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USAID SRI LANKA PARTNERSHIP FOR ACCELERATING RESULTS IN TRADE, NATIONAL EXPENDITURE, AND REVENUE (PARTNER) ACTIVITY QUARTERLY PROGRESS REPORT I APRIL – 30 JUNE 2021

July 2021

THIS DOCUMENT WAS PRODUCED FOR REVIEW BY THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT. IT WAS PREPARED UNDER TASK ORDER NO. 7200AA18D00009 FOR THE PARTNERSHIP FOR ACCELERATING RESULTS IN TRADE, NATIONAL EXPENDITURE, AND REVENUE (PARTNER) ACTIVITY (THE "TASK ORDER"), OF THE PUBLIC FINANCIAL MANAGEMENT II INDEFINITE DELIVERY, INDEFINITE QUANTITY ("IDIQ") CONTRACT NO. 720-383-19-F-00001 IMPLEMENTED BY DELOITTE CONSULTING LLP.

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ACRONYMS AND ABBREVIATIONS

AmCham	American Chamber of Commerce in Sri Lanka
AMELP	Activity Monitoring, Evaluation, and Learning Plan
AQO	Animal Quarantine Office
ASC-SL	Audit Service Commission of Sri Lanka
BDP	Business Development Services Provider
B&M	Branding & Marking
BPO	Business Process Outsourcing
BOI	Board of Investment
BRA	The Business Requirements Analysis
CCC	Ceylon Chamber of Commerce
CCGR	Ceylon Cinnamon Geographical Indicator
CDCS	Country Development and Cooperation Strategy
CLA	Collaborating, Learning, and Adapting
COPA	Committee on Public Accounts
COP	Chief of Party
COPE	Committee on Public Enterprises
CYPRESS	Capacity, Performance, Results, Sustainability
DOC	Department of Commerce
DI&EC	Department of Import and Export Control
DG	Director General
DTIP	Department of Trade and Investment Policy
EDB/SLEDB	Export Development Board/Sri Lanka Development Board
EDO	Export Development Officers
ERD	External Resources Department
e-GP	Electronic Government Procurement
FDA	U.S. Food and Drug Administration
GMS	Get Me Smart
GOSL	Government of Sri Lanka
HRD	Human Resource Development
ICT	Information and Communications Technology
INTOSAI	International Organization of Supreme Audit Institutions
IRD	Inland Revenue Department
LOC	Letter of Cooperation

MEL	Monitoring, Evaluation and Learning
MODSIT	Ministry of Development Strategies and International Trade
MOE	Ministry of Energy
MOF	Ministry of Finance
MOIEIP	Ministry of Industrial Exports and Investment Promotion
NAPPP	National Agency for Public Private Partnerships
NAOSL	National Audit Office of Sri Lanka
NCE	National Chamber of Exporters
NPD	National Planning Department
NPC	National Procurement Commission
NPQS	National Plant Quarantine Service
NSW	National Single Window
NTM	Non -Tariff Measures
NTP	New Trade Policy
NTFC	National Trade Facilitation Committee
PARTNER	Partnership for Accelerating Results in Trade, National Expenditure, and Revenue
PEA	Political Economy Analysis
PIL	Project Implementation Letter
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PSF	Project Submission Format
QSD	Quick Scan Diagnostic
SAIL	USAID Supporting Accelerated Investment in Sri Lanka project
SLASSCOM	Sri Lanka Association of Software and Service Companies
SLC	Sri Lanka Customs
SLEIC	Sri Lanka Export Credit Insurance Corporation
SLIBTEC	Sri Lanka Institute of Biotechnology
SLPA	Sri Lanka Ports Authority
SLSI	Sri Lanka Standards Institution
SLT	Sustainable Learning Transformation
SME	Small and Medium Enterprise
SLTDA	Sri Lanka Tourism Development Authority
SOW	Scope of Work
STTA	Short Term Technical Advisor

TFA	Trade Facilitation Agreement
TOCOR	Task Order Contracting Officer Representative
TOT	Training-of-Trainers
VAT	Value-Added Tax
XPRESS	Export Business Recovery Support Service
WTO	World Trade Organization

EXECUTIVE SUMMARY

OVERVIEW OF THE PARTNERSHIP FOR ACCELERATING RESULTS IN TRADE, NATIONAL EXPENDITURE, AND REVENUE (PARTNER) ACTIVITY

This report covers PARTNER Activity's (hereafter referred to as PARTNER) work from April 1 to June 30, 2021. In Q3, aligning with the revised Year 2 (Y2) work plan, PARTNER progressed ongoing activities with the Government of Sri Lanka (GOSL) and private sector amidst some challenges, including COVID-19. PARTNER also received the approval from USAID for the revised Scope of Work (SOW).

This quarter, the National Planning Department (NPD) approved a Project Submission Format (PSF) to conduct a capacity building program on Export Facilitation for the Export Development Officers (EDOs) attached to the Sri Lanka Export Development Board (SLEDB). The official launch of the program will take place next quarter with a public event for signing the Letter of Cooperation (LoC) among SLEDB, the Ceylon Chamber of Commerce (CCC) and PARTNER. Increased trade facilitation capacity of the EDOs will help them to guide emerging enterprises to become "export ready". The EDOs attached to SLEDB play a vital role in export development in all 25 districts in Sri Lanka. This initiative will contribute to PARTNER's commitment to enhance the capacity of public sector institutions engaged in export diversification, trade and competitiveness.

In addition, PARTNER, as a demand-driven program, facilitated the Sri Lanka Institute of Biotechnology (SLIBTEC) and the Kegalle District Secretariat to submit PSFs to NPD while identifying potential areas for technical support. Through these initiatives, PARTNER is engaging in both national and district level activities promoting inclusion and supporting the GOSL's national development policies while assisting in following international trade related standards. The External Resources Department (ERD) informed USAID of NPD's recommendation to implement a Real Time Data Dashboard for the Ministry of Energy (MOE) and PARTNER anticipates initiating implementation in the next few months. Furthermore, PARTNER launched the Compliant Economic Operator (CEO) - Authorize Economic Operator (AEO) Program. This program supports the private sector to comply with the "trusted traders" initiative introduced by Sri Lanka Customs, in meeting Sri Lanka's commitments under the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA).

The PARTNER team worked closely with independent think-tank Verité Research to compile a database and register of the GOSL selected Non -Tariff Measures (NTMs) governing agricultural trade in five main categories: fruits, vegetables, floriculture, horticulture and coconut products. As a result, the team completed a database register of selected GOSL NTMs governing agricultural trade in the five categories. This initiative is in line with National Agriculture Policy 2021, which recognizes the importance of updating or developing and implementing relevant Acts, ordinances and regulations toward the sustainable transformation of Sri Lanka's agriculture sector. Thus, PARTNER aligning with the government's framework intends to assist the GOSL in enhancing efficiency and service delivery to support trade and investment.

PARTNER continued sustaining private sector engagement through the Export Business Recovery Support Service (XPRESS) initiative by supporting exporters with COVID-19 business recovery. Throughout the

reporting quarter, this activity provided business coaching support to the firms participating in XPRESS. This quarter PARTNER also commenced work on assessing the digital maturity of Small and Medium Enterprises (SME) exporters to address trade-related digital readiness of SMEs.

PARTNER's contribution to addressing the information gap in the private sector and the trade regulatory environment was expanded through the Trade Tips video series alongside Trade Watch and the Import/Export Control Gazette Change Brief products. The "Trade Watch" webpage and web traffic statistics indicate continuing daily site visits by users throughout this period, with total page views of 95,074 and 49,446 site visitors as of June 29. A total of 442 updates were posted and 9,655 queries handled during phase II of Trade Watch (from October 1, 2020 to June 30, 2021).

Finally, this quarter PARTNER developed a concept note that seeks to feature women in cross border trade and subsequently develop an overall program to address gender-related trade issues.

PARTNER's main goals of Y2Q3 were to:

- Continue and expand work with the private sector, especially related to COVID-19 challenges.
- Provide technical assistance to address economic recovery in Sri Lanka.
- Engage in improving relationships with the GOSL to receive the Project Implementation Letter (PIL).
- Work with the GOSL counterparts to understand their technical requirements and finalize PSFs for submission to NPD.

Key challenges during Y2Q3 included:

- Ongoing impact of COVID-19 on PARTNER activities with counterparts and project internal operations, including remote work environment.
- Ongoing delay in finalizing the PIL.
- Discontinuation of the Department of Imports and Exports Control (DI&EC) activity based on a decision received by DI&EC from NPD to comply with the change in government directions towards digitization and budget constraints.
- USAID issued a Stop-Work Order for the Objective I activities. However, the PARTNER team continued scoping certain Objective I activities (i.e. engagement with the GOSL) in conjunction with the revised SOW anticipating lifting the Stop-Work Order.

MANAGEMENT

PROJECT MANAGEMENT

USAID approved the revised SOW that was prepared to align with the expectations of working with the GOSL on June 16, 2021, and it will serve as the roadmap for the activities going forward. Because of the GOSL re-imposed nationwide “controlled” lockdown due to the 2nd wave of COVID-19 in Sri Lanka, the project staff were instructed to work from home. Despite these challenges, the project operations continued, successfully advancing activities that were outlined in the revised Year 2 Work Plan.

Further to completed Year 1 training, PARTNER began implementing a more robust approach to Collaborating, Learning and Adapting (CLA) by conducting interview sessions with staff, compiling the findings for review and discussion with the entire team in Q4. The team also conducted environmental review working sessions where the staff shared ideas and suggestions on how PARTNER can positively contribute to improving the Sri Lankan environment through appropriate activities.

STAFFING

PARTNER has a team of 17 full-time staff. The staffing table in Annex D lists the status of positions at the end of the quarter. During the last quarter, the project identified the need for individuals with project management skillsets and successfully recruited two staff members to fill those positions. PARTNER continues to search for Deputy Chief of Party (DCOP) and also a Gender Equality & Social Inclusion (GESI) Manager.

GOVERNMENT AND STAKEHOLDER ENGAGEMENT

PARTNER sustained engagement and collaboration with new and established state-owned entities, focusing on improving GOSL efficiency and service delivery to support trade and investment. For instance, the team explored areas to assist SLIBTEC, which is a newly established state-owned entity. While engaging with national and island-wide initiatives, PARTNER also continued engagement at the district and divisional¹ levels, ensuring inclusion in collaborating with an entity such as the Kegalle District Secretariat.

¹ Divisional Secretariat, Districts and Provinces are administrative units in Sri Lanka

Table 1. Primary Counterparts

OBJECTIVE	PRIMARY COUNTERPARTS
Objective 1	Ministry of Finance (MOF), particularly National Planning Department (NPD), External Resources Department (ERD), Inland Revenue Department (IRD), Sri Lanka Customs, and Department of Public Finance; National Audit Office Sri Lanka (NAOSL); Parliamentary Secretariat and the oversight committees, particularly Committee on Public Accounts (COPA) and Committee on Public Enterprises (COPE), Ministry of Energy (MOE), Sri Lanka Institute of Biotechnology (SLIBTEC)
Objective 2	MOF, particularly Department of Trade and Investment Policy (DTIP); Department of Import and Export Control (DI&EC); National Trade Facilitation Committee (NTFC); Department of Commerce (DOC); Sri Lanka Customs (SLC); Sri Lanka Export Development Board (SLEDB); Board of Investment (BOI); Sri Lanka Ports Authority (SLPA); Sri Lanka Standards Institution (SLSI); Animal Quarantine Office (AQO); and National Plant Quarantine Service (NPQS)

Table 2: PSFs received from NPD or discussed with NPD

#	GOSL Counterpart	Technical Assistance Identified	PSF under development	PSF received by PARTNER	PSF accepted by PARTNER	PSF declined by PARTNER
1	DI&EC	Digital Transformation of the e-Licensing System			X	
2	SLEDB	Organize the Training programs on Export Oriented Entrepreneurship Development for young graduates as Export Development Officers (EDO)			X	
3	NPD	Capacity Development of the Department of National Planning	X			
4	NPD	Support to Sustainable Development Council	X			
5	NPD	Develop a Diploma in Project Management, including procurement with the University Grants Commission	X			
6	NPD	Develop a National Operations Center	X			

#	GOSL Counterpart	Technical Assistance Identified	PSF under development	PSF received by PARTNER	PSF accepted by PARTNER	PSF declined by PARTNER
7	ERD	Upgrading and modernizing ERD's Technical Assistance System and archival of ERD documents	X			
8	Department of Project Management and Monitoring	Building Project Management, Monitoring and Evaluation capacity	X			
9	Ministry of Energy	Data Dashboard to the Ministry of Energy		X		
10	Sri Lanka Institute of Biotechnology	Technical assistance to conduct feasibilities, research, establishment of a Biotechnology Innovation Park, development of IT and HR policies.		X		

OBJECTIVE I: PUBLIC FINANCIAL ESOURCES MOBILIZED AND EFFECTIVELY MANAGED

SUMMARY OF ACHIEVEMENTS

PARTNER sustained national-level collaboration with the GOSL, though some challenges incurred resulted in slow progress in specific activities. In the reporting quarter, USAID issued a Stop-Work Order for Objective I activities. However, as per the order, PARTNER continued scoping and engaging with the GOSL, in conjunction with the revised SOW and anticipating USAID lifting the Stop-Work Order. As a demand-driven activity, PARTNER continued positively responding to requests for technical assistance extended by the GOSL entities such as SLIBTEC, MOE and Kegalle District Secretariat. Further, PARTNER explored avenues to address gaps in trade regulations through initiatives such as Assessment on Agricultural Regulations in Sri Lanka.

