good infrastructure, and seamless movement across borders. Sri Lanka understands this as well as we do, and the Government is working steadily towards it.

Can you brief us about the current state of New Zealand's economy?

Whenever we are asked this question, we tend to focus on what is happening right now, but many of your readers may not be familiar with the economy more broadly. New Zealand is a modern, open economy based on democratic norms, and we have been pretty successful over the years.

Visualise a country that has about four times the land area that Sri Lanka has, but only less than a quarter of its population. That is who we are. There are only five million of us. When you rank all the countries in the world by population, we are around number 125. Despite that, we are a pretty active and productive country. Once you rank the countries by the size of their economies, we are the 53rd largest economy in the world, which is pretty good for a small population. If you look at us by GDP per capita, we are among the top 25. At different times in our history, we had been higher than that, but while a lot of other countries are starting to reach their potential, we were closer to our potential earlier on. This doesn't mean we don't want to keep improving.

We are a surprisingly wealthy country. By some measures, even the fifth richest country, but that needs a bit of unpicking. We have a healthy share market – a total market valuation of about USD 250 billion. The Government has put away a significant fund to fund retirement payments in the future, and that is now something like USD 70 billion. Kiwis have their private retirement savings, and that fund is about USD 120 billion. But dwarfing all this



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is the value of our property market. So, our residential property market is valued at about USD 1.5 trillion. A lot of that is funded by offshore capital. By most measures, we have a wealthy and successful economy.

Like the rest of the world, we are recovering after experiencing high inflation and increased government expenditures during COVID-19. We are tightening government expenditures, and the Government is looking very closely at the regulatory environment to make the economy more conducive to innovation and driving business growth.

Our Prime Minister wants to see money coming from offshore channeled into more productive forms of investment. We have always been an outward-looking, trading country, but the Government wants to lift that further. It has set a bold objective of trying to double our exports. It also wants to see New Zealanders' mindsets shift, with funds channeled

towards more productive investment forms.

Speaking about an essential period of your country's economy, in the 1980s, New Zealand implemented wide-ranging structural economic reforms to become a competitive economy. Could you talk us through that phase in your country? What can a country like Sri Lanka learn from New Zealand's experience of undertaking critical economic reforms?

Every country has to go through its own experiences based on its circumstances. I will not tell Sri Lanka what to do; you know your country and its challenges better than I do. But if I take you through what happened to us, you might see some parallels. For most of the 20th century, we had a two-legged economy. Agriculture produced our foreign earnings, and a



There is no question about the importance of migration in our country's story.

very heavily protected, domestically focussed manufacturing sector provided the jobs. Our economy was very heavily regulated and protected.

That system worked well enough for quite a long time. But by the 1970s, we had built twin deficits – Government and foreign exchange imbalances. In the 70's we responded to the oil shocks by taking on some big energy investment projects to make us more self-sufficient in energy. But those investments were premised on oil prices being very high. When oil prices dropped quite rapidly, those investments did not look sound. And we had got ourselves into quite a bit of debt making them. Additionally, the cost of the inputs for the agricultural industry had become too high because of how we had structured our economy.

So, we had to do many things that international institutions are telling Sri Lanka to do now. We eliminated subsidies, reduced tariffs and

regulation, and lowered taxation.

Most New Zealanders would agree that we came out of that process with a stronger economy than we had.

But we did go through a period of low growth for quite a long time because of that restructuring. If Sri Lanka is looking for lessons from our experience, you should pay more attention than we did to the way you sequence these kinds of reforms. We did them in a rush because we wanted to finish things quickly. The political pressures of the day required that approach, but some of our economists believe we would have got a better result if we had sequenced our reforms a little differently.

There are also examples of where we got things right. The first modern trade deal we did was with Australia in 1983. It was called Closer Economic Relations (CER). One industry that was worried about competing with Australia was the wine industry. New Zealand has produced wine for

over 80 years, but the quality is low. Everyone knew that Australian wine was better at every price point than ours at that time.

When the Government asked the industry why they could not improve the quality of the product, they explained that they would love to do so but that it was not viable simply to rip out the existing grapes and plant new ones. So, the Government gave them limited support to transition to higher-value grapes. The rest is history. New Zealand wines have gone on to become internationally famous.

It is a very good example of how to manage a transition for a potential industry. The important lessons are that you need to be clear about what you are trying to achieve, set clear time limits, and stick to them firmly so that the industry understands that it has been given an opportunity to change its path but does not become dependent on subsidies for its viability.

New Zealand is a highly sought-after destination for migration, and migration has played a pivotal role in your society's civilisation. Can you speak about that integral aspect associated with your country?

There is no question about the importance of migration in our country's story. If you think of our long history, the Polynesian people who became Māori discovered the country about a thousand years ago. We are one of the last countries to be inhabited by human beings. Māori built a way of life and thrived in the land for about 700 or 800 years before Europeans arrived. We had a society that was a mix of European and Māori for a very long time through the 20th century.

Migration has changed things a lot since then. Māori are about 18 percent of our population today, while Europeans are around 65-70 percent. Around eight to nine percent of us identify as Pasifika. About 6.5 percent of us identify as being of South Asian origin. We have other significant minorities who originate from China, the Philippines, Korea, and other

parts of Asia. It has meant we have a lot of diversity in terms of religion and linkages to the rest of the world. Unquestionably, it has been a positive driver of change for New Zealand.

The Sri Lankan community in New Zealand is about 20,000. Many have been living there for quite a long time now. The wave of migration from Sri Lanka took off in the 1980s. The initial entrants were quite a professional group. We have a lot of medical and finance professionals who have arrived from Sri Lanka, and what we see is that they generally settle in the North Island, primarily up in Auckland and, to some extent, in Wellington. It is a thriving community making a hugely positive contribution to our country.

In terms of international affairs, what is New Zealand's involvement in important global institutes like the UN and WTO?

We were a founding member of the United Nations. Our Prime Minister at the time, Peter Fraser, was a committed multilateralist. We took strong exception to the idea that the big countries should have a veto on the Security Council. We always thought the principle of sovereign equality was essential to us. It is natural for a small country like us to favour a system of strong rules that are fairly enforced.

We have been active participants in the United Nations and regularly served the Security Council. A New Zealander has chaired the UN General Assembly. Helen Clark, our former Prime Minister, was Head of the UN Development Programme. We have a strong commitment to peacekeeping, and in every aspect of the UN system, you will find New Zealand's strong contribution and involvement. It is a cause we believe in.

I think we can all see the challenges the organisation is facing. We observe that the UN was structured for the world as it was at the end of the Second World War. Today, we are living in a very different world. Reforms to the organisation to reflect the current realities of global power and the make-up of the international system are

moving slowly, but we are committed to supporting a stronger UN.

The WTO has also always been important to New Zealand. We had Mike Moore, our former Prime Minister, as Director General of the WTO. We were a founding member of both GATT and the WTO. We have had three Kiwis chair the WTO Agriculture Committee, which is understandably very important to us. The WTO is also an organisation that is going through a tough time. It has struggled to reach a consensus. Nonetheless, we remind people that even though it is not a golden moment for the organisation, the rules that have been put in place under the WTO have held up pretty well. They have underpinned an

hospitable, and talented. I am very conscious that you just had a terrible period. I do not want to pretend everything is wonderful for everybody. At the same time, the attitude of Sri Lankans I meet is positive. People are looking to move forward. They have elected a new president who has come in with a clear vision. The sense I get of Sri Lanka is that it is coming together and saying, "Yes, we want to address governance. Yes, we want to reduce poverty." Those are the objectives that all of Sri Lanka's friends would like to see your country succeed in.

You are located next door to the country likely to drive global economic growth over the next 20 years. I hope

My message to New Zealand is that Sri Lanka has a great future. Over the next decade or two, it will become an ever more capable and influential partner.

enormous growth in world trade from which we all have benefited.

You can expect New Zealand to remain committed to the WTO and the UN. There are areas in which we would like to see big changes. Particularly, we hope to see much stronger discipline regarding subsidies for agriculture and fisheries. We would also like to do more to harmonise the environmental laws under other parts of the UN system with the WTO. But our commitment to the system itself is absolute.

Finally, you assumed your role a few months ago. As you know, Sri Lanka went through a devastating economic crisis two years ago. Now, we are on the path toward recovery. What is your impression about Sri Lanka and its people in general?

How can you not develop a positive impression about this country when you first visit? It is a beautiful island; the people are lovely. You are warm,

that I have arrived at a very good time. Once it has overcome the immediate problems, Sri Lanka needs to think about its country in a medium-term or long-term framework.

My message to New Zealand is that Sri Lanka has a great future. Over the next decade or two, it will become an ever more capable and influential partner. Sri Lankans will remember the people with them through their tough times. So, it is an excellent time to come and get to know Sri Lanka. It is a good time to invest in Sri Lanka.

That is what we say back to Kiwis, who respond positively to that message. Every day, we see an increase in New Zealand's interest in Sri Lanka. ☐



Interviewed by:
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Trade Information, EDB

Electrical and Electronic Sector

A Young, Dynamic, and Export-ready Industry with Big Hopes



Sri Lanka's electrical industry holds significant potential for generating substantial export revenue.

The National Export Strategy (NES) of Sri Lanka (2018-2022) identified the Electrical and Electronic (E&E) sector as a visionary sector for the growth and development of exports in Sri Lanka.

The E&E global market size has grown strongly in recent years. It grew to USD 3,765 billion in 2023 and is expected to reach USD 4,032 billion in 2024 at a CAGR of 7.1 percent. The industry is expected to reach USD 4,500 billion by 2025, offering numerous opportunities for the sector to grow.

