Annexure I

**FINANCIAL ASSISTANCE PROGRAMME TO DEVELOP / IMPROVE PACKAGING AND LABELING REQUIRED INTERNATIONALLY FOR SMEs IN EASTERN AND NORTHERN PROVINCES**

1. **The Scheme**

The Sri Lanka Export Development Board (EDB) will implement a scheme to assist export potential SME companies to develop/improve their packaging and labelling required internationally.

1. **Objectives**

* Assist viable SME companies to develop/improve packaging and labelling required for the international markets.
* Upgrade a minimum of 6 SME companies to become as direct/indirect exporters.
* Enhance the competitiveness of export potential SMEs in Eastern and Northern Provinces.
* Generate direct and indirect export income by next three years by US $ 1.0 Mn.

1. **Expected outcome**

* Assist 6-10 SME companies located in Eastern and Northern Provinces to improve/develop packaging and labelling
* Generate US $ 1.0 Mn income by direct and indirect export within next three years
* Organize 02 seminar/workshop to create awareness among 100 export oriented SMEs in Eastern and Northern Provinces on Packaging and labelling requirement for international market parallel to the assistance scheme

1. **Qualifying activity**

The Companies are eligible to obtain assistance for either to develop/improve packaging and labelling within one year period.

Product sectors: Processed Foods and Beverages. Spices and Concentrates, Fisheries, Ayurveda Sector (Indigenous Medicinal Products), Life Style Products etc.

1. **Eligibility criteria**

Export potential SME companies registered in the EDB New Exporter Development Programme. SME is defined as an enterprise with an annual turnover not exceeding Rs.1000 Mn.

1. **Form of Assistances**

The assistance scheme is operative on cost sharing basis where EDB will reimburse 50% of the total cost to develop/improve packaging and labelling required by international buyers up to a maximum of Rs.1 Mn per Company. The EDB will provide its assistance to the service provider (service provider selected by the benefitted company) by two steps as detailed below.

1st Step:

After signing the agreement with EDB, 40% of the agreed amount will be granted to start the proposed project to develop the packaging and labeling.

2nd step:

The balance 60% of agreed amount will be granted after the completion of the project on submission of the relevant documents together with a copy of the sample developed product packaging and labelling etc.

The companies are eligible to apply for assistance to develop/improve packaging and labelling within one year period.

Documents Required:

1. Duly Completed Application
2. Business Registration Certificated
3. Business Plan for next 3 years including export market plan
4. Financial Statements for last 3 years (Audited/ Management Certified)
5. Sales Turnover with breakup for last 3 years
6. Production Capacity
7. Employment Details
8. Relevant Quotations and any other relevant Documents
9. **Administration of the scheme**

Application for assistance scheme will be evaluated and recommended by a panel appointed by the EDB. The panel will comprise officials from Industrial Technology Institute, Industrial Development Board, Sri Lanka Institute of Packaging and National Packaging Centre of Export Development Board.

The assistance scheme will be in operation for a period of one year with effect from the deadline for receiving the applications.

Companies to be facilitated towards to develop/improve packaging and labelling will be required to enter into agreement with EDB. The scheme may be further extended after reviewing and evaluating.

1. **Applicants Procedure**

The assistance scheme will be publicized through paper advertisement, EDB web site & Social Medias, a direct mailer to the companies registered in the EDB New Exporter Development Programme and stakeholder institutions such as IDB, NEDA, SEDD, NCC and NPS. Eligible SME companies from Eastern & Northern Provinces are requested to complete the application and submit to the Export Development Board with all relevant documents.

Applicants are required to apply for assistance under the scheme prior to applying to develop/improve packaging and labelling.

**Regional Development Division**

**Export Development Board**

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