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CHARTERED MANAGER

Port City Colombo

Promise of
Opportunity

Thulci Aluwihare

Assistant Managing Director of
CHEC Port City Colombo (Pvt)



An aerial night view of Port City Colombo, showing a dense cluster of illuminated high-rise buildings and residential structures along a curved coastline. The city lights reflect on the water, and a long, straight breakwater extends from the city into the dark sea. In the top left corner, there is a graphic of several concentric white arcs.

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PORT CITY COLOMBO PROMISE OF OPPORTUNITY

Amidst severe controversy and widely divergent views, the Government of Sri Lanka in collaboration with the People's Republic of China is in the process of constructing an extension of the Colombo Central Business District. It is expected to be an economic and commercial hub for the country. In May 2021, The Parliament of Sri Lanka approved the Port City Commission Bill to establish the Port City Colombo.

While it is expected that there will be international interest in investing in the project, controversy has arisen because it is unclear to some as to whether this enclave will be governed by a separate independent authority, with its own special Colombo financial court.

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FROM THE CHAIRMAN

JOURNAL COMMITTEE



Many economic uncertainties exist about the nature of a post-COVID future for the world economy and for Sri Lanka. There is much debate about whether an eventual recovery will be V-shaped or U-shaped and what risks may cloud the economic outlook.

It is noteworthy that Sri Lanka has put down an important marker by launching the potentially transformational Port City project to help realize its ambition of becoming a regional trading and services hub in the Indian Ocean. It could be particularly attractive to businesses from India, China, Japan and other Asian countries interested in relocating to a safe and convenient.

Sri Lanka has the twin advantages of leveraging a strategic geographical location and drawing on the experience of Special Economic Zones elsewhere on what works and what does not. Putting in place good national economic policies and a competitive Special Economic Zone framework will markedly improve the odds for Port City to succeed over time in challenging economic times.

In this context, we at CPM Journal Committee brings you 'Chartered Manager' September 2021 issue with useful information for our members and stakeholders.

On behalf of CPM Sri Lanka let me thank Mr. Thulci Aluwihare, Assistant Managing Director, CHEC Port City Colombo (Pvt) Ltd

for readily accepting to be featured in the lead article by way of an interview. The other contributors of articles Ms. Yamuna Jayaratne, Ms. Sandra de Zoysa, Mr. Rajeeva Bandaranaike together with Mr. Purasisi Jinadasa and Mr. Bingumal Thewarathanthri will provide an overview of Port City Colombo covering diverse areas such as its Engineering Marvel, Strategies, Marketing, Opportunities for the financial services sector particularly, offshore banking, how it creates a platform for vibrant capital markets, and opportunities for a future ready workforce.

Let me also thank Mr. Nisal Karunapala and Ms. Semini Piliapitiya at CHEC Port City Colombo (Pvt) Ltd for their time and efforts and coordinating all related matters with our secretariat.

I wish to appreciate and recognize the leadership and guidance provided by our President Prof. L.R. Watawala, valuable inputs provided by the members of the Journal Committee and the Director of CPM Sri Lanka and his team in keeping up the good work and publishing the Journal in a timely manner.

We will continue to enrich the quality of our Journal with timely important topics and appreciate your feedback and suggestions so that we could consider such inputs in improving our future issues.

Stay Safe!

H.M.Hennayake Bandara

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PHOTO CURTSY FOR FEATURE INTERVIEW
Noel Ranjith Malinda

FROM THE FOUNDER AND PRESIDENT

In the midst of continuing health restrictions, lockdowns, and economic slowdowns it is expected that the rapid vaccination programme will enable countries to gradually open up and get back to normal business. I am pleased that CPM Sri Lanka and our members have been able to continue their work without much hindrance. While many have had to curtail their activities, we have continued our services and programmes enabling members to do many of the CPM activities digitally. This has enabled them to show resilience and continue their professional commitments unabated.

Our members have been kept abreast of all current and relevant information through our digital network and the CPD Webinars and of course through our Journal which will be in your hands shortly. Even though it was a daunting task to publish it, we are greatly pleased that our concerted effort has proved victorious. We have dedicated this Journal to give coverage to the Port City Project, a major project which has resulted in the reclamation of the sea with a cost of US \$ 4.6 B expanding the land map of Sri Lanka by 269 Ha. This project is expected to change the entire economic and social fabric of the nation. So vast will be its impact, that we decided that we should provide complete coverage of the Port City Project for the benefit of professionals, businessmen, bankers, foreign investors and the society to understand what it is, the benefits, challenges, opportunities and impact on the economy, society and environment.

It is heartening to note that the Port City Project is a Public-Private Partnership which if used for earlier projects carried out by the Government, would have saved the country from the serious debt problems causing considerable harm to the economy and society.

As President, I must acknowledge the pivotal role played by Mr. Thulci Aluwihare, Assistant Managing Director, CHEC Port City Colombo (Pvt) Ltd. in leading this task and providing all details of this gigantic project. Mr. Nisal Karunapala, Assistant Manager-Strategy & Business Development, and Ms. Semini Piliapitiya, Analyst-Strategy and Business Development at CHEC Port City Colombo (Pvt) Ltd. ably assisted us in bringing together all relevant information and were able to coordinate the work between CPM Sri Lanka and the Port City Colombo.

We wish to announce to Members that your Council took an unprecedented decision

recently despite the COVID19 pandemic to move to new premises at No. 11, Melbourne Avenue, Colombo 04. This move will enable us to expand our services to members and launch the CPM Professional Management Programme in early 2022 to provide education and training to a large number of junior and senior managers in the private and public sectors. The 'CPM Professional House' will host CPD activities for members both in digital and physical forms and provide more opportunities for members to get together. We shall be moving in mid-October and I invite our members to visit us and make use of the many facilities we will provide for you.

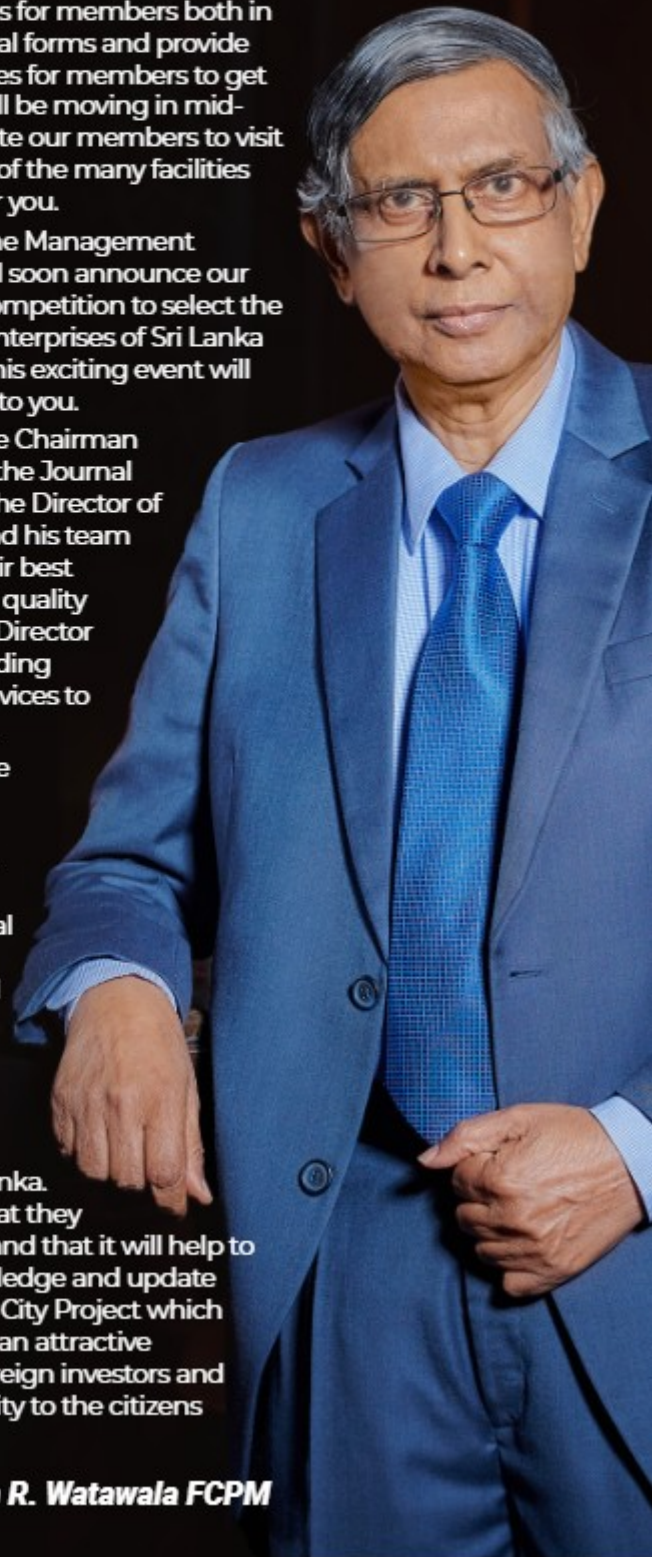
As the leader in the Management Profession, we will soon announce our new Corporate Competition to select the "Best Managed Enterprises of Sri Lanka 2021". Details of this exciting event will soon be available to you.

I wish to thank the Chairman and members of the Journal committee, and the Director of CPM Sri Lanka, and his team who have put their best effort to publish a quality Journal. Also, the Director and staff for providing uninterrupted services to the membership.

The Journal will be available both in digital and print mode and will be despatched to all our members local and overseas as well as public and private entities, embassies, universities, professional and educational institutes in Sri Lanka.

I am confident that they will find it useful and that it will help to widen their knowledge and update them on the Port City Project which we expect will be an attractive proposition for foreign investors and will bring prosperity to the citizens of Sri Lanka.

Prof. Lakshman R. Watawala FCPM

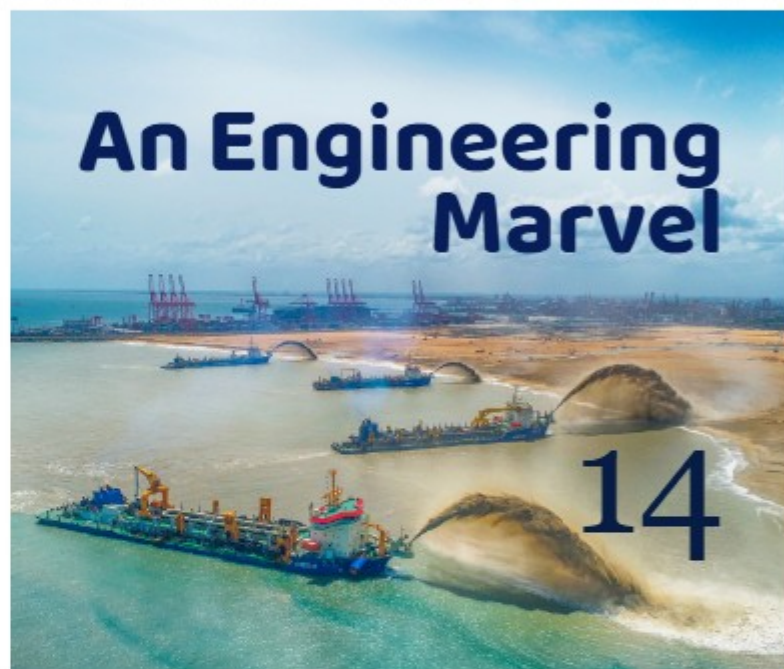


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In an interview with
'Chartered Manager'
Journal, Ms. Sandra De
Zoysa, Chairperson of
Sri Lanka Association of
Software and Services
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(SLASSCOM) shared
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PORT CITY COLOMBO Promise of Opportunity

Amidst widely divergent views and severe controversy, the Government of Sri Lanka enacted the Port City Colombo Economic Commission Act No. 11 of 2021 in May 2021, demarcating the 269 Ha reclaimed extension of the Colombo Central Business District as a multi-services Special Economic Zone.

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BUILDING A WORLD-CLASS CITY FOR SOUTH ASIA





In this interview with 'Chartered Manager' Journal, **Ms. Yamuna Jayaratne** focuses on an in-depth overview of Port City Colombo. She is the Director-Sales and Marketing of CHEC Port City Colombo (Pvt) Ltd. The following is for your reading pleasure;

What is Port City Colombo?

Port City Colombo is an extension to the commercial heart of Colombo – the Central Business District, spanning 269 hectares (ha) of land reclaimed from the sea. By building a world-class city, augmenting Colombo's proposition as one of the best places to live, Port City Colombo aims to attract talent and investment to ensure a sustainable economic future by accelerating internationalisation.

The multi-service Special Economic Zone status conferred by the recently enacted Port City Colombo Economic Commission Act positions Colombo as the ideal platform to leverage Sri Lanka's geographical location connecting the East and West.

The reclaimed land of 269 ha is divided into 74 parcels of developable/ marketable land, totalling 179 ha and 91 ha (equivalent to a third of the reclaimed land area) that is allocated towards public spaces such as a 2 km beach, 27 ha of parks, roads and streets. Once fully developed, the city would boast 6.3 million sqm of gross floor area that is predominantly allocated towards residential, office, retail and hospitality uses.

