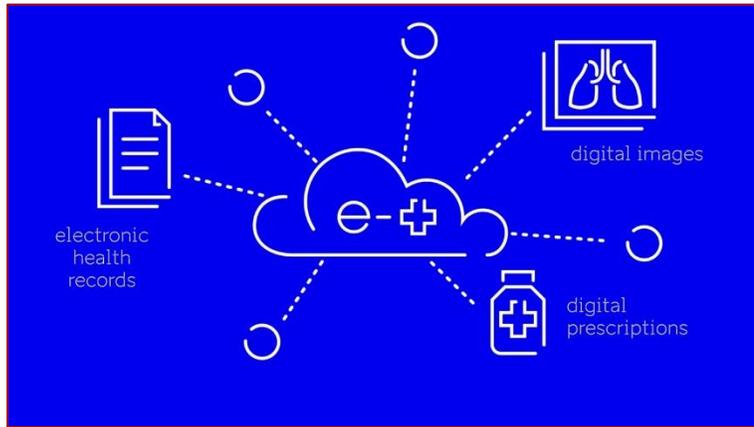


Digitalization: What's in it for business

Rohan Samarajiva

Lanka Business TV, Ratnapura
13th September 2025

What does a digitalized country look like? Estonia



E-health



I-voting



Managing a business



Signing documents



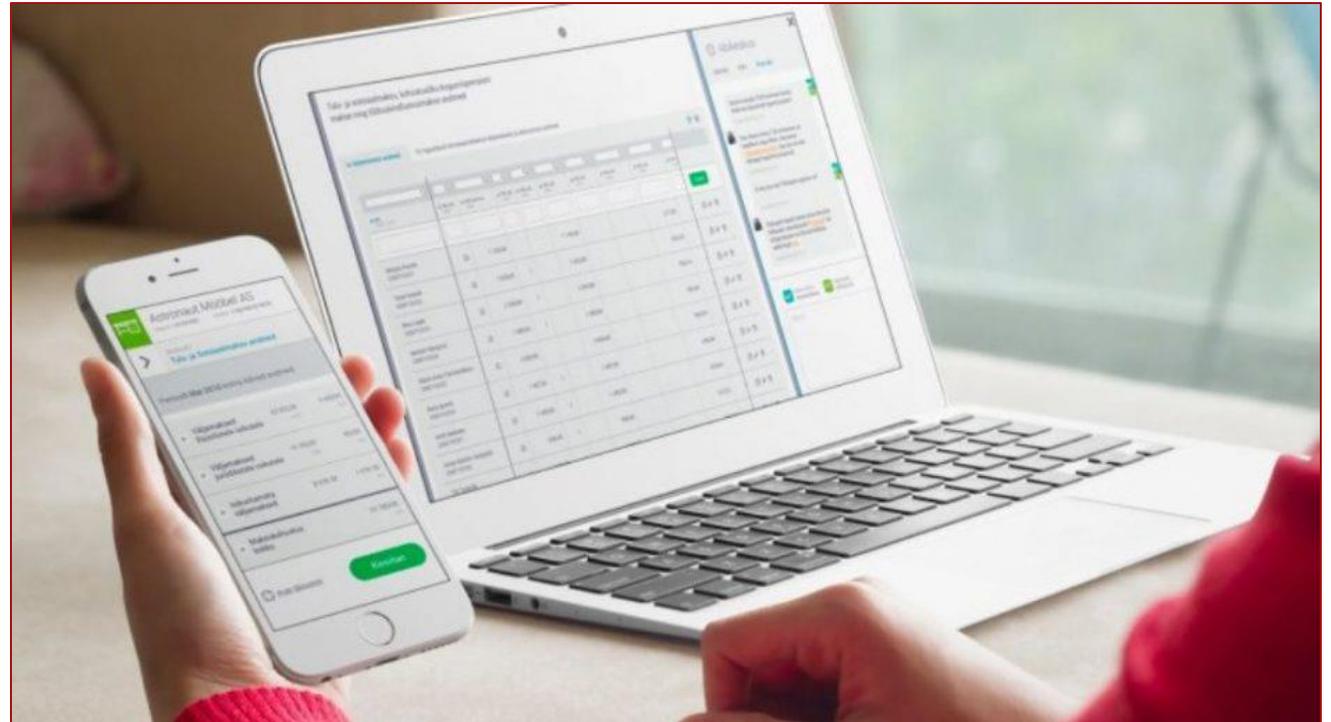
E-Residency

Of relevance to SMEs: Paying government made easy

- Electronic tax filing system set up by the Estonian Tax and Customs Board.

