

## UPDATE ON THE SLSFTA

Dear Member,

As was communicated to you by my letter dated Tuesday, May 1, 2018, the meeting with the Minister of Development Strategies and International Trade (MoDSIT) was held at the Ministry at 4.00 p.m.

Thank you to those who responded to my request for points to be considered in the discussion, at such short notice.

Our delegation comprised of the President, President Elect, Immediate Past President, Past President in the Council, Hon. Secretary, three Vice Presidents, one Council Member and the Executive Secretary. President, Sri Lanka Institute of Architects (SLIA) sent a Vice President to represent him at the meeting. The Minister was accompanied by officers including the Secretary of MoDSIT, and members of the Negotiating Team from Sri Lanka.

The minutes of the Meeting are in preparation, and will be posted in the website when ready. In the meantime, I would like to mention some of the key outcomes of the discussion.

- Minister acknowledged that the Schedules of Commitments related to Service trade Liberalization in the SLSFTA should have been prepared with the consultation of engineers in all the areas related to engineering services.
- **Responding to the queries of IESL and SLIA representatives, Minister and MoDSIT officers confirmed that SLSFTA was in force from 01st May 2018 and no amendment was possible for the agreement.**
- Representatives of the IESL stressed that the Ministry, as a government body, had not upheld the professional ethics and trust expected from them and had denied our rights as engineers to address concerns before the agreement was signed (on 23/01/2018) and before it came into force (on 1/5/2018). Minister commented that he was not aware of our requests for information and meetings, while the Secretary acknowledged that the letters were received.
- When questioned about the arbitration procedures to be adopted in the FTA, the Ministry delegates said that the arbitration could take place in Sri Lanka or Singapore, and the Sri Lankan arbitration process would be expedited to result in a decision within 3 weeks. However, the IESL team was of the view that the process would be very expensive, and the Sri Lankan companies would not be able to afford the cost of arbitration, and thus would be at a major disadvantage in conflict situations.
- Minister and officials requested the IESL and SLIA (and other professional bodies) to submit their concerns to be incorporated when drafting the next two FTA's lined up, i.e. with China and India.
- When asked if the Commitments would have to be the same as those given in the SLSFTA, the Ministry officials and the negotiators categorically stated that it will not be so, and the commitments for those two countries would be much more stringent.

- IESL representatives stated following concluding remarks.
  - IESL does not agree with said agreement in principal, specifically with the way Schedules of Commitments were done in our sectors without and denying the input of professional bodies, IESL in particular.
  - Before and after the meeting, the position of the IESL has not changed with regard to the commitments given by the Sri Lankan negotiation party, and the Professional Bodies are disappointed in the way the opportunities for intervention were denied to them.

On the same day after the meeting with the Minister, the same IESL delegation attended a meeting called by the Sri Lanka Institute of Architects on the same topic, for which several other Professional groups have also been invited. At this meeting several options were discussed on the way forward, taking into account the outcome of our meeting with the Minister, with the confirmation that the SLSFTA has already become effective from the 1<sup>st</sup> May 2018.

As such, it was decided to have a Joint Press Conference from all the Professional Bodies (Sri Lanka Institute of Architects, IESL, IIESL, Institutes of Quantity Surveyors, Town Planners and Landscape Architects) at the earliest, to make the public aware of the impact of the SLSFTA which has been signed, on the Professionals, National Development and the society. This decision was ratified at the IESL Council Meeting on the 4<sup>th</sup> May 2018, and an awareness workshop for Council Members and the members of other Professional Bodies participating at the Press Conference was also held on 8<sup>th</sup> May 2018 at the IESL.

The Joint Press Conference was held on 9<sup>th</sup> May 2018 at SLIA Auditorium, at which the Presidents of Sri Lanka Institute of Architects, Institution of Incorporated Engineers, Sri Lanka Institute of Quantity Surveyors, Sri Lanka Institute of Landscape Architects and Sri Lanka Institute of Town Planners participated along with myself, President Elect, one Vice President and the Past President in Council from IESL participated. The joint press release will be posted in the website for your attention.

Eng. Prof. (Mrs.) Niranjanie Ratnayake

President, IESL

10/05/2018