

# THE SUNDAY ECONOMY

## SL to introduce single entry visa with VFS

Sri Lanka's Cabinet of Ministers approved the reintroduction of the single-entry visa system, replacing the Electronic Travel Authorisation (ETA) system. This decision was made due to security concerns and a lack of authenticity with the ETA system.

The new system will involve a \$75 visa fee for a six-month stay with each visit capped at 60 days. An additional processing fee of \$18.5 and a facilitation fee of \$5 will also apply. The government will collaborate with VFS Global, a renowned international visa processing company, to ensure a more secure system.

He recognized the government's need to prioritize security. The government is also considering exempting visa fees for certain countries during specific timeframes.



## Sweeping reforms to the Electricity sector

Sri Lanka's Parliament received a proposed overhaul of the nation's electricity industry with the presentation of the "Sri Lanka electricity bill" by Power and Energy Minister Kanchana Wijesekera.

Published in mid-April, the bill outlines a comprehensive modernization plan. A central feature is the creation of a National Electricity Advisory Council to provide strategic direction and oversight for the sector. Furthermore, the bill strengthens the Public Utilities Commission of Sri Lanka (PUCSL) as the main regulatory body, ensuring fair competition, efficiency, and transparency within the electricity market.

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## Weekly CSE Summary

The Colombo Stock Exchange had a strong week, closing Friday with significant gains and turnover exceeding Rs. 4 billion. The key ASPI index rose 3.8% for the week, reversing a decline from the previous week.

Investor sentiment was positive, with active participation from both retail and high net-worth individuals. Several sectors, including Banking, Capital Goods, and Food & Beverage, saw strong gains. Hayleys, John Keells Holdings, and Lanka IOC were among the top contributors to turnover.

Despite the positive week, foreign investors were net sellers, with outflows exceeding Rs. 288 million. However, this was overshadowed by the overall market optimism.

The average daily turnover for the week was Rs. 2.71 billion, a significant increase compared to the previous week. This suggests growing investor interest and potentially signals a bullish trend in the coming days.

The proposed legislation calls for separate corporate entities to manage different aspects of the industry, including generation, transmission, distribution, trade, supply, and procurement. This holistic approach aims to improve accountability and collaboration across all sectors.

To modernize the regulatory framework, the bill seeks to replace two outdated acts: the Ceylon Electricity Board Act of 1969 and the Sri Lanka Electricity Act of 2009. These changes aim to align with current industry practices and address emerging energy challenges.

Minister Wijesekera highlighted extensive stakeholder consultations during the bill's drafting, incorporating amendments suggested by key players to ensure effectiveness. However, a two-week window for public scrutiny now opens, allowing individuals and organizations to review the legality and implications of the proposed law. They can raise concerns or objections, and even challenge the bill in the Supreme Court if necessary.

## This Week In History

### April 22nd:

- **1500:** Pedro Álvares Cabral, a Portuguese explorer, lands in present-day Brazil, initiating Portuguese colonization

### April 23rd:

- **1940:** Winston Churchill delivers his famous "We shall fight on the beaches" speech, during World War II

### April 24th:

- **1896:** The first modern Olympic Games open in Athens

### April 25th:

- **1945:** Soviet troops liberate the Dachau concentration camp, a turning point in the exposure of Nazi atrocities during World War II

### April 26th:

- **1986:** The Chernobyl nuclear disaster occurs in the Soviet Union, causing widespread radioactive contamination

### April 28th:

- **1778:** Captain James Cook discovers the Hawaiian Islands

## Sri Lanka to draft a Criminal Asset Recovery Law

Sri Lanka is taking a step towards combating financial crime with the drafting of a new criminal asset recovery bill. Cabinet spokesman Bandula Gunawardena announced that the Legal Draftsman has been instructed to prepare the legislation based on recommendations from an expert committee.

This move comes in response to a requirement set by the International Monetary Fund (IMF) for Sri Lanka to implement a comprehensive law on recovering proceeds from crime by 2024, as a condition for a loan facility.

The new bill is expected to establish a legal framework and procedures for seizing and recovering assets acquired through illegal activities. This will be a crucial step in Sri Lanka's efforts to fight corruption and strengthen its financial system.

## Iran President opens the Uma Oya Project

Sri Lanka and Iran inaugurated a jointly-developed hydropower project. The Uma Oya project, designed by Iran and funded by Sri Lanka after 2013 sanctions, will generate 290 Gigawatt hours of electricity and irrigate agricultural land.

Both presidents hailed the project as a symbol of overcoming challenges and technological expertise from both nations.



## World Column

### NYSE weekly summary

The US stock market rebounded significantly this week after a string of losses, with the S&P 500 gaining 2.7%. This turnaround came despite mixed economic data and a pause in the disinflationary trend.

Earnings season is in full swing, with nearly half of S&P 500 companies reporting. So far, 77% have exceeded earnings estimates, but some haven't raised guidance as much as hoped.

Mega-cap tech stocks were volatile. Meta and Netflix disappointed slightly, while Alphabet and Microsoft impressed. All three highlighted strong AI spending. Tesla's stock plunged due to a challenging EV market, but rallied on future product plans.

Other sectors also reported:

- Industrials: Solid results, not indicating an immediate downturn.
- Financials: Visa and credit card companies showed healthy consumer spending.
- Building Products: Mixed results with weakness in housing-related companies.

Overall, the market had a broad rally, with tech leading the charge

### Indicies

DOW 38,240 (+154),  
S&P 500 5,100 (+52),  
Russell 2000 2,002 (+21),  
NYSE FANG+ 9,858 (+274),  
ICE Brent Crude \$89.34/barrel (+\$0.33),  
Gold \$2,351/oz (+\$8),  
Bitcoin ~64.3k (-398)

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