99% taxes filed digitally

Takes 3 minutes to file taxes



Of relevance to SMEs: Exporting made easy



Online submission of required documents

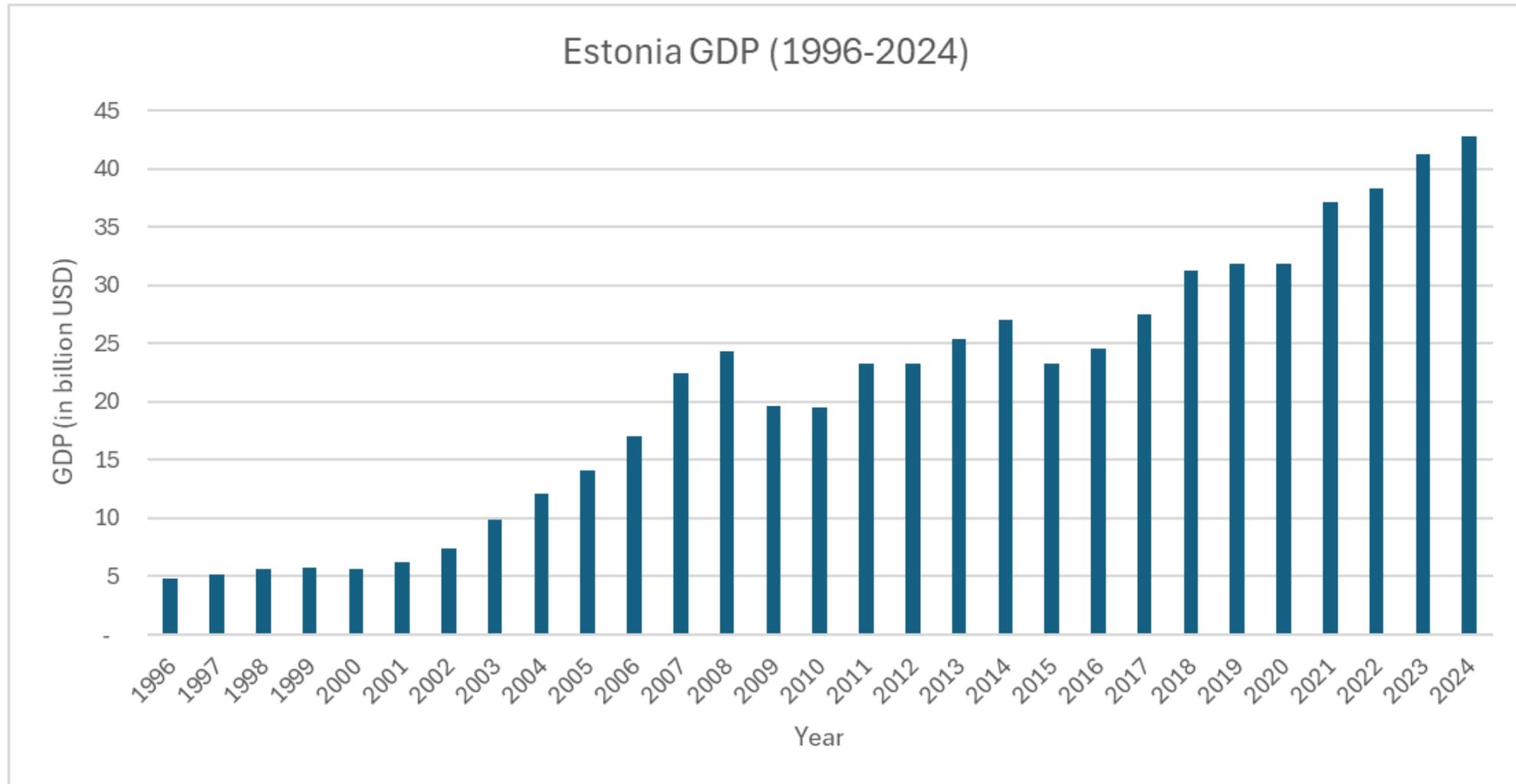


System does automatic checks

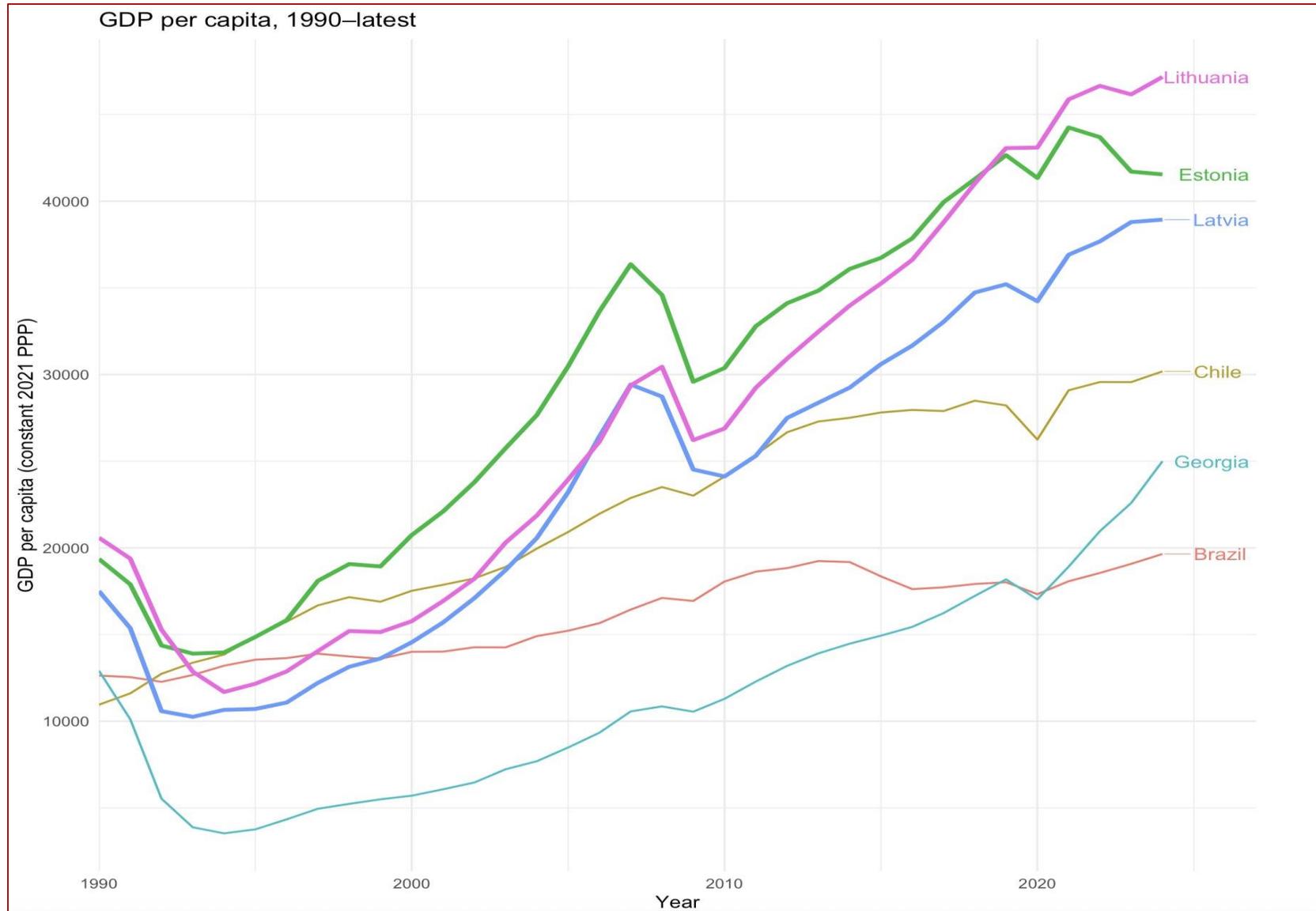


Approval within minutes

Estonia's GDP



Estonia is the green line



Ongoing digitalization in Sri Lanka: GovPay

