

SCHEME GUIDELINES FOR FINANCIAL ASSISTANCE FOR GLOBAL CERTIFICATION: EMPOWERING ICT STARTUPS & SMES FOR INTERNATIONAL MARKET ACCESS

1.0 THE SCHEME

The Sri Lanka Export Development Board (EDB), in collaboration with the National Science Foundation (NSF), will implement a grant scheme to support ICT SMEs and tech Start-ups in obtaining global certifications, thereby facilitating their entry into international markets.

Main objectives:

1. Assist ICT companies and startups in obtaining global certifications to enhance their international competitiveness.
2. Enable companies to meet global standards and secure international contracts.
3. Reduce certification costs, allowing ICT companies and startups to allocate resources towards innovation and business expansion.
4. Increase Sri Lanka's ICT service exports by supporting certified companies/certified products/services.
5. Create more job opportunities and retain skilled professionals by facilitating global expansion and reducing talent outflow.
6. Foster the long-term growth and sustainability of Sri Lanka's ICT sector.

Priorities of certifications to consider for providing the financial assistance are as follows.

- ISO 9001: Quality Management Systems (QMS)
- ISO/IEC 27001: Information Security Management System (ISMS)
- SOC 2 (System and Organization Controls 2)
- GDPR Compliance
- ISO 20000: IT Service Management
- PCI-DSS (Payment Card Industry Data Security Standard)

Applications seeking financial assistance to acquire any certification other than the listed above, should accompany a strong justification outlining the reasons for seeking a such certification along with a clear explanation of the expected benefits and outcomes in return.

Through this grant scheme it is expected to address following challenges of the tech industry.

- Limited Market Access: Varying regulatory requirements across countries necessitate separate approvals for each market, making international expansion more difficult.
- Lack of Consumer Trust: Without recognized global certifications, potential customers may question the safety, reliability, or quality of the product.
- Regulatory Barriers: Products that do not meet the specific standards of a country may be restricted or banned from entering that market.
- Compatibility Issues: Technologies that are not aligned with international standards may face interoperability challenges, reducing their effectiveness and appeal.

- **Security Vulnerabilities:** The absence of standardized global security assessments may expose products to greater cybersecurity risks.
- **Competitive Disadvantage:** Certified companies, particularly those with recognized standards such as ISO, are more likely to gain consumer trust and secure high-value contracts.
- **Reduced Efficiency:** The lack of harmonized standards often results in duplicated efforts and delays, as products must be adapted for multiple markets individually.

Selection and Evaluation procedure

- Applications will be called through Electronic Media and Social Media including the EDB & NSF websites.
- E-versions of completed applications should be submitted to the EDB with copy to NSF.
- Initial screening/evaluation will be done by a committee consisting of NSF/EDB officials.
- Detail evaluation of EoIs and proposals will be done by an independent Panel of Experts followed by NSF Standard Operating Procedure. The selected proposals of startups and SMEs, along with the recommendations of the Panel of Experts will be submitted for the approval of the Chairman and Chief Executive of the Export Development Board (EDB). Based on the Expert Panel recommendations, and upon EDB Chairman's approval the grant allocations will be disbursed to the respective authorized certification bodies by EDB.

The aforementioned independent Panel of Experts will comprise befitting experts in ICT and related technology fields from both industry and academia. It is also envisaged to engage members of the Panel of Experts in advising and guiding the selected companies or startups, helping them improve and align their innovative product or solution proposals after conducting a gap analysis.

3.0 ASSISTANCE CATEGORIES

SME Category

1. SME Category - Companies having an annual turnover from Rs. 20 Mn to - Rs. 1 Bn. (As defined in the National Policy Framework for SME Development by Ministry of Industry and Entrepreneurship Development).

Start-up Category

2. Start-ups incorporated within 5 years and not less than 6 months, as of 01.06.2025.

Financial assistance will be up to a maximum of Rs. 1 Mn. per company to obtain global certification. A total of 10 Start-ups/SME companies across both categories will receive financial assistance per year.