The Sri Lankan E&E industry is the country's fifth largest merchandise export revenue earner (0.012 percent of world exports) and earned USD 486 million in 2023 with more than 100 companies and over 38,000 employees. The industry continues

to grow its brand as a young, dynamic exporter unafraid of change, embracing the challenges of evolving global markets with resilience in the true Sri Lankan spirit.

The sector mainly caters to the Automobile, Telecommunication, Consumer Electronics, Industrial Automation, Power and Energy, Construction related services, and Medical Sector. Most companies are Original Equipment Manufacturers (OEMs) and Electronics Manufacturing Service (EMS) producers. At present, the country has become a centre of excellence for Artificial Intelligence (AI), Augmented Reality (AR), Virtual Reality (VR), Advanced Analytics, Cleantech, Internet of Things (IoT), Robotics, Design Services, and Research & Development.

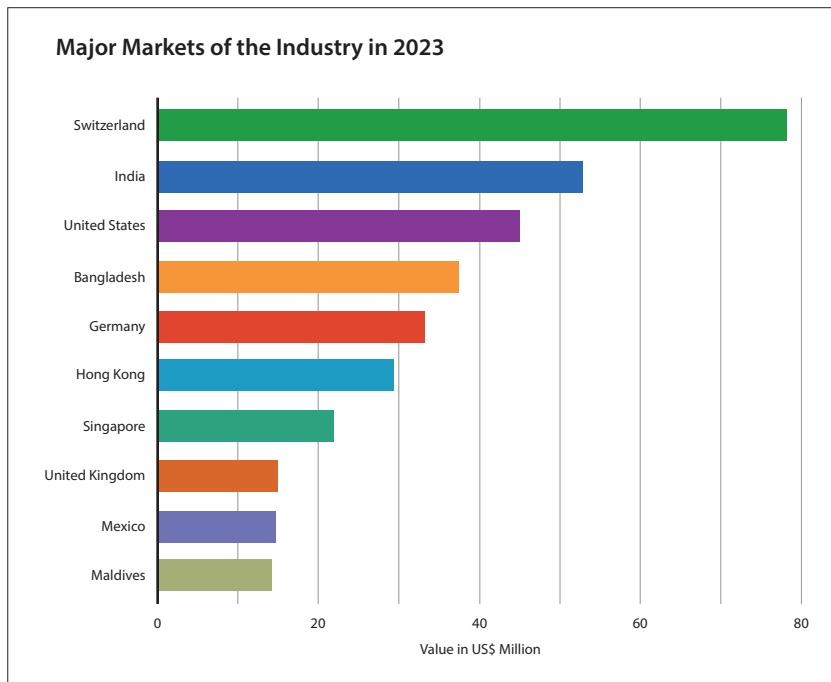
Sri Lanka is progressively stepping into the global value-added supply chain with a range of cutting-edge products and services, keeping pace and aligned with emerging international trends of digitization, automation, miniaturization, and the development of sustainable green energy. Renowned for world-class quality and unparalleled delivery records, the Sri Lankan E&E industry conforms to all the required industry standards and global accreditations, observe Restriction of Hazardous Substances (ROHS) and Waste Electrical and Electronic Equipment (WEEE) regulations, and strictly adhere to the ILO requirements. All Sri Lankan exporters in the E&E industry are ISO-certified, committed to protecting the environment, and conform to many international certifications such as ISO 9001, ISO 14001, OHSAS 18001, ISO 50001, TLS 8001, ISO 13485, IATF 16949, ANSI/ESD S20.20, ESD IEC 61340-5-1, ISO 17025, ATEX 2014/34/EU, UL 508A, EN 3834, EN15085 and IPC 620.

The industry's top ten exporting destinations are Switzerland, the Maldives, the United States, the United Kingdom, Hong Kong, Japan, China, Bangladesh, India, and Germany.

Major Markets of the Industry in 2023

The E&E sector makes an impactful contribution to employment generation in the country. It currently employs high-profile researchers and design engineers. During the 1980s, the local industry experienced a heavy injection of foreign investments from Japan, Sweden, Switzerland, India, the United Kingdom, and Germany in mass-scale component manufacturing.

Sri Lanka's reputation as a viable 'Design to Delivery' sourcing



The Sri Lankan E&E industry is the country's fifth largest merchandise export revenue earner (0.012 percent of world exports) and earned USD 486 million in 2023 with more than 100 companies and over 38,000 employees.

destination for global buyers revolves around the country's trade relations with Europe, geo-maritime location, proximity to India's booming electronic and automotive markets, adherence to all international standards, availability of cutting-edge technology, abundantly available high-quality minerals used as a base material for electronic products. The preferential market access enabled by the GSP Plus scheme and several other bilateral agreements, including the Indo-Lanka Free Trade Agreement and Pakistan-Sri Lanka Free Trade Agreement, have provided further market access to Sri Lankan exporters of E&E products and services.

The presence of acclaimed academia in the industry, the

availability of a workforce with a specialized tertiary level education qualification in the electrical and electronic engineering sector, and the sizeable trainable youth population have been other success factors contributing to the continued growth of Sri Lanka's E&E export sector.

The representative body of the Sri Lankan Electrical and Electronics Industry is the Sri Lanka Electronic Manufacturers and Exporters Association (SLEEMEA), which was established in 1998.

The Association is recognised as the apex body for the Electronics Industry by all State Agencies, Institutions, and the Academia. The Association also nurtures a continuous linkage with the University

of Moratuwa, the University of Peradeniya, The Engineering Design Centre of the University of Moratuwa and Peradeniya, the Arthur C. Clarke Centre, and the ITI.

Why Sri Lankan Electrical and Electronic Products?

Design-to-Delivery Destination:

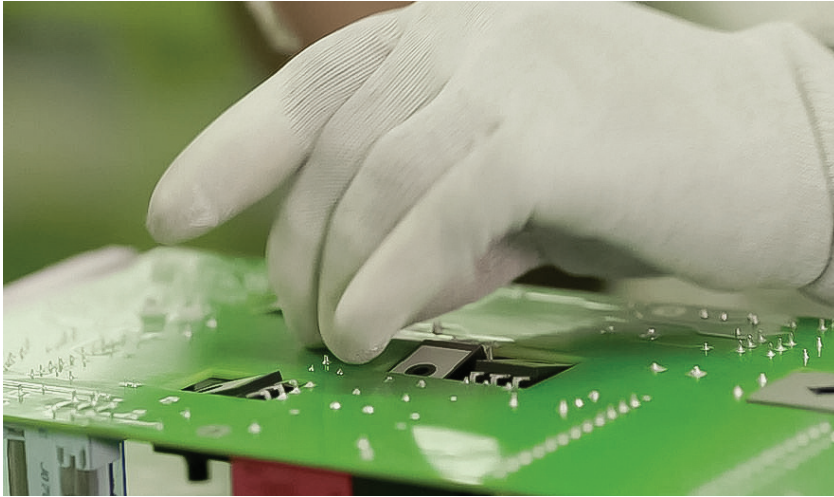
The inherent uniqueness of the Sri Lankan E&E industry is its ability to provide end-to-end delivery of products and services. Sri Lanka possesses a large, resourceful knowledge base in technology-centric academia. Therefore, idea generation, research-backed innovations, and design capability are omnipresent within the country's E&E sector. The ability to give life to these ideas through a seamlessly integrated manufacturing and service delivery process offers Sri Lanka a competitive edge. The E&E sector is on an upward trajectory, exhibiting great potential for specialized end-to-end delivery of exceptional quality.

Small-Medium Global Market Niche and Industry Flexibility:

Excellent reputation for product and service delivery within the small-medium global market niche has been a hallmark of the local E&E sector. Sri Lankan exporters in the E&E sector are renowned for their flexibility in accommodating dynamic and challenging buyer requirements, yet being able to deliver quality and affordability coupled with technological expertise and exceptional customer service, which has been a key competitive differentiator.

An Integral Component of Export-Led Growth:

The E&E sector has been identified and recognized as a sector with great potential to make significant socio-economic contributions to Sri Lanka through export-led growth. Thus, it receives the attention, facilitations, and enablement from the state, respective agencies, and other stakeholder groups to ensure that the aspired end objectives are achieved.



Electronics is an exceptionally dynamic and globalized industry.

The industry is focused on becoming an emerging electrical and electronic manufacturing leader to meet Sri Lanka's needs and export to the global market.

Innovation and Disruption

Capability: Electronics is a highly dynamic, globalised industry in which change is a constant; adaptations and upgrades remain key enablers and disruptors. Many trends that evolve from the E&E sector are linked closely with the software and hardware industry. Thus, the emergence of a dynamic, rapidly growing software and hardware sector in Sri Lanka is immensely beneficial. This presents a unique value proposition to buyers, including innovation and disruption capability.

Knowledge Base and Skilled Middle-Tier Technology Workforce:

Renowned for the high standards of education and the country's higher education and vocational institutes, Sri Lanka continuously produces cohorts of highly skilled technological and engineering professionals specialised in various electronics and electrical industry sectors that join the country's workforce every year. The E&E sector in Sri Lanka boasts a readily available, skilled middle-tier technology workforce and intelligent and trainable labour.

Cost Advantages and Affordability:

In an industry where frequent shifts of supply bases become impractical and non-viable, cost advantages and affordability are key determining factors for global importers and buyers of E&E products and services in effecting such change. Sri Lanka, compared to other countries in the region, boasts large cohorts of skilled, middle-tier technology workforces and intelligent, trainable, and economical labour. Thus, Sri Lanka offers an impactful value addition to global buyers.

