



Simplifying visa procedures to boost investment and exports

The problem:

Long term brain drain from Sri Lanka, skills are needed but not always available domestically or to the right level of new and different thinking.

This gap could be met with non-Sri Lankan skilled employees.

However, for SMEs, which could generate a lot of employment, the process is very difficult, time consuming and costly to obtain a letter of recommendation for visas/work permits for non-national skilled personnel that they need.

Result:

Skills gaps and mismatches are key impediments impacting the efficiency and productivity of Sri Lankan businesses and the competitiveness of domestic producers in marketing and selling their products and services in international markets

In short, Sri Lankan businesses are less competitive!

What needs to be done?

Make it easier to get visas for people who can bring in the knowledge, knowhow and experience that can make Sri Lankan companies grow and succeed in international markets.

The current system for visas and work permits is failing SMEs –

The problem is that, for investors outside one of the recognised regimes such as BOI/SLTDA, the system is overly complicated, expensive and uncertain and there is no certainty as to timelines and the criteria for obtaining a visa/work permit.

In particular, the following are noted:

- 1. Lack of guidance and information on responsible agency**
- 2. Delays in issuing letters of recommendation**
- 3. Lack of standardized criteria for evaluating requests**

The proposed solution

A possible solution to simplify visa procedures for technical experts and transfer of knowledge and expertise to Sri Lankans in order to boost innovation and exports follows.

The proposed solution would make it easier to get visas for people who can bring in the knowledge, knowhow and experience that can make Sri Lankan companies grow and succeed in international market.

The solution proposed is the following proposed structure -

- Centralise the issue of letters of recommendation for all trade related visas, in order to simplify administrative processes.

It is emphasised that this proposal on centralization should **only be in relation to trade related matters, and for micro and small enterprises seeking to invest in/trade in Sri Lanka that do not fall under the ambit of the BOI approval** procedures which apply to investments of over US\$ 250,000.

Furthermore, this suggested mechanism applies only to technical and skilled staff. It will not apply to manual labour.

- **Centralise the issuance of the letters of recommendation with the Department of Commerce.** This eliminates the uncertainty surrounding multiple line ministries/authorities.
- Requests for letters of recommendation to the DoC will be supported by a **Letter of Comfort issued by a recognised trade/business chamber.**

Rationale for proposed arrangement:

The Department of Commerce (DoC) already has standardised procedures, is well organised and geared to support trade. Hence, it is the obvious agency to handle this responsibility.

However, it appears that the DoC regards this area of work as outside their core responsibility and may lack the capacity to assess all applications.

To address these issues, it is proposed that the Chambers undertake the preliminary screening and take responsibility for evaluating the applications to provide a degree of comfort to the DoC in assessing the applications received.

Exclusion of certain visa categories:

The following categories of visa are appropriately handled by other relevant government ministries and agencies so are specifically excluded from this arrangement:

1. Education related;
2. Religious;
3. Non-profits/NGO;
4. Journalists/media
5. BOI project and tourism related projects (handled by the Sri Lanka Tourism Development Authority [SLTDA]) will also be excluded for the following reasons:

- a) The two authorities seem to be doing a reasonable job with facilitating visas; and
- b) As other approvals for tourism projects are already handled by SLTDA and they would be more familiar with the nature of any new project, it makes sense to leave the issue of letters of recommendation with them.

Proposed Next Steps:

The following detailed administrative processes are to be discussed with the DOC, other relevant government agencies and the private sector:

- Criteria to be used by the Chambers to screen applicants for visas.
- Clarify the respective responsibilities being assumed by the chambers, businesses and the DOC.
- Communication and work arrangements necessary to ensure smooth implementation.

Upon finalizing and putting into place the relevant administrative framework discussed above, it would also be important to ensure that the details are clearly published and easily accessible for relevant stakeholders using this process.

CONTACT

Mr. John Wilson

Director and In-House Legal Counsel

The European Chamber of Commerce of Sri Lanka C/O,

The Kingsbury Colombo, # 212, 2nd Floor, No. 48, Janadhipathi Mawatha, Colombo 01, Sri Lanka

+94 11 250 7622, +94 11 250 7625

advice@srilankalaw.com