What are the unique concepts that are embodied in the Port City Colombo master plan?

Our vision is to "Build a world-class city for South Asia" by adopting future-ready smart city concepts and providing amenities paralleled to those in modern cities such as Singapore or Dubai; integrated seamlessly with stunning views of the Indian Ocean and lush greenery.

By developing this as a master-planned township, Port City is able to complement Colombo and have an edge over other cities in the South Asian region as its premiere residential, leisure, and business destination.

For the first time in Sri Lanka, a comprehensive Master Plan and Development Control Regulations (DCR) has been set out for the entire reclaimed area to provide development regulations on urban design, utilities, landscaping, and sustainability. These guidelines span over 1,500 pages are expected to be gazetted shortly to ensure compliance and enforceability.

The prevalence of a master plan and DCR ensures that ad hoc developments do not happen over time thus, offering a significant level of comfort to developers and residents within the city. This also ensures that development activities within the city are carried out in a manner that avoids traffic/ congestion and is supported by adequate utility infrastructure such as electricity, water and gas.

The master plan is also designed in such a way that dense high-rise developments in the Financial District are adjacent to the existing CBD whilst low-rise developments are envisaged closer to the shore which allows for natural lighting/ ventilation and also optimises views of the Indian Ocean from across the city. Four thousand trees will also be planted within the new city, creating a green lung for the CBD.

The volume of the DCR devoted to sustainability provides detailed guidelines on how real estate developments within the Port City must take into consideration their impact on the environment by optimizing the use of building materials, minimizing usage of electricity and water by initiatives such as smart metering and renewable energy are stipulated. Compliance with the highest of green building standards also incentivised to ensure that Colombo is propelled towards environmentally conscious development.

The emphasis made on sustainability for real estate development is echoed in the wider infrastructure development as well. The city encourages a commuter, pedestrian and cycling-friendly city with ample provisions for shaded walkways, cycling tracks and integration with public transportation including provision for an elevated LRT line.

The concept of transit-oriented developments are also explored where several real estate developments would be integrated with transportation infrastructure such as the elevated LRT line. These developments are expected to be highly densified with mixed uses such as residential, office and retail thus, saving public commute and travel within the city.

Finally, it has to be noted that Port City Colombo is a long-term project which we envisaged to be completed in 20 years. As market conditions, urban planning, etc. evolve, there is provision for the master plan also to be amended to reflect these and remain relevant in the longer term.

Who are the creators of the master plan?

Development of the Master Plan was in consultation with SWECO of Sweden, Atkins of UK, Suburna Jurong of Singapore - the Master Planners for the city of Singapore and AECOM of USA. A benchmarking study of this master plan against regional cities was also carried out by the international real estate consultant, Jones Lang LaSalle (JLL). No other commercial city in South Asia boasts a Master Plan developed by world-renowned consultants.

A testament to their planning excellence is the multitude of international awards won by the project such as the Silver Award for Master Planning at the Singapore Landscape

Architecture Award 2017, the Gold Award at Yuan Ye Urban Design Awards 2018, and an honourable mention at the International Federation of Landscape Architects AAPME Awards 2018 and most recently Global Best Project by International Engineering and Construction News Magazine, Engineering News Record (ENR) at their 8th Annual Global Best Projects Competition in 2020.

The Port City Marina: a luxury lifestyle destination

The Marina District looking out to the 5.8 ha marina basin, just adjacent to Galle Face, is a leisure destination organized in a "village" structure with small intimate internal streets. The quay is a place for an evening stroll and offers breath-taking vistas of leisure boats in the marina; a view that is just perfect as you shop, dine and entertain.

The Port City Marina hopes to attract the luxury and superyachts as well as attract international regattas and luxury boat shows. This facility would no doubt be a key attraction for Ultra High Net worth Individuals to stop over as they sail between destinations such as Dubai to Singapore, Malaysia, and Thailand.

The 15 ha allocated for this precinct comprises prime real estate for hospitality, retail, and entertainment features as well as luxury residences and amenities such as a yacht club. The marina has the capacity to berth approximately 200-220 luxury yachts.



The Financial District

This precinct, spanning 40 ha, would be the urban heart and main retail destination where business and pleasure come together in a world-class commercial district. As home to global businesses and a diverse base of employees, this district is envisioned to become a vibrant business centre with landmark Grade 'A' Office Buildings extending as high as 350 m (similar to Lotus Tower).

Pedestrian malls developed along the main boulevard would add vibrancy whilst the lush and green continue as the central spine of activities throughout the city, connecting the different districts.

Central Park Living: the quintessential green lung of Port City

Enjoy nature in the heart of the city. Cycle, run stroll and picnic in a lush oasis. We envisage this precinct to be of medium density with an eclectic mix of residential and commercial properties. The best feature within this precinct would be the "Central Park" lush green tropical park with an extent of 14 ha which is 3 times the size of Galle Face Green. The project company has already planted over 1,000 trees paying special attention to protecting flora that is endemic to Sri Lanka. An internal saltwater channel that meanders through land divides the central park precinct into two.

International Island: where the world will meet at Port City

This precinct of 85 ha would house the most socially important strategic developments. An international convention centre which would cater between 3,000 to 5,000 delegates with multipurpose and flexible exhibition space, auditoriums and meeting rooms coupled with state-of-the-art facilities and modern tech will propel Sri Lanka as an attractive destination for business travellers. A plot earmarked for a business hotel is just adjacent to the convention centre, which will complement its activities.

In addition to this, an international school of global repute is envisaged to house 1,000 students with over 300 boarding students. Studies and surveys conducted by leading international property companies have proven time to time again that the key consideration for residential property purchase by Asian HNI's is motivated by access to world-class education. We are creating an opportunity within Port City to attract these students to Sri Lanka by providing a safe and secure destination closer to home with the same quality of education. Availability of such facilities will continue to drive secondary demand for residential real estate.

International Island will also have an international health care facility with a global reputation for excellence in health care. Not only do we curb the outflow of funds from the country for medical care we would also be widening the scope in attracting medical tourism into the country.

The largest parcel of land within Port City is also a part of this precinct, spanning over 15 ha, is earmarked for the development of a world-class integrated resort and theme park which we expect to be a catalyst for the Sri Lankan tourism industry.

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Island Living: where the charm of living in a lush tropical island nation is truly captured

The Island Living precinct is the largest land bank at Port City with 95 ha, consisting of beachfront luxury residential villas and resorts close to the sea, 2 km uninterrupted beach spanning 13 ha, 70 m canal and Central Park. Despite the district having a local/ quiet character, the main boulevard would offer shops, restaurants and services for the residents. Toward the North of this precinct, 10 ha of land is earmarked for the development of luxury villas – in the style of a gated community.

Are developers required to adopt the building designs featured on the spectacular renderings/ scale model of Port City?

The developers will be free to use architectural designs of their choice that are guided by the development control regulations, which will only provide specifications such as maximum gross floor area, building heights, landscaping requirements, parking regulations, etc. Each development will have mandated predominant uses such as office, retail or residential and developers will also be afforded adequate flexibility to incorporate other complementary uses. Further, the DCR will stipulate landscaping requirements within each plot as well as on vertical structures to ensure there are ample public and circulation spaces for residents/ occupiers.



EXISTING MASTERPLAN FOR PORT CITY CBD



Figure 1: Existing masterplan, Source: <http://www.portcitycolombo.lk/>

What are the ongoing developments?

The first development within the Financial District, Phase 1 of the Colombo International Financial Centre (CIFC) was committed by Browns Investments PLC and China Harbour Engineering Company. This mixed-use complex will see the development of two residential towers with 600 apartments, a serviced apartment tower, a Grade A office tower of over 48,000 sqm and a retail mall. This project comprises of a land area of 3 ha with an investment value of over USD 450 Mn.

The project has also garnered investment for 5 land parcels in the Marina District which are expected to commence development work shortly. We are also witnessing increased interest by both international and local investors despite a challenging environment due to the pandemic and turbulent economic conditions.

While the internal infrastructure is in progress, we will utilise our large bank to roll out leisure facilities to the public soon. A yacht chartering company is currently offering cruises from the Port City Marina. An aqua golf range that is already operational will be complemented by a quad-bike (ATV) track, beach and water sports, beach clubs, playground and a 5-hole golf course shortly. A stretch of the marina promenade and beach will also be opened for the public towards the end of this year. A duty-free store will be opened during the first quarter of next year to boost shopping tourism in Sri Lanka and we believe it will be complemented by other leisure activities at Port City.

How will Port City affect traffic flows within Colombo?

The Project's objective is to promote a pedestrian and commuter-friendly city. However, vehicular traffic is unavoidable despite the availability of four-lane wide access roads within the Port City. Therefore, a traffic impact assessment has been carried out along with the environmental impact assessment of the Project. This points out that traffic caused when the project operationalises would be eased by developments such as the Port Access Elevated Highway which is currently under construction and is expected to be completed by late 2022. This will also connect the Project to the Bandaranaike International Airport within just 25 minutes and also the national expressway network thus, being highly advantageous for traffic flows as well as to enhance the proposition for tourism both within and outside Port City.

Additionally, the Government has embarked on the construction of multiple flyovers across Colombo as well as the extension of Marine Drive which are expected to ease the current traffic in Colombo. The Project is also expected to be connected to the Marine Drive as an underground extension.

The DCR also guidance to develop adequate vehicular access and parking facilities within each plot to accommodate their requirements and avoid any congestion within the city.



How will the 91 Ha of public areas be maintained?

Maintenance of public areas within the Port City would be entrusted to a joint venture between the Government (51%) and Project Company (49%) known as the Estate Management Company (EMC). The EMC would provide a high standard of service on carrying out of maintenance works of public spaces such as the beach, water areas, parks, roads and streets. The EMC will operate as a not-for-profit venture that will seek reimbursement of its expenses by levying a service charge from all occupiers of the city.

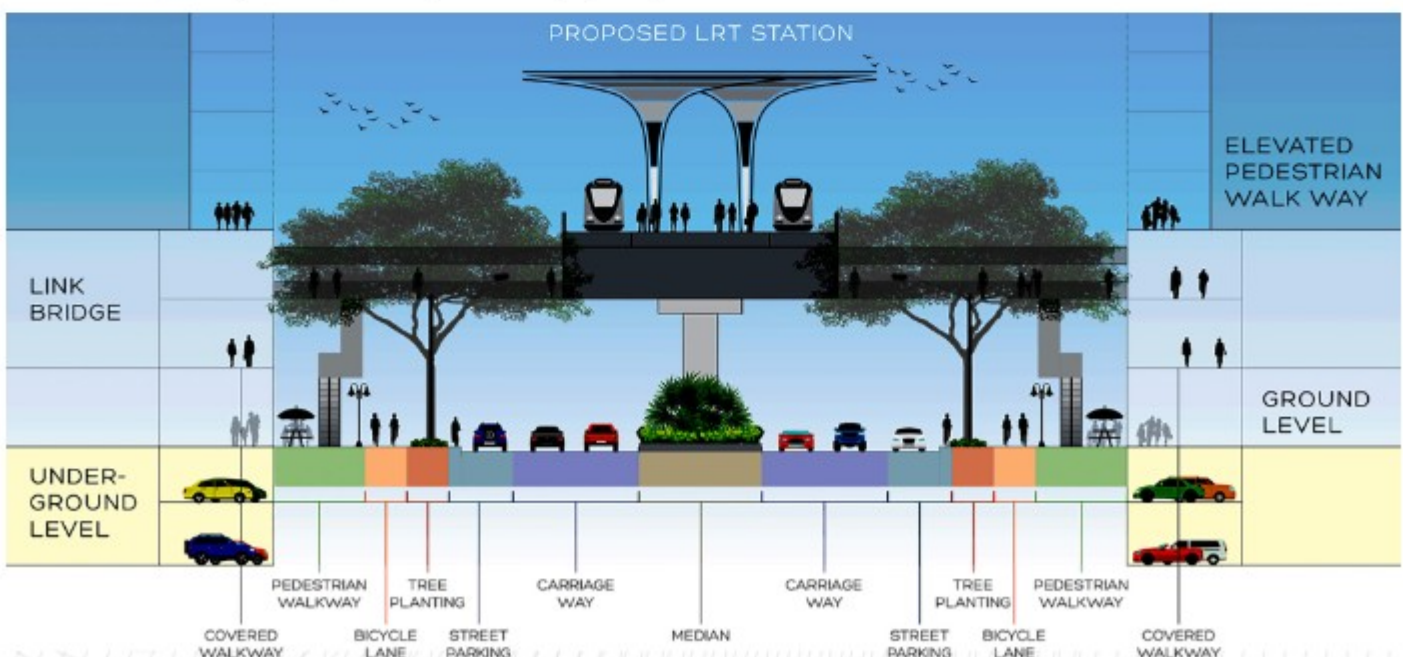
What has been the land allocation mechanism between the Project Company and the Government of Sri Lanka?

CHEC Port City Colombo (Pvt) Ltd - the Project Company or master developer, entered into an agreement with the Government in 2016, to develop the Port City as a public-private partnership (PPP).

The PPP arrangement with the Government provides freehold ownership of all reclaimed land to GoSL whilst leasehold rights over 116 ha of marketable land (43% of land) will be granted for CPCC to monetise to recover its investment and generate returns for its financiers.