Enablers and Preferential Market

Access: Creating preferential access to global markets, Sri Lankan exporters of E&E products and services benefit from a host of bilateral and multilateral free trade agreements, including the Indo-Lanka Free Trade Agreement, Pakistan-Sri Lanka Free Trade Agreement, and South Asian Free Trade Area (SAFTA). The Generalised Scheme of Preferences Plus (GSP+) scheme facilitates preferential access to the EU. The government has introduced many tax incentive schemes and tax holidays to grow export revenues from the E&E sector. Export processing zones that have been established in many parts of the country provide hassle-free manufacturing and processing infrastructure.

Quality and Ingenuity: Incomparable flexibility to accommodate challenging buyer requirements; delivering quality of international standard; ability to scale order quantity on demand; and remarkable service and delivery records that exhibit exceptional reliability; low lead times; and ability to develop proto-types are globally accepted attributes of Sri Lankan E&E exporters. The precision manufacturing capability utilizing cutting-edge technology, high-quality raw materials, trained talent, and professional expertise has enabled Sri Lanka to offer highly regarded, end-to-end service provisions to many renowned international brands.

The inherent, unique attributes of the human capital available within the country add immense value to manufacturers and buyers alike. With a national literacy rate of 95 percent, the presence of high English language competency in middle management and high employee loyalty are aspects that have an indirect impact on enhancing the overall efficiency and reliability within the E&E sector.

Sri Lanka also possesses extensive, high-quality deposits of minerals such as Kaolin, Feldspar, Silica sand, Quartz, and Ilmenite, which are used as base materials for electronic products. As an emerging export partner in the value chain, the global industry has hailed the ingenuity of the Sri Lankan E&E industry.

South Asia's Emergence in the E&E Sector Value Chain:

South Asian emergence is increasingly evident as one of the most sought-after locations for electronic manufacturing. Availability of technical expertise, economical labour, and a viable alternative to large global players to China as an operating base are key factors that have resulted in this shift. Globally, manufacturers in high-cost locations such as Japan, the EU, and the United Kingdom actively seek an alternative to China as a manufacturing base. Sri Lanka's geo-location enhances its value exponentially as the most attractive destination for relocating supply

bases within the region. Several contract manufacturers and importers from Japan, Scandinavia, the United States, and the United Kingdom currently source from Sri Lanka. With such dynamics, the country presents an ideal relocating base for bigger, mostly multinational companies.

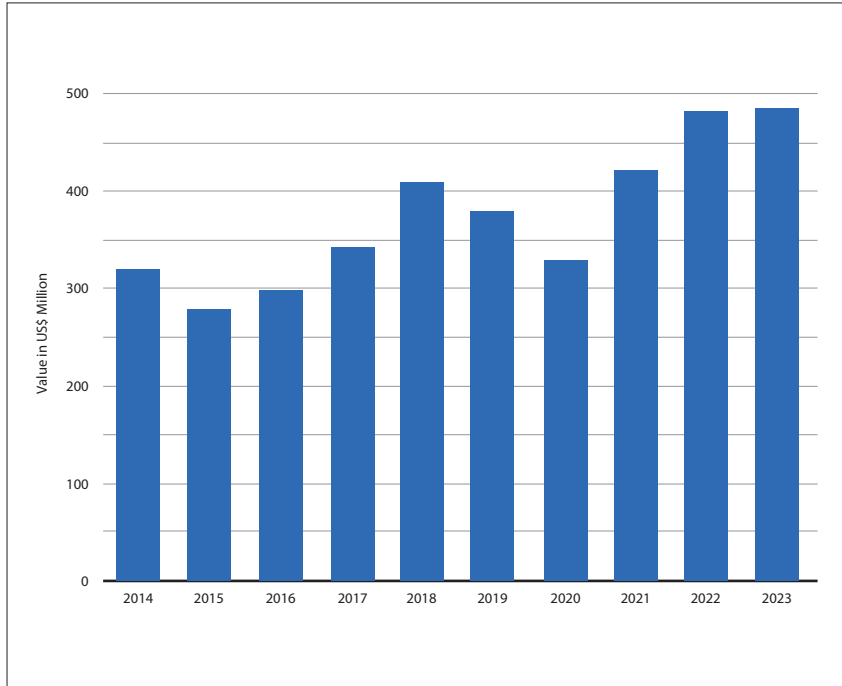
Export Potential and Global Connectivity: Sri Lanka's unique geographical positioning, astride the main East-West Sea route, offers buyers unparalleled benefits, advantages, and overall value. Proximity to large markets and preferential market access created through bilateral and multilateral trade agreements provides huge export potential. Fast becoming a fully-fledged logistical hub in the region, Sri Lanka also presents economical, flexible, and timely sea and air connectivity to key global markets in the E&E sector.

With the E&E component industries steadily increasing levels of manufacturing in Asia, Sri Lanka presents an attractive proposition for design, manufacturing, development, and logistics destinations that the global industry demands.

Research & Development: Within the country's E&E industry, the focus and investments in R&D in affiliation with global partners have enabled and empowered sustainable innovation and design capability that can be made available at economical scales. This has also enabled global brands searching for small and medium scale high-quality manufacturers and service providers to procure total end-to-end solutions that consist of design, development, manufacturing, and delivery solutions of the highest standard.

The Export Performance of the Industry

The high-potential sector had recorded a considerable recovery after the slump it experienced in 2020 due to the COVID-19 pandemic, when its export income declined to USD 329 million. Last year, the



industry achieved an export income of USD 487 million. In spite of various obstacles and challenges, the industry's export revenue grew by 22 percent between 2015 and 2022.

The industry's ambition is to increase its total revenue to USD one billion by 2025 and thereby become a noteworthy contributor to the island's economy. Meanwhile, with the increase in electric vehicle (EV) manufacturing, the Sri Lanka Automotive Component Manufacturing Association (SLACMA) is looking into promoting Sri Lanka as a wire harness and other electric component manufacturing hub for electric vehicles.

Connecting to Global Value Chains (GVCs) would provide tremendous opportunities for the E&E sector to reach greater heights. GVCs have benefited emerging nations by facilitating their diversification away from primary products and towards manufacturing and services. In the past, to export a manufactured good, a nation had to be capable of producing the entire good. Now, a country can specialise in one or more activities where it has a competitive advantage through value chains.

GVCs separate the various steps in creating a smartphone, a TV, or a car so that they can be completed in multiple countries.

Today, more than two-thirds of all global trade takes place where value chains cross at least one and/or perhaps several borders during the production processes.

The EDB is committed to undertaking initiatives to better this promising industry by facilitating a conducive policy environment so that Sri Lankan manufacturers can connect to the GVCs and improve their export income. [E]

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Article by **Sri Lanka Export Development Board**

Electrical Engineering Education and Research

Department of Electrical Engineering at University of Moratuwa: Pioneering the Future of Sri Lanka's Power and Energy Sector

As one of Sri Lanka's leading institutions for electrical engineering education and research, the Department of Electrical Engineering at the University of Moratuwa (UoM) is dedicated to cultivating skilled, innovative engineering graduates equipped to address the evolving demands of the local and global power and energy industries. Since its inception in the 1960s, the department has been a cornerstone in advancing expertise in power generation, transmission, and distribution within the country.



Prof Jason Mars, Associate Professor, University of Michigan, USA and Founder of Jaseci Labs at the University of Moratuwa.

Advanced Curriculum for Emerging Needs

The department's updated BSc Engineering (Hons) degree program offers specializations in Smart Power Systems, Electrical Installations, and Control and Automation Engineering. This curriculum integrates foundational topics in Artificial Intelligence, Renewable Energy, Environmental Engineering, Analog and Digital Electronics, and Digital

Signal Processing, aligning with current industry needs. Additionally, graduate programs, including MSc, MPhil, and PhD, are available on both full-time and part-time bases, with specialized MSc streams in Electrical Engineering, Electrical Installation, and Industrial Automation. For the further development of the skills of practicing engineers, the department also offers training courses on topics such as Industrial Robotics, PSCAD

for Renewable Energy Modelling, Lightning Protection System Design, Solar Power Plant Development, and Design of Electrical Installations.

High Employability and Student Development

Graduates of the Department of Electrical Engineering, University of Moratuwa, enjoy high employability, often securing roles within a few months of graduation. They contribute to diverse fields, including renewable energy projects, IT and Automation, Electrical Design, Testing and Consultancy Services, Management, Software Engineering, and Artificial Intelligence. Many graduates pursue advanced studies at prestigious universities, extending the department's global impact. The department also promotes holistic development through extracurricular activities in clubs like the Electrical Engineering Society (EESoc), IEEE Student Branch, IET Student Chapter, and entrepreneurship societies, which foster teamwork, communication, and leadership skills. UoM students regularly achieve top positions in national and international competitions, demonstrating the

department's commitment to excellence.

Notable Alumni and Faculty

Prominent figures associated with the department include Emeritus Professors such as Prof. S. Karunaratne, Prof. J. Rohan Lucas, and the late Prof. H.Y.R. Perera. Prof. Anura Wijayapala, the current Head of the Department of Electrical Engineering at the University of Moratuwa, is a distinguished professional in Sri Lanka's power and energy sector and a former Chairperson of the Ceylon Electricity Board. Prof. K. T. M. U. Hemapala, Secretary of the Ministry of Power and Energy and former Head of the Department of Electrical Engineering, further highlights the department's influential role in the energy sector. In addition, the Department of Electrical Engineering alumni have contributed to founding leading power companies, such as LTL Holdings and Windforce.