Objective I achievements this quarter:

- USAID received NPD's recommendation for the MOE's PSF to implement a Real Time Data Dashboard for the MOE. The Ministry submitted the initial PSF to NPD on March 5th and a revised version on April 7th.
- PARTNER received a request for technical assistance from ERD for SLIBTEC. Consequently, SLIBTEC shared 15 potential technical assistance areas with the PARTNER team. SLIBTEC and PARTNER have been working towards finalizing high priority areas of support based on available resources, expertise and capacity.
- Following a presentation done in Y2Q2 on the Kegalle Development Plan, the Kegalle District Secretariat developed a PSF this quarter. PARTNER arranged to submit a consolidated PSF for the identified areas to NPD through the Kegalle District Secretariat.
- PARTNER completed a registry of 70 agricultural regulations and procedures governing products in five priority categories: fruits, vegetables, floriculture, horticulture and coconut and coconut products.

ACTIVITES

RESULT 1.1: MOBILIZED PUBLIC REVENUE

Activities related to mobilizing public revenue were suspended in the revised Year 2 Work Plan given current lack of demand from GOSL counterparts.

RESULT 1.2: IMPROVED PUBLIC SECTOR PROCUREMENT FUNCTIONS

e-GP Capacity Building Program for the Private Sector

The focus at the beginning of Q2 was on the e-GP capacity building program that was to be rolled out during Y2 with support from CCC and other regional chambers. Nevertheless, this activity was suspended in Y2Q2 due to the GOSL's limited interest in PARTNER's engagement as other international development partners have also shown interest in developing this area. In this context, USAID organized

a donor coordination meeting on e-GP with the EU in Q2. PARTNER also participated in this meeting, however, following the meeting, further communication with the EU did not occur on this activity.

Scoping Support for the Energy Sector

During the reporting quarter, MOE and PARTNER focused on two key technical assistance areas: i) improving biogas technology adoption rates in Sri Lanka, particularly across rural communities; and ii) monitoring fuel/energy prices and procurement for MOE through a single data dashboard. Currently, the MOE faces challenges in decision making due to lack of an established system to monitor, control and manage the flow of information generated in the energy sector relating to procurement and management of oil, including prices. Thus, the proposed data dashboard will establish a transparent and efficient system for the MOE to effectively execute their decision-making processes. In the next quarter, PARTNER will explore implementation options of this activity as NPD via ERD provided a recommendation to USAID to initiate the activity.

Biogas technology has been rolled-out on a limited basis in some rural areas in Sri Lanka by different entities. However, MOE and PARTNER identified the need for increased interest to use biogas systems in households in rural areas to increase usage. Due to this assessment, the Ministry is working on a PSF to provide training on biogas technology to the general public, focusing on rural communities, expected to be submitted to NPD next quarter. In line with PARTNER's goals, this activity will support efficiency and management of resources in the energy sector in Sri Lanka.

Scoping Support for Biotechnology

Following discussions with PARTNER in Y2Q2, SLIBTEC submitted a PSF on a self-governing ecosystem to NPD for approval. Based on this PSF, ERD extended a request to USAID for technical support. With USAID's support, PARTNER and SLIBTEC explored 15 areas to provide potential technical assistance in accordance with the scope in the submitted PSF.

SLIBTEC is a state-owned company consisting of two components: (i) SLIBTEC Park - envisaged to be a global hotspot for biotechnology businesses, helping companies to anticipate and seize new opportunities; and (ii) SLIBTEC Research - a platform that will fuel world class research and innovation by providing cutting-edge resources including state of the art laboratories equipped with the most current instruments and equipment for biotechnology research. By providing technical support, PARTNER expects to facilitate SLIBTEC in establishing their institutional capacity as it is a newly formed entity. The areas for technical support will be finalized next quarter subject to PARTNER's resources, expertise, capacity and scope of work.

Assessment on Agricultural Regulations

This reporting quarter, PARTNER worked closely with independent think tank Verité Research to compile a database register of GOSL selected NTMs governing agricultural trade in five main categories: fruits, vegetables, floriculture, horticulture and coconut and coconut products. The focus of this assessment, which builds upon similar work by other multilateral and bilateral donors such as World Bank and the EU's Sri Lanka Trade-Related Assistance Program, is to identify regulations that could hinder Sri Lanka's export competitiveness and support industry associations and traders to improve and streamline these regulations in the near-term. This initiative is in line with National Agriculture Policy 2021, which

recognizes the importance of updating or developing and implementing relevant Acts, ordinances and regulations toward sustainable transformation of Sri Lanka’s agriculture sector. Throughout the quarter, PARTNER held regular discussions with Verité to refine the design, user-friendliness and content of the registry and also provided guidance on the proposed assessment methodology. The assessment was adapted from the “Regulatory Guillotine Method”, a regulatory reform approach. The methodology looks at the legality, necessity and business-friendliness of each regulation or measure using a specific set of criteria.

During June, Verité led key informant interviews (KIIs) with several private sector stakeholders including chambers of commerce, product and sector associations (e.g., Lanka Fruit and Vegetable Producers, processors and exporters) to collect and validate information on the regulations. During the next quarter, PARTNER will finalize a presentation of the research findings to key stakeholders, including USAID, and the industry associations and traders who provided information and validated findings during the KIIs.

The registry will provide traders with useful information on approximately 70 NTMs. In addition, it will provide insights on those measures that need to be reviewed or revised to improve efficiency and reduce costs associated with compliance.

Kegalle Development Plan

After concluding a meeting with Hon. State Minister of Regional Cooperation and the officials of Kegalle District Secretariat during Y2Q2, PARTNER sustained follow-up work with officials of the Kegalle District Secretariat team who submitted a consolidated PSF covering identified activities and submitted it to NPD this quarter. Kegalle District, a disadvantaged geographical area that strives for improved economic development, heavily depends on mining and cultivation of raw commodities.

The Kegalle Divisional Secretariat demonstrated commendable efforts in completing the PSF this quarter amidst tough challenges such as the rapid spread of COVID-19, long periods of lockdown, and heavy rains and floods in the respective district.

PARTNER is evaluating the current progress and anticipating next steps. The team has commenced working internally to begin identifying the required STTAs to execute the technical deliverables under this activity. According to the original concept note, PARTNER identified three areas for potential technical assistance, including: (i) developing a new tourism center, a “City that Never Sleeps” that will generate income through tourism receipts, (ii) developing a value-added production facility for local spices and produce and, (iii) developing a new facility to produce organic fertilizer. Accordingly, PARTNER is collaborating with the Deloitte home office in preparing scopes of work for six STTAs to cover the investment prospectus that would be investment-ready under the Kegalle Development Plan.

Once the initial stages are completed, PARTNER will assist the Kegalle District Secretariat to identify a pipeline of potential investors and, if appropriate, supporting the Secretariat in structuring these transactions.

RESULT 1.3: IMPROVED PUBLIC SECTOR AUDIT FUNCTIONS

Activities related to mobilized public sector audit were suspended in the revised Year 2 Work Plan given current lack of demand from the GOSL counterparts. PARTNER will continue to follow up with NAOSL on draft PSFs and the report on Big Data Analytics, for which no response has been received since October 2020.

OBJECTIVE 2: TRADE FACILITATION IMPROVED

SUMMARY OF ACHIEVEMENTS

During this reporting quarter, PARTNER delivered a key deliverable to DI&EC and developed a comprehensive capacity building plan for EDOs with SLEDB that was previously approved. PARTNER worked with SLEDB and CCC to start planning the capacity building program for next quarter. However, engagements with NPQS, SLSI and BOI could not be advanced as the PSFs for these activities were not received by PARTNER via NPD.

Private sector engagements from the previous quarter saw significant progress. PARTNER and CCC published six “Trade Tips” videos on social media to bridge the information gap between the private and public sectors, particularly in the trade regulatory environment during a pandemic. This was further complemented by "Trade Watch" and the "Import/Export Control Gazette Brief" products. In addition, during the reporting quarter, CCC and PARTNER launched the CEO-AEO program supporting the private sector in complying with the "trusted traders" initiative introduced by Sri Lanka Customs to meet Sri Lanka's commitments under WTO's TFA. XPRESS also progressed efficiently; continuing business coaching support provided to firms in the pipeline for COVID-19 business recovery. Due to COVID-19 restrictions, most training and capacity building initiatives - such as coaching happened via online platforms. Additionally, the team identified the conceptual framework, established the advisory committee and commenced the process of hiring a survey firm for the baseline survey to assess "SMEs Digital Maturity in Sri Lanka". This activity is planned for next quarter.

Finally, Objective 2 has ventured into developing concepts for two new activities. First, an activity that seeks to feature women and women leaders who engage in cross border trade through a video series and secondly, an activity to conduct Export Barometer Surveys. The first initiative will be a continuation of the existing video series with a novel concept, while the second entails assessing exporters' sentiments in the market conducted jointly with CCC.

Objective 2 achievements this quarter:

- Developed the Business Requirements Analysis (BRA) report, a key prerequisite for automation and delivered to DI&EC.
- Formulated a comprehensive training and capacity building plan in consultation with SLEDB and CCC, to build capacities of up to 300 EDOs.
- Completed production of the Trade Tips video series (produced eight videos in total and published six during the reporting quarter).

- Developed a comprehensive "coaching manual" along with launching the program to coach 15 CEO-AEOs.
- Continued publishing Trade Watch and Import/Export Control Changes briefs as key sources of information to the private sector.
- Established the groundwork for the SME digital maturity survey, while establishing an advisory committee to guide the initiative.
- Trained 25 firms to develop new export-focused business plans via XPRESS.
- Crafted concept notes for the Export Barometer Survey and video series featuring Women in Cross Border Trade.

ACTIVITES

RESULT 2.1: INCREASED INSTITUTIONAL GOSL CAPACITY ON TRADE

PARTNER prioritized engagement with SLEDB to build the capacity of EDOs attached to SLEDB during this quarter and received NPD approval for the intervention. Potential export companies, SMEs and women-led businesses in regions across the country play a key role in Sri Lanka's economic development. The EDOs attached to SLEDB are expected to play a vital function in supporting these regional enterprises by guiding them to become "export ready" companies. As SLEDB is the apex state organization responsible for developing and promoting exports, the role of EDOs is essential to the county. However, it was evident that the knowledge and skills of these EDOs are limited, and significant capacity development is required. Particularly, they should be empowered with knowledge of modern international trade, trade facilitation, export promotion and conducting general counselling to SMEs on their business processes and advise them on proper market access opportunities.

PARTNER, in collaboration with SLEDB and CCC, identified this opportunity. During the quarter, a comprehensive capacity development program was designed to train 300 EDOs across Sri Lanka, including all 25 administrative districts. Up to 12 trainings will be conducted in each of the following geographic locations: Colombo, Kandy, Kurunegala, Matara, Batticaloa and Jaffna - including all 25 districts. Further, it is expected that training will be conducted in Sinhala and Tamil language.

The content of the training includes inter-alia trade facilitation, export promotion, SME development, market access and development of soft skills such as counselling. In addition, PARTNER has requested CCC (in consultation with SLEDB) to include a dedicated session on gender, women's economic empowerment and inclusion in this program. CCC began adapting the training module to suit both virtual and physical delivery if the GOSL imposed travel restrictions and limitations on physical gatherings due to COVID-19 continue. This program will ensure that trainees are equipped with the required knowledge to advise and coach the regional-level emerging enterprises and SMEs, including women-led businesses, to better engage in international trade.

