



**PAFFREL**

## **POLITICAL ANALYSIS FOR NOVEMBER 2023**

**(Elections, Democracy, Economics, HR/reconciliation, Civil society)**

### **Executive Summary**

President Ranil Wickremesinghe announced that the Presidential and Parliamentary elections will be held next year. Addressing both his party's national convention and parliament the president further assured that the two elections will not be postponed. However, with presidential elections due in less than a year the president has also taken it upon himself to embark upon a course of electoral reforms of major proportions for which he has appointed a presidential commission of inquiry. He has done this without consultations with opposition parties or civil society. This has given rise to speculations, suspicions and apprehensions that underlying the appointment of the commission is a desire to scuttle any hope of early elections.

The Supreme Court's judgements in the case involving the responsibility for the economic collapse two years ago and the cases involving the Online Safety bill case involving control over the social media, De-radicalisation from holding violent extremist religious ideology-Regulation No. 1 of 2021, and that the arrest of Mohamed Razik Mohamed Ramzy for hate speech was illegal have been landmark ones that strengthen the rule of law against government overreach. However, the remand detention of Pastor Jerome Fernando under the ICCPR Act without the grant of bail for spreading religious hatred sends a message to all religious and ethnic minorities that the government can clamp down on them and treat them more strictly than it treats those of the majority community and in a way that violates the principle of equality of treatment.

The economic burdens on the people continue to pile up. The proposed increase in the Value Added Tax (VAT) from 15 to 18 percent and its application to nearly all commodities purchased by the rich and poor alike is an indicator of Sri Lanka's shortcomings in this area. The excessive reliance on indirect taxes over direct taxes, as well as its preference for taxing labour over capital violate the principle of fairness as indirect taxes shift the tax burden towards the poor who spend more of their income on goods and services, while capital income accrues mainly to the rich. Recent pronouncements by government leaders indicate that the government is also planning to abdicate on the longstanding policy of universal free education and health services.

The government is coming up with new laws, such as the Office of National Unity and Reconciliation bill (ONUR) and the Truth and Reconciliation Commission bill. Regardless

of the words and the new laws that are passed and institutions that are set up, national reconciliation in the absence of fairness and equal treatment to all remains akin to a dream on the far horizon. It is unfortunate that the basic principle of a multi ethnic, multi religious and plural society in which all ethnic and religious communities find political representation in the constitutional council is being negated by the very government that tries hard to convince the international community of its genuine commitment to the national reconciliation process.

The draft NGO law is pending with the Ministry of National Security and is expected to be released for public scrutiny and discussion early next year. The main feature of the new law is likely to be the requirement that all CSOs should register with the National NGO Secretariat as a first step. As a second step every such registered organization will be expected to seek renewal of its license every two years. Informal discussions with relevant officials reveals that the licenses will be renewed subject to conditions that are acceptable to the UN guidelines on civil society freedom and also be subject to anti-money laundering protections. It is likely that while the real reason for the new law is to regulate CSOs that are working against the government and tame them, the justification will be the protection of national security and prevention of money laundering.

## Key political developments

### Electoral Process

The Election Commission (EC) has asked the Treasury for Rs. 30 billion for elections in 2024. However, Commissioner General of Elections Saman Sri Ratnayake said the Constitutional Council had not yet appointed all members to the Elections Commission. According to him, only four out of five members have been appointed to the EC so far. Given that the quorum was only three, the commissioners were carrying out their duties and functions. The president's announcement that presidential and parliamentary elections will be held next year may be a recognition that the government has come to the realization that it cannot continue to justify holding on to power without obtaining a fresh people's mandate.

The budget provided some indications of the government's preparation for those elections. President Wickremesinghe has pledged to provide tens of thousands of farmer families with free hold title to the land they currently cultivate under state leases. There are efforts in it to provide benefits for different sections of the people, though these have been overshadowed by the rise in Value Added Tax to 18 percent and application to a much wider array of economic commodities.

With presidential elections due in less than a year the president has taken it upon himself to embark upon a course of electoral reforms of major proportions for which he has appointed a presidential commission of inquiry. He has done this without consultations with opposition parties or civil society. A group of senior lawyers issued a statement which highlights the irrelevance and duplication inherent in this initiative. The Lawyers Collective noted that "the Commission of Inquiry has been appointed without any prior consultation, even with recognized political parties in Parliament and expressed its concern "about the timing of this particular proposal. There is an apprehension that these appointments might be intended to stall the electoral process in the country."