Smart Grid Innovation and Research at the University of Moratuwa

Founded in 2019, the Smart Grid Research Group at the University of Moratuwa (UoM) addresses emerging challenges in modern power systems by advancing smart grid technology. Key facilities supporting this mission include the Lanka Electricity Company (LECO)-UoM Smart Microgrid and the UoM-LECO Smart Grid Research Lab. These resources include a dedicated smart grid research laboratory, funded by USD 1.8 million from the Asian Development Bank (ADB).

The LECO-UoM Smart Microgrid project, led by Prof. Udayanga Hemapala, is Sri Lanka's first commercial microgrid, capable of operating in grid-following and isolated modes. With a rooftop PV capacity of 350 kW, a 418 kWh battery bank, and a grid-forming inverter, the microgrid enables real-world testing and development of smart grid systems. The lab is fully equipped with advanced tools essential for high-level research and testing in power systems. Among these is a



Department of Electrical Engineering at the University of Moratuwa is equipped with the latest equipments and facilities.

Through these projects, the Smart Grid Research Group at UoM plays a critical role in advancing smart grid innovation in Sri Lanka, paving the way for sustainable, reliable, and efficient energy solutions.

REGATRON TC.ACS 4-quadrant grid simulator with capabilities for voltage control (360–528 VAC), current (up to 153 A total), and frequency adjustment (50 or 60 Hz), enabling accurate grid emulations. The lab also includes versatile DC and AC electronic loads and Nvis 7067 Single and Three-Phase Resistive Loads and Nvis 7068 Three-Phase Inductive Loads to handle diverse testing needs. The Real Time Digital Simulator (RTDS), Sri Lanka's only facility with this capability, also allows for Hardware-in-Loop (HIL) simulations for large power systems. These facilities enable the lab to offer specialized services, such as inverter testing, standard measurements, and consulting. Recent projects include microgrid feasibility studies in sensitive ecosystems like Yala and rural electrification in Udagaldebokka, focusing on sustainable energy solutions. In collaboration with USAID, the group also conducted a demand-side management pilot project to improve grid efficiency by aligning consumer demand with grid capacity.

Current initiatives further expand the group's impact. One project is developing a community microgrid

in Delkanda, Nugegoda, for urban energy resilience. The group is also advancing energy bill forecasting technologies for residential and industrial use. Partnering with Japan's Digital Grid Consortium, they are testing the Digital Grid Router (DGR), a multi-terminal AC/DC converter, for enhanced energy flexibility and management.

Through these projects, the Smart Grid Research Group at UoM plays a critical role in advancing smart grid innovation in Sri Lanka, paving the way for sustainable, reliable, and efficient energy solutions.

State-of-the-Art Laboratory Facilities

The department provides access to specialized laboratories in high-voltage engineering, power systems, electrical machines, power electronics, electrical installations, measurements, and robotics. Students gain hands-on experience with industry-standard software, such as MATLAB®, PSCAD®, AutoCAD® Electrical, PSS®E, HOMER Pro®, and SOLIDWORKS®, which are essential for modern engineering applications.

- **Electrical Installation Laboratory:** This lab provides practical training in domestic and industrial installations, covering earth resistance, insulation testing, load analysis, and harmonic analysis.
- **Electrical Machines Laboratory:** This lab, focused on DC machines, transformers, and three-phase equipment, supports undergraduate training and research.
- **Power Electronics and Drives Laboratory:** This facility allows in-depth exploration of power electronics, DC and AC motors, and transformer drives, which are vital for practical applications.
- **High Voltage Laboratory:** Established in 2017, this lab is the only facility in Sri Lanka equipped with an impulse generator, HVAC and HVDC test sets, and artificial rain-making equipment, supporting tests up to 500kV.
- **Robotics and Automation Laboratory:** Founded in 2009 with World Bank support, this lab offers industrial robot arms, mobile robots, AGVs, PLCs, and FPGAs for hands-on learning in automation and control.
- **Electrical Measurement Laboratory:** The newly renovated Electrical Measurement Laboratory is a smart facility that supports practical work in analog and digital electronics, digital signal processing, and various projects. Data acquisition cards, signal generators, modern computers, and comprehensive equipment allow entire student batches to engage in hands-on learning simultaneously.

Global Collaborations and Expert Partnerships

The Department of Electrical Engineering at UoM has established international partnerships, including Memorandums of Understanding (MOUs) with the academics of the University of Michigan, the University of Maryland, USA, and the University of Wollongong, Australia.

Prof. Jason Mars, an Associate Professor in Computer Science at the University of Michigan, has joined the



The Lanka Electricity Company (LECO)-UoM Smart Microgrid.

department as an Honorary Associate Professor. Known for his pioneering work in Artificial Intelligence, Prof. Mars has founded several companies in the United States, including Clinc, an AI start-up specializing in advanced conversational AI. Recently, Prof. Mars established Jaseci Labs, an AI-focused start-up in Sri Lanka, where he has already hired close to ten local graduates and undergraduates from the University of Moratuwa. This initiative, facilitated by Dr. V. Logeeshan, a Senior Lecturer in the Department of Electrical Engineering—showcases the department's commitment to providing students with practical exposure in an international start-up environment.

Prof. Michael Pecht, Distinguished University Professor at the University of Maryland, also serves as an honorary professor in the department. Renowned for his expertise in reliability engineering and electronics, His research is centered on the safety challenges associated with lithium-ion batteries, which are critical

for consumer electronics, electric vehicles, and energy storage systems.

Student-led Initiatives and Industry Engagement

Students at the department organise numerous events, including technical, social, and charity events through EESoc, IEEE Student Branch, and other clubs. In 2023, EESoc hosted the Symposium on Power Sector Reforms, offering undergraduates a platform to engage with industry experts and present research papers to facilitate informed decision-making in the energy sector in Sri Lanka. Additionally, the department's annual career fair, EESpire, connects students with companies in the local industry, enhancing their career prospects.

Research in the Department of Electrical Engineering

The Electrical Engineering Department of the University of Moratuwa is advancing diverse, impactful research in energy management, microgrid resilience,



At the Robotics and Automation Laboratory at the University of Moratuwa.

robotics, and automation; here are some example projects:

- **Non-Intrusive Load Monitoring (NILM) in Commercial Buildings:** As energy costs rise and demand increases, the NILM approach is helping commercial building managers track energy use more efficiently. This project uses deep neural networks to monitor and classify energy usage in complex systems with over 93 percent accuracy, offering real-time insights via a web dashboard.
- **Ring-Connected Microgrid Clusters for Resilient Power Distribution:** Researchers have developed a 'ring-connected' microgrid model to improve resilience in power systems with high solar PV integration. Tested on a four-microgrid setup, this approach enables power-sharing among microgrids, enhancing system stability and reliability during power fluctuations and emergencies.
- **The Robotics and Automation Laboratory at the University of Moratuwa focuses on domestic service robots, featuring two significant projects:**
- **Moratuwa Intelligent Robot (MIRob):** MIRob is a project that develops empathetic service robots to engage in human-

like interactions across various domains, including healthcare, education, and home assistance. Designed by the Intelligent Service Robotics Group, MIRob incorporates three proactive interaction management systems focused on context awareness, emotion recognition, and user understanding. Each system enables the robot to respond in a contextually relevant, user-friendly way, allowing it to observe and assess the user's state before initiating any interaction.

- **Intelligent Wheelchair:** This is designed to enhance mobility for elderly and disabled individuals, featuring a unique multi-modal control system that allows users to navigate using voice and gesture commands. To address the tremors observed in hand gestures, the research team developed a compensatory algorithm that stabilizes the input, ensuring safe and precise wheelchair control. Voice-based commands provide an additional layer of control, enabling users to navigate their environment smoothly and independently. This project can make a substantial impact on healthcare and assistive robotics, offering a user-centric approach that prioritizes the

comfort and autonomy of individuals with limited mobility.

Through its comprehensive curriculum, advanced research facilities, and strong industry and academic partnerships, the Department of Electrical Engineering at the University of Moratuwa continues to play a pivotal role in shaping the future of Sri Lanka's power and energy sector. With a commitment to innovation and sustainability, the department is equipping the next generation of engineers and contributing to national and global advancements in electrical engineering. [\[1\]](#)



Mudith Witharama
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Yasith Perera
Research Assistant, Microgrid Research Laboratory, Department of Electrical Engineering

Global Electronics Services

Variosystems: From a Swiss Electronics Manufacturer to a Global Electronics Services Leader

Variosystems, a renowned Swiss company, offers a comprehensive range of contract manufacturing products and services, including printed circuit board assemblies, turnkey box builds, wire harness assemblies, and engineering services. In 1998, Variosystems expanded its operations to Sri Lanka through a joint venture, fully acquiring the company in 2003. Variosystems Sri Lanka has since established itself as a competitive electronics services platform, providing complete turnkey services including engineering services such as obsolescence risk management, design-to-cost, design-to-supply, and design-for-testing services.



Global electronics services platform in Sri Lanka.

Founded in 1993 in Steinach, Switzerland, Variosystems has grown from a modest electronics contract manufacturer into a global electronics services powerhouse. Over the past three decades, the company has continually evolved, driven by its mission to transform innovative concepts into tangible realities. This journey has seen Variosystems expand its manufacturing footprint across North America, China, Croatia, Mexico, and, notably, Sri Lanka, which houses its largest manufacturing platform.

Strategic Advantages of Sri Lankan Operations

Variosystems' strategic decision to establish operations in Sri Lanka more than 25 years ago has paid significant dividends. Situated in the Indian Ocean, Sri Lanka offers a prime location for serving customers across both Eastern and Western markets. Complementing the country's reputation for exporting high-quality goods is a highly educated and scalable talent pool, including skilled engineers.

