



COMMITTEE

Office Bearers

Chairman	:	Prof. Amal S Kumarage (FCILT)
Vice Chairmen	:	Capt. Lasitha Cumaratunga (CMILT) Mr. Niral Kadawatharatchie (CMILT) Mr. Romesh David (CMILT)
Immediate Past Chairman	:	Mr. Saliya Senanayake (FCILT)
Secretary	:	Mr. Channaka De Alwis (CMILT)
Treasurer	:	Mr. Upaliece Gunawardena (CMILT)

Council Members

Mr. Rohaan Abeywickrama (FCILT)	-	Member
Mr. Eng. Priyal De Silva (FCILT)	-	Member
Mr. Mandri Sahabandu (FCILT)	-	Member
Mr. H. A. Premaratne (FCILT)	-	Member
Mr. M. A. Jeffrey (CMILT)	-	Member
Mr. Amal Rodrigo (CMILT)	-	Member
Mr. Ajith Ekanayake (CMILT)	-	Member
Mrs. Gayani de Alwis (CMILT)	-	Member
Mrs. Namalie Siyambalapitiya (CMILT)	-	Member
Mr. Upali de Zoysa (CMILT)	-	Member
Dr. T. L. Gunaruwan (CMILT)	-	Member
Capt. D. J. Amarasuriya (CMILT)	-	Member
Mr. Nujith Samarawickrama (CMILT)	-	Member
Mr. Ali Kamil (CMILT)	-	Member
Mr. Anoma Ranasinghe (MILT)	-	Member
Mr. Chaminda Perera (MILT)	-	Member
Mr. Nishantha Fernando	-	Affiliate
Mr. Niles Perera	-	Student

Message from Outgoing Chairman

It has been my pleasure to have been at the helm of the Chartered Institute of Logistics & Transport Sri Lanka for the last 20 months as its Chairman. It is also an occasion to record the progress of this period in terms of the collective action of the two Councils that served our membership during this period.



The Strategic Plan that was agreed upon and followed by the Council for the last two years had four Thrust Areas. In the area of Increasing Membership we are pleased to note reaching 1,000 members, an increase of nearly 200% from 340 members in June 2010. We have also reached the target of 500 young members which was an important achievement in encouraging the younger generation to seek membership. We have noted with great satisfaction the increase in membership particularly from students at the University of Moratuwa, CINEC Maritime Campus and the University of Colombo. CILTSL is clearly now an organization that has a future. We also saw two young members representing an Affiliate and Student Member as co-opted members in Council during the last year.

This period also saw the establishment of Corporate Partnership, a program that was initiated during the Chairmanship of Mr. Saliya Senanayake. We also saw the establishment of the Young Members Forum. Both initiatives are now ready to be developed further this year. In the Thrust Area of Increasing our Professional Profile there is much to report. The monthly evening lectures were a high point in taking the professional nature of CILTSL to the industry. The CILT Evening Lectures became a regular event together with the Memorial Lectures most of which were very well attended, some even with record participation. CILTSL also ventured into making representation to decision makers on industry matters as well as in public awareness of transport sector issues. The communications issued on safety on the Southern Highway and the recent Bus Fare increase were two such interventions. This has been widely appreciated by many people across society. Moreover an official Transport Sector Report by CILTSL has been issued with this Annual Report. CILTSL also received much exposure when the International Management Committee Meeting of CILT International was held in Colombo in conjunction with the CILT Conference in October 2010.

Even greater exposure was received when the International President of CILT, Prof Alan Waller was the Guest of Honour at last year's conference. His visit also led to a number of events as well as media interviews and reports.

There were further milestones achieved in our relationship with CILT International during this period. The most notable of these was winning the bid to host the International Convention in Colombo in 2013. The International Convention held in Sydney in May 2011, saw the B.Sc. degree program in Transport & Logistics Management at the University of Moratuwa being fully accredited by CILT International thus becoming one of the first degrees to be so recognized in South Asia.

The third Thrust Area was to improve Member Services in which we could only record limited achievements. Most part of the efforts in this respect led to getting our membership databases updated and in re-establishing regular contact with members. In this process we have observed that we have on record 127 members whose contact details are not currently updated and whose membership is in arrears. We will take steps to remove from our registers such names if they continue to remain untraceable. The re-establishment of the web-site and on-line database are two such achievements that have been completed this year. The inauguration of an e-newsletter on a quarterly basis has been widely appreciated. Steps are being taken to issue monthly articles for circulation as well.

Apart from this the CILT tie is now available for members to purchase. There is still considerable work to be done in regularizing the Continuing Professional Development (CPD) programs. Steps taken to develop a CILT course in Aviation to be delivered together with the Civil Aviation Authority, SriLankan Airlines and the University of Moratuwa is a step towards CILT enhancing its role as an educational provider. The period also saw the completion of the draft of a new constitution that would be required when the proposed Bill for Incorporation of CILTSL is passed by Parliament. This has become necessary due to change in the name of CILT from the Chartered Institute of Transport (CIT) under which it was launched in Sri Lanka as a Section with the consent of CIT International in 1984 and CIT was incorporated by an act of Parliament on March 27, 2000. Much work was done towards getting the Bill tabled in Parliament. The History of CILTSL and the Corporate Plan was started last year and is one of the activities the completion of which will get pushed to next year.

The period under review also saw CILTSL take leadership on road safety and particularly on developing road safety messages through the media to decision makers and users for which discussions are being held with media institutions and corporate sponsors. A scheme to grant awards to the transport and logistics industry and the resumption of the annual exhibition are some of the activities that have been initiated during this period which will need to be continued this year.