In August, a public event to sign the official Letter of Cooperation (LoC) between SLEDB, CCC and PARTNER is planned with the participation of the Minister of Trade and USG representatives. The training program will then be launched in Colombo.

Export Development Agenda in Sri Lanka

The National Export Strategy (NES) 2018-2022 of Sri Lanka, seeks to catalyze the economy, stimulate growth and job creation by improving the ability of firms to export and compete in foreign markets. NES defines a detailed road map for faster export growth and acknowledges the requirement of a novel outlook and a process to increase the contribution of trade to economic development.

Potential export companies and women-led businesses in the regions play a key role in economic development through stimulating economic activity, increasing export gains, local resource mobilization, employment generation, fostering innovation and increasing GDP. Therefore, it is important to encourage SMEs and entrepreneurs by helping them to enhance their businesses to achieve global standards.

Strategic growth and developing Sri Lanka's export sector depends heavily on the ease of access to trade intelligence and information. Accessibility to global markets is recognized as an important source for stimulating export led growth. Therefore, emphasis has been placed on increased trade as a key facilitator for increasing Foreign Direct Investment (FDI), flow of foreign income and improving revenue collection for the GOSL, while ensuring economic growth and improved social conditions. Emerging companies and women-led businesses will benefit immensely from coordinated and well-designed support services for those entrepreneurs with export potential. However, absence of centralized, reliable, accessible and affordable export information and weak coordination between agencies with regard to gathering and sharing information was identified as one of the key issues to be addressed under the NES – Trade Information and promotion strategy. The GOSL has recruited graduates and deployed them as EDOs to all Divisional Secretariats in order to identify, educate, guide and coach SMEs and regional exporters.

EDOs attached to SLEDB are expected to perform a major role as regional level contact points for businesses. Yet, it has been identified that EDOs located in Divisional Secretariats who are to impart this knowledge with regional enterprises lack knowledge on exports, entrepreneur development and other job-related soft skills.

These newly recruited graduates with diverse educational backgrounds – 75 percent of whom are female EDOs – require improved knowledge and skills, to ensure they can fulfill the expected role in the regions.

Having recognized the importance of this capacity building, SLEDB, CCC and PARTNER are initiating a program for the EDOs to improve their knowledge and skills so they can in-turn transfer the same knowledge to emerging companies and regional exporters.

RESULT 2.2: STRENGTHENED TRADE POLICIES AND IMPLEMENTATION TO REMOVE BOTTLENECKS FOR INTERNATIONAL TRADE

Air Cargo Study

The findings of the Air Cargo Benchmarking Study prepared by PARTNER were presented to the private sector in YIQI. The next step was to share the findings with relevant GOSL agencies, with the primary outcome of developing a road map for improving air cargo trade facilitation. However, due to restrictions

from NPD on involving GOSL agencies without approved PSFs, this activity was put on hold for the past two quarters.

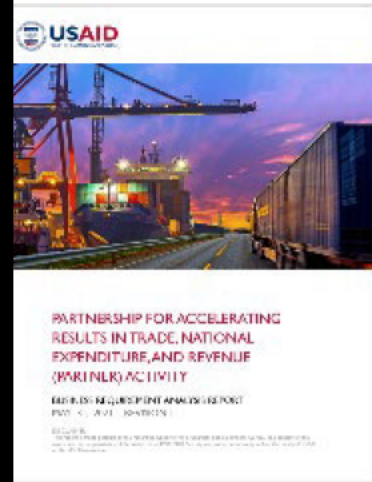
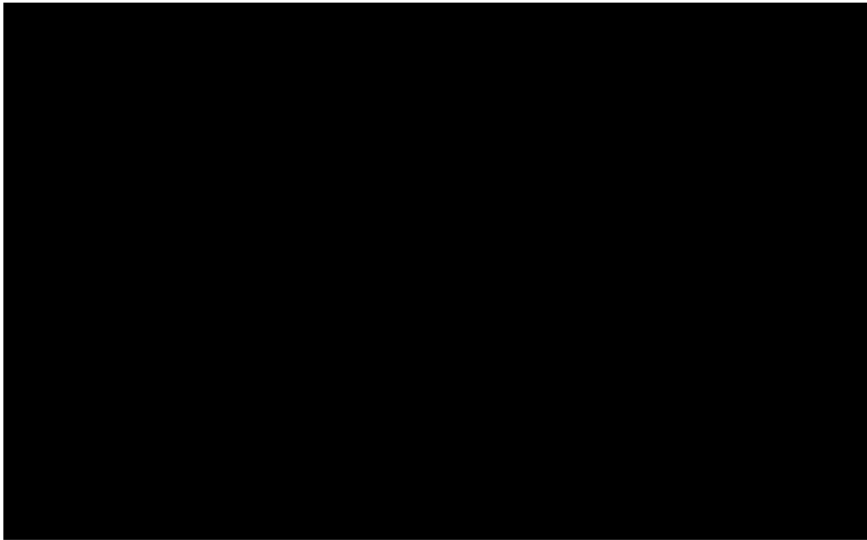
Public Sector Views on The *De Minimis* Facility

During this quarter, PARTNER circulated the report, Public Sector Views on the "De Minimis Facility in Sri Lanka, completed in Y2Q2, amongst the main GOSL stakeholders, including SLC, Department of Trade and Investment Policy (DTIP), and the Ministry of Finance to obtain feedback and validate the findings. No official communication or response was received by PARTNER despite several reminders. The following activities could be considered next quarter by PARTNER: (i) hold a public-private dialogue (PPD) to discuss how to operationalize the *de minimis* facility for courier shipments once PARTNER receives feedback from the GOSL officials; and ii) disseminate the findings via a newspaper article to create awareness amongst traders and the general public.

Digital Transformation of e-Licensing at the DI&EC

DI&EC regulates imports and exports by implementing standards and regulations focusing on national security, health concerns and environmental sustainability of the country. The primary activity of this department is issuing licenses for import and export items stipulated in gazette 2044/40. The legacy system that the department uses for the issuing and debiting process poses an array of risks and threats, including manual and labor-intensive processes to maintain and record changes for issued licenses, debits and amendments. This has led the department to consider digitization efforts ('e-Licensing') of their business processes to reduce risk and increase the efficiency of manual processes.

Since Y2Q2, PARTNER has been supporting DI&EC in the above digitization initiative to reduce risks and increase efficiency at the agency. During the reporting quarter, PARTNER worked closely with DI&EC to submit the BRA report as a key deliverable, in alignment with the Year 2 Work Plan. The BRA report emphasized the following areas; (i) project context, rationale and benefits; (ii) key stakeholders and integration overview; (iii) scope of work and out of scope activities; (iv) 'As is' and 'to be' business processes; (v) features of the proposed system; and (vi) prioritized business requirements. While the BRA is the foundation for all other deliverables, the team simultaneously worked on System Design Document (SDD) and Request for Proposal (RFP) submissions.



The Acting Chief of Party of the PARTNER Activity handing over the Business Requirements Analysis report to the Commissioner General of the DI&EC
Photo: DI&EC

The SDD is a technical document that will support the Terms of Reference (ToR) of the RFP document. Following the submission of the revised BRA on May 30th, PARTNER requested on several occasions to arrange a meeting with DI&EC to obtain feedback, however these efforts were unsuccessful. Subsequently, DI&EC verbally informed PARTNER on June 29th that the GOSL decided to discontinue the e-Licensing activity citing budget constraints and bringing all related projects under the purview of the Information, Communication and Technology Agency (ICTA) of Sri Lanka. This reflected internal decisions made by GOSL unrelated to PARTNER performance or engagement with counterparts, and PARTNER requested DI&EC to officially communicate this decision to USAID and PARTNER. PARTNER management decided to cease work related to this activity from June 30th until further notice.

RESULT 2.3: STRENGTHENED PRIVATE SECTOR ABILITY TO EXPORT AND IMPORT

PARTNER leveraged strong relationships with the private sector to continue making progress on several successful activities initiated in previous quarters such as Trade Watch, XPRESS, Trade Tips videos and the CEO-AEO program. Additionally, the team made progress on a new activity, an assessment of the digital maturity of SME exporters in Sri Lanka. The engagement with NCE was delayed due to clearances and approvals required.

During the quarter, the team developed concept notes for two new activities. As a continuation of completing the Trade Tips video series, a concept note was developed for a series of videos featuring women in cross border trade, with the objectives of showcasing success stories, improving visibility, highlighting innovative leadership styles and ways of working and enhancing the policy dialogue on trade from a gender perspective. PARTNER also initiated developing a more comprehensive concept note in relation to women and trade, given the importance of mainstreaming gender aspects in trade policy. Further activities of this topic will be featured in the Y3 Work Plan. Additionally, PARTNER submitted a concept note to USAID on conducting an Export Barometer Survey aimed at providing exporter insights on the impact of COVID-19 and identifying the needs and support requirements of exporters.

Trade Watch serves as a go-to resource for traders during the pandemic

As Sri Lanka is still grappling with the impact of successive waves of the pandemic, the trading community continues to use the Trade Watch web page developed through a collaborative effort between PARTNER and CCC. Trade Watch is a comprehensive website with critical information on border regulatory and trade-related services to help Sri Lankan businesses manage the impact of COVID-19 (<https://chamber.lk/>). The webpage is a repository of useful information, including updates from border regulatory agencies, ports and logistics information, and updates from the GOSL Task Force on COVID-19. In addition, during this quarter, development commenced on a new feature, in the form of a user alert system that enables registered users of the webpage to be notified when a new article is posted to the site.

A total of 442 updates were posted and 9,655 queries were handled during phase II of Trade Watch (from October 1, 2020 to June 30, 2021). The webpage and web traffic statistics indicate continuing daily site visits by users throughout this period, with total page views of 95,074 and 49,446 site visitors as of June 29th and it has been of great value for traders; [REDACTED], Divisional Manager (Engineering Procurement) of Haycarb PLC appreciated the services available via the site, saying: *“During the lockdown situation, we are not in a position to reach out to most of the government agencies.”*

It is a great relief for us that we can reach the staff of the Ceylon Chamber of Commerce through Trade Watch to get answers for our queries through the hotline. We appreciate your efforts to facilitate trade.

[REDACTED], Pure Coco Lanka Pvt Ltd

NCE: Complying with U.S. regulations to improve agro-food exports from Sri Lanka

In the National Policy Framework for SME Development (2017), the GOSL identified agro-food exports as a key focus area in improving Sri Lanka’s export competitiveness; the same is reflected in Sri Lanka’s NES that identifies processed food and spice products as an avenue for export growth. In this context, agro-food companies wishing to export to the U.S. market must comply with the new Food Safety Modernization Law (FSMA) by having a staff member trained in risk analysis based on preventive controls. To support such firms to conform to regulatory requirements to export food products to the U.S., PARTNER planned to commence a capacity building course called Preventive Controls Qualified Individual (PCQI) this quarter in collaboration with NCE, the only private sector chamber that exclusively serves Sri Lankan exporters. The training course for NCE and non-members aims to boost the export of fresh foods, processed foods, tea, spices, and coconut-based products to the U.S. market. Due to delays in obtaining approvals for the activity, the training is now planned for Y2Q4 subject to completing the subcontracting with Deloitte’s Home Office.

Trade Tips for Importers & Exporters

Having identified the implications of the pandemic on business due to supply and demand impacts both locally and globally, PARTNER developed a series of videos with CCC to communicate vital business tips with importers and exporters in Q1. Four of the eight scheduled videos from this activity were completed as of Q2 amidst many logistical challenges faced due to travel restrictions/lockdowns in the country. They are on factors to consider in making smart logistics decisions, International Commercial terms (INCO

terms), import-export gazette changes and insurance. During Q3, PARTNER faced similar restrictions, though successfully completed production of an additional four videos on the topics “Warehousing and distribution”, “Freight negotiations”, “Procurement” and “SME Financing”, thus marking the completion of this activity. The last two videos will be published next quarter.

These videos are posted on [Economy.lk: Facebook](#), [Economy.lk: YouTube](#), and [CCC: Facebook](#). As of July 2021, the number of organic and boosted views on two Facebook pages and one YouTube channel are 32,090, while the number of impressions on two Twitter accounts and two LinkedIn pages are 14,658. The posts have 137 likes and 39 reshares/retweets. The last two videos in this series are completed and will be published soon, featuring a female resource person in one video.