The relocation to Badalgama, approximately 90 minutes from the Port of Colombo and 40 minutes from the airport, ensures Variosystems remains logistically well-connected to its global customer base. This strategic positioning enhances the company's ability to efficiently meet its customers' increasing demands.

Evolution of Customer Base

Initially, Variosystems catered primarily to European and American multinational companies. However, over the years, the company has broadened its customer base to include Asian markets, notably China, Southeast Asia, and Australia. This expansion reflects Variosystems' commitment to understanding and addressing diverse regional market demands.

Strengthening Swiss-Sri Lankan Economic Ties

Variosystems' long-standing presence in Sri Lanka underscores



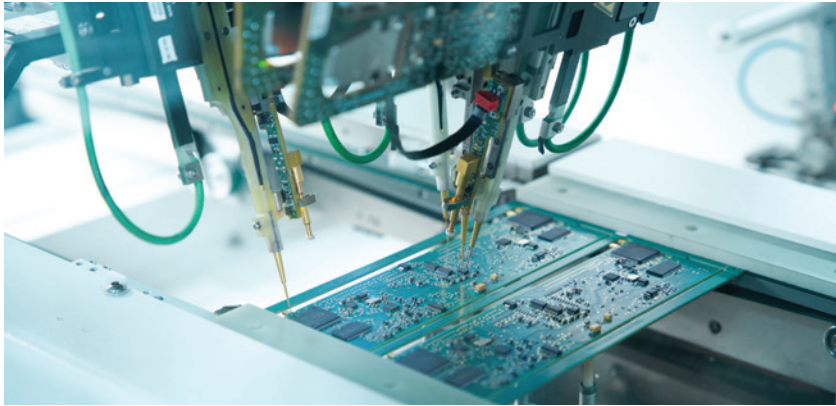
Thevan Satheeswaran, Managing Director (Country Manager), Variosystems Sri Lanka.



Connectivity test, part of wire harness testing process.



Assembly of a nail board as a physical guide for assemblers to assembly the wire harness.



Testing solution offered for PCBA customers to ensure tested, reliable, and high-quality products are delivered.



Automated Through-Hole Technology (THT) selective soldering process to ensure fast and accurate assembling process.



Automated and accurate placement of Surface Mount Technology (SMT) components based on customized designs provided and can be scaled up or down to support clients' market demand.

a robust economic partnership between Switzerland and Sri Lanka. The company's commitment to economic growth and sustainable practices has made it an integral part of Sri Lanka's economic landscape. A commitment further cemented with opening a third state-of-the-art manufacturing facility in December

2023 to boost production capacity to meet global market demands.

Competitive Strategies in the Global Market

Variosystems has established Customer Organizations across North America, Europe, China, and the Asia Pacific to maintain its competitive

edge. This regional approach allows the company to deeply understand and respond to local market challenges and customer needs. By leveraging its global network of operations, procurement, and sourcing services, Variosystems ensures the delivery of high-quality products and services tailored to both regional and international markets.

Fostering a Culture of Innovation

Innovation is at the heart of Variosystems' business strategy. Collaborating with leading innovators, the company harnesses its internal expertise to drive innovation.

Variosystems employs lean operations and the 5S methodology in Operations Excellence, complemented by various KAIZEN activities and ISO certifications. The company's in-house academy supports continuous improvement, fostering a culture of perpetual innovation.

Future Goals and Expansion Plans

Looking ahead, Variosystems aims to solidify its position as the most trusted and sustainable electronics services platform. The company is steadily progressing operationally in Sri Lanka and in customer relations. Plans include establishing a global service centre offering engineering, information technology, procurement, and sourcing services. This centre will enhance Variosystems' ability to efficiently support its international operations and customer base.

Additionally, Variosystems intends to extend its service portfolio to provide comprehensive engineering services, ensuring its products remain at the forefront of quality and technological advancement.

What marks Variosystems' journey from a Swiss contract manufacturer to a global leader in electronics services is its strategic expansion, a commitment to innovation, and a focus on sustainability. With robust plans for future growth, the company is well-positioned to continue transforming innovative concepts into reality for its global clientele. □

Manufacturing

Kelani Cables: A Legacy of Excellence

Kelani Cables has grown from a local manufacturer into a significant player in Sri Lanka's economy by maintaining high product and service quality standards. Its comprehensive quality assurance processes, commitment to environmental sustainability, and strong community engagement underscore its role as a leading manufacturer in the region.



The diverse and comprehensive array of products offered by Kelani Cables.

Kelani Cables, a beacon of innovation and quality, began its illustrious journey in 1969 as a modest home-grown manufacturer of electrical and communication cables. Today, it is a significant player in Sri Lanka's export economy, driven by an unwavering commitment to product and service excellence. This dedication has catapulted Kelani to the forefront of the market, offering a wide range of products, including electric cables, enamelled

winding wires and their trading arm equipped with switchgear, switches and sockets, lighting solutions, fans, earth rods, and much more.

As a leading B2B and B2C cable manufacturer, Kelani is pivotal in satisfying domestic demand for cables and related products. By catering to the local market, Kelani prevents valuable reserves from leaving the country and strengthens the nation's forex reserves through exports. This dual approach underscores Kelani's importance

to the national economy while showcasing the finest in local manufacturing expertise and state-of-the-art technology.

Commitment to Quality and Innovation

Kelani Cables is synonymous with quality. It has a meticulously designed quality assurance process to ensure stringent quality control from raw materials to finished products. The Company manufactures its products

according to SLS (Sri Lankan Standards). Every product undergoes intensive testing as per national and international standards such as SLS, BS, IEC, JIS (Japan), AUS/NZ (Australia) and NFC (France) standards before reaching the market. The company conducts this intensive testing at three critical stages: the quality of raw materials before production, the monitoring of quality during the manufacturing process, and the final inspection of products before releasing products to the market. This rigorous process guarantees customer satisfaction and product reliability.

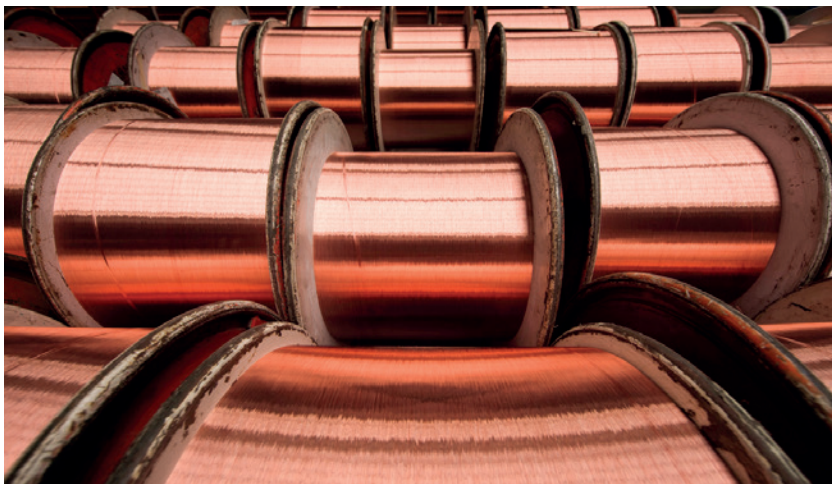
The company employs particular online detectors to identify and eliminate defects in manufactured cables and wires, maintaining product excellence through scientifically controlled processes. Adopting the Japanese 5S concepts, Kaizen, and quality circles, the Kelani team consistently delivers top-notch products and services, earning a sterling reputation in local and international markets.

Kelani's vision is to become the nation's leading electrical solution provider, driven by its mission to deliver more excellent value to shareholders through product development, advanced technology, and enhanced productivity.

Kelani is a critical player in both domestic and international markets, a significant supplier to key government departments such as the Ceylon Electricity Board, Lanka Electricity Company, Sri Lanka Telecom, the Department of Railways, and the Board of Investment-approved companies and dealers island-wide.

Kelani's Overseas Footprint

Kelani is committed to expanding its global presence, recognizing international market penetration as a key component of its long-term strategic growth. With a focus on both consolidating its position in existing markets and exploring new ones, the company's export marketing team continues to



Enamelled winding wires.



Low voltage underground cables.

An exporter to countries like Bangladesh, the Maldives, Pakistan, Mauritius, Seychelles, Dubai and Japan, Kelani is a critical player in both domestic and international markets.

drive growth in countries such as Bangladesh, the Maldives, Pakistan, Mauritius, Seychelles, Dubai, Japan, and beyond.

The company's sales office in the Maldives, along with its liaison office in Bangladesh, supported by a strong Sri Lankan representation, play a crucial role in expanding its export sales. Additionally, the active network of agents across Pakistan and other countries is enhancing the company's reach. By manufacturing customized cables

tailored to specific market needs, the company is poised to expand its brand presence in over ten countries, further strengthening its global footprint.

Sustainability and Community Engagement

Kelani Cables is deeply committed to economic, social, and environmental responsibilities. With over 50 years of operation, the company strives for sustainable growth while fulfilling its obligations

to people and the planet. Certified under the 'Responsible Care' Charter, Kelani upholds a health and safety-oriented culture and environmental stewardship. As an early signatory to the National Green Reporting System implemented by the Ministry of Environment in Sri Lanka, Kelani continuously measures and reports its sustainability performance, aiming to improve production processes and services.

An ISO 14001-certified company, Kelani adheres to internationally recognised environmental management standards. It has implemented measures to reduce its carbon footprint using renewable energy and responsible waste management practices. Recycling is a cornerstone of Kelani's commitment to environmental protection, with continuous tracking of reusing and recycling processes to optimise waste management. Supporting 500 families through direct employment, Kelani is

actively involved in local community initiatives, aiding in waste disposal and flood prevention efforts.