The last 20 months also saw a first experience for CILT SL in working with an outsourced Secretariat in which respect we were greatly benefited in having the services of the Ceylon Chamber of Commerce. However from 1st April we move to the National Chamber of Commerce in a move we consider will bring us greater synergies. We also have engaged a Secretary General Major General Lionel Aluvihare, together with a plan for a new administrative arrangement. We believe that these new arrangements would allow Council to achieve a higher level of operations.

I believe that I have served the Council and the membership to the best of my ability during these last 20 months having led the CILTSL to a higher profile. The success of what I together with the outgoing Council have achieved through the many activities cannot be measured simply because we did many events and program. Time will judge if these have been effective and sustainable. I wish the incoming chairman and the new Council and indeed CILTSL every success in achieving new heights in the coming years in continuing what is good and beneficial and in introducing new aspects that will lead CILTSL towards fulfilling its vision in consolidating its position as the leading professional body in transport and logistics in Sri Lanka.

I also take this opportunity to thank all Council Members including the 3 Vice Chairmen, the Secretary and Treasurer who made all these achievements possible. I also wish to record my appreciation to the Ceylon Chamber of Commerce and all its officers who assisted us in diverse ways. Finally I thank the membership for the opportunity provided for serving as CILTSL's 17th Chairman.

Thank you.



Amal S. Kumarage
Chairman CILT Sri Lanka (2010-2012)

Transport Sector Report for 2011

The emphasis of the State on several new major transport infrastructure projects was markedly visible during the period under review. They included the port, airport, roads and the railway sub-sectors. These capital intensive investments continue to be managed by institutions in the public sector. No significant policy reforms impacting the transport sector were introduced in this period.

Investment on Transport Infrastructure

The country's first express way – the 96 km Southern Express Way connecting Kottawa and Pinnaduwa was opened to the public as a fee levying public facility. The rehabilitation of the Puttalam-Anuradhapura Road (83km) and Kandy-Mahiyangana road (41km) were the other major National Highways completed during the year. Several Ferries in the Eastern Province were replaced with bridges. Expansion of the Port of Colombo, the

Sub-Sector	Allocation in LKR bn	
	2011	2012
Roads	120.0	124.0
Railways	20.8	32.8
Bus	6.2	4.7
Airports	1.7	12.0
Ports	11.7	20.4

construction of the Mattala International Airport in Hambantota and the work on the 26 km Colombo-Katunayake Expressway has made substantial progress during the year under review. The construction of the Outer Circular Road from Kottawa to Kaduwela has preceded a pace while the contract for the construction of the section from Kaduwela to Kadawatha has been awarded. The Coastal Line of the railways is being upgraded to permit higher operating speeds in stages. SriLankan Airlines expanded its fleet to 21 aircraft and the Mihin Air fleet has 2 aircraft.

In the railways sub sector, 26 new power sets have been commissioned since 2009. The SLTB has purchased an additional 200 buses. The overall Government expenditure in the transport sector has seen an increase from 2011 to 2012. The total investment in Transport is in the range of 3% of GDP for 2012.

Private sector investment in this sector has mostly been confined to road transport, with 525,421 new vehicles registered during the year 2011. This includes 4,248 buses. It is a significant development when compared to the 2,491 buses registered in 2010. 14,818 The goods transport vehicles including trucks registered during this period numbered 14,818. A significant development that has emerged is in the taxi industry.

A pronounced trend has been the introduction of low priced cars that offer a better alternative to the three wheelers. The three wheelers have responded to the competition by installing and offering metered hires at standard rates of hire.

Despite these changes in low cost private transport, the importation of three wheelers during the review period reached 138,426. The number of Motor cars registered in 2011 reached a record 57,886 in sharp contrast to the 23,072 registered in 2010. This is attributed to the issuance of import permits at reduced tax levels for government and semi government officers.

Private investment in the airline industry has remained low after the enactment of the Aviation Bill in 2010 which restricts private investment.

The Container industry, freight forwarding and tourism that are essentially the domain of the private sector have embarked on modernizing the fleets. The tax concession on vehicle imports offered to these subsectors has been an effective incentive. Modern warehouse complexes are being commissioned and are under construction in proximity to Colombo. They serve the distribution of imports as well as local produce. The Shipping sector that showed great promise at the commencement of the year under review has experienced a slow down and the expected growth has not been adequate in terms of the targets set.

Government Policy and Economic Drivers

According to the Annual Report of the Central Bank of Sri Lanka (2010), the GDP is expected to grow by 8.0 per cent in the next few years. All three economic sectors namely Agriculture, Industry and Services that constitute the three major economic sectors are expected to contribute to the targeted higher growth. Growth in wholesale and retail trade sectors are also expected to be high in all three of the sub-sectors of import trade, export trade and domestic trade. Tourism has been identified as a rapidly growing industry targeting 2.5 million tourists by 2016 from the current 800,000. That translates to a 25% growth rate per annum.

As a strategic intervention, the Mahinda Chinthanaya 2010 envisages a transformation of Sri Lanka into a dynamic global hub in Shipping, Aviation, Commercial, Energy and Knowledge. The growth of container traffic in the Port of Colombo which stands at 4 million TEUs currently is expected to grow at between 6 to 7 percent per annum for the next 20 years, reaching 15 million TEUs by 2031. The arrivals at BIA are expected to increase from 6 million passengers to between 15 to 21 million by 2025.

Analysis of Current Transport Sector Programs

An overview of the current state of progress indicates that the development of transport infrastructure in Hambantota is the most advanced. These encompass the development of several tourism related projects, the port and airport related services. Request for proposals have been called for the port related activities. The RFPs for the airport are to be called later this year. The road network has already been improved. Clearly Hambantota provides the potential for a second national multi modal node for the long-term. However connectivity to Colombo still remains incomplete with the Southern Expressway, currently operational only from Kottawa to Pinnaduwa. The rail line extension to Hambantota has been under construction for more than a decade with no target date set for completion.

