

# **Accreditation standards**

For

Local Manufacturing Industries and Services

On the aspects of

Contribution towards a

Formidable and Sustainable

National Economy

**Mawbima Lanka Padanama  
A4, Perahera Mawatha,  
Colombo 03.**

## 1. Introduction

The main objective of the project for which the accreditation standards are formulated is to build a formidable National Economy in the country by popularizing the locally manufactured products. This is achieved by way of educating and motivating consumers to purchase locally manufactured products. In the end a consumption culture will be created where locally manufactures products are given preference over imported products and also the local industrialists will be encouraged to manufacture import substitutes.

In the process of promoting locally manufactured products and services, accreditation is used as a tool to build up confidence among people over the local industries and products. Standards described in this manual are to be used in the process of accreditation which is conducted by a specialist committee. There are two types of accreditation awards - one is awarded to the organization and the other is to the product. Accredited organizations and products will be permitted to use the trade mark or the logo of the accreditation organization (AO) in their promotional campaigns, on agreed conditions.

The AO is responsible for maintaining the integrity of the trade mark and also for the general promotion of the trade mark. The trade mark carries the message that particular product is locally manufactured and consumption of which will contribute towards building the National Economy. The motto of the trade mark is GANNA APE DE. AO will also support the local industries by way of providing expertise to improve the quality of the products, increase the productivity and competitiveness, settle industrial disputes; optimize the utilization of locally available raw materials and technology and also to engage in inventions, product development and research activities.

## **2) Representation and the structure**

The accreditation organization should draw representation from consumers, entrepreneurs, experts in the fields of accreditation and quality management, government industrial authorities, Chambers of Industries, marketing experts, university academics, researchers, representatives of inventors commission, share holders and workers in the local industrial sector; and also from members of voluntary organizations who have an interest in promoting a National Economy in the country.

This organization must be a “not for profit” organization and be registered as an association (limited liability) under the companies act. Funding for its activities will come from membership fees, contributions and from accreditation fees. The organization should have the credibility as an independent third party and be managed by a Board of Directors representing the diverse interests of the stake-holders of the organization. All the directors and the members of the organization should provide their services and expertise on voluntary basis.

## **3) Accreditation (Two Categories)**

The two types of accreditation, namely the organizational award and the product award will be awarded for a period of maximum of 02 years upon the recommendations of the specialist evaluation committee. There after within the initial 02 Years, surveys are conduct every year to reassess whether the standards are met continually.

Each category of award should be applied for separately and at the initial period accreditation will be awarded only for products and services. The organizational award could only be applied by those companies that have held a product award for a period of more than two years.

### 3.1 Organizational Award :

Accreditation is awarded to the organization when organization complies with general and specific organizational standards (Standards – 9.2) and more than 80% of the product / service range meet the product standards (Standards – 9.3). Also, the organization demonstrates its commitment towards,

3.1.1 Increasing the contribution to the National Economy and the local industrial sector,

3.1.2 New product development that would substitute the imported products,

3.1.3 Strengthening the competitiveness of its own products against the imported products.

3.1.4 Improving over all quality of the products.

### 3.2 Product (and Service) Awards :

Accreditation is awarded to an identified product that meets all the product standards. And the organization generally complies with basic organizational standards.

## 04) Services Associated with the Accreditation

### 4.1 Public Awareness Campaign

Education and motivation of general public will be done, on the accreditation process, its standards and about the trade mark or the logo. Also, a profound awareness will be created in the society about the impact of consuming accredited locally manufactured products on the economy of the country as well as on the lives of the people.

#### 4.2 Promotion of the trade mark / Logo

An advertising and public relations campaign and various other forms of grass-root level promotional activities will be sustained continually to promote the logo and their by to popularize locally manufactured products. The promotional campaign will be based on the concept of patriotic marketing which will add an emotional value to the purchasing decision.

#### 4.3 Expert Advice

Expert service will be provided to the accredited industries, on demand, for the purpose of problem solving in the process of improving the business performance. This will be done on the basis of mutual understanding with no liability of what so ever.