Ensuring Employee Well-being and Safety

Quality is the cornerstone of Kelani's practices; employee well-being and safety are integral to maintaining this quality. Every member of the Kelani team must adhere to stringent safety measures inside the factory, ensuring all personnel wear mandatory safety gear and are equipped with a medical room to handle emergencies. Each department has trained first-aid personnel to handle an emergency, and employees benefit from medical insurance and coverage under the Workmen's Compensation Act.

Expanding Horizons and Driving Innovation

Market penetration and expansion are crucial objectives of the company. It serves the domestic




Devinda Lorensuhewa, Deputy General Manager Marketing - Exports, Kelani Cables.

market through three strategic business units and boasts a robust distribution network capable of covering the entire island within a week. Recognising its crucial role in the country's economic well-being, Kelani constantly pushes boundaries to meet evolving customer needs, exploring new markets while expanding its presence in existing ones. Expanding its overseas footprint is part of its strategic plan for the future.

Innovation is at the heart of Kelani's operations. The company continually develops new products to meet the demands of high-growth sectors, supported by intensive research, development, and testing. Kelani specialises in customising products, pioneering new solutions for various industries, and reinforcing its position as a market leader.

A Bright Future Ahead

Kelani Cables' legacy of excellence and innovation prepares it for a bright future. Its commitment to quality, sustainability, and community engagement ensures it will continue to thrive, setting new standards in the industry and contributing to Sri Lanka's economic growth. 



Coaxial cables.



Control cables.

Transformer Manufacturer

Noratel: A Century of Excellence in Transformer Manufacturing

Noratel is a trusted leader in Europe's transformer manufacturing industry, renowned for delivering high-quality, customized transformers and wound components. With a legacy of over 100 years, Noratel is headquartered in Hokksund, Norway, and proudly serves some of the world's leading industrial companies across diverse sectors.



Noratel applies the APQP4Wind framework for its renewable energy partners.

Noratel Group is a global leader in transformer manufacturing, with operations in 21 countries and products in 66 nations across North America, Europe, and Asia. Employing over 3,000 skilled professionals, Noratel's advanced manufacturing facilities, including its plant in Sri Lanka's Katunayake Export Processing Zone, ensure unparalleled quality and efficiency for its customers worldwide.

Noratel's innovative transformer solutions power a wide range of applications globally, including ships, trains, wind turbines, lifts, escalators, cranes, solar panels,

refrigerators, and medical devices. Noratel offers one of Europe's most extensive selections of dry-insulated transformers and power supplies. Its diverse product range spans from compact wound reactors to robust three-phase power transformers designed to meet various industrial needs. Dedicated to excellence and tailored engineering, Noratel continues to be a reliable partner in advancing industries worldwide.

Noratel's modern manufacturing capabilities include microprocessor-controlled winding machines, automated testing systems, and gas annealing ovens, all operated

by professionally trained personnel. From compact inductors to complex three-phase power transformers, Noratel's teams craft every product with precision and reliability in mind.

With a unique focus on delivering customized solutions, Noratel thrives on addressing complex challenges across diverse industries. Leveraging in-house design expertise and state-of-the-art tools like Design for Manufacturing (DFM) and simulation software, Noratel optimizes every product's performance-to-cost ratio. High-quality testing frameworks and innovative production techniques, utilizing premium materials such

as UL-approved components, are hallmarks of the company's product excellence.

At the core of Noratel's success lies its commitment to Research and Development. Its global team of skilled transformer specialists collaborates closely with customers' engineers, co-creating tailor-made solutions that deliver optimal performance. This customer-centric approach has consistently driven success, particularly in industries such as renewable energy, medical technology, and transportation.

Noratel is unwavering in its dedication to quality. Its systems adhere to ISO 9001:2015 and ISO 14001:2015 standards, with medical transformers meeting ISO 13485:2021 requirements. Products comply with the stringent RoHS3 directive, ensuring environmental and safety excellence. Noratel applies the APQP4Wind framework for its renewable energy partners, a methodology crafted by leading wind turbine manufacturers to streamline quality assurance and product release processes.

Committed to a greener future, Noratel prioritises reducing its carbon footprint. Through energy efficiency measures, transitioning to low-carbon energy sources, and offsetting unavoidable emissions, the Group is steadfast in its journey toward achieving net zero. These efforts reflect Noratel's alignment with

its customers' sustainability goals, creating lasting partnerships for a better tomorrow.

Noratel has built its success on its talented and dedicated workforce. Engineers, sales teams, and customer service professionals work hand-in-hand with clients to develop high-performance, cost-efficient solutions. From initial consultation to final delivery, Noratel's team provides unwavering support, ensuring customer satisfaction at every step.

In today's competitive business landscape, Noratel embraces continuous improvement as a core philosophy. By measuring performance, providing regular training, and adapting to evolving market demands, Noratel ensures it stays ahead of the competition while maintaining the highest service and product excellence standards.

Noratel's factory in Sri Lanka plays a vital role in contributing to the country's economy by creating meaningful employment opportunities for the local workforce. Focusing on hiring and developing talent from the surrounding communities, the factory provides stable jobs for hundreds of Sri Lankans, empowering individuals and supporting families.


Beyond direct employment, Noratel invests in skill development and training, equipping its employees with technical expertise and fostering career growth. This approach strengthens the local labor market and

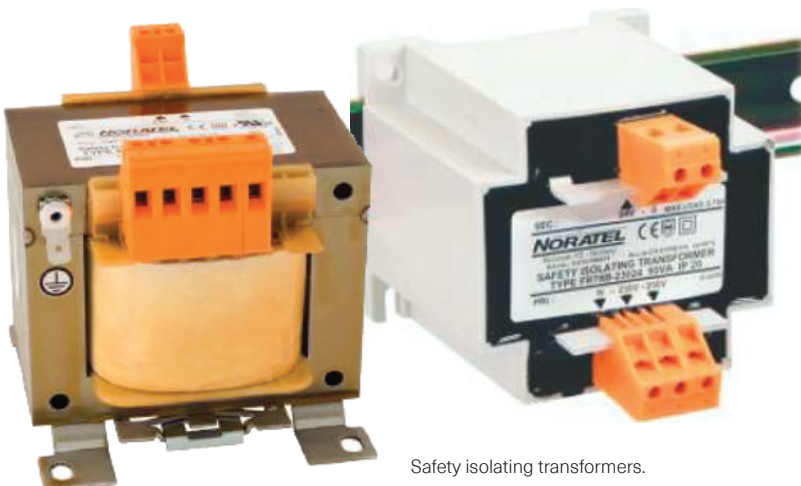


Jayant Mahajan, Managing Director, Noratel Sri Lanka.

enhances Sri Lanka's reputation as a hub for high-quality manufacturing. By operating within the country, Noratel contributes to economic development, uplifts communities, and reinforces its commitment to sustainable and inclusive growth.

Noratel's driven by a value proposition emphasizing sustainable and profitable growth for its shareholders, fostering trusted partnerships, and delivering exceptional quality solutions with reliable customer supply chains. As an employer of choice, Noratel creates a safe, respectful, and inspiring workplace, offering opportunities for personal and professional growth while nurturing a passionate and dedicated team.

Rooted in integrity and social responsibility, Noratel prioritizes health, safety, performance excellence, and environmental sustainability. Its unwavering commitment to achieving net zero underscores its dedication to a greener future. By seamlessly integrating innovation, sustainability, and a customer-centric approach, Noratel empowers industries worldwide, delivering exceptional value and helping its partners reach their full potential. 



Safety isolating transformers.

Sensor Manufacturer

Lanka Harness: Leading the Way in Precision Impact Sensor Manufacturing for Global Automotive Safety

Lanka Harness manufactures impact sensor switches for seat belts and airbags, serving world-renowned automobile brands. Committed to the highest quality standards, Lanka Harness is a global premier outsourcing solutions provider for automobile component manufacturers, delivering unparalleled precision and reliability.



The technical team is exceptionally skilled, backed by comprehensive and rigorous training.

Lanka Harness Company is where excellence in safety technology meets the pinnacle of Japanese engineering precision. As a leading manufacturer of impact sensors for automobile airbags and seat belts, Lanka Harness invests in ensuring the highest standards of quality and reliability. Its Biyagama Export Processing Zone factory is a testament to meticulous craftsmanship and cutting-edge innovation, driven by a commitment to safeguard lives on the road.

At the core of its operations is a rigorous adherence to quality control, inspired by Japanese training methodologies renowned worldwide for their exacting standards and continuous improvement principles. Its highly skilled engineers and technicians undergo extensive training in Japan, bringing back invaluable knowledge and practices seamlessly integrated into their production processes.

Every sensor Lanka Harness produces results from a harmonious blend of advanced technology and the meticulous attention to detail that characterizes Japanese manufacturing. From initial design to final assembly, they ensure that each component meets its stringent criteria for performance and durability. The company's state-of-the-art facility has the latest automation and quality testing equipment, enabling it to deliver products that meet and exceed industry standards. Lanka Harness understands that in critical moments during a collision, the reliability of its sensors can make the difference between life and death. That's why the company is unwavering in its commitment to quality, innovation, and safety.

Lanka Harness stands out as a premier exporter of impact sensors, serving a diverse global market that includes Japan, Romania, Thailand, Malaysia, Indonesia, Korea, Russia, China, North America, India, and beyond. Its clientele features automotive giants such as Toyota, Nissan, Honda, Mitsubishi, Mazda, Ford, General Motors, Chrysler, Volvo,

Saab, BMW, Aston Martin, Opel, and Renault.

