

# **CROSS-BORDER LOGISTICS PERFORMANCE IN SRI LANKA; THE WAY FORWARD**

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## **Abstract**

Logistics make a major impact on economic activity in any country. The Government of Sri Lanka (GoSL) has embarked its development agenda based on the Mahinda Chintanaya with the objective of converting the country to a Naval, Aviation, Commercial, Energy and Knowledge hub in Asia. Therefore, improving logistics performance has become even more important development policy objective particularly for Sri Lanka (SL). The research has utilized both qualitative and quantitative data from secondary sources. The Logistics Performance Index (LPI) was used as a tool to analyse the cross border logistics performance in SL. The paper identified the key reasons for low level of service delivery performance and the required improvements in policy regulations were proposed. The firms engaged in logistics activities in SL have failed to utilize modern systems and infrastructure facilities adequately and effectively. Despite many initiatives there is still no effective and efficient link between customs and other border management agencies. The need for reengineered clearance systems & procedures relevant to cross border movement of cargo were discussed in the paper. Sri Lanka's potential to establish itself as a hub and the advantages of the strategic geographical location were retreated. It was noted that SL should transform a separate statutory body for logistics enhancing the necessary coordination between all border management agencies. A collective framework that includes the private sector is important for consistent implementation while investment on infrastructure to be continued. More research in the area of Logistics and Supply chain should be carried out and the professionals in supply chain management need to be vertical industry specialists.

**Keywords:** Logistics, Border Management, Transportation Modes, Maritime, Transshipment, Supply Chain

## **1. Introduction**

In ancient and medieval times it is recorded that Sri Lanka was the centre of the transit trade, this arose out of its geographical location which is an intersection of the sea-lanes and maritime trade routes that went across the Indian Ocean. This holds true even today with the main sea route that connects the world from East to West running very close SL and places