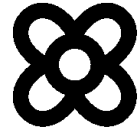


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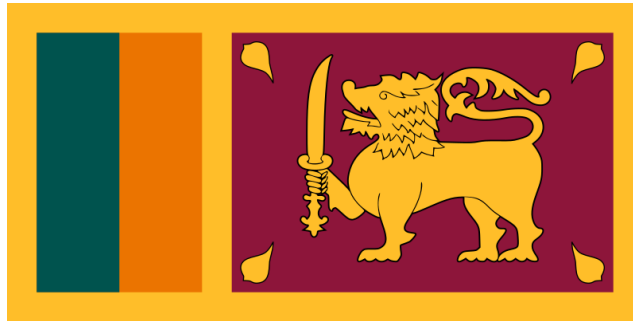


HELLO

ආයුබෝවන්

[“Ayubowan”](#)

Warm Welcome and Good Wishes / "May You Live Long!"



Sri Lanka



INDIA

Bay of Bengal

Palk Strait

Palk Bay

Gulf of Mannar

SRI LANKA

Colombo

INDIAN OCEAN

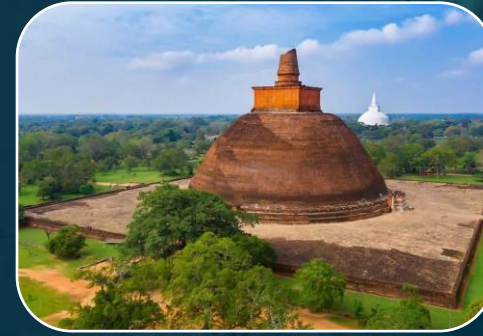
UNESCO World Heritage



Ancient City of Polonnaruwa



Ancient City of Sigiriya



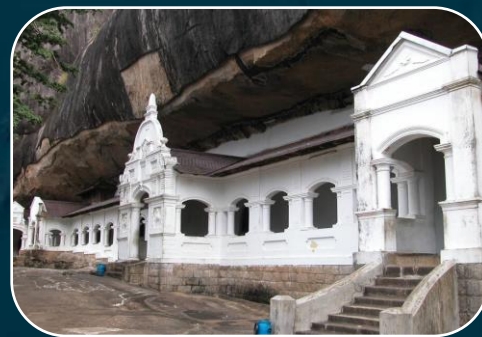
Sacred City of Anuradhapura



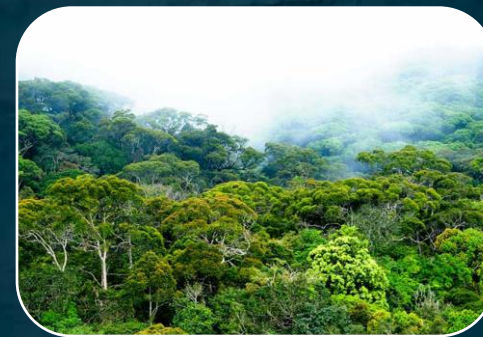
Old Town of Galle and its Fortifications