Pioneering excellence, Lanka Harness proudly holds the IATF 16949:2016 certification—an industry first in Sri Lanka, the first time that Sri Lanka has entered the international market with a 1PPM quality product—alongside ISO 9001:2015, ISO 14001:2015 on environmental management systems and ISO 45001:2018 certifications. The company has achieved a groundbreaking milestone for Sri Lanka, entering the international



Dr Rohan Pallewatta, Executive Chairman, Lanka Harness.



Transformative collaboration through dedicated training with Japanese partners.



The team is dedicated to upholding the highest standards of quality, fostering innovation, and ensuring safety.



Their comprehensive product portfolio encompasses insert mould components.

market with a remarkable product quality benchmark of just 1 PPM (one defect per million parts produced).

Lanka Harness's outstanding achievement of 1 PPM precision is a testament to Sri Lanka's rich legacy of meticulous craftsmanship and unwavering commitment to quality, which has been spearheaded by monarchs for over two thousand years and built by creative hands. Therefore, this dedication to accuracy is deeply ingrained in the DNA of our people, reflecting a national tradition of excellence in every detail.


Lanka Harness attributes this extraordinary achievement to its collaboration with Japanese partners – Ito Springs, who provide ongoing training and updates, ensuring that the company consistently meets and exceeds stringent quality standards. As a result, Lanka Harness meets and surpasses critical performance indicators in the automotive industry. Its dedication to quality and innovation is reflected in its impressive annual turnover of one billion (1000 million) Yen. It has emerged as a key player in the country's export ecosystem and

stands out as a contributor to the country's economic well-being.

At Lanka Harness, its production team is deeply committed to a philosophy of uncompromising quality. This dedication is woven into every aspect of their work because its products are vital in saving lives. Beyond its high standards in manufacturing, Lanka Harness also profoundly impacts the lives of over four hundred employees and their families, fostering well-being and community through stable employment and a supportive work environment. Its team's pledge to excellence drives success and reinforces its commitment to safety and social responsibility.

Founded in 2002, Lanka Harness has achieved remarkable milestones on its journey to excellence. By 2013, the company was recognized as one of the top ten extra-large enterprises in Sri Lanka at the Ceylon National Chamber of Industries Achiever Awards, marking its swift ascent in the industry. Lanka Harness also won the Overall Winner-Silver and Category Winner – Manufacturing of the Best Management Practices Company Awards 2024 organized by the Institute of Chartered Professional Managers of Sri Lanka. This achievement reflects Lanka Harness's dedication, hard work, and commitment to excellence in management practices

Dr Rohan Pallewatta, Executive Chairman, envisions Lanka Harness as a beacon of innovation, firmly rooted in the belief that individual potential is the source of all greatness. He emphasizes that by investing deeply in its people, Lanka Harness unlocks their potential to create life-saving products that protect millions. He believes this achievement is a point of pride and a cherished accomplishment for the entire Lanka Harness team and the country.

Lanka Harness is committed to delivering unparalleled safety and reliability in every sensor it produces, solidifying its reputation as a trusted leader in the global automotive industry. 



Lanka Harness won the Overall Winner–Silver and Category Winner – Manufacturing of the Best Management Practices Company Awards 2024.

Designing and Manufacturing Sensors

HITEC Sensors: Sri Lankan Footprint on Global Brand

HITEC Sensors, a Massachusetts-based company with a specialist facility in Sri Lanka, has been at the forefront of sensor technology for nearly 50 years. Renowned for its expertise in designing and manufacturing load cells, strain gauge-based force and torque sensors, and comprehensive test systems, HITEC drives innovation with custom sensor solutions.



HITEC Specialist facility in Kadawatha.

HITEC Sensors is part of the Humanetics Group, a global technology organization that engineers safety, digital, and sensor solutions for critical environments. The Sensors division combines the strengths of three companies: Fibercore's fibre optics expertise,

HITEC's custom sensor design and assembly, and OpTek's precision engineering and micro-manufacturing.

Humanetics has 26 offices in the USA, Europe, and the Asia Pacific. Together, they create advanced sensors for a variety of industries.

HITEC's role is crucial in designing and assembling custom sensors for harsh environments with high precision and scalable production. This collaboration allows them to develop unique and advanced sensors to meet the specific needs of their customers operating in

medical, aerospace, industrial, automotive, and energy.

HITEC's sensors have played a pivotal role in space exploration, from orbiting Earth to landing on Mars. They measure airframe stresses, detect electric actuator forces, and provide essential data for modern aircraft health and usage monitoring systems. The combined capabilities of HITEC and Humanetics offer customers a unique ability to develop custom fiber sensors for critical environments, at micron precision. Humanetics is a leading manufacturer of crash test dummies and associated products for almost all leading brands in the automobile industry. Its diverse lineup of crash test dummy models accurately represents male, female, and child anatomies. These models are utilised worldwide by automotive manufacturers, safety and interior suppliers, child car seat makers, and regulatory bodies. Beyond automotive applications, their dummies play a crucial role in protecting soldiers from combat injuries, improving ejection seat designs for pilots, and studying the effects of space travel on the human body. They offer specialised dummies to gather data across various vehicle types, occupant seating positions, and impact angles, preparing for the imminent autonomous vehicle revolution. In the medical field, HITEC's sensors are integral to various devices that enhance diagnostics and improve patient outcomes, including infusion pumps, catheters, surgical robots, and laboratory analyzers.

HITEC operates a specialist facility in Kadawatha, Sri Lanka, encompassing 18,570 square feet of office and manufacturing space. With a team of 124 employees, including 26 engineers, HITEC distributes its range of sensors through subsystem manufacturers. Their sensors are integrated into leading aircraft and spacecraft, solidifying their position in the aerospace industry.



The state-of-the-art facility is equipped for designing, prototyping, manufacturing and has some of the best industry-specific testing equipment.

HITEC's extensive array of test equipment is so unique that only a few such units are available in South Asia, enhancing its capabilities in testing and refining its product offerings.

HITEC excels in providing private label services, designing, prototyping, manufacturing, and delivering customised solutions for various brands. As a prominent supplier to well-known industrial sensor manufacturers in Sri Lanka, HITEC serves two key market segments: supplying sensors directly to critical industries and manufacturing for private labels.

The Sri Lankan facility of HITEC is fully certified for the industries it serves. One of its key strengths lies in its highly skilled engineering and technical workforce. This state-of-the-art facility is equipped for designing, prototyping, and manufacturing and features some of the best industry-specific testing equipment. HITEC's extensive array of test equipment

is so unique that only a few such units are available in South Asia, enhancing its capabilities in testing and refining its product offerings. HITEC's advanced testing facility is also available for other companies to conduct life cycle testing, environmental testing, laser marking, and laser welding.

Managed by a team of Sri Lankan executives, the facility operates meticulously in line with the parent company's standards. The US team supports the Sri Lankan operations, constantly monitoring progress and providing ongoing support to maintain the Group's values and norms.

A teamwork and continuous improvement culture helps the operations stay aligned with industry standards. The primary



The company emphasizes on quality.



HITEC has highly skilled engineering and technical workforce.

Quality and reliability are the cornerstones of HITEC's production process, especially in the aerospace industry, where there is zero tolerance for failure.


advantage of manufacturing in Sri Lanka is the skilled workforce, which is known for being quick learners and adept at skill development. Their strong commitment to the organisation reinforces this. The management has established a relationship of trust with the workforce, ensuring that they meet their needs while they strive to maintain HITEC's high-quality standards.

HITEC achieved 'Supplier of the Year' award for 2023, awarded by BAE SYSTEMS Rochester, UK. That is a significant milestone for the Sri Lankan facility, accomplished by meeting the comprehensive needs of a diverse customer base while maintaining a focus on quality.

The facility is AS9100 Rev D certified, RoHS compliant, and ISO/IEC 27001 certified, with ISO 14001 certification in progress. HITEC takes pride in having the fastest delivery times, supported by all branches of its staff.

Quality and reliability are the cornerstones of HITEC's production process, especially in the aerospace industry, where there is zero tolerance for failure. The company ensures this by subjecting every product to stringent acceptance testing before customer delivery.

HITEC Sri Lanka is on a growth trajectory, emphasising quality and a customer-centric approach to fully meet customer requirements, regardless of order size or brand stature. The company caters to leading global brands, including the luxury automobile segment and smaller labels, contributing to the empowerment of individuals and families in Sri Lanka.

As HITEC grows, the benefits will return to Sri Lanka through expanded capacity and increased employment of professionals and skilled individuals. As part of a global Group, HITEC Sri Lanka has effectively showcased local expertise and skills, positioning Sri Lanka as an attractive destination for foreign investments. 

Technology Innovations

Zone24x7: A Beacon of Innovation and Excellence in the Global Technology Landscape

Zone24x7 stands as a beacon of innovation and excellence in the global technology landscape. Through relentless research and development and a commitment to creating impactful solutions for its clients, it continually pushes the boundaries of what is possible.



Alfred Robot designed by Zone24x7.

Zone24x7 has carved a niche as a global end-to-end technology innovation company. The organisation serves diverse clients, from startups to Fortune 500 companies. They have been in the industry for over twenty years with proven engineering capabilities in Software, Electronics Design, AI, and Data Science.

The company is ISO/IEC 27001 certified for information security management in software development and IT infrastructure services. The organization's unique position as a provider of both software and hardware solutions sets it apart in the IT solutions landscape.

The corporate culture is built around customer-centric innovation, continuous learning, and knowledge sharing, fostering a diverse and inclusive workplace. The company leverages the latest technologies, such as Machine learning and AI, Cognitive Vision Analytics, and Data Science, to weave complete solutions. This enables them to serve multiple verticals, such as retail, fin-tech, healthcare, telecommunications, automotive, education, next-gen warehousing, and logistics, to name a few.