#### 4.4 Technical, Educational and moral support

Technical, Educational and moral support will be extended to all accredited parties in the form of short courses, lectures, work shops, field visits, one to one counseling etc. This will be done as a part of the exercise to improve the management of the business, its performances and the over all quality of the products that are accredited.

#### 4.5 Information Services

A News Letter will be published in regular intervals to equip industrialist with new information and knowledge that would be useful in strategically positioning their business and testing innovative approaches.

#### 4.6 Library Service

A business library will be established in the head office of the Accreditation Organization, with a reasonable collection of books, periodicals and access to web based knowledge.

### 05) Nature of Accreditation

This accreditation is a voluntary program designed by the particular accreditation organization to evaluate and promote the local Industrial and service sectors. Any industrialist or service provider who is engaged in local production of any type or form of a product or service is entitled to apply for any of the two categories of the accreditation awards or both.

Once the accreditation process is completed the accredited party will be permitted to use the accreditation trade mark or the Logo in their promotional campaigns, on a legally binding agreement. There will be a nominal fee for the accreditation evaluation and for the use of logo; and the other associated services, which will be computed on the basis of cost recovery.

### 06) Accreditation Process

#### 6.1 Expression of interest

First, the interested industrialists should express their interest to get the accreditation award and to use the Logo in their promotional campaigns.

Expression of interest can be done by forwarding a formal application or by a written request along with a company profile. The company profile should include the composition of equity as well as the specific details of full product range.

Specific details of the products should include as to whether the product is locally manufactured, percentage of local value addition, how much of the production is released to the local market, market share of the product, etc. (All information will be treated confidentially).

- 6.2 Then the AO will have a discussion with the company and provide the standard format to get the full details needed for accreditation survey. This opportunity will also be utilized to have a mutual understanding on the roles of both parties, in the process of accreditation. The board of directors of AO will nominate its representatives for this purpose.
- 6.3 Based on the preliminary report of the representative, provisional approval will be given by the board of directors to conduct the accreditation survey. If the preliminary report suggest that the particular organization or the product is not eligible to be considered for accreditation the request will be turned down.
- 6.4 Then the board of directors will nominated the specialist committee for the accreditation survey. Once the survey is completed the committee is supposed to submit the final report to the Board of Directors.
- 6.5 Upon the final survey report the board of directors will award the accreditation status or decline the request. Whatever the decision it will be declared in a form of a feed back which would include the details of how to maintain the accreditation status or recommendations for further improvements-etc.
- 6.6 The next step is to sign the agreement by both parties upon the payments of accreditation fee. Initially the agreement will be signed for period of 02 years with the condition of re-evaluation every year.

## 07) Accreditation Survey

A typical survey will include,

- 7.1 Meeting with senior managers and directors
- 7.2 Review of relevant documents
- 7.3 Observation of manufacturing processes and support processes
- 7.4 Evaluation of work environment
- 7.5 Interview with front line staff and shop floor staff
- 7.6 Discussion with a sample of consumers
- 7.7 Interview with the other industrialists and competitors in the sector
- 7.8 Evaluation of the products in the market

## 08) Relationship of this Accreditation to Product and System Certifications

There is no direct relationship between this accreditation and any ISO system certification of local product certification schemes like SLS.

But having a recognized product or system certification will be an added qualification when deciding on the award of accreditation with a merit.

## 09) Standards

### 9.1 General / Basic organizational standards

#### 9.1.1 Composition of the equity

Local ownership exceeds 60% of the equity.



### 9.1.2 Business Plan

There is a business plan to improve the quality and the competitiveness of locally manufactured products. Also, sufficient resources and manpower is allocated to implement the plan.

### 9.1.3 Commitment of the top management

Top level managers and the board of directors monitor the implementation of the business plan. And workers are well aware of the objectives of the plan. There is a system of reporting and feed back to facilitate the management process in relation to the business plan.

### 9.1.4 Responsiveness to the Consumer needs

There is a system to communicate with consumers of locally manufactured products to improve the quality of the products in response to the expectations of the consumers.

### 9.1.5 Product development and research

There is a system for continuous improvement of products already available in the market and to develop new products to cater to the needs of the consumer and the market in general, and especially as import substitutes.

