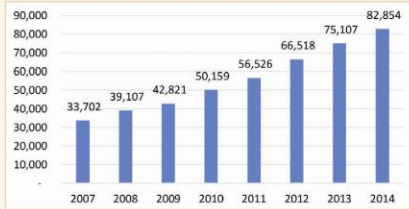
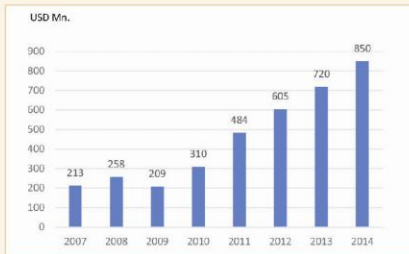


Workforce in Knowledge Services Sector (2007 -2014)



Source: National ICT Workforce Survey 2013

Export Earnings in Knowledge Services Sector (2007 - 2014)



Source: SLASSCOM

Benefits to Investors

- ▶ Reduced Corporate Tax Rate (10%)
- ▶ Total foreign ownership with no restriction on repatriation of profits.
- ▶ Private sector involvement in upgrading ICT and telecommunication infrastructure facilities.
- ▶ Telecom Regulatory Commission provides special access facilities to IT and BPM companies for easy import of equipment and connectivity.
- ▶ Availability of state-of-the-art buildings with incubator facility for startups

Training Centres

Software Development

Application development & maintenance, database development services, web designs and development, Web hosting, disaster recovery, distance learning, E-commerce service

BPO

Financial, Legal, Engineering, Medical, Insurance, Business Integration, HR & Other Professional Services, Transaction Processing, Document Management, Call Centre Services and Front Office Management

KPO

Investment Research, Data Processing and Analysis, Market Research

Major Global IT/IT Enabled Players Operating in Sri Lanka



Prepared by Research & Policy Advocacy Department,
BOI, October, 2015.

Investment Opportunities-
IT, KPO, BPO and
IT Enabled Services

For Further Details:

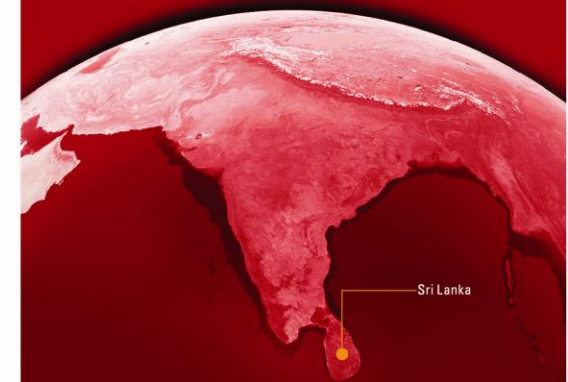
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THE BOARD OF INVESTMENT OF SRI LANKA
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Sri Lanka

Board of Investment of Sri Lanka
October 2015

Overview

"Sri Lanka is gaining global recognition as a Centre for delivering IT as well as an emerging knowledge services industry in the world. The growing IT-BPO industry in Colombo offers a unique advantage for Small and Medium Enterprises (SME) to enjoy premium access to a high quality talent pool, which is becoming increasingly challenging in large established destinations such as India and China.

Sri Lanka offers a unique mix of extremely low costs – among the lowest anywhere - combined with a highly educated, English speaking population with sophisticated technical skills, and a business environment and infrastructure that is superior to most low cost countries. Furthermore, contrary to the image created by the earlier conflict, Sri Lanka is among the safest, lowest-risk emerging markets both in terms of personal safety and business security."

A T Kearney – Competitive Benchmarking: Sri Lanka Knowledge Services

Rankings

- ▶ 12th place in Global Location Trends Report in 2015.
- ▶ 19th position by the Tholons (services globalisation and investment advisory firm) top 100 Outsourcing Destinations Report in 2014.
- ▶ 76th place in Networked Readiness Index (NRI) out of the 148 countries in 2014.
- ▶ Off-shoring Destination in 2013 at the National Outsourcing Association Award
- ▶ 7th position among the 15 Emerging Global Cities for Finance and Accounting Outsourcing by Toholons.
- ▶ 9th place among top 20 Global Centers of Excellence for Finance and Accounting Outsourcing by Global Services Magazine.
- ▶ Sri Lanka ranks among the top 5 emerging countries with a sound business climate, hot on the heels of the BRICS
- ▶ Sri Lanka has amongst the most rigorous intellectual property protection regime in the region (AT Kearney).
- ▶ Highly cost competitive destination and 6th position in terms of financial attractiveness by AT Kearney's Global Service Location Index in 2011.