Import/Export Control Gazette Change Briefs

The GOSL introduced import restrictions in March 2020 to conserve gross official reserves, strengthen the Sri Lankan Rupee and maintain the external balance of the economy. These restrictions were imposed via four tools, including: Temporary Suspension, Credit Basis, Import Control License and Banning by way of issuing gazettes. In order to bring more clarity and awareness to the private sector on the changes introduced by these gazettes, PARTNER developed four trade briefs in Y1 Q1 and delivered another brief to the community covering gazettes No. 2209/18 of 05 January and No. 2214/56 of 11 February in Q2.

During this quarter, PARTNER issued briefs covering three more relevant gazettes that came into effect in June. This activity was completed in collaboration with CCC, and all trade updates published were uploaded to CCC’s Trade Watch webpage for wider circulation amongst the private sector. This type of analysis is available since Y2 Q1 for the first time in the country during the COVID-19 period, and they enable traders to forecast their business outcomes more effectively and make decisions to plan imports in terms of supply and demand.

Launch of the CEO-AEO program

Through the CEO-AEO program, PARTNER aims to support the private sector to comply with a program developed by SLC to recognize and reward trusted traders with less onerous border clearance procedures such as rapid release, reduced documentation and data requirements and fewer physical inspections. SLC published the eligibility criteria, referred to specifically in the WTO’s TFA for granting such recognition. Through the CEO-AEO program, PARTNER plans to improve technical compliance among traders to qualify for this program by building their capacity to meet eligibility criteria. PARTNER completed developing a comprehensive coaching manual for this program during the quarter, which will serve as a guide to understand the often-complex requirements set forth by border agencies, including SLC. The manual is complemented by slide decks covering six key customs operational areas including; (i) legal requirements in the Customs Ordinance; (ii) valuation of internationally traded goods; (iii) harmonized system and goods classification; (iv) customs procedure codes; (v) preferential trade arrangements and goods origin; (vi) international trade contracts that includes terms of delivery; and (vii) terms of payments. During the reporting quarter, PARTNER supported CCC with a virtual orientation program on June 16th for companies interested in joining the CEO-AEO coaching program. Following this event, CCC selected a first batch of 15 companies to begin the in-house coaching component that includes a diagnostic assessment of the company’s internal procedures against the requirements set by SLC. The

prevailing travel restrictions in the country may hinder the timely implementation of this activity, which would be best implemented via physical visits to the company premises. However, PARTNER is discussing a suitable way forward with CCC.

How is the CEO-AEO program linked to the WTO's TFA?

The WTO TFA aims to improve trade facilitation, described as simplifying trade procedures for the efficient movement of goods across borders. It provides for more than 36 individual technical measures in the form of new rules, processes, and procedures that WTO members must implement.

Sri Lanka ratified the WTO TFA in 2016, and its current implementation progress stands at 31.5 per cent¹. Sri Lanka is responsible for implementing obligations according to the different categories of commitments notified to WTO: categories A, B, and C². Article 7.7, which provides additional trade facilitation measures to private sector operators who meet specified criteria is a category C commitment of Sri Lanka with a definite implementation date by December 31, 2026. These operators are referred to as 'authorized operators. In line with this requirement, SLC has launched the CEO-AEO program. SLC has published guidelines and eligibility criteria for granting CEO-AEO status for operators. Accordingly, operators must demonstrate a high level of legal, operational compliance, and supply chain security. These conditions and requirements are considered vital elements in the whole program.

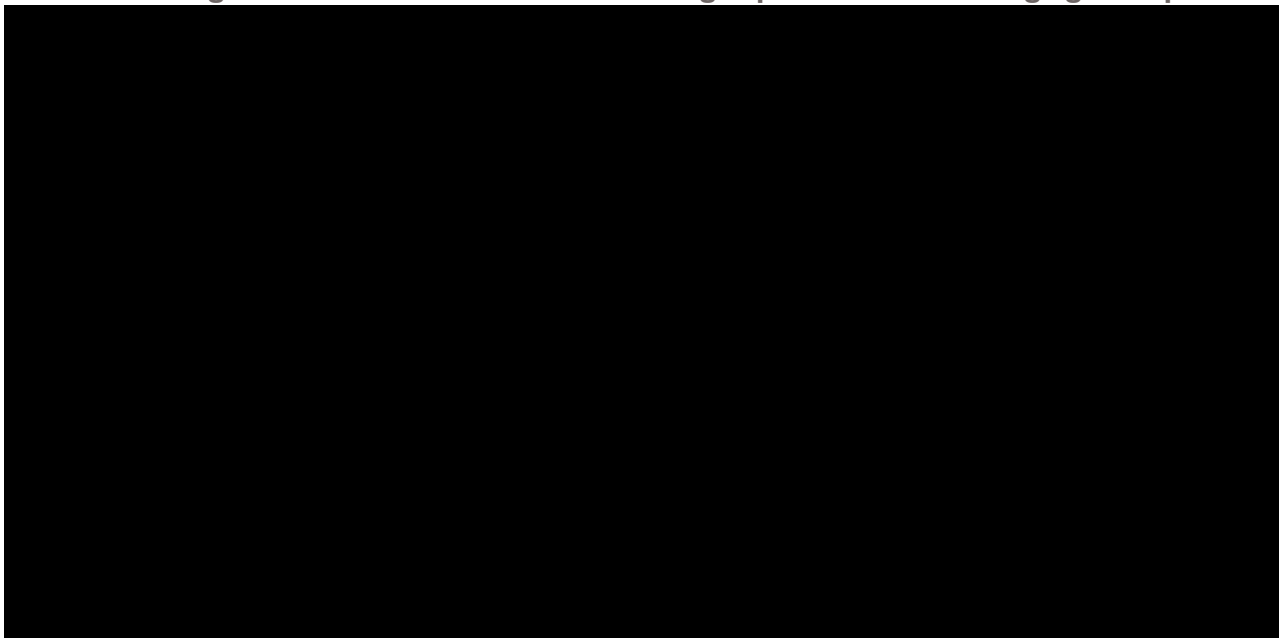
Firms wishing to receive this status must understand their current capacity and take steps to bridge the requirement gap to become a CEO-AEO. Through the CEO-AEO activity, PARTNER will analyze the gaps in the current customs process in each individual operator participating in the program. Based on this assessment, PARTNER will work with the relevant operator to identify what operational changes are required (in the form of a strategy and roadmap) to align with the eligibility criteria set forth by SLC.

¹ <https://tfadatabase.org/members/sri-lanka>

² Category A commitments are those that a country has designated for implementation upon entry into force of the Agreement.

Category B commitments are those that a country has designated for implementation on a date after a transitional period
Category C commitments are those that a country has designated for implementation on a date after a transitional period and the acquisition of implementation capacity through the provision of technical assistance and support for capacity building. (WTO, 2014, p18).

XPRESS strengthens business fundamentals among export-oriented emerging enterprises



The XPRESS program aims to support export-oriented emerging enterprises with customized coaching on core business management to recover from the impact of business environment shocks (such as COVID-19) and retool, repurpose and re-strategize their business to thrive in a changing business environment. The program utilizes a two-stage approach to support 31 selected firms in the pipeline; the first stage is a diagnostic of the firm's financial and business health (known as the Quick Scan Diagnostic), followed by the second stage of customized business coaching.

XPRESS conducted two training programs in April and June, titled 'Business Fundamentals'. These workshops provided 30 total hours of group training for 25 firms on preparing business plans. Eight firms developed new export-market focused business plans as a result of this training during the reporting period (others to follow in Q4). In addition, one to one business advisory on Financial Management, Organizational Development and Human Resources Management, and Leadership continued during the quarter, with a new Marketing advisory option added in June. Through the customized coaching, firms have actively engaged with advisors to identify critical constraints and opportunities and developed strategies to address them. They have received advice on strengthening their financial management (on restructuring debt obligations; approaching new sources of finance; introducing new costing models; instilling standardized accounting processes, cash flow forecasting, and other areas); improving organizational structures and processes; setting KPIs; identifying new revenue streams and export markets; linking with support service providers; and received leadership coaching and guidance on employee retention and development. The new Marketing Advisor will support 15 selected firms to develop marketing strategies and improve product packaging/branding. The outreach/communications activities planned for the quarter were delayed due to the prevailing pandemic situation and will be completed next quarter.

Additionally, the team commenced planning for upscaling the program on developing a recruitment strategy to identify high-growth potential firms, upgrade the QSD tool, and developing a training manual

for the advisory stage. The objective of this exercise is to utilize the experience and lessons learned from the first iteration of the XPRESS program to systematically target and support promising export or export-oriented emerging enterprises, with emphasis on women-led and regional firms, and explore avenues for capacity building among regional business chambers to ensure program sustainability.

Assessing the digital readiness of SME exporters for policy formulation and technical assistance

Digital technologies can significantly improve the competitiveness of exporters including SMEs and their participation in international trade, contributing to Sri Lanka's export performance. Digital technologies can make it easier for small firms to participate in global value chains, find customers abroad, and make international payments. However, to date, there is no proper record of the use of digital technologies by companies, including SMEs, for policy making or targeted assistance by the development partner community in Sri Lanka. In an effort to address this information gap for policymaking and technical assistance, PARTNER commenced work on assessing the digital maturity of SME exporters this quarter by engaging two digital specialists from Deloitte.

As part of the planning phase of the activity, PARTNER undertook the following tasks in Y2Q2: i) set up an Advisory Committee consisting of seven members from the public and private sectors to obtain guidance and support for implementing the activity including the survey; ii) organized two focus group discussions with SME exporters (May 18th and 20th) with the support of CCC; iii) conducted a key informant interview with the Chairman of SLEDB on May 11th; and iv) issued an RFP for a survey company to collect data for the assessment. The PARTNER team made a presentation on the 'Digital Maturity Model for Sri Lankan Small and Medium Scale Exporters' at the First Advisory Committee Meeting on June 3rd and discussed the appropriate digital model for the assessment. In the next quarter, the survey instrument will be developed and administered, and data will be collected and analyzed. Based on the survey findings, the report will highlight opportunities and challenges in the digital readiness space and provide high-level recommendations that can be implemented by the GOSL, chambers/business associations and donor agencies, including USAID and PARTNER.

Deloitte Digital Maturity Model (DDM)

PARTNER will leverage the Deloitte Digital Maturity Model (DMM) to assess progress that SMEs have made towards digital transformation in Sri Lanka. Digital maturity models are tools that allow enterprises to gauge their baseline digital maturity. They have become a popular measurement in recent years as digital transformation of businesses has increased in importance.

Digital maturity models are adapted from general maturity models that help enterprises evaluate the quality of systems and processes, such as information systems. Maturity models vary in their scope, size, and level of granularity. It is important to choose a model that can be contextualized and fit the unique circumstances of the enterprise or industry.

PARTNER's study will use a more general model developed by Deloitte Consulting LLP in 2014 for evaluating digital maturity across SMEs. Deloitte DDM was chosen due to its wide range of application, and industry endorsements. It was created with the TM Forum, a global industry association for service providers and their suppliers in the telecommunications industry. Also, subject matter experts from numerous companies such as Huawei and Tata Communication provided their expertise in formulating the model. The model was endorsed by leading companies and used by various government agencies to assess sector maturity.

DMM is broken down into three levels to comprehensively assess digital maturity – dimensions, sub-dimensions, and criteria. The model contains over 100 different dimensions, sub-dimensions, and criteria that can be modified to fit different circumstances.

To evaluate Sri Lankan SME exporters, the study focuses on five dimensions: Enabling Environment; Technology; Operations; Human Capital; and Culture. These dimensions are further broken down into sub-dimensions and criteria. These reflect stakeholder consultations as well as a literature review that was carried out during the 'align and plan' phase of the study.

CROSS-CUTTING ACTIVITIES

PRIVATE SECTOR ENGAGEMENT AND COORDINATION

Private sector engagement is pivotal to achieve PARTNER’s objectives with a continued adaptation of USAID’s new Private Sector Engagement Policy. Facilitating the private sector adhere to the government systems and procedures, identifying gaps in government-related policies/regulations that affect the private sector and filling the information gap to strengthen the private sector were conducted in collaboration with private sector stakeholders. This quarter PARTNER also continued and initiated engagements to address impediments to policy reform by working closely with champions within the private sector, research entities and think tanks.