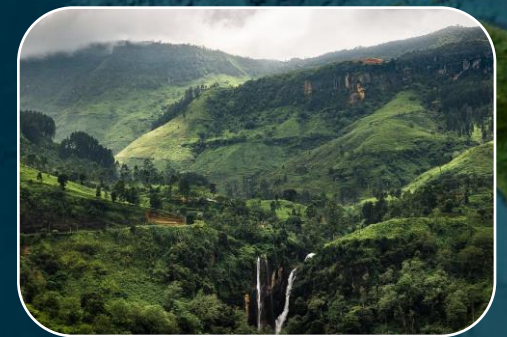
Sacred City of Kandy



Rangiri Dambulla Cave Temple



Sinharaja Forest Reserve



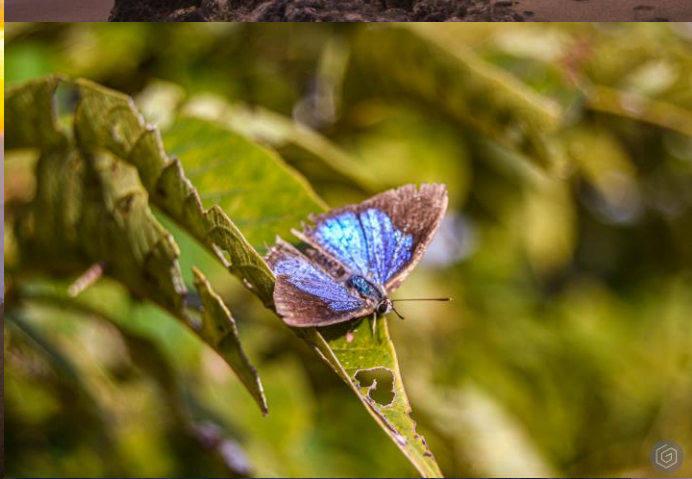
Central Highlands of Sri Lanka



Bhagya Nandan



Natural Wonders of Sri Lanka



TEAM



**Lakshitha
Rathnayake**
Assistant Director
Sri Lanka Inventors
Commission



Niresh Ratnagopal
Program Manager
Hatch



Bhagya Nakandala
Enterprise Promotion
Officer
National Enterprise
Development Authority



Hasini Nirmali
Development Officer
Ministry of Technology



hatch.



Ministry of Technology

COUNTRY RANKING

Global Startup Ecosystem Index 2024

www.startupblink.com



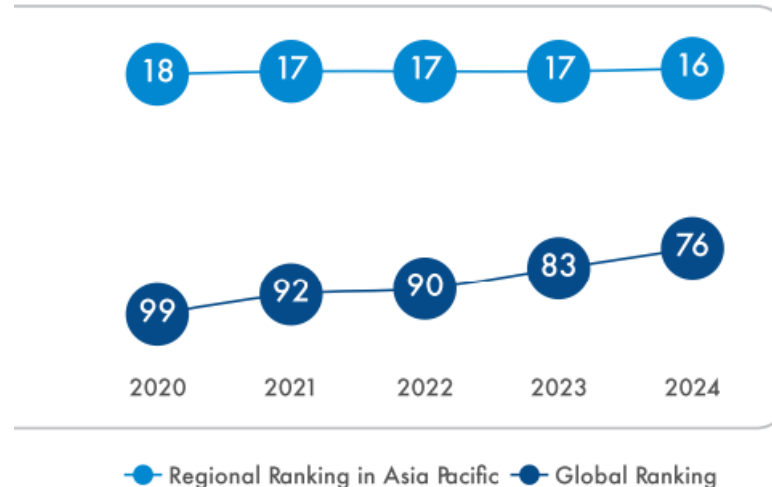
Population
22.3
Million

Regional Ranking
3rd
In South Asia

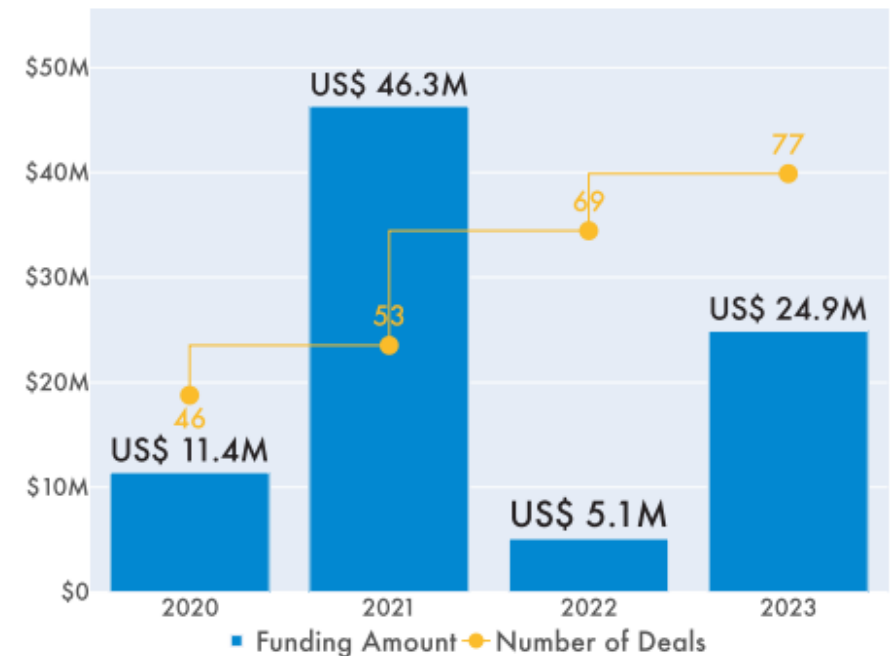
Global Ranking
76th
Worldwide

Global Startup Ecosystem Index 2024

76 Sri Lanka



Funding Data for Sri Lanka



FEATURES OF SL ECOSYSTEM



Integrity

Sri Lankan startup ecosystems consist of more diversified tech areas.