Disregarding this and other expressions of concern by political parties and civil society groups, the president has now gone ahead and appointed the presidential commission of inquiry, further expanding its mandate and bolstering the number of commissioners from nine to ten. He has issued a Gazette notification announcing the formation of a 10-member Commission of Inquiry, with retired Chief Justice Priyasath Dep appointed as its leader. The primary mission of the Commission is to conduct a comprehensive review of all current election laws and regulations, initiate investigations, inquiries, and assessments, and subsequently propose essential amendments to modernize and align these laws with contemporary requirements. The Commission has been granted a six-month timeframe to complete this extensive process. The Commission's mandate encompasses a thorough examination of all existing election laws and regulations, culminating in recommendations for necessary amendments. These recommendations will specifically focus on various factors, including enhancing the representation of women and youth, modernizing the voting process through electronic voting using advanced technology instead of traditional printed ballot papers, and facilitating the participation of Sri Lankans residing overseas.

The presidential commission of inquiry appointed to accomplish a large number of difficult and complex tasks is unlikely to be able to complete its task in the six months given to it or before the presidential election falls due. The commission has been tasked with finding solutions and making recommendations in respect to all levels of elections which would be the local government, provincial council, general and presidential elections. This has given rise to speculations, suspicions and fears that underlying the appointment of the commission is a desire to scuttle any hope of early elections.

## Governance issues

The Supreme Court's judgement in the case involving the apportioning of responsibility for wrecking the economy two years ago was a path breaking one. So have the verdicts been in the cases involving the Online Safety bill case involving control over the social media, De-radicalisation from holding violent extremist religious ideology-Regulation No. 1 of 2021, which would have permitted the government to send suspects off for compulsory rehabilitation without going through the courts, and that the arrest of Mohamed Razik Mohamed Ramzy for hate speech was illegal. In the case involving the responsibility for undermining the economy the court held that a group including former president Gotabaya Rajapaksa and former prime minister Mahinda Rajapaksa violated people's fundamental rights by mismanaging the economy between 2019 and 2022. The court that they had violated public trust and the constitution in their administration of the economy, leading to the economic crisis in the country.

The government is coming up with many new laws, some of which have been positively viewed and others negatively. Among the positives have been the new anti-corruption law and the truth commission bill with the latest being the Office for National Unity and Reconciliation (ONUR) bill. The negatives, however, outnumber the positives with the Online Safety bill, the Broadcasting Authority Bill and the draft Anti-Terrorism Act heading the list. They are all meant to suppress protests, both verbal and on the ground. There are other controversial laws hovering in the background, including the anticipated NGO control bill and the electoral reforms bill that are still to be presented to the general public or to parliament. What is common to these laws is that they have been prepared without

transparency by unknown figures who keep to the background.

In this context, the arrest of Pastor Jerome Fernando on the grounds of hate speech may seem a small problem and a problem of an individual who went too far in what he said about other religions and in particular about the majority religion. Pastor Jerome belongs to a numerically small group of evangelical Christians who are viewed as controversial even by the mainstream Christian churches. But the circumstances of his arrest is indicative of the step motherly attitude of the government towards ethnic and religious minorities. His arrest under the ICCPR Act for spreading religious hatred sends a message to all religious and ethnic minorities that the government can clamp down on them and treat them more strictly than it treats those of the majority community and in a way that violates the principle of equality of treatment.

He was arrested despite obtaining a ruling from the higher judiciary that he would not be arrested upon his return. The government has shown itself willing to disregard judicial orders previously too, when it did not heed the judicial order not to block funds for the local government election. This is most unfortunate as it erodes the good work that numerous “reconciliation mechanisms” set up by the government are trying to do to bring about reconciliation among the general population on the basis that the law protects all equally.