PARTNER is further rolling out the strategy in actively engaging the private sector, including associations and chambers of commerce that represent women and ethnically diverse groups from economically lagging areas to promote inclusion, leverage resources, bring solutions to scale, ensure sustainability, support innovation, and achieve efficient outcomes. In this context PARTNER has started working with emerging enterprises, SMEs, importers and exporters, the wider Sri Lankan trade community, and women in business in all 25 districts in the country in collaboration with entities such as CCC.

GENDER

This quarter, PARTNER ensured gender and inclusion in different activities and initiatives. The Women in Cross Border Trade concept note which is being developed intends to cover gender and inclusion significantly. The team consciously selected female trainees to roll out the capacity building program for EDOs attached to SLED while 75 per cent of the prospective trainees are women. One female resource person featured in a “Trade Tips” video that will be published next quarter.

SUSTAINABILITY

PARTNER supports demand-driven national level capacity building and institutional development of GOSL entities with proactive engagement to ensure the sustainability of the program and its outcomes. Further, PARTNER focuses on regional level capacity building through initiatives such as the Kegalle Development Plan. Knowledge generation and sharing with the targeted groups will capacitate them for continuous involvement in the relevant sectors, such as import and export businesses (i.e. Trade Watch and Trade Tips videos). Analysis to address policy gaps through initiatives such as the Assessment on Agricultural Regulations and the Digital Maturity Assessment will contribute to sustainable long-term policy interventions.

ENVIRONMENTAL GUIDELINES AND CLIMATE RISK MANAGEMENT

Although PARTNER’s technical assistance and training activities are exempt from detailed environmental assessments, in line with U.S. Federal Regulations and USAID policy (Regulation 216), PARTNER must ensure compliance with GOSL legislation and policies for environmental protection and climate change, including obligations under the ratified international environmental agreements and conventions. Accordingly, during the reporting quarter, PARTNER undertook a detailed desk review of Sri Lanka’s environmental laws and regulations relevant to current activities and prepared a repository of policies,

laws, and international commitments on the environment. The repository provides an overview of each legal document, including key information and compliance requirements.

As part of the environmental review, the team also held two interactive working sessions in June with staff to identify environmental and climate risks of planned technical assistance activities and day to day operations. During the sessions, the team learned about Sri Lanka's environmental values and risks, including recent environmental disasters that threaten the country's ecosystems, biodiversity, and livelihoods. The team was able to identify laws and policies that are relevant to PARTNER's objectives and work streams and discussed potential risks, mitigation strategies, and opportunities for PARTNER to proactively contribute to the local environment, for example through reducing single-use plastics and encouraging working from home. The team also prepared environmental guidelines, which includes an overview of Sri Lanka's legal environment, a statement of PARTNER's compliance with local laws, and guidance to staff on assessing potential environmental risks. This draft report and guidelines will be completed next quarter.

MONITORING, EVALUATION AND LEARNING (MEL)

In the third quarter, PARTNER submitted a revised Activity Monitoring, Evaluation, and Learning Plan (AMELP) on June 30th based on the revised Scope of Work and an updated Year 2 Work Plan.

In the revised AMELP, PARTNER only updated Objective 2 indicators as a result of the Stop Work Order in place for Objective 1 activities. However, previously submitted Objective 1 indicators were still included in the plan as a reference point, since it is still part of PARTNER's Scope of Work. Objective 1 indicators will be revised after further guidance is received from USAID on the Stop Work Order.

During this quarter, the MEL Manager collaborated with technical teams to identify indicators for the AMELP, provided guidance and templates for data collection, created activity-specific metrics that align with PARTNER's AMELP and designed MEL tools and resources to ensure they are sustainable and useful tools to measure the progress of technical assistance activities.

In the next quarter, the PARTNER MEL Team will:

- Conduct a MEL capacity building session for the PARTNER technical team.
- Create data collection templates and tools to enable technical teams and counterparts to collect data in support of the indicators in the revised AMELP.
- Monitor indicators on a quarterly and annual basis and gather objectively verifiable evidence of measures.
- Design data collection templates, tools and processes with the technical team.
- Develop MEL plans for each activity technical teams are implementing to make sure data collection timing, templates and deliverables are implemented from the beginning of the activity.
- Establish data quality review procedures and data management protocols to share with the PARTNER team.

- Create a feedback loop process to enable continuous improvement and make sure insights from the AMELP data collected are shared with USAID, technical teams and counterparts.
- Collect baseline data once the revised AMELP is approved.
- Collaborate with the communications team to report PARTNER’s trade and investment impact and results.

PARTNER’s Y2 Q3 progress against the proposed AMELP indicators is provided in Annex C. The Indicator Performance Tracking Table below includes an update on the progress achieved against the indicators this quarter.

OBJECTIVE 2: Enabling Environment for Trade and Investment Strengthened

Indicator 2.1: Number of USG-assisted enabling environment interventions undertaken to facilitate trade and investment

This broad indicator is newly added with the revised PARTNER AMELP. In accordance with the revised AMELP, PARTNER updated the below USG-assisted enabling environment interventions undertaken to facilitate trade and investment in Sri Lanka.

#	Name of the USG-assisted enabling environment interventions	Status of the intervention	Impact to government institution/private sector
1	Digital Transformation of e-Licensing at the DI&EC	In progress	Department of import and Export Control
2	Publish regulatory information on Trade Watch web page	In progress	Private sector
3	Short video series on trade tips for importers and exporters	In progress	Private sector
4	Support exporters with COVID-19 business recovery technical assistance to the Export Business Recovery Support Services (XPRESS) program	In progress	Private sector

OUTCOME 2.1: Increased institutional GOSL capacity on trade

Indicator 2.1.2: Number of knowledge products and tools developed with the support of USG assistance for the private sector and GOSL trade related agencies

During this reporting period, PARTNER developed 19 knowledge products and two tools. PARTNER presented and shared most of these knowledge products and tools with relevant private sector stakeholders and government counterpart institutions. The rest are readily available to help with future in-depth studies and can be utilized in presentations during subsequent engagements with respective stakeholders. The table below provides details on the specific knowledge products and tools developed this quarter.

#	Name of the Knowledge Product / Tool	Type
1	XPRESS Business Fundamental - Introduction to Strategic Planning	Knowledge Product
2	XPRESS Business Fundamentals -Strategic Models	Knowledge Product
3	XPRESS Business Fundamentals - Setting KPIs	Knowledge Product
4	XPRESS Business Fundamentals - Organizational Culture and Leadership Style	Knowledge Product
5	XPRESS Business Fundamentals - How to Prepare a Business Plan	Knowledge Product
6	XPRESS Business Fundamentals- Cultural and Personality Assessment	Tool
7	XPRESS Business Fundamentals Workbook	Knowledge Product
8	XPRESS Financial Forecast Template	Tool
9	CEO/AEO Coaching Manual	Knowledge Product
10	CEO/AEO Customs Ordinance – PPT slide deck	Knowledge Product
11	CEO/AEO Customs Procedure Codes – PPT slide deck	Knowledge Product
12	CEO/AEO Goods Classification – PPT slide deck	Knowledge Product
13	CEO/AEO International Trade Terms – PPT slide deck	Knowledge Product
14	CEO/AEO Rules of Origin – PPT slide deck	Knowledge Product
15	CEO/AEO Valuation – PPT slide deck	Knowledge Product
16	Trade Tip Video Series 3 - Adapting Businesses to Changes in the Import-Export Control Regulations	Knowledge Product
17	Trade Tip Video Series 4 - Overview on Cargo Insurance	Knowledge Product
18	Trade Tip Video Series 5 - What is Warehousing & Distribution?	Knowledge Product
19	Trade Tip Video Series 6 - Better Managing Ocean Freight Costs Through Negotiation	Knowledge Product
20	Business Requirement Analysis Report for Department of Import and Export Control e-licensing	Knowledge Product
21	Digital Maturity Model for Sri Lankan Small and Medium Scale Exporters - PPT slide deck	Knowledge Product

OUTCOME 2.3: Strengthened private sector ability to export and import

Indicator 2.3.1: Number of firms receiving USG funded technical assistance for improving business performance

During this reporting period, PARTNER started technical assistance activities for a second group of XPRESS SMEs after completing a QSD process. PARTNER focused on three technical assistance areas for these XPRESS SMEs, including Financial Management (FM), Organizational Development (OD), and Human Resource Management (HRM). At the end of this quarter, 16 SMEs started receiving individual technical assistance across different stages of the XPRESS program. All these reported firms are businesses registered as formal firms and among the 16 SMEs, four are women owned or led enterprises.

#	Company Name	Business Sector Classification	Women owned/Led	Province	Technical Assistance Category (as of 30 th Jun 2021)
1	Hairu Naval Craft Engineering (Pvt.) Limited	Boat and Ship Building	No	Eastern	FM

2	Bionique Lanka Pvt Ltd	Chemical and Plastic Products	Yes (Director)	Western	OD, HR, FM
3	Kavin Polymers	Rubber	Yes (CEO)	Central	FM, OD
4	Resoflex IT Solutions Pvt. Ltd.	ICT	No	North Western	OD, FM
5	Innovay Pvt Ltd	ICT	No	Northern	OD, FM
6	Ceydigital Solutions (pvt) Ltd	ICT	No	Uva	OD, FM, HR
7	Enhancer	ICT	No	Western	OD, FM, HR
8	Imara Software Solutions (PVT) LTD	ICT	No	North Western	HR, FM
9	Unitec Software Solutions	ICT	No	Western	OD, FM, HR
10	GUI Solutions Lanka Pvt Ltd	ICT	No	Western	OD, FM
11	Techwire Lanka Pvt Ltd	ICT	Yes (Director)	Western	OD, FM
12	HakiTaak Solutions (Pvt) Ltd	ICT	No	Western	FM
13	Sanota	Electrical and Electronic Products	No	Southern	OD, FM
14	Gospel House Handicrafts	Wood and Wooden Products	Yes (Director)	North Western	OD, FM, HR
15	Woodfield	Wood and Wooden Products	No	Western	FM
16	Viveca Rattan	Wood and Wooden Products	No	Western	OD, FM

Indicator 2.3.3: Number of person-hours of USG-supported training completed in trade and investment

As a part of planned activities in the Year 2 work plan, PARTNER successfully completed the XPRESS Business Fundamentals workshop for the first and second batch during this reporting quarter. A total of 40 SME representatives gathered knowledge from these two workshops (32 men and 8 women). The below table provides details on the number of person hours on USG-supported training completed in trade and investment during this reporting quarter.

#	Date	Name of the training / event	# of training hours (a)	# of Male participants (b)	# of Male person hours (a*b)	# of Female participants (c)	# of Female person hours (a*c)	# of total participants (d)	# of total person hours (a*d)
01	April 3-4, 2021	XPRESS Business Fundamentals workshop – Batch 1 (in person workshop)	15.25	12	183	03	45.75	15	228.75
02	June 8, 9, 15,17, 22, 25, 2021	XPRESS Business Fundamentals workshop – Batch 2 (Virtual mode training)	12	20	240	5	60	25	300
Total			27.25	32	423	8	105.75	40	528.75

COMMUNICATIONS AND OUTREACH

Quick Reference Guides on progress report writing and success story writing were developed and shared with the team to facilitate the reporting process. The PARTNER team initiated joint-planning in visibility with SLEDB and CCC in relation to the new activities. Support given in outreach activities such as Trade Tips videos are elaborated under the Objectives sections. The team developed communications and outreach plans for activities such as XPRESS and DI&EC initiatives. PARTNER ensured USAID branding and marking in all events, workshops, outreach activities and publications.

CLA PROJECT MATURITY ASSESSMENT

During this quarter, the team commenced the CLA project maturity assessment, examining how PARTNER's culture, business processes, and resource allocation support CLA integration. The team conducted a review of PARTNER's documentation and processes and held one-on-one interviews with all 17 local project staff to identify the current state, gaps and challenges faced in implementing the CLA framework. Next quarter, the team will be holding a CLA workshop to present the findings of the maturity assessment and recommendations and create concrete actions for advancing CLA on PARTNER.

ANNEX A: PROGRESS AGAINST YEAR 2 WORK PLAN

The revised Work Plan for Year 2 is included in this section. The work plan revision process took place in an inclusive manner where PARTNER team members participated and feedback from USAID and GOSL deliberations were included. USAID approved the Revised Year 2 Work Plan on March 2nd, including a summary of material changes from the original Year 2 work plan.