- IT
- Manufacturing
- Transportation
- Fashion
- Food & Beverage
- Tourism
- Healthcare etc.



Free Trade

Sri Lanka has free trade agreements with India & Pakistan. That allows easy global expansion. Also, SL provides long-term visa programs to attract foreign investors more & more.



Collaboration

Diversification in wider areas requires more collaborations with different expertise and sectors.

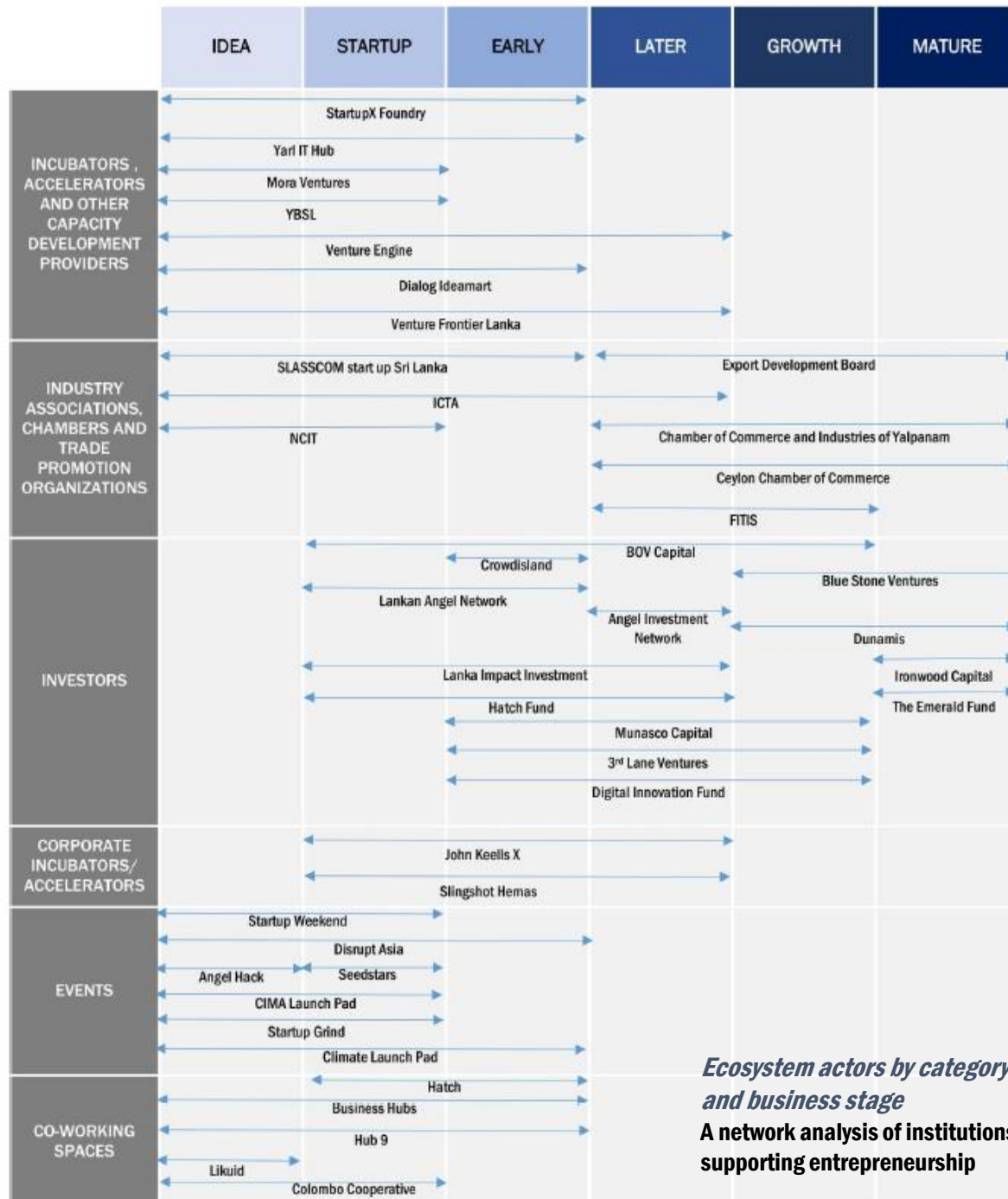
- Mentors
- Investors
- Service providers
- Funding organizations
- Entrepreneurs