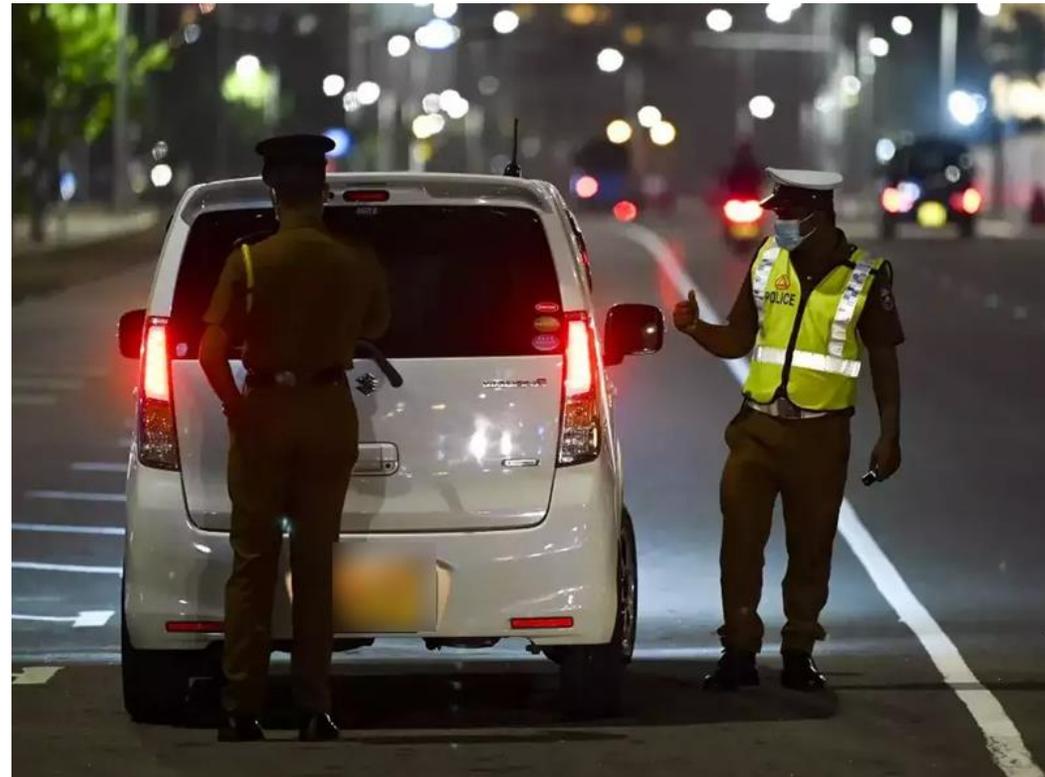


- Enables payments to government agencies (e.g., Inland Revenue, Customs) through banks and Fintech apps.
- Allows faster government revenue collection, fewer errors, direct confirmations for taxpayers.
- Reduces opportunities for bribes through on-the-spot traffic fine payment mechanism.