The main accusation against Pastor Jerome was that he hurt the sentiments of the majority religion by claiming that the founder of his religion was the model for others to follow. Accordingly, he was arrested by the Criminal Investigation Department (CID) on charges of making offensive statements that led to religious disharmony. The Magistrate had noted that sufficient facts have been filed before Court suggesting that the suspect had committed an offence under the ICCPR by delivering a sermon at the Miracle Dome which belongs to him. The Magistrate had also noted that the prosecution had filed facts before the Court that the suspect’s statement had caused tension between Buddhists and followers of other religions.

<https://www.dailynews.lk/2023/12/02/lawnorder/266590/pastor-jerome-remanded/>

On the other hand, the treatment meted out to Pastor Jerome was more severe than that to a venerable Buddhist monk. TNA Member of Parliament (MP) M.A. Sumanthiran has questioned the lack of action by the Police against Ven. Sumana Thera for allegedly making threatening statements against the Tamil community. MP Sumanthiran had questioned why the Police had not taken immediate action against Ven. Sumana Thera. Tamil Progressive Alliance (TPA) Leader MP Mano Ganesan had also accused the Thera of inciting racial hatred and violence. “Ven. #Ampitiya #Sumanarathana Thero says... “If not every Tamil person will be cut and killed. We will cut every Tamil in the south and die”. Isn’t this in clear breach of ICCPR Act Section 3? Over to Mr. President!” MP Ganesan said in a post on X. <https://www.themorning.lk/articles/MIP9K8kFfSXDgD3lqpFC>

## Economic recovery

The government has proposed to remove a host of VAT exemptions. Once approved, everything from books and magazines to fruit seeds, pearls, diamonds and public library services by the state, a provincial council or local authority will be liable to taxation at the new rate of 18 percent that comes into effect in January next year. Also included are cellular mobile phones, computers and computer accessories; construction, rice milling and milk



processing machinery; hi-tech medical equipment, machinery and equipment for use in the leather or bag industries; taxi meters, agricultural machinery and parts; items and spares for the poultry industry; and energy-saving bulbs, along with raw materials for the manufacture of the same.

A copy of the proposal presented to Parliament, which indicated VAT would now be applied to medical equipment, machinery, apparatus, accessories and parts thereof, hospital furniture, drugs and chemicals donated to a public hospital or the Health Ministry “for the provision of health services to address any pandemic or public health emergency”. VAT will be charged, too, on books, magazines, journals or periodicals (other than newspapers) for any period on or after November 11, 2016; unused postage and revenue stamps of the government or provincial council; media equipment or motorcycles recommended by the Media Secretary and approved by the subject Minister for use by media personnel; raw materials for the manufacture of spectacles and spectacle frames; and items and spares for the poultry industry.

<https://www.sundaytimes.lk/231119/news/vat-net-widens-range-of-exempted-items-included-539001.html>

The increase in the Value Added Tax (VAT) from 15 to 18 percent and its application to nearly all commodities purchased by the rich and poor alike would impact much more severely on those at the bottom end of the economic hierarchy than those at the top. According to Presidential Advisor and former International Monetary Fund Director Dr Sharmini Coorey, the first indicator of Sri Lanka’s shortcomings in this area is its excessive reliance on indirect taxes over direct taxes, as well as its preference for taxing labour over capital. She said that “Both aspects violate the principle of fairness as indirect taxes shift the tax burden towards the poor who spend more of their income on goods and services, while capital income accrues mainly to the rich,” giving the 73 Annual oration of the Central Bank of Sri Lanka.

Recent pronouncements by government leaders indicate that the government is planning to abdicate on the longstanding policy articulated by the country’s founding fathers of universal free education and health services. President Ranil Wickremesinghe said that the government was planning to provide students with a cash grant or voucher scheme to support them to go to fee-levying private educational institutions. Most private education institutions are not run for charitable purposes or for the purpose of the common good, but for the purposes of private profit. It is unlikely that a student from an underprivileged or economically poor family background could utilize a government grant or voucher and pay the balance required to attend a fee-levying private educational institution.

## Reconciliation

The government is coming up with new laws, such as the Office of National Unity and Reconciliation bill (ONUR) and the Truth and Reconciliation Commission bill. But the basic precondition for reconciliation, which is the trust and confidence in the way the law enforcement authorities conduct themselves and the manner in which those who will head those institutions are selected remain unsatisfactory from the minority point of view. Regardless of the words and the new laws that are passed and institutions that are set up, national reconciliation in the absence of fairness and equal treatment to all remains akin to a dream on the far horizon.

