

FINTECH REGULATORY SANDBOX OF THE CENTRAL BANK OF SRI LANKA



CALLING FOR APPLICATIONS TO THE FINTECH REGULATORY SANDBOX OF CBSL

With the rapid growth in FinTech innovations in the country, the Central Bank of Sri Lanka (CBSL) has identified the need to provide an environment that nurtures and promotes their advancement whilst maintaining appropriate regulatory standards. Accordingly, CBSL has commenced operations of a FinTech Regulatory Sandbox (Sandbox), with the objective of encouraging and enabling FinTech initiatives that promote greater efficiency and increased access to financial products and services.

Purpose of the Sandbox

The Sandbox will provide a safe space for selected innovators to test their products and services, without the risk of infringing on regulatory requirements. This process will provide innovators with an opportunity to better equip themselves to seek regulatory approval. It is intended that this process would create robust and sustainable innovations that can provide more efficient financial intermediation, greater financial inclusion, and create a less-cash society through digitalization.

Eligibility Criteria

The Applicant

- Both local and foreign Applicants may apply to the Sandbox.
- All Sandbox Applicants must either be, or partner with, a CBSL licensed financial institution in order to be considered for entry into the Sandbox.
- Applicants should identify the regulations that are wholly or partly incompatible with the process of implementing their innovation.

The offered solution should conform to the following criteria:

- i. Innovative: The offered solution is required to be either truly innovative or significantly different from existing products/services in the market. Solutions offering an existing service via innovative processes or technology will also be eligible.
- ii. Tested: The offered solution must be thoroughly tested in a lab environment prior to being submitted to the Sandbox. Test results should be verified by an independent third-party auditor to ascertain that the implementation of the solution has been completed.
- iii. Beneficial: The offered solution must clearly identify its benefits to customers (e.g.: enhanced efficiency, increased safety, better customer experience, improved service quality, lower price or support financial inclusion).

Applications to the Sandbox

- The Sandbox will be open for applications from 17 February 2020 onwards.
- The eligibility demonstrated by the Applicants must be clearly backed by required evidence to the satisfaction of CBSL.
- The Sandbox Framework document along with the Sandbox application form can be downloaded at <https://www.cbsl.gov.lk/en/public-notice>
- Applicants to the Sandbox are required to study the Sandbox Framework document before submitting their applications.
- The completed application should be emailed to sandbox@cbsl.lk

Queries and Clarifications

- For any queries or clarifications please contact the Payments and Settlements Department of the Central Bank of Sri Lanka on +94112477542, +94112477642 from 0800hrs to 1615hrs during week days or email the above address.
- The Central Bank reserves the right to make decisions regarding any and all applications received to the Sandbox without assigning any reasons thereof, and the Central Bank's decision will be final in this regard.

An initiative by the
PAYMENTS & SETTLEMENTS DEPARTMENT
CENTRAL BANK OF SRI LANKA



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