- ▶ The lowest-risk in terms of business operational and continuity : AT Kearney "Competitive benchmarking: Sri Lanka Knowledge Services" report
- ▶ 21st position in global services location index by AT Kearney in 2011.
- ▶ Gartner ranked among top 30 leading location for offshore services in 2010 - 2011.

Our Strengths

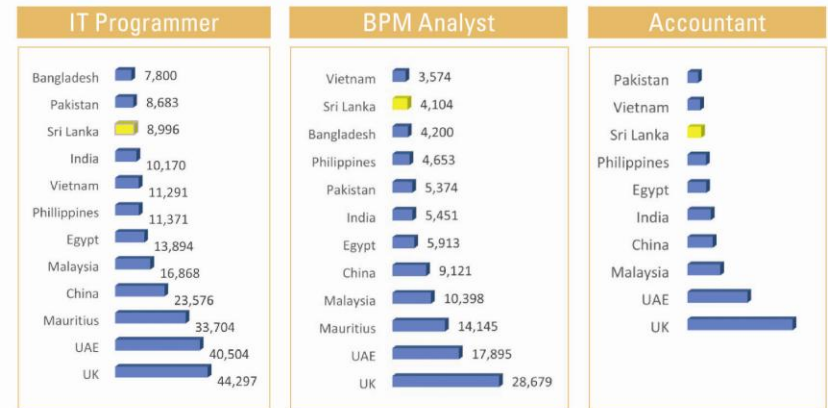
- ▶ High IT Literacy Rate (40% in 2013 and it will be targeted to reach 75% in 2016).
- ▶ English speaking educated labour force and nearly 50% of the students who have finished their higher education are trained in technical and business disciplines
- ▶ Low labour cost (The lowest labour cost compared to major players in Asia such as China, India, Malaysia, Thailand, Indonesia and Vietnam).
- ▶ The average associate cost is 30% lower than other offshore destinations, especially for BPM
- ▶ Availability of specific talent pool (2nd Largest pool of CIMA accountants next to UK).
- ▶ Eight telecom operators and three international submarine cables providing ample redundancy
- ▶ Broadband, Leased-line and Satellite connectivity widely available.
- ▶ Availability of affordable class A office spaces with plug and play facilities.
- ▶ Fast adoption of technologies - First South Asian country to establish a 4G network.
- ▶ Reliable and quality supply of power with electrification coverage of 93% - Only South Asian country providing uninterrupted power supply 24 hours a day according to the World Economic Forum - Global Competitiveness Report.

Sri Lanka offers a unique value proposition for IT/BPM

Financial Attractiveness	Educated Skilled Workforce	Infrastructure	Low Risk Emerging Market	Information Security
Office Rent of Class A Space in Major Business Hubs	Secondary Enrolment Rate	Overall Infrastructure Quality Score	Business Operational Risk	Rigor of IP Protection
			UK 26	
			Mauritius 30	
		UAE 6.3	Malaysia 32	UK 5.7
	UAE 98%	Malaysia 5.7	UAE 30	UAE 5.0
Mauritius 192	UK 96%	UK 5.6	China 47	Malaysia 4.9
Sri Lanka 227	Sri Lanka 90%	Sri Lanka 4.7	Sri Lanka 47	Sri Lanka 4.1
Bangladesh 252	Mauritius 89%	Mauritius 4.6	Egypt 49	China 4
Philippines 262	Philippines 82%	China 4.2	Philippines 52	Indonesia 3.6
Malaysia 316	Egypt 81%	Egypt 3.9	Pakistan 52	India 3.5
UK 348	China 76%	India 3.8	India 52	Egypt 3.3
Egypt 368	Malaysia 70%	Pakistan 3.5	Bangladesh 55	Pakistan 3.1
Vietnam 440	Vietnam 70%	Philippines 3.4	Vietnam 56	Philippines 2.8
Pakistan 455	India 59%	Vietnam 3.1		Vietnam 2.5
China 472	Bangladesh 44%	Bangladesh 2.8		Bangladesh 2.4
India 918	Pakistan 3 3%			
UAE 918				

Source: SLASSCOM

National Average Wages (Annual USD)



Source: SLASSCOM