Zone24x7 sets itself apart by providing turnkey solutions that include electronics engineering, firmware development, and enterprise-level software solutions. This is made possible by the best engineering talent, who bring the expertise to help clients transform ideas into market-ready products and solutions. The organisation's culture of innovation fuels a dynamic, adaptable

Zone 24x7's global presence has made it a valuable entity to the Sri Lankan economy, boosting the country's foreign exchange reserves...


development cycle. With feedback loops, collaboration, and advanced technology, each product is crafted with care and validation, delivering success in a competitive market.

The company's commitment to research and development is critical to its success. Partnering with industry bodies and leading universities has helped them to be at the forefront of technology.

Zone24x7 has gained recognition numerous times nationally by securing awards at the NBQSA (National Best Quality SW awards) and was recognised as a Gold winner at the Asia Pacific ICT Alliance (APICTA). The tradition is kept alive by securing the only national award in the R&D category for 2024 at the NBQSA.

The company's contribution to the export ecosystem has been recognised with the Presidential Export Award for the Highest Value-Added Exporter in the high-tech innovative product sector, solidifying its status as a leading innovative product developer globally.

The engineers at Zone24x7 undergo continuous training and development to position them as industry leaders. The company also provides valuable learning opportunities for students through internships. These internships offer students hands-on experience working alongside engineers, coupled with mentorship and training.

Additionally, Zone24x7 invites universities and industry partners to share new insights and knowledge with their employees, reinforcing the company's drive to cultivate a culture of learning and innovation. 



The awards won by Zone24x7.



Zone24x7's Embedded Systems team received a Merit Award in the Research and Development Category at the National ICT Awards (NBQSA).



Neshae Fernando, Chief Executive Officer, Zone24x7.

News

Mangala Wijesinghe Assumes Duties as EDB Chairman

Mangala Wijesinghe officially assumed duties as the 16th Chairman of the Sri Lanka Export Development Board (EDB) on October 16, 2024, at the EDB headquarters. He initially joined Browns & Company 16 years ago.

Upon assuming his new role, Wijesinghe addressed the staff of the Export Development Board: "We should diversify and focus more on high-tech industries like electronics and pharmaceuticals, similar to what other countries like Singapore and South Korea are doing. We have to focus on that as well. Another important factor is service exports. Last year, service exports recorded USD 3.1 billion in revenue compared to 2022, reflecting a 69 percent growth driven by ICT, logistics, transport, and construction. The new Government plans to achieve USD five billion for ICT industry export revenue by 2030, and we also aim to reach that target. I want to take this opportunity to highly appreciate the hard work done by my predecessors, especially the past Chairpersons, the Board of Directors, and the staff members."

"We may need to review our National Export Strategy, which was implemented in 2018. Our exporters are facing complex approval processes involving multiple activities. The new Government plans to digitalise and interconnect all government institutions and services. With that, we can simplify and speed up these processes."

"We must identify and remove all barriers and impediments that hinder the growth of the export sector and find avenues to encourage exporters."

"We need to increase the number of products in our export basket and the number of exporters to boost our revenue. Therefore, we must align with the Government's



Mangala Wijesinghe officially assuming the Chairmanship of the EDB.



The newly appointed EDB Chairman and the Senior Officials of the Board.

plan. Hopefully, we can achieve this goal, as the Government also aims to increase export revenue, and we must support its efforts."

"We need to pay special attention to three key areas: increasing the current per capita export revenue, improving Sri Lanka's ranking on the ease of doing business index, where we are currently positioned at 99, and achieving an export income of USD 30 billion by 2030."

"I believe in your commitment, and as a person, I consider myself a team player. We need to work as a team to build a thriving nation."

Before his appointment to the Export Development Board, Wijesinghe served as the Chief Operating Officer at Browns & Company. He brings over 25 years of senior and executive management experience across diverse sectors,

including pharmaceuticals, chemicals, consumer electronics, industrial engineering solutions, and telecommunications technology.

Wijesinghe holds a degree in Economics from the University of Sri Jayewardenepura and a postgraduate degree in Business Administration from Cardiff Metropolitan University. He is also a Chartered Professional Manager in Sri Lanka, with extensive business management and strategic planning expertise.

Wijesinghe has been actively involved with both local and international associations related to export development. His appointment as the Chairman of the Export Development Board is regarded as a new beacon of hope for Sri Lanka's export sector, with the potential to bring about significant changes. ■

News

EU is Committed to Uplift Sri Lanka's Economic Fortunes

European Union (EU) Ambassador to Sri Lanka Her Excellency Carmen Moreno reiterated their unwavering commitment to uplift the island's economic conditions by engaging in fruitful collaborations. The Ambassador made these remarks when she made a courtesy call on the newly appointed EDB Chairman Mangala Wijesinghe on November 7, 2024, together with Lars Bredal, Deputy Head of Mission.

The Envoy expressed satisfaction with the new Government's strong will to eradicate bribery and corruption by enhancing the capacity of anti-corruption institutional mechanisms, emphasizing the necessity of wiping out the culture of bribery to attract Foreign Direct Investments (FDI) from the EU. "Sri Lanka's progress on anti-money laundering efforts and countering the financing of terrorism had been steady and commendable. Also, significant efforts had been made to implement the multilateral environmental conventions apart from demonstrating compliance on both forced labour as well as child labour." Her Excellency expressed satisfaction with the laudable government policies at the discussion with the EDB's top officials.

During the conversation with the top diplomat, the EDB Chief pointed out that Sri Lanka's attractiveness as a destination for FDI would improve considerably in an environment characterized by increased political stability and policy continuity after the impending General Election. He also expressed his gratitude towards the EU for the extensive assistance and cooperation provided to Sri Lanka over the years to boost the competitiveness and market positioning of the nation's exports through various initiatives.

The EU was Sri Lanka's second-largest export market 2023 in market regions, accounting for USD 2,718



EU Ambassador to Sri Lanka Her Excellency Carmen Moreno conversing with Mangala Wijesinghe, Chairman, EDB accompanied by Lars Bredal, Deputy Head of EU Mission in Sri Lanka.

million in merchandise exports. The common market is a significant destination for Sri Lankan apparel, which has been instrumental in driving export growth and creating jobs within the country. Sri Lanka also benefits from enhanced market access to the EU under the GSP+ facility, which was reinstated in 2017, offering critical sustenance to the country's economy. The mechanism of one-way trade preferences offers the full removal of duties on 66 percent of tariff lines on various products.

The Delegation of the EU to Sri Lanka extended valuable technical assistance during the EDB's endeavour to obtain Geographical Indication (GI) certification for Ceylon Cinnamon with the support of numerous public and private stakeholders. The National Export Strategy of Sri Lanka (NES 2018-2022) was formulated with funding from the 'EU-Sri Lanka Trade-Related Assistance' project and technical support from the International Trade Centre (ITC), Geneva. Moreover, the four-year EU-Sri Lanka Trade-Related Assistance project, which was concluded in 2021, assisted local SMEs in increasing trade

competitiveness within the EU and regional markets with special attention given to enhancing value chains in spices and concentrates, processed food and beverages, as well as IT/BPO. In terms of promoting the IT/BPO sector through the EU-funded project, local SMEs entered eight new markets in Europe and Asia with the aid of the collective guidance and monitoring of the EDB and SLASSCOM. Over 300 business meetings facilitated connections, while 120 SMEs received targeted training and coaching to enhance export capabilities with the support of the International Trade Centre. This multilateral agency works with the WTO and UN Trade and Development to promote global trade.

The meeting ended with the EU representatives and top officials of the premier State Export Promotion Agency agreeing to work in a spirit of cooperation and understanding to deepen the trade integration between Sri Lanka and the influential Political and Economic Union of 27 member States. Director General Champika Dharmasena and other senior officials joined the discussion on behalf of the EDB. □

GO DEEPER

Go Deeper: Sri Lanka's Rubber Industry



The next edition of the Business Lanka Magazine will focus on Sri Lanka's rubber industry. Sri Lanka's rubber industry is a robust and dynamic sector with significant potential for growth. Its contributions to the export economy are substantial, driven by high-quality production, advanced manufacturing capabilities, and a commitment to sustainable practices. As global demand for rubber products rises, Sri Lanka is well-positioned to capitalize on these opportunities and reinforce its status as a leading player in the international rubber market.

The rubber industry in Sri Lanka is a cornerstone of the export sector, contributing significantly to the nation's foreign exchange earnings. Natural rubber and rubber-based products, such as tyres, gloves, and industrial goods, form a substantial part of the export portfolio.

The industry has a well-established supply chain encompassing cultivation, processing, and manufacturing, which ensures a steady flow of high-quality products to international markets.

Sri Lanka's commitment to sustainable and ethical practices further enhances its appeal in the global market, where consumers increasingly prioritize eco-friendly and socially responsible products.

One of the primary strengths of Sri Lanka's rubber industry lies in its well-integrated infrastructure and expertise in value addition. The country has developed advanced manufacturing capabilities, enabling the production of a diverse range of rubber products that meet international standards. This value addition is crucial in positioning Sri Lanka as a competitive player in the global market, as it allows for higher profit margins and reduces dependency

The rubber industry in Sri Lanka is a cornerstone of the export sector...

on raw rubber exports. Moreover, the government's supportive policies and initiatives are vital in bolstering the industry's growth. Investment in research and development, coupled with efforts to improve plantation productivity and encourage innovation, ensures the industry's resilience and adaptability to changing market dynamics. Strategic partnerships and collaborations with international stakeholders also facilitate knowledge transfer and technological advancements, further strengthening Sri Lanka's rubber sector. [\[1\]](#)



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