ජනතාව වැඩිපුර සතුවූ කළ හැක්කේ කෙසේද? - 28.02.2025 ලිපියකින්

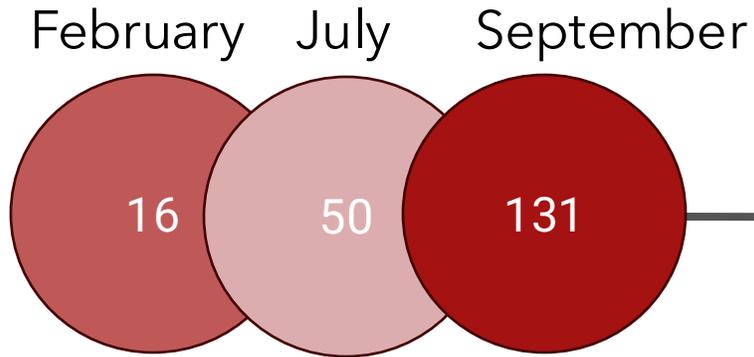
- ස්මාර්ට් ෆෝන් මගින් රථවාහන දඩ ගෙවීමට පහසුකම් සැලසීම කළ හැකි තවත් දෙයකි.
- රථවාහන දඩ මුදල් ජංගම දුරකථනයෙන් සෘජුවම ගෙවීමට සැලැස්වීම වෙරළ පිරිසිදු කිරීම සියයකට වඩා ක්ලීන් ශ්‍රී ලංකා සඳහා දායක වනු ඇත්තේ මේ නිසාය.