The ONUR bill should not be confused with the proposed truth commission that the government has been promising to establish for about a year. The ONUR bill is a very broad one encompassing ethnic, religious and social harmony issues. The office that is set up will be mandated to make necessary recommendations to the government and relevant authorities towards achieving national unity, reconciliation, and durable peace in the country and formulate a national policy and national action plan on reconciliation and coexistence. It proposes to establish an office with eleven members. The office will consist of one ex-officio member not below the rank of an Additional Secretary to a Ministry and ten others based on the recommendations of the Ministers. All members are to be appointed by the President.

The proposed ONUR office follows the recent pattern of new institutions being created in which those who will head them are to be appointed by the president at his discretion. The Online Safety bill has provision for the five commissioners to be selected by the president at his discretion. They were to be empowered to decide on what constitutes hate speech and causes injury to people and whether they need to be subjected to punitive action. This power of appointment has been challenged in the supreme court where petitioners have sought that the power of appointment be given to the Constitutional Council rather than to the president. The constitutional council was established to ensure that those selected to the positions of state authority should be politically independent to the extent possible. It is an unfortunate possibility that even laws that could be used to do good, such as the ONUR bill, can end up being used for partisan purposes.

There are two other important issues on which minority sentiment is being disregarded by the government. The Easter bombing is now coming into its fourth year with no proper investigation which has been noted by Pope Francis who urged the Catholic Church in Sri Lanka not to give up on the search for truth and justice. Successive governments have appointed committees to investigate the matter and the present one has pledged to do so but with no substantive progress in apprehending the culprits. Those who had been named in the reports of these committees as being derelict in their duties have continued in office and to their promotions. Significantly, a recent public opinion survey by Verite Research shows that more than half the Sri Lankan population - 53% - believes local political forces were involved in the Easter Sunday attacks carried out in 2019.

<https://www.dailymirror.lk/breaking-news/Over-50-of-Sri-Lankans-say-local-political-forces-involved-in-Easter-attacks/108-272316>

Another issue on which minority sentiment has been ignored or negated is in regard to the unfilled vacancy in the constitutional council. This is the highest ranking oversight body in the country which is meant to ensure that only independent persons with integrity are appointed to powerful and important state institutions, such as the higher judiciary, elections commission, police commission, human rights commission, national audit commission, public service commission and bribery and corruption commission. However, the vacancy in the constitutional council that ought to be filled by the Tamil National Alliance as the third largest party in parliament has not been given to it on the specious ground that there are other political parties that claim to be the third largest.

TNA MP Sumanthiran speaking in parliament said, "There is a deadlock situation in the Constitutional Council, and everybody knows about this. A deadlock situation, when one seat is still vacant. If that had been filled, there wouldn't have been a deadlock. So, the country must know, that while you wax eloquent saying all are equal and everyone in this country has equal representation, to a body like the Constitutional Council which is a very

important body, you still deprived us of our place. And how can you face anyone and claim that this is governance in the right way. So today I am raising this as a serious issue. Not just filling a vacancy in the Constitutional Council, but as a serious national issue. We have complained for several decades that we have been left out of the national life of this country. Being kept out of the Constitutional Council is another reflection.”  
<https://www.sundaytimes.lk/231126/columns/political-crisis-breeds-over-constitutional-councils-legal-position-539529.html>

It is unfortunate that the basic principle of a multi ethnic, multi religious and plural society in which all ethnic and religious communities find political representation in the constitutional council is being negated by the very government that tries hard to convince the international community of its genuine commitment to the national reconciliation process.

## Civil Society

The Civil Society Initiative on Anti-Corruption Reform for Economic Recovery comprising of Transparency International Sri Lanka (TISL), Verité Research, the Centre for Policy Alternatives (CPA), Sarvodaya, People’s Action for Free and Fair Elections (PAFFREL) and the National Peace Council (NPC) (the CSI Core Group) has noted with concern that governance and anti-corruption priorities that have been highlighted as being macro-critical even by the IMF, have not been taken into account as essential for economic recovery.