Table 3. Year 2 Work Plan Activity Progress Table, as revised

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
Project Management					
0.1.1.	Contract and personnel management				
0.1.1.1.	Manage contract with USAID CO and TOCOR	Ongoing	Start of project	End of project	Ongoing
0.1.1.2.	Manage sub-contracts for Deloitte India and CCC	Ongoing	Start of project	End of project	Ongoing
0.1.1.3.	Deploy and onboard project personnel	Ongoing	Start of project	End of project	Ongoing
0.1.1.4.	Coordinate with project COR and CO	Ongoing	Start of project	End of project	Ongoing
0.1.1.5.	Manage agreements with subcontractors and project staff	Ongoing	Start of project	End of project	Ongoing
0.1.1.6.	Deploy and onboard project advisors	Ongoing	Start of project	End of project	Ongoing
0.1.1.7.	Manage the project office	Ongoing	Start of project	End of project	Ongoing
0.1.1.8.	Manage project finance requirements	Ongoing	Start of project	End of project	Ongoing
0.1.2.	Project management				

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
0.1.2.1.	Prepare work plan	Year 2 Work Plan* ² Revised Year 2 Work Plan Year 3 Work Plan	Y1Q4 Q2 Q4	Q1 Q2 Q4	Complete Complete Scheduled
0.1.2.2.	Project coordination meeting with project COR and CO	Meeting agenda and minutes (at least bi-weekly)	Q1	Q4	Ongoing
0.1.2.3.	Prepare weekly update reports	Weekly technical update reports Weekly Ambassador update	Q1	Q4	Ongoing
0.1.2.4.	Develop Quarterly Progress Report	Quarterly Progress Report (Jan, Apr, July, Oct)	Q1	Q4	Ongoing
0.1.2.5.	Prepare quarterly performance and financial report, geographic data reporting	Quarterly performance and financial reports, geographic data (Jan, Apr, July, Oct.) *	Q1	Q4	Ongoing
0.1.3.	Cross-cutting				
0.1.3.1.	Prepare revised Monitoring, Evaluation, and Learning (MEL) plan	Monitoring, evaluation, and learning plan*	Q2	Q3	Complete
0.1.3.2.	Conduct MEL baseline survey for revised indicators	MEL Baseline survey	Q3	Q4	Scheduled
0.1.3.3.	Conduct quarterly progress review meeting against indicators targets	Quarterly MEL progress report	Q3	Q4	Scheduled
0.1.3.4.	Conduct Quarterly All Hands	Quarterly All Hands meeting	Q2	Q4	Ongoing
0.1.3.5.	Conduct Gender Analysis	Gender Analysis, Strategy and Action Plan Gender-sensitive and inclusive language audit	Q3 Q3	Q3 Q4	Scheduled
0.1.3.6.	Gender Training for PARTNER staff	Training session webinar for PARTNER staff	Q3	Q3	Scheduled

² *Denotes contractual deliverables.

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
0.1.3.7.	CLA Project Maturity Assessment	CLA Maturity Assessment	Q2	Q3	In progress
0.1.3.8.	Biannual CLA reflection meeting	CLA Reflection Session	Q3	Q3	Scheduled
0.1.3.9.	Develop project CLA toolkit including learning agenda	CLA Toolkit	Q3	Q4	Scheduled
0.1.3.10.	Quarterly learning sessions	Quarterly Learning	Q2	Q4	Ongoing
0.1.3.11.	Project Communications Framework	Quarterly Communications Strategy Social Media Strategy	Q3 Q3	Q4 Q4	Ongoing
0.1.3.12.	Develop and disseminate project success stories	Project success stories (quarterly)	Q1	Q4	Ongoing
0.1.3.13.	Prepare project newsletter	2 Project Newsletters	Q3	Q4	On-hold
0.1.3.14.	Review project environmental guidelines and climate risk management	Project Environmental Assessment	Q3	Q3	In progress
Objective 1. Public Financial Resources Mobilized and Effectively Managed					
I.1. Mobilized Public Revenue					
I.1.1.	Reduce incidence of para-tariffs (suspended)				
I.1.2.	Improve and streamline VAT collection (suspended)				
I.1.3.	Strengthen the risk management of border agencies (suspended)				
I.2. Improved Public Sector Procurement Function					
I.2.1.	Improve capacity of NPC to discharge constitutional mandate and core functions (suspended)				
I.2.2.	Implement training-of-trainers program for sub-national and ministry levels, including topics of quality control and assurance (suspended)				
I.2.3.	Support capacity building efforts and uptake of Electronic Government Procurement (e-GP) system				
I.2.3.1.	Review and agree upon PSF with e-GP Secretariat / MOF (note: this is needed for all other steps to proceed)	Approved PSF	Q2	Q3	On hold
I.2.3.2.	Develop training plan with budget, locations and schedule with	Training resources selected Training Plan	Q3 Q3	Q3 Q3	On hold On hold

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
	support from Ceylon Chamber of Commerce (CCC)				
1.2.3.3.	Develop training materials for webinars and in-person training	Training materials for webinar Training materials for in-person events	Q3 Q3	Q3 Q3	On hold On hold
1.2.3.4.	Conduct webinars with targeted businesses to familiarize with e-GP system	4 webinars	Q3	Q4	On hold
1.2.3.5.	Conduct pilot in-person training events in 6 districts with up to 50 businesses per district	6 pilot in-person training events	Q4	Q4	
1.2.3.6.	Conduct workshop to review lessons learned with stakeholders including CCC and participants	Review of webinars and in-person training events Lessons learned report	Q4 Q4	Q4 Q4	
1.2.4.	Provide transaction advisors on PPP process, including developing terms of reference and bid documents, and contract negotiations (suspended)				
1.2.5.	Strengthen capacity of line ministries in use of PPPs including when to utilize, and how to plan, design and implement (suspended)				
1.2.6.	Improve the enabling environment for private investment opportunities and infrastructure development (suspended)				
1.2.7.	Improve GOSL efficiency and service delivery to support trade and investment				
1.2.7.1.	Compile a registry of regulations and procedures governing agriculture in fruits, vegetables and floriculture products	Registry of agriculture regulations	Q2	Q3	In progress
1.2.7.2.	Finalize the Concept Note for Kegalle Development Plan	Approved Concept Note	Q1	Q2	Complete
1.2.7.3.	Finalize and agree upon the Kegalle Development Plan PSF (note: this is needed for all other steps to proceed)	Approved PSF	Q1	Q3	PARTNER has not received the

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
					approved PSF.
1.2.7.4.	Conduct a feasibility study for Kegalle processed fruits and vegetables	Feasibility report	Q3	Q4	
1.2.7.5.	Conduct a feasibility study for Kegalle value added spices	Feasibility report	Q3	Q4	
1.2.7.6.	Conduct a feasibility study for Kegalle organic fertilizer production	Feasibility report	Q3	Q4	
1.2.7.7.	Conduct a feasibility study for Kegalle 'City that never sleeps'	Feasibility report	Q4	Q4	
1.2.8.	Support efficiency and management of resources in the energy sector				
1.2.8.1.	Finalize and agree upon PSF with Ministry of Energy (note: this is needed for all other steps to proceed)	Approved PSF(s)	Q3	Q3	In progress
1.2.8.2.	Scope requirements for data dashboard for Ministry of Energy	Scoping Report	Q3	Q3	
1.2.8.3.	Design and develop Ministry of Energy data dashboard	Data Dashboard	Q3	Q4	
1.2.8.4.	Provide training to Ministry of Energy staff and other GOSL officials on data dashboard	Training materials 3 training workshops	Q4 Q4	Q4 Q4	
1.2.8.5.	Identify and scope requirements for training program of rural areas on use of bio-gas technology	Training plan	Q3	Q3	
1.2.8.6.	Develop training materials on use of bio-gas technology	Training materials	Q3	Q4	

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
1.2.8.7.	Deliver training materials on use of bio-gas technology	5 training workshops	Q4	Q4	
1.2.9.	Support efficiency of central agencies for managing project resources and archival procedures				
1.2.9.1.	Finalize and agree upon PSF with NPD (note: this is needed for all other steps to proceed)	Approved PSF	Q3	Q3	PARTNER has not received the approved PSF.
1.2.9.2.	Support efficiency of NPD procedures	TBD based on PSF	Q4	Q4	PARTNER has not received the approved PSF.
1.2.9.3.	Finalize and agree upon PSF with ERD (note: this is needed for all other steps to proceed)	Approved PSF	Q3	Q3	PARTNER has not received the approved PSF.
1.2.9.4.	Support efficiency of ERD procedures	TBD based on PSF	Q4	Q4	PARTNER has not received the approved PSF.

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
1.3. Improved Public Sector Audit Functions					
1.3.1.	Increased capacity of NAOSL to follow up on the implementation of audit and COPA/COPE recommendations (suspended)				
1.3.2.	NAOSL Professional and Management Capacity Development (suspended)				
1.3.3.	Support NAOSL's outreach to stakeholders and public awareness of the importance of audits (suspended)				
1.3.4.	Support to improve Parliamentary oversight of audits (suspended)				
1.3.5.	Strengthen foundations for digitization of public sector audit (suspended)				
Objective 2. Trade Facilitation Improved					
2.1. Increased Institutional GOSL Capacity on Trade					
2.1.1.	Strengthen institutional capacity for evidence-based policy-making (suspended)				
2.1.2.	Strengthen private sector engagement in trade policy reform (suspended)				
2.1.3.	Strengthen public outreach and awareness of trade reforms (suspended)				
2.1.4.	Strengthen the institutional framework for trade reforms (suspended)				
2.1.4.1.	Finalize and agree upon PSF with NPQS to train Export Development Officers (note: this is needed for all other steps to proceed)	Approved PSF	Q2	Q3	On hold
2.1.4.2.	Support enhancement of national plant quarantine standards	Report on enhancing standards	Q3	Q4	On hold
2.1.5.	Enhance capacity of public sector institutions engaged in export diversification, trade and competitiveness				
2.1.5.1.	Finalize and agree upon PSF with ERD to train Export Development Officers (note: this is needed for all other steps to proceed)	Approved PSF	Q1	Q2	Complete
2.1.5.2.	Develop training plan and training manual for SLEDB Export Development Officers	Training plan Training manual	Q2 Q2	Q2 Q3	Complete In progress

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
2.1.5.3.	Deliver training sessions to SLEDB Export Development Officers	Up to 12 training sessions (virtual or in-person, as feasible)	Q3	Q4	
2.1.5.4.	Conduct tourism development activities with Ministry of Tourism and other relevant GOSL entities	TBD – tourism work plan to be developed as continuation of SAIL project	TBD	TBD	
2.1.6.	Support improvements to export finance institutions (suspended)				
2.1.7.	Enhance capacity of public sector institutions engaged in investment promotion and facilitation				
2.1.7.1.	Finalize and agree upon PSF with BOI on capacity building activities (note: this is needed for all other steps to proceed)	Approved PSF	Q1	Q3	PARTNER has not received the approved PSF.
2.1.7.2.	Capacity building support activities with BOI	TBD according to PSF	Q3	Q4	
2.2. Strengthened Trade Policies and Implementation to Remove Bottlenecks for International Trade					
2.2.1.	Support implementation of trade remedies legislation (suspended)				
2.2.2.	Promote adoption of comprehensive competition policy (closed)				
2.2.3.	Support implementation of Colombo Port multi-country consolidation and port community system (closed)				
2.2.4.	Support implementation of integrated border management, streamline clearance, and strengthen security				
2.2.4.1.	Conduct a roundtable discussion to present findings of the Air Cargo Benchmarking Study to private and public sector stakeholders	2 PPT Presentations 2 Round table discussion webinars 2 Event Reports	Q1 Q1 Q2	Q2 Q2 Q2	Complete – private sector event On hold – public sector event
2.2.4.2.	Develop a road map for air cargo trade facilitation improvements	Road map document PPT Presentation	Q2 Q4	Q4 Q4	On hold

