

**Sri Lanka Export Development Board**  
**Terms of Reference for**  
**‘In-depth China Market Entry Study for Sri Lankan Businesses’**

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**1. The Project**

Carry out an ‘In-depth China Market Entry Study’ for Sri Lankan Businesses.

**2. Background and Rationale**

Sri Lanka Export Development Board (EDB), the apex government organization for the development and promotion of Sri Lanka’s exports, wishes to seek proposals from an International Consultancy Firm/Consultant to carry out an In-depth Study on Market Entry into China.

EDB provides a wide range of services to Sri Lankan exports in the areas of export development including Market Intelligence, Market Promotion, Product Development and Export Policy and Advocacy. EDB invites competent Consultancy Firms to submit proposals to carry out this research consultancy programme. The proposed study is one such exercise being undertaken for the benefit of Sri Lankan exporters

China was the 9th export destination of Sri Lanka in 2018 with US \$ 230 Mn. worth of exports contributing to 1.9 % of total export earnings of Sri Lanka. On the other hand, China was the 2nd import origin for Sri Lanka with US \$ 4,121 Mn worth of imports which accounts 19 % of total imports. This situation has created the need for reducing the trade gap between the two countries by building better market access for the established Sri Lankan export products and diversifying into other potential product sectors.

The product sectors of interest to Sri Lanka for this Study is given in the Annex 1

**3. Objectives**

The objective of this exercise is to develop an informed and data-driven research study that contains key information and analysis on the market to assist potential Sri Lankan trade entrants to the Chinese Market.

#### **4. Scope of Work and Expected Outcome**

The scope of the work and expected outputs/ deliverables will be the following:

- a) The Proponent is expected to submit an in-depth detailed report on entering and sustaining export business in China Market, for the use of Sri Lankan Businesses in the identified sectors.
- b) Together with the report specifically identify a minimum of 50 credible Chinese companies covering all identified sectors who are interested in Sri Lankan Products
- c) Validate the findings of the report at common workshops in Sri Lanka for final determination (not less than 3 seminars) for the benefits of the Sri Lankan companies.
- d) Submission of final report.

#### **5. Key elements expect to be included in the study**

- a) Mapping of regulatory and decision-making environment in China (Central and Provincial) including - rules, regulations, key regulatory institutions, administrative procedures, Logistical advantage, etc. for the sectors given in the **Annex-1**
- b) Identify priority Cities and Provinces for export entry (including reasons for selection of provinces such as suitability for Sri Lanka products, potential etc.)
- c) Identify for special focus, the appropriate priority sectors and sub sectors/niches within each sector given in the Annex 1 substantiating these with relevant criteria for selection.
- d) Identification of new potential sectors/product areas outside annex one for Sri Lanka, based on robust analysis of trends and opportunities in China substantiating these with relevant criteria for selection.
- e) Overview of Chinese market for products in sectors (identified in b & c above) including consumer behaviour, buyer preferences, market size, competitor analysis such as local & foreign brands, their shares, prices etc.
- f) Identify specific entry conditions for identified sectors/product areas referred to in b & c above including import procedure/requirement (Legislation system, registration process, standards, other requirement such as labelling, packaging, technical specifications, document, custom clearance, distribution, marketing etc.)
- g) Distribution networks and channels for the identified products (Overview of the different distribution channels in China, Key success factors and pricing levels, the place of the supply chain where Sri Lankan products can fit into analysis of the feasibility of each channel to Sri Lankan exporters)
- h) Identify and list out a minimum of 50 credible Chinese companies who would be interested in Sri Lankan Products of identified sectors and an interest in opening or expanding purchasing commitments in Sri Lanka

## **6. Target group**

This activity is targeted at Sri Lankan-based Exporters/investors to increase their exports in the Chinese market.

## **7. Estimated Duration to Complete**

It is expected that the assignment will be completed by December 2019.

## **8. Qualifications & Experience**

The consultant/consultancy firm must possess or have officers possessing the following knowledge.

- a) Must be a person/organization with sufficient knowledge and experience in market research for at least 7 years (provide credible references and referrals)
- b) Excellent knowledge on business landscape and business practices in China and key players in China.
- c) Overall expertise and experience in doing business in China.
- d) Having excellent communication and public relations skills to work with multiple stake holders of the subject.
- e) Knowledge and experience in delivering similar market entry studies in Asia.
- f) Competency of English language for both writing & speaking.

## **9. Price Schedule /Methodology**

Bidders should provide the following items as part of their proposal for consideration.

- An annotated outline explaining how your study will incorporate each of the components outlined in these terms of reference.
- Cost estimation covering all activities of the project
- Curriculum vitae for the main researcher and associates.
- Methodology to undertake the activities of the project with a phasing out schedule
- The profile of the company and reference of similar kind of projects for the clients.

## **10. Submission of the proposals by the Consultancy Firm /Consultant.**

Proposals should be submitted to Sri Lanka Export Development Board (EDB)

Note: The selected business Consultancy Firm/ Consultant will have to sign an Agreement with the Sri Lanka Export Development Board (EDB) before commencing the programme. Payment terms will be as per the government procurement guidelines

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