

# DESTINATION EVENT MANAGEMENT COMPANIES

## (DEMC) – GUIDELINE

### For Registration with Sri Lanka Tourism Development Authority

#### 1.0 DEFINITIONS:

- 1.1. **DESTINATION EVENTS** are defined as planning, marketing, coordinating & executing the events by “**Local Event Management Company in Sri Lanka**”, whose participants can be both foreign & local visitors. The purpose of Destination Events, is to enhance the attractiveness & competitiveness of Sri Lanka as a destination.
- 1.2. **A VIRTUAL EVENT** is one where individuals experience the event & its content online rather than gathering in-person.
- 1.3. **HYBRID EVENTS** are the events that take place in both a physical and virtual setting. This is achieved by broadcasting a conventional event online through techniques like live streaming, webinar broadcasting, or setting up a virtual space that mirrors the ongoing physical event. The ability of these events to cater to physical and remote audiences in a live event.
- 1.4. **PHYSICAL EVENTS** are the events take place in a physical setting where people meet at a physical location.
- 1.5. **DESTINATION EVENT MANAGEMENT COMPANIES (DEMC)** are the organizations that coordinate the entire process of a large, medium or small-scale event (physical, virtual or hybrid events) including planning, organizing, directing and managing people and other resources to execute a successful event in Sri Lanka.

*\*\*\*This definition may NOT be extended to include events that are executed in Sri Lanka, for (or on behalf of) foreign clients **WHO ARE RESIDING OUT OF SRI LANKA & ALSO** the events that are coordinated & held **OUT OF SRI LANKA** by a foreign **OR LOCAL EVENT MANAGEMENT COMPANY**. Events which are held in Sri Lanka shall be managed and executed by a **SLTDA LICENSED** “Local Destination Event Management Company”. \*\*\**

#### 2.0 OBJECTIVE:

To recognize the Destination Event Management Companies in Sri Lanka & absorb them into the formal registration process at SLTDA as per the Tourism Act No 38 of 2005.

#### 3.0 PURPOSES :

- 3.1. To license all the Destination Event Management Companies in Sri Lanka & formalize its services
- 3.2. To guide and help to deliver satisfactory services to customers through the registered Destination Event Management Companies.

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3.3. To attract more travelers to the destination and promote Sri Lanka as the best MICE destination for their events.

3.4. To retain local income within Sri Lanka, without allowing it be taken out of the country without paying taxes.

3.5 To increase and promote inflow of foreign currency to Sri Lanka.

3.6 To monitor taxation of foreign and destination event income. Avoiding foreign transactions being handled by non-Sri Lankans without paying taxes.

3.7 The primary propose to licencing should cover any event organised in Sri Lanka with only foreign visitors or foreign & local visitors. A foreign company which organises events for local visitors should also obtain DEMC licence or partner with SLTDA LICENCED local event management company.

#### **4.0 TYPES OF EVENTS:**

The Destination Event Management Companies should be an entity involved in organizing,

4.1 Meetings

4.2 Conferences (summits, political events etc.)

4.3 Trade Fairs/Exhibitions

4.4 Weddings & Celebrations (royal occasions etc.)

4.5 Corporate Business events (Roadshows, product launches, award ceremonies, amateur/professional events. VIP visits etc)

4.6 Other events (musical events, sports events, cultural events, theatre, entertainment events, recruitment drives, clinics etc.)

#### **5.0 SERVICES OF DEMC :**

The services of Destination Event Management Company should include areas related to;

##### **5.1.Facilitating and creating planned events which include:**

- Bidding for an International event
- Design & concept creation
- Planning & budgeting all aspects of the event
- Coordination and/or sourcing of sponsors
- Coordination and sourcing of vendors
- Coordinate & planning of all marketing activities, locally & globally

##### **5.2.Production, management & execution of planned events which include:**

- Managing Event Roll out (activities, marketing, promotions, advertising etc)
- Managing event Logistics
- Onsite management and execution
- Coordination and management of all stakeholders and vendors
- Coordination and delivery of print collateral etc

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- Coordination & management of installation of all aspects of the event such as event set up, technical products/services, lighting, AV, equipment requirement, interpretation systems and all other elements of the event.
- Providing IT & communications support
- Contracting & liaising with catering services, interpreters
- Sourcing and/or managing key personnel, presenters and other resource persons
- Event closedown and dissemination
- Guest / delegate / Participant management
- Handling/coordinating of ticketing & registration services
- Communicating with delegates, Record of participants' feedback etc.
- Registration services & Secretarial services

#### 5.3. Managing destination assets:

- Coordinating and/or sourcing participants accommodation,
- Coordinating participants travel arrangements, transports and logistics
- Facilitating and assisting in travel related paperwork
- Coordinating experiences, excursions, destination visits, sightseeing etc.

### 6.0. MINIMUM REQUIREMENTS:

6.1.A Destination Event Management Company, should be an entity registered under the Company Act of Sri Lanka or a registered Sole Proprietorship or Partnership business in Sri Lanka. The entity should produce the certificate of incorporation issued by the Registrar of companies or Sole proprietorship or partnership business registration certificate issued by a competent authority.

6.2.Majority shares in the capital contribution or paid –up capital should be held by citizens of Sri Lanka of the entity seeking registration as a Destination Event Management Company (DEMC).

6.3.Destination Event Management Companies should confirm that the entity has organized a minimum of 02 events per annum covering all main aspects of an event and should be confirmed in writing by the client.

#### 6.4.Office Premises:

6.4.1. Destination Event Management Company operations shall be carried out in a formal office with fixed address. The office should have basic office facilities and equipment to cater customers & staff requirements (Adequate communication facilities, visitor seating facilities, small lunch area and washroom facilities).