The construction of several expressways is proceeding in tandem with the accelerated rehabilitation of national, provincial and local roads in all parts of the country. While the recent improved highways have reduced travel time, speeds on the roads rehabilitated some time earlier, have decreased rapidly as more users divert, to avoid other congested roads. The University of Moratuwa in a study has reported that the overall national road network speed to be only 26 km/hr. With the current rate of vehicle registrations considered in the context of the completion of the currently identified expressways, the network speed is estimated to reduce further to 23 km/hr by 2021. This indicates that the current level of investment of 2% of GDP, is insufficient and needs to be doubled, if road space provision is to keep pace with increasing motor vehicle ownership and usage that will follow economic prosperity. Failure to do so, will result in faster deterioration of speeds and the resulting higher cost of congestion and pollution. There is increasing opposition to acquisition of land for road building and widening.

The prevalent lack of urgency in arresting the deterioration of public transport prevents viable alternative being formulated to meet the needs of a rapidly motorizing country. This is despite the National Land Transport Policy (2010) making a clear statement that ***'the policy of the Government is to encourage the use of public transport, high occupancy vehicles and non-motorized transport. It will seek to influence modal shift from road to rail transport and from private modes to higher occupancy modes using regulatory and fiscal measures. The Government will take steps to provide the public the widest possible choice of different modes of goods and passenger transport that would be consistent with the country's objectives of optimizing land and road space use, conservation of the environment and energy, achieving cost effectiveness and ensuring the affordability for users'***. This indicates a clear chasm between policy and practice in the land transport sector.

The initiative of one-ways system in Colombo and Kandy has failed to address the problems of urban transport in the form of increased traffic congestions in major cities. The peak period speed has deteriorated sharply on most corridors and is currently estimated at averaging 15 km/hr. The hastily constructed flyovers at intersections have had little impact. The inability of the Government to come up with a sustainable urban transport strategy is fast turning in to a noticeable and expensive failure.

The work on developing the Katugastota-Gampola-Kadugannawa railway triangle has not progressed beyond its startup phase in 2009. The cost of road congestion has been estimated at Rs 32 billion. It will be further increased and the problem more aggravated with land in the Central Business District presently utilized by government institutions being provided to the private sector. The hotels and commercial buildings that will come up will generate even more traffic. The relocation of the former activities in the Kotte-Sri Jayewardenepura Municipal Council area will create major transport issues as public transport services have not been developed adequately, in the new locations. The congestion in Kandy poses severe constraints on its development as a World Heritage city and a tourist destination.

The inability of the Government to convert the SLTB and SLR to modern service providers is an indication of many constraints. The main constraints are inadequate funding, the absence of a clear orientation of service delivery and poor management talent totally inadequate to meet the requirements of motivational management.

Well established management systems are ignored. The efficient deployment of investment and resources is absent. One glaring example is the persistent failure of the railways to show any improvement in urban transport in spite of it doubling the capacity of power sets since 2009.

The private sector that dominates bus transport has also suffered setbacks during the year, with improvements in dispatching, timetabling and industry development such as franchising being suspended, in spite of orders by the Supreme Court on a Fundamental Rights petition.

Overcrowding, accidents, the haphazard issue of new permits and poor operational practices have increased during the year. The progress made by the SisuSavariya school bus service and GamiSavariya rural bus service seen in previous years has suffered due to neglect by the state.

The railway still underperforms and remains underutilized in the carriage of freight. In the passenger segment the railway has an edge over road transport providers, only in the sub-urban service and the long-distance fast express service. But, no systematic effort has been made to increase its market share in recent times. Rural transport is increasingly provided by private vehicle operators as the public sector shrinks its services. This is despite the extensive road rehabilitating programs.

There have been no development programs in the domestic freight industry except the controversial legislation that required the transport of vegetables and fruit in plastic crates which was subsequently reversed. The losses and the inefficiency in the supply chain processes have not been focused on by both the public and private sector.

The growth in the maritime and shipping sub-sectors was slow in 2011/12 partly due to the slow recovery of the global recession than what was expected. Whilst congestion in the Port of Colombo is a growing problem, the first concession on the long delayed expansion, through the first phase of the Colombo Port Expansion Project, was signed during the year. The South Container Terminal, scheduled to commence operations in 2014, will add a minimum of 2.4 million TEUs of container throughput capacity and include the Port of Colombo among the list of global ports capable of servicing the latest generation of the largest container vessels afloat.

Hambantota Port remained largely unutilized through the year, but it was encouraging to note one agreement being signed to develop a fertilizer bagging plant. While interest by other investors on similar projects such as auto assembly, flour mills, oil refinery, etc have been announced. Hambantota Port is also suitable to arrange repair facilities, even though most of the support services and inputs will need to be provided from Colombo, at least for a period. The value of Hambantota as a service port is significant. However it calls for efficient high quality cost effective services to be offered.

The major concern in this sector however is the ability of the Sri Lanka Port Authority to generate revenues sufficient to bear the operational expenses of the island's ports as Galle, Trincomalee, Hambantota, Olivil and KKS ports. These are all expected to make heavy losses with the added burden of loan repayments of the new port projects.

The on-line clearance initiated by the SLPA is a positive trend that is expected to include customs clearance and banking when fully implemented. The absence of an electronic clearance process has been a significant cost to the trade in the past two decades. This initiative, when implemented, will hopefully address this deficiency in the near future.