<https://www.yukthiya.lk/?p=56128>

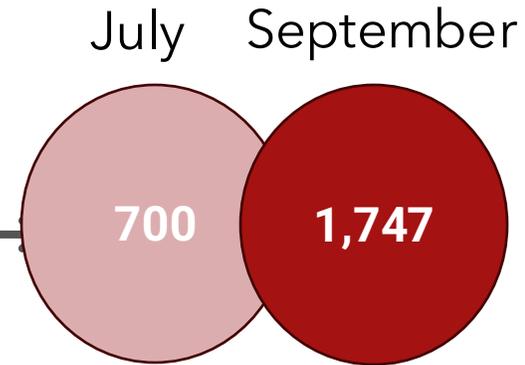


GovPay is growing fast

Number of organizations

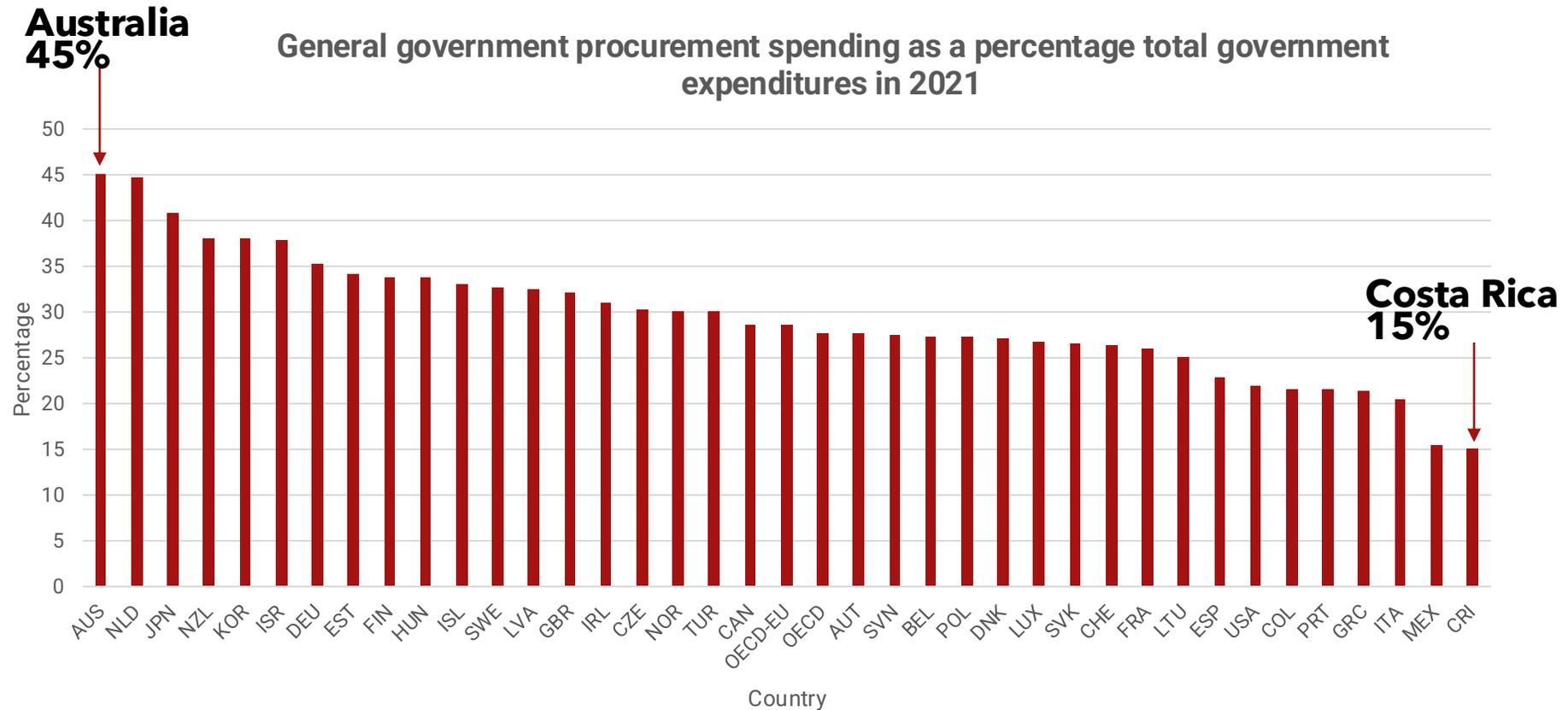


Number of services



Digitalization to make it easier to sell to government

In more developed countries private businesses get a large share of government spending

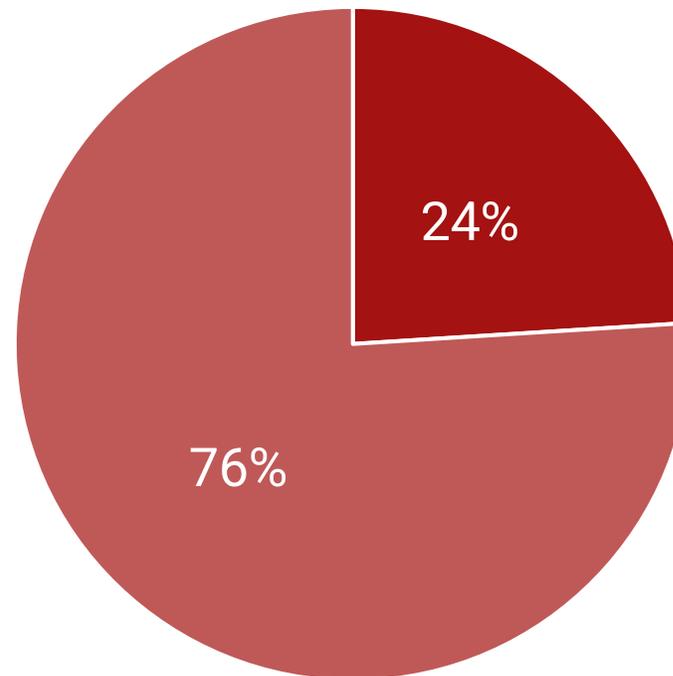


Source: <https://www.oecd.org/en/topics/policy-issues/public-procurement.html>

Sri Lanka: 24% of govt expenditure went to private sector

- In 2024, Public procurement was said to have cost around US\$ 4.6 billion (6.3% GDP)