R&D and Innovation

Currently, SL is focusing on an invention & innovation-based economy through startups. Sustainability of the ecosystems is essential to create a long run and has identified that R&D and innovations play a vital role in making it happen

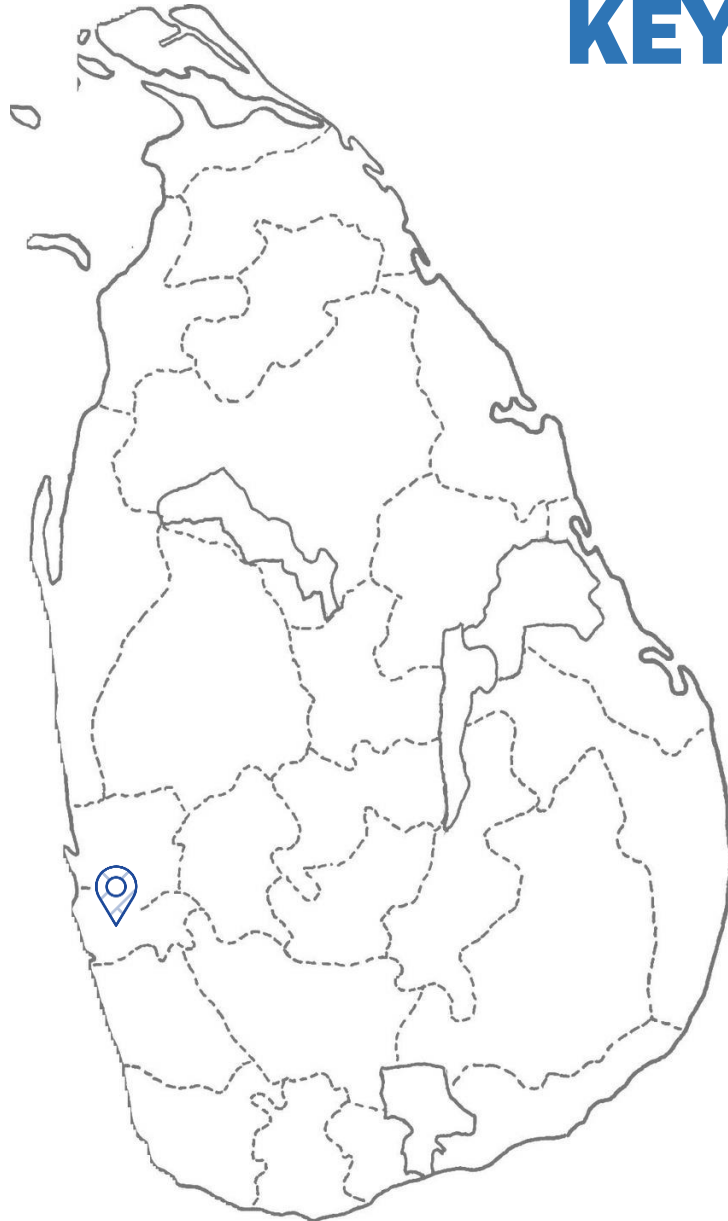
FEATURES OF SL ECOSYSTEM



- Incubators**
- Accelerators**
- Young entrepreneur associations**
- Youth chambers of commerce**
- Co-working spaces**
- Venture capitalists**
- Angel investors**
- Events and business competition organizers**

Ecosystem actors by category and business stage
A network analysis of institutions supporting entrepreneurship