The delays experienced by container transporters, with respect to domestic (import and export) containers, continue to be a problem due to road congestion both within and outside the port. The initiative by the Ministry of Transport to identify a location for an Inland Container Depot is a positive step. The SLPA, meanwhile has announced plans for the setting up of such a facility at Peliyagoda. The pursuit of the same objective on a twin track highlights the need for inter-agency coordination.

The clearance of the obstruction to the new port at Hambantota was a setback. Clearly the development of pickup of traffic to this port will take time. Industry that supports non containerized import, export and transshipment activity needs to be encouraged along with support services for ships. Splitting of container handling or that of any other cargo handled by Colombo is considered undesirable without setting up of support facilities that require heavy investment by the private sector.

The aviation industry continued to enjoy rapid growth on the passenger front as a result of an upsurge of travel to and from Sri Lanka including an increase in tourist arrivals. SriLankan Airlines augmented its fleet during the year and added both destinations and frequencies to their network supplemented by Mihin Lanka.

Regrettably both carriers continue to incur considerable losses. Two new foreign airlines commenced services to Colombo during the year whilst several existing carriers increased frequencies significantly. This resulted in an overall increase in capacity. Whilst value of ticket sales increased by 13%, cargo volumes and revenues fell on the back of a significant decline in exports, even though there was marginal growth in import and transshipment volumes. High ground handling charges and recently introduced regulatory restrictions could inhibit medium to long term growth and investment in the sector, unless addressed with a view to open some key areas to competitive offers. Plans to improve and grow the domestic aviation segment appear to have generated renewed interest in the sector. The CAA has received several applications for air operator certificates with one that commenced operations during the year.

Analysis of Transport Sector Policy and Practice

Government Policy on private investment in transport sector continues to be fully or partially regulated and controlled except in a few areas such as freight transport and Para-transit. All State owned transport operators from airline, airports, shipping ports, rail and bus sectors have incurred losses during the year. The restriction on new investments by the private sector appears as a clear move to preserve these sectors and industries as state owned enterprises. The restrictions on investments and the resulting inefficiencies would cause capacity shortfalls and cost escalations. A survey by members and industry experts assess that current levels of investment in all sub sectors are inadequate to maintain an economic growth of 8 percent.

A major area of concern has been the continuing erosion of professionalism and expertise in transport sector institutions. This arises mainly due to the appointing of institutional heads on the basis of personal or political considerations as opposed to professional competency in these highly specialized fields which require continuous professional application to keep abreast of evolving global trends and technical advances. The erosion of institutional practices and procedures has increased alarmingly over the last year and needs to be flagged as a serious deficiency with heavy economic costs.

The industry was hampered and suffered by the absence of planning studies during this period. The solitary exception was the ADB funded Multi-Modal Study. The apparent haste to undertake infrastructure projects without due diligence, feasibility or strategic study is fast becoming a common practice. The resulting delays in construction cost over runs and design short falls are concerns that need to be addressed.

The Matara-Beliatta Railway Extension as well as the restoration of the Northern Line are two examples of showing minimal progress despite the signing of the relevant contracts with China and India respectively. These and the award of large transport sector projects outside the transparent and competitive bidding processes have been highlighted by the industry. They are cited as examples to show that cost of transport infrastructure as well as effectiveness of current resources and new investments is questionable. Modal and sector integration continues to be poor with the current fragmentation of ministries. There is also the inadequate development of land use, made accessible by the expressway network along with the road projects. It results in the delay of reaping the economic benefits expected of such investments.

Transport sector institutions have not improved either in customer satisfaction or service levels. Modernization in terms of availability of real time information is still a distant goal in most situations. Public relations also remain unimpressive. Road traffic accidents have continued to increase even with the declaration of a Decade of Road Safety by the Government, during the period under review. The cost of accidents is estimated at around Rs. 20 billion per annum.

Conclusions

There have been highly visible and encouraging investments in several transport sub sectors. However the efficiency and the effectiveness of many of them remain questionable. The lack of clear, consistent policy driven approaches, strategies and studies preceding such investment is likely to make current levels of investment inadequate to meet the required inputs to sustain an 8% growth rate in the economy. Moreover the absence of sector specialists in leadership as well as the deterioration of institutional procedures cause added concerns. A greater investment in public transport including new modes of urban transport such as Bus Rapid Transit needs to be considered. More opportunities to private sector investment together with a better structured regulatory environment is required.

Chartered Institute of Logistics & Transport Sri Lanka (CILT SL)

The Institute has been in existence in Sri Lanka since the 1960s. It was incorporated by an Act of Parliament in 1984 as the “Chartered Institute of Transport (CIT) in Sri Lanka.” In conformity with subsequent changes worldwide, it was re-named as the Chartered Institute of Logistics and Transport (CILT), Sri Lanka. It has a current membership of 1005, who are eminently qualified in the Transport and Logistics fields.

The principal objective of the Institute is “To promote and encourage the art and science of logistics and transport”. The Institute achieves this objective through both its membership and its educational qualifications. The Institute Membership provides a professional identity to those engaged in the logistics and transport sector. In addition it enables international recognition. The professional qualifications granted by the Institute are intended to educate those already in the sector and others who wish to enter it.

Additionally CILT SL aims to make the transport and logistics fraternity to become visible, vocal, and respected for its professional views and positions. A society that is increasingly dependent on Transport & Logistics needs to be informed of the expertise, skills and competencies needed to have a Transport and Logistics industry that keeps it served with delivery perfection. The Institute aims to achieve it by creating wider society awareness of the profession of Transport & Logistics that would attract quality persons to the industry.