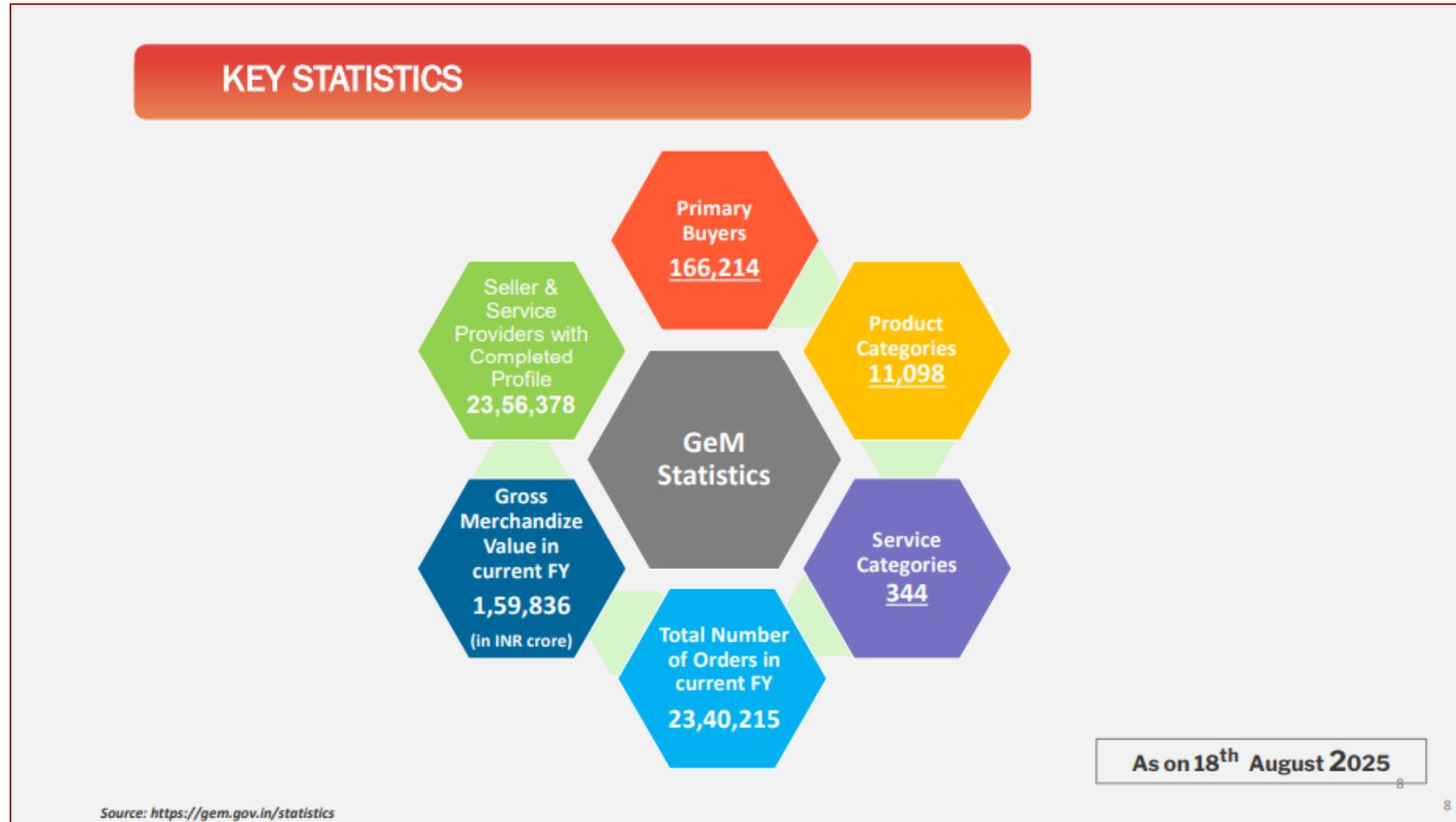
% of Government Expenditure



INDIA: GOVERNMENT E MARKETPLACE (GeM)

INDIA : Government E Marketplace (GeM)