KEY CITIES AND STARTUP METRICS



Colombo

National Ranking

1st⁰

In Sri Lanka

Regional Ranking

17th⁻⁴

In South Asia

Global Ranking

280th⁺⁵⁰

Worldwide

Number of startups

Largest concentration , estimated 200-300 active startups

Funds raised

10-15 (mix of domestic and international)

Active VCs

Majority of Sri Lankan startup funding, estimated \$50-100 million annually

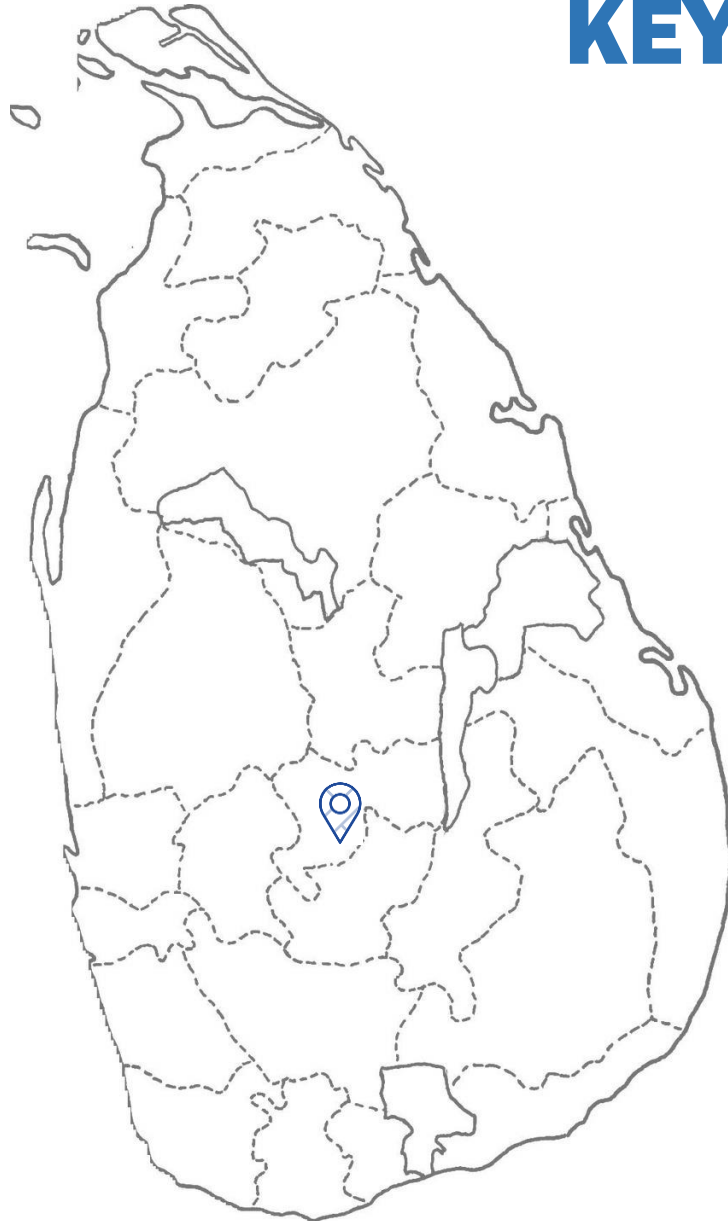
Strengths

Tech talent, offers a well-developed infrastructure, government support

Weaknesses

Limited local market size, brain drain

KEY CITIES AND STARTUP METRICS



Kandy

National Ranking

2nd ^{new}

In Sri Lanka

Regional Ranking

50th ^{new}

In South Asia

Global Ranking

913th ^{new}

Worldwide

Number of startups

30-50 estimated , lower than Colombo but growing as a secondary hub

Funds raised

Significantly less than Colombo, estimated \$5-10 million annually

Active VCs

2-3 (mostly domestic)

Strengths

University presence, lower costs than Colombo , Emerging talent pool and lower operational costs.

Weaknesses

Less developed ecosystem, limited investor presence

KEY CITIES AND STARTUP METRICS



Jaffna

Jaffna is noted for its incubators and chambers that support entrepreneurship, particularly among youth and women, addressing high unemployment rates in these demographics.