ACTIVITIES DURING THE PERIOD UNDER REVIEW

SUB-COMMITTEES

1. Membership Criteria Committee

- Mr. Rohan Abeywickrema
- Mrs. Mandri Sahabandu
- Mr. Vernon De Rozairo
- Mr. Channaka De Alwis

The main task of this committee is to evaluate the suitability of candidacy for the award of CILT membership, prior to the approval by CILT Hong Kong evaluation committee. Further, the committee considers appeals from members who are dissatisfied with the grade awarded by the CILT HK evaluation committee. In accordance with a CILT SL Council decision, the committee has established an interview procedure for applicants who are awarded CMILT and above as a measure of ensuring best practices.

During the third & fourth quarters of 2011, the committee has evaluated over 40 applicants and has conducted one interview session. The committee has also designed a CILT career path guide for the Membership issued with new applications.

2. Membership Drive

- Mrs. Namalie Siyambalapitiya
- Dr. T. L. Gunaruwan

Membership Drive committee is focused on enhancing the CILT-SL member base while maintaining the quality standards of the Institute. It attracts talented Professionals from the industry through various promotional programs .The committee intends to expand the member base to a proposed level of 1,000 by the AGM of 2012 maintaining its high standards. The vision is to convert CILT SL in to a “Territory” by the AGM of 2012.

The efforts of the committee are commendable since it had managed to introduce over 350 new members CILT SL. Most noteworthy is its involvement with various tertiary educational institutes to attract student members as well as increase the number of

young members at CILT SL. The committee is currently engaged in improving the membership in terms of grades. Pursuant to a decision made by the council, the committee is in the process of collaborating with educational service providers of CILT courses such as CINEC and the University of Moratuwa to promote CILT as a Professional Institute in Sri Lanka for student members. During the year under review the committee also enrolled student members from the University of Colombo. A membership drive also commenced in the Maldives.

3. CILT SL Young Professionals Forum

- Mr. Nujith Samarawickrema
- Mr. Nishantha Fernando
- Mr. Niles Perera

The main purpose of this committee is to attract young members to the CILT Council and encourage their involvement in CILT Activities.

The CILT SL Young Professionals Forum (YPF) was launched on the 30th November 2011 at Sasakawa Hall. It was attended by 156 participants. The committee is currently calling for applications for the “Young Achiever of the Year” Award.

4. Education/Accreditation

- Mr. Priyal De Silva

The main function of the Education Committee is compliance of and adherence to the accreditation process for CILT. It is involved in education related activities for CILT-SL. The Chairman and two Vice-Chairman visited the CINEC City campus in Colombo to promote membership among students of CILT courses. CINEC has requested to review the B.Sc. in Transport & Logistics (Dalian University) and 3 T&L related diplomas conducted by CINEC. The matter is pending with CILT International.

5. Corporate Partnerships

- Mrs. Gayani De Alwis
- Capt. Lasitha Cumaratunga
- Mr. Niral Kadawatharatchie
- Mr. Romesh David

The CILT SL Corporate Partnership Programme was launched on the 27th October 2011 at the Ceylon Continental Hotel with 15 partnering corporates. An Executive meeting with the Heads of the CILT SL Corporate Partners was convened on 8th February 2012 at the Ceylon Chamber of Commerce. It resulted in many inputs being received and followed by a discussion on the way forward.

The committee has identified specific sectors and Companies, as relevant to the Transport & Logistics industries, which facilitates Council members to conduct their initial canvassing. The following institutions have been made Corporate Partners of CILTSL in 2011.

- Abans (Pvt) Ltd
- Aitken Spence Maritime Services
- Ceyline Holdings (Pvt) Ltd
- Civil Aviation Authority
- Finlays
- Freight Links International (Pte) Ltd
- Hayleys Advantis Limited
- Hemas Holdings
- John Keells Logistics
- Lanka Shipping & Logistics (Pvt) Ltd
- McLarens Holdings Limited
- National Transport Commission
- Sathsindhu Group
- Sri Lanka Ports Authority
- University of Moratuwa

6. Continuous Professional Development

- Mr. Upali De Zoysa

The Continuous Professional Development (CPD) committee is responsible for study tours and conducting evening lectures to professional institutions that are of value and relevance to the Transport & Logistics industry. Its activities are intended to facilitate the continuous professional development of the CILT-SL members

7. Membership Services / Fellowship

- Mrs. Anoma Ranasinghe
- Mr. Upali Gunawardena

The committee is engaged in introducing fellowship services and souvenirs promoting CILT-SL.

The committee launched the CILT Tie at the International Conference held in Sri Lanka. The membership services committee is currently in the process of introducing CILT scarves for CILT-SL members, as an initiative for 2012.

8. Events Committee

- Mr. Ajith Ekanayake
- Mr. Chaminda Perera

The Chartered Institute of Logistics & Transport, Sri Lanka (CILT SL) customarily organise 3 memorial lectures namely John Diandas Memorial Lecture, L. S. De Silva Memorial Lecture and P. B. Karandawala Memorial Lecture during each session to commemorate three distinguish personalities who dedicated their professional lives, time and energy for the betterment of the transport and logistics industry in this Country during the recent past and those events play an important place in CILT SL calendar.

9. CILT SL Website Committee

- Mr. Nishantha Fernando
- Mr. Channaka De Alwis
- Mr. Romesh David

The committee is responsible for the maintenance of an informative and prominent website that promotes CILTSL activities.

The revamped website of CILT Sri Lanka was launched at the International Conference 2011 by the Guest of Honor Hon. Geethanjana Gunawardena Deputy Minister of Finance and Planning. The current focus of the Website committee is on enhancing the CILT website with user-friendly and interactive direct access to members to view their individual membership status. During the year the committee upgraded the facilities offered to member through the website with assistance from the Society of Transport and Logistics, University of Moratuwa. It has made progress in updating the online information of members' profiles.

