

**Speech delivered by H.E. Mr. David Daly,  
Ambassador of the European Union to Sri Lanka  
at the National Chamber of Exporters of Sri Lanka, 23<sup>rd</sup> Export Awards  
Ceremony, 18 September 2015**

I am greatly honoured to be here with you this evening and I am very grateful to the President Mr. De Silva and the Board of the National Chamber of Exporters of Sri Lanka for having invited me.

I would like to congratulate the National Chamber of Exporters for organizing this event now for the 23<sup>rd</sup> time. I believe in strong and good traditions and I am sure that this is one of them.

You reward excellence in export achievement; you set high standards; you encourage others to try to do even better next year. Very well done to all concerned!

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Obviously, exports are critical for Sri Lanka's economic growth and it is a fact that European Union continues to be Sri Lanka's leading export market. Sri Lanka's trade with the EU is noteworthy not only because of its scale, exports of EUR 2.52bn. last year, but also because the EU has been a growing market for your exports, unlike some other markets.

Exporting to the EU single market means following the same transparent European rules, the same rules of origin, and the same import tariffs across all 28 EU Member states. This in turn facilitates your trade, reduces your costs and provides you with commercial opportunities in a market of over 500m consumers; and it even offers you a single currency – the Euro – across 19 countries.

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I know that Sri Lanka's new government has identified rapid export growth as the way forward and it is already working on a policy framework targeting the doubling of current exports over the medium and long term. I applaud that objective.

There is an overwhelming coherence in the target of doubling export performance and the Government's headline policy objectives of improving the rule of law, good governance and human rights, as well as engaging in a genuine reconciliation process.

Sri Lankan business must maximise the talent of all Sri Lankans, north, south east and west, through education and training – its people being the country's greatest asset. Improving the respect for human rights generally will inevitably help maximise people's potential. Furthermore, I agree with President Sirisena when he said that true sustainable development of the country could only be built on a genuine reconciliation process.

Sri Lankan business also needs more capital which must be attracted from abroad; better governance and adherence to the rule of law should bring clear investment and procurement rules, applied in a transparent, competitive and non-discriminatory manner.

Sri Lankan business also needs access to open markets. Happily, it already has this to an overwhelming degree on the EU market – as evidenced by your export success. However, even better market access could still be achieved through improvements in Sri Lanka's compliance with the 27 International Conventions on Human Rights, Labour Rights and Environmental standards, which are vital for getting the EU's GSP+ market access status. The human rights and reconciliation issues being discussed in Geneva these days are clearly also important in the GSP+ context.

The EU is currently working with the Government on this issue but there is a strong role for business to play too; I encourage you to become Sri Lankan business ambassadors for human rights and to press your government to meet the standards which would trigger the additional tariff concessions from the EU.

I would be remiss if I did not mention the EU import ban on Sri Lanka's fisheries exports. After over four years of informal and formal discussions with Sri Lanka, the EU reluctantly concluded that Sri Lanka was not cooperating sufficiently in the global effort to eradicate illegal, unregistered and unreported fishing. Consequently the import ban on Sri Lankan fisheries products was introduced early this year. I am heartened that the government is grappling with this challenge and that improvements are being made – I hope that more concrete results are delivered, sufficient for Sri Lanka to have its IUU Red Card removed.

On both the IUU issue and the GSP+ issue, the ball is firmly in Sri Lanka's court to meet the standards which the country has signed up to; you have to press your own government to know if you will get a good result – don't ask me!

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I cannot conclude without mentioning that the EU continues to stand shoulder to shoulder with Sri Lanka as a development partner, as we have done down through the years. In the trade sector in particular I am delighted to say that we will launch a new trade assistance programme worth EUR 8m over the coming months. It will especially help SMEs improve their competitiveness in regional and EU markets; it will help develop a coherent trade strategy; it will increase the efficiency of cross-border procedures and it will improve compliance with quality and SPS requirements.

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In conclusion, I reiterate; tonight is all about celebrating your successes. As we know, success has many fathers, and I have no doubt that the National Chamber of Exporters of Sri Lanka is one legitimate father to your successes.

Thank you.