### 9.1.6 Manufacturing process and work environment

Manufacturing process is managed efficiently and effectively. Manufacturing area / floor is maintained according to the basic health and safety; and other environmental and sanitary standards.

## 9.2 Specific organizational standards

### 9.2.1 Product range

More than 80% of the product range is locally manufactured. (Accredited as locally manufactured.)

### 9.2.2 Environmental Responsibility

No environmental degradation takes place in the process of manufacturing or releasing industrial affluent to the environment.

## 9.3 Product / Service standards

### 9.3.1 Local value addition

The local value addition is at a level of more than 30% for industrial products and more than 60% for Agro based products. (These criteria may be changed by the board of directors on the request of evaluation expert committee in the interest of contribution to the national economy.)

9.3.2 Manufacturing process / Service delivery process

There is a local component in the manufacturing process of the product (other than packing and labeling)

9.3.3 Availability in the local market

At least 5% of the production is released to the local market.

9.3.4 Price

The price should reflect value for money when compared with other locally manufactured products having same features and quality.

9.3.5 Import substitutes

If the locally manufactured product is a substitute for an extensively imported product and it is of the same quality, the accreditation will be awarded with a merit.

9.3.6 Existence in the market

The product must have been available in the local market for more than five (02) years. A concession will be given depending on the market share and the impact on the market and the national economy.

## 10) Accreditation Trade Mark/Logo

### 10.1 Logo



**Soorya Singha Logo**

## 10.2 Motto – Ganna Ape De

## 10.3 Permission to use the logo

Once the accreditation is awarded the business is permitted use the trade mark/Logo in all promotional campaigns, on agreed condition. The trade mark can also be printed on the packaging of the products that are accredited. (In accordance with the Reproduction Standards for the logo- Document No. AC 15)

# 11) **Register of Accredited Products and Organizations**

A register will be maintained by the AO to register all the products and organizations that are accredited. Specific accreditation number and an accreditation certificate will be issued to each entry in the register. A written permission will be granted to the registered organization with the specifications and the conditions for the use of the logo.

**Annex 1 :****Model Application for Expression of Interest****PRELIMINARY APPLICATION FOR ACCREDITATION -  
MAWBIMA LANKA FOUNDATION**

Name of the organization : .....

Business registration No : .....

Address: :

1. Head Office : .....

11. Factory : .....

Telephone / Fax:.....Email / Web address : .....

Name of the applicant / Contact person:.....

Telephone /Fax: ..... Email:.....

Distribution of the equity :

1. Local share holders: No .....Equity.....

11. Foreign share holders: No..... Equity.....

Manpower Strength: 1. Management Staff (including office staff): .....

11. Manufacturing Staff: Skilled ..... Unskilled.....

Details of full product range :

Product	Production (Yearly)	How long the product has been in the market	Locally manufactured or imported and the	Market share

Details of certifications or awards :

.....

.....

.....

Following supporting documents should be submitted at the interview

- I Annual Report for last 02 year
- II Copies of any certification of products / system
- III If registered under companies Act, the Memorandum and Articles
- IV Business plans

.....

Signature

.....

Date

Annex - 2

**CONDITIONS TO BE INCLUDED IN THE WRITTEN PERMISSION**

**Obligations of the MLF**

- I MLF will grant permission and provide the trade mark to the accredited party to be used in their promotional campaigns,
- II MLF will promote the trade mark and the related concepts through routine advertising campaigns.
- III Permission will be granted initially for a period of 02 years, subject to re-evaluation and re-approval periodically as decided by the Board of Directors.

**Obligations of The Accredited Party**

- I Agree to pay the general fee for accreditation which will be computed on the basis of cost recovery and also the fee for the trade mark for a period of 02 years.
- II Immediately stop using the logo in promotional campaign, if a notification is given on the basis of breach of the written permission.
- III Use the logo only for the products that are accredited and listed in the Accreditation Certificate.
- IV Use the logo in the overall promotion of the business organization only if the organization is accredited. Otherwise the trade mark can only be used in the promotion of accredited products.