The CSI Core Group has expressed its desire that the government should prioritize the anti-corruption reform agenda and to publicly disclose the reasons for delays in implementing reforms that it has committed to, and its plan to meet its commitments in the future. Research by Verité Research shows that as of November 2023, Sri Lanka’s performance on its IMF commitments stood at 46 out of 73 due, based on verifiable data. This is particularly important in the context that the monies provided to Sri Lanka should not be subject to re-corruption, when it enters the same governance systems that caused the economic crisis in the first place, and should instead be used for the well-being of the Sri Lankan people.

The draft NGO law is pending with the Ministry of National Security and is expected to be released for public scrutiny and discussion early next year. The main feature of the new law is likely to be the requirement that all CSOs should register with the National NGO Secretariat as a first step. As a second step every such registered organization will be expected to seek renewal of its license every two years. Informal discussions with relevant officials reveals that the licenses will be renewed subject to conditions that are acceptable to the UN guidelines on civil society freedom and also be subject to anti-money laundering protections. It is likely that while the real reason for the new law is to regulate CSOs that are working against the government and tame them, the justification will be the protection of national security and prevention of money laundering.

## International Relations

The US government investment of USD 553 million in Colombo port came as a surprise. There were no public indications of this massive investment in one of the country's most strategic assets. The investment will be in the Western Terminal of Colombo port which was offered to the Adani Group in India after the joint Japan-India bid to obtain control over the long established Eastern Terminal was blocked by trade union protests. The trade unions took the position that they did not wish the workers to be put under new management and to sell a national asset to foreigners. But the hand of geopolitics was believed to be behind the protests as China too controls a major terminal in Colombo port. The investment in Colombo port by the US International Development Finance Corporation, the existence of which was not well known in Sri Lanka, will provide a boost to Sri Lanka's economy at a time it is floundering and continuing to sink in negative growth.

The visit of a Chinese ship, which China calls a research ship and India calls a spy ship has put Sri Lanka into a compromised situation. Pragmatism dictates that India's national security would need to be given due attention. This is an observation born out of the lesson of the past. In the 1980s, when Sri Lanka appeared to be taking off economically, and with the western countries backing it, India deemed Sri Lanka to be getting too close to the west. In particular, there were stories afloat of a US naval base in Trincomalee. The thirty-year internal war that followed, with the Tamil rebels being armed and trained in India, put an end to Sri Lanka's best opportunity to join the Tiger economies of Southeast Asia – South Korea, Taiwan, Malaysia and Singapore. As Sri Lanka's neighbour India's security is most affected by what happens in Sri Lanka and in its territorial waters. A country whose people number 1200 million will not permit their security and wellbeing to be put in jeopardy by a country of 22 million. It is therefore reasonable and sensible for Sri Lanka to give its closest neighbour's national security concerns its priority attention in the conduct of foreign relations. Decisions regarding national security should involve a multi-partisan approach, including the opposition and civil society, to avoid reliance solely on government leaderships in power.

## Excerpts from Relevant News reports

### Electoral Process

#### **President appoints electoral reform commission**

President Ranil Wickremesinghe has expanded the scope of a commission of inquiry appointed to propose electoral reforms, also increasing its membership by one.

<https://island.lk/electoral-reforms-president-expands-commissions-scope-adds-member/>

#### **Electoral reform report not acceptable to all political parties**

The report of the National Delimitation Committee chaired by former ECSL Chairman Mahinda Deshapriya has not been published because many political parties were not in favour of it.

<https://island.lk/political-parties-not-in-favour-of-national-delimitation-committee-report-state-minister/>



### **Election Commission prepares for elections next year**

The Election Commission (EC) has asked the Treasury for Rs. 30 billion for elections in 2024.  
<https://island.lk/ec-seeks-rs-30-bn-for-polls-next-year/>

### **President appoints election reform commission**

President Ranil Wickremesinghe issued a Gazette notification announcing the formation of a 10-member Commission of Inquiry, with retired Chief Justice Priyasath Dep appointed as its leader.

<https://island.lk/ec-seeks-rs-30-bn-for-polls-next-year/>

## **Governance issues**

### **President justifies interfering in constitutional council**

President Ranil Wickremesinghe told Parliament that the Constitutional Council was part of the Executive.