The GoSL will retain 62 ha (23%) of marketable land that it could lease out to investors, including strategic plots allocated for an international school, hospital as well as an exhibition and convention centre. GoSL will also own 91 ha (34%) of public spaces such as a 13 ha public beach, 27 ha of parks, roads, and streets which would otherwise have to be developed at the GoSL's own expense.

The Government's obligation in this PPP is to ensure a conducive environment for doing business with a supportive legal framework and infrastructure such as road connectivity and national infrastructure programs for electricity and utilities.



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AN ENGINEERING MARVEL



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Head of
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Wijesooriya**

Head of
Environmental
Management Team



**Sunil
Shantha**

Technical
Director



**Sanjeewa
Alwis**

Manager-MEP



**Chinthaka
Athaudage**

Landscape
Chief Supervisor



Reclamation of land from the sea has been widely used across the world for several decades. Whilst low-lying countries such as the Netherlands and Indonesia have viewed it as a solution to tackle flooding caused by rising sea levels, the densely populated city states of Singapore and Hong Kong have used reclaimed land to accommodate a growing population and commercial activities. On the other hand, the Palm Jumeirah of Dubai is among the world's most exclusive tourist and lifestyle destinations.

The reclamation of land for the development of Port City Colombo, much like any other reclamation project in the world, has come under criticism during its initial stages. In this backdrop, we set out to gain a deeper understanding of the engineering concepts used in this first of its kind infrastructural development in Sri Lanka.

A protective structure is an absolute necessity for a reclamation project

As a result of extensive wave climate modelling, the requirement for an offshore breakwater of 3.2 km in length and 20 m in height was identified and constructed to protect the reclaimed area of Port City from wave attacks. The crest level of +4.0 m above mean sea level was considered due to the south-western monsoon between May to October, during which waves can be as high as 3.5 m.

The northern boundary of the Project is 2 km breakwater of the Colombo Port Expansion Project, that was already in existence perpendicular to the shoreline, whilst the design only influenced the southern coastline, where sand was expected to naturally accumulate over time as a result of sediment movement patterns around the Colombo South Port breakwater. Anchoring to the breakwater of the Colombo South Port also helped consolidate the use of protective structures, making the project both technically and financially feasible.

It is important to note that the use of rock has been minimized by the use of an offshore breakwater, based on sand and concrete armour blocks. The breakwater construction was reinforced by multiple layers of material including sand, rocks, rubble stone, quarry run and 42,000 pieces of Chinese pods.

Dredging was carried out with adequate environmental safeguards

The dredging phase required the mobilization of 4 highly specialized vessels known as Trailing Suction Hopper Dredgers (TSHD) to extract sand from pre-identified areas of the sea bed. This included "Jun Yang 1", the largest TSHD in Asia and one of the world's most advanced.

These sand boroughs were identified with the input of National Aquatic Resources Research and Development Agency (NARA), more than 5 km away from the shores and dredging was only permitted at a minimum depth of 15 m and dredging of not more than 2m in order to avoid impacts to fish breeding grounds and coastal erosion. Total sand extortion amounted to less than 25% of the total capacity of those sand boroughs.

Environmentalists were provided the opportunity to not only monitor the activities of these dredgers but also to gain knowledge of this process. The route of dredgers and their operations were monitored with the use of GPS technology to ensure efficiency and compliance with the Dredging plan, which was designed to minimize disturbances to fishing activities and marine life. Ecological studies were done by NARA and Lanka Hydraulic Institute (LHI) carried out the coastal impact assessment.

Revetment and ground improvement to ensure structural integrity

In order to prevent erosion of the reclaimed land, revetment (structures to absorb and dissipate the impact of waves) was carried out along 5.6 km of the reclaimed land. These reinforcing structures were built with rock and precast concrete blocks.

Dynamic compaction, a technique that densifies soils and fill materials repeated surface tamping using a heavy steel and concrete weight, was carried out within inner areas of the Port City. On the other hand vibroflotation/ vibro-compaction, which is essentially repacking soil particles by using a powered electrically or hydraulically probe, was carried out along identified outer areas to improve the structural integrity of the reclaimed area.

Having completed the reclamation phase, works on site are now pertaining to the development of internal infrastructure such as roads, streets, bridges and utility corridors as well as landscaping works for over 27 Ha of public parks and beautification along the 2 km public beach and the promenade along the yacht marina.

World class infrastructure

Utility tunnels have been built within Port City to accommodate all electricity cables, water supply lines, telecommunication cables etc. which improve the aesthetic appeal of the city, in comparison to the conventional overhead power/ telecommunication lines seen elsewhere in Colombo. These tunnels are provided with permanent ventilation, fire detection & fire fighting, lighting and remote monitoring access with comply to an international standards. Additionally, the provisions for maintenance access allows to carry out maintenance activities in the future without disturbances to the landscaping, road and hardscaping works promoting efficiency in the use of resources and costs.



The stability of the breakwater was then tested, similar to the Colombo South Port breakwater, which indicated the capacity to withhold a once in a 200 year extreme wave attack.



As a truly sustainable city, the sewage network includes a waste water treatment plant whilst the storm water is capable of rainwater harvesting to meet irrigational needs of the city. These facilities are also connected to generator systems in order to ensure smooth functioning at all times.

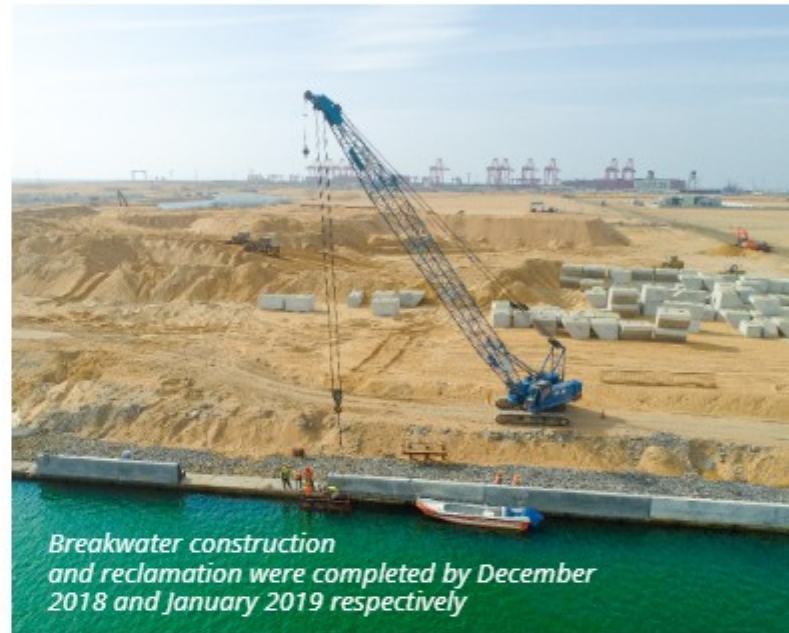
Street lighting and antennae for mobile networks have been integrated to provide strong mobile coverage in open spaces, parks and water front areas whilst fibre-optic cables will also be drawn in order to provide adequate infrastructure for a futuristic city.

A vibrant public realm

A high-quality landscape aesthetic is promoted by colourful flowering, distinctive foliage, and fragrant plant species; public sculptures, water features, decorative paving and murals which aim to truly integrate the green (parks & landscaping) and blue (beachfront and waterways). Secluded and shaded walkways amongst these parks have also been built to develop a vibrant public realm.

More than 1,000 trees, belonging to 20 species, have already been planted. A nursery park of 4.3 Ha has been established to nurture 1,500 trees of which 800 have been planted as of date. The plant nursery's aim is identify varieties that are best suited for the location and this exercise has proven 7 native varieties namely Mudilla, Rukkaththana, Domba, Ehela, Gamsuriya & Munamal to be successful.

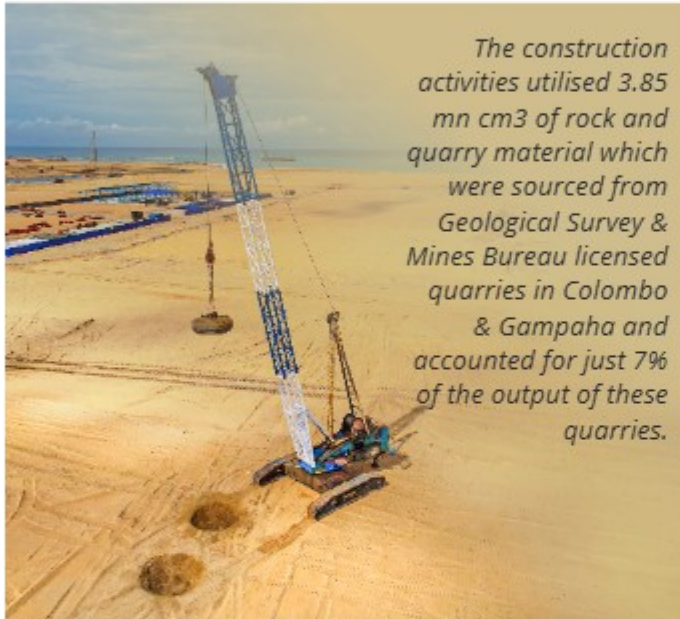
As the reclaimed land is sandy, a layer of top soil and other ground preparatory works are also essential. Additionally, in order to ensure efficient upkeep of the landscaped areas, irrigation and drainage systems have also been developed. These works are targeted for completion in mid-2022.



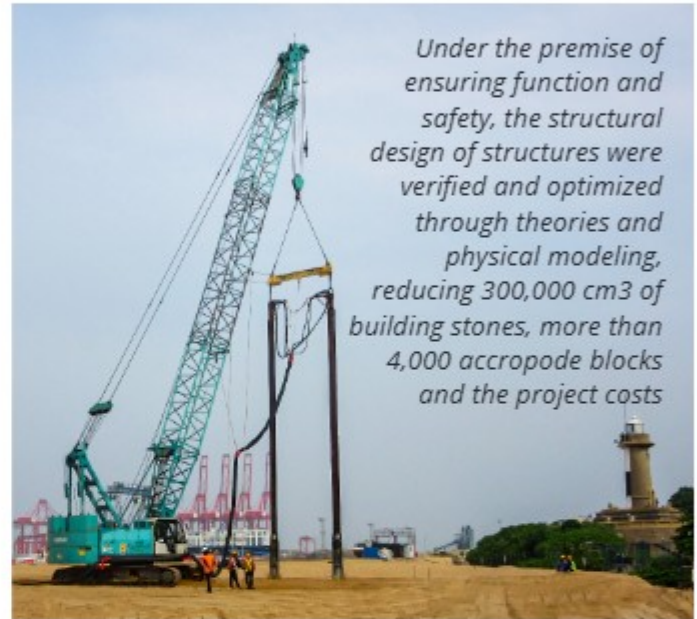
Breakwater construction and reclamation were completed by December 2018 and January 2019 respectively

There have been numerous concerns surrounding the environment impact of the reclamation, how have these been addressed?

An Initial Environmental Examination (IEE) and an Environmental Impact Assessment (EIA) for the Port City project were initially commissioned by the Sri Lanka Ports Authority and conducted in April 2011 under the purview of the University of Moratuwa. The Terms of Reference for the EIA had been prepared by a Scoping Committee comprising 16 regulatory agencies, which included the Central Environmental Authority, Marine Environment Protection Authority, Department of Archaeology, Geological Survey and Mines Bureau, Sri Lanka Land Reclamation and Development Corporation etc.



The construction activities utilised 3.85 mn cm³ of rock and quarry material which were sourced from Geological Survey & Mines Bureau licensed quarries in Colombo & Gampaha and accounted for just 7% of the output of these quarries.



Under the premise of ensuring function and safety, the structural design of structures were verified and optimized through theories and physical modeling, reducing 300,000 cm³ of building stones, more than 4,000 accropode blocks and the project costs

The EIA was then amended in September 2013 to reflect the increase in reclaimed land from 200 Ha up to 269 Ha. Subsequently, a Supplementary EIA (SEIA) was also conducted in 2015 by the Central Engineering Consultancy Bureau (CECB) as the Lead Consultant, with a broader scope. This was carried out in two phases, the first to evaluate the impact of sand extraction, reclamation and protective structures whilst the second evaluated infrastructure development and construction as per the Masterplan.

The SEIA notes that the CCCC was regarded as a competent land reclamation specialist as it had undertaken several large land reclamation projects around the world. As such, environmental risks have been addressed during the planning stages – an approach referred to as “mitigation by design”. This has drastically reduced the need for considering specific mitigation measures during the EIA process.

The EIA also notes that disturbances to marine life (due to dredging) will be temporary and there will be no loss of fishing grounds or coastal erosion.

As per the due process, the EIAs were opened for public consideration, which received over 215 written submissions and these comments were taken into consideration when granting the development permit to the Project Company, which was subject to 72 conditions.

Furthermore, an environmental management plan (EMP) has been formulated and forms part of the contract between the Project Company and the GOSL. The EMP will be overseen by an environmental monitoring committee (EMC) which will ensure the project's compliance and adherence to the EMP. The EMC includes membership of various stakeholders such as the CEA, NARA, Department of Fisheries, Department of Archaeology, as well as the EIA consultants and the contractors.



