

## Press Release

Brussels and Geneva, Wednesday 20 December 2023

### **International book sector urges Sri Lankan Government to reconsider 18% VAT on imported books**

The **European and International Booksellers Federation (EIBF)** and the **International Publishers Association (IPA)** have expressed their concern about the imposition of an 18% tariff on books imported into Sri Lanka.

In letters to both the Sri Lankan government and the International Monetary Fund, the international organisations express their belief that the policy may contravene Sri Lanka's commitments under the Florence Agreement and urge the Sri Lankan government to reconsider the tax hike.

EIBF represents the Ceylon Importers and Exporters Booksellers Association and IPA represents the Sri Lanka Book Publishers Association (SLBPA). Both associations have worked together to explain the catastrophic consequences that such a tariff will have on the country's book sector and dissuade the government from adopting the policy. EIBF and IPA stand in solidarity with their Sri Lankan colleagues and urge the government to reconsider this measure for the benefit of the Sri Lankan literary landscape.

Karine Pansa, IPA President said: *While we acknowledge that certain fiscal policies are necessary in times of financial difficulties, we do not believe that cultural products, including books, should be subject to such measures. Tariffs should not be imposed on books, regardless of format, because of their key role in ensuring the success of education, literacy and cultural development policies in all countries. Books, whether for adults or children, provide the basis of reading skills, curiosity, comprehension and individual enterprise, all of which contribute to a country's sustained socio-economic growth.*

Fabian Paagman, EIBF co-President added: *Replacing an exemption with a significant tariff on imported books will immediately cause Sri Lankan booksellers to reduce or cease imports of books. Combined with the high prices of books due to the devaluation of the rupee, this can only have negative impacts by reducing access to books, increasing prices for consumers, and incentivizing piracy to the detriment of domestic publishing.*

It is understood that the Sri Lankan government's recently adopted proposal to introduce new VAT measures and remove exemptions for books are being implemented to comply with International Monetary Fund (IMF) fiscal obligations.

Sri Lanka is a signatory and States Party to the UNESCO Florence Agreement on the importation of educational, scientific and cultural materials, whereby the countries involved commit to not impose customs duties on certain educational, scientific, and cultural materials that are imported. The removal of books from the list of VAT exemptions seems entirely at odds with the country's commitment under the Florence Agreement.

#### **About EIBF**

*The European and International Booksellers Federation (EIBF) is the voice of booksellers across Europe and around the world. As representatives of national booksellers associations, including the Ceylon Importers and Exporters Booksellers Association, we speak on behalf of all kinds of book retailers, from brick-and-mortar bookshops, to online shops and chains.*

#### **About IPA**

*The International Publishers Association (IPA) is the world's largest federation of national, regional and specialist book publishers' associations. Established in 1896, our membership comprises 101 organisations from 81 countries around the world, including the Sri Lanka Book Publishers Association (SLBPA).*