- The online procurement portal for all government buyers



Advantages to sellers



Direct access to all government departments



Dynamic pricing



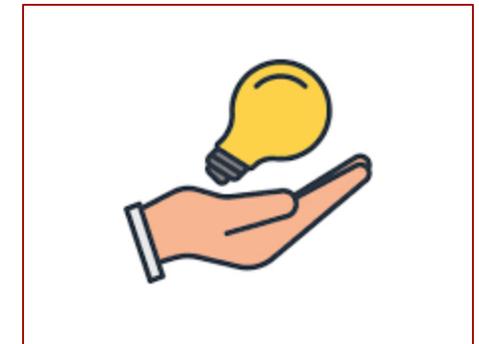
One stop shop for bids



Seller rating system

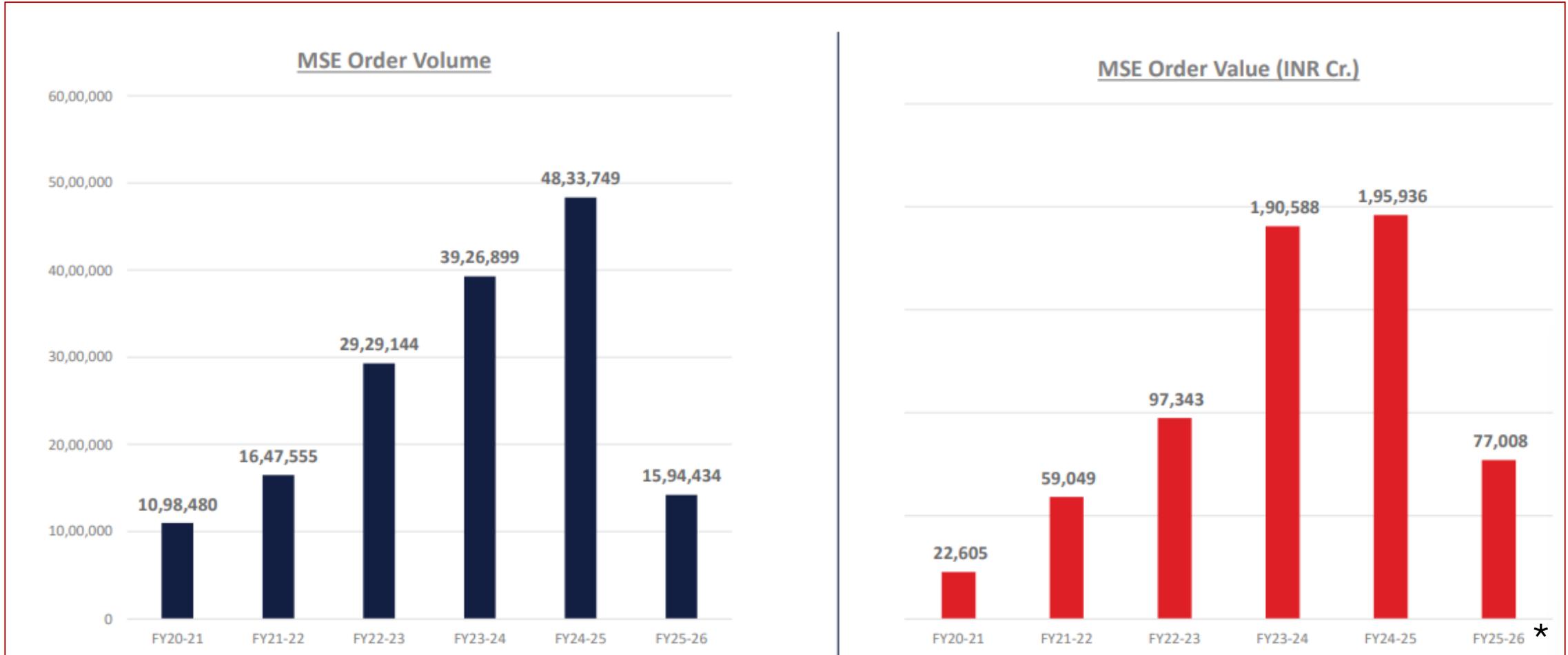


News and events section with updates



New product suggestion section for sellers

Growth of MSE Transactions on GeM: Order Volume and Order Value



16 *FY 25-26, includes only 4 months, as the FY of India begins on April 1st

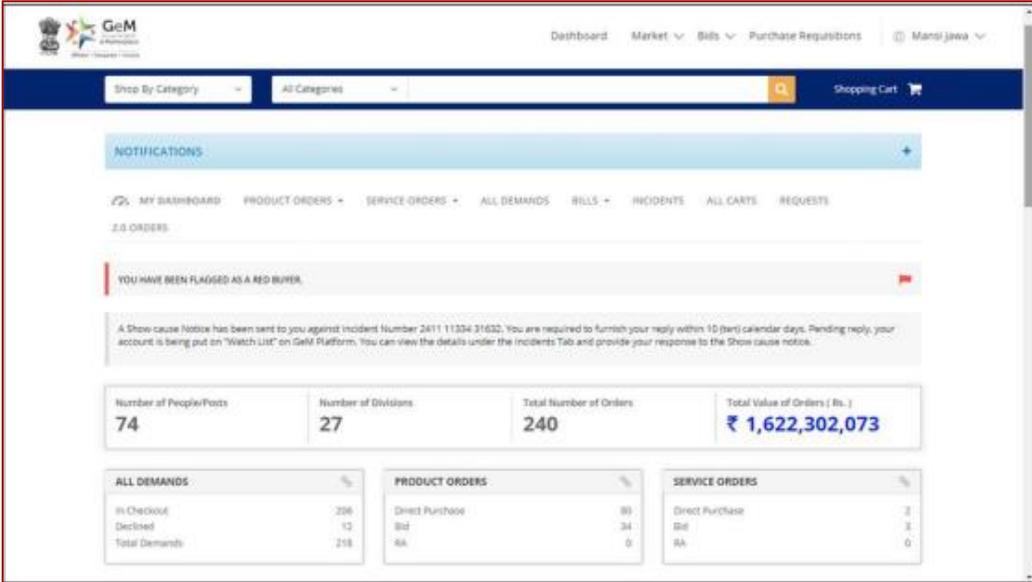
GeM SAHAY

- The Sahay Loan Scheme is an initiative launched on the GeM for the growth and support of small and medium-sized enterprises (SMEs) in India.
- Available to GeM sellers who are sole proprietors and have a Valid GSTIN.
- Sellers with at least one order on GeM are eligible to apply.



Buyer Flagging

- Individual Buyers are classified as Red and Orange as per their payment due status
- **Red** – more than 30 payments due for more than 70 days post CRAC
- **Orange** – More than 20 payments due for more than 70 days post CRAC



The screenshot displays the GeM dashboard interface. At the top, there is a navigation bar with the GeM logo, user name 'Mansi Jawa', and menu items like 'Dashboard', 'Market', 'Bills', and 'Purchase Requisitions'. Below this is a search bar and a 'Shopping Cart' icon. A prominent notification banner states: 'YOU HAVE BEEN FLAGGED AS A RED BUYER.' Below the notification, a message explains that a Show Cause Notice has been sent against incident number 24111133431632, requiring a reply within 10 business days. A summary section shows key metrics: 74 People/Posts, 27 Divisions, 240 Total Number of Orders, and a Total Value of Orders of ₹ 1,622,302,073. At the bottom, there are three summary tables for 'ALL DEMANDS', 'PRODUCT ORDERS', and 'SERVICE ORDERS'.

ALL DEMANDS	
In Checkout	296
Declined	12
Total Demands	218

PRODUCT ORDERS	
Direct Purchase	89
Bid	34
RA	0

SERVICE ORDERS	
Direct Purchase	2
Bid	1
RA	0

Sri Lanka e marketplace

PROMISE: E- PROCUREMENT SRI LANKA

- PROMISE is Sri Lanka's Electronic Government Procurement (eGP) system, initiated in 2017
- Introduced to support and enhance good governance in public procurement process



Electronic Government Procurement (eGP) System

Government of Democratic Socialist Republic of Sri Lanka
Ministry of Finance, Planning and Economic Development

Home Procurement Information e-GP Publications e-Learning Contact Us

Notice to All Suppliers

All suppliers are hereby notified that from July 1st 2026 onwards, only ITMIS system generated purchase orders should be accepted for supplying goods and services to central government ministries, departments, agencies, district secretariats and other institutes. The Treasury will hold no responsibility for settlement of claims in relation to goods and services provided to above central government entities for purchase orders issued by any other means. This is not applicable for purchasing done by provincial councils and local authorities. Further instructions will follow.