What were some of the challenges faced during construction?

Due to the Indian Ocean monsoon, breakwater construction had to be during the non-monsoon period, which directly reduces the effective time available for construction. Coupled with the narrow top of the breakwater and construction procedures, we would have failed to keep the construction project on schedule should we have followed traditional construction techniques.

Information about the Indian Ocean monsoon was gathered to assist simulation analysis of the actual observations for the research into the main dynamic factors and patterns of sediment movement. Mathematical modeling based on the hydraulic structure and the progress of hydraulic reclamation was also conducted.

With conclusions of these, we developed and optimized integrated plan for synchronized land formation and breakwater construction to guide on-site construction. Moreover, we verified the plan based on the actual situation and did a supplementary analysis.

As a result, we have successfully solved technical problems such as sonar installation and imaging, GPS positioning, and hydraulic-powered arm installation, making it possible for the visible placement of accropode blocks and thereby greatly improving the construction efficiency and engineering quality.

Similarly, various other mathematical modelling, simulation exercises were conducted with the use of modern technology to overcome practical challenges, optimize use of resources and ensure timely delivery of the project.



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65 million cm³ of sand was bottom dumped and rain-bowed by four dredgers to reclaim the Port City.



A common concern: How will construction activities at Port City be different to elsewhere in Sri Lanka?

Constructing at Port City will be largely similar to constructing elsewhere, as evidenced by the structural integrity of large-scale building projects being on reclaimed land eg. Marina Bay Sands of Singapore – two 55 storey towers that are now a national landmark.

Whilst piling is dependent on the depth to the bed rock, Port City being closer to the sea would see slightly higher average depths of about 13 m (15 – 20 m in few areas), in contrast to approximately 10 m elsewhere in Colombo. The only other key consideration envisaged is the requirement for waterproofing basement levels, which is the norm at any waterfront/ oceanfront development.

CCCC and CHEC's credentials

CHEC Port City Colombo (Pvt) Ltd (CPCC) is a fully owned subsidiary of China Harbour Engineering Company (CHEC) - which in turn is fully owned by China Communications Construction Company (CCCC).

CCCC is ranked 61st on the Fortune Global 500, with offices in over 140 countries employing over 120,000 direct employees, listed in the stock exchanges of Hong Kong and Shanghai.

A few iconic projects successfully completed by the Group include:

- a. Hong Kong Airport terminal reclamation spanning 1,300 Ha (almost 5 times that of Port City)
- b. Second Penang bridge in Malaysia (a 24 km sea crossing bridge) and
- c. Hong Kong-Zhuhai-Macau bridge (the world's longest sea-crossing bridge at 55 km)

CHEC has had a presence in Sri Lanka for over 20 years, being a premier contractor in the development of large infrastructure as well as real estate projects.



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Port City Colombo Promise Of Opportunity

Thalci Aluwihare

Assistant Managing Director of
CHEC Port City Colombo (Pvt)



Amidst widely divergent views and severe controversy, the Government of Sri Lanka enacted the Port City Colombo Economic Commission Act No. 11 of 2021 in May 2021, demarcating the 269 Ha reclaimed extension of the Colombo Central Business District as a multi-services Special Economic Zone.

The Act envisions to promote and facilitate a vibrant business ecosystem & regulatory framework that will position Sri Lanka as the leading destination in the region for investment and to do business in. Moreover, the Port City will also feature a luxury yacht marina, urban waterfront resorts, retail/ entertainment facilities and other urban amenities, making it the destination of choice to live, work and unwind in.

Whilst the Government has prioritized the promotion of Port City in its agenda and remains confident that Port City will be a catalyst in boosting Foreign Direct Investments into Sri Lanka, key stakeholders such as foreign & local investors, professionals and the general public are still unaware of the governance, progress and various other aspects of the Port City.

In this backdrop, The Institute of Chartered Professional Managers of Sri Lanka approached Mr. Thulci Aluwihare, Assistant Managing Director of CHEC Port City Colombo (Pvt) – the Project Company of Port City Colombo, to shed light onto some of the burning issues surrounding this mammoth project.



PORT CITY
COLOMBO

What was the need for reclaiming land from the sea?

A reclaimed extension of the Colombo CBD was conceptualized during beginning of the millennia, however, it was actioned a decade later followed by many studies, feasibilities, ecological and coastal impact assessment, environmental assessments and deliberations with regard to the reclamation process and to minimize any adverse impacts to the environment. A modern planned city was to address the issues of aged urban infrastructure, ad-hoc developments, traffic & congestion, lack of public spaces etc. Land acquisition can be time consuming and more costly and the reclaimed land areas was a function of the length of the Colombo South Port Breakwater.

Due to the natural sediment movement from south to the north, littoral sediments trapped by the Colombo South Breakwater made Port City a reality. Port City will reinvigorate the Colombo city as

a metropolis that can compete with cities like Singapore, Hong Kong and Dubai.

A development of this magnitude requires an immense amount of planning with the assistance of renowned consultants, significant investments into state of the art infrastructure and also a well thought out strategy & positioning in order to derive the highest socio economic benefits to country.

This required an investor who not only had the technical know-how but also a strong financial capacity to ride out many economic cycles over the long term as master-planned cities take decades to develop.





The Port City project has often been touted as the largest Public Private Partnership in the country. Can you elaborate the arrangement between your Company and the Government?

The China Communications Construction Company – a Global Fortune 500 Company, which is the ultimate parent of the Project Company, sponsored a proposal in 2012 to make the entire investment of \$ 1.4 bn for the development of Port City.

This was structured as a PPP, in the sense that the investor would recover their investment by monetizing share of the leasehold rights of the marketable land as opposed to debt funding resulting in a financial burden for the Government. It was 100 percent foreign direct investment, which essentially means that the Investor undertook all commercial risks associated with the success of the Project.

I would like to emphasize that the Government of Sri Lanka remains as the freehold owner of all land at Port City.

Being adjacent to the Port of Colombo, would it not be ideal to have an Industrial zone as opposed to a multi-services SEZ?

The Port of Colombo is a transshipment hub and not earmarked as an Industrial Port. Hambantota Port having access to a large parcel of land of 800 Ha identified for Industrial zone development is ideal for such an activity. Industrial activities at the heart of Colombo would also not be aesthetically appealing and may have negative implications on the wider real estate in Colombo.

The objective of the Port City multi services SEZ is to promote a host of modern services such as IT, maritime services, financial services, professional/ knowledge services, corporate headquarters etc and ease of doing business to create a destination appeal for trade and commerce. Industrial/ manufacturing activities are not permitted within the Port City. However, Port City will complement the manufacturing and industrial activities in rest of Sri Lanka including BOI Zones and Hambantota Industrial Zone. Whilst the back end manufacturing will take place in a more suitable industrial environment, the front end client servicing and trading operation can take place in Port City with suitable doing business regulations. Port City will be an alternate, cost effective destination to Singapore, Hong Kong and Dubai.

Port City should be a catalyst in driving Sri Lanka's transition to modern services. Although almost 60% of our economy is service based, modern services account for less than 10%. Export of such modern services would create sizable value addition to accelerate economic growth directly as well as through multiplier effect. Many of these sectors are also not very capital intensive – their key asset is human capital, and could scale at a much faster pace. This is how city states such as Singapore and Hong Kong, where services contribute 70% and 90% of GDP, have emerged as economic super powers within a span of a generation.

The Supreme Court held that 25 of clauses of the Port City Colombo Economic Commission were in contravention of the Constitution. The Bill that was passed in Parliament was post amendments. How can you convince investors of what the intention of the Commission is after these revisions?

I believe that it is a testament of the democratic process followed in Sri Lanka and I am sure investors would appreciate that the Bill was appraised by the Supreme Court and ratified in Parliament. What is important to note is that the fundamental legal construct of the Bill was not by any means compromised post amendments. The Port City Economic Commission as the Single Window Facilitator has sufficient economic and administrative autonomy to manage this city in an orderly and in an efficient manner. The objective of the Port City Colombo Economic Commission Bill was to promote ease of doing business by addressing some of the inherent pain points and to create a destination appeal to attract FDIs and large MNCs to set up in Port City. I believe this law is quite progressive and we can now have some serious conversations with potential investors and brands to consider Sri Lanka as an appealing place to do business.

Based on your discussions with potential investors, what would you identify as the most crucial factors that would attract investors?

Ease of Doing Business and when that gets really difficult and faced with various issues, then you need to throw-in sweeteners like fiscal incentives. We rank 99 today, 5yrs ago we were 99. India in 2015 was 130 and today 63, China was 84 and today 31. This further emphasizes the importance placed on ease of doing business by other major

countries who are competing to attract FDIs. Immigration policy, paying taxes, clear foreign exchange rules, access to labour & skilled levels, cost and labour laws, external connectivity and finally protection of their investment and ability to repatriate profits and capital upon exit.

Above all, more importantly, what they look for is a responsive & a well-functioning Agency, where very clear guidelines and information can be obtained remotely and through desktop research on what can be expected and the process required to be followed in setting up their business and Not be subject to some Ministers discretion...but a transparent process. Ideally, Port City should be an exemplary city from an administrative and governance perspective and such policies once tested and proven should be selectively rolled-out in rest of Sri Lanka.

How will the Port City support the tourism sector to realize its full potential?

City tourism has been a key offering across most countries that attract significant tourist traffic. Unfortunately, in Colombo this has not been the case – tourists have only spent about a day in the city often as a transit destination upon arrival or just prior to departure. This is predominantly due to the lack of adequate entertainment and tourist offerings and inadequate promotion.



Strengthening the institutional framework, in this case the Colombo Port City Economic Commission and removing or minimizing political interference is crucial for the enduring success of this Special Economic Zone”



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The Port City is currently offering sailing from the marina and an aqua golf range. Bringing Port City to life and creating a footfall to promote Port City and not wait until its full completion is quite important. Therefore, multiple activities such as go-karting, quad biking, water sports for adults and kids, a beach club and a 2 km public beach would be made available shortly to be patronized by locals as well as tourists. Another exciting addition would be the downtown duty free retail facility that would be opened by first quarter next year. We believe that these activities would entice tourists to spend more time in Colombo, boosting the city hotels, retail and F&B sectors.

MICE tourism is an area with significant potential as MICE tourists spend as much as 2 times of the average leisure traveler and the facility envisioned at Port City could accommodate as much as 5,000 visitors at a time. Furthermore, Port City is centrally located, connecting most other tourist destinations via the national expressway network.

It is often said that local investors are sidelined from participating in the Port City. What is your view on this?

I do not think it is the case. Local Investors are permitted to own up to 100% of the development within Port City, however the required development capital would have to be raised offshore in foreign currency. They could invest in land in LKR and also purchases condominiums. The objective of the Port City is to attract foreign currency inflows to the country and I am sure the Government wants to discourage any undue arbitrage and any leakages in terms of taxes, foreign exchange etc. Local investors are encouraged to enter into partnerships with foreign investors and financiers to attract capital into Sri Lanka.



In fact, one of the key priorities of this progressive legislation is to attract local corporates who have setup their regional offices and headquarters overseas to relocate to Sri Lanka and thereby to reduce the foreign currency outflow and promote inflows. We believe that the Port City SEZ law makes adequate provisions to improve ease of doing business, mitigate the currency depreciation risk and promote transactions with rest of the world by permitting it in any designated foreign currency, coupled with Sri Lanka's low cost of doing business would make an attractive proposition to relocate.



As the largest Public Private Partnership to date and a Strategic Development Project, how has the Port City project contributed to the economy over the past few years?

Over the years, the Project has created opportunities for over 8,000 local workers in the construction sector over time – we employed approx. 1,500 at our peak and about 900 currently. As of today, the Project Company has invested over \$ 1.2 bn of its \$ 1.4 bn commitment, demonstrating that the Port City has already generated substantial economic value addition to Sri Lanka. A part of this investment was

directed to sourcing required material and services from local suppliers and subcontractors creating sizable supply chain opportunities, all of which have tremendous multiplier effect on the local economy. The Project Company is also obtaining services from local consultancy firms in various professions including engineering, architectural, legal, financial services, real estate, media and most of them had to work alongside foreign consulting firms and professionals with international expertise in their respective field, which I am sure gave us ample opportunity to up our knowledge.

How has the covid-19 pandemic affected the progression of the Port City project? What measures have been taken to recover?

The pandemic undoubtedly affected the progression of the project, particularly during early 2020, where there were both labour and material shortages that resulted in a minimal level of operations for over two months. Nevertheless, internal infrastructure development and landscaping works have since progressed satisfactorily, and we have now over 100Ha ready for Investment.

Limitation on global mobility has hampered our marketing and investment promotion activities, Nonetheless, we are moving forward with a 5-year strategic plot roll out plan, which seeks to develop 22 plots totaling 65 ha. These development activities require a cumulative investment of over \$ 5.6 bn, which will assist to shore up much needed foreign reserves of the country. We have strategized a marketing outreach during these challenging times where competition for foreign capital in this region is quite intense and we have to be ready to compete with our regional peers if we are to be successful. We have set-up permanent regional marketing offices in India, Middle East, Singapore and China and we will also conduct roadshows to aggressively promote Sri Lanka and the Port City Project.