10. International Conference – 2011

- Capt. Lasitha Cumaratunga
- Mr. Niral Kadawatharatchie
- Mr. Channaka De Alwis
- Mr. Ajith Ekanayake
- Mrs. Gayani De Alwis
- Mr. Ali Kamil
- Mr. Amal Rodrigo
- Mr. Chaminda Perera
- Mr. Peter Barbut
- Mr. Shanaka Perera
- Mr. Ashan Wickramasinghe
- Miss. Sarasi Liyanarachchi
- Mr. Janaka Sumithrarachchi

The annual CILT SL international conference held in the month of October every year is planned and organized by the International Conference Sub- Committee.

The committee was extremely successful in hosting the International Conference under the theme “Success of Delivery – Logistics in Global Commerce”. The event attracted over 300 participants including a number of International delegates and the CILT International President Professor Alan Waller.

11. Professor Alan Waller’s Visit

- Mr. Romesh David

Professor Alan Waller’s was invited by the council of the CILT SL for the International Conference held on 28th October 2011. Professor Waller delivered the Key note address at the event. The committee scheduled and held several media interviews with Professor Waller and Council Members. It issued pre and post conference press releases that received wide media attention. .

12. Regional Forum

- Mr. Saliya Senanayake

The regional forum that was scheduled to be held during October 2011 was called off due to the small number of confirmed participants.

13. Annual T&L Awards

- Mr. Amal Rodrigo
- Mr. Ali Kamil

The Chairman introduced a new concept of presenting Transport & Logistics Awards in recognition of outstanding contributions of organizations/individuals towards the development of the T&L industry in Sri Lanka. This committee was not active during the year.

14. International Convention 2013

- Mr. Romesh David

CILT Sri Lanka was successful in its bid to host the International Convention in 2013. This is the second occasion of the International Convention of CILT being held in Sri Lanka. The last was in 2001. The arrangements for the International Convention 2013 are yet in the formative stage.

15. Road Safety

- Mr. Rohaan Abeywickrema

Road Safety is an important aspect of transport & logistics focused on by the CILTSL. The objective of the committee is to create and promote awareness amongst the public on Road safety and best practices to be followed .Discussion were held on the appointment of a Road Safety Ambassador and to develop short road safety film clips. A plan has now been drawn for a campaign to be launched in the electronic media in the form of commercials and documentaries to be telecast on national TV channels.

16. Policy and Public Awareness

- Dr. T. L. Gunaruwan

This new committee was formed in the current CILT year. The objective of the committee is to create awareness of issues confronting the public and policy makers in the field of transport & logistics industry at a strategic level. A substantial number of news paper articles were written and released on the “Southern Highway” highlighting the safety and security issues/ and causes for concern in November 2011. Another Press Release on the Revision of Bus Fares was issued in February 2012. This committee is currently engaged in creating public awareness on Railway Safety and the Use of Plastics Crates for the transport of vegetables &fruits.

17. Annual Exhibition

- Mr. Niral Kadawatharatchie

Annual Exhibition was postponed to the CILT year 2012/2013.

18. Re-Incorporate CILT

- Mr. Upali Gunawardena
- Mr. Rohan Abeywickrema

The subcommittee has already commenced the follow up work on re-incorporating the CILT. The draft document is expected to be taken up for discussion in due course.

19. Redrafting Constitution of CILTSL

- Mr. M. A. Jeffry
- Mrs. M. J. Sahabandu
- Mr. Vernon De Rosairo
- Mr. Rohan Abeywickrema
- Mr. Priyal de Silva
- Prof. Amal Kumarage
- Mr. Channaka De Alwis

The CILT SL constitution was redrafted with many changes introduced intended to improve the governance of the CILT SL. The revised constitution will focus more on the sections on Management, General, and Annual General Meeting of the constitution. It is expected that the finalized draft constitution will be presented before the membership in 2012.

20. CILTSL History & Corporate Plan

- Mr. H. A. Premaratne
- Mr. Priyal de Silva
- Mr. Rohan Abeywickrema
- Mr. Saliya Senanayake
- Mr. Romesh David
- Prof. Amal Kumarage
- Mr. Channaka De Alwis

A Corporate Plan for the CILTSL is being drafted to cover the activities and plans for the period 2012 to 2016. The new strategic plan facilitates the rapid growth of the local CILT chapter while designing a broad frame work to set up an independent secretariat for CILT SL.

21. Aviation Diploma

- Dr. T. L. Gunaruwan
- Prof. Amal Kumarage
- Prof. Saman Bandara
- Mr. Ajith Ekanayake
- Mr. Ali Kamil
- Mr. G. T. Jayaseelan
- Mrs. Darshi Piyathilake

An initiative based on a request made by Sri Lankan and AASL from CILT SL to conduct an Aviation Diploma for their staff, Dr. T. L. Gunaruwan, Sub-Committee Chairman has been appointed by the council to formulate and implement the program.

OTHER ACTIVITIES

Membership Involvement

To ensure wider participation of members in the activities of CILT SL, the committee will initiate action to involve members not in the main committee to be a part of the organizing and decision making process of the Institute.

The council invites Members to contact the CILT SL secretariat for further details.

E-magazine

During the year 2010, the council initiated the launch of an e-magazine that provides information of the transport and logistics industry and the activities of CILT SL. The first issue of the e-magazine was released in March 2011. It is issued quarterly. Four issues have been released. This project was led by Mr Niles Perera with a team from the Society of Transport and Logistics, University of Moratuwa. Mr. Rohan Abeywickrema served as the Supervising Editor.