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
2.2.4.3.	Study and presentation of <i>de minimis</i> regulations in Sri Lanka	De minimis Study Online roundtable discussion	Q1 Q1	Q1 Q1	Complete
2.2.4.4.	Conduct interviews with Sri Lanka Customs & Department of Trade and Investment Plan (DTIP) on <i>de minimis</i> scheme	Report on findings	Q2	Q2	Complete
2.2.5.	Support implementation of TFA provisions (suspended)				
2.2.6.	Support automation and digitization of import and export procedures				
2.2.6.1.	Conduct activity planning with DI&EC for Digital Transformation of e-Licensing	2 planning meetings with DI&EC Project plan and timeline	Q2 Q2	Q2 Q2	Complete
2.2.6.2.	Conduct project scoping study of the proposed e-Licensing system for the DI&EC	Scoping study report PPT presentation of scoping study	Q2 Q2	Q3 Q3	Complete
2.2.6.3.	Conduct a Business Requirement Analysis for the proposed e-Licensing system	Business Requirement analysis report	Q2	Q3	Completed. Awaiting sign-off.
2.2.6.4.	Conduct Business Process mapping	Business Process Maps	Q2	Q3	Completed
2.2.6.5.	Conduct Business Process Re-engineering	'To be' Process Maps	Q3	Q3	Completed
2.2.6.6.	Develop the Systems Design of the e-Licensing system	System design document	Q3	Q4	On-going. On hold due to DI&EC decision
2.2.6.7.	Support DI&EC preparation of RFP specifications for software	Software specification for RFP	Q3	Q4	
2.2.6.8.	Support DI&EC preparation of RFP specifications for hardware, other equipment, and data comms	Hardware specification for RFP	Q3	Q4	
2.2.7.	Support enhancement of port competitiveness (suspended)				

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
2.3. Strengthened Private Sector Ability to Export and Import					
2.3.1.	Increase private sector knowledge of and compliance with trade regulatory requirements				
2.3.1.1.	Publish regulatory information on Trade Watch web page	Updated Trade Watch web page	Q1	Q4	In progress
2.3.1.2.	Develop a user alert system for Trade Watch webpage	User alert system activated	Q2	Q3	In progress
2.3.1.3.	Develop a short video series on trade tips for importers and exporters	8 videos	Q1	Q4	In progress
2.3.1.4.	Publish briefs on changes to the Import and Export Control Act	Brief reports (on going)	Q1	Q2	On-going
2.3.1.5.	Collaborate with National Chamber of Exporters (NCE) to improve the understanding of the private sector on market trends of agro-food products in the US	Webinar on agro-food market trends	Q4	Q4	In progress
2.3.1.6.	Provide trainings with NCE on FDA Food Safety Modernization Act and Preventive Controls Quality Individual requirements	2 training events	Q3	Q4	In progress
2.3.1.7.	Finalize the Concept Note for CEO/AEO Program	Finalized Concept Note	Q1	Q1	Complete
2.3.1.8.	Develop CEO/AEO Program Coaching Manual	CEO/AEO Program Coaching Manual	Q2	Q3	In progress
2.3.1.9.	Perform vetting process to select the potential companies	Selection criterion for companies' involvement Selection of companies	Q2 Q3	Q3 Q3	In progress
2.3.1.10.	Pilot CEO/AEO coaching program	Establish training baseline Coaching of up to 5 pilot companies Review of pilot and final coaching program approach	Q3 Q3 Q4	Q3 Q4 Q4	In progress

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
2.3.1.11.	Roll out the CEO/AEO coaching program	Coaching of up to 10 companies	Q4	Q4	Scheduled
2.3.2.	Build ecosystem of SME business development providers (suspended)				
2.3.3.	Support exporters with COVID-19 business recovery				
2.3.3.1.	Follow up survey on Trade and Market Impact of COVID-19	Survey Report: Trade and Labour Market Impact of COVID-19	Q1	Q1	Complete
2.3.3.2.	Conduct QSD assessment on current state of businesses for Export Business Recovery Support Services (XPRESS) program	Up to 30 QSD reports Additional QSDs, as needed	Q1 Q3	Q2 Q4	Complete
2.3.3.3.	Conduct business coaching (financial management, organizational development, HR) for XPRESS firms on a one-on-one basis	Up to 30 firms coached	Q2	Q4	In progress
2.3.3.4.	Conduct thematic workshops/webinars on business fundamentals for XPRESS firms	Up to 5 webinars/workshops	Q2	Q4	In progress
2.3.3.5.	Link XPRESS firms to BDS provider(s) to increase standards compliance	Up to 10 firms linked	Q3	Q4	Scheduled
2.3.3.6.	Provide QSD self-assessment tool to Chambers/Associations and develop capacity to use the QSD based on member needs	QSD self-assessment tool Up to 4 trainings for chambers and firms	Q4 Q4	Q4 Q4	Scheduled
2.3.3.7.	Document results of the XPRESS program	Report and/or video documentary	Q4	Q4	Scheduled
2.3.4.	Support priority sectors improve export competitiveness				
2.3.4.1.	Support launch of TradeShifts with AmCham by presenting findings of	Presentation on TradeShifts launch	Q1	Q1	Complete

ACT. #	ACTIVITIES	DELIVERABLE/MILESTONE	START	END	STATUS
	PARTNER's Global Supply Chain Strategies report				
2.3.4.2.	Support to technical working group discussions for TradeShifts	Group discussion guidelines Sectoral meeting support notes Plenary synopsis report	Q1 Q1 Q2	Q1 Q1 Q2	Complete
2.3.4.3.	Collaborate with SLASSCOM to host online dialogue on Sri Lanka's strengths in the Indo-Pacific digital economy	Webinar with IT sector leaders and USAID	Q1	Q1	Complete
2.3.4.4.	Finalize and agree upon PSF with SLEDB on promoting ICT sector (note: this is needed for all other steps to proceed)	Approved PSF	Q1	Q2	PARTNER has not received the approved PSF.
2.3.4.5.	Promote ICT sector with SLEDB	TBD according to PSF	Q3	Q4	
2.3.4.6.	Finalize and agree upon PSF with SLEDB to support Ceylon Cinnamon Geographic Indicator (note: this is needed for all other steps to proceed)	Approved PSF	Q1	Q3	PARTNER has not received the approved PSF.
2.3.4.7.	Provide capacity building for Ceylon Cinnamon GI	2 training sessions	Q3	Q4	
2.3.5.	Enhance trade-related digital readiness of SMEs				
2.3.5.1.	Assess the digital readiness of Sri Lankan firms for international trade	Report on Digital Maturity Model (DMM) PPT presentation on DMM	Q1 Q3	Q3 Q3	In progress - delayed
2.3.5.2.	Survey firms and report on their digital readiness	Survey instrument Survey report and PPT with findings	Q3 Q4	Q4 Q4	In progress - delayed

ANNEX B: INDICATOR PERFORMANCE TRACKING TABLE

Based on the submitted revised AMELP, PARTNER updated the Indicator Performance Tracking Table with revised indicators. Objective one indicators are on hold due to the USAID stop work order. These indicators will be revised once PARTNER receives further guidance from USAID. Required indicator targets will be updated once the technical assistance activities begin with relevant counterpart institutions and future PARTNER activity direction.

Table 4. Indicator Performance Tracking Table

#	Indicator	Disaggregation	Frequency	Explanation of Deviation in Comparison to Targets	Baseline		Life of Activity % Target Achieved	Year 1		Year 2		Year 3	Year 4	Year 5	LOP
					Date	Value		Target	Actual	Target Y2	Actual Q3	Target	Target	Target	Target
I.R 2.1: Improved Policy and Regulatory Environment															
OBJECTIVE I: Government Efficiency and Service Delivery Improved															
I.1	Number of laws, policies, strategies, and/or standard operating procedures adopted and/or implemented with USG assistance	Type of measures and Level and status of measures (Adopted/ Implemented)	Annual		N/A	0		N/A	N/A	0	0	4	TBD	TBD	TBD

1.2	Number of mechanisms for external oversight of public resource use supported by USG assistance	None	Quarterly		N/A	0		N/A	N/A	0	0	2	TBD	TBD	TBD
OUTCOME I.1: Increased Public Revenue															
1.1.1	Number of individuals trained on advance revenue mobilization techniques with USG assistance	Sex (Male/Female/Other) Age group (Age 29 and below & Age 30+)	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD
1.1.2	Percent increase in Sri Lanka's VAT C-efficiency ratio	None	Quarterly		Oct 2019	28%		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD
OUTCOME I.2: Improved Public Sector Procurement and Resource Management															
1.2.1	Number of Public Private Partnerships (PPPs) receiving PARTNER technical assistance	Sector, New/Continuing	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD

1.2.2	Number of laws, policies, regulations or standards addressing sustainable, transparent, and high-quality infrastructure development formally proposed, adopted or implemented as supported by USG assistance	Types and Level and status of measures (Adopted/ Implemented)	Annual		N/A	0		N/A	N/A	0	0	I	TBD	TBD	TBD
1.2.3	Number of Public Private Partnerships (PPPs) utilizing gender equality and social inclusion considerations at the pre-contractual phase and as a requirement in bidders documents and proposed implementation plans	Sector, New/Continuing	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD
OUTCOME 1.3: Improved Public Sector Audit and Accountability															
1.3.1	% change in scores for the Supreme Audit Institution	None	Annual		2018	Domain C: = 24		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD

	Performance Assessment Framework (SAI PAF) Domains C: (Audit Quality and Reporting) and Domain F: (Communication and Stakeholder Management)					SAI PAF Domain F: = 1										
1.3.2:	Number of public awareness or new public communication channels established for National Audit Act and Parliamentary oversight of audits conducted with the support of USG assistance	Sex (Male/Female) – for events only	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD	TBD
1.3.3	% of Committee on Public Accounts (COPA) and Committee on Public Enterprises (COPE) recommendations implemented	COPE / COPA recommendations	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD	TBD

OBJECTIVE 2: Enabling Environment for Trade and Investment Strengthened															
2.1	Number of USG-assisted enabling environment interventions undertaken to facilitate trade and investment	Institution type, if applicable	Annual		N/A	0		N/A	N/A	2	4	5	TBD	TBD	TBD
OUTCOME 2.1: Increased institutional GOSL capacity on trade															
2.1.1	Number of GOSL staff with increased capacity to promote or facilitate trade and investment in Sri Lanka through USG technical assistance	Sex (Male/Female), Age group (Age 29 and below & Age 30+)	Annual		N/A	0		N/A	N/A	48	0	252	50	TBD	TBD
2.1.2	Number of knowledge products and tools developed for the private sector and GOSL trade-related agencies	Knowledge products and tools	Quarterly		N/A	0		0	33	53	21	39	23	12	127

2.1.3	Number of GOSL institutions with increased capacity to facilitate trade and investment through USG technical assistance	Institution type (National governmental, sub-national)	Annual					N/A	N/A	0	0	2	TBD	TBD	TBD
OUTCOME 2.2: Impediments for international trade removed															
2.2.1	Number of interventions supported by USG assistance to ease or reduce trade related impediments.	Institution type, if applicable	Annual		N/A	0		N/A	N/A	0	0	2	TBD	TBD	TBD
OUTCOME 2.3: Improved capacity and sustainability of private sector associations, chambers of commerce, and civil society organizations															
2.3.1	Number of firms receiving USG funded technical assistance for improving business performance	Formal and informal firms; where formality is defined as being registered	Annual		N/A	0		N/A	N/A	45	16	70	90	90	295
2.3.2	Number of small-medium enterprises (SMEs) exporters having improved understanding of policies and regulations related to import and export as a result	Ownership of enterprise by sex (Male-owned/Female-owned), Age group (Age 29 and below & Age 30+)	Annual		N/A	0		N/A	N/A	16	0	50	40	40	146

	of USG technical assistance														
2.3.3	Number of person-hours of USG-supported training completed in trade and investment	Sex (Male/Female/Other)	Quarterly		N/A	0		N/A	127.5	1,010	528.75	2080	1480	1480	6050
Cross-cutting Sectors															
C.C.1	Number of persons trained with USG assistance to advance outcomes consistent with gender equality or female empowerment through their roles in public or private sector institutions or organizations	Sex (Male/Female), Age group (Age 29 and below & Age 30+)	Quarterly		N/A	0		N/A	N/A	88	0	282	150	100	620
C.C.2	Number of women-owned/managed firms receiving USG support for increasing the volume and/or value of trade and investment	Type of goods and services and trade mechanisms	Annual		N/A	0		N/A	N/A	TBD	0	TBD	TBD	TBD	TBD

ANNEX C: SUCCESS STORIES

Going back to fundamentals: XPRESS supports client firms to develop post-COVID business plans

In 2018, ██████████ took over her family business, Broadway Kids, as CEO. Based in the outer suburbs of Colombo, Broadway Kids manufactures baby and children's clothing for Business to Business (B2B) clients in the UK and the EU. ██████████ had previously worked in the apparel industry, however running a business with about 220 employees - many of them women - required her to step up to her new responsibilities with improved management skills.