Foreign Direct Investments and foreign exchange earnings are the need of the hour In the Sri Lankan economy. How soon can Port City draw Investment Into Sri Lanka and contribute towards the economy?

The investment made thus far is only the tip of the iceberg, we estimate the investment requirement to develop the real estate is \$ 13.5bn, at today's cost. This presents exciting opportunities not only for the construction and materials sectors but also for the Services sector including SMEs to provide required goods and services to Port City, which would be considered as a deemed export as payment for such procurement would be in foreign currency which will ensure inflow of much needed foreign exchange. The economic value added post completion of real estate development and once operational, would be a much larger and recurring contribution to GDP of Sri Lanka.

The first step to realizing investments was initiated during July of last year, just as we were coming out of a two-month lockdown. Our Parent Company committed a further \$ 1 bn investment towards the first mixed use development within the Financial District. This first development will have the iconic Colombo International Financial Centre tower, which is scheduled to break ground before end of 2021 and is expected to be ready for occupation by mid-2025.





As envisioned, this large investment should signal confidence in the outlook for Port City and Sri Lanka notwithstanding the poor credit rating of the country. Creating a conducive economic environment in Sri Lanka is absolutely crucial in attracting foreign investment to Port City. Our focus should be to entice large investors and brands by providing them with efficient bespoke solutions, which should address specific concerns and reassure protection of their investment rather than challenging the rating agencies. Once we are able to attract a few large brands and instill business confidence, better rating will follow.

It is important to note that by the Interim Provisions of the Port City Act, businesses are able to immediately benefit from the conducive legal & regulatory framework by setting up outside Port City in Sri Lanka until such time the ultra-modern office spaces within Port City are ready for occupation. I believe this Interim Provision will also provide a much needed lifeline to the currently vacant real estate in Colombo and also foster an ecosystem that will promote trade and commerce.



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OPPORTUNITIES FOR A FUTURE READY WORKFORCE





In an interview with 'Chartered Manager' Journal, **Ms. Sandra De Zoysa**, Chairperson of Sri Lanka Association of Software and Services Companies (SLASSCOM) shared her in-depth views on the workforce proposition of Port City Colombo. Following are the excerpts of the interview;

SLASSCOM recently signed an MoU with Port City Colombo to promote Sri Lanka's knowledge and Innovation sector and achieve the vision 2025 of US\$ 5 bn in exports. Could you elaborate on initiatives that form a part of your broad agenda to promote investments into the IT sector in Sri Lanka and how will you collaborate with Port City?

The Port City has a drive to promote FDI in some key industries such as IT-BPM, Financial and Tourism to name a few. SLASSCOM - the National Chamber for IT-BPM Industry, is strategically positioned to partner with the Port City to attract FDI, business, and influence policies. Sri Lanka's IT-BPM industry differentiates itself through its unique talent attributes, niche skills, value arbitrage and its popularity for being a great location to 'work and live' which are the many facets promoted through the IOI - 'Island of Ingenuity' branding. The brand is promoted globally in priority target markets and the Port City partnership will create a new platform to go to market in order to attract MNCs and large foreign companies to setup their captive innovation and delivery centers and scale-up existing IT-BPM businesses operating in Sri Lanka. A series of initiatives will be carried out in collaboration with the Port City Colombo that will include digital marketing initiatives, roadshows, events and webinars including in-country sales efforts in the identified key target markets to support and promote the Port City Colombo to businesses globally.

How does the Port City Special Economic Zone bolster Sri Lanka's ease of doing business for the knowledge services sector?

Every country that grew in knowledge services sector from the inception offered various incentives and facilitated the ease of doing business for enterprises, which is one of the key drivers that attract global organizations to invest and expand in countries that offer an attractive environment for businesses to thrive and grow. Tax holidays, ease of forex transfers, diligent but smooth, speedy, and convenient legal processes to commence and continue business, conducive labor laws are some key aspects fast growing global enterprises look for especially in the IT-BPM and Knowledge Service sectors. These facets not only attract but also become a deciding factor for prospective investors and businesses when selecting a sourcing destination. We believe, having and promoting Special Economic Zones such as the Port City Colombo is no longer a choice but a 'must have' to enable and facilitate growth when we present Sri Lanka to the world.

Creating an ecosystem for startups to thrive is key to developing a vibrant IT sector. What are the main challenges currently faced by entities in this space and how should we overcome these?

One of the main challenges we face is attracting capital from Venture Capital firms, Private Equity, Family Offices, Angel Funds, and High Net-worth Individuals. Enabling policies such as easily setting up offices here, tax holidays, repatriation of profits, outward fund transfer for startups and scaleups with regional and global ambitions to setup offices in target markets, legislations protecting intellectual properties are among the key attractions we must address.

The Port City will also endeavor to attract foreign startups to setup in Sri Lanka to serve regional fast-growing markets such as India, Bangladesh, Pakistan, etc. Plug and play offices, research labs in emerging tech, modern amenities to 'live, work, learn, and play' are some of the facilities Port City has on offer. All this will create a thriving ecosystem for startups and scaleups driving the innovation quotient of Sri Lanka to higher levels.

Would it be correct to say that there is limited potential to scale up traditional IT-BPM sectors to achieve this export target? What opportunities do you see in high value/ niche sub-sectors that Sri Lanka will have a unique competitive advantage in?

There is nothing called traditional IT-BPM sectors. IT-BPM landscape is everchanging along with business models. Sri Lankan companies in the IT-BPM sector are well geared, equipped, and skilled to meet and thrive in these ever-changing environments. This aptitude is one key factor for us to be identified as the "Island of Ingenuity". While covering various industries from Aerospace to Defense, Manufacturing, Retail, BFI, Food, Service, Automotive etc. in multiple emerging technologies such as AI, IOT, AR, VR, Mixed Reality, Robotics to name a few, it is the way we do things that gives us a competitive advantage. Quality, creativity, inclusiveness, ESG are some key points of attraction we thrive on.

When envisioning the growth of the IT Industry by almost 5x over the next four years, have you considered the availability of skilled workers and a consistent supply, in comparison to our big neighbor, India?

Sri Lanka cannot be a scale player due to its limited population compared to some of the other sourcing destinations in the region. But instead,



we are moving up the value chain through niche IT-BPM product and service offerings. Sri Lanka has an enviable track record in product engineering and high value Finance and Accounting Outsourcing. These are now being transformed by adopting technologies such as AI/ML, Data Analytics, Automation. SLASSCOM is also working towards making Sri Lanka a creator of Intellectual Property. Enabling local and foreign Products and Platform companies to register and protect their IPs, facilitation of branding and 'go to market' programmes, attracting local and foreign capital will help us grow the industry exponentially. Having



said this, creating a 'future ready' talent pool will be a fundamental requirement. SLASSCOM runs programmes such as Tech Kids, Future Careers Bridge, Boot Camps, Professional Skills Development, and Conversion programmes targeted ranging from school children to OL/AL students, graduates, and those pursuing vocational and professional streams. Together with ministries, state agencies, state and non-state universities and vocational/professional training institutions, we are scaling up these programmes nationally to create the required quantity and quality of talent to fuel the industry's ambitious growth plans.

It is no secret that Sri Lanka has a problem of brain drain. How can Port City complement the need to attract and foster talent, similar to regional hubs such as Singapore and Hong Kong?

In this day and age Freelancers and Gig workers are taking an important place in business working models. Work from anywhere and assignment-based freelancing will gain better traction with the entry of new generation digital natives, especially in the IT-BPM sector. Port City's offering for business with leisure, environments and workspaces that attract freelancers, digital nomad visas, forex banking facilities, tax free income and transfers will encourage Sri Lankan expats and foreigners to live and work in Sri Lanka in line with Port City's attraction of global businesses creating employment opportunities.

Do you view the Port City SEZ as an opportunity to drive the digitalization efforts of Sri Lanka? How could Port City show case e-government services?

Port City will promote the concept of 'Smart City' thus making a bold statement to the world. In Sri Lanka's e-Government roadmap, the Port City project will be a key proponent. Other technologies encompassing a digital lifestyle such as connected devices, 5G network, everything in cloud, biometrics, robotics delivered through sustainable innovation are all envisaged to be part of the modern facilities and connected environment the Port City has on offer. The Port City can be showcased as a model city that has the potential to be benchmarked among the best in the world

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PORT CITY COLOMBO

-A PLATFORM FOR A VIBRANT
REGIONAL EXCHANGE

 **C | S | E**
COLOMBO STOCK EXCHANGE
Creating Wealth and Value





The Colombo Stock Exchange (CSE) the only authorized Stock Exchange in Sri Lanka is significantly investing in transforming the CSE into a world class exchange. CSE is optimistic about Port City Colombo and the benefits it will bring to the capital market. **Rajeeva Bandaranaike – CEO and Purasiri Jinadasa – Head of Origination and Issuer Relations, Colombo Stock Exchange** spoke more about their aspirations on Port City Colombo. Following are excerpts of the interview.

The Colombo Stock Exchange (CSE) recently entered into an MoU with Port City Colombo (PCC) to establish a regionally recognized stock exchange within the Port City. What is the need for establishing a new stock exchange alongside the CSE?

Rajeeva: An offshore exchange established within the Port City Colombo will enable the development of a more vibrant financial eco-system, which will have a trickle-down effect on the wider economy over time.

Port City Colombo's favorable policies which include free flow of foreign exchange and preferential tax policies, among others, will enable the development of more complex and innovative financial services sector targeting a more sophisticated global client base. These preferential policies within the Port City Colombo will create an enabling environment to attract global financial institutions and their High-Net-Worth clients (HNIs), which would spur the growth of a wider eco-system within the PCC – on par with the best in class financial and services centers globally.

Singapore can be taken as an example of the growth potential of a successful financial center. The contribution to GDP from the Singapore Finance and Insurance sector was SGD 9.2bn in 1990, growing to SGD 70.3bn in 2020 (current prices). This translates to an annual growth rate of 7% over 30 years. Although this may be perceived as a low growth figure, the development of the financial sector was a key driving force for the growth of several core sectors within the

Singapore economy. If we expand the sector to include 'Services Producing Industries', the growth in value over the same period was from SGD 42.8bn to SGD 313.7bn (annual growth of 34%). This example helps enlighten the need for a separate exchange within Port City Colombo.

The Colombo Stock Exchange (CSE) looks forward to being an active partner in developing a truly world-class city, backed by an innovative financial services sector, which is currently not possible on-shore.

Discussion on capital markets is often limited to the asset class of equities. How do you envision this regional exchange to be a home for corporate debt markets, REITs etc? Have you identified the potential for any other instruments?

Purasiri: We are evaluating the venture from a much broader and longer-term view, keeping in mind the evolving environment of the global financial services sector. An offshore exchange will place us on a more level playing field vis a vis other global financial centers in terms of the ability to develop core competencies and lucrative financial instruments for clients. A key advantage we have is that we are at the initial stages of execution, giving us the flexibility to create the right environment for up-and-coming changes within the global financial system. We will have the standard markets for equity, debt and various asset-linked securities; however, we are also evaluating the potential of fostering a financial technology hub. Given the growing shift towards and acceptance of novel types of tech-based assets, we may look at a solution to becoming a legitimate global hub for the development and exchange of such assets. Similarly, given the evolving physical environment globally, we may explore the opportunity of developing competencies in promoting the listing of financial instruments that look at mitigating risk, among others.

Will this envisioned regional exchange benefit only foreign issuers? What opportunities does this present to local companies for raising capital in the global arena?

Purasist: There is a significant opportunity for local companies to take advantage of the offshore exchange. Currently, we have local companies in several sectors that cater to foreign clients or derive a majority of earnings from foreign sources. These companies may see an inherent limitation in raising capital via the current platform available at the CSE. The offshore exchange will resolve these limitations as these companies can raise capital at more realistic valuations. Further, entrepreneurs in highly innovative sectors (such as the technology sector) may find it a more viable alternative to fund early-stage ventures as they have a more attractive platform on which to promote their businesses.

What advantages does Sri Lanka and particularly the legal and regulatory environment at Port City Colombo present in positioning a regional exchange to develop a competitive international financial center?

Rajeeva: As mentioned earlier, the free flow of foreign exchange and the preferential tax system are strong incentives. Additionally, the zero-tax environment on employment income, ability to be remunerated in foreign currency and freedom of movement for foreign labor support the flip side of the coin – a foundation to attract global talent.

However, these in itself are not sufficient to attract and develop the envisioned eco-system. The additional benefit we have is the ability to propose for rules and regulations that will promote the development of innovative products and services in a structured manner. We are hopeful that the Port City Commission provides an enabling environment for financial and services innovation. This will propel the migration of global talent which will ensure the development of a vibrant city. Sri Lanka at large is an attractive destination and situated close to large economies that

can drive the success of Port City Colombo. Competing on a global scale to attract talent is not an easy proposition, however our natural resources, hospitality and the availability of a wide variety of diversions for all types of tastes, is a significant advantage. We are confident that the environment within Port City Colombo will provide the right eco-system to attract top notch talent, which will then make destination Sri Lanka an obvious choice.