6.4.2. A Name Board shall be displayed at the office premises.

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6.4.3. Previous Event records, brochures /e-brochures, agreement with vendors including service providers' details and any other documents related to the event organizing, to be available at the office.

#### **6.5. Staff :**

6.5.1. Adequate and professionally Qualified or experienced staff shall be recruited for office based operations to cover events implementing, coordination, marketing, logistic management, follow-ups etc.. functions of the business . Emphasis should also be given to use of new technology and related effective communication skills and knowledge of English and other foreign languages.

6.5.2. The staff cadre must include minimum of one staff who possess Event Management qualification endorsed by Sri Lanka Convention Bureau and awarded by the Sri Lanka Institute of Tourism & Hotel Management (SLITHM) or The International Association of Professional Congress Organizers (IAPCO) or International Congress & Convention Organizers (ICCA) or any other qualification awarding body recognized by Sri Lanka Convention Bureau or minimum of five (5) years work experience in event management.

6.5.3. The Destination Event Management Company or any person employed or proposed to be employed in the business should during the period of five years immediately preceding the date of application for registration have not been convicted of an offence under the Monetary Law Act, the Exchange Control Act, the foreign Exchange Entitlement certificate Act No;28 of 1968, the customs ordinance, the control of imports and business of the entity for an illegal purpose.

6.6. The business shall maintain an integrated website and it should include event industry information, events related services the entity offer, valid contact details (including office Address, telephone no, email address, etc...) and emergency contacts.

6.7. If the business is operated under a separate Brand name/Trade Name which is not same to the Business Registration name, that Trade Name to be registered under Intellectual Property Act No.36 of 2003.

6.8. Destination Event Management Company should furnish a Guarantee from a Bank in Sri Lanka for Rs. 200,000 (This guarantee should be issued in the name of the Sri Lanka Tourism Development Authority as per the given specimen) .

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- 6.9. An annual Public Liability Insurance cover amounting to Rs. 10,000,000 (Ten million) to cover all events organized by the company. This insurance shall be obtained annually to cover all the event locations annually.
- 6.10. When utilizing vendors/outsourcing work relating to the event, the DEMC must ensure that all subcontracted individuals/organizations/businesses/service providers/suppliers are professionally experienced and hold good reputation in their respective lines of work.
- 6.11. All pre and post tours of an event should be conducted by registered Tourist Guides & registered Destination Management Companies (DMCs) who are licensed by the Sri Lanka Tourism Development Authority.
- 6.12. The company should have a proper contingency plan implemented in case of any unexpected situation such as event cancellation, inability to conduct the event for reasons beyond the control etc.
- 6.13. The company should exercise industry best practices in organizing an event and maintain relevant records such as GANTT charts etc., at all times that clearly manifests the completion of an event in an organized manner and on par with the timelines set.
- 6.14. The Destination Event Management Company should assess an Environment Impact Plan for large scale events that may have detrimental consequences to the environment.
- 6.15. The company shall maintain agreement/s for every event with connected parties (Clients/Suppliers/etc) by including terms & conditions such as Cancellation policy, refunding policy etc.
- 6.16. Foreign Event Management Companies/Individuals are encouraged to partner with local Event Management Companies licensed by SLTDA. Foreign Event Management Companies/Individuals are prohibited to organize any event in Sri Lanka with or without foreign visitor participation.
- 7.0.** Newly incorporated businesses will receive 12 months period to complete the minimum Two (02) events & will be provided with 06 months Provisional certificate to operate as a Destination Event Management Companies until they fulfill this requirement.
- 8.0.** If the business is operated under a separate Brand name, a provisional certificate will be issued until obtain the brand name registration under Intellectual Property Act No.36 of 2003.

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#### **REQUIRED DOCUMENTS FOR REGISTRATION**

- A. Certificate of incorporation from the Registrar of companies, copy of Articles of association, list of directors certified by the company secretary or copy issued by Registrar of companies for entities registered under the companies act of Sri Lanka. A Sole proprietorship or partnership business registered in Sri Lanka should produce the business registration certificate issued by a competent authority along with the entity's vision & mission statement.
- B. Guarantee from a Bank in Sri Lanka, for an amount of Rs.200,000.00 (Two Hundred Thousands Rupees)
- C. An annual Public Liability Insurance cover amounting to Rs. 10,000,000.00 (Ten Million Rupees)
- D. Profile of the entity and List of services of the entity provide for events on a letterhead signed by a director/Proprietor.
- E. List of staff with Name, designation, work experience or professional qualification related to the Event Management, NIC numbers in the company Letterhead signed by a director/proprietor.
- F. Client recommendation letters or any other documents to confirm that the entity has organized a minimum of 02 events covering all main aspects of an event and should be confirmed in writing by the client. This letter should also include names of foreign/local participants, country and contact details to reconfirm participation.
- G. Deed or lease agreement of the office premises. (One-year lease agreement can be accepted by lawyer's Certification. Lease agreement more than one year and all deeds must be registered in the land registry before submitted.)
- H. In the case of a Limited Liability Company,
  - i. Form 01(Details of company registration)
  - ii. Form No. 13 (address change) / Board Resolution for business operational address
  - iii. Form 20 (Change of Directors)
- I. (If applicable) Certificate of Trade Name registration under Intellectual Property Act No.36 of 2003 OR Board Resolution for Trade Name until obtaining the certificate of Trade Name registration by National Intellectual Property Office.

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I. Sample of the Agreement issue for the events including terms & conditions (cancellation policy, refunding clause etc.)

#### Registration & renewal fee for DEMC :

Registration Fee (Rs)			Renewal Fee (Rs)	
Administration	Registration	License	Administration	License
10,000.00	20,000.00	10,000.00	10,000	10,000.00

#### For further information:

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