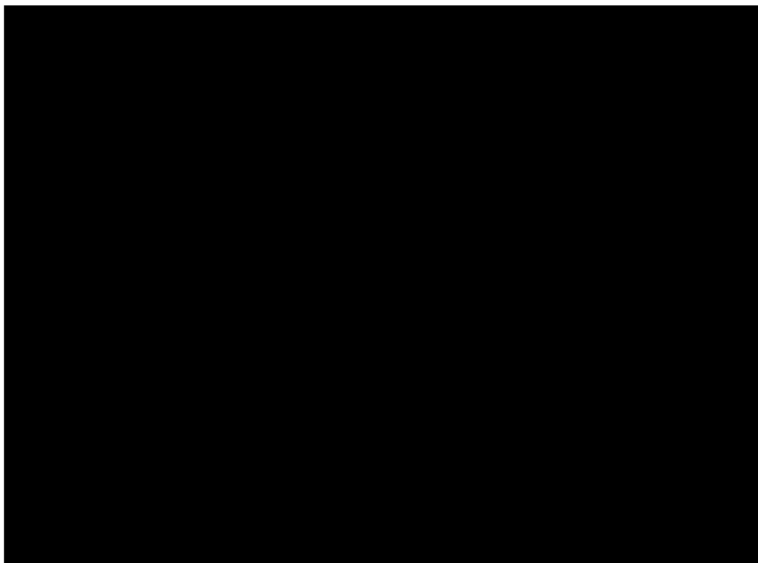
When the COVID-19 pandemic hit, first it impacted clients in Broadway's key markets in the EU, then it hindered production in Sri Lanka. Determined to provide strong leadership and help her business grow despite the pandemic, ██████████ and her team applied to participate in Export Business Recovery Support Service (XPRESS), a program designed and supported by USAID/PARTNER. The XPRESS program supports export oriented emerging enterprises with business recovery and tools for retooling, repurposing, and re-strategizing their business. The program offers customized one-on-one business coaching on finance and banking, organizational development, marketing, leadership, and human resource management to selected firms.

XPRESS has been working closely with ██████████ and her team since January 2021 to strengthen Broadway Kids' recovery from the impact of COVID-19 and supporting the management team to plan for the future. Charya and her operations team received customized business coaching on three key areas that they had identified as constraints. Through coaching,

the Broadway team has created Standard Operating Procedures for HR related issues, developed company branding to attract employees, improved team development, created vision, mission and values for both the business and HR functions, and improved the quality of their products. Additionally, they participated in themed webinars on topics such as working capital management and cash flow forecasting aimed at improving financial management.

It was during their one to one engagement that the XPRESS advisors realized that Broadway Kids alongside other firms in the XPRESS pipeline (31 in total) would additionally benefit from a structured program that trained them on the fundamentals of developing strategic and business plans. Most firms have either a

strategic or business plan (or both) but these were created before the onset of the pandemic. The world looks different, and business in the future will be different as result. A business plan can play a crucial role in how successful a business is at growing through opportunities and adapting to challenges - even unexpected ones like a global pandemic.



With this objective, the XPRESS advisors facilitated training for a group of 10 firms from the XPRESS pipeline, including a two-day boot camp training known as *XPRESS Business Fundamentals*. This training equipped participants with the conceptual frameworks and tools needed to develop sound strategic and business plans. Held on April 3 and 4, the Business Fundamentals workshop was highly interactive and received very positive feedback from participants. When it was repeated in a virtual format for another batch of 15 firms in June, participants diligently engaged through six virtual workshops held

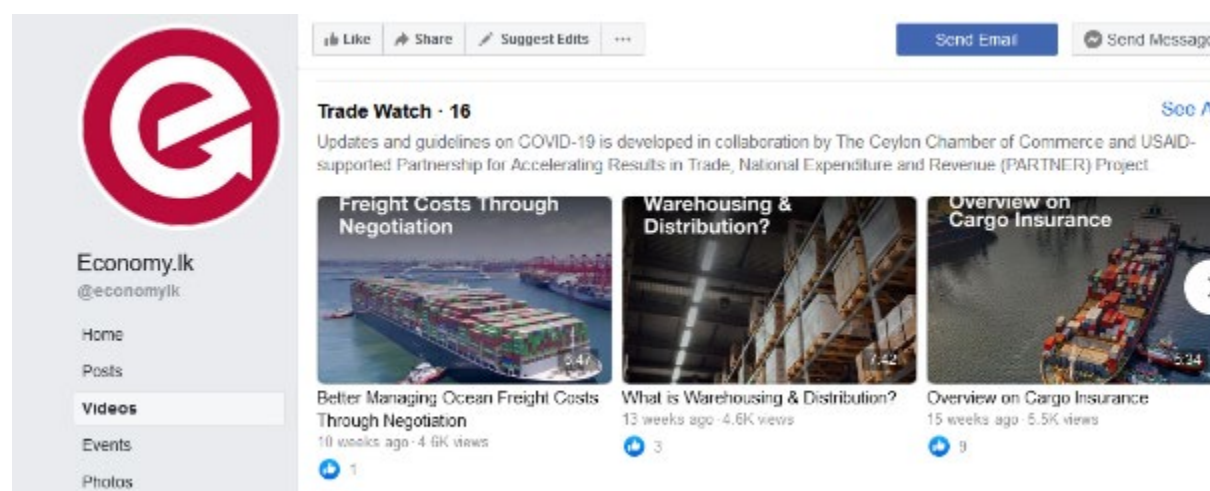
over a three-week period.

The April workshop was attended by [REDACTED] and two of her senior managers at Broadway Kids. Through the workshop they learned how to articulate vision, mission and values that strongly reflected their business and goals, and the fundamentals of strategic planning. The program also covered topics such as setting KPIs, organizational culture, and financial forecasting. Finally, participants were taken through the entire process of writing their business plans.

Following the workshop, the XPRESS advisors worked closely with the participating firms to provide them with real-time feedback on their new business plans. [REDACTED] says that this combination of training followed by individual guidance helped her team to focus on what mattered to them. They have developed a brand-new five-year business plan as a result of PARTNER's support [REDACTED] stated: *"We are using this new business plan to approach banks to secure financing to grow the business. We are also thinking about how we could tap into new markets, including the local market, to develop new revenue streams."* She added, *"The pandemic forced many of us to rethink strategy and our business models. Taking part in XPRESS was a very good opportunity to revisit business fundamentals and identify what matters to us as a business- taking care of our employees through this challenging time and delivering a great product to our clients while pursuing new growth opportunities."*

PARTNER's "Trade Tips" videos share timely business information with Sri Lankan importers and exporters

Importers and exporters in Sri Lanka have limited access to readily available practical business tips, especially in the context where COVID-19 drastically impacted their businesses. This information gap creates a lack of clarity for the importers and exports to succeed. USAID/PARTNER in collaboration with CCC identified this gap based on their experience working with the Sri Lankan import and export business community and recognized the need to create hands-on simplified information materials. As a result, PARTNER and CCC produced a series of eight videos to enhance private sector knowledge on contemporary trade topics influenced by COVID-19 trade conditions from April 2020 to July 2021.



Trade Tips Videos on Economy.lk Facebook page

Source. Economy.lk/FB

This activity was conducted as a part of a broader concept, “Trade Watch”, an initiative aimed at providing businesses critical information during the pandemic. This activity was initiated to help Sri Lankan businesses manage the impact of COVID-19. PARTNER, in collaboration with CCC, launched the Trade Watch web page in April 2020 and started the Trade Tips videos series in November 2020.

After a collaborative conceptualization process with CCC, the “Trade Tips” video series was produced with relatively short, easy to understand, essential but fundamental tips, suitable for international trade related businesses. Further, some videos encapsulated specific industry sectors such as the fruits and vegetable, which were explicitly affected by COVID-19. The fruits and vegetable sector mainly relied on transportation via air cargo due to the perishable nature of the products. It was challenging for importers, and exporters were not aware how to quickly change to sea freight that has different operational challenges. After identifying this need, the relevant video focused on Five Factors to Consider in Making Smart Logistics Decisions for Your Business.

The videos were widely published on Facebook, Twitter, YouTube, and LinkedIn platforms managed by CCC. CCC stated: “Our experience with this activity has been quite positive and somewhat unique in terms of the style and delivery to other production series undertaken by Chamber’s economy.lk. The activity was implemented during the COVID-19 lockdown period making it challenging to produce the videos with all parties

engaged. Stepping up to the challenge, PARTNER and CCC strategized alternative ways of producing the video series and decided to go for a self-recorded style, which was becoming a trendy alternative during the pandemic.”

The video scripts were designed to suit delivery of a self-recorded video, and the outcome was successful, with good audience interaction achieved throughout the series, which was published and promoted in key social media channels.

Up to May 6, six videos were published since inception on January 25, 2021. The number of organic and boosted views on CCC's two Facebook pages and one YouTube channel is 32,090, while the number of impressions on CCC's two Twitter accounts and two LinkedIn pages is 14,658. Overall, there were 137 likes and 39 reshares/retweets. The last two videos in this series are completed and will be published soon, featuring a female resource person in one video. The topics covered in the series have the potential to complement future activities PARTNER is implementing in trade facilitation.

ANNEX D: STAFFING

- **Acting COP.** PARTNER’s Acting COP is responsible for overall project management, coordinating project activities with USAID and senior GOSL counterparts, providing strategic advice on technical matters, and achieving program objectives. The Acting COP works in close coordination with other donor programs and seeks to incorporate Sri Lankans in the delivery of program activities as much as possible.
- **DCOP.** The DCOP is responsible for supporting the COP in management of PARTNER and will manage PARTNER day-to-day operations and provide technical expertise in the areas of governance and financing.
- **Objective Leads.** Objective Leads manage the implementation of each Objective, serve as the primary points of contact for counterparts, and coordinate assistance with other Objective Leads. They are supported by a strong team of long- and short-term advisors who have an in-depth understanding of the technical challenges and extensive experience in Sri Lanka, including with the key GOSL Ministries, Departments, and agencies.

PARTNER Team

Position	Candidate	Status
Acting Chief of Party	[REDACTED]	Hired
Deputy Chief of Party		Recruitment underway
Director Finance, Administration and Compliance		Hired
Operations and Finance Manager		Hired
Administration Assistant		Hired
Objective 1: Public Financial Management		
Team Leader	[REDACTED]	Hired
Public Sector Infrastructure/PPP Expert		Hired
Objective 2: Trade Policy and Facilitation		
Team Leader	[REDACTED]	Hired

Position	Candidate	Status
Lead - Investment and Export Competitiveness	[REDACTED]	Hired
Trade Facilitation Manager		Hired
Customs Management Expert		Hired
Senior Project Analyst		Hired
Project Analyst		Hired
Cross-Cutting		
MEL Manager	[REDACTED]	Hired
Strategic Communications and Social Media Manager		Hired
Trade Policy Expert		Hired
Senior Project Manager – Systems and Process Improvement		Hired
Senior Project Manager – Outreach and Training		Hired
Gender Equality & Social Inclusion Specialist		Recruitment underway

The PARTNER project engaged short-term technical advisors (STTA) to support COVID-response-related rapid assessment activities and provide strategic support to the Sri Lankan team in specific areas. The list of advisors deployed to support the project during Y2Q1 is included below.

Short-Term Technical Advisors

Advisor	Role	Dates
[REDACTED]	Project Manager and Government Efficiency Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	Business/Enterprise Development Specialist	Remote support throughout Q3 due to COVID-19
[REDACTED]	Strategic Advisor & Subject Matter Expert	Remote support throughout Q3 due to COVID-19
[REDACTED]	Governance and Strategy Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	M&E Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	Business Development Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	CLA Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	Digital Maturity Specialist	Remote support throughout Q3 due to COVID-19
[REDACTED]	Management Support and Training Advisor	Remote support throughout Q3 due to COVID-19
[REDACTED]	Digital Maturity Analyst	Remote support throughout Q3 due to COVID-19
[REDACTED]	Business Capacity Development Advisor	Remote support throughout Q3 due to COVID-19

Table 5. Organizational Chart