The SEC Bill is a current point of discussion in the corporate world. Is this Bill relevant in developing a regional exchange?

Rajeeva: One of the advantages of Port City Colombo environment and its Act in particular, is our ability to lobby for the right rules and regulations to support and foster a vibrant offshore capital market. Therefore, the SEC and CSE will evaluate any necessary changes to rules and regulations as long as it promotes the development of the financial sector in a sustainable manner within Port City Colombo.

Various geo-political issues and regulatory issues are increasingly driving “unicorns” and other high growth companies in the Asian region to seek listings outside their home markets. How can Sri Lanka position attractively for these companies?

Purasist: There are several reasons as to why companies may seek a listing outside of its country of domicile. However, we anticipate that the offshore exchange will be an attractive proposition for global entities to leverage due to the following factors:

- The unrestricted flow of capital, which will attract very low fees and no tax through Port City Colombo is an attractive proposition for new entities
- The flexible rules and regulations within Port City Colombo, which are designed to compete effectively with global financial centers will also fuel interest by foreign entities to explore the zone as a financial services destination



- c. We are finalizing the identification of a global exchange to join with us as a partner in the venture. This will enhance the offshore exchange as a platform by which entities can easily access global capital and raise its profile in the global arena
- d. The partnerships and eco-system we expect to create within Port City Colombo will raise its profile as a viable destination for capital raising

For the development of successful capital markets, ancillary sectors such as investment banking, accounting and legal services etc. should also be developed. Have you studied the strengths and weaknesses of the current state of these sectors to address opportunities for the future?

Purasist: The success of our venture is dependent upon the vibrancy of the broader eco-system within Port City Colombo. We are aware that the presence of an exchange alone will not lead to success or the vision we have alluded to in our previous responses. We are confident that our close collaborative efforts with the various stakeholders of Port City Colombo will ensure that we attract the right global talent to the zone, which in turn will contribute to the development of a top-tier services sector (i.e. hospitals, retail, entertainment etc.) which will support the needs of a highly discerning population comprised of both expatriates and Sri Lankans.

What we anticipate to develop as a foundation is a successful offshore exchange which is positioned and geared to generate significant sources of revenue through the fees associated with the services provided, particularly to HNIs. These services will come from the ability to launch innovative financial products, develop and trade new forms of products and be flexible enough through amenable rules and regulations to develop innovative frameworks. We expect this in turn to lead to attracting the required high quality of ancillary services brought by globally renowned service providers.

If we are able to successfully communicate this vision and strategy behind developing such an eco-system and execute with the right partners, it will create the impetus for global talent to relocate presence to Sri Lanka. With the right policies and a strategic roll-out plan, the offshore exchange can become the rationale for a much more vibrant city to develop, catering to the requirements of HNIs with the benefits trickling down to the wider economy, onshore.

The CSE is currently undertaking the second phase of its transformational digitalization drive. With an exchange focused on more advanced markets, what aspects could be introduced going beyond this second phase?

Rajeeva: We are definitely making long strides in the right direction. Our digitization efforts have already brought about strong results, with a growing number of investors participating via our mobile platforms. Further, the more recent introduction of DVP (Delivery vs. Payment) is a significant step in reducing settlement risk and further improves investor confidence in the exchange. The introduction of DVP also enables us to introduce more innovative financial instruments, which both Investors and Issuers can leverage. Going forward, our next major milestone will be to finalize the demutualization process in collaboration with all the stakeholders concerned.

The above changes place CSE in a better position to be evaluated for an upgrade from a frontier market to an emerging market. This would be a boon to the local capital market, as a greater number of foreign institutional investors would be able to invest through the exchange.

While we are significantly investing in transforming the CSE into a world class exchange, we also recognize the importance of establishing an offshore exchange within Port City Colombo, which is primarily focused on creating a regional hub for financial services. The benefits accrued from a successful venture will trickle down to the wider economy and have a positive impact on our onshore exchange.

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SEPTEMBER 2021



A NEW INTERNATIONAL FINANCIAL CENTER IN COLOMBO; DREAM OR REALITY?

Standard
Chartered





In this interview with 'Chartered Manager' Journal, **Mr. Bngumal Thewarathanthri**, talks about opportunities for the financial services sector, particularly offshore banking of Port City Colombo. Mr. Thewarathanthri is the Chief Executive Officer, Sri Lanka / Head of CCIB Client Coverage of Standard Chartered Bank, Sri Lanka. In this interview, he offers insights drawn from his expertise and experience;

The Port City Colombo Economic Commission Act envisages the establishment of offshore banks within the Area of Authority of the Port City Colombo. Would these entities be able to offer a wider array of services than foreign banks currently offer in Sri Lanka?

The premise of offshore banking is the deposit of funds by either a company or an individual in a bank which is situated outside their national residence.

According to the draft law for Port City, offshore banking units may accept savings, fixed demand deposits or lend to any authorised person or a non-resident in any designated foreign currency.

The success of this service depends on the framework that Port City comes up with for offshore banking. If the framework is similar to some of the other IFCs (International Financial Centres), the offshore units in the Port City will be able to facilitate many transactions that are currently not permitted in Sri Lanka under normal banking services. Therefore, offshore banking in the Port City will have an edge against onshore banking since it will not be governed under the current exchange control regulations.

How do you see these services supporting the wider ecosystem envisioned at Port City encompassing trade, logistics, corporate headquarters etc?

In Port City, the medium of exchange would be US Dollars or any major foreign currency and that will protect the businesses from currency depreciation and monetary instability. We believe that the Port City will hub many Regional Treasury Centres (RTCs) and procurement centres in future. In that context, having full offshore banking services will support areas such as regional liquidity management, inter-company funding, receivable services and seamless cross-border payments. There will also be opportunities to do commodity trading, derivatives and setting up of various funds. Depending on how Sri Lanka connects with the rest of the world with DTAA's (Double Tax Avoidance Agreements), IPPs (Investor Protection and Promotion) and Trade treaties, offshore banking in the Port City should be able to offer a range of products to support the potential offshore companies.

It is understood that these offshore banks would predominantly serve the regional markets. Why would they do so from Sri Lanka as opposed to setting up elsewhere in the region?

Though there are multiple hubs around us, we believe Sri Lanka has a business case for:

- Corporates that are already in South Asia but managing the region from a different time zone.
- Corporates that are significantly large in India and looking at de-risking some part of it.
- New entities that are established in South Asia; Sri Lanka to act as a gateway to the sub-continent.



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Sri Lanka holds competitive advantage in the services sector with its pool of skilled labour in ICT, Finance and Knowledge Services industries. Also, Sri Lanka has the added advantage of location with regards to time-zone as well as maritime routes. Having the best port in the region with an already well-established transit hub, Sri Lanka has a vast opportunity to position the country as a ports and logistics hub. With over 70% of cargo being routed to India through Sri Lanka, there is already an opportunity to attract some part of the supply chain to set up offices, warehouses here. The Port City can act as a regional logistics centre for such entities.

However, Sri Lanka will have to work on uplifting the country's rating and would need a robust plan to manage the debt suitability concerns. The country also requires a clear path to reduce the current account deficit by increasing exports and it requires some stringent reforms to manage the fiscal deficit.

Do you envision any opportunities for local banks at the Port City Colombo?

This is a good opportunity for local banks to set up an offshore banking unit with fully fledged offshore banking capabilities. International Financial Centres have taken time to take off. Hence, it's important to be patient during the process. As per the Port City law, the capital for such businesses should come from overseas. Hence, domestic banks might have to work on partnerships to establish such entities.

The Central Bank also has a role to play as the regulator in maintaining financial system stability through appropriate macro policies, maintaining global standards, strengthening supervision, upgrading the payments & settlements structure, improving the governance structure and in improving customer protection rules. It also requires a shift from a traditional domestic banking

supervision to an offshore banking environment. Building capabilities in offshore banking supervision will be key to the success of this initiative.

What are the new trends in banking that have emerged in global organisations such as yours, with the emergence of the Covid-19 pandemic? Do you think any of these trends are here for the long run?

With the pandemic, the entire world is going through a major reset. At Standard Chartered, we believe that money can be a force for good. We are taking a stand to support net zero, uplift the livelihoods of our communities through SME financing and support the new entrants who are trying to enter the global markets which is already disrupted. The world is fast changing, and organisations need to adapt to these changes. Failure to adapt to changes in a timely manner will inevitably drive the organisation to extinction.

We believe that sustainable finance will play a vital role in creating a better world in a post-pandemic environment. As per our research, Sri Lanka has a potential of accessing USD 16Bn worth of funding to green financing through global funds.

Does the Port City Colombo Economic Commission Act provide an adequate regulatory framework to attract leading banks and financial service providers to Colombo?

Sri Lanka requires a detailed framework for offshore banking which will cover a range of products and services that will be offered in the Port City. On the regulatory front, we have seen different models.



Some markets, such as Singapore, have one regulator since the whole country operates as an IFC. Countries such as Dubai has a separate regulator for Dubai International Financial Centre (DIFC) since there is a larger domestic banking unit outside DIFC. By looking at these models, it makes sense for Sri Lanka to have a separate governance body looking after offshore banking in Port City which will in turn report to the Central Bank of Sri Lanka. Until such time, the existing regulator can undertake both the regulation and supervision of financial institutions setting up offices in the Port City.

As offshore banks would be operating in “any designated foreign currency”, what are the implications on the stability of the domestic banking system?

Port City will be completely separated from the domestic banking system in the country and we do not foresee any challenge for the domestic banking industry due to the emergence of the Port City. There should be a clear separation between the two. Offshore units should be servicing only the entities that are set up in the Port City and run as two different jurisdictions. Any transaction that a domestic company plans to do in offshore banking should be subject to regulatory clearance. Some Sri Lankan entities access offshore banking for cheaper funding and for some cross-border transactions subject to regulatory approval. We should continue that process even with the Port City.

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Do you believe that the workforce in Colombo is equipped with relevant skills to serve cross border Investment banking, structured financing etc?

Sri Lanka has a substantial amount of skill sets with global banking exposure. We also have a large diaspora working outside Sri Lanka who will take up jobs at the right time. As a country, we have an extensive pool of Finance and IT professionals. Creating an IFC takes time and as we go along, Sri Lanka can build a skill set in this space. However, at the initial stage, we should be open for expats to come and work in the Port City. None of the multinationals will set up offices to run under 100% local teams. Localisation of some jobs can happen only after some period of operation.

How do you anticipate competition from advanced International Financial Centres such as DIFC, Singapore and Hong Kong to affect the development of a new IFC in Colombo?

Being centrally located in South Asia at GMT +5:30, Sri Lanka will complement the South Asia sub-continent as a regional hub. Our strategic location is well connected with two container ports, three airports whilst being the number one trans-shipment hub in South Asia.

Sri Lanka also has market access to over 2Bn consumers across South Asia and East Africa and holds investment protection agreements with 28 countries.

Setting up costs and labour costs are relatively cheaper in Sri Lanka in comparison to other markets, which is an added advantage for the country in setting up an IFC.





There have been various concerns over Port City becoming a potential tax haven and money laundering risks. What are your thoughts on this? How have other International Financial Centres established safeguards?

Legislations related to the Port City needs to be considered carefully for its impact to the economy. Certain policies intended to attract foreign investors could lead to creating an accessible environment for money launderers and other illegal activities. It is therefore important to ensure supervisory responsibility by a financial regulatory system is present to manage these risks similar to other international Financial Centres across the world. Some countries have got this wrong and have ended up in the FATF (Financial Action Task Force) grey list. Since Sri Lanka has now come out of the FATF grey list, we are in a good position to create the platform for a robust due diligence process which is similar to any reputed IFC. Since Sri Lanka is joining the long list of IFCs as a late entrant, it is important to maintain very high standards in this space. Not having a robust infrastructure to curb money laundering can bring this initiative to a standstill.

Promoting Best Management Practices in Sri Lanka

The "Best Managed Enterprises of Sri Lanka 2021" awards is organized by the Institute of Chartered Professional Managers of Sri Lanka recognizing Sri Lankan public and private sector enterprises for their organizational growth and success. The awards endorse the best practices in the Management of Enterprises while recognizing their leadership, policies and strategies, people management, partnerships & resources, processes, and performances.

The awards provide a distinct framework for management teams to revisit and challenge themselves against their respective enterprises. The awards will give confidence to winning companies to proudly make a professional appearance in the business society and across the world.



Be in touch with:

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or event@cpmsrilanka.org



Best Managed Enterprises of Sri Lanka 2021 Awards



STAY TUNED WITH US...

CPM Sri Lanka 2021 International Management Conference (Virtual) was a Well-crafted Exploration of **Current Disruptions and Implications for Business: Managing & Leading**

CPM Sri Lanka has set the tone unveiling its ambitious speakers and panellists lineup from diverse countries for this year's International Management Conference held on 23rd and 24th February 2021. The conference was a much-awaited event in the Institute's calendar which was focused on **Current Disruptions and Implications for Business: Managing & Leading**.

The conference was conducted virtually in line with health precautions of the current 'New Normal' situation. However, over 800 participants from Sri Lanka and overseas were connected this conference which consists of two technical sessions in 23rd and 24th February 2021 from 02.00 pm to 05.00 pm in both days via zoom technology and participants were access the conference free of charge.

