



United Professionals Movement

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09th December 2015

Ms. Chandanie Wijayawardhana

Secretary

Ministry of Development Strategies & International Trade

6th Floor,

West Tower

World Trade Center,

Colombo 01.

Sri Lanka.

Dear Madam

**UPM NOMINATIONS FOR THE AGREED WORKING COMMITTEE FOR
EVALUATING THE ETCA FRAME WORK AGREEMENT (ETCA-FA)**

United Professional Movement (UPM - a coalition of top professional bodies in Sri Lanka - see attached list) thanks the Hon. Minister, Mr. Malik Samarawickrama (Minister of Development Strategies and International Trade) and the Hon. Minister, Mr. Sujeewa Senasinghe (State Minister of International Trade) and other relevant officers instrumental in making this meeting happen to share our serious concerns about the proposed ETCA-FA with India.

We appreciate the general consensus arrived at the meeting and the Hon. Ministers' willingness to obtain Sri Lankan Professionals':

- (a) "*direct*" involvement in evaluating the upcoming ETCA-FA
- (b) "know-how" to setup domestic laws and regulations to ensure service quality through: domestically established professional licensing processes, labor practices, taxation systems, appropriate environmental policies, arbitration policies, etc.

WHAT WE REQUEST FROM THE MINISTRY:

1. Please share in writing the intended advantages of the ETCA-FA process and the benefits of ETCA with India over the “now shelved” CEPA with India.
2. Please share the specific key milestones set down the road until May/June in 2016 which is to our understanding is the target period for signing ETCA with India.
3. We kindly request the first "work session" with the relevant personnel within this week.

WHY WE WANT TO BE PART OF THE SOLUTION

As a precursor to the meeting, UPM emailed you the soft copy of the detailed letter we submitted to you on 07-12-15 in response to the meeting we had with you and The Secretary to Ministry of Industry & Commerce on 27-11-15 introducing us to ETCA-FA for *Trading Services* with India. Nevertheless, we like to briefly reiterate the major areas of concerns we expressed at this meeting. They are:

1. *What are the advantages and benefits to Sri Lanka through this newly established ETCA-FA approach over CEPA with India.* India Sri Lanka CEPA was a *fully fledged agreement with schedules etc. that the GoSL said that it is not going to sign to much of our relief as we had many issues with it after a careful study of the clauses related to the Movement of Natural Persons and Services.*

2. *Lack of transparency of the overall process behind establishing bilateral agreements with India and any other country that is not fit to a society that espouses good governance.* These types of bilateral agreements have challenging arbitration laws and a small, developing country like ours must be very cautious and transparent as *the good and the bad* of the aftermath will be experienced by the citizens of Sri Lanka. ***Our citizens must know, no matter how less educated or less sophisticated they are.*** We have not seen such efforts from the GoSL until professional groups like UPM stepped up to the plate chasing after CEPA! We are hopeful that the future will be different.

3. While we are very much aware of the potential benefits of international trade agreements with friendly countries, regions, etc. and the past record of them related to Sri Lanka (factually very poor with India when compared to others), ***it is the first time that the GoSL is negotiating the "Service Sector" in a bilateral agreement. From the get go, we do not have the needed regulatory framework for establishing accepted licensing practices within Sri Lanka except for Medical Doctors. We also don't have the needed sophistication in our immigration and tax laws to manage foreign personnel.*** In fact, even with concentrated efforts from some of the professional bodies within UPM, it has

taken years to get such bills even considered to be passed as acts (example: *Engineering Council Bill* now waiting to be gazetted after more than a decade). Opening our service professional economy when our house is not in order will be the last thing we should consider given millions of unemployed people of all sorts in India. It will not create jobs for Sri Lankans but most likely will take away whatever that is available if we are not careful. ***If GoSL wishes to fast track ETCA-FA with India then GoSL must double fast track the legal framework needed to bring the aforementioned areas to international standards at least in par with India to start with.*** This in fact, will make it lot easier to deal with other technologically advanced countries such as USA, EC, Germany, South Korea, Malaysia, etc. ***Who would know better than the practicing (locally and internationally) professionals of Sri Lankan origin and shouldn't they be directly involved in setting this regulatory framework through representative deliberations?***

4. The new element here is **Technology.** ***Now, wouldn't it be the prudent thing to get professionals of our country directly involved in creating these agreements or frameworks?*** If the elected representatives of GoSL are working hard to find more technologically advanced jobs for us and bring much needed foreign direct investments to Sri Lanka, the smartest thing to do would be to work with Sri Lankan professionals of all sectors. It must be done in a concentrated, fast track, focused method in a dedicated place of work for 1-2 months before jumping to any conclusions or half way agreements by a few who may not represent the needed technological, professional, business, and international exposure in the modern fields of technology and professional services. If we miss this great opportunity due to our anxiety to do something in a hurry, young Sri Lankan citizens will become the modern day slaves in BPO houses just like our garment factory workers / middle eastern workers and Sri Lanka as a nation always be playing the "catch up game" for decades to come. ***WE CAN DO BETTER, after 60+ years from independence, we as Sri Lankan professionals are better exposed, educated, travelled, experienced, and most importantly internationally networked. LETS DO IT TOGETHER.***

Let us as citizens of Sri Lanka build a better future through a collaborative process utilizing all the personnel resources available to us.

Sincerely

Thank you,

Yours faithfully,

United Professional Movement

Joint Coordinating Secretary