<https://island.lk/prez-argues-cc-part-of-executive-branch-of-govt/>

### **Constitutional council not fully constituted**

The appointment of the tenth member to the Constitutional Council (CC) has been hampered over differences within the opposition, though Opposition Leader Sajith Premadasa said the opposition had agreed upon TNA member Dharmalingam Siddharthan as the smaller party representation in the CC and that the Speaker must make the appointment.

<https://www.dailymirror.lk/breaking-news/Dispute-over-SLPP-breakaway-group-hinders-CCs-functionality/108-271981>

### **Broadcasting authority bill approved**

The Cabinet of Ministers had approved the creation of a Broadcasting Regulatory Commission for electronic media.

<https://island.lk/cabinet-approves-appointment-of-broadcasting-regulatory-commission-for-electronic-media/>

## **Economic recovery**

### **Debt restructuring without transparency**

A group of creditors holding Sri Lanka's international bonds said it welcomed the country's debt restructuring agreement with official creditors, though it said a lack of transparency on deals struck so far was regrettable.

<https://www.dailymirror.lk/breaking-news/Sri-Lanka-bondholders-raise-concerns-over-debt-deal-transparency/108-272416>

### **Sri Lanka reaches agreement with creditor nations**

The government announced that it had reached an agreement in principle with its Official Creditor Committee (OCC) on the financial terms of a debt treatment.

<https://island.lk/agreement-reached-in-principle-with-official-creditor-committee/>

### **Another sugar scam**

The Committee on Public Finance (COPF) has directed the Ministry of Finance to tax the companies that benefited from a recent 'midnight gazette', which increased import duty on sugar from 25 cents a kilo to Rs. 50 a kilo in violation of the recommendations made by the IMF in their Governance Diagnostic Report, urging Sri Lanka to eliminate 'midnight gazettes' due to their potential for fostering corruption.

<https://island.lk/copf-calls-for-tax-on-companies-benefited-by-midnight-gazette/>

### **Adani Group gets unsolicited wind power project**

The Power and Energy Ministry is expediting the signing of documents for a Memorandum of Understandings (MOUs) with India's Adani Group to establish a new wind power plant in the Mannar basin with a capacity of 250 MW.

<https://www.dailymirror.lk/breaking-news/Ministry-accelerates-signing-MOU-with-Adani-Group-for-wind-power-plant-in-Mannar-Charitha-Herath/108-270877>

### **Chinese Sinopec investment in Hambantota is largest**

China's Sinopec is to make an initial investment of US\$1.5 billion, the single largest foreign direct investment (FDI), in building a refinery in Hambantota once the agreement is finalized

<https://www.dailymirror.lk/breaking-news/China-secures-another-strategic-investment-in-Sri-Lanka/108-270432>

### **US gives half billion dollar loan for Colombo port**

The US International Development Finance Corporation (DFC) announced it had committed more than half a billion dollars to support the development of a deep water shipping container terminal in the Port of Colombo, Sri Lanka, that will provide critical infrastructure for the South Asian region.

<https://island.lk/us-funding-deepwater-container-terminal-in-colombo/>

### **Budget undermines state university system**

The allocations for next year continue the trajectory of underfunding state universities thereby concretising the Government's intention to completely change the governance of universities, recognise 'private higher educational institutions' on par with state universities and to expand their role in higher education.

<https://www.colombotelegraph.com/index.php/the-tamil-national-question-the-presidents-hypocrisy/>

### **Take action against those responsible for economic collapse**

The Samagi Jana Balawegaya (SJB) has requested President Ranil Wickremesinghe to stop pensions and all other facilities provided at the taxpayers' expense to former President Gotabaya Rajapaksa and former Prime Minister Mahinda Rajapaksa, and to appoint a commission to make recommendations pertaining to legal measures that should be taken in terms of the Supreme Court ruling.

<https://island.lk/sjb-demands-punitive-measures-against-those-named-by-sc/>

### **Former government leaders judged responsible for economic crisis**

The Supreme Court has ruled that former President Gotabaya Rajapaksa, former Prime Minister Mahinda Rajapaksa and former Finance Minister Basil Rajapaksa and several others are responsible for the ongoing economic crisis.