Conditions

- EDB financial assistance will be considered up to a maximum of 50%- 70%.

of the certification cost without exceeding Rs. 1,000,000/- per company

The applicant should meet minimum of 30% of the certification cost.

- Incomplete applications, applications submitted without required proof documents or not adhered to the above guidelines will be rejected.
- Three competitive quotations for the certificate where relevant and applicable must be provided if requested by the Panel of Experts.

4.0 METHODS TO APPLY FOR THE GRANT

1. Initially, e-versions of completed EoIs should be submitted to the EDB with copy to NSF. It is mandatory to submit the application before the deadline. The successful proponents of EoIs are expected to present their case before the Panel of Experts.
2. The successful applicants after the above presentation are expected to submit e-versions of detail proposals to NSF specified format.

3. Email Submission

All the applicants must submit their proposals via email to dinesh@edb.gov.lk with copy to techg@nsf.gov.lk

- All required documents should be attached in the specified format (e.g., PDF) and submit before the deadline
4. Hard copy submission (Post or In-Person Submission)

All the hard copies of the application and supporting documents must be submitted on demand.

5. Supporting documents

Companies interested in applying under the scheme must submit the following documents along with the application:

1. Business registration
2. Form 15 (Annual Returns)
3. Articles of Association
4. Audited financial accounts for previous three consecutive years (2022,2023,2024)
5. For approved grants, a one-year bank guarantee covering 10% of the total project cost should be submitted prior to actual fund disbursement from EDB.

MARKING SCHEME

- I. Quality/Value of Project proposal (feasibility and proposed services, expected outcome, promotion plan, Identified brand strategy)
- II. Projected Export Revenue for next 3 years
- III. Alignment to national vision/strategies/priorities
- IV. Potential to export new product/service or to reach new/ niche market

- V. Past record in product management and completion of the project within the stipulated time.
- VI. Existing issue to be addressed by the project
- VII. How proponents justify the work/unique value proposition of envisaged product/process.
- VIII. Socio- economic impact (green labelling, eco labelling, carbon foot print, environment friendliness etc.)
- IX. Evidence from market potential/export potential
- X. How to ensure sustainability/continuation of the project (, working capital, quality consistency)
- XI. Any other evaluation criteria as decided by the Panel of Experts

Progress evaluation

Progress evaluation by the end of every quarter, the company has to give a detailed report of the activities undertaken and a progress report. EDB/NSF Project monitoring team will visit the project site if need arise.

5.0 APPLICATION PROCESS

5.1 The request for the Assistance under this programme should be made in the format specified by the NSF. Details given in this Guidelines to be read carefully before submitting the application.

5.2 Application forms can be downloaded from the Export Development Board (EDB) website at www.srilankabusiness.com (under the 'EDB Announcements' section) or from the National Science Foundation (NSF) website at www.nsf.gov.lk (under the 'announcements' section).

5.3 Applications submitted after the deadline will not be considered for processing.

5.4 All applicants must submit the required documents as specified above. Failure to do so may result in disqualification during the initial screening process. The EDB and NSF reserve the right to reject any incomplete or non-compliant applications.

6.0 GENERAL GUIDELINES

- 6.1 A company will be eligible to receive assistance only once through this scheme, subject to the submission of performance reports of the previous activities where EDB or NSF has assisted.
- 6.2 Applications will be evaluated by an independent panel of experts comprising of experts in the field from both academia and the industry.
- 6.3 Applicants should submit any additional information or documents if requested by the EDB/Proposal Review Committee.
- 6.4 Any documents/bills/quotations/certificates furnished found to have false information; the EDB has the right to refrain from reimbursement of approved grant component.
- 6.5 A company could be blacklisted (i.e., disqualified for assistance) if any false information

is provided and in breach of the agreement.

- 6.6 The EDB and NSF officials may conduct a site visit to the applicant's company during the evaluation process and prior to the disbursement of funds. If deemed necessary, members of the Proposal Review Committee may also visit the company to assess specific requirements.
- 6.7 EDB/NSF decision pertaining to evaluation of EoIs and detail applications will be the final.