Galle

Number of startups

10-20 estimated

Active VCs:

1-2 (mostly domestic)

Funds raised:

Limited, estimated \$1-5 million annually

Strengths:

Tourism-related opportunities, growing tech community

Weaknesses:

Small ecosystem, limited resources



UNIQUE CHARACTERISTICS



Government Support and Initiatives

- Creating a conducive environment for startups through government initiatives with private stakeholders
- The Central Bank of Sri Lanka welcomes the adoption of new technologies



Affordability and Talent Pool

- Ranks third in Asia for affordable talent
- High percentage of founders with undergraduate degrees (around 60%),



Emerging Sectors

- The Sri Lankan IT sector grew over 300% in a decade
- Special Economic Zone (SEZ) for service-oriented industries:
Ex. Port City
- Technology Parks - TRACE Expert City
- Apparel
- Pharmaceutical
- Automotive components
- TELECOM, IT, BPM AND BPO
- AGRITECH



Rapid Growth Despite Economic Challenges

- With early-stage funding increasing
- Modern and tech-equipped co-working spaces
- Incubators and accelerators
- Ranked among the top 10 emerging global destinations by Global Services Magazine.
- Growth in E-Commerce



TRACE Expert City - The organization that brings the highest amount of foreign currency per sqft.



Transform
THE WAY YOU
Grow

50%
REDUCTITON
IN FERTILIZER USAGE

60%
REDUCTITON
IN WATER USAGE

25%
INCREASE
IN YIELD PRODUCE

(+94) 77 783 8359
(+94) 77 055 5554

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info@aigrow.lk

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SLASSCOM
INGENUITY
AWARDS 2024

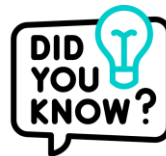
VEGA INNOVATIONS
VEGA INNOVATIONS

WORLD EV DAY

MADE IN SRI LANKA

09.09.2021

London Stock Exchange Group to open ultra-modern technology hub in Expert City



AiGrow pioneers the integration of advanced technologies with agriculture in Sri Lanka, enhancing greenhouses and open fields with automation, data analytics, and AI-driven solutions.



Vega focuses on creating sustainable mobility solutions and has gained recognition for its advanced EV designs.



FINANCE MARKET CHARACTERISTICS



Clear Demand.

Sri Lankan start-ups have a clear need and demand for external investment due to their limited track record, low asset base, and constrained access to bank financing.

Lack of Supply.

Entrepreneurs have few funding options, particularly for early-stage venture capital.



Nascent Market.

Sri Lanka's start-up ecosystem has become increasingly vibrant with the potential for significant growth and could unleash a dynamic culture of entrepreneurship among Sri Lanka's youth; nonetheless, it is only a few years old and is still relatively small.



Willingness to Work with External Equity Providers.

Start-ups have a more modern business outlook and therefore are receptive to external equity.



FINANCE MARKET CHARACTERISTICS



Mergers and Acquisition Environment in Sri Lanka

M&A activity in Sri Lanka has been on a consistently upward trend: it has been dominated by strategic investors in the country, who accounted for over 90% of all controlling stake transactions in the last decade and 55% of all non-control transactions

Policies Towards Foreign Direct Investment

Land ownership -

foreigners can lease land through the Board of Investment (BOI). Foreigners can also purchase property by paying the Land Tax for foreigners, which is 100% of the property value. Another option is to lease the land for 99 years, which reduces the tax to 7%.

Investment laws -

Sri Lanka has transparent investment laws that allow foreign ownership in almost all areas of the economy.

Investment protection agreements -

Sri Lanka has signed investment protection agreements with 26 countries, including the United States. Investment approval process. The BOI has established a Project Screening Committee (PSC) to quickly screen investment applications and grant approval.

Secondary Sales to Financial Investors

Emergence of new domestic private equity as well as increasing interest from foreign investors

CHALLENGES



Economic Challenges

The ongoing economic crisis poses significant challenges to funding and scaling operations, which could deter potential entrepreneurs and investors from engaging with the ecosystem.