Liaison with Regional CILT Branches and Territories

The council seeks a closer interaction with CILT regional sectors in UAE, Bangladesh, India, Pakistan, Singapore and Malaysia.

In the pursuit of closer ties with the region, educational Institutes in New Delhi and Cochin have approached CILT SL seeking possible accreditation for their Institutions.

EVENTS

The following events were conducted by the CILT SL Executive Council on behalf of the membership, during the period under review.

a). “John Diandas Memorial Lecture”

CILT – SL has been organizing memorial lecture in commemoration of Mr. John Diandas in July as an annual event in its calendar. National Transport Commission (NTC) has been sponsoring this event from its very inception. Late Mr. John Diandas, a past Chairman of National Transport Commission was a pioneer professional in the Transport Sector in Sri Lanka who embodied it in all its fullness as an operator, regulator, critic, planner, advisor and researcher.

The 9th JDML was held at the Cat's Eye Ballroom of the Ceylon Continental Hotel, Colombo on 27th July, 2011 on the topic "Can the Transport Sector Continue to be a Driver of Economic Activity in Sri Lanka?" the lecture was delivered by Dr. T. L. Gunaruwan, Senior Lecturer, Department of Economics, University of Colombo and one of our own Council Members.

It was a grand success with more than 178 participants including his wife, friends, and fellow professionals in the sector and many others who wished to pay their gratitude to him. We wish to note our appreciation for the active role played and generosity of NTC to honor one of its own, late Mr. John Diandas for sponsoring this event and CINEC maritime Campus for their valuable contribution.

This was also an excellent opportunity to network with industry leaders and academia and to share knowledge and experience with other organizations in the logistics & transport industry.

b). "L. S. De Silva Memorial Lecture"

The L. S. De Silva Memorial Lecture is organised annually to pay tribute to Mr. L. S. De Silva, who was the founder Chairman of Chartered Institute of Transport – Sri Lanka (CILT SL).

As a true transport pioneer he had been involved in all segments of the society in uplifting transportation and related knowledge dissemination in Sri Lanka until his demise in 1994.

The 15th L.S. De Silva Memorial Lecture was organised by the CILT-SL concluded on the 14th September 2011 at the Wimalasurendra Auditorium of the Institute of Engineers, Sri Lanka with more than 220 participants representing wider cross section of the industry.

VidyaJyothi Professor Dayantha S. Wijeyesekera delivered the memorial lecture focusing on "Meeting the Challenges of Knowledge Transfer in the Transport Sector." Professor Wijeyesekera, presently the Chairman of Tertiary & Vocational Education Commission was a past Chairman of CILT.

Professor Wijeyesekera set the tone for the evening in front of a packed house by sharing his memories of the late Mr. L. S. De Silva, whom Professor Wijeyesekera dubbed as his “guru”.

It is note worthy to mark here that this memorial lecture was one of the remarkable events concluded successfully during this session.

c). “Evening with Future Logistics Leaders”

This was a joint programme organized by the Department of Transport and Logistics Management of the University of Moratuwa in collaboration with The Chartered Institute of Logistics & Transport Sri Lanka. The discussion focused on two undergraduate students. 250 participants attended the event at the Ceylon Continental Hotel.

d). International Conference 2011

The Chartered Institute of Logistics and Transport Sri Lanka (CILT SL) organized it's e premier event - the International Conference this year on “Success of Delivery – Logistics in Global Commerce”. This was in sequel to several conferences and workshops CILT SL organized in the recent past on Sri Lanka's quest to be a regional logistics hub, and transport and logistics related developments of the country with particular reference to developments in Hambantota.

The eminent international and Sri Lankan personalities who were invited to speak at this year's Conference and their respective topic are given below. The speakers drew attention to their own success stories or the pertinent case studies from the perspective of being hand on in the industry or academia.

1. **Mr. Mahesh Amalean, Chairman of MAS Holdings** – “Made in Sri Lanka” in London, Paris, New York
2. **Mr. Ranjit Page, Deputy Chairman of Cargills (Ceylon) Limited** – Logistics in Retailing: Key for Success
3. **Dr. Arul Sivagananathan, Managing Director of Hayleys' BPO and Shared Services** – What is Success: Logistics in BPOs

4. **Mr. G.T. Jeyaseelan, Chief Marketing Officer of Sri Lankan Airlines** – Success of Air Hub: Need for Integration
5. **Mr. Rizwan Soomar, Managing Director of Maersk Line (India & Sri Lanka)** – What it takes to be the Number One: the Past and the Future
6. **Dr. Lee Styger, a leading academic from Australia** – Economic Growth through Sustainable Supply Capability

Hon. Dr. Sarath Amunugama, Minister of International Monetary Co-operation, was the Chief Guest. Hon. Gitanjana Gunawardena Deputy Minister of Finance and Planning graced the occasion with Professor Allan Waller, OBE, President of CILT International, delivering the Keynote Address on the subject “Professionalism in Supply Chain.”

The rationale for the selection of this year’s theme has been the rapid growth and development in the Asian region, which is witnessing resurgence due to advances in innovations facilitated by the augmentation of investment, infrastructure and industry. This is particularly relevant to Sri Lanka, as the national economy is in the process of achieving great heights, aiming to become the regional logistics hub as envisaged by the Government. The CILT SL believes that the current environment offered the most conducive time to discuss challenges that could arise during Sri Lanka’s development and establish benchmarks and best practices that could be taken note of when implementing the development projects formulating associated policies and the design of regulatory frameworks.

e). P. B. Karandawala Memorial Lecture

“Navigating the Rough Seas : Current Issues for Sri Lanka and Global Container Shipping” was the topic of Karandewala Memorial Lecture 2012 held on 27th February at the Hatton National Bank conference hall. The guest speaker was Mr. Micky Sim - Managing Director of APL Lanka (Pvt) in Sri Lanka has very well explained the current competitive situation in the shipping industry from a point of view of a shipping line and the ordinance was very interested on his explanation on the economical conditions of the main shipping lines and how they compete to reduce the unit cost of the operation and the issue keeping them awake. It was well attended by the industry leaders and all commended on the speaker’s points highlighted in lecture.