E-Procurement Indicators: Sri Lanka (in comparison with India)

Number of Registered Vendors
4,843 (IN 2,356,378)

Number of Registered
Procurement Entities
799 (IN 166,214)

Total procurements Processed
43,861 (IN 2, 340,215 in one year)

As of 28/8/2025

Making exports easier

Export digitalization: India



Obtain Import Exporter code and apply for licenses



Submission of documents online



Submitting shipping bill online to inform customs



Digital signature used for secure authentication

B2B E-Commerce Platforms

- Digital platforms, such as IndiaMart, Export Genius, and TradeIndia, connect Indian exporters with international buyers.
- IndiaMart and TradeIndia- Function as B2B marketplaces and digital marketing platforms, helping businesses to list products and find trade partners
- Export Genius- Providing data and insights



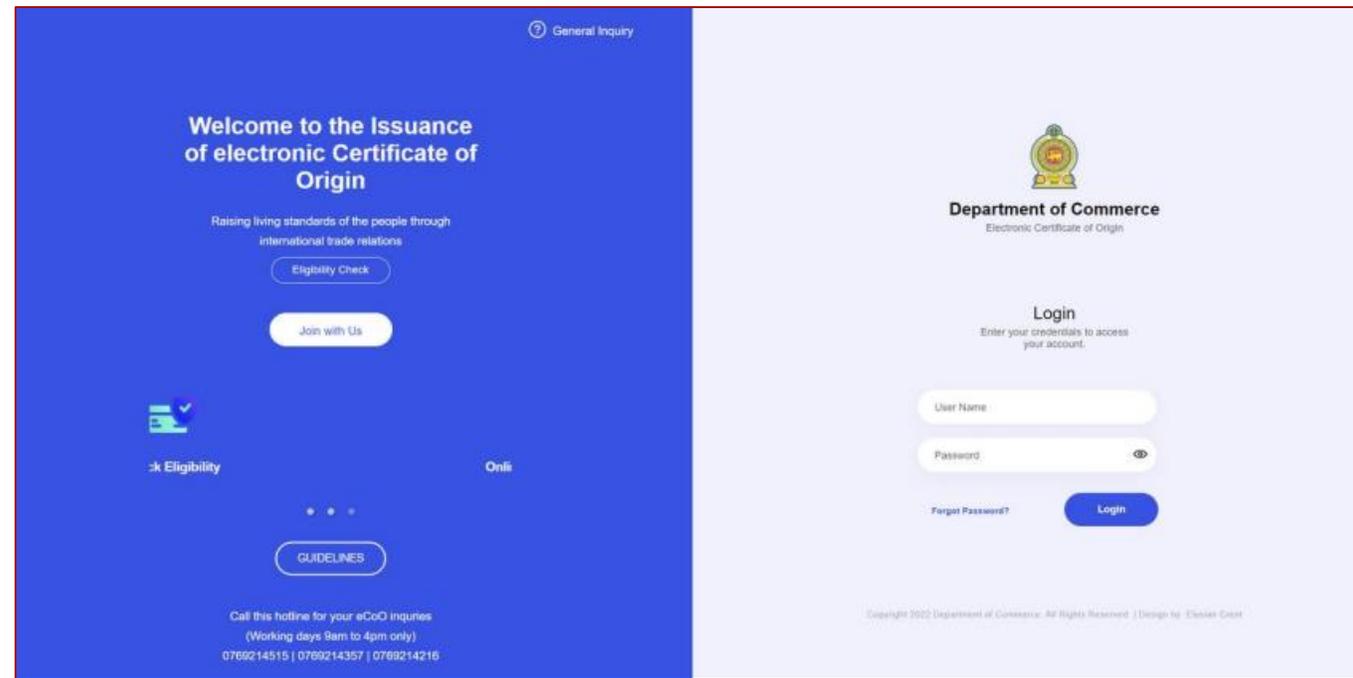
Export digitalization Sri Lanka: Export Development Board (EDB)

- Registering online and join the EMARKETPLACE- This is where international buyers can find and inquire about Sri Lankan export products
- Online Trade Statistic Platform- Provides digital access to trade data, including country-wise and product-wise statistics, to support market research.



e-Certificate of Origin (e-CoO)

- This is an electronic document issued by the Department of Commerce to confirm that exported goods meet the rules of origin.
- Exporters register on a web-based platform, apply for, sign, and receive their CoOs digitally.



Why taxes and exports? Win-win for SMEs and country

- Government does not export; cannot earn dollars/yuan to repay debt
- Must buy dollars brought in by exporters of goods and services from commercial banks using rupees collected through taxes
- Did not have enough rupees in 2021-22 ==> default on debt
- Then 8.7% of GDP is taxes; now 15.3%
- If banks do not have enough dollars, the government will need more rupees to buy enough dollars to service the debt ==> more taxes
- So, we need to increase exports of goods and services (including tourism and labor exports)