<https://island.lk/supreme-court-nudges-govt-to-democracy/>

### **Electricity hike makes it unaffordable**

The Ceylon Electricity Board (CEB) disconnected a total of 544,488 electricity connections during the first 10 months of 2023 and more than 8% of Sri Lankans were forced into darkness by electricity tariff hikes.

<https://www.dailymirror.lk/breaking-news/More-than-half-a-million-people-in-the-dark-in-2023/108-271107>

### **Sri Lanka continues to flout key principles of tax policy**

Economist Dr. Sharmini Coorey has pointed out that Sri Lanka's tax system still violates all key principles of tax policy

<https://www.dailymirror.lk/breaking-news/Sri-Lanka-continues-to-flout-key-principles-of-tax-policy-economist/108-270650>

### **Government departments balk on transparency**

Subhashini Abeysinghe, Research Director at Verité Research said they had studied 25 of the key budget proposals. There is no data to estimate the progress of 68 percent of the most significant proposals of the 2023 budget.

<https://island.lk/despite-right-to-information-act-bureaucracy-not-forthcoming-with-data/>

### **Money parked abroad is huge**

Justice Minister Dr. Wijeyadasa Rajapakshe, PC, has said the Foreign Exchange Act No 12 of 2017, enacted during the Yahapalana administration was meant to facilitate the operations of those who exploited the system for their benefit. Referring to official statistics, Dr. Rajapakshe said that export proceeds amounting to a staggering USD 56.5 bn were in offshore accounts and invested overseas.

<https://island.lk/usd-56-5-bn-parked-overseas-govt-must-deal-with-errant-exporters-firmly-justice-minister/>

## **Reconciliation**

### **Pastor arrested for hate speech**

Colombo Fort Magistrate remanded pastor Jerome Fernando till Dec 13, pending further investigations into his controversial remarks on Buddhism, Hinduism and Islam. He was arrested under the ICCPR act that does not permit bail except under exceptional circumstances.

<https://island.lk/pending-further-investigations-jerome-remanded-till-dec-13/>

### **Opposition pledges to find Easter bombers**

Opposition and SJB leader Sajith Premadasa said that his party would abide by the instructions issued by Pope Francis to continue the struggle in seeking the truth about the Easter Sunday terror attacks.

<https://island.lk/easter-terror-attacks-sajith-vows-to-follow-popes-instructions-in-seeking-truth/>

### **No let up by Catholic Church on Easter bombing inquiry**

Pope Francis has advised for not to give up struggle for truth and justice on behalf of the Easter Sunday victims, Colombo Archbishop Malcolm Cardinal Ranjith said.

<https://island.lk/pope-advises-cardinal-not-to-let-up-on-easter-issue/>

### **Religiously fanned extremism on the rise**

Opposition Tamil National Alliance (TNA) parliamentarian M A Sumanthiran writing to the Inspector General of Police (IGP) said Mangalaramaya Ampitiya Sumana Thero has threatened to cut Tamils living in Sri Lanka's south "to pieces".

<https://island.lk/tamil-mps-question-alleged-inaction-on-monks-racist-outburst/>

## **Civil Society**

### **Government's popularity plunges**

The approval rating of the government has fallen from 21% in June 2023 to 9% in October 2023 according to the latest round of the Gallup style 'Mood of the Nation' poll conducted by Verité Research.

<https://island.lk/approval-rating-of-govt-falls-to-9-verite-research/>

### **National census commences**

The decennial population and housing census commenced at the Presidential Secretariat.

<https://island.lk/population-and-housing-census-2024-begins-from-presidential-secretariat/>

### **Sri Lanka suspended from International Cricket**

The International Cricket Council Board has suspended Sri Lanka Cricket's membership of the ICC with immediate effect.

<https://www.dailymirror.lk/top-story/ICC-suspends-Sri-Lanka-Crickets-membership/155-271033>



**PAFFREL**

**16**, Byrde Place, Off Pamankada Rd, Colombo 06, Sri Lanka.

**TEL:** el: 011 2 558 570/1 Fax: 011 2 558 572

**FAX:** 11 2 558 572

**Email:** paffrel@sltnet.lk

[www.paffrel.lk](http://www.paffrel.lk)