Limited Scale

Despite growth, Sri Lanka's startup ecosystem does not yet match the scale of more established ecosystems in Asia, such as those in India or Singapore. This limits its visibility and attractiveness to larger investors.



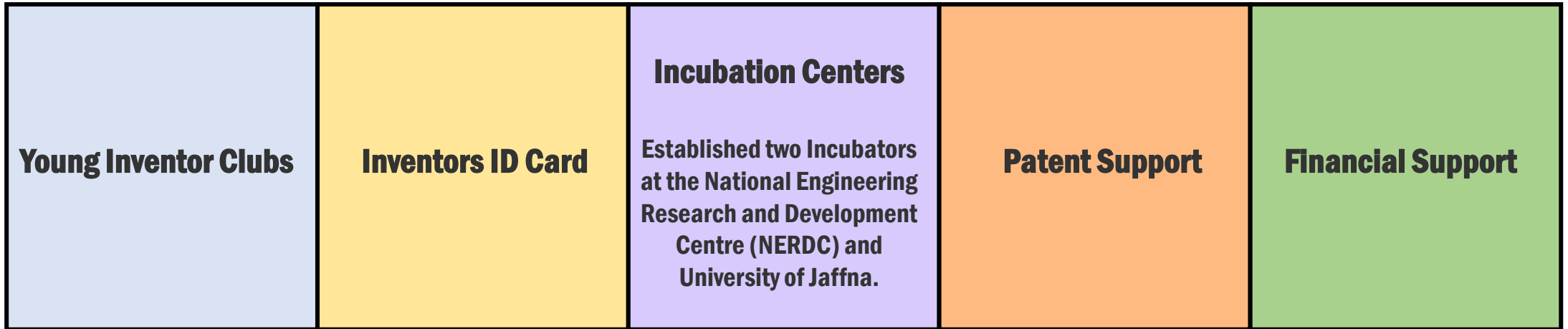
Coordination and Collaboration

The ecosystem requires better coordination among stakeholders to enhance project execution and long-term sustainability.

KEY DRIVERS



Sri Lanka Inventors Commission (SLIC)



<https://slic.gov.lk/>

Promoting and Facilitating Nations' Innovations

- **More than 5000 beneficiaries per annum**
- **Over 600 inventors clubs established**
- **Create national & international platform for socializing inventions**



Sri Lanka Inventors Commission (SLIC) is a Statutory Body that came into operation on 1st August 1987 by virtue of the powers vested in the Sri Lanka Inventors Incentives Act No 53 of 1979. Currently operating under the purview of the Ministry of Education



KEY DRIVERS

hatch. Hatch Sri Lanka



<https://hatch.lk/>


90%
Startups

Positively impacted through Hatch's programs or services



46%
Average Growth Rate

The goal is to create the first innovation district powering over 3,000 Entrepreneurs & Innovators



National Enterprise Development Authority

KEY DRIVERS



Mentoring and Training	Incubation Center Joint venture with Wayamba University of Sri Lanka special focus on Dairy Food product manufacturing	Cluster / Sector Development Program	Enterprise Forums and Brain into Business (Youth Entrepreneur Programme)	“Made in Sri Lanka” Trade Fairs Logo offering and Franchise Shop
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<https://neda.gov.lk/>

300+
Regional Staff

Operating under the Purview of the Ministry of Industries.



Promote, Support, Encourage, and Facilitate Enterprise Development within Sri Lanka with Special Emphasis on Micro, Small and Medium Enterprise (MSME) Sector of the Country



Ministry of Technology

Ministry of Technology

KEY DRIVERS



Information and Communication Technology Agency (ICTA)	Sri Lanka Computer Emergency Readiness Team (SLCERT)	Sri Lanka Standards Institute (SLSI)	Telecom Regulatory Commission of Sri Lanka (TRCSL) And Data Protection Authority (DPA)	Centre of Excellence in Robotics Application (CERA)
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<https://mot.gov.lk/>

Targets for 2025:

- 75% of the population is digitally literate and 50% of all women are digitally (basic literacy as per the new definition)
- Digital (ICT-BPM) export earnings of USD \$3bn
- 1,200 digital startups
- 200,000-strong ICT workforce



"Smart Prosperous Nation
Empowered with Modern
Technologies"



**THANK
YOU**