CILT SRI LANKA COUNCIL 2011/2012



Seated (Row 1) Left → Right - Mr. Rohan J. Abeywickrema (*Council Member*), Mr. Channaka De Alwis (*Secretary*), Mr. Upali Gunawardena (*Treasurer*), Mr. Romesh David (*Vice Chairman*), Prof. Amal S. Kumarage (*Chairman*), Capt. Lasitha Cumaratunga (*Vice Chairman*), Mr. Saliya Senanayake (*Immediate Past Chairman*), Mr. H. A. Premaratne (*Council Member*).

Standing (Row 2) Left → Right - Mr. Niles Perera (*Student*), Mr. Nishantha Fernando (*Affiliate*), Mr. Nujith Samarawickrama (*Council Member*), Mr. M.A. Jeffrey (*Council Member*), Mrs. Namalie Siyambalapitiya (*Council Member*), Mrs. Gayani de Alwis (*Council Member*), Mrs. Anoma Ranasinghe (*Council Member*), Dr. T. L. Gunaruwan (*Council Member*), Mr. Ajith Ekanayake (*Council Member*), and Mr. Chaminda Perera (*Council Member*).

Absent - Mr. Niral Kadawatharatchie (*Vice Chairman*), Mrs. M. J. Sahabandu (*Council Member*), Eng. Priyal De Silva (*Council Member*), Mr. Amal Rodrigo (*Council Member*), Mr. Ali Kamil (*Council Member*), Mr. Upali de Zoysa (*Council Member*), Capt. D. J. Amarasuriya (*Council Member*).

Some Moments to Remember



CILT International Annual Convention

CILT Annual Convention 2011 was held in Sydney in May 2011. The 2012 Convention will be held in the UK. The IMC awarded the 2013 annual convention to Sri Lanka in an unanimous decision. Sri Lanka had to beat off 3 member countries in its bid to host the 2013 convention.

CILT Sri Lanka is fortunate to have Mr. Saliya Senanayake one of its members and Past Chairman as a current International VP. This has facilitated the selection of Sri Lanka as a venue for one of the ICM Meetings during the 2010 and CILT SL continuing to receive recognition to a high degree.

CILT strives to sustain a worldwide representation and recognition as the foremost institution as an Education and Training provider for Supply Chain Management and Transport.

MEMBERSHIP

The total Membership of CILT SL during the period

Membership Type	Membership as at 1 st July,2010	Membership as at 1 st July,2011	Membership as at 14 th March, 2012
FCILT	26	28	20
CMILT	99	103	119
MILT	169	203	223
Affiliate	25	75	83
Student	84	183	527
Retired Members	0	0	16
New applications (unprocessed)			17
Total	403	592	1,005

CMILT – 119 Includes 3 pending applications on EMAS

MILT – 223 Includes 7 pending applications on EMAS

Retired Members – 16 comprises of 8 FCILT's, 3 CMILT's and 5 MILT's

New applications (unprocessed) – 17 applications were received during the month.

Out of the 1,005 CILT SL members, 127 contact details are incomplete. This consists of:

FCILT	3
CMILT	14
MILT	68
Affiliate	7
Student	35
Total	127

OFFICE BEARERS/REPRESENTATIONS ON OTHER BODIES

The CILT-SL was represented in the following external committees/institutions

- National Transport Council – Tender Evaluation Committee
 - Mr. M. A. Jeffrey

- CILT International Board Vice President
 - Mr. Saliya Senanayake

- Re-formulation of CILT India
 - Mr. Saliya Senanayake

- CILT Accreditation Panel
 - Mr. Priyal de Silva

CILT SECRETARIAT

The Ceylon Chamber of Commerce provided secretarial services during the year.

AUDITORS

At the last AGM, M/s. KPMG For Rhodes, Thornton & Co. were appointed as the Auditors of CILT SL.

M/s. KPMG Ford Rhodes, Thornton & Co.
(Chartered Accountants)
Sir Mohamed Macan Marker Mawatha
P.O. Box 186
Colombo 3.
Telephone : (94 11) 2445871/2451201
Fax : (94 11) 2445872/2446058/2541249
E-mail : frt@kpmg.slt.net.lk

Audited Accounts

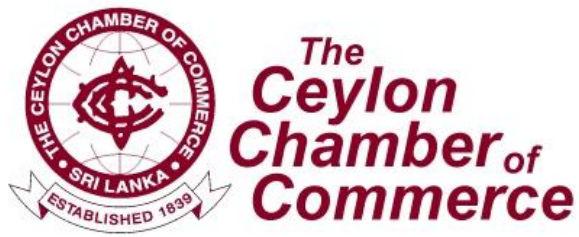
The statement of Audited Accounts is attached.

BY ORDER OF THE COMMITTEE





Channaka De Alwis
Honorary Secretary

Secretariat to the Chartered Institute of Logistics & Transport Sri Lanka



**The Ceylon Chamber of Commerce
50, Navam Mawatha, Colombo 2
Sri Lanka**

Web: www.chamber.lk

Follow us on  keep in touch on  and get connected on 