The Founder and President of CPM Sri Lanka, Prof. Lakshman R. Watawala gave opening remarks. Dr. Samantha Rathnayake, a Governing Council member of CPM Sri Lanka, a Faculty member from the Postgraduate Institute of Management of the University of Sri Jayewardenepura, Sri Lanka played the role of the technical design of the conference and the summing up on both days.

There is profuse attention to curtailing the spread of COVID-19 and the economic downturn. We need to shed light on a wide array of human activities from households to the corporate sphere. Management professionals, thinkers, and

academics need to come forward and address some of the key thematic areas that need pondering since they offer valuable considerations for both managers and leaders to realign their activities. We need more and more leaders who see the big picture through what appears to be rudimentary notions. The COVID -19 is transitional and transformational testing imperative for us to learn fast and lead appropriately.

The technical conference head Dr. Samantha Rathnayake summed up the speech on both days with a novel analogy of bringing Polymerase Chain Reaction (PCR) test, which is the antibody testing and the dominant way global healthcare systems are testing citizens for the Covid-19. He postulated as Philosophical Contended Realist test. It states that P

(Philosophical) is relating or devoting to studying the fundamental nature of knowledge, reality, and existence. C (Contended) denotes strategic aspect, which is asserting something as a position in an argument/struggle to surmount (a difficulty). Finally, R (Realist) implies that a person accepts a situation as it is and is prepared to deal with it accordingly. In essence, philosophical means asking fundamental questions such as the reality, the good life, who I am (Identity), etc. Contended, i.e., strategic questions, how to grow, defend competitive moves, Unique Value Proposition, etc. In the entrepreneurial domain, it goes as an entrepreneur who creates a new business, bearing most of the risks and enjoying most of the rewards. Entrepreneurs play a vital role in any economy, using the skills and initiative necessary to anticipate needs and bring good new ideas to market. In the Covid 19 pandemic transition, one needs a synthesized idea or approach to solve emerging problems. They are unprecedented. We need to be ready for both managing the

disruptions as well as leading in the new realities. Practitioners require a great degree of choice in selecting what to do and what not to do.

Two keynote speakers and veteran panelists representing critical institutions from the public and private sectors representing diverse countries expressed their opinions in line with the conference theme. On day one, under Current Disruptions and Implications for Business: Managing & Leading, the keynote speech was delivered by Mr. S. Renganathan, Managing Director/Chief Executive Officer, Commercial Bank PLC. Dr. Clare Rigg, Senior Lecturer and Director of Studies, University of Liverpool, UK, gave one of the two panel speeches on relearning of fundamentals in 'New Normal' and retrospection for the future. Dr. Ravi Fernando, Executive in Residence, INSEAD Business School (Social Innovation Center), France, and CEO, Global Strategic Corporate Sustainability (Pvt.) Ltd. delivered the other panel speech on the 21st-century board leadership model and the health

Day 1



Welcome Address

Prof. Lakshman R. Watawala
Founder and President,
CPM Sri Lanka

Current Disruptions and Implications for Business: Managing & Leading



Keynote Address

S. Renganathan
Managing Director/CEO
Commercial Bank PLC

Relearning of Fundamentals in 'New Normal' and Retrospection for Future



Panel Speech

Dr. Clare Rigg
Senior Lecturer and
Director of Studies,
University of Liverpool,
UK

21st Century Board Leadership Model and the Health Emergency



Panel Speech

Dr. Ravi Fernando
Executive in Residence,
INSEAD Business
School (Social
Innovation Center),
France and CEO, Global
Strategic Corporate
Sustainability (Pvt.) Ltd.

Panel Discussion



Session Facilitator

Shiran Fernando
Chief Economist,
The Ceylon Chamber of
Commerce



Panelist

Suresh De Mel
Chairman,
Export Development
Board, Sri Lanka



Panelist

Dr. Ramesh Shanmuganathan
Executive Vice
President/Group CIO
John Keells Holdings PLC



Panelist

Prof. Jawad Syed
Suleman Dawood
School of Business,
LUMS, Pakistan.



Summing-Up Speech

Dr. Samantha Rathnayake
Head of Technical Sessions,
Faculty Member /
Management Consultant,
Postgraduate Institute of
Management, University of Jipura



Panelist

Nayomi Handunnetti
Entrepreneur, Fitness
Enthusiast, Award winning
Marketing Specialist



Panelist

Dr. Syed Ferhat Anwar
Director,
IBA, Bangladesh

emergency. The panel discussion was moderated by Mr. Shiran Fernando, Chief Economist, The Ceylon Chamber of Commerce. A veteran panel took part in day one deliberations such as Mr. Suresh De Mel, Chairman, Export Development Board, Sri Lanka; Dr. Syed Ferhat Anwar, Director, IBA Bangladesh; Prof. Jawad Syed, Suleman Dawood School of Business, Lahore University of Management Sciences (LUMS), Pakistan; Dr. Ramesh Shanmuganathan, Executive Vice President/Group CIO, John Keells Holdings PLC; and Ms. Nayomi Handunnetti, entrepreneur, fitness fanatic, award-winning marketing specialist.

Under the theme of Current Disruptions and Implications for Business: Managing & Leading, on day two, the keynote speech was delivered by Prof. Amit Karna, Professor of Strategy and Chairperson of Placements, Indian Institute of Management Ahmedabad (IIMA). Two-panel speeches were delivered by Mr. Phillip Latka, Head of International Development, MYbrainwave Pty Ltd. Australia on Strategic Leadership Agenda for Economic Revival and Thriving: Innovation Perspectives and Prof. Dr. Ali Khatibi, Senior Vice President, Post Graduate,

Business & Social Science, Management & Science University, Malaysia. Strategic Leadership Agenda for Economic Revival and Thriving: Leadership Priorities. Dr. Nirmal De Silva, Entrepreneur, Strategy Consultant, Associate Professor in Business & Board Director, facilitated Day two-panel discussion. Veteran and a diverse panel got involved in the deliberations. The panelists were Dr. Kulathunga Rajapakse, Emeritus Chairman, DSI Samson Group, Sri Lanka; Dr. Dinesh Watawana, Chairman, Geo Explore Foundation; Ms. Sharmalee De Alwis, Executive Vice President at Star Garments Group; Prof. Bharti Ayer, Assistant Professor at REVA University, Bangalore, India; and Prof. Dr. Ashok Joshi, Honorary Director-General, IndSearch, India.

It was with our sincere thanks to all who attended the conference virtually. CPM Sri Lanka would like to extend sincere appreciation and continue professional development engagements in the future. All in all, it is about exploring the ways and means to come out with solutions to unimaginable problems associated with the current pandemic. It is optimistic about organizing the next international conference hybrid model to continue more vibrant momentum for all management professionals.

Day 2



Welcome Address

Prof. Lakshman R. Watawana
Founder and President, CPM Sri Lanka

Current Disruptions and Implications for Business: Managing & Leading



Keynote Address

Prof. Amit Karna
Professor of Strategy and Chairperson of Placements, Indian Institute of Management Ahmedabad (IIMA)

Strategic Leadership Agenda for Economic Revival and Thriving: Innovation Perspectives



Panel Speech

Phillip Latka
Head of International Development, MYbrainwave Pty Ltd. Australia

Strategic Leadership Agenda for Economic Revival and Thriving: Leadership Priorities



Panel Speech

Prof. Dr. Ali Khatibi
Senior Vice President, Post Graduate, Business & Social Science Management & Science University, Malaysia.

Panel Discussion



Session Facilitator

Dr. Nirmal De Silva

Entrepreneur, Strategy Consultant, Associate Professor in Business & Board Director



Summing-Up Speech

Dr. Samantha Rathnayake

Head of Technical Sessions, Faculty Member / Management Consultant, Postgraduate Institute of Management, University of Jipura



Panelist

Dr. Kulathunga Rajapakse

Emeritus Chairman, DSI Samson Group, Sri Lanka



Panelist

Prof. Bharti Ayer

Assistant Professor at REVA University, Bangalore, India.



Panelist

Sharmalee De Alwis

Executive Vice President at Star Garments Group



Panelist

Dr. Dinesh Watawana

Chairman, Geo Explore Foundation



Panelist

Dr. Ashok Joshi

Honorary Director General, IndSearch, India.



#ChooseToChallenge Role of Professional Women

International Women's Day Celebration of CPM Sri Lanka



Key Presenter

Kushani Rohanadeera

Chief of Staff and Deputy
Secretary-General of
Parliament



Session Facilitator

Ganga Fernando

Senior Lecturer,
Dept. of Finance,
Faculty of Mgt. & Finance
University of Colombo,
Governing Council Member,
CPM Sri Lanka



Compère

**Darshika
Wickramasinghe**

Group MD/Co-Founder,
V-Share Group of Companies



Panelists

**Shifara Farook
Ismail**

Group Chief Executive
Officer
Wayamba Printpack
Pvt Ltd



Panelists

Bonali Perera

Director/Co-Founder,
U-Turn International
Mrs Earth Sri Lanka 2019



Panelists

**Primrose
Mascarenhas**

Director Administration/
HR Consultant
Ramtop Enterprise,
Governing Council Member,
CPM Sri Lanka



Panelists

**Dr. Buddhima
Subasinghe**

Youngest PhD Holder in
South Asia
Head Student Life &
Engagement
National Institute of
Business Management

The Institute invited seven of its lady members, in commemoration of The International Women's Day, to express their stance on women's leadership in society. It was a new initiative from CPM Sri Lanka to recognise women professionals who are putting tremendous efforts in respective professions in shaping a more equal future.

The term "glass ceiling" has come to describe the situation where women find it hard to climb to the apex of the corporate ladder.

The United States Federal Glass Ceiling

Commission defines the glass ceiling as "the unseen, yet unbreachable barrier that keeps minorities and women from rising to the upper rungs of the corporate ladder, regardless of their qualifications or achievements."

The term "Glass ceiling" was first used by Marylyn Loden during a 1978 speech. Today in the 21st century, society has come a long way in establishing gender equality. Yet, nevertheless the term is used as a measure of progress when organisations look back on new challenges and developments in Women's Rights.



Annual Convocation 2021 officially welcomes **our new members to the Diverse Professional Network**

The Annual Convocation 2021 of CPM Sri Lanka was successfully held on Monday, 22nd March 2021 at BMICH, Colombo, under the distinguished presence of Mr. K. Sripavan, Chairman of Commercial Bank PLC and Former Chief Justice, and with Mr. Suresh De Mel, Chairman, Sri Lanka Export Development Board as the Guest of Honour and Mr. Saliya Peiris, President, Bar Association of Sri Lanka as the Keynote Speaker. There were 200 Managers, Academics and Professionals representing Industry, Commerce, Banking & Finance, Universities & Business Schools and the Service Sector on whom were conferred Associate (ACPM), Member (MCPM), and Fellow (FCPM) memberships at this convocation.





The theme for the day was "PASSION FOR PERFECTION" as Passion for perfection is an extraordinary fusion of tomorrow's innovation and technology, of traditional and timeless value. It is rooted in the belief of changing and improving people's attitude, and their behaviour, leading to the delivery of superior functioning processes at organisational levels.

The Founder and President of CPM Sri Lanka, Prof. Lakshman R. Watawala, delivered the President's address. Dr. Samantha Rathnayaka, Governing Council Member of the Institute gave a comprehensive message to the newcomers on 'Grow

and Transform with Chartered Professional Managers' the speech appealing to new members to continue their membership in good standing.

The audience was fortunate to listen to a rich content speech from Justice K. Sripavan on 'Governance and Ethics in Management' which was followed by another two eye-opening speeches from Mr. Suresh De Mel on 'Making Sri Lanka a Hub for Exports' and 'The Role of the Professional in a just Society' by Mr. Saliya Pieris.

Despite several environmental setbacks, CPM Sri Lanka was able to end the event on a grand note.





'Business Connect Program' the forum which sparks new ideas

Yet another Initiative of CPM Sri Lanka was the brainstorming sessions for staff of respective organizations on how to overcome the challenges facing the turbulence facing the Country.

There were two sessions conducted at Ceylon Petroleum Corporation and Ceylon Petroleum Storage Terminals Ltd. and NeoChem International Pvt. Ltd. Both programme discussed the timely topic 'Managing Current Work Pressure & Challenges'. The interactive sessions discussed the ground challenges and possible solutions for specific problems through a consensus of ideas proposed by the participants and the resource person.

Dr. Samantha Rathnayake, Governing Council Member of CPM Sri Lanka and Faculty Member of PIM, University, of Sri Jayewardenepura conducted both sessions.

You are viewing Dr. Samantha Rathnayake's screen View Options

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Dr. Samantha Rathnayake

Self-reflection is a humbling process. It's essential to find out why you think, say, and do certain things... then better yourself.

Security Participants (1) Chat Share Screen Record Reactions More

CPM Sri Lanka recognized seven top personalities with 'Honorary Fellow Membership'

With the Annual

Convocation 2021, CPM Sri Lanka paved the way to pay tribute to prominent personalities who have made a significant contribution and reached a position of eminence in the practice of Management by awarding them "Honorary Fellow Membership" for the first time.

