DISRUPT ASIA 2025

AN ISLAND RISING

Expected Policy changers Shaping Sri Lankan Startup Future

EXPECTED POLICY CHANGES SHAPING SRI LANKAN STARTUP FUTURE

- Establishment of Fund of Funds: Collaboration with government and financial institutions to create a sustainable funding model for tech startups, with a detailed operational model presented for ministerial approval.

- Development of a VC Tax Structure: Formulation of a favorable tax framework to attract venture capital investments, involving consultation with tax experts and policymakers.

- Exchange Control Relaxation: Streamlining account opening processes for investment accounts, mandating banks to open both Inward and Outward Investment Accounts within one working day, increasing annual investment caps for individuals and institutions, and conducting annual reviews to align with market demands.

- Attract Global Talent: Introducing entrepreneur and working holiday visas, amending the Foreign Exchange Act to allow sweat equity for foreign individuals, and enabling startups to sponsor skilled foreign workers through an efficient online system.

- Investor Residency Program: Establishing residency incentives for foreign investors, including tax benefits, business-friendly policies, and strategic investment incentives.

- Ease of Doing Business: Centralizing approvals under a regulatory body, creating a transparent digital platform for business processes, and providing global market intelligence and go-to-market support.

- Legal Protection for Businesses: Implementing legal frameworks for startups to restructure during financial distress, introducing bankruptcy legislation, and streamlining worker layoff policies for early-stage companies.

Ms.Chiranthi Balapatabendi
Director - Industry Development
Information and Communication
Technology Agency (ICTA) of Sri Lanka
+94 77 333 7241
chiranthib@icta.lk