

පාර්ලිමේන්තු ප්‍රකාශන මාලා අංක : 124

අමාත්‍යාංශයේ නම : තාක්ෂණ අමාත්‍යාංශය

පාර්ලිමේන්තුවේ ක්‍රම සහ විධි පිළිබඳ කාරක සභාව විසින් සභාගත කරන ලද වාර්තාව සම්බන්ධයෙන්
ස්ථාවර නියෝග අංක 124(6) යටතේ ගරු අමාත්‍යවරයාගේ නිරීක්ෂණ හා ගනු ලබන පියවර
පාර්ලිමේන්තුව වෙත ඉදිරිපත් කිරීම.

පාරාලුමන්තර වෙළුමිද්දුත් තුඨාදර් ඉලකුකම : 124

නිලවනතතින පෙයාර්: තුමාමිලිලුද්ප අමෙසු

පාරාලුමන්තරතතින වමිවකෙකුර් පර්තිය තුමුවිනාල මුන්වෙකුකුප්පද්ද අරිකුකෙ තුඨාදර්පාක
නිලෙයියර් කද්දනෙ ඉලකුකම 124(6) ඉන් කීදු කෙලරව අමෙසුසරින අවතානිප්පුකුකුලුම
අතු තුඨාදර්පාක ආදුකුකුප්දුම ත්දවකුකුකුකුලුම පාරාලුමන්තරතතිරු සමර්පිත්තල්.

Parliamentary Series Number: 124

Name of the Ministry: Ministry of Technology

Submission of observations of Hon. Minister and steps taken with regard to the reports tabled
by the Committee on Ways and Means in terms of Standing Order No. 124 (6)

Name of the Ministry: **Ministry Of Technology**

	Recommendation of the Committee	Action taken / current status
1	No taxes were imposed on the importation of digital content such as software. Therefore, the Information and Communication Technology (ICT) sector needs to be taxed as the ICT business is a booming business in the world.	Currently, no such tax is levied. A survey is to be conducted in this regard and a feasibility study is to be conducted on the taxes that can be imposed so as not to hinder the existence of this sector. Accordingly, we hope to discuss with the relevant industries/associations/organizations in the future and prepare a proper process.
2	ASYCUDA system of Sri Lanka Customs should be upgraded and it should be facilitated to interlink with IT systems of other state institutions.	The updating of the ASYCUDA system should be done under the guidance of the Ministry of Finance, Economic Stabilization & National Policies by the Sri Lanka Customs . The Ministry of Technology could provide the necessary technical assistance here. The Ministry of Technology carrying out the necessary work to establish the National Data Exchange (NDX) which will enable the systems of all government institutions to interconnect the ASYCUDA systems of the IT systems of other government institutions. As a starting point for this process, the circular no (MOT/2023/02) dated 2023.09.21 was issued to all the government institutions to prepare for this.
3	The retention of knowledge and expertise within the ICT Directorate of the Customs has been challenged by the lack of financial incentives, inappropriate transfer policy and underutilized training opportunities.	Necessary recruitment should be made to create a team of IT experts in the public sector. There should be a proper salary system for the technology experts in that field to match the salaries paid in the industry. For this, a program has been planned to be implemented jointly with the Ministry of Finance, Economic Stabilization & National Policies .
4	Sri Lanka being one of the members of the OECD/G20 Inclusive Framework on BEPS has not joined the "Statement on the Two Pillar Solution to Address the Tax Challenges arising from the Digitalization of the Economy.	In this regard, it is intended to take the necessary steps after a proper study through the Ministry of Foreign Affairs .

5	Use Blockchain Technology and Artificial Intelligence (AI) in international trade which permits Customs Authorities to exchange data and to improve detection of trade misinvoicing and in this way, Sri Lanka Customs could share transaction data including goods valuations with the Customs of their trading partner in real time and consequently, pricing anomalies can be more easily detected	Sri Lanka Customs should take necessary steps under the guidance of the Ministry of Finance , Economic Stabilization & National Policies. Arrangements can be made to provide necessary technical assistance by the Ministry of Technology.
6	It is recommended that the Harmonized System Codes (HS codes) and a digital tax for digital content and services be introduced after conducting a comprehensive study on the impact of the new tax on the ICT sector and the best practices of other countries.	Necessary steps are to be taken for this under the new Digital Economy Strategy already prepared. The preparation of this strategy with the support of the World Bank is in the final stage to be submitted to the Cabinet of Ministers.
7	It is recommended to manage and maintain the ASYCUDA system through a Back Office to be run by Public Private Partnership (PPP model) and ASYCUDA system should be rejuvenated to facilitate Integrated Revenue Administration System. It is also recommended to use Unique Digital Identity (UDI) as the unique identification number of the ASYCUDA.	The Sri Lanka Unique Digital Identity (SLUDI) project has started under the assistance of the Government of India. It is scheduled to be completed in the year 2025. The resulting unique identification number can be used as the identification number in the ASYCUDA system. For that, as mentioned above, the national data exchange (NDX) can be used.
8	It is recommended that the scanning machines of Sri Lanka Customs which are used to inspect and examine imported and exported goods at port should be sophisticated and fully automated by using Artificial Intelligence (AI) technology ensuring the minimizing of human intervention in import and export procedures and the establishment of One Clearing Centre is encouraged in collaboration with Ports and Sri Lanka Customs	Committee to formulate National AI strategy has been established under the Presidential Secretariat to develop National AI strategy for Sri Lanka. The Ministry of Technology is also a key member . Sri Lanka Customs should take necessary steps with guidance of AI task force.
9	It is recommended to join the “Statement on the Two-Pillar Solution to Address the Tax Challenges arising from the Digitalization of the Economy” by the government	In this regard, it is intended to take the necessary steps after a proper study through the Ministry of Foreign Affairs .
10	It is recommended to uplift the ICT Directorate of Sri Lanka Customs to efficiently manage and run the ASYCUDA system.	At the request of the Ministry of Finance, Economic Stabilization & National Policies and Sri Lanka Customs, the Ministry of Technology can provide support for this.
11	It is recommended to use Unique Digital Identity (UDI) as the unique identification number in RAMIS after the implementation of Sri Lanka Unique Digital Identity (SLUDI).	The SLUDI project is being implemented and it will be in operation from 2025 with the grant provided by the Indian Government. SLUDI can be used as the identification number in RAMIS.

12	It is recommended to use the National Identity Card Number as the unique identification number by all these institutions until the Sri Lanka Unique Digital Identity (SLUDI) is implemented.	Currently in use
13	It is recommended to make a recommendation by the Secretary to the President to ensure the technical capacity and the interoperability of the Information Technology-based systems of public institutions when a project proposal on the installation of IT systems in public institutions is forwarded to the Cabinet of Ministers for its approval.	Accordingly circular has been issued with the directions of the Presidential Secretariat required on (2023.09.21) (MOT/2023/02). Ministry of Technology will make recommendations.
14	It is recommended that the Integrated Revenue Management System which was proposed from 2016 should be implemented at least during the first quarter of 2024 with the modernization or updating of the existing IT systems of public institutions.	ITMIS is currently in operation and the Ministry of Finance, Economic Stabilization & National Policies is working to improve it and integrate other major institutions with it. The Ministry of Technology will provide the necessary technical support.


Ranil Wickremesinghe
 Minister of Technology