The Institute honored Mr. Vijitha Yapa - Founder, Chairman and Managing Director of CIMA Sri Lanka Division, Vidjajyothi Professor Lakshman Alwis, Chairman and the Principal Architect of Design Consortium Ltd., Mr. Sega Nagendra, former Senior Director of Carson Cumberbatch PLC, Justice K Sripavan, Former Chief Justice and Chairman of Commercial Bank, Mr. Suresh de Mel, Chairman and Chief Executive of Sri Lanka Export Development Board and Mr. Saliya Peiris, President of the

Bar Association of Sri Lanka in recognition of their services to the profession and the public in an illustrious career spanning decades covering the private and public sectors in the country.

This will be an annual event and will recognize eminent senior members of the Institute, who have been recognized at the highest level and whose efforts reflect the Institute's core values.

CPM Sri Lanka believes that it is imperative to recognize its most senior and esteemed members during their present lifetime rather than afterward and hence, the Honorary Fellow recognition.



'CPM Colour Flash'

Painting Competition for Children

As a means of encouraging young persons and their talent through a painting competition, CPM Sri Lanka organized 'CPM Colour Flash' painting competition for children. Because of the post-pandemic, we decided to organize this event by opening it for greater participation by engaging more Children who have been forced to stay indoors with very limited activity at these times.

CPM Sri Lanka believes that the event could encourage them to use their time gainfully in creating artwork and giving expression to their imagination through art/drawing. The Competition was open for four different age groups covering ages five (05) to nineteen (19).

The event witnessed the overwhelming participation of children at the closing date of 10th September 2021. The Institute will choose the best work and award valuable gifts, certificates, and medals to all winners and merit awards for each category. In addition to that, all participants will receive a certificate of participation.





International Workers' Day 2021 (May Day) celebrations

In line with the International Workers' Day 2021 (May Day) celebrations, the Member Services and Engagement Committee of CPM Sri Lanka organized an event to donate a bag of essentials (Rs.5,000/- worth) for selected elderly cleaning/janitorial Municipal street cleaners.

The Institute wanted to recognise them and their essential work which very often goes unnoticed.

The members of the Institute contributed generously to the estimated budget for this noble cause by donating money and goods.

Due to the prevailing situation of Covid19, the event has been postponed but CPM Sri Lanka will ensure that these goods will be given only to the street workers who collect refuse in carts.



CPM's online discussion on **BUDGET 2022: MY WISH LIST** ended on a grand note

With Finance and Business experts gearing up to receive this year's Budget Proposals in November, The Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka) organized an online forum on the 15th September as a precursor to the process to create an opportunity for corporate heads to anticipate proposals that are necessary currently.

CPM Sri Lanka invited lead spokespersons from five major areas of Exports, Tourism, Education, Apparels, and Agriculture to set out their wish list on what their expectations are from the Budget-2022.

The speakers who are experts in their area outlined what their particular sector would need from the proposals so as to strengthen the sector and stimulate it to overcome the economic and financial difficulties they face. They discussed proposals that were not Utopian but based firmly on ground reality.

CPM Sri Lanka was indeed pleased to witness a crowded event. We noticed that this programme was well received by all participants and there were many good comments and appreciations on it.



Experts from five major areas, Mr. Suresh De Mel, Chairman and Chief Executive of Sri Lanka Export Development Board, Ms. Shiromal Cooray, Chairman and Managing Director of Jetwing Travels (Pvt.) Ltd., Prof. Lakshman R. Watawala, Founder and President of CPM Sri Lanka, Mr. Hasitha Premaratne, Group Finance Director of Brandix Group, and Mr. Rizvi Zaheed, Chairman, Sri Lanka Agripreneurs' Forum expressed their wish list and the in depth views in line with the Fiscal Budget 2022.

The audience listened to the very informative speeches followed by an interactive Q&A session. The session was moderated by the Founding Editor and CEO of DailyFT, Mr. Nisthar Cassim. The alternate chairman of CPM Training & Development Committee, Mr. Hashan Haputhanthri did a praiseworthy job as the compere.



Online membership directory

A member directory can be of tangible benefit because it grants access to information of other members, a vital resource for assistance and networking opportunities. CPM Sri Lanka as a professional body encourages collaboration amongst multidisciplinary managers,

and for this reason our Online Membership Directory isn't just helpful, it's essential. Our Online Membership Directory will showcase strong career profiles, advertise membership levels, and profile successful members and their accomplishments.



We invite you to
blog

Keep your thoughts alive

Use our **blog** to interface with our members

Inspire others with your ideas

We proudly mark its flagship event -EFM Presentation Series

The Evening For Managers (EFM) presentation series marks its 25th milestone. The event has proved very popular with the members because we have been consistently been able to invite high profile presenters with something valuable to say. The EFM Programme has now reached its pinnacle among its members and with the general public as the most consistent, modern event and as a Programme that discusses the most relevant and critical topics where anyone can use them to enhance their

knowledge. Over 300 + average participation proves that its popularity is increasing Programme after Programme.

People gathered around this flagship event in numbers because of its indigenous format. Participants are believing that they can gain and explore insights into their Career, Life, and Organizations. Also, the feedback and growth rate of participant engagements prove CPM Sri Lanka's effort is highly appreciated.

22nd Session Reskilling and Upskilling for A Future-Ready Workforce



Key Presenter
Payal Nanjiani



Panelist
Naleen Edirisinghe



Panelist
Dr. Rear Admiral
Shemal Fernando

Today organisations are facing continuous change caused by digital transformation and the current pandemic. It is imperative for organisations to engage in reskilling and upskilling their employees by developing new skills and enabling them to be better at their jobs and filling critical gaps, a prime responsibility of HR. Organisations must adopt measures essential to close the increasing skills gap.

22nd Presentation of Evening for Managers webinar series was an informative session which define

the class of the eminent panel who shared most invaluable factors. Key presenter, Ms. Payal Nanjiani, Founder & CEO, Success is within Leadership USA & India, has illustrated her experiences within the scope. Mr. Naleen Edirisinghe, Senior DGM, Pan Asia Banking Corporation PLC & Dr. Rear Admiral Shemal Fernando, Secretary General, Sri Lanka Navel Association, displayed their views within their respective fields.

23rd Session Leadership in Crisis; The Assault on ethics

When leaders are confronted with harsh realities and issues, they begin to overlook the distinction between good and bad. Herein lies the ethical dilemma that corporations face.

Not only is it a severe blow to principles of leadership, it affects the very fabric of organizational behavior. Organisations lose track of the humanness that is at the bedrock of all relationships. For short term advantage, companies lose sight of ethical standards of justice, fair play, prudence, gratitude, resilience, objectivity and integrity.

Adding to this, the situation is further exacerbated by the severe restrictions imposed by economic, and social downturns at such times as these. It is at such times that we need to evaluate who a true leader is and what his ethical obligations are.

Dr. Nuwan Wimalana, Business Consultant, Independent Director & Visiting Lecturer, critically and



Key Presenter
Dr. Nuwan
Wimalana



Panelist
Himaja Wijenayake



Panelist
Prasad
Edirisinghe

theoretically illustrated about the topic including real life scenarios in his key presentation and Ms. Himaja Wijenayake, Country Manager, Looklet Design & Production (Pvt.) Ltd. and Mr. Prasad Edirisinghe, Management Consultant / CFO, Van8age Holdings (Pvt.) Ltd. Ex-Commission Member of National Science and Technology Commission, Former CEO, Journalist & Visiting Lecturer, added their specialist point of views as panelists.

24th Session Raising the Retirement Age; pros and cons

The Government of Sri Lanka has declared its intention to revisit the retirement age of employees for varied reasons.

Everyone recognizes the right to retirement of an employee from his working life with a pension. Retirement age differs across the world, generally between 50 and 70 and we recognise 55 as the working life limit. Usually, self-employed people and business innovators tend to retire later than paid employees. The wealth of the country, average life expectancy and socio-economic paradigms also impact the age when people can retire and get a pension.

There are those who wish to retire early but others would rather work longer. Factors such as financial stability, better health conditions and social acceptance lead people to continue. While these factors would lead to a contented society, there is also the financial cost of extended work and the task of securing employment opportunities for the younger population.

The debate goes on. But now push has become shove with the Government about to take up the



Key Presenter
Rohan Dunuwille



Panelist
Dr. Anuradha
Iddagoda



Panelist
Dr. Dinesh
Hamangoda

issue in Parliament.

24th session of EFM provided a platform to our members and to the public to listen to experts trying to demystify the issue. After all it impacts all our members either as employer or employee.

Legal expert Mr. Rohan Dunuwille, Partner of Aequitas Legal Consultants was the Key Presenter of this very informative event and made a comprehensive presentation.

Panel discussion enlightened by Dr. Anuradha Iddagoda, Senior Lecturer and Researcher, University of Sri Jayewardenepura and Dr. Dinesh Hamangoda, General Manager-Sales, Hemas Manufacturing (Pvt.) Ltd. with their expert views.

25th Session 21st Century Phenomena of Social Media; Friend and FOE

The milestone event discussed the “21st Century Phenomena of Social Media; Friend and FOE” on Thursday, 29 July, from 6.30 p.m. to 8.00 p.m. which marks the 25th webinar in the presentation series.

The Managing Director, Ogilvy Media, Ogilvy Digital and Redworks, Mr. Lalith Sumanasiri, delivered the Keynote Presentation about Social-Media platforms which was related to our lives and never has communication of ideas been as fast as it is today and if anything, it is becoming even faster. Formal print channels find it hard to compete with the lightning speed of Twitter, Facebook and Instagram. However as in everything, in social media too, we have to be mindful of both the multiple advantages and disadvantages.

Vice President-Client Success, Facebook ASP at Roar Global, Mr. Udara Dharmasena, and Attorney at Law, Mr. Charith Galhena expressed their views as



Key Presenter
Lalith Sumanasiri



Panelist
Udara Dharmasena



Panelist
Charith Galhena

panellists to push boundaries of this discussion and added even more valuable facts because responsible use of communication tools can help society to exchange information quickly, in every sphere of life globally, removing geographic boundaries. Social media is now an essential component of our lives but we confront many areas of doubt and uncertainty such as what is social media and what are its features; How is it used by companies and individuals; how should its strength be used in times of crisis.

26th Session Safety of Information in a Technically Driven World

The 26th session discussed on ‘Safety of Information in a Technically Driven World’ a timely subject of Cyber Security.

The webinar was held on Friday, 27th August 2021 from 6.30pm to 8.30pm via Zoom.

The Institute noticed that a recent study by Infosys points out that over 100 top brands in the world are in danger of security breaches which could result in a loss of \$223 billion from their value. Technology has permeated every aspect of our lives, more so after the inception of the current pandemic. Today we use technology to buy groceries or to order a three-wheeler.

In this data dominated world a primary and essential prerequisite for any operation is the protection of data from cyber-attacks. As shown by Infosys, the cost to companies could be colossal. It is not merely the immediate costs of breaches that are harmful; the long-term loss of customer relationships and damage to assiduously built brands can be excessive and disastrous. Thus, everyone has to implement a well-defined cyber security strategy and keep constant vigil over cyber threats.



Key Presenter
Prof. Rohan Samarajiva



Panelist
Aparrajitha Ariyadasa



Panelist
Sanji De Silva

The veteran of the Information Technology Industry Prof. Rohan Samarajiva, Founding Chair of LIRNEasia, a think tank active across South and South East Asia shared his valuable insights on the Key Presentation which discussed current issues in terms of information security.

Prof. Samarajiva is a member of the UN Global Pulse Advisory Group on Data and Artificial Intelligence.

His presentation was followed by a Panel discussion with Mr. Sanji De Silva, Founder/CEO

Bileeta (Pvt) Ltd. and Mrs. Aparrajitha Ariyadasa, Senior Partner, ATD Legal Associates, and Director of Cyber Forensic Lab and Chairman of Lanka Intellectual Property Org. who were the panelists.



Management and Entrepreneurship Programme

in a virtual mood

In preparation for the 'New Normal', it is important to have the right navigation for the entrepreneurs to re-align their businesses as well as their managers and to re-skill their workforce to meet upcoming new challenges. In catering to these aspects, CPM Sri Lanka launched a "Management & Entrepreneurship Programme" with a fully-fledged syllabus and a practical experience component which consists of Certificate, Diploma and Advanced Diploma qualifications. We now have the several batches of

young managers already in training with their classes on Zoom. We received very encouraging responses from them.

With this course a new chapter in the future of the Institute will be inaugurated. There will very soon be members qualifying from our own office. Your Institute will then be an organisation providing acceptable qualifications.

Please contact our office via 0706590995 / 0706590996 / 0706590996 for the next intake details.

Digital transformation of membership

Understanding the timely needs, CPM Sri Lanka implemented an online system by transforming the membership process to a digital platform which is integrated into four main clusters thus: (i) Online Membership Application (ii) Online Members' Database (OMD) (iii) Online Member Profile Management System (OPMS) and Online Membership Directory (OMD). (Please refer annexure II and III). This will have ease of access quick verification, and members will be able to contact their colleagues and meet them virtually. We expect a closer contact among members.



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