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MEDIA RELEASE

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IPS webinar on ‘Recovery of Sri Lanka’s Apparel Sector from the COVID-19 Crisis’

The Institute of Policy of Studies of Sri Lanka (IPS) hosted a virtual panel discussion on the ‘Recovery of Sri Lanka’s Apparel Sector from the COVID-19 Crisis’ on 2 February 2021. The webinar, held in partnership with Southern Voice and the Centre for Policy Dialogue, Bangladesh, is part of [IPS’ research](#) examining the impacts of the ongoing pandemic on the apparel sector.

The panel featured Joint Apparel Association Forum Sri Lanka (JAAFSL) Chairperson A. Sukumaran; Department of Labour Commissioner Madhavie Gunawardena; and Lesova Holdings Ltd. Director Malith Jayasinghe. IPS Research Economist Kithmina Hewage moderated the discussion.

The COVID-19 pandemic has taken a heavy toll on the Sri Lankan economy. The apparel sector which accounts for a large fraction of our export market was hard hit by the pandemic, particularly during the second wave.

“The apparel sector represents 47% of Sri Lanka’s total exports. It is imperative to vaccinate the 350,000-export sector workers to be able to meet customer requirements. There is a global demand for apparel but Sri Lanka is falling short in meeting deadlines and important clients are moving towards competitors who are supplying without any delay,” A. Sukumaran said.

“If workers are not vaccinated before May this year, there will be serious repercussions for the entire sector and the country’s economy. Sri Lanka has a reputation as a reliable supplier and that is now under threat,” he said. Mr. Sukumaran added that the apparel sector was ready to bear the cost for the vaccinations and requested the government to help them source the required vaccinations.

“Building a fabric park in the Eastern province as proposed in the 2021 Budget will help the industry grow tremendously as we will not bear the brunt of depending on China for raw materials and key players like the USA are looking to shift from China for raw materials thus the fabric park will be a key player in the long-term growth,” Mr. Sukumaran said.

“Apparel SMEs were severely affected due to COVID-19 and the major issues faced by the sector were: cash shortages, worker absenteeism, mobility issues, scarcity of raw material, increased cost of production, and loss in demand. The second wave worsened an already difficult situation,” Malith Jayasinghe said.

“The pandemic was a unique external challenge thus the Health Ministry had to come into play. Most of the laws and health guidelines are issued under the quarantine law; that is under the Health Ministry and the DG – Health Services is the respective authority for that. Even though we say that it is the labour laws that prevail in the factories, for pandemic-related issues, it is the health guidelines we have to obey. The Department of Labour cannot intervene when quarantine laws are violated,” Madhavie Gunawardena said.

She explained however that the Labour Department has been working actively to address complaints made, and encouraged workers to contact the Department if they face any genuine difficulties.

The webinar can be viewed on IPS’ YouTube channel:

<https://www.youtube.com/watch?v=pJfF5FejOVA&t=1501s>



Mr. A. Sukumaran



Mr. Malith Jayasinghe



Ms. Madhavie Gunawardena